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of America

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PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Wednesday, July 15, 1998*

The House met at 9:00 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O gracious God, whose love is given freely to all creation and whose mercy is without end, accept our prayers and petitions this day.

We place before You, O God, our thanksgivings and praise for all Your goodness to us and to all people, for You have blessed us when we did not deserve and You have healed us in spite of our errors. We confess that we have too often missed the mark and not been receptive to Your grace.

Open our thoughts and minds to Your loving spirit, that we will be Your people and do the works of justice and of peace.

In Your name we pray, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Ohio (Mr. KUCINICH) come forward and lead the House in the Pledge of Allegiance.

Mr. KUCINICH led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Thursday, June 25, 1998:

H.R. 2646, to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that during the joint meeting to hear an address by His Excellency, Emil Constantinescu, only the doors immediately opposite the Speaker and those on his right and left will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance that is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor, and the cooperation of all Members is requested.

RECESS

The SPEAKER. Pursuant to the order of the House of Tuesday, July 14, 1998, the Chair declares the House in recess, subject to the call of the Chair.

Accordingly (at 9 o'clock and 7 minutes a.m.), the House stood in recess, subject to the call of the Chair.

During the recess, beginning at about 9:54 a.m., the following proceedings were had:

□ 0954

JOINT MEETING BY THE HOUSE AND SENATE TO HEAR AN ADDRESS BY HIS EXCELLENCY EMIL CONSTANTINESCU, PRESIDENT OF ROMANIA

The Speaker of the House presided.

The Assistant to the Sergeant at Arms, Richard Wilson, announced the President pro tempore and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the President pro tempore taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort His Excellency, Emil Constantinescu, into the Chamber:

The gentleman from Texas (Mr. ARMEY);

the gentleman from California (Mr. COX);

the gentleman from New York (Mr. GILMAN);

the gentleman from Nebraska (Mr. BEREUTER);

the gentleman from New York (Mr. SOLOMON);

the gentlewoman from Washington (Ms. Dunn);

the gentleman from Pennsylvania (Mr. FOX);

the gentlewoman from Connecticut (Mrs. KENNELLY);

the gentleman from Maryland (Mr. HOYER);

the gentleman from Indiana (Mr. HAMILTON);

the gentleman from California (Mr. LANTOS); and

the gentlewoman from California (Ms. PELOSI).

The PRESIDENT pro tempore. The President pro tempore of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort the President of Romania into the House Chamber:

The Senator from Florida (Mr. MACK);

the Senator from Indiana (Mr. COATS);

the Senator from Indiana (Mr. LUGAR);

the Senator from Oregon (Mr. SMITH);

the Senator from South Dakota (Mr. DASCHLE); and

the Senator from Delaware (Mr. BIDEN).

□ 1000

The Assistant to the Sergeant at Arms announced the Acting Dean of the Diplomatic Corps, His Excellency

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Dunstan Weston Kamara, Ambassador of Zambia.

The Acting Dean of the Diplomatic Corps entered the Hall of the House of Representatives and took the seat reserved for him.

The Assistant to the Sergeant at Arms announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 10 o'clock and 5 minutes, a.m., the Assistant to the Sergeant at Arms announced His Excellency Emil Constantinescu, President of Romania.

His Excellency Emil Constantinescu, President of Romania, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

(Applause, the Members rising.)

The SPEAKER. Members of Congress, it is my great privilege and I deem it a high honor and personal pleasure to present to you His Excellency Emil Constantinescu, President of Romania.

(Applause, the Members rising.)

ADDRESS BY HIS EXCELLENCY EMIL CONSTANTINESCU, PRESIDENT OF ROMANIA

President CONSTANTINESCU. Mr. Speaker, Honorable Senators and Representatives, Ladies and Gentlemen: Thank you for your warm welcome.

It is a rare honor to be able to address those who make the laws of the United States, the laws of the country of freedom, and who stand as guardians of fundamental human rights in the United States and all over the world.

Throughout its history, your country has been a beacon of hope for the oppressed and the needy, a source of inspiration for the creative, the courageous and the achieving. It has always been, and may it ever remain, the land of the free and the home of the brave.

Romania and the United States have a strong and growing relationship. We are linked to the United States by technology, know-how and capital. We are joined by hundreds of thousands of Romania's sons and daughters, people who came to this country over the years and whose descendants now live in every corner of your magnificent land. But ever more importantly, Romanians have always sent to America their most cherished treasure: Their hopes for freedom.

We call America the Land of Freedom because this has been its guiding principle, as well as a source of inspiration to other countries around the world. But the term "Land of Freedom" stands also for a virtual community of like-minded and like-hearted people all over the world who believe in the defense of liberty, of human rights, and of human dignity. People of all races and backgrounds and religions are welcomed to join.

Regardless of where they live on the globe, people who believe in freedom are citizens of the virtual Land of Freedom. Since the fall of Communism, its numbers have grown steadily and enthusiastically. Since 1989, 23 million Romanians are among the proudest members.

Your Founding Fathers have written: When a long train of abuses and usurpation evinces a design to reduce people under absolute despotism, it is their right, it is their duty to throw off such government, and to provide new guards for their future security. This is what the Romania people have done.

My country threw off the yoke of Communism in 1989, and in 1996, it achieved its first fully democratic transfer of power. As President of a fully democratic Romania, I bring you the greetings and the hopes of my fellow citizens. It is their desire to live in the Land of Freedom alongside you and all other people who value freedom, human rights and human dignity. This desire has brought me to America and to this historic Chamber today.

In the new global order, this Land of Freedom spans the globe from West to East and from North to South.

□ 1015

It is an expansive land of constantly changing landscape and with ever-changing contours. Its elusive borders are defined by each and every individual who is willing to defend liberty, property, and respect the rule of law.

But in such an ever-changing landscape, people need anchors to keep steady and stable in a sea of change. As the messenger of the Romanian people, I am here to tell you that my country can and wants to be exactly that, an anchor of stability in the sometimes storm-ridden sea of southeastern Europe. But for that anchor to keep steady, we need the acknowledgment and support of the United States of America.

We, the people of Romania, think we have earned it. Even as Romania was dragged into World War II by the Nazi regime, 6,000 Romanian citizens joined countless Romanian Americans to serve proudly in the United States Army, seeing action in the Pacific and North Africa. Some of these veterans are here today. On behalf of the Romanian people, I salute you. In defiance of the country's unfortunate war alliance, more than 1,400 American pilots and soldiers were sheltered by the Romanian people, people who refused to see the Americans as enemies, and who insisted on seeing them as defenders of freedom.

During the 1950s and 1960s, hundreds of thousands of my countrymen were being thrown in concentration camps and jails, tortured and killed only because they refused to yield their freedom. Farmers were jailed because they would not allow their land to be confiscated. Priests were tortured when they refused to forsake their beliefs. Intellectuals were sent to camps because they chose to defend freedom and democracy.

In all the Eastern and Central European countries, the armed resistance against communism lasted longest in Romania. Romania's freedom fighters were thousands of anti-Communist guerilla fighters who operated in the Carpathian mountains, including one in my childhood village. The last members were not subdued until 1961. The terrible dramas of those death-sunken times, of suffering and humiliation, were, and perhaps still are, sealed off in silence and oblivion. Romanians paid a terrible price for their fierce refusal to surrender their freedom. Romania was subjected to the harshest totalitarian dictatorship in the region: The regime of the dictator Nicolae Ceausescu.

And yet, in 1989, Romanians summoned the courage to rise up against that dictatorship: Hundreds of thousands of people took to the streets, defying Ceausescu's tanks and troops. Bare-chested young people chanted: "We shall die, but we shall be free". Over 12,000 of them paid dearly with their lives, and thousands more were injured during the anti-Communist revolution in Romania, the only country in Central and Eastern Europe to have paid in blood the price of its freedom. Please allow me here, in this temple of democracy and of freedom, to pay homage to all the Romanians, known or unknown, who have suffered and died for liberty, and, indeed, to all people who fight in its cause, anywhere in the world.

I am here today as the representative of a free, Democratic and proud Romania. I am here to tell you that you may always count on us to be vigilant guardians of the Democratic values we share with you, the values we have fought so hard to regain.

But it is not enough to have freedom. Freedom must be maintained and defended on a constant basis. I feel the best way to meet this challenge is by working together in cooperative partnerships with other nations. For I think that all of those who believe in freedom ought to have the means to defend their beliefs, together. Romania was the first country to join the United States in its Partnership For Peace, and my fellow citizens have now invested their hopes in one day joining an expanded NATO.

Some of you have strongly supported the enlargement of NATO to include Romania. For that we are grateful. Others have a less positive view, especially of a so-called "second wave" of expansion. I respect your right to differ. But as the first Central European head of state to address you since the congressional debate over NATO expansion, I want to say how deeply I admire the role of the United States Congress in making this historic decision. The expansion of NATO is a visionary undertaking, a milestone in the history of Europe and the world.

I hope you see it in the same way. As a geologist, I have learned that, while painfully climbing a mountain peak, without being able to see it from afar, you might fail to grasp its greatness. As a president, I have noticed that many a time debates and arguments prevent us from spotting, in a storm of events, the ones which will defy eternity. As an ordinary person who thinks about his fate, as well as the fate of his people and the Eastern European peoples, I have understood the tremendous force of an idea at work.

For more than 1,000 years, the borders of Europe have been drawn or changed by war, dictate or external pressure. Since the Second World War, NATO has succeeded in maintaining peace in, and for, Western Europe, and fostering well-being and progress in the nations that share its mission. At the same time, in Europe's Communist east, old conflicts laid frozen while new ones kept emerging. When the Berlin Wall collapsed at last, the peoples of the east won their freedom, but not the ability to put it to use together.

In this new and traumatic historical adventure, transition from totalitarian regimes to democracy and from centrally planned economies to a market economy, the idea of joining NATO did not merely grow out of a need to be a part of a defensive military alliance. As a vector of a set of fundamental values of modern civilization, it has become the supreme expression capable of harnessing the major goal of human solidarity. Issues that had seemed impossible to solve, both within and between the various Eastern European countries, can now find a solution through joint Democratic exercise that has replaced the harsh logic of confrontation by dialogue and cooperation.

Let us imagine for just one moment the European stage after the fall of communism, had NATO gotten frozen in its original project, leaving the east of Europe prey to violence and chaos. What would there have been left of Eastern Europe, save for ruins, and how long would it have lasted before Western Europe and then maybe the United States itself had lapsed into the grip of antagonisms?

Now that freedom has come to the people of Eastern Europe, we aspire to take the next step and join a community of nations bound together by freedom, human dignity and prosperity. We welcome the chance to share our part of the burden of securing a peaceful future for all of Europe. But to do that, we need your help.

In many ways this moment is as crucial to the future of Europe as were the years after World War II that first gave birth to NATO itself. Your country undertook, with great wisdom and vision, the responsibility of world balance and world peace. We urge you to do so again. Romania does not seek to add to this historic burden, but to share it, modestly, yet reliably, as a trusted ally and friend. In order to build a fully prosperous, Democratic and stable Europe, one that stretches from the Atlantic to the Urals and beyond, the United States needs to anchor its policies to countries on Europe's southeastern flank that share its Democratic ideas and its commitment to the region's stability.

Romania is such a country. I would even go so far as to say that Romania is a key to stability in the southern part of Europe. It is a bold statement, I know, but one that is supported by three important factors.

First, Romania is the second largest country in the region and centrally located in a place of strategic importance to the security of the entire area. We are truly a crossroads for many diverse cultures and civilizations, western secular, Southern Catholic, Eastern Orthodox and Muslim. Many observers have said conflicts seem almost inevitable, given Romania's ethnic patchwork and complex border situation.

Still, we have managed to avoid conflict, both within and along our borders, and to successfully find political solutions to all potentially divisive ethnic and external issues. Today, for example, the Hungarian ethnic minority is part of the governing majority. The sensitive issues of the relations with the Republic of Moldova and the Ukraine have been resolved without tension. Religious minorities are developing an increasing dialogue with the Orthodox majority. Romania's social peace is proof that when a democracy is firmly rooted, its institutions can weather the storms of social reform.

☐ 1030

So the strength of our internal democracy is the first reason we are so important to regional stability.

Second, we have strong diplomatic and political ties with all countries in the area. For example, through goodwill and constant effort on the part of both countries, Romania has reached an historic agreement with Hungary to bring long-sought reconciliation between our two nations. The strength of this grassroots reconciliation has been successfully tested many times this past year. Recently, both our Hungarian minority and all Romanians were able to freely and peaceably commemorate the historic events of the 1848 democratic revolutions, when our two countries unfortunately fought against one another. We have concluded a sound treaty with the Ukraine, which provides for the mutual protection of our ethnic minorities and starts many common projects.

Romania's three-party agreements with Poland and the Ukraine, the Ukraine and the Republic of Moldova, and Bulgaria and Turkey, and soon with Greece and Bulgaria, and Hungary and Austria, as well as the excellent relations with all the Balkan countries, the Baltic States, and, naturally, Russia, are tokens of our contribution to the regional security architecture, in a zone still marked by simmering conflicts.

Third, Romania is a key to stability in the region because it is at the crossroads of the two largest Euro-Asian trade routes known for thousands of years: the East-West one, known as the "the Silk Road," running from China to Spain, and the North-South one, "the Amber Road," from Scandinavia to the Mediterranean Sea. These roads will find a new meaning in the global world of the third millennium. It is particularly the "Silk Road" project, which will tie Japan and China to Central Asia and Caucasian countries, Southeastern and Central Europe to Western Europe, from the Pacific to the Atlantic, that will most likely evolve into the biggest challenge of the early third millennium. Last week, I met with the presidents of Azerbaijan and Georgia to discuss the role our countries can play in securing the central tier of this vast trading route.

United States participation in this great effort is crucial. Not only does the United States lend tremendous credibility to such an undertaking, but it also helps ensure that future trade will be conducted in a stable region secured by open and cooperative Democratic structures. Ethnic conflict arises because of a major deficit of democracy, invariably triggered in our part of the world by the representatives of the old Communist structures, unwilling or unable to fit in the new context and to give up former privileges. Indeed, national-communism is not a residue but the ultimate expression of communism itself, with all its stock of hatred, grafted on the demons of chauvinistic nationalism. One of the admirable gestures of American democracy lies in its assuming, alongside Europe, moral responsibility for the Holocaust. Meditating upon this example helps us understand that we all have the imprescriptible duty to be alert to any chauvinistic, anti-Semitic and aggressive deviation. Because aggressive hatred is like plague; it may recur anytime. It is in Romania's interest to contribute to Southeastern Europe's becoming a region where different modern, open societies coexist peacefully, a region where democracy, tolerance, freedom and human rights are at home. I believe this to be in America's interest as well.

I would like to relate to you what Romanian opinion polls have repeatedly shown for the last several years, namely, that the Romanian people consider the United States to be our most reliable partner. There is, between our people, an underlying closeness of our souls. One sign of this, I believe, was the outpouring of enthusiasm that welcomed President Clinton to Bucharest last summer. Another more fundamental sign is the ongoing effort to build the closest possible strategic partnership between our country and the United States.

Romania is fully committed to forming and nurturing this special partnership. Democracy can only flourish in Romania and we can only become a more positive influence in the region if our role as a stabilizing force is acknowledged and supported by the United States and its allies. Romania is living proof that Eastern and Southeastern Europe are not doomed to a life of conflict. But we all have the duty to be on guard against hatred in any form.

Over the past year, Romania has proved that the occasional political storm matters less than having a sound political foundation that allows us to weather those storms. We have also learned that despite our profound and unflinching commitment to privatization and economic reform, it will be more difficult to rebuild the Romanian economy than we or our friends expected. We understand the need to balance our eagerness for speedy reform with the need to maintain social stability. We have been able to do this so far. Again, this is a tribute to our democratic institutions and the commitment of our people to those institutions. The next step is to speed up privatization while maintaining our social equilibrium.

All of these efforts, building the society, consolidating democratic institutions, reforming the economy, our contribution to the security of Eastern Europe would be more difficult without your assistance. But I can assure you they are well worth your efforts, as they do so much to advance peace and stability in such a vital part of the world.

As a representative of the American people, I want to thank you on behalf of my country for the friendship and help the United States has shown us.

The land of freedom, the land I spoke about a few minutes ago, is a unique place. It belongs to those who are willing to sacrifice for its attainment and its defense. It is a land your Founding Fathers conceived and the one envisioned by our own patriotic thinkers and fighters. It is the land of your brave military men and women, as it is the land of Romania's soldiers who volunteered to go to Albania, Angola, the Persian Gulf and Bosnia, in any country where peace is under attack. It is our challenge together, as allies and partners, to build the bridges to the next millennium from the Danube to the Potomac, from the Black Sea to the Pacific Ocean and beyond, wherever people believe in and fight for freedom.

I would like to close with a true story. One hundred and fifty years ago, a young Romanian who had fought for freedom in the 1848 revolution emigrated to America. His name was George Pomutz, which in Romanian means "little tree." Once on American soil, he volunteered for Lincoln's Army and fought in some of the key battles of the Civil War, including Vicksburg and Atlanta. Our "little tree" went on to become a general in your Army and later an American diplomat, serving in Russia, where he helped negotiate the American purchase of Alaska. In 1944, long after his death, the Romanian community in the United States donated money to build a battleship, named for Romanian-American General George Pomutz. The ship named for the "little tree" served in peace and war, always a symbol of strength and vigilance. Over the decades, Pomutz' story attests to the common roots shared by our two people, the closeness of their souls, their love of freedom and their willingness to fight in its defense.

God bless America. God bless Romania. God bless the land of freedom.

JOINT MEETING DISSOLVED

The SPEAKER. The purpose of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Accordingly (at 10 o'clock and 46 minutes a.m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The House will continue in recess until 11:15 a.m.

□ 1117

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. EWING) at 11 o'clock and 17 minutes p.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nevada?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 3156. An act to present a congressional gold medal to Nelson Rolihlahla Mandela.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2870. An act to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 2282) "An act to amend the Arms Export Control Act, and for other purposes."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 1-minute speeches on each side.

THE BEANIE BABY CAPERGATE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, as we all know, the President and his entourage just recently returned from a 9-day, taxpayer-paid, $50 million trip to China. It appears that America's tough-talking trade representative, Charlene Barshefsky, has shunned and even ignored American trade law. My word, Mr. Speaker, we now have the Barshefsky Beanie Baby Capergate.

Apparently, the President's trade rep, who is supposed to know, who is supposed to understand, who is supposed to follow trade laws, was caught red-handed in China's unregulated back-alley Beanie-Baby black market. Barshefsky illegally acquired a boatload of Beanie Babies while in Beijing and tried to bring them back to the United States.

"Whoa, not so fast," said the U.S. Customs, since it is illegal to purchase these toys in China.

Well, what is next? I hope the Clinton Administration does not think that this is an even trade for the top-secret missile technology they just gave them. With a $50 billion U.S. trade deficit, maybe the Chinese were secretly paying off the Clinton Administration with Barshefsky Beanie Babies.

I yield back to the American people any legal Beanie Babies not hiding in the White House.

PATIENT'S BILL OF RIGHTS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, you ask the question, what do the American people want? Well, they want a real Patient's Bill of Rights, not the whiplash health care bill that Speaker GINGRICH and the Republicans want us to buy in. Whiplash? It comes real sharp, and when you get through, it hurts badly.

Our Patient's Bill of Rights guarantees a patient's right to see a specialist when they need to. It emphasizes the patient's and the doctor's rights and relationships. It guarantees that our vulnerable patients will be able to choose their own doctors.

Yes, it bans the little parrots that are given to our doctors who say, "Don't give them any care to them; see them only for 10 minutes."

Do you know what the Republicans do? They do not allow you to choose your own doctor. They send women out of the hospital before 48 hours after they have had a mastectomy; and, yes, they keep asking you to pay for those high, high prescription drugs.

Americans want a real Patient's Bill of Rights, not the whiplash that comes quickly and hurts long. Support the Democratic Patient's Bill of Rights and get real health care reform, real managed care reform for America.

AMERICA VULNERABLE TO FOREIGN MISSILE ATTACK

(Ms. DUNN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DUNN. Mr. Speaker, the Preamble to the United States Constitution states that the Federal Government shall have the responsibility to provide for the common defense. Protecting our national security is, in fact, the first duty and the primary obligation of the President, our commander-in-chief.

But America is vulnerable today, vulnerable to a missile attack from abroad. It is a shame that it has taken nuclear blasts in India and Pakistan to convince American leaders that the time to act is now.

Many Americans are unaware of this, but if a missile were fired at an American city, the United States would be defenseless against it. This is a shocking realization when you consider that there are many nations that have the capability of reaching American soil with long-range nuclear missiles.

The potential threat to every child in America demands that we take decisive action to protect ourselves from the uncertainty that exists in the world today. It is time to honor our obligation to the Constitution and to the American people by building a missile defense system. No less than the security of our Nation and the safety of our children is at stake.

KEEPING WHAT IS ALREADY YOURS

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, this Congress intends to focus like a laser beam on an issue of particular importance to families. It's called tax cuts. Many Americans are moving ahead in these economic good times, but some families are having trouble making ends meet.

While the liberals believe that the way to improve the standard of living of hard-pressed working families is to propose more job training programs and more Washington-directed education programs, the same ones which have failed miserably in the past, Republicans have a much better idea. Republicans want to help ordinary working families by letting them keep more of their own money. No need for theory or hopes that some day these Federal training programs will trickle down to real people. No, the Republicans can help families make ends meet, save for that first home or pay off those credit cards by giving them a tax cut.

Actually, the government would not be giving them anything. It would mean that the government would let people keep more of their own hard-earned money.

ACCEPTING RESPONSIBILITY FOR TEACHING MORALS AND VALUES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, once in America, parents imparted their values and morals to their children. Today, it is out with parents, in with computers. Some even liken it to a Tower of Babble in each family room.

Check this out. Last month a woman gave birth on the Internet; and today two teenagers announced, through their attorney, no less, that they will surrender their virginity live on the Internet. Unbelievable. What is next? A late-term abortion? How about an online sacrifice to Satan, folks?

Beam-me-up.com.

I say it is time for these computer companies to shove their software up their hard drives live on the Internet.

One last thing, on a serious note. I believe America is in sad shape when computers begin to replace parents in passing down our morals and values.

I yield back any common sense left in the country.

FREEDOM AND PRIVACY RESTORATION ACT

(Mr. PAUL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, I rise today to introduce the Freedom and Privacy Restoration Act, which repeals those sections of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 authorizing an establishment of Federal standards for birth certificates and drivers' licenses.

This obscure provision, which was part of a major piece of legislation passed at the end of the 104th Congress, represents a major power grab by the Federal Government and a threat to the liberties of every American, for it would transform State drivers' licenses into national ID cards.

If this scheme is not stopped, no American will be able to get a job, open a bank account, apply for Social Security or Medicare, exercise their second amendment rights, or even take an airplane flight until they can produce a State driver's license that is the equivalent of conforming to Federal specifications. Under the 1996 Kennedy-Kassebaum health care reform law, Americans may be forced to present a federally approved driver's license before consulting their doctors for medical treatment.

My fellow colleagues, make no doubt about this, this is a national I.D. card. We do not need it. Please join me in an effort to stop it.

PLEDGE TO FULLY FUND THE E-RATE PROGRAM

(Mr. RUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUSH. Mr. Speaker, I rise today to alert my colleagues to the growing threat to the E-rate program. This key provision of the Telecommunications Act of 1996 makes sure that our Nation's poorest children do not get left behind along the information superhighway by providing telecommunications services at a discounted cost to poor and rural schools and libraries.

To date, more than 30,000 applications for the program have been received, including over 200 in my district. As part of the Telecommunications Act, long distance companies agree to support the E-rate program through their contributions to the Universal Service Fund. In exchange, the industry has reaped billions of dollars in lower access charges and expanded market share. Now they want to renege on the deal.

Today I am calling on my colleagues to pledge their commitment to seeing that the E-rate program is fully funded. To pull the plug on full funding of the E-rate program is to further exacerbate the great digital divide between the haves and have-nots and will leave our children unprepared to move into the new millennium. Let us not let that happen.

SIGN EDUCATION SAVINGS ACCOUNT INTO LAW

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, the Republican-led House voted overwhelmingly for Education Savings Accounts to give every American family the power to improve the educational choices for their children. Not every family today can afford a home computer or the SAT prep course, but through IRA-style Education Savings Accounts, Republicans hope to make these education expenses more available to children.

Who is in a better position to use this money to help improve our Nation's education needs, Washington bureaucrats or American families? That is the decision that must be made.

Mr. Speaker, the best way to help improve education is to give each family more of their own money so they can choose what and how to help their children. For this to happen, President Clinton must free our children from the education bondage of special interests and sign the Education Savings Account conference report into law.

□ 1130

TRUTH IN BILLING

(Mr. BLUMENAUER asked and was given permission to address the House for 1 minute.)

Mr. BLUMENAUER. Mr. Speaker, the authors of the Education Rate are distressed by the current controversy, since the discount was supposed to be paid for through the hefty savings the telephone companies received as a result of deregulation, almost $3 billion as of July 1998.

That is why I have introduced H.R. 4018 to give consumers "truth in billing." It would require a GAO report on how much money has actually been saved as a result of deregulation and how much of that savings has been passed back to consumers. In addition, it would require that those companies seeking to put additional line items on their bills reflect the full and accurate picture of both costs and savings that have resulted from the Federal regulatory action.

There is no reason for confusion. At a time when the majority of classrooms in America do not have Internet access, and when the numbers for the poor and the rural areas are even worse, it is important for Congress to cut through the confusion, keep our commitment to our schools and libraries, and most important, to America's children.

TRIBUTE TO THE COURAGE AND BRAVERY OF OUTSTANDING STUDENTS AT THURSTON HIGH SCHOOL IN SPRINGFIELD, OR

(Mr. BARR of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARR of Georgia. Mr. Speaker, I rise today to honor Jake and Josh Ryker, Adam Walburger, and Doug and David Ure for their courage and bravery.

On May 21, 1998 these students witnessed a fellow classmate walk into the Thurston High School cafeteria in Springfield, Oregon, and begin shooting. Jake Ryker, after being shot through the chest, grabbed the suspect around the waist and threw him down, knocking the rifle out of his hands. His brother Josh and three other students followed Jake's lead and jumped on the suspect and held him on the floor until teachers arrived to provide assistance.

The Ryker brothers and their family attribute these boys' confidence and quick thinking to their familiarity with firearms and the training they received as Boy Scouts. I would add to this a strong family that taught these brothers courage, integrity and compassion for their fellow man.

Clearly, the actions of Jake and Josh Ryker, Adam Walburger, and Doug and David Ure saved more lives and prevented more students from being injured or killed.

Mr. Speaker, I take this moment to honor the courage and bravery of these fine young men for acting above and beyond the call of duty in defense of their fellow classmates at Thurston High School in Springfield, Oregon.

MANAGED CARE REFORM

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, I find it ironic that the same people that preached and lectured this Congress about the importance of personal responsibility and accountability for one's actions during the welfare reform bill are taking the opposite position on managed care reform.

This is really about the same thing: being accountable for the decisions we make. We should be responsible for our actions, whether one is a Member of Congress voting, a welfare recipient looking for work, or an HMO deciding not to pay for a test or a procedure that the doctor says is medically necessary.

Why should HMOs be given preferential treatment and held to a different standard than the doctors they employ or the patient that they are supposed to serve?

The Republican managed care bill will not hold HMOs accountable when they make these medical decisions.

One thing this decision does is clearly define where everyone stands on the issue. We should be fighting for a bill that requires timely internal and external appeals; access to specialists or special needs; point of service choice for employees and the patients; open communication between patients and their doctors; no gag rule; and accountability of the medical decision-maker. We need real health care reform, not a false hope.

DOLLARS TO THE CLASSROOM ACT

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I rise to seek support for our Nation's children to learn and our teachers to teach by supporting H.R. 3248, the Dollars to the Classroom Act. This bill will send at least 95 cents of every Federal dollar for 31 K-through-12 education programs to our children's classrooms. That means that $2.7 billion will be taken from the grasp of bureaucrats and put into the hands of a teacher who knows our child's name. Mr. Speaker, that means that every classroom in America will get an additional $425 on an average of $9,300 per public school. I urge my colleagues to join this important effort to redistribute education tax dollars away from bureaucrats to students, parents and teachers.

Instead of paying for reports, studies, and layers of bureaucracy, I ask my colleagues to pay for teachers' salaries, textbooks, computers and other supplies. Let us put our children first, let us put their education first, let us turn rhetoric into action by passing the Dollars to the Classroom Act before our children return to school next fall.

DEMOCRATS LOVE TO TAX

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, today we have heard liberal after liberal, Democrat after Democrat, excuse me, I am being redundant, speak in favor of a new $2 billion tax increase. They are so proud of the Gore tax. Every time you call your mother, it is going to cost you a little bit more. Every time you have a medical emergency, a friend out of town, it is going to cost you more. Any time you have a loved one in California you want to call from the East Coast, it is going to cost you more, and the Democrats are so happy about it.

Why are they happy about it? Well, for one thing, any tax is a good tax. We love all taxes. Another reason they are happy: we did not have to vote on it. It got sneaked in by their comrades in the Federal bureaucracy who sneaked it in. Not one congressional vote.

I would say to my liberal colleagues, we know you like taxes. Why do we not vote on it? Since you are so proud of tax increases, why not bring this matter to the floor so that the Vice President can run on a new platform: I increased your phone taxes. I increased it for the poor people, I increased it for the old, I increased it for those on fixed incomes, and let them brag about it on the House floor.

STRONG SUPPORT FOR E-RATE

(Mr. REYES asked and was given permission to address the House for 1 minute.)

Mr. REYES. Mr. Speaker, I am gladly standing this morning in support of the E-rate. I believe this country's most valuable resource to be our children, and education is key to their development. In a world where computers are defining their very lives, our educational institutions must include technology. The genius of American education is that whether rich or poor, our children are given the opportunity to gain that knowledge.

Today, the Internet is a tremendous tool to acquire that knowledge. It brings people and ideas thousands of miles apart to a child's desktop. We cannot afford to have this technology available only in financially strong schools. Through the E-rate, those schools and libraries with limited resources are given the necessary discounts to link up with everybody else.

The attacks on the E-rate are an assault on our children's future. Our society must not be divided by those who are computer literate and those who are not.

Mr. Speaker, if we do not support E-rate, we doom and handicap our children. Americans understand and want access to technology in their children's schools, and we must all support the E-rate.

PRESIDENT SHOULD SIGN EDUCATION SAVINGS ACCOUNTS LEGISLATION

(Mr. PAPPAS asked and was given permission to address the House for 1 minute.)

Mr. PAPPAS. Mr. Speaker, the President has an opportunity to help middle class parents give their kids more opportunities in life. Congress passed legislation that would create education savings accounts, which means that middle class parents could save in tax-free accounts and use it towards their children's education. They could use it in any way that they wished, towards private schooling for extra tutoring, or for special help in meeting the needs of disabled children.

It is an insult to parents everywhere to suggest that they are incapable of saving for their children's education, and it is either naive or simply dishonest of liberals to say that the education savings accounts would not benefit poor parents because only private schools costing thousands and thousands of dollars are in existence.

Let us help parents save for their children's education. The President should sign this legislation today.

HEALTH CARE REFORM: PATIENTS' BILL OF RIGHTS IMPORTANT FIRST STEP

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, the leadership of the majority in both the House and the other body have finally entered into the public discussion on the adoption of a "Patients' Bill of Rights."

This is an important step because it is an acknowledgment by the majority that American families are demanding protection in their dealings with Health Maintenance Organizations. It is an important step, too, because the Republican proposals will give the American people a clear choice. They can choose a Republican plan which affirms the rights of patients to appeal, but which appeals fall on deaf ears; and without real enforcement provisions, the Republican plan simply moves the consumer's appeal on a denial of coverage up the management ladder to a fancier wastebasket.

The Democratic plan, now that provides real enforcement. It gives you, the patient, the right to enforce all of the provisions of your HMO plan. That is why we need the Democratic Patients' Bill of Rights legislation. The Democratic proposal reaches beyond an election year quick fix to a fundamental problem by giving the consumers real power to enforce their plans.

HMOs have moved into the business of prescribing health care. The Democratic plan makes sure the HMOs are held responsible for such decisions.

CHILD CUSTODY PROTECTION ACT

(Mr. LARGENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LARGENT. Mr. Speaker, Americans value many things, but no value is stronger, deeper or greater than the love that a father and mother have for their children.

Mr. Speaker, no one loves their children more than their parents. Yet we see and hear more every day about how big government is coming between parents and children, about how government is stepping in without just cause and usurping parental rights.

Mr. Speaker, my office and many other offices have heard from families across the Nation that are concerned, frustrated, and even angry over government undermining their authority, and many times we feel helpless. We often find ourselves asking, what can we do about it.

Well, Mr. Speaker, today every Member of this House will have an opportunity to do something about it. Today, Mr. Speaker, parents from across the Nation will be watching our vote on the Child Custody Protection Act.

The act is simple. It says that one cannot transport minors across State lines for abortions in order to avoid notifying their parents. These are deeply held beliefs, Mr. Speaker, and today as we vote on the Child Custody Protection Act, the parents of America will be watching.

HMO REFORM

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, now that Congress is back in session, the debate over HMO reform will really begin. It will really heat up. We will hear from the Republican side of the aisle a lot of gimmicks. They will talk about health marks, and they will talk about medical savings accounts.

What we have to understand is that the key to HMO reform is simply this: timely access to needed medical services and the ability to enforce that right. That is what the Democratic plan would do, because it would give patients the right to sue HMOs when HMOs make decisions that deny their patients' rights and adversely affect their health care.

The Republican plan does not offer that benefit because they are afraid to take on the HMOs and the insurance industry.

Let me give my colleagues an example in my district. It is a typical example. A young man is in a bicycle accident. He faces facial disfigurement. His medical doctor says he ought to take a certain course of treatment, but the HMO says no, we are not going to pay for that treatment.

Let me tell my colleagues, if the HMO could be sued for failing to allow necessary treatment, they would change their tune. That is what the debate for HMO reform is all about. I hope we will adopt the Democratic approach.

ACCOMPLISHMENTS OF THE 105TH CONGRESS

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, it is time to take stock of the 105th Congress. Despite a slim majority in the House, a

Senate that lacks the 60 votes necessary to break a filibuster and a liberal Democrat in the White House, the Congress has managed to pass an historic balanced budget agreement, middle class tax cuts, and a transportation bill that addresses the needs for improved, safer roads in America.

But while Republicans are proud of that record, they are not satisfied. The cost of government is too great, Washington spending is still too careless, and education reform is being blocked by the usual suspects. The remaining time in the 105th Congress should be devoted to more progress in these areas.

The President has on his desk important legislation to help parents save for their children's education in the form of education savings accounts. Normally this would not even be controversial, but the special interests oppose it, and the prospects for the President signing it are slim.

That leaves us with more tax cuts and fiscal restraint. When it comes to tax cuts, Republicans believe in "more rather than less, sooner rather than later."

Of course, we intend to honor that pledge.

□ 1145

WHY IS THE REPUBLICAN PARTY PROTECTING THE HEALTH INSURANCE COMPANIES?

(Mr. ROTHMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTHMAN. Mr. Speaker, I hold in my hand a series of very thoughtful articles from my hometown newspaper about the devastating effects when HMOs deny doctors and their patients the right to see medically needed specialists or to receive special tests.

The problem is the Democratic Party and a handful of Republicans want to make HMOs accountable when they deny a specialist's care or special medical tests and that denial causes pain or injury or death to the person.

Right now if that happens, the patient who gets sick or dies, his family can sue the doctor, but they cannot sue the HMO who denied the test or denied the procedure that would have saved the person's life. The Republican Party will not allow HMOs to be held accountable.

We should ask yourselves, why? Why would the Republican party not allow HMOs to be sued or to be held accountable if the HMO's denial of a test or treatment caused the pain, injury, or death? In our society if somebody does something wrong to you, you can sue them. Why are they protecting the health insurance companies?

THE PRESIDENT'S ENTOURAGE TO CHINA AND OTHER LOCATIONS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I rise to comment on the President's record-breaking trip to China.

The President broke every record imaginable in the size of the delegation he took with him to China and in the amount he spent on a foreign trip. His official entourage numbered more than 1,000. Its estimated cost was $40 million, according to the International Herald Tribune.

"The Presidential entourage filled four passenger planes and several military transports." In addition, the retinue included six Members of Congress, five cabinet officials, who each brought almost 40 staff members, a chief of staff, a deputy chief of staff, a national security adviser, a deputy national security adviser, a press secretary, a deputy press secretary, five stenographers, two White House television crews, a valet for the President and a hairdresser for Mrs. Clinton, the President's private secretary and the White House staff secretary, speechwriters and rewriters, doctors and lawyers, snipers, commandoes, bomb-sniffing dogs, and of course, 375 reporters and photographers.

Vice President GORE must have felt like the kid in "Home Alone." They spent more in 10 days than Judge Starr spent in 3 years.

CONGRESS SHOULD PASS LEGISLATION HOLDING HMOS RESPONSIBLE FOR DENIAL OF CARE

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, I would like to share with my colleagues the story of one of my constituents, Sharon Crossley, from Wallingford, Connecticut. Last November Sharon was diagnosed with breast cancer. The day before her surgery her HMO canceled the procedure because it was scheduled for the wrong hospital. While Sharon was waiting to get on another doctor's schedule, precious days were passing by.

As a cancer survivor, I can tell the Members how frightening the diagnosis is and how essential it is to get quick medical attention. Every day of delay is another day that the cancer could be spreading through your body, threatening vital organs.

Sharon Crossley was one of the lucky ones. She called our office. We were able to convince her HMO to help her get emergency surgery scheduled immediately. But patients should not have to take that kind of a risk that Sharon had to take.

The American people deserve to have rights in the health care system. That is why we need to pass legislation today holding managed care plans responsible for the denial of care with real, reliable, and enforcible remedies.

THE SONNY BONO SALTON SEA RESTORATION ACT

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, in an hour or so we will have an opportunity to vote for the Sonny Bono Salton Sea Restoration Act. I would urge every Member to vote for this great, commonsense conservation project.

It will take the Salton Sea, which is some 360 square miles in size, and it will convert that sea or rehab that sea into a wonderful fishing resource, a great place for birders, for people that like all the water sports. It is within driving distance of about 6 percent of America's population. This is a great blue collar playground where people who cannot afford to go off for fly fishing on New Zealand on their holidays will have an opportunity to recreate.

The gentlewoman from California (Mrs. BONO) will be leading our efforts on the floor in just about an hour, along with the gentlemen from California, Mr. JERRY LEWIS and Mr. KEN CALVERT. I hope every Member votes for this great conservation project.

GIVE CREDIT WHERE CREDIT IS DUE FOR AMERICA'S ECONOMIC SURGE

(Mr. CHABOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHABOT. Mr. Speaker, it is time to review a little recent history. What was the value of the Dow Jones Industrial Average on November 3, 1992, the day President Clinton was elected? It was 3252. The next question, what was the Dow Jones average 2 years later, when the President had been in office 2 years, when Republicans finally took over the Congress for the first time in 4 years? 3830. So it went basically from 3200 to 3800, about a 500-point increase.

What happened to the economy and the Dow Jones after the Republicans took over the House? The New York Stock Exchange has gone up over 9000 now, so it is an increase of about 5000. The liberals like to say that the economy turned around when the President was elected.

That is not what happened at all. It turned around when the financial markets and the American people were confident, when we had a turnover in the House of Representatives, not when the President was elected, a 5100 point increase. So let us let credit go where credit is due. It is important.

We want jobs, lower taxes. That is what this country needs, not higher taxes and not bigger government solutions.

THE ACCOMPLISHMENTS OF THE 105TH CONGRESS

(Mr. PORTMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTMAN. Mr. Speaker, I have heard a lot about the do-nothing Congress. I am getting kind of tired of it. The 105th Congress has been a very active Congress. The balanced budget we all know about, the first balanced budget in over 30 years, the first tax cuts in over 16 years, welfare reform that has moved people from dependency to dignity.

This year we continue to be busy. Later today we are going to hear from the gentleman from New York (Mr. GILMAN) and others on major environmental legislation called the Tropical Forest Conservation Act. It comes out of this Congress. We will be saving millions of acres of rain forests every year around the world through this legislation.

We just heard about the Salton Sea Restoration Act Congress is going to pass today. The IRS reforms, just last week the Senate passed historic IRS reforms. Since 1952 the IRS has not seen major reform. We are going to actually make the IRS work for the taxpayers, rather than the other way around.

A do-nothing Congress? It sounds more to me like a Congress that is doing plenty, in response to the concerns of the American people.

TROPICAL FOREST CONSERVATION ACT OF 1998

Mr. GILMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2870) to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. DEBT REDUCTION FOR DEVELOPING COUNTRIES WITH TROPICAL FORESTS.

The Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following:

"PART V—DEBT REDUCTION FOR DEVELOPING COUNTRIES WITH TROPICAL FORESTS

"SEC. 801. SHORT TITLE.

"This part may be cited as the 'Tropical Forest Conservation Act of 1998'.

"SEC. 802. FINDINGS AND PURPOSES.

"(a) FINDINGS.—The Congress finds the following:

"(1) It is the established policy of the United States to support and seek protection of tropical forests around the world.

"(2) Tropical forests provide a wide range of benefits to humankind by—

"(A) harboring a major share of the Earth's biological and terrestrial resources, which are the basis for developing pharmaceutical products and revitalizing agricultural crops;

"(B) playing a critical role as carbon sinks in reducing greenhouse gases in the atmosphere, thus moderating potential global climate change; and

"(C) regulating hydrological cycles on which far-flung agricultural and coastal resources depend.

"(3) International negotiations and assistance programs to conserve forest resources have proliferated over the past decade, but the rapid rate of tropical deforestation continues unabated.

"(4) Developing countries with urgent needs for investment and capital for development have allocated a significant amount of their forests to logging concessions.

"(5) Poverty and economic pressures on the populations of developing countries have, over time, resulted in clearing of vast areas of forest for conversion to agriculture, which is often unsustainable in the poor soils underlying tropical forests.

"(6) Debt reduction can reduce economic pressures on developing countries and result in increased protection for tropical forests.

"(7) Finding economic benefits to local communities from sustainable uses of tropical forests is critical to the protection of tropical forests.

"(b) PURPOSES.—The purposes of this part are—

"(1) to recognize the values received by United States citizens from protection of tropical forests;

"(2) to facilitate greater protection of tropical forests (and to give priority to protecting tropical forests with the highest levels of biodiversity and under the most severe threat) by providing for the alleviation of debt in countries where tropical forests are located, thus allowing the use of additional resources to protect these critical resources and reduce economic pressures that have led to deforestation;

"(3) to ensure that resources freed from debt in such countries are targeted to protection of tropical forests and their associated values; and

"(4) to rechannel existing resources to facilitate the protection of tropical forests.

"SEC. 803. DEFINITIONS.

"As used in this part:

"(1) ADMINISTERING BODY.—The term 'administering body' means the entity provided for in section 809(c).

"(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means—

"(A) the Committee on International Relations and the Committee on Appropriations of the House of Representatives; and

"(B) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

"(3) BENEFICIARY COUNTRY.—The term 'beneficiary country' means an eligible country with respect to which the authority of section 806(a)(1), section 807(a)(1), or paragraph (1) or (2) of section 808(a) is exercised.

"(4) BOARD.—The term 'Board' means the board referred to in section 811.

"(5) DEVELOPING COUNTRY WITH A TROPICAL FOREST.—The term 'developing country with a tropical forest' means—

"(A)(i) a country that has a per capita income of $725 or less in 1994 United States dollars (commonly referred to as 'low-income country'), as determined and adjusted on an annual basis by the International Bank for Reconstruction and Development in its World Development Report; or

"(ii) a country that has a per capita income of more than $725 but less than $8,956 in 1994 United States dollars (commonly referred to as 'middle-income country'), as determined and adjusted on an annual basis by the International Bank for Reconstruction and Development in its World Development Report; and

"(B) a country that contains at least one tropical forest that is globally outstanding in terms of its biological diversity or represents one of the larger intact blocks of tropical forests left, on a regional, continental, or global scale.

"(6) ELIGIBLE COUNTRY.—The term 'eligible country' means a country designated by the President in accordance with section 805.

"(7) TROPICAL FOREST AGREEMENT.—The term 'Tropical Forest Agreement' or 'Agreement' means a Tropical Forest Agreement provided for in section 809.

"(8) TROPICAL FOREST FACILITY.—The term 'Tropical Forest Facility' or 'Facility' means the Tropical Forest Facility established in the Department of the Treasury by section 804.

"(9) TROPICAL FOREST FUND.—The term 'Tropical Forest Fund' or 'Fund' means a Tropical Forest Fund provided for in section 810.

"SEC. 804. ESTABLISHMENT OF THE FACILITY.

"There is established in the Department of the Treasury an entity to be known as the 'Tropical Forest Facility' for the purpose of providing for the administration of debt reduction in accordance with this part.

"SEC. 805. ELIGIBILITY FOR BENEFITS.

"(a) IN GENERAL.—To be eligible for benefits from the Facility under this part, a country shall be a developing country with a tropical forest—

"(1) whose government meets the requirements applicable to Latin American or Caribbean countries under paragraphs (1) through (5) and (7) of section 703(a) of this Act; and

"(2) that has put in place major investment reforms, as evidenced by the conclusion of a bilateral investment treaty with the United States, implementation of an investment sector loan with the Inter-American Development Bank, World Bank-supported investment reforms, or other measures, as appropriate.

"(b) ELIGIBILITY DETERMINATIONS.—

"(1) IN GENERAL.—Consistent with subsection (a), the President shall determine whether a country is eligible to receive benefits under this part.

"(2) CONGRESSIONAL NOTIFICATION.—The President shall notify the appropriate congressional committees of his intention to designate a country as an eligible country at least 15 days in advance of any formal determination.

"SEC. 806. REDUCTION OF DEBT OWED TO THE UNITED STATES AS A RESULT OF CONCESSIONAL LOANS UNDER THE FOREIGN ASSISTANCE ACT OF 1961.

"(a) AUTHORITY TO REDUCE DEBT.—

"(1) AUTHORITY.—The President may reduce the amount owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1998, as a result of concessional loans made to an eligible country by the United States under part I of this Act, chapter 4 of part II of this Act, or predecessor foreign economic assistance legislation.

"(2) AUTHORIZATION OF APPROPRIATIONS.—For the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) for the reduction of any debt pursuant to this section, there are authorized to be appropriated to the President—

"(A) $25,000,000 for fiscal year 1999;

"(B) $75,000,000 for fiscal year 2000; and

"(C) $100,000,000 for fiscal year 2001.

"(3) CERTAIN PROHIBITIONS INAPPLICABLE.—

"(A) IN GENERAL.—A reduction of debt pursuant to this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

"(B) ADDITIONAL REQUIREMENT.—The authority of this section may be exercised notwithstanding section 620(r) of this Act or section 321 of the International Development and Food Assistance Act of 1975.

"(b) IMPLEMENTATION OF DEBT REDUCTION.—

"(1) IN GENERAL.—Any debt reduction pursuant to subsection (a) shall be accomplished at the direction of the Facility by the exchange of a new obligation for obligations of the type referred to in subsection (a) outstanding as of the date specified in subsection (a)(1).

"(2) EXCHANGE OF OBLIGATIONS.—

"(A) IN GENERAL.—The Facility shall notify the agency primarily responsible for administering part I of this Act of an agreement entered into under paragraph (1) with an eligible country to exchange a new obligation for outstanding obligations.

"(B) ADDITIONAL REQUIREMENT.—At the direction of the Facility, the old obligations that are the subject of the agreement shall be canceled and a new debt obligation for the country shall be established relating to the agreement, and the agency primarily responsible for administering part I of this Act shall make an adjustment in its accounts to reflect the debt reduction.

"(c) ADDITIONAL TERMS AND CONDITIONS.—The following additional terms and conditions shall apply to the reduction of debt under subsection (a)(1) in the same manner as such terms and conditions apply to the reduction of debt under section 704(a)(1) of this Act:

"(1) The provisions relating to repayment of principal under section 705 of this Act.

"(2) The provisions relating to interest on new obligations under section 706 of this Act.

"SEC. 807. REDUCTION OF DEBT OWED TO THE UNITED STATES AS A RESULT OF CREDITS EXTENDED UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954.

"(a) AUTHORITY TO REDUCE DEBT.—

"(1) AUTHORITY.—Notwithstanding any other provision of law, the President may reduce the amount owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1998, as a result of any credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701 et seq.) to a country eligible for benefits from the Facility.

"(2) AUTHORIZATION OF APPROPRIATIONS.—

"(A) IN GENERAL.—For the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) for the reduction of any debt pursuant to this section, there are authorized to be appropriated to the President—

"(i) $25,000,000 for fiscal year 1999;

"(ii) $50,000,000 for fiscal year 2000; and

"(iii) $50,000,000 for fiscal year 2001.

"(B) LIMITATION.—The authority provided by this section shall be available only to the extent that appropriations for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) of the modification of any debt pursuant to this section are made in advance.

"(b) IMPLEMENTATION OF DEBT REDUCTION.—

"(1) IN GENERAL.—Any debt reduction pursuant to subsection (a) shall be accomplished at the direction of the Facility by the exchange of a new obligation for obligations of the type referred to in subsection (a) outstanding as of the date specified in subsection (a)(1).

"(2) EXCHANGE OF OBLIGATIONS.—

"(A) IN GENERAL.—The Facility shall notify the Commodity Credit Corporation of an agreement entered into under paragraph (1) with an eligible country to exchange a new obligation for outstanding obligations.

"(B) ADDITIONAL REQUIREMENT.—At the direction of the Facility, the old obligations that are the subject of the agreement shall be canceled and a new debt obligation shall be established for the country relating to the agreement, and the Commodity Credit Corporation shall make an adjustment in its accounts to reflect the debt reduction.

"(c) ADDITIONAL TERMS AND CONDITIONS.—The following additional terms and conditions shall apply to the reduction of debt under subsection (a)(1) in the same manner as such terms and conditions apply to the reduction of debt under section 604(a)(1) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1738c):

"(1) The provisions relating to repayment of principal under section 605 of such Act.

"(2) The provisions relating to interest on new obligations under section 606 of such Act.

"SEC. 808. AUTHORITY TO ENGAGE IN DEBT-FOR-NATURE SWAPS AND DEBT BUYBACKS.

"(a) LOANS AND CREDITS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

"(1) DEBT-FOR-NATURE SWAPS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser described in subparagraph (B) any concessional loans described in section 806(a)(1) or any credits described in section 807(a)(1), or on receipt of payment from an eligible purchaser described in subparagraph (B), reduce or cancel such loans (or credits) or portion thereof, only for the purpose of facilitating a debt-for-nature swap to support eligible activities described in section 809(d).

"(B) ELIGIBLE PURCHASER DESCRIBED.—A loan or credit may be sold, reduced, or canceled under subparagraph (A) only to a purchaser who presents plans satisfactory to the President for using the loan or credit for the purpose of engaging in debt-for-nature swaps to support eligible activities described in section 809(d).

"(C) CONSULTATION REQUIREMENT.—Before the sale under subparagraph (A) to any eligible purchaser described in subparagraph (B), or any reduction or cancellation under such subparagraph (A), of any loan or credit made to an eligible country, the President shall consult with the country concerning the amount of loans or credits to be sold, reduced, or canceled and their uses for debt-for-nature swaps to support eligible activities described in section 809(d).

"(D) AUTHORIZATION OF APPROPRIATIONS.—For the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) for the reduction of any debt pursuant to subparagraph (A), amounts authorized to appropriated under sections 806(a)(2) and 807(a)(2) shall be made available for such reduction of debt pursuant to subparagraph (A).

"(2) DEBT BUYBACKS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible country any concessional loans described in section 806(a)(1) or any credits described in section 807(a)(1), or on receipt of payment from an eligible country, reduce or cancel such loans (or credits) or portion thereof, only for the purpose of facilitating a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than the lessor of 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support eligible activities described in section 809(d).

"(3) LIMITATION.—The authority provided by paragraphs (1) and (2) shall be available only to the extent that appropriations for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) of the modification of any debt pursuant to such paragraphs are made in advance.

"(4) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans and credits may be sold, reduced, or canceled pursuant to this section.

"(5) ADMINISTRATION.—

"(A) IN GENERAL.—The Facility shall notify the administrator of the agency primarily responsible for administering part I of this Act or the Commodity Credit Corporation, as the case may be, of eligible purchasers described in paragraph (1)(B) that the President has determined to be eligible under paragraph (1), and shall direct such agency or Corporation, as the case may be, to carry out the sale, reduction, or cancellation of a loan pursuant to such paragraph.

"(B) ADDITIONAL REQUIREMENT.—Such agency or Corporation, as the case may be, shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

"(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

"SEC. 809. TROPICAL FOREST AGREEMENT.

"(a) AUTHORITY.—

"(1) IN GENERAL.—The Secretary of State is authorized, in consultation with other appropriate officials of the Federal Government, to enter into a Tropical Forest Agreement with any eligible country concerning the operation and use of the Fund for that country.

"(2) CONSULTATION.—In the negotiation of such an Agreement, the Secretary shall consult with the Board in accordance with section 811.

"(b) CONTENTS OF AGREEMENT.—The requirements contained in section 708(b) of this Act (relating to contents of an agreement) shall apply to an Agreement in the same manner as such requirements apply to an Americas Framework Agreement.

"(c) ADMINISTERING BODY.—

"(1) IN GENERAL.—Amounts disbursed from the Fund in each beneficiary country shall be administered by a body constituted under the laws of that country.

"(2) COMPOSITION.—

"(A) IN GENERAL.—The administering body shall consist of—

"(i) one or more individuals appointed by the United States Government;

"(ii) one or more individuals appointed by the government of the beneficiary country; and

"(iii) individuals who represent a broad range of—

"(I) environmental nongovernmental organizations of, or active in, the beneficiary country;

"(II) local community development nongovernmental organizations of the beneficiary country; and

"(III) scientific, academic, or forestry organizations of the beneficiary country.

"(B) ADDITIONAL REQUIREMENT.—A majority of the members of the administering body shall be individuals described in subparagraph (A)(iii).

"(3) RESPONSIBILITIES.—The requirements contained in section 708(c)(3) of this Act (relating to responsibilities of the administering body) shall apply to an administering body described in paragraph (1) in the same manner as such requirements apply to an administering body described in section 708(c)(1) of this Act.

"(d) ELIGIBLE ACTIVITIES.—Amounts deposited in a Fund shall be used only to provide grants to conserve, maintain, and restore the *tropical forests in the beneficiary country, through one or more of the following activities:*

"(1) Establishment, restoration, protection, and maintenance of parks, protected areas, and reserves.

"(2) Development and implementation of scientifically sound systems of natural resource management, including land and ecosystem management practices.

"(3) Training programs to increase the scientific, technical, and managerial capacities of individuals and organizations involved in conservation efforts.

"(4) Restoration, protection, or sustainable use of diverse animal and plant species.

"(5) Research and identification of medicinal uses of tropical forest plant life to treat human diseases and illnesses and health related concerns.

"(6) Development and support of the livelihoods of individuals living in or near a tropical forest in a manner consistent with protecting such tropical forest.

"(e) GRANT RECIPIENTS.—

"(1) IN GENERAL.—Grants made from a Fund shall be made to—

"(A) nongovernmental environmental, forestry, conservation, and indigenous peoples organizations of, or active in, the beneficiary country;

"(B) other appropriate local or regional entities of, or active in, the beneficiary country; or

"(C) in exceptional circumstances, the government of the beneficiary country.

"(2) PRIORITY.—In providing grants under paragraph (1), priority shall be given to projects that are run by nongovernmental organizations and other private entities and that involve local communities in their planning and execution.

"(f) REVIEW OF LARGER GRANTS.—Any grant of more than $100,000 from a Fund shall be subject to veto by the Government of the United States or the government of the beneficiary country.

"(g) ELIGIBILITY CRITERIA.—In the event that a country ceases to meet the eligibility requirements set forth in section 805(a), as determined by the President pursuant to section 805(b), then grants from the Fund for that country may only be made to nongovernmental organizations until such time as the President determines that such country meets the eligibility requirements set forth in section 805(a).

"SEC. 810. TROPICAL FOREST FUND.

"(a) ESTABLISHMENT.—Each beneficiary country that enters into a Tropical Forest Agreement under section 809 shall be required to establish a Tropical Forest Fund to receive payments of interest on new obligations undertaken by the beneficiary country under this part.

"(b) REQUIREMENTS RELATING TO OPERATION OF FUND.—The following terms and conditions shall apply to the Fund in the same manner as such terms as conditions apply to an Enterprise for the Americas Fund under section 707 of this Act:

"(1) The provision relating to deposits under subsection (b) of such section.

"(2) The provision relating to investments under subsection (c) of such section.

"(3) The provision relating to disbursements under subsection (d) of such section.

"SEC. 811. BOARD.

"(a) ENTERPRISE FOR THE AMERICAS BOARD.—The Enterprise for the Americas Board established under section 610(a) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1738i(a)) shall, in addition to carrying out the responsibilities of the Board under section 610(c) of such Act, carry out the duties described in subsection (c) of this section for the purposes of this part.

"(b) ADDITIONAL MEMBERSHIP.—

"(1) IN GENERAL.—The Enterprise for the Americas Board shall be composed of an additional four members appointed by the President as follows:

"(A) Two representatives from the United States Government, including a representative of the International Forestry Division of the United States Forest Service.

"(B) Two representatives from private nongovernmental environmental, scientific, forestry, or academic organizations with experience and expertise in preservation, maintenance, sustainable uses, and restoration of tropical forests.

"(2) CHAIRPERSON.—Notwithstanding section 610(b)(2) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1738i(b)(2)), the Enterprise for the Americas Board shall be headed by a chairperson who shall be appointed by the President from among the representatives appointed under section 610(b)(1)(A) of such Act or paragraph (1)(A) of this subsection.

"(c) DUTIES.—The duties described in this subsection are as follows:

"(1) Advise the Secretary of State on the negotiations of Tropical Forest Agreements.

"(2) Ensure, in consultation with—

"(A) the government of the beneficiary country,

"(B) nongovernmental organizations of the beneficiary country,

"(C) nongovernmental organizations of the region (if appropriate),

"(D) environmental, scientific, forestry, and academic leaders of the beneficiary country, and

"(E) environmental, scientific, forestry, and academic leaders of the region (as appropriate),

that a suitable administering body is identified for each Fund.

"(3) Review the programs, operations, and fiscal audits of each administering body.

"SEC. 812. CONSULTATIONS WITH THE CONGRESS.

"The President shall consult with the appropriate congressional committees on a periodic basis to review the operation of the Facility under this part and the eligibility of countries for benefits from the Facility under this part.

"SEC. 813. ANNUAL REPORTS TO THE CONGRESS.

"(a) IN GENERAL.—Not later than December 31 of each year, the President shall prepare and transmit to the Congress an annual report concerning the operation of the Facility for the prior fiscal year. Such report shall include—

"(1) a description of the activities undertaken by the Facility during the previous fiscal year;

"(2) a description of any Agreement entered into under this part;

"(3) a report on any Funds that have been established under this part and on the operations of such Funds; and

"(4) a description of any grants that have been provided by administering bodies pursuant to Agreements under this part.

"(b) SUPPLEMENTAL VIEWS IN ANNUAL REPORT.—Not later than December 15 of each year, each member of the Board shall be entitled to receive a copy of the report required under subsection (a). Each member of the Board may prepare and submit supplemental views to the President on the implementation of this part by December 31 for inclusion in the annual report when it is transmitted to Congress pursuant to this section.".

Mr. GILMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. EWING). Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from New York?

Mr. PORTMAN. Mr. Speaker, reserving the right to object, I yield to the gentleman from New York (Mr. GILMAN), to explain the measure.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Ohio for yielding to me.

Mr. Speaker, this measure was introduced last November by the gentlemen from Ohio, Mr. PORTMAN and Mr. KASICH, and the gentleman from Indiana (Mr. HAMILTON). The bill enjoys wide bipartisan support and is supported by the administration.

Mr. Speaker, tropical forests are home to roughly half of all known species of plants and animals. Under pressure from man, these forests are disappearing at the rate of almost 1 percent per year, roughly 1 football field lost every second, or an area the size of Pennsylvania each year.

Most of these forests are also located in developing countries, and most of these countries are poor, with crushing debt burdens. In short, this bill authorizes the President to offer up to $325 million in debt owed to our government by the developing nations, a small fraction of the $15 billion they currently owe. The loans were made by the Agency for International Development and the Department of Agriculture.

The bill specifically references the conditions for the government to obtain such debt relief. These conditions include having a democratic government, a favorable climate for private sector investment, cooperation on narcotics matters, and no State-sponsored terrorism.

The bill enjoys wide support from environmental groups, such groups as the World Wildlife Fund, Conservation International, The Nature Conservancy, the Environmental Defense Fund, and the Sierra Club.

The Senate passed H.R. 2870 with a number of technical changes and clarifying amendments.

First, the Senate restored provisions of importance to the House after the Senate companion bill was reported from the Senate Foreign Relations Committee and before the Senate passed the House bill, as amended.

These include insuring, one, tropical forests that are important on a regional basis may be protected under the bill, and secondly, one of the eligible activities under the bill is research and identification of medicinal uses of tropical forest plant life to treat human diseases.

In sum, the Senate amendments also accomplish the following four objectives:

First, they made a number of changes to ensure that the funds for this program are used only to conserve and protect tropical forests through a specific list of eligible activities that were enumerated in the House bill but were tightened up in the Senate.

Secondly, they deleted the requirement that a Nation have a minimal level of environmental policies and practices in place to qualify for its eligibility. The Senate noted that the administration should have flexibility in administering the program, and that one of the purposes of the Act was to encourage such policies and practices.

Third, they made forestry organizations with expertise in conserving tropical forests part of the local administering bodies and board overseeing this program, including a representative of the International Forestry Division of the U.S. Forest Service.

Fourth, they deleted a House provision requiring the President to notify congressional committees 15 days in advance of debt reduction, in exchange for the letter agreement by the Treasury Department to give the authorizing committees the same notification they currently give the Committee on Appropriations with respect to debt reduction transactions.

This has the benefit of standardizing procedures so that the administrative burden at the Treasury Department will not be increased. Congress can give Treasury early notification of countries that are suspect for such transactions, and Congress will receive more information about these transactions than it does now. I also note our support for debt relief to Bangladesh under this bill.

I urge support for the bill, and I commend the gentleman from Ohio (Mr. PORTMAN), the gentleman from Indiana (Mr. HAMILTON), and the gentleman from Ohio (Mr. KASICH), for introducing this important environmental measure.

Mr. PORTMAN. Mr. Speaker, reclaiming my time, I want to thank the chairman for that explanation of the changes in the bill, and tell him that I very much appreciate his willingness to work closely with us over the past several months in putting this product together. It was his willingness to take this bill to his committee and expedite it that enabled us to be here today on the floor to pass what is truly historic legislation.

As the gentleman from New York (Mr. GILMAN) said, we passed this bill on March 19 by a strong vote of 356 to 61. Since then, as the gentleman from New York (Mr. GILMAN) has said, we worked closely with the Senate on a day-to-day basis. They made what I think were very good and technical and clarifying changes, as the gentleman from New York (Mr. GILMAN) has just explained, and actually improves the legislation and makes it a better bill.

I want to thank Senator LUGAR, who took the lead in the Senate, and also Senator BROWNBACK, who improved the bill, and Senators BIDEN, CHAFEE, and LEAHY for their hard work on this legislation.

The bill links two very important facts of life. One is that tropical forests are disappearing at a very rapid rate. He mentioned the state of Pennsylvania. An area larger than the State of Ohio is being destroyed every year in terms of our tropical forests worldwide.

This has an impact on us, directly on our environment, our air quality, but also with regard to medicinal benefits and so on, as the gentleman from New York (Mr. GILMAN) said. That is one fact of life.

The second is that these tropical forests happen to be located in countries that have tremendous debts to the United States. Therefore, we have an opportunity here, and this bill does in 3 years what is cost-free to the taxpayers, which is debt buybacks authorized by this bill.

Building on President Bush's Enterprise for the Americas initiative, it also permits us as a Congress to be able to do what are called debt-for-nature swaps; in other words, the so-called swapping their debt for their ability to preserve tropical forests in their countries.

Next is to allow third parties to come in and purchase debt, which will save tropical forests worldwide. It is a very commonsense free market approach to one of our most pressing environmental problems globally. I want to again thank the chairman for taking the lead on this.

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I also want to thank two other Members who could not be here with us right now. One is the gentleman from Indiana (Mr. HAMILTON) on the other side of the aisle, and the other is the gentleman from Ohio (Mr. KASICH) who took the lead as being original cosponsors of this legislation and pushing it through the process. There are many other people to thank: the Nature Conservancy, Conservation International, World Wildlife Fund and other outside groups, my chief of staff, John Bridgeland.

This is a great example of how working together we can truly address pressing problems, in this case a pressing environmental problem. I look forward to working with the gentleman from New York (Mr. GILMAN) and others to ensure this bill is funded this year. Again, we have expedited it so that that is possible, also that it be implemented in a manner that truly protects these invaluable resources round the globe.

Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, again, I want to thank the gentleman from Ohio (Mr. PORTMAN) for his leadership on a very important environmental measure that our side of the aisle fully supports.

Mr. HAMILTON. Mr. Speaker, I rise in support of this bill.

The Tropical Forest Conservation Act of 1998 has two important objectives:

First, it seeks to preserve tropical forests by establishing a framework that brings together environmental resources and expertise in the U.S. with non-governmental and environmental organizations in the beneficiary country.

Second, the bill seeks to address the issue of debt reduction. Most tropical forests are located in countries saddled with massive debt. Some of these debts are owed to the U.S. This bill enables a participating country to reduce the debt it owes to the U.S. by restructuring its loans or by participating in debt buybacks or debt-swaps.

Third, this bill focuses on the establishment, restoration, protection, and management of tropical forests to ensure a well-planned and well-managed program. It also ensures accountability and results by establishing strict oversight controls.

This bill was passed by the House on March 19, 1998 by a bipartisan vote of 356–61. The Senate passed this bill unanimously yesterday with several positive amendments. The Senate: (1) deleted the requirement that a country have a minimum level of environmental policies and practices in place to qualify under the program. The purpose of this bill is to encourage such activities and policies; (2) made clear that funds under the program may only be used to conserve and protect tropical forests; (3) deleted two purposes for these programs, the mitigation of greenhouse gases and support for local cultures from eligible activities under the bill. These were viewed as unnecessary; (4) deleted a requirement for 634A notification before funds are obligated for debt reduction. It is understood that the Administration will voluntarily provide such notice; and (5) added forestry organizations in the beneficiary countries to membership in the administering body and board and makes them eligible to receive grants.

This is a good bill. I urge my colleagues to join me in passing this bill.

Mr. BEREUTER. Mr. Speaker, this Member rises in the strong support of H.R. 2870, the Tropical Forest Protection Act and congratulates the distinguished gentleman from Ohio [Mr. ROBB PORTMAN] for introducing this important legislation. The world's tropical forests, which are biodiverse, economically crucial, and ecologically irreplaceable, are now rapidly disappearing. Many of these forests are located within developing nations that are heavily dependent upon foreign aid and burdened by extensive external debt. H.R. 2870 enacts measures to protect these fragile and complex ecosystems from further exploitation by providing a unique solution to two pressing global problems—third world debt and deforestation.

Mr. Speaker, twelve years ago this Member offered one of the first "Debt-for-Nature" swaps as an amendment to the International Financial Institutions Act. This earlier legislation called on the World Bank to initiate discussions to "facilitate debt-for-development swaps for human welfare and environmental conservation."

Also, this Member strongly supported the 1990 legislative initiative known as "Enterprise for the Americas" (EAI) introduced by President George Bush which provided debt relief for the countries of Latin America in return for investments by these nations in environmental protection. This initiative remains in effect today, serving as an engine of growth to the Latin American economy and establishing as its legacy some of the largest tropical forest parks in the world throughout the region.

H.R. 2870 is a creative variation on the EAI theme. Several constituents from this Member's home state of Nebraska have expressed their support for this legislation. One letter in particular detailed a family's involvement in making a record of the plants and herbs found in tropical forests in an on-going effort to identify new medicines. This legislation will preserve and protect rain forests in order that these efforts can continue, benefiting mankind by identifying new cures to diseases.

Mr. Speaker, this Member is particularly pleased that Bangladesh is eligible for debt relief under the provisions of H.R. 2870. Bangladesh is a country the size of the state of Wisconsin with a population estimated at 125 million. Due to the pressure put on this small nation's land resources, there is now a serious deforestation problem in Bangladesh. Bangladesh's topography makes it prone to natural disasters, especially floods, which were particularly severe in 1988 when two-thirds of Bangladesh's sixty-four districts experienced extensive flood damage.

Bangladesh, one of the world's poorest nations, is also struggling with overwhelming PL–480 debt. At the beginning of this year, Bangladesh's PL–480 debt amounted to $501.7 million. This debt, accumulated over more than a decade, now requires substantial payments which Bangladesh, one of the world's poorest nations, can ill afford. My colleagues may recall that an oversight prevented this matter from being addressed in 1993 when debt forgiveness legislation was approved for many other significant debtor countries. Any financial assistance given to Bangladesh is negated by the payments it is now required to make on its PL–480 debt, rather than being directed towards worthwhile projects designed to stabilize population growth, establish health programs, and build democracy.

To be eligible for debt reduction under H.R. 2870, a country must contain an appropriate tropical forest and meet specific economic and political criteria. At the March 10, 1998, markup of this legislation by the Committee on International Relations, the Administration testified that Bangladesh did indeed possess the requisite tropical forests of regional importance.

The region in Bangladesh known as Chittagong and the Chittagong Hill Tracts contain much of Bangladesh's tropical rain forests. Over the years, however, this area has suffered greatly from the effects of consistent soil erosion and deforestation due to Bangladesh's ever-expanding human population as well as the effects of natural disasters. It remains, however, the home of biodiversity as well as a variety of wild animals, to include the world-famous and endangered Royal Bengal Tiger.

The political eligibility criteria in H.R. 2870 require the debtor country to have a democratically-elected government which is not pursuing egregious policies in the area of human rights, narcotics, or terrorism. The State Department has confirmed that Bangladesh meets this political criteria.

The economic eligibility criteria requires the debtor country to have in place or be making progress toward an IMF arrangement, World Bank structural or sectoral adjustment loans if necessary; to have put in place major investment reforms; and, if appropriate, to have agreed with its commercial bank lenders on a satisfactory lending program.

It is this Member's understanding that the IMF is negotiating a potential staff-monitored program with Bangladesh. In addition, as evidence of major investment reforms, Bangladesh has concluded a bilateral investment treaty with the United States.

On a preliminary basis, the Department of the Treasury has determined that if Bangladesh concludes its negotiations on an IMF staff-monitored program, it should meet with economic eligibility requirements for debt reduction under this legislation.

Based on the above, this Member concludes that Bangladesh does indeed meet all three provisions of this legislation. Debt buybacks such as are envisioned in this legislation would permit Bangladesh to address its lingering debt problem, while preserving its threatened tropical forests.

In conclusion, Mr. Speaker, this Member would again like to thank the distinguished gentleman from Ohio [Mr. PORTMAN] for introducing this important piece of legislation. This Member would also commend the efforts of the Chairman of the Committee on International Relations, the distinguished gentleman from New York [Mr. GILMAN] for the leadership he has demonstrated over the years on environmental matters.

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the matter being considered.

The SPEAKER pro tempore (Mr. EWING). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PORTMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

CHILD CUSTODY PROTECTION ACT

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 499 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 499

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 3682) to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions. The bill shall be considered as read for amendment. The amendment recommended by the Committee on the Judiciary now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) two hours of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary; and (2) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Yesterday, the Committee on Rules met and granted a closed rule for H.R. 3682, the Child Custody Protection Act. The rule provides for consideration of H.R. 3682 in the House with 2 hours of debate equally divided between the chairman and ranking minority member of the Committee on the Judiciary. It also provides the Committee on the Judiciary amendment now printed in the bill will be considered as adopted. Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, the Child Custody Protection Act is important to any parent who has a teenage daughter. As we know, people in several States have recently decided that a parent should know before their child has an abortion. We all hope that our teenage daughters have the wisdom to avoid pregnancy, but if they make a mistake, a parent is best able to provide advice and counseling. Also more than anyone else, a parent knows their child's medical history. For these reasons, my home State of North Carolina requires a parent to know before their child checks into an abortion clinic, as does the State of Pennsylvania.

Last month, though, the Senate Committee on the Judiciary heard chilling testimony about how lawbreaking citizens risk children's lives by taking them from their parents for out-of-State abortions. Before the Senate Committee on the Judiciary, Joyce Farley, a mother from Pennsylvania, told the tragic story of her 13-year-old daughter.

Three years ago this summer, a stranger took Mrs. Farley's child out of school, provided her with alcohol, transported her out of State to have an abortion, falsified medical records at the abortion clinic and abandoned her in a town 30 miles away, frightened and bleeding. Why? Because this stranger's adult son had raped Joyce Farley's teenage daughter, and she was desperate to cover up her son's tracks. Even worse, this all may have been legal. It is perfectly legal to avoid parental abortion consent and notification laws by driving children to another State. This is wrong, and it has to be stopped.

According to the Reproductive Law and Policy Center, a pro-abortion group in New York, thousands of adults across the country carry children over State lines to get abortions in States without parental notification laws. These clinics advertise in the yellow pages that no parental consent is needed. So-called men in their 20s and 30s coerce teenage girls to have abortions out of State and without their parents' knowledge.

The Child Custody Protection Act will put a stop to this child abuse. If passed, the law would make it a crime to transport a minor across State lines to avoid laws that require parental consent or notification before an abortion.

Right now a parent in Charlotte, North Carolina, must grant permission before the school nurse gives their child an aspirin, but a parent cannot prevent a stranger from taking their child out of school and up to New York City for an abortion. This is plain nonsense. It has to be stopped.

Let us do something to help thousands of children in this country. Let us pass the Child Custody Protection Act and put an end to the absurd notion that there is some sort of constitutional right for an adult stranger to secretly take someone's teenage daughter into a different State for an abortion.

I urge my colleagues to support this rule and support the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume. I thank the gentlewoman from North Carolina for yielding me the customary 30 minutes.

Mr. Speaker, I oppose this closed rule. The majority claims to favor full and free debate on important issues but, however, on this controversial bill the majority has chosen to prohibit any amendments from being offered. Although no amendments will be allowed, the rule allows two hours of debate instead of the usual one. This proposed rule for floor consideration might lead a cynic to believe that the majority does not want to actually perfect legislation on a health and privacy issue. But, no, this process and this rule do not foster deliberation, but are more conducive to a 2-hour campaign sound bite designed to label opponents of this bill as antiparent and antifamily.

I must also voice my strong concerns with the bill made in order by this rule. The so-called Child Custody Protection Act has the potential to increase the number of unsafe, back-alley abortions in this country and to place the lives and health of young women at risk.

This bill would criminalize the act of bringing a minor across State lines to obtain an abortion without parental consent. Make no mistake, I have very serious concerns about unwanted pregnancies and abortions among young women, but my colleagues who support this bill fail to understand that those young women who have healthy family relationships will seek parental involvement and consent. But we know that far too many young people do not live in either intact or supportive families. Indeed, a family member may have been responsible for the pregnancy.

Congress cannot legislate healthy, open family relationships. This bill will force some young women to seek unsafe abortions placing their health and even their lives at risk.

We would all hope that a pregnant minor would have the support and the proper medical care that she needs. However, if the medical well-being of the minor is our concern, Members should vote against the bill.

Does anyone believe that a minor driven by this bill to seek an abortion alone by herself, because the bill does allow her to go alone, will fare better than a minor who has a relative or friend to go with her to make sure that she is all right?

This bill could result in the death or permanent disability of young women forced to seek abortions without the support of the adults that she may trust because they will be afraid of imprisonment if they help her, even if they talk with her.

Now, some claim that this bill is about States rights to enforce States laws, but if that is the rationale of this bill, this bill is far too narrow. Why not put a prohibition on selling any guns to out-of-State buyers who are evading their own State's guns regulation? My State of New York would be far safer if that prohibition were law.

Perhaps we should consider passing a law to prevent people from shopping in other States where the sales taxes are lower than in their State. Maybe Americans should be prevented from going to casinos if they are from a State where gambling is illegal.

Of course, such laws would be both ridiculous and unconstitutional. Harvard Professor Lawrence Tribe has stated that H.R. 3682 violates the Constitution in the three following ways:

One, it breaches the constitutional principles of federalism; two, it imposes an undue burden upon the constitutional right to choose an abortion; three, it lacks the constitutionally required emergency exception for circumstances where the health of the pregnant minor would require travel across State lines for an abortion.

When a distinguished scholar raises constitutional objections about a bill, it is folly to prohibit Members from amending the bill to meet those objections. But, unfortunately, the supporters of this law have decided once again to flout the Constitution and the principles of health care and confidentiality in their unending quest to make abortion inaccessible, if not illegal.

They do not expect this bill to become law. In fact, they know that it will not. They do expect, however, to score political points with particular special interest groups. President Clinton's advisors have recommended he veto the bill in its current form.

If the bill's proponents are serious about enacting this bill into law, they will join me in voting to defeat the previous question. And if the previous question is defeated, I will offer an amendment to the rule to make in order all of the amendments submitted to the Committee on Rules. That would allow the House to perfect the bill so that it might really have a chance of enactment into law.

Mr. Speaker, I oppose this closed rule because it circumvents thoughtful consideration of an important public health issue. I urge my colleagues to defeat the previous question, defeat the closed rule, and, most importantly, defeat the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, it is my understanding that State parental notification laws already have all medical exceptions and judicial bypass procedures to provide for a child's health in them.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Florida (Ms. ROS-LEHTINEN).

Ms. ROS-LEHTINEN. Mr. Speaker, I rise in strong support of the rule to H.R. 3682, the Child Custody Protection Act.

This much-needed legislation will assure that the rights of parents across the Nation are not trampled by strangers who, without the knowledge of the parents, take the minor girls to obtain an abortion. This bill, H.R. 3682, would assure that the State's parental consent or notification laws are not evaded by these unscrupulous persons who seek to play and pretend to be mother and father to our children.

Right now 16 States have parental consent laws on abortion, and 10 others have parental notification laws. Yet these are for naught because the abortion clinics are able to bypass these laws. This common-sense legislation that is before us today is what is needed to make sure that our State laws are respected.

This bill will assure that what will not happen is what happened to Joyce Farley who was with us this morning. She described a terrible situation in her family where her daughter, without Mrs. Farley even knowing about it, was transferred to another State in order to have an abortion. And then what happened was, because abortion is a serious medical procedure that could have life-threatening ramifications, Mrs. Farley had her young daughter in a very difficult physical state, and this is not legislation that we should really worry so much about.

Some Members are saying, this is a constitutionally sacred, protected right of abortion. Yet nowhere in these Supreme Court decisions does it say that the abortion mills should have the right to transfer and transport girls across State lines to have an abortion without the girl's parents even knowing about it.

This bill will assure that this does not happen, again, by making it a Federal offense for an adult to transport a minor across State lines from a State which has consent or notification laws to a State without them in order to obtain an abortion.

Across the Nation, Mr. Speaker, our children are required to obtain parental permission slips for field trips, for medication in schools and other things. I know in my community of Miami, Florida, we have one of the largest public school systems, and we have forms that the parents need to fill out if your child is going to be given an aspirin or given any kind of medication in school. We have forms that parents have to fill out if your child is going to be taken with the school on an organized and supervised field trip.

□ 1215

We have forms that the parents have to fill out if they want to take their child early from the school grounds. Yet for an abortion, no such consent or notification is required and, in fact, a child can be transported across State lines for this sensitive and serious operation.

These requirements in the schools are in place to ensure that parents are aware of their minor children's activities and to ensure their safety. Is it too much to ask that our children, who require parental consent to take aspirins in schools, that they receive these forms, yet for a possibly life-threatening medical procedure, with serious physical and mental ramifications, no such consent should be given? I do not think so, Mr. Speaker.

I would like to show my colleagues some of the ads that have been placed in publications in Pennsylvania. These are ads in the Pennsylvania telephone directory saying, "Come to Pennsylvania?" No. "Come to Maryland." This is an ad in Pennsylvania saying come to Maryland for this abortion procedure because, children, there is no parental consent in our State of Maryland.

Here is another ad, again in Pennsylvania, where it says, "Come to a clinic in Pennsylvania?" No. "Come to a clinic in New Jersey." An ad in Pennsylvania for an abortion clinic in New Jersey, and they are trying to lure children from their parents, lure children away at this very sensitive time, where they could be discussing this difficult decision with their parent.

Now, is this a common sense bill? Of course, it is, Mr. Speaker. In fact, there was a poll recently done, and I know the gentlewoman from North Carolina (Mrs. MYRICK) alluded to it, showing 85 percent of the people say yes to the Ros-Lehtinen and Abraham Child Custody Protection Act. When they were asked should a person be able to take a minor girl across State lines to obtain an abortion without her parents' knowledge, they say no, of course not. No, strongly agreed, 78 percent; no, somewhat disagree, 7 percent. So 85 percent say, of course, parents should have the right to be informed about this decision. Parents should be there to help their minor girls. And I urge my colleagues to support the rule for 3682.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman for yielding me this time and for her leadership.

Frankly, I think that most Americans would opt to answer a question when asked if some person should be able to take our children across State lines to encourage or to create the opportunity for an abortion, all parents and people who care would be in great opposition to something posed in that manner.

This is a debate among friends. Frankly, there is a great deal of respect for those who support this legislation, and I hope for those who oppose it. But what we need to discuss now is the reality of what this very good sounding legislation will do.

First of all, it will be intrusive, because 33 States do have these laws and the remainder do not. In fact, the law that we are trying to pass does not answer the concern of what is going on in American families. All of us would hope and advocate that every family in America be an Ozzie and Harriet family. Two parents discussing issues with their children, sitting at the dinner table, having the family picnic, and the regular vacation.

But my friends we must open our eyes. Most young women have to entertain in their lives abuse and/or incest. One-third of those who seek abortions, young women, have been the victim of violence in the home. They have been the victim of incest. And that is the reason that this particular legislation, although it sounds pretty, does not answer the question of reality.

And frankly, I am disappointed in the Committee on Rules, because I thought that they would welcome a more open and a more deliberative dialogue and debate. But yet they have offered to have a closed rule so that those of us who have opposition to the limitations of this law could not readily come to the floor and debate it in an open manner. It is a shame to say that a fix is in in the Committee on Rules. And it happens time after time after time when Democrats have reasonably thought out amendments, amendments that make sense, and yet the Committee on Rules sees fit to have a closed rule.

What am I talking about? The grandmother rule. Do my colleagues realize that this legislation will hold a grandmother criminally liable, with a sentence of 1 year in jail, if because of her caring, loving attitude the young woman has come to her and asked her for advice. What about the male partner; does he not have any responsibility? Are our minds so limited that we cannot recall the tragedy of the two New Jersey teenagers? What did they do? Alleged and convicted of killing their baby because they had no one to talk to. But yet they both came from prominent families.

This does not make sense. Or maybe we are not familiar with Alisha.

> My mom is a single parent and is in a treatment facility for drugs and alcohol. I got pregnant while my mom was still in treatment. I am not ready to raise a child at this point in my life. The father of my child doesn't want the child. My mother is not financially able. I am also a patient through MHMRA, which is a mental health and retardation system.

Do we not realize that Americans are made up of all shapes and sizes? Yes, this bill has a good purpose to it, but it is misdirected because it penalizes grandmothers, it penalizes a single parent, a mother who comes from a two-parent notification state. If that mother took that child across State lines, she would be criminally prosecuted because the father was not notified.

We need to think back to our own teenagehood. I simply wish the Committee on Rules had been fair with us Democrats who come time and time again, expressing the views of many of those who find these kinds of one-sided pieces of legislation misdirected and unfair. But yet there they were again. I would ask my colleagues to oppose this rule primarily because it is patently unfair. It does not take into consideration incest and violence against teenagers. It does not take into consideration that we, unfortunately, are not a Land of Oz full of Ozzie and Harriet families.

Mr. Speaker, thank you for the opportunity to speak on this important issue. I am strongly opposing the closed rule imposed upon us by the Rules Committee. This bill will impose restrictions upon our young women which will have devastating consequences.

I hope that my colleagues will consider the importance of this legislation. During markup, and in front of the Rules Committee, I offered amendments which would have allowed grandparents, aunts and uncles, and clergy or religious leaders to transport a young woman in crisis across State lines to obtain a safe abortion.

Unfortunately, due to the closed rule we face today, family members, including a minor's grandparents can be criminally prosecuted for assisting their granddaughter in obtaining an abortion. A pregnant minor needs someone to speak with, and someone to trust. If we force our daughters, our granddaughters, our sisters, and our nieces and cousins to act without the guidance of someone they can trust, where will they turn? Perhaps this bill should be called the teen endangerment act!

In fact, yesterday, the House passed legislation which recognized the importance of grandparents in the lives of their grandchildren. Republicans and Democrats alike spoke about how grandparents could offer guidance and love and encouragement to their grandchildren. Yet, the legislation before us today would criminalize grandparents' involvement in their granddaughters' lives.

I am very concerned about children and teenagers in America and I want teenage women to have the right to reproductive health care.

Currently parental involvement laws are in effect in 30 States. Although my home State of Texas does not require parental consent or notification, Louisiana, which borders my home State requires parental consent before a minor can receive an abortion. If H.R. 3682 is passed, the bill would have the effect of federally criminalizing these laws, extending their effect to States that have chosen not to enact such an obstructive and potentially dangerous statute.

I received a letter from a constituent in Houston, Texas, a fifteen year old girl whose mother, a single parent was in a treatment facility for drugs and alcohol. This young woman found herself pregnant while her mother was still in treatment, and without any offer of help from her boyfriend, she made the decision to have an abortion. As a child herself, she did not feel ready to care for a child.

The true victims of this act will be young girls and young women. The enactment of this law would undoubtedly isolate these young women at a time of crisis. If a minor feels she is unable to tell her parents about her pregnancy, she would have no recourse to receive the medical treatment she needs at a time early enough in the pregnancy to perform a safe abortion.

I agree that adolescents should be encouraged to speak with their parents about issues such as family planning and abortion. However, the Government cannot mandate healthy family relations where they do not already exist. We need to protect our young women from being forced to seek unsafe options to terminate their pregnancies, and we need to encourage them to speak with other family members, including their grandparents and religious leaders to guide them through this time of crisis.

I am hopeful that my colleagues will also oppose this restrictive rule and this bill in order to allow young women to access adult guidance and safe, legal abortions.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume to respond to my colleague that, yes, this is a closed rule. I will say that the majority of the rules on this House floor since we have been in the majority have been open.

This is just a clean and simple bill that is designed to help States enforce their parental notification laws. We decided that Congress should not override the wishes of voters in 20 States by allowing amendments that would weaken parental notification laws, and that is the reason for the closed rule.

Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. LINCOLN DIAZ-BALART).

Mr. DIAZ-BALART. Mr. Speaker, this legislation, and I am proud to be a cosponsor of it today, the Ros-Lehtinen Abraham legislation, is extraordinarily important and I think it is fitting and just that we adopt it today and, hopefully, with a very, very large bipartisan margin.

Poll after poll after poll shows that the overwhelming majority of the American people support the right of the parents to be notified if their children are going to have abortions. And as the gentlewoman from North Carolina (Mrs. MYRICK) has stated, 20 States have adopted laws to require parents to be notified.

But an industry has developed, in effect, to void, to evade, to dodge those laws passed by the sovereign will of the people of 20 States who have said we want there to be parental notification. So what we are saying is, no, no, they should not be able to, by subterfuge, by plan, evade and dodge those laws. We are saying no, no, they cannot create an industry that, in effect, even in writing, in publications such as the phone books, the yellow pages, an industry that says evade the law, dodge the law in one State, come across the border, and the law will not apply. That is something that is very serious.

Obviously, the underlying topic that is dealt with here is very serious as well. If there is a child with a problem, the parent should know about that child's problem, to work with that child in finding the most just, the most humane solution precisely for that child. That is why 20 States have taken the step of requiring that the parents of the child be notified.

So what we are saying is, no, they cannot avoid, they cannot evade, they cannot dodge the laws by creating what has happened, which is this industry that has risen precisely to make the laws, the State laws, worthless. And that is why this legislation is so very important and so timely, and I commend the leadership for bringing it forward, for supporting the gentlewoman from Florida (Ms. ROS-LEHTINEN) and, of course, my colleagues on the Committee on Rules for having brought it forth as expeditiously as it has been brought forth.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentlewoman for yielding me this time and for her leadership on this issue and many others. I rise in opposition to this rule and to this bill, as I have risen in opposition to every other piece of legislation that has moved through this Congress which attacks abortion rights.

This Congress is working to dismantle a woman's most hard fought rights, the right of a safe, legal abortion. Procedure by procedure, obstruction after obstruction this antiwoman Congress is succeeding. This time the targets are on our Nation's young people.

This bill will criminalize the act of taking a noncustodial minor out of State, which requires parental consent, to have an abortion. All of us would hope that our children would be able to confide in us. I am sure that the parents of Amy Grossberg felt that she could confide in them. However, family loyalty kept her from doing that and the situation turned tragic. Sometimes a teenager simply cannot confide in her own family. And if she has no other alternative, no other adult who will help her, she will inevitably resort to an unsafe, unclean, underground clinic, or worse.

Family values simply cannot be legislated. This Congress has no business making laws which force one family member to confide in another. There may be very good reasons a pregnant teen does not want to deal with a parent. He or she could be abusive. There could be a history of incest. Alcohol or drug use could be a factor, or she simply does not feel comfortable telling a parent.

This legislation is not about protecting young women from undue influence, it is about stripping our young people of essential support. It is not about helping our children, it is about abortion politics, and it puts our kids at risk.

I urge a "no" vote against this so-called child custody bill and against this rule which did not allow one single Democratic amendment. I urge a "no" vote on this rule.

Mrs. MYRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. CANADY).

Mr. CANADY of Florida. Mr. Speaker, I thank the gentlewoman for yielding me this time.

I am struck, as I listen to the debate here today, by the fact that the opponents of this bill really are here expressing opposition to the acts of State legislatures. They are here, in effect, expressing opposition to the decisions of the Supreme Court. Because it is the State legislatures that have passed the parental involvement laws that we are seeking to help them enforce, and it is the Supreme Court of the United States which has upheld, under the Constitution, the validity of these parental involvement laws.

So the arguments that we are hearing time and time again that are being urged on us as reasons for not supporting this bill are really arguments that are aimed at the Supreme Court of the United States and of the State legislatures which have seen fit to adopt constitutional valid parental involvement laws.

Now, I think it is also somewhat ironic that we keep hearing about the health of young girls. And I would ask that the Members read something that appeared on the op-ed page of The New York Times on Sunday, July the 12th. The heading for the column: "Is Parental Guidance Needed?" It is very interesting because it is by Bruce Luccio, a prominent abortion doctor, and a prominent advocate of abortion rights.

□ 1230

Now, I do not agree with Dr. Luccio's position on abortion, and I would be quick to point that out, but I do agree with his conclusion about this bill, because Dr. Luccio recognizes, and I quote, that the passage of this bill is important to the health of teenage girls.

Dr. Luccio recognizes that it is the parents who are in the best position to help ensure that the health concerns that are relevant when an abortion is being contemplated are fully considered, and if there are complications in an abortion, it is the parents who are in the best position to ensure that effective and speedy treatment is provided.

I would ask that every Member of this House, regardless of their position on the overall issue of abortion, read this article in the New York Times by Dr. Luccio; and I think it will be very enlightening to them on the issue of the health of the young girls who are involved in this.

Now, I am also struck by the constitutional argument that has been made here. If we listen, in essence, what the opponents of this bill are arguing is that minors have a constitutional right that ensures their right of interstate travel to evade parental supervision.

Well, that is absurd. There is no such right of minors to interstate travel to evade parental supervision. The Supreme Court has never found that there is any such right. And, on the contrary, the Supreme Court has found that parental involvement laws, whether they be consent laws or notification laws, that they meet certain standards that have been articulated by the Supreme Court are valid and constitutional; and those are the kinds of laws that we are seeking to enforce through the bill that we have here today.

All we are saying is that someone should not be able to move a minor across State lines in an effort to evade and thwart the legitimate purposes of those valid constitutional State laws.

Now, let me say this: The Supreme Court has recognized the right of parents. The Supreme Court in this context has not recognized the right of cousins, siblings, grandparents, aunts, uncles, pastors, teachers, or anybody else to be involved in a minor's decision to have an abortion. It is the parents who have that right to be involved.

The courts have recognized that, and the legislatures have recognized it. And I think it is an entirely appropriate use of our power in the Congress to help the States carry out their policy in this area.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, first I think we ought to remind ourselves what this bill does. It does not require parental notification or consent when a minor goes across State lines. What it does is prohibit someone from accompanying them.

In this bill, the child can still evade the parental consent laws of the State and go across State lines alone, but this bill would criminalize anybody accompanying them.

Mr. Speaker, I want to speak against the closed rule. It prohibits the ability, our ability, to consider some very important amendments. The administration, in a statement of administration policy, has indicated that the senior advisors of the President will recommend a veto unless these amendments are in the bill.

In recent letters from the White House Chief of Staff to the House and Senate Committees on the Judiciary, the administration in fact said it would support legislation of this nature if it had these few amendments, specifically an amendment to exclude close family members from criminal and civil liability. Under the legislation, grandmothers, aunts, uncles, minor and adult siblings could face criminal prosecution for coming to the aid of a relative; also, to ensure that persons who only provide information, counseling, medical services to the minor would not be subject to liability; and address several constitutional and legal infirmities that the Department of Justice has identified in the legislation. Those concerns were transmitted to the House Committee on the Judiciary on June 24, 1998.

The administration also has serious concerns about the federalism issues. However, as indicated, if the amendments that they have suggested are adopted, they could support the legislation. This closed rule prohibits our ability to consider that legislation. And, therefore, the senior advisors, even if this bill were to pass, will recommend a veto.

We should oppose the closed rule, oppose the motion on the previous question. We should vote no on the previous question so that the rule could be amended to consider these various amendments. If the previous question is ordered, we should just vote no on the rule.

Mrs. MYRICK. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, may I have the division of the time, please.

The SPEAKER pro tempore (Mr. EWING). The gentlewoman from New York (Ms. SLAUGHTER) has 16½ minutes remaining, and the gentlewoman from North Carolina (Mrs. MYRICK) has 13½ minutes remaining.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I have the deepest personal respect for those whose religion or other personal conviction causes them to take a different view than I have on the question of abortion. But my respect does not go so far as to suggest that I believe they ought to be able to impose their religious views on this issue on someone who does not share those views.

Further, I think personally of my own experience as a father. With my wife of 29 years, we have raised two wonderful daughters. And it is troubling to think that there would be a time in a crisis, including a crisis involving an unwanted pregnancy, when they would not want to come to one of us and discuss this matter.

And yet, I know that this piece of legislation is not about strengthening family ties, because the whole difference of opinion that I have with those who feel so strongly on this abortion question is that the Federal Government and the Members of this House cannot replace broken family ties or the inability of families to communicate.

This piece of legislation does not concern strengthening families, it concerns advancing an agenda of the most fanatical people with reference to this question of invading personal choice.

If we read what they have written, the fanatics on this issue, we will find that they believe that in this country their ultimate goal is to make it a criminal offence, they view it as murder, for anyone at any time after conception to have an abortion. They want to put women who exercise this choice in jail. And they also want to place in jail every health care provider who provides for an abortion at any time after conception.

And recognizing that that fanatic agenda which they have written about cannot be implemented because it is opposed by the vast majority of the American people, they have decided to approach this issue one group at a time and one procedure at a time. So they have done their polls.

And next week I think we have a chance to consider this question of one very rare procedure that President

Clinton had the courage to veto when they passed legislation last year. And so they are going to criminalize it one procedure at a time, and today they propose to criminalize it one group at a time. And this particular group includes people like big sisters, grandmothers, stepparents, best friends, even members of the clergy, that might be consulted by a young woman in a very troubled situation and advise or help her to cross a State line to receive these kind of services. That person could be put in jail.

I maintain that what is at stake here today is this fanatic movement to ultimately criminalize the choice being exercised on this very private decision by a woman—to put women in jail and to put every health care provider involved in jail. And I see my colleague from New York (Mrs. LOWEY). She knows, well, we face this same issue later today on other legislation.

This same group of fanatics also wants to limit access to contraceptives because they seem to believe that the right of motherhood is more than that. It will be imposed without any choice on the part of women in our society.

So it is essential that we vote down this agenda and stop the path toward criminalizing choice for women in this country.

The surveys show that 30 percent of the young women who choose not to notify their parents, when you look at those who do not seek parental consent, are people that have been victims of family violence.

I thought it was all summed up by a colleague of mine in the Texas Senate from west Texas, who said, when asked about these parental consent laws, "well, you know, I have not met very many young girls who ask parental consent for conception. Why do we think they are going to ask it with reference to the choice of abortion?"

The idea of putting a grandmother in jail, putting a big sister in jail, putting a clergy member in jail because they were willing to help a desperate young woman make a tough choice is wrong, and we ought to vote down this bill.

Mrs. MYRICK. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PAPPAS).

Mr. PAPPAS. Mr. Speaker, I rise today in strong support of the Child Custody Protection Act. Ending human life through abortion is harmful to all involved no matter what age they are. It is further worsened when an adult nonparent violates the law by taking a child across State lines to obtain an abortion.

Our world is often an uncertain place for young people. Abortion providers and other strangers cannot offer the permanent support that only parents can give. What they want to do is promote their abortion agenda with complete disregard for family input in such an important decision.

Contrary to what seems to be the emphasis of the opposition to this bill, parents are not generally evil. They are and should be encouraged to be part of the healing process, and their rights must be respected, too. This bill does just that.

This is why I urge my colleagues to vote in favor of life and in favor of protecting our daughters and families. Vote for the Child Custody Protection Act.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. WATT), a constitutional scholar.

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentlewoman for yielding time.

I have very strong feelings about the bill itself. It is an unprecedented piece of legislation. It is an unconstitutional piece of legislation, and it has some severe unintended consequences.

I do not want to talk about the bill in this rules debate. I want to talk about democracy and how democracy works.

We had a bunch of amendments to try to address some of the concerns that we had about this bill. We took those amendments and we presented them up on the third floor to the Rules Committee, and the Rules Committee said, no, we will not allow you to have a debate on those amendments. They might improve the bill. They might allow the President to sign a bill into law if some of them were passed. They might enlighten the general public. They might foster democracy, but you are not going to be allowed to have a debate on those amendments.

That is what this rule is about. It is about democracy and how democracy works in this House.

We have amendments where in the minority not one single amendment of a Democratic Member, or any Member of this House, was allowed to be considered under the rule under which we will be debating this issue.

It was not because I did not show up. I showed up at the Rules Committee, even though they scheduled the Rules Committee hearing on this bill at a time when we were not even back in session. They announced it while we were out of session so that we would not know that it was going on. I came back in here and got straight off the plane, picked up my papers, went to the Rules Committee and I said, I have two amendments that I think would help make this bill constitutional.

□ 1245

So I am not here as one that did not do what I was supposed to do in the democratic process. I respect the rights of the Committee on Rules, I respect the rules of this House, but when the Committee on Rules looks at me and says, "Notwithstanding the fact that you came here and asked us to make your amendment in order, and you told us that you would like to help make this bill a constitutional bill rather than an unconstitutional bill," and when the chairman of the Committee on Rules looks at me saying, "I'm the arbiter of what is constitutional in this country; I'm the only person that gets to make that decision," then that is a violation of democracy.

And that is what this rule is all about. And that is why, my colleagues, without regard to how they feel about abortion, without regard to how they feel about choice, without regard to whether this is a good or a bad bill or not, this rule ought to be defeated. Because if my colleagues support democracy and debate and an informed electorate, there ought to be a debate on these amendments, there ought to be consideration of these amendments on the floor of the United States House of Representatives.

That is what this is about.

Vote no on this rule so that we can send it back just to have the opportunity to debate some amendments that we think are important.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just a point of clarification:

The Committee on Rules did give more than the normal required 48 hours notice, and, yes, we were out of town, most of the Members for 2 weeks, but our staffs were here. And, as my colleagues know, usually that is what they do, is notify us that this is going to happen.

Also, the reason the rule is closed is because Congress felt; I mean that we felt that Congress should not override the wishes of the voters in 20 States while allowing amendments that would weaken their parental notification laws.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. PITTS).

Mr. PITTS. Mr. Speaker, I rise today in support of the Child Custody Protection Act.

I served in the Pennsylvania legislature when we established the parental consent law for the specific purpose of keeping our young girls safe and under the authority of their parents especially for such a decision as an abortion. That law was specifically designed to prevent situations like the one that occurred in 1995 where a 12-year-old Pennsylvania girl became pregnant after sexual involvement with an 18-year-old man. As many of my colleagues have heard by now, this frightened 12-year-old was taken by the man's mother from Pennsylvania to New York, and in New York she underwent a painful and serious medical procedure and abortion. She had this abortion without her parents even knowing that she was pregnant. Yet abortion clinics in Pennsylvania's neighboring

States, New York, New Jersey, Maryland, seek still to pedal their services through Pennsylvania newspapers and even to anyone who opens up a Pennsylvania phone book.

Mr. Speaker, I brought a copy of an ad from the yellow pages in the capitol where I served in Harrisburg titled "Abortion." Here it says: Hillcrest Women's Medical Center, and it gives a 1-800 number that can be called in Rockville, Maryland, and it specifically says: No parental consent.

I have here a letter with me today from the Attorney General of Pennsylvania, Mike Fisher. I would not call him a fanatic. He defended the judgment of the woman who interfered with the mother's custody of her child. Here is what he says.

Quote: We must do what we can to ensure that a parent's right to be involved in their daughter's decision regarding abortion is protected. I will continue to protect the rights of parents throughout Pennsylvania by defending our parental consent laws. I respectfully urge you to protect the rights of parents across the Nation by supporting H.R. 3682. The legislation will help those of us in law enforcement protect vulnerable children by insuring that parents have a say in their child's decision. End quote.

By passing the Child Custody Protection Act this body will take a clear stand against the bizarre notion that the U.S. Constitution confers a right upon strangers to take one's minor daughter across State lines for a secret abortion even when a State law specifically requires the involvement of a parent or a judge in the daughter's abortion decision. As moms and dads, it is our job to protect our young women, our daughters. The government should not allow our daughter's lives to be endangered by turning them over to strangers for serious medical procedures. Let us protect our States' rights, our parental authority, but, most importantly, let us protect our Nation's young women. Let us pass the Child Custody Protection Act.

Ms. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I rise in strong opposition to this rule, and I ask my colleagues to join me in defeating it.

This bill is dangerous; and, as we have heard from so many of our colleagues, the Committee on Rules has refused to allow us to propose even the most reasonable changes to it. This bill will put our daughters at risk. Under this legislation young women, who feel they cannot turn to their parents when facing an unintended pregnancy, will be forced to fend for themselves without any help from a responsible adult. Some will seek dangerous back-alley abortions close to home. Others will travel alone to unfamiliar places for abortions. This measure will isolate young women, not protect them.

And, unfortunately, despite a veto threat from the White House, the Committee on Rules has prohibited us from offering even one amendment to make the bill better. The President has said he will sign the bill if it is altered, but, once again, the GOP leadership has demonstrated that it would rather have an election-year issue than a bill.

One of our principal objections to the legislation is that it will subject grandmothers and siblings and other close relatives to criminal prosecution for coming to the aid of a relative in distress. The gentlewoman from Texas (Ms. JACKSON-LEE) went to the Committee on Rules to address this issue. Her amendment would have exempted grandparents and other close relatives from criminal prosecution under this bill. Unfortunately, that amendment was rejected by the Committee on Rules; and so under this legislation grandmothers will be jailed for helping their granddaughters, aunts imprisoned for assisting their nieces, brothers for aiding their sisters, all in the name of so-called family values.

What will the police do? Set up granny checkpoints to catch grandmothers helping their granddaughters? Will we have dogs and searchlights at State borders to lock up aunts and uncles?

Mr. Speaker, I am a grandmother of two, and I believe grandparents should be able to help their grandchildren without getting thrown in jail. As much as we wish otherwise, family communication, open and honest parent-child relationships, just cannot be legislated. When a young woman for many reasons cannot turn to their parents, she should certainly be able to turn to a grandmother, or a favorite aunt, or a relative.

Democrats made other efforts to improve the legislation. The gentleman from North Carolina (Mr. WATT) offered an amendment to add a health exception to the bill. His amendment would have allowed a relative to accompany a young woman for an abortion if the young woman's health was endangered. Demonstrating its "high" regard for women's health, the Committee on Rules rejected that amendment as well.

Mr. Speaker, I firmly believe that we should make abortion less necessary for teenagers, not more dangerous and difficult. We need to encourage teenagers to be abstinent and responsible. We need a comprehensive approach to keeping teenagers safe and healthy. We need to encourage family involvement, not tear families apart.

Mr. Speaker, in the remaining time I would just like to respond to some comments of a good friend, the gentleman from Florida (Mr. CANADY). We have heard a lot of talk today about States rights, and the Republican Party is the party, say they are the party, of States rights. And yet, here they are supporting legislation that tramples all over States rights. The bill will grant the Federal Government brand new authority to enforce State law. It interferes with the rights of citizens to travel between States by saddling a young woman with the laws of her home State no matter where she goes. I wonder if the gentleman from Florida might be as willing to apply this novel approach to other areas of the law like gun control.

For example, in New York we have very tough, sensible restrictions on gun ownership. His State of Florida has very weak gun control laws. Would the gentleman support legislation that applied New York's gun control laws to New Yorkers seeking to purchase guns in Florida? We have heard a lot of talk about States rights, but I wonder if the gentleman would respond or if someone else would respond whether our tough New York gun control laws could be enforced in the State of Florida, for example.

If we are really for States rights, let us think about that.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume.

As my colleagues know, the other side does have a motion to recommit with instructions, and it is wide open for any amendments that they would like to include in that. So I just wanted to make that point for the record.

Mr. Speaker, I yield 4 minutes to the gentlewoman from Washington State (Mrs. LINDA SMITH).

Mrs. LINDA SMITH of Washington. Mr. Speaker, I want to again say what H.R. 3682 does, because sometimes in the debate what it does gets lost.

This bill simply makes it a Federal offense to transfer a minor girl across State lines to obtain an abortion in order to circumvent that State's parental consent laws.

It is very simple. It is a fundamental principle that parents protect their children and have the rights, unless they are not good parents, and then they are given to a guardian, sometimes a grandparent, sometimes someone else. But someone is ultimately in charge of that child because someone needs to be responsible to protect that child. Without this bill our children are at risk.

Now we hear situations today described as if every family is normal and every uncle, every grandma and every cousin and everyone that would like to should be able to take a little girl, 12, 13, 14, to another State for an abortion.

I am a grandma of six. I have one grandchild reaching teenage years in a couple years, and I would not want her to be taken across a State line by some of the relatives I have had in my background. The fact that they are a relative does not mean that they could not be the problem.

I guess ultimately we have to start thinking about whether or not parents have any rights or not. This is an issue of parental rights, and it is about the rights of the parents. Do they have the rights in the child's life to be ultimately responsible for that child?

Now we have heard the example of the 12-year-old. It is real where the mother of the 18-year-old took the child across State lines; and, by the way, charges against her were dropped. She did not do anything wrong. Well, I would tell my colleagues, as a mother of someone that had teenagers, I would be incensed because my little girl could not even get aspirin at the school without permission, she definitely could not get dental work, and no hospital would accept her, no clinic, no reputable physician, without her mother or her father's permission.

Now let us just get right down to what an abortion is and what it does. Most of the time we are dealing with a person that is going to bleed extensively. We are dealing with a young woman that needs after-care. We are dealing with someone that needs her mother. Now my colleagues can stand and say she has a right to this, but I say she has a right to her mother, and, if someone has parents that are not good enough to be parents, we have procedures to let someone else be their guardian.

□ 1300

Little girls of 12, 13, 14, and I know some would say they are women with the same rights as any other women, no, they are little girls, are going to go through cramps, they are going to go through bleeding, they are going to sometimes go through the need of surgery, and you are telling me that I do not have a right as a mother to know? I do. And that is what this bill is a part of. But now you are going to say that if we do not pass this bill, everything will be just fine?

This just says you cannot take kids across State lines where States say parents should be involved, at least being notified. You are saying they can take them to a State, bring them back, and they are not notified, they are not involved, until the little girl starts bleeding to death or she is sterile because she did not take care of herself, because she did not want to tell anybody because she got across State lines. No, you see, this is not even reasonable.

This bill makes sense. If we have got bad parents, we have procedures for them. But to assume all parents are bad and we have to take their children away somewhere to have abortions is a wrong assumption.

This is a very good bill. It is reasonable, whether you are pro-life or pro-choice, because we are all pro-parent and we are all pro-family.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if I could respond to my friend from Washington State, anyone who impregnates a 12-year-old girl has committed statutory rape and should be imprisoned for a very long time, and I hope he was. But the issue is then, the 12-year-old girl; should she be forced to carry a child to term? That is probably where we have a division of opinion. I think requiring girls as young as 9 years old to bear children is a question that society needs to talk about. I think it is barbaric.

We certainly live in a strange time. This body has for years attempted to take away a woman's control over her reproductive system at the same time that it rejoices over the introduction of Viagra!

Congress believes it is wise enough to outlaw medical procedures it doesn't like—perhaps vasectomy should require parental consent so at least that would ease the double standard.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. I thank the gentlewoman for yielding me time.

Mr. Speaker, I rise in support of the rule but in opposition to H.R. 3682, the Child Custody Protection Act, because it is seriously flawed. Although well motivated, the problem we are dealing with is the breakdown of the American family, respect for life and abortion, not too much freedom to travel between States.

Having delivered nearly 4,000 babies in my three decades of medical practice and having seen the destructiveness of abortion, I strongly agree that legalized abortion is the most egregious of all current social policies. It clearly symbolizes the moral decline America has experienced in the last 30 years.

However, Federal law restricting interstate travel, no matter how well intended, will serve no useful purpose, will not prevent abortions, and, indeed, will have many unintended consequences.

It is ironic that if this bill is passed into law, it will go into effect at approximately the same time that the Department of Transportation will impose a National I.D. card on all Americans. This bill only gives the Federal Government and big government proponents one more reason to impose the National I.D. card on all of us. So be prepared to show your papers as you travel about the U.S. You may be transporting a teenager.

There is already a legal vehicle for dealing with this problem. Many States currently prohibit adults from taking underage teenagers across State lines for the purpose of marriage. States have reciprocal agreements respecting this approach. This is the proper way to handle this problem.

Most importantly, this bill fails to directly address the cause of the problem we face regarding abortion, which is the absurdity of our laws permitting the killing of an infant 1 minute before birth, or even during birth, and a doctor getting paid for it, while calling this same action murder 1 minute after birth.

The solution will ultimately come when the Federal Government and Federal courts get out of the way and allow States to protect the unborn. If that were the case, we would not have to consider dangerous legislation like this with the many unforeseen circumstances.

Our federal government is, constitutionally, a government of limited powers. Article one, Section eight, enumerates the legislative areas for which the U.S. Congress is allowed to act or enact legislation. For every other issue, the federal government lacks any authority or consent of the governed and only the state governments, their designees, or the people in their private market actions enjoy such rights to governance. The tenth amendment is brutally clear in stating "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." Our nation's history makes clear that the U.S. Constitution is a document intended to limit the power of central government. No serious reading of historical events surrounding the creation of the Constitution could reasonably portray it differently.

Nevertheless, rather than abide by our constitutional limits, Congress today will likely pass H.R. 3682. H.R. 3682 amends title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions. Should parents be involved in decisions regarding the health of their children? Absolutely. Should the law respect parents rights to not have their children taken across state lines for contemptible purposes? Absolutely. Can a state pass an enforceable statute to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions? Absolutely. But when asked if there exists constitutional authority for the federal criminalizing of just such an action the answer is absolutely not.

This federalizing may have the effect of nationalizing a law with criminal penalties which may be less than those desired by some states. To the extent the federal and state laws could co-exist, the necessity for a federal law is undermined and an important bill of rights protection is virtually obliterated. Concurrent jurisdiction crimes erode the right of citizens to be free of double jeopardy. The fifth amendment to the U.S. Constitution specifies that no "person be subject for the same offense to be twice put in jeopardy of life or limb . . ." In other words, no person shall be tried twice for the same offense. However in United States v. Lanza, the high court in 1922 sustained a ruling that being tried by both the federal government and a state government for the same offense did not offend the doctrine of double jeopardy. One danger of unconstitutionally expanding the federal criminal justice code is that it seriously increases the danger that one will be subject to being tried twice for the same offense. Despite the various pleas for federal correction of societal wrongs, a national police force is neither prudent nor constitutional.

The argument which springs from the criticism of a federalized criminal code and a federal police force is that states may be less effective than a centralized federal government in dealing with those who leave one state jurisdiction for another. Fortunately, the Constitution provides for the procedural means for preserving the integrity of state sovereignty over those issues delegated to it via the tenth amendment. The privilege and immunities clause as well as full faith and credit clause allow states to exact judgments from those who violate their state laws. The Constitution even allows the federal government to legislatively preserve the procedural mechanisms which allow states to enforce their substantive laws without the federal government imposing its substantive edicts on the states. Article IV, Section 2, Clause 2 makes provision for the rendition of fugitives from one state to another. While not self-enacting, in 1783 Congress passed an act which did exactly this. There is, of course, a cost imposed upon states in working with one another rather than relying on a national, unified police force. At the same time, there is a greater cost to centralization of police power.

It is important to be reminded of the benefits of federalism as well as the costs. There are sound reasons to maintain a system of smaller, independent jurisdictions. An inadequate federal law, or an "adequate" federal law improperly interpreted by the Supreme Court, preempts states' rights to adequately address public health concerns. Roe v. Wade should serve as a sad reminder of the danger of making matters worse in all states by federalizing an issue.

It is my erstwhile hope that parents will become more involved in vigilantly monitoring the activities of their own children rather than shifting parental responsibility further upon the federal government. There was a time when a popular bumper sticker read "It's ten o'clock; do you know where your children are?" I suppose we have devolved to a point where it reads "It's ten o'clock; does the federal government know where your children are." Further socializing and burden-shifting of the responsibilities of parenthood upon the federal government is simply not creating the proper incentive for parents to be more involved.

For each of these reasons, among others, I must oppose the further and unconstitutional centralization of police power in the national government and, accordingly, H.R. 3682.

Mrs. MYRICK. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Speaker, I thank the gentlewoman for yielding me time.

Mr. Speaker, I rise today in strong support of this rule and H.R. 3682, the Child Custody Protection Act. I want to commend my good friend, the gentlewoman from Florida (Ms. ROS-LEHTINEN) for introducing this important legislation.

The legislation before the House today is the product of extensive consideration and examination by the Committee on the Judiciary. The Subcommittee on the Constitution held a markup during which more than 10 amendments were considered. The full committee markup lasted 2 days, and more than 20 amendments were considered.

This bill has been examined and debated more exhaustively than much of the legislation that comes before this body. It is now time for Congress to pass this bill and protect the fundamental rights of parents to be involved in their children's lives.

Mr. Speaker, the American people overwhelmingly support this legislation. This is a common-sense bill that will protect the integrity of State laws which require a child seeking to obtain an abortion to involve her parents in that decision.

State parental notification laws are designed to secure the rights of parents to protect their daughters' physical and emotional health. However, these laws are frequently circumvented by individuals who transport minors to States without parental involvement laws. Some abortion clinics even advertise their own State's lack of parental involvement laws to encourage minors from other States to cross State lines so they may obtain an abortion without involving their parents.

Loving parents, not friends, counselors, boyfriends or other adults, should be the ones most intimately involved in a minor child's decision as important as obtaining an abortion. An abortion is a complicated medical procedure that poses significant risks to the mother upon which the abortion is performed. Someone transporting a young girl to another State to obtain an abortion exposes her to many physical and emotional dangers that could be avoided by involving her parents, who may possess essential information about her medical and psychological history.

Mr. Speaker, it is simply outrageous that any individual should be allowed to subvert State laws designed to protect families and children simply by going behind a parent's back. This bill protects the rights of parents to be involved in the decisions of their own children, it protects the rights of States to enforce their own laws, and it protects the safety of our children.

I urge my colleagues to support this rule and to vote yes on the Child Custody Protection Act.

Ms. SLAUGHTER. Mr. Speaker, I yield myslef such time as I may consume.

Mr. Speaker, these amendments would all have been in order under an open rule. I will insert these materials for the RECORD.

TEST OF PREVIOUS QUESTION FOR H. RES. 499

H.R. 3682—CHILD CUSTODY PROTECTION ACT

Providing for consideration of the bill (H.R. 3682) to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions.

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 3682) to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. No amendment to the committee amendment in the nature of a substitute shall be in order except those specified in section 2 of this resolution. Each amendment may be offered only in the order listed in section 2, may be offered only by a Member specified in section 2 or his designee, shall be considered as read, shall be debatable for 20 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments specified in section 2 are waived. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. The following amendments are in order pursuant to the first section of this resolution:

AMENDMENT TO H.R. 3682, AS REPORTED, OFFERED BY MR. WATT OF NORTH CAROLINA

Page 4, strike line 1 and all that follows through line 6 and insert the following:

"(b) EXCEPTION.—(1) The prohibition of subsection (a) does not apply if the abortion was necessary to save the life of the minor or to prevent serious physical illness or disability or because her life or physical health was endangered by a physical disorder, physical injury, or physical illness, including a life endangering physical condition or serious physical health condition caused by or arising from the pregnancy itself.

AMENDMENT TO H.R. 3682, AS REPORTED, OFFERED BY MR. WATT OF NORTH CAROLINA

Page 3, strike line 6 and all that follows through line 23 and insert the following:

"(a) OFFENSE.—Except as provided in subsection (b), whoever knowingly transports an individual who has not attained the age of 18 years across a State line, with the intent to evade the requirements of a law requiring parental involvement in a minor's abortion decision, in the State where the individual resides shall be fined under this title or imprisoned not more than one year, or both.

AMENDMENT TO H.R. 3682, AS REPORTED, OFFERED BY MS. JACKSON-LEE OF TEXAS

Add at the end the following:

(c) STUDY.—Not later than one year after the date of enactment of this Act, the General Accounting Office shall study the impact the amendment made by this Act has on the number of illegal and unsafe abortions and increased parental abuse, and report to Congress the results of that study.

AMENDMENT TO H.R. 3682, AS REPORTED, OFFERED BY MS. JACKSON-LEE OF TEXAS

Page 4, after line 11, insert the following:

"(3) The prohibitions of this section do not apply with respect to conduct by ministers, rabbis, pastors, priests, or other religious leaders.

AMENDMENT TO H.R. 3682, AS REPORTED, OFFERED BY MS. JACKSON-LEE OF TEXAS

Page 4, after line 11, insert the following:

"(3) The prohibitions of this section do not apply with respect to conduct by a grandparent of the minor.

AMENDMENT TO H.R. 3682, AS REPORTED, OFFERED BY MS. JACKSON-LEE OF TEXAS

Page 4, after line 11, insert the following:

"(3) The prohibitions of this section do not apply with respect to conduct by an aunt or uncle of the minor.

Mr. Speaker, I urge Members to vote no on the previous question, so we may add these responsible amendments to the rule.

The Vote On The Previous Question: What It Really Means

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's "Precedents of the House of Representatives," (VI, 308–311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership "Manual on the Legislative Process in the United States House of Representatives," (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual:

"Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment."

Deschler's "Procedure in the U.S. House of Representatives," the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues:

"Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the item for debate thereon."

The vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mrs. MYRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on House Resolution 499.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

Mr. GOSS. Mr. Speaker, I thank my friend from North Carolina and I rise in support of the rule and the underlying bill. While it is a closed rule, I think that it is an appropriate one, given the very narrow, significant scope of this bill.

The family is the building block of every community in this Nation. Not only is this a recognized principle in our culture, but something we have actively encouraged by enacting laws promoting more family involvement in education decisions, stronger child support enforcement, and special tax benefits for families.

We recognize the rights of parental notification and consent when a child gets a tattoo, or a body piercing, or even takes an aspirin at school. How can we tell moms and dads across the country they have no right to know if a perfect stranger takes their daughter miles away from home, to another State, to have a life altering medical procedure without their knowledge. Today, we seek to ensure that basic right is not emasculated.

Opponents of the Child Custody Protection Act want to turn this into a debate about abortion. This is not about abortion. It's about family, parental support and parental responsibility and about children growing up in a society of confusing mixed messages. States have the right to pass consent or notification laws for minors, yet these laws become meaningless when a young girl is assisted taking a trip to another State to avoid the difficult task of counseling with her parents about an unplanned pregnancy.

I urge all of my colleagues to think about the natural role of a parent, the importance of States' rights and, most importantly, the well-being of the children—at risk in these situations. I think these justify a closed rule and I urge support for the rule and H.R. 3682.

Mrs. MYRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 5, rule XV, the Chair will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 252, nays 174, not voting 8, as follows:

[Roll No. 277]

YEAS—252

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler

Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kasich
Kildee
Kim
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio

Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Mascara
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Poshard
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Riley
Roemer

Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—174

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Condit
Conyers
Coyne

Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilman
Gordon
Green
Greenwood

Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)

Markey
Martinez
Matsui
McCarthy (MO)
McDermott
McGovern
McHale
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moran (VA)
Morella
Nadler
Neal
Obey
Olver
Owens
Pallone
Pascrell

Pastor
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Slaughter

Smith, Adam
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—8

Clyburn
Dingell
Gonzalez

Goode
McNulty
Moakley

Payne
Rogan

□ 1330

Mr. PORTER changed his vote from "yea" to "nay."

Messrs. RAHALL, HALL OF TEXAS, GILCHREST, KLINK, MURTHA, DOYLE, KANJORSKI, MASCARA, GOODLING, HOUGHTON, LaFALCE, RADANOVICH, SKELTON, OBERSTAR, and DAVIS of Virginia changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ROGAN. Mr. Speaker, on rollcall No. 277, I was inadvertently detained. Had I been present, I would have voted "yes."

The SPEAKER pro tempore (Mr. EWING). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule XV, this will be a five-minute vote.

The vote was taken by electronic device, and there were—ayes 247, noes 173, not voting 14, as follows:

[Roll No. 278]

AYES—247

Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt

Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss

Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal

DeLay
Diaz-Balart
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kasich
Kildee
Kim
King (NY)
Kingston

Kleczka
Klink
Klug
Knollenberg
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Mascara
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Poshard
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad

Redmond
Regula
Riggs
Riley
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stearns
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—173

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Castle

Clay
Clayton
Clement
Condit
Conyers
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio

Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilman
Gordon
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E.B.

Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
Kolbe
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McDermott
McGovern
McHale
McKinney
Meehan
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moran (VA)
Morella
Nadler
Neal
Obey
Olver
Owens
Pallone
Pastor
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sánchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Upton
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—14

Aderholt
Capps
Clyburn
Dickey
Dingell
Gonzalez
Goode
Hefner
McDade
McNulty
Meek (FL)
Moakley
Payne
Rogan

□ 1339

Mr. SNYDER changed his vote from "no" to "aye."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. CAPPS. Mr. Speaker, during rollcall vote No. 278 on H. Res. 499, I was unavoidably detained. Had I been present, I would have voted "no."

PERSONAL EXPLANATION

Mr. ROGAN. Mr. Speaker, on rollcall No. 278, I was inadvertently detained. Had I been present, I would have voted "yes."

Mr. CANADY of Florida. Mr. Speaker, pursuant to House Resolution 499, I call up the bill (H.R. 3682) to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The bill is considered as having been read for amendment.

The text of H.R. 3682 is as follows:

H.R. 3682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Custody Protection Act".

SEC. 2. TRANSPORTATION OF MINORS TO AVOID CERTAIN LAWS RELATING TO ABORTION.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 117 the following:

"CHAPTER 117A—TRANSPORTATION OF MINORS TO AVOID CERTAIN LAWS RELATING TO ABORTION

"Sec.
"2401. Transportation of minors to avoid certain laws relating to abortion.

"§ 2401. Transportation of minors to avoid certain laws relating to abortion

"(a) OFFENSE.—Except as provided in subsection (b), whoever knowingly transports an individual who has not attained the age of 18 years across a State line, with the intent such individual obtain an abortion, if in fact the requirements of a law, requiring parental involvement in a minor's abortion decision, in the State where the individual resides, are not met before the individual obtains the abortion, shall be fined under this title or imprisoned not more than one year, or both.

"(b) EXCEPTION.—The prohibition of subsection (a) does not apply if the abortion was necessary to save the life of the minor because her life was endangered by a physical disorder, physical injury, or physical illness, including a life endangering physical condition caused by or arising from the pregnancy itself.

"(c) CIVIL ACTION.—Any parent or guardian who suffers legal harm from a violation of subsection (a) may obtain appropriate relief in a civil action.

"(d) DEFINITIONS.—For the purposes of this section—

"(1) a law requiring parental involvement in a minor's abortion decision is a law—

"(A) requiring, before an abortion is performed on a minor, either—

"(i) the notification to, or consent of, a parent or guardian of that minor; or

"(ii) proceedings in a State court; and

"(B) that does not provide as an alternative to the requirements described in subparagraph (A) notification to or consent of any person or entity who is not described in that subparagraph;

"(2) the term 'minor' means an individual who is not older than the maximum age requiring parental notification or consent, or proceedings in a State court, under the law requiring parental involvement in a minor's abortion decision; and

"(3) the term 'State' includes the District of Columbia and any commonwealth, possession, or other territory of the United States.".

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 117 the following new item:

"117A. Transportation of minors to avoid certain laws relating to abortion .... 2401.".

The SPEAKER pro tempore. Pursuant to House Resolution 499, the amendment printed in the bill is adopted.

The text of H.R. 3682, as amended, is as follows:

H.R. 3682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Custody Protection Act".

SEC. 2. TRANSPORTATION OF MINORS TO AVOID CERTAIN LAWS RELATING TO ABORTION.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 117 the following:

"CHAPTER 117A—TRANSPORTATION OF MINORS TO AVOID CERTAIN LAWS RELATING TO ABORTION

"Sec.
"2401. Transportation of minors to avoid certain laws relating to abortion.

"§ 2401. Transportation of minors to avoid certain laws relating to abortion

"(a) OFFENSE.—

"(1) GENERALLY.—Except as provided in subsection (b), whoever knowingly transports an individual who has not attained the age of 18 years across a State line, with the intent that such individual obtain an abortion, and thereby in fact abridges the right of a parent under a law, requiring parental involvement in a minor's abortion decision, of the State where the individual resides, shall be fined under this title or imprisoned not more than one year, or both.

"(2) DEFINITION.—For the purposes of this subsection, an abridgement of the right of a parent occurs if an abortion is performed on the individual, in a State other than the State where the individual resides, without the parental consent or notification, or the judicial authorization, that would have been required by that law had the abortion been performed in the State where the individual resides.

"(b) EXCEPTIONS.—(1) The prohibition of subsection (a) does not apply if the abortion was necessary to save the life of the minor because her life was endangered by a physical disorder, physical injury, or physical illness, including a life endangering physical condition caused by or arising from the pregnancy itself.

"(2) An individual transported in violation of this section, and any parent of that individual, may not be prosecuted or sued for a violation of this section, a conspiracy to violate this section, or an offense under section 2 or 3 based on a violation of this section.

"(c) AFFIRMATIVE DEFENSE.—It is an affirmative defense to a prosecution for an offense, or to a civil action, based on a violation of this section that the defendant reasonably believed, based on information the defendant obtained directly from a parent of the individual or other compelling facts, that before the individual obtained the abortion, the parental consent or notification, or judicial authorization took place that would have been required by the law requiring parental involvement in a minor's abortion decision, had the abortion been performed in the State where the individual resides.

"(d) CIVIL ACTION.—Any parent who suffers legal harm from a violation of subsection (a) may obtain appropriate relief in a civil action.

"(e) DEFINITIONS.—For the purposes of this section—

"(1) a law requiring parental involvement in a minor's abortion decision is a law—

"(A) requiring, before an abortion is performed on a minor, either—

"(i) the notification to, or consent of, a parent of that minor; or

"(ii) proceedings in a State court; and

"(B) that does not provide as an alternative to the requirements described in subparagraph (A) notification to or consent of any person or entity who is not described in that subparagraph;

"(2) the term 'parent' means—

"(A) a parent or guardian;

"(B) a legal custodian; or

"(C) a person standing in loco parentis who has care and control of the minor, and with whom the minor regularly resides;

who is designated by the law requiring parental involvement in the minor's abortion decision as a person to whom notification, or from whom consent, is required;

"(3) the term 'minor' means an individual who is not older than the maximum age requiring parental notification or consent, or proceedings in

a State court, under the law requiring parental involvement in a minor's abortion decision; and

"(4) the term 'State' includes the District of Columbia and any commonwealth, possession, or other territory of the United States.".

(b) CLERICAL AMENDMENT.—*The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 117 the following new item:*

"117A. Transportation of minors to avoid certain laws relating to abortion .... 2401.".

The SPEAKER pro tempore. The gentleman from Florida (Mr. CANADY) and the gentleman from Michigan (Mr. CONYERS) will each control 1 hour.

The Chair recognizes the gentleman from Florida (Mr. CANADY).

GENERAL LEAVE

Mr. CANADY of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CANADY of Florida. Mr. Speaker, I yield 5 minutes to my good friend, the gentlewoman from Florida (Ms. ROS-LEHTINEN), the sponsor of the bill.

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman from Florida (Mr. CANADY) for his help throughout this process in passing the Child Custody Protection Act.

As a writer stated, of all the rights of women, the greatest is to be a mother. I and every mother will assure the Members that an immediate bond exists as our newborn child is placed in our hands, a bond that is sacred, a bond that lasts forever, a bond that is innate, a bond between parent and child.

This legislation is about one thing and one thing only, Mr. Speaker, protecting the rights of parents from being stripped by strangers who dare to play and pretend to be mothers and fathers with our children.

□ 1345

This bill will make it a Federal misdemeanor for an adult to transport a minor across State lines in order to evade parental consent or notification laws on abortion. Already 16 States have parental consent laws, and 10 more have parental notification laws on abortion.

Unfortunately, these laws are being evaded by those who unscrupulously take our minor daughters to obtain an abortion without our consent or notification. This law-breaking activity is encouraged by the abortion mills in States with consent or notification laws. They advertise in publications in States which do have those laws. They entice law-breaking without consideration of the physical and mental ramifications that this life-threatening medical procedure can have on a minor. Indeed, even the United States Supreme Court noted that the procedure leaves lasting medical, emotional and psychological consequences and, it said, particularly so when the patient is immature.

Parents are required in schools across our Nation to provide consent for our daughters for field trips or even to take an aspirin while in school custody. However, when it comes to our daughters being subjected to a possible life-threatening medical procedure, a stranger can take our daughters with no repercussions whatsoever.

This is simply not acceptable. This bill, Mr. Speaker, does not implement a Federal notification or consent law. It merely helps States to enforce their laws to ensure that parents are able to comfort and advise their minor daughters during this crisis pregnancy. Congress should send a clear message across America that we stand for parental rights, that we will not allow strangers to take advantage and exploit our young daughters.

Today I spoke with Joyce Farley, a mother from Pennsylvania whose inherent right to comfort her daughter during this difficult time was stripped away by a complete stranger. Joyce's daughter became gravely ill after being subjected to a botched abortion where she was taken by the stepmother of the man who raped her. And it was only after Joyce Farley noticed that her daughter was ill that she learned that the abortion had been committed on her daughter.

For mothers like Joyce Farley and her daughter, this legislation is about women's rights, the right of every mother in our Nation to protect her child from the unknown hand of a stranger, the right of every mother to protect her relationship with her daughter. This issue goes above and beyond the abortion issue. It is about your rights, my rights and every single parent's right to protect our children.

The Child Custody Protection Act will provide peace of mind to countless mothers and fathers across this great land. I urge our colleagues to protect our daughters and, of course, to protect the sacred bond that exists between parents and children.

I thank the gentleman from Florida (Mr. CANADY) for yielding me the time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong opposition to the bill, H.R. 3682. The bill purports to protect children by making it a crime to accompany them as they travel across State lines to get an abortion if they are not in compliance with their home State's parental consent or notification laws. This bill will endanger children more than it will protect them. It will have the cruel practical effect of requiring young girls to risk their lives by traveling across State lines to obtain a safe and legal procedure, despite the fact that it is in their best medical interest to have someone accompany them.

Make no mistake about it, under this bill it is not a crime, not a crime for the minor to go across State lines without having complied with the parental consent laws. It is a crime to have someone accompany them across State lines. It is not strangers. It is brothers and sisters, grandmothers and grandfathers who would be made criminals. Unfortunately, again we are paying politics with the lives and well-being of women by attempting to pass laws that will have the effect of making it more dangerous to obtain a legal abortion.

The overwhelming majority of minors seeking abortions consult their parents before they undergo the procedure. Even in States that have no mandatory parental consent or notification, more than 57 percent of minors under the age of 16 involve one or more of their parents. No big government mandate can make minors talk to their parents more than they already do.

More than half of all minors not involving their parents in an abortion decision do involve an adult, including many who involve a stepparent or adult relative. These are the very same people that we will make criminals if this law is enacted and the same minors that will be isolated because of this bill.

The compassionate older sibling or grandparent who insists on accompanying a minor in order to ensure their safety will be sent to jail if this bill becomes law. Even those ministers, relatives or family friends who oppose abortion but wish to ensure that the minor undergoes a safe procedure and comes home unharmed will be considered criminals based on the scheme proposed in this bill.

Again, it is not a crime for the minor to go across State lines without complying with parental consent laws if they go alone. It is only a crime if they are accompanied.

For the subcommittee hearing, Mr. Speaker, I had moving testimony from Bill and Mary Bell submitted for the record. The Bells are parents of a daughter who died receiving an illegal abortion because she did not want her parents to know about her pregnancy, but Indiana law required parental notice before she could have a legal abortion. A Planned Parenthood counselor in Indiana informed Becky that she would either have to notify her parents or petition a judge in order to get the abortion, and she responded that she did not want to tell her parents because she did not want to hurt them. And she also replied that if she could not tell her parents, she certainly could not tell a judge who she did not even know. The counselor suggested that Becky travel 110 miles away to Kentucky where she would not need to notify her parents, but instead she underwent a botched illegal procedure closer to home and died as a result.

Although this bill would not have hurt Becky Bell, it will hurt young women in similar situations who are unable to cross State lines with someone else to obtain a safe and legal abortion.

In addition, Mr. Speaker, we heard testimony at the hearing that this bill could make doctors and nurses criminals for the simple task of providing a safe and legal abortion to a woman who happened to live in another State. We should resist at all cost this vile attempt to scare and intimidate doctors and nurses by creating a criminal scheme that could have them thrown in jail even when they are not aware that a minor intends to evade a State's consent laws. By taking down a name and address and setting up an appointment, clinic nurses could be accessories to the crime. Even assisting in having a cab drive a woman home, someone could be found criminally responsible as an accessory after the fact and, therefore, also subject to civil liability.

The civil liability provisions of the bill create a blanket Federal cause of action for a parent who suffers "legal harm." Based on agency principles, the doctor, the nurse, a cab driver, a bus driver could be held civilly liable for providing safe and legal assistance to a minor. This federalization of tort law is unprecedented and counterproductive to what should be the compelling interest of ensuring doctors and other health professionals the freedom and comfort to provide the best medical care available.

How will insurance companies respond to this new Federal tort? Will they force doctors to interrogate any woman looking under the age of 25? Will they require birth certificates and residence cards to prove their residence before they are able to get the medical care they are seeking? The civil liability provision should be eliminated.

For these and many other reasons, Mr. Speaker, I urge my colleagues to pause and take a long, hard look at the consequences that will result from this bill which will be encouraging the isolation and endangerment of the young Becky Bells of the world.

Mr. Speaker, I reserve the balance of my time.

Mr. CANADY of Florida. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. HYDE) the chairman of the Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, I think the greatest threat to society today is the assault on the family. No matter what direction we look in, the authority of the parents is being eroded. It is particularly true in entertainment. I have yet to see a movie where the parents are smart or know as much as the children do. But the fact is, parental authority is certainly a far cry from what it once was.

Now, this bill seeks to reinforce the primacy of the parent. Parents are most suitable, when it comes to caring for, nurturing care for their young daughter. We pass laws for the normal situation, not the abnormal. We deal with the abnormal situation in the judicial bypass. But the fact is, the overwhelming majority of parents love their daughters, care for their daughters, are concerned for their daughter's welfare, health, safety more than anybody else is, more than a social worker, more than a relative no matter how close. There is something about parental love that is unique.

Now, what about the parents that are not there? What about the abusive parents? What about the child that is terrified that telling a parent would result in some bodily harm or some irrevocable estrangement? That is why we have a judicial bypass. Twenty-two States have these laws requiring parental notification, but every law requires the placement of a judicial bypass for those circumstances where it is inappropriate for whatever reason to try to notify the parents.

How do you get to the judge if you are a young girl and you have this problem pregnancy? Well, the abortion clinic, euphemistically so-called, should require the parents be notified if that is the law of the State. And if the parents are not notified, they can direct the young lady to a social worker who will take care of the judicial bypass. So the mechanics are there. The process is there. But what you have to have is an adult, preferably the parent, the loving, caring, nurturing, uniquely caring parent making a decision, providing advice, supporting, helping the child in this very important operation.

Now, to me it is grotesque that in a school you cannot take a Tylenol, you cannot have your ears pierced without parental consent. But abortion, which is an irrevocable act that has consequences perhaps permanent, if it is not done just properly, if the uterus is damaged or perforated; and that reminds me of another thing, do not forget, follow-up care following an abortion. What if the young lady goes across the State with whomsoever, has the abortion and then comes back and has adverse consequences, starts hemorrhaging?

Well. the clinic that performed the abortion on her is nowhere to be found. That is when you need your parents. That is when you need somebody to care about whether you live or die and that you get the medical care you need.

So it is a terrible mistake to avoid parental authority, parental responsibility, to camouflage that and to go to another State to avoid the laws of the State of residence of the young lady for the purposes of an abortion.

Now, lastly, as a grandparent, I would be very concerned if my daughter were to be young and have an abortion and I not know about it, because I have an interest as a parent, too, in the children of my children. But this protects the child. This provides the follow-up care that may be necessary, if you obey the law.

Let us reinforce the family. Let us not tear it down. I hope Members will support this well thought out, necessary bill.

Mr. SCOTT. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. LOWEY).

☐ 1400

Mrs. LOWEY. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I rise in opposition to this bill. This is a dangerous misguided bill that isolates our daughters and puts them at grave risk. That is why the President has threatened to veto it.

Under this legislation, young women who cannot turn to their parents when facing an unintended pregnancy will be forced to fend for themselves without any help from any responsible adult. Thankfully, most young women, more than 75 percent of minors under age 16, already involve their parents in the decision to seek an abortion, and that is the good news. But not every child is so lucky. Not every child has loving parents.

Now, I believe that those young women who cannot go to their parents should be encouraged to involve another responsible adult, a grandmother or an aunt, in this difficult decision. Already more than half of all young women who do not involve a parent in the decision to terminate a pregnancy choose to involve another adult, including 15 percent who involve another adult relative, and that is a good thing. Unfortunately, this bill will impose criminal penalties on adults like grandmothers who come to the aid of their granddaughters.

We have tried to address this problem at the Committee on Rules by exempting close family relatives from criminal liability under the bill, but that amendment was denied. As a result, this bill will throw grandmothers in jail for assisting their granddaughters. Mr. Speaker, I am a grandmother of two, and I believe grandparents should be able to help their grandchildren without the risk of being thrown in jail. Unfortunately, this legislation would criminalize that involvement.

And so this bill tells young women who cannot tell their parents, "Don't tell anyone else. Don't tell your grandmother. Don't tell an aunt. No one can help you. You are on your own."

Let me give you one tragic example. Ten years ago Becky Bell was 17. Unfortunately, she became pregnant. Hoping to keep the pregnancy from her parents, she went to a local Planned

Parenthood clinic. They told her that under Indiana law, if she wanted an abortion, she would have to obtain her parents' permission or ask a judge for a waiver. Well, Becky was ashamed to tell her parents and said, "If I can't tell my mom and dad, how can I tell a judge, who doesn't even know me?" So Becky obtained an illegal back-alley abortion, an illegal, unsafe abortion that killed her.

Parental consent laws did not force Becky to involve her parents in her hour of need. Just the opposite. At her most desperate hour, Indiana's parental consent law drove Becky away from the arms of her parents and straight into the back alley.

Mr. Speaker, parental consent laws do not protect our daughters, they kill them. They do not bring families together, they tear them apart. And so I ask the gentleman from Florida (Mr. CANADY), how many young women like Becky Bell will lose their lives because of this legislation? How many more of our daughters will be killed by these misguided laws?

Mr. Speaker, I firmly believe that we should make abortion less necessary for teenagers, not more dangerous and difficult. We need to encourage teenagers to be abstinent and responsible. We need a comprehensive approach to keeping teenagers safe and healthy. We do not need a bill that isolates teenagers and puts them at risk.

I urge my colleagues to vote "no" on this legislation.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN).

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman from Florida (Mr. CANADY) for yielding me this time because I want to refute what the gentlewoman from New York (Mrs. LOWEY) said, and the other speakers, about this Becky Bell case. It reminds me of what Benjamin Franklin said about the death of a beautiful theory by a gang of brutal facts.

Let me give my colleagues the brutal facts about this Becky Bell case. Abortion advocates claim that this case came from an illegal or self-induced abortion; that this young lady sought this illegal abortion because she was afraid to tell her parents about the pregnancy as required by Indiana law. And certainly that Becky died is a tragedy. However, there is no solid evidence whatsoever to support the claim that she died of an illegal or self-induced abortion.

In fact, several abortion advocates have expressed concerns about using this case as an example of an illegal abortion death. And let me give my colleagues some of the most recent opinions and statements and evidence to date.

The head of forensic pathology at Indiana University said, "I cannot prove she had an illegal abortion. I cannot prove she had anything but a spontaneous abortion." The pathologist on the case found no evidence of internal injury, which he felt ruled out a self-induced abortion. And even the Executive Director of Planned Parenthood said, and I quote, "I have some reservations about hyping this whole thing when it is so mixed about what actually went on."

A well-known doctor, very well known on the abortion issue says, and I quote, "The most reasonable probability is that Rebecca Bell died of an overwhelming pneumonia death, the same condition that puppeteer Jim Henson died of. Ms. Bell probably had an incomplete spontaneous abortion, which is a miscarriage, with tissue still remaining in the uterus, which is typical of a spontaneous miscarriage."

The facts clearly point to the fact that although it seems like a good example to use, Becky Bell did die, there is no doubt about that, but she did not die from an abortion as a result of not wanting to go to her parents with the news of her pregnancy. Those are the facts.

Mr. Speaker, I submit for the RECORD further documentation relating to the case of Becky Bell.

NEW YORK, NY,
September 4, 1990.

Re Rebecca Suzanne Bell.

BECKY MOORE,
United Families,
Eugene, OR.

DEAR MS. MOORE: There is no evidence of any septic abortion contained in the coroner's report; there is no infection in or around the uterus, no pus, no odor to the uterus and no peritonitis. The serosa of the uterus is described as "smooth and glistening." In the case of a septic abortion this tissue would be shaggy and discolored. Further, all blood cultures were consistently negative. Indeed, there is no evidence for an induced abortion at all: no marks or stigmata of instrumentation (dilation of the cervix by instruments, marks on the cervix, etc.) in the genital tract.

The most reasonable probability is that Rebecca Bell died of an overwhelming streptococcus pneumonia (the same condition that puppeteer Jim Henson died of). Ms. Bell probably had had an incomplete spontaneous abortion (miscarriage) with tissue still remaining in the uterus (typical of a spontaneous miscarriage). The tissue which remained showed absolutely no evidence of infection or inflammation. If the coroner had been convinced of a "septic abortion" he should have made cultures of that tissue: if this had truly been a death from septic abortion the cultures of the tissue would have yielded streptococcus pneumoniae. Finally, in the case of a septic abortion the lungs would have shown septic pulmonary emboli, not generalized pneumonia.

In short, the cause of death here was probably overwhelming pneumonia unrelated to the abortion/miscarriage. This was about as superficial and careless (not to say "negligent") an autopsy as I have seen in my considerable experience evaluating medico-legal files over the past twenty years.

I would strongly suggest that all slides of tissues examined at autopsy be reviewed by a competent impartial pathologist. I am confident that my opinion will be supported.

Sincerely,
BERNARD N. NATHANSON, M.D.

NATIONAL RIGHT TO LIFE
COMMITTEE, INC.,
Washington, DC.

KNOWN FACTS OF THE BECKY BELL CASE

Abortion advocates, including Becky Bell's parents, claim that Becky Bell died in 1988 from an illegal or self-induced abortion. She allegedly sought the illegal abortion because she was afraid to tell her parents as required by Indiana law.

Certainly, that Becky Bell died is a tragedy. However, there is no solid evidence to support the claim that she died of an illegal or self-induced abortion. In fact, several abortion advocates have expressed concerns about touting the Becky Bell death as an illegal abortion death.

Among the most recent evidence and opinions to date:

"I cannot prove she had an illegal abortion. I cannot prove she had anything but a spontaneous abortion," said [Dr. John] Pless [head of forensic pathology at Indiana University Medical Center, who performed the autopsy on Becky Bell].—"Abortion debate shifting," by Joe Frolik, Cleveland Plain Dealer, page 1, Sept. 9, 1990.

Pathologist She . . . found no evidence of internal injury, which he felt ruled out a self-induced abortion. Nor were there any marks on Becky's cervix that would be left by the instruments commonly used for clinic abortions.—same article.

"I heard about Becky's death right away, but I heard conflicting opinions right away, too," said Delbert Culp, executive director of Planned Parenthood of Central Indiana. "I have some reservations about hyping this whole thing when it's so mixed about what actually went on."—same article.

"In this case, the pathology report is notable in that while there is evidence of massive infection in the lungs and elsewhere in the body, there is no evidence of infection on the outside or within the uterus . . . [the germ that killed Becky] is a common pneumonia germ . . . which is unlikely to originate from a contaminated abortion procedure."—Dr. John Curry, former head of the Tissue Bank at Bethesda Naval Hospital, as quoted in "A rush to blame in Becky Bell's death," by Cal Thomas, Washington Times, Aug. 9, 1990.

Karen Bell [Becky's mother] believes her daughter had someone try to induce an illegal abortion . . . [Heather] Clark [Becky's best friend] insists her friend did nothing of the sort, saying Rebecca talked about getting a legal abortion in Kentucky until she died. She thinks Rebecca had a spontaneous abortion.—"Abortion Law: Fatal Effect?" by Rochelle Sharpe, Gannatt News Service, Washington, D.C., Nov. 24, 1989.

Note: For more information about the Becky Bell case, including the coroner's report, autopsy report and other news stories, please contact the NRLC State Legislative Department at (202) 626-8819.

NATIONAL RIGHT TO LIFE
COMMITTEE, INC.,
Washington, DC.

THE BECKY BELL CASE: NOT AN ILLEGAL ABORTION DEATH

Abortion advocates, including Becky Bell's parents, claim that Becky Bell died in 1988 from complications of an illegal abortion she allegedly sought because she was afraid to tell her parents as required by the Indiana law.

> However, the facts of the case do not support the abortion advocates' claims.
>
> *Fact 1.* Becky, suspecting she was pregnant, went to Planned Parenthood in Indianapolis for advice.
>
> *Fact 2.* After Becky left Planned Parenthood, she talked about going to Kentucky for an abortion.
>
> *Fact 3.* Becky was scared and confused.
>
> *Fact 4.* She considered both adoption and abortion.
>
> *Fact 5.* Her best friend, Heather Clark, believes Becky miscarried, and did not have an abortion.
>
> *Fact 7.* On the day before her death, Becky asked Heather Clark to make a Saturday appointment at a Kentucky abortion clinic.
>
> *Fact 8.* Becky's baby was still alive immediately before she died.
>
> *Fact 9.* Becky Bell did not die from an illegal abortion.
>
> Heather Clark, Becky's best friend, was, unlike Becky's parents, in her confidence during the last week of her life. As reported by Rochelle Sharpe of Gannett News Service in Abortion Law: Fatal Effect? (11/24/89), the two girls together: went to Planned Parenthood, where a counselor . . . told them about the Indiana parental-consent law. During the four months of her pregnancy, though, Rebecca wavered . . ., Clark said. She contemplated a trip to Kentucky abortion clinic or running away to California, where she planned to have the baby and put it up for adoption. Most of the time, she said, Rebecca favored the abortion, but she kept postponing her trip out of state.
>
> Karen Bell [Becky's mother] believes her daughter had someone try to induce an illegal abortion . . . Clark insists her friend did nothing of the sort, saying Rebecca talked about getting a legal abortion in Kentucky until she died. She thinks Rebecca had a spontaneous abortion. . . .
>
> Whatever happened, Rebecca got sicker by the day. She was so sick at school on Tuesday, she was crying when she saw her friend Clark. . . .
>
> By Thursday, "She was so sick, she could not breath," Clark said. "She couldn't lay down all the way."
>
> Still, Rebecca asked Clark to make a Saturday appointment at the Kentucky abortion clinic. As she lay dying, Clark said Rebecca requested she call one of her friends, who'd gone to the Kentucky clinic. That girl described the procedures to Rebecca.

Mr. SCOTT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, I rise in strong opposition to the deceptively titled Child Custody Protection Act. I am a mother, too. I have two young daughters. And I would hope and pray that my two young daughters would come to me if they got into the tragic situation of an inadvertent pregnancy. But if they could not come to me, I certainly do not want them in a back alley having an unsafe abortion.

Do we want to create a society where young women who face an unintended pregnancy cannot turn to a relative or a close friend for help? Do we want to increase the number of illegal and often lethal back-alley abortions? Do we want to criminalize grandparents for taking their grandchildren to another State for an abortion? Do we want to criminalize a bus driver who transports a minor across State lines for an abortion? Do we want to force the few young women who cannot involve their parents in these decisions into potentially violent and abusive situations by forcing them to get the consent of their dysfunctional parents? I think not. And I think we should vote against the bill for this reason.

Columnist Ellen Goodman said last week, "You can't write a law forcing parent-child communication." But if we try, we are going to see tragedies across this country.

If my colleagues do not like the Becky Bell example, let us talk about Spring Adams, a 13-year-old girl from Idaho who was shot to death by her parent after he learned she intended to have an abortion for a pregnancy that he himself caused.

The proponents of this bill claim it to be constitutional. But it would be the first Federal legislation which would restrict the rights of the adults, of the adults, to cross State lines legally. That is why this bill is unconstitutional. It is wrong. It will not solve the problem and we need to reject it.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. HUTCHINSON).

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the issue before us today involves two important values: The rule of law and the role of parents. The law before us upholds each of these values.

The practice of transporting a minor across State lines to obtain an abortion is not simply an abstract discussion. In the State of Arkansas, where I live, there are parental notification laws in place to assure parents are consulted. And, yes, there is an appropriate provision for judicial override in those extraordinary circumstances that dictate that parents should not be involved. However, Arkansas borders on three States that do not require parental consent. Abortion clinics do not hesitate to encourage minors to cross State lines to obtain an abortion.

A Texas clinic, for example, has taken out an ad in the Little Rock phone book targeting Arkansas teens by stating that it, "Specializes in teenage care and in difficult cases."

In 1996, 746 Arkansas residents traveled out of State to obtain an abortion. Based upon the hearing that was held in the Subcommittee on the Constitution of the Committee on the Judiciary, it is clear a significant number of these 746 abortions were in order to circumvent Arkansas's parental notification law. This is an affront to the rule of law.

But the rule of law is not the only value that will be protected by this law. The bill fortifies parents' responsibilities to provide guidance and care for their child. It is the role of the parent, not the government and, yes, not the grandparent to raise a child. And in critical times like that of an unexpected pregnancy, a child most benefits from the guidance of a parent. To deny the parents the ability to know and to act in the best interest of their child not only harms the parent but harms the child as well.

The long-term physical and emotional consequences of abortion must be taken into consideration. Parents need to be aware of their daughters' situations so that they can provide critical counseling to that child. Regardless of our position on abortion, this law makes sense for all involved. It protects the rule of law, the responsibility of parents, and the well-being of our children.

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I rise in opposition to this bill. Mr. Speaker, despite the rhetoric, we all know that the real purpose of this bill is to make it even more difficult for women to exercise their constitutionally protected right to have an abortion. That is the real motivation and that is what is driving this bill, not the concern about parental involvement.

We know, in any event, that 75 percent of women under the age of 16 consult their parents before seeking an abortion. But young woman who feel they cannot confide in their parents will now be unable to confide in their grandparents or any other adult. This bill would punish young women, would force them to risk their health and isolate them from adults who might be able to help them in a time of crisis. This bill would force a young woman to drive by herself for long distances both before and after an abortion rather than allow a responsible adult to accompany her.

The American Medical Association has noted women who feel they cannot involve a parent often take drastic steps to maintain the confidentiality of their pregnancies, including running away from home, obtaining unsafe back-alley abortions, or resorting to dangerous, sometimes fatal self-induced abortions. The AMA has reported that, "The desire to maintain secrecy has been one of the leading reasons for illegal abortion deaths since 1973."

This bill, Mr. Speaker, is a death sentence for many young women. Like all parental consent laws, this bill further risks women's health because it delays abortions. As we all know, the further a pregnancy progresses, the more dangerous any termination procedure becomes. We should be taking action to ensure that abortions are as safe as possible, and we should be strengthening sex education and increasing the availability of contraception to help reduce the number of unintended pregnancies. This bill does not address those issues, and instead seeks to isolate teenagers and makes their lives even more difficult.

This bill also invites families to sue one another for damages. Who gets to sue? Parents. Even parents who have been abusive or have abandoned their children. Fathers who have raped their daughters are allowed to sue for damages. Who can they sue? They can sue doctors, clinics and relatives.

What about the criminal penalties? This bill could force a grandmother to go to jail for coming to the aid of a grandchild. It could criminalize almost any adult relative of a child who tries to help the young woman at this time.

Proponents of this bill ignore these concerns and wave around judicial bypass as a panacea. But the judicial bypass option of many parental consent laws has proven ineffective. Many local judges refuse to hold hearings or are widely known to be anti-choice and refuse to grant bypasses, despite rulings of the Supreme Court that they cannot withhold a bypass under certain conditions.

This bill also promotes a dangerously unconstitutional concept. I know of no other law that seeks to make it criminal to accompany someone to a different State for the purpose of doing something that is legal in that State. Will we next make it illegal to help someone go from New York, where gambling is illegal, to Atlantic City or to Las Vegas? What this bill really says is: We regret forming the Constitution. We regret our Federal union and we want to go back to a series of sovereign States, back to the Articles of Confederation. That is simply foolish and dangerous.

Mr. Speaker, I urge my colleagues to reject this bill and to affirm that in a Federal union we cannot criminalize going to another State to do what is legal in that State.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. RYUN).

Mr. RYUN. Mr. Speaker, I rise today in strong support of this measure, knowing that another young girl will secretly be taken across State lines and have an abortion without her parents' knowledge. And I want to emphasize that: Secretly taken across State lines without her parents' knowledge. This is done to bypass State parental requirements. This circumvents the State law and it must end, and we are taking a step in that direction today.

H.R. 3682, the Child Custody Protection Act, will make it a Federal offense for adults with no legal parental authority to transport someone else's child across State lines for the purpose of having an abortion. The Child Custody Protection Act will punish those who disregard the safety of our children while, at the same time, returning to parents the authority to make those important medical decisions for their children.

I know as parents of four children, Anne and I appreciate as much input as we possibly can have in the medical decisions of our children, and that is why I urge my colleagues to support H.R. 3682. We must protect the authority of parents, the welfare of our children, the rights of the unborn, and this is a beginning in that direction.

□ 1415

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Section 2401(b)(2) specifically exempts prosecution of a young lady who goes by herself across State lines. There is nothing in the bill that prevents skipping around the parental consent laws. So we just want to remind people of that.

Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. MEEHAN).

Mr. MEEHAN. Mr. Speaker, I urge my colleagues to oppose the bill currently under consideration. This bill rests on a fallacy. The fallacy is that we can compel each and every woman to inform her parents or a judge about her desire to have an abortion. The reality is quite different.

Some young women are horrified at the prospect of telling their parents or a judge about a pregnancy, and they will do everything in their power to avoid it. So the question we really should be asking ourselves today is this: What will these young women do if H.R. 3682 were enacted into law? The answer is some will travel across State lines alone to have abortions, while others will be accompanied by trusted friends and relatives to underground illegal abortion providers who offer a way around consent laws.

Can this really be the sort of behavior we want to encourage? We tell adults who have teeth pulled to bring along a friend or a family member to drive them home. Yet some Members of this body apparently have no qualms about seeing young women who cross State lines for abortion take home the bus with strangers.

Mr. Speaker, we all would welcome a world where abortion is less prevalent, but I, for one, will not attempt to usher in that world by erecting obstacle after obstacle in the way of a woman's right to choose. I assure my colleagues we will pay a steep price for that strategy in the currency of many pregnant young women's health and safety. I urge opposition to this misguided legislation.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. BRYANT).

Mr. BRYANT. Mr. Speaker, I thank the gentleman for yielding me the time.

I rise this afternoon as a cosponsor of this bill and in strong support of this legislation and urge my colleagues to vote in support of it. While there are fundamental differences between us regarding the prolife and prochoice debate, for many of us there is common ground regarding the protection of parental rights and the health of our teenage children.

And certainly we are talking about teenage children here. We are not talking about women. We talking about young girls that are underage here, teenagers; 9-, 10-, 11-, 12-year-old teenagers up to perhaps, I guess, age 18 before in most States they become a minor.

The truth of the matter is that many of these young pregnant teenagers, these young girls, 12- 13-year-old girls are being impregnated by adult boyfriends, more than 18-year-old men; and they are being carried across State lines by these young men who are 18 or over or by their parents.

We heard cases where the mother of this boyfriend carried this young teenage girl across a State line, unbeknownst to her own parents, so she could get an abortion. And this is a complicated medical invasive procedure we are talking about. We are not talking about crossing State lines to go gambling or to go shopping. We are talking about major surgery here that has, as with any surgery, a very high risk not only during the surgery, but after the surgery.

And to make matters even worse, this mother of the boyfriend or this boyfriend does not know the medical history completely, nor does that child know her own complete medical history that might be of some relevance to this doctor.

Could there be a worse nightmare out there for parents to be in a situation where their child is across the State lines dying perhaps in one of these clinics without their knowledge? And all of this can be avoided by simply passing this law that allows a responsible parent, a guardian, or even a court where there are bad parents to intervene in this type of situation.

This bill guarantees the goals of both sides of this issue, and I urge my colleagues to support this for the health and safety of our teenage children and for the responsibilities of knowing and caring parents.

Mr. SCOTT. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, I rise today in strong opposition to H.R. 3862.

The idea that a girl who has a good relationship with her parents would face an abortion without parental support is absolutely absurd. Some young girls are forced to go behind their parents' back. They have to do that for their own safety.

A third of the young women who do not notify their parents have been victims of family violence. They do not consider it safe to involve their own parents.

I am outraged. Here we are, with the far right majority in Congress wanting to make it a crime to help pregnant girls, when we know that not all parents are loving. Some pregnancies are even caused by a family member. Some parents are in denial. Some are not knowledgeable. They cannot help that young person.

But let us face it, even teenagers can have sex without parental support or consent. Teenagers can continue a pregnancy, receive prenatal care, and deliver a baby without parental consent. Teens can also give the baby up for adoption without parental consent. The only thing they are prevented from doing by this bill is making the decision to end the pregnancy.

This bill seeks only to isolate young women who cannot involve their parents. We should be helping our teenagers. We should be helping our young women. Instead of criminalizing freedom of choice, we should be providing the support services that teens need. They need a better education. They need health care. They need support services.

Many of the same people who are supporting this bill today and oppose a young woman's right to choose constantly oppose teaching our children about birth control, about their options to prevent pregnancies in the first place.

I urge my colleagues to vote against this bill.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky (Mr. LEWIS).

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today in support of this much needed legislation.

The Child Custody Protection Act offers the Members of this Chamber the opportunity to safeguard the rights of their parents and their special responsibility of caring for their children they have brought into this world. It is time for the Congress to speak loud and clear in defense of the family.

Allowing other adults to circumvent State law requiring parental involvement in a minor's abortion deprives the child of the security, love, and wisdom that only a mother and father can provide in the most difficult times.

I fully recognize that the practice of abortion is a divisive issue in our country today, and I hope that one day we will again honor the sanctity of life and reject the killing of millions of preborn babies.

Despite the different views toward abortion, I believe the great majority of Americans remain committed to strong families where children can face difficult decisions with the help of a mother or father. Yes, some parents are better than others, and there are laws to protect their children from abuse or irresponsible mothers or fathers.

The truth is that parents will never be able to offer perfect advice or guidance for their children. However, I know of no better refuge for a child who is confronting a personal crisis than the emotional support of a parent. Encouraging a child to procure an abortion, with all its emotional consequences and health risks, without parental involvement, is an assault on this refuge and historic legal rights of parenthood.

I strongly urge my colleagues to support H.R. 3682. The overwhelming majority of Americans agree that we must protect the fundamental right and responsibility of parents to protect their minor daughters from those adults who have no legal responsibility for the child, but decide that a secret abortion is the preferred option. Let us respect the States' parental notification laws that promote strong families and encourage minors to make wise decisions.

Mr. SCOTT. Mr. Speaker, could I determine the amount of time remaining on both sides, please?

The SPEAKER pro tempore (Mr. EWING). Both Members have 42 minutes remaining.

Mr. SCOTT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Oregon (Ms. FURSE).

Ms. FURSE. Mr. Speaker, I rise today in strong opposition to H.R. 3682.

We have heard a great deal today about the sanctity of parenthood. Well, I am a parent. I think parenthood is a great, great thing. But let us talk about reality as well. I am sometimes very much afraid there is a big disconnect in this institution about reality.

Just assuming that all families are good and kind does not make them so, and I think it is grotesque, yes, grotesque, that there are people in this institution who deny reality and in doing so jeopardize the lives of our daughters.

This legislation assumes that all young women have a safe, warm, loving family, but, however, I know that there are many young women who fear physical and emotional abuse at home and who know that disclosure of pregnancy would bring violence to them.

I am not talking just generally. I want to tell you about one such girl, one such family, one such case: Spring Adams, 13 years old, living in Idaho. Her father, Rocky Adams, raped her, and she became pregnant. She tried to get her mother to take her to Portland, Oregon, where she could have a safe and legal abortion, and her mother was afraid of Rocky Adams, rightly so. He was a violent, violent man.

Spring did not know about a court, that she could go to a judge. She was 13 years old. Eventually a trusted friend said she would take Spring to Oregon, but it was too late for Spring because that night her father, hearing that she was going to get an abortion of this child that he had caused, this pregnancy, he shot her through the head.

Not all families, not all families, are kind and loving. Spring Adams' family was not.

Let us vote for Spring Adams. Let us vote against this bill that will jeopardize our daughters' safety.

Mr. CANADY of Florida. Mr. Speaker, I yield 6 minutes to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I think it is becoming abundantly clear to a growing number of Americans that abortion is violence against children. Abortion methods rip and tear innocent, unborn babies to pieces. Abortion methods dismember children with razor blades attached to suction machines. Abortion methods include pumping and injecting deadly poisons into the baby for the express purpose of killing the child.

Abortion methods include killing the baby as he or she is actually being born. The partial birth abortion method, as we now know, entails jamming scissors into the child's skull and then vacuuming the brains out.

Abortion is violence against children, Mr. Speaker. Thus, it seems very clear to me that secretly transporting teenagers across State lines to procure abortions in a State with no parental notification or parental consent compounds the violence by exploiting the vulnerable minor.

Mr. Speaker, my colleagues may recall that when the partial birth abortion ban was debated on this floor many proabortion organizations, including Planned Parenthood Federation of America and their research arm, the Guttmacher Institute, wrote a letter saying that there were and I quote, "fewer than 500" partial birth abortions per year in the country, in the entire country.

That statement, just like other statements that they made, has turned out to be totally bogus. It turned out to be a lie. One leading proabortionist even said that he "lied through his teeth" on this issue.

It was a New Jersey newspaper, the Bergen Record, that broke the story that just one clinic in my State, the Metropolitan Medical Associates in Englewood, did about 1,500 partial birth abortions each and every year, many of them on teenagers. That's three times the number the abortion industry told us were performed in the entire nation.

Now we know that the Metropolitan Medical Associates and other abortion mills in New Jersey advertise and market their business in Pennsylvania and elsewhere, and use the fact that New Jersey does not have a parental consent or parental notice law as a way of luring young girls to that clinic and to other clinics.

If you look at this yellow page ad, promoting the Metropolitan Medicine Associates Mr. Speaker, it stresses that pregnancies up to 24 weeks, 6 months, very large, very mature babies, can be terminated, that is—murdered—without parental knowledge, without parental consent. No waiting period, no parental consent, that is how they advertise in the Pennsylvania phone book.

□ 1430

These ads are telling young teens, "Hey, we can end your baby's life, and your parents never need to know; it will be our secret." But if a teenager's secret abortion leads to complications, what then? Where is it written that the person driving the frightened and often very vulnerable 12 or 14 year old to an abortion mill is responsible? Who picks up the pieces of the shattered young girl when the bleeding, when the psychological and the emotional and the physical consequences set in? Obviously it will be her parents, or one of her parents. They will be responsible for and involved in her care after the abortion, when the disaster hits. The parents, should have had the chance to be involved without the circumventing of the more than 20 State laws that require parental involvement in this irreversible decision that takes a human life.

On May 21, Mr. Speaker, Joyce Farley testified before the House Committee on the Judiciary's Subcommittee on the Constitution, and she said, and I will quote her only briefly:

"My daughter was a victim of several horrible crimes between the ages of 12 and 13. My child was provided alcohol, she was raped and then taken out of the State by a stranger to have an abortion. This stranger turned out to be the mother of the adult male who provided the alcohol and then raped my 12-year-old daughter while she was unconscious. The rapist's mother arranged for and paid for an abortion, and it was performed on her child. This woman lied and falsified records."

And she goes on to say:

"Following the abortion the mother of the rapist dropped off my physically and emotionally battered child in a town 40 miles away from our home. The plan was to keep the rape and the abortion secret."

Then she goes on to say how, when she discovered the consequences, she then swung into action and did everything humanly possible to help her child who was bleeding and in severe pain.

We need to say, Mr. Speaker, that the law does indeed matter. These State laws are there for a purpose. Other States are contemplating parental-involvement statutes as we speak. We need to say that parents matter, and we need to help those vulnerable children who are being carried across State lines and pushed into abortion clinics by relative strangers and who in many cases have their own reasons for making sure that these girls get abortions.

Finally, Mr. Speaker, Americans overwhelmingly support the Child Custody Protection Act. When asked a very simple question that goes right to the core of parental responsibility, "Should a person be able to take a minor girl across State lines without her parents' knowledge to get an abortion", 85 percent of Americans said no; only 9 percent said yes.

Mr. Speaker, I urge my colleagues to support this very pro-child, pro-family, pro-parent legislation that has been offered by the courageous pro-life leader, the gentlewoman from Florida (Ms. ROS-LEHTINEN). I want to thank the gentleman from Florida (Mr. CANADY) as well for his exemplary work in shepherding this legislation through, and the gentleman from Illinois (Mr. HYDE) and all of us who had a part. It is a very important piece of legislation, and it will help our minor girls.

Mr. SCOTT. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia (Mr. WISE).

Mr. WISE. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, this is one of those issues we just got to wrestle with and wrestle with our conscience.

I support parental notification, I support the West Virginia statute which requires parental notification except in very limited circumstances, and to the gentleman who just recited a national poll, quoted from a poll saying that 85 percent feel that someone should not be able to take a minor girl across State lines for purposes of having an abortion without parental consent, he can put me down in that if I am asked the question just as he phrased it. But then if I am asked: What about the Spring Adams case where her father molested her and raped her, and because he found out she was going to have an abortion shot her; was he someone that my colleagues would require parental consent of?

What about the limited circumstances? I happen to believe that the case cited, the Joyce Farley case, by the proponents of this legislation is a horror. But I also think that the Spring Adams case, in which she was raped by her father and then shot by her father, is a horror as well.

There is another reason, too, that I oppose this legislation: Because I do not think we want the FBI and the Federal authorities criminalizing brothers and sisters and other loved ones who may feel that this is the only way they can help their pregnant sister.

In West Virginia recently, because of overcrowded jails, and we are not the only State with overcrowded jails, everybody here has them, an inmate was killed because of an overcrowded jail, and the argument now is what kind of criminal offenses are we putting people in jail for? Do we really wanted to subject a brother or a sister to the criminal penalties, to imprisonment, for doing something that they do whether rightly or wrongly they do out of love and trying to help their sister? Is this something that we want frightened couples to be faced with?

I urge us not to compound one tragedy by adding on another tragedy, and so for that reason I oppose this legislation.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Speaker, I thank the gentleman from Florida for yielding this time to me.

Mr. Speaker, I, too, rise in support today of the Child Custody Protection Act and want to comment, based on listening to the debate on the floor today and the tenure of that debate, that this is not an easy issue, this is a difficult issue, and yet standing for what is right is never going to be easy, and I want to credit the gentleman from Florida (Mr. CANADY) and the gentlewoman from Florida (Ms. ROS-LEHTINEN) for the courage that they have demonstrated by bringing this important piece of legislation to the floor.

I think it really revolves around three basic, fundamental questions. The first is: Does this Congress want to affirm the most basic and fundamental institution in our culture today, and that is the family? Secondly: Does this Congress want to affirm States rights to regulate and impose restrictions on abortions? And finally: Does this Congress want to affirm respect for the sanctity of human life? And if we answer yes on any or all three of those questions, then this is really a very simple and straightforward issue. It is not complicated, and most of the social problems that we encounter and see in America today can be traced back to one very simple basic problem, and that is that the American family has been undermined, eroded and attacked on every front.

Mr. Speaker, the family is disintegrated, and government policy has aided that disintegration on every front by making it more difficult for families to spend time with their children; and opposing this legislation, as those on the other side have indicated they will do, further disenfranchises parents from their children.

This is not a value-neutral issue. This strikes at the very core of our country's and our culture's value system, and far be it from this Congress to stand in the way of life, to stand in the way of families and parents and their children and to stand in the way of the ability of States to affirm their commitment to our most basic and fundamental core values in our culture today.

So I support this legislation and would encourage my colleagues on both sides of the aisle to stand firm in support of families, in support of life and in support of those States out there that are doing what they can to see those values are upheld.

Mr. SCOTT. Mr. Speaker, I yield 6 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Virginia (Mr. SCOTT) for his leadership.

This is a very difficult debate. It is one that gains us no friends, no ticker-tape parade, no applause and no positive newspaper headlines.

For those that believe that politics is all about that, it would mean that those of us who oppose this legislation should quietly go to our seats.

But this process of democracy goes further than the latest headline. It is about truth, it is about reason and rationale, it is about reality.

Mr. Speaker, it is a tragedy to think that anyone who opposes this legislation is a bad parent, a bad human being, a bad American, but yet the characterization is for those who have a sense of concern, who want to express to the American people the realities of life, that they are bad people.

There are good people in all places, and there are good intentions, and this legislation has its good intentions. But allow me to share with my colleagues the reality of what happens when we pass this legislation.

First of all, we condemn all teenagers. We take the opposite of a parent that is not responsible. We begin to categorize all of our young people as irresponsible and people who do not have the ability to quietly know they have made a mistake and make their own choices along with the consultation of a private doctor, maybe, or religious leader, or a grandparent.

I wish those two young persons in New Jersey from prominent, well-endowed families, believing that they were in love with each other, had careers ahead of them, were in college. They were just convicted last week for murder of their new born baby. I wish that they had had individuals who they could counsel with to save not only their lives but the life of that baby.

This particular law starts off with the wrong premise, that all of us are blessed with the American apple pie tradition of a mom and a dad, worship on weekends, grandparents, parades and picnics. But one-third of teenagers who do not tell a parent about a pregnancy have already been the victims of family violence. Studies show that the incidence of violence in a dysfunctional family escalates when the wife or a teenaged daughter becomes pregnant. This is the reality of what we are dealing with.

Likewise, how many medical groups were inquired of about this legislation? The American Academy of Pediatrics, the American Medical Association, the American Association of Family Physicians and the American College of Obstetricians and Gynecologists oppose mandatory involvement for minors seeking abortions, concluding that access to confidential services is essential.

Let me tell my colleagues what the proponents say about this legislation:

"Don't worry about the problems. You can go to the courthouse and get a waiver. You can go down to your local courthouse, stand before a judge and tell them about the most personalized act where you were caught up in the quagmire of your emotions. You may go to the courthouse; that is called a judicial bypass."

Well, my colleagues, that is what this democracy is all about, because I come from an inner-city district where I venture to say that many of my young people, God bless them, could not find the courthouse, would be intimidated by the courthouse, would be intimidated by the process.

I represent young people like Alisha who lives with a single parent who is in a treatment facility for drugs and alcohol. Alisha herself is under treatment for mental dysfunctional aspects of her life. She has no father, and she is pregnant. Now the circumstances may be different, but just put Alisha in the context of seeking an abortion in another State and maybe possibly going to a religious leader, an aunt, or an uncle, or a cousin, or a grandparent. Those people would be fined and put in jail for 1 year.

That is the neighborhood that I come from. I am not ashamed of it. I just recognize it.

Or maybe the single parent with four children: Neither the father of my children are with me to help support or raise my children. I myself did not finish school. I am a dropout. I started my family at age 16. I am on a fixed income of $484, and after paying rent that is what I have as the remaining moneys to support my children. I have a pregnant teen at home.

My colleagues, it is time that we use the floor of the House for a debate with the American people, that we tell them the truth.

Yesterday we joined in support of giving grandparents more rights. We applauded the need to assure that if you give someone custodial rights or visitation rights in one State as a grandparent, they can have it in another. Today we come and deny that same grandparent the right to nurture and to counsel and to be with a child in their distress, and what we do is we say to that grandparent, that friend, that emergency medical personnel, we say to all of them, that religious leader, "You are criminals, we disregard you, we disrespect you."

□ 1445

This legislation has good intentions, Mr. Speaker, but I would simply argue that we can do better by teaching preventive measures, by respecting our young people, by embracing them and loving them, by teaching them abstention, by educating them, and by embracing the families that we have; by embracing the families that we have, the single parent family, the household where there is nothing but teenagers, the dysfunctional family.

There is no shame in America to accept all of us as God's children. If we do that, with all of the good intentions of this legislation, we will recognize that the value of everyone's life is important; and that young person who finds comfort not in the home of that incestuous family, that violent family, that dysfunctional family, but may find it with that aunt or uncle or grandparent or responsible friend, will save the lives of many as they go forward to make a very important decision. Maybe we will not have young people incarcerated in prison, like the two young lovers in New Jersey who loved each other but did not understand and find their lives destroyed because they are now in jail because they killed a living being.

Help us to make the right decisions. I would ask my colleagues to defeat this legislation, not because we do not care but because the rights of Americans are being threatened.

Mr. Speaker, thank you for the opportunity to speak on this bill. I hope that my colleagues will consider the importance of this legislation. Our Supreme Court has held that women have the right to seek an abortion. A pregnant minor is in crisis. She needs someone to speak with, and someone to trust. If we force our daughters, granddaughters, our sisters, and our nieces and cousins to act without the guidance of someone they can trust, where will they turn? Perhaps this bill should be called the teen endangerment act!

I am very concerned about children and teenagers in America and I want teenage women to have the right to reproductive health care. We know that in 1992, the Supreme Court decided Planned Parenthood v. Casey. In a highly fractionated 5–4 decision, the highest Court of our Nation reaffirmed the basic constitutional right for both adult and young women to obtain abortions.

As a result of Casey v. Planned Parenthood, courts now need to ask whether a State abortion restriction has the effect of imposing an undue burden on a woman's right to obtain an abortion at any point during her pregnancy. This decision, thereby opened the door to States to legislate issues of parental involvement in minors' abortion decisions.

Currently parental involvement laws are in effect in 30 States. Although my home State of Texas does not require parental consent or notification, Louisiana, which borders my home State requires parental consent before a minor can receive an abortion. If H.R. 3682 is passed, the bill would have the effect of federally criminalizing these laws, extending their effect to States that have chosen not to enact such an obstructive and potentially dangerous statute.

I received a letter from a constituent in Houston, Texas, a fifteen year old girl whose mother, a single parent was in a treatment facility for drugs and alcohol. This young woman found herself pregnant while her mother was still in treatment, and without any offer of help from her boyfriend, she made the decision to have an abortion. As a child herself, she did not feel ready to care for a child.

The true victims of this act will be young girls and young women. The enactment of this law would undoubtedly isolate these young women at a time of crisis. If a minor feels she is unable to tell her parents about her pregnancy, she would have no recourse to receive the medical treatment she needs at a time early enough in the pregnancy to perform a safe abortion.

We know that confidentiality is essential to encourage minors to seek sensitive medical services and information. Young women must often seek abortion services outside their home State for a variety of reasons.

I agree that adolescents should be encouraged to speak with their parents about issues such as family planning and abortion. However, the Government cannot mandate healthy family relations where they do not already exist. We need to protect our young women from being forced to seek unsafe options to terminate their pregnancies, and we need to encourage them to speak with other family members including their grandparents and religious leaders to guide them through this time of crisis.

In fact, yesterday the House passed legislation which recognized the importance of grandparents in the lives of their grandchildren. Republicans and Democrats alike spoke about how grandparents could offer guidance and love and encouragement to their grandchildren. Yet, the legislation before us today would criminalize grandparents' involvement in their granddaughters' lives.

I am hopeful that my colleagues will vote to oppose this bill in order to allow young women to access adult guidance and safe, legal abortions.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to my colleague, the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the legislation. I commend the author, the gentlewoman from Florida (Ms. ROS-LEHTINEN) for crafting this piece of legislation.

As many know, I practiced medicine prior to coming to the House, to include working in emergency rooms. I can testify to all of you, one of the things an emergency room doctor fears in the course of his practice is to have a minor child come into the emergency room unaccompanied by a parent or legal guardian in need of acute medical care.

The reason they fear that is because if you sew up a laceration or give a medication and find that the parents were unhappy with that particular intervention, you can get yourself into a lot of trouble. Indeed, in some States you can actually be charged for assault for providing needed medical care to a minor child.

But in the interpretation of Row v. Wade, in many States, I believe 30 of them, that doctors can perform an abortion, without any fear of being charged with assault or prosecution. However, he cannot give that child aspirin for a headache. Indeed, the school nurse cannot give a child aspirin for a headache. The technician who works in the jewelry store cannot pierce the ears of a minor child without parental consent, but in many States that same minor child can go and have an invasive procedure, a surgical procedure, an abortion, a procedure with the associated risks of hemorrhage, infection, infertility, death, but the child cannot have their ears pierced.

Twenty States have appropriately responded to the will of the people, who have recognized in those States that this kind of a legal logic is crazy, and they have passed reasonable parental consent laws. But we have a situation right now, today, where children are being carried across State lines without their parents' knowledge to have abortions performed.

Now we have before us today, before the House of Representatives, I believe a very reasonable and appropriate statute which makes that process illegal. It respects the laws in those States, and I encourage all of my colleagues to vote yes on this legislation.

Mr. SCOTT. Mr. Speaker, I yield 8 minutes to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentleman from Virginia for yielding me time for the purpose of debating this important issue.

Mr. Speaker, I regret that the sponsor of this legislation, the gentlewoman from Florida (Ms. ROS-LEHTINEN) left the floor, because I have the greatest amount of respect for her and I am sure that her intentions in offering this legislation are honorable and with good intentions.

This is a very difficult issue. Some folks tried to make it an issue on whether you support abortion or do not support abortion, or whether you support choice or do not support choice. But there are some very, very complicated issues involved in this legislation, and I regret that the Committee on Rules did not make some proposed amendments in order that would have allowed us to address those issues and vote them up or down. I would like to spend a few minutes talking about some of those issues, if I might.

I said in the debate on the rule that this is unprecedented legislation. I believe it is. The sponsors of this legislation, the proponents of this legislation, have said that this is about trying to protect those 22 States that have parental consent legislation in their States.

Well, what about the 28 States who do not have parental consent statutes in their State? If we owe a duty to protect one in our federalist system, in our system where States have rights to make laws, what obligations do we have to the 28 States?

What, for example, would happen if, as is the case now, we have gambling legal in one State and gambling not legal in the adjoining State? The parallel here would be we would be making it a criminal act for people to transport somebody across State lines to engage in gambling because it was illegal in the State in which it was taking place.

Some States have marital statutes that define the age at which kids can marry. The parallel here would be we would make it a criminal act to transport a minor across State lines if the law in one State said you have to be 18 and the law in the adjoining State says you can be 16 and marry.

So you have some very difficult Federalism issues that have been kind of masked over here because the folks who are proponents of this bill would like to have you believe that they are the defenders of States rights. They are always the defenders of States rights, but when the States disagree with them in writing their laws, then, all of a sudden, they do not defend the states' rights to make those laws. And these have been matters which have been governed by State law. The Federal Government has no statutory rule on when one can have an abortion or when one gets parental consent. All of this is governed under State law.

The second issue: I said in the debate on the rule that this bill is probably unconstitutional. I offered an amendment in the Committee on Rules saying please let us debate this issue on the floor. The Committee on Rules said, no, we will not make your proposed amendment in order. My amendment would have said we are going to put an exception for the physical health and safety of the minor in the bill.

Now, we think the Supreme Court has said that that is required to make this law a constitutional law, and, because of the importance of it, which I acknowledged at the outset of this debate, I would think if it were so important, we would want to make it constitutional.

But what are the practical implications we are talking about here? You have a young girl who is feeling not well. She is pregnant. The closest hospital is across the State line. Somebody other than her parent is at home, and they transport that young girl across the State line.

Under this bill it is criminal, because there is no intent standard in the bill. There is no protection of the health, physical health of the minor in the bill, so you have got to make a choice between trying to save a baby or getting consent, when you might jeopardize the health of that young girl for the rest of her life. She could become a paraplegic.

We were hard on the chairman of our subcommittee because we kept asking him, would you want your daughter to be a paraplegic, trying to save an unborn infant? That is a difficult issue. That does not minimize the issue. It is a difficult issue which this bill does not address, and the fact that we were not able to offer amendments will not allow us to address.

Third, we talk about the family issue. Who is family? Sure, Ozzie and Harriet, it was a mother and father and two children. But in some communities, grandparents have taken over the role of parenting. And, under this bill, if they assume that role responsibly, not as strangers, as my colleagues would have you believe this bill is all about, but they assume that role responsibly, they become criminals under the bill.

So there are some difficult issues that are not addressed in this bill. We can gloss them over if we want to. The Committee on Rules did not want us to talk about them, obviously, because they did not make my amendment in order which said there ought to be an exception for the physical health of the minor. They did not want us to talk about the fact that there is no intent to violate the law or statute. So even if you transport somebody across the line just because they are feeling bad, if they end up having an abortion in the adjoining State, then you are a criminal. They did not want us to talk about the Jackson-Lee amendment which would have protected the grandparents, not strangers, because we know that, in many communities, grandparents have assumed those roles.

Those issues do not get addressed, and this bill is unworthy and ought to go back. I encourage my colleagues to vote against it.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Utah (Mr. CANNON) a member of the Committee on the Judiciary.

Mr. CANNON. Mr. Speaker, I am pleased today to rise in support of this legislation and would like to commend the gentlewoman from Florida (Ms. ROS-LEHTINEN) on her thoughtful work on this issue.

Several of my colleagues will come before you today to speak about their reasons for supporting this legislation. I personally have six; that is, six daughters.

Mr. Speaker, a yes vote on this legislation allows me to protect them. Our State parental notification and consent laws exist for a reason, to guard our children against individuals who would otherwise risk their physical and emotional health and safety.

Allowing the transport of minor children across State lines in order to circumvent these laws makes a mockery of the integral role parents play in the lives of their young daughters. A vote against this legislation transfers to strangers the right of parents to keep their children safe.

Mr. Speaker, to protect the precious lives of my daughters and the daughters of parents nationwide, I urge a yes vote on this important issue.

May I just add, I have great confidence in the American people, and I believe that they can make a distinction between interstate gambling laws and marriage laws, as opposed to laws affecting such important matters as pregnancy and abortion among young women.

□ 1500

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. HARMAN).

Ms. HARMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, as a mother of four children, two daughters and two sons, I find this probably the most difficult part of the debate on the right to choose.

Some years back, when I first considered the issue of parental consent, my response was, I am a responsible parent, I have a trusting relationship with my daughters. I want them to talk to me before seeking to exercise their constitutional right to choose. That was my initial position, until I thought about many other families and many other relationships, and until I consulted my own daughters. Their response was, Mom, of course we would talk to you. We trust you, we know you. We know that you would give advice in our interests, and we also have listened to you over the years, and we know that the best thing to do is to avoid unwanted pregnancies. But nonetheless, they said, what about other girls? What about other families? What about other situations where there is no trust relationship? Then what? And their answer, and I believe it is the answer we have heard from speaker after speaker, was those girls will not talk to their parents; those girls will seek to have unlawful abortions or to make other unwise choices, and we have certainly heard the sordid tale of the couple in New Jersey who made a terrible decision and are having to pay for it.

At any rate, my views have evolved on the subject, and I stand here to say that. My views are that I work as hard as possible to keep a trust relationship with my daughters, and one of them is still a teenager, and to make certain that they do consult me about the critical decisions in their lives, not just a decision like this; but that I do not presume that other daughters have the same opportunity that mine do, or that other mothers, even if they have good intentions, have the same success that I have been able to have with my own children.

So my conclusion is that this is a tough subject, particularly tough for parents, but that the right answer is my daughters' answer, and that is to make certain that there is adult consultation, to make certain that young girls get advice, but not to require that they get parental consent, which is, 1, to undermine their right to choose; but 2, to undermine their health. That is why I oppose this legislation.

Mr. CANADY of Florida. Mr. Speaker, I yield 3 minutes to the gentlewoman from Wyoming (Mrs. CUBIN).

Mrs. CUBIN. Mr. Speaker, I am pleased to be here today to speak on behalf of the Child Custody Protection Act, and I want to thank the gentlewoman from Florida (Ms. ROS-LEHTINEN) for her hard work in bringing this important issue to the forefront today.

I believe this Federal law is long past due. I am a parent as well. As a parent, when my children were in school, I used to have to sign a release form to allow them to go to a museum 6 blocks from the school. If they had a headache at school and they wanted to take an aspirin, that required parental consent. How can a parent think that those acts are acceptable, and yet a life-changing act like having an abortion is something that a child should and could decide on their own? We have heard some very tragic cases, and there are very tragic cases on all sides of this issue.

An unwanted pregnancy in and of itself is a tragic situation, but I want to talk to my colleagues about another group of young women, of minors, that have not been discussed here today, and I think they are girls like I think I would have been had I been faced with an unwanted pregnancy when I was a teenager. I had a good relationship with my parents, I had a good relationship with my family. I still do. If I had found that I was pregnant when I was a minor, I would probably have wanted to have an abortion not because of what it would do in my life, and not because I was considering this unknown child that I was carrying, but because I would not want to hurt my mother and my father and my family. That is the wrong reason to get an abortion, and I venture to say there are many, many, many young girls out there who would get an abortion for that reason.

When in the life of a girl does she need the wisdom, guidance, love and support of her parents more than when she is facing an unwanted pregnancy? While I know, I believe there are tragic situations out there that have occurred because parents, some sick parent was notified that the daughter was going to get an abortion, that is the minuscule minority. We have to look at what is best for the vast, vast majority of our young people, and facing an unwanted pregnancy and making the decision to kill one's own child when one is 12, 13, 14 years old is wrong. Those girls need their parents. They need all the love and guidance they can get. They deserve it. Let us pass this law.

Mr. SCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. GREENWOOD).

Mr. GREENWOOD. Mr. Speaker, I would like to begin by associating myself with the remarks made by Members on both sides of this debate about the difficulty of this debate. This is not an easy one. It really divides our own allegiances, those of us who are parents, and many of us have spoken about our parenthood in this debate. It divides our allegiance between the natural tendency of a parent to want to make sure that their children remain under their custody and their control, and our allegiance to want to do something to help those teenagers in America who are not so fortunate, who do not have parents who spend the time with them and talk with them, and who feel alone in these kinds of agonizing decisions.

As a parent of two daughters, I know that for those of us who try as hard as we can to commit ourselves to communicating with and nurturing our children, the laws on parental consent and parental notification do not make a difference, because they cannot break that bond. The bond that a parent establishes with a child is not going to be broken one way or another by these laws.

But I think I also know, and I think I know some of this from my days as a social worker working with children who were abused and neglected and otherwise had very agonizing and very difficult lives, for those parents who simply will not talk with their children, these kinds of laws cannot make that bond. It would be nice if we could pass this law and suddenly that would engender discussions between parents and children, but that will not be the result.

When we try to legislate in this area, we quickly discover that we are in an area where we do not belong. One cannot build a relationship with three pieces of paper. This is the legislation we are discussing today, three slim pieces of paper, and these three slim pieces of paper, even if signed by the President, and they will not be, they are not going to build a relationship between a mother and a daughter or between a father and a daughter. They are not going to change the behavior; the behavior will remain the same. When we try to legislate in this area, we recognize how foolish it is.

Let me just cite some examples of the way this law does not make any sense and will not have any effect and will not be able to be enforced if a young lady comes to her aunt and says, I think I might be pregnant, and I think I want to go to the neighboring State across the river.

I live in Pennsylvania; right across the river I can see New Jersey. If a young girl in my community went to her aunt and said, I cannot talk to Mom and Dad about this, or I do not have a mom, and my dad will not talk to me about any of this, will you go with me? And the aunt says, honey, I will be with you; I will see you through this decision. And the young lady, 17 years old, goes to the neighboring State of New Jersey and discovers that she is pregnant and decides then and there to have an abortion, and does so, legally, is the aunt that took her there now to be jailed because she transported her across the State line? If she drives her to the bridge in Frenchtown, New Jersey, and says, meet me on the other side, walk across the State line, and I will pick you up on the other side, is she to be jailed for that, or has she escaped these three thin pieces of paper with which we are trying to change this behavior? If the aunt buys her a bus ticket in Pittsburgh and says, I cannot go with you, but here is the bus ticket to New Jersey, will she be subject to these laws? I could go on and on, but the fact of the matter is we cannot fix this with three thin pieces of paper.

I wish we could. I wish that if this law went into effect, teenagers in America would say, hum, I cannot get an abortion out of State without parental consent; now no one can take me over without going to jail. Therefore, what I will do is change my sexual behavior or I will suddenly create a discussion with my parents. That will not happen.

What will happen with this kind of law is most people will not know they are violating it, and most people will not get it enforced, but some people will end up in jail as a result of it, inadvertently. But mostly what will result will be kids alone in strange cities in other States forced to travel by themselves, safely or unsafely, hitchhiking, being driven by another minor, alone and not with someone who cares about them, not a relative, a grandmother, an aunt who would care for them. They will be there alone, they will be there unsafe; they will have their abortions later, because they will delay the decision, and we will have accomplished nothing.

How much better would it be if we could be on this floor of this House of Representatives today actually structuring ways to prevent these teenagers from becoming pregnant, to prevent these teenagers from making the kinds of wrong decisions that they make that lead to the sexual behavior, that lead to the inadvertent pregnancies.

I hope my colleagues will see the wisdom of voting against this bill.

Mr. CANADY of Florida. Mr. Speaker, I would inquire concerning the amount of time remaining on both sides.

The SPEAKER pro tempore. The gentleman from Florida (Mr. CANADY) has 27½ minutes; the gentleman from Virginia (Mr. SCOTT) has 15 minutes.

Mr. CANADY of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. ADERHOLT).

Mr. ADERHOLT. Mr. Speaker, I would like to commend the gentlewoman from Florida (Ms. ROS-LEHTINEN) for working to protect children as well as the rights of the parents.

As has just been mentioned a few moments ago by my colleague, children cannot go on a trip to the museum without their parents' consent. Children cannot be given a minor pain reliever like aspirin without their parents' consent. So the real question becomes, why should a child be allowed to undergo a life-changing and dangerous medical procedure such as abortion without their parents' knowledge and permission?

This act that we are discussing today, the Child Custody Protection Act, will seek to protect the rights of parents to choose what is best for their minor children. I know it has been mentioned here today, but let me mention again that currently 22 States have parental notification laws, but what good will it do if a child can be taken across State lines by a total stranger to the parents and receive an abortion in a neighboring State.

The fact is that some abortion clinics actually advertise in the phone books, with the words, "No parental consent required." It makes it very clear that these young women are being exploited.

This violation of the parents' rights to make medical and moral decisions for the children has gone on for too long. Parents have a right to know what is happening to their children, and this bill that we are discussing today will strengthen those rights and protect young women from those who would seek to capitalize on this kind of vulnerability.

I am proud to stand here today in favor of the Child Custody Protection Act. I urge my colleagues to support this bill that will protect the parents' right to know.

Mr. SCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, first of all, I want to thank the gentleman from Virginia (Mr. SCOTT) for yielding me this time.

Mr. Speaker, I rise today in opposition to H.R. 3682, the Child Custody Protection Act, although perhaps a more fitting title for this legislation would be, the Teen Endangerment Act. I will tell my colleagues why.

This bill threatens to isolate a young woman from friends, extended family, and other advisors who may help her to make a difficult decision. Regardless of our political views, we can agree that during trying times, every young woman should be surrounded by caring people who will provide comfort, support, and advice. Ideally we all agree that parents should be directly involved. However, we must understand that many young women are not fortunate enough to have one, let alone two, concerned parents.

☐ 1515

Yet, this bill would effectively tell these young women that honorable men and women who may not be family, but are as compassionate as family, cannot care for them.

Now, supporters of this bill cite the need to protect young women from overreaching adults who may attempt to assist them, against their will, in traveling into other States where there is no requirement of parental notification or consent.

If this was the case, then I would be in support of this legislation. However, a closer look at the facts show young women in this Nation are not under attack from such ruthless adults. In fact, most young women involve one or both parents in decision-making, and in those cases where a parent is not involved, women turn to trusted relatives or family friends who often provide guidance to them during a very difficult period in their lives. Yet, this bill would criminalize the actions of these compassionate people.

I am troubled, because if we are serious about teaching young women to make rational decisions, then why is this Congress proposing a measure that does little more than complicate an already delicate situation?

It is our job, Mr. Speaker, as I see it, to ensure that there is no element of coercion in this very serious decision. That is why I urge my colleagues to support the motion to recommit, which would punish those people who would coerce those people to travel across State lines, where there is no requirement, and oppose H.R. 3682, the Child Custody Protection Act, which in actuality, instead of actually helping, does in reality hurt and harm our children.

Mr. CANADY of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I have been listening to the debate here today, I have been struck by some of the rhetoric that has been used. Quite frankly, I have been disappointed by some of the arguments I have heard. I think it is important for the Members to focus on this bill and exactly what it does.

This is a very straightforward bill. It is a bill that is designed to deal with a serious problem. As anyone who has listened to the debate will know, that is the problem of minor girls being transported across State lines for the purpose of obtaining an abortion in defiance of parental notification and consent laws.

Lest anyone think this is not really a serious problem, I would quote Catherine Colbert, who in 1995, as an attorney with the pro-abortion Center for Reproductive Law and Policy, stated "There are thousands of minors who cross State lines for an abortion every year." "There are thousands who cross State lines for an abortion every year."

So this is a practice that is going on on a widespread basis. Despite the fact that over 20 States have parental consent or notification laws, vulnerable teenage girls are still being taken from their families to out-of-State abortion clinics, in disregard of the legal protections the States have provided.

Today this House has an opportunity to curb this abuse and to protect the health and well-being of minor girls. The bill before the House today would amend title 18 of the U.S. Code by criminalizing the knowing transportation across the State line of a minor girl with the intent that she obtain an abortion, in abridgement of a parent's rights of involvement under the law of the State where the child resides.

I would ask the Members to focus on this specifically. This requires knowing transportation across the State line with the intent that an abortion be obtained. Some of the examples, some of this parade of horribles we have had, clearly would not take place under this explicit language which requires the knowing transportation with the intent that the minor obtain an abortion.

Under the bill, a violation of a parental right occurs when an abortion is performed on a minor in a State other than the minor's State of residence and without the parental consent or notification, or the judicial authorization that would have been required had the abortion been performed in the minor's State of residence.

The Child Custody Protection Act gives the parents of the minor girl a civil cause of action if they suffer legal harm from a violation of the bill. The bill also, we should note, explicitly provides that neither the minor herself nor her parents may be prosecuted or sued in connection with a violation of the Act. The bill also contains an exception for the life of the mother.

In addition, the bill provides an affirmative defense to prosecution or civil action where the defendant reasonably believed, based on information obtained directly from the girl's parents or other compelling facts, that the requirements of the girl's State of residence regarding parental involvement or judicial authorization have been satisfied. Again, there is a defense here for someone who makes an honest mistake based on compelling facts.

But the argument that is being advanced by the opponents of this bill is, essentially, we should have had an amendment in the bill that provides that ignorance of the law is an excuse, that ignorance of the law would be an excuse. I do not accept that. We do not have those kinds of provisions in the criminal law. In the criminal law of this country, ignorance of the law is not an excuse. I do not believe that, in this context, we should make a special exemption and provide that ignorance of the law is an excuse.

It is also important to understand that the provisions of the Child Custody Protection Act are operative only when the State where the minor resides has adopted a valid constitutional parental involvement law under the standards articulated by the Supreme Court. That is absolutely critical here.

They argue that it is not constitutional. That is absolutely incorrect, because the predicate for the operation of this statute is a valid constitutional State law. That is what we are talking about.

What the opponents of this bill are essentially driven to argue is that there is a constitutional right to travel, to go across State lines, that minors have to avoid the supervision of their parents.

I think if Members think about that for a minute and think about the consequences of that argument, they will see that it is ridiculous and it is unacceptable, and would lead to all sorts of results that we would not want to see.

Members will also hear arguments today that this bill will endanger the lives of young girls. This is a major thrust of the opposition to this bill. But quite the opposite is true. It is when young girls are secretly taken for an abortion without their parents' knowledge that they face serious risks to their health and well-being.

An abortion is a serious and often dangerous medical procedure. When it is performed on a girl without full knowledge of her medical history, which is usually only available from a parent, the risk greatly increases. Moreover, minor girls who do not involve their parents often do not return for follow-up treatment, which can lead to dangerous complications.

In the subcommittee's hearing on this bill, we heard from one mother whose daughter was secretly taken away for an abortion and subsequently suffered serious complications from the botched procedure. Her daughter required additional surgery after the abortion, additional surgery which could only be performed with her mother's consent.

What an irony. What an irony involved in that case. Of course, it was a terrible tragedy for that family, all of the circumstances, but the irony there is that an abortion can be obtained without parental involvement, but if the abortion produces complications, parental consent is required for the necessary medical care.

As Dr. Bruce Lucero, a prominent abortionist and abortion rights advocate, wrote last Sunday on the New

York Times op ed page, I would ask the Members of the House to look at this. I know there are Members who would disagree with the views of those of us who support this bill on the general subject of abortion, but I would appeal to all Members to read this piece that appeared in the New York Times. It is under the heading "Parental Guidance Needed." The gentlewoman from Florida (Ms. ROS-LEHTINEN) and I circulated this as a Dear Colleague. It is very instructive.

As Dr. Lucero wrote, teenaged girls who have an abortion without consulting their parents face greater risk to their health than those who consult with their parents. It is the parents who have the fullest access to relevant information concerning the girl's health, and it is the parents who are in the best position to see that any complications are promptly and effectively treated.

While I do not agree, by any means, with Dr. Lucero's views on the general subject of abortion, I believe that his support as a prominent abortionist and a prominent advocate of abortion rights is somewhat noteworthy. I would encourage my colleagues to pay a little attention to this. All of the Members of this House, whatever their position on abortion, they should pay attention to Dr. Lucero's conclusion that passage of this legislation is, and I quote him, "important . . . to the health of teen-age girls."

The opponents of parental involvement laws and of this bill argue that the bill needs a health exception. It does not. The bill specifically provides that it would not apply if the abortion was necessary to save the life of the minor. If the concern is about the health risk of a non-life-threatening nature, then the best course of action is involvement of the parents, for the very reasons I have just discussed, and for the reasons that Dr. Lucero discusses. He has a lot of experience in this particular area.

If there is some compelling reason why the girl cannot tell her parents, then she always has the ability to seek an expeditious judicial review, which all valid State parental involvement laws are required to permit. It must be expeditious. That is one of the fundamental requirements that has been set forth by the Supreme Court.

Finally, Mr. Speaker, we have heard arguments that the parents are not really the people who should have the right to be involved when a minor girl is considering an abortion, but that the grandparents, the aunts and uncles, cousins, siblings, teachers, and pastors should have the right to take the child for an abortion.

But the Supreme Court of the United States has not recognized the rights of teachers and pastors or cousins or siblings or other family members to be involved in a minor's decision to have an abortion. The Supreme Court has, however, recognized the rights of parents, as reflected in State parental involvement laws.

At bottom, the arguments that are being advanced against this bill are really objections to the underlying State parental notice and consent laws, and objections to the Supreme Court rulings on this subject. Those who disagree with parental notice and consent laws ought to take that matter up with the State legislatures and with the Supreme Court. That is where their real objection lies.

H.R. 3682 is not a Federal parental consent law. It is simply a law which protects State laws. As we have already heard, across the country a child cannot even be given an aspirin at school without her parents' permission, yet strangers can take children across State lines for abortion, in circumvention of protective parental involvement statutes. The Child Custody Protection Act will simply ensure the effectiveness of these State laws.

While the abortion industry believes anyone, anyone should have the right to take a minor girl across State lines for a secret abortion, the American public disagrees by an overwhelming margin; indeed, a margin of nearly 9 to 1.

According to a national poll conducted last week, 85 percent of voters asked said that a person should not be able to take a minor girl across State lines for an abortion without her parents' knowledge. I would urge my colleagues to pay attention to what the American people are saying on this subject. I would urge them to vote in favor of the bill.

Ms. ROS-LEHTINEN. Mr. Speaker, will the gentleman yield?

Mr. CANADY of Florida. I yield to the gentlewoman from Florida.

Ms. ROS-LEHTINEN. Mr. Speaker, I just wanted to point out some of the doublespeak that has been going around in our Chamber relating to targeting ads and soliciting and extorting children, this time by the tobacco industry, yet that same kind of outrage is not directed at the abortion industry.

I am talking about certain ads that I agree with, this one put out by certain anticancer groups, that says, "It is time to keep tobacco companies from addicting any more of our children to their deadly product. Our Nation needs a tough bill that stops the lies, stops the killing, and stops big tobacco now."

So they are against targeting ads that entice young people to smoke, and I am against that, too. I am against having young people smoke and encouraging and enticing them to smoke. But apparently these legislators who are so incensed over big tobacco ads targeting young people are not equally incensed at the abortion industry that targets young people.

Why are they not incensed that this ad says "No parental consent required?" Who is that targeted to, if not a minor daughter? Where else would they need a parental consent, if they are not a minor daughter? Obviously that is an ad that targets young people.

So we are against big tobacco. We say, "Congress Must Choose: Big Tobacco or Kids," because we love kids. These cigarette companies should not be targeting our children. I agree.

□ 1530

They are not against these ads that say no parental consent? Who are they targeting? Who are these abortion mills targeting if not young people?

I thank the gentleman for yielding to me. I would love to hear the outrage from all of those Members who are so outraged about big tobacco, I am as well, why do they not get equally outraged about abortion mills targeting young girls and exploiting them in their hour of need?

I thank the gentleman for yielding to me.

Mr. CANADY of Florida. Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield 1 minute and 30 seconds to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I would just like to ask the gentleman from Florida two questions. Firstly, he was talking about protecting State laws. I wanted to question the gentleman and wondered if he would protect New York State's gun laws as well. For example, Florida has no gun laws. Could we work together to make sure that the gun laws in New York are enforced if a person goes to Florida? That is the first question.

Mr. Speaker. Mr. Speaker, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from Florida.

Mr. CANADY of Florida. The answer to that question is no. I do not support the gun laws.

Mrs. LOWEY. So you are not interested in protecting State laws.

Mr. CANADY of Florida. I do not support the gun laws of New York. I think a lot of New Yorkers are moving to Florida so maybe that has something to do with the better legal climate in Florida.

Mrs. LOWEY. Then the question concerning preserving State laws is not really one of the valid arguments.

The second question I have is, the gentleman was talking about a judicial bypass. Does the gentleman actually admit to this group that a grandmother, a loving aunt, a loving cousin, a sibling could be subject to penalty if they help this woman?

I would like to ask the gentleman from Florida, could he clarify for me whether a loving grandmother, an aunt or a sibling would be subject to penalty if this young woman in her hour of need wants to go to a loving family member, if, in fact, because the parent might be a drug addict or might be abusive or might have abused her, if that young woman decided she could not go to the parent, would that relative, dear friend or family be subject to these penalties?

Mr. CANADY of Florida. Mr. Speaker, if the gentlewoman will continue to yield, under the laws of all the States, those individuals that the gentlewoman has specified would be enabled to go with the young woman to a judge for the judicial bypass. That is available under all the laws as required by the Supreme Court.

Mr. SCOTT. Madam Speaker, I yield 3 minutes to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Madam Speaker, I rise in opposition to this sadly misnamed Child Custody Protection Act. This bill does not encourage young women to ask a trusted adult for much-needed assistance. Instead this bill will cause some young women to face decisions about their pregnancy alone.

Parental involvement in a minor's decision about her pregnancy is the ideal. And for 75 percent of teens in this country, it is also the reality. But some teenagers, for various reasons, simply cannot or will not confide in a parent. This bill will make criminals of some grandmothers, aunts or other relatives that help pregnant teenagers exercise their legal rights.

This bill would endanger the health and lives of young women who for a variety of reasons, including fear of abuse, are unable to involve a parent in their decisionmaking. We have heard several times comments over here about how what you do need parental consent for, but you do not need parental consent to give birth. You do not need parental consent to give a child up for adoption. This bill is about politics, not sound legislation. Four months away from an election, this bill is designed to strike contrasts between two sides rather than to enact good legislation.

What we should be talking about today, following the suggestion of a Republican Member, the gentleman from Pennsylvania (Mr. GREENWOOD), is how to involve adults in the decisionmaking process. We should look at policies that work, like the Adult Involvement Law that exists in my home State of Maine.

The Adult Involvement Law recognizes that parental involvement and guidance is ideal for young women facing decisions regarding a pregnancy. However, when parental involvement is not possible, teens should not be alone. Maine's Adult Involvement Law allows young women to turn to a trusted adult for advice and counsel. The young woman considering an abortion may turn to a parent or another family member, such as an aunt or grandmother or a judge or a counselor.

A counselor may include a physician, psychiatrist, psychologist, social worker, clergy member, physician assistant, nurse practitioner, guidance counselor, registered nurse or licensed practical nurse. The counselor must discuss with the young woman all of her options, including adoption, parenting and abortion.

In Maine, all minors seeking an abortion must receive counseling, even if that young woman has the consent of another adult. This provides the maximum guidance and support for the young woman. That is the kind of law we ought to be considering here today.

This Child Custody Protection Act is designed to restrict a young woman's access to abortion, not to ensure the involvement of an adult in her decisionmaking process, because in many cases she simply cannot or will not go to a parent if there is a parent in the picture.

I urge my colleagues to oppose the so-called Child Custody Protection Act.

Mr. CANADY of Florida. Madam Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. HYDE) chairman of the Committee on the Judiciary.

Mr. HYDE. Madam Speaker, I have already spoken and redundancy is not the happiest thought. But I just wanted to say something.

I have listened very carefully to this serious debate, and I have not heard one word about the little baby. That, I guess, just is kind of a given because we have a million and a half abortions every year since Roe versus Wade. That is about 35 million so far. We are so used to it, we are so desensitized that abortion is a good thing. I think abortion is an evil thing because it kills a human life, an innocent human life.

Why is it helping a young girl by assisting her to kill her unborn child and saddle her for the rest of her life with wondering what her first little baby might have looked like? Yes, it is tragic to have an unwanted pregnancy. Yes, there are parents who are awful, who are less than human, and you do not want to saddle a little girl who is in real trouble with that kind of a situation. That is why you have a judicial bypass.

The judges are going to be very sympathetic to that situation. But my God, somebody say a kind word for the little baby. Why is it helping, why is it helping a young girl to go behind the backs of her parents, take her across the State line to kill her unborn child?

Now, grandma, who we are assuming is far superior to the mother in any given situation, grandmother is always available but not necessarily to help her kill the child. Maybe to help her have the child. Maybe to help her get the child adopted. Maybe to counsel her. Maybe grandmother can talk to mother and break the news that the daughter is so afraid to do.

Grandmothers are not blocked out of this, nor grandfathers, nor a loving anybody. But taking the child across the State line to frustrate the law, to deny the parent the right to some sayso in this critical, crucial, life-threatening situation, that is what you are opting for.

If abortion is a good thing, then you are right. But if abortion is killing an innocent human life, give some little passing concern for that little baby.

Mr. SCOTT. Madam Speaker, I yield 4 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Madam Speaker, I thank the gentleman for yielding me the time.

I want to make two points. One has to do with the real purpose of this bill. The second has to do with who it is really aimed at, whether intentionally or unintentionally, because the result is the same. The real purpose of this bill is clear. It is yet another attempt to sacrifice women and girls, to drive back the right to choose by any means necessary, whatever the consequences.

America ought to be on notice, these folks have lost, because the people have spoken on the right to choose, the people and the courts have spoken on the right to choose. So they have lost on that question. They have adopted another strategy. They are trying to do incrementally to the right to choose what they have been unable to do through frontal attacks on the right to choose. What is particularly serious, as far as this Member is concerned, is who this bill is really aimed at.

This bill chooses to go at the most vulnerable girls in this society. They are disproportionately girls of color. I resent the fact that this bill goes after those who are most likely to come from broken families, most likely to be abused children, and I stand here to speak for them. The most vulnerable people in the country are girls who find themselves pregnant and alone with not even a parent they can turn to.

A third of them would find themselves involved in violence, according to the data, if they turned to a parent.

So this bill really ought to be called the Runaways Encouragement Bill, because the children who are most likely to be hurt by it are those who have no adult to turn to. And to the extent they have one, you have taken away that right because even a sibling or grandparent or close friend they cannot turn to. So runaway, do it on your own.

Instead of encouraging girls to turn to an adult, and I was impressed with what the gentleman from Maine has just said, it encourages girls to run away from adults. Who are we talking about? After all, 75 percent of minors involve themselves with at least one parent. Who is it in America who does not?

I have to tell my colleagues that the sponsors of this bill must have an Ossie and Harriet view of the family, but the fact is, if you saw the resent Ossie and Harriet documentary, even that one is gone. So that there are huge numbers of families that would be hurt by this. But they are disproportionately children of color, that is, inner city girls, those who come from where there are no families, where there are no fathers, where there may well be not any mothers. That is who you are hurting. You are hurting the people that I represent. You are hurting the people that the Black Caucus represents. You are hurting the people that Hispanic Caucus represents. You are hurting those who are most likely to be without parents, and I resent it. You ought to define family the way the family has always been defined in America, and that is as an extended family.

The family is not simply a two-parent family. A family is not a one-parent family. In my community, a parent may be mentors. It may be your cousin. Do not hurt those who have already been hurt by the disintegration of families, by the break-up of families. Do not make it any harder for children who have no place else to turn.

Defeat this bill. Save the most vulnerable of our children.

Mr. CANADY of Florida. Madam Speaker, I yield 3 minutes to the gentlewoman from Washington (Mrs. LINDA SMITH).

Mrs. LINDA SMITH of Washington. Madam Speaker, the real purpose of this bill is to protect children, born and unborn. Children of all races deserve to be protected, not preyed upon. And by the way, we know that most babies of teenagers are fathered by adult men who, yes, go into these areas, prey upon them and then the best they can do is just pay for the abortion. They should not be treated any different than any other little girl in our Nation.

To allow this to go on, to allow them to go into these areas and prey on these little girls of any color is just wrong. So we would certainly agree that they should all be protected equally, but we would not agree on the way to get there.

I am hearing today that families are excluded if it is a grandma or an aunt or an uncle or someone else in the family. There is nothing further from the truth. The reality is that every court, every State that has parental provisions constitutionally have to have a bypass, because the Constitution has been determined to allow abortion.

□ 1545

Therefore, there has to be a simple, nonobstructive way of getting an abortion quickly outside of the parental involvement. So every State has a procedure.

In fact, the average judicial bypass hearing lasts about 12 minutes. More than 92 percent of the hearings were less than 20 minutes. And the girl cannot, cannot under the State law, be put under an adversarial situation; or that is stopping her from having her rights. And it overturns that law.

So what we have is the ability for a young girl who is pregnant to stay in the State, not to be moved to another State, away from family, away from parent. But in that State, she can go with an aunt, that grandma, that neighbor, that clergy, and there has to be a brief, quick process.

I think it is important that we take a look at reality in these States. In the States that have it, in Massachusetts, we will find that every minor that sought judicial authorization received it. Every single one. Another Massachusetts study found that only one of 477 girls was refused or was even slowed down.

So what we have is everybody is getting the bypass. But what it does is it makes this little girl that is afraid to go talk to mom or dad, where she has a pretty good family, and who wants to tell mom or dad something is wrong, take a breath and go, well, maybe they are not that bad after all.

We need to slow this down. Because it is awfully easy for that adult man to prey on that little girl, to take that little girl across State lines, or the parent or the relative that is involved or knows about this to want to cover it up. But we should not cover it up. We should help these girls and keep it in the light of day and make sure that they have their rights, as children, protected.

Mr. SCOTT. Madam Speaker, may I inquire as to the amount of time remaining?

The SPEAKER pro tempore (Mrs. EMERSON). The gentleman from Virginia (Mr. SCOTT) has 4 minutes remaining and the gentleman from Florida (Mr. CANADY) has 6½ minutes remaining.

Mr. SCOTT. Madam Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. My colleagues, we have heard a lot today about love, parental responsibility, family values. Oh, I wish we could legislate those values here in this Congress but, unfortunately, we cannot.

As a mother of three, as a grandmother of two, as many of my colleagues said, we hope and pray that our children will confide in us, speak to us when serious challenges face them in their lives. Not every family is Ozzie and Harriet. There are many young people who do not feel that they have parents they can confide in.

Maybe they are lucky. Maybe they have a grandmother they can talk to in their hour of crisis. Maybe they have an aunt. Maybe they have a sibling that they can confide in. Yet in this bill we are going to say to that young woman in her moment of greatest need, when she has to make a very, very difficult decision, "Don't go to your grandmother. Don't go to your aunt. Don't go to your dear friend." And we are saying, "It's okay to go to a judge." And in 12 minutes that judge is going to make this decision. Twelve minutes.

Let me tell my colleagues something. First of all, there are five States that do not even have a judicial bypass. Five States that do not have a judicial bypass. And some judges have never granted this authority. We have facts. This is a fact.

Mr. CANADY of Florida. Madam Speaker, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from Florida.

Mr. CANADY of Florida. The gentlewoman is certainly aware that the Supreme Court has required judicial bypass. And if a judicial bypass procedure is not available, the State law is invalid and unenforceable.

Mrs. LOWEY. Reclaiming my time, Madam Speaker. The real problem here is that a young woman who is in need of assistance is going to have the person with whom she wants to confide subject to a penalty; thrown into jail. This just does not make sense at all.

I urge my colleagues to join with me in preventing unwanted pregnancies. Let us work and reach out to our young people, encourage abstinence, encourage responsibility, but in their time of greatest need, let us not throw them in jail. Let us not throw their relative in jail.

In fact, at 6 o'clock today I challenge my colleagues to join us and vote against a rule that prohibits coverage of contraceptives. One of the gentlemen who spoke earlier today voted against coverage of contraception. He is against abortion, he is against contraception. This is 1998. Let us work together to reduce unintended pregnancies, prevent unwanted, unwanted and unloved pregnancies, and let us move on and work together.

This bill does not make sense at all. Let us not throw granny in jail, let us not throw the aunts, the relatives in jail, let us defeat this bill.

Mr. CANADY of Florida. Madam Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. CHRISTENSEN).

Mr. CHRISTENSEN. Madam Speaker, I thank my colleague for his leadership on this issue, and over the past several years how he has led on this issue.

I would like to identify myself with my colleague from Illinois when he talked about it is really about the child that we do not hear anything about from the other side.

I know my colleague from New York is a grandmother, I know she cares about children. We just disagree on the approach here. A lot of us disagree on the issue of our tax dollars going to fund contraception. So it is an issue of where the money is spent and where the authority goes.

This issue really is about children, though, and parental consent and the parents having some say. If a child is not going to tell his or her parent about a possible abortion that they want to seek, they are not going to seek the parents' help when it comes to medical problems they are experiencing from the complications of an abortion. So this bill is for parents and this bill is for children, and this bill, yes, this bill is for the unborn child as well.

Parents should be involved. That is all we are saying. Pass this bill, H.R. 3682.

Mr. SCOTT. Madam Speaker, I yield such time as he may consume to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Madam Speaker, I rise in opposition to this bill.

Mr. SCOTT. Madam Speaker, I yield myself the balance of my time, and just want to say that I want to encourage my colleagues to read the bill.

Reference has been made to ads targeted at minors. There is nothing in this bill that prohibits a minor from responding to the ad. The only problem is they have to go alone, without being accompanied by someone else. It is only an offense under this bill if someone transports the minor. Some criminal, including a brother or a sister. A criminal, like an aunt or an uncle or a grandparent. It is not limited to strangers or adult men. It includes brothers and sisters and close relatives.

There is nothing in this bill that requires parental involvement or even ensures parental involvement. The minor can cross State lines alone. That is why the bill is not effective. That is why we should have been able to have amendments, and I would hope that we would defeat the bill.

Mr. CANADY of Florida. Madam Speaker, I yield myself the balance of my time.

This has been an interesting debate. We have heard many things. Most of the things we have heard we have heard over and over again. I will not take all of the time I have allotted remaining. I just want to make again some very basic points about this bill.

To those who say that this is an unconstitutional measure, I point out that the predicate for the operation of this bill is the existence of valid constitutional State laws, laws that have been adopted by State legislatures and which meet the requirements that have been outlined by the United States Supreme Court with respect to parental consent and parental notice laws.

Now, there are a little more than 20 States that have such laws on the books that are valid and enforceable. And all we are saying in this bill is that where we have such valid constitutional laws, this Congress has a role to play in making sure that people do not use the interstate transportation of a minor as a way of circumventing those valid constitutional State laws.

It is very simple. This is not a complicated concept. It is something that I believe all Members, if they give it even the slightest attention, would understand very easily.

It is also important to understand that first and foremost this bill is about protecting the health of young girls. Now, there is an additional concern here about protecting the integrity of the family and the role of the parents in counseling a young girl when there is consideration of an abortion. That is important for a number of reasons, but it is preeminently important because there are threats to the health of the young girl if such counseling is not available.

Again to my colleagues, I would appeal to them, regardless of what their position may be on the subject of abortion in general, to consider the conclusion reached by Dr. Bruce Lucero, a prominent abortionist, a prominent abortion rights advocate, who said that the passage of this bill, and I quote, "Is important to the health of teenage girls."

And in the article which Dr. Lucero wrote, he outlines the reasons for this, and it boils down to this. The parents are in the best position to have information about the health of the young girl; the parents are in the best position to make certain that if there are complications, there is appropriate and expeditious treatment of the young girl. It is the parents who stand in the position to help ensure that the health of the girl is protected.

Now, we have heard that there are difficult circumstances where a girl may not be able to go to her parents. The judicial bypass procedure is available in any of these laws that are valid and enforceable. Some examples have been raised of laws that are not valid or enforceable and that do not have a judicial bypass. That is a red herring, and I believe that people raising that understand that that is a red herring. Any law, the enforcement of which would be aided by the bill that is under consideration today, must have a judicial bypass procedure. That is something the Supreme Court has ruled unequivocally.

I think Members should reject this notion that minors have a constitutional right to go across State lines to evade the supervision of their parents. That is certainly a novel argument, and that is an argument I do not believe we would want to accept.

So I ask the Members to carefully consider all the factors surrounding this bill, and I think if they do that, and they are truly concerned about the health of young girls, they will vote in favor of this bill.

I want to conclude by thanking my colleague, the gentlewoman from Florida (Ms. ILEANA ROS-LEHTINEN), for filing this important legislation. I am deeply grateful for her outstanding leadership in bringing this legislation forward. This is important for the families of America and it is important for the young people of our country.

Mrs. MALONEY of New York. Madam Speaker, I rise in strong opposition to this bill.

I'd like to put this vote in perspective. This is the 87th vote on choice since the beginning of the 104th Congress.

This Congress has acted again and again to eliminate abortion procedure by procedure, restriction by restriction, and unfortunately, they are succeeding.

Today we are debating a bill to criminalize the act of taking a minor across state lines for an abortion without parental consent, if the state in which the person resides requires it.

As a mother of two daughters, I know that this is not a simple issue. Of course, I would hope that my children would include me when making such an important decision.

Unfortunately, parental notification requirements lead many teens—especially those from severely dysfunctional families not to seek a safe abortion at all.

I would hope that any young woman who refuses to involve her parents would have another trusted adult from which to seek guidance and support. However, this bill will make criminals of those loving grandparents, siblings, counselors and friends who have nothing but the safety and well-being of the young woman in mind. It sends the message to young women that the abortion process is something they must go through alone.

H.R. 3682 is a dangerous bill. It will succeed only in making it more difficult for young women to gain safe, legal abortions. If she refuses to involve her family and the law prohibits her from looking to another responsible adult for help she may be forced to travel alone to a clinic, adding delays which increase the risk to her health, or worse, resort to "back alley" or even self-induced abortion.

H.R. 3682 is also an unnecessary bill. For those who worry about young women being forced or coerced by an adult into having an abortion against their will, let me remind them that we already have laws, such as informed consent laws or prohibitions against kidnaping and statutory rape, which protect against this. This bill doesn't protect young women from undue influence. On the contrary, it strips them of essential support.

This bill is not about protecting our young women. It is driven solely by the divisive nature of abortion politics. I urge you to oppose H.R. 3682 and in doing so put the safety and well-being of America's young women before the political agenda of anti-choice legislatures.

Mr. BLUMENAUER. Madam Speaker, I rise in opposition to HR 3682. There is nothing more important in parent-child relationships than for parents to be involved in the healthcare decisions of their children. This basic parental right and responsibility is perhaps most critical in the case of pregnancies of young women. In most American homes, no one cares more about the welfare, health and safety of a child than her parents. Although a young woman may be frightened or feel ashamed to share with her parents, parents are usually best able to provide support for these most personal decisions.

Unfortunately, not all young women are able to confide in their parents should they become pregnant. A victim of family violence or incest is often not in a position to share her pregnancy with her parents for fear of further abuse. This bill, although laudable for its intention to encourage communication between parents and children, does not provide alternatives for a young woman who is unable, for fear of physical or emotional abuse, to involve her parents in her decision.

In addition, the bill would criminalize the actions of close family members who might seek to assist a young woman who is struggling with this monumental decision. For troubled American households, grandparents, estranged parents, aunts, uncles, or siblings often serve in the parental role. The bill unfortunately does not make provisions for such circumstances. In fact, it may put these young women in a more dangerous situation should they feel compelled to turn to illicit providers of abortion services or travel alone.

Madam Speaker, I agree with the need for more parental involvement in their children's lives, but for these reasons, I must vote no on HR 3682.

Mr. PAPPAS. Madam Speaker, the Child Custody Protection Act protects not only the lives of born and unborn children, but protects the rights of parents from those who wish to undermine them.

I find it troubling that some in this body do not believe it is dangerous to allow a person, who knows nothing about a young girl's health history and who may not even know her, to take her to get an abortion. Risking permanent damage to a child's health, solely to keep her pregnancy a secret from her parents, suits no purpose whatsoever.

In a recent poll, 85 percent of Americans said that they do not believe that a person should take a minor girl across a state line to have an abortion without her parents' knowledge. Many of these people call themselves "pro-choice." Even a physician who performed abortions wrote in a recent New York Times op-ed that he supports this legislation, mainly because of his concern for the health and life of the minor during and after this procedure.

Madam Speaker, getting a young woman to the abortion doctor does not end the situation. This is not a haircut. Rather, this is a potentially dangerous medical procedure whose effects, both physical and emotional, will continue to be with the young woman once she returns to her home. A stranger will not be there. Parents will be.

I ask my colleagues to protect our young women from those who wish to break the law. A vote in favor of the Child Custody Protection Act is a vote in favor of preserving the law and protecting the rights of our nation's parents.

Mr. GILMAN. Madam Speaker, I rise today in opposition to H.R. 3682. the Child Custody Protection Act which would make it a Federal offense for anyone other than that minor's parents to transport that minor to another State so that she may obtain an abortion.

This legislation would prohibit anyone including grandparents, step-parents, religious counselors and any other family members, from accompanying a woman across State lines to obtain an abortion. Parental involvement is ideal and currently, some 75 percent of minors under age 16 already seek the advice and help of a parent when faced with an unintended pregnancy and the prospect of obtaining an abortion. These young ladies are fortunate enough to have loving and understanding parents that they can talk to, but not all teenagers are that lucky. For those teenagers who feel that they cannot involve their parents, they are left with no one else to turn to. No one to counsel them about alternatives to abortion, thus ensuring that they will go through with an abortion. Should this bill pass, young women would be forced to make this difficult decision alone, for fear of putting a family member or a trusted adult in danger of committing a Federal crime.

Supporters of this bill claim that this legislation will strengthen the lines of communication between young women and their parents, when actually the opposite will result. Fearful of putting a trusted family member at risk, who knows what a young, frightened teenager might do? Forced to make a decision on her own, she may make the journey across State lines by herself, traveling by bus or even worse, hitchhiking. She may turn to an illegal back alley abortion where she puts her young life in unnecessary danger.

We owe it to these young women, to allow them the chance to involve someone they trust in making this important decision. Most teenagers who do not involve a parent involve an adult in the decision with some 15 percent talking with a step-parent, grandparent or sibling. If any of these family members attempted to help that teenager obtain an abortion, they would pursuant to the bill before us, be committing a Federal offense.

We need to teach our youth to practice abstinence and to be responsible, thus making abortion an unnecessary procedure. That would be far better than passing legislation which holds concerned family members and trusted adults criminally responsible for helping these young women make a very difficult decision. Accordingly, I urge my colleagues to vote against the Child Custody Protection Act.

Mr. PACKARD. Madam Speaker, I would like to extend my strong support for H.R. 3682, the Child Custody Protection Act. As a father of seven and a grandfather to 34, the thought of a stranger taking one of my children or grandchildren to another state to receive an abortion absolutely sickens me.

The Child Custody Protection Act would make it a federal offense for someone who is not the guardian, to knowingly transport a minor across state lines so she may receive an abortion. An abortion is a life altering and life threatening procedure and for a parent to be kept in the dark is absurd.

We should not allow state laws to be thwarted without consequence. When a minor is taken across state lines for the purpose of obtaining an abortion, the intent is specifically to avoid parental notification or consent laws. Parental notification laws ensure that a parent is aware of the circumstances surrounding the pregnancy of a child to determine whether they were abused, molested, or the victim of a crime. It is alarming to think that our children are required to receive parental consent to take aspirin at school, yet they can be taken across state lines by someone who is not their guardian to have an abortion.

Madam Speaker, I urge my colleagues to vote in favor of H.R. 3682, and vote in favor of protecting our daughters. A stranger should not be allowed to make critical decisions about the health and well being of our children.

Mr. CANADY of Florida. Madam Speaker, I yield back the balance of my time, and I urge my colleagues to vote "yes" on this legislation.

The SPEAKER pro tempore (Mrs. EMERSON). All time has expired.

Pursuant to House Resolution 499, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SCOTT

Mr. SCOTT. Madam Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SCOTT. I am opposed, Madam Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SCOTT moves to recommit the bill H.R. 3682 to the Committee on the Judiciary with instructions to report the same back to the House forthwith with the following amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Custody Protection Act".

SEC. 2. TRANSPORTATION OF MINORS TO AVOID CERTAIN LAWS RELATING TO ABORTION.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 117 the following:

"CHAPTER 117A—TRANSPORTATION OF MINORS TO AVOID CERTAIN LAWS RELATING TO ABORTION

"Sec.
"2401. Transportation of minors to avoid certain laws relating to abortion.

"§ 2401. Transportation of minors to avoid certain laws relating to abortion

"(a) OFFENSE.—Whoever uses force or the threat of force to transport an individual who has not attained 18 years of age across a State line, with the intent that such individual obtain an abortion, and thereby knowingly abridges a State law requiring parental involvement in a minor's abortion decision, shall be fined under this title or imprisoned not more than 5 years, or both.

"(b) DEFINITIONS.—For the purposes of this section—

"(1) a law requiring parental involvement in a minor's abortion decision is a law—

"(A) requiring, before an abortion is performed on a minor, either—

"(i) the notification to, or consent of, a parent of that minor; or

"(ii) proceedings in a State court; and

"(B) that does not provide as an alternative to the requirements described in subparagraph (A) notification to or consent of any person or entity who is not described in that subparagraph;

"(2) an abridgement of the State law requiring parental involvement occurs if an abortion is performed on the minor, in a State other than the State where the minor resides, without the parental consent or notification, or the judicial authorization that would have been required by that law had the abortion been performed in the State where the minor resides;

"(3) the term 'parent' means—

"(A) a parent or guardian;

"(B) a legal custodian; or

"(C) a person standing in loco parentis who has care and control of the minor, and with whom the minor regularly resides who is designated by the law requiring parental involvement in the minor's abortion decision as a person to whom notification, or from whom consent, is required;

"(4) the term 'minor' means an individual who is not older than the maximum age requiring parental notification or consent, or proceedings in a State court, under the law requiring parental involvement in a minor's abortion decision; and

"(5) the term 'State' includes the District of Columbia and any commonwealth, possession, or other territory of the United States.".

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 117 the following new item:

"117A. Transportation of minors to avoid certain laws relating to abortion .... 2401".

Mr. CANADY of Florida (during the reading). Madam Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. SCOTT) is recognized for 5 minutes in support of his motion.

□ 1600

Mr. SCOTT. Madam Speaker, I yield to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Madam Speaker, we have heard a considerable amount of concern from our friends on the other side of the aisle about older predator males smuggling or forcing young women across State lines for an abortion. We share that concern.

States must do a better job of enforcing the statutory rape laws, and we must make it clear to older men that if they have sex with underage women, they will be prosecuted to the fullest extent the law allows.

We must also ensure that women are not being forced or coerced to cross State lines to obtain an abortion. We support the right to choose, and we must guarantee that every woman can exercise that right free from harm, threats or intimidation.

Our motion to recommit will instruct the Committee on the Judiciary to report back a substitute that will make it illegal to force or coerce a woman across State lines so that she can obtain an abortion. The substitute also strengthens the underlying bill's criminal penalties by sentencing violators to 5 years in jail.

This amendment gets at the heart of what the underlying bill was trying to do, deter and punish those who intentionally try to evade parental laws and force young women to have abortions without the proper consent or notification requirements having been met.

H.R. 3682, as currently written, is far too overbroad. As we have seen, it would have the effect of criminalizing grandparents and close family relatives who are in many cases a young woman's only family and only source of support in times of crisis.

H.R. 3682, as currently written, would lead to back-alley abortions and increase family violence, particularly for young women who have nowhere to turn and no one to help them at a critical time in their lives. Surely, we want to strengthen family ties, not damage them.

H.R. 3682 is a bad bill. It will put our children at risk. It will throw our grandmothers in jail. Let us really do something about sexual predators by voting for the motion to recommit.

Mr. SCOTT. Madam Speaker, reclaiming my time, without this motion to recommit, the matter will be denied the assistance from a trusted friend or relative.

The bill in its present form, without the motion to recommit, does not require parental consent because a minor could go alone. I would ask that we vote yes on the motion to recommit.

Mr. CANADY of Florida. Madam Speaker, I rise in opposition to the motion to recommit.

I ask the Members of the House to focus carefully on exactly what this motion to recommit says. I had actually thought we might get a motion to recommit that would try to address some of the concerns that we have heard about. But this does not do that. It instead brings to the House a bill that would outlaw kidnapping and abduction for the purposes of obtaining an abortion.

This measure in the motion to recommit would simply say they cannot kidnap or abduct, use force or threat of force to transport an individual across State lines for the purpose of obtaining an abortion in the circumstances outlined. There are laws on the books already to deal with that kind of circumstance. There are laws against kidnapping. There are laws against abduction. There are laws that relate to the improper use of force or the threat of force.

So this is meaningless. This is absolutely meaningless. I think that the Members of the House should understand that. But more importantly, I think that the Members need to again focus on what the point of the underlying bill is.

This bill is here to protect the rights of parents to be involved in their minor daughter's decision to have a serious, potentially dangerous surgical procedure and the right of children to have the counsel and protection of their parents at that critical time when that decision is being made.

Now, many States have decided to give legal protection to this relationship through enactment of parental involvement laws, whether they be consent laws or notification laws. Now, without H.R. 3682, many people will continue to circumvent these protective State laws by secretly taking someone else's daughter across State lines for an abortion.

This motion before us is not serious. I have the greatest respect for the gentleman from Virginia (Mr. SCOTT) who has offered the motion, but I have to submit that this is not a serious attempt to deal with these issues.

As a matter of fact, if the type of provision that is in this motion were to become the law of the land, Joyce Farley and her daughter would be in the same position they have been in. Ms. Farley's 12-year-old daughter was raped, and the rapist's mother took the child out of Pennsylvania, which has a parental involvement law for an abortion. There was no evidence that the rapist's mother used force or the threat of force. She used persuasion with a very troubled young lady. She took advantage of her. Her son had taken advantage of her, and the mother of the offender took further advantage.

H.R. 3682 would protect Ms. Farley and her daughter. The motion to recommit would do nothing for them at all. As a matter of fact, the motion to recommit would do nothing for anybody at all other than perhaps give a little cover to some people who are looking for some cover on an issue which they understand the American people have a very firm position on.

The American people overwhelmingly support parental laws. The American people overwhelmingly support the bill that is before the House today. So I would urge that my colleagues in the House reject the motion to recommit and then vote for the bill.

The SPEAKER pro tempore (Mrs. EMERSON). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SCOTT. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The SPEAKER pro tempore. Pursuant to clause 5 of rule XV, the Chair will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage.

The vote was taken by electronic device, and there were—yeas 158, nays 269, not voting 7, as follows:

[Roll No. 279]

YEAS—158

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boswell
Boucher
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Clay
Clayton
Clyburn
Conyers
Coyne
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilman
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moran (VA)
Morella
Nadler
Olver
Owens
Pallone
Pastor
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Rothman
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Spratt
Stabenow
Stark
Stokes
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Wise
Woolsey
Wynn
Yates

NAYS—269

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boyd
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, Sam
Jones
Kanjorski
Kasich
Kildee
Kim
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Mascara
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Poshard
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—7

Dingell
Gonzalez
Goode
Hill
McNulty
Payne
Roybal-Allard

□ 1626

Messrs. BERRY, METCALF, MOAKLEY, Mrs. McCARTHY of New York, and Messrs. COOKSEY, RILEY, WEYGAND, McCRERY, CONDIT and SAM JOHNSON of Texas changed their vote from "yea" to "nay."

Mr. DOGGETT changed his vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CANADY of Florida. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 276, noes 150, not voting 8, as follows:

[Roll No. 280]

AYES—276

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jefferson
Jenkins
John
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kim
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Mascara
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Minge
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Paxon
Pease
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Pombo
Pomeroy
Portman
Poshard
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin

Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Vento
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—150

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Blagojevich
Blumenauer
Boehlert
Boucher
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clyburn
Conyers
Coyne
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilchrest
Gilman
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Kennedy (MA)
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
Klug
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Mink
Moran (VA)
Morella
Nadler
Olver
Owens
Pallone
Pastor
Paul
Payne
Pelosi
Pickett
Price (NC)
Rangel
Rivers
Rodriguez
Rothman
Rush
Sabo
Sánchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Stabenow
Stark
Stokes
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Wise
Woolsey
Wynn
Yates

NOT VOTING—8

Dingell
Gonzalez
Hill
McNulty
Petri
Porter
Roybal-Allard
Tauzin

☐ 1636

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. PETRI. Madam Speaker, on H.R. 3862, the Child Custody Protection Act, Rollcall No 280, had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. TAUZIN. Madam Speaker, on July 15, 1998, I was inadvertently detained, and missed rollcall 280, on H.R. 3682, the Child Custody Protection Act. Had I been present, I would have voted "aye."

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 219

Ms. KILPATRICK. Madam Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 219.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

PERSONAL EXPLANATION

Mr. HILLEARY. Madam Speaker, due to a set of tragic events in my district last night and yesterday, I was unable to be present for a series of votes last night, including the Doolittle amendment and the Fossella amendment to the Shays-Meehan substitute to H.R. 2183. If I had been present, I would have voted aye on roll call 275 and aye on roll call 276.

SONNY BONO MEMORIAL SALTON SEA RECLAMATION ACT

Mr. DREIER. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 500 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 500

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3267) to direct the Secretary of the Interior, acting through the Bureau of Reclamation, to conduct a feasibility study and construct a project to reclaim the Salton Sea. The bill shall be considered as read for amendment. In lieu of the amendment recommended by the Committee on Resources now printed in the bill, the amendment in the nature of a substitute printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Resources; (2) a further amendment printed in the Congressional Record pursuant to clause 6 of rule XXIII, if offered by Representative Miller of California or his designee, which may be considered notwithstanding the adoption of the amendment in the nature of a substitute printed in the report of the Committee on Rules, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from California (Mr. DREIER) is recognized for one hour.

Mr. DREIER. Madam Speaker, for purposes of debate only, I yield the customary 30 minutes to my very good friend, the gentleman from Dayton, Ohio (Mr. HALL), the distinguished ranking minority member of the very prestigious Subcommittee on Rules and Organization of the House, pending which I yield myself such time as I may consume.

☐ 1645

I will say that all time that I will be yielding will be for debate purposes only.

Madam Speaker, this rule makes in order a bill that will bring to fruition the hard work of our late friend and colleague, Sonny Bono. Specifically, it makes in order H.R. 3267, the Sonny Bono Memorial Salton Sea Reclamation Act, under a modified closed rule.

The rule does provide for a substitute to be offered by the ranking minority member of the Committee on Resources, the gentleman from California (Mr. MILLER), or his designee. The structured rule is necessary, Madam Speaker, to protect a fragile compromise that is supported by all of the stakeholders in the restoration of the Salton Sea.

The compromise ensures the expeditious development and congressional consideration of a plan to stop the ongoing environmental damage to the Salton Sea and to restore its health.

Because the environmental problems facing the wildlife refuge and reservoir are worsening so quickly, it is important that Congress pass legislation that allows it to be addressed as quickly as possible. This rule, Madam Speaker, also ensures, as I said, that a minority alternative will be fully debated.

I would like to commend the members of the bipartisan Salton Sea Task Force. The leaders of that have been our California colleagues, Mrs. BONO, Mr. HUNTER, Mr. CALVERT, Mr. BROWN, Mr. LEWIS, and Mr. DOOLITTLE of the Subcommittee on Water and Power. They have done a tremendous job, and they have worked long and hard in reaching a consensus that will allow this legislation to move forward.

Madam Speaker, H.R. 3267 is critical to the health of both the environment and the economy in both Imperial and Riverside Counties. The Salton Sea is an integral part of the Pacific Flyway, providing food and a major rest stop for hundreds of thousands of waterfowl and shore birds. According to the Fish and Wildlife Service, the health of the sea is essential to the long-term viability of the migratory bird population on the west coast. Five endangered or threatened bird species and one endangered fish species depend on the Salton Sea.

The economic impact of the project is equally significant. A study by the

University of California Riverside's Economic Data Bank and Forecasting Center estimates the economic benefits of restoring the Salton Sea of between $3.4 and $5.7 billion. This includes the benefits of increased tourism, recreation, farming and other economic activity around the restored sea.

The Sonny Bono Memorial Salton Sea Restoration Act will halt a serious and ongoing decline in the local economy and replace it with real jobs and good, positive growth for the area.

Madam Speaker, the deterioration of the Salton Sea is a problem that can be solved. While reducing the salinity presents a significant challenge, there are feasible plans for addressing the problem, including diking off a portion of the sea to serve as a final sink for collecting salt. The bill that the House will consider today allows this and other policy responses to be thoroughly researched so Congress can later consider the most cost-effective approach.

Given the importance of the Salton Sea to the local economy and as a habitat for wildlife, it makes sense for the Federal Government to work in partnership with State and local governments to try to develop a plan for fixing the problem. This is particularly true given that H.R. 3267 only commits the Federal Government to considering a cleanup plan, not to helping fund the cleanup.

This is a fitting tribute to a man who cared deeply about restoring the Salton Sea and for whom H.R. 3267 is named. For these reasons, Madam Speaker, I urge adoption of both the rule and the bill.

Madam Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Madam Speaker, I thank my colleague from California (Mr. DREIER) for yielding me this time.

This resolution puts forth a modified, closed rule. It provides for consideration of H.R. 3267, which is the Sonny Bono Memorial Salton Sea Reclamation Act.

This is a bill to reduce and stabilize the salt content of the Salton Sea near Palm Springs, California. As my colleague from California has described, this rule provides for 1 hour of debate to be equally divided between the chairman and ranking minority member of the Committee on Resources. Only one amendment may be offered.

Madam Speaker, there is agreement on both sides of the aisle that Congress needs to protect the worsening environmental conditions at Salton Sea, and there is a consensus that our late colleague, Sonny Bono, is deserving of a fitting tribute. Unfortunately, this bill will probably do neither.

There are numerous provisions in the bill which will raise objections. For example, the bill makes funds available from the Land and Water Conservation Fund, which was established to preserve park land and open spaces, not for water projects. Also, it authorizes construction of a $350 million project before enough study has been done. These and other provisions will probably hold up the bill in the Senate and result in a Presidential veto.

The bill should have an open rule so that all House Members will have the opportunity to make improvements through the amending process on the House floor. The rule also waives the 3-day layover requirement for the committee report, which was filed only yesterday, and this makes it even more difficult for the House to work its will.

I have no further comments to make at this particular time, Madam Speaker.

Madam Speaker, I reserve the balance of my time.

Mr. DREIER. Madam Speaker, I yield such time as she may consume to my very distinguished colleague, the gentlewoman from Palm Springs, California (Mrs. BONO).

Mrs. BONO. Madam Speaker, today I rise in support of the rule governing H.R. 3267, the Sonny Bono Salton Sea Memorial Reclamation Act.

I would like to thank the gentleman from New York (Mr. SOLOMON) and the gentleman from California (Mr. DREIER), as well as the rest of the Committee on Rules members, for crafting a rule that is both fair and reasonable.

The bill that we will be debating today is a good environmental bill. It sets out a sound process for both study and action to save the Salton Sea. The gentleman from California (Mr. DREIER) knows all too well the problems facing the Salton Sea. When Sonny passed, and the Speaker spoke of the need to save this national treasure, the gentleman was right there all the way. I believe that when he sat down to craft this rule, he had in mind the need to save the Salton Sea and the urgency of which it needs to be saved. Unlike the opponents of this bill, the gentleman from California (Mr. DREIER) and the rest of the Committee on Rules want to save the Salton Sea.

For those who do not find this rule fair, I say, what was so fair about allowing the sea to get worse over the last 25 years when this very body had an opportunity to take measures to save it then? What is so fair about environmental groups who finally stand up and take notice of the sea when they have rarely been there in the past? It is real simple. One is either for the sea and the environment and vote "yes" on the rule, or one is for the demise of the Salton Sea, against Sonny's dream, and for the opposition of this rule. Vote "yes" on the rule.

Mr. HALL of Ohio. Madam Speaker, I yield 2 minutes and 10 seconds to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Madam Speaker, I thank the gentleman for yielding me this time.

The issue here today is not whether or not we are going to be honoring our former colleague, Congressman Bono. I think all of us who had an opportunity to serve with him are committed to having an appropriate memorial of that nature. Nor is there a lack of interest on the part of Members of this Congress dealing with the environmental problems associated with the Salton Sea.

The issue that I am concerned about, and I hope the House will take a step back and look very carefully at this, is that we are moving ahead with a significant sum of money to try and deal with what in and of itself was a failed project in the past. This water resources project years ago was well-intended, but has moved in the wrong direction.

It is an issue that I am personally concerned with. As we speak today, this Congress has not exercised appropriate oversight for other water resources projects where we have not laid an appropriate foundation environmentally in engineering terms to make sure that we are not spending good money after bad.

My colleagues will hear in the course of the debate, both on the rule and on the measure itself, that there is not at this point a clear understanding of the exact nature of the problem, and despite years of study and engineering research, there is not a good plan in hand right now.

To go ahead with a preauthorization of a third of a billion dollars for something that this House does not really understand fully and will not have control over is a step clearly in the wrong direction. Not only would we be wasting it, there is a probability that it could even be made worse.

I am pleased that our friends on the Republican majority have rediscovered the Land and Water Conservation Fund. Annually only about $260 million of this fund is spent on this purpose intended for the purchasing of conservation funds. It is a dramatic stretch, I think, for this House to dedicate resources of this order of magnitude in one little portion of the United States when we have hundreds of projects that go begging around the country. I hope that we will have a more thoughtful discussion about the utilization of this resource.

I really do hope that we will approve the Miller amendment, have an opportunity to look at this in a more thoughtful fashion, and provide really a truly appropriate memorial in the long run.

Mr. DREIER. Madam Speaker, I yield 5 minutes to the gentleman from San Diego, California (Mr. HUNTER), our colleague who shares representation of Imperial County with the gentlewoman from California (Mrs. BONO); the man who gave his most sterling speech this morning before the Republican Conference.

Mr. HUNTER. Madam Speaker, I will try to be almost as brief as I was this morning.

My colleagues, we have a real opportunity here to do three things that are very important. One is we have an opportunity to right what is perhaps the worst environmental disaster in our Nation, and that is the continuing pollution and continuing salinization of this huge 360-square-mile body of water next to the Mexican border in southern California. It is fed by the New River and the Alamo River, and the New River is considered to be the most polluted river in North America coming north from Mexicali, traveling 50 miles through the California desert, and emptying into the Salton Sea. In going through Mexicali, it goes through the industrial area of Mexicali, takes a lot of waste. If one goes down there, it is somewhat like America was in parts of this country in the 1930s, literally with yellow toxins spewing out of pipes directly into the river; also, with the sewage system in Mexicali that is attached to that river.

So we have an opportunity to right what is right now one of the most difficult environmental disasters we have ever had in this country.

Secondly, in cleaning up the sea, which we are going to do with this bill, we have the opportunity to expand one of the greatest natural resources and recreational resources in this country.

One of the great things about the sea that the gentlewoman from California (Mrs. BONO) loves so well and Sonny loved so well is the fact that it is so close to a lot of working Americans. It is within driving distance of about 8 percent of America's population. That means that the average guy and his wife and his kids on the average weekend can get in their camper in Covina or Los Angeles or the Inland Empire or San Diego or Orange County and drive to the Salton Sea.

□ 1700

He can enjoy what up until a couple of years ago was the most productive fishery in the United States. He can enjoy, or could, up until a couple of years ago, great waterskiing. That family could enjoy great camping opportunities, and they could do that without having to have the financial resources to jet off to New Zealand, to go fly fishing, to do other things that some people can do but others cannot do. The Salton Sea is a great opportunity for working America to have a wonderful recreational site.

Thirdly, we have the opportunity to do something that I think Sonny Bono taught us so well, and that is what the gentlewoman from California (Mrs. BONO) is continuing to teach us, and that is to use common sense. We are using common sense in this bill.

We changed judicial review at the request of a number of the environmental folks to an expedited judicial review, nonetheless, not cutting it off completely. But as the gentlewoman from California (Mrs. MARY BONO) said, the sea is on a death watch. It is going to die in 10 years or so when it gets up to 60 parts per million of salinization. We cannot let lawsuit after lawsuit tie up the project until the sea is dead.

We are undertaking the project in Mexicali to wean the Mexicali industrial waste and their industrial waste from the New River. That project is going to break ground here in the next couple of months, so it is important and it is necessary and it is appropriate that we get to going on the sea and we start the project.

As one North Salton Sea resident said in one of the articles, he said that this Congress studies the sea and then they disappear, and come back a couple of years later and study it again. We are committing, with this bill, with this authorization, to fix the Salton Sea; that is, to take care of the salinization problem.

We have literally volumes of studies that have been done that have narrowed down the options to basically two options, and that is diking, or else having an infall or outfall; that is, exporting saline water or importing nonsaline water. We have those two options. Secretary Babbitt is going to decide which one works best. He is going to come back and tell the Congress which is best. Then we will act. He said he could do it in 18 months.

The only exception, you have 18 miles of river feeding the Salton Sea, and we have come up with an environmentally friendly way of cleansing that river. We are going to have 50 miles of marshes, and we are going to filter the New River through those 50 miles of marshes, but we cannot do it, some lawyers tell us, under the Clean Water Act because the Clean Water Act says if you take a glass of water out of the New River, you have to pour it back in in drinking water quality. You cannot incrementally clean up a river under that law. You cannot filter part of it in the first mile and part in the second mile and part of it in the third mile. You are totally stopped, so you do not do anything. The sea continues to get polluted.

This is a great bill. I thank the Committee on Rules for bringing it up. Let us have an overwhelming vote in favor of the rule and the bill.

Mr. DREIER. Madam Speaker, I am happy to yield 2 minutes to the gentleman from California (Mr. KEN CALVERT), another Member who has worked on the task force.

Mr. CALVERT. Madam Speaker, I thank the gentleman from California, my good friend from Covina, for not only putting together a good rule but for his support for saving the Salton Sea.

Here we go again. We have been studying the Salton Sea now for well over 30 years. There have been many reports, many studies, many millions of dollars on how to save the Salton Sea. Today finally we are going to establish the groundwork to do exactly that; that is, to save the sea, the birds, the fish, and most importantly, we are going to save an opportunity for people to visit the Salton Sea. Not too many years ago more people visited the Salton Sea than they did Yosemite, on an annual basis, it is so close to so many millions of Americans in the southwest United States.

I as a young man, boy, would go waterskiing at the Salton Sea. It was probably the best waterskiing in all of California, and certainly, I think, throughout the southwestern United States. It is unfortunate that people do not have that same opportunity anymore, or at least not with the quality of water as it exists today.

The other gentleman from California, our esteemed friend from Imperial County, mentioned the New River and how polluted it is, and what is going on there. It is certainly horrible. We have a chance today. We have this rule. Sonny Bono certainly dreamed of this day. I think he is looking down on us right now wondering what we are going to do finally.

Sonny, we are going to pass this rule. Furthermore, we are going to pass this bill, and we are going to vote against the Miller-Brown substitute and move ahead.

Mr. HALL of Ohio. Madam Speaker, I yield 2 minutes to the gentleman from California (Mr. FARR).

Mr. FARR of California. Madam Speaker, I rise in support of this rule, because the rule does a very important thing. It allows for an alternative.

I think that in approaching this, that everyone in this room is in agreement that we need to solve the Salton Sea issue, and that we ought to do that under the name of our former colleague, Mr. Bono. But I do not think we all agree on how to get there. What we need before we get there is a road map. That road map is very important, because it is not being provided in this legislation, but it is being provided in the rule in the substitute. I rise in support of the rule because of the substitute.

I am concerned that in the bill, the main bill, there is an appropriation in there, there is an authorization for an appropriation of $350 million that can be taken from the Land and Water Conservation Fund. That is the entire 2 years of appropriations for this House for all of the projects in the United States. So every Member who is voting for this bill ought to be concerned that those projects that are going to restore lands with authorized use from the Land and Water Conservation Fund, those projects may be put in jeopardy as this project takes priority to all of that.

Madam Speaker, I urge my colleagues to look at the substitute, the Miller-Brown substitute. I think it provides a much better solution. It is a complicated issue. This is essentially a sea or a lake that is taking the drainage.

Water in Southern California is getting scarcer and scarcer and more valuable as we use reclamation, cleaning up dirty water and using it for agriculture, which will be in demand. The cost and uses of water that would go to the lake to sustain it are going to be in great demand. I do not think we can solve the problem by jamming it through with this solution. We need the substitute.

The rule is a good rule because it provides that substitute. When we get to that, I urge my colleagues to support it.

Mr. DREIER. Madam Speaker, I am happy to yield 3 minutes to the gentleman from Mount Holly, New Jersey (Mr. SAXTON), the very distinguished chairman of the Joint Economic Committee.

Mr. SAXTON. Madam Speaker, I thank the gentleman for yielding me the time.

Madam Speaker, let me just begin by saying that I rise in support of this rule and of the underlying bill, H.R. 3267, the Sonny Bono Memorial Salton Sea Act.

Let me just say, or let me just express my admiration for the great job that the gentlemen from California, Mr. DUNCAN HUNTER, Mr. KENNY CALVERT, Mr. DAVID DREIER, my friend here, Mr. DUKE CUNNINGHAM, have done, and let me say just especially to the gentlewoman from California (Mrs. MARY BONO) how pleased I am to be here today to support this major effort she picked up on just several months ago, and has really led the way in this effort. I have not seen this many Californians agree on an issue in the 14 years that I have been here, and I say to the gentlewoman from California (Mrs. BONO), it took her to bring them all together.

As an Easterner and as chairman of the Fisheries Conservation, Wildlife and Oceans subcommittee. Let me just stress how important I think this bill is. It represents a major stride towards improving the water quality of the Salton Sea by reducing the salinity and stabilizing the elevation along the shoreline.

The Salton Sea is certainly of extreme importance as a major stopover for avian species along the Pacific flyway. As chairman of the subcommittee, I must stress the importance of saving habitat for migrating birds. Already many of the traditional nesting and feeding areas have been destroyed, and if the degradation of the Salton Sea continues unabated, this important habitat will surely be lost.

Let me just say also that I have received a number of communications from ornithological council members, which include the eight major scientific societies of ornithologists in North America. Collectively, these professional organizations include over 6,000 scientists and students of bird life.

The letter of the council states that "The Salton Sea ecosystem has long been recognized as providing significant wetland habitat for immense numbers of migrating birds."

Let me just say, in conclusion, to my friends from the other side of the aisle, with whom I oftentimes, in fact most often, agree, I think we all want to get to the same place. I will be supporting the underlying bill. Others here will obviously support the substitute. I am hopeful that the underlying bill will prevail and that we will be able, therefore, to proceed to come to a conclusion that is beneficial to all concerned.

Let me once again congratulate the members of the California delegation, and particularly the gentlewoman from California (Mrs. MARY BONO), for their great leadership in bringing this bill to the floor today.

Mr. DREIER. Madam Speaker, I yield 1½ minutes to my very good friend, the gentleman from San Diego, California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Madam Speaker, my daughters, April and Carrie, got the first duck mud between their toes in a goose blind over in the Salton Sea with their Grandpa Jones. He also taught them how to blow a duck call in that same place.

Why is it important? It is a major flyway from Connecticut to Sacramento to the Salton Sea and then down to Mexico for the winter feeding grounds. There are also many of the endangered species and also porvina, which is a fish that lives there, which is dying in very fast order.

I do not believe we are trying to get there in the same place, because if Members want to delay a bill in this body, if they want to kill a bill, just have a study with no commitment, with no commitment to carry it through. That is exactly what the Miller substitute does, study, study, study, knowing good and well that we will come back and not be able, when the funds are low, to fund it.

Support the Bono amendment and let us pass this bill.

Mr. DREIER. Madam Speaker, I am happy to yield 2 minutes to my very good friend, the gentleman from Monticello, Indiana (Mr. BUYER), who was a very, very close friend of the late Sonny Bono.

Mr. BUYER. Madam Speaker, I thank the gentleman for yielding me the time.

I rise today in support of H.R. 3267, the Sonny Bono Memorial Salton Sea Reclamation Act. The Salton Sea has only 12 years of life left until it will cease providing a haven for over 375 species of birds and fish, including numerous endangered and threatened species. The 30,000 acre lake salt level continues to rise to levels which are already causing great amounts of disease in the species which rely upon the sea's resources. In just a short period of time the species will no longer be able to survive.

To remedy the situation this bill provides for five things: reducing and stabilizing the salinity level, stabilizing the sea's surface elevation, restoring fish and wildlife resources, enhancing recreational use and environmental development, and ensuring the continued use of the sea as a reservoir for irrigation and drainage. The policy is to manage all the resources in order to balance the needs of wildlife, natural resources, and humans. They are all intertwined and all part of the same equation.

Those who oppose this commonsense measure instead advocate a slower and more cautious approach. I have listened to some of the words. They say, let us be more thoughtful, or let us have a better road map. What this really means they are choosing the course that will eventually cause the demise of this valuable natural resource.

It is indeed necessary for Congress to be responsible for the funds that it authorizes and appropriates. However, it is necessary for Congress to act responsibly in a timely manner in order to avoid a disaster. Losing the Salton Sea would be a disaster for all the species which utilize the area, the local economies of the communities near the sea, and anyone who is concerned about our Nation's resources.

Those in opposition to this bill complain that the measure authorizes both a feasibility study and construction. In fact, this bill requires the Secretary of the Interior to report back to the authorizing committees after the feasibility study in order to approve the construction plans.

In basic point, what we have here is a conflict. Radical environmentalists, who are also preservationists, find themselves in conflict with also their advocacy of protection of the endangered species. So what they really have here is they are endorsing the radical preservationists' view on the environment, and they want the Salton Sea to die, just let it go, let it go, let it go.

We say no to that position. In memory of Sonny Bono, we will step forward and manage our Nation's resources, protect the environment, ensure that the species on the endangered species list are protected. It is management of our natural resources, which this bill is about. I ask for the passage of the rule.

Mr. DREIER. Madam Speaker, I yield 1 minute to the gentleman from California (Mr. BRIAN BILBRAY), another great San Diegan, a great friend, and hard-working two-termer.

□ 1715

Mr. BILBRAY. Madam Speaker, I rise in support of the rule. Those of us who live along the southwestern border have grown tired of the Federal Government constantly finding excuses not to address the issues that only the Federal Government can address. We are talking about a crisis here that has been created by the lack of Federal action in the last 30 years. Pollution coming across the border, the lack of cooperation between Mexico and the United States, this is a Federal responsibility and a Federal obligation and a Federal preserve.

They can talk about, let us spend more money having more sanctuaries, more preserves, but if the Federal government, those of us in Congress are not willing to move forward and take action, not talking about protecting the environment but actually doing something to protect the environment, if we will not do it where the Federal Government is the only agency that can execute it, the only agency that has the jurisdiction to execute many of these types of strategies, then let us not keep talking about that we care about the environment.

If we do not move forward with this proposal at this time, then let us stop talking about how much we care about the environment. Now is the time to prove who really supports the environment.

Mr. DREIER. Madam Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Madam Speaker, I yield 8 minutes to the gentleman from California (Mr. MILLER), ranking member of the committee.

Mr. MILLER of California. Madam Speaker, the troubles of the Salton Sea are not new to any of us in California. In fact, the Salton Sea has had serious biological problems for many years. They have been well publicized fish kills and die-offs of migratory waterfowl that raise both environmental concerns and issues involving international treaty obligations. Various scientific studies have attempted to pinpoint the biological cause of the enormous fish kills and the bird dieoffs that afflict this body of water.

In 1992, the Congress passed legislation that I wrote expanding these studies and the Department of Interior is engaged in that additional research, although there have not been the appropriations in the last couple of years to finish that research or to move it very far down the line.

There really is no mystery about some of the aspects of the problems of the Salton Sea. It is an artificially created body of water formed through an engineering catastrophe earlier in this century. It is growing increasingly salty and contaminated because most of its inflows come from agricultural wastewater and municipal wastewater, loaded salts and heavy metals and pesticides and contaminants.

The fact of the matter is the only real source of any water of any volume for the Salton Sea is contaminated, polluted wastewater. That is some of the best water that is in this sea at the current time. Yet the inflows of the better quality of water in the sea itself, these waters are questionable over the next few years, and we continue the problem of the increased salinization of this area.

The question really is, what do we do about the Salton Sea? How do we arrive at a program that will work? The suggestion that we have made tracks much of what is in this legislation, and that is that we go out, the minority has decided that we would spend a million dollars a month or more than a million dollars a month over the next 18 months and direct the Secretary to conduct these studies and come back and tell us what will work or what will not work. And then at that time, based upon those alternatives, authorize this project or not authorize this project based upon what the Congress deems to be feasible or not feasible.

The point is this, with the passage of this legislation, the Salton Sea will immediately become the second largest construction program within the Bureau of Reclamation. Only the Central Arizona Project will be larger, if one works it out over a 10-year period of time which is, of course, the time line that has been set by the concerns of the supporters of this legislation.

I think before we commit the Congress of the United States and the taxpayers of the United States to a $300 million decision, we ought to know what those facts are. We ought to make those determinations, but, as somebody said, if we do the studies first and then we come back to the Congress, the Congress will not give us the money. So what they want to do is, they want to take the money up front today, before the studies come back and tell us what it is, and the project will be authorized without regard to those studies. The authorization will be squirreled away.

The point is this, this is a very complex problem. It is not just the issue of salinity. It is the issue of nutrient loading. Many of the scientists say we can deal with some of the salinity problems with the diking program and others, but the problem is that we still have not dealt with what may be killing many of the birds and the wildlife in this area.

So the point is that I think that we have an obligation to treat this project as we treat all other projects: That is, we authorize studies to come up with the feasibility to determine what is feasible, to determine what the costs are going to be, and then we come back and we authorize that project for the purposes of appropriation, if those studies work out. That is how everyone else in this Congress gets their projects authorized.

The fact of the matter is, in some cases after we do the studies, we make determinations that that is really not worth the expenditure of the public's money or a project has to be redesigned or we scale a project down. Those are all determinations that are made within the process of these projects.

I also want to point out that this legislation has a number of problems on it that have been raised, concerns, by statement of administration policy from the Clinton administration. They have problems with letter funding mechanisms of this legislation, the fact that the bill currently takes the funding from the Land and Water Conservation Fund. This is a trust fund that is to be used for the purchase of public lands and the maintenance of our parks and wilderness areas on the public lands. And this would invade that to the extent of over two times of what we authorize in a single year would be taken out for this single project.

The cost sharing would exempt irrigators from the cost-sharing responsibility for project implementation. So we are putting that load on the taxpayers. The limitations on liabilities, we find what we are doing is we are taking the liability for anything that goes wrong in this project, we are taking that off of the back of everybody else that is around the Salton Sea and saying we are going to load that liability, if things go wrong, on the back of the Federal taxpayer.

Clean water exemptions have already been addressed. The administration has problems with those. And the congressional review, the Department of Justice has advised that the provisions granting congressional committee authority to approve or disapprove executive actions without the enactment of legislation would be unconstitutional.

So this is a piece of legislation that may very well pass this House, but it certainly is not going to get consideration in the Senate. Senator CHAFEE has already indicated that their committee would not have time to take this legislation up in this condition. They would hope that we would send them a clean bill so they could pass the legislation, and we can get on with the studies that are necessary to be done. There is nothing in the substitute that delays those studies. There is nothing in the substitute which does not require the Secretary then to report back the results of those studies. But I think it is a way to get this bill enacted so that we can get on with those studies.

We can cut down the time frame in which to deal with the problems of the Salton Sea and make some determinations. As Members know, the majority leader of the Senate said if it takes more than an hour, it is not coming up in the Senate between now and adjournment.

Mr. VENTO. Madam Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Madam Speaker, I rise in opposition to the rule.

It is an irony that we have really what I consider would be a very popular and a very positive initiative in terms of trying to clean up and try to address the problems of the Salton Sea. I do not know if it is possible to really clean it up in terms of both the nutrients and the salt, because of the nature of the delta that it rests on, this ancient seabed. But in any case, it is ironic that we get wrapped around the axle here today on the basis of an unknown type of action and project.

Everybody apparently agrees there has to be study because the measure before us and the substitute that my colleague, the gentleman from California (Mr. MILLER) is going to present, which I support, says that we have to do a study. You have to do more study in terms of putting in place the nature of the type of project. There has been a great deal of research work that has been done on this, but unfortunately it is not in specifics yet.

I think that the opposition to this is not one in terms of delaying it, because clearly it is going to take the 18 months, which the sponsors and advocates for this are proposing to be in place. If you really want to push this program up, what you really ought to do is appropriate the money right now for the project. That is, in essence, what is being done in terms of authorization. We would not see the appropriators standing up in the House doing that without any specific project. The authorizers themselves on our Resources Committees should not be proposing without some definitive policy path, especially considering what the elements are. I mean, the limits on judicial review, the limits on the Clean Water Act, the limits on liability, the limits on who is going to be paying in terms of who is responsible for some of the damage in the future, the limits on not using the Colorado water, this is the delta of the Colorado River, yet you cannot use water from the Colorado River for this particular purpose.

So these are just some of the obvious shortcomings that exist with regard to this measure. We will have a chance to discuss them further, but this rule is a closed rule and one that I cannot support. I think the process is one that I do not think is sound in terms of dealing with and developing a good policy path on an issue that there would be and could be consensus upon but for the getting the cart before the horse on this measure.

This authorization of over $350 million deserves a deliberate process and the use of a full open authorization appropriation actions.

I thank the gentleman for yielding to me and thank him for his statement.

Mr. MILLER of California. Madam Speaker, I thank the gentleman.

Mr. DREIER. Madam Speaker, I yield such time as he may consume to the gentleman from Redlands, California (Mr. LEWIS).

Californians could not ask for a more able dean of our delegation.

Mr. LEWIS of California. Madam Speaker, I express my appreciation to my colleague from the Committee on Rules not only for his work today but the hard work he has put into shaping this rule and being of such assistance to those of us on the task force who are involved in attempting to save the Salton Sea.

I listened to the discussion of my colleague from California from the committee as he was discussing the rule and could not help but be reminded of the fact that, as he reminded us, that the Salton Sea has been under consideration for a considerable length of time.

The problem is that the Salton Sea and the economic, the environmental challenge it provides for us has been around for a long, long time. It is to the point of being the most significant environmental crisis in the west at this moment. If indeed our committees had chosen to go forward with serious action regarding this problem years and years ago, the problem would have already been solved. It would have cost considerably less money.

I must say that this very important environmental project has not received that kind of priority in the past, and I am very disconcerted about that, especially when Members suggest that we are moving forward much too rapidly now in terms of consideration when the challenge has been there for several decades.

I must say that I could not be more pleased, however, with the fact that this act will be entitled the Sonny Bono Memorial Salton Sea Reclamation Act, for it was not until Sonny Bono really grabbed this problem by the horns and drug a lot of us along with him to make sure that the Congress focused upon this crisis, made sure we had a pathway to action regarding finding a solution, he was responsible for leading the Salton Sea task force, which involves my colleagues, the gentlemen from California (Mr. BROWN), who is in the adjacent district of mine in Southern California, (Mr. HUNTER), (Mr. CALVERT) along with myself. And in recent months we have had the able leadership of the gentlewoman from California (Mrs. BONO), our colleague who represents much of the sea.

I must say it has been her dynamic expression of concern that we follow through on this priority of Sonny's that has added the sort of momentum that we need to see this legislation through to success.

There is little doubt that the challenge is very real, but also the problem is a solvable problem if we will but move forward. This legislation lays the foundation for reviewing a whole series of studies that have gone on for years and years and years, selecting the alternative approach to solution, and at the same time lays the foundation for the kind of authorization we need to actually decide on which avenue is the best one to follow.

We have begun the appropriations process by the way. There is funding in a number of appropriations subcommittee bills now to move forward with the studies that we are talking about. In turn, we want to make sure as quickly as possible to move forward with authorization of construction for there is not time to fool around with this any longer. The committees have ignored it in the past for far too long. It is my judgment the sooner we have a broadly based authorization, the sooner we can get appropriations in line that will actually lead to construction and begin to save this fabulous environmental opportunity that we have in the southland that provides huge recreational opportunities, economic opportunities, changing an entire region in terms of that which will be available to a sizable portion of the population in Southern California and regions that surround.

□ 1730

So I want to express my deep appreciation first to the gentlewoman from California (Mrs. MARY BONO) for her leadership, but beyond that to the gentleman from California (Mr. DAVID DREIER) and the Committee on Rules for helping us with this rule today, and we urge support for the rule.

Mr. HALL of Ohio. Madam Speaker, I yield myself such time as I may consume to simply say that the gentleman from California (Mr. MILLER) and the gentleman from Minnesota (Mr. VENTO), I believe, speak for many of us over here relative to their concerns and what they want this legislation to do. And if this rule passes, I would hope that we would go with the Miller amendment. That seems to be the best way to go.

Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DREIER. Madam Speaker, I yield myself such time as I may consume. Obviously, with the remarks that we have heard from Members, not only from California but from other parts of the country, this is a very important environmental issue for us and it is a very important tribute not only to the late Sonny Bono but to his successor, the gentlewoman from California (Mrs. MARY BONO), who has done a very, very important job here for the entire Nation, and I urge support of the rule.

Mrs. BONO. Madam Speaker, today, I rise in support of the rule governing H.R. 3267, the Sonny Bono Salton Sea Memorial Reclamation Act.

I would like to thank Chairman SOLOMON and Congressman DREIER, as well as the rest of the Rules Committee members for crafting a rule that is both fair and reasonable.

The bill that we will be debating today is a good environmental bill. It sets out a sound process for both study and action to save the Salton Sea.

Congressman DREIER knows all too well the problems facing the Salton Sea. When Sonny passed, and the Speaker spoke of the need to save this national treasure, Mr. DREIER was right there all the way.

I believe that when he sat down to craft this rule, he had in mind the need to save the Salton Sea, and the urgency of which it needs to be saved.

Unlike the opponents of this bill, Mr. DREIER and the rest of the Rules Committee want to save the Salton Sea.

For those who do not find this Rule fair, I say: what was so fair by allowing the Sea to get worse over the last 25 years, when this very body had an opportunity to take measures to save it then?

What is so fair about environmental groups who finally stand up and take notice of the Sea, when they have rarely been there in the past?

It's real simple: You're either of the Sea and the environment, and vote Yes on the Rule.

Or you are for the demise of the Salton Sea, against Sonny's dream and for the opposition of this Rule.

Vote Yes on the Rule.

Mr. DREIER. Madam Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DOOLITTLE. Mr. Speaker, pursuant to House Resolution 500, I call up the bill (H.R. 3267) to direct the Secretary of the Interior, acting through the Bureau of Reclamation, to conduct a feasibility study and construct a project to reclaim the Salton Sea, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. PEASE). The bill is considered as having been read for amendment.

The text of H.R. 3267 is as follows:

H.R. 3267

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Sonny Bono Memorial Salton Sea Reclamation Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—SALTON SEA RECLAMATION PROJECT

Sec. 101. Salton Sea reclamation project authorization.
Sec. 102. Concurrent wildlife resources studies.
Sec. 103. Salton Sea National Wildlife Refuge renamed as Sonny Bono Salton Sea National Wildlife Refuge.
Sec. 104. Alamo River and New River irrigation drain water.

TITLE II—EMERGENCY ACTION TO STABILIZE SALTON SEA SALINITY

Sec. 201. Findings and purposes.
Sec. 202. Emergency action required.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The Salton Sea, located in Imperial and Riverside Counties, California, is an economic and environmental resource of national importance.

(2) The Salton Sea is critical as—

(A) a reservoir for irrigation, municipal, and stormwater drainage; and

(B) a component of the Pacific flyway.

(3) Reclaiming the Salton Sea will provide national and international benefits.

(4) The Federal, State, and local governments have a shared responsibility to assist in the reclamation of the Salton Sea.

SEC. 3. DEFINITIONS.

In this Act:

(1) The term "Project" means the Salton Sea reclamation project authorized by section 101.

(2) The term "Salton Sea Authority" means the Joint Powers Authority by that name established under the laws of the State of California by a Joint Power Agreement signed on June 2, 1993.

(3) The term "Secretary" means the Secretary of the Interior, acting through the Bureau of Reclamation.

TITLE I—SALTON SEA RECLAMATION PROJECT

SEC. 101. SALTON SEA RECLAMATION PROJECT AUTHORIZATION.

(a) IN GENERAL.—The Secretary, in accordance with this section, shall undertake a project to reclaim the Salton Sea, California.

(b) PROJECT REQUIREMENTS.—The Project shall—

(1) reduce and stabilize the overall salinity of the Salton Sea to a level between 35 and 40 parts per thousand;

(2) stabilize the surface elevation of the Salton Sea to a level between 240 feet below sea level and 230 feet below sea level;

(3) reclaim, in the long term, healthy fish and wildlife resources and their habitats;

(4) enhance the potential for recreational uses and economic development of the Salton Sea; and

(5) ensure the continued use of the Salton Sea as a reservoir for irrigation drainage.

(c) FEASIBILITY STUDY.—

(1) IN GENERAL.—The Secretary shall promptly initiate a study of the feasibility of various options for meeting the requirements set forth in subsection (b). The purpose of the study shall be to select 1 or more practicable and cost-effective options and to develop a reclamation plan for the Salton Sea that implements the selected options. The study shall be conducted in accordance with the memorandum of understanding under paragraph (5).

(2) OPTIONS TO BE CONSIDERED.—Options considered in the feasibility study—

(A) shall consist of—

(i) use of impoundments to segregate a portion of the waters of the Salton Sea in 1 or more evaporation ponds located in the Salton Sea basin;

(ii) pumping water out of the Salton Sea;

(iii) augmented flows of water into the Salton Sea; and

(iv) a combination of the options referred to in clauses (i), (ii), and (iii); and

(B) shall be limited to proven technologies.

(3) CONSIDERATION OF COSTS.—In evaluating the feasibility of options, the Secretary shall consider the ability of Federal, tribal, State and local government sources and private sources to fund capital construction costs and annual operation, maintenance, energy, and replacement costs. In that consideration, the Secretary may apply a different cost-sharing formula to capital construction costs than is applied to annual operation, maintenance, energy, and replacement costs.

(4) SELECTION OF OPTIONS AND REPORT.—Not later than 12 months after commencement of the feasibility study under this subsection, the Secretary shall—

(A) submit to the Congress a report on the findings and recommendations of the feasibility study, including—

(i) a reclamation plan for the Salton Sea that implements the option or options selected under paragraph (1); and

(ii) specification of the construction activities to be carried out under subsection (d); and

(B) complete all environmental compliance and permitting activities required for those construction activities.

(5) MEMORANDUM OF UNDERSTANDING.—(A) The Secretary shall carry out the feasibility study in accordance with a memorandum of understanding entered into by the Secretary, the Salton Sea Authority, and the Governor of California.

(B) The memorandum of understanding shall, at a minimum, establish criteria for evaluation and selection of options under paragraph (1), including criteria for determining the magnitude and practicability of costs of construction, operation, and maintenance of each option evaluated.

(d) CONSTRUCTION.—

(1) INITIATION.—Upon expiration of the 60-day period beginning on the date of submission of the feasibility study report under subsection (c)(4), and subject to paragraph (2) of this subsection, the Secretary shall initiate construction of the Project.

(2) COST-SHARING AGREEMENT.—The Secretary may not initiate construction of the Project unless, within the 60-day period referred to in paragraph (1), the Secretary, the Governor of California, and the Salton Sea Authority enter into an agreement establishing a cost-sharing formula that applies to that construction.

(e) DETERMINATION OF METHOD FOR DISPOSING OF PUMPED-OUT WATER.—The Secretary shall, concurrently with conducting the feasibility study under subsection (c), initiate a process to determine how and where to dispose permanently of water pumped out of the Salton Sea in the course of the Project.

(f) RELATIONSHIP TO OTHER LAW.—

(1) RECLAMATION LAWS.—Activities authorized by this section or any other law to implement the Project shall not be subject to the Act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 391 et seq.), and Acts amendatory thereof and supplemental thereto. Amounts expended for those activities shall be considered nonreimbursable and nonreturnable for purposes of those laws. Activities carried out to implement the Project and the results of those activities shall not be considered to be a supplemental or additional benefit for purposes of the Reclamation Reform Act of 1982 (96 Stat. 1263; 43 U.S.C. 390aa et seq.).

(2) PRESERVATION OF RIGHTS AND OBLIGATIONS WITH RESPECT TO THE COLORADO RIVER.—This section shall not be considered

to supersede or otherwise affect any treaty, law, or agreement governing use of water from the Colorado River. All activities to implement the Project under this section must be carried out in a manner consistent with rights and obligations of persons under those treaties, laws, and agreements.

(3) LIMITATION ON ADMINISTRATIVE AND JUDICIAL REVIEW.—(A) The actions taken pursuant to this title which relate to the construction and completion of the Project, and that are covered by the final environmental impact statement for the Project issued under subsection (c)(4)(B), shall be taken without further action under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(B) Subject to paragraph (2), actions of Federal agencies concerning the issuance of necessary rights-of-way, permits, leases, and other authorizations for construction and initial operation of the Project shall not be subject to judicial review under any law, except in a manner and to an extent substantially similar to the manner and extent to which actions taken pursuant to the Trans-Alaska Pipeline Authorization Act are subject to review under section 203(d) of that Act (43 U.S.C. 1651(d)).

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out the Project the following:

(1) For the feasibility study under subsection (c) and completion of environmental compliance and permitting required for construction of the Project, $22,500,000.

(2) For construction of the Project, $300,000,000.

SEC. 102. CONCURRENT WILDLIFE RESOURCES STUDIES.

(a) IN GENERAL.—The Secretary shall provide for the conduct, concurrently with the feasibility study under section 101(c), of studies of hydrology, wildlife pathology, and toxicology relating to wildlife resources of the Salton Sea by Federal and non-Federal entities.

(b) SELECTION OF TOPICS AND MANAGEMENT OF STUDIES.—

(1) IN GENERAL.—The Secretary shall establish a committee to be known as the "Salton Sea Research Management Committee". The Committee shall select the topics of studies under this section and manage those studies.

(2) MEMBERSHIP.—The committee shall consist of 5 members appointed as follows:

(A) 1 by the Secretary.

(B) 1 by the Governor of California.

(C) 1 by the Salton Sea Authority.

(D) 1 by the Torres Martinez Desert Cahuilla Tribal Government.

(E) 1 appointed jointly by the California Water Resources Center, the Los Alamos National Laboratory, and the Salton Sea University Research Consortium.

(c) COORDINATION.—The Secretary shall require that studies under this section are conducted in coordination with appropriate Federal agencies and California State agencies, including the California Department of Water Resources, California Department of Fish and Game, California Resources Agency, California Environmental Protection Agency, California Regional Water Quality Board, and California State Parks.

(d) PEER REVIEW.—The Secretary shall require that studies under this section are subjected to peer review.

(e) AUTHORIZATION OF APPROPRIATIONS.—For wildlife resources studies under this section there are authorized to be appropriated to the Secretary $5,000,000.

SEC. 103. SALTON SEA NATIONAL WILDLIFE REFUGE RENAMED AS SONNY BONO SALTON SEA NATIONAL WILDLIFE REFUGE.

(a) REFUGE RENAMED.—The Salton Sea National Wildlife Refuge, located in Imperial County, California, is hereby renamed and shall be known as the "Sonny Bono Salton Sea National Wildlife Refuge".

(b) REFERENCES.—Any reference in any statute, rule, regulation, executive order, publication, map, or paper or other document of the United States to the Salton Sea National Wildlife Refuge is deemed to refer to the Sonny Bono Salton Sea National Wildlife Refuge.

SEC. 104. ALAMO RIVER AND NEW RIVER IRRIGATION DRAIN WATER.

(a) RIVER ENHANCEMENT.—The Secretary shall conduct research and implement actions, which may include river reclamation, to treat irrigation drainage water that flows into the Alamo River and New River, Imperial County, California.

(b) COOPERATION.—The Secretary shall implement subsection (a) in cooperation with the Desert Wildlife Unlimited, the Imperial Irrigation District, California, and other interested persons.

(c) PERMIT EXEMPTION.—No permit shall be required under section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) for actions taken under subsection (a).

(d) AUTHORIZATION OF APPROPRIATIONS.—For river reclamation and other irrigation drainage water treatment actions under this section, there are authorized to be appropriated to the Secretary $2,000,000.

TITLE II—EMERGENCY ACTION TO STABILIZE SALTON SEA SALINITY

SEC. 201. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) High and increasing salinity levels in Salton Sea are causing a collapse of the Salton Sea ecosystem.

(2) Ecological disasters have occurred in the Salton Sea in recent years, including the die-off of 150,000 eared grebes and ruddy ducks in 1992, over 20,000 water birds in 1994, 14,000 birds in 1996, including more than 1,400 endangered brown pelicans, and other major wildlife die-offs in 1998.

(b) PURPOSES.—The purpose of this title is to provide an expedited means by which the Federal Government, in conjunction with State and local governments, will begin arresting the ecological disaster that is overcoming the Salton Sea.

SEC. 202. EMERGENCY ACTION REQUIRED.

The Secretary shall promptly initiate actions to reduce the salinity levels of the Salton Sea, including—

(1) salt expulsion by pumping sufficient water out of the Salton Sea prior to December 1, 1998, to accommodate diversions under paragraph (2); and

(2) diversion into the Salton Sea of water available as a result of high-flow periods in late 1998 and early 1999.

The SPEAKER pro tempore. Pursuant to House Resolution 500, the amendment printed in House Report 105–624 is adopted.

The text of H.R. 3267, as amended, is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Sonny Bono Memorial Salton Sea Reclamation Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.

TITLE I—SALTON SEA RECLAMATION PROJECT

Sec. 101. Salton Sea Reclamation Project authorization.
Sec. 102. Concurrent wildlife resources studies.
Sec. 103. Salton Sea National Wildlife Refuge renamed as Sonny Bono Salton Sea National Wildlife Refuge.
Sec. 104. Relationship to other laws and agreements governing the Colorado River.

TITLE II—EMERGENCY ACTION TO IMPROVE WATER QUALITY IN THE ALAMO RIVER AND NEW RIVER

Sec. 201. Alamo River and New River irrigation drainage water.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The Salton Sea, located in Imperial and Riverside Counties, California, is an economic and environmental resource of national importance.

(2) The Salton Sea is critical as—

(A) a reservoir for irrigation, municipal, and stormwater drainage; and

(B) a component of the Pacific flyway.

(3) Reclaiming the Salton Sea will provide national and international benefits.

(4) The Federal, State, and local governments have a shared responsibility to assist in the reclamation of the Salton Sea.

SEC. 3. DEFINITIONS.

In this Act:

(1) The term "Committees" means the Committee on Resources and the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Energy and Natural Resources and the Committee on Environment and Public Works of the Senate.

(2) The term "Project" means the Salton Sea reclamation project authorized by section 101.

(3) The term "Salton Sea Authority" means the Joint Powers Authority by that name established under the laws of the State of California by a Joint Power Agreement signed on June 2, 1993.

(4) The term "Secretary" means the Secretary of the Interior, acting through the Bureau of Reclamation.

TITLE I—SALTON SEA RECLAMATION PROJECT

SEC. 101. SALTON SEA RECLAMATION PROJECT AUTHORIZATION.

(a) IN GENERAL.—The Secretary, in accordance with this section, shall undertake a project to reclaim the Salton Sea, California.

(b) PROJECT REQUIREMENTS.—The Project shall—

(1) reduce and stabilize the overall salinity of the Salton Sea;

(2) stabilize the surface elevation of the Salton Sea;

(3) reclaim, in the long term, healthy fish and wildlife resources and their habitats;

(4) enhance the potential for recreational uses and economic development of the Salton Sea; and

(5) ensure the continued use of the Salton Sea as a reservoir for irrigation drainage.

(c) FEASIBILITY STUDY.—

(1) IN GENERAL.—(A) The Secretary shall promptly initiate a study of the feasibility of

various options for meeting the requirements set forth in subsection (b). The purpose of the study shall be to select 1 or more practicable and cost-effective options and to develop a reclamation plan for the Salton Sea that implements the selected options.

(B)(i) The Secretary shall carry out the feasibility study in accordance with a memorandum of understanding entered into by the Secretary, the Salton Sea Authority, and the Governor of California.

(ii) The memorandum of understanding shall, at a minimum, establish criteria for evaluation and selection of options under subparagraph (A), including criteria for determining the magnitude and practicability of costs of construction, operation, and maintenance of each option evaluated.

(2) OPTIONS TO BE CONSIDERED.—Options considered in the feasibility study—

(A) shall consist of—

(i) use of impoundments to segregate a portion of the waters of the Salton Sea in 1 or more evaporation ponds located in the Salton Sea basin;

(ii) pumping water out of the Salton Sea;

(iii) augmented flows of water into the Salton Sea;

(iv) a combination of the options referred to in clauses (i), (ii), and (iii); and

(v) any other economically feasible remediation option the Secretary considers appropriate;

(B) shall be limited to proven technologies; and

(C) shall not include any option that—

(i) develops or promotes an ongoing reliance on Colorado River water; or

(ii) is inconsistent with section 104 (b) or (c).

(3) PROJECT DESIGN CALCULATIONS.—In making Project design calculations, the Secretary shall apply assumptions regarding water inflows into the Salton Sea Basin that—

(A) encourage water conservation;

(B) account for transfers of water out of the Salton Sea Basin;

(C) are based on the maximum likely reduction in inflows into the Salton Sea Basin; and

(D) include the assumption that inflows into the Salton Sea Basin could be reduced to 800,000 acre-feet or less per year.

(4) CONSIDERATION OF COSTS.—In evaluating the feasibility of options, the Secretary shall consider the ability of Federal, tribal, State and local government sources and private sources to fund capital construction costs and annual operation, maintenance, energy, and replacement costs. In that consideration, the Secretary may apply a cost sharing formula to annual operation, maintenance, energy, and replacement costs that is different than the formula that applies to construction costs under subsection (e).

(5) INTERIM REPORT.—Not later than 270 days after the date of enactment of this Act, the Secretary shall submit to the Congress an interim report on the study. The interim report shall include—

(A) a summary of the options considered in the study for the reclamation of the Salton Sea; and

(B) any preliminary findings regarding preferred options for reclamation of the Salton Sea.

(6) REPORT AND PLAN.—Not later than 18 months after funds have been made available to carry out the feasibility study under this subsection, the Secretary shall—

(A) submit to the Committees a report on the findings and recommendations of the feasibility study, including—

(i) the reclamation plan for the Salton Sea pursuant to paragraph (1), including a cost sharing formula for operation and maintenance; and

(ii) complete specifications of the construction activities to be carried out under subsection (e), that are sufficient to use for soliciting bids for those activities, including professional engineering and design specifications and drawings and professional engineer cost estimates; and

(B) complete all environmental compliance and permitting activities required for those construction activities.

(d) CONGRESSIONAL REVIEW OF REPORT AND RECLAMATION PLAN.—

(1) REVIEW BY COMMITTEES.—After receipt of the report of the Secretary under subsection (c)(6), each of the Committees shall—

(A) adopt a resolution approving the reclamation plan included in the report; or

(B) adopt a resolution disapproving the reclamation plan and stating the reasons for that disapproval.

(2) RECLAMATION PLAN DEEMED APPROVED.—If any of the Committees fails to adopt a resolution under paragraph (1)(A) or (B) within 60 legislative days (excluding days on which Congress is adjourned sine die or either House is not in session because of an adjournment of more than 3 days to a day certain) after the date of submission of the report by the Secretary under subsection (c)(6), that Committee is deemed to have approved the reclamation plan included in the report.

(e) CONSTRUCTION.—

(1) INITIATION.—Subject to paragraph (2) of this subsection and the availability of appropriations, the Secretary shall initiate construction of the Project.

(2) COST SHARING.—The Federal share of the costs of construction of the Project shall not exceed 50 percent of the total cost of that construction.

(3) COST SHARING AGREEMENT.—The Secretary may not initiate construction of the Project unless the Secretary, the Governor of California, and the Salton Sea Authority enter into an agreement that—

(A) adopts the cost sharing formula for annual operation, maintenance, energy, and replacement costs that is included in the reclamation plan approved by the Committees under subsection (d); and

(B) implements the cost sharing requirement under paragraph (2) of this subsection for construction costs.

(4) LIMITATION ON EXPENDITURE OF FEDERAL FUNDS.—No Federal funds may be expended for any construction activity under the Project unless there are available to the Secretary from non-Federal sources amounts sufficient to pay the non-Federal share of the cost of the activity.

(f) RELATIONSHIP TO OTHER LAW.—

(1) RECLAMATION LAWS.—Activities authorized by this Act or any other law to implement the Project shall not be subject to the Act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 391 et seq.), and Acts amendatory thereof and supplemental thereto. Amounts expended for those activities shall be considered nonreimbursable for purposes of those laws. Activities carried out to implement the Project and the results of those activities shall not be considered to be a supplemental or additional benefit for purposes of the Reclamation Reform Act of 1982 (96 Stat. 1263; 43 U.S.C. 390aa et seq.).

(2) PRESERVATION OF RIGHTS AND OBLIGATIONS WITH RESPECT TO THE COLORADO RIVER.—This Act shall not be considered to supersede or otherwise affect any treaty, law, or agreement governing use of water from the Colorado River. All activities to implement the Project under this Act must be carried out in a manner consistent with rights and obligations of persons under those treaties, laws, and agreements.

(3) JUDICIAL REVIEW.—Any complaint or challenge of any decision, action, or authorization taken pursuant to this Act shall be filed in a United States district court within 60 days after the date of the decision, action, or the authorization. Such court shall have jurisdiction to resolve any complaint or challenge in accordance with chapter 7 of title 5, United States Code, except that the court shall expedite its review as necessary to ensure that remedial actions at the Salton Sea are not unduly or inappropriately delayed. If a temporary restraining order or preliminary injunction is entered into by a court, the court shall proceed to a final judgment in the matter within 90 days thereafter.

(4) LIMITATION ON LIABILITY.—(A) In regard to any actions, programs, or projects implemented by the Secretary under the authority of this Act, the Imperial Irrigation District and Coachella Valley Water District shall not be liable for any damages arising from—

(i) enlargement of the Salton Sea and the encroachment of water onto adjacent lands;

(ii) reduction of the elevation of the Salton Sea, including exposure of lakebed sediments to the environment; or

(iii) any other occurrence which might result in a claim of damage by any owner of property adjacent to the Salton Sea or any other person.

(B) No person, including the Imperial Irrigation District, California, the Coachella Valley Water District, California, the Salton Sea Authority, the Metropolitan Water District of Southern California, and the San Diego County Water Authority, but not including the Government of the United States, shall be liable for damages arising from any effects to the Salton Sea or its bordering area resulting from—

(i) cooperation with the Secretary in regard to any actions, programs, or projects implemented pursuant to this Act;

(ii) any action to comply with an order of the Secretary under this Act, a State or Federal court, or a State or Federal administrative or regulatory agency interpreting this Act; or

(iii) any other action that reduces the volume of water that flows directly or indirectly into the Salton Sea.

(C) This title shall not be construed to exempt any person, including the Imperial Irrigation District, California, the Coachella Valley Water District, California, the Salton Sea Authority, the Metropolitan Water District of Southern California, and the San Diego County Water Authority, from—

(i) any requirements established under the California Environmental Quality Act or the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); or

(ii) any obligations otherwise imposed by law.

(D) The limitation on liability of the United States contained in section 3 of the Act entitled "An Act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928 (chapter 569; 33 U.S.C. 702c), shall not apply to surplus flood flows that are diverted to the Salton Sea pursuant to this Act.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out the Project the following:

(A) For the feasibility study under subsection (c), including preparation and any revision of the reclamation plan under subsections (c) and (d), and completion of environmental compliance and permitting required for construction of the Project, $22,500,000.

(B) For construction of the Project in accordance with a reclamation plan approved by the Committees, $350,000,000.

(2) ALLOCATION OF APPROPRIATIONS.—Amounts authorized under paragraph (1)(B) may be appropriated to the Administrator of the Environmental Protection Agency and the Secretary of the Interior in amounts that ensure that neither the Administrator nor the Secretary is appropriated substantially all of the Project construction costs.

(3) APPROPRIATIONS TO THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.—Amounts appropriated under paragraph (1)(B) to the Administrator of the Environmental Protection Agency shall be directly available to the Secretary.

(4) APPROPRIATIONS TO THE SECRETARY OF THE INTERIOR.—Amounts appropriated under paragraph (1)(B) to the Secretary may be—

(A) derived from the land and water conservation fund;

(B) appropriated to the Bureau of Reclamation; or

(C) any combination of subparagraphs (A) and (B);

as specified in appropriations Acts.

SEC. 102. CONCURRENT WILDLIFE RESOURCES STUDIES.

(a) IN GENERAL.—The Secretary shall provide for the conduct, concurrently with the feasibility study under section 101(c), of studies of hydrology, wildlife pathology, and toxicology relating to wildlife resources of the Salton Sea by Federal and non-Federal entities.

(b) SELECTION OF TOPICS AND MANAGEMENT OF STUDIES.—

(1) IN GENERAL.—The Secretary shall establish a committee to be known as the "Salton Sea Research Management Committee". The committee shall select the topics of studies under this section and manage those studies.

(2) MEMBERSHIP.—The committee shall consist of the following 5 members:

(A) The Secretary.

(B) The Governor of California.

(C) The Executive Director of the Salton Sea Authority.

(D) The Chairman of the Torres Martinez Desert Cahuilla Tribal Government.

(E) The Director of the California Water Resources Center.

(c) COORDINATION.—The Secretary shall require that studies under this section are coordinated through the Science Subcommittee which reports to the Salton Sea Research Management Committee. In addition to the membership provided for by the Science Subcommittee's charter, representatives shall be invited from the University of California, Riverside; the University of Redlands; San Diego State University; the Imperial Valley College; and Los Alamos National Laboratory.

(d) PEER REVIEW.—The Secretary shall require that studies under this section are subjected to peer review.

(e) AUTHORIZATION OF APPROPRIATIONS.—For wildlife resources studies under this section there are authorized to be appropriated to the Secretary from the land and water conservation fund $5,000,000.

SEC. 103. SALTON SEA NATIONAL WILDLIFE REFUGE RENAMED AS SONNY BONO SALTON SEA NATIONAL WILDLIFE REFUGE.

(a) REFUGE RENAMED.—The Salton Sea National Wildlife Refuge, located in Imperial County, California, is hereby renamed and shall be known as the "Sonny Bono Salton Sea National Wildlife Refuge".

(b) REFERENCES.—Any reference in any statute, rule, regulation, executive order, publication, map, or paper or other document of the United States to the Salton Sea National Wildlife Refuge is deemed to refer to the Sonny Bono Salton Sea National Wildlife Refuge.

SEC. 104. RELATIONSHIP TO OTHER LAWS AND AGREEMENTS GOVERNING THE COLORADO RIVER.

(a) PRESERVATION OF RIGHTS AND OBLIGATIONS WITH RESPECT TO THE COLORADO RIVER.—Nothing in this Act shall be construed to alter, amend, repeal, modify, interpret, or to be in conflict with the provisions of the Colorado River Compact (45 Stat. 1057), the Upper Colorado River Basin Compact (63 Stat. 31), the Water Treaty of 1944 with Mexico (Treaty Series 944, 59 Stat. 1219 and Minute 242 thereunder), the Colorado River Basin Salinity Control Act of 1974 (94 Stat. 1063), the Flood Control Act of 1944 (58 Stat. 887), the decree entered by the United States Supreme Court in Arizona v. California, et al. (376 U.S. 340) (1964) and decrees supplemental thereto, the Boulder Canyon Project Act (45 Stat. 1057), the Boulder Canyon Project Adjustment Act (45 Stat. 774), the Colorado River Storage Project Act (70 Stat. 105), the Colorado River Basin Project Act (82 Stat. 885), including the Criteria for Coordinated Long Range Operation of Colorado River Reservoirs and the Annual Operating Plans developed thereunder, the San Luis Rey Indian Water Rights Settlement Act (102 Stat. 4000), any contract entered into pursuant to section 5 of the Boulder Canyon Project Act, or any other entitlement to the use of the Colorado River existing pursuant to or recognized by Federal law. Furthermore, nothing contained in this Act shall be construed as indicating an intent on the part of the Congress to change the existing relationship of Federal law to the laws of the States or political subdivisions of a State with regard to the diversion and use of Colorado River water, or to relieve any person of any obligation imposed by any law of any State, tribe, or political subdivision of a State. No provision of this Act shall be construed to invalidate any provision of State, tribal, or local law unless there is a direct conflict between such provision and the law of the State, or political subdivision of the State or tribe, so that the two cannot be reconciled or consistently stand together.

(b) LIMITATION ON COLORADO RIVER WATER.—Nothing in this Act shall be construed to enlarge an existing entitlement or to create a new entitlement to Colorado River water for California or any user therein.

(c) FLOOD FLOWS.—In no event shall Colorado River water be diverted for Salton Sea restoration except as provided in this subsection. Diversion into the All-American Canal for delivery directly to the Salton Sea of flood flows in the Colorado River that are required by the Water Control Manual for Flood Control, Hoover Dam and Lake Mead, Colorado River, Nevada-Arizona, adopted February 8, 1984, and which would pass to Mexico in excess of the amount required to be delivered pursuant to the Mexican Water Treaty and Minute 242 thereunder may be made available to carry out the purposes of this Act. The volume of water diverted pursuant to this subsection shall be limited to the excess capacity of the All-American Canal to carry such flood flows after, and as, it has been used to meet existing obligations. The diversion of water from time to time under this subsection shall not give rise to any ongoing right to the recurrent use of such waters or the All American Canal or facilities.

TITLE II—EMERGENCY ACTION TO IMPROVE WATER QUALITY IN THE ALAMO RIVER AND NEW RIVER

SEC. 201. ALAMO RIVER AND NEW RIVER IRRIGATION DRAINAGE WATER.

(a) RIVER ENHANCEMENT.—

(1) IN GENERAL.—The Secretary is authorized and directed to promptly conduct research and construct river reclamation and wetlands projects to improve water quality in the Alamo River and New River, Imperial County, California, by treating water in those rivers and irrigation drainage water that flows into those rivers.

(2) ACQUISITIONS.—The Secretary may acquire equipment, real property, and interests in real property (including site access) as needed to implement actions under this section if the State of California, a political subdivision of the State, or Desert Wildlife Unlimited has entered into an agreement with the Secretary under which the State, subdivision, or Desert Wildlife Unlimited, respectively, will, effective 1 year after the date that systems for which the acquisitions are made are operational and functional—

(A) accept all right, title, and interest in and to the equipment, property, or interests; and

(B) assume responsibility for operation and maintenance of the equipment, property, or interests.

(3) TRANSFER OF TITLE.—Not later than 1 year after the date a system developed under this section is operational and functional, the Secretary shall transfer all right, title, and interest of the United States in and to all equipment, property, and interests acquired for the system in accordance with the applicable agreement under paragraph (2).

(4) MONITORING AND OTHER ACTIONS.—The Secretary shall establish a long-term monitoring program to maximize the effectiveness of any wetlands developed under this title and may implement other actions to improve the efficacy of actions implemented pursuant to this section.

(b) COOPERATION.—The Secretary shall implement subsection (a) in cooperation with the Desert Wildlife Unlimited, the Imperial Irrigation District, California, and other interested persons.

(c) CLEAN WATER ACT.—No permit shall be required under section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) for a wetlands filtration or constructed wetlands project authorized by subsection (a)(1) of this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—For river reclamation and other irrigation drainage water treatment actions under this section, there are authorized to be appropriated to the Secretary from the land and water conservation fund $3,000,000.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in the CONGRESSIONAL RECORD, if offered by the gentleman from California (Mr. MILLER), or his designee, which shall be considered read and debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from California (Mr. DOOLITTLE) and the gentleman from California (Mr. MILLER) each will control 30 minutes of debate on the bill.

The Chair recognizes the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Speaker, I am going to yield my time to the gentleman from California (Mr. CALVERT) for purposes of control.

The SPEAKER pro tempore. Without objection, the gentleman from California (Mr. CALVERT) will control the time.

There was no objection.

Mr. CALVERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my friend from California. As my colleagues can probably tell, he is not feeling well and so I will fill in for our able friend from California. I have a statement to read on his behalf.

Mr. Speaker, I appear on behalf of the gentleman from Alaska (Mr. DON YOUNG) for consideration of H.R. 3267, authored by our colleague the gentleman from California (Mr. DUNCAN HUNTER).

As many of my colleagues are aware, restoration of the Salton Sea was a primary concern of our late colleague, Sonny Bono. This bill, H.R. 3267, the Sonny Bono Memorial Salton Sea Reclamation Act, is designed to promote Sonny's dream of quickly and effectively restoring the Salton Sea.

This legislation will provide the authority to deal with issues affecting salinity and water levels at the Salton Sea. A great deal of work has been done to evaluate the causes of increased salinity as well as the periodic inundation and exposure of lands around the Sea. If we are ever to find and implement the solutions, the time for action is upon us. Water quality is at an all time low. The Sea can no longer serve as the recreation resource it once was, and wildlife populations continue to be adversely affected.

Land, recreational, and ecological values associated with the Sea have declined over the last two decades, due in large part to the rising salinity and surface elevation. Without efforts to reduce and stabilize the salinity levels, they will continue to rise and will have severe impacts on surrounding landowners, individuals who wish to use the Sea for recreation, and the existing fish and wildlife species.

H.R. 3267 establishes the process for determining and implementing an engineering solution to save the Sea, while also continuing the analysis to evaluate and ensure the long-term health of the Sea's wildlife populations. Additionally, this measure will authorize a water reclamation project along the New and Alamo Rivers, the major sources of water flowing into the Sea.

With that, Mr. Speaker, we obviously are in favor of moving this bill and opposing the Miller substitute.

Mr. Speaker, I reserve the balance of my time.

Mr. MILLER of California. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, I thank gentleman for yielding me this time, and I rise today in opposition to this bill, reluctantly, because I believe that there is a great need in the Salton Sea if we can begin to remediate all of the problems that it has. However, the legislation, as drafted, contains a number of anti-environmental provisions which could jeopardize the Sea's revitalization.

This bill provides unneeded exemptions from the Clean Water Act, it places time limits to judicial review associated with the project, and it improperly uses the Land and Water Conservation Fund to fund its cleanup. The LWCF provides funding for acquisition of high priority lands, and by diverting up to $350 million from the LWCF to the Salton Sea project, it jeopardizes the acquisition and protection of other high priority lands across the country. In fact, this funding exceeds the total of $270 million that Congress appropriated in fiscal year 1998 for LWCF acquisitions.

Consequently, I am supporting the Miller-Brown amendment, which authorizes an exhaustive 18-month study of the problems of the Salton Sea, combining both science and engineering considerations, to determine the best solution.

It is true we have ignored this important environmental problem for several decades, but that is even more reason why we should not rush in to a remediation without completing the necessary studies that we need to conduct. Therefore, I urge support of the Miller-Brown amendment and I urge a "no" vote on this legislation if that amendment does not pass.

Mr. CALVERT. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. HUNTER), a gentleman who has a substantial portion of the Sea in his Congressional District and who has the privilege to represent Imperial County.

Mr. HUNTER. Mr. Speaker, I thank my friend for yielding to me, and I want to thank the gentleman from California (Mr. KEN CALVERT) for his great work, along with the gentleman from California (Mr. GEORGE BROWN) and the gentleman from California (Mr. JERRY LEWIS), and, of course, the gentlewoman from California (Mrs. MARY BONO) in putting this bill together.

This thing is really beyond being a remediation of a terrible problem. This total project, including the Salton Sea and the New River, is going to create one of the biggest wetlands in the United States. This is great news for people that love wildfowl and waterfowl and all the bird species. There are some 380 bird species that utilize the Salton Sea.

As the gentleman from California (Mr. DUKE CUNNINGHAM) said, it is a major piece of the Pacific flyway. It is a stop-over. In Imperial Valley, in fact, we actually have a bird festival, a waterfowl and bird festival, that attracts now thousands of people because the south end of the Salton Sea is one place where they stop on that sojourn from Canada, in some cases down to Mexico, in other cases all the way down to Central and South America.

We are going to build, along the 50 miles of desert river, from where New River enters the United States at Calexico and Mexicali, we are going to build 50 miles of marshes. And through those marshes we are going to sift New River.

So we really have three legs to this project. One is a desalinization problem. And that is the idea of diluting this salt before it gets up to 60,000 parts per million and kills the Sea.

The other part of this project, of course, is the Mexicali project. And that is the part I have talked to the gentleman from California (Mr. GEORGE MILLER) about, in many cases, and that is the part in which we join with Mexico, which we are doing right now, to wean the Mexican sewage system in Mexicali, Mexico, off the New River. Right now that system still breaks down at times and pours stuff into New River, and that waste ultimately makes its way up to the Salton Sea. So we are doing a totally new project with Mexico.

And, lastly, we are doing the third leg, of course, which is this 50 miles of desert river that we are going to build into 50 miles of marshes that will host hundreds of bird species and be an enormous boon to everyone who loves wildlife and loves conservation. This is a great, great program.

And I just want to say one last thing, and that is simply that we had to have an exemption to the Clean Water Act because we cannot clean a river with marshes, according to the lawyers, under the Clean Water Act. It says if we take out the first bucketful of water, we have to return it in drinking water form. And using marshes to clean up rivers, which is environmentally accepted, is an incremental process. Some of the river is cleaned up in the first mile, some of the river in the second mile, some of the river in the third mile.

There are bull rushes, there are duck weed, there are pond weed, and all these various aquatic plants that take the bad stuff out of the water. Our environmentalists like that process. Unfortunately, when we wrote the law up here as congressmen, we made a little mistake and we made it so tight that we cannot use marshes to clean up rivers. So we have what "60 Minutes" has called the most polluted river in North America.

So let us use that good old common sense. We really worked with the environmental community in putting this thing together. We extended the time, the study period, from 12 to 18 months, because Secretary Babbitt thought he needed 18 months. Instead of blocking judicial review, we cannot have people sue in Federal Court every day until the Sea dies, so we just told the court to expedite that review. If somebody sues, give them their day in court, but do not wait years to bring them to court while the Sea dies. We think that is reasonable. That is something a lot of environmentalists should like, the fact that we are going to clean this thing up so it does not languish in courts. So we have touched on all those bases.

And once again I want to thank the gentleman from California (Mr. CALVERT), the gentlewoman from California (Mrs. BONO), and the gentleman from California (Mr. LEWIS), who has really been a driver in this process; but also the gentleman from California (Mr. JOHN DOOLITTLE), who came over here pretty much under the weather and really worked with us as we were putting this thing together. This is a great bill. Let us pass it and let us celebrate for the environment.

Mr. MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Let me just say that I hope that this debate does not get redundant, because I think there is a point at which, obviously, both parties to this debate believe that these studies should, in fact, be conducted so that we can make some determinations about how to clean up the Salton Sea, if in fact that is possible to do. But we have already heard some suggestions about how we are going to do that, and the suggestions are being made here in advance of those studies, and that is a problem we have.

In 1992, we tried to step up those studies and we passed legislation to step up those studies but, unfortunately, the appropriations for those studies have not been forthcoming. So here we are again now asking the Secretary of the Interior to engage in these studies and to report back to us in 18 months.

The substitute that the gentleman from California (Mr. GEORGE BROWN) and I will offer to this legislation later in the debate does exactly that. It coordinates a project, scientific studies, for 18 months, some of which the Secretary of the Interior has already started to undertake, and it requires an interim report after 9 months delineating what they think some of the alternatives will be and what the status of those alternatives and the studies are, and to have oversight hearings and to identify additional authorities if they need it. This puts the studies on the same timetable.

Then we would do what I think this bill does unconstitutionally, we would then come to the Congress, to the Committee on Resources, and ask them what is this project that we want authorized; do we want to authorize this project or do we not; do we want it this scale, smaller; or if there is going to be alternatives which the studies lay out, which alternative do we want to do.

I think that is simply a prudent use of the taxpayers' money. It does not slow this project down at all unless we believe that somehow by doing it this way today they are stealing the money and Members of Congress will not understand that we are talking about $380 million in a single project. Then I guess we want to do it today. Otherwise, we would do it in the regular order, as all Members of Congress do when they are representing projects that they are interested in.

For those reasons and for those distinctions between the bill, that is why the administration opposes this legislation. That is why almost every major environmental group opposes this legislation. It is why Taxpayers for Common Sense oppose this legislation. Because we have a terrible history in this Congress of authorizing water projects sometimes that are not thoroughly studied, and we go back and spend billions of dollars trying to correct the mistakes that were made because we did not put the proper foresight into them, or because we had the political rush on to do something that overwhelmed our good judgment, overwhelmed the science, and then we ended up funding something that, in fact, did not work, and either spent a lot of time with the Federal Government inheriting a huge amount of liability or trying to correct horrible environmental consequences of these projects.

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And that has been true, and that is the life of these projects, whether this is the central Arizona projects, the Central Valley project in California, the central Utah project, the Garrison project. All of these were projects in the hundreds of millions of dollars where we ended up having to come back later and make major, major changes because of the unforeseen consequences and because of inadequate studies and because of an overwhelming political pressure to get this done.

Whatever it is that we do that we want to get done should be done based upon the sciences, and the Congress should have the opportunity to review that and then to authorize, and the key word there is to "authorize," as the Justice Department points out in the President's statement of administration policy. That is the order. That is what the Constitution requires.

I think, in fact, that the Miller-Brown substitute will speed this process up because I think that is the alternative that has the best chance of being taken up in the Senate and passed by the Senate. This legislation will probably not pass the Senate. The chairman of the committee over there has said that he opposes this legislation. Our two Senators have opposed this legislation. Senator LOTT says if it is controversial and takes more than an hour, it probably will not go to the floor in the Senate.

So the purpose here of the gentleman from California (Mr. BROWN) and myself is to offer an amendment that we think preserves the intent, the purposes and the outcomes that everybody wants with respect to the Salton Sea in California, but does it, I think, in a simpler manner, in a more timely fashion, and one that is geared toward greater chance of success as the closing days of this session come into sight. And that is an important part of this consideration.

Finally, I would just say that no matter what funds we look at with respect to this project, whether the money comes out of the Atlanta Water Conservation Fund or whether the money comes out of EPA or the money comes out of the Bureau of Reclamation, we are talking about a major, major commitment of funds in this day and age.

As every Member can tell us, as they line up before the Committee on Appropriations and ask for small amounts of money to keep projects going, this one is a major commitment of any of the funds within any of those budgets with respect to construction projects in this day and age and in the budget constraints that we have. And I think that is another reason why we owe the regular order to the Members of Congress and to the taxpayers to do the studies and then come back and, if we determine it is justified, to reauthorize the project and to do it without all of these offenses to the Clean Water Act, to the questions of liability of the Federal taxpayers if things go wrong in this project and to holding other people harmless who should have a stake in this legislation.

For those reasons, Mr. Speaker, when the time is appropriate, the gentleman from California (Mr. BROWN) and myself will be offering an amendment when it is allowed under the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. CALVERT. Mr. Speaker, I yield 4 minutes to my good friend the gentleman from upstate New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Speaker, I rise this afternoon in support of this Sonny Bono Memorial Salton Sea Reclamation Act.

The legislation before us today authorizes significant new resources to improve water quality and habitat for wildlife in and around the largest body of water in America's most populous State. Though concerns have been expressed by some about the way in which this project will be funded, and we are going to address that in a moment, there is no question that this bill will result in substantial improvement to a unique natural resource.

This legislation will result in the creation of extensive new wetlands critical to migrating waterfowl in the Pacific flyway. Thousands of ducks and geese and shore birds visit the Salton Sea each year. They do so now at their own peril.

This legislation will result in the removal of tons of pollutants daily that are now flowing into the Salton Sea. This legislation will protect and improve habitat for the birds and fish that depend on the Salton Sea for their survival. Indeed, I can make a good case that this legislation is proenvironment.

As this legislation was being developed, concerns were raised about its Clean Water Act provisions. As the chairman of the House Subcommittee on Water Resources and Environment, I worked with both the majority and minority members of the Committee on Resources to address the concerns presented.

The bill before us explicitly limits changes to the Clean Water Act's permitting process to constructed wetland projects, salt removal projects, and wetlands filtration projects on the Alamo and New Rivers, the two primary tributaries into the Salton Sea.

The bill also contains measures protecting Good Samaritans who undertake water quality improvement projects on the Alamo and New Rivers from lawsuits. Again, the inclusion of these measures was to expedite the pace of environmental restoration at the Salton Sea.

In a few minutes, there will be offered for unanimous consent language deleting the single largest outstanding concern, the use of Land and Water Conservation Funds for this project. I would hope that that would address the principal concern of so many of my colleagues and will enable them to support the bill.

I would like to remind my colleagues that the League of Conservation Voters and the Audubon Society have stated repeatedly that the Salton Sea is an environmental disaster. We are here today to take a critical step towards addressing this environmental disaster.

Some, instead of action now, will advocate a lengthy study of the problem that the environmental community concluded years ago to be an environmental disaster. This reminds me of the acid rain debate of the 1980s when Governor Tom Kean, Governor of New Jersey, said if all we do is continue to study the problem, we are going to end up with the worst documented environmental disaster in history.

We know the problem and we know the solution. I think the time to begin cleaning up the Salton Sea is long overdue. Let us get on with the job, and let us pay tribute in a responsible way to a former colleague who served in many respects as an inspiration to a lot of us in a lot of ways. And let us say to the sitting Member who represents that district who is advocating this legislation, she is doing a good job and we appreciate it and we are with her.

Mr. MILLER of California. Mr. Speaker, I yield myself 2 minutes just in response.

First of all, let us understand that the timetables for the studies is identically the same. The difference is that we asked for a coordination of the scientific studies and the salinity studies to see whether or not we can, in fact, come up with a solution.

The bill offered by the majority only deals with salinity. The birds and the fish are dying off today. It is not the salinity itself that is killing them. The salinity will get worse and in all likelihood will have a greater adverse impact on the fish kills and the bird dieoffs.

But that is the point of how we constructed the study. So we have the information. There is no requirement in the bill to require the Secretary to consider all the available findings and reports that the science subcommittee established pursuant to this legislation. And we think that this is a very important part, because when we talk to the scientists, the scientists will tell us that it is not the salinity alone that is the problem. The salinity is an egregious problem, but it does not solve the problem of the Salton Sea.

So people obviously can say whatever they want, but they should not suggest that somehow this legislation is a diversion to lengthy studies. The time frame is the same. The studies are the same. The coordination is better. And the report back and the interim actions by the Secretary during those 18 months study so Congress will have the fullest amount of evidence and the best evidence available as they make a decision to commit $350 million, that is called for in this legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for yielding.

For some reason, long ago, sometime when I was very young, I became aware of the Salton Sea and became kind of fascinated with this inland body of water created by a manmade engineering mistake and had been saddened in later life to see its incredible degradation, and in particular the highly publicized die-off of large numbers of migratory birds.

This is a very prime stopping point for migratory birds, so not only would it be a tremendous resource for the people of southern California in terms of its recreational values and environmental values, but also for migratory birds and things that would benefit all of us in the United States by having it appropriately restored to health.

That being said, we have a common objective. The problem here is the process. And I have got to say that I am a bit puzzled by recent actions in the committee on which I have served now for more than 11 years, formerly called the Interior Committee and formerly called Natural Resources, now called Resources. And I guess therein lies the rub. The current chairman removed the word "natural" from the title because he took some offense to that, and things have been a little bit weird ever since.

That is what is going on here today. We are considering a number of bills tomorrow in the Subcommittee on Water and Power that have some merit in terms of turning over reclamation projects to local districts, but the chairman of the subcommittee is going to insist on environmental waivers, which the President has promised will bring about vetoes on all of those, no matter what merit they might have.

I have the same problem with this legislation before us. Why not work out the differences with the administration?

I know that the majority does not like the reality of Bill Clinton in the White House. There are some days I do not like the reality of Bill Clinton in the White House. Other days it is okay.

The point is, it is a reality, and we have a lengthy statement of administration policy here which is pretty definitive. There are some problems we have to work out. Why not work out these problems and achieve our common objective, which is to clean up the Salton Sea?

I think that this was a great dream of our deceased member, and I fully am supportive of that dream. I would love to see it come to fruition in my lifetime, and I would like to see it happen without a lot of unnecessary delay, but there are substantive concerns here.

I am pleased to hear from the previous speaker that they are going to drop the proposal that the money come out of the Land and Water Conservation Funds. That would have been an unprecedented expenditure, and that is fine. I am happy to find the money elsewhere in the budget. I can come up with some budgetary offsets to fund this, if it costs $350 million or half a billion or less. I do not know what it is going to cost, because the other concern here is I do not know that we know the solution at this point in time.

From what I heard in the committee and in the deliberations in the committee, we are not quite certain of how we are going to go forward, what technology or which one of these methods will work, what exactly are all the interrelationships between the salinity and the other pollution problems, the bird die-offs. None of this is totally explicable.

I do not think that the Miller bill is being offered in the spirit of trying to delay the cleanup. It is not being offered because of some sort of pride of authorship. It is a genuine attempt to get this thing done this year by this Congress and move it forward so that we can all live to see the cleanup of the Salton Sea. That is what is going on here.

These are not insignificant concerns. There is probably a constitutional problem with the way this bill is being written by the manager's amendment to require that the committees of jurisdiction basically sign off on the final project, and the Secretary would be subject to a resolution of the committees, not of the entire Congress.

I have been down that road with other legislation. That does not stand up to scrutiny. If some obstructive person wants to sue, they can delay this thing for years just because of that provision. Why have that provision? We could have an expedited congressional review. There are other ways to get around that problem. It just seems that that was done in haste and perhaps out of a desire to get this done, but I think it is a problem.

The Clean Water Act exemption, that is a problem. It is a problem with the administration. It is a problem with some Members on this side.

Limitations on liability, that should lie with both sides of the aisle. We do not want to expose the Federal taxpayers to have them assume new liabilities that they do not currently have when there are other responsible authorities who should share in any future liability that might arise.

Cost sharing, irrigators benefit. Irrigators are a big part of the problem in terms of the increased salinity in the chemical soup we are dealing with here. Why should not they have some cost sharing if they are going to continue to benefit and will doubly benefit by an improved and cleaner Salton Sea? There are a number of other minor provisions that are of concern.

□ 1800

But I rise out of a genuine concern that we do something significant here today, not just something symbolic, something that actually will be enacted into law.

Too many times that I have been here, both with my own party in charge and now with the Republicans in charge, we do things for the day or for the moment or to say we passed them out of the House of Representatives. Does not do us a lot of good if they do not get through the United States Senate and they do not get signed by the President of the United States. And a number of the problems that I am pointing out here that are addressed by the Miller substitute are problems that are going to cause problems in the other body and are going to cause big problems downtown.

So I would just urge us to move ahead deliberately with what I believe is probably the intent of all Members of this body, and that is to get this job done as expeditiously as possible and honor the memory of our diseased colleague.

Mr. CALVERT. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. EWING).

Mr. EWING. Mr. Speaker, I would like to thank Representatives MARY BONO, DUNCAN HUNTER, and KEN CALVERT, as well as the rest of my colleagues who worked diligently to bring H.R. 3267 "The Sonny Bono Memorial Salton Sea Restoration Act" to the floor today.

This is an important piece of legislation which I am proud to be a cosponsor of.

The Salton Sea, located in both Riverside and Imperial Counties in California, is the State's largest inland body of water.

It has been determined that the Salton Sea has about only 12 years of life left before it becomes a dead sea, whereby no life can be sustained. Passing H.R. 3267 goes a long way in preventing that from occurring.

What H.R. 3267 attempts to do is to simply improve the water quality of the Salton Sea by reducing the salinity, and to stabilize the elevation along the shoreline.

It does this by authorizing $22.5 million dollars for a feasibility study, environmental review, and an engineering design of a construction project.

The bill also authorizes 350 million dollars for a construction project for the Salton Sea. There is also a 50/50 cost share between the federal government and non-federal entities to finance such a project.

It is important to note that the Salton Sea is also a major stop over for avian species along the Pacific Flyway. This is the primary reason why the Salton Sea is of national importance, and why if it dies, it stands to take many birds with its decline.

In the past five years, hundreds of thousands of birds have died at the Sea. In fact, at least 17,000 birds have died at the Salton Sea this year alone. It is vitally important that we act now, and not wait to address this desperate situation.

I believe we must take action to save the Salton Sea now, or risk losing a major environmental resource for not only the state of California, but the nation as a whole.

Again, I would like to thank Representatives BONO, HUNTER, and CALVERT for all their hard work in bringing H.R. 3267 to the House floor today. This bill is a fitting tribute to my good friend, the late Sonny Bono. H.R. 3267 is a good bill and I urge my colleagues to vote "yes" on this important piece of legislation.

Mr. CALVERT. Mr. Speaker, I yield 2 minutes to the gentleman from San Diego, California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, too often we hear about the wetlands, not too often because wetlands have been denigrated. But a plant in the middle of the desert, because it flourishes for a few weeks, is not a wetland, or something that is frozen at the top of a 12,000 foot peak for the last thousand years in my opinion is not a wetland. But the opponents say that they oppose this bill, and yet it creates 50 miles of wetlands complete with marshes that purify and clean the environment, 50 new miles with marshes that create wetland. The wetland that is saved and enhanced is the size of the Beltway here in Washington, D.C.

Mr. Speaker, we are not talking about a farm pond. We are talking about a sea so big that if we were in a boat, it is like being in an ocean. I have been there, and I think the gentleman from California (Mr. MILLER) has, too. But we are actually creating good with the wetlands.

The Miller substitute would study, and I agree there are other problems besides salinity with the Salton Sea. Agriculture is mostly to the south, though. Around the Salton Sea, if my colleagues have gone, it is all desert. The pollution comes in through the New River, and down, and filters, and that is what we are going to fix, but the farmlands are way to the south. They flow toward Mexico. They do not go in the Salton Sea. But yet I still think that pesticides and things like that are a problem for the birds that land in those farmlands, but not the Salton Sea.

And I would say to my friend that said that, well, the Senate, the two Senators from California, are against this. The one gentlewoman from California, her views are so extreme she even opposed the tuna/dolphin bill which the President and the Vice President and five environmental groups supported.

So I would say support the bill, reject the Miller substitute.

Mr. CALVERT. Mr. Speaker, I yield 2 minutes to the gentleman from Santa Clara, California (Mr. MCKEON), my good friend.

Mr. MCKEON. Mr. Speaker, I thank the gentleman from California for yielding this time to me.

I am pleased to rise today in support of one of the most important pieces of environmental legislation that we will consider this year. Our late friend, Sonny Bono, worked hard and in a bipartisan manner to bring about awareness for the Salton Sea and would be proud that his efforts are now rewarded.

Mr. Speaker, the Salton Sea is a unique body of water, and it is a great resource that should be preserved. Although it was created by accident 93 years ago, it is a potential jewel that we should do all that we can to save. However, the sea is unfortunately dying. According to studies, in only 12 years this body of water will become dead. It will not support life. Further complicating this problem is the presence of botulism in the water that has affected the native fish. As the fish become infected in the water, birds along the Pacific flyway eat the fish and retain and spread the disease. Since last year alone some 10,000 fish and 2,000 birds have perished.

Why is this important? Should the Salton Sea continue its decline to death, it will take with it many more birds and fish, thus robbing California and our Nation of a valuable environmental resource.

H.R. 3267 addresses these concerns and takes quick action to save this important body of water. This legislation provides funding for research, environmental review and engineering designs to stabilize the shoreline of the Salton Sea and reduce its salinity. It also provides for an expedited judicial review to ensure that this area will not become hostage to a lengthy court fight, given its relative short life expectancy.

Mr. Speaker, I urge my colleagues to join me in supporting this important legislation and the hard work that our colleague and my friend, the gentlewoman from California (Mrs. BONO), has made to improve our environment and finish the work begun by her late husband, Sonny.

Mr. CALVERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have talked about many of the reasons why the Salton Sea is worth saving. I think that there is agreement on both sides of the aisle that we want to save the Salton Sea. The difference between the approach of the majority and the minority in this case is that we actually want to do something about it.

For over 30 years I have been reading newspaper articles about this study and that study, about amounts of money that have been going in to look at the catastrophe of the Salton Sea, and nothing has happened, and yet again today we talk about yet another study that leads potentially nowhere. The great difference between the proposal today by the Salton Sea Task Force is that we actually are going to do something about a problem that has existed for a long time, not talk about it, but actually do something about it.

People have talked about the birds, the fish, the recreational resources that are going to waste. We can talk about that until the sea dies. And, Mr. Speaker, Sonny was a person that spoke plainly, so I will speak plainly: It is time that we do something about this, and that is why we are here.

Fifteen million people live near the Salton Sea. Actually much more than that around the southwest United States utilizes it and have for many years. It would be a shame if today we let this opportunity pass us by.

So I am hopeful that today we will pass the bill, we will defeat the Miller substitute, and we can be proud of the fact that we are going to save the Salton Sea for future generations.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Mrs. BONO) who represents the beautiful area of Palm Springs and a good part of the Salton Sea who has really taken over the fight to save the Salton Sea.

Mrs. BONO. Mr. Speaker, today I rise in support of the bill, H.R. 3267, the Sonny Bono Memorial Salton Sea Reclamation Act. The Salton Sea is California's largest inland body of water, and it sits in both my and the gentleman from California (Mr. HUNTER'S) district. This great body of water was formed by accident in 1905 and since then has become an integral part of the region's ecosystem system. In fact, it also now home to over 300 native bird species. It provides a major stopover on the Pacific flyway and up until a few years ago provided enjoyment for thousands of tourists who came to view this magnificent wonder. Unfortunately, its health is in jeopardy.

The Salton Sea, quite simply, is on a death watch. It has been estimated that if nothing is done to reverse the salinity content of the sea, it will die within 10 to 15 years. Currently, the Salton Sea is 25 percent saltier than that of the Pacific ocean, and the selenium is rising. Over the past few years more than 100,000 birds have died due to avian botulism. These numbers will continue to rise. It will only get worse. We must act fast to save this great body of water.

H.R. 3267 provides the framework for this action. Named after my late husband, Sonny, and authored by my good friend and fellow task force member, the gentleman from California (Mr. DUNCAN HUNTER), H.R. 3267 sets forth the process to reclaim the Salton Sea. A vote for H.R. 3267 is a vote for the environment. There is no other way to describe it.

I invite any of my colleagues to come visit the Salton Sea so they can witness firsthand the devastation that has occurred in this part of the country, the pictures of dead birds lying around the shoreline along with the stench of the body of water would make anybody's stomach turn. However, in contrast, as one comes up upon the Salton Sea from a distance, it is one of the most beautiful sights anyone's eyes may ever witness. It is like an oasis in the middle of the desert, as Sonny used to say, yet there are those who advocate the Salton Sea should just dry up and die.

Quite frankly, this is not an option. This is one of the most dynamic ecosystems in North America, teaming with avian and aquatic life. Also what would be accomplished by killing the sea? Absolutely nothing. With over 90 percent of all wetlands in southern California lost, we would destroy one of the last remaining stopovers in the Pacific flyway. We would only compound the fish and bird deaths. All that would be accomplished is that the bad environmental problem would be made worse.

Is that what people want, and is that pro-environment?

To those who argue for more study I say is not 20 years enough? Is that not enough time to study this problem?

Contrary to public opinion, Sonny was not the first person to notice the Salton Sea and that it was in dire shape. In fact, this problem was first brought forth by Jerry Pettis back in the early 1970s. If action was taken then to address this problem, we would not be here today talking about this urgent need to save the sea. But the sea was put on the back burner then, not getting the attention it needed or deserved. Other projects in California took center stage, and the sea became worse.

Well, my fellow colleagues, the sea cannot be put on the back burner any longer. Action needs to be taken, and H.R. 3267 must be passed.

At this time, Mr. Speaker, I would like to take a moment to thank all of the people who have been involved with this bill. First and foremost, I would like to thank the Salton Sea Task Force members, the gentleman from California (Mr. HUNTER), the gentleman from California (Mr. LEWIS), the gentleman from California (Mr. CALVERT), and the gentleman from California (Mr. BROWN) for keeping Sonny's dream of restoring the Salton Sea alive with this bill. These are the people that guided me through much of this debate surrounding H.R. 3267, and I owe them my deepest gratitude.

Secondly, I want to thank the gentleman from California (Mr. DOOLITTLE) for his leadership and hard work guiding this bill through his Subcommittee on Resources. He always made time for me when I had questions, and I thank him for his efforts.

I would also like to thank the gentleman from Alaska (Mr. YOUNG) for allowing this bill to be brought before his committee. Without him we would not be here today.

I especially want to thank the gentleman from Georgia (Mr. GINGRICH) for making the Salton Sea a major environmental cause for the 105th Congress. Again, I want to thank Speaker GINGRICH. I know he was deeply moved by the carnage of the Salton Sea when he came out to visit it shortly after Sonny's death, and I knew at this point by the look in his eyes he believed then that it was good public policy.

I also want to thank Tony Orlando on my staff and all the members of staff who have worked hard on this bill.

And, lastly, I want to thank all of those whose footsteps I walked behind, the Members who spoke of the need and urgency to save the Salton Sea, but whose pleas fell on deaf ears, people like Julie and Jerry and Shirley Pettis, Al McCandless, and, most of all, Sonny whom this bill is in memory of. Their voices are on this bill, Sonny's voice is on this bill, and I proudly stand in support.

Mr. Speaker, I urge a yes vote on H.R. 3267.

Mr. SHUSTER. Mr. Speaker, I rise in support of H.R. 3267, the Sonny Bono Memorial Salton Sea Reclamation Act.

This legislation offers an opportunity to restore the Salton Sea for recreational and ecological purposes and to improve water quality in the Alamo River and the New River.

The Committee on Transportation and Infrastructure has an interest in several sections of this bill, particularly section 101, which authorizes the project to, among other things, improve water quality in the Salton Sea by reducing salinity, including authorization of appropriations to carry out this project to the Environmental Protection Agency; and section 201, which authorizes actions to improve water quality in the Alamo River and New River, including a waiver of section 402 of the Federal Water Pollution Control Act for those persons who utilize a wetland filtration or constructed wetlands project to improve such water quality.

I would like to thank the leadership of the Resources Committee for working with me on these provisions. The Young-Doolittle substitute addresses some of the concerns over the source of funding for this important project by ensuring that the cost of construction is divided between EPA and the Department of Interior such that neither agency funds substantially all of the project. The intent of this provision is to allow this project to be funded without adversely affecting other important projects funded by either EPA or the Department of Interior.

The Young-Doolittle substitute also addresses concerns over the waiver of Clean Water Act permitting by clarifying that this waiver applies only to wetlands filtration and constructed wetlands projects to improve water quality in the Alamo River and the New River.

Even though it is not clear that these wetlands projects even require a Clean Water Act permit, it is an unfortunate reality that, under the Clean Water Act, someone can be sued for stepping in and taking action to improve water quality. For example, in Calaveras County, California, the local community took action to protect its water supply by building some dams and holding ponds to reduce runoff from an abandoned mine. They were sued by an environmental group who got the court to agree that, by taking action to protect their water supply, they became responsible for bringing the abandoned mine into compliance with the Clean Water Act, which will cost over $10 million.

We need to protect Good Samaritans from similar lawsuits under the Clean Water Act so they will be willing to step forward and take action to improve water quality in the Alamo and New Rivers.

I urge members to support this important legislation.

Mr. MILLER of California. Mr. Speaker, I yield back the balance of my time.

Mr. CALVERT. Mr. Speaker, I yield back the balance of my time.

□ 1815

AMENDMENT OFFERED BY MR. BOEHLERT

Mr. BOEHLERT. Mr. Speaker, I offer an amendment and I ask unanimous consent that it be adopted.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Boehlert:

Amend the proposed section 101(g)(4) to read as follows: "(4) Appropriations to the Secretary of the Interior.—Amounts appropriated under paragraph (1)(B) to the Secretary may be appropriated to the Bureau of Reclamation as specified in appropriations Acts.".

Mr. BOEHLERT (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from New York?

Mr. MILLER of California. Mr. Speaker, I reserve the right to object for the purpose of having the gentleman explain his amendment.

Mr. BOEHLERT. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Speaker, essentially the amendment deletes on page 14 of the bill paragraph 4, subsections (A) and (C), to make it abundantly clear that we are not going to have a raid on the land and water conservation fund to finance the program.

The environmental community raised this objection as its principal objection to the bill. I have here a letter signed by a whole host of representatives from key environmental organizations with whom the gentleman from California (Mr. Miller) and I work very closely and have over the years. They point out that they are strongly supportive of efforts to clean up the Salton Sea, but they are specific in their strong objection to the authorization of funding from the land and water conservation fund. We agree with that, and I am pleased to report that this amendment would eliminate that principal objection.

I am not trying to suggest to anyone that this eliminates all of the objections; it does not, as the gentleman from California (Mr. Miller) and I both know. But I think this makes a major improvement to the bill, and I am pleased to offer the amendment.

Mr. MILLER of California. Mr. Speaker, reclaiming my time, I thank the gentleman for his last point, because the environmental groups continue to oppose this legislation even with this amendment, should it be accepted.

I would also like to raise the question, because I think the amendment needs to be fixed here for a second, because land and water conservation funds are also used for the wildlife studies and for the river reclamation and drainage and water treatment to the tune of about $8 million. I would ask that the gentleman's amendment include those, since those are unauthorized purposes for which the land and water conservation fund is created.

Mr. BOEHLERT. Mr. Speaker, if the gentleman would be so kind as to jot that down.

Mr. MILLER of California. I think the gentleman amends proposed section 101(g)(4), which does what the gentleman said it does. But in another section of the bill, in section 102(e) and section 201(d), there is additional monies coming from the land and water conservation fund. I would just ask that those also be made a part of this amendment so that we do not use any of this for unauthorized purposes.

Mr. BOEHLERT. Mr. Speaker, if the gentleman will yield further, I do not think I have an objection. The gentleman and I have worked so well over the years, and we are in basic agreement on this. I would like to see it in writing, if the gentleman could just jot it down.

Mr. MILLER of California. Mr. Speaker, if the gentleman wants to go ahead without prejudice and work out this language, I am be glad to do that.

Mr. BOEHLERT. Mr. Speaker, I withdraw the amendment for now.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Speaker, I offer an amendment in the nature of a substitute, Amendment No. 1, printed in the Record.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment in the Nature of a Substitute Offered by Mr. Miller of California:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sonny Bono Memorial Salton Sea Restoration Act".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The Salton Sea, located in Imperial and Riverside Counties, California, is an economic and environmental resource of national importance.

(2) The Salton Sea is a critical component of the Pacific flyway. However, the concentration of pollutants in the Salton Sea has contributed to recent die-offs of migratory waterfowl.

(3) The Salton Sea is critical as a reservoir for irrigation, municipal, and stormwater drainage.

(4) The Salton Sea provides benefits to surrounding communities and nearby irrigation and municipal water users.

(5) Restoring the Salton Sea will provide national and international benefits.

SEC. 3. DEFINITIONS.

In this Act:

(1) The term "Study" means the Salton Sea study authorized by section 4.

(2) The term "Salton Sea Authority" means the Joint Powers Authority by that name established under the laws of the State of California by a Joint Power Agreement signed on June 2, 1993.

(3) The term "Secretary" means the Secretary of the Interior, acting through the Bureau of Reclamation.

SEC. 4. SALTON SEA RESTORATION STUDY AUTHORIZATION.

(a) IN GENERAL.—The Secretary, in accordance with this section, shall undertake a study of the feasibility of various alternatives for restoring the Salton Sea, California. The purpose of the Study shall be to select 1 or more practicable and cost-effective options for decreasing salinity and otherwise improving water quality and to develop a restoration plan that would implement the selected options. The Study shall be coordinated with preparation of an environmental impact statement pursuant to the National Environmental Policy Act of 1969 evaluating alternatives for restoration of the Salton Sea. The Study shall be conducted in accordance with the memorandum of understanding under subsection (g).

(b) STUDY GOALS.—The Study shall explore alternatives to achieve the following objectives:

(1) Reducing and stabilizing the overall salinity, and otherwise improving the water quality of the Salton Sea.

(2) Stabilizing the surface elevation of the Salton Sea.

(3) Reclaiming, in the long term, healthy fish and wildlife resources and their habitats.

(4) Enhancing the potential for recreational uses and economic development of the Salton Sea.

(5) Ensuring the continued use of the Salton Sea as a reservoir for irrigation drainage.

(c) OPTIONS TO BE CONSIDERED.—

(1) IN GENERAL.—Options considered in the Study shall include each of the following and any appropriate combination thereof:

(A) Use of impoundments to segregate a portion of the waters of the Salton Sea in 1 or more evaporation ponds located in the Salton Sea basin.

(B) Pumping water out of the Salton Sea.

(C) Augmented flows of water into the Salton Sea.

(D) Improving the quality of wastewater discharges from Mexico and from other water users in the Salton Sea basin.

(E) Water transfers or exchanges in the Colorado River basin.

(F) Any other feasible restoration options.

(2) LIMITATION TO PROVEN TECHNOLOGIES.—Options considered in the Study shall be limited to proven technologies.

(d) FACTORS TO BE CONSIDERED.—

(1) SCIENCE SUBCOMMITTEE FINDINGS AND REPORTS.—In evaluating the feasibility of options considered in the Study, the Secretary shall carefully consider all available findings and reports of the Science Subcommittee established pursuant to section 5(c)(2) and incorporate such findings into the project design alternatives, to the extent feasible.

(2) OTHER FACTORS TO BE CONSIDERED.—The Secretary shall also consider—

(A) the ability of Federal, tribal, State, and local government sources and private sources to fund capital construction costs and annual operation, maintenance, energy, and replacement costs;

(B) how and where to dispose permanently of water pumped out of the Salton Sea;

(C) the availability of necessary minimum inflows to the Salton Sea from current sources, including irrigation drainage water; and

(D) the potential impact of Salton Sea restoration efforts on the rights of other water users in the Colorado River Basin and on California's Colorado River water entitlement pursuant to the Colorado River Compact and other laws governing water use in the Colorado River Basin.

(e) INTERIM REPORT.—

(1) SUBMISSION.—Not later than 9 months after the Secretary first receives appropriations for programs and actions authorized by this title, the Secretary shall submit to the Congress an interim progress report on restoration of the Salton Sea. The report shall—

(A) identify alternatives being considered for restoration of the Salton Sea;

(B) describe the status of environmental compliance activities;

(C) describe the status of cost-sharing negotiations with State of California and local agencies;

(D) describe the status of negotiations with the Government of Mexico, if required; and

(E) report on the progress of New River and Alamo River research and demonstration authorized by this Act.

(2) CONGRESSIONAL ACTION.—Upon receipt of the interim report from the Secretary, the appropriate committees of the House of Representatives and the Senate shall promptly schedule and conduct oversight hearings to review implementation of the Salton Sea restoration plan included in the report under subsection (f), and to identify additional authorizations that may be required to effectuate plans and studies relating to the restoration of the Salton Sea.

(f) REPORT TO CONGRESS.—Not later than 18 months after commencement of the Study, the Secretary shall submit to the Congress a report on the findings and recommendations of the Study. The report shall include the following:

(1) A summary of options considered for restoring the Salton Sea.

(2) A recommendation of a preferred option for restoring the Salton Sea.

(3) A plan to implement the preferred option selected under paragraph (2).

(4) A recommendation for cost-sharing to implement the plan developed under paragraph (3). The cost-sharing recommendation may apply a different cost-sharing formula to capital construction costs than is applied to annual operation, maintenance, energy, and replacement costs.

(5) A draft of recommended legislation to authorize construction of the preferred option selected under paragraph (2).

(g) MEMORANDUM OF UNDERSTANDING.—

(1) IN GENERAL.—The Secretary shall carry out the Study in accordance with a memorandum of understanding entered into by the Secretary, the Salton Sea Authority, and the Governor of California.

(2) OPTION EVALUATION CRITERIA.—The memorandum of understanding shall, at a minimum, establish criteria for evaluation and selection of options under subsection (a), including criteria for determining the magnitude and practicability of costs of construction, operation, and maintenance of each option evaluated.

(h) RELATIONSHIP TO OTHER LAWS.—

(1) RECLAMATION LAWS.—Activities authorized by this section shall not be subject to the Act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 391 et seq.) and other laws amendatory thereof or supplemental thereto. Amounts expended for those activities shall be considered nonreimbursable and nonreturnable for purposes of those laws.

(2) LAW OF THE COLORADO RIVER.—This section shall not be considered to supersede or otherwise affect any treaty, law, or agreement governing use of water from the Colorado River. All activities to carry out the Study under this section must be carried out in a manner consistent with rights and obligation of persons under those treaties, laws, and agreements.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $30,000,000 to carry out the activities authorized in this section.

SEC. 5. CONCURRENT WILDLIFE RESOURCES STUDIES.

(a) IN GENERAL.—Concurrently with the Study under section 4, the Secretary shall provide for the conduct of studies of hydrology, wildlife pathology, and toxicology relating to wildlife resources of the Salton Sea by Federal and non-Federal entities.

(b) SELECTION OF TOPICS AND MANAGEMENT OF STUDIES.—

(1) IN GENERAL.—The Secretary shall establish a committee to be known as the Salton Sea Research Management Committee. The Committee shall select the topics of studies under this section and manage those studies.

(2) MEMBERSHIP.—The Committee shall consist of 5 members appointed as follows:

(A) 1 by the Secretary.

(B) 1 by the Governor of California.

(C) 1 by the Torres Martinez Desert Cahuilla Tribal Government.

(D) 1 by the Salton Sea Authority.

(E) 1 by the Director of the California Water Resources Center.

(c) COORDINATION.—

(1) IN GENERAL.—The Secretary shall require that studies conducted under this section are conducted in coordination with appropriate international bodies, Federal agencies, and California State agencies, including, but not limited to, the International Boundary and Water Commission, the United States Fish and Wildlife Service, the United States Environmental Protection Agency, the California Department of Water Resources, the California Department of Fish and Game, the California Resources Agency, the California Environmental Protection Agency, the California Regional Water Quality Board, and California State Parks.

(2) SCIENCE SUBCOMMITTEE.—The Secretary shall require that studies conducted under this section are coordinated through a Science Subcommittee that reports to the Salton Sea Research Management Committee. In addition to the membership provided for by the Science Subcommittee's charter, representatives shall be invited from the University of California, Riverside, the University of Redlands, San Diego State University, the Imperial Valley College, and Los Alamos National Laboratory.

(d) PEER REVIEW.—The Secretary shall require that studies under this section are subjected to peer review.

(e) AUTHORIZATION OF APPROPRIATIONS.—For wildlife resources studies under this section there are authorized to be appropriated to the Secretary $5,000,000.

SEC. 6. SALTON SEA NATIONAL WILDLIFE REFUGE RENAMED AS SONNY BONO SALTON SEA NATIONAL WILDLIFE REFUGE.

(a) REFUGE RENAMED.—The Salton Sea National Wildlife Refuge, located in Imperial County, California, is hereby renamed and shall be known as the Sonny Bono Salton Sea National Wildlife Refuge.

(b) REFERENCES.—Any reference in any statute, rule, regulation, Executive order, publication, map, or paper or other document of the United States to the Salton Sea National Wildlife Refuge is deemed to refer to the Sonny Bono Salton Sea National Wildlife Refuge.

SEC. 7. ALAMO RIVER AND NEW RIVER.

(a) RESEARCH AND DEMONSTRATION PROJECTS.—The Secretary shall promptly conduct research and construct wetlands filtration or construct wetlands demonstration projects to improve water quality in the Alamo River and New River, Imperial County, California. The Secretary may acquire equipment, real property, and interests in real property (including site access) as needed to implement actions authorized by this section.

(b) MONITORING AND OTHER ACTIONS.—The Secretary shall establish a long-term monitoring program to maximize the effectiveness of any demonstration project authorized by this section.

(c) COOPERATION.—The Secretary shall implement subsections (a) and (b) in cooperation with the Desert Wildlife Unlimited, the Imperial Irrigation District, the State of California, and other interested persons.

(d) AUTHORIZATION OF APPROPRIATIONS.—For research and demonstration projects authorized in this section, there are authorized to be appropriated to the Secretary $3,000,000.

SEC. 8. EMERGENCY ACTION.

If, during the conduct of the studies authorized by this Act, the Secretary determines that environmental conditions at the Salton Sea warrant immediate and emergency action, the Secretary shall immediately submit a report to Congress documenting such conditions and making recommendations for their correction.

The SPEAKER pro tempore. Pursuant to House Resolution 500, the gentleman from California (Mr. MILLER) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this amendment has been described earlier in the debate. It is offered on behalf of myself and the gentleman from California (Mr. BROWN). The purpose of this amendment, somebody said they want to be plain speaking, is let us just do something about the Salton Sea.

The point is this: When we make a decision to commit the $350 million, we ought to do that which we know works. The many shortcomings in the current bill that is before us have been outlined in both the objections by taxpayer groups, by environmental groups and by the Clinton Administration with respect to serious problems that exist in bill.

But with respect to the studies, let me say that the legislation offered by the committee goes ahead and does some studies relating to feasibility. With respect to dealing with the salinity, there is a whole other body of studies that are in that legislation and in our legislation. There are scientific studies that deal with this issue of nutrient loading, that deal with the issue of botulism, that deal with other concerns that are killing the fish and wildlife at the current time that have got to be developed, and any project that we develop for the Salton Sea should make sure that it deals with the full array of problems that are presented by the current conditions in the Salton Sea.

That is terribly important, because we know that the salinization of the Salton Sea is going to continue to get worse. We also know that some of the best water that flows into the Salton Sea currently, about 1 million acre feet, or over 1 million acre feet of agricultural drain water, that maybe half a million acre feet of that water may leave the Salton Sea because water is going to be sold into other markets.

Discussions are under way to sell water to San Diego and elsewhere, so that drainage water will not necessarily flow to the Salton Sea. That will make this problem even worse. There is nothing any of us can do about that. That is the right of the water rights holders and the contractors there in the Imperial Irrigation District and elsewhere, should they so decide to enter into that contract and if that is approved.

What our amendment says is the same timetable as the majority amendment, the same set of studies, but what we do is we require you to coordinate these studies so you, in fact, make these decisions based upon the evidence, not simply one part of this problem that everybody admits is going to get worse over the next decade. But the birds and fish and wildlife are dying today. That is because of what we do not know yet as to what is causing that.

People want to portray this as somehow that nobody paid attention to this. In 1992, we passed a bill. The majority party has not provided the appropriations for that legislation to do these studies. Everybody in the State wants to do something about the Salton Sea. The reason things have not been done is because we do not know what to do.

We can spend a lot of money, we can run around and build a lot of projects, but unless we know they are going to work, we are not keeping faith with the taxpayers and with the Members of Congress in terms of the authorization of the money.

That is the purpose of the substitute that is offered by us. My conversations with the Senators from our State, my conversations with the environmental groups and with the leadership in the other House lead me to believe that this also has the best chance of being passed by the Senate and in fact becoming law.

If we send this legislation over here with all of these bells and whistles, with the united opposition of the environmental groups, with some of the taxpayer organizations against this legislation, with the statement of administrative policy that has serious problems with this legislation, we are dramatically reducing the likelihood that we can get on with curing the problems of the Salton Sea.

Mr. Speaker, I reserve the balance of my time.

Mr. CALVERT. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER pro tempore. The gentleman from California (Mr. CALVERT) is recognized for 30 minutes.

Mr. CALVERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have heard the point from the minority that this is a salinity-only bill. That is nonsense. This bill takes a holistic approach to restoring the Salton Sea. At the request of this Secretary and the Salton Sea authority, $5 million is earmarked for wildlife resources studies to provide real-time science to support the decisionmaking processes during the feasibility study.

Additionally, $3 million is included to improve water quality in the Alamo and New Rivers, the major sources of water for the Salton Sea. The New River, which has been explained earlier, is the most polluted river, in some estimation, in the North American continent.

But if we do not address the sea salinity, we might as well just write the sea's ecosystem off. No leading scientist, none that I am aware of, dispute this fact.

In a speech by Dr. Milt Freed, Chairman of the Science Subcommittee, delivered on July 29 at the U.S. EPA Ecosystems Restoration, a national symposium to bring together practitioners and researchers, he notes the salinity of the sea has reached 43,000 parts per million, a level that is 26 percent greater than ocean water. Salinity is increasing at a rate of approximately 1 percent per year and will soon reach a level that will cause a collapse in fish populations, thereby eliminating the food base for fish-eating birds that come to the sea. This will also end the sports fishery.

The salinity issue is analogous to passing the particles from one end of an hourglass to another. The time frame is finite, and no amount of discussion or study will alter the end result. The collapse of the biological components of the ecosystem due to the physical parameter will have far-reaching impacts on many of the other values humans expect from the sea.

So let us quit talking about, let us get something done, let us defeat the Miller-Brown substitute and get on with saving the Salton Sea.

Mr. Speaker, I reserve the balance of my time.

AMENDMENT OFFERED BY MR. BOEHLERT

Mr. BOEHLERT. Mr. Speaker, I offer an amendment and I ask unanimous consent that it be adopted.

I would point out that the gentleman from California (Mr. MILLER) and I have worked out agreement on the language that the gentleman addressed.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BOEHLERT:

Amend the proposed section 101(g)(4) to read as follows:

"(4) APPROPRIATIONS TO THE SECRETARY OF THE INTERIOR.—Amounts appropriated under paragraph (1)(B) to the Secretary may be appropriated to the Bureau of Reclamation as specified in appropriations Acts.".

Page 16, beginning on line 5, strike "from the land and water conservation fund"

Page 21, beginning on line 9, strike "from the land and water conservation fund"

Mr. BOEHLERT (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Is there objection to the amendment offered by the gentleman from New York?

Mr. MILLER of California. Mr. Speaker, reserving the right to object, I thank the gentleman for the changes that he has made, which would completely remove the use of the land and water conservation funds for this legislation. I think that is important.

I would, again, reiterate in our discussions with many of the environmental coalitions opposing this legislation this does not remove their opposition to that legislation. They have numerous items that they are in opposition to.

But I would, if I might, ask the manager of the bill, as we remove this source of funding, the land and water conservation fund, what then becomes the source of funding here? What is left? EPA and Bureau of Reclamation?

Mr. CALVERT. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from California.

Mr. CALVERT. Mr. Speaker, I do not control the appropriations process.

Mr. MILLER of California. What is authorized to be used?

Mr. CALVERT. Certainly the Secretary of Interior can designate those funds from various accounts.

Mr. MILLER of California. Mr. Speaker, I guess I am trying to determine what is left with respect to the authorization?

Mr. CALVERT. If the gentleman would yield further, the standard appropriations process, it does not preclude the appropriators to appropriate funds from various accounts that they appropriate from.

Mr. MILLER of California. But what is the gentleman's expectation? And I do not have the language that has been removed.

Mr. CALVERT. Obviously, the Bureau of Reclamation is a source that has been talked about, Fish and Wildlife resources, resources within the appropriations process.

Mr. MILLER of California. So the Bureau of Reclamation remains the source of funding then for this legislation?

Mr. CALVERT. I would not expect any single source of funding for this legislation on any major project. As the gentleman knows, we have probably never had very many that have had a single source of appropriation.

Mr. MILLER of California. Mr. Speaker, reclaiming my time, let me back up here then. My problem is we are preauthorizing in this legislation. What are we authorizing it from? We were going to authorize it from the land and water conservation fund. Now what are we authorizing it from?

Mr. CALVERT. Mr. Speaker, if the gentleman will yield further, the Secretary of Interior and EPA can designate those appropriations.

Mr. MILLER of California. So it is the gentleman's expectation this would come out of the Bureau of Reclamation budget and/or the EPA budget?

Mr. CALVERT. That is correct.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding, and I appreciate the gentleman from New York (Mr. BOEHLERT) offering this amendment to avert the use of LCWF funds. The reason, I think, is pretty transparent as to why the land and water conservation fund was being used, because you would have no new authorization here and it would not score in terms of CBO under the umbrella of LCWF authority.

That is interesting, but it is also interesting and important to find out in 34 years that these funds have been authorized for the land-water conservation, authorized until appropriated, in that sense a trust fund, that there has not been anything of this magnitude of misuse proposed, much less enacted. There have been, I think, some minor uses, especially in the last few years, as individuals are attempting to look for authorization without CBO scoring and use some of the land-water conservation fund, but this measure and action is unprecedented. One-third of a billion or nearly $400 million with studies coming out this fund would be three or four times the amount that this Congress is willing to, in fact, appropriate from that fund on an annual basis in recent years.

□ 1830

So this is an important change. I think there are some other questions that need to be answered about this legislation, but I think it is a step in the right direction to present this as what it is; this is a new authorization that is going to have to score, and clearly, the money should be derived from the various program titles and protocols of the Bureau of Reclamation and/or other agencies that would have a legitimate role. I guess Fish and Wildlife Service would have some role, but it is not clear. I think this is another example of why we need to adopt, or should adopt, a more definitive plan as to what is going to happen regards such Salton Sea project. This measure is simply standing the process on its head.

But that is not the gentleman from New York's problem, but the problem of those that are advocating this particular policy.

So I thank the gentleman from California (Mr. MILLER) for yielding under his reservation.

Mr. MILLER of California. Mr. Speaker, continuing on my reservation, just one point here is as I read the manager's amendment, it says, "May be appropriated to the administrator of the Environmental Protection Agency and the Secretary of the Interior in amounts to ensure that neither the administrator nor the Secretary is appropriating substantially all of the construction costs."

So I do not know if that means they split them, but I just think again, since this is a preauthorization of this $350 million project, Members ought to understand that the rational reading would be about half of it is going to come out of EPA, which is receiving reductions in funding, and half of it is going to come out of the Bureau of Reclamation, which is receiving reductions in funding and not able to meet the demands that the Members already place on those two funds.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The amendment is adopted.

Mr. MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I rise in support of the Miller substitute.

I would just call to my colleagues' attention that the Salton Sea and the resolution that is of concern to the Members is heartening; that is, that we are buoyed by the fact that there is a great deal of interest in terms of trying to restore this area—or at least stabilize it. But I would hasten to point out that the Salton Sea is a man-made ecological disaster. It is a man-made ecological disaster.

The fact is that this particular landscape, this particular area is the product of millions of years, and certainly in the last couple of 100,000 years, the accumulation of various types of salts and other nutrients, as my California colleague (Mr. MILLER) has pointed out, in this large delta area, the site of an ancient sea. The fact is that in the early part of this century, something like around 1905, this sea came into existence because of modifications to the manmade hydrology and the landscapes modifications in this region of California.

It has, of course, had continued contributions, accelerated contributions of nutrients and contaminated waters that have reactivated many of the salts, many of the nutrients to make the kind of soup that exists in the Salton Sea today that is obviously not conducive to the existence of, even in terms of fauna and flora that would normally occur in the ocean, because the salinity as an example and the nutrients as an example are even greater than what exists in any living ecosystem, in other words, it is toxic to a normal natural ecosystem.

So I think the fact that we have this ecological man-made disaster that continues to of course be compounded by the existing treatment of the watersheds and rivers and the modifications that have occurred, and this is not the only place in the country, incidentally, that we have this problem.

In fact, if we look at the Bureau of Reclamation, and, in fact, the Corps of Engineers have spent billions and billions of dollars, south Florida as an example is another place, and we find that they have so changed the landscape and hydrology, have provided for the incursion of salt water and the damage to these natural areas to a great extent by upsetting the balance. But what we do not need on top of the ecological man-made disaster here is a legislative disaster. That is, frankly, where we are going.

Everyone agrees that there ought to be a project which addresses the problem but we ought to make the commitment to do that, and that it ought to be done on a broad-based basis, and there is someone out there that has apparently come up with a number: $350 million to something in excess of that with studies, $350 million, over a third of a billion dollars, to, in fact, resolve this problem, and they are apparently not ready to say exactly what that project ought to be. But they suggest to those of us that raise questions about this that, in fact, we have had enough study; we have had study for 20 years, and we do not need any more study.

Well, I think we need to know how we are going to use that information, how we are going to use that knowledge. The fact is that water projects that are actually understood and defined much less presented in a glowing generality such as this Salton Sea project are often among the most controversial measures that the Congress deals with.

Our job in Congress really is not all that complicated. I always think of it as trying to translate new information or knowledge into public policy. But what is missing here is not the accumulation of a lot of information, but a conclusion a solution and we are passing the buck, quite frankly, in this bill. In the next 18 months we are saying to the administrator, whether it is Secretary Babbitt or whether it is others in the EPA in this Clinton administration in whom I have some confidence, we are suggesting that they will come up with a final solution, and they will bring it to Congress for a review, but it is not within the context of our legal law making responsibilities, not within the context of our oversight responsibility in terms of this.

In fact, there has been some question as to statements made by the advocates of this measure that the actions that they pretend are powerful limits in terms of what Congress would do are not even constitutional in terms of their nature. In fact, they represent something like akin to and connected to a legislative veto. That is not possible. It is not possible to do that. We have been there, we have tried that, and the courts have said that particular congressional action is invalid.

So the suggestion that we can bring this back and somehow keep review of it is a curious statement and in error. But just giving 18 months and suggesting we have a study and solution, and today preauthorizing or authorizing over a third of $1 billion to go to this particular project without knowing exactly what it is, I suggest, is a predicate to legislative disaster, just as we have had the ecological disaster. A 350 billion dollar water project without definition!

I understand that without quick action, without better action, we will have a continuing compounding of the problem that is going on within the Salton Sea ecosystem, but if we are so hell-bent on action in this case, one way we could do that is to appropriate the money this year, right now, appropriate some money and fence it so that it is there pending authority as to enactment of a policy law. That is what the major hang-up is going to be in terms of what we are doing here coming up with the money. In other words, we authorize many programs, and they do not receive the funding or the full funding—that is what has repeatedly occurred with this issue in fact!

I noted that our colleague from California, the chairman of the Subcommittee on Appropriations, implied that some funds have already being set aside, but I doubt anything of the magnitude of what is being done. That is ⅓ of billion has been set aside! In other words, the spending and standing the legislative process on its head as is being proposed in the underlying vehicle here is, I think, the wrong way to go and likely raising hopes but in the end frustrating a final solution.

I think it is destined to be and to make something that should not and would not apparently be controversial, extremely controversial.

So I would hope that in this instance we would stop and take a closer look at this, recognize that having it follow the normal process in terms of going through and pushing and directing the administration, as this bill initially does and as the substitute does, directs the administration to come up with a sound proposal that we can then authorize and fund, and go through the proper form of debate, rather than suspending our responsibilities and then afterwards suggesting that we can deal with this by remote control. Look, Ma, no hands.

We cannot function that way in this institution. We should not. I do not think it is a responsible way. I applaud my colleagues for their enthusiasm, and I applaud them for their efforts to do something good for the Salton Sea, but this is the wrong way to do it.

The right way to do it is by adopting the Miller amendment in this case and providing a specific project, providing specific actions that we know, and then try to come back at that point with that knowledge in hand, with that specific project in hand and deal with whatever mitigation has to be done, allocating the dollars based upon a sound authority and policy.

There are many problems with this bill that I could go into, including the cost-sharing, the lack of cost-sharing by the irrigators in this area, which are, after all, one of the, I think in my judgment, in the studies that I have read, one of the principal contributors to the saline and nutrient problem. Looking at the modifications that need to be made to facilitate the dealing with the Clean Water Act, dealing with NEPA, dealing with the judicial review process so that we can move ahead quickly, but having a common understanding of what the specific project is going to be, we do not have that.

Mr. BILBRAY. Mr. Speaker, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from California.

Mr. BILBRAY. Mr. Speaker, I appreciate the gentleman's remarks. The gentleman is on a border State.

Mr. VENTO. Mr. Speaker, reclaiming my time, I am on a what State?

Mr. BILBRAY. Mr. Speaker, the gentleman is on a border State; he is up North, I am down South. There are two borders, though we forget about that sometimes.

I want to clarify. The gentleman said this happens in many places. Where else in the United States do we have a problem like this that has been perpetuated through either Federal inaction or inappropriate action and been perpetuated through Federal agreements with foreign governments?

I think the gentleman has to admit this is unique in one aspect.

Mr. VENTO. Mr. Speaker, reclaiming my time, there are some unique aspects of this. I am just pointing out that there are man-made ecological disasters of some magnitude in Florida, in California. Fortunately, I do not know that we can compare the great State of Minnesota's environmental problems to this. We have had some problems incidentally with Canada and nonnative species like the sea lamphrey in Lake Superior. But I thank the gentleman, and I appreciate his point. And hope he understands mine. That's why I support the Miller substitute.

Mr. CALVERT. Mr. Speaker, I yield 7 minutes to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding me this time.

I want to address some of the concerns that have been voiced here by the last speaker, my good friend from Minnesota (Mr. VENTO).

First, this is a bipartisan bill, and this is a bill that is the subject of enormous compromise. I want to tell my colleagues first about part of that compromise.

A number of the groups that have written in saying they have some problems with the bill, and the first biggest problem has been taken care of, and that was using the Land and Water Conservation Fund. That is now no longer a problem.

They said there was another problem. They said, you are changing the Clean Water Act. Well, once again, we have a legal opinion voiced by a number of attorneys who should know who say that one cannot clean up a river using wetlands under the present tight construction of the Clean Water Act because, it says, if one takes a bucketful of water out of a river, one has to return that bucketful of water in drinking-water form.

Now, one cannot do that if one builds a series of marshes along the New River, as we intend to do. We intend to build one of the biggest wetlands projects in America that will host hundreds of thousands of birds, hundreds of species, and yet, because of the way we wrote the Clean Water Act, we cannot do it, so we live with the most polluted river in North America in New River.

Now, we worked with all sides on this thing, and I have here the author of this much-hated provision, and the author, according to my memorandum, is the gentleman from California (Mr. MILLER). Because the gentleman from California (Mr. MILLER) sent a memo over to the chairman of the Committee on Transportation and Infrastructure, the gentleman from Pennsylvania (Mr. SHUSTER), or his staff did, saying, in general, the gentleman's preferred course of action is to amend Title I of the bill, as reported, et cetera, and they go on to give us the language that they would like to have. The language says, "Subsection D, authorization of appropriations for river reclamation and other irrigation of drainage water actions under this section, there are authorized to be appropriated to the Secretary for Land and Water Conservation Fund $3 million." That is the $3 million that goes into cleaning up New River. And above that, "No permit shall be required under section 402 of the Federal Water Pollution Control Act, 33 USC 1342, for a wetland filtration or constructed wetlands project authorized by subsection A-1 of this section."

We took the gentleman's exact language that he gave us to put in the bill to take care of the problem, and now we are told that it is still a problem. I guess I would say to my friend from California (Mr. MILLER), I want the gentleman to take yes for an answer.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, the gentleman knows my first preference was to remove the exemption from the legislation. We were then asked technically on how you would do it if you were going to do it the way you wanted to do it, and we said that is how you would do it the way you wanted to do it. Our first preference was to take it out of the bill, as recommended by the administration and others.

Mr. HUNTER. Mr. Speaker, in the spirit of compromise, however, the gentleman did provide language and we did put in, I would say to the gentleman, his precise language.

Now, let me go to the second point, and that point is the 18 months.

□ 1845

We had a 12-month period for study before construction, although this thing has been studied 30 years, as the gentlewoman and the gentleman from California (Mr. CALVERT) had mentioned. We had given a 12-month period for study. We sat down in a good talking session with Secretary Babbitt at the Salton Sea, with Secretary Babbitt, his staff and himself. He said essentially to me, I do not think I can do it in 12 months, but he did say in that conversation they thought they could do it in 18 months.

We worked with his staff. His staff sat in on a number of these meetings, and they said 18 months. When we met with Senator BOXER, she wanted us to move from 12 to 18 months, so we did it. We said, we will compromise, we will give 18 months.

Another thing we were concerned about, of course, was judicial review. We did not want lawsuits to stop action on the sea while the sea died. I think the gentleman can understand that, because as the gentlewoman from California (MARY BONO) has shown us, the sea is on a death watch. It is very predictable. At 60,000 parts per million, as it gets saltier and saltier, all the fish die, so we have to move now. And if somebody sues us and the court date is not set for 2 years, and then another suit is filed and that court date is not set for 2 years, the sea expires. The sea dies while we are tied up in court.

So what we said was, okay, to Senator BOXER and others who wanted to have judicial review, we said we will. Let us just say that we have to have expedited judicial review. We said we wanted to direct the court in this language to expedite review.

That means when you have a temporary restraining order, if somebody sues and says, I do not like this because I live down here and I do not want to have the sea saved because I think the gentleman from Minnesota (Mr. VENTO) is right, it is an ecological disaster, so let us have it die, and they happen to get a TRO from somebody, a temporary restraining order, we will say you have to go to trial in 60 days. That means do not put the thing off for 2 years while the sea dies, that means you go to trial in 60 days. So we have put in expedited judicial review instead of eliminating judicial review, so in all areas we have made compromises.

I say to my friend, the gentleman from California (Mr. MILLER), I called one of my constituents last night who had signed one of the letters from one of the environmental organizations that said, we are against it for umpteen reasons. I explained the reason for the clean water change.

He said, that makes perfect sense. He said, that is not what they told me when they called me and said they wanted me to sign it. I think if Members explain that to the people who really care about the 380 bird species, they are going to agree to.

So let us get on with this bill. Let us get it passed. I thank the gentleman for taking the unanimous consent to make the land-water conservation fix that was offered by this side, but this is the right action to take. Once again, let us go back to Sonny Bono, who said, why can not we just get this thing done? Let us get started, at least.

Mr. CALVERT. Mr. Speaker, I yield 5 minutes to the gentleman from Redlands, California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Speaker, I thank my colleague for yielding time to me. It is a pleasure to rise today and join my colleagues on both sides of the aisle who are strongly committed to finding solutions to the tremendous challenge that is this great environmental project in Southern California that is known as the Salton Sea.

I must say that in the initial stages of my hearing this discussion, I was intrigued to see both my colleague, the gentleman from California (Mr. George Miller) speaking, and he was being aided by his friend, the gentleman from Minnesota (Mr. Bruce Vento), and it was almost deja vu all over again. I remember fighting months on this, fighting to get access to our desert lands by both the gentleman from Minnesota (Mr. Vento) and the gentleman from California (Mr. Miller), and the thrill of that process was that we won a few.

I have a sense we might win a few today, as well, for there is little question that this coalition has gone together that is a nonpartisan, bipartisan effort to make sure that this tremendous asset, the Salton Sea, is saved, finally. It is going forward.

I must say to my friend, it is going forward almost entirely because of the rather fantastic leadership of the gentlewoman from California (Mrs. Bono), the new congresswoman from Riverside County, who has done a phenomenal job to make sure we keep our eye on this very important target.

If we should remove our serious attention from this for a moment the Salton Sea will be gone in terms of its effective use for the people of Southern California, and peoples all over the country who appreciate just what an important environmental asset this is.

I must say that the cost that is being suggested here is almost beside the point. We are moving forward quickly with rounding out what have been years and years of study. The authorized amount that involves the project is the minimum amount we need for whatever approach is finally selected. There is little doubt that we are going to get to that decision very, very quickly.

I would suggest to my colleague, the gentleman from California (Mr. Miller), that we need to have this authorization in place early on because that is the way we go about getting money in the pipeline in the appropriations process, very quickly. We cannot afford to wait. Therefore, we are going forward with that minimum amount that is needed.

In turn, I must say that if my colleague remembers some years ago, back in 1974, when Shirley Pettis was a Member of Congress, she being here because her husband, too, had been killed in a tragic accident, raised this flag, the most important environmental project in the country, I must say, if we had moved forward then instead of having these same kinds of questions interfering with that progress, the project would have been completed. It would have cost, before, one-fifth of what it is going to cost, and indeed, this discussion would not have been necessary today.

I want Members to know that I am proud, very proud of those colleagues who have joined with me in this effort, but especially pleased to join with the gentlewoman from California (Mrs. Mary Bono) in what will be a successful and perhaps the most important environmental project of this decade.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, I want to say to the gentleman that he has been this year appropriating some money to get the process started, he has already moved out on the project. We deeply appreciate that action. It was really timely, and we are going to be able to move this year. I understand the administration is moving this year.

Mr. LEWIS of California. Mr. Speaker, I appreciate that, but I would not have been able to do that if the gentlewoman from California (Mrs. Bono) had not been beating me over the head almost every day.

Mr. CALVERT. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from California.

Mr. CALVERT. Mr. Speaker, I also thank the gentleman for his hard work in moving this Salton Sea project. With the gentleman's help, we are going to get this done today.

Mr. LEWIS of California. It will be a great time to celebrate, but it is only the beginning. I really do appreciate this nonpartisan effort.

Mr. MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. Brown).

Mr. BROWN of California. Mr. Speaker, I thank the gentleman for yielding me this time. I think I owe the body an apology for not being able to be here earlier, because I wanted very much to participate in this debate, but I was engaged in a ceremony which only occurs once in a lifetime. That is being hung, your portrait being hung, in the committee room.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I do not mean to take much of the gentleman's time, but I was away at that hanging as well, and I must say, at the Library of Congress they had this wonderful ceremony where both the gentleman from Wisconsin (Mr. Jim Sensenbrenner) and the chairman, the gentleman from California (Mr. George Brown) were being honored with their portraits being presented to a cross-section of family and friends as a reflection of years and years of dedicated work on both their parts, but especially my colleague, the gentleman from California (Mr. George Brown). And I know he wanted to be here.

I say to the gentleman from California (Mr. Brown), he should be the first to know that we have taken out of the bill those few little items he was concerned about, so he can be as enthusiastic as he likes.

Mr. BROWN of California. Mr. Speaker, I appreciate the gentleman's comments. Of course, I am extremely enthusiastic about the need to solve the problems of the Salton Sea and the efforts we are making. I am encouraged by the large amount of interest in the Congress, and in general in the public, in doing something about this problem.

I have been rather cynical over the past, because I have followed every study for the last 30 years aimed at solving this problem, and seeing them come to naught, including the 1992 legislation, which actually authorized the same general type of study that we are authorizing here in this bill, and $10 million in order to fund that study, and nothing of any substance has come out of that, which, as I say, has left me somewhat cynical.

I would like to say that I am a coauthor of the bill. I want to see suitable legislation passed. I have had reservations about the bill as it had emerged from committee, not because I did not appreciate the work done in committee to get the bill out, but because I was fearful that the product would not survive the intense scrutiny of the other body, and that in all likelihood might not survive and be approved by the President. That concerns me, because I do not wish to have spent all of this time and effort in a futile exercise if we can do better.

It is my view that we could do better. I have cosponsored the amendment of my good friend, the gentleman from California (Mr. Miller), because that amendment or that substitute on his part has eliminated much of the material that I think would have caused this problem in the other body, or would have precluded or would have caused the President to veto the bill.

Now I am encouraged by the fact, as my good friend, the gentleman from California (Mr. Lewis) has just reported to me, and as the gentlewoman from California (Mrs. Bono) had reported to me earlier in the afternoon, that agreement had been reached to resolve the problem of funding from the Land and Water Conservation Fund, which some Members may not think is important, but anything that brings down the wrath of practically every environmental group in this country is of considerable importance to me. It could mean I would not get reelected, for example, and that sometimes influences my judgment a little bit.

The fact that the authors and managers of the bill have been willing to accept that change is a very encouraging thing in itself. That does not solve all of the problems. Nothing ever does in a piece of complex legislation.

I am learning a great deal about the politics of water in the inland empire and in the Salton Sea area, and how many different interests are at stake here, and the steps that will be taken in order to protect the interests of some of the groups that are involved. I hope I can benefit from what I have learned here.

I am going to support the Miller amendment, because while it reduces the scope of the bill, and originally I had wanted a bill that would make it clear that the Congress wanted to carry this thing through to completion, that it would authorize not only the necessary research and the design and specifications for the preferred solution, but would actually authorize the construction, I am inclined to think that that is one of the things that has added undue complexity to this bill, and that by simplifying it and doing it in two stages, we are likely to succeed in getting better legislation in the long run.

My expectation is that the House will disregard my advice and the advice of my good friend, the gentleman from California (Mr. MILLER), and will pass a less than perfect bill. It would not be the first time that that has happened.

Mr. Speaker, I have co-sponsored this amendment with my colleague from California to offer a constructive alternative that takes into account political, fiscal and environmental realities. My motivation is simple: I do not just want a House-passed bill, I want a bill which will be passed by the Senate and signed by the President. The underlying bill, though it may win House approval, will not be enacted into law.

The substitute which I have co-sponsored with my colleague, Representative MILLER, does not contain both the authorization of feasibility studies and construction, which might hasten the completion of the project. However, it does set specific deadlines for Congressional and Administration action, including direction to the Administration to provide draft authorizing language for the selected mitigation option.

I must admit to having a less than adequate response to those who are asking: "Why should we authorize $350 million for a project that is not fully defined?" They can rightly claim we are asking them to buy "a-pig-in-a-poke." It is not possible to fully define environmental restoration projects from the outset. This amendment provides a framework to begin action.

I would rather see the process of saving the Salton Sea move forward more slowly, but with more certainly, than risk losing this bill because of the questionable shortcuts which are included in it.

I would like to take a few minutes to outline some of the other provisions of this amendment.

Our substitute authorizes funding through traditional sources of water project funding. The funds needed for research, feasibility studies, and construction on the Salton Sea should come from the traditional sources dedicated to these purposes. While it is tempting to suggest otherwise, we westerners cannot avoid setting priorities for expenditures on our water projects by raiding other accounts.

This is tantamount to admitting that the Salton Sea isn't really a priority and that southern California should not expect to be allocated its fair share of water project funds. I firmly reject both of these notions.

This substitute contains no Clean Water Act permit exemptions. I do not believe the authors of the underlying bill intended anything bad in the provisions of the underlying bill. However, the truth is—this provision is unnecessary and it looks suspicious. It is true that the New and Alamo Rivers are in desperate need of clean up, but so are many of our other rivers, and we can not and should not address the problems through permit exemptions.

The constructed wetland projects that are envisioned can move forward in a timely manner. We do not need to bypass the Clean Water Act and leave the process open to criticism.

Our substitute also does not contain the broad liability exemption for the local water districts that have made their way into the underlying bill since introduction. While some type of limited liability protection may be reasonable, that is not what the underlying text contains. We should not be creating an open-ended exposure for federal liability in our efforts to address the Salton Sea's problems. I, and all concerned, want to ensure that federal, state, and local dollars are spent on clean up activity, not on lawsuits.

Finally, I want to once again reiterate my continued commitment to work with all interested parties to restore and preserve the Salton Sea. I want a bill that Members of both parties in both legislative bodies will be proud to support and that the President will be anxious to sign. I want a Bill that is as enthusiastically endorsed by the environmental community as it is by the water district representatives. I believe the substitute Mr. MILLER and I are offering is closer to achieving that goal than the underlying bill and I urge my colleagues to support our substitute.

Mr. MILLER of California. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from California (Mr. MILLER) is recognized for 11 minutes.

Mr. MILLER of California. Mr. Speaker, let me just say in closing on this amendment, I think what this amendment does is it ensures the probability that this legislation will become law, and that we can get on with curing the problems of the Salton Sea. It also ensures that when we go to cure those problems, that we know exactly what we are doing, and that the decisions we make and the money we spend will be spent in a scientifically sound fashion; that we will not deal with just one part of the problem of the Salton Sea, which is the salinization, the continued increased salinization of the Salton Sea, but we will also deal with the other concerns with respect to the fish kills and the bird die-off that is taking place today, before the salinization reaches the levels people have talked about in the coming decade. That is the problem of the Salton Sea currently today.

Also, let me say this, that this amendment removes all of the objections of the Clinton administration. It removes all of the objections of the Taxpayers for Common Sense. It removes all of the objections of the environmental legislation.

That means that this legislation, if amended with my substitute, would have the ability to go to the Senate, be taken from the desk, and bypass all of the committee considerations and all of the things that we know happen to you when you go to the Senate late in the legislative year.

I believe that with the commitment of the coalition, the commitment of the gentleman from California (Mr. BROWN) and the gentlewoman from California (Mrs. BONO) and everybody else to this process, that we will in fact see the results of these studies enacted into law.

□ 1900

I think we have a better opportunity of seeing that done with this amendment. We have accepted the change, I was hoping to offer the amendment but the rule did not allow for that, but we accepted the unanimous consent request by the gentleman from New York (Mr. BOEHLERT) to remove the funding from the Land and Water Conservation Fund. That is an improvement.

But let me reiterate and emphasize to all of my colleagues that that does not remove the objections of the environmental organizations. That does not remove the objections of the Clinton administration, objections which are substantial, objections that are serious to this legislation.

I would hope that the Members of the House would vote for this substitute because it does deal with the problems of the Salton Sea. It does deal with them on the timetable suggested by the majority, but what it does not do is it does not preauthorize an unknown $350 million project. It does not waive the Clean Water Act or limit judicial review. It does not make the U.S. taxpayers 100 percent liable for all of the activities that will take place around the Salton Sea. And it does not contain an unconstitutional review scheme.

It does preserve the purpose, the intent and the outcomes that are sought in the legislation but without all of the harmful provisions that are currently embodied in the bill as it came from the committee. I would hope that Members would support the substitute by myself and the gentleman from California (Mr. BROWN).

Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, I rise in support of the Miller amendment.

Mr. Speaker, I rise in support of the Miller-Brown amendment, and in strong opposition to the underlying bill. While I fully support efforts to restore the Salton Sea, I cannot support a bill which includes exemptions from the Clean Water Act, and could actually reduce the ability of the Environmental Protection Agency to protect this resource.

The proponents of the bill claim that it will benefit the environment. If that is so, why is every major environmental organization opposed to it? The reasons are simple—

It creates an exemption to the Clean Water Act.

It excuses local water companies from their rightful liabilities.

It could divert scarce resources from EPA's environmental programs.

These concerns make the bill unacceptable.

I am particularly concerned about the exemption in this bill to the Clean Water Act. How can you say that you are doing good for the environment if you need an exemption from environmental protection laws?

The Clean Water Act has been under assault by the majority since they won control of the House. In the last Congress, we had to fight the waivers, loopholes and rollbacks of H.R. 961—the Dirty Water Bill. Later, we had to fight anti-environmental riders to the Appropriations bill. Now today, we are faced with yet another attempt to create more exemptions to environmental protection. These assaults on the Clean Water Act must stop.

The Clean Water Act is our Nation's most successful environmental law. Yet, one of its most glaring weaknesses is that irrigation return flows are not subject to regulation. How ironic that, at the Salton Sea, these very irrigation return flows are the major source of pollution, and that this bill specifically allows untreated irrigation return flows to continue to be dumped into the Salton Sea.

Instead of treating the sources of pollution to the Salton Sea, this bill would preserve the existing exemption for irrigators, and create a new exemption from the Clean Water Act.

If the proponents of this bill are serious about addressing the water quality issues at the Salton Sea, their bill should address the sources of the pollution. That objective would best be served by preserving the Clean Water Act, and addressing the pollution from irrigation return flows.

This bill does neither.

If we want to improve the quality of the environment and protect the Salton Sea, we should reject the pending bill and support the Miller-Brown substitute.

Mr. MILLER of California. Mr. Speaker, I yield back the balance of my time.

Mr. CALVERT. Mr. Speaker, I yield myself such time as I may consume.

I want to point out that there is an existing 30 years of studies on the shelf. Quite literally, thousands of pages and millions of dollars have been spent and the time for action has finally come to move from the study phase to a consensus-based Federal, State, local, NEPA approved engineering solution. Every day compounds the environmental problems of the sea, adding time and expense to the solution. Act now or the sea dies, period.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Mrs. BONO).

Mrs. BONO. Mr. Speaker, I thank my distinguished colleague and dear friend for, first of all, his leadership on this and steering it through today. I am a little bit disturbed about something I heard earlier in the remarks by one of my colleagues from California when he said that he bowed under pressure that he was facing from certain environmental groups to go ahead and support the Miller-Brown substitute.

What about pressure from ordinary people? What about pressure from people who live near the Salton Sea within the 44th district of California? What about pressure from those people, not the pressure from people who live inside the Beltway, who live inside Washington here?

Who cares about how we are going to be rated on a score card if this is what is, in fact, right. And it is. One of my greatest political mentors is Bruce Herschson. He said something brilliant. He said, one day as a Member of Congress you might have that vote that comes before you that you know is right. You know you are going to have to make that vote and know that it might cost you something. Perhaps this is that vote for my colleague here.

I am deeply concerned about the Miller substitute for a number of reasons. First of all, I think it is a mistake to offer something, a study, again, authorize a significant amount of money to say we will study this again, knowing that perhaps we might not go through with the solution here. I think that is the ultimate deal here.

I think we are saying we are going to go ahead and tell the American people again, we are afraid to lead here in Congress so we will write a check and study it again. Three years from now we are going to maybe study it again. That is where we are right here.

It is time for Congress to say no more. It is time for Congress to say, we are serious here, and we are going to do this. I think that we need to get away from the Miller amendment just for that very reason.

The Salton Sea will never be 100 percent perfect for anybody, their side, our side, whomever. But it can be a lot better than it is. It is a mistake for us to stop what we are doing, to stop the progress simply because it cannot be 100 percent. I think we see that in all of the issues that they have raised. It will never be 100 percent, but it will be close to that.

I think to study it again, once more, will just be an insult to the people who live around the area. And when I travel, when I campaign, when I just get out in the district, all I hear is, let us save the Salton Sea. People see the studies, and they know that it is a joke. They will see the front pages and the headlines, and they will say, no more studies.

Let us get serious here. The one thing that Sonny said is, no more studies. I think we need to prove that now. I think, again, it is time for Congress to lead. I just think it is time for a bipartisan Congress to prove that we will finally get serious here and clean up the Salton Sea.

Mr. CALVERT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). The question is on the amendment in the nature of a substitute offered by the gentleman from California (Mr. MILLER).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. MILLER of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 202, nays 218, not voting 14, as follows:

[Roll No. 281]

YEAS—202

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Doyle
Duncan
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Forbes
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Rahall
Ramstad
Rivers
Rodriguez
Roemer
Rothman
Rush
Sabo
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes

Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Wamp
Waters
Watt (NC)
Waxman
Wexler
Wise
Woolsey
Wynn

NAYS—218

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Conyers
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (MA)
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paxon
Pease
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—14

Dingell
Gonzalez
Hill
Linder
McNulty
Rangel
Reyes
Rogers
Roybal-Allard
Schumer
Sensenbrenner
Sununu
Weygand
Yates

☐ 1923

Mr. WELLER, Mrs. CUBIN, Mr. LAZIO of New York, and Mr. BLUNT changed their vote from "yea" to "nay."

Mr. WEXLER changed his vote from "nay" to "yea."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WEYGAND. Mr. Speaker, just a few minutes ago, as I was returning from the White House, I missed rollcall vote 281. Had I been present, I would have voted "aye" on the Miller substitute.

The SPEAKER pro tempore (Mr. PEASE). Pursuant to House Resolution 500, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. BONO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 221, nays 200, not voting 13, as follows:

[Roll No. 282]

YEAS—221

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (CA)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Capps
Castle
Chambliss
Chenoweth
Christensen
Clayton
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dreier
Dunn
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fazio
Foley
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodling
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (TX)
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Herger
Hilleary
Hobson
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kim
King (NY)
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lipinski
Livingston
Lucas
Manzullo
Martinez
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Millender-McDonald
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Packard
Pappas
Parker
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Saxton
Schaefer, Dan
Schaffer, Bob
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Traficant
Walsh
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—200

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barr
Barrett (WI)
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Camp
Campbell
Cardin
Carson
Chabot
Clay
Clement
Clyburn
Coble
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Doyle
Duncan
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Furse
Gejdenson
Gephardt
Goode
Goodlatte
Gordon
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefley
Hefner
Hilliard
Hinchey
Hinojosa
Hoekstra
Holden
Hooley
Hoyer
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
Klug
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Porter
Poshard
Price (NC)
Rahall
Ramstad
Rivers
Rodriguez
Rothman
Rush
Sabo
Salmon
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Scarborough
Scott
Sensenbrenner
Serrano
Shays
Sherman
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stump
Stupak
Tanner
Tauscher
Thompson
Tierney
Torres
Towns
Turner
Upton
Velázquez
Vento
Visclosky
Wamp
Waters
Watkins
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—13

Becerra
Dingell
Gonzalez
Hill
Linder
McNulty
Miller (FL)
Oxley
Rangel
Reyes
Roybal-Allard
Schumer
Yates

□ 1941

Messrs. GOODLATTE, KINGSTON, EHLERS and HEFNER changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1945

PROVIDING FOR CONSIDERATION OF H.R. 4104, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 498 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 498

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 306 of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against section 628 for failure to comply with clause 2 of rule XXI are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Florida (Mr. GOSS) is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the distinguished gentleman from Massachusetts (Mr. MOAKLEY), pending which I will yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, H. Res. 498 is a second attempt by our Committee on Rules to bring forward H.R. 4104, the Treasury, Postal Service and General Government appropriation bills for fiscal year 1999.

As Members may recall, on June 25, before the break, this House rather resoundingly defeated the first rule we brought forward, a rule that attempted to balance all the competing demands of the many Members with interest in this bill. We worked long hours at that time and jumped through a series of complicated hoops, making every effort to iron out the problems while remaining as faithful as possible to our commitment to fiscal and legislative discipline. Given the wide margin of defeat for that rule, however, we went back to the drawing board and decided to let the chips fall where they may on the host of controversial issues in this bill, finding our guide in the normal standing rules and procedures of the House for consideration of annual spending bills.

So this evening, Mr. Speaker, we bring H. Res. 498, a rule which, with one exception, presents this appropriation bill for House consideration under the normal process by which appropriation bills may come to the floor.

Members who have been around here for a while may remember our esteemed former colleague, in fact legend, the late Bill Natcher, a wonderful gentleman and appropriations cardinal who prided himself on bringing forward his annual spending bills without a rule. He willingly subjected himself and his legislative product to the standing procedures of House rules, letting the chips fall where they may and making his case directly to the Members through open debate. Not only was he respected, he was successful.

What we are doing here today, Mr. Speaker, comes very close to that type of effort. H. Res. 498 is an open rule providing for the traditional 1 hour debate equally divided between the chairman and ranking minority member of the Committee on Appropriations with one exception. The rule is silent on the many controversial provisions within this bill that constitute legislating on an appropriation bill or that provide funding for programs and activities that are not authorized. I am told by the subcommittee chairman that, in fact, there is something like 80 percent of the bill that would fall in that category.

As Members know, Mr. Speaker, both of those things are violations of rule XXI of House rules. We do not legislate on appropriation bills normally, and without protection from the House Committee on Rules any provision of the bill that falls into those categories is vulnerable to being stricken by a point of order raised on this floor, should Members wish to do that.

The only provision within this bill that this Committee on Rules has felt compelled to protect from that fate of being stricken is the one which precludes Members of Congress from receiving an automatic cost of living increase, the congressional COLA. We all know that, without action by the Congress, a COLA for Members would automatically take effect. This year, as in the past, the Committee on Appropriations erected a barrier to that COLA in this bill so that there would be no such automatic increase for Members' pay. By waiving the point of order under House rule XXI that otherwise would lie against Section 628 of H.R. 4104, that is, the provision relating to the COLA, the Committee on Rules has insured that a procedural maneuver cannot be used to bring back to life the Members' COLA salary adjustment.

As one who continues to believe that the voters have not determined that we in this Congress deserve a raise, I support this action.

Mr. Speaker, this rule also waives points of order against consideration of the bill for failure to comply with Section 306 of the Congressional Budget Act regarding the prohibition on consideration of legislation within the Committee on the Budget's jurisdiction unless reported by that committee. This is necessary because the appropriators included within this bill funding for the year 2000 problem, affectionately known as Y2K, under an emergency designation, which is something traditionally in the province of the Committee on the Budget. This whole Y2K issue and whether to call it an emergency or to find offsets for the additional funding has been the subject of much debate in this body, as Members will recall. This rule ensures that this debate can continue allowing the matter to come to the floor while allowing Members an opportunity to strike the emergency designation, should they wish.

Mr. Speaker, the rule does several additional standard things:

Providing priority and recognition to those amendments that are preprinted in the CONGRESSIONAL RECORD and providing that the chairman of the Committee of the Whole may postpone recorded votes on any amendment. It also allows the chairman to reduce voting time on postponed questions to 5 minutes provided that the voting time on the first in a series of questions is not less than 15 minutes. Lastly, the rule provides for 1 motion to recommit with or without instructions.

Mr. Speaker, there may be some Members who wish this rule had come out differently, and some of those Members probably did not like our first rule much either. But I would say to my colleagues that with this rule we have come very close to approximating the standing rules of the House in bringing forth a spending bill that actually meets the requirements we have set out for ourselves in our normal government procedures. In my view, that is a bit of a breath of fresh air, and I urge Members to support the rule so we can get on with the business of funding the agencies covered by H.R. 4104, Postal Treasury.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

I thank my colleague, the gentleman from Florida (Mr. GOSS), my dear friend, for yielding this time to me; and, Mr. Speaker, I must again oppose this rule. I would like to support the rule because it is open and it does give Members an opportunity to offer amendments that are germane and otherwise in compliance with the rules. However, Mr. Speaker, the rest of the rule is even more egregious than the first rule for the bill, and that rule was defeated by this House only 3 legislative days ago by an overwhelming vote of 291 to 125. The changes from the previous rule certainly do not fix the problems that caused the rule to fail, so presumingly, in fact, I think it even makes the problems worse.

The bill itself is not the problem, Mr. Speaker. As before, I think the underlying bill is generally fair, and it is worthy of support. It provides $13.2 billion in discretionary budget authority, a slight increase from last year's bill. This level of funds should adequately support most of the programs and services that are covered by the bill. The major exceptions, however, continue to be the Federal Election Commission, which is funded significantly below the level necessary to do its job properly and effectively; and, furthermore, Mr. Speaker, the bill contains authorizing language imposing term limits for the Commission's staff directors and general counsel which will further impede the FEC's ability to do its work objectively and impartially.

Mr. Speaker, I wish those in their offices would listen. This rule would expose nearly all of this bill to a point of order including the Office of Inspector General of the Treasury, the Federal Law Enforcement Training Center, the Bureau of Alcohol, Tobacco and Firearms, and most of the Customs Service, the Mint, the Bureau of Public Debt, the Secret Service, the Federal Election Commission and the General Services Administration.

Mr. Speaker, the rule also exposes to a point of order critical legislative language to implement a new, fair and reasonable pay system to adequately compensate the Federal firefighters for overtime. This provision is necessary to correct a pay inequity between Federal firefighters and their municipal and civil service counterparts. I strongly support this language, and I am disappointed that it is not protected in this rule.

We all saw the incredible work done by those firefighters, those courageous firefighters, to stop those terrible fires that plagued Florida in recent weeks. We must ensure that those who risk their lives in fighting fires are compensated fairly for their valiant efforts.

Mr. Speaker, I am also disappointed that this rule did not protect from a point of order another provision in this bill that would have helped implement Federal employee's pay reform which was in accordance with legislation signed into law in 1990. Language in this bill, Mr. Speaker, would have fixed the problems that have prevented this law from being implemented.

Also, Mr. Speaker, one of the main reasons that the first rule failed is still a problem in the second rule. That is, of course, the failure to protect the $2.25 billion in emergency designation that is desperately needed to address the massive computer failure known as Y2K. If we do not immediately begin efforts to fix this problem, it could cripple our Nation's computers on January 1 in the year of 2000, and, Mr. Speaker, that is less than 18 months away. If we continue to ignore this problem, if we put it off for another day, we may well run out of enough time to prevent the major chaos and confusion that is certain to compromise our Nation's economic well-being and our national security. Whether it is a crash in the stock market or a failure of our traffic control system or a lapse of our Nation's defense systems, the consequences are likely to be very, very grave.

We just cannot take this risk, Mr. Speaker. We must put aside partisan squabbling and take the action and take that action now.

The Committee on Appropriations wisely included emergency funding for the Y2K in this bill and in the defense bill also, but my Republican colleagues have decided that this crisis just has to wait. They have decided to remove the emergency funds from both of these bills. The majority continues to say they will do it later, they will do it in another bill. Well, it has been almost 3 weeks since the House leadership decided to delete the emergency designation for Y2K first from the defense bill and then from this bill. I still do not see any action that any legislation will be on the schedule shortly.

☐ 2000

This problem is not going to go away, and we are wasting very, very precious time.

Mr. Speaker, we are playing with fire by not dealing with the Y2K matter immediately, and I hope, for all of our sakes, that my Republican colleagues are genuine in their promise to make this a top priority. This should not be a political issue, and we must act now.

Mr. Speaker, I oppose the rule because it fails to protect this critical funding and subjects much of the bill to being struck on a point of order. I urge Members to join with me in voting no on this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. GOSS. Mr. Speaker, I am privileged to yield such time as he may consume to the distinguished gentleman from Glens Falls, New York (Mr. SOLOMON), the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, when I hear my good friend, the gentleman from Massachusetts (Mr. MOAKLEY), who is the ranking member of the Committee on Rules, stand up here and make the absolute opposite argument that he has made in the past, I do not know whether to lose my temper or just to smile. I guess I will just smile.

But I am just looking at the vote that took place several weeks ago on June 25 when we brought a rule to the floor that fits the exact description that the gentleman just outlined that he would vote for. Now, as I look down at the vote that took place, I see my good friend, the gentleman from Massachusetts (Mr. MOAKLEY), did not vote. I do not know why. He did not cast his vote. But I see that 135 Democrats voted "no" on that rule that the gentleman just described. The rule was defeated with 125 yes votes and 291 no votes. The House overwhelmingly spoke against it.

Now, what normally happens in a situation like that? If you are on the floor and the rule does not pass, you generally bring these appropriation bills back to the floor.

I remember Mr. Natcher from Kentucky, one of the most respected Members of this body, a perfect southern gentleman, and he often sat in that chair where you are, Mr. Speaker, and let me tell you, he knew how to run this House. He ran it fairly. He also was the chairman of a subcommittee on appropriations, and he did not bother coming to the Committee on Rules. He brought his bill right to the floor.

Mr. Speaker, the point I am trying to make is that once this rule was defeated, protecting all of these issues the gentleman has just outlined, and there are a lot of them in there that I support. We have a gun issue in there that is very important to those of us that stand up for property rights and for gun rights of people. We have the Federal firemen's pay issue. We have some FEC language in there. We have some currency language. All of these things I support very strongly.

But the truth of the matter is, there is no way to put together a rule that anybody is going to support, because if we protected the Lowey amendment, we are going to have all of the prolifers vote against it. If we do not protect it, we will have another group vote against it.

So what we have done is said, okay, let us bring this bill to the floor without a rule, and then let the chips fall where they may, with one exception, and that one exception is that in this bill is a ban on a pay raise for Members of Congress going into effect.

Now, we cannot bring this bill to the floor under these circumstances and allow that provision to be knocked out. That means that Members of Congress are going to get their pay raise. I happen to be for pay raises, but the point is that we cannot allow that to happen here.

So we have simply brought this bill to the floor without a rule, except that we are saying that the ban on the pay raise from going into effect shall be protected. Otherwise, the bill stands as is.

So for Members that want to come over here and vote this time, let me just say once and for all: You come over here and you vote against this rule and you are voting for a Member's pay raise. There is absolutely no question about it. Because that is the only issue at stake here, other than regular order, regular procedure, of bringing this rule to the floor. Members ought to know that. So I want to make that perfectly clear.

Mr. Speaker, I would be glad to discuss this at any time with other Members for the next hour.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I enjoyed my chairman's dissertation, but most of the rules on appropriations that come out of the Committee on Rules, they protect most everything. In fact, we just voted a rule today that protected everything but two issues. This was beaten 3 weeks ago, Mr. Speaker, because of some of these items that are not protected today. We are just doing exactly what we did a couple of weeks ago. I am sure this is going to meet the same fate.

About the pay raise being blocked, we could correct that in 1 minute, and the chairman knows that. We could go back, on any rule coming out, we could put that in there, we could stop it. So that is really a red herring on this bill. This rule should not be passed.

Mr. Speaker, I yield 7 minutes to the gentleman from Maryland (Mr. HOYER), the ranking member on the Subcommittee on Treasury, Postal Service and General Government.

Mr. HOYER. Mr. Speaker, I thank the distinguished gentleman from Massachusetts, the ranking member of the Committee on Rules, for yielding.

Mr. Speaker, I rise in opposition to the rule.

At the outset, let me say that it is unfortunate that we find ourselves in this position. The chairman of the Treasury Postal Subcommittee, the gentleman from Arizona (Mr. KOLBE), as I said in the committee markup, has forged a fair bill as it came out of subcommittee. It was a bill that sought to address the problems that confront the agencies that are our responsibility. It was a bill as well that sought to fund a critical situation that confronts not just our agencies but almost every agency of government other than defense, and that critical crisis was, as we refer to it, the Y2K problem, ensuring that computers would be compatible with the change of century.

Because if they are not, we will not be able to fly airplanes. Indeed, we will not be able to collect revenues. We will not be able to pay Social Security. We will not be able to pay Medicare. The fact of the matter is, government will come to a screeching halt, and commerce will come to a screeching halt. That is not an acceptable alternative.

As a result, the gentleman from Louisiana (Mr. LIVINGSTON), and it is my understanding the Speaker, the gentleman from Missouri (Mr. GEPHARDT), the minority leader, and the Committee on Appropriations, all agreed that we would confront this issue forthrightly and designate it for what it is, an emergency, one that cannot be delayed, one that must be solved on behalf of every American, young and old. We did not do that.

I tell my friend, the chairman of the Committee on Rules, that his rule does not protect that issue. It does not allow us to proceed as we should. And the ranking member of the Committee on Rules is absolutely correct, on this floor, on the debate, when this rule was last considered 3 weeks ago on the 25th of June, it was represented that by the time we got back, we will know how to solve this problem. We will know where to get the $2.3 billion. That was represented to us on this floor by the leadership on the other side of the aisle. As the gentleman from Massachusetts (Mr. MOAKLEY) has correctly pointed out, that has not happened.

Substantively, this was a good bill, as I said, as it came out of subcommittee. It was not a perfect bill as it came out of the full Committee on Appropriations from my perspective. There were matters in it that I had concerns about, but they would not have led me to oppose the rule. But as it came out of the Committee on Rules last time, it was not acceptable.

Now, I say to my friend, the chairman of the Committee on Rules, this is not about a pay raise. Like the chairman, I am for a pay raise, because it is effectively simply a cost of living adjustment, less half a point that every other Federal employee gets, less a half a point. So we get a half a point less, because we did not want to take a full pay raise. We wanted to respect the American public's concern on that issue.

I say to my friend, the chairman of the Committee on Rules, our committee reported out, as he well knows, the preclusion of the acceptance of that pay raise, and that is the only matter the gentleman has protected in his rule.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, if the gentleman would help clarify something in my own mind. The gentleman knows that he and I have worked together on many issues dealing with Federal employees, and I have the greatest respect for them, as does the gentleman, but the committee of jurisdiction, the authorizing committee, as the gentleman knows, has not dealt with this issue. There is a $7 billion price tag.

Mr. HOYER. Mr. Speaker, reclaiming my time, I am talking about the Members. The gentleman brought up the Members' pay raise. The gentleman said this was about a Members' pay raise. My representation to the gentleman is that, in fact, the committee included the preclusion, the prohibition on the receipt by Members of a pay raise.

There is nothing in this bill about employees' pay raises, as the gentleman knows, so that what I am saying to the gentleman is whether this rule fails or whether this rule passes, Members will not get pay raises, the reason being because, if we have to go back to the drawing board, we will come back with the same provision. The gentleman knows that, and Members ought to know that.

Mr. Speaker, if I might therefore conclude, I say to my friend, the chairman of the Committee on Rules, his representation about a Members' pay raise vote is, frankly, political tactics, not substance. It is political tactics to try to scare Members into voting for or against this rule.

What this is about is the failure of the Committee on Rules to protect what are democratically adopted in the Committee on Appropriations provisions, some of which I like, some of which I did not like.

Now I will tell my friend, he says if he protects the Lowey amendment, for instance, which provides for access to contraception, which I believe the overwhelming majority of Americans believe is good policy and good family practice, the overwhelming majority of Americans in my opinion believe that, he says that people will vote against the rule to prohibit a vote in the people's House on that issue. It does not make sure that it happens. What it says is that the representatives of the American public will be able to vote on that issue.

The gentleman has provided for a procedure, as the Chair well knows, where one Member can come and strike out what the Committee on Appropriations adopted in a democratic process.

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield further, the gentleman is moving from one subject to the other so fast it is hard to stay concentrated.

Mr. HOYER. One has so little time, one needs to deal with all the subjects at one time.

Mr. SOLOMON. One Member can rise and strike, and that is under regular rules of the House, so we do not want to change those rules.

Mr. HOYER. Mr. Speaker, reclaiming my time, with all due respect, as the gentleman from Massachusetts said, the gentleman changed it yesterday on the rule. The gentleman protected everything except two items that were in that bill.

Mr. GOSS. Mr. Speaker, I think it is most important that this debate continue, and I am pleased to yield such time as he may consume to the distinguished gentleman from New York (Mr. SOLOMON).

Mr. SOLOMON. Mr. Speaker, let me be very, very brief. What the gentleman has been complaining about that this rule does not take care of is the fact that we did not protect a change in the locality pay for Federal workers. That is very important, and I agree with the gentleman. But the truth is, there is a $7 billion price tag, which is not paid for in this bill. Now, true, it does not take place until next year, but we just cannot allow this kind of legislation to go through without it being paid for. We are going to blow the balanced budget deal that we have had.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield briefly to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I have not mentioned that issue.

Mr. SOLOMON. Well, the gentleman mentioned it to me on many occasions, including up in the Committee on Rules.

Mr. HOYER. That is correct. But I have not mentioned that as the rationale for this opposition to the rule.

The gentleman mentioned that if the Lowey amendment was left protected, that the gentleman could not get the votes of right-to-lifers on his side of the aisle. My proposition to the gentleman is that what the gentleman is saying is they would not want to bring to the floor for a democratic vote up or down a resolution of that issue.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, let me just say I do not understand why, when we brought the rule to the floor which protected the Lowey amendment, 135 Democrats voted against it. We could have passed that rule and this bill would already be over at the Senate where it belongs. Now we are here today under a regular rule process, and Members ought to come over here and vote for the rule.

□ 2015

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I must oppose this rule. Under this rule, any Member can strip funding from this bill by raising a point of order.

I am particularly concerned about the appropriations to repair the year 2000 problem. Numerous computer programs will either crash or generate errors when computing dates for the year 2000. People should know that date-sensitive computer programs are everywhere. In desktop and mainframe computers, in machines used in manufacturing, in simple devices such as the computer chips in coffeemakers which have timers.

Consumers everywhere are going to be watching what we do here. Since computers are so widespread, since software is time-sensitive, since computer chips are in all kinds of devices, failures cause serious repercussions.

In government, many areas are vulnerable to failure. Many government agencies have made progress on the Y2K problem, and that is thanks to the gentleman from California (Mr. HORN) and also thanks to President Clinton and Vice President GORE. It has been bipartisan, but we have a lot of progress that needs to be made. Removing the Y2K appropriations from this bill cripples the agencies' ability to cope with this problem.

Now, the President asked for $234 million for year 2000 conversion. We will need another $138 million next year. If the IRS does not get funding to clean up the Y2K problem, we are looking at failures in customer service, failure to refund taxpayers' money, problems with the Taxpayer Relief Act of 1997, implications for the IRS restructuring bill, delays in the 1999 filing season, effects on the 2000 filing season, effects on the processing of refunds. The processing of refunds will be delayed.

The IRS has 127 mission-critical systems. So far, 59 of these systems have been repaired. The Customs Service is making progress on Y2K repairs. Currently, only 25 percent of the mission-critical systems are in the testing phase. The Financial Management Service in the Treasury Department has not completed the assessment of all of their systems yet. The Postal Service has many repairs to make. They expect to have 21 percent of their mission-critical systems ready for funding by this September.

Sufficient Y2K funding is critical to ensure that our law enforcement can operate, that government can collect taxes, write refund, tax refund checks and deliver the mail. The Y2K problem is a management challenge and a programming challenge. It must not become a political football.

Again, I will say the progress that has been made so far I will credit Chairman HORN, I will credit the President and Vice President for moving quickly on this, but we cannot let this become a political football. The American people are depending on us to make sure they receive government services on and after January 1, the year 2000. Let us not let them down.

Mr. GOSS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in opposition to this rule. It pains me to do so since we defeated it a few days ago, but I believe there is a good rule that can protect the excellent work of this subcommittee, and I do believe that the subcommittee reported a fair and sound and thoughtful piece of legislation that would have served the appropriations process very well and would have done honor to this body.

This is a rule that exposes all parts of this bill with a small exception of one section to points of order. It is also a unique appropriations bill in the sense that most of the sections have not been authorized, and for many years we have protected them against points of order.

So it is true that under this rule the funding for the IRS could be knocked out. We just spent months and months and months passing the most significant reform of the IRS passed in the history of this body. And why would we then want to bring this to the floor under an appropriations bill that is not going to actually fund this important agency?

Now, there is no need for this kind of rule. Honestly, we need to get ourselves together, come back with a rule that addresses the critical snarly areas of this bill that have caused the controversy.

I regret that the passage of an amendment in the subcommittee that guaranteed Federal employees full access to contraceptives has caused such a hullabaloo in this body. Frankly, this same bill denies Federal employees access to abortion, which is a medical, legal procedure in America. But we have made the decision that Federal employees should not have access to this legal medical procedure.

Well, it is perfectly rational then to at least guarantee that our own employees have access to the full range of contraceptives so that they do not get pregnant unintentionally, that is all. If we disagree with that, fine. Have a rule that allows a vote on that. We have offered, have a rule that protects everything except the Lowey amendment.

Let that be struck on a point of order; just let that rule allow us to offer an amendment to reinstate access to contraceptives for Federal employees, and we will argue it here on the floor. Let it take its course.

There is this controversy about the funding of the Y2K resources. Let that be up or down. Let us talk about it. Let us debate it. I am for how the bill does it. I think it is irrational to take the funding for Y2K compliance for the whole government out of one budget and thereby disadvantage all of the other important programs that that budget provides for all the people of America and for our important Federal functions.

So let us have a rule that brings the primary controversies to the floor. My colleagues, vote down this rule. This is an overreaction to an unfortunate lack of communication that caused the defeat of the first rule. I urge a "no" vote.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, I rise in strong opposition to this rule. As my colleagues know, this rule leaves unprotected the Lowey contraceptive coverage language in the bill, language which provides that Federal employees must have their contraceptives prescriptions covered if, in fact, other prescription drugs are covered.

This language passed in the full Committee on Appropriations with support from Democrats and Republicans, prolife and prochoice Members, but the Committee on Rules has denied Members a chance to have a debate and a vote on this critical issue and on the amendment of the gentleman from Wisconsin (Mr. OBEY) which will give religiously-based plans an opt-out from covering the plans of contraceptives if it conflicts with their religious beliefs.

We have had vote after vote after vote on legislation that would restrict women's access to abortion, but we are not allowed to have even one vote on improving women's access to contraception, which will prevent abortion.

The rule we are considering is a clear infringement on the rights of Members to offer amendments in the House, and it is a slap in the face, frankly, to more than 1 million American women who are covered by the Federal Health Benefits Plan who stand to benefit if Federal health benefit plans that cover prescription drugs are required then to cover contraceptives as well.

Why is this language so important? We are all in agreement that we want to reduce the number of abortions. Close to half of all unintended pregnancies end in abortions, and although all but one of the FEHBP plans cover sterilization, all but one cover sterilization, only 10 percent cover the five most basic, widely-used forms of contraception, and over 80 percent of the plans do not cover all five methods.

Contraception, my colleagues, is basic health care for women. It allows couples to plan families and have healthier babies when they choose to conceive, and it makes abortion less necessary, which is a goal we all share.

Currently, women of reproductive age spend 68 percent more in out-of-pocket health costs than men, and part of the reason for this gender gap in health care costs is the failure of health plans to cover contraception. Plans refuse to cover contraceptives because they know that this is a necessity for women and that if forced to, women will pay for it themselves. On average, women using the pill pay $25 a month, that is $300 a year for their prescriptions.

It is important to understand, my colleagues, what we are talking about when we talk about contraceptive methods. We are not talking about abortion, we are not talking about RU 486 or any abortion method. No abortions will be covered by this amendment. We are talking about the range of contraceptive options that women need, including the five most popular methods, the oral contraceptive pill, the diaphragm, the IUDs, Depo-Provera and Norplant.

It is crucial that plans cover the full range of choices because some methods do not work for some women. For example, many women cannot use any of the hormone-based methods such as the oral contraceptive pill because it causes migraines or because they have been advised not to because it may increase their risk of stroke or any other reason that is peculiar to them and the advice from their physician.

Now, some of my colleagues may think that we should not be telling FEHBP plans what they have to cover, that this is an insurance mandate. Let us be clear. This is not a mandate on private plans. What we are discussing here is what the United States as an employer should provide to its employee. The United States Government should be a model for other employers.

There was strong support for this provision in the Committee on Appropriations. It has the support of the subcommittee chairman, the gentleman from Arizona (Mr. KOLBE); it has the support of several prolife Democrats on the Committee on Appropriations, and, in fact, a myriad of health groups support the provision, including the American Medical Association, the American Academy of Family Physicians, the American Academy of Pediatrics. It is also supported by the AFL-CIO, the AFGE.

Let me say in closing that a recent Congressional Budget Office analysis determined that this improved coverage for Federal employees would not have any impact on the budget totals for fiscal year 1999, no budgetary impact for fiscal year 1999.

This issue is absolutely essential. I would hope that the Congress could come together to support contraceptive coverage and defeat this rule.

The SPEAKER pro tempore (Mr. LAHOOD). The Chair would advise all Members that the gentleman from Florida has 15 minutes remaining, and the gentleman from Massachusetts has 7 minutes remaining.

Mr. GOSS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I very reluctantly rise in opposition to this rule. I rise in opposition because it endangers many provisions that are important to Federal employees and their families, many of whom I have the honor of representing.

□ 2030

But before I give the reasons why, I do want to say that it is not because of the fact that the money for the Y2K problem is not put into this bill, because it is going to be put into a separate appropriations bill, so we do not have division, one agency versus another agency. So that is certainly not the reason I oppose the rule.

This rule actually does not protect an important provision regarding insurance coverage of contraceptives for women. It requires Federal Employees Health Benefit plans to cover prescription contraception, just as they cover other prescriptions. The vast majority of FEHB plans offer prescription drug coverage, but they fail to cover the full range of prescription contraceptives which prevent unintended pregnancies and reduce the need for abortion.

Congress has repeatedly voted to exclude abortion coverage from FEHB plans. Contraceptives help couples plan wanted pregnancies and reduce the need for abortion. Close to half of all pregnancies are unintended. Currently, women of reproductive age spend 68 percent more in out-of-pocket health costs than men. Treating prescription contraceptives the same as all other covered drugs would help to achieve parity between the benefits offered to male participants in FEHB plans and those offered to female participants.

I also want to point out that the rule does not protect an important provision affecting Federal employee pay. The bill would close a loophole in the Federal Employees Compensation Act of 1990 that has allowed the President to deny Federal employees their just raises because of a severe economic condition, despite our booming economy.

The FEPCA was enacted to ensure fair pay raises for Federal employees, but according to CRS, it has never been implemented as originally enacted. The bill closes this loophole by defining a severe economic condition as two consecutive quarters of negative growth in the real Gross Domestic Product, which was the generally accepted definition of a recession.

The rule also leaves vulnerable an important provision to bolster firefighter pay, something for which I have been working for many years. Within the Federal work force firefighters are paid less than other Federal employees. A GS-5, Step 5, Federal Government worker makes 44 percent more per hour than a GS-5, Step 5, Federal Government firefighter.

The pay gap between Federal and non-Federal firefighters is largely due to an unfair and convoluted method of calculating Federal firefighter pay. They are dedicated civil servants, we have certainly seen that with the disasters that have occurred in Florida and other parts of the country, constantly risking their lives so our communities can sleep at night with confidence that our safety and the safety of our loved ones is protected.

I encourage my colleagues to join me in opposing this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in strong opposition to this rule. This rule strips the Lowey Federal employee family planning provision from the bill so we cannot even debate this deeply important issue.

As a nurse, I believe that contraception is, first and foremost, a health issue. The fact that close to half of all pregnancies in the United States are unintended is astounding. The decision to have children should be made by individuals in a family setting and in consultation with doctors and within a religious belief context. We need to support that in this House.

I believe that the Federal Government must set an example for the rest of this country by providing our employees with full access for health care for women. This includes opportunities for the whole range of contraception methods. We in Congress must demonstrate that we consider family planning a key health issue.

I urge my colleagues to vote against this rule, and provide our Federal employees with fundamental health care coverage, including contraception, according to the Lowey provision.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I hate to see a good bill sacrificed on the alter of contraception. That is what this rule does. We are seeing many important provisions of this bill go up in smoke because of one provision.

The notion that plans could pick and choose what contraceptive a woman or man should use is or should be anathema to this House. I warn this House, the Lowey amendment is one of seven priorities of the Bipartisan Women's Caucus. We have chosen seven bills on which, Democrats and Republicans alike, as women we regard as must-pass provisions for this Congress. The Lowey amendment is one of those. We had an entire hearing on contraceptive research because of the neglect of contraception and what that has done to women over the past decade.

We have gotten to the point where if you are in service to your country as a member of the Armed Forces or as a Federal employee, you can guarantee to have your privacy invaded. We are talking about grown women, and plans, health plans choosing what contraceptives they should use.

The last thing a woman or a man should be subject to is somebody else choosing or advising them which contraception is best for them. Some do not work, some are absolutely harmful, some have side effects. We have to have a choice here, because one size absolutely does not fit all, and indeed, one size clearly endangers the health of many.

I am looking for anti-choice allies on this one. If we cannot come together on this one, I am not sure where we will come together. Members cannot go home and say they are against abortion, and also go home and say they are against preventing abortion. Defeat this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1½ minutes to the gentleman from Michigan (Mr. BONIOR), the minority whip.

Mr. BONIOR. Mr. Speaker, I thank the gentleman for yielding me the time. Mr. Speaker, this rule allows the bipartisan Lowey amendment on contraceptives and the funding to fix the year 2000 computer problem to be struck by a point of order. What does that mean? That means without even a recorded vote. The Lowey amendment was adopted in committee. She did it fairly, she did it squarely, and now the Republican leadership is ready to knock her out of the bill without a vote.

We have heard just a second ago how important this is on expanding insurance coverage on contraception. We also heard, Mr. Speaker, about how important this is to prevent abortions. This process is a sham. It is unfair. We will oppose this rule.

Because some on this side of the aisle want to play games with us now and politicize the issue of Members' pay, they want to cover up and hide their extreme proposals with respect to contraceptive insurance coverage, so we are not going to let that happen.

We are going to move to defeat the previous question on this rule, and if successful, we will do three things, three things. Number one, we will make in order the Lowey and the Obey amendments on contraception, we will preserve funding for the year 2000 computer problems, and we will stop any increase in pay for Members of Congress.

I urge my colleagues to vote no on the previous question and to vote no on the rule.

Mr. MOAKLEY. Mr. Speaker, I yield 2½ minutes to the great gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I want to explain what procedure we are going to pursue. I believe it is very important to have every Member understand what we are going to ask for. We are going to ask that the previous question be defeated. That will then allow us to offer an alternative rule.

I want to represent to every Member in this Chamber and listening in their offices what that rule will be comprised of. First of all, we will continue the provision reported out of subcommittee, reported out of full committee, that will preclude Members' pay from going into effect.

Secondly, we will provide for the consideration of the Lowey amendment, which was democratically adopted in the committee and reported to this floor, but is unprotected. Not only would it be not subjected to a vote, yea or nay, but one Member under the rules that were proposed will be able to exclude that or any other item.

Thirdly, we will protect in our rule the Y2K funding, which everybody in this House and in this Nation knows is an emergency, and which the Committee on Appropriations, with the leadership of the gentleman from Louisiana (Mr. LIVINGSTON), designated an emergency, to his credit, and frankly, to the credit of the Republican leadership that initially agreed with that procedure.

So to remind Members, if they vote no on the previous question, they will then be able to vote yes on a rule which will preclude a pay raise, which will take it out of a political demagoguery situation; that will allow a democratic vote in the people's House on whether or not we ought to allow for access to contraception so we can preclude more abortions; and thirdly, if Members vote no on the previous question, they will be able to protect the provision which provides for funding of the solution to the Y2K problem, and ensure the effective operations of our computers and our governmental programs, as well as commerce in this country in the next century.

I urge Members to vote no on the previous question to accomplish these three objectives.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have heard a lot of inconsistent comment this evening relative to just three legislative days ago, as our friends across the aisle said, actually it was a little more than that, because it was on the calendar a couple of weeks ago when we tried to come up with a rule to protect the Lowey amendment, do the things they asked, and lo and behold, 135 Democrats took a hike on us and did not support the bill.

We listened to them before, we tried to work it out in a deliberative and I think nonpartisan way, and we did not get their support. So now we are trying to do our job faithfully, and we have come back for what is one of the important appropriations bills, and we have tried to craft a way to let the deliberative body work its will.

There has been some mischaracterization, if not misrepresentation, of the fact that the sky is going to fall automatically if we pass this rule. That is not the case. If somebody, some Member, wishes to get up and strike on a point of order, that is a privilege. That happens to be a House rule. If somebody says that is unfair, what they are really saying is the House rules are unfair.

If Members are saying that the rules that have served this House so well for so long are unfair, then come on up to the Committee on Rules and let us talk about changing them, and why Members think they are unfair. But that is not something that is done lightly.

So I think there has been a series of mischaracterizations going on, as I have listened to the concern about the people who have failed to get the authorizations of measures that they want enacted. We all know that we are not supposed to do a lot of authorization on appropriations bills.

The failure of the authorizations process to get the work done now has been picked up by the appropriators, trying to pick up what pieces they could to do a good faith job, and the Committee on Rules tried to do a good faith job to bring a rule forward that would get enough votes to pass so we could have a debate. That went down by a big number. That went down 291 to 125 three legislative days ago, so I remind Members of that.

Now we are coming back with a different one and saying okay, let the body work its will in a different way. We will have what is basically an open rule. Now, open rules used to be something we spoke of around here with a certain degree of reverence, that that is something we all strive to achieve is the open rule. I know the number of times that the gentleman from Massachusetts (Mr. MOAKLEY), when he was Chairman MOAKLEY of the Committee on Rules, we brought him to task because he did not have enough open rules.

I know his colleagues on the other side regularly tried to do that to Chairman Solomon and the rest of us in the majority. We understand that. But we do strive for open rules and we do it in a good-natured way.

The only thing that is different is that we did protect the issue of the pay raise, so if Members are trying to shoot this rule down, they are basically saying, let us get the pay raise back on the floor.

□ 2045

At least some will characterize it that way. I think there is much more at stake than the pay raise issue obviously. We had the contraception question. We have had the question of Y2K.

On the contraception question, again, we had our chance, 135 Members on the other side voted against the Lowey provision apparently because it was protected in that rule.

We had the Y2K. It surprises me a little bit that we are talking about Y2K as an emergency. It is not an emergency to those of us who understand the consequences of Y2K. We have been for some time trying to encourage the Clinton administration to get a grip on the fact that the calendar is real, that the year 2000 is coming and that we do have a problem. Most people in the world know that the year 2000 is on the calendar, and they have a fairly approximate idea of when it is coming. Even if one does not know much about the computer problem, one can at least understand the calendar.

We have not done well with the Clinton administration. Some agencies are ahead of others. Again, I will join with my colleague who congratulated the gentleman from California (Mr. HORN) for the work he has done trying to bring attention to that and trying to stimulate some interest in the administration to get that job done.

The debate about whether or not is it an emergency payment or not an emergency payment, therefore, if it is an emergency, we all know we do not have to figure out a way to pay for it. If it is not an emergency, then we have to figure out a way to pay for it. It is a little extra harder because we have to actually designate the money from some revenue source. So I would say that that is a secondary debate to the debate that Y2K is very serious. We all agree on that. We are not going to put off the solution because we cannot decide whether to pay for it from here and designate what the source of payment is going to be. I think that is a bit of a red herring before us.

I think what is, frankly, out here is this, that the authorizers did not get that their job done. The appropriators tried to pick it up. The Committee on Rules has tried to work with everybody. Apparently it has not happened.

The next step is, we can go the other route and say, fine. We can bring a rule out here with no protection at all on it and let it go to the floor.

I would urge all those listening to understand that this is a good faith effort to try and bring forth some kind of a workable rule to get this legislative appropriations bill on the floor. It is a legislative appropriations bill, because it is about 80 percent legislation. We know that. It is way overburdened. That is wrong, but that is what we are presented with. We are presented with a schedule. We are presented with a calendar of our own. We are presented with a budget we have to deal with.

So if the question is, shall we go forward and deal with the business of getting these agencies funded, the answer is yes. Vote for the rule. Yes, vote for the previous question.

Voting no on the previous question, throwing this thing into a controversy which is sure to destine it to another defeat, another round of this, is not going to get this appropriations bill passed. Some of those Members who live in the area and represent workers in the area have a great concern, naturally, doing good jobs of representing their districts, and the people in their districts are going to be very, very concerned, if this thing goes down a couple of more times because we cannot get it together.

I can guarantee Members that the provision that has been suggested with regard to the motion on the previous question on Members pay and the Lowey amendment and Y2K will appeal to some Members but it will not appeal to enough because we did that. We already did that a couple of days ago, three legislative days ago. We did some other things as well. But you will not be allowed to bring a rule forth that will get necessary majority support with just those provisions. It is not going to happen.

The final point I would make on this is, there is not going to be a better offer right now than voting yes on the previous question and voting yes on the rule to get this piece of legislation on the floor. If we do not pass it, it goes home.

Mr. Speaker, I include for the RECORD the following:

HOUSE RULES COMMITTEE

THE PREVIOUS QUESTION VOTE: WHAT IT MEANS

The previous question is a motion made in order under House Rule XVII and is the only parliamentary device in the House used for closing debate and preventing amendment. The effect of adopting the previous question is to bring the resolution to an immediate, final vote. The motion is most often made at the conclusion of debate on a rule or any motion or piece of legislation considered in the House prior to final passage. A Member might think about ordering the previous question in terms of answering the question: Is the House ready to vote on the bill or amendment before it?

In order to amend a rule (other than by using those procedures previously mentioned), the House must vote against ordering the previous question. If the previous question is defeated, the House is in effect, turning control of the Floor over to the Minority party.

If the previous question is defeated, the Speaker then recognizes the Member who led the opposition to the previous question (usually a Member of the Minority party) to control an additional hour of debate during which a germane amendment may be offered to the rule. The Member controlling the Floor then moves the previous question on the amendment and the rule. If the previous question is ordered, the next vote occurs on the amendment followed by a vote on the rule as amended.

Mrs. MALONEY of New York. Mr. Speaker, I rise in opposition to this rule. Earlier today, we debated abortion again—for the 87th time since 1995—and this House passed a bill to criminalize abortion in yet another way.

Now, we learn that this rule does not protect language already included in this Treasury Appropriations bill to provide for contraceptive coverage equity for federal employees.

Later today, we will vote once again on the issue of whether a federal employee's health plan can choose to cover abortion. I find this very contradictory.

If you want to prevent abortion, why not do everything we can to make contraceptives more available and affordable.

The language left unprotected by this rule simply requires Federal Employee Health Benefit plans that currently cover prescription drugs, to also cover FDA-approved prescription contraceptives and related services to individuals and their families.

Mr. Speaker, women of reproductive age spend approximately 68% more than men in out-of-pocket health care costs.

Much of this disparity can be attributed to the lack of coverage of reproductive health care costs.

By improving insurance coverage of contraceptive care, we can reduce or eliminate this unfair financial cost to women.

More than half of all pregnancies in the United States are unintended, and half of these pregnancies end in abortion.

Currently, 10% of FEHB plans offer no coverage of reversible contraceptives and, in some cases, plans cover only one method of prescription contraception.

This lack of insurance coverage leads many women to choose less expensive and less reliable methods of contraception.

So why not allow a vote on this provision? It won a bipartisan victory in committee, and now this rule will make it easy to strip this language.

That is unfair and undemocratic. We have a real opportunity today to decrease the number of unintended pregnancies and the number of abortions. And, the Republican majority says no. It is shameful. I urge a "no" vote on this rule.

Ms. JACKSON-LEE of Texas. Mr. Speaker, thank you for the opportunity to speak today. I strongly oppose the Rule Committee's decision not to protect Representative LOWEY's amendment in the FY 1999 Treasury Postal Service General Government Appropriations bill, H.R. 4101. Representative LOWEY's amendment required Federal employee health benefits to cover contraceptive drugs and related services to individuals and their families.

Currently the Federal Employee Health Benefit Plan uniformly offers prescription drug coverage, but the majority of such health plans discriminate against women by failing to include coverage for the full range of prescription contraceptives.

In fact, 10 percent of Federal employee health plans fail to include reversible contraceptives. In some cases, plans only cover one method of prescription contraception. Overall, 81 percent of Federal Employee Health Benefit plans do not cover all five leading reversible methods of contraception, which of course, prevent unintended pregnancy and reduce the need for abortion.

The Federal program should be a model for private plans, and as an employer, it is shocking that the Federal Government does not provide this basic health benefit for women and their families insured through FEHB.

Women of reproductive age spend 68 percent more of their own money for health care than men, with contraception and related health services accounting for much of the difference.

Making the full range of contraceptive options available to our Federal employees is not only an issue of fairness, but is an issue of women's health and reproductive choice.

We must remember that increased access to contraceptives is critical to the effort of reducing the number of unintended pregnancies. Close to half of all pregnancies in the United States are unintended. Increasing access to contraceptives through insurance coverage will help Federal employees obtain the methods and services they need to plan their families.

Polls show that 90 percent of the American voting public supports family planning. I hope that my colleagues will take this opportunity to support family planning. Let's make sure every child is a wanted and cared for child. I urge my colleagues to oppose this rule.

Mr. GOSS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 231, nays 185, not voting 18, as follows:

[Roll No. 283]

YEAS—231

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kildee
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—185

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E.B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kleczka
Klink

Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
Meehan
Meek (FL)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Sherman
Sisisky
Skaggs
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—18

Allen
Clement
Dingell
Gonzalez
Hill
Kennelly
Kind (WI)
McDade
McNulty
Meeks (NY)
Moran (VA)
Roybal-Allard
Schumer
Shuster
Slaughter
Smith (OR)
Sununu
Yates

□ 2106

Mr. MOLLOHAN and Mr. KLINK changed their vote from "yea" to "nay."

Mr. FOLEY changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 201, answered "present" 1, not voting 14, as follows:

[Roll No. 284]

AYES—218

Abercrombie
Aderholt
Archer
Armey
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, Sam
Jones
Kasich
Kildee
Kim
King (NY)
Kingston
Knollenberg
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Maloney (CT)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—201

Ackerman
Allen
Andrews
Bachus
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Castle
Clay
Clayton
Clyburn
Condit
Conyers
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Gilchrest
Gilman
Gordon
Green
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E.B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Klink
Klug
Kucinich
LaFalce
Lampson
Lantos
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Turner
Upton
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

ANSWERED "PRESENT"—1

Kolbe

NOT VOTING—14

Clement
Dingell
Gonzalez
Hill
Kennelly
McDade
McNulty
Roybal-Allard
Schumer
Shuster
Slaughter
Smith (OR)
Whitfield
Yates

□ 2123

Mrs. NORTHUP changed her vote from "no" to "aye."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4194, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 105–628) on the resolution (H. Res. 501) providing for consideration of the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REQUEST TO WAIVE CERTAIN POINTS OF ORDER AGAINST PROVISIONS OF H.R. 4104, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

Mr. OBEY. Mr. Speaker, I ask unanimous consent that the House waive all points of order under clause 2 or 6 of rule XXI against the Y2K provisions of H.R. 4104, to wit: the provisions on page 37, line 12, through page 38, line 14.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. KOLBE. Mr. Speaker, reserving the right to object, and I would object, Mr. Speaker, I would have to object on the grounds that this unanimous consent agreement is contrary to the rule which was just adopted by the House of Representatives, and for that reason I do object.

The SPEAKER pro tempore. Objection is heard.

CHEAP POLITICS AT THEIR VERY WORST

(Mr. HEFNER asked and was given permission to address the House for 1 minute.)

Mr. HEFNER. Mr. Speaker, I have been in politics for a long, long while and I have been in tough campaigns when the rhetoric was very, very high but there is something that came to my attention tonight that was issued by the Republican National Committee, and the last paragraph says if Democrats want to block this motion so they can get a raise, so be it, said the gentleman from Georgia (Mr. LINDER), but by tomorrow I guarantee every newspaper in their district will know about it.

I would not even bring this up but a few months ago my sister-in-law died after a 3-year battle with cancer, and I had an excused absence from this House, and there was a vote that was taking place and a press release sent to my district accusing me of making a bad vote, it was bad for my constituents.

It only takes 10 seconds to check this computer to see if people are here. You have no guarantee that there will not be a press release in your newspaper whether you are even here or voting or not. This is cheap politics at its very, very worst, and I abhor it to the nth degree.

□ 1930

GENERAL LEAVE

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4104 and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Arizona?

There was no objection.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Pursuant to House Resolution 498 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4104.

□ 2131

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, with Mr. DREIER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Arizona (Mr. KOLBE) and the gentleman from Maryland (Mr. HOYER) each will control 30 minutes.

PARLIAMENTARY INQUIRY

Mr. HOYER. Parliamentary inquiry, Mr. Chairman?

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. HOYER. Mr. Chairman, I do not know that anybody has made an announcement, but am I correct that the only thing we will be doing for the balance of the evening will be general debate? There will be no votes?

Mr. KOLBE. Mr. Chairman, will the gentleman yield? I would be happy to respond to that.

Mr. HOYER. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, yes, it is our intention to proceed through the hour of general debate, which will include a number of colloquies that we have, but not yet to open the bill at any point, not to begin the reading of the bill.

The CHAIRMAN. The Chair will anxiously look forward to a motion to rise and will certainly recognize a Member who might choose to make that proposal.

Mr. HOYER. So, Mr. Chairman, the Members should know that they have no need to be here if they wanted to object or make any other suggestions in the body of the bill itself?

Mr. KOLBE. Mr. Chairman, if the gentleman would continue to yield, any provisions dealing with the bill itself, amendments or motions to strike, would not be in order tonight because we will not begin the reading of the bill this evening.

Mr. HOYER. Mr. Chairman, I thank the gentleman from Arizona for his clarification.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, tonight I am pleased that we have gotten to the point where we are and that I can bring to the floor H.R. 4104 which is the fiscal year 1999 Treasury, Postal Service and General Government appropriations bill. As reported, this bill provides $13.2 billion in discretionary budget authority for the agencies under the subcommittee's jurisdiction, and this level of funding is consistent with the subcommittee's section 302(b) allocation.

Mr. Chairman, I might note that the rule that we have just adopted, I realize, places in jeopardy large portions of this bill and many parts of the bill which include legislative provisions carefully crafted and agreed upon by the Members on both sides of the aisle. So I want to say that I believe the bill, as reported by the Committee on Appropriations, is an outstanding bill. It is one which every Member, I believe, on both sides of the aisle, can be very proud.

The bill that we have here today is one that is very strong for law enforcement. It is tough on drugs. It supports our efforts to restructure and reform the way the Internal Revenue Service does business. It is supportive of much-needed new court space for our judicial system.

First, in this area of law enforcement we continue our commitment to the drug and law enforcement efforts of the Department of Treasury as well as to the Office of National Drug Policy drug control policy headed by General McCaffrey. In total, we provide $3.6 billion for Treasury law enforcement efforts and $427 million for the activities and operations of the Office of National Drug Control Policy. As it specifically relates to drug efforts, the mark provides $1.8 billion. That is an increase of about 3 percent over the current fiscal year and approximately the same as the President has requested.

Second, we continue to target resources to restructuring the IRS management, computer modernization and customer service; and, third, we end the moratorium on the Federal construction of courthouses, providing much-needed space and security for the judiciary to meet the demands of its increasing workloads.

Mr. Chairman, as my colleagues are very aware, this bill carries an emergency appropriation of $2.25 billion for ensuring that all Federal information systems are Year 2000 compliant. I cannot stress enough to my colleagues the emergency nature of this issue. The implications of an information systems crash on January 1 in the Year 2000 would be simply mind-boggling.

Checks to senior citizens, to veterans, to financially-needy Americans will go unsent because the group responsible for getting these payments out, the Financial Management Service, may not be able to meet its deadline. The FMS, Financial Management Service, sends out 63 million Federal payments each month. They pay 85 percent of the government's bills. Rail systems could come to a standstill with trains sitting idle on tracks because switches are locked in place. Major power grids could be thrown into a massive blackout because nuclear power plants have gone off line, have shut down for safety reasons. FAA's contingency plan for the year 2000, that is, in the event their computers go belly-up and they do not have their mission-critical systems compliant, their contingency plan is simply to reduce the number of flights by 60 percent.

My colleagues, it is obvious that this kind of solution or this kind of problem is one we simply cannot afford.

In OMB's last report to the Committee on Agency Progress in Meeting the Year 2000 Deadline we were told that only 40 percent of all critical mission systems in the Federal Government are compliant. That means that 60 percent are not. We are being told that 15 of the 24 largest Federal agencies will fail to meet the January 1 deadline.

Mr. Chairman, January 1, 2000, is not a date that we can slip. We cannot in this body, in this Congress, pass legislation which will postpone the beginning of the millennium, which will stop the clock in its tracks, so it is critical that agencies get the resources they need and that it gets them in a timely fashion. We cannot and we should not afford to play politics on this issue. We need to do everything possible to ensure that the agencies have the money they need and they have it when they need it, and regardless of the outcome of what happens on this bill, we must make sure that we take the steps, whether it is in this bill or a separate supplemental appropriation bill, to get that money to these agencies that is absolutely necessary.

Mr. Chairman, I want to make a few general observations about several possible amendments to this bill. At this point, we have a list of some 25 different colloquies, amendments and points of order. I suspect with the adoption of the rule that we have just had there will be many other points of order that will be made. Of these only seven, seven have anything to do with an appropriations matter, with the dollars that are in this bill. The rest are all legislative in nature.

I appreciate and share the frustration that we all have when important legislative issues are not and cannot be addressed through the appropriate authorization process. But there is a reason that these provisions cannot and are not moved through the regular legislative process. They are controversial, and they are difficult issues. They require the thorough vetting of a committee hearing. They require the careful consideration of the authorizing committees which are established and constituted and staffed to consider that kind of legislation. Attaching these items to an appropriation bill does nothing to address the underlying controversy. In fact, it intensifies the debate and serves to threaten and derail the very important work of the Committee on Appropriations which is to make sure that our agencies have the funds they need to carry out the tasks that this Congress has given them through the authorizing legislation.

Mr. Chairman, the bill before us today supports those critical operations for the Customs Service, the Internal Revenue Service, the Secret Service, the General Services Administration. We simply cannot afford to shut those agencies down in order to advance controversial legislative items.

Finally, Mr. Chairman, let me take just a moment to take this opportunity in this moment to express my sincere appreciation for the very hard work and the dedication of the distinguished ranking member of this subcommittee, the gentleman from Maryland (Mr. HOYER), and for his staff, Cory Alexander, Kim Weaver, Pat Schlueter. They have been absolutely invaluable as we moved this bill through the subcommittee, the full committee, and now to the House floor.

And as I pay tribute to them, let me pay tribute to those staff members who are around me on this side of the aisle who have done such an outstanding and fantastic job: the clerk for our committee, Michelle Mrdeza; our other professional staff, Bob Schmidt, Jeff Ashford, Tammy Hughes; and our detailee from the Federal Government, from the Secret Service, Frank Larkin; and to my personal staff member, Jason Isaak; all of whom have toiled an incredible number of hours in order to get us where we are this evening.

Mr. Chairman, without the cooperative work on both sides of the aisle, I do not think that we would have the bill that we have here this evening.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman from Arizona is, in my opinion, one of the most decent, hard-working Members of the House, and he is continually. Because this is a difficult bill to handle, plays in very difficult situations, and I want to thank the gentleman from Arizona for his bipartisanship in handling this bill.

I also want to join him in congratulating the staff at the beginning of my remarks. He mentioned, and I will mention them again because that deserves such: the Chief Clerk of our committee, Michele Mrdeza, with whom I have had the opportunity to work for 7 years now, Bob Schmidt, Jeff Ashford, Tammy Hughes, Frank Larkin and Jason Isaak who is, although not on the committee staff like Cory Alexander of my personal staff, of my leadership staff, a critical component of the consideration of this bill, and Pat Schlueter and Kim Weaver, who work respectively for the committee and for the Committee on Appropriations' associate staff.

Mr. Chairman, I want to begin by saying that this bill in many respects is a very good bill given the fiscal constraints that confront the Committee on Appropriations. This subcommittee's commitment of over $4 billion to the Treasury's very important law enforcement activity is present in this bill. Almost one-third of the $13.2 billion in discretionary budget authority in this bill is targeted at law enforcement.

I am pleased that the bill fully funds the President's request for the Youth Crime Gun Interdiction Initiative. The $27 million program is an important part of the administration's overall strategy to curb youth violence. This administration has been successful in presenting to the American public in its first term a program to reduce crime in America. The good news is they have been successful.

□ 2145

This bill will continue that progress. This bill funds antidrug activities totaling over $1.8 billion. Over $400 million is provided to the drug czar for a variety of drug-fighting efforts, including $162 million for the very successful high-intensity drug trafficking areas.

I am pleased that we are able to maintain IRS funding at a level that will enable Commissioner Rossotti to continue progress with reform.

I want to speak briefly of the changes that had been effected in IRS. Secretary Rubin and Deputy Secretary Sommer should be given great credit for rescuing the failing tax system's modernization program. They provided the needed high-level oversight for IRS to make a sharp turn in this computer systems area. They appointed a new chief computer systems officer who, after months of intense work, released a blueprint for technology modernization. This multibillion dollar program is now on the right track and it has been put on the right track by a bipartisan effort of this Congress and by the leadership and through the leadership of Secretary Rubin and Secretary Sommer and members of the IRS staff.

The appointment of Commissioner Rossotti was another clear change, Mr. Chairman, for IRS. Commissioner Rossotti is a tough-minded business manager. During his brief tenure, together with Secretary Rubin, IRS has improved customer service in a number of ways. Telephone access has been increased from 69 percent to 90 percent. Problem-solving days were instituted in all 33 IRS districts, allowing taxpayers to cut through the red tape and resolve difficult problems. National and local taxpayer advocates were established.

In addition to Treasury, this bill, Mr. Chairman, funds many smaller agencies, including Archives, OPM, GSA, the Federal Elections Commission and the Executive Office of the President. We will be talking about those agencies as we proceed through the markup of this bill. They are critically important agencies of our government; and, for the most part, we have tried to fund them so that they can perform their responsibilities as appointed by this Congress through legislation and as is expected by the American public.

For GSA, I am pleased that we are able to include money for absolutely essential courthouse construction projects. One of the reasons crime has gone down is because prosecutions are up, and we are processing criminals and letting them know that prosecution will be swift and sure. It is obvious that we need facilities to accomplish that objective.

I want to congratulate the gentleman from Arizona (Chairman KOLBE) because he disciplined our committee to taking the priorities of the Judicial Conference and the General Services Administration. These are not political choices. These are choices by the experts who know the needs and the abilities of the GSA to perform the responsibilities assigned to them by this Congress.

I remain concerned, however, about authorizing language for the FEC that would essentially establish term limits for the staff director and general counsel. I presume that will be struck, and I expect it to be struck.

Finally, I am pleased that this bill contains special emphasis in funding for solving the century date change problems with computers governmentwide. We talked about that in the consideration of the rule. I hope that it stays in this bill. The chairman has pointed out it is a critical need, and our committee has responded to that need, not just on behalf of the agencies in our bill but the agencies throughout government.

As I pointed out in my opposition to the rule, which did not protect this, that was absolutely essential as we confront, as the chairman said, January 1 of the year 2000, because if we fail to solve this problem, not only will government shut down, not only will Medicare and Social Security be put at risk, not only will veterans benefits be put at risk, not only will the FAA, who controls our airplanes and our flight patterns and safety in the skies be at risk, but private commerce, which relies on the operations of government, will also be put at risk. I would hope, but do not expect, that we will protect that item.

Mr. Chairman, I want to thank again the chairman and the staff for their work on this bill. We will see how it proceeds, and we will see what is left of the bill after the Members in this House or this House works its will on it within the framework of this unfortunate rule.

Mr. Chairman, I reserve the balance of my time.

Mr. KOLBE. Mr. Chairman, I yield myself such time as I may consume for the purpose of a colloquy with the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Chairman, I thank the distinguished gentleman from Arizona for this time.

Mr. Chairman, I would say to the gentleman from Arizona (Chairman KOLBE), I would like to take a moment to thank you for your hard work on this Treasury, Postal Service, and General Government appropriations bill. In particular, I am very pleased the gentleman and his committee has seen fit to include report language that directs the White House Counsel's Office to clearly define the line between personal and official legal business in representation.

Mr. Chairman, I have been examining this issue for many months now and have come to the conclusion that the White House Counsel's Office continues to use taxpayer funds to pay legal staff to work on the President's personal legal issues. I think this is clearly a misuse of taxpayer funds. That is why I introduced a sense of the House resolution this March that, along with the cosponsorship of 30 of my colleagues, sends a clear signal to the White House that the public will not stand for footing personal legal bills of its elected officials.

Mr. Chairman, the White House Counsel's Office does not need 34 staff members, when previous Counsel's Office staff was limited to seven at most, and the American taxpayers should not be held accountable for $2.36 million in salaries for this legal work.

Mr. KOLBE. Mr. Chairman, reclaiming my time, first of all, I would like to commend my colleague from Arizona for the hard work that he has done on the research on this issue. Our subcommittee has spent a good deal of time in the past several months reviewing the operations of the Office of General Counsel in the White House. What we have learned is that, of the 34 full-time employees in this office, there are seven attorneys that are assigned to ongoing Congressional, Independent Counsel and Justice Department investigations.

We all know that appropriations cannot be used to pay an employee's personal expenses. While we know that this is the case, the General Accounting Office has found that there may be some instances in which official and personal interests of a Federal employee may overlap. It appears this is precisely the case in the current investigations of the President.

I agree with my colleague that a proper distinction needs to be made between these two very separate sources of legal business, and I was pleased to include report language to this effect in the Treasury, Postal Service, and General Government appropriations bill.

Mr. Chairman, as the gentleman knows, the bill before us today calls for the counsel's office to write guidelines to ensure that "no Federal funds are used for the private defense of the President." The gentleman and I agree on this issue, and I look forward to continuing to work with the gentleman on this and other issues to ensure that tax dollars are not used to pay the private legal expenses of the President.

Mr. HAYWORTH. Mr. Chairman, if the gentleman will yield further, I would like to thank my colleague from Arizona for his continued support of this very important issue.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I would ask the gentleman from Arizona (Mr. KOLBE), am I correct that our committee has made no finding that such funds have been used?

Mr. KOLBE. Mr. Chairman, our committee was not and we were not charged with making such a finding, that is correct.

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. OBEY), the distinguished ranking member and former chairman of the Committee on Appropriations.

Mr. OBEY. Mr. Chairman, first of all, I want to congratulate the gentleman from Arizona (Mr. KOLBE) for his opening statement. I think it was a very thoughtful discussion of the procedural obligations of the House. I think the gentleman is a distinct credit to the House, and it is a privilege for me to serve with him. I think the gentleman tried to do the right thing on the subject that I am about to talk about.

Mr. Chairman, our job as Members of Congress is, first of all, to define differences and then to try to find resolution to those differentials. There are a number of items in the appropriation bills which are always subject to being stricken on a point of order, but they are usually included because they are necessary to build the kind of consensus that one has to have to pass bills like this.

The committee knew, for instance, that we had an emergency with government computers with the year 2000 problem that our computer manufacturers have tossed in our lap, and the committee tried to deal with that in a responsible way. But the rebels in the Republican caucus blew that agreement up, and so we had a rule which will allow that to be stricken.

On the issue of contraception involving Federal employee insurance, again we had a bipartisan committee consensus on that issue, but the rebels in the Republican caucus did not like that, so they have blown up that agreement.

I tried to make my earlier motion because I sought to prevent one Member from being able to strike the language in this bill that treats as an emergency the government-wide computer problems which we have. That motion was objected to.

If the majority is insisting on striking that emergency provision and if the majority is insisting on striking of the Lowey language, then it seems to me that, in the interests of equity, I have no choice but to strike most of the language of the bill which is vulnerable to points of order, and I intend to do so as we move through the committee process. I take this time simply to notify the House of that so that they will understand why I will be striking a good many provisions, including a number of those that I happen to personally agree with.

Mr. KOLBE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I yield for a colloquy, let me just say in response to the gentleman from Wisconsin (Mr. OBEY) that I appreciate very much his kind words about our work on this bill, my work. Certainly he and his staff have been also very helpful in getting us where we are.

Obviously, the statements that I made about the Y2K, I believe very strongly that we need them. My objection earlier to the gentleman's unanimous consent request was not because I do not believe that we should have this, but because I think it is my responsibility as the chairman of this subcommittee and managing this bill to preserve the rights of the House in what the rule that they just passed says, which is not to protect that. So I am still very hopeful we are going to have this issue resolved in the not-too-distant future.

Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. SESSIONS) for a colloquy.

Mr. SESSIONS. Mr. Chairman, I have an amendment at the desk, but rather than introducing it, I rise to engage the gentleman from Arizona (Mr. KOLBE) in a colloquy. I would like to discuss with the gentleman from Arizona, the distinguished chairman of the Subcommittee on Treasury, Postal Service and General Government, provisions, issues, that are contained in his fiscal 1999 appropriations measure.

In title 3 of the bill, there is funding for high-intensity drug trafficking areas. As the gentleman knows, the illegal drug trade has been a problem in the Dallas-Fort Worth area for quite some time. However, in the last 13 months, it has gotten progressively worse.

Since 1997, 13 young people have died from heroin overdoses in Plano, which is an affluent subdivision of Dallas. From January to June 1997, Parkland Hospital in Dallas has had 311 cocaine overdoses, 44 heroin overdoses and 19 methamphetamine overdoses. I reiterate, this is just in one hospital in Dallas.

Recently, the U.S. Attorney's Office in Dallas and the Drug Enforcement Administration announced the seizure of $11.7 million in heroin at the Dallas-Fort Worth International Airport. It is clear that the DFW area has become a major trafficking point for international narcotics trafficking.

According to the Office of National Drug Control Policy, a region's designation as a HIDTA is the result of massive collection and analysis of various kinds of drug and law enforcement information. This information should demonstrate that increased resources can be brought to bear in a specific area and would result in progress being made in that area.

In our discussions with the Office of Drug Policy Director, Barry McCaffrey, General McCaffrey, has indicated that he believes that resources should be brought to bear in the Dallas-Fort Worth area. This $5 million that we believe is necessary is something that we would like to ask to be designated as a result of these discussions and would ask that General McCaffrey designate this area as a HIDTA.

□ 2200

My good friend and colleague, the gentleman from Texas (Mr. SAM JOHNSON) and I wanted to engage in some discussions about this.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I rise today to join in this colloquy with the distinguished chairman of the Subcommittee on Treasury, Postal Service, and General Government, as well as my friend and colleague, the gentleman from Texas (Mr. SESSIONS). The 13 that died from heroin that the gentleman discussed came from Plano, which is the area that I represent, and the drug seizure at Dallas-Fort Worth Airport which was $11.7 million in heroin, amounts to only 2 percent of what goes through there in their estimation. They do not have the resources to address the problem, and that is why we are requesting the gentleman's help in securing the necessary funds to designate north Texas as a high-intensity drug area.

Providing funds will give local law enforcement the necessary resources to fight the war on drugs. The gentleman knows what our position in Texas is relevant to the country of Mexico, and therefore, I think that the gentleman understands that our Dallas-north Texas area has become a funnel for that process, and Barry McCaffrey, as he indicated, does agree and informs us that he supports our efforts.

The Senate has already earmarked $5 million for the creation of HIDTA in northeast Texas, and we hope that the gentleman will continue to work with us and support the Senate language in conference. I know that the chairman of the subcommittee, the gentleman from Arizona (Mr. KOLBE) and I have had a discussion previously, and the gentleman indicated that perhaps the dollars were not there, but in conference, perhaps the gentleman and the Senate can find them.

Parents and children of north Texas need this help, and we are really fighting a war there, and we need the essential weapon of the HIDTA in the Dallas area. I know for the people of our area that the gentleman will help us. We just cannot afford to lose one more child to the ravages of drugs.

I thank the gentleman for allowing us to discuss it with the gentleman this evening.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. SESSIONS. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I thank both of the gentlemen for the questions and the comments that they made. I am very aware of the work done by the High Intensity Drug Trafficking Areas, the HIDTAs, and the efforts that they make in order to cooperate with local law enforcement. I think they do make a difference, and I certainly understand from the eloquent statements tonight how critical the need is in the Dallas-Fort Worth area.

It is my understanding that the director plans to designate the Dallas-Fort Worth area as a HIDTA, and this legislation, I can tell my colleagues that this legislation does provide adequate funding of the overall HIDTA account to fund the creation of another HIDTA in that area.

Mr. SESSIONS. Mr. Chairman, I would like to thank the distinguished gentleman from Arizona, and the gentleman from Texas (Mr. SAM JOHNSON) and I both have worked very carefully with the chairman of the subcommittee, not only to enunciate what the problem has been in Dallas and Fort Worth, but also to receive his advice along the way in how to get this done.

I have great respect and I want to thank the gentleman very much. I will tell the gentleman that the citizens of Dallas and Fort Worth, the police departments that will utilize this and the U.S. Attorney, we will spend the money very wisely. We have a great respect for the taxpayers who have provided this money, and we intend for our resources to be used very carefully. I thank the gentleman.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to a distinguished member of our committee, the gentlewoman from South Florida (Mrs. MEEK), the former State Senator and now a distinguished Member of our body.

Mrs. MEEK of Florida. Mr. Chairman, to the gentleman from Arizona (Mr. KOLBE) my chairman of the subcommittee, and to my ranking member, the gentleman from Maryland (Mr. HOYER), it has been a pleasure to serve on this subcommittee.

First of all, the chairman has conducted the meetings with a professional acumen that is rarely seen in a body such as this. The ranking member has supported him and has helped us. We have worked as a group. It is not a partisan committee, it is a bipartisan committee where we work together on issues and we work toward the resolution of those issues.

This is a very good bill. I support it. I would like my colleagues to support it. It is extremely important that attention be paid to the reduction of violent crime, and this subcommittee has seen to that, not only in its proceedings, but in all of its action in that committee.

What effort is any better in a Congress than the reduction of crime and the saving of lives, and this committee has seen to that and has funded it.

I am particularly interested in the gang resistance reduction program in that gangs are on the rise in our country, and we need more and more attention paid to them, and this subcommittee has done that. We have given the kind of support to investigations so that when something is discovered, that there is support for the findings.

Most importantly, attention is being given to missing and exploited children. My colleagues may have heard of many instances in my Miami, Dade County, of children who have been missing and have yet to be found, and this committee is focusing on that, to strengthen the families and to try to give us some assurance that once there is a missing or a lost child, this committee has paid attention to that.

The Customs Service, that is the highlight of an area that I represent, Miami. We are surrounded by water, and if it were not for the attention of the gentleman from Arizona (Mr. KOLBE) and the gentleman from Maryland (Mr. HOYER) and this subcommittee, we would have many, many problems in Miami. They have steadily increased the number of Customs Service operators we have in Miami, and in south Florida we are extremely grateful for that. I could go on and on, telling my colleagues about the many things that this committee has focused on, but most of all, it is important to be a working Member of this committee and not be left out of decisions. That has not happened on this subcommittee.

I want to congratulate the chairman and the ranking member for such professional acumen.

Mr. KOLBE. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Erie, Pennsylvania (Mr. ENGLISH) for the purposes of a colloquy.

Mr. ENGLISH of Pennsylvania. Mr. Chairman, it is indeed a privilege to engage the distinguished gentleman from Arizona (Mr. KOLBE), my friend, the subcommittee chairman, in a colloquy.

Mr. Chairman, it is my understanding that the subcommittee felt, understandably so, that they had to closely follow the recommendations of the Judicial Conference when deciding on courthouse priorities in this appropriation.

As the gentleman is well aware, because we have discussed it at length, the Federal courthouse complex in my hometown of Erie, Pennsylvania, is badly in need of renovation and expansion. Repair and renovation of this courthouse is a strong community priority that enjoys active support by the Federal judges who work there, the GSA, as well as most of our local elected officials.

Recognizing that the committee had severely limited funds to work with this year on new courthouse construction projects, does the chairman agree to consider this project for funding for the fiscal year 2000 legislation?

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. ENGLISH of Pennsylvania. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I appreciate the gentleman's question and yielding to me to respond to him.

Let me just say, first of all, that the gentleman from Pennsylvania has been extraordinarily eloquent and persistent on this issue, and he has made a case, I think a very strong case, not just to me, but I believe to the GSA, about the need for this in the gentleman's community, and his community is very fortunate to have the gentleman advocating on their behalf for this, I know, very important project for the gentleman's community. Let me just say the gentleman made me aware, and if I was not before, I am very aware now, for the need for renovation and expansion of the Erie Federal Courthouse that the gentleman brought to my attention both last year and again this year.

As the gentleman points out, we did follow the priorities established by the Judicial Conference of the United States in this year's bill. Last year we did not have any courthouse construction, this year we do have some, and we have gone right down the list, funding as many as we can going straight down that list.

It is my understanding that the Erie project is currently in the Judicial Conference's fiscal year 2001, not fiscal year 2000, construction program, but I will certainly continue to work with the gentleman on the gentleman's project as we attempt to continue funding priorities for new courthouse projects, and I hope that we can get additional funding next year to move as many projects forward as possible.

Mr. ENGLISH of Pennsylvania. Mr. Chairman, I thank the gentleman, and I thank him for all of his efforts on our behalf, for his willingness to consider this project, and I look forward to supporting this appropriation and working with him in the future to make sure that the Erie project goes forward.

Mr. HOYER. Mr. Chairman, I yield 3½ minutes to the distinguished gentlewoman from New York (Mrs. MALONEY), who has been such a hard worker on the Federal Election Commission and such an assistance to our committee in working on this issue.

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, tomorrow I will raise a point of order against section 511 of this bill. I had planned to offer an amendment to strike this language. However, the provision is not protected, and I will instead raise a point of order.

The current version of this bill contains an unprecedented provision which makes Members of Congress micromanagers. It would essentially fire the general counsel and staff director of the Federal Elections Commission.

Since when, Mr. Chairman, have Members of Congress gotten into the business of hiring and firing staff at the Federal Elections Commission? The Federal Elections Commission is a congressional campaign watchdog. How can Congress be put in charge of hiring and firing people who are supposed to be policing them? It is sort of like letting the inmates run the penitentiary.

This is how it is being engineered: The FEC is a bipartisan commission made up of three Republicans and three Democrats. The Commissioners make all the final decisions: Salaries, decisions regarding who or what is investigated. It is all made on a bipartisan basis because four members must agree.

The bill that is in front of us tonight and tomorrow would change all that. It would allow the general counsel and the staff director to be fired by just three Commissioners or by just one party.

It was not long ago that the new majority tied the hands of the FEC financially by fencing their money, saying it could only be used for computers and not for investigations, which is what they needed. Now the new majority is attempting to tie the hands of the FEC politically. In other words, if one's party or big donor becomes a target of the FEC, the FEC and its staff will become the target.

Unfortunately, I believe the pattern has already been set. The current FEC general counsel, Mr. Lawrence Noble, has served the agency with distinction for 11 years. During that time he has recommended investigations of anyone he believes may have violated election laws, Republicans, Democrats, Independents alike.

However, because he is making sensible recommendations regarding an FEC ban on soft money and tightening the definition of "independent expenditure," he has become the target of the GOP. Also, his investigations of GOPAC have been questioned.

I must note quickly that these two recommendations are currently contained in the Shays-Meehan campaign finance reform bill. That, too, is a proposal that the leadership on the other side of the aisle has taken great creative pains to kill.

Mr. Chairman, I have before me a recent editorial from the New York Times called "Punishing Competence at the FEC." The text reads, "This change is nothing more than an attempt to install a do-nothing staff. Reform-minded members from both parties have a duty to oppose this vendetta." Vendetta.

Mr. Chairman, we have enough on our plate to do; we should not be getting into the area of making personnel decisions at the Federal Election Commission, and I am relieved that this provision will be stricken tomorrow, and I hope that this is the last time that we will ever hear of such an ill-conceived, partisan, misguided idea as was put forward by the majority party.

□ 2215

Mr. KOLBE. Mr. Chairman, I am happy to yield 2½ minutes to the very distinguished gentlewoman from Connecticut (Mrs. JOHNSON), who has worked very hard on the reform of the Internal Revenue Service.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, no one opposed the rule under which we are working more strongly than did I. No one regrets more keenly that that rule passed. However, it gives us extraordinary latitude, extraordinary freedom, and with that freedom comes a good deal of responsibility. I would call on my colleagues on both sides of the aisle to exercise the power that this rule gives us individually in the interests of the people of this country.

I lost that rule fight. Those who opposed it lost that rule fight in the good old-fashioned way democracy works. I would hope that no one in this House would raise a point of order against the funding for the IRS, whose very structure and organization we have worked hard to reform.

I would hope we would not raise a point of order against the Customs; against the Financial Management Services, that pays all the bills in this country; the GSA, responsible for building courthouses, some of them so desperately needed to administer justice in this country.

I know the passions that underlie some of the controversial sections of the bill, like that referred to by my colleague, the gentlewoman from New York (Mrs. MALONEY) in the section regarding the FEC. There certainly will be some sections struck as this bill goes forward. But I would hope that none of us would use the latitude granted under this rule in a punitive, vindictive, or destructive manner.

It is extremely important that this House be able to exercise freedom responsibly. We tell our constituents to do it, and we have to do it. So I would hope that we would be able, at the end of the day, to come out with a bill that does appropriately fund the many, many functions of government that are encompassed in this appropriations bill.

Mr. Chairman, as one who opposed the rule strongly, I ask my colleagues to not exercise the authority it grants except in a very, very narrow manner.

Mr. KOLBE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentlewoman for her very eloquent comments and remarks. I think they are remarks that I hope will be heeded by Members on both sides of the aisle.

As the ranking member from the other side said a few moments ago, this has been a bill that has been carefully crafted, and I think has had the work in a bipartisan way of people on both sides of the aisle, so I would hope that we would not strike out, and it does not mean that we have agreed on everything, but I would hope that we do not get into a spirit of tit for tat, and we do not strike all the provisions of this bill.

Mrs. JOHNSON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Chairman, as chairman of the Subcommittee on Oversight of the Committee on Ways and Means that has direct responsibility for the IRS, I have held the hearings on compliance on the year 2000 matters for all of those agencies under our jurisdiction, which is more than half the Federal Government.

I believe that many, many, many people in our government are working extremely hard to assure that on January 1, 2000, we will be able to pay the bills, that there will be no interruption in government services, that Medicare will go well, Social Security will go well, contractors will get paid, defense will move forward.

I think it is our obligation, while we may not all agree on how to fund this at this particular moment, to let this bill move forward. So my plea is not just to those who might want to eliminate any agency that is vulnerable to elimination under this rule, like those that I mentioned. It is also, for a second thought, by some on my side who are not satisfied with how we are funding the Y2K challenge.

There are many rounds yet in the public discussion within this body and in the Senate as to how we satisfy that, so I think restraint on both sides of the aisle to move forward on this very important bill is a responsibility we share.

Mr. KOLBE. I thank the gentlewoman for her comments. I certainly concur with them.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I would like to simply comment and thank the gentlewoman from Connecticut (Mrs. JOHNSON) for her comments. Unfortunately, as she knows and we all know, the problem with the rule is that any one of 435 people can, under the rule, object and strike any matter in the bill that is not authorized, or is so-called legislation on an appropriation bill, which in many instances is absolutely essential to carry out objectives that are generally agreed upon.

The problem with doing that, of course, is that acting reasonably is sometimes in the eye of the actor, and one of our 435 colleagues may well think they are acting very reasonably and responsibly by striking a matter that 434 of us do not. But under this rule, any one of us that sees something as a reasonable action to strike probably a majority of this bill can do so. That was and is the problem with this rule.

Mr. Chairman, I yield 4½ minutes to the distinguished gentleman from Massachusetts (Mr. DELAHUNT).

Mr. KOLBE. Mr. Chairman, I yield 30 seconds to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. Mr. Chairman, I rise to engage the gentleman from Arizona (Mr. KOLBE) in a colloquy. Before I do, I just want to associate myself with the remarks of the ranking member regarding the hard work and the dedication by both staff on the minority and the majority side, as well as the kudos and praise that he proffered to the chairman.

Mr. Chairman, I ask to engage the gentleman from Arizona in a colloquy.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. DELAHUNT. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I am pleased to engage the gentleman from Massachusetts (Mr. DELAHUNT) in a colloquy.

Mr. DELAHUNT. Mr. Chairman, I say to the Chairman, the gentleman from Arizona, as a former prosecutor, I have seen firsthand the devastating toll of illegal drugs on countless individuals, families and communities. As we strive to continue to reduce the demand for illegal narcotics, we must also do all we can to supply the men and women who patrol our borders with the tools they need to prevent drugs from reaching our shores.

Today I rise in support of a new interdiction technology that could help law enforcement do its job. The innovative, sea-going Night Cat catamaran has outstanding fuel efficiency, remarkable speed, and superior handling and maneuvering capability, as well as a unique wave-piercing engineering which addresses the problems of physical stress and injuries to crew members caused by vertical acceleration in choppy seas.

These advances would provide a dramatic increase in our ability to outmaneuver smugglers and maintain control in high-speed pursuits. There is a long list of recent rave reviews from Federal, State, and local anti-smuggling officials.

In extensive tests last September that were funded by the Office of National Drug Control Policy's Counterdrug Technology Assessment Center, and carried out by the Naval Surface Warfare Center and the Massachusetts Institute of Technology, the Night Cat outperformed other craft up to 150 percent larger. Its design has been formally endorsed by U.S. Customs, U.S. Border Patrol, the DEA, U.S. Coast Guard, Navy Seals, and the Naval Surface Warfare Center.

Now it is time to help realize the potential of the prototype Night Cat catamaran. Congressional support, by providing an additional $2.5 million, would allow research and development of a 40-foot vessel with night vision and stealth capability, and the manufacturing of two additional 27-foot vessels desperately needed in high-intensity drug traffic areas.

Such vessels could be put to use to test this concept in an operational context before any additional funding might be sought. Too often the smugglers have the tactical edge. We owe our agents the most sophisticated and effective technology available for their safety and the success of their mission on our behalf.

I recognize that the subcommittee has produced a bill within very tight budget constraints, and that this request comes very late in the appropriations process. I cannot at this time propose an amendment to transfer this funding from other activities included in this bill. Instead, I would hope to work with the committee to explore ways to work with this program as the bill proceeds to conference.

Will the chairman agree to work in conference with the other body to find funding for the Night Cat pilot program?

Mr. KOLBE. Mr. Chairman, I want to thank the gentleman from Massachusetts for his efforts in this innovative and promising law enforcement technology program.

The committee is highly concerned about the state of U.S. marine law enforcement, and the poor condition of the vessels and operational capabilities of the Custom Service's marine interdiction program. Our bill adds $1 million for the Customs marine interdiction program. That is a 20 percent increase over last year's level.

While the Night Cat would be a major asset for the interdiction mission, many other issues, apart from procurement, have to be addressed in order to upgrade the condition of Customs marine enforcement.

Scores of vessels are deteriorating or are in poor condition, sitting in drydock or otherwise languishing for lack of resources to operate or maintain them. Inadequate staffing and operational support is a continuing problem, as is the need for management to integrate operational intelligence, investigative efforts, and air assets far better than is currently the case.

I would also expect to see efforts to secure funding through DOD channels. Nonetheless, test results do show the Night Cat could make a strong contribution to the interdiction effort along our vulnerable coastal areas. As the gentleman has indicated, it could be a useful military asset.

With the understanding that we have to address a broad range of issues in supporting marine interdiction, I want to assure the gentleman from Massachusetts that we will work with him to explore ways in which we can support this program, this very useful program as we go to the conference.

Mr. HOYER. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. BLAGOJEVICH) for the purposes of entering into a colloquy.

Mr. BLAGOJEVICH. Mr. Chairman, I rise to engage in a colloquy with the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. BLAGOJEVICH. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I am pleased to enter into a colloquy with the gentleman from Illinois.

Mr. BLAGOJEVICH. Mr. Chairman, as the gentleman from Arizona knows, the Violent Crime Coordinators Program was organized under Public Law 103-322. This law provides that in the investigative component of the Department of Justice's Trigger Lock program, the violent crime coordinators work with local prosecutors, police departments, and the United States Attorney's Office to investigate armed career criminal cases and ensure that they are prosecuted to the full extent of the law.

VCC's represent an important link in our law enforcement system, and have been successful in keeping our Nation's most violent repeat offenders off our streets by making sure that Federal mandatory extended sentences are implemented.

VCC programs have been supported by groups on all sides of the gun debate as a way to increase the prosecution of violent crime. I know that the subcommittee has worked hard to craft a bill within a very limited budget. Unfortunately, no money was appropriated for this very important program in the House bill. I have been working with the subcommittee to find a way to provide $2 million for the program to bring it to cities like Chicago, as well as others.

While I had initially intended to offer an amendment to transfer $2 million from the General Services Administration's building operations account to fund this program, I am instead hoping to work with the subcommittee as the bill proceeds to conference to find a way to achieve this goal.

Will the chairman agree to work in conference with the other body to find funding for the violent crime coordinator program?

□ 2230

Mr. KOLBE. Mr. Chairman, if the gentleman will continue to yield, I thank the gentleman for his interest and for the strong support that he has given to this law enforcement issue.

The committee has tried very hard to fund law enforcement priority programs that have been requested by the administration, and I would like to point out that we increased funding for the ATF by $16 million to a total of $28 million for the youth crime gun interdiction initiative that was requested by the President.

In trying to accommodate all the requirements the committee needed to fund, it was not possible to increase the funding for support of the trigger lock investigative efforts. However, we believe that locking up violent career criminals is an important objective, and ATF can contribute significantly to that effort. I, therefore, want to assure the gentleman that we will work with him on ways to fund this requirement when we do get to a conference on this bill.

Mr. BLAGOJEVICH. Mr. Chairman, I would like to thank the chairman. He is a great chairman. The ranking member is a great ranking member. Jeff Ashford from the gentleman's staff, Pat Schlueter from the ranking member's staff and Deanne Benos from my staff.

Mr. KOLBE. Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield myself the balance of my time.

I rise to say that in ending this general debate, we ought to, again, lament the fact that a large part of the work of this committee is, in my opinion, supported by the majority on both sides. It is unfortunate that we have gotten ourselves involved in a lot of political gamesmanship and that this rule will plunge us into seeing much of this bill stricken because, as I said, one person can do that.

Furthermore, we will not really focus, I predict, during the course of the consideration of this bill, on the substance of this bill, which is funding critical law enforcement, critical tax collection and tax reform issues, critical building of facilities to confront the crime problem in America, critical programs to make sure that our elections are fair, that people who are running for election follow the rules and that we adequately fund those who we are assigned the purpose of overseeing those elections.

It is unfortunate that as we consider this bill we will focus on the elimination of programs because they have not been authorized, through no fault of the Committee on Appropriations and perhaps even through no fault of the authorization committees, but the fact is they have not been authorized. So many of the programs that the gentlewoman from Connecticut referenced, which all of us know ultimately will be adopted, will be stricken from this bill. That is unfortunate, but the rule allows that.

In closing, I want to again congratulate the chairman and thank the chairman, thank the staff on both sides of the aisle, thank the members, the gentleman from North Carolina (Mr. PRICE) and the gentlewoman from Florida (Mrs. MEEK) on my side, and the members on the other side for working together to try to adequately and appropriately fund agencies that are critical to the continued success of this country.

We are fortunately experiencing one of the longest, most successful economic periods in the history of America. We clearly have not been the sole persons who have brought that about. In fact, what government has done has been only a portion and not the majority portion of that success.

It has been the private sector, their innovation, their enterprise, their investment that have brought about this growth. But clearly, as I said in relationship to the Y2K problem, the agencies in this bill are critical partners in that success.

This bill has a long way to go before it becomes law. We will work together with the chairman and with the Members of this committee in a bipartisan way to try to bring it to fruition successfully.

I want to regret that and hope that the provision that the gentlewoman from New York (Mrs. LOWEY) included in this bill and the Committee on Appropriations adopted providing for women in the Federal service to have access to contraceptive services to preclude unwanted pregnancies and, therefore, abortions, which everybody wants to do, will not be struck on a point of order and that at the very least we can consider that by majority vote in this House, which is not precluded by the rule, probably will not happen but is not precluded by the rule.

I thank, again, the gentleman from Arizona (Mr. KOLBE) for his leadership, his openness, and his positive attitude and actions as we consider this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. KOLBE. Mr. Chairman, I yield myself such time as I may consume.

I thank the gentleman from Maryland for his kind words and would echo them back to him and tell him that I appreciate very much his cooperation and the efforts that he has made this year and in the past year that I have been chairman of this subcommittee to help me craft a bill that I think has been a good bill and one that can be supported by a majority on both sides of the aisle.

I come to this subcommittee with a lot less knowledge than the ranking member has of these agencies that are under the jurisdiction of this committee and he has been extraordinarily helpful. Again, I want to thank his staff and the staff that is with me on this side of the aisle for the work that they have done.

Mr. Chairman, as the ranking member said, tonight is the calm before the storm. Tomorrow is not likely, when we take this bill up again, to be quite so easy in terms of the kinds of things that will happen to this bill tomorrow.

As the gentlewoman from Connecticut said, I hope that Members will exercise as much restraint as possible, but as the gentleman from Maryland has pointed out, it takes only 1 Member out of 435 to strike most of the provisions of this bill, 80 percent of which, sadly, have not been authorized by the appropriate authorizing committees.

So I would only say that if this is going to happen tomorrow, I will, although we will have to concede the point of order, I will vigorously object or urge Members not to make that point of order. I would do so now in a general fashion and will tomorrow at the time that they make these points of order.

Nonetheless, I would note for my colleagues on both sides of the aisle that there will be another day for this bill. We will have an opportunity in the conference committee with the Senate to craft, I think, again, a bill, using the work that we have already done in the subcommittee and the full committee, using that work to make sure that our priorities that have been expressed by this House through the committee process, as it should be done, that those priorities are included in the final bill which gets brought to the floor this fall in a conference report.

I am confident that we will have a bill. I am confident we will have a bill that can be generally supported by Members on both sides of the aisle. I am confident we will have a bill that will deal with the priorities that we have established for law enforcement, for restructuring the Internal Revenue Service. I believe that those priorities will be dealt with.

Mr. Chairman, I will say that while I believe that tomorrow may be a stormy day, the sun will come out on the other side of that day. And we will have legislation, we will have an appropriation that all of us can look with some pride on.

Mr. KUCINICH. Mr. Chairman, this rule strikes the emergency funding appropriation related to the Year 2000 conversion of Federal information technology systems. I must protest this provision in the rule because of the severity and potential impact of the Year 2000 problem.

I'd like to commend the work of Representative STEVE HORN who is the Chairman of the Government, Management, Information and Technology Subcommittee where I serve as ranking member. Mr. HORN has been a leader on the Y2k issue long before anyone else. I am pleased to be serving with him on the subcommittee on this issue.

I'd also like to commend the Majority for paying special attention to the Y2k problem. However, I'm concerned that if we delay the emergency appropriations for Y2k that we will not be giving the agencies the support they need to solve this problem.

Last month, the U.S. Postal Service released their first progress report on fixing the Y2k problem. The report was worrisome. Out of 335 mission-critical systems, 210 need to be repaired, 59 need to be replaced, and only 54 were Year 2000 compliant. The Postal Service needs their emergency appropriations as soon as possible. Imagine the disservice we are doing to the American people and economy by not doing our best to make sure their mail is delivered in a timely manner once January 1, 2000 is here.

At the Treasury, the Financial Management Service issues all the Social Security and other checks for the Government. Currently, they have 5 systems that have not been completely assessed to see if they are Year 2000-compliant. Renovation of these systems is critical if U.S. citizens are to receive their Social Security checks in the Year 2000.

The IRS is funded with this appropriations bill and currently has 93 out of 243 information technology systems fixed. That leaves 150 systems to be fixed before the year 2000. If the U.S. Government is unable to collect taxes on January 1, 2000, this could have serious consequences to the continued operation of the Government.

The Customs Service Year 2000 effort is also funded under this bill. All three of Customs mission-critical systems need to be repaired and tested. One of them is the NCIC component of the Treasury Enforcement Communications System which is also used by the FBI. NCIC is the Federal criminal database. Not fixing these systems in a timely manner could affect the apprehension of smugglers come January 1, 2000.

Alcohol, Tobacco, and Firearms is funded under this bill and needs to replace several of their programs. The funds need to be there for them to assure that the ATF can enforce the law come January 1, 2000.

Removing the emergency appropriations for Y2k from the Appropriations bill and setting up a separate emergency spending measure delays agency efforts at fixing the Y2k problem. Also, a separate emergency appropriations bill could contain unrelated objectionable amendments just as last year's flood relief bill did. Politicizing Y2k emergency funds this way trivializes the problem and threatens our readiness for the new millennium.

Mr. STARK. Mr. Chairman, I rise today in support of the Sanders amendment to H.R. 4104 which prohibits financial loans, guarantees, or other obligations from the Exchange Stabilization Fund (ESF) in the U.S. Treasury unless authorized by the U.S. Congress. Congress must have a say in how billions of taxpayer dollars are distributed worldwide. Under the current system, the administration is given a blank check—in the form of the ESF—to bail out failed economies in developing countries. This blank check, however, has been used to support irresponsible, and undemocratic international economic policy. Congress needs to gain leverage so that it can force the administration to abandon short-sighted goals and unequitable practices.

The ESF has evolved from a fund with a specific mission to an unaccountable giant nourished by tax dollars. Created by President Roosevelt under the Gold Reserve Act, the ESF was intended to be used to stabilize the exchange value of the dollar. The billions of dollars recently taken from the fund to bail out Asian countries and the $12 billion loan to Mexico in 1995 fall way outside of the realm of the ESF's original mission. A fund that no longer fulfills its original Congressional directive must be made accountable once again.

In addition to serving a financial purpose, ESF loans symbolically demonstrate American support for regimes, such as the Mexican regime that was bailed out in 1995. Loans with such international political and economic significance should require more than just the Administration's backing. The ESF currently has no direct accountability to the American people.

It is unwise for these funds to be distributed without Congressional approval. Each year on this floor we debate appropriations worth millions of dollars. We are shirking our responsibility to the American people by accepting unilateral executive appropriation of billions of dollars every year from the ESF to developing countries. Congress needs to be able to voice the American people's concerns over the use of the ESF.

And Mr. Chairman, I have many concerns over the projects that the ESF is currently supporting. These concerns have a direct bearing on the lives of the hard-working people back in my district.

ESF loans are part of an international tax and transfer cycle that rescues irresponsible risk-taking international banks at the expense of American and foreign middle and lower-income taxpayers. The short-term economic recovery promoted by ESF bailouts, not to mention U.S.-subsidized IMF structural adjustment, ignores long-term economic and political instability. Instead of learning to make more sound investments, banks continue to take risks knowing that they have a safety net. As a result there is a cycle of debt and rescue, subsidized by U.S. taxpayers. It is outrageous for wealthy international financiers and industrial moguls in developing countries to be saved time and time again by the hard-working people of America.

Congress needs to have the power to control the ESF so that lasting democratic regimes can be established and strengthened in countries benefiting from ESF funds. Under the present system, the ESF guarantees the solvency of insolvent institutions and unjust governments by continually bailing them out of crisis. The use of the ESF to support dictators in countries like Indonesia makes it obvious that Congress is needed to guarantee that the U.S. helps spread democracy and not corruption around the world.

Mexico in 1995 is a case in point in the use of the ESF to support corruption. The Mexican government purchased more than $45 billion of bad debts from Mexican banks in 1995 with the aid of $12 billion in ESF loans. Despite promising to eventually hold borrowers liable for the debts, the government has permanently absorbed the debt burden, agreeing to rescue the very financial elites that control the government. The likely result is that the $45 billion will be directly transferred from Mexican and American taxpayers to the politically and economically elite in Mexico, accentuating the class divisions that plague that society. Congress must have the power to insure that ESF loans are not given to countries that perpetuate corrupt political and economic regimes, such as Mexico.

ESF loans are part of a larger pattern of irresponsibly short-sighted international financial bailouts subsidized by U.S. taxpayers. Currently members can voice their feelings about funding for the IMF and other multilateral development banks. We deserve to also have our voice heard on the appropriation of billions of tax dollars to foreign countries through the ESF. I strongly urge my colleagues to support the amendment.

Mr. KOLBE. Mr. Chairman, I yield back the balance of my time, and I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. GILCHREST) having assumed the chair, Mr. DREIER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, had come to no resolution thereon.

STEVE SCHIFF AUDITORIUM

Mr. REDMOND. Mr. Speaker, I ask unanimous consent that the Committee on National Security be discharged from further consideration of the bill (H.R. 3731) to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, as the "Steve Schiff Auditorium", and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

GENERAL LEAVE

Mr. REDMOND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3731.

The SPEAKER pro tempore (Mr. GILCHREST). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from New Mexico?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3731

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress makes the following findings:

(1) Congressman Steve Schiff represented the First Congressional District of New Mexico in Congress from 1988 to 1998 with honor and distinction.

(2) Mr. Schiff chaired the Subcommittee on Basic Research of the Committee on Science emphasizing protection and improvement of America's economic and military strength into the 21st century through the support of a robust national science and technology infrastructure.

(3) Mr. Schiff was a tireless advocate of facilitating the transfer of technologies developed at federally supported institutions into the commercial sector.

(4) Mr. Schiff supported technology transfer efforts at Sandia National Laboratory, located in the First Congressional District of New Mexico, including its cooperative research and development programs, which have benefited the people of New Mexico and the Nation as a whole.

(5) Mr. Schiff's contributions should be acknowledged with a fitting tribute within the district he so selflessly served.

SEC. 2. DESIGNATION.

The auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, and known as Building 825, shall be known and designated as the "Steve Schiff Auditorium".

SEC. 3. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the auditorium referred to in section 2 shall be deemed to be a reference to the "Steve Schiff Auditorium".

The SPEAKER pro tempore. The gentleman from New Mexico (Mr. REDMOND) is recognized for 1 hour.

Mr. REDMOND. Mr. Speaker, I yield myself such time as I may consume.

I rise today in support of H.R. 3731, a bill to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico as the "Steve Schiff Auditorium."

It is a privilege to bring this bill to the floor today. This bill is a fitting tribute to the late Steve Schiff, who represented New Mexico's first congressional district, which includes Sandia National Laboratory, for nearly 10 years.

As chairman of the Subcommittee on Basic Research, Steve Schiff set a standard of commitment, furthering national science and technology. Naming the auditorium for Mr. Schiff memorializes Steve and his legacy of support for the scientific community of New Mexico and the United States. Steve Schiff lived a full life of achievement that epitomized service to the local community and to the Nation at large.

As a young man, Steve enlisted in the Air Force and eventually became a full colonel in the U.S. Air Force Reserve.

As a young attorney, he worked as an assistant district attorney for Bernalillo County and ultimately rose to become the district attorney.

Mr. Speaker, Steve Schiff had a long and admirable career in public service, and we have a number of our distinguished colleagues who would like to speak in tribute to Mr. Schiff.

Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New Mexico (Mr. SKEEN), our senior Representative.

Mr. SKEEN. Mr. Speaker, as Members know, our citizens of the great State of New Mexico mourned the death of Congressman Steve Schiff earlier this year. Steve was one of the most distinguished colleagues of this honorable body we proudly call the "people's" House of Representatives.

Changing the name of the auditorium at Sandia Technology Transfer Center in Albuquerque, New Mexico to the Steve Schiff Auditorium will provide New Mexicans and all who visit the center with a continuing tribute to this great Congressman, Steve Schiff.

Steve was dedicated to his constituents, and he worked hard to represent their interests in Congress. All of us remember Steve Schiff for caring so much, for trying so hard and for doing so much for his district, our State and country.

As chairman of the House Committee on Science Subcommittee on Basic Research, Steve led efforts to improve the Nation's economic and military strength into the 21s century through the support of robust national science and technology infrastructure.

Steve represented the first congressional district of New Mexico, which includes Sandia Laboratory. And as many of my colleagues know, Steve was a leading advocate for the use and transfer of technology developed at federally supported institutions for use in the private sector.

Naming this building in Steve Schiff's honor is most appropriate to recognize the memory of Steve and his contribution toward the enhancement of our quality of life through his support of technology transfer.

I ask my colleagues to strongly support this bill.

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Mr. REDMOND. Mr. Speaker, I yield 4 minutes to the gentlewoman from the first Congressional District of New Mexico (Ms. WILSON).

Ms. WILSON. Mr. Speaker, it is a real pleasure to rise in support of this bill to rename the auditorium at the Technology Transfer Center of the Sandia National Laboratories the Steve Schiff Auditorium.

The first time I met Steve Schiff was about 3 weeks after I moved to New Mexico. We had a little reception at our home for our wedding, and my husband invited a friend of his from the Air National Guard named Steve Schiff. He was humble, he was focused on public service, he was a good and a great man, and it is often harder to be a good man than to be a great man.

In 1994, when he was up for reelection, he asked me to chair, or co-chair, his finance committee, and I quickly understood that his asking me to chair his finance committee had less to do with his needing my help than my needing his and his belief in stewardship of young people in this country and in the Republican Party in New Mexico.

At that time, I went into his campaign headquarters and was signing hundreds of letters to people who might donate to his campaign; and he walked in and he said, "Well, Heather, you know, you don't need to sign all those letters yourself. If you hadn't noticed, there are a lot of Steves around here." Well, the truth is that we all know that there are not many Steves around here. He was a unique and valued individual, an honored Member, former Member, of this body, and I know all of us miss him dearly.

He was known for his humility and also for his humor. He told many, many stories about service in the public interest; and he gave a good name to being a public servant. It is more difficult to be good than to be great, and Steve Schiff was an example to us all.

I would urge my colleagues to support this bill.

Mr. REDMOND. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILCHREST). Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. REDMOND. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule 1, further proceedings on this matter are postponed.

SAVE THE "E-RATE"

(Mr. McGOVERN asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous material.)

Mr. McGOVERN. Mr. Speaker, the telecommunications industry is holding hostage the future of every single child in America. We all know our classrooms and libraries must be wired to the Internet for our children to have the skills to compete in the 21st century, but this must happen today if our children are to become the leaders of tomorrow. Over half of all jobs in the future will require computer and networking skills.

The Telecommunications Act of 1996 specifically provided such services to our schools and libraries at discount rates. Over 30,000 schools and libraries have applied for this education rate, including 59 from my own congressional district. Yet now, just as this important program is getting off the ground, the telecommunications industry, which has profited by billions of dollars from this act, is reneging on its part of the deal, with the full support of the Republican leadership of this House.

It is shameful. We cannot let corporate greed put an end to this historic effort to meet a critical national need. I urge my colleagues to stand up on behalf of our children and support the E-rate.

[From the School Board News, June 9, 1998]

TO THE TELECOMMUNICATIONS INDUSTRY, CONGRESS, AND THE FCC: DON'T PULL THE PLUG ON AMERICA'S CHILDREN

(By Anne L. Bryant)

When Congress was debating new telecommunications legislation a couple of years ago, NSBA was there lobbying to make sure the law included a plan so schools and libraries can afford to provide Internet access, distance learning, and other technologies.

When the Federal Communications Commission (FCC) began drafting the regulations to put the e-rate into effect, NSBA lobbyists were there to make sure the e-rate would provide a deep enough discount and to ensure that schools could use the discount for a wide variety of services with few limitations.

NSBA and other education groups were key players in the FCC's negotiations with the telecommunications industry and utility regulators to come up with a plan to finance the e-rate that all parties agreed to.

And now that the e-rate is under attack, NSBA is there, working with a coalition of education groups, to make sure it is not held hostage in a "telecommunications war" as long distance and local phone companies fight over market share.

Since NSBA and five other education groups launched the "Save the E-Rate Campaign" last month, school officials from across the country generated 10,000 letters to members of Congress, the FCC, and telecommunications companies to support full funding for the e-rate.

Despite earlier statements from the FCC that it would provide up to $2.25 billion a year for the e-rate discounts, first-year funding now is likely to be in the range of $1.75 billion.

Schools and libraries that have applied for the e-rate have requested a total of $2.02 billion, and the Schools and Libraries Corp. (SLC) is carefully reviewing all the applications to make sure that the discounts are used for eligible costs. If there is not enough money in the fund to finance all the applications, FCC Chairman William Kennard says schools in poor and rural communities will get first priority.

Local school boards' overwhelming support for the discounts underscores how crucial the e-rate is to ensure that our students can be full participants in the Information Age. Without the e-rate, the gap between the technology haves and have nots will continue to grow.

The SLC received more than 30,000 applications for the e-rate before the April 20 deadline. These applicants have developed extensive technology plans and have lined up local funding sources to support their part of the bargain. They are counting on these discounts to start July 1 so they can begin providing services to the students they serve.

Just as this important program is getting off the ground, the telecommunications industry is backing off from its commitment to contribute enough to the FCC's Universal Service Fund to pay for the discounts.

Certain long-distance telephone companies—AT&T, MCI, and Sprint—are undermining the program by charging their customers higher rates and blaming the increases on the e-rate. Other companies—SBC, BellSouth, and GTE—have filed a lawsuit that, if successful, could destroy the e-rate program.

The fact is, the Telecommunications Act of 1996 cut the access fees the long distance carriers are charged to connect with local telephone systems. These fees will be cut even further in July.

The savings from these fee reductions would offset the long distance companies' contributions to the Universal Service Fund to finance the e-rate and also allow the companies to pass along the savings to customers. In addition, these companies, have the opportunity to make a profit by winning contracts to serve schools and libraries.

Despite earlier agreements, however, AT&T has raised its long distance rates, and now claims it won't be able to contribute to the Universal Service Fund unless it adds a surcharge to customers' phone bills.

This ploy has gotten the attention of consumer groups, who now have asked the FCC and Congress to delay implementation of the e-rate until the issue of access charge reductions is resolved.

A coalition that includes the Consumer Federation of America, Consumers Union, and groups representing business telephone users wrote to the FCC May 21 requesting another $1 billion be cut annually from the access charges. They claim that is the amount consumers are being asked to pay in unrelated new line-item charges that began showing up on long-distance bills earlier this year. The groups want the e-rate to be halted until new fees are imposed to pay for it.

That would be a grave mistake. The e-rate must not be delayed or reduced. The FCC and Congress should not break their promise at the eleventh hour.

We must not let the nation's schools be held hostage to policy disputes among various sectors of the industry, government policymakers and regulators, unrelated businesses, and consumer groups. Schools and libraries—and the thousands of students, teachers, parents, and community members they serve—are consumers, too.

There is a huge demand for the e-rate. Our children's—and our nation's—future requires that our schools have access to the telecommunications services they will need to succeed in the 21st century.

HOUSE OF REPRESENTATIVES,
Washington, DC, June 9, 1998.

Hon. WILLIAM E. KENNARD,
Chairman, Federal Communications Commission, Washington, DC.

DEAR CHAIRMAN KENNARD: We are writing to you today to express our utmost concern and support for the education rate (E-rate) created by the Telecommunications Act of 1996. It is absolutely imperative that you, as Chairman of the F.C.C., work with your fellow Commissioners to implement the intentions of Congress regarding this initiative and ensure that the E-rate receives the comprehensive funding that it has been promised. It is vital that you hear of the positive support that the E-Rate program has in Congress, as well as the valuable and practical impact that the program will directly have in all of our communities. We urge you and the Commission to ensure that funds allocated to the E-rate meet the demand that has already been demonstrated by schools and libraries in the 30,000 applications submitted thus far.

Despite the adverse message that has been relayed by a small number of Members of Congress, the E-rate has overwhelming endorsement in the House, Senate, and in communities nationwide. By creating the E-Rate, Congress clearly enumerated its commitment to guarantee that each child and community have the tools necessary to become technologically capable of participating in the global marketplace. The influx of advanced technology in our society makes it imperative for our schools and libraries to have adequate technology with which to teach the youth of our future. The E-Rate program provides discounts to schools and libraries for a limited number of services. Internal wiring, one of the most integral endeavors eligible for E-Rate discounts, would enable countless local schools and libraries access to the information superhighway.

The E-rate, financed through reductions in the regulatory fees assessed to telephone companies, is a positive and beneficial program which encourages the economic development of infrastructure for both schools and libraries. However, the uncertainty of such funding now becoming a reality greatly concerns us—the overall impact on Massachusetts would be devastating if E-Rate discounts were not provided for the projects proposed statewide. The Massachusetts Department of Education has begun the initial implementation of a statewide dial-up Internet access network for all Massachusetts educators. Though there are already over 20,000 educators who have registered for this service, without financial assistance through the E-Rate program, thousands more will be denied of a tremendous opportunity to access the Internet and ensure that they will be able to transfer information and technological skills to their classrooms.

The negative publicity that has surrounded the implementation of this program is distressing, and despite some naysayers, the program has attained solid support from local communities, educators, students, and many businesses. This effort must not be compromised nor delayed by the potential ongoing debates and criticisms that are fueled and based on misinformation. The message from local communities has been resoundingly clear—our students need to be exposed to technology and have access to as much information as possible in order to be successful and to function in modern society. The E-Rate is a prime means by which the federal government can offset, and often times initiate, the inception of high tech infrastructure in our schools and libraries.

We urge you to not impede or delay decisions to grant many Massachusetts schools and libraries with the funding needed to access technology. Thank you in advance for your time and attention to this matter. We look forward to hearing from you in the very near future and to working with you to promote the E-Rate program and the goals that it aims to achieve.

Very truly yours,
RICHARD E. NEAL.
JOHN W. OLVER.
JOE P. KENNEDY, II.
WILLIAM DELAHUNT.
JIM P. MCGOVERN.
MARTY MEEHAN.
JOE MOAKLEY.

E-RATE PROGRAM PROVIDES HOPE AND PROMISE TO STUDENTS AROUND THE COUNTRY

(Mrs. CAPPS asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous material.)

Mrs. CAPPS. Mr. Speaker, I rise today in support of the E-rate program, which provides hope and promise to students, parents, and schools all over this country.

I have here letters in support of the School and Libraries Telecommunications Discount, and they are from school districts across the 22nd Congressional District of California. These letters clearly state the deep need that exists for these discounts and the losses which will be incurred if the program is repealed.

Dr. Gale Tissier, the Santa Maria Bonita School District superintendent writes, "Without the E-rate, our community will not be able to provide technology and Internet access for our students and families."

In the small district of Shandon, Superintendent Summers states, "Without this program we will continue to struggle with what little obsolete facilities and equipment we currently have."

Funding of the E-rate was part of a deal reached by Congress, the telephone companies, schools and libraries as part of the Telecommunications Act of 1996. I call on the phone companies to live up to this agreement and fund the program without burdening their customers. I call on Congress to support the E-rate and prepare today's students for the challenges and the opportunities of tomorrow.

Mr. Speaker, I include for the RECORD letters that I referred to in my remarks.

SANTA MARIA-BONITA SCHOOL DISTRICT,
Santa Maria, CA, June 17, 1998.
Hon. LOIS CAPPS,
House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSWOMAN CAPPS: I am writing to ask your support for full funding of the Schools and Libraries Discount Program that has been put in place as a result of the passage of the Telecommunications Act of 1996. That program has come under attack in recent weeks. I am concerned that the tremendous opportunity it provides to help all students in America gain equal access to the benefits of modern technology and the Internet might be lost in the debate.

While the FCC has ordered funds for the support of this program to be collected, the amount to be collected is less than the amount that the program originally set as being needed. It will also not cover all of the requests for the current funding cycle. This means that many projects will not be funded. The FCC has acted courageously in setting even this funding amount in light of the extreme pressure exerted on it from the large TELCOs and other detractors of the program. The TELCOs claimed need to add 5% to long distance rates to cover the costs of Universal Service has been blamed on the Schools and Libraries Discount program. In fact, only a little over one third of that amount (1.5%) would raise more than enough to fully fund the program. With the elimination of local access charges starting in July, the TELCOs will save much more than that amount.

This is a landmark program that will help assure a brighter future for many students who otherwise will not be able to benefit from the rich technology that can transform education in our country. Our community will not be able to provide technology and Internet access for our students and families, of which less than 20% now have access to computers and the Internet at home, without this program. The school may be the only place that the next generation of workers and consumers can get the training and experience they need to compete in the 21st century job market.

We ask for your support for the future of our children and the full funding of the Schools and Libraries Discount Program. We need a strong voice in this debate in favor of the program.

Sincerely,

GAIL M. TISSIER,
Superintendent.

SHANDON UNIFIED SCHOOLS,
Shandon, CA, June 18, 1998.
Hon. LOIS CAPPS,
U.S. Congress,
San Luis Obispo, CA.

DEAR CONGRESSWOMAN CAPPS: I want to express my thanks to you for your fine work on behalf of the schools and school children of San Luis Obispo County. We in Shandon have been encouraged by the time you have taken to listen our requests for relief from some of the special problems of the smaller districts in low income areas.

I am alarmed, though, after the wonderful promise offered by the FCC "e-rate" process, that there are those in the Congress that are working to dilute its value to us or to eliminate the program entirely. If there are those who harbor doubts about the worth of this program, I would love to have them visit my schools.

For Shandon children, this program will absolutely offer a chance for technological literacy on a par with school children in the most advantaged schools. Large numbers of our families are at or near the poverty level, and our district has no economies of scale. This program will allow us to acquire nearly $200,000 worth of services, wiring, and equipment at less than one-fourth the cost. Without this program, we will continue to struggle with what little obsolete facilities and equipment we currently have.

Every one of my employees works very hard to get the most out of what we have. Our students are motivated and eager to learn.

Please, carry this message to your colleagues: Help me to help these people!

Sincerely,

RICHARD L. SUMMERS,
Superintendent.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

INDONESIA'S HUMAN RIGHTS VIOLATIONS IN IRIAN JAYA/WEST PAPUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, my remarks, in sharing these thoughts with my colleagues, I have entitled Indonesia's Human Rights Violations to the People of the West Papua, New Guinea.

Mr. Speaker, many of our colleagues are familiar with Indonesia's dismal record of human rights violations in East Timor. The abuses have been well publicized and documented, especially the Dili massacre of 1991, where hundreds of innocent Timorese were killed by government security forces. What has not received much attention, Mr. Speaker, is the tragic story of the people of West Papua, New Guinea, or Irian Jaya, as the people of New Guinea have renamed that province. West Papua, New Guinea, borders the independent nation of Papua, New Guinea, and forms the western half of the world's second largest island.

Mr. Speaker, the recent violence by the Indonesian government against the people of West Papua, New Guinea, is nothing new. It is part and parcel of the long history of Indonesia's oppression of the native Melanesian people of West Papua, New Guinea.

In 1961, the people of West Papua, New Guinea, with the assistance of Holland and Australia, prepared to declare independence from its Dutch colonial master. This enraged Indonesia, which invaded West Papua, New Guinea, and threatened war with Holland. As a Cold War maneuver to counter Soviet overtures for Indonesia to become a member of the Communist block, the United States intervened in the West Papua, New Guinea, issue. After the Dutch were advised that they could not count on the support of the allies in a conflict with Indonesia, Holland seized involvement with West Papua, New Guinea's, independence. Indonesia thus took West Papua, New Guinea, in 1963, suppressing the West Papua, New Guinea, people's dreams of freedom and self-determination.

In 1969, a referendum called the "Act of Free Choice" was held to approve the continued occupation by force of West Papua, New Guinea, by Indonesia. West Papuans called it the "Act of No Choice". Listen to this, Mr. Speaker. Only 1,025 delegates, hand picked by the Indonesian government, were allowed to vote, and bribery and threats were used to influence them. The rest of the 800,000 citizens, the local, or the indigenous Melanesians, the 800,000 West Papua, New Guineans, had no say in the undemocratic process. Despite calling for a one-person, one-vote referendum, the United Nations recognized the so-called vote.

Mr. Speaker, since Indonesia took over West Papua, New Guinea, the native Melanesian people have suffered under one of the most repressive and unjust systems of colonial occupation ever known in the 20th Century. The Indonesian military has waged an ongoing war against the free Papuan movement and their supporters since the 1960s, and against the civilian populace that has objected to Indonesia's plan for development in West Papua. An example of the latter are the thousands of killings associated with the expansion of the Freeport copper and gold mines in West Papua, New Guinea.

Incredible as it may seem, Mr. Speaker, estimates are that between 100,000 to 300,000 indigenous West Papua, New Guineans, have been killed or have simply vanished or disappeared from the face of the earth during Indonesian colonization. Mr. Speaker, the depth and intensity of this conflict, spanning three decades, underscores the fact that the people of West Papua, New Guinea, do not have common bonds with nor accept being part of Indonesia.

The indigenous people of West Papua, New Guinea, are racially, culturally and ethnically different from the majority of Indonesians. West Papuans are Melanesians, Mr. Speaker, they are not Indonesians. West Papuans practice Christianity. Indonesians practice Islam, or the faith of Islam. West Papuans have a unique language and culture which is distinct and different from the rest of Indonesia.

Mr. Speaker, to make matters worse, the government of Indonesia has chosen a policy of transmigration, or a unilateral forced settlements, where hundreds of thousands of Indonesians have now taken residence in the lands belonging to these 800,000 to 900,000 West Papua, New Guineans, in their own homelands.

Mr. Speaker, the tragic situation in West Papua, New Guinea, greatly concerns me. With the recent shootings over the pro-independence demonstrations in West Papua/Irian Jaya, I would hope all my colleagues in the House would join me in urging the Indonesian government to immediately stop these human rights violations and take steps now to review the status of West Papua, New Guinea, as it should be, especially perhaps it should be considered as a non self-governing territory under the auspices of the United Nations, similar to the territory of New Caledonia, currently a colony of France.

REPUBLICAN TASK FORCE TO RELEASE LANGUAGE ON MANAGED CARE REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, this week the Republican health care task force here in the House is supposed to release the language for its so-called managed care reform bill. And we know from what the task force has already released publicly that this bill will be a farce, a cosmetic fix that lacks some of the most important patient protections.

Despite an avalanche of real-life examples of people who have died because their HMOs refuse to approve needed care, the Republican leadership has kowtowed to the insurance industry. The Republican plan will not allow patients to sue their HMOs when they are denied needed care.

This weekend Senate majority leader TRENT LOTT announced that Republicans in the Senate are following suit. The Senate Republican bill will also deny patients the right to sue their HMOs. Unlike the Republicans' proposals, the Democrats' patient bill of rights would give patients the right to sue their HMOs.

Although this provision is included in the Patient's Bill of Rights, support for giving patients a legal mechanism to hold HMOs accountable is hardly limited to Democrats in Congress. Federal judges around the country are increasingly frustrated by the Employee Retirement Income Security Act, or ERISA law, which is the source of the problem. ERISA shields HMOs and insurance companies from being sued by patients.

I would like to give some examples, Mr. Speaker. Take the case, for example, of a Louisiana woman named Florence B. Corcoran. Miss Corcoran brought suit against her HMO after her fetus died following the HMO's refusal to hospitalize her for a high-risk pregnancy. After the suit was thrown out, the U.S. Court of Appeals for the fifth circuit in New Orleans said the Corcorans have no remedy for what may have been a serious mistake.

□ 2300

The court observed that the death of Mrs. Corcoran's unborn child would seem to warrant a reevaluation of ERISA so that it can continue to serve its noble purpose of safeguarding the interests of employees.

There are other courts around the country, other Federal courts, that have also been critical of ERISA and the fact that patients cannot bring suit against their HMOs.

In Boston, Judge William C. Young of the Federal court expressed his deep concern by the failure of Congress to amend the statute that due do the changing realities of the modern health care system has gone conspicuously awry. "It is deeply troubling," Judge Young said, "that in the health insurance context ERISA has evolved into a shield of immunity which thwarts the legitimate claims of the very people it was designed to protect."

I could give other examples. I will give one more, Mr. Speaker. In San Francisco, the U.S. Court of Appeals for the Ninth Circuit ruled just last month than an insurance company that denied Ms. Rhonda Bast from Seattle treatment for breast cancer. She had died from the disease. "This case presents a tragic set of facts," said Judge David R. Thompson. "Without action by Congress," he added, "there is nothing we can do to help the Basts and others who may find themselves in the same unfortunate situation."

I think that these examples clearly demonstrate the severity of the problem. From coast to coast, Federal courts are forced to tell patients and families of patients who have died that they would like to help but cannot. The law does not allow for it. The law does not allow for a patient to bring suit effectively for damages against an HMO.

And this, I would remind my colleagues, is what the Republicans now are ardently defending. No matter what the cost, the Republican leadership will not break its alliance with the insurance industry and allow for adequate enforcement of patient protections.

Giving patients the right to sue HMOs is an absolutely vital component of managed care reform. The right to sue is the enforcement mechanism through which all the patient protections we are advocating are to be protected. President Clinton summed it up best when he said the other day that "a right without a remedy is not a right."

The public's support, Mr. Speaker, for true managed care reform I think has translated into an enormous amount of support for the Patients' Bill of Rights, the Democratic proposal, which offers the most comprehensive set of protections of any managed care reform bill in Congress today.

Currently, the Patients' Bill of Rights has the support of over 175 patients, physicians, consumer medical and public health groups. It has 190 cosponsors in the House, including some Republicans.

Despite this groundswell of grassroots support, the Republican leadership is still throwing up roadblocks to progress. Their are reports today that the Republican leadership may bring its sham proposal directly to the floor for a vote as early as next week.

This week, supporters of the Patients' Bill of Rights will be working hard to gather support for the bipartisan Dingell-Ganske discharge petition, which was introduced before Congress adjourned for the July 4 recess. This discharge petition would force the Republican leadership to allow the Patients' Bill of Rights to come to the floor for a vote. The discharge petition will play a crucial role in ensuring Members of this body are given the opportunity to vote on the Patients' Bill of Rights if the Republicans bring their sham proposal to the floor next week.

I think, Mr. Speaker, it is time that we all took stock of the fact that if we are going to pass patient protections, and we certainly should, that it should be patient protections that is real managed care reform.

MANAGED CARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. STUPAK) is recognized for 5 minutes.

Mr. STUPAK. Mr. Speaker, I would like to pick up a little bit on where the gentleman from New Jersey (Mr. PALLONE) was talking about on managed care.

The leadership of the majority in both the House and the Senate have now finally entered into public discussions on trying to adopt a Patients' Bill of Rights. And I think that is great, because I think, as a country, American families are demanding that we begin to deal with the inequities that we find in health maintenance organizations organizations and managed care plan.

So I also think it is an important step that the Republican majority is starting to engage finally in this conversation. And I think, as America has the chance to look at the different plans that are out there, they will clearly see that there is a choice. They can choose the Republican majority plan, which really affirms the right of a patient to appeal to the health maintenance organization which denied them their coverage.

So I think that is an internal appeal which falls really on deaf ears. I am afraid that the majority plan does not have any real enforcement provisions and simply moves the appeal, if you will, internally within the HMO. And as I said earlier today, the denial of coverage would be moved up the management ladder to a more fancier waste paper basket.

Now if we take a look at the Democratic plan, the plan that has been out there for a number of months, what we see is the Democratic plan does provide for real enforcement of all the provisions of the HMO that the consumer pay for will be entitled to receive. It gives the patient the right to enforce all the provisions of their manage the care plan.

That is why we need the Democratic Patients' Bill of Rights legislation. The Democratic proposal reaches beyond the quick fix that is put forth by the Republican majority, and the Democratic plan will give consumers a real power in dealing with their HMO and managed care plan.

And when we think about it, in managed care and HMOs, we have the insurance executives determining what their coverage will be or what they are going to pay for, what will be covered underneath the plan, what will not be covered.

Well, we Democrats happen to think that is wrong. We believe in a doctor-patient relationship, and that is why the American Medical Association and most of the medical and consumer groups have endorsed our plan. We believe, as Democrats, that the doctor and the patient should make the decision, not what is in the fiscal interests of the managed care plan.

Some of the other very positive aspects of the Democratic plan also makes for women, the OB/GYN can be your primary care physician; not a specialist, but could be your primary care physician and would be covered underneath your HMO. In the Democratic plan, when you have a true emergency, when you have an emergency, the closest emergency room, whether they come underneath that HMO or not, must treat you.

Of course, the enforcement that I have been speaking of, as the gentleman from New Jersey (Mr. PALLONE) mentioned, gives you, the patient, the right to make the enforcement process, and if that enforcement process says that you are denied coverage, you have a right to then go into court and not sue the hospital or the doctor who are trying to give you the care, but sue the insurance executive that denied you the coverage for whatever treatment or specialist you may need.

What we try to do in the Democratic plan is put back medicine where it belongs, back with the doctor/patient. The decisions on your health care should be what is medically necessary to help you overcome your illness or disease, and that is where the doctor and the patient should make the decisions.

And in the Democratic plan, all specialists that are needed, that are medically necessary, are going to be covered underneath your managed care plan. Unfortunately, in the parts that we have seen of the Republican proposal, only some specialists are covered, not all of them.

We lift the gag rule. A doctor can say, well, you may need this CAT scan, and even though your plan does not pay for it, I can refer you outside your plan for this specialty. Right now, many doctors are forbidden, underneath the contract they have signed with the managed care plan, not to even make referrals outside the plan that would cost the plan more money. Therefore, there is what has always been called a gag rule on the physicians. That would be lifted.

So you can see, the Democratic plan, in fact, I am looking at the National Journal of Congress Daily of June 25, just before we broke, and the proposal was floated, GOP plan draws diverse criticism. Even those that are supporting the plan were criticizing the Republican proposal because it provides controversial proposals that would make it easier for small businesses to band together and would escape State benefit mandates, cap damages awards.

While you are trying to give the consumer more power, the Republican plan actually took the power away from the consumer, away from the medical profession.

So the Democrats, the insurers, the consumer groups and even the American Medical Association all happen to like H.R. 3605, which is the Patient's Bill of Rights put forth by the gentleman from Michigan (Mr. DINGELL). I would hope each and every Member would take a chance, take a look at this bill and support us with this legislation.

NATIONAL RIGHT TO WORK BILL

The SPEAKER pro tempore (Mr. GILCHREST). Under the Speaker's announced policy of January 7, 1997, the gentleman from Virginia (Mr. GOODLATTE) is recognized for half the time until midnight, as the designee of the majority leader.

GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to advise and extend their remarks and include extraneous material on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GOODLATTE. Mr. Speaker, I rise this evening to speak in support of legislation that I have introduced, called the national right to work bill. This is a very short bill. In fact, I am very proud of the fact that it is on one piece of paper. That is the entire bill, but it is a very important bill regarding protecting the rights of all American citizens.

This legislation deals with the right of every individual in the country to decide for him or herself whether or not they want to join a labor union when they get a job or pay dues to a labor union.

The issue is one that stems from changes in the law made more than 60 years ago. Prior to that time, every American had the right to decide for themselves whether or not to join a labor union or pay dues to a union. That right was taken away by the National Labor Relations Act in 1935.

So this is not an issue of States rights. There are States today that have State right-to-work laws that are allowed under the Taft-Hartley Act which was adopted in 1948. This is legislation that deals with overturning specific provisions of Federal law to restore to individuals all across this country the right that they had prior to that time.

□ 2310

Mr. Speaker, this Chamber has spent the better part of this session discussing the need to reform misguided and counterproductive federal laws. We have made great strides toward reforming the education and welfare systems by taking the federal bureaucracy out and returning the focus back to individuals. We have taken a great step towards scrapping the counterproductive Tax Code and allowing the American people to keep what they have earned and spend it as they see fit.

Yet, Mr. Speaker, this Chamber has remained almost silent on one of the most abusive intrusions on individual liberties ever enacted by Congress. The passage of the National Labor Relations Act in 1935, some 63 years ago, granted union officials a unique package of coercive powers and privileges at the expense of working Americans.

Foremost among these coercive powers granted to union officials are monopoly bargaining, the power to force workers to accept representation they disagree with, and compulsory unionism, the power to force independent workers to join or pay fees to unions as a condition of employment. Compulsory unionism and monopoly bargaining are contrary to the American tradition of individual liberty and allow a tiny elite of union officials to wield dictatorial power over millions of working Americans.

Mr. Speaker, the National Labor Relations Act created a massive increase in the Federal Government's regulation of and interference in labor relations. It is time for reform. The antidote to compulsory unionism is right to work, the principle that Americans must have the right, but not be compelled, to join or financially support a labor union.

That is why I have sponsored H.R. 59, the National Right to Work Act. H.R. 59 does not add one word to Federal law, it simply removes the forced union dues provisions from the National Labor Relations Act and the Railway Labor Act guaranteeing every American's right to work and decreasing Federal intervention of labor policy.

Thomas Jefferson said it best: To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical.

This legislation is designed to cure that limitation on the rights of all Americans that Congress passed 63 years ago. Indeed, compulsory unionism blots the American tradition of individual liberty by stripping working Americans of their right to join, or not join, or financially support a labor union. This legislation in no way interferes with the right of individuals to form labor unions, to engage in collective bargaining, indeed to strike under current law. It simply gives the employees the right to decide for themselves whether or not they want to join.

By forcing independent employees to join or pay fees to a union, big labor officials have embraced collectivism based on coercion and have discarded individual liberty. And how did the defenders of compulsory unionism justify their beliefs? They do not. In fact, union officials and their allies, who support forced union dues, offer no apologies at all.

Robert Reich, former Secretary of Labor for President Clinton summed up the sentiments of big labor when he said: In order to maintain themselves, unions have to strap their members to the mast. The only way unions can exercise countervailing power is to hold their members' feet to the fire.

Mr. Speaker, that statement speaks for itself. It goes against the very values of the founders of the modern labor union movement.

And I point to this quote from Samuel Gompers: Union officials long ago abandoned the principles of Samuel Gompers, the grandfather of the American trade union movement and the founder of the American Federation of Labor who once said the workers of America adhere to voluntary institutions in preference to compulsory systems which are not only impractical, but a menace to their welfare and their liberty.

Mr. Speaker, compulsory systems are a menace to the workers' welfare and to their liberty. That is what the grandfather of the American trade union movement and founder of the American Federation of Labor thought of today's system. What a contrast. While Samuel Gompers spoke of the welfare and liberty of workers, today's union officials and their supporters are concerned with maintaining their power and strapping their members' to the mast.

Mr. Speaker, the American worker has the right to know where their elected representative in Congress stands on the issue of compulsion versus freedom. The American worker has the right to know whether their elected representative in Congress supports the liberty of workers or supports the government-endorsed policy of allowing union officials to strap their members to the mast and hold their feet to the fire.

It is clear where the American people stand. A poll conducted by Mason Dixon shows that 76 percent of all Americans support the individual rights of workers to decide for themselves, 76.6 percent support right to work, 17.1 percent support forced union dues, 6.3 percent had no opinion in that poll, and I might point out that the vast majority of members of labor unions in the United States support right to work. And why would they not? It increases their ability to assure that their union is responsive to their needs because, if they belong to a union and have the right to decide for themselves whether they are going to leave the union or remain a member of the union, pay dues to the union or not, that union leadership is going to be far more responsive to their needs and their concerns because they know that if they are not responsive to the needs of their members, those members can walk out, and that is the right that every American should have.

Just yesterday 500,000 petitions were delivered to the United States capital from right to work supporters across the country urging a vote on H.R. 59 this session. I urge my colleagues and the leadership to schedule a vote to free the independent-minded voters, and I urge a vote on H.R. 59, the National Right to Work Act.

At this time I am delighted that we have been joined by the majority whip of the House of Representatives, the gentleman from Texas (Mr. DELAY) to speak on this important issue.

Mr. DELAY. Mr. Speaker, I really appreciate the gentleman from Virginia (Mr. GOODLATTE) for bringing this special order. It is high time we started talking about these issues, particularly the issue of workers having the right to, the freedom, to pick whether they belong to a union or not. Compulsory unionism is an archaic concept that no longer belongs in the economy of the United States, and it is being exemplified, quite frankly, in what is going on in the strikes in Michigan where we have people in Texas who are being laid off because two different plants in Michigan have decided to strike and the plants in Texas have no right; a right-to-work State by the way, have no right to decide their fate when their fate is being decided by the union.

I just want to take just a minute, if the gentleman will allow me, to sort of relate what we are doing and what we have been doing for the last couple of weeks in campaign finance reform and how compulsory unionism affects people's right to participate in the political process. I am a co-sponsor of this Right to Work Act and would like, I personally would like, to see a floor vote on this legislation. Nobody, nobody questions the right of labor unions to participate in our democracy. We have all been targets of their advertising campaign, but so-called campaign reform legislation that has been authored by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) while restricting the first amendment rights of all Americans does not deal with the root issue. The root issue is compulsory unionism that we are trying to get at.

The authors of Shays-Meehan legislation like to claim that they have a provision in the bill, for instance, that codifies the Beck decision to protect union workers from compulsory unionism, having their dues taken from them and used in political activities that they may not agree with. What the authors of this bill fail to tell anyone is that the way they drafted this provision does not even apply to union workers, it applies to nonunion workers.

□ 2320

In other words, in a compulsory union State that does not have right-to-work, one's dues is taken and used not only for collective bargaining practices, but they are also used for political activities, even if one does not agree with those political activities. How they disguise things all the time around here and will try to disguise what the gentleman is trying to do in bringing H.R. 59 to the floor is disguising it in such a way that says that we are going to protect workers' rights and freedoms to decide whether they are going to be involved in political activities or not, because we are going to codify a decision by the Supreme Court of the United States; but at the same time they say, one has to resign from the union in order to stop the union from using one's dues for political activities.

My question, number one, is what if one is in a compulsory union State and one loses their job if one resigns from the union? So what the gentleman is bringing to the attention of the American people and to this House is a bill that basically gives the right of workers back to them.

So, Mr. Speaker, this provision in Shays-Meehan is a fig leaf that comes woefully short of covering the problem.

The root problem is forced union dues authorized by Federal law. It is this coercive power that allows union officials to funnel union dues into their political machines without the consent of their memberships. Shays-Meehan, by amending the Labor Relations Act, will actually act to cement compulsory unionism in place while failing to eliminate the many problems facing America's working men and women, and for these reasons alone, Shays-Meehan deserves our opposition.

But, Mr. Speaker, there is more. The curious wording of those that want to protect compulsory unionism through even the Shays-Meehan campaign reform, so-called campaign reform, would even authorize union officials to charge for political activities related to collective bargaining, which union bosses contend is just about everything they do.

Now, this provision not only is a perversion of the Beck decision, but it ignores the Beck decision's holding that workers may object to any dues payment for any union activities not directly related to collective bargaining activities. So if this language was adopted, union officials would be able to force, force workers to pay 100 percent of their dues to the unions.

So the language that the pro-union people are trying to put forward, for all practical purposes, destroys existing legal procedures that provide protection, albeit minimal protection, to workers who must pay union dues to work, must pay union dues to work. In other words, under this bill, these sponsors, whether intentional or not, would actually enlarge the scope of expenses that union officials could charge workers, and for independent-minded workers, passage of the Shays-Meehan proposal is clearly a step backward and a major victory for big labor.

Only this bill, H.R. 59, would return a basic right to millions of Americans, a right that they should never have lost in the first place. The American worker deserves more than just the right not to be forced to pay for political policies that they disagree with, they deserve the right not to be forced to pay dues or fees to a labor union just to keep or just to get a job.

We are in America. If the unions of America are viable representatives of the workers of America, then they ought to be able to compete in the marketplace just like anybody else, and they should not have to have laws on the books that forces someone that may disagree with their practices to belong to that union to keep or get their job. That is what H.R. 59 is all about. It is giving freedom back to Americans when it has been taken away from them.

I thank the gentleman for holding this Special Order.

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for his participation.

The gentleman is exactly correct with regard to what this is all about. Both political parties claim Thomas Jefferson and much of his philosophy as a part of their historic tradition, and certainly I from Virginia am very proud of Thomas Jefferson. He said it best: "To compel a man," and of course today we mean men and women, but "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical," and that is what we are faced with in this country for the last 63 years because of legislation passed a long time ago that is outdated, certainly not in step with the vast majority of the American people who support right-to-work, and we need to pass this legislation.

I am pleased that we have been joined now by the gentleman from Arizona (Mr. HAYWORTH), and we welcome him to this discussion.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Virginia and our distinguished majority whip for taking time on the floor tonight, Mr. Speaker, to discuss this vital issue. I am proud to stand strongly and foursquare in support of one of America's most fundamental rights: The right to work.

Mr. Speaker, Arizona's favorite son recently passed, and Barry Goldwater's memory has been extolled by members of both major political parties and many others on the scene. Indeed, tonight I am reminded that Barry Goldwater, Jr., the former Congressman from California, who returned to his native State of Arizona, and now, I am pleased to say, a very good personal friend of mine, that on this date, Barry Goldwater, Jr., celebrates an important birthday. But I must say, in all sincerity, the plain-spoken, commonsensical ways of Barry Goldwater, Sr. were brought to bear in this fight, in this endeavor as Arizona clearly and unequivocally is a right-to-work State.

Said Senator Goldwater, quoting now, "I believe people have a right to join a union, but I also believe people have a right not to join a union." And that simple two-sentence statement sums it up.

In this Nation we have rights to freely associate. How then could this government move to abridge those rights in the 1930's? It is sad, but truly a part of our history, that there have been times when certain factions have moved to consolidate political power in the attempt to ensure a permanent majority and abridge the rights of American citizens.

So tonight I remember the simple eloquence of Barry Goldwater, Sr., extolling the virtues of that basic fundamental American freedom, not to the detriment of unions or the collective bargaining process, which as my colleague from Virginia pointed out was summed up in the message of one of the great leaders of the American Federation of Labor, Samuel Gompers, to talk about voluntary institutions and how it was preferred that voluntary institutions would work far better than compulsory systems. Indeed, as my colleague from Virginia pointed out earlier in this time, Gompers said those compulsory systems are not only impractical, but a menace to their welfare and to their liberty.

□ 2330

I am struck by the words of another who served at the other end of Pennsylvania avenue, and who went to foreign soil a decade ago. President Ronald Wilson Reagan stood clearly and boldly, square in the jaws of tyranny, and challenged the leader of the then Soviet Union to tear down a wall that came to symbolize oppression.

Mr. Gorbachev said, President Reagan, tear down this wall. And, Mr. Speaker, tonight, to my colleagues, to those who found it so seductive to strip Americans of a basic freedom of association, and thereby build a wall of compulsory coercive unionism, to them we say, in the best traditions of freedom, Mr. Speaker, tear down this wall, tear down this wall of compulsory unionism, tear down the wall that Thomas Jefferson would call sinful and tyrannical, because it moves to abridge the very basic rights of freedom of association. It moves through coercion and through compulsory status to extinguish the freedoms of association, and it moves against the basic fabric of American society.

Hear clearly what I say. I heard it from constituents in the Sixth District of Arizona, given the fact that we champion in this country political discourse, and give and take, and a free, open debate.

Mr. Speaker, and those who join us electronically far beyond these walls, I cannot tell Members the number of times union members in Arizona would come to me and say, I support you, but to keep my seat at the bargaining table, even though we live in a right-to-work State, to avoid retribution I must support you silently.

What does that say about those in our society who would have moved to abridge this most basic right? It certainly calls not upon the best traditions American history has to offer, and yet, tonight, this is that fundamental choice. That is why we are pleased to rise in favor of the right to work.

That is why I am pleased that Arizona, not only in the alphabet, beginning with A, leads the way, but Arizona shows the way, the youngest of the 48 contiguous States, and yet at the forefront of championing the rights of workers to freely associate with different groups.

I am pleased that every one of my colleagues on the majority side from

Arizona joined me in sponsorship of the legislation offered by the gentleman from Virginia.

Of course, there are other practical means beyond the most practical and basic notion of freedom that commend this act. The simple notion of prosperity is also commended. The gentleman from Virginia (Mr. GOODLATTE) is well aware of the academic labors at George Mason University and the scholar there, James T. Bennett, where, in his study of a higher standard of living in right-to-work States, he illustrates how families in States like Arizona enjoy a higher standard of living than families who hail from States with compulsory unionism.

According to the study of Mr. Bennett, the cost of living in the 21 right-to-work States is nearly 25 percent less than in the 29 compulsory unionism States. Families in right-to-work States also have lower State and local tax burdens than compulsory unionism State families. It is what the scholar calls a right-to-work boom.

The average urban family living in a right-to-work State has an after-tax cost-of-living adjusted household income of $36,540 dollars, almost $3,000 more than a family in a forced unionism State, because of the principle of the free market working, where people can freely associate and have work and not artificially inflated prices, either in the public sector, through public works, or in private works.

These are the fruits of honest labor, and this is what we come to the floor to extoll, not in the fashion of a green eyeshade, but again, evoking the best of American traditions; again, evoking the words and the memories of those who have gone on before.

Lest anyone mistake this as a harangue against any one political party or the current liberal minority, I will not only call on the memory of Arizona's favorite son and the standard-bearer of my party in 1964, but I would call upon the memory of another great member of the other body, the gentleman from North Carolina, Senator Sam Irvin.

In his book entitled "Preserving the Constitution," Senator Irvin wrote, quoting now, "Right-to-work States remove the motive of the union to subordinate the interests of the employees to its wishes, and thus leaves it free to conduct negotiations for the sole purpose of obtaining an employment contract advantageous to the employees."

So we can see even from that observation that one from the other side of the aisle, if you will, talked about the true nature of collective bargaining, the essence of collective bargaining, not the intervention in other areas.

The SPEAKER pro tempore (Mr. GILCHREST). The time of the gentleman from Virginia (Mr. GOODLATTE) has expired. The gentleman from Pennsylvania (Mr. KLINK) is not on the floor. Does the gentleman from Virginia (Mr. GOODLATTE) wish to claim the remaining time until midnight?

Mr. GOODLATTE. Mr. Speaker, we would claim the rest of the time until midnight, because we do have some additional matters.

Mr. HAYWORTH. Mr. Speaker, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Virginia, and I thank the Speaker pro tempore, the gentleman from Maryland, who manages the proceedings of the House in a manner that behooves bipartisanship, as I call it, in the bipartisan fashion of the writings of Senator Sam Irvin and what he had to say about the true notion of negotiation; not all the other trappings and all the compulsory addenda to what is the central mission of the labor-management dynamic, but to concentrate on what is really important.

It is a sad fact, as my colleague, the gentleman from Virginia, will attest, that even now there are those at the other end of Pennsylvania Avenue what would look to limit the choices even of this Federal Government. When it comes to competitive bidding, there are those in this administration who have said that competitive bidding should be open only to union shops.

Mr. Speaker, I ask Members to stop and think about that for just a second. In addition, again, to abridging, to segregating the choices available in the work force, what would happen there to carry that scenario to fruition would mean billions upon billions of dollars of extra costs to the American taxpayer; indeed, the most conservative estimate I have seen is some $5 billion in additional spending by the taxpayers, simply to assuage the notion of those who would even move in a greater way to force compulsory unionism past the membership, already subverting the notion of free association, but to the point where this government could not contract with non-union shops.

Mr. Speaker, I will work and fight to maintain the rights of all companies to freely bid, because in that way, in that way the best interests of the taxpayers are preserved, and in that way the best interests of this country is preserved.

Yet, my colleague, the gentleman from Virginia, brings it to the most simple and elemental fact here, because it deals with freedom of the individual, because it deals with the clear, simple notion that we in this Congress should undo the unfair power grab of those who succumbed to temptation in the middle part of the 1930s; that we in fact should stand, as we are poised for a new century, to reemphasize the most basic of freedoms: freedom of association, freedom in the marketplace, freedom for families, freedom from fear, and freedom to work; indeed, the right to work for all Americans for all time.

Mr. GOODLATTE. I thank the gentleman for his remarks. I think he is particularly correct in pointing out that Arizona and Virginia have led the way with right-to-work laws, as allowed under an exception to the Federal law that was created some time after the right was taken away from all Americans to have right-to-work.

It is important to note that this is not a States' rights issue. I would point out to the gentleman, this entire bill, and we complain about bills that are thousands of pages long, this bill is on one piece of paper.

□ 2340

All it does is repeal provisions of Federal law that took away the most precious liberty that an individual can have, and that is the right to decide for themselves what they are going to do with their life, whether when they get a job, they are going to be required to pay dues or belong to something that they may or may not believe in. And we take nothing away from those who want to join labor unions, this does not affect that in any way, to organize, to collectively bargain or even strike as permitted under law.

I would like to point out that we have a number of press clippings that under the unanimous consent order previously given we would like to make a part of the RECORD. And before I do so, I would like to read from one of those from the Chattanooga Free Press of Chattanooga, Tennessee which wrote:

> One of the most basic human rights that most assuredly should be protected in America is the right of men and women to work and earn a living for themselves and their families without being forced to join or pay tribute to anyone or anything. If an American can be denied the right to work, what liberty remains? Yet in all but 21 of our States that have right to work laws, American citizens can be forced to join and pay dues to a labor union against their will or be denied jobs or be fired. That obviously is utterly wrong.
>
> Part of American freedom includes the right of workers to join unions voluntarily and to pay dues to them voluntarily. But tyranny prevails if they are forced to join a union or any other organization and pay it involuntarily or be denied the right to earn self-support.
>
> We need a national right to work law. It is as simple as that. No one would tolerate a situation in which any American would have to join a certain church to work or join a certain lodge or fraternal group to work. Why tolerate forced union membership to work? Until a national right to work act is passed, the basic philosophy of our Declaration of Independence and

Constitution of the United States is being denied American citizens. This should not be allowed to continue.

Does the gentleman have any additional remarks?

Mr. HAYWORTH. Mr. Speaker, I just was struck by the eloquence of my colleague from Virginia, and I think, again, he has pointed out quite correctly, but it bears some repeating, because we all realize sadly that there are those who would attempt to deliberately misunderstand or distort the message we offer tonight. Again, the message we offer is in the finest tradition of freedom and individual self-determination.

As my colleague from Virginia points out, this is not an attempt to eliminate unions. This is not an attempt to destroy collective bargaining. This is not an attempt to end anyone's right to strike. Those rights exist in a free society and will be maintained. But what we are saying, Mr. Speaker, simply, clearly and we believe ultimately persuasively to the American people is the fact that we want people to have the right to decide for themselves when it comes to economic association, when it comes to making determinations about their economic future and freedom, and how wrong it is to predicate the acceptance of a job on compulsory membership in a union.

Again, the quarrel is not with those who would voluntarily join such an union. That is the right of an American. But, again, we reaffirm that right in its true essence by saying, if you want to belong to a union, well and good. Join, be involved in that process. If you want to be involved politically in that union and have a portion of your earnings secured through some mechanism for union dues ultimately to go to political expression, God bless you, you should have that right. But just because you have that right does not mean you should abridge the rights of others and in some way step in and subvert their abilities, A, either to join the union or choose not to join the union or, B, once a member of the union, coercively force them to surrender a portion of their paycheck and union dues to go to political activities with which they may disagree.

Mr. GOODLATTE. Mr. Speaker, the fact of the matter is that those union dues collected and used to influence policy that individuals who are members of a union may not agree with or to influence political campaigns for candidates that they may not support, that money is used all over the country. Even if you are in a right-to-work State, you are affected by forced compulsory unionism in other States. That is why we need to have a national right to work law.

Mr. HAYWORTH. Indeed, as my colleague from Virginia accurately points out, in having lived through the experience firsthand in 1996, as the number one target of boss John Sweeney and the other union bosses of the AFL-CIO, who took from their membership compulsory union dues used for the committee on political education, I can tell you, one of the real tragedies from my vantage point was not the give and take and the rough and tumble of public discourse because, as Abraham Lincoln said, the American people, once fully informed, will make the right decision. And I trust the people. No, the tragedy was this, Mr. Speaker, that that longshoreman in Maryland, or that lettuce picker in California or that assembly line worker in Michigan who knew nothing of the political dynamics of the sixth district of Arizona, who had no direct stake in the political expression of the people of the sixth district of Arizona, yet found their wages against their will imported to the State of Arizona to the tune of $2.1 million for false television ads distorting my record. And we will see that, I dare say, again as we receive reports around the country that the same activity continues.

Again, let us stress, free and open debate is fine. If people voluntarily give of their wages, that is a time-honored tradition in the Constitution. That is something we freely welcome, freedom of speech, freedom of association.

But when that crosses to compulsory, coercive, accumulations of wealth by the labor bosses against the will of the very working people they purport to help, how sad and how cynical. And again, Mr. Speaker, amidst all the talk of campaign finance reform, there is this one fact that comes from 1996. In a Rutgers University study, it is well documented that despite the reports of some $35 million used in an effort to influence congressional elections, the actual figures, according to the Rutgers University study were these. Between 300 million and a half a billion dollars was taken coercively from members of unions to go into political campaigns in an attempt to change control in this Congress.

How much better for our constitutional Republic had all those donations been freely given and freely accepted. How much better for the rights of workers would it be if they had the opportunity to express this most basic of freedoms, the right to associate and, indeed, the right to work regardless of the encumbrances of those who would compel them into associations with which they might disagree.

This is something that must change for freedom in its truest form to flourish, so that the give and take can be genuine, not coercive and for those who would stand for true reform to end the practice or the threat of this constitutional Republic, as some would say, being sold to the highest bidder. That is what is at stake every 2 years in our renewal and celebration of freedom at the ballot box expressed in this institution, the most basic, the most responsive designed by our founders to be a constitutional office absolutely beholden to the people. How much better it would be if the people were free to truly express their opinions, their free associations without the specter of intimidation or the specter of economic ruin for failing to belong to an organization.

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for his participation. I would point out that just yesterday petitions signed by more than half a million American citizens were delivered here at the Capitol from right to work supporters all across the country, urging a vote on this important legislation.

I urge my colleagues in the leadership to schedule a vote to free independent-minded workers who wish to choose for themselves whether or not to belong to a labor union or pay dues to a labor union. Let them decide for themselves by passing into law the National Right to Work Act. I hope we have the opportunity to vote on this legislation soon.

I thank the gentleman again for his participation and the majority whip the gentleman from Texas (Mr. DELAY).

Mr. PAUL. Mr. Speaker, I thank the gentleman for yielding and for his leadership on this important issue. I am pleased to have this opportunity to reiterate my strong support for the National Right to Work Act, HR 59. Unlike much of the legislation considered before this Congress, this bill expands freedom by repealing those sections of federal law that authorize compulsory unionism, laws that Congress had no constitutional authority to enact in the first place!

Since the problem of compulsory unionism was created by Congress, only Congress can solve it. While state Right to Work laws provide some modicum of worker freedom, they do not cover millions of workers on federal enclaves, in the transportation industries, or on Indian Reservations. Contrary to the claims of Right to Work opponents, this bill in no way infringes on state autonomy. I would remind my colleagues that, prior to the passage of the National Labor Relations Act, no state had a law requiring workers to join a union or pay union dues. Compulsory unionism was forced on the people and the states when Congress nationalized labor policy in 1935. It strains logic to suggest that repeal of any federal law is somehow a violation of states' rights.

I would also like to take this opportunity to emphasize that this bill does not in any way infringe on the rights of workers to voluntarily join or support a labor union or any other labor organization. Nothing in HR 59 interferes with the ability of a worker to organize, strike, or support union political activity if those actions stem from a worker's choice. Furthermore, nothing in HR 59 interferes with the internal affairs of unions. All the National Right to Work Bill does is stop the federal government from forcing a worker to support a labor union against that worker's will. In a free society, the decision of whether or not to join a union should be made by the worker, not by the government.

No wonder the overwhelming majority of the American people support the National Right to Work Act, as shown both by polling results and by the many postcards and petitions my office has received asking for Congressional action on this bill.

I once again thank the gentleman from Virginia for his leadership on this bill.

Mr. DOOLITTLE. Mr. Speaker, Thomas Jefferson said, "To compel a man to furnish contributions of money for the propagation of opinions in which he disbelieves is sinful and tyrannical."

The House of Representatives has an opportunity to hold a historic vote on legislation to repeal those provisions of Federal law which require employees to pay union dues or fees as a condition of employment. This vote is long overdue for the working men and women of this country.

Nearly 80% of Americans share in the belief that compulsory unionism violates a fundamental principle of individual liberty, the very principle upon which this Nation was founded.

Compulsory unionism basically says that workers cannot and should not decide for themselves what is in their best interest, that they need a union boss to decide for them. I can think of nothing more offensive to our core founding principles which we celebrated on the Fourth of July, a few days ago, than that principle that the working people of this country do not have the ability to decide for themselves.

With this bill, not a single word is added to Federal law. It simply repeals those sections of the National Labor Relations Act and Railway Labor Act that authorizes the imposition of forced-dues contracts upon working Americans. It simply does away with the requirement that people have to belong to a union to hold a job.

I believe that every worker must have the right to join and financially support a labor union if that is what they want to do. Every worker should have the right, of his own free will and accord, but he should not be coerced to pay union dues just to keep his job. This bill simply protects that right, and no worker would ever be forced into union membership without his consent.

Union membership should be a choice that an individual makes based upon merits and benefits offered by the union. If a union truly benefits its members, they do not have to coerce them. If workers had confidence in the union leadership, if the union leadership was honest, upright, and forthright, then they would not need to coerce their members to join. A union freely held together by common interests and desires of those who voluntarily want to be members would be a better union than one in which members were forced to join. If the National Right to Work Act is passed, nothing in Federal law will stop workers from joining a union, participating in union activity, and paying union dues.

Union officials who operate their organizations in a truly representative, honest, democratic manner would find their ranks growing with volunteer members who are attracted by service, benefits, and mutual interests, not because they are forced against their will with no options to be a member of a union and pay union fees in order to hold a job. In addition, voluntary union members would be more enthusiastic about union membership simply because they had the freedom to join and were not forced into it.

When Federal laws authorizing compulsory unionism are overturned, only then will working men and women be free to exercise fully their right to work. When that time comes, they will have the freedom to choose whether they want to accept or reject union representation and union dues without facing coercion, violence, and workplace harassment by overbearing, and in many cases, disreputable union bosses.

A poll taken in 1995 indicates 8 out of 10 Americans oppose compulsory unionism—8 out of 10 Americans do not think you should be forced to belong to a union to hold a job.

Mr. Speaker, some members of this Chamber will say that this is a states rights issue and since law allows states to pass Right to Work Laws there is no need for this legislation.

Nothing could be further from the truth. First of all, Federal Law is the source of compulsory union. But more than that Mr. Speaker, Right to Work is about freedom.

No governmental authority should endorse the right of a private organization to force working men and women to pay dues or fees as a condition of employment.

Compulsory unionism is wrong on the federal level, compulsory unionism is wrong on the state level and compulsory unionism is wrong on the local level.

In the words of Supreme Court Justice Robert Jackson "The very purpose of the Bill of Rights is to place certain subjects beyond the reach of the majority . . . ones fundamental rights wait for no election, they depend on no vote."

It is my sincere hope that my colleagues will join me in defending the fundamental individual liberty of the right to work and will support this bill.

LEAVE OF ABSENCE

By unanimous consent, leaves of absence were granted to:

Mr. HILL (at the request of Mr. ARMEY) for today after 4 p.m. and the balance of the week on account of medical reasons.

Mr. MCNULTY (at the request of Mr. GEPHARDT) for today and the balance of the week on account of medical reasons.

Ms. SLAUGHTER (at the request of Mr. GEPHARDT) for today after 7:30 p.m. on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, today, for 5 minutes.

Mr. FILNER, today, for 5 minutes.

Mr. STUPAK, today, for 5 minutes.

Mr. FALEOMAVAEGA, today, for 5 minutes.

Mr. STRICKLAND, today, for 5 minutes.

Mr. PALLONE, today, for 5 minutes.

(The following Members (at the request of Ms. WILSON) to revise and extend their remarks and include extraneous material:)

Ms. ROS-LEHTINEN, July 16, for 5 minutes.

Mr. DIAZ-BALART, today, for 5 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) and to include extraneous material:)

Mr. HAMILTON.
Mr. KIND.
Mr. GEJDENSON.
Mr. FROST.
Mrs. CAPPS.
Mr. LIPINSKI.
Mr. DOYLE.
Mr. CONYERS.
Mr. SERRANO.
Mr. FAZIO of California.
Mr. FILNER.
Mr. BLAGOJEVICH.

(The following Members (at the request of Ms. WILSON) and to include extraneous material:)

Mr. GALLEGLY.
Mr. GILMAN.
Mr. RADANOVICH.
Mr. PORTMAN.
Mr. OXLEY.
Mrs. ROUKEMA.
Mr. RIGGS.
Mr. PAUL.
Mr. HUNTER.
Mr. FRELINGHUYSEN.
Mr. WOLF.
Mr. COBLE.

(The following Members (at the request of Mr. GOODLATTE) and to include extraneous material:)

Ms. STABENOW.
Mr. BALDACCI.
Mr. SMITH of Texas.
Mr. PARKER.
Mr. RIGGS.
Mr. KENNEDY of Rhode Island.
Mr. EDWARDS.
Mr. HILLEARY.
Mr. BONILLA.
Mr. UPTON.

OMISSION FROM THE CONGRESSIONAL RECORD OF FRIDAY, JUNE 26, 1998

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2069. To permit the mineral leasing of Indian land located within the Fort Berthold Indian reservation in any case in which there is consent from a majority interest in the parcel of land under consideration for lease.

□ 2350

ADJOURNMENT

Mr. HAYWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 50 minutes p.m.), the House adjourned until tomorrow, Thursday, July 16, 1998, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

9974. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Peanuts Marketed in the United States; Relaxation of Handling Regulations [Docket Nos. FV97–997–1 FIR and FV97–998–1 FIR] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9975. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Revision of User Fees for 1998 Crop Cotton Classification Services to Growers [CN–98–004] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9976. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Animal Welfare; Primary Enclosures for Dogs and Cats [Docket No. 98–044–1] received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

9977. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report involving U.S. exports to Venezuela, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

9978. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Turkey, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

9979. A letter from the Assistant Secretary for Children and Families, Department of Health and Human Services, transmitting the Department's final rule—Head Start Program (RIN: 0970–AB52) received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

9980. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Food Additives Permitted for Direct Addition to Food for Human Consumption; Acesulfame Potassium [Docket No. 90F–0220] received July 13, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9981. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule—Food Additives Permitted for Direct Addition to Foods for Human Consumption; Acesulfame Potassium [Docket No. 93F–0286] received July 13, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

9982. A communication from the President of the United States, transmitting a report on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council, pursuant to Public Law 102—1, section 3 (105 Stat. 4); (H. Doc. No. 105—282); to the Committee on International Relations and ordered to be printed.

9983. A communication from the President of the United States, transmitting a report on developments concerning the national emergency with respect to Libya that was declared in Executive Order 12543 of January 7, 1986, pursuant to 50 U.S.C. 1703(c); (H. Doc. No. 105—284); to the Committee on International Relations and ordered to be printed.

9984. A letter from the Acting Director, Defense Security Assistance Agency, transmitting certification for the Memorandum of Understanding Between the U.S. France, the Netherlands and the United Kingdom for Research, Development, Test, Evaluation, Productions and Life Cycle Support Activities for Technologies and Systems for Environmentally Sound Ships and Naval Installations Program, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

9985. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Israel and the United Kingdom (Transmittal No. DTC–76–98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

9986. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that a reward has been paid pursuant to 22 U.S.C. 2708(b); to the Committee on International Relations.

9987. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report of political contributions by nominees as chiefs of mission, ambassadors at large, or ministers, and their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on International Relations.

9988. A letter from the Executive Director, Committee for Purchase from People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Additions to and Deletions from the Procurement List—received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

9989. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Procurement List; Additions—received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

9990. A letter from the Assistant Chief Financial Officer, Export-Import Bank, transmitting a report of activities under the Freedom of Information Act from January 1, 1997 to September 30, 1997, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

9991. A letter from the Director, Office of Surface Mining Reclamation and Enforcement, Department of the Interior, transmitting the Department's final rule—Alabama Regulatory Program [SPATS No. AL–065–FOR] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9992. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Outer Continental Shelf Beaufort Sea Notice of Leasing Systems, Sale 170—received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9993. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of Interior, transmitting the Department's final rule—Transportation and Utility Systems In and Across, and Access Into, Conservation System Units in Alaska (RIN: 1093–AA07) received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9994. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Trawl Rockfish Fisheries in the Bering Sea and Aleutian Islands [Docket No. 971208298–8055–02; I.D. 062498A] received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9995. A letter from the Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 610 [Docket No. 971208297–8054–02; I.D. 061898A] received June 30, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9996. A letter from the Deputy Assistant Administrator For Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries Off West Coast States and in the Western Pacific; Western Pacific Bottomfish Fishery; Fishing Moratorium [Docket No. 980319068–8155–02; I.D. 021998A] (RIN: 0648–AK59) received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9997. A communication from the President of the United States, transmitting an updated report concerning the emigration laws and policies of Mongolia, pursuant to 19 U.S.C. 2432(b); (H. Doc. No. 105—283); to the Committee on Ways and Means and ordered to be printed.

9998. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Kerosene Tax; Aviation Fuel Tax; Tax on Heavy Trucks and Trailers [T.D. 8774] (RIN: 1545–AW15) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9999. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Magnetic Media Filing Requirements for Information Returns [TD 8772] (RIN: 1545–AU08) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10000. A letter from the Secretary of Health and Human Services, transmitting the Department's "Major" final rule—Medicare Program; Establishment of the MedicareChoice Program [HCFA–1030–IFC] (RIN: 0938–AI29) received June 23, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STUMP: Committee on Veterans' Affairs. H.R. 3980. A bill to amend title 38, United States Code, to extend the authority for the Secretary of Veterans Affairs to treat illnesses of Persian Gulf War veterans, to provide authority to treat illnesses of veterans which may be attributable to future combat service, and to revise the process for determining priorities for research relative to the health consequences of service in the Persian Gulf War, and for other purposes; with an amendment (Rept. 105–626). Referred to the Committee of the Whole House on the State of the Union.

Mr. STUMP: Committee on Veterans' Affairs. H.R. 4110. A bill to provide a cost-of-living adjustment in rates of compensation paid to veterans with service-connected disabilities, to make various improvements in education, housing, and cemetery programs of the Department of Veterans Affairs, and for other purposes (Rept. 105–627). Referred to the Committee of the Whole House on the State of the Union.

Mr. LINDER: Committee on Rules. House Resolution 501. Resolution providing for consideration of the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–628). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 3249. Referral to the Committee on Ways and Means extended for a period ending not later than July 17, 1998.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. PAUL (for himself and Mr. BARR of Georgia):

H.R. 4217. A bill to repeal section 656 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, and to prohibit Federal agencies from accepting the same identification document for identification-related purposes; to the Committee on Government Reform and Oversight.

By Mr. ANDREWS:

H.R. 4218. A bill to provide rental assistance under section 8 of the United States Housing Act of 1937 in a manner that preserves residential property values, protects residents, and enhances tenant and neighborhood safety; to the Committee on Banking and Financial Services.

By Mr. BALDACCI (for himself, Mr. ALLEN, Mr. HINCHEY, and Mr. SANDERS):

H.R. 4219. A bill to amend title XVIII of the Social Security Act to make certain changes related to payments for graduate medical education under the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. LINDA SMITH of Washington (for herself, Mr. KILDEE, Mr. EDWARDS, and Ms. RIVERS):

H.R. 4220. A bill to amend title 38, United States Code, to repeal the recently enacted provisions of law that limit the authority of the Department of Veterans Affairs to provide compensation and treatment for smoking-related illnesses suffered by veterans of the Armed Forces; to the Committee on Veterans' Affairs, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COBLE (for himself, Mr. FRANK of Massachusetts, Mr. SENSENBRENNER, Mr. CANADY of Florida, and Mr. CHABOT):

H.R. 4221. A bill to amend Rule 30 of the Federal Rules of Civil Procedure to restore the stenographic preference for recording depositions; to the Committee on the Judiciary.

By Mr. COBURN (for himself, Mr. STRICKLAND, Mr. NORWOOD, Mr. GANSKE, Mr. BROWN of Ohio, and Mr. ACKERMAN):

H.R. 4222. A bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and titles XVIII and XIX of the Social Security Act to require that group and individual health insurance coverage and group health plans and managed care plans under the Medicare and Medicaid Programs provide coverage for hospital lengths of stay as determined by the attending health care provider in consultation with the patient; referred to the Committee on Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FAZIO of California:

H.R. 4223. A bill to assist in the development and implementation of projects to provide for the control of drainage, storm, flood and other waters as part of water-related integrated resource management, environmental infrastructure, and resource protection and development projects in the Colusa Basin Watershed, California; to the Committee on Resources.

By Mr. FROST:

H.R. 4224. A bill to ensure safety in public schools by increasing police presence; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island:

H.R. 4225. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to establish liability for individuals practicing medicine without a license in connection with a group health plan; to the Committee on Education and the Workforce.

By Mr. McINNIS:

H.R. 4226. A bill to establish a matching grant program to help State and local jurisdictions purchase bullet resistant equipment for use by law enforcement departments; to the Committee on the Judiciary.

By Mr. MENENDEZ:

H.R. 4227. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 concerning liability for the sale of certain facilities for residential use; referred to the Committee on Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NUSSLE:

H.R. 4228. A bill to amend title XVIII of the Social Security Act to provide an election for Medicare+Choice organizations to exclude payment for the provision of abortion services under the Medicare Program; referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PASCRELL (for himself, Mr. ANDREWS, and Mr. HOYER):

H.R. 4229. A bill to authorize a Federal grant program to local governments to better enable them to protect public safety against fire and fire-related hazards; to the Committee on Science.

By Mr. RADANOVICH:

H.R. 4230. A bill to provide for a land exchange involving the El Portal Administrative Site of the Department of the Interior in the State of California; to the Committee on Resources.

By Mr. ROTHMAN (for himself and Mr. MILLER of California):

H.R. 4231. A bill to require employers to notify local emergency officials, under the appropriate circumstances, of workplace emergencies, and for other purposes; to the Committee on Education and the Workforce.

By Mr. SCARBOROUGH (for himself, Mr. ENSIGN, Mr. CHRISTENSEN, and Mr. SKEEN):

H.R. 4232. A bill to provide that Executive Order 13083, relating to the constitutional division of governmental responsibilities between the Federal Government and the States and the application of federalism principles to Federal agency actions, shall have no force or effect; to the Committee on the Judiciary.

By Mr. SCHUMER:

H.R. 4233. A bill to amend title 18, United States Code, to require the reporting of information to the chief law enforcement officer of the buyer's residence and a minimum 72-hour waiting period before the purchase of a handgun; to the Committee on the Judiciary.

By Mr. WHITFIELD (for himself, Mr. BUNNING of Kentucky, Mr. STRICKLAND, and Mr. BAESLER):

H.R. 4234. A bill to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride; referred to the Committee on Commerce, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GALLEGLY (for himself and Mr. ACKERMAN):

H. Res. 502. A resolution expressing the sense of the House of Representatives congratulating the people of Colombia for completing free and democratic elections on June 21, 1998, congratulating the President-elect on his victory, and calling on the new government and all other parties to the current conflict in Colombia to renew their efforts to end the guerrilla and paramilitary violence which continues to pose a serious threat to democracy as well as economic and social stability in Colombia; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

374. The SPEAKER presented a memorial of the Senate of the State of Michigan, relative to Senate Concurrent Resolution No. 72 memorializing the Congress of the United States to Take Certain Actions Regarding The Implementation Of The Food Quality Protection Act Of 1996; jointly to the Committees on Agriculture and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. Sununu.

H.R. 40: Ms. Christian-Green.

H.R. 339: Mr. Sununu.

H.R. 372: Ms. DeLauro.

H.R. 716: Mr. Hoekstra.

H.R. 754: Mr. Manton.

H.R. 814: Ms. Lee and Ms. Jackson-Lee.

H.R. 857: Mrs. Bono and Mr. Aderholt.

H.R. 872: Mr. Price of North Carolina and Ms. Wilson.

H.R. 1009: Mr. Sessions and Mr. Peterson of Pennsylvania.

H.R. 1126: Mr. Smith of Oregon, Mr. Lewis of California, Mr. Poshard, Mr. Edwards, Ms. McKinney, and Mr. Stenholm.

H.R. 1140: Mr. Menendez.

H.R. 1147: Mr. Talent.

H.R. 1231: Mr. Klink, Mrs. Mink of Hawaii, Mr. Goodlatte, Ms. Jackson-Lee, and Mr. Gallegly.

H.R. 1376: Mr. Shays.

H.R. 1407: Mr. Hostettler.

H.R. 1524: Mr. Pastor.

H.R. 1891: Mr. Paxon.

H.R. 2313: Mr. Cramer.

H.R. 2397: Mr. Coyne, Mr. Rahall, Mr. Maloney of Connecticut, Mr. Pallone, Mr. Scarborough, Mr. Duncan, Mr. Pascrell, Ms. Danner, and Mr. Hall of Ohio.

H.R. 2483: Mr. McInnis, Mr. Royce, and Mr. Crapo.

H.R. 2504: Mr. McNulty.

H.R. 2523: Mr. Costello.

H.R. 2699: Mr. Ford, Ms. Christian-Green, and Mr. Kildee.

H.R. 2800: Mr. Ney and Mr. Souder.

H.R. 2848: Mr. Martinez and Mr. Vento.

H.R. 2891: Mr. Portman.

H.R. 2914: Ms. Lee, Mr. Martinez, Mr. Bishop, Ms. McCarthy of Missouri, Ms. Hooley of Oregon, and Mr. Jackson.

H.R. 2936: Mr. Shays and Mr. Leach.

H.R. 2955: Mr. McGovern.

H.R. 3008: Mr. Snowbarger, Mr. Green, Mr. Horn, Mr. Ney, and Mrs. Cubin.

H.R. 3126: Mr. Clyburn.

H.R. 3166: Mr. Istook.

H.R. 3205: Ms. Carson, Mr. Martinez, Mr. Turner, Mr. Boehlert, Ms. Norton, and Mr. Duncan.

H.R. 3259: Mr. Evans.

H.R. 3262: Mr. Cardin.

H.R. 3279: Mr. Towns and Mr. Pascrell.

H.R. 3342: Mrs. Mink of Hawaii and Mr. Ackerman.

H.R. 3410: Mr. McInnis and Mr. Bunning of Kentucky.

H.R. 3506: Mr. Price of North Carolina, Mr. Berman, Mr. Brown of Ohio, and Mr. Deutsch.

H.R. 3567: Mr. Goode, Mr. Rodriguez, Mr. Neumann, and Mr. Walsh.

H.R. 3583: Mr. Ehlers and Mr. Manzullo.

H.R. 3605: Mr. Farr of California, Mr. Kind of Wisconsin, and Mr. Kennedy of Rhode Island.

H.R. 3610: Mr. Strickland, Mrs. Clayton, Mr. Rogers, Mr. Shuster, Mr. Mica, and Ms. Stabenow.

H.R. 3622: Mr. Towns and Mr. Owens.

H.R. 3702: Mr. Kennedy of Massachusetts and Mr. Filner.

H.R. 3704: Mrs. Lowey, Mr. Goodlatte, and Mr. Pickett.

H.R. 3731: Mr. Hall of Texas, Mr. Cooksey, Mr. Bereuter, Mr. Weldon of Pennsylvania, Mr. Wamp, Mr. Gutknecht, and Mr. Stump.

H.R. 3782: Mr. Kildee, Mr. Kennedy of Rhode Island, and Mr. Olver.

H.R. 3783: Mr. Fox of Pennsylvania, Mr. Burton of Indiana, Mr. Barton of Texas, Mr. Pitts, Mr. Largent, and Mr. Franks of New Jersey.

H.R. 3792: Mr. Barton of Texas and Mr. Weldon of Pennsylvania.

H.R. 3821: Mr. Inglis of South Carolina and Mr. Manzullo.

H.R. 3831: Ms. Slaughter, Ms. Jackson-Lee, Mr. Gutierrez, Mr. Gordon, Mr. Brown of California, Mr. Stark, and Mr. Engel.

H.R. 3862: Ms. Pryce of Ohio.

H.R. 3864: Mr. Bunning of Kentucky, Mrs. Northup, Mr. Lewis of Kentucky, and Mr. Baesler.

H.R. 3875: Ms. Lee.

H.R. 3888: Mr. Ney, and Mr. Peterson of Minnesota.

H.R. 3939: Mr. Brady of Pennsylvania, Mr. Borski, Mr. Klink, Mr. Holden, Mr. Weldon of Pennsylvania, Mr. Greenwood, Mr. Shuster, Mr. Kanjorski, Mr. Murtha, Mr. Fox of Pennsylvania, Mr. Coyne, Mr. McHale, Mr. Doyle, Mr. Goodling, Mr. Mascara, Mr. English of Pennsylvania, Mr. Peterson of Pennsylvania, Mr. McDade, Mr. Gekas, and Mr. Pitts.

H.R. 3949: Mr. Bonilla, Mr. Petri, Mr. Hilleary, Mr. Goodlatte, Mr. Bryant, Mr. Chambliss, Mr. Paul, and Mr. Barton of Texas.

H.R. 3980: Ms. Rivers and Mr. Neal of Massachusetts.

H.R. 3999: Mr. Brady of Pennsylvania, Mr. Borski, Mr. Klink, Mr. Holden, Mr. Weldon of Pennsylvania, Mr. Greenwood, Mr. Shuster, Mr. Kanjorski, Mr. Murtha, Mr. Fox of Pennsylvania, Mr. Coyne, Mr. McHale, Mr. Doyle, Mr. Goodling, Mr. Mascara, Mr. English of Pennsylvania, Mr. Peterson of Pennsylvania, Mr. McDade, Mr. Gekas, and Mr. Pitts.

H.R. 4000: Mr. Brady of Pennsylvania, Mr. Borski, Mr. Klink, Mr. Holden, Mr. Weldon of Pennsylvania, Mr. Greenwood, Mr. Shuster, Mr. Kanjorski, Mr. Murtha, Mr. Fox of Pennsylvania, Mr. Coyne, Mr. McHale, Mr. Doyle, Mr. Goodling, Mr. Mascara, Mr. English of Pennsylvania, Mr. Peterson of Pennsylvania, Mr. McDade, Mr. Gekas, and Mr. Pitts.

H.R. 4001: Mr. Brady of Pennsylvania, Mr. Borski, Mr. Klink, Mr. Holden, Mr. Weldon of Pennsylvania, Mr. Greenwood, Mr. Shuster, Mr. Kanjorski, Mr. Murtha, Mr. Fox of Pennsylvania, Mr. Coyne, Mr. McHale, Mr. Doyle, Mr. Goodling, Mr. Mascara, Mr. English of Pennsylvania, Mr. Peterson of Pennsylvania, Mr. McDade, Mr. Gekas, and Mr. Pitts.

H.R. 4002: Mr. Brady of Pennsylvania, Mr. Borski, Mr. Klink, Mr. Holden, Mr. Weldon of Pennsylvania, Mr. Greenwood, Mr. Shuster, Mr. Kanjorski, Mr. Murtha, Mr. Fox of Pennsylvania, Mr. Coyne, Mr. McHale, Mr. Doyle, Mr. Goodling, Mr. Mascara, Mr. English of Pennsylvania, Mr. Peterson of Pennsylvania, Mr. McDade, Mr. Gekas, and Mr. Pitts.

H.R. 4003: Mr. Brady of Pennsylvania, Mr. Borski, Mr. Klink, Mr. Holden, Mr. Weldon of Pennsylvania, Mr. Greenwood, Mr. Shuster, Mr. Kanjorski, Mr. Murtha, Mr. Fox of Pennsylvania, Mr. Coyne, Mr. McHale, Mr. Doyle, Mr. Goodling, Mr. Mascara, Mr. English of Pennsylvania, Mr. Peterson of Pennsylvania, Mr. McDade, Mr. Gekas, and Mr. Pitts.

H.R. 4018: Mr. Poshard, Mr. Payne, Mr. Levin, Mr. Martinez, Mr. Rodriguez, and Ms. DeLauro.

H.R. 4019: Mrs. Myrick and Mr. Crapo.

H.R. 4025: Mr. Kennedy of Rhode Island.

H.R. 4027: Mr. Murtha, Mr. Hall of Ohio, Mr. Frost, Mr. Calvert, Mr. Abercrombie, and Mr. Cook.

H.R. 4028: Mr. Yates and Mr. Engel.

H.R. 4031: Mr. Towns.

H.R. 4037: Mr. Talent, Mr. Doolittle, Mr. Ramstad, Mr. Calvert, and Mr. English of Pennsylvania.

H.R. 4086: Mrs. Clayton, Mr. Sanders, Mr. Kleczka, Mr. Romero-Barcelo, Mrs. Johnson of Connecticut, Ms. DeLauro, Mr. Ackerman, Mr. Kildee, Ms. DeGette, Mrs. Capps, Ms. Jackson-Lee, Ms. Eddie Bernice Johnson of Texas, Mr. Kennedy of Rhode Island, Mr. Frost, and Mr. Lampson.

H.R. 4109: Mr. Greenwood, Mr. Fattah, Mr. Brady of Pennsylvania, Mr. Weldon of Pennsylvania, and Mr. McHale.

H.R. 4110: Mr. Cooksey, Mr. Pascrell, Mr. Olver, and Mr. Sandlin.

H.R. 4121: Ms. Eshoo.

H.R. 4125: Mr. Sam Johnson, Mr. Ensign, Mrs. Cubin, and Mr. Cunningham.

H.R. 4131: Mr. Weygand.

H.R. 4138: Ms. Jackson-Lee, Ms. Eddie Bernice Johnson of Texas, Mr. Neal of Massachusetts, Mr. Yates, Mr. Sherman, Mr. Wexler, Mr. Engel, Mr. Frost, Mr. Rush, Mrs. Morella, and Mr. McGovern.

H.R. 4149: Mr. Hostettler and Mr. Bob Schaffer.

H.R. 4152: Mr. Ackerman, Mr. Adam Smith of Washington, Mr. Oberstar, and Mr. Kleczka.

H.R. 4167: Mr. Hutchinson.

H.R. 4184: Mr. Lampson and Ms. Kilpatrick.

H.R. 4185: Mr. Lampson and Ms. Kilpatrick.

H.R. 4196: Mr. Skeen, Mr. Deal of Georgia, Mr. Chambliss, Mr. Ballenger, Mr. Stump, Mr. Peterson of Pennsylvania, Mr. Paul, Mr. Barton of Texas, and Mr. Bartlett of Maryland.

H.R. 4197: Mr. Collins, Mr. Hostettler, Mr. Largent, and Mr. Bartlett of Maryland.

H.R. 4214: Mr. Levin, Mr. Kleczka, and Mr. Sanders.

H.J. Res. 72: Mr. Shays.

H.J. Res. 124: Mr. Franks of New Jersey.

H. Con. Res. 55: Mrs. Bono and Mr. Hefley.

H. Con. Res. 65: Mr. Fossella.

H. Con. Res. 236: Mr. Scarborough.

H. Con. Res. 239: Mr. Rush and Mrs. Morella.

H. Con. Res. 296: Mr. Weygand and Mr. Moran of Virginia.

H. Res. 37: Ms. Jackson-Lee, Mr. Kanjorski, Ms. Harman, Mr. Klink, Mr. Obey, Mr. Roemer, Mr. Tanner, Mr. Bishop, Mr. Deutsch, Mr. Franks of New Jersey, and Mr. Hall of Ohio.

H. Res. 460: Mr. Kucinich, Mr. Deutsch, Mr. Torres, Mr. Sherman, Mr. Sandlin, Mr. Pascrell, Mr. Rothman, and Mrs. McCarthy of New York.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 219: MS. KILPATRICK.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4104

OFFERED BY: MR. SAXTON

AMENDMENT NO. 18: Page 109, after line 24, add the following:

SEC. 648. (a) EXCEPTION TO IMMUNITY FROM ATTACHMENT OR EXECUTION.—Section 1610 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(f)(1)(A) Notwithstanding any other provision of law, including but not limited to section 208(f) of the State Department Basic Authorities Act (22 U.S.C. 4308(f)), and except as provided in subparagraph (B), any property with respect to which financial transactions are prohibited or regulated pursuant to section 5(b) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)), section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), sections 202 and 203 of the International Emergency Economic Powers Act (50 U.S.C. 1701–1702), or any other proclamation, order, regulation, or license issued pursuant thereto, shall be subject to execution or attachment in aid of execution of any judgment relating to a claim for which a foreign state (including any agency or instrumentality of such State) is not immune under section 1605(a)(7).

"(B) Subparagraph (A) shall not apply if, at the time the property is expropriated or seized by the foreign state, the property has been held in title by a natural person or, if held in trust, has been held for the benefit of a natural person or persons.

"(2)(A) At the request of any party in whose favor a judgment has been issued with respect to a claim for which the foreign state is not immune under section 1605(a)(7), the Secretary of the Treasury and the Secretary of State shall fully, promptly, and effectively assist any judgment creditor or any court that has issued any such judgment in identifying, locating, and executing against the property of that foreign state or any agency or instrumentality of such State.

"(B) In providing such assistance, the Secretaries—

"(i) may provide such information to the court under seal; and

"(ii) shall provide the information in a manner sufficient to allow the court to direct the United States Marshall's office to promptly and effectively execute against that property.".

(b) CONFORMING AMENDMENT.—Section 1606 of title 28, United States Code, is amended by inserting after "punitive damages" the following: ", except in any action under section 1605(a)(7) or 1610(f)".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to any claim for which a foreign state is not immune under section 1605(a)(7) of title 28, United States Code, arising before, on, or after the date of enactment of this Act.

H.R. 4104

OFFERED BY: MR. SNOWBARGER

AMENDMENT NO. 19: Page 39, line 13, insert after "$33,700,000" the following: "(increased by $2,800,000)".

Page 41, line 22, insert after "$5,626,928,000" the following: "(reduced by $2,800,000)".

Page 46, line 21, insert after "$2,583,261,000" the following: "(reduced by $2,800,000)".

H.R. 4193

OFFERED BY: MR. DEFAZIO

AMENDMENT NO. 2: Page 107, beginning at line 19, strike section 328 (and redesignate the subsequent sections accordingly).

H.R. 4193

OFFERED BY: MR. RIGGS

AMENDMENT NO. 3: At the end of the bill before the short title insert:

SEC. . If the State of California has not made available $130,000,000 by October 1, 1998, for the acquisition of lands in the Headwaters National Forest and other lands in Humboldt County, California, as required by section 501(b)(1) of title V of Public Law 105–83, the $250,000,000 made available by such title V from the Land and Water Conservation Fund for purposes of such land acquisition shall cease to be available for the purposes of such title V and shall be available only for maintenance and improvement of national park system units and $50,000,000 of such $250,000,000 amount may only be used for maintenance and improvement of national park system units that contain civil war sites.

H.R. 4193

OFFERED BY: MR. RIGGS

AMENDMENT NO. 4: At the end of the bill before the short title insert:

SEC. XX. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the acquisition of lands under section 501 of Public law 105–83 unless, prior to October 1, 1998, the State of California has provided the contribution required under such section 501.

H.R. 4193

OFFERED BY: MR. RIGGS

AMENDMENT NO. 5: At the end of the bill before the short title insert:

SEC. XX. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the acquisition of lands under section 501 of Public law 105–83.

H.R. 4193

OFFERED BY: MR. SANDERS

AMENDMENT NO. 6: In the item relating to "DEPARTMENT OF THE INTERIOR—BUREAU OF LAND MANAGEMENT—PAYMENTS IN LIEU OF TAXES", after the first dollar amount, insert the following: "(increased by $20,000,000)".

In the item relating to "DEPARTMENT OF ENERGY—FOSSIL ENERGY RESEARCH AND DEVELOPMENT", after the dollar amount, insert the following: "(reduced by $50,000,000)".

H.R. 4194

OFFERED BY: MR. LEACH

AMENDMENT NO. 12: Page 2, after line 6, insert the following:

DIVISION A—APPROPRIATIONS

Page 91, line 4, strike "This Act" and insert "Titles I, II, III, and IV of this Act".

At the end of the bill (after the short title), insert the following:

DIVISION B—HOUSING OPPORTUNITY AND RESPONSIBILITY

SEC. 1001. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the "Housing Opportunity and Responsibility Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents for this division is as follows:

DIVISION B—HOUSING OPPORTUNITY AND RESPONSIBILITY

Sec. 1001. Short title and table of contents.
Sec. 1002. Permanent applicability.
Sec. 1003. Declaration of policy to renew American neighborhoods.

TITLE XI—GENERAL PROVISIONS

Sec. 1101. Statement of purpose.
Sec. 1102. Definitions.
Sec. 1103. Organization of public housing agencies.
Sec. 1104. Determination of adjusted income and median income.
Sec. 1105. Community work and family self-sufficiency requirements.
Sec. 1106. Local housing management plans.
Sec. 1107. Review of plans.
Sec. 1108. Reporting requirements.
Sec. 1109. Pet ownership.
Sec. 1110. Administrative grievance procedure.
Sec. 1111. Headquarters reserve fund.
Sec. 1112. Labor standards.
Sec. 1113. Nondiscrimination.
Sec. 1114. Prohibition on use of funds.
Sec. 1115. Inapplicability to Indian housing.
Sec. 1116. Regulations.

TITLE XII—PUBLIC HOUSING

Subtitle A—Block Grants

Sec. 1201. Block grant contracts.
Sec. 1202. Grant authority, amount, and eligibility.
Sec. 1203. Eligible and required activities.
Sec. 1204. Determination of grant allocation.
Sec. 1205. Sanctions for improper use of amounts.

Subtitle B—Admissions and Occupancy Requirements

Sec. 1221. Low-income housing requirement.
Sec. 1222. Family eligibility.
Sec. 1223. Preferences for occupancy.
Sec. 1224. Admission procedures.
Sec. 1225. Family choice of rental payment.
Sec. 1226. Lease requirements.
Sec. 1227. Designated housing for elderly and disabled families.

Subtitle C—Management

Sec. 1231. Management procedures.
Sec. 1232. Housing quality requirements.
Sec. 1233. Employment of residents.
Sec. 1234. Resident councils and resident management corporations.
Sec. 1235. Management by resident management corporation.
Sec. 1236. Transfer of management of certain housing to independent manager at request of residents.
Sec. 1237. Resident opportunity program.

Subtitle D—Homeownership

Sec. 1251. Resident homeownership programs.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

Sec. 1261. Requirements for demolition and disposition of developments.
Sec. 1262. Demolition, site revitalization, replacement housing, and choice-based assistance grants for developments.
Sec. 1263. Voluntary voucher system for public housing.

Subtitle F—Mixed-Finance Public Housing
Sec. 1271. Authority.
Sec. 1272. Mixed-finance housing developments.
Sec. 1273. Mixed-finance housing plan.
Sec. 1274. Rent levels for housing financed with low-income housing tax credit.
Sec. 1275. Carry-over of assistance for replaced housing.
Subtitle G—General Provisions
Sec. 1281. Payment of non-Federal share.
Sec. 1282. Authorization of appropriations for block grants.
Sec. 1283. Funding for operation safe home.
Sec. 1284. Funding for relocation of victims of domestic violence.
TITLE XIII—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES
Subtitle A—Allocation
Sec. 1301. Authority to provide housing assistance amounts.
Sec. 1302. Contracts with PHA's.
Sec. 1303. Eligibility of PHA's for assistance amounts.
Sec. 1304. Allocation of amounts.
Sec. 1305. Administrative fees.
Sec. 1306. Authorizations of appropriations.
Sec. 1307. Conversion of section 8 assistance.
Sec. 1308. Recapture and reuse of annual contract project reserves under choice-based housing assistance and section 8 tenant-based assistance programs.
Subtitle B—Choice-Based Housing Assistance for Eligible Families
Sec. 1321. Eligible families and preferences for assistance.
Sec. 1322. Resident contribution.
Sec. 1323. Rental indicators.
Sec. 1324. Lease terms.
Sec. 1325. Termination of tenancy.
Sec. 1326. Eligible owners.
Sec. 1327. Selection of dwelling units.
Sec. 1328. Eligible dwelling units.
Sec. 1329. Homeownership option.
Sec. 1330. Assistance for rental of manufactured homes.
Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families
Sec. 1351. Housing assistance payments contracts.
Sec. 1352. Amount of monthly assistance payment.
Sec. 1353. Payment standards.
Sec. 1354. Reasonable rents.
Sec. 1355. Prohibition of assistance for vacant rental units.
Subtitle D—General and Miscellaneous Provisions
Sec. 1371. Definitions.
Sec. 1372. Rental assistance fraud recoveries.
Sec. 1373. Study regarding geographic concentration of assisted families.
Sec. 1374. Study regarding rental assistance.
TITLE XIV—HOME RULE FLEXIBLE GRANT OPTION
Sec. 1401. Purpose.
Sec. 1402. Flexible grant program.
Sec. 1403. Covered housing assistance.
Sec. 1404. Program requirements.
Sec. 1405. Applicability of certain provisions.
Sec. 1406. Application.
Sec. 1407. Training.
Sec. 1408. Accountability.
Sec. 1409. Definitions.
TITLE XV—ACCOUNTABILITY AND OVERSIGHT OF PUBLIC HOUSING AGENCIES
Subtitle A—Study of Alternative Methods for Evaluating Public Housing Agencies
Sec. 1501. In general.
Sec. 1502. Purposes.
Sec. 1503. Evaluation of various performance evaluation systems.
Sec. 1504. Consultation.
Sec. 1505. Contract to conduct study.
Sec. 1506. Report.
Sec. 1507. Funding.
Sec. 1508. Effective date.
Subtitle B—Housing Evaluation and Accreditation Board
Sec. 1521. Establishment.
Sec. 1522. Membership.
Sec. 1523. Functions.
Sec. 1524. Powers.
Sec. 1525. Fees.
Sec. 1526. GAO audit.
Subtitle C—Interim Applicability of Public Housing Management Assessment Program
Sec. 1531. Interim applicability.
Sec. 1532. Management assessment indicators.
Sec. 1533. Designation of PHA's.
Sec. 1534. On-site inspection of troubled PHA's.
Sec. 1535. Administration.
Subtitle D—Accountability and Oversight Standards and Procedures
Sec. 1541. Audits.
Sec. 1542. Performance agreements for authorities at risk of becoming troubled.
Sec. 1543. Performance agreements and CDBG sanctions for troubled PHA's.
Sec. 1544. Option to demand conveyance of title to or possession of public housing.
Sec. 1545. Removal of ineffective PHA's.
Sec. 1546. Mandatory takeover of chronically troubled PHA's.
Sec. 1547. Treatment of troubled PHA's.
Sec. 1548. Maintenance of records.
Sec. 1549. Annual reports regarding troubled PHA's.
Sec. 1550. Applicability to resident management corporations.
Sec. 1551. Advisory council for Housing Authority of New Orleans.
TITLE XVI—REPEALS AND RELATED AMENDMENTS
Subtitle A—Repeals, Effective Date, and Savings Provisions
Sec. 1601. Effective date and repeal of United States Housing Act of 1937.
Sec. 1602. Other repeals.
Subtitle B—Other Provisions Relating to Public Housing and Rental Assistance Programs
Sec. 1621. Allocation of elderly housing amounts.
Sec. 1622. Pet ownership.
Sec. 1623. Review of drug elimination program contracts.
Sec. 1624. Amendments to Public and Assisted Housing Drug Elimination Act of 1990.
Subtitle C—Limitations Relating to Occupancy in Federally Assisted Housing
Sec. 1641. Screening of applicants.
Sec. 1642. Termination of tenancy and assistance for illegal drug users and alcohol abusers.
Sec. 1643. Lease requirements.
Sec. 1644. Availability of criminal records for tenant screening and eviction.
Sec. 1645. Definitions.
TITLE XVII—AFFORDABLE HOUSING AND MISCELLANEOUS PROVISIONS
Sec. 1701. Rural housing assistance.
Sec. 1702. Treatment of occupancy standards.
Sec. 1703. Implementation of plan.
Sec. 1704. Income eligibility for HOME and CDBG programs.
Sec. 1705. Prohibition of use of CDBG grants for employment relocation activities.
Sec. 1706. Regional cooperation under CDBG economic development initiative.
Sec. 1707. Use of American products.
Sec. 1708. Consultation with affected areas in settlement of litigation.
Sec. 1709. Treatment of PHA repayment agreement.
Sec. 1710. Use of assisted housing by aliens.
Sec. 1711. Protection of senior homeowners under reverse mortgage program.
Sec. 1712. Conversion of section 8 tenant-based assistance to project-based assistance in the Borough of Tamaqua.
Sec. 1713. Housing counseling.
Sec. 1714. Transfer of surplus real property for providing housing for low- and moderate-income families.
Sec. 1715. Effective date.

SEC. 1002. PERMANENT APPLICABILITY.

Upon effectiveness pursuant to section 1601(a), the provisions of this division and the amendments made by this division shall apply thereafter, except to the extent otherwise specifically provided in this division or the amendments made by this division.

SEC. 1003. DECLARATION OF POLICY TO RENEW AMERICAN NEIGHBORHOODS.

The Congress hereby declares that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) the Federal Government cannot through its direct action alone provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;

(3) the Federal Government should act where there is a serious need that private citizens or groups cannot or are not addressing responsibly;

(4) housing is a fundamental and necessary component of bringing true opportunity to people and communities in need, but providing physical structures to house low-income families will not by itself pull generations up from poverty;

(5) it is a goal of our Nation that all citizens have decent and affordable housing; and

(6) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by the independent and collective actions of private citizens, organizations, and the private sector.

TITLE XI—GENERAL PROVISIONS

SEC. 1101. STATEMENT OF PURPOSE.

The purpose of this division is to promote safe, clean, and healthy housing that is affordable to low-income families, and thereby contribute to the supply of affordable housing, by—

(1) deregulating and decontrolling public housing agencies, thereby enabling them to perform as property and asset managers;

(2) providing for more flexible use of Federal assistance to public housing agencies, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

(3) facilitating mixed income communities;

(4) increasing accountability and rewarding effective management of public housing agencies;

(5) creating incentives and economic opportunities for residents of dwelling units assisted by public housing agencies to work, become self-sufficient, and transition out of public housing and federally assisted dwelling units;

(6) recreating the existing rental assistance voucher program so that the use of vouchers and relationships between landlords and tenants under the program operate in a manner that more closely resembles the private housing market; and

(7) remedying troubled public housing agencies and replacing or revitalizing severely distressed public housing developments.

SEC. 1102. DEFINITIONS.

For purposes of this division, the following definitions shall apply:

(1) ACQUISITION COST.—When used in reference to public housing, the term "acquisition cost" means the amount prudently expended by a public housing agency in acquiring property for a public housing development.

(2) DEVELOPMENT.—The terms "public housing development" and "development" (when used in reference to public housing) mean—

(A) public housing; and

(B) the improvement of any such housing.

(3) DISABLED FAMILY.—The term "disabled family" means a family whose head (or his or her spouse), or whose sole member, is a person with disabilities. Such term includes 2 or more persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(4) DRUG-RELATED CRIMINAL ACTIVITY.—The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(5) EFFECTIVE DATE.—The term "effective date", when used in reference to this division, means the effective date determined under section 1601(a).

(6) ELDERLY FAMILIES AND NEAR ELDERLY FAMILIES.—The terms "elderly family" and "near-elderly family" mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(7) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(8) ELIGIBLE PUBLIC HOUSING AGENCY.—The term "eligible public housing agency" means, with respect to a fiscal year, a public housing agency that is eligible under section 1202(d) for a grant under this title.

(9) FAMILY.—The term "family" includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(10) GROUP HOME AND INDEPENDENT LIVING FACILITY.—The terms "group home" and "independent living facility" have the meanings given such terms in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.

(11) INCOME.—The term "income" means, with respect to a family, income from all sources of each member of the household, as determined in accordance with criteria prescribed by the applicable public housing agency and the Secretary, except that the following amounts shall be excluded:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(12) LOCAL HOUSING MANAGEMENT PLAN.—The term "local housing management plan" means, with respect to any fiscal year, the plan under section 1106 of a public housing agency for such fiscal year.

(13) LOW-INCOME FAMILY.—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the public housing agency's findings that such variations are necessary because of unusually high or low family incomes.

(14) LOW-INCOME HOUSING.—The term "low-income housing" means dwellings that comply with the requirements—

(A) under title XII for assistance under such title for the dwellings; or

(B) under title XIII for rental assistance payments under such title for the dwellings.

(15) NEAR-ELDERLY PERSON.—The term "near-elderly person" means a person who is at least 55 years of age.

(16) OPERATION.—When used in reference to public housing, the term "operation" means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a public housing development, including the financing of resident programs and services.

(17) PERSON WITH DISABILITIES.—The term "person with disabilities" means a person who—

(A) has a disability as defined in section 223 of the Social Security Act,

(B) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (i) is expected to be of long-continued and indefinite duration, (ii) substantially impedes his or her ability to live independently, and (iii) is of such a nature that such ability could be improved by more suitable housing conditions, or

(C) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for public housing under title XII of this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(18) PRODUCTION.—When used in reference to public housing, the term "production" means any or all undertakings necessary for planning, land acquisition, financing, demolition, construction, or equipment, in connection with the construction, acquisition, or rehabilitation of a property for use as a public housing development, including activity in connection with a public housing development that is confined to the reconstruction, remodeling, or repair of existing buildings.

(19) PRODUCTION COST.—When used in reference to public housing, the term "production cost" means the costs incurred by a public housing agency for production of public housing and the necessary financing for production (including the payment of carrying charges and acquisition costs).

(20) PUBLIC HOUSING.—The term "public housing" means housing, and all necessary appurtenances thereto, that—

(A) is low-income housing, low-income dwelling units in mixed-finance housing (as provided in subtitle F of title XII), or low-income dwelling units in mixed income housing (as provided in section 1221(c)(2)); and

(B)(i) is subject to an annual block grant contract under title XII; or

(ii) was subject to an annual block grant contract under title XII (or an annual contributions contract under the United States Housing Act of 1937) which is not in effect, but for which occupancy is limited in accordance with the requirements under section 1222(a).

(21) PUBLIC HOUSING AGENCY.—The term "public housing agency" is defined in section 1103.

(22) RESIDENT COUNCIL.—The term "resident council" means an organization or association that meets the requirements of section 1234(a).

(23) RESIDENT MANAGEMENT CORPORATION.—The term "resident management corporation" means a corporation that meets the requirements of section 1234(b)(2).

(24) RESIDENT PROGRAM.—The term "resident programs and services" means programs and services for families residing in public housing developments. Such term may include (A) the development and maintenance of resident organizations which participate in the management of public housing developments, (B) the training of residents to manage and operate the public housing development and the utilization of their services in management and operation of the development, (C) counseling on household management, housekeeping, budgeting, money management, homeownership issues, child care, and similar matters, (D) advice regarding resources for job training and placement, education, welfare, health, and other community services, (E) services that are directly related to meeting resident needs and providing a wholesome living environment; and (F) referral to appropriate agencies in the community when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

(25) Secretary.—The term "Secretary" means the Secretary of Housing and Urban Development.

(26) State.—The term "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States and Indian tribes.

(27) Very low-income family.—The term "very low-income family" means a low-income family whose income does not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the public housing agency's findings that such variations are necessary because of unusually high or low family incomes.

SEC. 1103. ORGANIZATION OF PUBLIC HOUSING AGENCIES.

(a) Requirements.—For purposes of this division, the terms "public housing agency" and "agency" mean any entity that—

(1) is—

(A) a public housing agency that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

(B) authorized under this division to engage in or assist in the development or operation of low-income housing by any State, county, municipality, or other governmental body or public entity;

(C) an entity authorized by State law to administer choice-based housing assistance under title XIII; or

(D) an entity selected by the Secretary, pursuant to subtitle D of title XV, to manage housing; and

(2) complies with the requirements under subsection (b).

The term does not include any entity that is an Indian housing authority for purposes of the United States Housing Act of 1937 (as in effect before the effectiveness of the Native American Housing Assistance and Self-Determination Act of 1996) or a tribally designated housing entity, as such term is defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996.

(b) Governance.—

(1) Board of directors.—Each public housing agency shall have a board of directors or other form of governance as prescribed in State or local law. No person may be barred from serving on such board or body because of such person's residency in a public housing development or status as an assisted family under title XIII.

(2) Resident membership.—

(A) In general.—Except as provided in subparagraph (B), in localities in which a public housing agency is governed by a board of directors or other similar body, the board or body shall include not less than 1 member who is an elected public housing resident member (as such term is defined in paragraph (5)).

(B) Exceptions.—The requirement in subparagraph (A) with respect to elected public housing resident members shall not apply to—

(i) any State or local governing body that serves as a public housing agency for purposes of this division and whose responsibilities include substantial activities other than acting as the public housing agency, except that such requirement shall apply to any advisory committee or organization that is established by such governing body and whose responsibilities relate only to the governing body's functions as a public housing agency for purposes of this division;

(ii) any public housing agency that owns or operates less than 250 public housing dwelling units (including any agency that does not own or operate public housing); or

(iii) any public housing agency in a State that requires the members of the board of directors or other similar body of a public housing agency to be salaried and to serve on a full-time basis.

(3) Full participation.—No public housing agency may limit or restrict the capacity or offices in which a member of such board or body may serve on such board or body solely because of the member's status as a resident member.

(4) Conflicts of interest.—The Secretary shall establish guidelines to prevent conflicts of interest on the part of members of the board or directors or governing body of a public housing agency.

(5) Definitions.—For purposes of this subsection, the following definitions shall apply:

(A) Elected public housing resident member.—The term "elected public housing resident member" means, with respect to the public housing agency involved, an individual who is a resident member of the board of directors (or other similar governing body of the agency) by reason of election to such position pursuant to an election—

(i) in which eligibility for candidacy in such election is limited to individuals who—

(I) maintain their principal residence in a dwelling unit of public housing administered or assisted by the agency; and

(II) have not been convicted of a felony;

(ii) in which only residents of dwelling units of public housing administered by the agency may vote; and

(iii) that is conducted in accordance with standards and procedures for such election, which shall be established by the Secretary.

(B) Resident member.—The term "resident member" means a member of the board of directors or other similar governing body of a public housing agency who is a resident of a public housing dwelling unit owned, administered, or assisted by the agency or is a member of an assisted family (as such term is defined in section 1371) assisted by the agency.

(c) Establishment of Policies.—Any rules, regulations, policies, standards, and procedures necessary to implement policies required under section 1106 to be included in the local housing management plan for a public housing agency shall be approved by the board of directors or similar governing body of the agency and shall be publicly available for review upon request.

SEC. 1104. DETERMINATION OF ADJUSTED INCOME AND MEDIAN INCOME.

(a) Adjusted Income.—For purposes of this division, the term "adjusted income" means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit or the persons on a lease and the amount of any income exclusions for the family under subsections (b) and (c), as determined by the public housing agency.

(b) Mandatory Exclusions From Income.—In determining adjusted income, a public housing agency shall exclude from the annual income of a family the following amounts:

(1) Elderly and disabled families.—$400 for any elderly or disabled family.

(2) Medical expenses.—The amount by which 3 percent of the annual family income is exceeded by the sum of—

(A) unreimbursed medical expenses of any elderly family;

(B) unreimbursed medical expenses of any nonelderly family, except that this subparagraph shall apply only to the extent approved in appropriation Acts; and

(C) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

(3) Child care expenses.—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(4) Minors, students, and persons with disabilities.—$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is less than 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

(5) Child support payments.—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this paragraph may not exceed $480 for each child for whom such payment is made.

(6) Earned income of minors.—The amount of any earned income of a member of the family who is not—

(A) 18 years of age or older; and

(B) the head of the household (or the spouse of the head of the household).

(c) Permissive Exclusions From Income.—In determining adjusted income, a public housing agency may, in the discretion of the agency, establish exclusions from the annual income of a family. Such exclusions may include the following amounts:

(1) Excessive travel expenses.—Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

(2) Earned income.—An amount of any earned income of the family, established at the discretion of the public housing agency, which may be based on—

(A) all earned income of the family,

(B) the amount earned by particular members of the family;

(C) the amount earned by families having certain characteristics; or

(D) the amount earned by families or members during certain periods or from certain sources.

(3) Others.—Such other amounts for other purposes, as the public housing agency may establish.

(d) Median Income.—In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this division, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties.

(e) AVAILABILITY OF INCOME MATCHING INFORMATION.—

(1) DISCLOSURE TO PHA.—A public housing agency shall require any family described in paragraph (2) who receives information regarding income, earnings, wages, or unemployment compensation from the Department of Housing and Urban Development pursuant to income verification procedures of the Department to disclose such information, upon receipt of the information, to the public housing agency that owns or operates the public housing dwelling unit in which such family resides or that provides the housing assistance on behalf of such family, as applicable.

(2) APPLICABILITY TO FAMILIES RECEIVING PUBLIC HOUSING OR CHOICE-BASED HOUSING ASSISTANCE.—A family described in this paragraph is a family that resides in a dwelling unit—

(A) that is a public housing dwelling unit; or

(B) for which housing assistance is provided under title XIII (or under the program for tenant-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act)).

(3) PROTECTION OF APPLICANTS AND PARTICIPANTS.—Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544) is amended—

(A) in subsection (b)—

(i) in paragraph (2), by striking "and" at the end;

(iii) in paragraph (3), by striking the period at the end and inserting "; and"; and

(ii) by adding at the end the following new paragraph:

"(4) only in the case of an applicant or participant that is a member of a family described in section 1104(e)(2) of the Housing Opportunity and Responsibility Act of 1997, sign an agreement under which the applicant or participant agrees to provide to the appropriate public housing agency the information required under such section 1104(e)(1) of the Housing Opportunity and Responsibility Act of 1997 for the sole purpose of the public housing agency verifying income information pertinent to the applicant's or participant's eligibility or level of benefits, and comply with such agreement."; and

(B) in subsection (c)—

(i) in paragraph (2)(A), in the matter preceding clause (I)—

(I) by inserting before "or" the first place it appears the following: ", pursuant to section 1104(e)(1) of the Housing Opportunity and Responsibility Act of 1997 from the applicant or participant,"; and

(II) by inserting "or 104(e)(1)" after "such section 303(i)"; and

(ii) in paragraph (3)—

(I) in subparagraph (A), by inserting ", section 1104(e)(1) of the Housing Opportunity and Responsibility Act of 1997," after "Social Security Act"; and

(II) in subparagraph (A), by inserting "or agreement, as applicable," after "consent";

(III) in subparagraph (B), by inserting "section 1104(e)(1) of the Housing Opportunity and Responsibility Act of 1997," after "Social Security Act,"; and

(IV) in subparagraph (B), by inserting such section 1104(e)(1)," after "such section 303(i)," each place it appears.

SEC. 1105. COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY REQUIREMENTS.

(a) COMMUNITY WORK REQUIREMENT.—

(1) IN GENERAL.—Except as provided in paragraph (3), each public housing agency shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title XIII on behalf of a family, that each adult member of the family shall contribute not less than 8 hours of work per month (not including political activities) within the community in which the family resides, which may include work performed on locations not owned by the public housing agency.

(2) EMPLOYMENT STATUS AND LIABILITY.—The requirement under paragraph (1) may not be construed to establish any employment relationship between the public housing agency and the member of the family subject to the work requirement under such paragraph or to create any responsibility, duty, or liability on the part of the public housing agency for actions arising out of the work done by the member of the family to comply with the requirement, except to the extent that the member of the family is fulfilling the requirement by working directly for such public housing agency.

(3) EXEMPTIONS.—A public housing agency shall provide for the exemption, from the applicability of the requirement under paragraph (1), of each individual who is—

(A) an elderly person;

(B) a person with disabilities;

(C) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs (as determined by the agencies or organizations responsible for administering such programs); or

(D) otherwise physically impaired to the extent that they are unable to comply with the requirement, as certified by a doctor.

(b) REQUIREMENT REGARDING TARGET DATE FOR TRANSITION OUT OF ASSISTED HOUSING.—

(1) IN GENERAL.—Each public housing agency shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title XIII on behalf of a family, that the family and the agency enter into an agreement (included, pursuant to subsection (d)(2)(C), as a term of an agreement under subsection (d)) establishing a target date by which the family intends to graduate from, terminate tenancy in, or no longer receive public housing or housing assistance under title XIII.

(2) RIGHTS OF OCCUPANCY.—This subsection may not be construed (nor may any provision of subsection (d) or (e)) to create a right on the part of any public housing agency to evict or terminate assistance for a family solely on the basis of any failure of the family to comply with the target date established pursuant to paragraph (1).

(3) FACTORS.—In establishing a target date pursuant to paragraph (1) for a family that receives benefits for welfare or public assistance from a State or other public agency under a program that limits the duration during which such benefits may be received, the public housing agency and the family may take into consideration such time limit. This section may not be construed to require any public housing agency to adopt any such time limit on the duration of welfare or public assistance benefits as the target date pursuant to paragraph (1) for a resident.

(4) EXEMPTIONS.—A public housing agency shall provide for the exemption, from the applicability of the requirements under paragraph (1), of each individual who is—

(A) an elderly person;

(B) a person with disabilities;

(C) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs (as determined by the agencies or organizations responsible for administering such programs); or

(D) otherwise physically impaired to the extent that they are unable to comply with the requirement, as certified by a doctor.

(c) TREATMENT OF INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS.—

(1) COVERED FAMILY.—For purposes of this subsection, the term "covered family" means a family that (A) receives benefits for welfare or public assistance from a State or other public agency under a program for which the Federal, State, or local law relating to the program requires, as a condition of eligibility for assistance under the program, participation of a member of the family in an economic self-sufficiency program, and (B) resides in a public housing dwelling unit or is provided housing assistance under title XIII.

(2) DECREASES IN INCOME FOR FAILURE TO COMPLY.—Notwithstanding the provisions of sections 1225 and 1322 (relating to family rental contributions), if the welfare or public assistance benefits of a covered family are reduced under a Federal, State, or local law regarding such an assistance program because of any failure of any member of the family to comply with the conditions under the assistance program requiring participation in an economic self-sufficiency program, the amount required to be paid by the family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction).

(3) EFFECT OF FRAUD.—Notwithstanding the provisions of sections 1225 and 1322 (relating to family rental contributions), if the welfare or public assistance benefits of a covered family are reduced because of an act of fraud by a member of the family under the law or program, the amount required to be paid by the covered family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction).

(4) NOTICE.—Paragraphs (2) and (3) shall not apply to any covered family before the public housing agency providing assistance under this division on behalf of the family obtains written notification from the relevant welfare or public assistance agency specifying that the family's benefits have been reduced because of noncompliance with economic self-sufficiency program requirements or fraud and the level of such reduction.

(5) OCCUPANCY RIGHTS.—This subsection may not be construed to authorize any public housing agency to establish any time limit on tenancy in a public housing dwelling unit or on receipt of housing assistance under title XIII.

(6) REVIEW.—Any covered family residing in public housing that is affected by the operation of this subsection shall have the right to review the determination under this subsection through the administrative grievance procedure established pursuant to section 1110 for the public housing agency.

(7) COOPERATION AGREEMENTS FOR ECONOMIC SELF-SUFFICIENCY ACTIVITIES.—

(A) REQUIREMENT.—A public housing agency providing public housing dwelling units or housing assistance under title XIII for covered families shall make its best efforts to enter into such cooperation agreements, with State, local, and other agencies providing assistance to covered families under welfare or public assistance programs, as may be necessary, to provide for such agencies to transfer information to facilitate administration of subsection (a) and paragraphs (2), (3), and (4) of this subsection, and other information regarding rents, income, and assistance that may assist a public housing agency or welfare or public assistance agency in carrying out its functions.

(B) CONTENTS.—A public housing agency shall seek to include in a cooperation agreement under this paragraph requirements and provisions designed to target assistance under welfare and public assistance programs to families residing in public housing developments and receiving choice-based assistance under title XIII, which may include providing for self-sufficiency services within such housing, providing for services designed to meet the unique employment-related needs of residents of such housing and recipients of such assistance, providing for placement of workfare positions on-site in such housing, and such other elements as may be appropriate.

(C) CONFIDENTIALITY.—This paragraph may not be construed to authorize any release of information that is prohibited by, or in contravention of, any other provision of Federal, State, or local law.

(d) COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY AGREEMENTS.—

(1) IN GENERAL.—A public housing agency shall enter into a community work and family self-sufficiency agreement under this subsection with each adult member and head of household of each family who is to reside in a dwelling unit in public housing of the agency and each family on behalf of whom the agency will provide housing assistance under title XIII. Under the agreement the family shall agree that, as a condition of occupancy of the public housing dwelling unit or of receiving such housing assistance, the family will comply with the terms of the agreement.

(2) TERMS.—An agreement under this subsection shall include the following:

(A) Terms designed to encourage and facilitate the economic self-sufficiency of the assisted family entering into the agreement and the graduation of the family from assisted housing to unassisted housing.

(B) Notice of the requirements under subsection (a) (relating to community work) and the conditions imposed by, and exemptions from, such requirement.

(C) The target date agreed upon by the family pursuant to subsection (b) for graduation from, termination of tenancy in, or termination of receipt of public housing or housing assistance under title XIII.

(D) Terms providing for any resources, services, and assistance relating to self-sufficiency that will be made available to the family, including any assistance to be made available pursuant to subsection (c)(7)(B) under a cooperation agreement entered into under subsection (c)(7).

(E) Notice of the provisions of paragraphs (2) through (7) of subsection (c) (relating to effect of changes in income on rent and assisted families rights under such circumstances).

(e) LEASE PROVISIONS.—A public housing agency shall incorporate into leases under section 1226, and into any agreements for the provision of choice-based assistance under title XIII on behalf of a family—

(1) a provision requiring compliance with the requirement under subsection (a); and

(2) provisions incorporating the conditions under subsection (c).

(f) TREATMENT OF INCOME.—Notwithstanding any other provision of this section, in determining the income or tenancy of a family who resides in public housing or receives housing assistance under title XIII, a public housing agency shall consider any decrease in the income of a family that results from the reduction of any welfare or public assistance benefits received by the family under any Federal, State, or local law regarding a program for such assistance if the family (or a member thereof, as applicable) has complied with the conditions for receiving such assistance and is unable to obtain employment notwithstanding such compliance.

(g) DEFINITION.—For purposes of this section, the term "economic self-sufficiency program" means any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, education, workfare, financial or household management, apprenticeship, or other activities as the Secretary may provide.

SEC. 1106. LOCAL HOUSING MANAGEMENT PLANS.

(a) 5-YEAR PLAN.—The Secretary shall provide for each public housing agency to submit to the Secretary, once every 5 years, a plan under this subsection for the agency covering a period consisting of 5 fiscal years. Each such plan shall contain, with respect to the 5-year period covered by the plan, the following information:

(1) STATEMENT OF MISSION.—A statement of the mission of the agency for serving the needs of low-income families in the jurisdiction of the agency during such period.

(2) GOALS AND OBJECTIVES.—A statement of the goals and objectives of the agency that will enable the agency to serve the needs identified pursuant to paragraph (1) during such period.

(3) CAPITAL IMPROVEMENT OVERVIEW.—If the agency will provide capital improvements for public housing developments during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the agency to meet its goals, objectives, and mission.

The first 5-year plan under this subsection for a public housing agency shall be submitted for the 5-year period beginning with the first fiscal year for which the agency receives assistance under this division.

(b) ANNUAL PLAN.—The Secretary shall provide for each public housing agency to submit to the Secretary a local housing management plan under this section for each fiscal year that contains the information required under subsection (d). For each fiscal year after the initial submission of a plan under this section by a public housing agency, the agency may comply with requirements for submission of a plan under this subsection by submitting an update of the plan for the fiscal year.

(c) PROCEDURES.—The Secretary shall establish requirements and procedures for submission and review of plans, including requirements for timing and form of submission, and for the contents of such plans. Such procedures shall provide that a public housing agency—

(1) shall, in conjunction with the relevant State or unit of general local government, establish procedures to ensure that the plan under this section is consistent with the applicable comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the jurisdiction in which the public housing agency is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act; and

(2) may, at the option of the agency, submit a plan under this section together with, or as part of, the comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the relevant jurisdiction, and for concomitant review of such plans submitted together.

(d) CONTENTS.—An annual local housing management plan under this section for a public housing agency shall contain the following information relating to the upcoming fiscal year for which the assistance under this division is to be made available:

(1) NEEDS.—A statement of the housing needs of low-income and very low-income families residing in the community served by the agency, and of other low-income families on the waiting list of the agency (including the housing needs of elderly families and disabled families), and the means by which the agency intends, to the maximum extent practicable, to address such needs.

(2) FINANCIAL RESOURCES.—A statement of financial resources available for the agency the planned uses of such resources that includes—

(A) a description of the financial resources available to the agency;

(B) the uses to which such resources will be committed, including all proposed eligible and required activities under section 1203 and housing assistance to be provided under title XIII;

(C) an estimate of the costs of operation and the market rental value of each public housing development; and

(D) a specific description, based on population and demographic data, of the unmet affordable housing needs of families in the community served by the agency having incomes not exceeding 30 percent of the area median income and a statement of how the agency will expend grant amounts received under this division to meet the housing needs of such families.

(3) POPULATION SERVED.—A statement of the policies of the agency governing eligibility, admissions, and occupancy of families with respect to public housing dwelling units and housing assistance under title XIII, including—

(A) the requirements for eligibility for such units and assistance and the method and procedures by which eligibility and income will be determined and verified;

(B) the requirements for selection and admissions of eligible families for such units and assistance, including any preferences and procedures established by the agency and any outreach efforts;

(C) the procedures for assignment of families admitted to dwelling units owned, leased, managed, operated, or assisted by the agency;

(D) any standards and requirements for occupancy of public housing dwelling units and units assisted under title XIII, including resident screening policies, standard lease provisions, conditions for continued occupancy, termination of tenancy, eviction, and conditions for termination of housing assistance;

(E) the procedures for maintaining waiting lists for admissions to public housing developments of the agency, which may include a system of site-based waiting lists under section 1224(c);

(F) the criteria for providing and denying housing assistance under title XIII to families moving into the jurisdiction of the agency;

(G) the procedures for coordination with entities providing assistance to homeless families in the jurisdiction of the agency; and

(H) the fair housing policy of the agency.

(4) RENT DETERMINATION.—A statement of the policies of the agency governing rents charged for public housing dwelling units and rental contributions of assisted families under title XIII and the system used by the agency to ensure that such rents comply with the requirements of this division.

(5) OPERATION AND MANAGEMENT.—A statement of the rules, standards, and policies of the public housing agency governing maintenance and management of housing owned and operated by the agency, and management of the public housing agency and programs of the agency, including—

(A) a description of the manner in which the agency is organized (including any consortia or joint ventures) and staffed to perform the duties and functions of the public housing agency and to administer the operating fund distributions of the agency;

(B) policies relating to the rental of dwelling units, including policies designed to reduce vacancies;

(C) housing quality standards in effect pursuant to sections 1232 and 1328 and any certifications required under such sections;

(D) emergency and disaster plans for public housing;

(E) priorities and improvements for management of public housing, including initiatives to control costs; and

(F) policies of the agency requiring the loss or termination of housing assistance and tenancy under sections 1641 and 1642 (relating to occupancy standards for federally assisted housing).

(6) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the agency under section 1110.

(7) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the developments.

(8) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the agency—

(A) a description of any such housing to be demolished or disposed of under subtitle E of title XII; and

(B) a timetable for such demolition or disposition.

(9) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the agency, a description of any developments (or portions thereof) that the agency has designated or will designate for occupancy by elderly and disabled families in accordance with section 1227 and any information required under section 1227(d) for such designated developments.

(10) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by the agency, a description of any building or buildings that the agency is required, under section 1203(b), to convert to housing assistance under title XIII or that the agency voluntarily converts, an analysis of such buildings required under such section for conversion, and a statement of the amount of grant amounts under title XII to be used for rental assistance or other housing assistance.

(11) HOMEOWNERSHIP ACTIVITIES.—A description of—

(A) any homeownership programs of the agency under subtitle D of title XII or section 1329 for the agency;

(B) the requirements and assistance available under the programs described pursuant to subparagraph (A); and

(C) the annual goals of the agency for additional availability of homeownership units.

(12) ECONOMIC SELF-SUFFICIENCY AND COORDINATION WITH WELFARE AND OTHER APPROPRIATE AGENCIES.—A description of—

(A) policies relating to services and amenities provided or offered to assisted families, including the provision of service coordinators and services designed for certain populations (such as the elderly and disabled);

(B) how the agency will coordinate with State, local, and other agencies providing assistance to families participating in welfare or public assistance programs;

(C) how the agency will implement and administer section 1105; and

(D) any policies, programs, plans, and activities of the agency for the enhancement of the economic and social self-sufficiency of residents assisted by the programs of the agency, including rent structures to encourage self-sufficiency.

(13) SAFETY AND CRIME PREVENTION.—A plan established by the public housing agency, which shall be subject to the following requirements:

(A) SAFETY MEASURES.—The plan shall provide, on a development-by-development basis, for measures to ensure the safety of public housing residents.

(B) ESTABLISHMENT.—The plan shall be established, with respect to each development, in consultation with the police officer or officers in command for the precinct in which the development is located.

(C) CONTENT.—The plan shall describe the need for measures to ensure the safety of public housing residents and for crime prevention measures, describe any such activities conducted, or to be conducted, by the agency, and provide for coordination between the public housing agency and the appropriate police precincts for carrying out such measures and activities.

(D) SECRETARIAL ACTION.—If the Secretary determines, at any time, that the security needs of a development are not being adequately addressed by the plan, or that the local police precinct is not complying with the plan, the Secretary may mediate between the public housing agency and the local precinct to resolve any issues of conflict. If after such mediation has occurred and the Secretary determines that the security needs of the development are not adequately addressed, the Secretary may require the public housing agency to submit an amended plan.

(14) ANNUAL AUDIT.—The results of the most recent fiscal year audit of the agency required under section 1541(b).

(15) TROUBLED AGENCIES.—Such other additional information as the Secretary may determine to be appropriate for each public housing agency that is designated—

(A) under section 1533(c) as at risk of becoming troubled; or

(B) under section 1533(a) as troubled.

(16) ASSET MANAGEMENT.—A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

(e) CITIZEN PARTICIPATION.—

(1) PUBLICATION OF NOTICE.—Not later than 45 days before the date of a hearing conducted under paragraph (2) by the governing body of a public housing agency, the agency shall—

(A) publish a notice informing the public that the proposed local housing management plan or amendment is available for inspection at the principal office of the public housing agency during normal business hours and make the plan or amendment so available for inspection during such period; and

(B) publish a notice informing the public that a public hearing will be conducted to discuss the local housing management plan and to invite public comment regarding that plan.

(2) PUBLIC HEARING.—Before submitting a plan under this section or a significant amendment under section 1107(f) to a plan, a public housing agency shall, at a location that is convenient to residents, conduct a public hearing, as provided in the notice published under paragraph (1), regarding the public housing plan or the amendment of the agency.

(3) CONSIDERATION OF COMMENTS.—A public housing agency shall consider any comments or views made available pursuant to paragraphs (1) and (2) in preparing a final plan or amendment for submission to the Secretary. A summary of such comments or views shall be attached to the plan, amendment, or report submitted.

(4) ADOPTION OF PLAN.—After conducting the public hearing under paragraph (2) and considering public comments in accordance with paragraph (3), the public housing agency shall make any appropriate changes to the local housing management plan or amendment and shall—

(A) adopt the local housing management plan;

(B) submit the plan to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the public housing agency for review and approval under subsection (f);

(C) submit the plan to the Secretary in accordance with this section; and

(D) make the submitted plan or amendment publicly available.

(f) LOCAL REVIEW.—The public housing agency shall submit a plan under this subsection to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the public housing agency for review and approval for a 45-day period beginning on the date that the plan is submitted to such local official or officials (which period may run concurrently with any period under subsection (e) for public comment). If the local official or officials responsible under this subsection do not act within 45 days of submission of the plan, the plan shall be considered approved. If the local official or officials responsible under this subsection reject the public housing agency's plan, they shall return the plan with their recommended changes to the agency within 5 days of their disapproval. The agency shall resubmit an updated plan to the local official or officials within 30 days of receiving the objections, If the local official or officials again reject the plan, the resubmitted plan, together with the local official's objections, shall be submitted to the Secretary for approval.

(g) PLANS FOR SMALL PHA'S AND PHA'S ADMINISTERING ONLY RENTAL ASSISTANCE.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to public housing agencies that own or operate less than 250 public housing dwelling units and shall establish requirements for such submission and information applicable to agencies that only administer housing assistance under title XIII (and do not own or operate public housing). Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such agencies.

SEC. 1107. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary to ensure that the plan is complete and complies with the requirements of section 1106. The Secretary shall have the discretion to review a plan to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each public housing agency submitting a plan whether the plan complies with such requirements not later than 75 days after receiving the plan. If the Secretary does not notify the public housing agency, as required under this subsection and subsection (b), the Secretary shall be considered, for purposes of this division, to have made a determination that the plan complies with the requirements under section 1106 and the agency shall be considered to have been notified of compliance upon the expiration of such 75-day period. The preceding sentence shall not preclude judicial review regarding such compliance pursuant to chapter 7 of title 5, United States Code, or an action regarding such compliance under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983).

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 1106, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 1106.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 1106 only if—

(1) the plan is incomplete in significant matters required under such section;

(2) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(3) the Secretary determines that the plan does not comply with Federal law or violates the purposes of this division because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) the plan plainly fails to adequately identify the needs of low-income families for housing assistance in the jurisdiction of the agency;

(5) the plan plainly fails to adequately identify the capital improvement needs for public housing developments in the jurisdiction of the agency;

(6) the activities identified in the plan are plainly inappropriate to address the needs identified in the plan; or

(7) the plan is inconsistent with the requirements of this division.

The Secretary shall determine that a plan does not comply with the requirements under section 1106 if the plan does not include the information required under section 1106(d)(2)(D).

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a public housing agency shall be considered to have submitted a plan under this section if the agency has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1997. The Secretary shall provide specific procedures and requirements for such authorities to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 1106.

(e) ACTIONS TO CHANGE PLAN.—A public housing agency that has submitted a plan under section 1106 may change actions or policies described in the plan before submission and review of the plan of the agency for the next fiscal year only if—

(1) in the case of costly or nonroutine changes, the agency submits to the Secretary an amendment to the plan under subsection (f) which is reviewed in accordance with such subsection; or

(2) in the case of inexpensive or routine changes, the agency describes such changes in such local housing management plan for the next fiscal year.

(f) AMENDMENTS TO PLAN.—

(1) IN GENERAL.—During the annual or 5-year period covered by the plan for a public housing agency, the agency may submit to the Secretary any amendments to the plan.

(2) REVIEW.—The Secretary shall conduct a limited review of each proposed amendment submitted under this subsection to determine whether the plan, as amended by the amendment, complies with the requirements of section 1106 and notify each public housing agency submitting the amendment whether the plan, as amended, complies with such requirements not later than 30 days after receiving the amendment. If the Secretary determines that a plan, as amended, does not comply with the requirements under section 1106, such notice shall indicate the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 1106. If the Secretary does not notify the public housing agency as required under this paragraph, the plan, as amended, shall be considered, for purposes of this section, to comply with the requirements under section 1106.

(3) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan, as amended by a proposed amendment, does not comply with the requirements under section 1106 only if—

(A) the plan, as amended, would be subject to a determination of noncompliance in accordance with the provisions of subsection (c);

(B) the Secretary determines that—

(i) the proposed amendment is plainly inconsistent with the activities specified in the plan; or

(ii) there is evidence that challenges, in a substantial manner, any information contained in the amendment; or

(C) the Secretary determines that the plan, as amended, violates the purposes of this division because it fails to provide housing that will be viable on a long-term basis at a reasonable cost.

(4) AMENDMENTS TO EXTEND TIME OF PERFORMANCE.—Notwithstanding any other provision of this subsection, the Secretary may not determine that any amendment to the plan of a public housing agency that extends the time for performance of activities assisted with amounts provided under this title fails to comply with the requirements under section 1106 if the Secretary has not provided the amount of assistance set forth in the plan or has not provided the assistance in a timely manner.

SEC. 1108. REPORTING REQUIREMENTS.

(a) PERFORMANCE AND EVALUATION REPORT.—Each public housing agency shall annually submit to the Secretary, on a date determined by the Secretary, a performance and evaluation report concerning the use of funds made available under this division. The report of the public housing agency shall include an assessment by the agency of the relationship of such use of funds made available under this division, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this division. The public housing agency shall certify that the report was available for review and comment by affected tenants prior to its submission to the Secretary.

(b) REVIEW OF PHA'S.—The Secretary shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each public housing agency receiving assistance under this section—

(1) has carried out its activities under this division in a timely manner and in accordance with its local housing management plan; and

(2) has a continuing capacity to carry out its local housing management plan in a timely manner.

(c) RECORDS.—Each public housing agency shall collect, maintain, and submit to the Secretary such data and other program records as the Secretary may require, in such form and in accordance with such schedule as the Secretary may establish.

SEC. 1109. PET OWNERSHIP.

Pet ownership in housing assisted under this division that is federally assisted rental housing (as such term is defined in section 227 of the Housing and Urban-Rural Recovery Act of 1983) shall be governed by the provisions of section 227 of such Act.

SEC. 1110. ADMINISTRATIVE GRIEVANCE PROCEDURE.

(a) REQUIREMENTS.—Each public housing agency receiving assistance under this division shall establish and implement an administrative grievance procedure under which residents of public housing will—

(1) be advised of the specific grounds of any proposed adverse public housing agency action;

(2) have an opportunity for a hearing before an impartial party (including appropriate employees of the public housing agency) upon timely request within a reasonable period of time;

(3) have an opportunity to examine any documents or records or regulations related to the proposed action;

(4) be entitled to be represented by another person of their choice at any hearing;

(5) be entitled to ask questions of witnesses and have others make statements on their behalf; and

(6) be entitled to receive a written decision by the public housing agency on the proposed action.

(b) EXCLUSION FROM ADMINISTRATIVE PROCEDURE OF GRIEVANCES CONCERNING EVICTIONS FROM PUBLIC HOUSING INVOLVING HEALTH, SAFETY, OR PEACEFUL ENJOYMENT.—A public housing agency may exclude from its procedure established under subsection (a) any grievance, in any jurisdiction which requires that prior to eviction, a tenant be given a hearing in court, which the Secretary determines provides the basic elements of due process (which the Secretary shall establish by rule under section 553 of title 5, United States Code), concerning an eviction from or termination of tenancy in public housing that involves any activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other tenants or employees of the public housing agency or any drug-related criminal activity on or off such premises. In the case of any eviction from or termination of tenancy in public housing not described in the preceding sentence, each of the following provisions shall apply:

(1) Such eviction or termination shall be subject to an administrative grievance procedure if the tenant so evicted or terminated requests a hearing under such procedure not later than five days after service of notice of such eviction or termination.

(2) The public housing agency shall take final action regarding a grievance under paragraph (1) not later than thirty days after such notice is served.

(3) If the public housing agency fails to provide a hearing under the grievance procedure pursuant to a request under paragraph (1) and take final action regarding the grievance before the expiration of the 30-day period under paragraph (2), the notice of eviction or termination shall be considered void and shall not be given any force or effect.

(4) If a public housing authority takes final action on a grievance for any eviction or termination, the tenant and any member of the tenant's household shall not have any right in connection with any subsequent eviction or termination notice to request or be afforded any administrative grievance hearing during the 1-year period beginning upon the date of the final action.

(c) INAPPLICABILITY TO CHOICE-BASED RENTAL HOUSING ASSISTANCE.—This section may not be construed to require any public housing agency to establish or implement an administrative grievance procedure with respect to assisted families under title XIII.

SEC. 1111. HEADQUARTERS RESERVE FUND.

(a) ANNUAL RESERVATION OF AMOUNTS.—Notwithstanding any other provision of law, the Secretary may retain not more than 2 percent of the amounts appropriated to carry out title XII for any fiscal year for use in accordance with this section.

(b) USE OF AMOUNTS.—Any amounts that are retained under subsection (a) or appropriated for use under this section shall be available for subsequent allocation to specific areas and communities, and may only be used for the Department of Housing and Urban Development and—

(1) for unforeseen housing needs resulting from natural and other disasters;

(2) for housing needs resulting from emergencies, as determined by the Secretary, other than such disasters;

(3) for housing needs related to a settlement of litigation, including settlement of fair housing litigation; and

(4) for needs related to the Secretary's actions under this division regarding troubled and at-risk public housing agencies.

Housing needs under this subsection may be met through the provision of assistance in accordance with title XII or title XIII, or both.

SEC. 1112. LABOR STANDARDS.

(a) IN GENERAL.—Any contract for grants, sale, or lease pursuant to this division relating to public housing shall contain the following provisions:

(1) OPERATION.—A provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all contractors and persons employed in the operation of the low-income housing development involved.

(2) PRODUCTION.—A provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a—276a-5), shall be paid to all laborers and mechanics employed in the production of the development involved.

The Secretary shall require certification as to compliance with the provisions of this section before making any payment under such contract.

(b) EXCEPTIONS.—Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for grants, sale, or lease pursuant to this division relating to public housing, shall not apply to any individual who—

(1) performs services for which the individual volunteered;

(2)(A) does not receive compensation for such services; or

(B) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(3) is not otherwise employed at any time in the construction work.

SEC. 1113. NONDISCRIMINATION.

(a) IN GENERAL.—No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with amounts made available under this division. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) CIVIL RIGHTS COMPLIANCE.—Each public housing agency that receives grant amounts under this division shall use such amounts and carry out its local housing management plan approved under section 1107 in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans With Disabilities Act of 1990, and shall affirmatively further fair housing.

SEC. 1114. PROHIBITION ON USE OF FUNDS.

None of the funds made available to the Department of Housing and Urban Development to carry out this division, which are obligated to State or local governments, public housing agencies, housing finance agencies, or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

SEC. 1115. INAPPLICABILITY TO INDIAN HOUSING.

Except as specifically provided by law, the provisions of this title, and titles XII, XIII, XIV, and XV shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority under the United States Housing Act of 1937 or to housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996.

SEC. 1116. REGULATIONS.

(a) IN GENERAL.—The Secretary may issue any regulations necessary to carry out this division. This subsection shall take effect on the date of the enactment of this Act.

(b) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations authorized under subsection (a) shall not affect the effectiveness of any provision of this division or any amendment made by this division.

TITLE XII—PUBLIC HOUSING

Subtitle A—Block Grants

SEC. 1201. BLOCK GRANT CONTRACTS.

(a) IN GENERAL.—The Secretary shall enter into contracts with public housing agencies under which—

(1) the Secretary agrees to make a block grant under this title, in the amount provided under section 1202(c), for assistance for low-income housing to the public housing agency for each fiscal year covered by the contract; and

(2) the agency agrees—

(A) to provide safe, clean, and healthy housing that is affordable to low-income families and services for families in such housing;

(B) to operate, or provide for the operation, of such housing in a financially sound manner;

(C) to use the block grant amounts in accordance with this title and the local housing management plan for the agency that complies with the requirements of section 1106;

(D) to involve residents of housing assisted with block grant amounts in functions and decisions relating to management and the quality of life in such housing;

(E) that the management of the public housing of the agency shall be subject to actions authorized under subtitle D of title XV;

(F) that the Secretary may take actions under section 1205 with respect to improper use of grant amounts provided under the contract; and

(G) to otherwise comply with the requirements under this title.

(b) SMALL PUBLIC HOUSING AGENCY CAPITAL GRANT OPTION.—For any fiscal year, upon the request of the Governor of the State, the Secretary shall make available directly to the State, from the amounts otherwise included in the block grants for all public housing agencies in such State which own or operate less than 100 dwelling units, ½ of that portion of such amounts that is derived from the capital improvement allocations for such agencies pursuant to section 1203(c)(1) or 1203(d)(2), as applicable. The Governor of the State will have the responsibility to distribute all of such funds, in amounts determined by the Governor, only to meet the exceptional capital improvement requirements for the various public housing agencies in the State which operate less than 100 dwelling units: *Provided*, however, that for States where Federal funds provided to the State are subject to appropriation action by the State legislature, the capital funds made available to the Governor under this subsection shall be subject to such appropriation by the State legislature.

(c) MODIFICATION.—Contracts and agreements between the Secretary and a public housing agency may not be amended in a manner which would—

(1) impair the rights of—

(A) leaseholders for units assisted pursuant to a contract or agreement; or

(B) the holders of any outstanding obligations of the public housing agency involved for which annual contributions have been pledged; or

(2) provide for payment of block grant amounts under this title in an amount exceeding the allocation for the agency determined under section 1204.

Any rule of law contrary to this subsection shall be deemed inapplicable.

SEC. 1202. GRANT AUTHORITY, AMOUNT, AND ELIGIBILITY.

(a) AUTHORITY.—The Secretary shall make block grants under this title to eligible public housing agencies in accordance with block grant contracts under section 1201.

(b) PERFORMANCE FUNDS.—

(1) IN GENERAL.—The Secretary shall establish 2 funds for the provision of grants to eligible public housing agencies under this title, as follows:

(A) CAPITAL FUND.—A capital fund to provide capital and management improvements to public housing developments.

(B) OPERATING FUND.—An operating fund for public housing operations.

(2) FLEXIBILITY OF FUNDING.—

(A) IN GENERAL.—A public housing agency may use up to 20 percent of the amounts from a grant under this title that are allocated and provided from the capital fund for activities that are eligible under section 1203(a)(2) to be funded with amounts from the operating fund.

(B) FULL FLEXIBILITY FOR SMALL PHA'S.—In the case of a public housing agency that owns or operates less than 250 public housing dwelling units and is (in the determination of the Secretary) operating and maintaining its public housing in a safe, clean, and healthy condition, the agency may use amounts from a grant under this title for any eligible activities under section 1203(a), regardless of the fund from which the amounts were allocated and provided.

(c) AMOUNT OF GRANTS.—The amount of the grant under this title for a public housing agency for a fiscal year shall be the amount of the allocation for the agency determined under section 1204, except as otherwise provided in this title and title XV.

(d) ELIGIBILITY.—A public housing agency shall be an eligible public housing agency with respect to a fiscal year for purposes of this title only if—

(1) the Secretary has entered into a block grant contract with the agency;

(2) the agency has submitted a local housing management plan to the Secretary for such fiscal year;

(3) the plan has been determined to comply with the requirements under section 1106 and the Secretary has not notified the agency that the plan fails to comply with such requirements;

(4) the agency is exempt from local taxes, as provided under subsection (e), or receives a contribution, as provided under such subsection;

(5) no member of the board of directors or other governing body of the agency, or the executive director, has been convicted of a felony;

(6) the agency has entered into an agreement providing for local cooperation in accordance with subsection (f); and

(7) the agency has not been disqualified for a grant pursuant to section 1205(a) or title XV.

(e) PAYMENTS IN LIEU OF STATE AND LOCAL TAXATION OF PUBLIC HOUSING DEVELOPMENTS.—

(1) EXEMPTION FROM TAXATION.—A public housing agency may receive a block grant under this title only if—

(A)(i) the developments of the agency (exclusive of any portions not assisted with amounts provided under this title) are exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and

(ii) the public housing agency makes payments in lieu of taxes to such taxing authority equal to 10 percent of the sum, for units charged in the developments of the agency, of the difference between the gross rent and the utility cost, or such lesser amount as is—

(I) prescribed by State law;

(II) agreed to by the local governing body in its agreement under subsection (f) for local cooperation with the public housing agency or under a waiver by the local governing body; or

(III) due to failure of a local public body or bodies other than the public housing agency to perform any obligation under such agreement; or

(B) the agency complies with the requirements under subparagraph (A) with respect to public housing developments (including public housing units in mixed-income developments), but the agency agrees that the units other than public housing units in any mixed-income developments (as such term is defined in section 1221(c)(2)) shall be subject to any otherwise applicable real property taxes imposed by the State, city, county or other political subdivision.

(2) EFFECT OF FAILURE TO EXEMPT FROM TAXATION.—Notwithstanding paragraph (1), a public housing agency that does not comply with the requirements under such paragraph may receive a block grant under this title, but only if the State, city, county, or other political subdivision in which the development is situated contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed 10 percent of the gross rent and utility cost charged in the development.

(f) LOCAL COOPERATION.—In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise, the Secretary may not make any grant under this title to a public housing agency unless the governing body of the locality involved has entered into an agreement with the agency providing for the local cooperation required by the Secretary pursuant to this title. The Secretary shall require that each such agreement for local cooperation shall provide that, notwithstanding any order, judgment, or decree of any court (including any settlement order), before making any amounts provided under a grant under this title available for use for the production of any housing or other property not previously used as public housing, the public housing agency shall—

(1) notify the chief executive officer (or other appropriate official) of the unit of general local government in which the public housing for which such amounts are to be so used is located (or to be located) of such use; and

(2) pursuant to the request of such unit of general local government, provide such information as may reasonably be requested by such unit of general local government regarding the public housing to be so assisted (except to the extent otherwise prohibited by law) and consult with representatives of such local government regarding the public housing.

(g) EXCEPTION.—Notwithstanding subsection (a), the Secretary may make a grant under this title for a public housing agency that is not an eligible public housing agency but only for the period necessary to secure, in accordance with this title, an alternative public housing agency for the public housing of the ineligible agency.

(h) RECAPTURE OF CAPITAL ASSISTANCE AMOUNTS.—The Secretary may recapture, from any grant amounts made available to a public housing agency from the capital fund, any portion of such amounts that are not used or obligated by the public housing agency for use for eligible activities under section 1203(a)(1) (or dedicated for use pursuant to section 1202(b)(2)(A)) before the expiration of the 24-month period beginning upon the award of such grant to the agency.

SEC. 1203. ELIGIBLE AND REQUIRED ACTIVITIES.

(a) ELIGIBLE ACTIVITIES.—Except as provided in subsection (b) and in section 1202(b)(2), grant amounts allocated and provided from the capital fund and grant amounts allocated and provided from the operating fund may be used for the following activities:

(1) CAPITAL FUND ACTIVITIES.—Grant amounts from the capital fund may be used for—

(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

(D) planned code compliance;

(E) management improvements;

(F) demolition and replacement under section 1261;

(G) tenant relocation;

(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

(I) capital expenditures to improve the security and safety of residents.

(2) OPERATING FUND ACTIVITIES.—Grant amounts from the operating fund may be used for—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

(B) activities to ensure a program of routine preventative maintenance;

(C) anti-crime and anti-drug activities, including the costs of providing adequate security for public housing tenants;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities and including child care services for public housing residents;

(E) activities to provide for management and participation in the management of public housing by public housing tenants;

(F) the costs associated with the operation and management of mixed-income developments;

(G) the costs of insurance;

(H) the energy costs associated with public housing units, with an emphasis on energy conservation;

(I) the costs of administering a public housing community work program under section 1105, including the costs of any related insurance needs; and

(J) activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

(b) REQUIRED CONVERSION OF ASSISTANCE FOR PUBLIC HOUSING TO RENTAL HOUSING ASSISTANCE.—

(1) REQUIREMENT.—A public housing agency that receives grant amounts under this title shall provide assistance in the form of rental

housing assistance under title XIII, or appropriate site revitalization or other appropriate capital improvements approved by the Secretary, in lieu of assisting the operation and modernization of any building or buildings of public housing, if the agency provides sufficient evidence to the Secretary that the building or buildings—

(A) are on the same or contiguous sites;

(B) consist of more than 300 dwelling units;

(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

(D) are identified as distressed housing for which the public housing agency cannot assure the long-term viability as public housing through reasonable revitalization, density reduction, or achievement of a broader range of household income; and

(E) have an estimated cost of continued operation and modernization as public housing that exceeds the cost of providing choice-based rental assistance under title XIII for all families in occupancy, based on appropriate indicators of cost (such as the percentage of the total development cost required for modernization).

Public housing agencies shall identify properties that meet the definition of subparagraphs (A) through (E) and shall consult with the appropriate public housing residents and the appropriate unit of general local government in identifying such properties.

(2) Use of other amounts.—In addition to grant amounts under this title attributable (pursuant to the formulas under section 1204) to the building or buildings identified under paragraph (1), the Secretary may use amounts provided in appropriation Acts for choice-based housing assistance under title XIII for families residing in such building or buildings or for appropriate site revitalization or other appropriate capital improvements approved by the Secretary.

(3) Enforcement.—The Secretary shall take appropriate action to ensure conversion of any building or buildings identified under paragraph (1) and any other appropriate action under this subsection, if the public housing agency fails to take appropriate action under this subsection.

(4) Failure of PHA's to comply with conversion requirement.—If the Secretary determines that—

(A) a public housing agency has failed under paragraph (1) to identify a building or buildings in a timely manner,

(B) a public housing agency has failed to identify one or more buildings which the Secretary determines should have been identified under paragraph (1), or

(C) one or more of the buildings identified by the public housing agency pursuant to paragraph (1) should not, in the determination of the Secretary, have been identified under that paragraph,

the Secretary may identify a building or buildings for conversion and take other appropriate action pursuant to this subsection.

(5) Cessation of unnecessary spending.—Notwithstanding any other provision of law, if, in the determination of the Secretary, a building or buildings meets or is likely to meet the criteria set forth in paragraph (1), the Secretary may direct the public housing agency to cease additional spending in connection with such building or buildings, except to the extent that additional spending is necessary to ensure safe, clean, and healthy housing until the Secretary determines or approves an appropriate course of action with respect to such building or buildings under this subsection.

(6) Use of budget authority.—Notwithstanding any other provision of law, if a building or buildings are identified pursuant to paragraph (1), the Secretary may authorize or direct the transfer, to the choice-based or tenant-based assistance program of such agency or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(A) in the case of an agency receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such building or buildings pursuant to section 14 of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b));

(B) in the case of an agency receiving public housing modernization assistance by formula pursuant to such section 14, any amounts provided to the agency which are attributable pursuant to the formula for allocating such assistance to such building or buildings;

(C) in the case of an agency receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such building or buildings pursuant to section 5(j)(2) of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b); and

(D) in the case of an agency receiving assistance pursuant to the formulas under section 1204, any amounts provided to the agency which are attributable pursuant to the formulas for allocating such assistance to such building or buildings.

(7) Relocation requirements.—Any public housing agency carrying out conversion of public housing under this subsection shall—

(A) notify the families residing in the public housing development subject to the conversion, in accordance with any guidelines issued by the Secretary governing such notifications, that—

(i) the development will be removed from the inventory of the public housing agency; and

(ii) the families displaced by such action will receive choice-based housing assistance or occupancy in a unit operated or assisted by the public housing agency;

(B) ensure that each family that is a resident of the development is relocated to other safe, clean, and healthy affordable housing, which is, to the maximum extent practicable, housing of the family's choice, including choice-based assistance under title XIII (provided that with respect to choice-based assistance, the preceding requirement shall be fulfilled only upon the relocation of such family into such housing);

(C) provide any necessary counseling for families displaced by such action to facilitate relocation; and

(D) provide any reasonable relocation expenses for families displaced by such action.

(8) Transition.—Any amounts made available to a public housing agency to carry out section 202 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (enacted as section 101(e) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134; 110 Stat. 1321–279)) may be used, to the extent or in such amounts as are or have been provided in advance in appropriation Acts, to carry out this section. The Secretary shall provide for public housing agencies to conform and continue actions taken under such section 202 in accordance with the requirements under this section.

(c) Extension of Deadlines.—The Secretary may, for a public housing agency, extend any deadline established pursuant to this section or a local housing management plan for up to an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

(d) Compliance With Plan.—The local housing management plan submitted by a public housing agency (including any amendments to the plan), unless determined under section 1107 not to comply with the requirements under section 1106, shall be binding upon the Secretary and the public housing agency and the agency shall use any grant amounts provided under this title for eligible activities under subsection (a) in accordance with the plan. This subsection may not be construed to preclude changes or amendments to the plan, as authorized under section 1107 or any actions authorized by this division to be taken without regard to a local housing management plan.

(e) Eligible Activities for Increased Income.—Any public housing agency that derives increased nonrental or rental income, as referred to in subsection (c)(2)(B) or (d)(1)(D) of section 1204 or pursuant to provision of mixed-income developments under section 1221(c)(2), may use such amounts for any eligible activity under paragraph (1) or (2) of subsection (a) of this section or for providing choice-based housing assistance under title XIII.

SEC. 1204. DETERMINATION OF GRANT ALLOCATION.

(a) In General.—For each fiscal year, after reserving amounts under section 1111 from the aggregate amount made available for the fiscal year for carrying out this title, the Secretary shall allocate any remaining amounts among eligible public housing agencies in accordance with this section, so that the sum of all of the allocations for all eligible authorities is equal to such remaining amount.

(b) Allocation Amount.—The Secretary shall determine the amount of the allocation for each eligible public housing agency, which shall be—

(1) for any fiscal year beginning after the enactment of a law containing the formulas described in paragraphs (1) and (2) of subsection (c), the sum of the amounts determined for the agency under each such formula; or

(2) for any fiscal year beginning before the expiration of such period, the sum of—

(A) the operating allocation determined under subsection (d)(1) for the agency; and

(B) the capital improvement allocation determined under subsection (d)(2) for the agency.

(c) Permanent Allocation Formulas for Capital and Operating Funds.—

(1) Establishment of capital fund formula.—The formula under this paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the public housing agency, the characteristics and locations of the developments, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the public housing agency to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the public housing agency, including backlog and projected future needs of the agency;

(C) the cost of constructing and rehabilitating property in the area; and

(D) the need of the public housing agency to carry out activities that provide a safe and secure environment in public housing units owned or operated by the public housing agency.

(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—

(A) IN GENERAL.—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(i) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing developments and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;

(ii) the number of public housing dwelling units owned or operated by the public housing agency;

(iii) the need of the public housing agency to carry out anti-crime and anti-drug activities, including providing adequate security for public housing residents; and

(iv) any record by the public housing agency of exemplary performance in the operation of public housing.

(B) INCENTIVE TO INCREASE INCOME.—The formula shall provide an incentive to encourage public housing agencies to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families whose incomes have increase while in occupancy and newly admitted families. Any such incentive shall provide that the agency shall derive the full benefit of any increase in nonrental or rental income, and such increase shall not result in a decrease in amounts provided to the agency under this title. In addition, an agency shall be permitted to retain, from each fiscal year, the full benefit of such an increase in nonrental or rental income, except to the extent that such benefit exceeds (i) 100 percent of the total amount of the operating allocation for which the agency is eligible under this section, and (ii) the maximum balance permitted for the agency's operating reserve under this section and any regulations issued under this section.

(C) TREATMENT OF UTILITY RATES.—The formula shall not take into account the amount of any cost reductions for a public housing agency due to the difference between projected and actual utility rates attributable to actions that are taken by the agency which lead to such reductions, as determined by the Secretary. In the case of any public housing agency that receives financing from any person or entity other than the Secretary or enters into a performance contract to undertake energy conservation improvements in a public housing development, under which the payment does not exceed the cost of the energy saved as a result of the improvements during a reasonable negotiated contract period, the formula shall not take into account the amount of any cost reductions for the agency due to the differences between projected and actual utility consumption attributable to actions that are taken by the agency which lead to such reductions, as determined by the Secretary. Notwithstanding the preceding 2 sentences, after the expiration of the 10-year period beginning upon the savings initially taking effect, the Secretary may reduce the amount allocated to the agency under the formula by up to 50 percent of such differences.

(3) CONSIDERATION OF PERFORMANCE, COSTS, AND OTHER FACTORS.—The formulas under paragraphs (1) and (2) should each reward performance and may each consider appropriate factors that reflect the different characteristics and sizes of public housing agencies, the relative needs, revenues, costs, and capital improvements of agencies, and the relative costs to agencies of operating a well-managed agency that meets the performance targets for the agency established in the local housing management plan for the agency.

(4) DEVELOPMENT UNDER NEGOTIATED RULEMAKING PROCEDURE.—The formulas under this subsection shall be developed according to procedures for issuance of regulations under the negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code, except that the formulas shall not be contained in a regulation.

(5) REPORT.—Not later than the expiration of the 12-month period beginning upon the enactment of this Act, the Secretary shall submit a report to the Congress containing the proposed formulas established pursuant to paragraph (4) that meets the requirements of this subsection.

(d) INTERIM ALLOCATION REQUIREMENTS.—

(1) OPERATING ALLOCATION.—

(A) APPLICABILITY TO APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, an amount shall be used only to provide amounts for operating allocations under this paragraph for eligible public housing agencies that bears the same ratio to such total amount available for allocation that the amount appropriated for fiscal year 1997 for operating subsidies under section 9 of the United States Housing Act of 1937 bears to the sum of such operating subsidy amounts plus the amounts appropriated for such fiscal year for modernization under section 14 of such Act.

(B) DETERMINATION.—The operating allocation under this paragraph for a public housing agency for a fiscal year shall be an amount determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of operating subsidies for fiscal year 1997 to public housing agencies (as modified under subparagraphs (C) and (D)) under section 9 of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b).

(C) TREATMENT OF CHRONICALLY VACANT UNITS.—The Secretary shall revise the formula referred to in subparagraph (B) so that the formula does not provide any amounts, other than utility costs and other necessary costs (such as costs necessary for the protection of persons and property), attributable to any dwelling unit of a public housing agency that has been vacant continuously for 6 or more months. A unit shall not be considered vacant for purposes of this paragraph if the unit is unoccupied because of rehabilitation or renovation that is on schedule.

(D) TREATMENT OF INCREASES IN INCOME.—The Secretary shall revise the formula referred to in subparagraph (B) to provide an incentive to encourage public housing agencies to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the agency shall derive the full benefit of any increase in nonrental or rental income, and such increase shall not result in a decrease in amounts provided to the agency under this title. In addition, an agency shall be permitted to retain, from each fiscal year, the full benefit of such an increase in nonrental or rental income, except that such benefit may not be retained if—

(i) the agency's operating allocation equals 100 percent of the amount for which it is eligible under section 9 of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b) of this Act; and

(ii) the agency's operating reserve balance is equal to the maximum amount permitted under section 9 of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b) of this Act.

(2) CAPITAL IMPROVEMENT ALLOCATION.—

(A) APPLICABILITY TO APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, an amount shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible public housing agencies that bears the same ratio to such total amount available for allocation that the amount appropriated for fiscal year 1997 for modernization under section 14 of the United States Housing Act of 1937 bears to the sum of such modernization amounts plus the amounts appropriated for such fiscal year for operating subsidies under section 9 of such Act.

(B) DETERMINATION.—The capital improvement allocation under this paragraph for an eligible public housing agency for a fiscal year shall be determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of modernization assistance for fiscal year 1997 to public housing agencies under section 14 of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b), except that the Secretary shall establish a method for taking into consideration allocation of amounts under the comprehensive improvement assistance program.

(e) ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.—If a public housing agency uses proceeds from the sale of units under a homeownership program in accordance with section 1251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the agency under this section until sale by the agency, but in any case no longer than 5 years.

SEC. 1205. SANCTIONS FOR IMPROPER USE OF AMOUNTS.

(a) IN GENERAL.—In addition to any other actions authorized under this title, if the Secretary finds pursuant to an audit under section 1541 that a public housing agency receiving grant amounts under this title has failed to comply substantially with any provision of this title, the Secretary may—

(1) terminate payments under this title to the agency;

(2) withhold from the agency amounts from the total allocation for the agency pursuant to section 1204;

(3) reduce the amount of future grant payments under this title to the agency by an

amount equal to the amount of such payments that were not expended in accordance with this title;

(4) limit the availability of grant amounts provided to the agency under this title to programs, projects, or activities not affected by such failure to comply;

(5) withhold from the agency amounts allocated for the agency under title XIII; or

(6) order other corrective action with respect to the agency.

(b) TERMINATION OF COMPLIANCE ACTION.—If the Secretary takes action under subsection (a) with respect to a public housing agency, the Secretary shall—

(1) in the case of action under subsection (a)(1), resume payments of grant amounts under this title to the agency in the full amount of the total allocation under section 1204 for the agency at the time that the Secretary first determines that the agency will comply with the provisions of this title;

(2) in the case of action under paragraph (2), (5), or (6) of subsection (a), make withheld amounts available as the Secretary considers appropriate to ensure that the agency complies with the provisions of this title; or

(3) in the case of action under subsection (a)(4), release such restrictions at the time that the Secretary first determines that the agency will comply with the provisions of this title.

Subtitle B—Admissions and Occupancy Requirements

SEC. 1221. LOW-INCOME HOUSING REQUIREMENT.

(a) PRODUCTION ASSISTANCE.—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 shall be operated as public housing for the 40-year period beginning upon such production.

(b) OPERATING ASSISTANCE.—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this Act.

(c) CAPITAL IMPROVEMENTS ASSISTANCE.—Amounts may be used for eligible activities under section 1203(a)(1) only for the following housing developments:

(1) LOW-INCOME DEVELOPMENTS.—Amounts may be used for a low-income housing development that—

(A) is owned by public housing agencies;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 1203(a)(1) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the receipt of such grant. Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained and used as public housing for the 20-year period beginning upon receipt of such amounts.

(2) MIXED INCOME DEVELOPMENTS.—Amounts may be used for eligible activities under section 1203(a)(1) for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families;

(B) contains a number of dwelling units—

(i) which units are made available (by master contract or individual lease) for occupancy only by low- and very low-income families identified by the public housing agency;

(ii) which number is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the agency compared to the total investment (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements if reductions in funding or other changes to the program make continued application of such requirements impracticable;

(iv) which units are specially designated as dwelling units under this subparagraph, except the equivalent units in the development may be substituted for designated units during the period the units are subject to the requirements of the public housing program; and

(v) which units shall be eligible for assistance under this title; and

(C) is owned by the public housing agency, an affiliate controlled by it, or another appropriate entity.

Notwithstanding any other provision of this title, to facilitate the establishment of socioeconomically mixed communities, a public housing agency that uses grant amounts under this title for a mixed income development under this paragraph may, to the extent that income from such a development reduces the amount of grant amounts used for operating or other costs relating to public housing, use such resulting savings to rent privately developed dwelling units in the neighborhood of the mixed income development. Such units shall be made available for occupancy only by low-income families eligible for residency in public housing.

SEC. 1222. FAMILY ELIGIBILITY.

(a) IN GENERAL.—Dwelling units in public housing may be rented only to families who are low-income families at the time of their initial occupancy of such units.

(b) INCOME MIX WITHIN DEVELOPMENTS.—A public housing agency may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing developments that limit admission to a development by selecting applicants having incomes appropriate so that the mix of incomes of families occupying the development at any time is proportional to the income mix in the eligible population of the jurisdiction of the agency at such time, as adjusted to take into consideration the severity of housing need. Any criteria established under this subsection shall be subject to the provisions of subsection (c).

(c) INCOME MIX.—

(1) PHA INCOME MIX.—Of the public housing dwelling units of a public housing agency made available for occupancy by eligible families, not less than 35 percent shall be occupied by families whose incomes at the time of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary, may for purposes of this subsection, establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. This paragraph may not be construed to create any authority on the part of any public housing agency to evict any family residing in public housing solely because of the income of the family or because of any noncompliance or overcompliance with the requirement of this paragraph.

(2) PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.—A public housing agency may not, in complying with the requirements under paragraph (1), concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments. The Secretary may review the income and occupancy characteristics of the public housing developments, and the buildings of such developments, of public housing agencies to ensure compliance with the provisions of this paragraph.

(3) FUNGIBILITY WITH CHOICE-BASED ASSISTANCE.—If, during a fiscal year, a public housing agency provides choice-based housing assistance under title XIII for a number of low-income families, who are initially assisted by the agency in such year and have incomes described in section 1321(b) (relating to income targeting), which exceeds the number of families that is required for the agency to comply with the percentage requirement under such section 1321(b) for such fiscal year, notwithstanding paragraph (1) of this subsection, the number of public housing dwelling units that the agency must otherwise make available in accordance with such paragraph to comply with the percentage requirement under such paragraph shall be reduced by such excess number of families for such fiscal year.

(d) WAIVER OF ELIGIBILITY REQUIREMENTS FOR OCCUPANCY BY POLICE OFFICERS.—

(1) AUTHORITY AND WAIVER.—To the extent necessary to provide occupancy in public housing dwelling units to police officers and other law enforcement or security personnel (who are not otherwise eligible for residence in public housing) and to increase security for other public housing residents in developments where crime has been a problem, a public housing agency may, with respect to such units and subject to paragraph (2)—

(A) waive—

(i) the provisions of subsection (a) of this section and section 1225(a); and

(ii) the applicability of—

(I) any preferences for occupancy established under section 1223;

(II) the minimum rental amount established pursuant to section 1225(c) and any maximum monthly rental amount established pursuant to section 1225(b);

(III) any criteria relating to income mix within developments established under subsection (b);

(IV) the income mix requirements under subsection (c); and

(V) any other occupancy limitations or requirements; and

(B) establish special rent requirements and other terms and conditions of occupancy.

(2) CONDITIONS OF WAIVER.—A public housing agency may take the actions authorized in paragraph (1) only if agency determines that such actions will increase security in the public housing developments involved and will not result in a significant reduction of units available for residence by low-income families.

SEC. 1223. PREFERENCES FOR OCCUPANCY.

(a) AUTHORITY TO ESTABLISH.—Each public housing agency may establish a system for making dwelling units in public housing available for occupancy that provides preference for such occupancy to families having certain characteristics.

(b) Content.—Each system of preferences established pursuant to this section shall be based upon local housing needs and priorities, as determined by the public housing agency using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 1106(e) and under the requirements applicable to the comprehensive housing affordability strategy for the relevant jurisdiction.

(c) Sense of the Congress.—It is the sense of the Congress that, to the greatest extent practicable, public housing agencies involved in the selection of tenants under the provisions of this title should adopt preferences for individuals who are victims of domestic violence.

SEC. 1224. ADMISSION PROCEDURES.

(a) Admission Requirements.—A public housing agency shall ensure that each family residing in a public housing development owned or administered by the agency is admitted in accordance with the procedures established under this title by the agency and the income limits under section 1222.

(b) Notification of Application Decisions.—A public housing agency shall establish procedures designed to provide for notification to an applicant for admission to public housing of the determination with respect to such application, the basis for the determination, and, if the applicant is determined to be eligible for admission, the projected date of occupancy (to the extent such date can reasonably be determined). If an agency denies an applicant admission to public housing, the agency shall notify the applicant that the applicant may request an informal hearing on the denial within a reasonable time of such notification.

(c) Site-Based Waiting Lists.—A public housing agency may establish procedures for maintaining waiting lists for admissions to public housing developments of the agency, which may include (notwithstanding any other law, regulation, handbook, or notice to the contrary) a system of site-based waiting lists whereby applicants may apply directly at or otherwise designate the development or developments in which they seek to reside. All such procedures shall comply with all provisions of title VI of the Civil Rights Act of 1964, the Fair Housing Act, and other applicable civil rights laws.

(d) Confidentiality for Victims of Domestic Violence.—A public housing agency shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family in public housing that was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The agency shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(e) Transfers.—A public housing agency may apply, to each public housing resident seeking to transfer from one development to another development owned or operated by the agency, the screening procedures applicable at such time to new applicants for public housing.

SEC. 1225. FAMILY CHOICE OF RENTAL PAYMENT.

(a) Rental Contribution by Resident.—A family residing in a public housing dwelling shall pay as monthly rent for the unit the amount determined under paragraph (1) or (2) of subsection (b), subject to the requirement under subsection (c). Each public housing agency shall provide for each family residing in a public housing dwelling unit owned or administered by the agency to elect annually whether the rent paid by such family shall be determined under paragraph (1) or (2) of subsection (b).

(b) Allowable Rent Structures.—

(1) Flat rents.—Each public housing agency shall establish, for each dwelling unit in public housing owned or administered by the agency, a flat rental amount for the dwelling unit, which shall—

(A) be based on the rental value of the unit, as determined by the public housing agency; and

(B) be designed in accordance with subsection (e) so that the rent structures do not create a disincentive for continued residency in public housing by families who are attempting to become economically self-sufficient through employment or who have attained a level of self-sufficiency through their own efforts.

The rental amount for a dwelling unit shall be considered to comply with the requirements of this paragraph if such amount does not exceed the actual monthly costs to the public housing agency attributable to providing and operating the dwelling unit. The preceding sentence may not be construed to require establishment of rental amounts equal to or based on operating costs or to prevent public housing agencies from developing flat rents required under this paragraph in any other manner that may comply with this paragraph.

(2) Income-based rents.—The monthly rental amount determined under this paragraph for a family shall be an amount, determined by the public housing agency, that does not exceed the greatest of the following amounts (rounded to the nearest dollar):

(A) 30 percent of the monthly adjusted income of the family.

(B) 10 percent of the monthly income of the family.

(C) If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by such agency to meet the housing costs of the family, the portion of such payments that is so designated.

Nothing in this paragraph may be construed to require a public housing agency to charge a monthly rent in the maximum amount permitted under this paragraph.

(c) Minimum Rental Amount.—Notwithstanding the method for rent determination elected by a family pursuant to subsection (a), each public housing agency shall require that the monthly rent for each dwelling unit in public housing owned or administered by the agency shall not be less than a minimum amount (which amount shall include any amount allowed for utilities), which shall be an amount determined by the agency that is not less than $25 nor more than $50.

(d) Hardship Provisions.—

(1) Minimum rental.—

(A) In general.—Notwithstanding subsection (c), a public housing agency shall grant an exemption from application of the minimum monthly rental under such subsection to any family unable to pay such amount because of financial hardship, which shall include situations in which (i) the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996; (ii) the family would be evicted as a result of the imposition of the minimum rent requirement under subsection (c); (iii) the income of the family has decreased because of changed circumstance, including loss of employment; and (iv) a death in the family has occurred; and other situations as may be determined by the agency.

(B) Waiting period.—If a resident requests a hardship exemption under this paragraph and the public housing agency reasonably determines the hardship to be of a temporary nature, an exemption shall not be granted during the 90-day period beginning upon the making of a request for the exemption. A resident may not be evicted during such 90-day period for nonpayment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long-term basis, the agency shall retroactively exempt the resident from the applicability of the minimum rent requirement for such 90-day period.

(2) Switching rent determination methods.—Notwithstanding subsection (a), in the case of a family that has elected to pay rent in the amount determined under subsection (b)(1), a public housing agency shall provide for the family to pay rent in the amount determined under subsection (b)(2) during the period for which such election was made if the family is unable to pay the amount determined under subsection (b)(1) because of financial hardship, including—

(A) situations in which the income of the family has decreased because of changed circumstances, loss of reduction of employment, death in the family, and reduction in or loss of income or other assistance;

(B) an increase, because of changed circumstances, in the family's expenses for—

(i) medical costs;

(ii) child care;

(iii) transportation;

(iv) education; or

(v) similar items; and

(C) such other situations as may be determined by the agency.

(e) Encouragement of Self-Sufficiency.—The rental policy developed by each public housing agency shall encourage and reward employment and economic self-sufficiency.

(f) Income Reviews.—Each public housing agency shall review the income of each family occupying a dwelling unit in public housing owned or administered by the agency not less than annually, except that, in the case of families that are paying rent in the amount determined under subsection (b)(1), the agency shall review the income of such family not less than once every 3 years.

(g) Disallowance of Earned Income From Rent Determinations.—

(1) In general.—Notwithstanding any other provision of law, the rent payable under this section by a family whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years (including a family whose income increases as a result of the participation of a family member in any family self-sufficiency or other job training program) may not be increased as a result of the increased income due to such employment during the 18-month period beginning on the date on which the employment is commenced.

(2) Phase-in of rent increases.—After the expiration of the 18-month period referred to

in paragraph (1), rent increases due to the continued employment of the family member described in paragraph (1) shall be phased in over a subsequent 3-year period.

(3) TRANSITION.—Notwithstanding the provisions of paragraphs (1) and (2), any resident of public housing participating in the program under the authority contained in the undesignated paragraph at the end of section 3(c)(3) of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) shall be governed by such authority after such date.

(h) PHASE-IN OF RENT CONTRIBUTION INCREASES AFTER EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family residing in a dwelling unit in public housing upon the effective date of this division, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon initial applicability of this title is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rental amount under subsection (c) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 1226. LEASE REQUIREMENTS.

In renting dwelling units in a public housing development, each public housing agency shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) obligate the public housing agency to maintain the development in compliance with the housing quality requirements under section 1232;

(3) require the public housing agency to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or public housing agency employees is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) contain the provisions required under sections 1642 and 1643 (relating to limitations on occupancy in federally assisted housing); and

(5) specify that, with respect to any notice of eviction or termination, notwithstanding any State law, a public housing resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records or regulations directly related to the eviction or termination.

SEC. 1227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES.

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a public housing agency for which the information required under subsection (d) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the public housing agency may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a public housing agency determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the agency may provide that near-elderly families may occupy dwelling units in the development (or portion).

(b) STANDARDS REGARDING EVICTIONS.—Except as provided in subtitle C of title XVI, any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any public housing agency pursuant to this section.

(c) RELOCATION ASSISTANCE.—A public housing agency that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the agency and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include choice-based rental housing assistance under title XIII, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) REQUIRED INCLUSIONS IN LOCAL HOUSING MANAGEMENT PLAN.—A public housing agency may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the agency, as part of the agency's local housing management plan—

(1) establishes that the designation of the development is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; or

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the development (or portion of a development) to be designated;

(B) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the development were not restricted pursuant to this section.

For purposes of this subsection, the term "supportive services" means services designed to meet the special needs of residents. Notwithstanding section 1107, the Secretary may approve a local housing management plan without approving the portion of the plan covering designation of a development pursuant to this section.

(e) EFFECTIVENESS.—

(1) INITIAL 5-YEAR EFFECTIVENESS.—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 1107(a) of the public housing agency that the information complies with the requirements under section 1106 and this section.

(2) RENEWAL.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an agency may extend the effectiveness of the designation and information for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the information. The Secretary may not limit the number of times a public housing agency extends the effectiveness of a designation and information under this paragraph.

(3) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this section, a public housing agency shall be considered to have submitted the information required under this section if the agency has submitted to the Secretary an application and allocation plan under section 7 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) that has not been approved or disapproved before such effective date.

(4) TRANSITION PROVISION.—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) before such effective date shall be considered to be the information required to be submitted under this section and that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(f) INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.—No resident of a public housing development shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

(g) USE OF AMOUNTS.—Any amounts appropriated pursuant to section 10(b) of the Housing Opportunity Program Extension Act of 1996 (Public Law 104–120) may also be used, to the extent or in such amounts as are or have been provided in advance in appropriation Acts, for choice-based rental housing assistance under title XIII for public housing agencies to implement this section.

Subtitle C—Management

SEC. 1231. MANAGEMENT PROCEDURES.

(a) SOUND MANAGEMENT.—A public housing agency that receives grant amounts under this title shall establish and comply with procedures and practices sufficient to ensure that the public housing developments owned or administered by the agency are operated in a sound manner.

(b) ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.—

(1) ESTABLISHMENT.—Each public housing agency that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) ACCESS TO RECORDS.—Each public housing agency shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

(3) EXEMPTION.—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an agency-wide basis.

(c) MANAGEMENT BY OTHER ENTITIES.—Except as otherwise provided under this division, a public housing agency may contract with any other entity to perform any of the management functions for public housing owned or operated by the public housing agency.

SEC. 1232. HOUSING QUALITY REQUIREMENTS.

(a) IN GENERAL.—Each public housing agency that receives grant amounts under this division shall maintain its public housing in a condition that complies—

(1) in the case of public housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(2) in the case of public housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in paragraph (1), with the housing quality standards established under subsection (b).

(b) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 1328(c). The Secretary shall differentiate between major and minor violations of such standards.

(c) DETERMINATIONS.—Each public housing agency providing housing assistance shall identify, in the local housing management plan of the agency, whether the agency is utilizing the standard under paragraph (1) or (2) of subsection (a).

(d) ANNUAL INSPECTIONS.—Each public housing agency that owns or operates public housing shall make an annual inspection of each public housing development to determine whether units in the development are maintained in accordance with the requirements under subsection (a). The agency shall retain the results of such inspections and, upon the request of the Secretary, the Inspector General for the Department of Housing and Urban Development, or any auditor conducting an audit under section 1541, shall make such results available.

SEC. 1233. EMPLOYMENT OF RESIDENTS.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "public housing agencies and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through the end and inserting "assistance provided under title XII of the Housing Opportunity and Responsibility Act of 1997 and used for the housing production, operation, or capital needs."; and

(B) in subparagraph (B)(ii), by striking "managed by the public or Indian housing agency" and inserting "assisted by the public housing agency or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996";

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "public housing agencies and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through "section 14 of that Act" and inserting "assistance provided under title XII of the Housing Opportunity and Responsibility Act of 1997 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "operated by the public or Indian housing agency" and inserting "assisted by the public housing agency or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996";

(3) in subsections (c)(1)(A) and (d)(1)(A), by striking "make their best efforts," each place it appears and inserting "to the maximum extent that is possible and";

(4) in subsection (c)(1)(A), by striking "to give" and inserting "give"; and

(5) in subsection (d)(1)(A), by striking "to award" and inserting "award".

SEC. 1234. RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.

(a) RESIDENT COUNCILS.—The residents of a public housing development may establish a resident council for the development for purposes of consideration of issues relating to residents, representation of resident interests, and coordination and consultation with a public housing agency. A resident council shall be an organization or association that—

(1) is nonprofit in character;

(2) is representative of the residents of the eligible housing;

(3) adopts written procedures providing for the election of officers on a regular basis; and

(4) has a democratically elected governing board, which is elected by the residents of the eligible housing on a regular basis.

(b) RESIDENT MANAGEMENT CORPORATIONS.—

(1) ESTABLISHMENT.—The residents of a public housing development may establish a resident management corporation for the purpose of assuming the responsibility for the management of the development under section 1235 or purchasing a development.

(2) REQUIREMENTS.—A resident management corporation shall be a corporation that—

(A) is nonprofit in character;

(B) is organized under the laws of the State in which the development is located;

(C) has as its sole voting members the residents of the development; and

(D) is established by the resident council for the development or, if there is not a resident council, by a majority of the households of the development.

SEC. 1235. MANAGEMENT BY RESIDENT MANAGEMENT CORPORATION.

(a) AUTHORITY.—A public housing agency may enter into a contract under this section with a resident management corporation to provide for the management of public housing developments by the corporation.

(b) CONTRACT.—A contract under this section for management of public housing developments by a resident management corporation shall establish the respective management rights and responsibilities of the corporation and the public housing agency. The contract shall be consistent with the requirements of this division applicable to public housing development and may include specific terms governing management personnel and compensation, access to public housing records, submission of and adherence to budgets, rent collection procedures, resident income verification, resident eligibility determinations, resident eviction, the acquisition of supplies and materials and such other matters as may be appropriate. The contract shall be treated as a contracting out of services.

(c) BONDING AND INSURANCE.—Before assuming any management responsibility for a public housing development, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(d) BLOCK GRANT ASSISTANCE AND INCOME.—A contract under this section shall provide for—

(1) the public housing agency to provide a portion of the block grant assistance under this title to the resident management corporation for purposes of operating the public housing development covered by the contract and performing such other eligible activities with respect to the development as may be provided under the contract;

(2) the amount of income expected to be derived from the development itself (from sources such as rents and charges);

(3) the amount of income to be provided to the development from the other sources of income of the public housing agency (such as interest income, administrative fees, and rents); and

(4) any income generated by a resident management corporation of a public housing development that exceeds the income estimated under the contract shall be used for eligible activities under section 1203(a).

(e) CALCULATION OF TOTAL INCOME.—

(1) MAINTENANCE OF SUPPORT.—Subject to paragraph (2), the amount of assistance provided by a public housing agency to a public housing development managed by a resident management corporation may not be reduced during the 3-year period beginning on the date on which the resident management corporation is first established for the development.

(2) REDUCTIONS AND INCREASES IN SUPPORT.—If the total income of a public housing agency is reduced or increased, the income provided by the public housing agency to a public housing development managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the agency, except that any reduction in block grant amounts under this title to the agency that occurs as a result of fraud, waste, or mismanagement by the agency shall not affect the amount provided to the resident management corporation.

SEC. 1236. TRANSFER OF MANAGEMENT OF CERTAIN HOUSING TO INDEPENDENT MANAGER AT REQUEST OF RESIDENTS.

(a) Authority.—The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a public housing agency to an eligible management entity, in accordance with the requirements of this section, if—

(1) such housing is owned or operated by a public housing agency that is designated as a troubled agency under section 1533(a); and

(2) the Secretary determines that—

(A) such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is occupied predominantly by families with children who are in a severe state of distress, characterized by such factors as high rates of unemployment, teenage pregnancy, single-parent households, long-term dependency on public assistance and minimal educational achievement;

(C) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(D) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) through (C) can be remedied by an entity that has a demonstrated capacity to manage, with reasonable expenses for modernization.

Such a transfer may be made only as provided in this section, pursuant to the approval by the Secretary of a request for the transfer made by a majority vote of the residents for the specified housing, after consultation with the public housing agency for the specified housing.

(b) Block Grant Assistance.—Pursuant to a contract under subsection (c), the Secretary shall require the public housing agency for specified housing to provide to the manager for the housing, from any block grant amounts under this title for the agency, fair and reasonable amounts for operating costs for the housing. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the total block grant amounts for the public housing agency transferring the housing, taking into consideration the operating and capital improvement needs of the specified housing, the operating and capital improvement needs of the remaining public housing units managed by the public housing agency, and the local housing management plan of such agency.

(c) Contract Between Secretary and Manager.—

(1) Requirements.—Pursuant to the approval of a request under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) Terms.—A contract under this subsection shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this division applicable to public housing developments.

(d) Compliance With Local Housing Management Plan.—A manager of specified housing under this section shall comply with the approved local housing management plan applicable to the housing and shall submit such information to the public housing agency from which management was transferred as may be necessary for such agency to prepare and update its local housing management plan.

(e) Demolition and Disposition by Manager.—A manager under this section may demolish or dispose of specified housing only if, and in the manner, provided for in the local housing management plan for the agency transferring management of the housing.

(f) Limitation on PHA Liability.—A public housing agency that is not a manager for specified housing shall not be liable for any act or failure to act by a manager or resident council for the specified housing.

(g) Treatment of Manager.—To the extent not inconsistent with this section and to the extent the Secretary determines not inconsistent with the purposes of this division, a manager of specified housing under this section shall be considered to be a public housing agency for purposes of this title.

(h) Definitions.—For purposes of this section, the following definitions shall apply:

(1) Eligible management entity.—The term "eligible management entity" means, with respect to any public housing development, any of the following entities:

(A) Nonprofit organization.—A public or private nonprofit organization, which shall—

(i) include a resident management corporation or resident management organization and, as determined by the Secretary, a public or private nonprofit organization sponsored by the public housing agency that owns the development; and

(ii) not include the public housing agency that owns the development.

(B) For-profit entity.—A for-profit entity that has demonstrated experience in providing low-income housing.

(C) State or local government.—A State or local government, including an agency or instrumentality thereof.

(D) Public housing agency.—A public housing agency (other than the public housing agency that owns the development).

The term does not include a resident council.

(2) Manager.—The term "manager" means any eligible management entity that has entered into a contract under this section with the Secretary for the management of specified housing.

(3) Nonprofit.—The term "nonprofit" means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(4) Private nonprofit organization.—The term "private nonprofit organization" means any private organization (including a State or locally chartered organization) that—

(A) is incorporated under State or local law;

(B) is nonprofit in character;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.

(5) Public housing agency.—The term "public housing agency" has the meaning given such term in section 1103(a).

(6) Public nonprofit organization.—The term "public nonprofit organization" means any public entity that is nonprofit in character.

(7) Specified housing.—The term "specified housing" means a public housing development or developments, or a portion of a development or developments, for which the transfer of management is requested under this section. The term includes one or more contiguous buildings and an area of contiguous row houses, but in the case of a single building, the building shall be sufficiently separable from the remainder of the development of which it is part to make transfer of the management of the building feasible for purposes of this section.

SEC. 1237. RESIDENT OPPORTUNITY PROGRAM.

(a) Purpose.—The purpose of this section is to encourage increased resident management of public housing developments, as a means of improving existing living conditions in public housing developments, by providing increased flexibility for public housing developments that are managed by residents by—

(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For purposes of this section, the term "public housing development" includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

(b) Program Requirements.—

(1) Resident council.—As a condition of entering into a resident opportunity program, the elected resident council of a public housing development shall approve the establishment of a resident management corporation that complies with the requirements of section 1234(b)(2). When such approval is made by the elected resident council of a building or row house area, the resident opportunity program shall not interfere with the rights of other families residing in the development or harm the efficient operation of the development. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council.

(2) Public housing management specialist.—The resident council of a public housing development, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(3) Management responsibilities.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, shall enter into a contract with the agency establishing the respective management rights and responsibilities of the corporation and the agency. The contract shall be treated as a contracting out of services and shall be subject to the requirements under section 1235 for such contracts.

(4) Annual audit.—The books and records of a resident management corporation operating a public housing development shall be audited annually by a certified public accountant. A written report of each such audit shall be forwarded to the public housing agency and the Secretary.

(c) Comprehensive Improvement Assistance.—Public housing developments managed by resident management corporations may be provided with modernization assistance from grant amounts under this title for purposes of renovating such developments. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the public housing agency involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

(d) Waiver of Federal Requirements.—

(1) Waiver of regulatory requirements.—Upon the request of any resident management corporation and public housing agency, and after notice and an opportunity to comment is afforded to the affected residents, the Secretary may waive (for both the resident management corporation and the public housing agency) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing development.

(2) Waiver to permit employment.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such development to volunteer a portion of their labor.

(3) Exceptions.—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 1222, family rental payments under section 1225, tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

(e) Operating Assistance and Development Income.—

(1) Calculation of operating subsidy.—The grant amounts received under this title by a public housing agency used for operating fund activities under section 1203(a)(2) that are allocated to a public housing development managed by a resident management corporation shall not be less than per unit monthly amount of such assistance used by the public housing agency in the previous year, as determined on an individual development basis.

(2) Contract requirements.—Any contract for management of a public housing development entered into by a public housing agency and a resident management corporation shall specify the amount of income expected to be derived from the development itself (from sources such as rents and charges) and the amount of income funds to be provided to the development from the other sources of income of the agency (such as assistance for operating activities under section 1203(a)(2), interest income, administrative fees, and rents).

(f) Resident Management Technical Assistance and Training.—

(1) Financial assistance.—To the extent budget authority is available under this title, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing developments, and the securing of such support. In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize public housing agencies or other qualified organizations as contract administrators with respect to financial assistance provided under this paragraph.

(2) Limitation on assistance.—The financial assistance provided under this subsection with respect to any public housing development may not exceed $100,000.

(3) Prohibition.—A resident management corporation or resident council may not, before the award to the corporation or council of a grant amount under this subsection, enter into any contract or other agreement with any entity to provide such entity with amounts from the grant for providing technical assistance or carrying out other activities eligible for assistance with amounts under this subsection. Any such agreement entered into in violation of this paragraph shall be void and unenforceable.

(4) Funding.—Of any amounts made available under section 1282(1) for use under the capital fund, the Secretary may use to carry out this subsection $15,000,000 for fiscal year 1998.

(5) Limitation regarding assistance under hope grant program.—The Secretary may not provide financial assistance under this subsection to any resident management corporation or resident council with respect to which assistance for the development or formation of such entity is provided under title III of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act).

(6) Technical assistance and clearinghouse.—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (4)—

(A) to provide technical assistance, directly or by grant or contract, and

(B) to receive, collect, process, assemble, and disseminate information,

in connection with activities under this subsection.

(g) Assessment and Report by Secretary.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall—

(1) conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing; and

(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.

(h) Applicability.—Any management contract between a public housing agency and a resident management corporation that is entered into after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 shall be subject to this section and any regulations issued to carry out this section.

Subtitle D—Homeownership

SEC. 1251. RESIDENT HOMEOWNERSHIP PROGRAMS.

(a) In General.—A public housing agency may carry out a homeownership program in accordance with this section and the local housing management plan of the agency to make public housing dwelling units, public housing developments, and other housing projects available for purchase by low-income families. An agency may transfer a unit only pursuant to a homeownership program approved by the Secretary. Notwithstanding section 1107, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeownership program pursuant to this section. In the case of the portion of a plan regarding the homeownership program that is submitted separately pursuant to the preceding sentence, the Secretary shall approve or disapprove such portion not later than 60 days after the submission of such portion.

(b) Participating Units.—A program under this section may cover any existing public housing dwelling units or projects, and may include other dwelling units and housing owned, operated, or assisted, or otherwise acquired for use under such program, by the public housing agency.

(c) Eligible Purchasers.—

(1) Low-income requirement.—Only low-income families assisted by a public housing agency, other low-income families, and entities formed to facilitate such sales by purchasing units for resale to low-income families shall be eligible to purchase housing under a homeownership program under this section.

(2) Other requirements.—A public housing agency may establish other requirements or limitations for families to purchase housing under a homeownership program under this section, including requirements or limitations regarding employment or participation in employment counseling or training activities, criminal activity, participation in homeownership counseling programs, evidence of regular income, and other requirements. In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

(d) Financing and Assistance.—A homeownership program under this section may provide financing for acquisition of housing by families purchasing under the program or by the public housing agency for sale under this program in any manner considered appropriate by the agency (including sale to a resident management corporation).

(e) Downpayment Requirement.—

(1) In general.—Each family purchasing housing under a homeownership program under this section shall be required to provide from its own resources a downpayment in connection with any loan for acquisition of the housing, in an amount determined by the public housing agency. Except as provided in paragraph (2), the agency shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase,

(2) Direct family contribution.—In purchasing housing pursuant to this section, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(f) Ownership Interests.—A homeownership program under this section may provide for sale to the purchasing family of any ownership interest that the public housing agency considers appropriate under the program, including ownership in fee simple, a condominium interest, an interest in a limited dividend cooperative, a shared appreciation interest with a public housing agency providing financing.

(g) Resale.—

(1) Authority and limitation.—A homeownership program under this section shall permit the resale of a dwelling unit purchased under the program by an eligible family, but shall provide such limitations on resale as the agency considers appropriate (whether the family purchases directly from the agency or from another entity) for the agency to recapture—

(A) from any economic gain derived from any such resale occurring during the 5-year period beginning upon purchase of the dwelling unit by the eligible family, a portion of the amount of any financial assistance provided under the program by the agency to the eligible family; and

(B) after the expiration of such 5-year period, only such amounts as are equivalent to the assistance provided under this section by the agency to the purchaser.

(2) Considerations.—The limitations referred to in paragraph (1) may provide for consideration of the aggregate amount of assistance provided under the program to the family, the contribution to equity provided by the purchasing eligible family, the period of time elapsed between purchase under the homeownership program and resale, the reason for resale, any improvements to the property made by the eligible family, any appreciation in the value of the property, and any other factors that the agency considers appropriate.

(h) Sale of Certain Scattered-Site Housing.—A public housing agency that the Secretary has determined to be a high-performing agency may use the proceeds from the disposition of scattered-site public housing under a homeownership program under this section to purchase replacement scattered-site dwelling units, to the extent such use is provided for in the local housing management plan for the agency approved under section 1107. Any such replacement dwelling units shall be considered public housing for purposes of this division.

(i) Inapplicability of Disposition Requirements.—The provisions of section 1261 shall not apply to disposition of public housing dwelling units under a homeownership program under this section, except that any dwelling units sold under such a program shall be treated as public housing dwelling units for purposes of subsections (e) and (f) of section 1261.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

SEC. 1261. REQUIREMENTS FOR DEMOLITION AND DISPOSITION OF DEVELOPMENTS.

(a) Authority and Flexibility.—A public housing agency may demolish, dispose of, or demolish and dispose of nonviable or nonmarketable public housing developments of the agency in accordance with this section.

(b) Local Housing Management Plan Requirement.—A public housing agency may take any action to demolish or dispose of a public housing development (or a portion of a development) only if such demolition or disposition complies with the provisions of this section and is in accordance with the local housing management plan for the agency. Notwithstanding section 1107, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

(c) Purpose of Demolition or Disposition.—A public housing agency may demolish or dispose of a public housing development (or portion of a development) only if the agency provides sufficient evidence to the Secretary that—

(1) the development (or portion thereof) is severely distressed or obsolete;

(2) the development (or portion thereof) is in a location making it unsuitable for housing purposes;

(3) the development (or portion thereof) has design or construction deficiencies that make cost-effective rehabilitation infeasible;

(4) assuming that reasonable rehabilitation and management intervention for the development has been completed and paid for, the anticipated revenue that would be derived from charging market-based rents for units in the development (or portion thereof) would not cover the anticipated operating costs and replacement reserves of the development (or portion) at full occupancy and the development (or portion) would constitute a substantial burden on the resources of the public housing agency;

(5) retention of the development (or portion thereof) is not in the best interests of the residents of the public housing agency because—

(A) developmental changes in the area surrounding the development adversely affect the health or safety of the residents or the feasible operation of the development by the public housing agency;

(B) demolition or disposition will allow the acquisition, development, or rehabilitation of other properties which will be more efficiently or effectively operated as low-income housing; or

(C) other factors exist that the agency determines are consistent with the best interests of the residents and the agency and not inconsistent with other provisions of this division;

(6) in the case only of demolition or disposition of a portion of a development, the demolition or disposition will help to ensure the remaining useful life of the remainder of the development; or

(7) in the case only of property other than dwelling units—

(A) the property is excess to the needs of a development; or

(B) the demolition or disposition is incidental to, or does not interfere with, continued operation of a development.

The evidence required under this subsection shall include, as a condition of demolishing or disposing of a public housing development (or portion of a development) estimated to have a value of $100,000 or more, a statement of the market value of the development (or portion), which has been determined by a party not having any interest in the housing or the public housing agency and pursuant to not less than 2 professional, independent appraisals of the development (or portion).

(d) Consultation.—A public housing agency may demolish or dispose of a public housing development (or portion of a development) only if the agency notifies and confers regarding the demolition or disposition with—

(1) the residents of the development (or portion); and

(2) appropriate local government officials.

(e) Counseling.—A public housing agency may demolish or dispose of a public housing development (or a portion of a development) only if the agency provides any necessary counseling for families displaced by such action to facilitate relocation.

(f) Use of Proceeds.—Any net proceeds from the disposition of a public housing development (or portion of a development) shall be used for—

(1) housing assistance for low-income families that is consistent with the low-income housing needs of the community, through acquisition, development, or rehabilitation of, or homeownership programs for, other low-income housing or the provision of choice-based assistance under title XIII for such families;

(2) supportive services relating to job training or child care for residents of a development or developments; or

(3) leveraging amounts for securing commercial enterprises, on-site in public housing developments of the public housing agency, appropriate to serve the needs of the residents.

(g) Relocation.—A public housing agency that demolishes or disposes of a public housing development (or portion of a development thereof) shall ensure that—

(1) each family that is a resident of the development (or portion) that is demolished or disposed of is relocated to other safe, clean, healthy, and affordable housing, which is, to the maximum extent practicable, housing of the family's choice, including choice-based assistance under title XIII (provided that with respect to choice-based assistance, the preceding requirement shall be fulfilled only upon the relocation of the such family into such housing);

(2) the public housing agency does not take any action to dispose of any unit until any resident to be displaced is relocated in accordance with paragraph (1); and

(3) each resident family to be displaced is paid relocation expenses, and the rent to be paid initially by the resident following relocation does not exceed the amount permitted under section 1225(a).

(h) Right of First Refusal for Resident Organizations and Resident Management Corporations.—

(1) In general.—A public housing agency may not dispose of a public housing development (or portion of a development) unless the agency has, before such disposition, offered to sell the property, as provided in this subsection, to each resident organization and resident management corporation operating at the development for continued use as low-income housing, and no such organization or corporation purchases the property pursuant to such offer. A resident organization may act, for purposes of this subsection, through an entity formed to facilitate homeownership under subtitle D.

(2) Timing.—Disposition of a development (or portion thereof) under this section may not take place—

(A) before the expiration of the period during which any such organization or corporation may notify the agency of interest in purchasing the property, which shall be the 30-day period beginning on the date that the agency first provides notice of the proposed disposition of the property to such resident organizations and resident management corporations;

(B) if an organization or corporation submits notice of interest in accordance with subparagraph (A), before the expiration of the period during which such organization or corporation may obtain a commitment for financing to purchase the property, which shall be the 60-day period beginning upon the submission to the agency of the notice of interest; or

(C) if, during the period under subparagraph (B), an organization or corporation obtains such financing commitment and makes a bona fide offer to the agency to purchase the property for a price equal to or exceeding the applicable offer price under paragraph (3).

The agency shall sell the property pursuant to any purchase offer described in subparagraph (C).

(3) TERMS OF OFFER.—An offer by a public housing agency to sell a property in accordance with this subsection shall involve a purchase price that reflects the market value of the property, the reason for the sale, the impact of the sale on the surrounding community, and any other factors that the agency considers appropriate.

(i) INFORMATION FOR LOCAL HOUSING MANAGEMENT PLAN.—A public housing agency may demolish or dispose of a public housing development (or portion thereof) only if it includes in the applicable local housing management plan information sufficient to describe—

(1) the housing to be demolished or disposed of;

(2) the purpose of the demolition or disposition under subsection (c) and why the demolition or disposition complies with the requirements under subsection (c), and includes evidence of the market value of the development (or portion) required under subsection (c);

(3) how the consultations required under subsection (d) will be made;

(4) how the net proceeds of the disposition will be used in accordance with subsection (f);

(5) how the agency will relocate residents, if necessary, as required under subsection (g); and

(6) that the agency has offered the property for acquisition by resident organizations and resident management corporations in accordance with subsection (h).

(j) SITE AND NEIGHBORHOOD STANDARDS EXEMPTION.—Notwithstanding any other provision of law, a public housing agency may provide for development of public housing dwelling units on the same site or in the same neighborhood as any dwelling units demolished, pursuant to a plan under this section, but only if such development provides for significantly fewer dwelling units.

(k) TREATMENT OF REPLACEMENT UNITS.—

(1) PROVISION OF OTHER HOUSING ASSISTANCE.—In connection with any demolition or disposition of public housing under this section, a public housing agency may provide for other housing assistance for low-income families that is consistent with the low-income housing needs of the community, including—

(A) the provision of choice-based assistance under title XIII; and

(B) the development, acquisition, or lease by the agency of dwelling units, which dwelling units shall—

(i) be eligible to receive assistance with grant amounts provided under this title; and

(ii) be made available for occupancy, operated, and managed in the manner required for public housing, and subject to the other requirements applicable to public housing dwelling units.

(2) TREATMENT OF INDIVIDUALS.—For purposes of this subsection, an individual between the ages of 18 and 21, inclusive, shall, at the discretion of the individual, be considered a family.

(l) USE OF NEW DWELLING UNITS.—A public housing agency demolishing or disposing of a public housing development (or portion thereof) under this section shall seek, where practical, to ensure that, if housing units are provided on any property that was previously used for the public housing demolished or disposed of, not less than 25 percent of such dwelling units shall be dwelling units reserved for occupancy during the remaining useful life of the housing by low-income families.

(m) PERMISSIBLE RELOCATION WITHOUT PLAN.—If a public housing agency determines that because of an emergency situation public housing dwelling units are severely uninhabitable, the public housing agency may relocate residents of such dwelling units before the submission of a local housing management plan providing for demolition or disposition of such units.

(n) CONSOLIDATION OF OCCUPANCY WITHIN OR AMONG BUILDINGS.—Nothing in this section may be construed to prevent a public housing agency from consolidating occupancy within or among buildings of a public housing development, or among developments, or with other housing for the purpose of improving living conditions of, or providing more efficient services to, residents.

(o) DE MINIMIS EXCEPTION TO DEMOLITION REQUIREMENTS.—Notwithstanding any other provision of this section, in any 5-year period a public housing agency may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned and operated by the public housing agency, without providing for such demolition in a local housing management plan, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents or the demolished unit was beyond repair.

SEC. 1262. DEMOLITION, SITE REVITALIZATION, REPLACEMENT HOUSING, AND CHOICE-BASED ASSISTANCE GRANTS FOR DEVELOPMENTS.

(a) PURPOSES.—The purpose of this section is to provide assistance to public housing agencies for the purposes of—

(1) reducing the density and improving the living environment for public housing residents of severely distressed public housing developments through the demolition of obsolete public housing developments (or portions thereof);

(2) revitalizing sites (including remaining public housing dwelling units) on which such public housing developments are located and contributing to the improvement of the surrounding neighborhood;

(3) providing housing that will avoid or decrease the concentration of very low-income families; and

(4) providing choice-based assistance in accordance with title XIII for the purpose of providing replacement housing and assisting residents to be displaced by the demolition.

(b) GRANT AUTHORITY.—The Secretary may make grants available to public housing agencies as provided in this section.

(c) CONTRIBUTION REQUIREMENT.—The Secretary may not make any grant under this section to any applicant unless the applicant certifies to the Secretary that the applicant will supplement the amount of assistance provided under this section with an amount of funds from sources other than this section equal to not less than 5 percent of the amount provided under this section, including amounts from other Federal sources, any State or local government sources, any private contributions, and the value of any in-kind services or administrative costs provided.

(d) ELIGIBLE ACTIVITIES.—Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—

(1) architectural and engineering work, including the redesign, reconstruction, or redevelopment of a severely distressed public housing development, including the site on which the development is located;

(2) the demolition, sale, or lease of the site, in whole or in part;

(3) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;

(4) payment of reasonable legal fees;

(5) providing reasonable moving expenses for residents displaced as a result of the revitalization of the development;

(6) economic development activities that promote the economic self-sufficiency of residents under the revitalization program;

(7) necessary management improvements;

(8) leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the development that will benefit future residents of the site;

(9) replacement housing and housing assistance under title XIII;

(10) transitional security activities; and

(11) necessary supportive services, except that not more than 10 percent of the amount of any grant may be used for activities under this paragraph.

(e) APPLICATION AND SELECTION.—

(1) APPLICATION.—An application for a grant under this section shall contain such information and shall be submitted at such time and in accordance with such procedures, as the Secretary shall prescribe.

(2) SELECTION CRITERIA.—The Secretary shall establish selection criteria for the award of grants under this section, which shall include—

(A) the relationship of the grant to the local housing management plan for the public housing agency and how the grant will result in a revitalized site that will enhance the neighborhood in which the development is located;

(B) the capability and record of the applicant public housing agency, or any alternative management agency for the agency, for managing large-scale redevelopment or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;

(C) the extent to which the public housing agency could undertake such activities without a grant under this section;

(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development of a revitalization program for the development; and

(E) the amount of funds and other resources to be leveraged by the grant.

The Secretary shall give preference in selection to any public housing agency that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act).

(f) COST LIMITS.—Subject to the provisions of this section, the Secretary—

(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and

(2) may establish other cost limits on eligible activities under this section.

(g) DEMOLITION AND REPLACEMENT.—Any severely distressed public housing demolished or disposed of pursuant to a revitalization plan and any public housing produced in lieu of such severely distressed housing, shall be subject to the provisions of section 1261.

(h) ADMINISTRATION BY OTHER ENTITIES.—The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the public housing agency to carry out activities assisted under the revitalization plan, if the Secretary determines that such action will help to effectuate the purposes of this section.

(i) WITHDRAWAL OF FUNDING.—If a grantee under this section does not proceed expeditiously, in the determination of the Secretary, the Secretary shall withdraw any grant amounts under this section that have not been obligated by the public housing agency. The Secretary shall redistribute any withdrawn amounts to one or more public housing agencies eligible for assistance under this section or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee.

(j) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPLICANT.—The term "applicant" means—

(A) any public housing agency that is not designated as troubled pursuant to section 1533(a);

(B) any public housing agency or private housing management agent selected, or receiver appointed pursuant to, section 1545; and

(C) any public housing agency that is designated as troubled pursuant to section 1533(a) that—

(i) is so designated principally for reasons that will not affect the capacity of the agency to carry out a revitalization program;

(ii) is making substantial progress toward eliminating the deficiencies of the agency; or

(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(2) PRIVATE NONPROFIT CORPORATION.—The term "private nonprofit organization" means any private nonprofit organization (including a State or locally chartered nonprofit organization) that—

(A) is incorporated under State or local law;

(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income families.

(3) SEVERELY DISTRESSED PUBLIC HOUSING.—The term "severely distressed public housing" means a public housing development (or building in a development) that—

(A) requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the development;

(B) is a significant contributing factor to the physical decline of and disinvestment by public and private entities in the surrounding neighborhood;

(C)(i) is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance; and

(ii) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(D) cannot be revitalized through assistance under other programs, such as the public housing block grant program under this title, or the programs under sections 9 and 14 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), because of cost constraints and inadequacy of available amounts; and

(E) in the case of individual buildings, is, in the Secretary's determination, sufficiently separable from the remainder of the development of which the building is part to make use of the building feasible for purposes of this section.

(4) SUPPORTIVE SERVICES.—The term "supportive services" includes all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing development involved, including literacy training, job training, day care, and economic development activities.

(k) ANNUAL REPORT.—The Secretary shall submit to the Congress an annual report setting forth—

(1) the number, type, and cost of public housing units revitalized pursuant to this section;

(2) the status of developments identified as severely distressed public housing;

(3) the amount and type of financial assistance provided under and in conjunction with this section; and

(4) the recommendations of the Secretary for statutory and regulatory improvements to the program established by this section.

(l) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section $500,000,000 for each of fiscal years 1998, 1999, and 2000.

(2) TECHNICAL ASSISTANCE.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use not more than 0.50 percent for technical assistance. Such assistance may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of public housing agencies, and of residents.

(m) SUNSET.—No assistance may be provided under this section after September 30, 2000.

(n) TREATMENT OF PREVIOUS SELECTIONS.—A public housing agency that has been selected to receive amounts under the notice of funding availability for fiscal year 1996 amounts for the HOPE VI program (provided under the heading "PUBLIC HOUSING DEMOLITION, SITE REVITALIZATION, AND REPLACEMENT HOUSING GRANTS" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437l note) (enacted as section 101(e) of Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134; 110 Stat. 1321–269)) may apply to the Secretary of Housing and Urban Development for a waiver of the total development cost rehabilitation requirement otherwise applicable under such program, and the Secretary may waive such requirement, but only (1) to the extent that a designated site for use of such amounts does not have dwelling units that are considered to be obsolete under Department of Housing and Urban Development regulations in effect upon the date of the enactment of this Act, and (2) if the Secretary determines that the public housing agency will continue to comply with the purposes of the program notwithstanding such waiver.

SEC. 1263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—A public housing agency may convert any public housing development (or portion thereof) owned and operated by the agency to a system of choice-based rental housing assistance under title XIII, in accordance with this section.

(b) ASSESSMENT AND PLAN REQUIREMENT.—In converting under this section to a choice-based rental housing assistance system, the public housing agency shall develop a conversion assessment and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development (or portion thereof), which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the agency;

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community;

(3) include a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing choice-based rental housing assistance under title XIII for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development;

(4) identify the actions, if any, that the public housing agency will take with regard to converting any public housing development or developments (or portions thereof) of the agency to a system of choice-based rental housing assistance under title XIII;

(5) require the public housing agency to—

(A) notify the families residing in the public housing development subject to the conversion, in accordance with any guidelines issued by the Secretary governing such notifications, that—

(i) the development will be removed from the inventory of the public housing agency; and

(ii) the families displaced by such action will receive choice-based housing assistance;

(B) provide any necessary counseling for families displaced by such action to facilitate relocation; and

(C) provide any reasonable relocation expenses for families displaced by such action; and

(6) ensure that each family that is a resident of the development is relocated to other safe, clean, and healthy affordable housing, which is, to the maximum extent practicable, housing of the family's choice, including choice-based assistance under title XIII (provided that with respect to choice-based assistance, the preceding requirement shall be fulfilled only upon the relocation of such family into such housing).

(c) STREAMLINED ASSESSMENT AND PLAN.—At the discretion of the Secretary or at the request of a public housing agency, the Secretary may waive any or all of the requirements of subsection (b) or otherwise require a streamlined assessment with respect to any public housing development or class of public housing developments.

(d) IMPLEMENTATION OF CONVERSION PLAN.—

(1) IN GENERAL.—A public housing agency may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

(A) will not be more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(B) will principally benefit the residents of the public housing development (or portion thereof) to be converted, the public housing agency, and the community.

(2) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the public housing agency to provide choice-based rental housing assistance under title XIII shall be added to the housing assistance payment contract administered by the public housing agency or any entity administering the contract on behalf of the public housing agency.

(f) SAVINGS PROVISION.—This section does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937 (as such section existed before the effective date of the repeal under section 1601(b) of this Act).

Subtitle F—Mixed-Finance Public Housing

SEC. 1271. AUTHORITY.

Notwithstanding sections 1203 and 1262, the Secretary may, upon such terms and conditions as the Secretary may prescribe, authorize a public housing agency to provide for the use of grant amounts allocated and provided from the capital fund or from a grant under section 1262, to produce mixed-finance housing developments, or replace or revitalize existing public housing dwelling units with mixed-finance housing developments, but only if the agency submits to the Secretary a plan for such housing that is approved pursuant to section 1273 by the Secretary.

SEC. 1272. MIXED-FINANCE HOUSING DEVELOPMENTS.

(a) IN GENERAL.—For purposes of this subtitle, the term "mixed-finance housing" means low-income housing or mixed-income housing (as described in section 1221(c)(2)) for which the financing for production or revitalization is provided, in part, from entities other than the public housing agency.

(b) PRODUCTION.—A mixed-finance housing development shall be produced or revitalized, and owned—

(1) by a public housing agency or by an entity affiliated with a public housing agency;

(2) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity affiliated with a public housing agency) is a general partner, is a managing member, or otherwise participates in the activities of the entity;

(3) by any entity that grants to the public housing agency the option to purchase the public housing project during the 20-year period beginning on the date of initial occupancy of the public housing project in accordance with section 42(l)(7) of the Internal Revenue Code of 1986; or

(4) in accordance with such other terms and conditions as the Secretary may prescribe by regulation.

This subsection may not be construed to require production or revitalization, and ownership, by the same entity.

SEC. 1273. MIXED-FINANCE HOUSING PLAN.

The Secretary may approve a plan for production or revitalization of mixed-finance housing under this subtitle only if the Secretary determines that—

(1) the public housing agency has the ability, or has provided for an entity under section 1272(b) that has the ability, to use the amounts provided for use under the plan for such housing, effectively, either directly or through contract management;

(2) the plan provides permanent financing commitments from a sufficient number of sources other than the public housing agency, which may include banks and other conventional lenders, States, units of general local government, State housing finance agencies, secondary market entities, and other financial institutions;

(3) the plan provides for use of amounts provided under section 1271 by the public housing agency for financing the mixed-income housing in the form of grants, loans, advances, or other debt or equity investments, including collateral or credit enhancement of bonds issued by the agency or any State or local governmental agency for production or revitalization of the development; and

(4) the plan complies with any other criteria that the Secretary may establish.

SEC. 1274. RENT LEVELS FOR HOUSING FINANCED WITH LOW-INCOME HOUSING TAX CREDIT.

With respect to any dwelling unit in a mixed-finance housing development that is a low-income dwelling unit for which amounts from a block grant under this title are used and that is assisted pursuant to the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986, the rents charged to the residents of the unit shall be determined in accordance with this title, but shall not in any case exceed the amounts allowable under such section 42.

SEC. 1275. CARRY-OVER OF ASSISTANCE FOR REPLACED HOUSING.

In the case of a mixed-finance housing development that is replacement housing for public housing demolished or disposed of, or is the result of the revitalization of existing public housing, the share of assistance received from the capital fund and the operating fund by the public housing agency that owned or operated the housing demolished, disposed of, or revitalized shall not be reduced because of such demolition, disposition, or revitalization after the commencement of such demolition, disposition, or revitalization, unless—

(1) upon the expiration of the 18-month period beginning upon the approval of the plan under section 1273 for the mixed-finance housing development, the agency does not have binding commitments for production or revitalization, or a construction contract, for such development;

(2) upon the expiration of the 4-year period beginning upon the approval of the plan, the mixed-finance housing development is not substantially ready for occupancy and is placed under the block grant contract for the agency under section 1201; or

(3) the number of dwelling units in the mixed-finance housing development that are made available for occupancy only by low-income families is substantially less than the number of such dwelling units in the public housing demolished, disposed of, or revitalized.

The Secretary may extend the period under paragraph (1) or (2) for a public housing agency if the Secretary determines that circumstances beyond the control of the agency caused the agency to fail to meet the deadline under such paragraph.

Subtitle G—General Provisions

SEC. 1281. PAYMENT OF NON-FEDERAL SHARE.

Rental or use-value of buildings or facilities paid for, in whole or in part, from production, modernization, or operation costs financed under this title may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the residents in a project assisted under this title.

SEC. 1282. AUTHORIZATION OF APPROPRIATIONS FOR BLOCK GRANTS.

There are authorized to be appropriated for grants under this title, the following amounts:

(1) CAPITAL FUND.—For the allocations from the capital fund for grants, $2,500,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002.

(2) OPERATING FUND.—For the allocations from the operating fund for grants, $2,900,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002.

SEC. 1283. FUNDING FOR OPERATION SAFE HOME.

Of any amounts made available for fiscal years 1998 and 1999 for carrying out the Community Partnerships Against Crime Act of 1997 (as so designated pursuant to section 1624(a) of this Act), not more than $20,000,000 shall be available in each such fiscal year, for use under the Operation Safe Home program administered by the Office of the Inspector General of the Department of Housing and Urban Development, for law enforcement efforts to combat violent crime on or near the premises of public and federally assisted housing.

SEC. 1284. FUNDING FOR RELOCATION OF VICTIMS OF DOMESTIC VIOLENCE.

Of any amounts made available for fiscal years 1998, 1999, 2000, 2001, and 2002 for choice-based housing assistance under title XIII of this Act, not more than $700,000 shall be available in each such fiscal year for relocating residents of public housing (including providing assistance for costs of relocation and housing assistance under title XIII of this Act) who are residing in public housing, who have been subject to domestic violence, and for whom provision of assistance is likely to reduce or eliminate the threat of subsequent violence to the members of the family. The Secretary shall establish procedures for eligibility and administration of assistance under this section.

TITLE XIII—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

SEC. 1301. AUTHORITY TO PROVIDE HOUSING ASSISTANCE AMOUNTS.

To the extent that amounts to carry out this title are made available, the Secretary may enter into contracts with public housing agencies for each fiscal year to provide housing assistance under this title.

SEC. 1302. CONTRACTS WITH PHA'S.

(a) CONDITION OF ASSISTANCE.—The Secretary may provide amounts under this title to a public housing agency for a fiscal year only if the Secretary has entered into a contract under this section with the public housing agency, under which the Secretary shall provide such agency with amounts (in the amount of the allocation for the agency determined pursuant to section 1304) for housing assistance under this title for low-income families.

(b) USE FOR HOUSING ASSISTANCE.—A contract under this section shall require a public housing agency to use amounts provided under this title to provide housing assistance in any manner authorized under this title.

(c) ANNUAL OBLIGATION OF AUTHORITY.—A contract under this title shall provide amounts for housing assistance for 1 fiscal year covered by the contract.

(d) ENFORCEMENT OF HOUSING QUALITY REQUIREMENTS.—Each contract under this section shall require the public housing agency administering assistance provided under the contract—

(1) to ensure compliance, under each housing assistance payments contract entered into pursuant to the contract under this section, with the provisions of the housing assistance payments contract included pursuant to section 1351(c)(4); and

(2) to establish procedures for assisted families to notify the agency of any noncompliance with such provisions.

SEC. 1303. ELIGIBILITY OF PHA'S FOR ASSISTANCE AMOUNTS.

The Secretary may provide amounts available for housing assistance under this title pursuant to the formula established under section 1304(a) to a public housing agency only if—

(1) the agency has submitted a local housing management plan to the Secretary for such fiscal year and applied to the Secretary for such assistance;

(2) the plan has been determined to comply with the requirements under section 1106 and the Secretary has not notified the agency that the plan fails to comply with such requirements;

(3) no member of the board of directors or other governing body of the agency, or the executive director, has been convicted of a felony; and

(4) the agency has not been disqualified for assistance pursuant to title XV.

SEC. 1304. ALLOCATION OF AMOUNTS.

(a) FORMULA ALLOCATION.—

(1) IN GENERAL.—When amounts for assistance under this title are first made available for reservation, after reserving amounts in accordance with subsections (b)(3) and (c), the Secretary shall allocate such amounts, only among public housing agencies meeting the requirements under this title to receive such assistance, on the basis of a formula that is established in accordance with paragraph (2) and based upon appropriate criteria to reflect the needs of different States, areas, and communities, using the most recent data available from the Bureau of the Census of the Department of Commerce and the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction. The Secretary may establish a minimum allocation amount, in which case only the public housing agencies that, pursuant to the formula, are provided an amount equal to or greater than the minimum allocation amount, shall receive an allocation.

(2) REGULATIONS.—The formula under this subsection shall be established by regulation issued by the Secretary. Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, any proposed regulation containing such formula shall be issued pursuant to a negotiated rulemaking procedure under subchapter III of chapter 5 of such title and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

(b) ALLOCATION CONSIDERATIONS.—

(1) LIMITATION ON REALLOCATION FOR ANOTHER STATE.—Any amounts allocated for a State or areas or communities within a State that are not likely to be used within the fiscal year for which the amounts are provided shall not be reallocated for use in another State, unless the Secretary determines that other areas or communities within the same State (that are eligible for amounts under this title) cannot use the amounts within the same fiscal year.

(2) EFFECT OF RECEIPT OF TENANT-BASED ASSISTANCE FOR DISABLED FAMILIES.—The Secretary may not consider the receipt by a public housing agency of assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, or the amount received, in approving amounts under this title for the agency or in determining the amount of such assistance to be provided to the agency.

(3) EXEMPTION FROM FORMULA ALLOCATION.—The formula allocation requirements of subsection (a) shall not apply to any assistance under this title that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including amendments of existing housing assistance payments contracts, renewal of such contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the housing assistance payments contract, assistance to prevent displacement from public or assisted housing or to provide replacement housing in connection with the demolition or disposition of public housing, assistance for relocation from public housing, assistance in connection with protection of crime witnesses, assistance for conversion from leased housing contracts under section 23 of the United States Housing Act of 1937 (as in effect before the enactment of the Housing and Community Development Act of 1974), and assistance in support of the property disposition and portfolio management functions of the Secretary.

(c) RECAPTURE OF AMOUNTS.—

(1) AUTHORITY.—In each fiscal year, from any budget authority made available for assistance under this title or section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) that is obligated to a public housing agency but remains unobligated by the agency upon the expiration of the 8-month period beginning upon the initial availability of such amounts for obligation by the agency, the Secretary may deobligate an amount, as determined by the Secretary, not exceeding 50 percent of such unobligated amount.

(2) USE.—The Secretary may reallocate and transfer any amounts deobligated under paragraph (1) only to public housing agencies in areas that the Secretary determines have received less funding than other areas, based on the relative needs of all areas.

SEC. 1305. ADMINISTRATIVE FEES.

(a) FEE FOR ONGOING COSTS OF ADMINISTRATION.—

(1) IN GENERAL.—The Secretary shall establish fees for the costs of administering the choice-based housing assistance program under this title.

(2) FISCAL YEAR 1998.—

(A) CALCULATION.—For fiscal year 1998, the fee for each month for which a dwelling unit is covered by a contract for assistance under this title shall be—

(i) in the case of a public housing agency that, on an annual basis, is administering a program for not more than 600 dwelling units, 7.65 percent of the base amount; and

(ii) in the case of an agency that, on an annual basis, is administering a program for more than 600 dwelling units—

(I) for the first 600 units, 7.65 percent of the base amount; and

(II) for any additional dwelling units under the program, 7.0 percent of the base amount.

(B) BASE AMOUNT.—For purposes of this paragraph, the base amount shall be the higher of—

(i) the fair market rental established under section 8(c) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the agency, and

(ii) the amount that is the lesser of (I) such fair market rental for fiscal year 1994 or (II) 103.5 percent of the amount determined under clause (i),

adjusted based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary. The Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(3) SUBSEQUENT FISCAL YEARS.—For subsequent fiscal years, the Secretary shall publish a notice in the Federal Register, for each geographic area, establishing the amount of the fee that would apply for public housing agencies administering the program, based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary.

(4) INCREASE.—The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

(b) FEE FOR PRELIMINARY EXPENSES.—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of $500, for a public housing agency, but only in the first year that the agency administers a choice-based housing assistance program under this title, and only if, immediately before the effective date of this division, the agency was not administering a tenant-based rental assistance program under the United States Housing Act of 1937 (as in effect immediately before such effective date), in connection with its initial increment of assistance received;

(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

(3) extraordinary costs approved by the Secretary.

(c) TRANSFER OF FEES IN CASES OF CONCURRENT GEOGRAPHICAL JURISDICTION.—In each fiscal year, if any public housing agency provides tenant-based rental assistance under section 8 of the United States Housing Act of 1937 or housing assistance under this title on behalf of a family who uses such assistance for a dwelling unit that is located within the jurisdiction of such agency but is also within the jurisdiction of another public housing agency, the Secretary shall take such steps as may be necessary to ensure that the public housing agency that provides the services for a family receives all or part of the administrative fee under this section (as appropriate).

SEC. 1306. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated for providing public housing agencies with housing assistance under this title, such sums as may be necessary for each of fiscal years 1998, 1999, 2000, 2001, and 2002 to provide amounts for incremental assistance under this title, for renewal of expiring contracts under section 1302 of this Act and renewal under this title of expiring contracts for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), and for replacement needs for public housing under title XII.

(b) ASSISTANCE FOR DISABLED FAMILIES.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, for choice-based housing assistance under this title to be used in accordance with paragraph (2), $50,000,000 for fiscal year 1998, and such sums as may be necessary for each subsequent fiscal year.

(2) USE.—The Secretary shall provide amounts made available under paragraph (1) to public housing agencies only for use to provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 1227 or the establishment of occupancy restrictions in accordance with section 658 of the Housing and Community Development Act of 1992 and other nonelderly disabled families who have applied to the agency for housing assistance under this title).

(3) ALLOCATION OF AMOUNTS.—The Secretary shall allocate and provide amounts made available under paragraph (1) to public housing agencies as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in paragraph (1).

(c) ASSISTANCE FOR WITNESS RELOCATION.—Of the amounts made available for choice-based housing assistance under this title for each fiscal year, the Secretary, in consultation with the Inspector General, shall make available such sums as may be necessary for such housing assistance for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to requests from law enforcement and prosecutive agencies.

SEC. 1307. CONVERSION OF SECTION 8 ASSISTANCE.

(a) IN GENERAL.—Any amounts made available to a public housing agency under a contract for annual contributions for assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) that have not been obligated for such assistance by such agency before such effective date shall be used to provide assistance under this title, except to the extent the Secretary determines such use is inconsistent with existing commitments.

(b) EXCEPTION.—Subsection (a) shall not apply to any amounts made available under a contract for housing constructed or substantially rehabilitated pursuant to section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983.

SEC. 1308. RECAPTURE AND REUSE OF ANNUAL CONTRACT PROJECT RESERVES UNDER CHOICE-BASED HOUSING ASSISTANCE AND SECTION 8 TENANT-BASED ASSISTANCE PROGRAMS.

To the extent that the Secretary determines that the amount in the reserve account for annual contributions contracts (for housing assistance under this title or tenant-based assistance under section 8 of the United States Housing Act of 1937) that is under contract with a public housing agency for such assistance is in excess of the amounts needed by the agency, the Secretary shall recapture such excess amount. The Secretary may hold recaptured amounts in reserve until needed to enter into, amend, or renew contracts under this title or to amend or renew contracts under section 8 of such Act for tenant-based assistance with any agency.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

SEC. 1321. ELIGIBLE FAMILIES AND PREFERENCES FOR ASSISTANCE.

(a) LOW-INCOME REQUIREMENT.—Housing assistance under this title may be provided only on behalf of a family that—

(1) at the time that such assistance is initially provided on behalf of the family, is determined by the public housing agency to be a low-income family; or

(2) qualifies to receive such assistance under any other provision of Federal law.

(b) INCOME TARGETING.—Of the families initially assisted under this title by a public housing agency in any year, not less than 40 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(c) REVIEWS OF FAMILY INCOMES.—

(1) IN GENERAL.—Reviews of family incomes for purposes of this title shall be subject to the provisions of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 and shall be conducted upon the initial provision of housing assistance for the family and thereafter not less than annually.

(2) PROCEDURES.—Each public housing agency administering housing assistance under this title shall establish procedures that are appropriate and necessary to ensure that income data provided to the agency and owners by families applying for or receiving housing assistance from the agency is complete and accurate.

(d) PREFERENCES FOR ASSISTANCE.—

(1) AUTHORITY TO ESTABLISH.—Any public housing agency that receives amounts under this title may establish a system for making housing assistance available on behalf of eligible families that provides preference for such assistance to eligible families having certain characteristics.

(2) CONTENT.—Each system of preferences established pursuant to this subsection shall be based upon local housing needs and priorities, as determined by the public housing agency using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 1106(e) and under the requirements applicable to the comprehensive housing affordability strategy for the relevant jurisdiction.

(3) SENSE OF THE CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, public housing agencies involved in the selection of tenants under the provisions of this title should adopt preferences for individuals who are victims of domestic violence.

(e) PORTABILITY OF HOUSING ASSISTANCE.—

(1) NATIONAL PORTABILITY.—An eligible family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a public housing agency may require that any family not living within the jurisdiction of the public housing agency at the time the family applies for assistance from the agency shall, during the 12-month period beginning on the date of initial receipt of housing assistance made available on behalf of the family from such agency, lease and occupy an eligible dwelling unit located within the jurisdiction served by the agency. The agency for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) SOURCE OF FUNDING FOR A FAMILY THAT MOVES.—For a family that has moved into the jurisdiction of a public housing agency and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another agency, the agency for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary or through reimbursement from the other agency under that agency's contract.

(3) AUTHORITY TO DENY ASSISTANCE TO CERTAIN FAMILIES WHO MOVE.—A family may not receive housing assistance as provided under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

(4) FUNDING ALLOCATIONS.—In providing assistance amounts under this title for public housing agencies for any fiscal year, the Secretary may give consideration to any reduction or increase in the number of resident families under the program of an agency in the preceding fiscal year as a result of this subsection.

(f) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A public housing agency shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family receiving housing assistance who was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The agency shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

SEC. 1322. RESIDENT CONTRIBUTION.

(a) AMOUNT.—

(1) MONTHLY RENT CONTRIBUTION.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the public housing agency determines is appropriate with respect to the family and the unit, but which—

(A) shall not be less than the minimum monthly rental contribution determined under subsection (b); and

(B) shall not exceed the greatest of—

(i) 30 percent of the monthly adjusted income of the family;

(ii) 10 percent of the monthly income of the family; and

(iii) if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by such agency to meet the housing costs of the family, the portion of such payments that is so designated.

(2) EXCESS RENTAL AMOUNT.—In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the applicable payment standard (established under section 1353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under paragraph (1) for such family) such entire excess rental amount.

(b) MINIMUM MONTHLY RENTAL CONTRIBUTION.—

(1) IN GENERAL.—The public housing agency shall determine the amount of the minimum

monthly rental contribution of an assisted family (which rent shall include any amount allowed for utilities), which—

(A) shall be based upon factors including the adjusted income of the family and any other factors that the agency considers appropriate;

(B) shall be not less than $25, nor more than $50; and

(C) may be increased annually by the agency, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

(2) HARDSHIP PROVISIONS.—

(A) IN GENERAL.—Notwithstanding paragraph (1), a public housing agency shall grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any assisted family unable to pay such amount because of financial hardship, which shall include situations in which (i) the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996; (ii) the family would be evicted as a result of imposition of the minimum rent; (iii) the income of the family has decreased because of changed circumstance, including loss of employment; and (iv) a death in the family has occurred; and other situations as may be determined by the agency.

(B) WAITING PERIOD.—If an assisted family requests a hardship exemption under this paragraph and the public housing agency reasonably determines the hardship to be of a temporary nature, an exemption shall not be granted during the 90-day period beginning upon the making of a request for the exemption. An assisted family may not be evicted during such 90-day period for nonpayment of rent. In such a case, if the assisted family thereafter demonstrates that the financial hardship is of a long-term basis, the agency shall retroactively exempt the family from the applicability of the minimum rent requirement for such 90-day period.

(c) TREATMENT OF CHANGES IN RENTAL CONTRIBUTION.—

(1) NOTIFICATION OF CHANGES.—A public housing agency shall promptly notify the owner of an assisted dwelling unit of any change in the resident contribution by the assisted family residing in the unit that takes effect immediately or at a later date.

(2) COLLECTION OF RETROACTIVE CHANGES.—In the case of any change in the rental contribution of an assisted family that affects rental payments previously made, the public housing agency shall collect any additional amounts required to be paid by the family under such change directly from the family and shall refund any excess rental contribution paid by the family directly to the family.

(d) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family that is receiving tenant-based rental assistance under section 8 of the United States Housing Act of 1937 upon the initial applicability of the provisions of this title to such family, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon such initial applicability is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (b)(1) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 1323. RENTAL INDICATORS.

(a) IN GENERAL.—The Secretary shall establish and issue rental indicators under this section periodically, but not less than annually, for existing rental dwelling units that are eligible dwelling units. The Secretary shall establish and issue the rental indicators by housing market area (as the Secretary shall establish) for various sizes and types of dwelling units.

(b) AMOUNT.—For a market area, the rental indicator established under subsection (a) for a dwelling unit of a particular size and type in the market area shall be a dollar amount that reflects the rental amount for a standard quality rental unit of such size and type in the market area that is an eligible dwelling unit.

(c) EFFECTIVE DATE.—The Secretary shall cause the proposed rental indicators established under subsection (a) for each market area to be published in the Federal Register with reasonable time for public comment, and such rental indicators shall become effective upon the date of publication in final form in the Federal Register.

(d) ANNUAL ADJUSTMENT.—Each rental indicator in effect under this section shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so that the indicators will be current for the year to which they apply, in rents for existing rental dwelling units of various sizes and types in the market area suitable for occupancy by families assisted under this title.

SEC. 1324. LEASE TERMS.

Rental assistance may be provided for an eligible dwelling unit only if the assisted family and the owner of the dwelling unit enter into a lease for the unit that—

(1) provides for a single lease term of 12 months and continued tenancy after such term under a periodic tenancy on a month-to-month basis;

(2) contains terms and conditions specifying that termination of tenancy during the term of a lease shall be subject to the provisions set forth in sections 1642 and 1643; and

(3) is set forth in the standard form, which is used in the local housing market area by the owner and applies generally to any other tenants in the property who are not assisted families, together with any addendum necessary to include the many terms required under this section.

A lease may include any addenda appropriate to set forth the provisions under this title.

SEC. 1325. TERMINATION OF TENANCY.

Each housing assistance payments contract shall provide that the owner shall conduct the termination of tenancy of any tenant of an assisted dwelling unit under the contract in accordance with applicable State or local laws, including providing any notice of termination required under such laws.

SEC. 1326. ELIGIBLE OWNERS.

(a) OWNERSHIP ENTITY.—Rental assistance under this title may be provided for any eligible dwelling unit for which the owner is any public agency, private person or entity (including a cooperative), nonprofit organization, agency of the Federal Government, or public housing agency.

(b) INELIGIBLE OWNERS.—

(1) IN GENERAL.—Notwithstanding subsection (a), a public housing agency—

(A) may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations;

(B) may prohibit, or authorize the termination or suspension of, payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

If the public housing agency takes action under subparagraph (B), the agency shall take such actions as may be necessary to protect assisted families who are affected by the action, which may include the provision of additional assistance under this title to such families.

(2) PROHIBITION OF SALE OR RENTAL TO RELATED PARTIES.—The Secretary shall establish guidelines to prevent housing assistance payments for a dwelling unit that is owned by any spouse, child, or other party who allows an owner described in paragraph (1) to maintain control of the unit.

SEC. 1327. SELECTION OF DWELLING UNITS.

(a) FAMILY CHOICE.—The determination of the dwelling unit in which an assisted family resides and for which housing assistance is provided under this title shall be made solely by the assisted family, subject to the provisions of this title and any applicable law.

(b) DEED RESTRICTIONS.—Housing assistance may not be used in any manner that abrogates any local deed restriction that applies to any housing consisting of 1 to 4 dwelling units. Nothing in this section may be construed to affect the provisions or applicability of the Fair Housing Act.

SEC. 1328. ELIGIBLE DWELLING UNITS.

(a) IN GENERAL.—A dwelling unit shall be an eligible dwelling unit for purposes of this title only if the public housing agency to provide housing assistance for the dwelling unit determines that the dwelling unit—

(1) is an existing dwelling unit that is not located within a nursing home or the grounds of any penal, reformatory, medical, mental, or similar public or private institution; and

(2) complies—

(A) in the case of a dwelling unit located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(B) in the case of a dwelling unit located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), with the housing quality standards established under subsection (c).

Each public housing agency providing housing assistance shall identify, in the local housing management plan for the agency, whether the agency is utilizing the standard under subparagraph (A) or (B) of paragraph (2).

(b) DETERMINATIONS.—

(1) IN GENERAL.—A public housing agency shall make the determinations required

under subsection (a) pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit.

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the public housing agency. The performance of the agency in meeting the 15-day inspection deadline shall be taken into account in assessing the performance of the agency.

(c) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that assisted dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 1232(b). The Secretary shall differentiate between major and minor violations of such standards.

(d) ANNUAL INSPECTIONS.—Each public housing agency providing housing assistance shall make an annual inspection of each assisted dwelling unit during the term of the housing assistance payments contracts for the unit to determine whether the unit is maintained in accordance with the requirements under subsection (a)(2). The agency shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary, the Inspector General for the Department of Housing and Urban Development, and any auditor conducting an audit under section 1541.

(e) INSPECTION GUIDELINES.—The Secretary shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of public housing agencies and shall provide flexibility to authorities appropriate to facilitate efficient provision of assistance under this title.

(f) RULE OF CONSTRUCTION.—This section may not be construed to prevent the provision of housing assistance in connection with supportive services for elderly or disabled families.

SEC. 1329. HOMEOWNERSHIP OPTION.

(a) IN GENERAL.—A public housing agency providing housing assistance under this title may provide homeownership assistance to assist eligible families to purchase a dwelling unit (including purchase under lease-purchase homeownership plans).

(b) REQUIREMENTS.—A public housing agency providing homeownership assistance under this section shall, as a condition of an eligible family receiving such assistance, require the family to—

(1) demonstrate that the family has sufficient income from employment or other sources (other than public assistance), as determined in accordance with requirements established by the agency; and

(2) meet any other initial or continuing requirements established by the public housing agency.

(c) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—A public housing agency may establish minimum downpayment requirements, if appropriate, in connection with loans made for the purchase of dwelling units for which homeownership assistance is provided under this section. If the agency establishes a minimum downpayment requirement, the agency shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase, subject to the requirements of paragraph (2).

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section subject to a downpayment requirement, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(d) INELIGIBILITY UNDER OTHER PROGRAMS.—A family may not receive homeownership assistance pursuant to this section during any period when assistance is being provided for the family under other Federal homeownership assistance programs, as determined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1987, and section 502 of the Housing Act of 1949.

SEC. 1330. ASSISTANCE FOR RENTAL OF MANUFACTURED HOMES.

(a) AUTHORITY.—Nothing in this title may be construed to prevent a public housing agency from providing housing assistance under this title on behalf of a low-income family for the rental of—

(1) a manufactured home that is the principal residence of the family and the real property on which the home is located; or

(2) the real property on which is located a manufactured home, which is owned by the family and is the principal residence of the family.

(b) ASSISTANCE FOR CERTAIN FAMILIES OWNING MANUFACTURED HOMES.—

(1) AUTHORITY.—Notwithstanding section 1351 or any other provision of this title, a public housing agency that receives amounts under a contract under section 1302 may enter into a housing assistance payment contract to make assistance payments under this title to a family that owns a manufactured home, but only as provided in paragraph (2).

(2) LIMITATIONS.—In the case only of a low-income family that owns a manufactured home, rents the real property on which it is located, and to whom housing assistance under this title has been made available for the rental of such property, the public housing agency making such assistance available shall enter into a contract to make housing assistance payments under this title directly to the family (rather than to the owner of such real property) if—

(A) the owner of the real property refuses to enter into a contract to receive housing assistance payments pursuant to section 1351(a);

(B) the family was residing in such manufactured home on such real property at the time such housing assistance was initially made available on behalf of the family;

(C) the family provides such assurances to the agency, as the Secretary may require, to ensure that amounts from the housing assistance payments are used for rental of the real property; and

(D) the rental of the real property otherwise complies with the requirements for assistance under this title.

A contract pursuant to this subsection shall be subject to the provisions of section 1351 and any other provisions applicable to housing assistance payments contracts under this title, except that the Secretary may provide such exceptions as the Secretary considers appropriate to facilitate the provision of assistance under this subsection.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

SEC. 1351. HOUSING ASSISTANCE PAYMENTS CONTRACTS.

(a) IN GENERAL.—Each public housing agency that receives amounts under a contract under section 1302 may enter into housing assistance payments contracts with owners of existing dwelling units to make housing assistance payments to such owners in accordance with this title.

(b) PHA ACTING AS OWNER.—A public housing agency may enter into a housing assistance payments contract to make housing assistance payments under this title to itself (or any agency or instrumentality thereof) as the owner of dwelling units (other than public housing), and the agency shall be subject to the same requirements that are applicable to other owners, except that the determinations under sections 1328(a) and 1354(b) shall be made by a competent party not affiliated with the agency, and the agency shall be responsible for any expenses of such determinations.

(c) PROVISIONS.—Each housing assistance payments contract shall—

(1) have a term of not more than 12 months;

(2) require that the assisted dwelling unit may be rented only pursuant to a lease that complies with the requirements of section 1324;

(3) comply with the requirements of sections 1325, 1642, and 1643 (relating to termination of tenancy);

(4) require the owner to maintain the dwelling unit in accordance with the applicable standards under section 1328(a)(2); and

(5) provide that the screening and selection of eligible families for assisted dwelling units shall be the function of the owner.

SEC. 1352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 1353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 1322(a)(1).

(b) SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard established under section 1353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) ESCROW OF SHOPPING INCENTIVE SAVINGS.—An amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an interest bearing escrow account on behalf of such family on a monthly basis by the public housing agency. Amounts in

the escrow account shall be made available to the assisted family on an annual basis.

(3) Deficit reduction.—The public housing agency making housing assistance payments on behalf of such assisted family in a fiscal year shall reserve from amounts made available to the agency for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the Secretary shall recapture any such amounts reserved by public housing agencies and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family receiving homeownership assistance under section 1329, the term "gross rent" shall mean the homeownership costs to the family as determined in accordance with guidelines of the Secretary.

SEC. 1353. PAYMENT STANDARDS.

(a) Establishment.—Each public housing agency providing housing assistance under this title shall establish payment standards under this section for various areas, and sizes and types of dwelling units, for use in determining the amount of monthly housing assistance payment to be provided on behalf of assisted families.

(b) Use of Rental Indicators.—The payment standard for each size and type of housing for each market area shall be an amount that is not less than 80 percent, and not greater than 120 percent, of the rental indicator established under section 1323 for such size and type for such area.

(c) Review.—If the Secretary determines, at any time, that a significant percentage of the assisted families who are assisted by a public housing agency and are occupying dwelling units of a particular size are paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the payment standard established by the agency for such size dwellings. If, pursuant to the review, the Secretary determines that such payment standard is not appropriate to serve the needs of the low-income population of the jurisdiction served by the agency (taking into consideration rental costs in the area), as identified in the approved community improvement plan of the agency, the Secretary may require the public housing agency to modify the payment standard.

SEC. 1354. REASONABLE RENTS.

(a) Establishment.—The rent charged for a dwelling unit for which rental assistance is provided under this title shall be established pursuant to negotiation and agreement between the assisted family and the owner of the dwelling unit.

(b) Reasonableness.—

(1) Determination.—A public housing agency providing rental assistance under this title for a dwelling unit shall, before commencing assistance payments for a unit (with respect to initial contract rents and any rent revisions), determine whether the rent charged for the unit exceeds the rents charged for comparable units in the applicable private unassisted market.

(2) Unreasonable rents.—If the agency determines that the rent charged for a dwelling unit exceeds such comparable rents, the agency shall—

(A) inform the assisted family renting the unit that such rent exceeds the rents for comparable unassisted units in the market; and

(B) refuse to provide housing assistance payments for such unit.

SEC. 1355. PROHIBITION OF ASSISTANCE FOR VACANT RENTAL UNITS.

If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance payments contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

Subtitle D—General and Miscellaneous Provisions

SEC. 1371. DEFINITIONS.

For purposes of this title:

(1) Assisted dwelling unit.—The term "assisted dwelling unit" means a dwelling unit in which an assisted family resides and for which housing assistance payments are made under this title.

(2) Assisted family.—The term "assisted family" means an eligible family on whose behalf housing assistance payments are made under this title or who has been selected and approved for housing assistance.

(3) Choice-based.—The term "choice-based" means, with respect to housing assistance, that the assistance is not attached to a dwelling unit but can be used for any eligible dwelling unit selected by the eligible family.

(4) Eligible dwelling unit.—The term "eligible dwelling unit" means a dwelling unit that complies with the requirements under section 1328 for consideration as an eligible dwelling unit.

(5) Eligible family.—The term "eligible family" means a family that meets the requirements under section 1321(a) for assistance under this title.

(6) Homeownership assistance.—The term "homeownership assistance" means housing assistance provided under section 1329 for the ownership of a dwelling unit.

(7) Housing assistance.—The term "housing assistance" means choice-based assistance provided under this title on behalf of low-income families for the rental or ownership of an eligible dwelling unit.

(8) Housing assistance payments contract.—The term "housing assistance payments contract" means a contract under section 1351 between a public housing agency (or the Secretary) and an owner to make housing assistance payments under this title to the owner on behalf of an assisted family.

(9) Public housing agency.—The terms "public housing agency" and "agency" have the meaning given such terms in section 1103, except that the terms include—

(A) a consortia of public housing agencies that the Secretary determines has the capacity and capability to administer a program for housing assistance under this title in an efficient manner;

(B) any other entity that, upon the effective date of this division, was administering any program for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), pursuant to a contract with the Secretary or a public housing agency; and

(C) with respect to any area in which no public housing agency has been organized or where the Secretary determines that a public housing agency is unwilling or unable to implement this title, or is not performing effectively—

(i) the Secretary or another entity that by contract agrees to receive assistance amounts under this title and enter into housing assistance payments contracts with owners and perform the other functions of public housing agency under this title; or

(ii) notwithstanding any provision of State or local law, a public housing agency for another area that contracts with the Secretary to administer a program for housing assistance under this title, without regard to any otherwise applicable limitations on its area of operation.

(10) Owner.—The term "owner" means the person or entity having the legal right to lease or sublease dwelling units. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project, as well as the entity itself.

(11) Rent.—The terms "rent" and "rental" include, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

(12) Rental assistance.—The term "rental assistance" means housing assistance provided under this title for the rental of a dwelling unit.

SEC. 1372. RENTAL ASSISTANCE FRAUD RECOVERIES.

(a) Authority To Retain Recovered Amounts.—The Secretary shall permit public housing agencies administering housing assistance under this title to retain, out of amounts obtained by the authorities from tenants that are due as a result of fraud and abuse, an amount (determined in accordance with regulations issued by the Secretary) equal to the greater of—

(1) 50 percent of the amount actually collected; or

(2) the actual, reasonable, and necessary expenses related to the collection, including costs of investigation, legal fees, and collection agency fees.

(b) Use.—Amounts retained by an agency shall be made available for use in support of the affected program or project, in accordance with regulations issued by the Secretary. If the Secretary is the principal party initiating or sustaining an action to recover amounts from families or owners, the provisions of this section shall not apply.

(c) Recovery.—Amounts may be recovered under this section—

(1) by an agency through a lawsuit (including settlement of the lawsuit) brought by the agency or through court-ordered restitution pursuant to a criminal proceeding resulting from an agency's investigation where the agency seeks prosecution of a family or where an agency seeks prosecution of an owner;

(2) through administrative repayment agreements with a family or owner entered into as a result of an administrative grievance procedure conducted by an impartial decisionmaker in accordance with section 1110; or

(3) through an agreement between the parties.

SEC. 1373. STUDY REGARDING GEOGRAPHIC CONCENTRATION OF ASSISTED FAMILIES.

(a) In General.—The Secretary shall conduct a study of the geographic areas in the State of Illinois served by the Housing Authority of Cook County and the Chicago Housing Authority and submit to the Congress a report and a specific proposal, which addresses and resolves the issues of—

(1) the adverse impact on local communities due to geographic concentration of assisted households under the tenant-based housing programs under section 8 of the United States Housing Act of 1937 (as in effect upon the enactment of this Act) and under this title; and

(2) facilitating the deconcentration of such assisted households by providing broader housing choices to such households.

The study shall be completed, and the report shall be submitted, not later than 90 days after the date of the enactment of this Act.

(b) CONCENTRATION.—For purposes of this section, the term "concentration" means, with respect to any area within a census tract, that—

(1) 15 percent or more of the households residing within such area have incomes which do not exceed the poverty level; or

(2) 15 percent or more of the total affordable housing stock located within such area is assisted housing.

(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 1374. STUDY REGARDING RENTAL ASSISTANCE.

The Secretary shall conduct a nationwide study of the choice-based housing assistance program under this title and the tenant-based rental assistance program under section 8 of the United States Housing Act of 1937 (as in effect pursuant to sections 1601(c) and 1602(b)). The study shall, for various localities—

(1) determine who are the providers of the housing in which families assisted under such programs reside;

(2) describe and analyze the physical and demographic characteristics of the housing in which such assistance is used, including, for housing in which at least one such assisted family resides, the total number of units in the housing and the number of units in the housing for which such assistance is provided;

(3) determine the total number of units for which such assistance is provided;

(4) describe the durations that families remain on waiting lists before being provided such housing assistance; and

(5) assess the extent and quality of participation of housing owners in such assistance programs in relation to the local housing market, including comparing—

(A) the quality of the housing assisted to the housing generally available in the same market; and

(B) the extent to which housing is available to be occupied using such assistance to the extent to which housing is generally available in the same market.

The Secretary shall submit a report describing the results of the study to the Congress not later than the expiration of the 2-year period beginning on the date of the enactment of this Act.

TITLE XIV—HOME RULE FLEXIBLE GRANT OPTION

SEC. 1401. PURPOSE.

The purpose of this title is to give local governments and municipalities the flexibility to design creative approaches for providing and administering Federal housing assistance based on the particular needs of the communities that—

(1) give incentives to low-income families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient;

(2) reduce cost and achieve greater cost-effectiveness in Federal housing assistance expenditures;

(3) increase housing choices for low-income families; and

(4) reduce excessive geographic concentration of assisted families.

SEC. 1402. FLEXIBLE GRANT PROGRAM.

(a) AUTHORITY AND USE.—The Secretary shall carry out a program under which a jurisdiction may, upon the application of the jurisdiction and the review and approval of the Secretary, receive, combine, and enter into performance-based contracts for the use of amounts of covered housing assistance in a period consisting of not less than 1 nor more than 5 fiscal years in the manner determined appropriate by the participating jurisdiction—

(1) to provide housing assistance and services for low-income families in a manner that facilitates the transition of such families to work;

(2) to reduce homelessness;

(3) to increase homeownership among low-income families; and

(4) for other housing purposes for low-income families determined by the participating jurisdiction.

(b) INAPPLICABILITY OF CATEGORICAL PROGRAM REQUIREMENTS.—

(1) IN GENERAL.—Except as provided in paragraph (2) and section 1405, the provisions of this division regarding use of amounts made available under each of the programs included as covered housing assistance and the program requirements applicable to each such program shall not apply to amounts received by a jurisdiction pursuant to this title.

(2) APPLICABILITY OF CERTAIN LAWS.—This title may not be construed to exempt assistance under this division from, or make inapplicable any provision of this division or of any other law that requires that assistance under this division be provided in compliance with—

(A) title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.);

(B) the Fair Housing Act (42 U.S.C. 3601 et seq.);

(C) section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

(D) title IX of the Education Amendments of 1972 (86 Stat. 373 et seq.);

(E) the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.);

(F) the Americans with Disabilities Act of 1990; or

(G) the National Environmental Policy Act of 1969 and other provisions of law that further protection of the environment (as specified in regulations that shall be issued by the Secretary).

(c) EFFECT ON PROGRAM ALLOCATIONS FOR COVERED HOUSING ASSISTANCE.—The amount of assistance received pursuant to this title by a participating jurisdiction shall not be decreased, because of participation in the program under this title, from the sum of the amounts that otherwise would be made available for or within the participating jurisdiction under the programs included as covered housing assistance.

SEC. 1403. COVERED HOUSING ASSISTANCE.

For purposes of this title, the term "covered housing assistance" means—

(1) operating assistance provided under section 9 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act);

(2) modernization assistance provided under section 14 of such Act;

(3) assistance provided under section 8 of such Act for the certificate and voucher programs;

(4) assistance for public housing provided under title XII of this Act; and

(5) choice-based rental assistance provided under title XIII of this Act.

Such term does not include any amounts obligated for assistance under existing contracts for project-based assistance under section 8 of the United States Housing Act of 1937 or section 1601(f) of this Act.

SEC. 1404. PROGRAM REQUIREMENTS.

(a) ELIGIBLE FAMILIES.—Each family on behalf of whom assistance is provided for rental or homeownership of a dwelling unit using amounts made available pursuant to this title shall be a low-income family. Each dwelling unit assisted using amounts made available pursuant to this title shall be available for occupancy only by families that are low-income families at the time of their initial occupancy of the unit.

(b) COMPLIANCE WITH ASSISTANCE PLAN.—A participating jurisdiction shall provide assistance using amounts received pursuant to this title in the manner set forth in the plan of the jurisdiction approved by the Secretary under section 1406(a)(2).

(c) RENT POLICY.—A participating jurisdiction shall ensure that the rental contributions charged to families assisted with amounts received pursuant to this title—

(1) do not exceed the amount that would be chargeable under title XII to such families were such families residing in public housing assisted under such title; or

(2) are established, pursuant to approval by the Secretary of a proposed rent structure included in the application under section 1406, at levels that are reasonable and designed to eliminate any disincentives for members of the family to obtain employment and attain economic self-sufficiency.

(d) HOUSING QUALITY STANDARDS.—

(1) COMPLIANCE.—A participating jurisdiction shall ensure that housing assisted with amounts received pursuant to this title is maintained in a condition that complies—

(A) in the case of housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(B) in the case of housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in paragraph (1), with the housing quality standards established under paragraph (2).

(2) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this paragraph that ensure that dwelling units assisted under this title are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under sections 1232(b) and 1328(c). The Secretary shall differentiate between major and minor violations of such standards.

(e) NUMBER OF FAMILIES ASSISTED.—A participating jurisdiction shall ensure that, in providing assistance with amounts received pursuant to this title in each fiscal year, not less than substantially the same total number of eligible low-income families are assisted as would have been assisted had the amounts of covered housing assistance not been combined for use under this title.

(f) CONSISTENCY WITH WELFARE PROGRAM.—A participating jurisdiction shall ensure that assistance provided with amounts received pursuant to this title is provided in a manner that is consistent with the welfare, public assistance, or other economic self-sufficiency programs operating in the jurisdiction by facilitating the transition of assisted families to work, which may include requiring compliance with the requirements under such welfare, public assistance, or self-sufficiency programs as a condition of receiving housing assistance with amounts provided under this title.

(g) Treatment of Currently Assisted Families.—

(1) Continuation of assistance.—A participating jurisdiction shall ensure that each family that was receiving housing assistance or residing in an assisted dwelling unit pursuant to any of the programs included as covered housing assistance immediately before the jurisdiction initially provides assistance pursuant to this title shall be offered assistance or an assisted dwelling unit under the program of the jurisdiction under this title.

(2) Phase-in of rent contribution increases.—For any family that was receiving housing assistance pursuant to any of the programs included as covered housing assistance immediately before the jurisdiction initially provides assistance pursuant to this title, if the monthly contribution for rental of a dwelling unit assisted under this title to be paid by the family upon initial applicability of this title is greater than the amount paid by the family immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(h) Amount of Assistance.—In providing housing assistance using amounts received pursuant to this title, the amount of assistance provided by a participating jurisdiction on behalf of each assisted low-income family shall be sufficient so that if the family used such assistance to rent a dwelling unit having a rent equal to the 40th percentile of rents for standard quality rental units of the same size and type in the same market area, the contribution toward rental paid by the family would be affordable (as such term is defined by the jurisdiction) to the family.

(i) Portability.—A participating jurisdiction shall ensure that financial assistance for housing provided with amounts received pursuant to this title may be used by a family moving from an assisted dwelling unit located within the jurisdiction to obtain a dwelling unit located outside of the jurisdiction.

(j) Preferences.—In providing housing assistance using amounts received pursuant to this title, a participating jurisdiction may establish a system for making housing assistance available that provides preference for assistance to families having certain characteristics. A system of preferences established pursuant to this subsection shall be based on local housing needs and priorities, as determined by the jurisdiction using generally accepted data sources.

(k) Community Work Requirement.—

(1) Applicability of requirements for pha's.—Except as provided in paragraph (2), participating jurisdictions, families assisted with amounts received pursuant to this title, and dwelling units assisted with amounts received pursuant to this title, shall be subject to the provisions of section 1105 to the same extent that such provisions apply with respect to public housing agencies, families residing in public housing dwelling units and families assisted under title XIII, and public housing dwelling units and dwelling units assisted under title XIII.

(2) Local community service alternative.—Paragraph (1) shall not apply to a participating jurisdiction that, pursuant to approval by the Secretary of a proposal included in the application under section 1406, is carrying out a local program that is designed to foster community service by families assisted with amounts received pursuant to this title.

(l) Income Targeting.—In providing housing assistance using amounts received pursuant to this title in any fiscal year, a participating jurisdiction shall ensure that the number of families having incomes that do not exceed 30 percent of the area median income that are initially assisted under this title during such fiscal year is not less than substantially the same number of families having such incomes that would be initially assisted in such jurisdiction during such fiscal year under titles XII and XIII pursuant to sections 1222(c) and 1321(b)).

SEC. 1405. APPLICABILITY OF CERTAIN PROVISIONS.

(a) Public Housing Demolition and Disposition Requirements.—section 1261 shall continue to apply to public housing notwithstanding any use of the housing under this title.

(b) Labor Standards.—section 1112 shall apply to housing assisted with amounts provided pursuant to this title, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

SEC. 1406. APPLICATION.

(a) In General.—The Secretary shall provide for jurisdictions to submit applications to receive and use covered housing assistance amounts as authorized in this title for periods of not less than 1 and not more than 5 fiscal years. An application—

(1) shall be submitted only after the jurisdiction provides for citizen participation through a public hearing and, if appropriate, other means;

(2) shall include a plan developed by the jurisdiction for the provision of housing assistance with amounts received pursuant to this title that takes into consideration comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for meeting each of the requirements under section 1404 and this title;

(3) shall describe how the plan for use of amounts will assist in meeting the goals set forth in section 1401;

(4) shall propose standards for measuring performance in using assistance provided pursuant to this title based on the performance standards under subsection (b)(2);

(5) shall propose the length of the period for which the jurisdiction is applying for assistance under this title;

(6) may include a request assistance for training and technical assistance to assist with design of the program and to participate in a detailed evaluation;

(7) shall—

(A) in the case of the application of any jurisdiction within whose boundaries are areas subject to any other unit of general local government, include the signed consent of the appropriate executive official of such unit to the application; and

(B) in the case of the application of a consortia of units of general local government (as provided under section 1409(1)(B)), include the signed consent of the appropriate executive officials of each unit included in the consortia;

(8) shall include information sufficient, in the determination of the Secretary—

(A) to demonstrate that the jurisdiction has or will have management and administrative capacity sufficient to carry out the plan under paragraph (2);

(B) to demonstrate that carrying out the plan will not result in excessive duplication of administrative efforts and costs, particularly with respect to activities performed by public housing agencies operating within the boundaries of the jurisdiction;

(C) to describe the function and activities to be carried out by such public housing agencies affected by the plan; and

(D) to demonstrate that the amounts received by the jurisdiction will be maintained separate from other funds available to the jurisdiction and will be used only to carry out the plan; and

(9) shall include information describing how the jurisdiction will make decisions regarding asset management of housing for low-income families under programs for covered housing assistance or assisted with grant amounts under this title.

A plan required under paragraph (2) to be included in the application may be contained in a memorandum of agreement or other document executed by a jurisdiction and public housing agency, if such document is submitted together with the application.

(b) Review, Approval, and Performance Standards.—

(1) Review.—The Secretary shall review applications for assistance pursuant to this title and shall approve or disapprove such applications within 60 days after their submission. The Secretary shall provide affected public housing agencies an opportunity to review an application submitted under this subsection and to provide written comments on the application, which shall be a period of not less than 30 days ending before the Secretary approves or disapproves the application. If the Secretary determines that the application complies with the requirements of this title, the Secretary shall offer to enter into an agreement with jurisdiction providing for assistance pursuant to this title and incorporating a requirement that the jurisdiction achieve a particular level of performance in each of the areas for which performance standards are established under paragraph (2). If the Secretary determines that an application does not comply with the requirements of this title, the Secretary shall notify the jurisdiction submitting the application of the reasons for such disapproval and actions that may be taken to make the application approvable. Upon approving or disapproving an application under this paragraph, the Secretary shall make such determination publicly available in writing together with a written statement of the reasons for such determination.

(2) Performance standards.—The Secretary shall establish standards for measuring performance of jurisdictions in the following areas:

(A) Success in moving dependent low-income families to economic self-sufficiency.

(B) Success in reducing the numbers of long-term homeless families.

(C) Decrease in the per-family cost of providing assistance.

(D) Reduction of excessive geographic concentration of assisted families.

(E) Any other performance goals that the Secretary may prescribe.

(3) Approval.—If the Secretary and a jurisdiction that the Secretary determines has submitted an application meeting the requirements of this title enter into an agreement referred to in paragraph (1), the Secretary shall approve the application and provide covered housing assistance for the jurisdiction in the manner authorized under this title. The Secretary may not approve any application for assistance pursuant to this title

unless the Secretary and jurisdiction enter into an agreement referred to in paragraph (1). The Secretary shall establish requirements for the approval of applications under this section submitted by public housing agencies designated under section 1533(a) as troubled, which may include additional or different criteria determined by the Secretary to be more appropriate for such agencies.

(c) STATUS OF PHA'S.—Nothing in this section or title may be construed to require any change in the legal status of any public housing agency or in any legal relationship between a jurisdiction and a public housing agency as a condition of participation in the program under this title.

SEC. 1407. TRAINING.

The Secretary, in consultation with representatives of public and assisted housing interests, shall provide training and technical assistance relating to providing assistance under this title and conduct detailed evaluations of up to 30 jurisdictions for the purpose of identifying replicable program models that are successful at carrying out the purposes of this title.

SEC. 1408. ACCOUNTABILITY.

(a) PERFORMANCE GOALS.—The Secretary shall monitor the performance of participating jurisdictions in providing assistance pursuant to this title based on the performance standards contained in the agreements entered into pursuant to section 1406(b)(1).

(b) KEEPING RECORDS.—Each participating jurisdiction shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts provided pursuant to this title, to ensure compliance with the requirements of this title and to measure performance against the performance goals under subsection (a).

(c) REPORTS.—Each participating jurisdiction agency shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. The reports shall—

(1) document the use of funds made available under this title;

(2) provide such information as the Secretary may request to assist the Secretary in assessing the program under this title; and

(3) describe and analyze the effect of assisted activities in addressing the purposes of this title.

(d) ACCESS TO DOCUMENTS BY SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this title.

(e) ACCESS TO DOCUMENTS BY COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this title.

SEC. 1409. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) JURISDICTION.—The term "jurisdiction" means—

(A) a unit of general local government (as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act) that has boundaries, for purposes of carrying out this title, that—

(i) wholly contain the area within which a public housing agency is authorized to operate; and

(ii) do not contain any areas contained within the boundaries of any other participating jurisdiction; and

(B) a consortia of such units of general local government, organized for purposes of this title.

(2) PARTICIPATING JURISDICTION.—The term "participating jurisdiction" means, with respect to a period for which such approval is made, a jurisdiction that has been approved under section 1406(b)(3) to receive assistance pursuant to this title for such fiscal year.

TITLE XV—ACCOUNTABILITY AND OVERSIGHT OF PUBLIC HOUSING AGENCIES

Subtitle A—Study of Alternative Methods for Evaluating Public Housing Agencies

SEC. 1501. IN GENERAL.

The Secretary of Housing and Urban Development shall provide under section 1505 for a study to be conducted to determine the effectiveness of various alternative methods of evaluating the performance of public housing agencies and other providers of federally assisted housing.

SEC. 1502. PURPOSES.

The purposes of the study under this subtitle shall be—

(1) to identify and examine various methods of evaluating and improving the performance of public housing agencies in administering public housing and tenant-based rental assistance programs and of other providers of federally assisted housing, which are alternatives to oversight by the Department of Housing and Urban Development; and

(2) to identify specific monitoring and oversight activities currently conducted by the Department of Housing and Urban Development that are insufficient or ineffective in accurately and efficiently assessing the performance of public housing agencies and other providers of federally assisted housing, and to evaluate whether such activities should be eliminated, modified, or transferred to other entities (including government and private entities) to increase accuracy and effectiveness and improve monitoring.

SEC. 1503. EVALUATION OF VARIOUS PERFORMANCE EVALUATION SYSTEMS.

To carry out the purpose under section 1502(1), the study under this subtitle shall identify, and analyze and assess the costs and benefits of, the following methods of regulating and evaluating the performance of public housing agencies and other providers of federally assisted housing:

(1) CURRENT SYSTEM.—The system pursuant to the United States Housing Act of 1937 (as in effect upon the enactment of this Act), including the methods and requirements under such system for reporting, auditing, reviewing, sanctioning, and monitoring of such agencies and housing providers and the public housing management assessment program pursuant to subtitle C of this title (and section 6(j) of the United States Housing Act of 1937 (as in effect upon the enactment of this Act)).

(2) ACCREDITATION MODELS.—Various models that are based upon accreditation of such agencies and housing providers, subject to the following requirements:

(A) The study shall identify and analyze various models used in other industries and professions for accreditation and determine the extent of their applicability to the programs for public housing and federally assisted housing.

(B) If any accreditation models are determined to be applicable to the public and federally assisted housing programs, the study shall identify appropriate goals, objectives, and procedures for an accreditation program for such agencies housing providers.

(C) The study shall evaluate the effectiveness of establishing an independent accreditation and evaluation entity to assist, supplement, or replace the role of the Department of Housing and Urban Development in assessing and monitoring the performance of such agencies and housing providers.

(D) The study shall identify the necessary and appropriate roles and responsibilities of various entities that would be involved in an accreditation program, including the Department of Housing and Urban Development, the Inspector General of the Department, an accreditation entity, independent auditors and examiners, local entities, and public housing agencies.

(E) The study shall determine the costs involved in developing and maintaining such an independent accreditation program.

(F) The study shall analyze the need for technical assistance to assist public housing agencies in improving performance and identify the most effective methods to provide such assistance.

(3) PERFORMANCE BASED MODELS.—Various performance-based models, including systems that establish performance goals or targets, assess the compliance with such goals or targets, and provide for incentives or sanctions based on performance relative to such goals or targets.

(4) LOCAL REVIEW AND MONITORING MODELS.—Various models providing for local, resident, and community review and monitoring of such agencies and housing providers, including systems for review and monitoring by local and State governmental bodies and agencies.

(5) PRIVATE MODELS.—Various models using private contractors for review and monitoring of such agencies and housing providers.

(6) OTHER MODELS.—Various models of any other systems that may be more effective and efficient in regulating and evaluating such agencies and housing providers.

SEC. 1504. CONSULTATION.

The entity that, pursuant to section 1505, carries out the study under this subtitle shall, in carrying out the study, consult with individuals and organization experienced in managing public housing, private real estate managers, representatives from State and local governments, residents of public housing, families and individuals receiving choice- or tenant-based assistance, the Secretary of Housing and Urban Development, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States.

SEC. 1505. CONTRACT TO CONDUCT STUDY.

(a) IN GENERAL.—Subject to subsection (b), the Secretary shall enter into a contract with a public or nonprofit private entity to conduct the study under this subtitle, using amounts made available pursuant to section 1507.

(b) NATIONAL ACADEMY OF PUBLIC ADMINISTRATION.—The Secretary shall request the National Academy of Public Administration to enter into the contract under subsection (a) to conduct the study under this subtitle. If such Academy declines to conduct the study, the Secretary shall carry out such subsection through other public or nonprofit private entities.

SEC. 1506. REPORT.

(a) INTERIM REPORT.—The Secretary shall ensure that not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the entity conducting the study under this subtitle submits to the Congress an interim report describing the actions taken to carry out the study, the actions to be taken to complete the study, and any findings and recommendations available at the time.

(b) Final Report.—The Secretary shall ensure that—

(1) not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the study required under this subtitle is completed and a report describing the findings and recommendations as a result of the study is submitted to the Congress; and

(2) before submitting the report under this subsection to the Congress, the report is submitted to the Secretary and national organizations for public housing agencies at such time to provide the Secretary and such agencies an opportunity to review the report and provide written comments on the report, which shall be included together with the report upon submission to the Congress under paragraph (1).

SEC. 1507. FUNDING.

Of any amounts made available under title V of the Housing and Urban Development Act of 1970 for policy development and research for fiscal year 1998, $500,000 shall be available to carry out this subtitle.

SEC. 1508. EFFECTIVE DATE.

This subtitle shall take effect on the date of the enactment of this Act.

Subtitle B—Housing Evaluation and Accreditation Board

SEC. 1521. ESTABLISHMENT.

(a) In General.—There is established an independent agency in the executive branch of the Government to be known as the Housing Foundation and Accreditation Board (in this title referred to as the "Board").

(b) Requirement for Congressional Review of Study.—Notwithstanding any other provision of this division, sections 1523, 1524, and 1525 shall not take effect and the Board shall not have any authority to take any action under such sections (or otherwise) unless there is enacted a law specifically providing for the repeal of this subsection. This subsection may not be construed to prevent the appointment of the Board under section 1522.

(c) Effective Date.—This section shall take effect on the date of the enactment of this Act.

SEC. 1522. MEMBERSHIP.

(a) In General.—The Board shall be composed of 12 members appointed by the President not later than 180 days after the date of the final report regarding the study required under subtitle A is submitted to the Congress pursuant to section 1506(b), as follows:

(1) 4 members shall be appointed from among 10 individuals recommended by the Secretary of Housing and Urban Development.

(2) 4 members shall be appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) 4 members appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives.

(b) Qualifications.—

(1) Required representation.—The Board shall at all times have the following members:

(A) 2 members who are residents of public housing or dwelling units assisted under title XIII of this Act or the provisions of section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act).

(B) At least 2, but not more than 4 members who are executive directors of public housing agencies.

(C) 1 member who is a member of the Institute of Real Estate Managers.

(D) 1 member who is the owner of a multifamily housing project assisted under a program administered by the Secretary of Housing and Urban Development.

(2) Required experience.—The Board shall at all times have as members individuals with the following experience:

(A) At least 1 individual who has extensive experience in the residential real estate finance business.

(B) At least 1 individual who has extensive experience in operating a nonprofit organization that provides affordable housing.

(C) At least 1 individual who has extensive experience in construction of multifamily housing.

(D) At least 1 individual who has extensive experience in the management of a community development corporation.

(E) At least 1 individual who has extensive experience in auditing participants in government programs.

A single member of the board with the appropriate experience may satisfy the requirements of more than 1 subparagraph of this paragraph. A single member of the board with the appropriate qualifications and experience may satisfy the requirements of a subparagraph of paragraph (1) and a subparagraph of this paragraph.

(c) Political Affiliation.—Not more than 6 members of the Board may be of the same political party.

(d) Terms.—

(1) In general.—Each member of the Board shall be appointed for a term of 4 years, except as provided in paragraphs (2) and (3).

(2) Terms of initial appointees.—As designated by the President at the time of appointment, of the members first appointed—

(A) 3 shall be appointed for terms of 1 year;

(B) 3 shall be appointed for terms of 2 years;

(C) 3 shall be appointed for terms of 3 years; and

(D) 3 shall be appointed for terms of 4 years.

(3) Vacancies.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(e) Chairperson.—The Board shall elect a chairperson from among members of the Board.

(f) Quorum.—A majority of the members of the Board shall constitute a quorum for the transaction of business.

(g) Voting.—Each member of the Board shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Board.

(h) Prohibition on Additional Pay.—Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

SEC. 1523. FUNCTIONS.

The purpose of this subtitle is to establish the Board as a nonpolitical entity to carry out, not later than the expiration of the 12-month period beginning upon the appointment under section 1522 of all of the initial members of the Board (or such other date as may be provided by law), the following functions:

(1) Establishment of performance benchmarks.—The Board shall establish standards and guidelines for use by the Board in measuring the performance and efficiency of public housing agencies and other owners and providers of federally assisted housing in carrying out operational and financial functions. The standards and guidelines shall be designed to replace the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 (as in effect before the enactment of this Act) and improve the evaluation of the performance of housing providers relative to such program. In establishing such standards and guidelines, the Board shall consult with the Secretary, the Inspector General of the Department of Housing and Urban Development, and such other persons and entities as the Board considers appropriate.

(2) Establishment of accreditation procedure and accreditation.—The Board shall—

(A) establish a procedure for the Board to accredit public housing agencies to receive block grants under title XII for the operation, maintenance, and production of public housing and amounts for housing assistance under title XIII, based on the performance of agencies, as measured by the performance benchmarks established under paragraph (1) and any audits and reviews of agencies; and

(B) commence the review and accreditation of public housing agencies under the procedures established under subparagraph (A).

In carrying out the functions under this section, the Board shall take into consideration the findings and recommendations contained in the report issued under section 1506(b).

SEC. 1524. POWERS.

(a) Hearings.—The Board may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places as the Board determines appropriate.

(b) Rules and Regulations.—The Board may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) Assistance From Federal Agencies.—

(1) Information.—The Board may secure directly from any department or agency of the Federal Government such information as the Board may require for carrying out its functions, including public housing agency plans submitted to the Secretary by public housing agencies under title XI. Upon request of the Board, any such department or agency shall furnish such information.

(2) General services administration.—The Administrator of General Services shall provide to the Board, on a reimbursable basis, such administrative support services as the Board may request.

(3) Department of housing and urban development.—Upon the request of the chairperson of the Board, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary, detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Board in carrying out its functions under this subtitle.

(4) HUD inspector general.—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to

all aspects of audits of public housing agencies. The Inspector General may advise the Board with respect to other activities and functions of the Board.

(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Board may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with private firms, institutions, and individuals for the purpose of conducting evaluations of public housing agencies, audits of public housing agencies, and research and surveys necessary to enable the Board to discharge its functions under this subtitle.

(f) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Board shall appoint an executive director of the Board, who shall be compensated at a rate fixed by the Board, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) OTHER PERSONNEL.—In addition to the executive director, the Board may appoint and fix the compensation of such personnel as the Board considers necessary, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(g) ACCESS TO DOCUMENTS.—The Board shall have access for the purposes of carrying out its functions under this subtitle to any books, documents, papers, and records of a public housing agency to which the Secretary has access under this division.

SEC. 1525. FEES.

(a) ACCREDITATION FEES.—The Board may establish and charge reasonable fees for the accreditation of public housing agencies as the Board considers necessary to cover the costs of the operations of the Board relating to its functions under section 1523.

(b) FUND.—Any fees collected under this section shall be deposited in an operations fund for the Board, which is hereby established in the Treasury of the United States. Amounts in such fund shall be available, to the extent provided in appropriation Acts, for the expenses of the Board in carrying out its functions under this subtitle.

SEC. 1526. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Subtitle C—Interim Applicability of Public Housing Management Assessment Program

SEC. 1531. INTERIM APPLICABILITY.

This subtitle shall be effective only during the period that begins on the effective date of this division and ends upon the date of the effectiveness of the standards and procedures required under section 1523.

SEC. 1532. MANAGEMENT ASSESSMENT INDICATORS.

(a) ESTABLISHMENT.—The Secretary shall develop and publish in the Federal Register indicators to assess the management performance of public housing agencies and other entities managing public housing (including resident management corporations, independent managers pursuant to section 1236, and management entities pursuant to subtitle D). The indicators shall be established by rule under section 553 of title 5, United States Code. Such indicators shall enable the Secretary to evaluate the performance of public housing agencies and such other managers of public housing in all major areas of management operations.

(b) CONTENT.—The management assessment indicators shall include the following indicators:

(1) The number and percentage of vacancies within an agency's or manager's inventory, including the progress that an agency or manager has made within the previous 3 years to reduce such vacancies.

(2) The amount and percentage of funds obligated to the public housing agency or manager from the capital fund or under section 14 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), which remain unexpended after 3 years.

(3) The percentage of rents uncollected.

(4) The energy consumption (with appropriate adjustments to reflect different regions and unit sizes).

(5) The average period of time that an agency or manager requires to repair and turn-around vacant dwelling units.

(6) The proportion of maintenance work orders outstanding, including any progress that an agency or manager has made during the preceding 3 years to reduce the period of time required to complete maintenance work orders.

(7) The percentage of dwelling units that an agency or manager fails to inspect to ascertain maintenance or modernization needs within such period of time as the Secretary deems appropriate (with appropriate adjustments, if any, for large and small agencies or managers).

(8) The extent to which the rent policies of any public housing agency establishing rental amounts in accordance with section 1225(b) comply with the requirement under section 1225(c).

(9) Whether the agency is providing acceptable basic housing conditions, as determined by the Secretary.

(10) Whether the agency has conducted and regularly updated an assessment to identify any pest control problems in the public housing owned or operated by the agency and the extent to which the agency is effective in carrying out a strategy to eradicate or control such problems, which assessment and strategy shall be included in the local housing management plan for the agency under section 1106.

(11) Any other factors as the Secretary deems appropriate.

(c) CONSIDERATIONS IN EVALUATION.—The Secretary shall—

(1) administer the system of evaluating public housing agencies and managers flexibly to ensure that agencies and managers are not penalized as result of circumstances beyond their control;

(2) reflect in the weights assigned to the various management assessment indicators the differences in the difficulty of managing individual developments that result from their physical condition and their neighborhood environment; and

(3) determine a public housing agency's or manager's status as "troubled with respect to modernization" under section 1533(b) based upon factors solely related to its ability to carry out modernization activities.

SEC. 1533. DESIGNATION OF PHA'S.

(a) TROUBLED PHA'S.—The Secretary shall, under the rulemaking procedures under section 553 of title 5, United States Code, establish procedures for designating troubled public housing agencies and managers, which procedures shall include identification of serious and substantial failure to perform as measured by (1) the performance indicators specified under section 1532 and such other factors as the Secretary may deem to be appropriate; or (2) such other evaluation system as is determined by the Secretary to assess the condition of the public housing agency or other entity managing public housing, which system may be in addition to or in lieu of the performance indicators established under section 1532. Such procedures shall provide that an agency that does not provide acceptable basic housing conditions shall be designated a troubled public housing agency.

(b) AGENCIES TROUBLED WITH RESPECT TO CAPITAL ACTIVITIES.—The Secretary shall designate, by rule under section 553 of title 5, United States Code, agencies and managers that are troubled with respect to capital activities.

(c) AGENCIES AT RISK OF BECOMING TROUBLED.—The Secretary shall designate, by rule under section 553 of title 5, United States Code, agencies and managers that are at risk of becoming troubled.

(d) EXEMPLARY AGENCIES.—The Secretary may also, in consultation with national organizations representing public housing agencies and managers and public officials (as the Secretary determines appropriate), identify and commend public housing agencies and managers that meet the performance standards established under section 1532 in an exemplary manner.

(e) APPEAL OF DESIGNATION.—The Secretary shall establish procedures for public housing agencies and managers to appeal designation as a troubled agency or manager (including designation as a troubled agency or manager for purposes of capital activities), to petition for removal of such designation, and to appeal any refusal to remove such designation.

SEC. 1534. ON-SITE INSPECTION OF TROUBLED PHA'S.

(a) IN GENERAL.—Upon designating a public housing agency or manager as troubled pursuant to section 1533 and determining that an assessment under this section will not duplicate any other review previously conducted or required to be conducted of the agency or manager, the Secretary shall provide for an on-site, independent assessment of the management of the agency or manager.

(b) CONTENT.—To the extent the Secretary deems appropriate (taking into consideration an agency's or manager's performance under the indicators specified under section 1532, the assessment team shall also consider issues relating to the agency's or manager's resident population and physical inventory, including the extent to which—

(1) the public housing agency plan for the agency or manager adequately and appropriately addresses the rehabilitation needs of the public housing inventory;

(2) residents of the agency or manager are involved in and informed of significant management decisions; and

(3) any developments in the agency's or manager's inventory are severely distressed (as such term is defined under section 1262).

(c) INDEPENDENT ASSESSMENT TEAM.—An independent assessment under this section shall be carried out by a team of knowledgeable individuals selected by the Secretary (referred to in this title as the "assessment team") with expertise in public housing and real estate management. In conducting an assessment, the assessment team shall consult with the residents and with public and private entities in the jurisdiction in which the public housing is located. The assessment team shall provide to the Secretary and the public housing agency or manager a written report, which shall contain, at a minimum, recommendations for such management improvements as are necessary to eliminate or substantially remedy existing deficiencies.

SEC. 1535. ADMINISTRATION.

(a) PHA'S.—The Secretary shall carry out this subtitle with respect to public housing agencies substantially in the same manner as the public housing management assessment system under section 6(j) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) was required to be carried out with respect to public housing agencies. The Secretary may comply with the requirements under this subtitle by using any regulations issued to carry out such system and issuing any additional regulations necessary to make such system comply with the requirements under this subtitle.

(b) OTHER MANAGERS.—The Secretary shall establish specific standards and procedures for carrying out this subtitle with respect to managers of public housing that are not public housing agencies. Such standards and procedures shall take in consideration special circumstances relating to entities hired, directed, or appointed to manage public housing.

Subtitle D—Accountability and Oversight Standards and Procedures

SEC. 1541. AUDITS.

(a) BY SECRETARY AND COMPTROLLER GENERAL.—Each block grant contract under section 1201 and each contract for housing assistance amounts under section 1302 shall provide that the Secretary, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the public housing agency (or other entity) entering into such contract that are pertinent to this division and to its operations with respect to financial assistance under this division.

(b) BY PHA.—

(1) REQUIREMENT.—Each public housing agency that owns or operates 250 or more public housing dwelling units and receives assistance under this division shall have an audit made in accordance with chapter 75 of title 31, United States Code. The Secretary, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States shall have access to all books, documents, papers, or other records that are pertinent to the activities carried out under this division in order to make audit examinations, excerpts, and transcripts.

(2) WITHHOLDING OF AMOUNTS.—The Secretary may, in the sole discretion of the Secretary, arrange for, and pay the costs of, an audit required under paragraph (1). In such circumstances, the Secretary may withhold, from assistance otherwise payable to the agency under this division, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit, including, when appropriate, the reasonable costs of accounting services necessary to place the agency's books and records in auditable condition.

SEC. 1542. PERFORMANCE AGREEMENTS FOR AUTHORITIES AT RISK OF BECOMING TROUBLED.

(a) IN GENERAL.—Upon designation of a public housing agency as at risk of becoming troubled under section 1533(c), the Secretary shall seek to enter into an agreement with the agency providing for improvement of the elements of the agency that have been identified. An agreement under this section shall contain such terms and conditions as the Secretary determines are appropriate for addressing the elements identified, which may include an on-site, independent assessment of the management of the agency.

(b) POWERS OF SECRETARY.—If the Secretary determines that such action is necessary to prevent the public housing agency from becoming a troubled agency, the Secretary may—

(1) solicit competitive proposals from other public housing agencies and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary), for any case in which such agents may be needed for managing all, or part, of the housing or functions administered by the agency; or

(2) solicit competitive proposals from other public housing agencies and private entities with experience in construction management, for any case in which such authorities or firms may be needed to oversee implementation of assistance made available for capital improvement for public housing of the agency.

SEC. 1543. PERFORMANCE AGREEMENTS AND CDBG SANCTIONS FOR TROUBLED PHA'S.

(a) IN GENERAL.—Upon designation of a public housing agency as a troubled agency under section 1533(a) and after reviewing the report submitted pursuant to section 1534(c) and consulting with the assessment team for the agency under section 1534, the Secretary shall seek to enter into an agreement with the agency providing for improving the management performance of the agency.

(b) CONTENTS.—An agreement under this section between the Secretary and a public housing agency shall set forth—

(1) targets for improving performance, as measured by the guidelines and standards established under section 1532 and other requirements within a specified period of time, which shall include targets to be met upon the expiration of the 12-month period beginning upon entering into the agreement;

(2) strategies for meeting such targets;

(3) sanctions for failure to implement such strategies; and

(4) to the extent the Secretary deems appropriate, a plan for enhancing resident involvement in the management of the public housing agency.

(c) LOCAL ASSISTANCE IN IMPLEMENTATION.—The Secretary and the public housing agency shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out an agreement under this section.

(d) DEFAULT UNDER PERFORMANCE AGREEMENT.—Upon the expiration of the 12-month period beginning upon entering into an agreement under this section with a public housing agency, the Secretary shall review the performance of the agency in relation to the performance targets and strategies under the agreement. If the Secretary determines that the agency has failed to comply with the performance targets established for such period, the Secretary shall take the action authorized under subsection (b)(2) or (b)(5) of section 1545.

(e) CDBG SANCTION AGAINST LOCAL GOVERNMENT CONTRIBUTING TO TROUBLED STATUS OF PHA.—If the Secretary determines that the actions or inaction of any unit of general local government within which any portion of the jurisdiction of a public housing agency is located has substantially contributed to the conditions resulting in the agency being designated under section 1533(a) as a troubled agency, the Secretary may redirect or withhold, from such unit of general local government any amounts allocated for such unit under section 106 of the Housing and Community Development Act of 1974.

SEC. 1544. OPTION TO DEMAND CONVEYANCE OF TITLE TO OR POSSESSION OF PUBLIC HOUSING.

(a) AUTHORITY FOR CONVEYANCE.—A contract under section 1201 for block grants under title XII (including contracts which amend or supersede contracts previously made (including contracts for contributions)) may provide that upon the occurrence of a substantial default with respect to the covenants or conditions to which the public housing agency is subject (as such substantial default shall be defined in such contract), the public housing agency shall be obligated, at the option of the Secretary, to—

(1) convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this division; or

(2) deliver to the Secretary possession of the development, as then constituted, to which such contract relates.

(b) OBLIGATION TO RECONVEY.—Any block grant contract under title XII containing the provisions authorized in subsection (a) shall also provide that the Secretary shall be obligated to reconvey or redeliver possession of the development, as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable after—

(1) the Secretary is satisfied that all defaults with respect to the development have been cured, and that the development will, in order to fulfill the purposes of this division, thereafter be operated in accordance with the terms of such contract; or

(2) the termination of the obligation to make annual block grants to the agency, unless there are any obligations or covenants of the agency to the Secretary which are then in default.

Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the development to the Secretary pursuant to subsection (a) upon the subsequent occurrence of a substantial default.

(c) CONTINUED GRANTS FOR REPAYMENT OF BONDS AND NOTES UNDER 1937 ACT.—If—

(1) a contract for block grants under title XII for an agency includes provisions that expressly state that the provisions are included pursuant to this subsection, and

(2) the portion of the block grant payable for debt service requirements pursuant to the contract has been pledged by the public housing agency as security for the payment of the principal and interest on any of its obligations, then—

(A) the Secretary shall (notwithstanding any other provisions of this division), continue to make the block grant payments for the agency so long as any of such obligations remain outstanding; and

(B) the Secretary may covenant in such a contract that in any event such block grant amounts shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the development for the purpose at the time such block grant payments are made, will suffice for the payment of all installments of principal and interest on the obligations for which the amounts provided for in the contract shall have been pledged as security that fall due within the next succeeding 12 months.

In no case shall such block grant amounts be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

SEC. 1545. REMOVAL OF INEFFECTIVE PHA'S.

(a) CONDITIONS OF REMOVAL.—The actions specified in subsection (b) may be taken only upon—

(1) the occurrence of events or conditions that constitute a substantial default by a public housing agency with respect to (A) the covenants or conditions to which the public housing agency is subject, or (B) an agreement entered into under section 1543; or

(2) submission to the Secretary of a petition by the residents of the public housing owned or operated by a public housing agency that is designated as troubled pursuant to section 1533(a).

(b) REMOVAL ACTIONS.—Notwithstanding any other provision of law or of any block grant contract under title XII or any grant agreement under title XIII, in accordance with subsection (a), the Secretary may—

(1) solicit competitive proposals from other public housing agencies and private housing management agents (which, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary) and, if appropriate, provide for such agents to manage all, or part, of the housing administered by the public housing agency or all or part of the other functions of the agency;

(2) take possession of the public housing agency, including any developments or functions of the agency under any section of this division;

(3) solicit competitive proposals from other public housing agencies and private entities with experience in construction management and, if appropriate, provide for such authorities or firms to oversee implementation of assistance made available for capital improvements for public housing;

(4) require the agency to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and assisted families under title XIII for managing all, or part of, the public housing administered by the agency or the functions of the agency; or

(5) petition for the appointment of a receiver for the public housing agency to any district court of the United States or to any court of the State in which any portion of the jurisdiction of the public housing agency is located, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this section.

(c) EMERGENCY ASSISTANCE.—The Secretary may make available to receivers and other entities selected or appointed pursuant to this section such assistance as is fair and reasonable to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety and welfare of public housing residents or assisted families under title XIII.

(d) POWERS OF SECRETARY.—If the Secretary takes possession of an agency, or any developments or functions of an agency, pursuant to subsection (b)(2), the Secretary—

(1) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification, but only after efforts to renegotiate such contracts have failed and the Secretary has made a written determination regarding such abrogation, which shall be available to the public upon request, identify such contracts, and explain the determination that such contracts may be abrogated;

(2) may demolish and dispose of assets of the agency in accordance with section 1261;

(3) where determined appropriate by the Secretary, may require the establishment of one or more new public housing agencies;

(4) may consolidate the agency into other well-managed public housing agencies with the consent of such well-managed authorities;

(5) shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impede correction of the substantial default or improvement of the classification, but only if the Secretary has made a written determination regarding such inapplicability, which shall be available to the public upon request, identify such inapplicable laws, and explain the determination that such laws impede such correction; and

(6) shall have such additional authority as a district court of the United States has the authority to confer under like circumstances upon a receiver to achieve the purposes of the receivership.

The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the Secretary's responsibility under this paragraph for the administration of a public housing agency. The Secretary may delegate to the administrative receiver any or all of the powers of the Secretary under this subsection. Regardless of any delegation under this subsection, an administrative receiver may not require the establishment of one or more new public housing agencies pursuant to paragraph (3) unless the Secretary first approves such establishment. For purposes of this subsection, the term "public housing agency" includes any developments or functions of a public housing agency under any section of this title.

(e) RECEIVERSHIP.—

(1) REQUIRED APPOINTMENT.—In any proceeding under subsection (b)(5), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the public housing agency in a manner consistent with this division and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another public housing agency, a private management corporation, the Secretary, or any other appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

(2) POWERS OF RECEIVER.—If a receiver is appointed for a public housing agency pursuant to subsection (b)(5), in addition to the powers accorded by the court appointing the receiver, the receiver—

(A) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification, but only after bona fide efforts to renegotiate such contracts have failed and the receiver has made a written determination regarding such abrogation, which shall be available to the public upon request, identify such contracts, and explain the determination that such contracts may be abrogated;

(B) may demolish and dispose of assets of the agency in accordance with section 1261;

(C) where determined appropriate by the Secretary, may require the establishment of one or more new public housing agencies, to the extent permitted by State and local law; and

(D) except as provided in subparagraph (C), shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impede correction of the substantial default or improvement of the classification, but only if the receiver has made a written determination regarding such inapplicability, which shall be available to the public upon request, identify such inapplicable laws, and explain the determination that such laws impede such correction.

For purposes of this paragraph, the term "public housing agency" includes any developments or functions of a public housing agency under any section of this title.

(3) TERMINATION.—The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the public housing agency will be able to make the same amount of progress in correcting the management of the housing as the receiver.

(f) LIABILITY.—If the Secretary takes possession of an agency pursuant to subsection (b)(2) or a receiver is appointed pursuant to subsection (b)(5) for a public housing agency, the Secretary or the receiver shall be deemed to be acting in the capacity of the public housing agency (and not in the official capacity as Secretary or other official) and any liability incurred shall be a liability of the public housing agency.

(g) EFFECTIVENESS.—The provisions of this section shall apply with respect to actions taken before, on, or after the effective date of this division and shall apply to any receivers appointed for a public housing agency before the effective date of this division.

SEC. 1546. MANDATORY TAKEOVER OF CHRONICALLY TROUBLED PHA'S.

(a) REMOVAL OF AGENCY.—Notwithstanding any other provision of this division, not later than the expiration of the 180-day period beginning on the effective date of this division, the Secretary shall take one of the following actions with respect to each chronically troubled public housing agency:

(1) CONTRACTING FOR MANAGEMENT.—Solicit competitive proposals for the management of the agency pursuant to section 1545(b)(1) and replace the management of the agency pursuant to selection of such a proposal.

(2) TAKEOVER.—Take possession of the agency pursuant to section 1545(b)(2).

(3) PETITION FOR RECEIVER.—Petition for the appointment of a receiver for the agency pursuant to section 1545(b)(5).

(b) DEFINITION.—For purposes of this section, the term "chronically troubled public housing agency" means a public housing agency that, as of the effective date of this division, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) as a troubled public housing agency and has been so designated continuously for the

3-year period ending upon the effective date of this division; except that such term does not include any agency that owns or operates less than 1250 public housing dwelling units and that the Secretary determines can, with a reasonable amount of effort, make such improvements or remedies as may be necessary to remove its designation as troubled within 12 months.

SEC. 1547. TREATMENT OF TROUBLED PHA'S.

(a) EFFECT OF TROUBLED STATUS ON PHAS.—The comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the State or unit of general local government in which any troubled public housing agency is located shall not be considered to comply with the requirements under section 105 of the Cranston-Gonzalez National Affordable Housing Act unless such plan includes a description of the manner in which the State or unit will assist such troubled agency in improving its operations to remove such designation.

(b) DEFINITION.—For purposes of this section, the term "troubled public housing agency" means a public housing agency that—

(1) upon the effective date of this division, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) as a troubled public housing agency; and

(2) is not a chronically troubled public housing agency, as such term is defined in section 1546(b) of this Act.

SEC. 1548. MAINTENANCE OF RECORDS.

Each public housing agency shall keep such records as may be reasonably necessary to disclose the amount and the disposition by the agency of the proceeds of assistance received pursuant to this division and to ensure compliance with the requirements of this division.

SEC. 1549. ANNUAL REPORTS REGARDING TROUBLED PHA'S.

The Secretary shall submit a report to the Congress annually, as a part of the report of the Secretary under section 8 of the Department of Housing and Urban Development Act, that—

(1) identifies the public housing agencies that are designated under section 1533 as troubled or at-risk of becoming troubled and the reasons for such designation; and

(2) describes any actions that have been taken in accordance with sections 1542, 1543, 1544, and 1545.

SEC. 1550. APPLICABILITY TO RESIDENT MANAGEMENT CORPORATIONS.

The Secretary shall apply the provisions of this subtitle to resident management corporations in the same manner as applied to public housing agencies.

SEC. 1551. ADVISORY COUNCIL FOR HOUSING AUTHORITY OF NEW ORLEANS.

(a) ESTABLISHMENT.—The Secretary and the Housing Authority of New Orleans (in this section referred to as the "Housing Authority") shall, pursuant to the cooperative endeavor agreement in effect between the Secretary and the Housing Authority, establish an advisory council for the Housing Authority of New Orleans (in this section referred to as the "advisory council") that complies with the requirements of this section.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The advisory council shall be appointed by the Secretary, not later than 90 days after the date of the enactment of this Act, and shall be composed of the following members:

(A) The Inspector General of the Department of Housing and Urban Development (or the Inspector General's designee).

(B) Not more than 7 other members, who shall be selected for appointment based on their experience in successfully reforming troubled public housing agencies or in providing affordable housing in coordination with State and local governments, the private sector, affordable housing residents, or local nonprofit organizations.

(2) PROHIBITION ON ADDITIONAL PAY.—Members of the advisory council shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board using amounts from the Headquarters Reserve fund pursuant to section 1111(b)(4).

(c) FUNCTIONS.—The advisory council shall—

(1) establish standards and guidelines for assessing the performance of the Housing Authority in carrying out operational, asset management, and financial functions for purposes of the reports and finding under subsections (d) and (e), respectively;

(2) provide advice, expertise, and recommendations to the Housing Authority regarding the management, operation, repair, redevelopment, revitalization, demolition, and disposition of public housing developments of the Housing Authority;

(3) report to the Congress under subsection (d) regarding any progress of the Housing Authority in improving the performance of its functions; and

(4) make a final finding to the Congress under subsection (e) regarding the future of the Housing Authority.

(d) QUARTERLY REPORTS.—The advisory council shall report to the Congress and the Secretary not less than every 3 months regarding the performance of the Housing Authority and any progress of the authority in improving its performance and carrying out its functions.

(e) FINAL FINDING.—Upon the expiration of the 18-month period that begins upon the appointment under subsection (b)(1) of all members of the advisory council, the council shall make and submit to the Congress and the Secretary a finding of whether the Housing Authority has substantially improved its performance, the performance of its functions, and the overall condition of the Authority such that the Authority should be allowed to continue to operate as the manager of the public housing of the Authority. In making the finding under this subsection, the advisory council shall consider whether the Housing Authority has made sufficient progress in the demolition and revitalization of the Desire Homes development, the revitalization of the St. Thomas Homes development, the appropriate allocation of operating subsidy amounts, and the appropriate expending of modernization amounts.

(f) RECEIVERSHIP.—If the advisory council finds under subsection (e) that the Housing Authority has not substantially improved its performance such that the Authority should be allowed to continue to operate as the manager of the public housing of the Authority, the Secretary shall (notwithstanding section 1545(a)) petition under section 1545(b) for the appointment of a receiver for the Housing Authority, which receivership shall be subject to the provisions of section 1545.

(g) EXEMPTION.—The provisions of section 1546 shall not apply to the Housing Authority.

TITLE XVI—REPEALS AND RELATED AMENDMENTS

Subtitle A—Repeals, Effective Date, and Savings Provisions

SEC. 1601. EFFECTIVE DATE AND REPEAL OF UNITED STATES HOUSING ACT OF 1937.

(a) EFFECTIVE DATE.—

(1) IN GENERAL.—This division and the amendments made by this division shall take effect on October 1, 1999, except as otherwise provided in this section.

(2) SPECIFIC EFFECTIVE DATES.—Any provision of this division that specifically provides for the effective date of such provision shall take effect in accordance with the terms of the provision.

(b) REPEAL OF UNITED STATES HOUSING ACT OF 1937.—Effective upon the effective date under subsection (a)(1), the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is repealed, subject to the conditions under subsection (c).

(c) SAVINGS PROVISIONS.—

(1) OBLIGATIONS UNDER 1937 ACT.—Any obligation of the Secretary made under authority of the United States Housing Act of 1937 shall continue to be governed by the provisions of such Act, except that—

(A) notwithstanding the repeal of such Act, the Secretary may make a new obligation under such Act upon finding that such obligation is required—

(i) to protect the financial interests of the United States or the Department of Housing and Urban Development; or

(ii) for the amendment, extension, or renewal of existing obligations; and

(B) notwithstanding the repeal of such Act, the Secretary may, in accordance with subsection (d), issue regulations and other guidance and directives as if such Act were in effect if the Secretary finds that such action is necessary to facilitate the administration of obligations under such Act.

(2) TRANSITION OF FUNDING.—Amounts appropriated under the United States Housing Act of 1937 shall, upon repeal of such Act, remain available for obligation under such Act in accordance with the terms under which amounts were made available.

(3) CROSS REFERENCES.—The provisions of the United States Housing Act of 1937 shall remain in effect for purposes of the validity of any reference to a provision of such Act in any statute (other than such Act) until such reference is modified by law or repealed.

(d) PUBLICATION AND EFFECTIVE DATE OF SAVINGS PROVISIONS.—

(1) SUBMISSION TO CONGRESS.—The Secretary shall submit to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a copy of any proposed regulation, guidance, or directive under subsection (c)(1)(B).

(2) OPPORTUNITY TO REVIEW.—Such a regulation, guidance, or directive may not be published for comment or for final effectiveness before or during the 15-calendar day period beginning on the day after the date on which such regulation, guidance, or directive was submitted to the Congress.

(3) EFFECTIVE DATE.—No regulation, guideline, or directive may become effective until after the expiration of the 30-calendar day period beginning on the day after the day on which such rule or regulation is published as final.

(4) WAIVER.—The provisions of paragraphs (2) and (3) may be waived upon the written request of the Secretary, if agreed to by the Chairmen and Ranking Minority Members of both Committees.

(e) MODIFICATIONS.—Notwithstanding any provision of this division or any annual contributions contract or other agreement entered into by the Secretary and a public housing agency pursuant to the provisions of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), the Secretary and the agency may by mutual consent amend, supersede, or modify any such agreement as appropriate to provide for assistance under this division, except that the Secretary and the agency may not consent to any such amendment, supersession, or modification that substantially alters any outstanding obligations requiring continued maintenance of the low-income character of any public housing development and any such amendment, supersession, or modification shall not be given effect.

(f) SECTION 8 PROJECT-BASED ASSISTANCE.—

(1) IN GENERAL.—The provisions of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) shall remain in effect after the effectiveness of the repeal under subsection (b) with respect to all section 8 project-based assistance, pursuant to existing and future contracts, except as otherwise provided by this section.

(2) TENANT SELECTION PREFERENCES.—An owner of housing assisted with section 8 project-based assistance shall give preference, in the selection of tenants for units of such projects that become available, according to any system of local preferences established pursuant to section 1223 by the public housing agency having jurisdiction for the area in which such projects are located.

(3) 1-YEAR NOTIFICATION.—Paragraphs (9) and (10) of section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)) shall not be applicable to section 8 project-based assistance.

(4) LEASE TERMS.—Leases for dwelling units assisted with section 8 project-based assistance shall comply with the provisions of paragraphs (1) and (3) of section 1324 of this Act and shall not be subject to the provisions of 8(d)(1)(B) of the United States Housing Act of 1937.

(5) TERMINATION OF TENANCY.—Any termination of tenancy of a resident of a dwelling unit assisted with section 8 project-based assistance shall comply with the provisions of section 1324(2) and section 1325 of this Act and shall not be subject to the provisions of section 8(d)(1)(B) of the United States Housing Act of 1937.

(6) TREATMENT OF COMMON AREAS.—The Secretary may not provide any assistance amounts pursuant to an existing contract for section 8 project-based assistance for a housing project and may not enter into a new or renewal contract for such assistance for a project unless the owner of the project provides consent, to such local law enforcement agencies as the Secretary determines appropriate, for law enforcement officers of such agencies to enter common areas of the project at any time and without advance notice upon a determination of probable cause by such officers that criminal activity is taking place in such areas.

(7) DEFINITION.—For purposes of this subsection, the term "section 8 project-based assistance" means assistance under any of the following programs:

(A) The new construction or substantial rehabilitation program under section 8(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983).

(B) The property disposition program under section 8(b) of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act).

(C) The loan management set-aside program under subsections (b) and (v) of section 8 of such Act.

(D) The project-based certificate program under section 8(d)(2) of such Act.

(E) The moderate rehabilitation program under section 8(e)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1991).

(F) The low-income housing preservation program under Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect before November 28, 1990).

(G) Section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965 or section 236(f)(2) of the National Housing Act.

(g) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 1602. OTHER REPEALS.

(a) IN GENERAL.—The following provisions of law are hereby repealed:

(1) ASSISTED HOUSING ALLOCATION.—Section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439).

(2) PUBLIC HOUSING RENT WAIVERS FOR POLICE.—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437a–1).

(3) TREATMENT OF CERTIFICATE AND VOUCHER HOLDERS.—Subsection (c) of section 183 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(4) EXCESSIVE RENT BURDEN DATA.—Subsection (b) of section 550 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(5) MOVING TO OPPORTUNITY FOR FAIR HOUSING.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(6) REPORT REGARDING FAIR HOUSING OBJECTIVES.—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(7) SPECIAL PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(8) ACCESS TO PHA BOOKS.—Section 816 of the Housing Act of 1954 (42 U.S.C. 1435).

(9) MISCELLANEOUS PROVISIONS.—Subsections (b)(1) and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97–35, 95 Stat. 406; 42 U.S.C. 1437f note).

(10) PAYMENT FOR DEVELOPMENT MANAGERS.—Section 329A of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437j–1).

(11) PROCUREMENT OF INSURANCE BY PHA'S.—In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991, the penultimate undesignated paragraph of such item (Public Law 101–507; 104 Stat. 1369).

(12) PUBLIC HOUSING CHILDHOOD DEVELOPMENT.—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z–6 note).

(13) INDIAN HOUSING CHILDHOOD DEVELOPMENT.—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note).

(14) PUBLIC HOUSING COMPREHENSIVE TRANSITION DEMONSTRATION.—Section 126 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(15) PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(16) PUBLIC HOUSING MINCS DEMONSTRATION.—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(17) PUBLIC HOUSING ENERGY EFFICIENCY DEMONSTRATION.—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(18) OMAHA HOMEOWNERSHIP DEMONSTRATION.—Section 132 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 Stat. 3712).

(19) PUBLIC AND ASSISTED HOUSING YOUTH SPORTS PROGRAMS.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

(20) FROST-LELAND PROVISIONS.—Section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (Public Law 100–202; 101 Stat. 1329–213); except that, notwithstanding any other provision of law, beginning on the date of enactment of this Act, the public housing projects described in section 415 of such appropriations Act (as such section existed immediately before the date of enactment of this Act) shall be eligible for demolition—

(A) under section 14 of the United States Housing Act of 1937 (as such section existed upon the enactment of this Act); and

(B) under section 9 of the United States Housing Act of 1937.

(21) MULTIFAMILY FINANCING.—The penultimate sentence of section 302(b)(2) of the National Housing Act (12 U.S.C. 1717(b)(2)) and the penultimate sentence of section 305(a)(2) of the Emergency Home Finance Act of 1970 (12 U.S.C. 1454(a)(2)).

(22) CONFLICTS OF INTEREST.—Subsection (c) of section 326 of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437f note).

(23) CONVERSION OF PUBLIC HOUSING.—Section 202 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 14371 note) (enacted as section 101(e) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134; 110 Stat. 1321–279)).

(b) SAVINGS PROVISION.—Except to the extent otherwise provided in this division—

(1) the repeals made by subsection (a) shall not affect any legally binding obligations entered into before the effective date of this division; and

(2) any funds or activities subject to a provision of law repealed by subsection (a) shall continue to be governed by the provision as in effect immediately before such repeal.

Subtitle B—Other Provisions Relating to Public Housing and Rental Assistance Programs

SEC. 1621. ALLOCATION OF ELDERLY HOUSING AMOUNTS.

Section 202(l) of the Housing Act of 1959 (12 U.S.C. 1701q(l)) is amended by adding at the end the following new paragraph:

"(4) CONSIDERATION IN ALLOCATING ASSISTANCE.—Assistance under this section shall be allocated in a manner that ensures that the awards of the assistance are made for projects of sufficient size to accommodate facilities for supportive services appropriate to the needs of frail elderly residents.".

SEC. 1622. PET OWNERSHIP.

Section 227 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r–1) is amended to read as follows:

"SEC. 227. PET OWNERSHIP IN FEDERALLY ASSISTED RENTAL HOUSING.

"(a) RIGHT OF OWNERSHIP.—A resident of a dwelling unit in federally assisted rental housing may own common household pets or have common household pets present in the dwelling unit of such resident, subject to the reasonable requirements of the owner of the federally assisted rental housing and providing that the resident maintains the animals responsibly and in compliance with applicable local and State public health, animal control, and anticruelty laws. Such reasonable requirements may include requiring payment of a nominal fee and pet deposit by residents owning or having pets present, to cover the operating costs to the project relating to the presence of pets and to establish an escrow account for additional such costs not otherwise covered, respectively. Notwithstanding section 1225(d) of the Housing Opportunity and Responsibility Act of 1997, a public housing agency may not grant any exemption under such section from payment, in whole or in part, of any fee or deposit required pursuant to the preceding sentence.

"(b) PROHIBITION AGAINST DISCRIMINATION.—No owner of federally assisted rental housing may restrict or discriminate against any person in connection with admission to, or continued occupancy of, such housing by reason of the ownership of common household pets by, or the presence of such pets in the dwelling unit of, such person.

"(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) FEDERALLY ASSISTED RENTAL HOUSING.—The term 'federally assisted rental housing' means any multifamily rental housing project that is—

"(A) public housing (as such term is defined in section 1103 of the Housing Opportunity and Responsibility Act of 1997);

"(B) assisted with project-based assistance pursuant to section 1601(f) of the Housing Opportunity and Responsibility Act of 1997 or under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of the Housing Opportunity and Responsibility Act of 1997);

"(C) assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

"(D) assisted under section 202 of the Housing Act of 1959 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act);

"(E) assisted under title V of the Housing Act of 1949; or

"(F) insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act.

"(2) OWNER.—The term 'owner' means, with respect to federally assisted rental housing, the entity or private person, including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing (including a manager of such housing having such right).

"(d) REGULATIONS.—This section shall take effect upon the date of the effectiveness of regulations issued by the Secretary to carry out this section. Such regulations shall be issued not later than the expiration of the 1-year period beginning on the date of the enactment of the Housing Opportunity and Responsibility Act of 1997 and after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).".

SEC. 1623. REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.

(a) REQUIREMENT.—The Secretary of Housing and Urban Development shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(1) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(2) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(3) to determine how many such contracts were awarded under emergency contracting procedures;

(4) to evaluate the effectiveness of the contracts; and

(5) to provide a full accounting of all expenses under the contracts.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under subsection (a) and submit a report to the Congress regarding the findings under the investigation. With respect to each such contract, the report shall (1) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations, and (2) for each contract that the Secretary determines is in such compliance issue a personal certification of such compliance by the Secretary of Housing and Urban Development.

(c) ACTIONS.—For each contract that is described in the report under subsection (b) as not made or not operating in full compliance with applicable laws and regulations, the Secretary of Housing and Urban Development shall promptly take any actions available under law or regulation that are necessary—

(1) to bring such contract into compliance; or

(2) to terminate the contract.

(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 1624. AMENDMENTS TO PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

(a) SHORT TITLE, PURPOSES, AND AUTHORITY TO MAKE GRANTS.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et seq.) is amended by striking the chapter heading and all that follows through section 5123 and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME

"SEC. 5121. SHORT TITLE.

"This chapter may be cited as the 'Community Partnerships Against Crime Act of 1997'.

"SEC. 5122. PURPOSES.

"The purposes of this chapter are to—

"(1) improve the quality of life for the vast majority of law-abiding public housing residents by reducing the levels of fear, violence, and crime in their communities;

"(2) broaden the scope of the Public and Assisted Housing Drug Elimination Act of 1990 to apply to all types of crime, and not simply crime that is drug-related; and

"(3) reduce crime and disorder in and around public housing through the expansion of community-oriented policing activities and problem solving.

"SEC. 5123. AUTHORITY TO MAKE GRANTS.

"The Secretary of Housing and Urban Development may make grants in accordance with the provisions of this chapter for use in eliminating crime in and around public housing and other federally assisted low-income housing projects to (1) public housing agencies, and (2) private, for-profit and nonprofit owners of federally assisted low-income housing.".

(b) ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Section 5124(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(a)) is amended—

(A) in the matter preceding paragraph (1), by inserting "and around" after "used in";

(B) in paragraph (3), by inserting before the semicolon the following: ", including fencing, lighting, locking, and surveillance systems";

(C) in paragraph (4), by striking subparagraph (A) and inserting the following new subparagraph:

"(A) to investigate crime; and";

(D) in paragraph (6)—

(i) by striking "in and around public or other federally assisted low-income housing projects"; and

(ii) by striking "and" after the semicolon; and

(E) by striking paragraph (7) and inserting the following new paragraphs:

"(7) providing funding to nonprofit public housing resident management corporations and resident councils to develop security and crime prevention programs involving site residents;

"(8) the employment or utilization of one or more individuals, including law enforcement officers, made available by contract or other cooperative arrangement with State or local law enforcement agencies, to engage in community- and problem-oriented policing involving interaction with members of the community in proactive crime control and prevention activities;

"(9) programs and activities for or involving youth, including training, education, recreation and sports, career planning, and entrepreneurship and employment activities and after school and cultural programs; and

"(10) service programs for residents that address the contributing factors of crime, including programs for job training, education, drug and alcohol treatment, and other appropriate social services.".

(2) OTHER PHA-OWNED HOUSING.—Section 5124(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(b)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking "drug-related crime in" and inserting "crime in and around"; and

(ii) by striking "paragraphs (1) through (7)" and inserting "paragraphs (1) through (10)"; and

(B) in paragraph (2), by striking "drug-related" and inserting "criminal".

(c) GRANT PROCEDURES.—Section 5125 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11904) is amended to read as follows:

"SEC. 5125. GRANT PROCEDURES.

"(a) PHA'S WITH 250 OR MORE UNITS.—

"(1) GRANTS.—In each fiscal year, the Secretary shall make a grant under this chapter from any amounts available under section 5131(b)(1) for the fiscal year to each of the following public housing agencies:

‘‘(A) NEW APPLICANTS.—Each public housing agency that owns or operates 250 or more public housing dwelling units and has—

‘‘(i) submitted an application to the Secretary for a grant for such fiscal year, which includes a 5-year crime deterrence and reduction plan under paragraph (2); and

‘‘(ii) had such application and plan approved by the Secretary.

‘‘(B) RENEWALS.—Each public housing agency that owns or operates 250 or more public housing dwelling units and for which—

‘‘(i) a grant was made under this chapter for the preceding Federal fiscal year;

‘‘(ii) the term of the 5-year crime deterrence and reduction plan applicable to such grant includes the fiscal year for which the grant under this subsection is to be made; and

‘‘(iii) the Secretary has determined, pursuant to a performance review under paragraph (4), that during the preceding fiscal year the agency has substantially fulfilled the requirements under subparagraphs (A) and (B) of paragraph (4).

Notwithstanding subparagraphs (A) and (B), the Secretary may make a grant under this chapter to a public housing agency that owns or operates 250 or more public housing dwelling units only if the agency includes in the application for the grant information that demonstrates, to the satisfaction of the Secretary, that the agency has a need for the grant amounts based on generally recognized crime statistics showing that (I) the crime rate for the public housing developments of the agency (or the immediate neighborhoods in which such developments are located) is higher than the crime rate for the jurisdiction in which the agency operates, (II) the crime rate for the developments (or such neighborhoods) is increasing over a period of sufficient duration to indicate a general trend, or (III) the operation of the program under this chapter substantially contributes to the reduction of crime.

‘‘(2) 5-YEAR CRIME DETERRENCE AND REDUCTION PLAN.—Each application for a grant under this subsection shall contain a 5-year crime deterrence and reduction plan. The plan shall be developed with the participation of residents and appropriate law enforcement officials. The plan shall describe, for the public housing agency submitting the plan—

‘‘(A) the nature of the crime problem in public housing owned or operated by the public housing agency;

‘‘(B) the building or buildings of the public housing agency affected by the crime problem;

‘‘(C) the impact of the crime problem on residents of such building or buildings; and

‘‘(D) the actions to be taken during the term of the plan to reduce and deter such crime, which shall include actions involving residents, law enforcement, and service providers.

The term of a plan shall be the period consisting of 5 consecutive fiscal years, which begins with the first fiscal year for which funding under this chapter is provided to carry out the plan.

‘‘(3) AMOUNT.—In any fiscal year, the amount of the grant for a public housing agency receiving a grant pursuant to paragraph (1) shall be the amount that bears the same ratio to the total amount made available under section 5131(b)(1) as the total number of public dwelling units owned or operated by such agency bears to the total number of dwelling units owned or operated by all public housing agencies that own or operate 250 or more public housing dwelling units that are approved for such fiscal year.

‘‘(4) PERFORMANCE REVIEW.—For each fiscal year, the Secretary shall conduct a performance review of the activities carried out by each public housing agency receiving a grant pursuant to this subsection to determine whether the agency—

‘‘(A) has carried out such activities in a timely manner and in accordance with its 5-year crime deterrence and reduction plan; and

‘‘(B) has a continuing capacity to carry out such plan in a timely manner.

‘‘(5) SUBMISSION OF APPLICATIONS.—The Secretary shall establish such deadlines and requirements for submission of applications under this subsection.

‘‘(6) REVIEW AND DETERMINATION.—The Secretary shall review each application submitted under this subsection upon submission and shall approve the application unless the application and the 5-year crime deterrence and reduction plan are inconsistent with the purposes of this chapter or any requirements established by the Secretary or the information in the application or plan is not substantially complete. Upon approving or determining not to approve an application and plan submitted under this subsection, the Secretary shall notify the public housing agency submitting the application and plan of such approval or disapproval.

‘‘(7) DISAPPROVAL OF APPLICATIONS.—If the Secretary notifies an agency that the application and plan of the agency is not approved, not later than the expiration of the 15-day period beginning upon such notice of disapproval, the Secretary shall also notify the agency, in writing, of the reasons for the disapproval, the actions that the agency could take to comply with the criteria for approval, and the deadlines for such actions.

‘‘(8) FAILURE TO APPROVE OR DISAPPROVE.—If the Secretary fails to notify an agency of approval or disapproval of an application and plan submitted under this subsection before the expiration of the 60-day period beginning upon the submission of the plan or fails to provide notice under paragraph (7) within the 15-day period under such paragraph to an agency whose application has been disapproved, the application and plan shall be considered to have been approved for purposes of this section.

‘‘(b) PHA’S WITH FEWER THAN 250 UNITS AND OWNERS OF FEDERALLY ASSISTED LOW-INCOME HOUSING.—

‘‘(1) APPLICATIONS AND PLANS.—To be eligible to receive a grant under this chapter, a public housing agency that owns or operates fewer than 250 public housing dwelling units or an owner of federally assisted low-income housing shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require. The application shall include a plan for addressing the problem of crime in and around the housing for which the application is submitted, describing in detail activities to be conducted during the fiscal year for which the grant is requested.

‘‘(2) GRANTS FOR PHA’S WITH FEWER THAN 250 UNITS.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(2), make grants under this chapter to public housing agencies that own or operate fewer than 250 public housing dwelling units and have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraph (4).

‘‘(3) GRANTS FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(3), make grants under this chapter to owners of federally assisted low-income housing that have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraphs (4) and (5).

‘‘(4) CRITERIA FOR APPROVAL OF APPLICATIONS.—The Secretary shall determine whether to approve each application under this subsection on the basis of—

‘‘(A) the extent of the crime problem in and around the housing for which the application is made;

‘‘(B) the quality of the plan to address the crime problem in the housing for which the application is made;

‘‘(C) the capability of the applicant to carry out the plan; and

‘‘(D) the extent to which the tenants of the housing, the local government, local community-based nonprofit organizations, local tenant organizations representing residents of neighboring projects that are owned or assisted by the Secretary, and the local community support and participate in the design and implementation of the activities proposed to be funded under the application.

In each fiscal year, the Secretary may give preference to applications under this subsection for housing made by applicants who received a grant for such housing for the preceding fiscal year under this subsection or under the provisions of this chapter as in effect immediately before the date of the enactment of the Housing Opportunity and Responsibility Act of 1997.

‘‘(5) ADDITIONAL CRITERIA FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In addition to the selection criteria under paragraph (4), the Secretary may establish other criteria for evaluating applications submitted by owners of federally assisted low-income housing, except that such additional criteria shall be designed only to reflect—

‘‘(A) relevant differences between the financial resources and other characteristics of public housing agencies and owners of federally assisted low-income housing; or

‘‘(B) relevant differences between the problem of crime in public housing administered by such authorities and the problem of crime in federally assisted low-income housing.’’.

(d) DEFINITIONS.—Section 5126 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11905) is amended—

(1) by striking paragraphs (1) and (2);

(2) in paragraph (4)(A), by striking ‘‘section’’ before ‘‘221(d)(4)’’;

(3) by redesignating paragraphs (3) and (4) (as so amended) as paragraphs (1) and (2), respectively; and

(4) by adding at the end the following new paragraph:

‘‘(3) PUBLIC HOUSING AGENCY.—The term ‘public housing agency’ has the meaning given the term in section 1103 of the Housing Opportunity and Responsibility Act of 1997.’’.

(e) IMPLEMENTATION.—Section 5127 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11906) is amended by striking ‘‘Cranston-Gonzalez National Affordable Housing Act’’ and inserting ‘‘Housing Opportunity and Responsibility Act of 1997’’.

(f) REPORTS.—Section 5128 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11907) is amended—

(1) by striking ‘‘drug-related crime in’’ and inserting ‘‘crime in and around’’; and

(2) by striking ‘‘described in section 5125(a)’’ and inserting ‘‘for the grantee submitted under subsection (a) or (b) of section 5125, as applicable’’.

(g) FUNDING AND PROGRAM SUNSET.—Chapter 2 of subtitle C of title V of the Anti-Drug

Abuse Act of 1988 is amended by striking section 5130 (42 U.S.C. 11909) and inserting the following new section:

"SEC. 5130. FUNDING.

"(a) Authorization of Appropriations.—There are authorized to be appropriated to carry out this chapter $290,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002.

"(b) Allocation.—Of any amounts available, or that the Secretary is authorized to use, to carry out this chapter in any fiscal year—

"(1) 85 percent shall be available only for assistance pursuant to section 5125(a) to public housing agencies that own or operate 250 or more public housing dwelling units;

"(2) 10 percent shall be available only for assistance pursuant to section 5125(b)(2) to public housing agencies that own or operate fewer than 250 public housing dwelling units; and

"(3) 5 percent shall be available only for assistance to federally assisted low-income housing pursuant to section 5125(b)(3).

"(c) Retention of Proceeds of Asset Forfeitures by Inspector General.—Notwithstanding section 3302 of title 31, United States Code, or any other provision of law affecting the crediting of collections, the proceeds of forfeiture proceedings and funds transferred to the Office of Inspector General of the Department of Housing and Urban Development, as a participating agency, from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as an equitable share from the forfeiture of property in investigations in which the Office of Inspector General participates, shall be deposited to the credit of the Office of Inspector General for Operation Safe Home activities authorized under the Inspector General Act of 1978, as amended, to remain available until expended.".

(h) Conforming Amendments.—The table of contents in section 5001 of the Anti-Drug Abuse Act of 1988 (Public Law 100-690; 102 Stat. 4295) is amended—

(1) by striking the item relating to the heading for chapter 2 of subtitle C of title V and inserting the following:

"Chapter 2—Community Partnerships Against Crime";

(2) by striking the item relating to section 5122 and inserting the following new item:

"Sec. 5122. Purposes.";

(3) by striking the item relating to section 5125 and inserting the following new item:

"Sec. 5125. Grant procedures.";

and

(4) by striking the item relating to section 5130 and inserting the following new item:

"Sec. 5130. Funding.".

(i) Treatment of NOFA.—The cap limiting assistance under the Notice of Funding Availability issued by the Department of Housing and Urban Development in the Federal Register of April 8, 1996, shall not apply to a public housing agency within an area designated as a high intensity drug trafficking area under section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c)).

(j) Effective Date.—This section and the amendments made by this section shall take effect on the date of the enactment of this Act.

Subtitle C—Limitations Relating to Occupancy in Federally Assisted Housing

SEC. 1641. SCREENING OF APPLICANTS.

(a) Ineligibility Because of Eviction.—Any household or member of a household evicted from federally assisted housing (as such term is defined in section 1645) shall not be eligible for federally assisted housing—

(1) in the case of eviction by reason of drug-related criminal activity, for a period of not less than 3 years that begins on the date of such eviction, unless the evicted member of the household successfully completes a rehabilitation program; and

(2) in the case of an eviction for other serious violations of the terms or conditions of the lease, for a reasonable period of time, as determined by the public housing agency or owner of the federally assisted housing, as applicable.

The requirements of paragraphs (1) and (2) may be waived if the circumstances leading to eviction no longer exist.

(b) Ineligibility of Illegal Drug Users and Alcohol Users.—

(1) In general.—Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing, or both, as determined by the Secretary, shall establish standards that prohibit admission to the program or admission to federally assisted housing for any household with a member—

(A) who the public housing agency or owner determines is engaging in the illegal use of a controlled substance; or

(B) with respect to whom the public housing agency or owner determines that it has reasonable cause to believe that such household member's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, would interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(2) Consideration of rehabilitation.—In determining whether, pursuant to paragraph (1)(B), to deny admission to the program or to federally assisted housing to any household based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, a public housing agency or an owner may consider whether such household member—

(A) has successfully completed an accredited drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in an accredited drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) Ineligibility of Sexually Violent Predators For Admission to Public Housing.—

(1) In general.—Notwithstanding any other provision of law, a public housing agency shall prohibit admission to public housing for any household that includes any individual who is a sexually violent predator.

(2) Sexually violent predator.—For purposes of this subsection, the term "sexually violent predator" means an individual who—

(A) is a sexually violent predator (as such term is defined in section 170101(a)(3) of such Act); and

(B) is subject to a registration requirement under section 170101(a)(1)(B) or 170102(c) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(a)(1)(B), 14072(c)), as provided under section 170101(b)(6)(B) or 170102(d)(2), respectively, of such Act.

(d) Authority To Deny Admission to Criminal Offenders.—Except as provided in subsections (a), (b), and (c) and in addition to any other authority to screen applicants, in selecting among applicants for admission to the program or to federally assisted housing, if the public housing agency or owner of such housing (as applicable) determines that an applicant or any member of the applicant's household is or was, during a reasonable time preceding the date when the applicant household would otherwise be selected for admission, engaged in any criminal activity (including drug-related criminal activity), the public housing agency or owner may—

(1) deny such applicant admission to the program or to federally assisted housing;

(2) consider the applicant (for purposes of any waiting list) as not having applied for the program or such housing; and

(3) after the expiration of the reasonable period beginning upon such activity, require the applicant, as a condition of admission to the program or to federally assisted housing, to submit to the public housing agency or owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant's household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such reasonable period.

(e) Authority To Require Access to Criminal Records.—A public housing agency and an owner of federally assisted housing may require, as a condition of providing admission to the program or admission to or occupancy in federally assisted housing, that each adult member of the household provide a signed, written authorization for the public housing agency to obtain the records described in section 1644(a) regarding such member of the household from the National Crime Information Center, police departments, other law enforcement agencies, and State registration agencies referred to in such section. In the case of an owner of federally assisted housing that is not a public housing agency, the owner shall request the public housing agency having jurisdiction over the area within which the housing is located to obtain the records pursuant to section 1644.

(f) Admission Based on Disability.—

(1) In general.—Notwithstanding any other provision of law, for purposes of determining eligibility for admission to federally assisted housing, a person shall not be considered to have a disability or a handicap solely because of the prior or current illegal use of a controlled substance (as defined in section 102 of the Controlled Substances Act) or solely by reason of the prior or current use of alcohol.

(2) Continued occupancy.—This subsection may not be construed to prohibit the continued occupancy of any person who is a resident in assisted housing on the effective date of this division.

SEC. 1642. TERMINATION OF TENANCY AND ASSISTANCE FOR ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.

Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing (as applicable), shall establish standards or lease provisions for continued assistance or occupancy in federally assisted housing that allow the agency or owner (as applicable) to terminate the tenancy or assistance for any household with a member—

(1) who the public housing agency or owner determines is engaging in the illegal use of a controlled substance; or

(2) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency or owner

to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

SEC. 1643. LEASE REQUIREMENTS.

In addition to any other applicable lease requirements, each lease for a dwelling unit in federally assisted housing shall provide that—

(1) the owner may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause; and

(2) grounds for termination of tenancy shall include any criminal or other activity, engaged in by the tenant, any member of the tenant's household, any guest, or any other person under the control of the household, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenant or employees of the owner or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) with respect only to activity engaged in by the tenant or any member of the tenant's household, is criminal activity on or off the premises.

SEC. 1644. AVAILABILITY OF CRIMINAL RECORDS FOR TENANT SCREENING AND EVICTION.

(a) IN GENERAL.—

(1) CRIMINAL CONVICTION INFORMATION.—Notwithstanding any other provision of law other than paragraphs (3) and (4), upon the request of a public housing agency, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the public housing agency information regarding the criminal conviction records of an adult applicant for, or tenants of, federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the public housing agency requests such information and presents to such Center, department, or agency a written authorization, signed by such applicant, for the release of such information to the public housing agency or other owner of the federally assisted housing.

(2) INFORMATION REGARDING CRIMES AGAINST CHILDREN AND SEXUALLY VIOLENT PREDATORS.—Notwithstanding any other provision of law other than paragraphs (3) and (4), upon the request of a public housing agency, the Federal Bureau of Investigation, a State law enforcement agency designated as a registration agency under a State registration program under subtitle A of title XVII of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071), and any local law enforcement agency authorized by the State agency shall provide to a public housing agency the information collected under the national database established pursuant to section 170102 of such Act or such State registration program, as applicable, regarding an adult applicant for, or tenant of, federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the public housing agency requests such information and presents to such State registration agency or other local law enforcement agency a written authorization, signed by such applicant, for the release of such information to the public housing agency or other owner of the federally assisted housing.

(3) DELAYED EFFECTIVE DATE FOR OWNERS OTHER THAN PHA'S.—The provisions of paragraphs (1) and (2) authorizing obtaining information for owners of federally assisted housing other than public housing agencies shall not take effect before—

(A) the expiration of the 1-year period beginning on the date of enactment of this Act; and

(B) the Secretary and the Attorney General of the United States have determined that access to such information is feasible for such owners and have provided for the terms of release of such information to owners.

(4) EXCEPTION.—The information provided under paragraphs (1), (2), and (3) shall include information regarding any criminal conviction of a juvenile only to the extent that the release of such information is authorized under the law of the applicable State, tribe, or locality.

(b) CONFIDENTIALITY.—A public housing agency or owner receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer, employee, or authorized representative of the agency or owner and who has a job-related need to have access to the information in connection with admission of applicants, eviction of tenants, or termination of assistance. For judicial eviction proceedings, disclosures may be made to the extent necessary. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to a public housing agency or owner is used, and confidentiality of such information is maintained, as required under this section.

(c) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance for federally assisted housing on the basis of a criminal record (including on the basis that an individual is a sexually violent predator, pursuant to section 1641(c)), the public housing agency or owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

(d) FEE.—A public housing agency may be charged a reasonable fee for information provided under subsection (a). A public housing agency may require an owner of federally assisted housing (that is not a public housing agency) to pay such fee for any information that the agency acquires for the owner pursuant to section 1641(e) and subsection (a) of this section.

(e) RECORDS MANAGEMENT.—Each public housing agency and owner of federally assisted housing that receives criminal record information pursuant to this section shall establish and implement a system of records management that ensures that any criminal record received by the agency or owner is—

(1) maintained confidentially;

(2) not misused or improperly disseminated; and

(3) destroyed in a timely fashion, once the purpose for which the record was requested has been accomplished.

(f) PENALTY.—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or tenant of, federally assisted housing pursuant to the authority under this section under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term "person" as used in this subsection shall include an officer, employee, or authorized representative of any public housing agency or owner.

(g) CIVIL ACTION.—Any applicant for, or tenant of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about such person by an officer, employee, or authorized representative of any public housing agency or owner of federally assisted housing, which disclosure is not authorized by this section, or (2) any other negligent or knowing action that is inconsistent with this section, may bring a civil action for damages and such other relief as may be appropriate against any public housing agency or owner responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or tenant resides, in which such unauthorized action occurred, or in which the officer, employee, or representative alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

(h) DEFINITION.—For purposes of this section, the term "adult" means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

SEC. 1645. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) FEDERALLY ASSISTED HOUSING.—The term "federally assisted housing" means a dwelling unit—

(A) in public housing (as such term is defined in section 1102);

(B) assisted with choice-based housing assistance under title XIII;

(C) in housing that is provided project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) or pursuant to section 1601(f) of this Act, including new construction and substantial rehabilitation projects;

(D) in housing that is assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

(E) in housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the Cranston-Gonzalez National Affordable Housing Act;

(F) in housing that is assisted under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(G) in housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(H) in housing insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act;

(I) in housing assisted under section 515 of the Housing Act of 1949.

(2) OWNER.—The term "owner" means, with respect to federally assisted housing, the entity or private person (including a cooperative or public housing agency) that has the legal right to lease or sublease dwelling units in such housing.

TITLE XVII—AFFORDABLE HOUSING AND MISCELLANEOUS PROVISIONS

SEC. 1701. RURAL HOUSING ASSISTANCE.

The last sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by inserting before the period the following: ", and the city of Altus, Oklahoma, shall be considered a rural area for purposes of this title until the receipt of data from the decennial census in the year 2000".

SEC. 1702. TREATMENT OF OCCUPANCY STANDARDS.

The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.

SEC. 1703. IMPLEMENTATION OF PLAN.

(a) Implementation.—

(1) In general.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall implement the Ida Barbour Revitalization Plan of the City of Portsmouth, Virginia, in a manner consistent with existing limitations under law.

(2) Waivers.—In carrying out paragraph (1), the Secretary shall consider and make any waivers to existing regulations and other requirements consistent with the plan described in paragraph (1) to enable timely implementation of such plan, except that generally applicable regulations and other requirements governing the award of funding under programs for which assistance is applied for in connection with such plan shall apply.

(b) Report.—

(1) In general.—Not later than 1 year after the date of the enactment of this Act and annually thereafter through the year 2000, the city described in subsection (a)(1) shall submit a report to the Secretary on progress in implementing the plan described in that subsection.

(2) Contents.—Each report submitted under this subsection shall include—

(A) quantifiable measures revealing the increase in homeowners, employment, tax base, voucher allocation, leverage ratio of funds, impact on and compliance with the consolidated plan of the city;

(B) identification of regulatory and statutory obstacles that—

(i) have caused or are causing unnecessary delays in the successful implementation of the consolidated plan; or

(ii) are contributing to unnecessary costs associated with the revitalization; and

(C) any other information that the Secretary considers to be appropriate.

SEC. 1704. INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS.

(a) Home Investment Partnerships.—The Cranston-Gonzalez National Affordable Housing Act is amended as follows:

(1) Definitions.—In section 104(10) (42 U.S.C. 12704(10))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(2) Income targeting.—In section 214(1)(A) (42 U.S.C. 12744(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(3) Rent limits.—In section 215(a)(1)(A) (42 U.S.C. 12745(a)(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(b) CDBG.—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(20)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

"(B) The Secretary may—

"(i) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish percentages of median income for any area that are higher or lower than 50 percent if the Secretary finds such variations to be necessary because of unusually high or low family incomes in such area; and

"(ii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher than 80 percent if the Secretary finds such variation to be necessary because of unusually low family incomes in such area.".

SEC. 1705. PROHIBITION OF USE OF CDBG GRANTS FOR EMPLOYMENT RELOCATION ACTIVITIES.

Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305) is amended by adding at the end the following new subsection:

"(h) Prohibition of Use of Assistance for Employment Relocation Activities.—Notwithstanding any other provision of law, no amount from a grant under section 106 made in fiscal year 1997 or any succeeding fiscal year may be used for any activity (including any infrastructure improvement) that is intended, or is likely, to facilitate the relocation or expansion of any industrial or commercial plant, facility, or operation, from one area to another area, if the relocation or expansion will result in a loss of employment in the area from which the relocation or expansion occurs.".

SEC. 1706. REGIONAL COOPERATION UNDER CDBG ECONOMIC DEVELOPMENT INITIATIVE.

Section 108(q)(4) (42 U.S.C. 5308(q)(4)) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "and" after the semicolon in subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following:

"(D) when applicable as determined by the Secretary, the extent of regional cooperation demonstrated by the proposed plan; and".

SEC. 1707. USE OF AMERICAN PRODUCTS.

(a) Purchase of American-Made Equipment and Products.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this division should be American made.

(b) Notice Requirement.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this division, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 1708. CONSULTATION WITH AFFECTED AREAS IN SETTLEMENT OF LITIGATION.

In negotiating any settlement of, or consent decree for, any litigation regarding public housing or rental assistance (under title XIII of this Act or the United States Housing Act of 1937, as in effect before the effective date of the repeal under section 1601(b) of this Act) that involves the Secretary and any public housing agency or any unit of general local government, the Secretary shall consult with any units of general local government and public housing agencies having jurisdictions that are adjacent to the jurisdiction of the public housing agency involved.

SEC. 1709. TREATMENT OF PHA REPAYMENT AGREEMENT.

(a) Limitation on Secretary.—During the 2-year period beginning on the date of the enactment of this Act, if the Housing Authority of the City of Las Vegas, Nevada, is otherwise in compliance with the Repayment Lien Agreement and Repayment Plan approved by the Secretary on February 12, 1997, the Secretary of Housing and Urban Development shall not take any action that has the effect of reducing the inventory of senior citizen housing owned by such housing authority that does not receive assistance from the Department of Housing and Urban Development.

(b) Alternative Repayment Options.—During the period referred to in subsection (a), the Secretary shall assist the housing authority referred to in such subsection to identify alternative repayment options to the plan referred to in such subsection and to execute an amended repayment plan that will not adversely affect the housing referred to in such subsection.

(c) Rule of Construction.—This section may not be construed to alter—

(1) any lien held by the Secretary pursuant to the agreement referred to in subsection (a); or

(2) the obligation of the housing authority referred to in subsection (a) to close all remaining items contained in the Inspector General audits numbered 89 SF 1004 (issued January 20, 1989), 93 SF 1801 (issued October 30, 1993), and 96 SF 1002 (issued February 23, 1996).

SEC. 1710. USE OF ASSISTED HOUSING BY ALIENS.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) in subsection (b)(2), by striking "Secretary of Housing and Urban Development" and inserting "applicable Secretary";

(2) in subsection (c)(1)(B), by moving clauses (ii) and (iii) 2 ems to the left;

(3) in subsection (d)—

(A) in paragraph (1)(A)—

(i) by striking "Secretary of Housing and Urban Development" and inserting "applicable Secretary"; and

(ii) by striking "the Secretary" and inserting "the applicable Secretary";

(B) in paragraph (2), in the matter following subparagraph (B)—

(i) by inserting "applicable" before "Secretary"; and

(ii) by moving such matter (as so amended by clause (i)) 2 ems to the right;

(C) in paragraph (4)(B)(ii), by inserting "applicable" before "Secretary";

(D) in paragraph (5), by striking "the Secretary" and inserting "the applicable Secretary"; and

(E) in paragraph (6), by inserting "applicable" before "Secretary";

(4) in subsection (h) (as added by section 576 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104-208))—

(A) in paragraph (1)—

(i) by striking "Except in the case of an election under paragraph (2)(A), no" and inserting "No";

(ii) by striking "this section" and inserting "subsection (d)"; and

(iii) by inserting "applicable" before "Secretary"; and

(B) in paragraph (2)—

(i) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) may, notwithstanding paragraph (1) of this subsection, elect not to affirmatively establish and verify eligibility before providing financial assistance"; and

(ii) in subparagraph (B), by striking "in complying with this section" and inserting "in carrying out subsection (d)"; and

(5) by redesignating subsection (h) (as amended by paragraph (4)) as subsection (i).

SEC. 1711. PROTECTION OF SENIOR HOMEOWNERS UNDER REVERSE MORTGAGE PROGRAM.

(a) Disclosure Requirements; Prohibition of Funding of Unnecessary or Excessive Costs.—Section 255(d) of the National Housing Act (12 U.S.C. 1715z–20(d)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B), by striking "and" at the end;

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following:

"(C) has received full disclosure of all costs to the mortgagor for obtaining the mortgage, including any costs of estate planning, financial advice, or other related services; and";

(2) in paragraph (9)(F), by striking "and";

(3) in paragraph (10), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(11) have been made with such restrictions as the Secretary determines to be appropriate to ensure that the mortgagor does not fund any unnecessary or excessive costs for obtaining the mortgage, including any costs of estate planning, financial advice, or other related services; such restrictions shall include a requirement that the mortgagee ask the mortgagor about any fees that the mortgagor has incurred in connection with obtaining the mortgage and a requirement that the mortgagee be responsible for ensuring that the disclosures required by subsection (d)(2)(C) are made.".

(b) Implementation.—

(1) Notice.—The Secretary of Housing and Urban Development shall, by interim notice, implement the amendments made by subsection (a) in an expeditious manner, as determined by the Secretary. Such notice shall not be effective after the date of the effectiveness of the final regulations issued under paragraph (2) of this subsection.

(2) Regulations.—The Secretary shall, not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, issue final regulations to implement the amendments made by subsection (a). Such regulations shall be issued only after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2) and (b)(B) of such section).

SEC. 1712. CONVERSION OF SECTION 8 TENANT-BASED ASSISTANCE TO PROJECT-BASED ASSISTANCE IN THE BOROUGH OF TAMAQUA.

For the Tamaqua Highrise project in the Borough of Tamaqua, Pennsylvania, the Secretary of Housing and Urban Development may require the public housing agency to convert the tenant-based assistance under section 8 of the United States Housing Act of 1937 to project-based rental assistance under section 8(d)(2) of such Act, notwithstanding the requirement for rehabilitation or the percentage limitations under section 8(d)(2). The tenant-based assistance covered by the preceding sentence shall be the assistance for families who are residing in the project on the date of enactment of this Act and who initially received their assistance in connection with the conversion of the section 23 leased housing contract for the project to tenant-based assistance under section 8 of such Act. The Secretary may not take action under this section before the expiration of the 30-day period beginning upon the submission of a report to the Congress regarding the proposed action under this section.

SEC. 1713. HOUSING COUNSELING.

(a) Extension of Emergency Homeownership Counseling.—Section 106(c)(9) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(9)) is amended by striking "September 30, 1994" and inserting "September 30, 1999".

(b) Extension of Prepurchase and Foreclosure Prevention Counseling Demonstration.—Section 106(d)(13) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(d)(12)) is amended by striking "fiscal year 1994" and inserting "fiscal year 1999".

(c) Notification of Delinquency on Veterans Home Loans.—

Subparagraph (C) of section 106(c)(5) of the Housing and Urban Development Act of 1968 is amended to read as follows:

"(C) Notification.—Notification under subparagraph (A) shall not be required with respect to any loan for which the eligible homeowner pays the amount overdue before the expiration of the 45-day period under subparagraph (B)(ii).".

SEC. 1714. TRANSFER OF SURPLUS REAL PROPERTY FOR PROVIDING HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES.

(a) In General.—Notwithstanding any other provision of law (including the Federal Property and Administrative Services Act of 1949), the property known as 252 Seventh Avenue in New York County, New York is authorized to be conveyed in its existing condition under a public benefit discount to a nonprofit organization that has among its purposes providing housing for low-income individuals or families provided, that such property is determined by the Administrator of General Services to be surplus to the needs of the Government and provided it is determined by the Secretary of Housing and Urban Development that such property will be used by such non-profit organization to provide housing for low- and moderate-income families or individuals.

(b)(1) Public Benefit Discount.—The amount of the public benefit discount available under this section shall be 75 percent of the estimated fair market value of the property, except that the Secretary may discount by a greater percentage if the Secretary, in consultation with the Administrator, determines that a higher percentage is justified due to any benefit which will accrue to the United States from the use of such property for the public purpose of providing low- and moderate-income housing.

(2) Reverter.—The Administrator shall require that the property be used for at least 30 years for the public purpose for which it was originally conveyed, or such longer period of time as the Administrator feels necessary, to protect the Federal interest and to promote the public purpose. If this condition is not met, the property shall revert to the United States.

(3) Determination of Fair Market Value.—The Administrator shall determine estimated fair market value in accordance with Federal appraisal standards and procedures.

(4) Deposit of Proceeds.—The Administrator of General Services shall deposit any proceeds received under this subsection in the special account established pursuant to section 204(h)(2) of the Federal Property and Administrative Services Act of 1949.

(5) Additional Terms and Conditions.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States and to accomplish a public purpose.

SEC. 1715. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on the date of the enactment of this Act.

H.R. 4194

Offered By: Mr. Greenwood

Amendment No. 13: Page 58, line 25, insert before the colon the following: ", except that this proviso shall not apply to any action authorized by law".

H.R. 4194

Offered By: Ms. Jackson-Lee of Texas

Amendment No. 14: Page 17, line 25, insert "(increased by $183,000,000)" after "$10,240,542,030".

Page 20, line 22, insert "(increased by $183,000,000)" after "$100,000,000".

Page 24, line 2, insert "(decreased by $183,000,000)" after "$3,000,000,000".

H.R. 4194

Offered By: Mr. Riggs

Amendment No. 15: At the end of the bill, insert after the last section (preceding the short title) the following new section:

Sec. ____. None of the funds appropriated by this Act may be provided to the City of San Francisco because the City requires, as a condition for an organization to contract with, or receive a grant from, the City, that the organization provide health care benefits for unmarried, domestic partners of individuals who are provided such benefits on the basis of their employment by or other relationship with the organization.

H.R. 4194

Offered By: Mrs. Roukema

Amendment No. 16: Page 52, after line 2, insert the following new section:

SECTION 8 CONTRACT RENEWALS FOR MODERATE REHABILITATION PROJECTS

Sec. 210. Section 524(a)(2) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended, in clause (iii) of the matter that precedes subparagraph (A), by striking "the base rent" and all that follows through "Secretary" and inserting the following: "the aggregate current contract rents, adjusted by an annual operating cost adjustment factor established by the Secretary, not to exceed the aggregate published fair market rent for the market area for the unit mix in the project".

H.R. 4194

Offered By: Mr. Sanford

Amendment No. 17: Page 76, line 24, strike "2,745,000,000" and insert "2,545,700,000."

Page 90, line 18 strike ", and $70,000,000 is appropriated to the National Science Foundation, 'Research and related activities'." and insert "."

H.R. 4194

Offered By: Mr. Stokes

Amendment No. 18: Page 18, line 14, after the dollar amount, insert the following: "(reduced by $97,000,000)".

Page 20, line 22, after the dollar amount, insert the following: "(increased by $97,000,000)".

H.R. 4194

Offered By: Mr. Stokes

Amendment No. 19: Page 61, line 13, strike the colon and all that follows through "expenses" on line 20.

SENATE—*Wednesday, July 15, 1998*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Blessed God, we are inspired by Daniel Webster's statement that the greatest conviction of his life was his accountability to You. We ponder that. How would we live today if our dominant thought throughout the day were to be our accountability to You. Help us to play our lives to an audience of One, to You, dear God, seeking first and foremost to please You. We've discovered that real freedom comes when we seek to glorify You and not ourselves, when we are more concerned about what You think of us than what others say about us, and when we are guided by Your truth more than the shifting opinions of others. May this be a day to press forward with resoluteness and resiliency. Through our Lord and Saviour. Amen.

The PRESIDENT pro tempore. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. McCAIN. Mr. President, this morning the Senate will be in a period of morning business until 9:20 a.m. Following morning business, the Senate will recess until 11 a.m. to allow the Senate to proceed as a body to the House Chamber for a joint meeting to receive an address by the President of Romania.

When the Senate reconvenes at 11 a.m., under the previous order there will be 3 hours for debate equally divided on a Daschle amendment regarding marketing assistance loans. It is expected that some debate time will be yielded back, and therefore the first rollcall vote of today's session is expected to occur prior to 2 p.m. It is expected that the Senate will work late into the evening, with votes, in an effort to complete action on the agricultural appropriations bill.

As always, the Senate may also turn to the consideration of any other legislative or executive items cleared for action.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for morning business.

Mr. McCAIN. Mr. President, as under the previous order, I would like to take my 5 minutes.

The PRESIDENT pro tempore. The Senator is recognized.

THANKING THE SENATOR FROM SOUTH CAROLINA

Mr. McCAIN. Mr. President, first of all, I would like to extend my deep appreciation to the President pro tempore, the Senator from South Carolina, for coming in earlier than the usual hour this morning. I am grateful to him. And I am also very pleased to have the opportunity to be working with the Senator from South Carolina as we move forward on completion of the very important Strom Thurmond defense authorization bill. I am eternally grateful to him for the many kindnesses he has extended to me, now for more years than he and I would like to recount.

INTERNET SCHOOL FILTERING ACT

Mr. McCAIN. Mr. President, in today's USA Today there is an article which states there is a possibility that on a live site, a web site—and I emphasize "possibility"; that is being advertised—that two 18-year-olds will have sex live on the Internet on August 4.

It also noted that there is considerable doubt about the validity of this web site and, in fact, the entire site may be a hoax. For the sake of this Nation, I hope it is nothing but a hoax. If it is, it is neither clever nor humorous, and if it is not, then something has to be done, I think, to protect our children from witnessing this event.

Again, I want to emphasize, I hope that this is a hoax and nothing more. But what it does is highlight the problem that exists concerning the proliferation of pornography on the Internet, some of that pornography being child pornography and some of it being the kind of obscenity that the U.S. Supreme Court has stated is beyond constitutional protections.

Mr. President, I ask unanimous consent that the article in this morning's USA Today be printed in the RECORD. It is entitled "Net to break ground in virgin territory; But many suspect site is hoax."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From USA Today, July 15, 1998]

NET TO BREAK GROUND IN VIRGIN TERRITORY—BUT MANY SUSPECT SITE IS HOAX

(By Karen Thomas)

Thought a woman giving birth on the Internet was outrageous?

Now a Web site is saying it will broadcast a couple, purported to be 18-year-old virgins named Mike and Diane, having sex for the first time Aug. 4.

But many posting messages on the site were skeptical. "This page is a money-making hoax," wrote one visitor. "Mike and Diane are 36-year-old porn stars."

Visitors also noted that the couple, pictured in bathing suits with faces obscured, looked too perfect and well-developed to be average 18-year-olds. Other details sounded like a soap opera script: They haven't told their parents their plans; one father is a minister; the teens are both honor students and "All-American" kids; they're both active in school and church. Neither was available to talk to reporters Tuesday.

The idea for the stunt was Diane's, says Oscar Wells, a California Web page designer who says he met Diane in an on-line chat room during the Internet birth last month. "She thought (the birth) was educational but said if they showed someone making love, it would be considered obscene. She made the offhand remark, 'If I could, I'd lose my virginity on line to make the point.' I said, 'If you're serious, I can facilitate that.'"

The "Our First Time" site is hosted by Wisconsin-based The Enchanted Web. Owner Craig Brittan says most of his customers are adult Web sites.

Among those expressing outrage Tuesday was Sen. John McCain, R-Ariz., who called the announcement "disgraceful . . . garbage." He is the sponsor of a bill that would require libraries and schools receiving federal funds to install filtering software on public computers. "This will provide the impetus to get legislation done."

Mr. McCAIN. Mr. President, we are not talking about censorship here. I want to emphasize, I do not support censorship in any form, and we are not talking about that. What we are talking about is legislation that would require schools and libraries to have some kind of filtering device on their computers. Children are not allowed into "Adult Only" stores that sell and make available adult material. Children are not allowed to purchase "Adult Only" magazines. And our society has decided, in its collective wisdom, that we should let children be children as long as possible and not expose them to certain activities and events.

If individual parents want to make such information available to children, that is their choice. I do not begrudge them that. But children should not be allowed to enter school or a public library and gain access to material that their parents would never allow them to see and that most in society believe is inappropriate for those who are yet to be adults. It is for that reason I urge my colleagues to support and pass soon S. 1619, the Internet School Filtering Act. Senator HOLLINGS, the ranking member of the committee, along with Senators COATS and MURRAY, has joined me in introducing this legislation. I thank them for their support.

A Government program known as the e-rate provides Federal subsidies to schools and libraries so that they can receive discounted Internet access. This legislation would require these institutions benefiting from this program to restrict children's access to harmful Internet content through the use of a filtering device on their computers.

These institutions would be free to choose from a myriad of filtering tools that are now available, and they alone would determine what materials are inappropriate for children based on local community standards.

The Commerce Department recently found that more than 100 million people are now using the Internet and Internet usage is doubling every 100 days. We can expect children to comprise a large portion of these new users as the e-rate and other Government and private programs help make Internet access possible for schools and libraries across the country.

What troubles me is that schools and libraries are availing themselves of enormous Government subsidies to make the Internet more accessible to children, and at the same time they are attempting to undermine our effort to protect our children from harmful online material.

From the outset, these groups have opposed the legislation and have argued in favor of an "acceptable use policy."

I don't agree that would be an adequate means of protecting children from the thousands of pornographic sites available on the World Wide Web. I believe implementing a use policy alone would be completely ineffective.

Mr. President, we must act now to require the use of filters. We must take immediate steps to prevent the Internet from doing more harm than good by bringing such offensive materials into our Nation's schools and libraries.

Again, I submit for the RECORD material off a web site called "Our First Time," which is entitled, "Tuesday, August 4, 1998, World and Internet History Will Be Made," and it begins, "Come and meet Diane and Mike, two 18-year-old honor students."

I ask unanimous consent that this web site material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OUR FIRST TIME

ON TUESDAY, AUGUST 4, 1998 AT 6 P.M. PACIFIC TIME, WORLD AND INTERNET HISTORY WILL BE MADE!

Come and meet Diane and Mike, two 18 year old "Honor" students who have recently graduated from high school, and are looking forward to starting college in the fall. They are as close to being "typical All-American" kids as you can get. Active in school and church. Well liked by family, friends, and their community—but sexually, they are both virgins. Their lives are going to change in a unique and dramatic way. They are about to leave the safety of youth, accept the challenges of adulthood, and take that frigthening . . . but wonderful, step into adult sexuality. There's one big difference . . . they are going to let the world come along and witness their lives over a 18 day period as this adventure unfolds, when they lose their virginity together. . . .

WHY ARE THEY DOING THIS?

Recently, Diane & Mike witnessed the live birth of a child on the Internet. They then decided to make this point—

"The live birth of a child on the Internet was a beautiful event. We want to show that the act of making love, which is the first step that brought that live birth about, is just as beautiful—and nothing to be ashamed of."

The "Our First Time" website will open on July 18, 1998—and will follow the daily adventures of Diane & Mike for 18 days, as they meet the challenges of making their "statement of love" on August 4.

Mr. MCCAIN. Mr. President, I hope this is a hoax. I hope it is not true. If it is true, then I can't tell you how disturbed all of us should be and will be, but it is also indicative that if even a hoax like this, if it is a hoax, should be proposed, it shows there is a significant problem in America today.

Mr. President, I hope we will do something about it. I thank the Chair.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Washington.

Mrs. MURRAY. Mr. President, I come to the floor this morning to join my colleague from Arizona, Senator MCCAIN, in urging the Senate to adopt S. 1619, the child-safe Internet bill.

Since I have been here for the last 6 years, I have worked long and hard to get computers and technology into our schools. I have sponsored legislation to allow surplus Government computers to be put into schools. I have worked hard to have the e-rate established so that many of our schools can be connected to the Internet. I have been out in schools, and I know personally what a great educational tool the technology and Internet system is that we have available today.

I want our students and I want our teachers to have access to this information. But Senator MCCAIN is absolutely correct. There is a small amount of information on the Internet that should not be there to which our young children have unfettered access.

S. 1619, the child-safe Internet bill, simply requires any school or library that uses the e-rate, uses taxpayer money to put technology in, be required to have a filtering device so that inappropriate material is not seen by young children.

The filtering device is a local control device. The school district—the schools—will determine which filtering device and how to use it at their own school. The same with the libraries.

This is an issue on which I have worked long and hard. I care deeply about the fact that many of our young children today and, frankly, many of our parents want to use the Internet but they don't know how to without getting into information or having their children have access to information that is simply inappropriate.

I talked with a seventh grade teacher several weeks ago who turned off the Internet in her classroom because she said it is simply impossible to watch 30 young students at their computers all of the time. She did not want a situation where a child got into a pornographic or inappropriate site, went home, complained to their parent, have a parent come screaming back to her classroom, and she would be responsible for that. She turned off the Internet.

This is going to cause concern among all of our educational facilities across our country if teachers don't have the kind of information available without a filtering device.

The bill is simple. It is common sense. It is the right way to go, and I urge all of our colleagues to push to have this bill come to the floor and to pass it. It is the right way to go.

I did oppose the CDA Act from several years ago. I knew it was unconstitutional. I knew it would be thrown out. We cannot afford to go through that kind of debate again. This is a problem that needs to be answered today, and the child-safe Internet bill does it in a commonsense, safe way. Most parents would not send a child to a playground in their local community unsupervised. We cannot allow our young children to be in the Internet unsupervised. The child-safe Internet bill is the right way to go. It is a local control way to make our technology work for all students, and I urge all of my colleagues to be supportive of this approach. I urge our leadership to bring it to the floor as soon as possible.

Thank you, and I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I am proud to stand and join my colleagues from Arizona and Washington in voicing concerns about the spread of pornography on the Internet and the general direction in which the information superhighway is moving.

Like my colleagues, I am very troubled by the story that USA Today carried this morning about a particular web site—www.ourfirsttime.com—that is promising to broadcast a video feed of two 18-year-old high school graduates having sexual intercourse for the first time as it happens next month.

As Senator McCAIN indicated, it may be that this site is a hoax, but it makes a statement about the Internet and the values in cyberspace which is all too real, because it shows that there are practically no stop signs on the information superhighway.

The important point here is that two teenagers could quite easily decide to do this and invite every wired American child effectively to a live sex show, regardless of their age, which tells us that there are no recognizable boundaries in cyberspace, no common standards of decency or taste, or any shared sense of accountability. Anyone can do just about anything, and they often do.

This is no revelation to experienced "netizens" who are well aware of the wide array of sites concerning bombmaking, bestiality, and many other expressions of antisocial behavior and deviancy. They know that the net, while offering incredible riches of information, education, and communication, has also managed to catch just about every form of depravity and antisocial behavior and put it on display for all the world and our children to see.

Yet, for many nonwired Americans, the extremes of online perversity may be news, and these citizens, particularly the parents, have every right to be fearful about what is lurking around the net's next corner.

What they will find, I am afraid, is not just more and more pornography for kids to latch on to, but less and less moral certainty, fewer bright lines of right and wrong, the kind that are critical to living in a free, decent, civil society. One of those bright lines we never used to question was our responsibility as adults to protect our children from harm, both physical and moral, which meant shielding them from violence and carefully setting sexual boundaries for them as they grow.

In recent years, our commitment to this common value seems to have weakened, giving rise to a popular culture that is replete with gunplay and foreplay, with violence and public displays and comments on all forms of sexual behavior, and it teaches children the worst kind of lessons about what is acceptable. Today, unfortunately, this extraordinary development in our lives, the Internet, which has so enriched our lives in so many ways, has also become the highest tech distillation of this anything-goes mentality.

Senator McCAIN and Senator MURRAY have been forceful advocates for drawing basic lines of online decency and setting basic standards of online behavior. I applaud their leadership on this front. In particular, I appreciate their efforts to promote responsible use of the Internet at schools and libraries. I hope we have a chance to consider their legislation on the floor soon.

Mr. President, in the best of all worlds, which is to say what we hope this online world might be, the responsibility for drawing lines and setting standards really should fall to the leaders of the Internet community.

I have said over and over again in my comments about television and video games and records, for instance, that I am extremely reluctant to resort to governmental restrictions on speech or any forms of expression and much prefer self-regulation. Also, given the sophistication of the net's underlying technology, I doubt that a legally mandated solution to the pornography problem will be as effective as we would want it to be in reaching our common goal of protecting children.

It was for these reasons that I voted against the Communications Decency Act, and it was for those reasons that I recently began working with Representative RICK WHITE of Washington State to push the Internet community to get moving on this issue. Nine days ago, we sent a letter to the major participants in last December's Online Summit expressing our concern about the industry's lack of action and calling on them to collaborate on a comprehensive plan to help parents keep their kids safe online. We made it clear that we did not want to pursue legislation but that we, along with a host of other Members of Congress from both parties, would have no choice but to vote for Government standards if the industry did not respond with an effective solution.

So, in sum, Mr. President, we are still waiting for a response to our letter. My hope is that the news about the "our first time," and the forcefulness of the statements we are making today, will help to focus the Internet community's attention on the seriousness of this problem and prod them to produce some tangible results. In the meantime, I hope our comments will raise the awareness of America's parents about the threat that the Internet can pose to children and encourage them to pay closer attention to their children's online activities.

I thank the Chair, and I yield the floor.

Mr. McCAIN. Mr. President, I believe there is no further business before the Senate. I move we——

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I just want to join my colleagues here in urging our leaders and urging the Senate to move forward on legislation that has been debated and discussed and passed by the Senate that needs to be revisited. The Supreme Court struck down language I offered more than a year ago that was passed by this body by a 84–16 margin, passed by the House of Representatives, and signed by the President of the United States.

That legislation attempts to address the commercial purveyors of pornography over the Internet—as invasive a practice as anything that we have seen. It makes the corner pornography shop pale in comparison in terms of access to some of the rawest, most explicit material that is available today, and it makes it available to children through the click of a mouse—in their room, in their home room, in their library, wherever a computer terminal is placed. It is easy access.

In fact, it is an invasive practice that even the most innocent of typed-in requests can bring a flood of material that should never be accessible to children. It is even questionable whether it should be accessible to adults. The first amendment puts some pretty severe restrictions on us in terms of what we can do.

We carefully drafted and designed our Internet pornography bill to address first amendment concerns. For some reason, the Court chose to distinguish the Internet from other forms of communication, and the very standard which the Court approved for telephone dial-a-porn messages was rejected for computer messages, saying that the Internet is a completely different mode of communication, not as invasive as the telephone.

I think the Court is behind the times in terms of understanding how the computer works. I understand that. I am of the generation that is not quite sure even how to turn the thing on. For the younger generation, it is as easy and accessible and as comfortable for them to operate as for those of us who learned to drive a car when we were young or the technology that we adapted to in our generation.

Nevertheless, the Court has ruled. We took that ruling. We modified the language to comply with the Court's restrictions. I have been attempting to bring this bill to the floor for several months. We have been blocked in doing so, not because it does not enjoy a majority of the vote but because the computer industry and the Internet industry do not want any restraint whatsoever.

We are trying to protect the innocence of children. We are trying to give parents a tool by which they can protect their children. We are trying to put penalties in place which will allow us to enforce restrictions against commercial purveyors of pornography that is harmful to minors. We have revised the standard to comply with the Supreme Court dictates, and we trust that this new legislation will pass Court muster. But in order to do so, it has to pass this body first. I think we are at the point of resolving the holds and the differences of opinion on how to proceed with this legislation.

Senator McCAIN has legislation which provides access to software packages that are a help, but an imperfect help, in terms of dealing with the problem. I have legislation which I guess would be described as a stick to go along with the McCain carrot, the hammer to lay down the enforcement and put the penalties in place, put the restrictions in place. I think the two are very necessary for us to try to get a handle on this problem. It will not fully solve the problem.

The first line of defense has to be the family. It has to be the parents, has to be their oversight of what their children have access to—not only in the home but in the school, in the library. It is disappointing that schools and libraries—in particular, library associations—have opposed what we are trying to do. We think we have a consensus now on how to move forward. I am pleased that we are closing in on that and urge our colleagues to support the efforts that will take place shortly.

Thank you, Mr. President.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 11 a.m.

Thereupon, at 9:26 a.m., the Senate recessed until 11:00; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HUTCHINSON).

The PRESIDING OFFICER. In my capacity as a Senator from the state of Arkansas, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. The Senate will now resume consideration of S. 2159, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2159) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Daschle amendment No. 3146, to provide a safety net for farmers and consumers regarding marketing assistance loans.

AMENDMENT NO. 3146

The PRESIDING OFFICER. Under the previous order, there will now be 3 hours' debate on the Daschle amendment numbered 3146.

Under the previous order the Senator from Mississippi, Mr. COCHRAN, is recognized.

Mr. COCHRAN. Mr. President, as I understand it, the time is equally divided. In view of the fact that this is an amendment offered by the Senator from South Dakota, I presume he or some other person who supports his amendment will come to discuss the provisions of the amendment for the benefit of the Senate.

Until that time arrives, if I suggest the absence of a quorum, I believe time would run equally against the proponents and the opponents of the amendment, is that correct?

The PRESIDING OFFICER. That would require unanimous consent.

Mr. COCHRAN. I ask unanimous consent to that effect.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that I be permitted to speak as in morning business for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO MAX FISHER, OF MICHIGAN

Mr. ABRAHAM. Mr. President, I rise today to actually announce to the Senate and to, at least from a distance, celebrate the 90th birthday of one of the great citizens of my State of Michigan, and also one of the truly great citizens of America, Max Fisher.

Mr. Fisher is a friend of many of us who have served in public office—certainly in Michigan, and even here at the national level—because of his longstanding involvement in the political process. But he is much more than a political activist, he is a business leader of great renown, having built very successful companies in our State and around the country. He has grown those companies and employed many, many Americans in a variety of different functions.

After establishing his business success, he then turned his attention to our State of Michigan and, most particularly, to his hometown of Detroit. There, for the last several decades, he has been one of the community's great leaders, very much involved in the development of Detroit, the rebirth of Detroit after the riots in that city in the sixties. He has been very active in the governance of southeastern Michigan in a variety of ways, investing his own time and resources in many worthwhile causes aimed at making certain that the Detroit metropolitan area remained a strong, economically vibrant, compassionate community, which it is today.

Mr. Fisher's involvements go beyond, however, his own hometown. He became active in the political process in the early 1960s. He became very involved in the activities of the then Governor George Romney, and then through that he began an involvement with the Republican Party on a national level. His interests, however, transcended his party. It clearly is an interest born of a love of this country and of the issues we confront. As a consequence, he has served as an advisor to many who have held office, both in the U.S. Senate and in the House of Representatives, and even the Presidency itself. He has been a close advisor and a close friend to Presidents Nixon, Ford, Reagan, and Bush, and I believe also some on the other side of the aisle as well. Indeed, tonight, at a celebration of his 90th birthday, several of our former Presidents will be in attendance to demonstrate their friendship and admiration for him.

Max Fisher's interests have gone beyond the shores of the United States as well. He is a great champion of the nation of Israel. He has played a very active role in the American Jewish community, various organizations and foundations; and, through several of those, he has provided a great deal of support and assistance to the development of the nation of Israel. I know that he is held in great esteem there as he is here in the United States.

His interest in others transcends just one particular cause. It basically applies to virtually every cause I am familiar with. His name is inevitably linked to charitable organizations, to foundations, and various other community service entities in our State, as well as across this country, that try to make America and Michigan better places to live and better places to raise families.

In any event, Mr. President, Max Fisher has led a great life, and he has contributed much during that life to all of us, and to his nation in particular. So I wish to pay tribute to him on the event of his 90th birthday and also to pay tribute to him for the many things he has done to advance us, whether it is in the political arena, the business arena, the charitable arena, or a variety of others. Unfortunately, because of our schedule, I will not be able to participate in the events this evening that will commemorate his birthday. I know that I speak for a number of our colleagues, who have friendships with Max, in sending him, on all of our behalf, warm congratulations on this important event.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. Under whose time is the quorum call?

Mr. ABRAHAM. Mr. President, I yield it on the basis of the time that has been yielded under the previous quorum call.

The PRESIDING OFFICER. Is there objection?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Parliamentary inquiry: Does the order provide for a quorum call?

The PRESIDING OFFICER. The unanimous consent agreement called for the time to be counted equally against each side.

Mr. BUMPERS. I ask unanimous consent, with the permission of the Senator from Michigan, to divide the time of the quorum call between the two parties, the proponents and the opponents.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I also ask unanimous consent that Dan Weiner, who is an intern in my office, be allowed to be in the Chamber during the debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

AMENDMENT NO. 3146

Mr. President, I ask unanimous consent that a letter from Wally Sparby, who is the State executive director of the Minnesota Farm Service Agency be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE, FARM SERVICE AGENCY, MINNESOTA STATE OFFICE,
St. Paul, MN, June 30, 1998.

DAN GLICKMAN,
Secretary, U.S. Department of Agriculture,
Washington, DC.

DEAR SECRETARY GLICKMAN: Please find attached copies of letters received from several County Committees requesting that CCC commodity loans be extended. The Minnesota State FSA Committee is also requesting your assistance and support. Minnesota producers are facing an economic crisis and conditions will continue to deteriorate without assistance.

Market rates have dropped drastically. The last week of June 1995 producers were receiving an average market price of $2.50 for corn. In the last week of June 1996 corn markets were averaging $4.50 and in 1998 the corn price has dropped to an average $1.92 per bushel. The same is true of wheat. The last week of June 1995 the average market price was $4.50 per bushel; in 1996 the average was $5.60 per bushel and in 1998 the price has dropped to an average of $3.25 per bushel. Producers have no control over market prices and the Federal Agriculture Improvement and Reform Act of 1996 and limited the marketing tool provided by the CCC commodity loan program.

Due in part to Minnesota's geographic location, transportation can be a major problem. Elevators are indicating there will be a shortage of transportation and storage this fall. As of June 29 there were 13.4 million bushels of wheat, 153.9 million bushels of corn, 31.3 million bushels of soybeans, and 3 million bushels of barely under CCC loan. There are also oats, flaxeed, sunflowers and canola under CCC loan in Minnesota. Of that total 191.2 million bushels and cwt. will mature between July 31, 1998 and December 31, 1998. CCC is already taking delivery of barley and we believe other grains will follow when loans mature. Elevators have indicated that they will be unable to take delivery of grain when the 1998 harvest begins. Harvest will coincide with loan maturity dates creating a major storage problem.

The CCC Commodity Loan Program is a marketing tool. Historically CCC commodity loans have provided producers with a chance to market their grain while obtaining capital at a reasonable interest rate. Prior to two years ago loans could be extended during periods of market downturns thus providing producers the flexibility to store their grain until the markets improve. Programs also provided for interest forgiveness and storage payments during market downturns.

Extension of CCC loans will only help producers if storage is available, if interest does not continue to accrue of the loans and if there is some type of income to sustain producers until the markets improve. We are proposing and asking for support of a farm storage facility loan program and the extension of CCC commodity loans. To provide a safety net we propose that when market rates reach a certain low that producers be paid storage and that interest stop accruing on CCC commodity loans. A summary of our proposal is attached.

We are also asking for full support of the proposal to remove the "cap" on corn and wheat loans. The Federal Agriculture Improvement and Reform Act of 1996 which "capped" the loan rate has resulted in loan rates below the five year average (dropping the high and low years). Historically local market have followed the CCC loan rate. It has only been in the past couple of years that has not been true. Higher loan rates would influence an improved market price for commodities.

We believe that in many cases these changes could mean the difference between the continuation of the family farm and liquidation.

We appreciate your consideration.

Sincerely,

WALLY SPARBY,
State Executive Director,
Minnesota Farm Service Agency.

Mr. WELLSTONE. I thank the Chair.

Mr. President, I speak in favor of this amendment introduced by Senator HARKIN and ask unanimous consent that if I am not already, I be included as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. This amendment will lift the cap on the farmer's marketing loan rate and extend the loan repayment period from 9 months to 15 months. That sounds very impersonal, to lift the cap on the loan rate and extend the repayment period, but I say to my colleagues—and I know my colleague from North Dakota, Senator DORGAN, will speak about this as well—this proposal goes to the heart of what we must do this week if we are to respond to the economic pain, and for that matter, the personal pain, of many farm families in our country.

I will be going to another farm crisis meeting in Granite Falls, MN, in western Minnesota, this Saturday. I am hoping and praying I can come back with a report that we have been able to take some action that will give farmers some hope—it is really a desperate situation.

Wally Sparby, who is the director of the Farm Service Agency in Minnesota, is predicting that on the current course—and we have to change the course—we could see about 20 percent of the farmers in serious trouble. That is a lot of farmers in the State of Minnesota. Agriculture is very important to my State. From 1996 to 1997, we saw about a 38-percent drop in farm income.

When I talk to farmers at gatherings, or when I am in cafes in Minnesota, I think the one thing they talk about more than anything else—and I imagine you hear the same thing in Arkansas—is price. That is really the key thing—a fair price in the marketplace. That is what farmers are asking for. They are saying, give us a fair shake.

Now, unfortunately, that is not what is happening, and I believe that one of the mistakes that was made in the 1996 Freedom to Farm Act, which I called then the "Freedom to Fail Act"—and I wish I could be proven wrong, but unfortunately I think the evidence which is staring us in the face proves me right—while we gave farmers the flexibility in planting, which I am all for, the problem is that the loan rate which sets the floor price is set at such a low level. Right now, the 1996 farm bill caps the price at an extremely low level artificially. The rate is $1.89 per bushel of corn and $2.58 for wheat. No one can cash-flow or stay in business at these prices.

Since market prices are now, in fact, nearly down to those levels for corn and for wheat, that is exactly why we have this crisis which we are calling an emergency. So far in Minnesota this year the average price for corn has been under $2 a bushel and it has been about $3.25 for wheat. In the wheat-producing parts of Minnesota, those low prices have combined with the bad weather and scab disease to create truly dire economic conditions.

What I want to say to colleagues, and what I want to say to people in our country is that right now $2 a bushel for corn and $3.25 for a bushel of wheat is way below the cost of production. Farmers cannot make it—nobody can make it—at these prices, unless you are a huge conglomerate that can weather low prices while family-sized farms get driven out, and then you can buy up that land. But for the Midwest and for other parts of the country as well—this is not just a regional issue—for all of us who value the family farm structure of agriculture where the people who farm the land live there and live in the community, this is a crisis all to be spelled out in capital letters.

What our farm policy used to be was that when the prices were good, you let the market pay the farmers. When the market wasn't so good, you would help stabilize income by holding the market price up. Freedom to Farm changed that. In other words, the loan rates gave the farmers some leverage vis-a-vis the huge grain companies because, if the prices were down, farmers just held on because they knew at least they would get this loan at this price. But, of course, the grain companies needed the grain so they would have to pay more. That set the price for the farmers.

Now, what we have done with this cap is we have set the loan rate at such a low level, the prices are plummeting, people cannot make it at these prices and therefore they are going under. This is a matter of elementary justice.

This amendment that I speak in behalf of lifts the cap on the loan rate. That means that the loan rate would rise to $2.25 for corn and $3.22 for wheat. This is still too low a price.

I see my colleague from North Dakota in the Chamber. If we at least do that, combined with extending the period that the farmers can hold on for another 6 months, extend the loan rate period, then I think we can begin to lift the market prices.

Now, I would like to raise the loan rate further, and Senator DORGAN and I may be back in the Chamber to talk about this later or to take action on this later. I think it should be something like at least $3 for corn and $4 for wheat, at least for a targeted level of production, which would be a family farm level of production.

But I want to make it crystal clear that at the very minimum what we have to do this week—this is very reasonable; this is a 1-year emergency—is take the cap off the loan rate to begin to get the prices going up, extending the period for the loan rate, making sure that there is some indemnity payment, some disaster relief for farmers that have been hit by this disaster of low prices, bad weather, scab disease. This is all targeted, all focused on a disaster in rural America, in agricultural America, and this for us, for those of us who come from the farm States, is a matter of huge importance. There is no more important amendment that we could be speaking for than this amendment.

Mr. President, I just want to speak to one argument that has been made on the floor, and that is the argument that trade is the answer. I am for trade. In fact, I wish we had fairer trade for agriculture. But I find it surprising that some so-called advocates for farmers are in a big hurry to grant fast track negotiating authority.

My question is, For what? If we export more bushels of corn, or more bushels of wheat, at a loss, how does that do the farmer any good? I say to my colleague from North Dakota, it is sort of confusing to me. If, in fact, the prices are so low that the farmers in our States are losing on every bushel of corn or every bushel of wheat they produce, how does it help them to produce more bushels of corn or more bushels of wheat? It makes no sense at all.

Mr. DORGAN. Will the Senator from Minnesota yield for a question?

Mr. WELLSTONE. I will be pleased to yield for a question.

Mr. DORGAN. I wonder if the Senator from Minnesota remembers a couple of years ago this Congress—or a Congress passed a new farm bill, one that I voted against and one he voted against. Do you remember, following the passage of the new farm bill, some of the large corporate agricultural interests were celebrating? They said, "We won." The big corporate agricultural interests said they won. So they were having a big celebration.

It is not surprising, then, back when they were trying to push this kind of farm bill through, that those of us who voted against this farm bill said, "You are pulling the safety net out from under family farmers."

You have minimum wages for folks who work at the bottom of the economic scale in town. What they were trying to do 2 years ago, with the farm bill, is the same as saying to the minimum wage earners: Let's cut the minimum wage to a buck an hour and call it "freedom to work." It would be the same thing on minimum wage: Let's cut it to a dollar an hour and call it "freedom to work."

What they said to farmers was: Let's pull your safety net out from under you and call it Freedom to Farm. What a bunch of baloney. Then prices collapsed, we have crop disease, we have disaster, we have family farmers going broke in record numbers, so many that we don't have enough auctioneers to handle the sales in North Dakota, and now we are back here a couple of years later and folks say, "Gee, the farm bill is working just fine." It is not working just fine. This is not an accident. We don't have price supports that are sufficient.

I would say the amendment before us, offered by the minority leader, is the most modest of amendments. We ought to go, at a minimum, to $3.75 or $4 on a marketing loan, triggered to the first 20,000 bushels of wheat produced, so that you target some reasonable support to family farms and say, with that, that family farms matter, they have merit and worth and value in our society.

Does the Senator recall, a couple of years ago, the celebration by the corporate interests in agriculture over the passage of that farm bill?

Mr. WELLSTONE. Mr. President, in reply to my colleague from North Dakota, I also want to ask my colleague to focus his attention for a moment on the original United States-Canadian trade agreement superseded by NAFTA and ask him how well our wheat growers have fared by that agreement.

Those who are talking fast track without a fair trade agreement for farmers—I want to raise a question about that in a moment. But let me say to my colleague, the thing I find maddening right now—and I hope I am wrong—is that, yes, obviously, if the farmers don't have the leverage and they can't get the price, it is great for the grain companies; they get to buy from the farmers at record low prices. The problem is that I think a lot of colleagues are not willing to revisit this question. In other words, we voted for what was called Freedom to Farm. We set the loan rate at such a low level, the prices have plummeted, and what I worry about is that somehow this amendment becomes a referendum on Freedom to Farm. It is not.

For those colleagues, Democrats and Republicans alike, who supported the Freedom to Farm bill—fine; we can continue to agree or disagree. But for right now, given the fact that prices are way down, all we are saying in this amendment is, for 1 year, as an emergency measure, take the cap off so we can get the loan rate up, so we can get prices up. Combine that with indemnity payments and a couple of other measures, but in particular these two measures, and we can help get farm income up and enable people to stay on the land and not be driven off their land. That is what it is all about. In other words, time is not neutral. We are confronted with the fierce urgency of now.

I would say to colleagues, I am willing to debate trade policy. Personally, I don't think the United States-Canadian agreement has worked well at all for our wheat farmers. Nor has NAFTA—it has been a terrible agreement, a terrible agreement. You can ask the farmers about that.

But above and beyond any debate about trade policy today, above and beyond the overall debate about the Freedom to Farm bill, let me just simply make this appeal to everybody who is out here. For right now, can't we at least reach some common agreement on some emergency measures that we can take? The fact of the matter is, you can export more bushels of corn and more bushels of wheat, but if the price is so low it is costing the farmers more to produce that bushel of corn than the farmer is getting for that bushel of corn or bushel of wheat, they go further and further in debt.

At least let's get the floor up. At least let's get the price up. At least let's get the disaster payments out there. If we do that, then we will have taken some action that will be concrete, will be real, and can make a difference. There is a lot more I would like to say about what I call the "freedom to fail" bill. I am a critic of it. I think it is a terrible piece of legislation. I said it then; I will say it now. It was great for the grain companies; it was terrible for the family farmers. It looked great when prices were up and transition payments were out there, but what goes up goes down, and now we have no way of stabilizing the situation for family farmers in this country.

This amendment goes a significant way toward stabilizing the situation, getting the prices up, enabling our farmers to get back on their feet to be able to cash-flow. Combine it with the disaster relief payments and we will have done something good.

I hope we will have support for this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I appreciate the thoughts expressed by the Senator from Minnesota. I want to follow on, just briefly, on the question of trade. It relates to this entire issue of how farmers are doing, because farmers are told by some: You go ahead and compete in the free marketplace. We will set you loose. Go ahead and compete in the free market.

Then farmers discover there is no free market. When they market up, the large grain trade firms have their fists around the neck of the body of a few firms that control all that. Four firms control most of the flour milling; four firms control most of the meat packing—you name it. I have shown the list out here. In every area where farmers market, there are four firms that control the majority of the processing.

With respect to trade—the Senator from Minnesota mentioned trade—farmers are told: You compete in the free market system.

Let me tell you just about the United States-Canadian situation. The vote on the United States-Canada Free Trade Agreement, when I was in the House of Representatives and on the Ways and Means Committee, was 34 to 1; 34 to 1. Guess who the "1" was. Yes, that's me. It probably says one of a couple of things. It probably says I have no influence at all with the other 34 members. It may say that. They said to me, "You are going to be the only one who votes against this. Gee, this must be a unanimous vote. We must have your vote. Everybody else in this committee is going to vote for this."

I said, "This is a terrible piece of legislation for this country. You are selling out American farmers with this trade agreement, and you know it. And I wouldn't vote for this in 100 years." And I didn't.

Let me tell you what has happened. We have a woman from North Dakota who marries a Canadian, and they go back to southwestern North Dakota for Thanksgiving. She decides, "I am going to take some of that good hard red spring wheat that they produce in North Dakota—we produce in North Dakota, back to Canada, because I am going to crush it a little bit back there and bake some whole wheat bread." She loves to bake bread.

So they go back to Canada after their Thanksgiving break. She has a couple of grocery bags full of hard red spring wheat from North Dakota, so that when she gets back home she can bake a little bread. She gets to the Canadian border and she is told, "Oh, we are sorry, you can't take that wheat into Canada. You can't take a couple of grocery sacks full of wheat into Canada." All the way to the border she meets semi-truckload after semi-truckload after semi-truckload of Canadian wheat coming south.

Or a man with a pickup truck, and just kernels of wheat in the back, is told you must sweep out the back of the pickup truck before you can enter Canada with kernels of wheat. So he sweeps the pickup truck box out. All the time he is sweeping, Canadian 18-wheel semi-truckloads of wheat are coming into this country. In fact, we even had an agreement with Canada at one point to provide some sort of reasonable limit, and they exceeded the limit last year by 25,000 semi-truckloads—25,000 semi-truckloads.

I went up to the border—I told my colleagues this many times before—with Earl Jensen, and we had a 10-year-old, orange, 2-ton truck with a few bushels of wheat on it. We almost had to use our windshield wipers to wipe away the grain splattering against our windshield on a windy day from Canadian 18-wheelers hauling all that flood of Canadian grain into our country.

Guess what? When Earl and I pulled up to the border, we were told, "We're sorry, you can't get that American grain into Canada."

Free trade? Who negotiated that kind of soft-headed, weak-kneed trade agreement do we have that refuse to stand up for this country's interest, that say to other countries, "Yeah, you can close your borders to us and we will open our borders to you, and we will call it fair, and we will call it square"—what kind of a deal is that?

In this town, everybody talks about free trade, never wanting to talk about the details. The fact is, every one of our farmers in North Dakota and every one of the farmers in Minnesota, represented by Senator WELLSTONE, confront that problem every day, and it is unfair.

That grain comes flooding across our border, I am convinced unfairly subsidized, and we sent the Government Accounting Office up to the Canadian Wheat Board to audit their books and records, because we think they are dumping illegally in this country. Guess what they said? "We are sorry, we have no intention of opening our books and records to you; scram, get out of here." So here we are.

Prices collapsed because of unfair trade and, yes, Canada is a major part of that. Prices collapsed for a dozen other reasons. Rampant crop disease devastates the quality of the crop, and then we have farm families who for 30 years have been turning that yard light off and on every morning as they get up to do chores, gas their tractor, go out and plant their seeds and hope they can raise a crop. And now they are told, "Well, gee, we are sorry; we have free trade and a free market and if you can't make it in either, tough luck."

The plain fact is, there is no free trade and there is no free market, and anybody who thinks about the details and the specifics knows it. We owe it to the farmers of this country in a range of areas, whether it is international trade or price supports or other areas to say we want to stand for the interest of family farmers.

Let me also say the Freedom to Farm bill was a bill that had a couple of propositions, one of which makes eminent good sense, and I support it, and that is, farmers ought to be able to choose to plant what they want to plant when they want to plant it. That makes sense to me, and I support that. But the other is to say we will now essentially withdraw price supports and tell farmers you operate in the free market, despite the fact the free market doesn't exist. That doesn't make any sense. If ever an example of throwing the baby out with the bathwater is appropriate, it is here.

We didn't need, in order to give farmers planning flexibility, to decide that price supports don't matter. Eighteen years ago, the target price for wheat was $4.38 a bushel, and the loan rate was $3.65 a bushel. In every other area, prices have gone up for input costs; in every other area dealing with other earners, minimum wages have been increased some. But the compensation for farmers has been substantially diminished in terms of support prices. It is as if to say the economic all-stars in this country don't matter. They work hard, they produce well, they produce the best quality food for the lowest percent of disposable income anywhere on the face of the Earth, and they are told, "By the way, the value of what you produce does not have worth."

I said yesterday, and I say it again, because at least to me personally it is so perplexing and seems so Byzantine, this morning, as I speak, halfway around the globe, we are told there are old women climbing trees in Sudan to forage for leaves to eat because they are near starvation. A million, a million and a quarter people are on the abyss of starvation. And then halfway around the globe, again, we are told those family farmers, who raise food in such abundant quantity and such good food, that what they produce doesn't have value and doesn't have worth.

The marketplace says to them—whatever this marketplace is—choked down on the top, choked from the bottom, choked on the sides by unfair trade by monopolies from railroads, to grain processors, to millers, you name it; they are telling the farmer in this distorted marketplace that what you produce doesn't have value. It costs you 5 bucks per bushel to produce; we will give you $3 for it. Want to lose $2 a bushel? That is fine. Lose your heritage, lose what your dad produced, lose what your grandad produced. And you go to these meetings and you find these folks who stand up at a meeting, as they have for me, and one sticks out in my mind—I have had many of them in recent weeks—a big, burly, husky kind of guy with a beard and with friendly eyes who said, "You know, I have been a farmer all my life. I love farming. My grandad farmed. My dad farmed, and I have farmed for 23 years." He got tears in his eyes and his chin began to quiver as he said, "But I have to quit. I can't make it. I can't raise grain at $5 a bushel or $4.50 a bushel and sell it at $3.50 a bushel and my lender says I can't get enough money to put in the next crop."

When you see people like that begin to tear up and talk about what family farming means to them, then you understand this is not dollars and cents, this is not just some macroeconomic theory, this is something much more in this country.

Family farming has always meant much more than just dollars and cents. Thomas Jefferson described it, as I said yesterday, as the most important enterprise in America. His words were more eloquent than that, but that is what he said. What he meant was these people who dot the landscape in America, the broad-based economic ownership that comes with family farming contributes immensely to our country. I have said before, it contributes to the family values of our country. Family values have always originated on family farms and rolled through to our small towns, nourishing our small towns and our big cities.

There is much more here than just dollars and cents. I hope that as we begin these discussions we can remember this. At least the first amendment that we adopted yesterday says, yes, this Congress recognizes there is a crisis. In my State, family farmers have seen a 98-percent decrease in net income. Name anybody living anywhere, except the wealthiest among us, who could, at the end of a period where they have lost 98 percent of their income, stand and say, "Well, I am doing just fine." Most everybody on every block in every community in every facet of life would be flat on their back losing 98 percent of their income, and we know that.

It is not different for family farmers. They are now flat on their backs facing collapsed prices, rampant crop disease and fundamentally unfair trade in every direction, markets that are captured and cornered and collapsed by a few companies, a few companies that control those markets.

It is one thing to say to farmers, "It is a free market and free trade, and God bless you, and what happens." That is not, in my judgment, what this country ought to offer family farmers in terms of domestic policy.

(Mr. BURNS assumed the Chair.)

Mr. JOHNSON. Mr. President, may I direct a question to the Senator from North Dakota?

Mr. DORGAN. I will be happy to respond.

Mr. JOHNSON. As I understand the immediate amendment before the Senate having to do with marketing loans, it strikes me, and I wonder if the Senator shares this view, that we need to put this in some perspective. There are some who view this as a debate on Freedom to Farm, and certainly there are those of us who have widely and varied opinions on that underlying legislation. But the amendment that is pending, does the Senator agree, does not unravel or turn inside out or otherwise dispose of the Freedom to Farm legislation?

The amendment, as I see it before me, builds on what is already in the existing farm bill; that is, a marketing loan provision that is already there, at an inadequate level, but it is there, and the amendment that is pending simply gives the President of the United States the authority in a state of emergency for 1 year to remove the current loan caps and raise the cap on wheat from $2.58 a bushel to $3.22, on corn from $1.89 to $2.25, on soybeans from $5.26 to $5.33 and extend the loan period from 9 months to 15 months?

Would the Senator agree that this is not a radical amendment? This is not an amendment that somehow sweeps away the previous legislation—and we have different opinions about what ought to happen—but this amendment, it would seem to me, is a very modest, in fact, very narrowly crafted and a very modest change in what is already existing law. Would the Senator agree with that point on this issue?

Mr. DORGAN. The Senator from South Dakota, Senator JOHNSON, states it exactly as it is. I have said before, this particular amendment gives modesty an understated reputation, in my judgment. It is too modest for my taste. I certainly am going to support it. I certainly will support it because it does increase the loan rate, albeit to a level that is far too low. It does increase the loan rate some. It does extend the time in which a farmer can use that marketing loan to better market their grain; and certainly we ought to do that.

If we say, as a consistent philosophy, farmers should go to the marketplace for their price, then you must give farmers the time to access the marketplace when the price might be better than it is just after harvest. Normally, just after harvest they truck that grain to the elevator and—guess what—they find prices that are not very high. It would be better for them to hold it and wait until it is in their advantage to market it.

The Senator from South Dakota describes it as it exactly is. This does not, in any way, unravel the tenets of the current farm program. Would I like to unravel it? You bet your life I would. I do not support it. I never did. I think it is a terrible farm program. Does the planning flexibility make sense? Yes, it does. I support that fully. But the notion that somehow we ought to decide that in every other area we will provide some basic support because that area has merit and worth and value, but in family farming we will pull the support out because somehow that is of lesser value to this country—as I said earlier, this is a lot more than dollars and cents.

That is what the farm bill debate missed a couple of years ago. The specific amendment which I intend to vote for but which is so incredibly modest—it really ought to be replaced by an amendment that says for a certain amount of production, 20,000 bushels of wheat, for example, we will provide a $3.75 or $4 loan rate, marketing loan rate—not the kind of loan where the Federal Government takes control of the grain but, in effect, it becomes a marketing loan where we pay the difference between what the farmer gets on the open market and what the support price is. That is what we ought to be doing. But this amendment is certainly worth supporting because, as the Senator says, it does not fray, undermine or unravel the tenets of the current farm program.

Mr. JOHNSON. Well, may I ask the Senator from North Dakota—I applaud his work on this amendment. I have long supported his concept of targeted assistance for family producers in this context and various others. We have discussed this over the years. But when we expand the loan period from 9 to 15 months, if the producers are required to sell their product within a shorter window of time, does that depress the price further? And who gains by producers having to sell their grain within a shorter window of time than over a longer window of time? Who are the winners and who are the losers when all of the farmers are required, within a relatively short window, to dispose of their grain at one time? Who wins and who loses by that policy?

Mr. DORGAN. The answer to that is clear. The bigger interests win, the littler interests lose. That is why it seems to me that if you follow the philosophy of the current farm policy, you have to give them the flexibility of going to the marketplace when it is in their interest. And they do not have that capability now because most of them are forced to haul that to the market and sell it as soon as they get it off the ground because they have to pay back the operating loans.

Anybody who says this isn't about big versus little is just flat wrong. Look, if somebody wants to farm an entire county, they have every right to do that. They can farm the entire county. They can buy 50,000 acres of land. They can plow as far as they can plow in 24 hours, camp overnight, and plow back as far as they can. They have a right to do that in this country. But they ought to join with the good Lord and their banker and figure out how they make ends meet. I am not terribly interested if they want to try to farm the whole county, how we offer price supports for them.

But the family out there farming a family-size operation, they are turning on the yardlight, they are doing chores, they are taking enormous risks—do I want to provide some type of continuity and help for them? Of course I do. It seems to me, we ought to construct an approach that says to those folks, "You really do matter." We have in North Dakota—you probably have the same in South Dakota, and I assume other States—we have 53 counties. Ten of them are growing and 43 of them are shrinking. My home county was 5,000 people; it is now 3,000 people. All that has to do with family farmers leaving the farm. And they are now leaving at an accelerated pace.

I do not know that there is a magic answer to all of this. It is just that this particular amendment is an amendment that says, let us try to find a way to give farmers some flexibility to access the marketplace when it is more in their interest to do so rather than be forced to haul their grain to market and sell it when perhaps the prices are at bottom levels.

Mr. COCHRAN. Would the distinguished Senator yield for a question?

Mr. DORGAN. Of course.

Mr. COCHRAN. My question is, How long do you intend to hold the floor? I am curious—not critical at all—but curious, because I agreed to yield to the chairman of the Agriculture Committee time on the amendment. He has been on the floor now for almost 30 minutes. I was just curious to know when I might be able to yield some time to him.

Mr. DORGAN. I have nearly completed my statement. I respect the Senator from Indiana and the Senator from Mississippi. They both are wonderful legislators. We might disagree from time to time on some of these issues, but I know he has been here for some while. This is, as you might imagine, enormously important. Agriculture drives our State's economy. I feel very strongly about a number of these issues. But I certainly want the Senator from Indiana to be able to make his statement.

Let me finish by saying, I do not come here trying to figure out who is at fault. While I have strong feelings about farm policy, when I think this current policy is not good farm policy, and I have opposed it in the past, I think everyone comes at this with good will and with their own strong feelings about what ought to be done.

But I do think that family farmers out there, are struggling these days against the odds and circumstances where they cannot control their own destinies at all. It is not their fault they have been devastated by crop disease. That is not their fault. It is not their fault that grain prices have collapsed. They did not have anything to do with that. And it is not their fault that the Crop Insurance Program, that we advertised as replacing a disaster program, does not work at all for somebody who suffers five straight disasters.

One-third of our counties in North Dakota have had a disaster every year for 5 straight years—every year for 5 straight years. It is not their fault that crop insurance does not work for them. Each succeeding year means you get less of a base because you did not get a crop the previous year, so you still pay those premiums and get less from the Crop Insurance Program.

Again, farmers ought not to be faulted for these circumstances. We ought to find a way to create a connection here to something that does work, to say to them, "You matter. And we want to do something that makes a difference for you. We want to do something that gives you the opportunity to continue to farm." If you are a good manager and if you are willing to take some risks, we're willing to stand for you and with you to say, 'Yes, here's a disaster program. Here's an indemnification program. Here's a little better opportunity on a loan rate. Here's the ability to hold that grain a little longer. Here are a number of things we want to do to try to make your life a little easier.' "

If we do that together—and I hope we will—and if we work with President Clinton who some of us plan to meet with this afternoon—I hope that perhaps at the end of the day we will all have decided that we have made a difference for family farmers. And, more importantly, I hope that family farmers will decide that we have made a difference in their lives as well.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Indiana, Mr. LUGAR.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I thank the distinguished chairman of the subcommittee for his insistence on my gaining recognition. I appreciated the colloquy between the distinguished Senator from North Dakota and the distinguished Senator from South Dakota and the earlier comments of the distinguished Senator from Minnesota.

I come before the Senate as a fifth-generation family farmer; that is, five family generations of Lugars, from the 1820s in Grant County, through the present farming operation we have in Marion County, have been involved in the business of farming. We take the family farming very seriously on the 604 acres of corn and soybeans and tree stands that I am now responsible for and have been for the last 42 years.

The contents of farm legislation are interesting to me as a citizen of this country, certainly as a member of the Agriculture Committee, and as one who is affected by those policies as I try to determine what I ought to plant, what my opportunities are as a family farmer in Indiana. I have been a longtime member of the Indiana Farm Bureau, as was my father, Marvin Lugar, and my uncle, Harry Lugar, a longtime member of the farmer's union in Indiana. I have been responsive to both groups and to others who have been involved in organizational agriculture as we helped to fashion the last four farm bills.

I come before the Senate today just having addressed a meeting 2 days ago of the American Farm Bureau President's Group. At least on a couple of occasions a year, the president of each of the 50 State farm bureaus come to Washington, along with the various persons in their organizations. During the course of that colloquy with the farm bureau presidents, I was approached by a gentleman who mentioned he is the president of the North Dakota Farm Bureau. His name is Jim Harmon. Jim Harmon, the president of the North Dakota Farm Bureau, gave to me an article which he had published in the North Dakota Farm Bureau Journal.

I quote from his article. Mr. Harmon says:

> It seems whenever things get difficult in farming, we look for someone or something to blame. That is certainly the case with the financial crisis facing farmers and ranchers in the northern plains where we have had continuous years of adverse growing conditions, now compounded by low prices. Some would like to assign blame to the "Freedom to Farm" bill; and have Congress reopen it to "fix" the price problem. This is the wrong route to take, because "Freedom to Farm" is not the problem—only the scapegoat. If the Act is reopened, I fear that farmers stand to lose much more than they can possibly gain.

Mr. Harmon continues:

> The argument is being made that we need to reinstate the old "safety net" program of the last 50 years. Fifty years ago, we had almost seven million farmers in the United States. We now have two million. What kind of "safety net" lets that many producers slip through it? The only thing those programs guaranteed was a price ceiling on most commodities in most years. Stable prices at low levels with rising production costs is not the prescription for profitability in farming. In the current legislation, the "safety net" of price supports and disaster declarations (not always successful), was replaced by "transition payments" to offset the impact of depressed prices, and the promise of meaningful risk management tools to reduce the effects of natural disasters. For North Dakota farmers, the promise of an improved crop insurance program in our risk management tool kit still needs to be fulfilled.
>
> A recent study by researchers in the Agricultural Economics department at NDSU indicated that about three-fourths of North Dakota's 1997 decline in net farm income was due to yield and quality reductions, and one-fourth to low commodity prices.
>
> Blaming the current farm bill for the depressed cereal grain prices is also off the mark. The bill authorizes $500 million for the Export Enhancement Program. Only $150 million was appropriated, of which NONE has been used until the now famous EEU barley shipments into the United States. Adequate funding of the Market Access Program, along with a comprehensive strategy for expanding foreign markets for our commodities are tools that must be developed and implemented if agriculture is to succeed in the global marketplace.

Mr. Harmon continues:

> Another area that deserves attention is the fact that the United States has made sanctions against countries that comprise 11 Percent of the world wheat market (accounting for 40 percent of the world wheat export market). Given American agriculture's dependence on export markets, trade sanctions usually punish farmers more than the leadership of the country we're mad at.
>
> Farm Bureau strongly believes that the following components are necessary to ensure the success of the current farm programs:

Mr. Harmon says:

> Improve Federal Crop Insurance and develop new cost-efficient income coverage programs.
>
> Utilize to the fullest extent, all of the trade tools available, including EEP, GSM 102 and 103 Credit Programs, MAP, and the Foreign Market Development (FMD) Programs.
>
> Provided promised reforms in the areas of wetlands, pesticides, air and quality regulations.
>
> Expand agricultural research funding.
>
> Other items that will complete an integrated ag package include FARRM accounts, income averaging, estate and capital gains tax relief.
>
> Changing current farm law will only open the door to false hope for those of us who need real answers. Real answers can be found by using the tools available to their fullest potential.

I believe that Mr. Harmon, the president of the North Dakota Farm Bureau, has made the case very well for the current farm bill. He has also offered some excellent suggestions. I am hopeful that, as Senators meet with the President today, the President will subscribe to many of the suggestions that Mr. Harmon has made.

Let me simply add, as that conversation with the President commences, that it would be helpful to have in front of the President U.S. Department of Agriculture estimates that the farm bill now in force in this country is providing payments totaling $17.180 billion over the 1996–1998 marketing years; that is, the first 3 years of this new farm bill. This $17.18 billion of payments to producers is in comparison to what would have been paid under the old farm bill. That would have been only $9.63 billion.

In essence, the current farm bill, during 1996, 1997, and 1998, will have made available to producers in these transition payments $7.55 billion more than they would have received if we had continued the old farm bill. I think that is an important point, Mr. President, because that amount of income, $7.5 billion, is out there in farm country now. It is in the hands of family producers, family farmers, and it is reality, as opposed to speculation.

Further, the transition payments under the farm bill are made earlier in the planting season than were the old deficiency payments. This has allowed family farms more latitude for planning as they go into planting their crops.

Under the new farm bill, farmers have the flexibility as to what types of crops to plant and in what amounts. Farmers plant for the market rather than for the Government. The distinguished Senator from North Dakota noted that was one portion of the new farm bill that he liked. It is a very important one.

As a family farmer, let me simply testify that for many years we planted corn because we were in the corn program and failure to plant corn might diminish the base on which our support payments were based. Therefore, we had to follow the dictates of the Federal Government that often asked us to set aside 5, 10 or 15 percent of our cropland.

We could have produced things that did not have a program, Mr. President, but that would have diminished the base, so that if we wanted to return to the program, we would have been out of luck. As a result, for years, USDA essentially dictated the amounts of corn, wheat, cotton and rice—so-called program crops—to family farmers. Now, as a matter of fact, with Freedom to Farm, we are exercising that freedom. We are planting what the market signals the market wants. We are maximizing our opportunities. It is a critical point, Mr. President, but totally impossible under the old supply management of the farm bills of 60-some years.

I note that current farm prices have prompted some Senators to suggest that the 1996 farm bill should be changed to alleviate what they perceive to be a farm crisis. Mr. President, we have had a lot of testimony before the Agriculture Committee and, indeed, we have heard farmers from the Dakotas and from the Chair's own State of Montana, and from northern Minnesota, testify about terrible weather problems, multiple crop failures—extraordinary difficulties that were recognized by this body when emergency disaster relief aid went to the Dakotas and to some other States last year.

Mr. President, let me just say that even granted this crisis—and it is one that hopefully can be met by many farmers through the crop insurance that they have taken out, and participation in the Dakotas, where crop insurance is intensive, perhaps more so than most any other two States—given marketing opportunities that have been available that, hopefully, will be available again given the cyclical nature of crop prices, and certainly the changes in the weather that dictate from day to day very sharp changes in the futures market, we are all hopeful of trying to alleviate the crisis as perceived by some States and some counties that have a genuine crisis.

I just point out, however, to all Members that 1998 farm prices—the ones we now have either for crops that have been harvested, or prospectively, for those in the fields—are low in comparison to the unusually high prices of 1995 and 1996. But they are about equal to the 1990–94 average price levels for wheat, corn, and soybeans. I point out that 1995 and 1996 had some unusual factors; namely, that the USDA guessed wrong and required farmers, such as myself, to set aside acreage and, in fact, the weather did not cooperate and we had very small crops in the country. Prices went up, predictably.

I just say, Mr. President, that we are now in more normal planting situations in which there are not excessive stocks around the world. Farmers are planting for the market. And my point is that the prices now are roughly the 1990–94 average for wheat, corn, and soybeans. USDA projects that farmers, this year, will receive an average of between $2.70 and $3.10 for the 1998 crop of wheat. The 1990-94 average was $3.11. Corn prices are projected between $1.95 and $2.35, according to the USDA, and that is certainly much more speculative given the fact that we still have some time to make that crop, as compared to an average of $2.30 in the early 1990s.

Mr. President, anyone who has watched the futures markets in the last few weeks has seen prices reverse direction drastically and dramatically. December corn closed on June 23, for example—not long ago—at $2.67 and three-quarters, a recovery of 30 cents from the contract lows—all in one fell swoop. Similarly, November soybeans closed at $6.40 and three-quarters, a 70 cent recovery from contract lows earlier in the season.

Today's low prices are not caused by the farm bill. They reflect large world grain supplies, a direct result of the high prices of 1995 and 1996, distorted somewhat by USDA set-asides. But they reflect something much more, Mr. President, and that is a profound crisis in the economies of many Asian nations. If it were not for the Asian crisis, this Nation would be well on the road to setting another all-time record for the dollar value of farm exports. USDA's current projection of $56 billion in 1998 exports is about $4 billion less than the record—$60 billion—in 1996. If Asian demand simply matched last year's level, with no growth, we would have matched and exceeded the $60 billion figure. USDA forecasts that our exports to non-Asian countries will actually be 8 percent greater than in the record-setting year of 1996.

The farm bill is a source of help and not harm for farm income. From 1996 to 1998, as we pointed out, the payments have been $17.18 billion, $7.5 billion more than the old farm bill. I just simply say that this money continues throughout the duration of the current farm bill. The payments are well known to farmers. So in terms of forward planning of their operations, they understand the money in the bank that is provided by the current farm bill.

Let me just say that one of the ways in which many northern plains farmers who have been especially afflicted by very bad weather, and sometimes by wheat scab disease—a number of the northern plains farmers have adapted to these wheat problems, and scab and other disease problems, by changing the crops that they plant—oilseed acreage, for example, in North Dakota. And other States have expanded dramatically at the expense of wheat acres. Such wholesale shifts could not have occurred under the old farm policy. The disincentives to change crops were simply too great. Freedom to Farm is a package deal. Its aim is to leave planting decisions in the hands of the farmers and not the Government. And to achieve this goal, the FAIR Act provides full planting flexibility, bans production controls, and decouples income support payments.

Another element in the farm bill is the relatively low loan rates, and that is the subject of the amendment before us. The purpose of the loan rates in the farm bill now is the same as the act's other features: to make certain that price supports are a short-term marketing tool and not an alternative market. Loan rates should not be set high enough to influence farmers' planting decisions, and they should not tie up grain in storage for such a long period of time that market signals are distorted.

To state it another way, Mr. President, I have been asked by Senators, "Why is it a bad thing for marketing loans to bring grain into the hands of the Federal Government?" The basic reason is that grain doesn't disappear on its own accord. It is there; it is a drag on the supply side. It means everybody taking a look at futures markets knows it is still there. It has to be sold at some point. It depresses price. It depresses income. It is not a quick fix; it is not a good fix. Under the current farm bill, it is not meant to happen. That is why proposals to raise loan rates or extend the time for loans are doubly objectionable.

Not only do they put a further strain on the Federal budget, but they put the Government back in the business of substituting its judgment about crop decisions for the market's judgment, and for that matter, about marketing the stores of grain the Government accumulates. The projected crop prices for the 1998 marketing year are much lower than I would like to see, particularly when compared to the high prices of 1995 and 1996.

Mr. President, there are a number of steps that we will need to take in the Agriculture Committee and on this floor to assist farmers to obtain higher prices. I want to discuss some of those later in the day. But for the moment on the current amendment, just for the benefit of Senators, the amendment deals with removing the 1996 farm bill ceiling on loan rates. And it would mean that the USDA would be free to raise the 1998 crop loan rate to 85 percent of the past 5-year market price average excluding the high and the low years. The amendment would remove loan rate caps for marketing assistance loans for wheat, for feed grains, for cotton, and rice measured in fiscal year 1999 effectively uncapping the loan rates for the 1998 crops.

Finally, the amendment would permit the Secretary of Agriculture to extend the term in the marketing assistance loans from the current 9 months to 15 months.

I state all of this, Mr. President, because I am not certain in the debate thus far that it has been clear exactly what uncapping the loan rates means. It means, as I have stated, taking the last 5 years in these program crops, excluding the top and the bottom years, and, therefore, the average of the remaining three. And this results, for the benefit of Senators who are wondering about the amounts of money involved, that the current loan ceiling for wheat under the current farm bill is $2.58 a bushel. The calculation of the 85 percent of the 5-year average, excluding high and low prices, would raise that loan rate to $3.16.

Mr. President, I make the point about wheat because I have already suggested that the average price of wheat calculated by USDA is now estimated after a pretty good harvest at between $2.70 and $3.10 for the year. Thus, we would be creating a loan rate higher than the likely average price for wheat marketed this year. It is logical in that event that very large amounts of that crop are going to go under the marketing loan. If, in fact, to take a practical example, a wheat farmer has some prospects for the average price of $3.10, or lower than that, he or she might decide to use the marketing loan to get the $3.16, and let the Federal Government worry about what is going to happen generally with the supply of wheat in this situation.

For corn, the situation is not quite so generous. The current farm bill marketing loan would be $1.89 a bushel. Given this 5-year averaging, again with the high and low out, that goes up to $2.17. It is conceivable that given a bumper crop of 9.5 billion bushels that corn could dip below $2.17, and, if so, a good bit of corn would come under this procedure.

Soybeans are at $5.26, the marketing loan rate. Under the farm bill, that would be $5.54 given the 5-year calculation if you removed the cap. It is hard to tell precisely what the situation would be for beans, but maybe a similar one to corn.

In any event, you can predict that stock accumulations would be inevitable. These would lead, I suspect, to calls from the floor for supply control for USDA to step in and try to prevent a further accumulation of a glut of grain that is depressing prices in this country, and depressing farmers as they see those prices going down. Mr. President, this is not even a good quick fix. It is a prescription for enormous difficulty.

Mr. President, the amendment before us, as I understand, has been tailored in various ways so that, although the Congressional Budget Office has not yet scored the amendment, it is clear that it would cost at least $1.6 billion, with approximately $400 million of that cost due to extending the term in the marketing loan by 6 months, and the remaining $1.2 billion due to uncapping the loan rates, Mr. President, I point out that in the action taken in this body the other day to make possible the tender offer by Pakistan, if it comes, for 37 million bushels of U.S. wheat, the Congressional Budget Office finally scored that, as I recall, at about $35 million in costs. And a huge scramble occurred to try to find where $35 million is, even to meet that emergency action. They found it. That is why the legislation finally made it through both Houses to be signed by the President.

But we are talking now about $1.6 billion in this amendment. The quick fix of this situation is to say, "Well, it is an emergency outside the budget." Unless somebody declared that today with regard to each of the same things that we are discussing, I see no majority support in this body for a declaration of emergency of this character. I see no prospect in the other body for that to occur. The money simply would have to come, if it is to be appropriated in this way, from other agriculture programs. And the scramble will begin as to who will pay the piper. This is a zero sum game.

Mr. President, I add, finally, I started my talk by mentioning my visit with the state presidents of the American Farm Bureau. The American Farm Bureau and the 50 presidents who were there are not calling for this amendment. As a matter of fact, they do not believe the amendment is good policy, nor do I.

Let me just suggest that there are things for which farm organizations are calling. The distinguished occupant of the Chair organized an important meeting of a good number of producer groups not long ago. During the course of that meeting a number of suggestions were made that are important policy changes. Among those were reauthorization of the Presidential fast-track trading authority. If there is a single item, Mr. President, that is important to higher income on the farm, it is that one, because in order to have an extension of our exports, an extension of our sales and our marketing, the President must have fast-track authority. No other country will deal with it. It is quite apart from the World Trade Organization, which is about to have an important meeting in 1999. At that meeting we are all encouraging Ms. Barshefsky, our Trade Representative, or anybody else who might represent us, including the Secretary of Agriculture, to make certain that agriculture is at the top of the priorities. Normally agriculture is at the bottom of the priorities. And that will take some pushing and shoving, because a good number of other interest groups in our country will say, "We don't want to hold up a deal with other countries due to their antagonism to agriculture." The most protected of all areas is still in agricultural trade.

So we have to have fast-track authority. We ought to be debating that if we are talking about agricultural income, and hopefully we will be debating that very soon on this floor.

Second, we must have International Monetary Fund reform. I start by "reform," because I appreciate the comments that have been made in various meetings of our committees about how IMF operates. But we are also going to have to have refunding and replenishment for the IMF. The cupboard is almost bare. The possibilities are that the nations of the world—we contribute about 18 percent of that money, and it is good to have at least 82 percent contributed by others. The nations of the world may, indeed, come to the rescue of other nations very promptly. Commodity prices are down worldwide. We are discussing today the problem of agricultural prices in the world. But, if we were in another country at another time, we would be discussing the implications of low oil prices, or low copper prices, or the fact that a certain deflationary trend seems to have come over primary foods and materials throughout the world affecting the economies. Enormous flexibility and safety net situations are going to be required.

Third, the agricultural groups almost unanimously have talked about economic sanctions reform with a special emphasis on unilateral sanctions, the ones that we impose all by ourselves, and that we have imposed 61 times in the last 5 years and that have affected maybe $20 billion of American income and several hundred thousand American jobs.

Later in this debate on the agriculture appropriations bill, I will be offering as an amendment a sanction reform bill that deals prospectively; that is, just with the future, but at least sets in motion criteria for the administration and for Congress in considering unilateral economic sanctions and estimates as to their cost and a sunsetting provision that we can get rid of them after they have achieved what they were supposed to do. It is a modest amendment, but it is an important amendment in the sense of giving hope to farmers in America. Do we care about them enough to be thinking how the sale is going to be made, how marketing can occur with this most vital of humanitarian commodities, food supply.

Fourth, farm groups have called for establishment of normal trade relations with China. They have called for stronger oversight on biotechnology in negotiations with the Common Market and with others so that we are not denied the remarkable breakthroughs in our own science. They have asked for full funding of the agricultural research bill, and hopefully we will pass that as a part of this overall ag appropriations legislation.

Earlier, of course, the farm groups were instrumental in helping us all to come to passage of the agricultural research bill itself.

And 5 years of crop insurance provisions, which we now see were so critically important given the precarious nature of agricultural income due to weather and other events in so many parts of the country.

I would point out that act alone, the Ag Research Act, and the crop insurance provisions for 5 years were tremendously important in making a difference for agricultural income now as well as for the foreseeable future in our country.

The farm groups are calling for estate tax reform. Of anything that has come before our committee, that has had greater unanimity in terms of farm families, and these are the same family farms bandied about in the conversation all the time. They are saying, if we are going to have a family farm, we are really going to have to have estate tax reform and reduction and preferably abolition. Hopefully, that will come before the body.

These are elements of a successful farm policy. We are finally going to have to come down to the point of discussing the difference between selling the crop and storing the crop, and there is a big difference. What I and many others are advocating is that we sell, that we market, that we move the crop. A third of all that we do in agricultural America has to move; a tough job in the face of the Asian demands falling off precipitously but not impossible.

As I have pointed out, we are exporting to non-Asian countries 8 percent more now than we were doing in the 1996 record export year, and that did not happen by chance. It happened because agricultural marketers and farmers taking trade groups and personally visiting countries have done a remarkable job. We have to help that substantially, and we can. The policies I have talked about today are fully within our purview in the Senate to debate and to discuss and to enact.

Let me just mention that those of us on this side of the aisle know that there are no quick fixes, but we do know that action is important as well as rhetoric. Less than an hour after the Senate approved the sense-of-the-Senate amendment offered by the distinguished Democratic leader last evening, we gave final congressional approval to the broad exemption of agricultural products from India and Pakistan sanctions under the Glenn amendment. The Senate's action should allow U.S. wheat to compete in today's Pakistani tender for 350,000 metric tons of exports.

Yesterday, I joined nine other Senators from farm States in calling for action this session on the distinguished Senator from Iowa, Mr. GRASSLEY's Farm and Ranch Risk Management Act, which gives farmers important new tools to manage the variability of farm income. I am hopeful that will be enacted in this session.

Also, yesterday nine of us from farm States wrote the Secretary of Agriculture, Mr. Glickman, in support of actions which he can take now without legislation to increase exports of humanitarian food assistance. The CCC Charter Act provides authority for a wide range of Secretarial action, and our letter lays out how a new initiative could use existing funds to expand overseas concessional sales of wheat, vegetable oil, feedgrains and other commodities.

I ask unanimous consent that both of the letters enunciating these policies be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, DC, July 14, 1998.

Hon. DAN GLICKMAN,
Secretary of Agriculture, Department of Agriculture, Washington, DC.

DEAR MR. SECRETARY: We have reviewed your July 7 letter to the Vice President, transmitting a draft bill to permit unobligated funds of the Export Enhancement Program to be utilized for food aid. We share your goals of enhancing U.S. producers' incomes through higher exports and augmenting our nation's ability to meet humanitarian needs throughout the world.

Without prejudice to your legislative proposal, we believe it may also be possible for you to take administrative actions, consistent with existing statutes, which will achieve many of the same purposes more expeditiously. We would like to share our reflections on this matter for your consideration.

The Commodity Credit Corporation Charter Act grants relatively broad powers to the Secretary to achieve stated purposes. These powers are not unlimited, but they do afford you considerable latitude of action.

In particular, Section 5 of the Charter Act instructs you to use the CCC's general powers for eight stated purposes. Among these are to "[p]rocure agricultural commodities for sale to . . . foreign governments, and domestic, foreign, or international relief . . . agencies . . ." Another priority is to "[e]xport or cause to be exported, or aid in the development of foreign markets for, agricultural commodities . . ."

The Charter Act's history suggests that these purposes may be achieved through programs and procedures that are similar to those which exist or have existed under other statutes. Thus, in the mid-1980s the EEP was operated for a time under Charter Act authority after the statute which then authorized EEP had lapsed.

We believe a fair reading of the Charter Act permits you to establish a program which would operate in the following manner. During a specified period (perhaps the last fiscal quarter as proposed in your draft bill), the Secretary could determine that all or part of funds authorized for EEP during that fiscal year would not be used. In this situation, the Secretary could authorize the use of CCC funds in an amount equal to the unused portion of EEP authority. The CCC funds would be utilized in a newly created Food Assistance and Market Development (FAMD), program.

The FAMD would be established under Charter Act authority to export agricultural commodities. CCC would purchase commodities at prevailing market prices for concessional sales to foreign buyers, whether public or private. The FAMD's terms and conditions would be similar but not identical to those for Title I of P.L. 480. Notably we would suggest that priority FAMD be given to market experiencing a temporary need for food aid because of macroeconomic or other problems, but likely to resume commercial purchases in future. Other priorities under the new program might be markets which have recently made political or economic reforms, as well as countries with which the U.S. has recently resumed diplomatic relations. It might be that repayment terms and grace periods would also differ from those under Title I, although all terms and conditions would need to be consistent with international norms for bona fide food aid. We intend these parameters to be descriptive rather than prescriptive, and acknowledge that you will want to tap the expertise of market development professionals in both USDA and the private sector in developing any new program.

We do note, though, that there is ample need for the American products which would be exported under this program. Title I funding has declined by roughly half in recent years. In correspondence which we earlier shared with you, U.S. producer groups identified potential non-emergency food assistance needs of about $150 million for wheat alone. Additional opportunities to assist developing countries and lay the groundwork for commercial relationships exist for vegetable oils, protein meals, feed grains, meats and other commodities.

In our judgment, you possess the authority to implement the program we have described. We will be happy to discuss further with you or officials of your Department the potential for moving quickly to assist needy populations and enhance U.S. farm exports.

Sincerely,

Dick Lugar, Pat Roberts, Larry E. Craig, Rick Santorum, Chuck Grassley, Mitch McConnell, Thad Cochran, Paul Coverdell, Jesse Helms.

U.S. SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, DC, July 13, 1998.

Hon. TRENT LOTT,
Majority Leader,
U.S. Senate, Washington, DC.

DEAR MR. LEADER: We write to share our thoughts about one important way Congress can safeguard the future of our nation's family farms.

The FAIR Act is providing income support to agricultural producers. Because of its system of direct transition payments, farmers in 1996-98 will have received $7.6 billion more in federal assistance then would have been the case under an extension of prior law. We will join you in resisting any changes to the FAIR Act's basic provisions.

To prosper, however, the agricultural industry requires sound macroeconomic, fiscal and trade policies. In our recent meeting with national farm leaders, all of us heard these producers advocate fast-track trade authority, the reform of economic sanctions and other forward-looking initiatives. We thank you for your leadership in these and other areas.

The farm leaders also praised S. 2078, the Farm and Ranch Risk Management Act, which Senator Grassley introduced and all the undersigned Senators support. The FARRM Act will allow producers to save a portion of their farm income on a tax-favored basis in an effort to smooth out volatile income streams and minimize the risks involved in farming. If farmers and ranchers had been able to avail themselves of such FARRM accounts in recent years, the impact of this year's lower commodity prices would have been significantly mitigated.

Under S. 2078, eligible producers may take a deduction of up to 20 percent of taxable net farm income for FARRM account use. Interest income earned from the account will be distributed (and taxable) annually. Withdrawals of principal from the FARRM account will be taxed as ordinary income in the year the withdrawals occur. Money cannot remain in a FARRM account more than five years.

Thus, the FARRM account is not a retirement plan but a risk-management tool. Revenues in farming and ranching are notoriously volatile. We need only look at the wide swings in commodity prices between 1996 and the present to see that farmers need a range of ways to manage variable prices. The FARRM Act will let producers set pre-tax money aside during good years and then use it during years of financial stress. The responsibility to manage the account will rest with the producer, who is best able to assess his or her individual financial situation in a given year.

S. 2078 is a bold and innovative proposal. We seek your assistance in securing fair consideration for this important legislation, and hope that if the Senate acts on major tax legislation this year, S. 2078 will be included in any such bill.

Thank you for your consideration.

Sincerely,

Chuck Grassley, Dick Lugar, Larry E. Craig, Thad Cochran, Pat Roberts, Paul Coverdell, Phil Gramm, Dirk Kempthorne, Chuck Hagel, Kit Bond.

Mr. LUGAR. Mr. President, Republicans will continue to press for prompt action on appropriate legislative vehicles. We will join our House colleagues on both sides of the aisle in asking for a vote this year on fast-track authority, and we want to proceed with all Senators to move ahead on IMF replenishment and reform. We are hopeful of seeing passage of sanctions reform legislation.

We are determined to create additional demand for American farm products and thus higher prices and hopefully higher income. We are working with farm groups all over the country for implementation of those portions of the farm bill which have led to the lowering of costs, so that the bottom line in terms of net income for farm families might be more positive.

I share the general feeling in this debate that these are stressful times for millions of people in farm country. We have to address that up front and soberly. In these comments this morning, Mr. President, I have tried to illustrate that I believe the general outline of the farm bill has led to more income, more cash in these 3 years for farmers, and will in the next 4; that we have great possibilities, given Freedom to Farm, to do things on our farms that are most profitable guided by market signals. And finally, we have our work cut out for us in the Senate in dealing with the strengthening of our foreign trade position and the demand that we must have.

Not long ago, I heard a lecture using this same general idea, that a third of our sales now go abroad—a third exported of our farm commodities and farm animals. The suggestion was, as a matter of fact, that already a third of the world trade that we were doing was with Asia. We had hoped for more expansion, and that seemed on the horizon, given the rise in Asian incomes prior to this year.

Most of that third of the Asian trade is gone temporarily. We may have some success with this sale in Pakistan, and I hope that we will. Certainly, we are active as a Nation in South Korea, and there are some possibilities for sales there. The Indonesian market for the time being is devastated, and likewise not too much from Thailand, from Malaysia, and from other countries that have been afflicted.

If you take away a third of the third of income that already was exported, that amounts to about one-ninth the demand for all that we do. It is no wonder that prices have fallen, but it should be a wonder if we do not act to market, to sell, to move this grain and this livestock by originating new policies that make a difference in world trade, where our bread and butter will come in agricultural America.

For these reasons, I hope Senators will reject the amendment before us dealing with the marketing loan fix. In my judgment, it will be expensive, with money we do not have, it will depress prices rather than lead to an increase, and it will give the impression that this is in any way even a partial solution when, in my judgment, it will be a strong step backwards.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am delighted the chairman of the Agriculture Committee, the distinguished Senator from Indiana, has had an opportunity to make the case against this amendment offered by the Democratic leader, by Senator HARKIN, and by others. It is just as clear to me as anything can be that the weight of the evidence is against the passage of this amendment by the Senate.

One other point that I do not think has been made enough is that the purpose of this legislation we are dealing with today is to appropriate money to fund the Department of Agriculture programs, the FDA, and CFTC as well. We are not here to really pass judgment on the legislative authority for the Department's expenditure of money. This amendment, offered by the Democratic leader, purports to and intends to rewrite legislative language that was approved by the Congress in the 1996 farm bill and was signed by the President and implemented through regulations and administrative actions by this administration.

Our committee has the responsibility of determining how much money is needed to carry out that farm bill and what authorities we have in law to spend the funds that have been allocated to our subcommittee under the budget. So our responsibilities are really limited by law. If we decided to start rewriting provisions of the farm bill of 1996, that would be a never-ending ordeal for the Senate to put itself through. For that reason, the Senate ought to reject this first amendment that seeks to start that process. This is the first amendment offered to this bill that seeks to rewrite legislative authority of the Department of Agriculture to administer a farm program. If we start down this road this morning on this amendment, it may never end.

Think about this. When we were writing the farm bill of 1996, we had the best information, advice, and counsel from experts on agriculture programs at our hearings in the Committee on Agriculture. The House went through the same exercise. The administration was actively involved. There was give and take. There was compromise. But, in the end, we developed a consensus of what ought to be done to put our country on a firm footing of legal authority for programs that would support agriculture. So the end product was the 1996 farm bill. If we start trying to undo it and rewrite it piecemeal, section by section, we are going to have the biggest mess on our hands you could ever dream of.

So the Senate ought today to vote for the motion to table, which I will make in due course, when time has expired or when all time is yielded back on this amendment. I hope the Senate will reject this amendment.

The PRESIDING OFFICER. Who seeks time?

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum and suggest the time should be charged equally between the proponents and opponents of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, how much time does this side have remaining?

The PRESIDING OFFICER. The Senator has 44 minutes 55 seconds.

Mr. HARKIN. I yield myself 20 minutes, to begin with.

The PRESIDING OFFICER. The Senator is recognized for 20 minutes.

Mr. HARKIN. I listened, of course with great interest and intent, to the comments by the distinguished chairman of the Agriculture Committee, my good friend from Indiana. I am privileged to serve as his ranking member on the Agriculture Committee.

I think, first of all I will just respond to that and also to the statement made by the chairman of the Agriculture Appropriations Subcommittee about, "My gosh, we passed the farm bill in 1996. Here we are, do we want to rewrite it?"—and all that kind of stuff—"We should not open it again right now. It's the third year we are in it."

The 1996 farm bill is not the Ten Commandments. It was not written in stone for all time. We have a crisis impending on us in agriculture. The bottom is falling out. Prices are going down every day. Are we so stuck in our ways here, are we so wedded to some ideology imprinted in the 1996 farm bill, that we cannot respond?

"Oh, I am sorry. We see you are losing your farms. We see the prices going down. But, I am sorry, we passed a bill here 3 years ago and we cannot touch it."

Again, we are not really opening up the farm bill. We are simply making one minor change. Loan rates were capped in the 1996 farm bill—capped, frozen; they are still there. We are not introducing something new into agricultural legislation. It is simply that a decision was made to cap them.

That is OK. That was OK for the last couple of years, because grain prices have been relatively high. But now when the bottom is falling out of the market for a variety of reasons, now is the time when farmers need a little bit of assistance. What kind of assistance? They need flexibility.

We hear a lot about that word, "flexibility." In the 1996 farm bill, it did give farmers flexibility in planting decisions. That was a good part of the 1996 farm bill, a concept that was supported by everyone. But how about flexibility for the farmer to be able to decide how to market their crops? That is what we are trying to do by raising the caps on the loan rates—to give the farmer the ability to harvest the crop, get a loan on that crop to pay the bills, and then be able to market that crop when the farmer feels it is most advantageous over the next 15 months. That is called flexibility, Mr. President, flexibility—to give the farmer some flexibility in marketing.

What I am hearing from the other side now is, "No, we don't want to give that farmer flexibility. We want to give the farmer flexibility in what to plant. But when it comes time to market, he is at the whims of the marketplace, of weather, of other countries and what they do, over which we have no control." That farmer is at the whims of the disastrous Asian economy. We cannot even give that farmer a little bit of support to give him the flexibility to market over 15 months? What nonsense. What utter, absolute nonsense.

Thousands of farm families are facing severe economic hardships. They are in danger of losing their livelihood, their life savings. Just yesterday, the Senate went on record with a sense-of-the-Senate resolution saying there is a great economic crisis in agriculture and calling for immediate action by Congress: 99 to nothing. Nice words on paper. But now, here is the first vote to implement that sense-of-the-Senate resolution that we passed yesterday.

We are for the first time trying to raise the caps on the loan rates to give the farmer the flexibility to market, and now we can't even give them that much. We can't even do this modest step. What did that sense-of-the-Senate resolution mean?

Mr. President, I offered that sense-of-the-Senate resolution along with Senator DASCHLE. It passed 99 to 0. I am wondering, if we can't even do this modest little step to help our farmers out, maybe we ought to recall that amendment. Maybe we ought to have another vote on it and this time vote it down. Why give all this flowery support that we are going to help agriculture? There is a problem out there and on the first vote, "I am sorry, the farm bill is written in stone; we can't touch it."

What we are proposing is a quite modest and reasonable response to try to prevent the farm situation from becoming any worse and to help turn it around. Quite frankly, I am a little embarrassed at the modesty of our proposal, but we thought in order to minimize any opposition, we would keep it limited. We are not proposing any radical changes in farm policy. We are not opening the floodgates of the Treasury. We have been very careful in that respect.

I must confess, if we cannot manage to adopt even this modest amendment today, it will speak volumes about the willingness of this body to respond to the dire situation in rural America that we just recognized yesterday in a sense-of-the-Senate resolution.

I underscore that the rural economic crisis is not the fault of America's farmers. We have a world situation where large supplies of commodities have combined with weakened demand, with a terribly depressed Southeast Asian economy that has driven commodity prices lower. In the last 2 years, farm level prices for corn, wheat and soybeans have declined 39 percent. Cattle prices are 20 percent below the level earlier this decade. Hog prices for the first half of 1998, are the lowest seen in 20 years. On top of that, numerous regions have experienced bad weather and crop diseases that have devastated our farmers.

As of yesterday, a farmer would receive a price of $2.50 a bushel for wheat at a country elevator in Dodge City, KS. At that price, the average Kansas farmer with about 350 acres of wheat in the ground right now will suffer a loss of more than $40,000 over his cost of production. And we are telling that farmer we can't do anything to help him?

With the average corn market price announced by USDA on July 10, the typical Iowa corn farmer will be losing more than 35 cents of every bushel of corn he markets, even considering the modest Government payment that he is going to receive under the 1996 farm bill.

Mr. President, 32 of 50 States have suffered declines in farm income in 1996 and 1997. Here it is, 32 of 50 States: North Dakota, 98 percent; Iowa, down 16 percent; New York, 44; Pennsylvania, 32 percent; Kentucky, down 29 percent; Tennessee, loss of 28 percent; Missouri, down 72 percent. That is what is happening. That is the loss in farm income, according to Dept. of Commerce figures. As I noted yesterday, Standard & Poor's Index for Wall Street has gone up 36 percent in the last year. Look what has happened in agriculture. And yet we can't do anything? Not even this modest, little increase in loan rates?

If the price estimates released July 10 by USDA hold up, lower corn and soybean prices will cause an additional loss of farm income in my State of Iowa alone of over $1 billion this year. That translates into 19,000 jobs in my State affected directly or indirectly by agriculture.

On a national basis, this year's crisis will strike a severe blow. USDA estimates suggest that 1998 farm income will fall below $50 billion, 13 percent lower than it was in 1996. With the season average corn and rice projections being lowered 6 percent in July, that number is going to fall even more. The $5.2 billion decline in farm income could translate into a loss of nearly 100,000 jobs in the agricultural sector and ag-related businesses.

Mr. President, 1998 total farm debt is estimated to amount to $172 billion, the highest level since 1985. For those of you who don't remember 1985, let me refresh your memory. That was the height of the farm crisis. From 1985 to about 1988, hundreds of thousands of farmers lost their farms in the United States. It devastated rural America. It took us, well, almost the next 10 years to climb out of it. Now that we are getting out of it, farmers are hit once more.

We are going to have a huge farm debt again this year. We are going to have another wave of farm foreclosures and farm losses. Families are losing the equity they have built up in their farms. Those who survived the 1980s and thought they had it made because they weathered the worst financial crisis in agriculture since the 1930s are on the edge and they are getting pushed off.

Farm families and communities are facing an emergency, and we in the Senate must act, as we have traditionally done when emergencies strike.

It is important that all Senators understand what our amendment does. It focuses on the level of the loan that a farmer can take out on farm commodities after harvest using the crop as collateral. This loan allows the farmer to pay the bills, as I said, and retain the crop for up to 15 months so they can market it in a flexible manner. It let's the farmer make the decision of when to sell rather than being forced to sell because the bills are due. You can think about this amendment as the "flexibility to market" amendment.

The formula has been around for a long time. As I said, there is nothing new about this. It is in the farm bill: 85 percent of the 5-year average, throwing out the high and the low years. That is the basic formula, 85 percent.

The distinguished Senator from Indiana went on at great length talking about how we don't want this loan rate set so that it will influence farmers to make their planting decisions, because if the loan rate is too high, then the farmer plants for the loan, not for the market.

I have three observations on that. First of all, this amendment only covers the 1999 Fiscal year. We re talking about crops that are already planted, for the most part. So how can a one-year amendment have any substantial influence on farmers' decisions about what to plant next year? I think perhaps people who have been speaking against the amendment don't understand that. It is only for one fiscal year.

Even assuming somehow psychologically it did because the farmer might say, "Well, I got that loan this year and if things remain bad next year, maybe they will do the same thing next year, so, therefore, I will make my planting decisions based upon that possibility" that is ridiculous in the extreme. Why? Because, first of all, this loan rate is only 85 percent of the last year 5-year average, throwing out the high and low years—85 percent. For corn right now, the farm bill cap is $1.89 a bushel. Our modest amendment would remove that rate, raise it to $2.19 for this crop year. Wheat right now is capped at $2.58 a bushel. Removing the cap would put the rate at about $3.22 a bushel. Both of those are way below the cost of production.

If you are a farmer, and you are making planting decisions based upon the loan rate, then what my friend from Indiana is saying is that the farmer is going to plant more corn to get a loan rate that is lower than his cost of production. It reminds me of the old joke, the old saw we always hear around my State about farmers. Someone asked the corn farmer how he expected prices to be? He said, "Well, I hope to at least break even because I need the money."

According to the Senator from Indiana, raising the loan rate to $2.19 would somehow encourage a corn farmer to plant corn. Nonsense. That is way below the cost of production and no farmer would ever do that. They are going to plant based upon what they think they can get in the market next year.

So those are two things. First of all, our raising the caps only apply to this upcoming fiscal year; secondly, there is no way that this modest raising of loan rates will in any way influence any farmer to plant for the loan. In no way would that do that.

And third, I must again remind our Senators and others that in agriculture—I do not know why we never learn the lesson of ag economics—a farmer has a fixed amount of land, he has fixed machinery, he has a lot of fixed input and equity costs. If prices drop, there are those who say, "Well, see, that will send a message to the farmer. If the prices go down, they will plant less of that crop next year." That is not so. Because when you have your fixed base and your fixed amount of land and your machinery, if prices go down, your first impulse is to get more production out of that unit of land. Maybe you will check on fertilizer prices. Maybe you will put on a little more fertilizer. Maybe you will put the rows a little closer together. Maybe you will do some other things. Maybe you will plant a little more on some land you did not want to plant on because you already have the machinery out there.

The marginal cost of production for an additional acre of corn, if you are already planting 500 or 1,000 acres of corn, that marginal cost of planting that extra 20 acres or 50 acres is minimal. Yet, if you can raise your production, well then, that will take care of the lower prices. But that feeds on itself.

I predicted 2 years ago, when the 1996 farm bill passed, that that is exactly what would happen: We would see increasing production. Hopefully, the price would stay up. But if other countries' economies went to pot—and we saw a couple years ago that it looked like that might happen—well, then, prices would drop. And how would farmers respond? They would plant more and produce more. And that is exactly what has happened—exactly what has happened.

We probably have a record production of soybeans this year, near record production of both wheat and corn. But somehow people just think that agriculture is just like making widgets. And it is not. It is a lot different.

This amendment is very modest—very modest. We are not proposing to change the 1996 farm bill in any way. As I said, this provision is in the 1996 farm bill. It is just capped. We are just raising the caps. We are not interfering with planting flexibility, for farmers to make their own decisions. In fact, we are enhancing the flexibility of farmers to market their commodities when it is advantageous for them to do so.

Then, I know we keep hearing the old refrain about keeping Government out of agriculture.

The PRESIDING OFFICER (Mr. GREGG). The Senator has used the 20 minutes yielded to him.

Mr. HARKIN. I yield myself another 10 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARKIN. So we hear the old refrain, get the Government out of agriculture; give the farmers more freedom. That is what this amendment does. If that is what you like, this amendment gives the farmers more freedom. I just ask my colleagues, what kind of freedom do they have in mind when they talk about giving farmers freedom? The freedom to be forced out of business by events beyond their control?

As I said yesterday, I read a comment in the newspaper by one of my colleagues here who said they wanted to give farmers more ability to manage their destiny. I said, I do not understand that. How can my corn farmer in Iowa manage El Nino? How can my soybean farmer in Iowa manage the disastrous Southeast Asian economy? How can our wheat farmers manage the subsidies that other governments give their wheat farmers to compete unfairly with us? How can those wheat farmers manage the disastrous scab disease that we have had in some of our northern Great Plains States? These are all events that are beyond their control.

Is this the kind of freedom that my colleagues have in mind for farmers? To be forced out by events beyond their control? The freedom to be forced to sell their crops at a loss because they cannot afford to hold onto them or get a decent loan to be able to market it when prices improve a little; is that the kind of freedom we have in mind? Is the freedom that my colleagues have in mind the freedom to struggle at poverty-level income while growing the food for our Nation? Is it the freedom for farmers to take less and less and less of the consumer dollar? Is that the kind of freedom they have in mind?

Well, we have heard a lot of arguments on this amendment. It has been claimed that farmers receive more money under the 1996 farm bill than they would have under the continuation of the 1990 farm bill. That is true for the last 2 years when commodity prices were high. You have to understand, in the 1996 farm bill we gave farmers all the planting flexibility, but there was this payment called the Agriculture Market Transition Act payment, AMTA payments, without any payment limitations. No matter what farm income was like, you got a paycheck. I always thought that was kind of ridiculous.

I had a farmer come up to me once in Iowa last year, after the previous year's crop, and he said, "Gee, I had one of the best years I have ever had. I had a great year, and I got a paycheck from the Government. What are you people thinking about?" See, I always thought that Government safety nets ought to be there when prices were low. If a farmer can make their money from the marketplace, that is the way it ought to be. But when there are events beyond their control, like bad weather and bad markets and interference by foreign governments, that is when the Government has to come in with a safety net.

The last couple of years farmers got Government payments. But for this year—when prices are in the tank—for wheat farmers they will have less income protection than they would have had under the 1990 farm bill. According to current USDA price estimates, per-bushel payments to wheat farmers would have been 40 percent higher under the 1990 farm bill than they are scheduled to be under the 1996 farm bill this year. That difference would amount to nearly $22,000 for a farmer with 1,000 acres of wheat.

One might infer that these farmers got these Government payments, and they could have taken these payments and sort of invested them and put them in the bank, so to speak, to get them through this year. Sounds nice. But is that really what happened? Hardly.

First of all, a lot of farmers were paying off builtup debt, No. 1. They used the payments for that. No. 2, what happened was, a lot of farmers who rent found that their landlords increased the rent. Why? Because the landlords knew the farmer was going to get this Government paycheck, knew exactly what he was going to get. So the landlords raised the price of rent. Consequently, a lot of farmers did not even see the Government payment that came out in the form of that cash payment under the 1996 farm bill. A lot of farmers did not even get that money. But I will tell you who did get the money. The big farmers. The larger the farmer you are, the bigger the check you got over the last couple of years. And the larger the farmer you are, the better able you are to go through periods of stress.

So it was all kind of screwed up. The bigger farmers got the most money over the last 2 years when prices were high. Now, when prices are low, our smaller farmers can't get enough help. The bigger farmers are able to get through it because they have more equity.

Now we are going to say we can't even modestly raise the loan rates? I don't know, but I would think wheat farmers out there who are suffering would say they could use the ability to market their wheat over the next 15 months rather than have to sell this fall. Right now, the wheat loan is $2.58 a bushel. We are just asking to raise it to $3.22 a bushel. That is not a lot of money, but it might be a little bit of help.

As I said, I think we checked the wheat in Dodge City, KS, yesterday—$2.50 and going down. The first of July, it was $2.64. Now it is down to $2.50 and going down every week. So our wheat farmers and our corn farmers need some help.

I talked about farmers getting less and less of the share. This chart shows the farm share of the retail beef dollar, going down all the time. So for every dollar, when you buy that steak or you buy that hamburger, the farmer is getting less and less from the dollar you spend for it. Here is the pork dollar. Every time you buy a pork loin roast or one of our delicious Iowa chops—if I can put in a plug for that—our pork farmers are getting less and less of that dollar you spend for pork.

Here is the wheat prices—farm-level wheat price. Here is when the Freedom to Farm bill was enacted. Here are the wheat prices, going down, over the last couple of years. Same thing for corn. Here we are coming up to Freedom to Farm; down it comes. So corn prices are going down, also.

There is a crisis out there. We are not talking about increasing consumer food costs or livestock feed costs, nor are we going to price the United States out of world markets. If the price of the commodity is below the loan rate, the farmer can sell at that lower price and repay the loan at the going market price. So the marketing loan does not prop up the U.S. price among world market prices. Hence, there is no adverse impact upon U.S. competitiveness because of this amendment.

Taking the cap off will help our farmers stay in business. The fact is, it may be the only thing that will keep them in business for another year.

Again, we have heard all these arguments, but for the life of me, I can't understand—I can't understand—why we on one day can say there is a crisis in agriculture, Congress has to respond, and 99 Senators vote for that; the next day, we want just a modest increase in the loan rates to help, and we can't do that? I hope that is not so. I hope we do this today.

Lastly, I heard the distinguished chairman of the Agriculture Committee talking about getting fast-track legislation through, as if somehow that is going to help prices this year. Even if fast track were to pass this year, it would take several years to conclude agricultural talks. I point out, the last Uruguay Round of multilateral talks took 7 years. Keep in mind, even if we got fast track through, that is not going to mean a darn thing for 3, 5, 6, 7 years. That will not help this year—not going to help a bit.

Second, the crisis is now, not 7 years from now. It is right now. Sometimes we have short memories around here. We talk about, yes, we will do all this stuff; we are going to get our trade going again.

The PRESIDING OFFICER. The time the Senator requested has expired.

Mr. HARKIN. How much time do I have left?

The PRESIDING OFFICER. The Senator has 14½ minutes.

Mr. HARKIN. I yield myself 2 additional minutes.

In addition, my colleague from Indiana worries about the potential implications for stocks from this amendment. World grain reserves right now, as a percentage of consumption, are at historically low levels. I believe the American people would be appalled to learn that our Government holds virtually no food in reserve to help us out if we ever have a widespread crop failure.

The chairman suggests that if the Government holds this grain, it stays over the market and depresses prices. Not if you have a government reserve withheld from the market—absolutely not true. But this concept of having a modest reserve is not a new idea. Someone said it began with the Roosevelt administration. This is a Roosevelt New Deal idea, to have a grain reserve, and, as such, we had to do away with it because it was a New Deal idea and we don't need all that stuff around anymore.

The concept of a grain reserve is as old as the Book of Genesis. Surely my colleagues remember the story of Joseph interpreting the dream of the pharaoh, that there would be 7 good years followed by 7 lean years and that food should be stored during the 7 good years to feed the people when the bad years came.

It was true at the time of Genesis and it is true today that we need some food set aside in this country and around the world to meet exigencies. For the life of me, I can't understand why people want to ignore history. We ignore it at our own peril. Ignore it, and we will lose more and more farmers, and we will see a day come when there will be panic because we will have those lean years and we won't have any food to help feed our hungry people.

I yield the floor.

Mr. COCHRAN. Mr. President, we are getting to the point where I think the Senate should seriously consider preparing for a vote on a motion to table this amendment. I know the time continues to exist on both sides, but I am hopeful we can yield back whatever time has not been used as soon as everybody who wants to talk has had a chance to talk.

We don't want to cut anybody off. I am not going to do that. I am just expressing the hope that if everybody has had their say on this amendment, and we have had arguments on both sides—we had a very strong, convincing argument by the distinguished Senator from Indiana, the chairman of the Senate Agriculture Committee; we have had discussions on the Democratic side by four Senators that I recall speaking in support of the amendment; Senator DASCHLE talked in support of the amendment yesterday when he offered the amendment—so I am hopeful that those who want to speak will come to the floor and speak on this amendment and then we will have a motion to table and a vote.

I think the time expires sometime a little after 2 o'clock. We had 3 hours on the amendment. That is just a request. I hope Senators will respond to that request so we can make progress to complete action on this bill today.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I inquire of the chairman, I understand we have one other Senator on this side who would like to come down and speak.

Mr. COCHRAN. We will be glad to accommodate that.

Mr. HARKIN. I want to inquire of the chairman—obviously it is well within his right to move to table—why can't we have an up-or-down vote?

Mr. COCHRAN. It is in the order. We negotiated that last night.

Mr. HARKIN. I thought perhaps the chairman might be willing to place this matter for an up or down vote, rather than vote on a motion to table.

Mr. COCHRAN. It was in the unanimous consent agreement. We can get the clerk to read it.

Mr. HARKIN. I am sorry if I am impeding the business of the Senate in raising this question.

Mr. COCHRAN. It was contemplated I would move to table the Daschle amendment. That is what the Democratic leader understood. We talked about it last night. It was in the order as entered last night—3 hours of debate on the amendment—and that is what we are operating under.

I want to remind everybody that it is my intention to move to table and to have a vote.

Mr. HARKIN. It is fully within the chairman's right to do that.

Mr. COCHRAN. It is not any reflection on anyone.

It is certainly not personal.

Mr. HARKIN. I understand that. I hope we have an up-or-down vote.

Mr. COCHRAN. Mr. President, I yield such time as he may consume to the distinguished Senator from Kansas, Mr. ROBERTS.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Mr. President, I thank my distinguished friend, the esteemed chairman of the Appropriations Subcommittee. Let me say how much I appreciate his perseverance and patience as we work to try to get what I think is a very good agriculture appropriations bill.

I made some remarks yesterday. I will not take up much time of the Senate to go over that again. But I do have some comments, more especially as to the criticism by those across the aisle in regard to the loan rate and in regard to the Daschle amendment which, I understand, is intended to be of help to the farmers and, more especially, the farmers in the northern plains who are going through a very difficult time.

Mr. President, we have heard that there is no longer a "safety-net" for America's farmers. Advocates of this position argue that we must extend marketing loans and remove the caps on loan rates. Based upon recent figures, it is estimated the loan rate for wheat would rise to $3.17 per bushel from its current level of $2.58. However, when you add the transition payments of 63 cents per bushel on the historical base that farmers are receiving for wheat, you have a new safety net of $3.21. We are told raising the loan cap will cost nearly $1.5 billion for one year. And, if we were to come back and make the increase permanent, we are told it would cost $3.5 billion to $4 billion over five years. Why should we approve amendments that will bust the budget when they provide a lower safety net than the current program?

Raising and extending loan rates will not improve prices and producer incomes. Extending the loan rate actually results in lower prices in the long-run. Extending the loan for six months simply gives producers another false hope for holding onto the remainder of last year's crop. Farmers will be holding onto a portion of the 1997 crop, while at the same time harvesting another bumper crop in 1998.

Thus, rolling over the loan rate actually increases the amount of wheat on the market and results in lower prices—not higher prices. Since excess stocks will continue to depress prices, will we then extend the rate again? It will become an endless cycle that will cost billions of dollars, and which will eventually lead to a return to planting requirements and set-aside acres in an attempt to control agricultural output and limit the budgetary effects. Where will we get the offsets the Senate and House will require?

Extending and raising loan rates will only serve to exacerbate the lack of storage associated with the transportation problems in middle America, because it simply causes farmers to hold onto their crops and fill elevator storage spaces. Kansas just harvested its second largest wheat crop in history and there are predictions of record corn and soybean crops in the fall. If we do not move the wheat crop now, it will create transportation problems in the fall that will surpass anything we experienced last year.

I feel it should also be mentioned that advocates of higher or extended loan rates argue that it will allow farmers to hold their crops until after the harvest when prices will rise. To those who advocate this position, I would point out that Kansas State University recently published a report which looked at the years 1981 through 1997 and compared farmers earnings if they held wheat in storage until mid-November versus selling at harvest. In all but five years, farmers ended up with a net loss as storage and interest costs exceeded the gains in price. Simply put, extending and raising the rates provides a false hope for higher profits that most often does not exist.

Mr. President, we must ask what is the purpose of loan rates? Are they intended to be a marketing clearing device or a price support? They cannot be both as the other side of the aisle would. And, if we set price at $3.17 it very well may become a ceiling on price.

Mr. President, raising loan rates is simply not the answer. We need to continue on course and continue to pursue the new trade markets and tax relief that farmers need. And, as I mentioned yesterday, I would remind my colleagues of the meeting 14 Senators had with 12 major farm organizations approximately one month ago. At the top of every organizations wish list was trade, trade, and more trade.

Mr. President, I mentioned yesterday that I like to think I have spent more time on the wagon tongue listening to our farmers than any Member of Congress. And, farmers tell me to leave loan rates alone. They want export markets opened. They want sanctions that shoot them in the foot removed. These are the policies we should be pursuing, not the policies of the past that put our farmers at a competitive disadvantage in the world market.

Mr. President, I ask unanimous consent that two articles, which fit within the restrictions of Senate rules, by Pro Farmer's Washington Bureau Chief Jim Wiesemeyer, be printed in the RECORD. One is regarding failed policies of the past, and the second one is regarding trade policy.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Inside Washington Today, June 18, 1998]

POPULIST DEMOCRATS AGAIN PUSH FAILED POLICIES OF THE PAST

(By Jim Wiesemeyer)

Saying "I told you so" to any lawmaker and any person or farmer who either voted for or pushed for the 1996 Freedom to Farm legislation, a group of decidedly populist Democrat senators on Wednesday railed at the omnibus farm policy contained in that legislation and said it was that measure and not trade problems which alone is the reason for slumbering U.S. commodity prices.

The group of naysayers to Freedom to Farm who showed up at a press briefing with very few answers to questions were: former House Speaker and very likely presidential candidate Rep. Dick Gephardt (D-Missouri), Senate Minority Leader Tom Daschle (D-S.D.), and Democrat Sens. Tom Harkin (Iowa), Paul Wellstone (Minnesota), Kent Conrad (N.D.), Tim Johnson (S.D.) and Byron Dorgan (N.D.).

What they said and didn't say: Headed by Daschle, the group squarely and wrongly laid the blame for the current farm price doldrums with the Freedom to Farm concept enacted into law in 1996 and signed by President Bill Clinton who did not receive a veto recommendation from his Secretary of Agriculture Dan Glickman.

Displaying price charts showing the decline in commodity prices since 1996, the lawmakers took turns "briefing" the Washington press corps (but very few took questions), claiming the 1996 Farm Act failed and they could all say "I told you so" to those who voted for the package.

"This was radical, extreme policy brought on by (House Majority Leader) Dick Armey (R-Tex.)," Gephardt charged. Others at the gathering quickly chimed in to say it was merely a "Republican farm bill."

Sen. Wellstone pledged an "all-out, full-court press" to get the following four main components of the group's plan enacted into law: dramatically increasing commodity loans rates and allowing 6-month loan extensions; addressing livestock concentration and requiring labels on imported meat; waiving of sanctions on agricultural trade; making indemnity payments to farmers.

Where's the proof? The senators cited dramatic downturns in farm income but based that on data from the Bureau of Economic Analysis (Commerce Department) regarding personal income derived from farming.

The group should have referred to a recently completed USDA analysis of spring wheat farms in the Plains states. That survey shows that in 1996, the average net cash farm income for these spring wheat farms was $37,500; in 1997 it was $14,500; and a projected 1998 net cash farm income of only $5,000.

The USDA info clearly shows pain, and a crisis for spring wheat producers in a specific area of the country. But as one USDA official told me this morning, "Do we have a crisis in U.S. agriculture today or a regional crisis, and if we do, what is the best way to deal with it?"

Certainly a blunt instrument of help would not be to jack up wheat loan rates to over $4 as proposed by Sen. Conrad.

Populist Democrat senators didn't note popular Freedom to Farm transition payments. USDA data show that for the 1996, 1997 and 1998 crops (combined), Freedom to Farm legislation will provide $7 billion to $8 billion in additional payments to farmers that would have been the case under the prior farm policy. Talk about indemnity payments!

Sure, if loan rates would not have been capped via the 1996 farm bill, there would have been a larger cash infusion this year especially for wheat producers, but certainly not the prior two years relative to those payments I previously mentioned, and when wheat prices were higher to much higher than current values.

I asked several USDA analysts to list reasons why U.S. commodity prices are lower. They listed the following two major reasons:

1. Lack of export growth.

2. Good grain crops around the world the last three years.

What does the above have to do with Freedom to Farm? Nothing.

Questions for the populist senators. While the senators didn't take much if any time to answer reporter questions, here are a few they should ponder:

Rep. Gephardt labeled Freedom to Farm legislation as a "radical extreme policy brought on by (House Majority Leader) Dick Armey" (R-Tex.).

Question: Since you will very likely run for president in the year 2000, why didn't you say that President Clinton should have vetoed the farm bill? Why didn't you say that USDA Secretary Glickman should have recommended a veto?

Another question: Rep. Gephardt in the 1985 farm bill debate, along what Sen. Harkins, pushed mandatory supply controls. That was soundly repudiated by Congress, which just so happened to be controlled at the time by Democrats. If there is one major aspect of Freedom to Farm that most non-dissident farmers love, it is the planting flexibility contained in that legislation. Do you agree?

Sen. Byron Dorgan said the group "didn't have the details" regarding their proposals and thus did not know the costs. "We're working on a number of things," Dorgan said.

Question: It would be costly, and not just in budget outlays, but in a return to failed farm policies of the past. Why don't you agree?

A specific question for Sen. Dorgan: You keep pushing for targeted farm program payments, having done so for what appears to be over 10 years. Some analysts told me to ask you, "What chances do you think of this happening? And are they simply to provide feel-good comments for the folks back home?"

Question to all Democrats: Many Democrats in Congress honestly say they are showing some fiscal discipline. But to propose major changes in farm policy without any budget assumptions runs counter with the previous goal. Question: What are the costs? And to the extent the agriculture committees boost spending on any of the Democrat senators' proposals means a budget offset would have to be found. What will be cut to pay for your proposals?

Sen. Harkin said that by just removing the loan cap on wheat, prices for wheat would be 25% higher than current levels and corn prices would be up 20% from their current level. Question: U.S. commodities are already having trouble competing in the export market, why do you think higher prices at this time would bode well for exports? And would this not also provide incentive for increased production for wheat and corn outside the United States, as was the case under prior U.S. farm policy when loan rates (not an income transfer tool) were set much higher than market-clearing levels? And, wouldn't such a scenario cause prices to eventually be lower than the track they currently are on?

Also, why wouldn't pushing prices far above market-clearing levels result in government-owned surplus wheat that no one wants and lead to calls for a return to an ever upward spiral of set-aside requirements to slow the growth in the mountain of government-owned grain? Usually the answer is, "Marketing loans will take care of that?" But that raises the question again: "At what cost?" And if marketing loans shouldered those significant costs, wouldn't they be seen as a subsidy by the rest of the world and completely undo many years of work on trade issues and renew the race toward subsidized production and subsidized exports worldwide?

What many farmers say are the big-ticket issues: Ask a group of farmers what their long-term issues and concerns are and you will surely find disagreement, but based on many conversations with this great industry, they boil down to the following three areas:

1. Taxes.

2. Environmental regulatory reform.

3. Trade issues (sanctions, denied market access, etc.).

To repeat, farmers in the Northern Plains are hurting and hurting bad. I met Wednesday with several North Dakota farmers at the Washington office of the National Farmers Union. It didn't take many testimonials to feel their pain. As for the reasons why, they centered on low yields, scab and drought—compounded by those events happening in successive years with a crop insurance program unable to cope with those events. Solution: fix crop insurance.

Is this just an aberration of bad luck? Or, should the United States come up with a regional assistance program rather than changing comprehensive U.S. farm policy?

Northern tier farmers need help, but they're certainly not going to get it based on the political-platform briefing the stated Democrat senators provided on June 17.

We asked USDA Secretary Glickman to comment on remarks the Democrat senators made Wednesday. Glickman said current farm policy needs some modifications to address low prices and growing problems in some regions.

"I think the best view is to not engage in recriminations, but to recognize that there are strengths and weaknesses in the Freedom to Farm legislation," Glickman said. "One of the weaknesses," he added, "is the inability of my office to respond when prices are weak and supplies are high. I think that Freedom to Farm needs some modifications to it, and we're working on it now."

Asked how much in payments farmers have received in the past several years under the Freedom to Farm compared to what would have been the case under the previous farm policy, Glickman replied, "Many billions (of dollars)—I can't tell you how much. (I've provided him the answer, above.) The first two years (of current farm policy), there was much more (paid to farmers via market transition payments) than (would have been the case) under the old program. This year, it's hard to tell, but I think in some of the crops it might be less."

Regarding current prices and global supply and demand, Glickman said grain supplies are high for a lot of reasons—Asian markets are weaker and higher U.S. dollar valuations have reduced exports, resulting in higher domestic supplies.

Also, Glickman said he lacks the marketing tools available to previous ag secretaries.

"I don't have the power to deal with the marketing of commodities in the way that prior (USDA) secretaries have had," Glickman stated. "I think those things need to be fixed."

Glickman pointed out that the lack of federal disaster programs for farmers and a crop insurance program that works better in some parts of the country and not so good in other regions as a difference in the tools he has available versus previous USDA chiefs.

"So, without any kind of intermediate assistance," Glickman concluded, "it makes it difficult to respond to certain conditions in some regions of the country that have been currently (adversely) affected."

Bottom line regarding the populist Democrat senators' proposals: A wise man once said that one form of insanity is doing the same thing over and over and expecting a different result.

[From Inside Washington Today, June 19, 1998]

FAST-TRACK APPROVAL PART OF TOP AG AGENDA

(By Jim Wiesemeyer)

What a difference a day and different senators make when it comes to the focus of U.S. agriculture and trade policy. Thursday we highlighted the drive by some Democrat farm-state senators to change U.S. farm policy to address the current very low price and income situation in parts of the country but especially the Northern Plains. Their plan focused on higher loan rates, extending commodity loans and making indemnity payments to producers.

By stark contrast, some Republican farm-state Senators Thursday morning met with 12 farm and commodity groups to prioritize the farm policy agenda. These lawmakers and farm group representatives did not recommend wholesale if any changes to the 1996 farm act. Instead, they focused on what can be done in trade and trade policy to keep U.S. agriculture products moving to overseas markets.

Republican senators huddle with farm commodity groups on priority agenda. In a meeting Thursday with major farm groups, the session concluded with the following list of priorities: Reauthorization of presidential fast-track trading authority; IMF funding and reforms; passage of sanctions reform legislation; Most Favored Nation (MFN) trading designation for China; stronger oversight on GMO and biotechnology negotiations; full funding for Sen. Dick Lugar's agricultural research bill; estate tax reform; and reform of the farm savings system.

Farm groups represented at the session: American Farm Bureau Federation; American Soybean Association; National Association of Wheat Growers; National Barley Growers Association; National Corn Growers Association; National Cattlemen's Beef Association; National Cotton Council of America; National Grain Sorghum Association; National Grange; National Oilseed Processors Association; National Pork Producers Council; and National Sunflower Association.

Senators participating in the agenda-setting confab: Majority Leader Trent Lott (R-Miss.); Senate Ag Committee Chairman Dick Lugar (R-Ind.); Senate Ag Appropriations Chairman Thad Cochran (R-Miss.); Pat Roberts (R-Kan.); Conrad Burns (R-Mont.); Larry Craig (R-Idaho); Craig Thomas (R-Wyo.); Rod Grams (R-Minn.); Chuck Grassley (R-Iowa); Dirk Kempthorne (R-Idaho); Chuck Hagel (R-Neb.); Wayne Allard (R-Colo.); and Mitch McConnell (R-Ky.).

What was said and wasn't said: "Farmers and ranchers tell us they don't want the government back in their back pockets," says Sen. Burns. "That means doing everything we can to open up markets to them and to provide more of the agricultural dollar to the producer level. We've also determined that while trade is very important, issues such as fast track are worthless unless the (Clinton) administration commits to sending trade negotiators abroad who are sensitive to the needs of agriculture."

Burns said that while income averaging and some estate tax relief has come for farmers, more still needs to be done.

Sen. Lugar says the group agreed that "the current debate should not be about changes to the 1996 Farm Bill, as some are proposing, but what can be done in this new farm environment to move ahead." The Senate ag panel chairman noted "there are some, even in the Senate, who are talking about supply management," a policy that Lugar labeled as "a defeatist, defensive policy."

Lugar was asked to comment on proposals unveiled Wednesday by a group of Democrat senators which included a call to raise loan rates and to make indemnity payments to farmers. "These would not be helpful," Lugar responded. "We've gone down that trail before. They led to an increase in supplies so that the price was depressed for years, not just a few months."

"Why people want to repeat history . . ." Lugar continued in his pointed comments regarding some Senate Democrats' farm policy proposals. "My own view," he said, "is that we would not change the loan rate, we should not extend the loan (term), we should not be sending indemnities out, we should not be sending massive amounts of money. We've got a good, solid farm policy."

Sen. Pat Roberts, the "father of Freedom to Farm" when he was House Ag Committee chairman, also responded to alternative farm policy proposals from a small group of Democrat senators. He said he would be the first one in line to back raising loan rates if that was a sound idea. Key word there is if.

The issue of loan rates, Roberts continued, comes down to a debate on the purpose of the loan program. "You have to have a policy judgment," Roberts stated. "Do you want the loan rate to be a market-clearing device, or an income protection device?" He noted that today, farmers are receiving "transition payments that are twice as much as they would have had under the previous (farm policy) program."

Roberts zeroed in on farm woes in the Northern Plains. He said a look at what is causing the trouble in this region shows: "Number one, you've had bad weather; "Number two, you've had wheat disease for six years; "Number three, you've got some real border problems with Canada; "Number four, (Northern Plains) cost of production is historically higher."

"There is a serious problem" in the Northern Plains, Roberts stressed. "But what is the answer?" he asked. He said a return to the failed policies of the past such as raising the loan rates "is a dead-end street."

Roberts signaled a possible assistance tool ahead for needy producers when he said he has talked to USDA Secretary Dan Glickman about credit issues such as getting loans on coming Freedom to Farm transition payments.

Sen. Chuck Hagel focused on getting the IMF funding package and fast-track negotiating authority as top priorities.

Hagel admitted that the House Republican leadership will have to be encouraged to bring these measures up for votes. But he quickly added, "Let's recall that all trade issues have been non-partisan," noting that he certainly hopes the situation remains that way.

Fast-track gets new life. One of the top agenda items Lugar and other senators mentioned was getting the administration fast-track trade negotiating authority. Consider the following recent developments:

Sen. Roberts said that while he can't and won't speak for House Speaker Newt Gingrich, discussions he's held with Gingrich indicate a plant to bring fast track to a vote in the House in September. Roberts says, "Why wait? Let's do it now!"

Gingrich, in an interview with CongressDaily earlier this week, confirmed that Congress will consider fast-track trade legislation sometime before adjourning this fall. He cited the ongoing Asian financial crisis as a reason to bolster the United States' trade position. He said renewing this authority to negotiate trade deals via fast track would be good for U.S. business, particularly agriculture.

House Ag Committee Chairman Bob Smith (R–Oregon) said he is waiting for a response from the Clinton administration to a previous proposal he made that he estimates could deliver up to 30 votes for fast track. That could be enough to pass the contentious trade measure.

Smith sent a letter last month to U.S. Trade Representative Charlene Barshefsky proposing the administration change authorizing language in the measure so the House and Senate Ag panels would have greater authority to review implementing agreements related to fast track. (In Beijing this week, Barshefsky welcomed Gingrich's call for a vote on fast-track trade legislation this year.)

"If they give me the go-ahead," Smith said he could "deliver the votes." Noting the fast-track measure was within around 10 votes of achieving House passage last year, Smith said his idea could help switch as many as 30 votes. He said his approach would allow members to "cross over and they could then go back home and answer the people who say that agriculture always gets traded out."

Sen. Grassley this week called on President Clinton to "back up his speech that he made in Geneva" on the importance of trade. He further called on Clinton to use "his power of persuasion" and the "power of the office" to muscle up support for fast track.

Sen. Bob Kerrey (D–Neb.) said that without the ability to negotiate trade deals and keep U.S. ag trade moving, "serious problems facing U.S. agriculture today are apt to get worse." He added that U.S. agriculture is relying heavily on "demand in foreign markets."

Bottom line: sooner or later in this town common sense prevails. Momentum for getting congressional approval of fast-track trade negotiating authority is growing. But in the past, fast-track proponents didn't keep the issue front-and-center. It looks like farm groups and others have learned some hard lessons. Frankly, I think fast track would have passed before if there would have been an actual vote on the floors of Congress (a minority viewpoint, for sure). Let's just hope a vote occurs this time, this year. We need to see the true Hall of Shame of those lawmakers who vote against authority to simply negotiate. Any trade agreement can be voted down. But not to give U.S. trade negotiators a chance can only be deemed for what it is: protectionism in disguise.

And if Rep. Smith gets his worthwhile proposal okayed, then farm-state lawmakers voting against fast-track would have a lot of fast explaining to do—to their agribusiness constituents.

The PRESIDING OFFICER. Who seeks recognition?

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time run equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I wanted to correct myself. I did look at the order that was entered. The Senator from Mississippi is right. The order was entered that there would be a motion to table. I did not think that was the case. I stand corrected.

Mr. President, I was still waiting for one Senator on our side to come and speak. So, again, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I yield the 5 minutes remaining to the distinguished Senator from Louisiana, and then I will use my leader time to close up the debate on this amendment.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Thank you, Mr. President. I thank our leader for yielding time to me.

I wanted to speak earlier for the record to give my distinguished colleague from Iowa some words from Louisiana. We talk a lot about the Midwest and the Northwest, and the difficulty that our farmers are experiencing, actually all over our country. And the South, Mr. President, is no different.

I had a very lengthy conference call with the leaders of many of our commodity groups. I am sorry to bring to this floor that the situation is fairly urgent in Louisiana. I am sure that is true in other places in the South. They are facing economic hardships, unparalleled in many instances. In fact, I asked Ken Methavin, one of our cotton producers from Natchitoches, LA, if he could describe the situation. He said, "Ms. LANDRIEU, there ain't nobody alive that has ever seen anything like this for a hundred years." We are experiencing in Louisiana a 100-year drought, and for us with usually an ample supply of water it is hard for me even to be able to speak here about the situation that the farmers are experiencing. It is very unusual.

Over the past 3 and a half months, our State has received virtually no measurable rainfall in the crop-growing regions of the State. As of this week, the average rainfall totaled 13 inches below our State average.

In addition to facing one of the worst droughts in our history, the State is experiencing very high temperatures, over 100 degrees. The combination has resulted in extensive damage to our corn crop.

Our soybean farmers, in addition, tell me that about a third of their crop will be in jeopardy.

Our dairy farmers continue to face not only the weather conditions—the lack of water and the high temperatures—but depressed prices are also driving many of them out of business. Milk production has decreased more than 50 percent, in addition, due to damaged pastureland.

Our cotton and rice farmers are also expecting to suffer from the drought. In addition, the Asian financial crisis, which has not yet completely hit, threatens to further complicate the situation.

Our forest production report is equally disturbing. We planted 100 million seedlings this last year and to date have lost over 50 million, and 15,000 acres of forest in Louisiana have burned, resulting in fire not to be compared to what is happening in Florida, but still a significant amount of acres has been lost.

In parish after parish, I am hearing nothing but grim news about the impact of the drought on depressed prices in some areas, and the extreme heat. I am told that even with crop insurance under the current Crop Insurance Program, many of our farmers will not be able to recoup any measurable portion of their input costs. Other farmers who are not eligible for crop insurance have no similar assistance at all to avail themselves of.

So I am pleased to be here today on the floor to join our leader, Senator DASCHLE, in his plea—his urgent plea—for this Congress to come together and to give appropriate assurance and appropriate measures to our farmers at this time. It is not enough, Mr. President, I don't think, to pass a sense of the Senate. What is appropriate is to give meaning to that resolution that we passed yesterday. We should have specific, concrete relief and a safety net for our farmers to get them through a difficult time and to realize that perhaps the laws that we have outlined are not perfect and could be improved with some changes that our leader has put forward.

So I am happy to join him today, and Senator HARKIN, to continue to fight and to support our farmers not only in Louisiana but around the Nation.

Thank you, and I yield the remainder of my time.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democrat leader.

Mr. DASCHLE. Mr. President, I thank the Senator from Louisiana for her excellent statement and appreciate very much her reflecting on the seriousness of the situation in Louisiana as well.

As I noted, Mr. President, I will use my leader time to finish the discussion of this amendment.

I think this poster probably says it as well as anything. The only thing I would call to everyone's attention is that when it says "rural S.D.," it could say "rural Louisiana," it could say "rural Illinois," or it could say "rural" any State in the country. "Ag slump threatens rural"—blank. For me, it is "rural S.D.".

The problems that we are having here that are outlined in these articles say it very well. Prices have dropped dramatically. Prices have dropped in corn, in wheat, sorghum, barley, soybeans—you name the commodity. Prices have plummeted. It is not just the grain, it is the livestock as well.

There is a statement here in the first part of the article by David Kranz, the Sioux Falls Argus Leader.

Mr. President, I ask unanimous consent that these articles, one by David Kranz of the Argus Leader, and the other by Kevin Woster of the Argus Leader, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Argus Leader, July 15, 1998]

AG SLUMP THREATENS RURAL S.D.—SMALL TOWNS VULNERABLE TO DOWNTURN

(By David Kranz)

As politicians scramble to prop up a flagging farm economy, South Dakota's small-town main streets are bracing for the financial ripples.

Cheap grain coupled with depressed livestock prices have farmers in an unusually tight economic clutch this summer. And some small businesses are already seeing the effects.

"We are seeing a major impact. It's all because of $2 corn and under—$5 beans and going lower. And you have $30 hogs and $50 cattle. I don't know if you could call it a depression, but it is awfully close to it," said Tom Reecy, owner of Reecy Farm Supply Co. in Dell Rapids.

Contributing to farmers' problems are weakened demands for agricultural imports and some prolonged periods of weather disasters and crop diseases. Some agriculture economists are predicting financial fallout as harsh as during the farm crisis of the mid-1980s.

Some small businesses, already struggling to survive economically, may lose the battle.

"Those (towns) that are detached from urban centers may have some problems. When a community becomes totally dependent on one industry, any blip on the graph will hit them more than your commuter towns," said James Satterlee, head of the Department of Rural Sociology at South Dakota State University.

Satterlee said many small towns have been reluctant to accept change and diversify their economies over the years.

Census reports show about 200 South Dakota communities are steadily losing population, and some of those will be vulnerable to another downturn in agriculture.

"If those towns have been diversifying, it won't be as severe. There will be less chance of impact because of something that happens with one particular product," Satterlee said.

Freeman is one South Dakota community largely dependent on the ag economy. The town is also watching its population continue to shrink.

Rita Becker closed her clothing store in Freeman in March because the store was no longer profitable. She now works on the farm with her husband, Rudy.

"When we talk with people in the business, ag prices are a part of it, but another part is that people just go elsewhere to shop. We are 50 miles away from Sioux Falls, but nowadays, 50 miles isn't a long ways to drive."

The current agricultural situation has Becker and her husband questioning the advantages of farming.

"We are in our mid-40s. We raise about 500 acres of beans and corn. Hearing my husband speak with his friends, they are discouraged. People have just had it. They have farmed all their lives and there is just no money in it," she said.

HARDWARE STORE HURTING

Down the street from where Becker once did business. Don Wipf is watching a decline in agriculture-based spending at the Coast-to-Coast hardware business his family has owned for 59 years.

"We have seen it coming for a couple of years. The farmers aren't spending money like they normally do. Sales are down. I think they are buying more nonnecessities," he said, "They notice it over at the grocery store, too. They are buying more of the cheaper cuts of meat these days."

Wipf says Freeman business people are worried about the future.

"Everybody is trying to come up with ways to keep the businesses we have. It is just generally tough for small towns. I wish we could come up with an answer. I'd be rich."

CENSUS NUMBERS DOWN, TOO

Things aren't much brighter in Redfield. This community, located between Aberdeen and Huron, is also losing population. The 1996 census update showed another 3.3 percent drop in population from the year before.

Rod Siegling owns the family's grocery store, Siegling Super Value, which has been operating in Redfield for 40 years.

TOUGHER IN BAD TIMES

He has seen the ups and downs that come with agricultural prosperity and decline, but says it is getting tougher to absorb the bad times.

"It hasn't had much of an effect yet, but it will come gradually. They will watch how they spend their dollar," he said.

Ironically, a drive through the countryside this summer can be deceiving, he said.

"The crops look good, but it isn't worth anything if you can't get a good price," he said.

Feed is Reecy's business and he has ridden the agriculture price roller coaster since 1973.

"It (the farm economy) has affected our total feed business very dramatically. Our major customer with 20 to 50 sows . . . They are just getting out," he said "That style of person is farming their farm land, looking to cash it out and look for another job."

The low prices don't reduce farmers' financial obligations, though, Reecy said.

"At the same time they all know their taxable valuation is going up. School cost is going to go higher. Those things have them very concerned."

Tim Clarke hears the talk from farmers about the pending economic predicament. He opened a farm equipment business last April in Howard.

"I am starting from scratch. I have nothing to compare with, but I sell smaller ticket items like live-stock-handling equipment and business has been good," Clark said.

TRYING TO STAY POSITIVE

Although he prefers to stay positive, he's also realistic.

"I try to ignore it (talk of the bad farm economy), Agriculture has always been cyclical. But if it (the downturn) is not brief, there will be nothing but tail lights in this part of the country."

[From the Argus Leader, July 15, 1998]

DEMOCRATS TURN UP HEAT ON FARM ACT

(By Kevin Woster)

South Dakota's two U.S. senators joined other Democrats on Tuesday in an increasingly pointed attack on Republican-inspired farm policy that critics claim has failed.

In an assault that Democrats hope can produce more congressional seats as well as better market prices. Sen. Tom Daschle said almost every major commodity has dropped in price since Congress in 1996 passed the Freedom to Farm Act.

That act is phasing out decades-old farm subsidies and production controls in favor of free-market, free-planting policies. It allows farmers to take better advantage of market highs but also leaves them more at risk during lows.

"We've seen some of the lowest prices in decades for months now," Daschle said during a teleconference with reporters across the nation. "We'll see a serious decline in farm prices for the foreseeable future unless something is done."

That something is included in a five-point relief plan presented Tuesday by Daschle. Sen. Tim Johnson and Democratic senators from Iowa, Minnesota and North Dakota.

The Democrats intend to offer the rural relief package as amendments to an agricultural appropriations bill. The Senate could vote on some parts of that proposal today.

On Tuesday night, the Senate approved an amendment by Daschle acknowledging that there is a crisis in farm prices and that it must be addressed. Daschle and other senators are scheduled to meet with President Clinton tonight to discuss the situation.

The center of the Democrats' package is a proposal to increase the rate and extend the repayment period for government marketing loans. Farmers can use the loans, based on a set price per bushel, to acquire operating cash. When prices rise, they can sell their grain for a batter price, repay the loans and have money left.

Other provisions would require large meatpackers to reveal more information about prices they pay for livestock, require labeling of imported beef and lamb, boost foreign-trade programs and create a $500 million fund for targeted disaster assistance.

Providing a higher loan rate and a longer repayment period—from the current nine months to 15 months—would give farmers more cash immediately and allow them more time to find better markets, Democrats said.

Critics complain about the cost, which Daschle said would be $1.6 billion a year. They also worry that the longer marketing period could allow grain stocks to build and actually depress prices.

"The buyers know that product is there. And it has to come to market sometime. It can't stay in the bins forever," said Kimball farmer Richard Ekstrum, past president of the South Dakota Farm Bureau.

The Farm Bureau supports the current farm bill, while the South Dakota Farmers Union has pushed for changes, including those advanced by the Democrats.

Ekstrum said he supports some portions of the Democrats plan, such as provisions aimed at improving foreign markets. He said market development is the long-term key to better prices.

Although raising the marketing loan rate might help boost prices for grain farmers, even that benefit creates negative impacts in the complicated world of agriculture, Ekstrum said.

"That loan rate has an impact on grain prices, which livestock producers have to purchase. And they already are in a very tight squeeze. If they have to pay more for grain, they might cut production," he said. "There's just no simple solutions."

Ekstrum said the depressed market prices re painful for farmers, but the entire outlook isn't bleak. Many farmers in South Dakota have promising fields of corn and soybeans, he said.

"It's not in the bin yet. But right now we have the potential for yields much, much above what is average. If you can produce more grain with the same inputs, that's always a positive thing," he said.

South Dakota's Republican congressman, Rep. John Thune, said he probably would support the loan-rate increase. He also might support the loan-repayment extension, although he worries about the potential effect of stockpiling more grain.

Either way, the Democratic plan faces a hard collision with Republican leaders intent on maintaining the new free-market, less-government approach to federal farm policy, Thune said.

"When you get outside of the Northern Plains states, they aren't experiencing the type of stress that we are, so it's a harder case to make," Thune said. "I certainly don't think there's any inclination there now to overhaul Freedom to Farm."

Supporters of current farm policy think the long-term answer is in new and expanded foreign agricultural markets, which will help boost market prices. The House moved Tuesday evening to help in that area by approving a companion bill to one already approved by the Senate exempting agricultural commodities from trade sanctions imposed against Pakistan and Indian.

Thune said work on foreign trade needs to be a national priority. But he said there might be ways to provide farmers and ranchers with needed assistance while maintaining the free-market approach.

He hopes to announce related proposals later this week.

Democrats said that without immediate action, Congress will fail rural America.

Sen. Byron Dorgan, D-N.D., said farmers in his state are experiencing a 98 percent drop in farm income in one year because of lower market prices, crop diseases and weather problems. Such severe financial pain deserves federal assistance, he said.

"It isn't a wind or tornado. It's not a flood. It's not a fire. It's not an earthquake. But it's every bit a disaster," Dorgan said.

Johnson said the Freedom to Farm concept, which phases out farm subsidies by 2002, amounted to giving farmers "five years of declining payments, then a pat on the back and good luck."

Johnson continues to push for meat labeling laws that would allow consumers to choose between U.S. and imported meats. He said that would help lift prices for U.S. livestock producers.

Mr. DASCHLE. Mr. President, I will quote from the article:

"We are seeing a major impact. It's all because of $2 corn and under $5 beans and going lower. And you have $30 hogs and $50 cattle. I don't know if you could call it a depression, but it is awfully close to it," said Tom Reecy, owner of Reecy Farm Supply Co. in Dell Rapids.

Contributing to farmers' problems are weakened demand for agricultural imports and some prolonged periods of weather disasters and crop diseases. Some agricultural economists are predicting financial fallout as harsh as during the farm crisis of the mid-1980s.

This isn't a Democratic Senator saying this. This isn't even a farmer saying this. What they are saying is that, because of these falling crop prices, you have got the owner of a very important business in Dell Rapids, SD, saying, "It's over." Its over unless we change what is happening out here today.

The article by Kevin Woster makes it very clear that the problem goes beyond—it is not on this chart—but it goes beyond Dell Rapids, SD. He talks about Redfield, a very important community in the northeastern part of our State. The 1996 census update showed a 3.3 percent drop in population in just that year. Rod Siegling owns the family grocery store, Siegling Super Value, which has been operating in Redfield for 40 years.

Mr. Siegling talks about the extraordinary reduction in the business in his store, in the article that I have already inserted in the RECORD. Why? Because prices are so low people can't afford to buy their groceries.

Mr. President, I have one other matter I would like to insert in the RECORD, and that is a letter sent to the chairman of the Senate Agriculture Committee by the Tripp County Board of Commissioners: Louis Polasky, Ray Petersek, Harold Whiting, Neil Farnsworth, and Marion G. Best.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TRIPP COUNTY
BOARD OF COMMISSIONERS,
Winner, SD, July 7, 1998.

Senator RICHARD LUGAR,
Chairman, U.S. Senate Agricultural Committee,
Senate Hart Building, Washington, DC.

DEAR SENATOR LUGAR: The Tripp County Commissioners are writing this letter to inform you as to the economic disaster involving the farmers and ranchers in Tripp County, South Dakota.

The county consists of approximately 700 farm and ranch families in a populas of 6,900. During the last decade, the devastating effect of low commodity and cattle prices have affected every household in the county. Commodity prices at the 1950 levels have continued the exodus of our youth to cities for jobs while the age of our farmers and ranchers average in the 60's.

Ever since the NAFTA and GATT agreements were entered into, the farm and ranch economy has plummeted. While trying to become more efficient, they cannot compete with the inflationary rate that the rest of the economy or businesses have placed on their products while receiving historical low prices!

While the large four packers have capitalized on the livestock market, the stock market moves up or down only to the pleasure of the traders' profit at the expense of the farmers and ranchers. Where else can a market move lower because it rains in Indiana or higher because Texas is dry!

It has, for these reasons and many others, become very important for the need of assistance to restore a safety net to grain and livestock producers! All our producers need are fair prices for both grain and livestock and the rural economy will heal itself! This crisis has escalated to the point where immediate help is needed. The rural outcry has become a deafening cry for help.

Sincerely,
TRIPP COUNTY COMMISSIONERS:
LOUIS POLASKY,
Chairman.
RAY PETERSEK.
HAROLD WHITING.
NEIL FARNSWORTH.
MARION G. BEST.

Mr. DASCHLE. I will simply read one paragraph:

> During the last decade, the devastating effect of low commodity and cattle prices has affected every household in the county. Commodity prices at the 1950 levels have contributed to the continuing exodus of our youth to cities for jobs while the age of our farmers and ranchers average in the 60s.

Yesterday, the Senate voted 99 to nothing simply to say, with bipartisan emphasis, we hear you. We understand. We know that when prices are this low, you are going to see the consequences as reported in these stories and this letter.

Today, we now offer our solutions. This amendment, the one upon which we will be voting briefly, lifts the cap on marketing loans and extends the loan term as one of the most consequential ways with which to respond immediately to the problem of low prices.

Why? Because we are giving farmers some flexibility to say, look, if the prices continue this way, I am going to take out a loan for at least 15 months to see if all of the other things they are doing out in Washington and throughout our agricultural economy will give me a better price later on.

That is what we are suggesting. Let's give our farmers the opportunity to obtain a better option in the short term. We are talking about farmers' ability to survive the 1 year that this amendment takes place. That is all it is, 1 year. We are not suggesting this be a permanent change to the legislation pending. We are simply saying the very survival of thousands of family farms depends upon whether we give them the tools right now.

For those who oppose this amendment, I would simply ask, What immediate action do they propose? What will they do to help farmers today?

We are all for trade. I don't know of a Senator who will come to the floor and say, "I oppose increasing trade." That is like saying I will oppose eating apple pie. We favor trade. We want to see our markets opened. And I might say parenthetically the fastest way to open them is to pass the funding of the International Monetary Fund so that we can open these markets and stabilize the economy.

So let me just describe again this first in a series of steps that we are proposing to deal with these prices. The amendment, again, that we will be voting on momentarily would eliminate the caps on marketing loans and set the new rate at 85 percent of the average price of the previous 5 years, and here is the key, "on an emergency basis." On an emergency basis, it would extend the marketing loan term from 9 months to 15 months under the same conditions.

I hope everyone will note the distinction between this amendment and earlier legislation to break the loan caps. In contrast to other marketing loan proposals, this measure only goes into effect in the case of an economic crisis. It gives the President discretionary authority to control extreme, persistent income loss by lifting the marketing loan caps and extending their terms in this year only.

Regardless of how my colleagues may feel about changes in permanent law, regardless of how they may have voted in the past, I really cannot imagine that anybody can say that for 1 year, under these circumstances, I am opposed to bumping up that loan that has to be paid back by the farmers, regardless of whatever concerns they might have. In every single case that I am aware of in talking to farmers around the country, they tell us that the single most effective thing we can do, the single most important thing we can do to affect price in the short term is what we are offering right now.

You can listen to some of our colleagues complain that this is an old solution. The fact is that this is the best solution, the best short-term emergency solution that we are aware can be proposed. It is supported by the National Wheat Growers, by the Barley Growers, by the American and National Corn Growers, and by a growing list of farmer organizations and farmers across this country who say, yes, with an exclamation point, pass this.

Combining the two provisions—the extension of the time and the moderate increase in the availability of the loan value—provides our farmers with increased market flexibility and a far better shot at surviving over the next 12 months. Adopting this proposal would result in loan rate increases, and we think price increases, for every single grain commodity. Wheat loan rates would increase 64 cents a bushel; corn loan rates would increase 36 cents a bushel; soybean rates would increase.

The flexibility contained in the new farm bill is great. Farmers get their signals from the market but not the Government. But they cannot be left without the marketing tools necessary to capitalize on the new free market. This is an opportunity to send a clear message to farmers in every State, every State where we can add "rural" in front. We understand the ag slump threatens rural States, rural South Dakota, rural North Dakota, rural Maine, rural California, rural Louisiana, and we are going to do something about it. We are going to offer this as our best opportunity to deal immediately with price, knowing how consequential this could be for every single farmer who is watching and listening and hoping that we understand. We can use all the rhetoric we want. The only way we are going to get this job done is to match our actions to our rhetoric. The rhetoric came yesterday. The actions now must come today, and they must start by increasing this loan rate.

I yield the floor.

Mr. COCHRAN. Mr. President, I think we have had a full and complete debate on the Senator's amendment. We have heard from Senators on both sides of the aisle. I am prepared to yield back any time that remains to this side on the amendment of the Senator from South Dakota, but before doing that I am happy to announce to the Senate that we have reached an agreement on both sides with respect to the amendments that will be in order to this bill and, following the disposition of the Daschle amendment, we will proceed to consider other amendments.

With the authority of the majority leader and with the permission and consent of the minority leader, I ask unanimous consent that during the consideration of the agriculture appropriations bill, the following be the only first-degree amendments in order, subject to relevant second-degree amendments, and following the disposition of the amendments, the bill be advanced to third reading and the Senate proceed immediately to Calendar No. 430, the House companion bill.

I further ask that all after the enacting clause be stricken, the text of the Senate bill as amended be inserted, the bill be advanced to third reading and passage occur, all without intervening action or debate.

Finally, I ask that the Senate insist on its amendment, request a conference with the House on the disagreeing votes, and the Chair be authorized to appoint conferees on the part of the Senate, and the Senate bill be placed back on the calendar.

I submit the list of amendments to be offered on both sides.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I ask unanimous consent the list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

AMENDMENTS TO AGRICULTURE APPROPRIATIONS

Craig—Bio-diesel.
Grassley—S.O.S. on farmers relief.
Grassley—S. 1269—Fast track.
Lugar—Sanctions.
McConnell—2nd degree place holder.
Hatch—Interstate distribution of meat.
DeWine—S.O.S. on asthma inhalers.
Kempthorne—Funding for secondary agriculture education programs.
Brownback—Limit length of agriculture census.
Coverdell—Ag. credit.
Coverdell—E coli.
Roberts—Nuclear nonproliferation.
Roberts—Nuclear nonproliferation.
Cochran—Managers amendment.
Cochran—Managers amendment.
Stevens—Relevant.
Santorum—Farmland preservation funding.
Brownback—Nine month waiver permanent sanctions—Pakistan/India.
Baucus—Research.
Baucus—Commodity loans.
Baucus—Research.
Baucus—Relevant.
Bryan—Market access program.
Bryan—Market access program.
Byrd—Relevant.
Byrd—Relevant.
Bumpers—Relevant.
Bumpers—Relevant.
Bumpers—Relevant.
Conrad—Emergency indemnity payments.
Conrad—Relevant.
Conrad—Relevant.
Daschle—Market loan rate (pending).
Daschle—CRP hay.
Daschle—Fund for Rural America.
Daschle—Price reporting.
Daschle—Conservation reserve.
Dodd—Waive sanctions food and medicine.
Dodd—FDA recall drugs and medical devices.
Dodd—Authorize experiment station research $.
Dorgan—Scab research.
Dorgan—Cost of production.
Dorgan—Sanctions.
Dorgan—Food for peace.
Dorgan—Fruits and veggies.
Durbin—Clinical pharmacology.
Durbin—National corn-to-ethanol.
Durbin—Meals on wheels.
Feingold—Small farms.
Feingold—Relevant.
Graham—Fires.
Graham—Country origin produce labeling.
Graham—$ Med fly.
Harkin—Relevant.
Harkin—WIC related.
Harkin—Food safety.
Harkin—Relevant.
Harkin—Relevant.
Harkin—Relevant.
Harkin—Bio containment.
Johnson—Meat labeling.
Kerrey—Mandatory price reporting pilot.
Kerrey—Economic research service study.
Leahy—Relevant.
Leahy—Relevant.
Levin—Fire blight.
Levin—Disability discrimination.
Mikulski—Relevant.
Mikulski—Relevant.
Robb—Remedy discrimination by USDA.

Mr. COCHRAN. Mr. President, I thank all Senators for their cooperation and assistance in reaching this point of the debate on the agriculture appropriations bill. I now yield back all time that remains on this side on the Daschle amendment.

I move to table the Daschle amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. INHOFE). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—56

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Campbell
Chafee
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Enzi
Faircloth
Feingold
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—43

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Feinstein
Ford
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Torricelli
Wellstone
Wyden

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3146) was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3155

(Purpose: To amend the Arms Export Control Act to provide waiver authority on certain sanctions applicable to India or Pakistan)

Mr. COCHRAN. Mr. President, on behalf of the Senator from Kansas, Mr. BROWNBACK, and other Senators, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for Mr. BROWNBACK, for himself, Mr. ROBERTS, Mr. HAGEL, Mr. GORTON and Mr. ROBB, proposes an amendment numbered 3155.

Mr. COCHRAN. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

TITLE ___—INDIA-PAKISTAN RELIEF ACT

SEC. ___01. SHORT TITLE.

This Act may be cited as the "India-Pakistan Relief Act of 1998".

SEC. ___02. WAIVER AUTHORITY.

(a) AUTHORITY.—The President may waive for a period not to exceed one year upon enactment of this Act with respect to India or Pakistan the application of any sanction or prohibition (or portion thereof) contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export Import Bank Act of 1945.

(b) EXCEPTION.—The authority provided in subsection (a) shall not apply to any restriction in section 102(b)(2) (B), (C), or (G) of the Arms Export Control Act.

(c) Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided*, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. ___03. CONSULTATION.

Prior to each exercise of the authority provided in section ___02, the President shall consult with the appropriate congressional committees.

SEC. ___04. REPORTING REQUIREMENT.

Not later than 30 days prior to the expiration of a one-year period described in section ___02, the Secretary of State shall submit a report to the appropriate congressional committees on economic and national security developments in India and Pakistan.

SEC. ___05. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

In this title, the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and the Committees on Appropriations of the House of Representatives and the Senate.

Mrs. FEINSTEIN. Mr. President, I rise today in support of the India-Pakistan Relief Act, which I am cosponsoring with my colleague from Kansas.

Even as we have implemented a strict regime of sanctions on India and Pakistan as called for by law, it is my belief that we must also look to the future and to creating the sort of environment which will allow the United

States to engage India and Pakistan in a positive relationship and to restore stability to South Asia.

To that end, this Amendment does something very simple, and something much needed. It is also something which I believe the great majority of this body supports.

The Amendment provides the President with the discretion to waive the application of any sanction or prohibition, for a period of 1 year. It contains an exception for those sanctions dealing with dual-use exports or military sales, which will remain off-limits.

Before the waiver authority is exercised, the President is required to consult with Congress.

And, prior to the expiration of the waiver authority granted in this Amendment, the Secretary of State must report to Congress on developments in India and Pakistan.

This last point is crucial. The waiver authority granted in this Amendment is limited to 1 year. Should India and Pakistan prove to be unwilling to resolve their differences—should the Secretary be unable to report on substantial and significant progress—this Amendment will sunset, and the current sanctions will go back into effect.

It is my belief that the President be given flexibility to use and shape sanctions as most appropriate to attempt to create a positive and constructive environment for the resolution of political and security problems in South Asia. Our current sanctions policy does not provide for that flexibility.

In fact, without this flexibility it is difficult to conceive how the United States can play a positive and constructive role in attempting to head off a potential nuclear arms race in South Asia or to restore stability to the region.

Indeed, the Administration currently has a high-level delegation, headed by Deputy Secretary Talbott, en route to the region to continue talks with India and Pakistan and to continue discussions on bringing the current crisis to a close.

Hopefully, this Amendment will send a positive signal to India and Pakistan that the United States is interested in working with them to resolve their problems, and will provide our negotiators with the leverage that they need if they are to have success in moving the process in a positive direction.

This Amendment structures U.S. policy to secure commitments from India and Pakistan to make real and meaningful progress in rolling back the current crisis, to settle their differences, and to bring peace to South Asia.

Although we do not spell out explicit conditions that India and Pakistan must meet in this Amendment, it is my hope and belief that the flexibility that this Amendment introduces will allow the Administration to work with India and Pakistan to take necessary actions to resolve their political and security differences, including ceasing any further nuclear tests; engaging in a high-level dialogue, putting confidence and security building measures in place; and, take steps to roll-back their nuclear programs and come into compliance with internationally accepted norms on the proliferation of weapons of mass destruction.

Indeed, my support of this Amendment lies, in part, in my belief that this is that path that India and Pakistan themselves have indicated that they would like to pursue.

Both India and Pakistan have made statements indicating that they will refrain from future testing. Both have indicated that they are prepared to consider joining the Comprehensive Test Ban Treaty. And, in a message to the Security Council on July 9, Secretary General Annan wrote that "I have been encouraged by indications from both sides of their readiness to enter into dialogue addressing peace and security matters and causes of tension, including Kashmir."

In South Asia today it appears to be too late to talk about preventing the capability of developing nuclear weapons. As I stated on this floor immediately following the first Indian nuclear test, the international community cannot successfully impose nonproliferation policies on South Asia. Ultimately, India and Pakistan must determine for themselves that their own interests are best served by ridding South Asia of weapons of mass destruction—and not by turning the region into a potential nuclear battleground.

The United States, however, must seek ways to work with India and Pakistan to help them reach that determination. It is my belief that this Amendment serves to structure our policies to make that outcome more likely. I urge my colleagues to join me in support of this Amendment.

Mr. HELMS. Mr. President, as has been made clear, this amendment is a version of a bill offered last week by Senators McCONNELL, BIDEN, and others. At that time, Senators felt pressure to lift sanctions on India and Pakistan, thereby precluding U.S. companies from participating in a significant wheat tender.

I understood the urgency, and I therefore supported my colleagues. On the question of sanctions in general, and sanctions on India and Pakistan in particular, however, several points need to be emphasized.

The sanctions tasks force appointed by the majority and minority leaders, as of last week's sanctions relief bill, had met twice at a staff level. No one saw the proposed bill language, which, as originally written, would have lifted not only economic, but also military and dual use sanctions on India and Pakistan for a period of nine months.

Mr. President, I believe the majority leader was serious in his desire to constitute a group of Senators who, after due deliberation, would make recommendations on sanctions. That did not happen. Instead, we have rushed forward, willy nilly, with bills and amendments that the Senate Foreign Relations Committee has not considered. Indeed, last week we were presented with language that even the members of the sanctions task force had not considered.

It is my firm belief that at any given time we have one Commander in Chief and one Secretary of State. I support the President's right to make decisions on foreign policy, even when I disagree with those decisions. I also agree that it is important that the President have some flexibility in making those decisions.

That is why I am willing to support a limited waiver on economic sanctions—economic sanctions only—for nine months for India and Pakistan—which I do with some reservations. I shall expand on this further at another time. Suffice it to say that I do not believe foreign aid, foreign loan guarantees or international bail outs are an "entitlement" to any nation.

Equally importantly, Mr. President, no nation deserves military hardware, services or dual use items capable of supporting military programs if and when that nation engages in conduct dangerous to the national security of the United States. I shall never support U.S. supercomputers going to help the Indian nuclear program or U.S. space technology supporting a South Asian missile program. The line must be drawn somewhere.

The bill presented to me last Thursday at 9:30 a.m., one hour prior to its consideration by the full Senate, would have allowed anything—munitions list items, aircraft, weapons, advanced weapons technology—to go to India or Pakistan. I refuse to believe that even those most ardent to appease big business could countenance a U.S. military relationship with a nation that just detonated a nuclear weapon.

Mr. President, sanctions have their downsides, and I am ready to address those downsides. What I am not willing to do is to permit Congress to rush headlong into approving legislation which would open the floodgates to the rogues of this world.

Mr. COCHRAN. Mr. President, the amendment deals with the sanctions against India and Pakistan. The amendment has been cleared on this side of the aisle. I understand that it has also been cleared on the other side. But I yield to my friend from Arkansas for any comments.

Mr. BUMPERS. Mr. President, this amendment has been cleared on this side of the aisle.

The PRESIDING OFFICER. Is there further debate?

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. I am sorry, I am not aware of the amendment the Senator from Mississippi is talking about.

The PRESIDING OFFICER. Is there further debate?

Mr. BUMPERS. Mr. President, I am told there are a couple questions on our side of the aisle. I regret that I announced earlier there was no objection on this side. Apparently, there are at least a couple questions. So if we could leave that amendment, set it aside in order to let Senator LUGAR go, then we will try to clear it between now and the end of that time.

The PRESIDING OFFICER. Is there objection?

Mr. COCHRAN. Mr. President, reserving the right to object, and I do not want to object and will not, maybe the thing to do is put in a quorum for a second or two and see exactly what the questions are. Maybe they can be answered. If not, then I agree with you, we will set it aside and go to another amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I think we are ready now to proceed to a vote on the Brownback amendment.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the vote.

The amendment (No. 3155) was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. BUMPERS. I move to lay it on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Indiana.

AMENDMENT NO. 3156

(Purpose: To provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions in order to ensure coordination of United States policy with respect to trade, security, and human rights.)

Mr. LUGAR. I send an amendment to the desk and ask for its immediate consideration.

The legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 3156.

Mr. LUGAR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. LUGAR. Mr. President, I rise to propose an amendment that seeks to improve the way Congress and the executive branch consider and impose unilateral economic sanctions on other countries and entities. There has been a dramatic rise in the number and variety of U.S. economic sanctions directed against other countries to achieve one or more foreign policy goals. More often than not they have not been successful. Despite this record, we continue to impose one new unilateral sanction after another. We typically do so without careful analysis of their effects on our interests and our values.

Because of this, I believe it is time we engage in a serious debate on the merits of using unilateral economic sanctions to accomplish foreign policy goals. That is the purpose of this amendment. My amendment is a modification of Senate bill S. 1413, the "Enhancement of Trade, Security, and Human Rights Through Sanctions Reform Act", or simply the Sanctions Policy Reform Act, which we introduced last November. The companion bill was introduced in the House at the same time. There are now 36 Senate cosponsors from both sides of the aisle.

Let me take a moment to note some of the important changes from Senate bill 1413 that are now in my proposed amendment. These changes were included to reflect discussions with the administration, with legal counsel of the Senate, with our colleagues in the House, and with others. First, we clarify in the amendment that our general sanctions guidelines, procedural requirements, analytical reports and sunset provisions pertain only to future sanctions. I underline that point. This amendment deals only with the future. It is not an amendment about sanctions past or sanctions present. We are talking about sanctions in the future and only unilateral sanctions imposed by the United States alone.

Our bill is totally prospective. We have eased some of the public notification requirements about the proposed new sanctions. We do not want the President to inadvertently alert a country targeted for sanctions to take steps to avoid our sanctions before they are imposed. If a country knows in advance that we intend to impose an asset freeze, for example, it would initiate moves to conceal, shift, or otherwise avoid our sanctions, thereby undermining their effectiveness.

We have strengthened the language in the bill against the use of food, medicine, and medical equipment as a tool of American foreign policy. As a guideline, we believe food should never be used this way except in cases of war or a threat to the security of the United States. We have also included language in the bill that permits a slowing down of the process in the Congress to help guarantee that information about proposed new sanctions is available to the Members prior to their voting on the floor.

There are other minor changes in reporting requirements and procedures.

The fundamental purpose of my amendment is to promote good governance through thoughtful deliberation on those proposals involving unilateral economic sanctions directed against other countries. My amendment lays out a set of guidelines and requirements for a careful and deliberative process in both branches of Government when considering new unilateral sanctions. It does not preclude the use of economic sanctions, nor does it change those sanctions already in force. It is based on the basic principle that if we improve the quality of our policy process and our public discourse, we can improve the quality of the policy itself.

This principle is familiar to us all. James Madison wrote eloquently in the Federalist Papers on the merits of slowing down the legislative process on important matters in order to achieve more careful, thoughtful deliberation and avoid the passions of the moment. This amendment is consistent with Madison's view. When we introduced Senate bill 1413 last fall, we did so because we believed that unilateral economic sanctions, when used as a tool of foreign policy, rarely achieved their goal, and frequently harmed the United States more than the target country against whom they were aimed.

The imposition of unilateral sanctions may help create a sense of urgency to help resolve a problem, but it often creates new problems, many of which may be unintended. In some cases, unilateral sanctions may be counterproductive to our interests.

Over the past several years, there has been a growing interest in the practice of unilateral economic sanctions as a tool of American foreign policy. Numerous studies have been conducted by think tanks, trade groups, the business communities, the U.S. Government, and foreign governments. These studies reached similar conclusions that unilateral economic sanctions that are utilized to achieve foreign policy objectives rarely succeed in doing so.

They further conclude that unilateral economic sanctions seldom help those we seek to assist, that they often penalize the United States more than the target country, and that they may weaken our international competitiveness and our economic security. The studies also show that unilateral economic sanctions have increasingly become a foreign policy of first choice, even when other policy alternatives exist.

Because of these studies, data on the use of sanctions are becoming familiar. According to Under Secretary of State, Eisenstat in testimony before the House International Relations Committee, the United States has applied sanctions 115 times since World War I and 104 times since the end of World War II. Nearly one third of the sanctions applied over the last 80 years have been imposed in just the past 4 years.

There are now dozens of new proposals before the Congress that would tighten or impose sanctions on one or more countries, many of whom are our friends or our allies. There are other sanctions pending at the State and local level directed at nearly 20 countries.

The 1997 Report of the President's Export Council on U.S. Unilateral Economic Sanctions, for example, cited 75 countries representing more than half the world's population, that have been subject to or threatened by U.S. unilateral sanctions. The application of new sanctions in the past 2 years have increased this global percentage to nearly 70 percent of the world's population affected or threatened by one or more U.S. sanctions.

These sanctions are not cost-free. They are easy to impose because they appear to be cost-free and are almost always preferable to the use of force or to doing nothing, but they have many unintended victims—the poor in the target countries, American companies, American labor, American consumers, and, quite frankly, American foreign policy. One cost estimate put the income loss to the American economy from economic sanctions at between $15 billion and $19 billion, while impacting more than 150,000 jobs in 1995 alone. Magnify this over time, and the economic and foreign policy costs to the United States become enormous. These sanctions weaken our international competitiveness, lower our global market share, abandon our established markets to others and jeopardize billions in export earnings—the key to our economic growth. They may also impair our ability to provide humanitarian assistance. They sometimes anger our friends and call our international leadership into question.

Someone compared the use of unilateral economic sanctions in foreign policy to the use of carpet bombing in warfare. He noted that both tactics are indiscriminate and fail to distinguish between innocent and guilty victims. Those who are well-off financially, entrenched politically, or responsible for foreign policy actions we oppose, are those who tend to be least affected by unilateral sanctions. The point is that unilateral sanctions are blunt instruments of foreign policy that are too readily employed against foreign targets, even when other persuasive instruments of foreign policy may be available.

The statute regulating our actions against India's and Pakistan's behavior, for example, is unusually inflexible and limits our options to develop solutions that work in South Asia. Our punitive sanctions, however meritorious they may be, do not help us achieve cooperation with either country in coping with regional and global problems; nor do they promote essential American goals of democracy, human rights, religious freedom, or other values we would like to see in both countries. Indeed, these particular sanctions could inadvertently serve to destabilize an already unsteady situation in Pakistan—a nuclear Pakistan—which would not be in anybody's interest.

Mr. President, my amendment does not prohibit sanctions. There will always be situations in which the actions of other countries are so outrageous or so threatening to the United States that some response by the United States, short of the use of military force, is needed and justified. In these instances, sanctions can be helpful in getting the attention of another country, in showing U.S. determination to change behaviors we find objectionable, or in stimulating a search for creative solutions to difficult foreign policy problems.

Indeed, many unilateral sanctions are intended to achieve very laudable foreign policy goals—human rights improvements, the non-proliferation of weapons of mass destruction, stemming the flow of international narcotics, countering terrorism, prohibiting child labor, and others. These goals are worthy foreign policy objectives. Unfortunately, unilateral economic sanctions are not effective tools for advancing these objectives or our interests. They may, in some cases, undermine them. In the end, they typically inflict punishment on the American people or on the most vulnerable populations in the country against whom the sanctions are directed.

Mr. President, if we use unilateral economic sanctions to advance our foreign policy, we must be more sparing in their use, we must improve the process by which we consider international sanctions, and find ways to increase their effectiveness once they are implemented.

My amendment proposes to do that by improving the way we consider unilateral sanctions in both branches of the government. It is a modest amendment. It applies to a very limited class of sanctions which are unilateral in scope and which are intended to accomplish one or more foreign policy objectives.

My amendment excludes those trade remedies and other trade sanctions imposed because of market access restrictions, unfair trade practices and violations of U.S. commercial or trade laws. It excludes those multilateral sanctions regimes in which the U.S. participates, when other participating countries are imposing substantially equivalent sanctions and taking their burden. Our legislation is prospective and would not change, amend or eliminate existing U.S. sanctions, although I believe they should be reviewed as well. The Sanctions Task Force set up by the Senate leadership is undertaking that review. Finally, the amendment does not pertain to state and local sanctions intended to achieve foreign policy goals. It deals simply with those of the Federal Government.

To help achieve a more deliberative policy process, the bill establishes procedural guidelines and informational requirements before unilateral economic sanctions are considered by the Congress or the President. My amendment provides that any unilateral economic sanction proposed in the Congress or by the President should conform to certain guidelines. These should include:

clearly defined foreign policy or national security goals;

contract sanctity;

Presidential authority to adjust or waive the sanctions if he determines it is in the national interest to do so;

narrowly targeted sanction on the offending party or parties;

expand export promotion if our sanctions adversely affect a major export market of American farmers;

efforts to minimize the negative impact on humanitarian activities in targeted countries; and

a sunset provision to terminate new sanctions 2 years after they are imposed, unless reauthorized.

The amendment includes provisions to fully inform members of the proposed sanctions and requires new sanctions be consistent with these guidelines. It also mandates that all proposed new unilateral sanctions include reports from the President which assess the following:

the likelihood that the proposed sanctions will achieve the stated foreign policy objective;

the impact of the sanctions on humanitarian activities in affected countries;

the likely effects on our friends and allies and on related national security and foreign policy interests;

any diplomatic steps already undertaken to achieve the specified foreign policy goals;

the prospects for multilateral cooperation and comparable efforts, if any, by other countries to impose sanctions; against target country;

prospects for retaliation against the U.S. and against our agriculture interests;

an assessment as to whether the benefits of achieving the stated foreign policy goals outweigh any likely foreign policy, national security or economic costs to the U.S.; and

a report on the effects the sanctions are likely to have on the U.S. agricultural exports and on the reputation of U.S. farmers as reliable suppliers.

I include that section, Mr. President, because agricultural exports are usually the first hit in retaliation. This is the area in which our Nation does best and has, by far, the largest surplus. Therefore, this is of special importance to the American agricultural producers that are the focus of our attention today in this appropriations bill.

A separate section includes similar analytical requirements for any new sanctions the President considers. These include those sanctions imposed by executive order under the International Emergency Economic Powers Act (IEEPA). These requirements must be shared with the Congress before imposing new sanctions. However, the bill allows the President to waive most of these requirements if he must act swiftly and if the challenge we confront is an emergency. The requirements on the President are as rigorous as those on the Congress.

Finally, my amendment establishes an inter-agency Sanctions Review Committee to include all relevant agencies in the executive branch in order to coordinate U.S. policy on sanctions.

If unilateral sanctions are approved and implemented, the amendment requires annual reporting on their economic costs and benefits to the United State and any progress they are having on achieving the stated foreign policy goals.

There would also be a sunset provision in each new sanction that would terminate new sanctions after two years unless they are re-authorized by the Congress or the President.

The agriculture provision merits special comment because it singles out American farmers and ranchers whose exports are especially vulnerable to retaliation and whose products are most easily substituted by foreign competitors. American agriculture is heavily dependent on exports. About a third of all of our sales from the farms of this country are in the export trade. Last year, American agriculture contributed a net $22 billion surplus to our balance of trade, more than any other sector. Economic sanctions can have a serious long-term adverse impact on American agriculture. My amendment provides authority to compensate for lost exports through agriculture export assistance permitted under current statutes and agreements. No new appropriations would be required.

To protect American agriculture, my amendment defines humanitarian assistance to include all food aid provided by the Department of Agriculture for the purchase or provision of food or other agricultural commodities. As such they would be exempt from sanctions other than in response to national security threats, where multilateral sanctions are in place, or if we are engaged in an armed conflict.

I have focused many of my remarks on the economic and trade consequences of unilateral sanctions because they are more easily measured. But, the use of sanctions also raises a fundamental question about the effects of unilateral sanctions on the conduct of American foreign policy. Can we further our national interests and promote our values as a nation through the use of unilateral sanctions which distance ourselves from the challenges we face, or can we better accomplish our purposes by staying engaged in the world and keeping our options open to solutions? The answer is not always black and white because sanctions can sometimes be an appropriate foreign policy tool.

On balance, I believe American interests are better advanced through engagement and active leadership that afford us an opportunity to influence events that threaten our interests.

In some cases, unilateral sanctions restrict our ability to take advantage of changes in other countries because trade embargoes impose a heavy bias against dialogue and exchange. Unilateral sanctions may create tensions with friends and allies—including democratic countries—that jeopardize cooperation in achieving other foreign policy and priorities, including multilateral cooperation on the sanctions themselves.

U.S. leadership and American values are better promoted through our presence abroad, the knowledge we share and impart, and the contacts we make and sustain. Many countries want to be exposed to our values and ideas if they are not imposed. The lessons of the free market and democratic values are learned more easily when they are experienced first hand, not as abstractions from a distance and not behind artificial barriers imposed by unilateral sanctions.

Let me suggest a number of fundamental principles that I believe should shape our approach to unilateral economic sanctions: Unilateral economic sanctions should not be the policy of first resort. To the extent possible, other means of persuasion and influence ought to be exhausted first;

If harm is to be done or is intended, we must follow the cardinal principle that we plan to harm our adversary more than we harm ourselves; when possible, multilateral economic sanctions and international cooperation are preferable to unilateral sanctions and are more likely to succeed, even though they may be more difficult to obtain; we should secure the cooperation of the major trading and investing countries as well as the principal frontline states if economic sanctions are to be successful; and we ought to avoid double standards and be as consistent as possible in the application of our sanctions policy.

To the extent possible, we ought to avoid disproportionate harm to the civilian population. We should avoid the use of food as a weapon of foreign policy and we should permit humanitarian assistance programs to function; our foreign policy goals ought to be clear, specific and achievable within a reasonable period of time; we ought to keep to a minimum the adverse affects of our sanctions on our friends and allies; we should keep in mind that unilateral sanctions can cause adverse consequences that may be more problematic than the actions that prompted the sanctions—a regime collapse, a humanitarian disaster, a mass exodus of people, or more repression and isolation in the target country, for example; we should explore options for solving problems through dialogue, public diplomacy, and positive inducements or rewards; and the President of the United States should always have options that include both sticks and carrots that can be adjusted according to circumstance and nuance; the Congress should be vigilant by insuring that his options are consistent with Congressional intent and the law.

In those cases where we cannot build multilateral cooperation and where our core interests or core values are at risk, we must, of course, consider acting unilaterally. Our actions must be part of an overall coherent and coordinated foreign policy that is coupled with diplomacy and consistent with our international obligations and objectives. We should have a reasonable expectation that our unilateral actions will not cause more collateral damage to ourselves or to our friends than the problem they are designed to correct.

Mr. President, the United States should never abandon its leadership role in the world nor forsake the basic values we cherish in the pursuit of our foreign policy. We must ask, however, whether we are always able to change the actions of other countries whose behavior we find disagreeable or threatening. If we are able to influence those actions, we need to ponder how best to proceed. In my judgment, unilateral economic sanctions will not always be the best answer. But, if they are the answer, they should be structured so that they do as little harm as possible to ourselves and to our overall global interests. By improving upon our procedures and the quality and timeliness of our information when considering new sanctions, I believe we can make that possible. We should know about the cost and benefits of proposed new sanctions before we consider them. That is the intent of my amendment.

I ask that all Members look closely at my amendment and hope you will agree that it is good governance amendment that will help improve the quality and conduct of American foreign policy.

Mr. President, I will conclude by pointing out that a bipartisan sanctions task force has been appointed by the leadership of this body. That task force has met. I look forward to making a contribution to the work of that group.

Mr. President, as I mentioned earlier in the debate today, I visited with the presidents of the 50 farm bureaus in our country. I visited with them because they are concerned about the farm prices that we have been talking about, and I am concerned as well. Very clearly, the farm organizations of our country have a strong and clear agenda, to which I subscribe. They believe that we must pass fast track authority for the President, that we need reform of the IMF and replenish those funds, and that we must have sanctions reform.

The American Farm Bureau has been a strong contributing member to the U.S.A. Engage movement, which now includes 675 American companies who are involved in exporting. The American Farm Bureau and these American companies are companies who say, first of all, that sanctions have to remain a part of our foreign policy apparatus; that unilateral sanctions, those imposed by ourselves, usually fail and usually cause more harm upon us than upon the target countries; that on occasion we may be so outraged that we may be prepared to accept that cost, understanding that the harm to our jobs and our income will be greater than that which we have fostered. But, Mr. President, the farmers of America and their organizations are crying out in this legislation for attention.

I argued on the last amendment that our best policy in this country was to sell grain, to sell livestock—not to store it. I think that is the issue, Mr. President. But if we are to be credible with regard to the export side, farmers and farm groups are saying, "You must reform. You must do more." And I agree with that.

That is why I offered this amendment on the appropriations bill for agriculture, because it is a passionate cry by our farmers to take this concrete action to give some hope that their concerns are being addressed, that, in fact, we are going to move exports, and are going to do so because we are beginning to think more carefully here in this body about what we are doing.

To reiterate the bidding, Mr. President, before unilateral sanctions alone are imposed, there has to be a purpose stated for why we are doing them. And criteria and benchmarks that would show the degree to which we have been successful in interim reports, and an assessment of the cost to American jobs and the lost income. I mentioned $20 billion of lost income in a year and 150,000 jobs. These are not inconsequential. Debates occur on this floor frequently over 100 jobs or 1,000 jobs. I am asking that to consider very carefully these cost implications before we adopt another unilateral sanction. And finally, I am saying that after 2 years there should be a sunset provision. The sanction ends at that point, unless it is authorized again by the Congress or by the President for valid foreign policy reasons. These sanctions go on forever. This amendment is prospective. It deals with the future. I hope the sanctions task force set up by the leadership will deal with the present and past sanctions.

Mr. President, I ask for careful consideration by this body of my amendment. I am hopeful it will be a strong plank in this appropriations bill.

I thank the Chair.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Madam President, I rise in respectful opposition to some of the implications of the amendment offered by my good friend, the distinguished Senator from Indiana, Mr. LUGAR. Now, we all know that sanctions have come under assault of late. It is the politically correct thing to do amidst Senator LUGAR's and my friends in the business community. And I think neither Senator LUGAR nor I has failed to stand up for the free enterprise system and the business community when the community deserved to be supported, which is most of the time.

Nevertheless, there are some powerful corporate interests in this town which have launched a well-financed lobbying campaign against sanctions, all sanctions, in an obvious attempt to convince Congress that all sorts of unreasonable sanction laws have been presented and that these sanctions are something new and unusual and somehow detrimental to the best interests of this country.

On that point I beg to differ. The fact is, as an effective and principled foreign policy tool economic sanctions are older than this Republic itself. What did the American colonies do in response to Britain's imposition of the Stamp Act? The American colonies imposed economic sanctions forcing its repeal as a matter of fact. What did the Continental Congress do when Britain imposed the Intolerable Acts? The Continental Congress imposed economic sanctions on Britain.

Why has Congress always authorized sanctions when needed? This is a question that is worth reviewing, and that is what I propose to do briefly, if it may be possible. Amazingly, some in the business community, and they have always been and will continue to be close friends of mine, have jumped to the conclusion on the recent events in India and Pakistan to pursue their attacks on the U.S. bilateral sanctions. But it is precisely those events in India and Pakistan, the decision by these governments to detonate a dozen separate nuclear weapons, that should heighten our resolve to enforce tough sanctions against governments that seek to destabilize the world.

The fact is, in that instance, Madam President, I believe, and I believe I can demonstrate, that India detonated its devices because of India's fear that the United States was coddling China and bidding friendship for China that ought not to be a part of the foreign policy of this country.

Now, just weeks ago the Senate passed the Iran Missile Proliferation Sanctions Act by an overwhelming vote of 90 to 4. Why did we do that? In order to place a cost on the specific companies for transferring dangerous missile technology to a terrorist regime in Iran which will use that technology to destabilize the entire Persian Gulf region.

Now, we authorize the President to sanction states and foreign companies that threaten the safety of the American people by spreading nuclear, chemical, and biological weapons of mass destruction. We authorize sanctions on states, and when I say the word "states," I mean governments, foreign governments, which provide training, weapons and political or financial and diplomatic support to terrorists who kidnap and murder American citizens. We authorize sanctions on governments involved in the smuggling and transshipment of illegal drugs that poison our children. We authorize sanctions on governments that commit acts of genocide and armed aggression against their neighbors and crimes against humanity.

The question must be faced: Are we unreasonable in doing this? Should we be ashamed? I do not think so. Obviously, sanctions are not always the answer. I do not contend that they are, but we cannot escape the fact that sometimes they are the only answer.

I think we better face the facts. There are only three basic tools in foreign policy. There is diplomacy, sanctions, and war. Without sanctions, where would we be? Our options with the dictators and proliferators and terrorists of this world would be three: empty talk, sending in the Marines, or withdrawing into isolation. And I for one am not willing to place such artificial limits on our foreign policy options.

But this is exactly, I fear, what the pending amendment proposes to do. Perhaps the Senator from Indiana can persuade me and the remainder, the rest of the Senate that that is not intended and at least make some statements for the RECORD that can be viewed in the future.

In practice, this amendment is not about sanctions reform as it states. It is an obvious attempt by opponents of sanctions and the business community to hamstring Congress' ability to authorize sanctions. The proposed amendment would tie the Congress' hands with mandatory waiting periods for the implementation of all sanctions, require mandatory sunsets on all future sanctions laws and define a wide range of congressional actions known or referred to as "sanctions" when they are nothing of the sort.

This amendment, I fear, would impose a mandatory 2-year time limit on all U.S. sanctions law. I'm afraid that would be opening a Pandora's box. Imagine if this was the law of the land when the United States enacted the Arms Export Control Act which prohibits the sale of sophisticated weapons to nations that the State Department determines annually support terrorism—governments like Syria, Iran, Iraq, Libya and North Korea. Would we have wanted those sanctions to be eliminated under an arbitrary 2-year timetable? I think not.

Further, what exactly is meant by the term "sanctions"? The pending amendment, it seems to me, breaks new ground on what henceforth would be considered a "sanction." Under this amendment, it seems to me, the denial of U.S. foreign aid would be deemed a sanction. Any conditionality on U.S. funding to the World Bank or the IMF would be a "sanction" on a foreign government. And let me remind Senators that since it was created in 1945, American taxpayers have anted up billions of dollars for the World Bank and now the antisanctions crowd tells us that we can't place any conditions on the expenditures of those funds.

According to a recent report by the USIA, the conditions placed by Congress on U.S. foreign aid to the Palestinian Liberation Organization are a "sanction." Really? Conditioning U.S. foreign aid to the PLO—an organization whose modus operandi for most of its existence has been killing innocent civilians—is now deemed a sanction?

What this amendment, I fear, proposes to do is to enshrine U.S. foreign aid giveaways as an entitlement, an entitlement to foreign countries.

Wait one moment before jumping to conclusions. While this amendment expands the definition of sanctions to absurd proportions, it doesn't cover all sanctions. Oh, no. You see, our friends in the business community—and they are my friends, and they are Senator LUGAR's friends—and their lobbyists who helped write this amendment have quietly carved out an exemption for bilateral sanctions they like—sanctions that directly benefit them. The same folks who are busy telling us that sanctions don't work and should be scrapped, have ensured that certain retaliatory trade sanctions are exempt from the restrictions of this legislation.

The way some in the business community have influenced the crafting of this amendment, Congress would be hamstrung in implementing sanctions against any nation that poses a threat to the safety of the American people, even if a government proliferates dangerous weapons of mass destruction, commits genocide, or supports terrorists responsible for murdering American citizens. But, if they flood the American market with cheap television sets—whoa, that is a different proposition. We can throw the book at them.

Under this amendment, the President would be prohibited from implementing sanctions against any country for at least 45 days, supposedly under the guise of a "cooling off" period. On the surface, that sounds pretty reasonable. But in practice, a 2-month lapse is not only foolish, it can be downright dangerous.

One example—after the Libyan terrorists blew up Pan Am flight 103, murdering 263 innocent citizens in cold blood, the United Nations spent months and months debating appropriate actions against Libya. Meanwhile, Libya divested itself of most reachable assets in order to avoid the impact of sanctions. So the pending amendment would essentially afford other terrorist states the same courtesy. While the United States "cools off" for 45 days, the terrorists, the proliferators, the genocidal dictators, would have 2 months to quietly divest their finances and conceal the evidence and provide safe haven for fugitives. That strikes me as being something short of reform.

The pending amendment would not place these requirements on multilateral sanctions. Of course, multilateral sanctions are more effective than bilateral sanctions. But, should the United States be handcuffed to the will, or more likely the lack of will, of the so-called international community? Should we tie our hands to the whims of our European "allies"—and I put quotation marks around allies because their slumping welfare state economies are driving them to employ increasingly mercantilist foreign policies.

Right now the United States is waging a lonely battle at the United Nations to stop our allies from caving in and lifting U.N. sanctions on Iraq. If it were up to the French and the Russians, international business would be rushing headlong into Baghdad to renew commercial ties with Saddam Hussein, notwithstanding his continued defiance of U.N. weapons inspectors. Yet, we should give these people a veto over our national security policy that was won through the sacrifice and courage and blood of American men and women just 7 years ago?

I believe we need sanctions reform. One reform we might consider is requiring that the sanctions which Congress passes would be actually implemented. Not long ago, Congress passed the Iran-Libya Sanctions Act—a targeted law much of whose language, I might add, was drafted by the Clinton administration itself. Live on CNN, the President signed it into law with great pomp and circumstance. But then, when the time came to implement that law, the President lost his nerve and the U.S. foreign policy suffered yet another devastating loss of credibility.

The distinguished majority leader, Mr. LOTT, and the Senate minority leader, Mr. DASCHLE, have established a bipartisan "sanctions reform task force" to determine if, as critics have complained, Congress has gone "sanctions mad." This, in my view, is a wise plan, and I serve on that task force; the Senator from Indiana serves on it, as does Senator GLENN and other interested Senators from both parties. The first question we are seeking to answer is, What is a sanction? In fact, we are having a hearing planned for July 31 to study this and other questions.

In conclusion, Madam President, instead of rushing forward with any sort of ill-considered amendment—and I say that as respectfully as possible—the ramifications of which are unknown to most Senators, we should let that task force do its work and consider ways Congress can strengthen its consideration of proposed sanctions laws.

Those who are prone to criticize the "impulsive" actions of the U.S. Senate, actions which I happen to believe are motivated by a devotion to the security of this country and its people, should themselves be wary of impulsive "one-size-fits-all" solutions such as this amendment.

I thank the Chair. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold his request?

Mr. HELMS. I certainly will.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. JOHNSON. Madam President, I will be very brief. I commend my colleague from Indiana for his sponsorship of this amendment to the agriculture appropriations bill. In my view, it is long overdue that this Senate develops a more thoughtful, more deliberative, a more analytical approach to our sanctions strategy on the part of the United States.

An observer noted during this discussion last week that Congress is in general opposed to sanctions, but in specific supports each one of them that comes along—all too often, sanctions that are contradictory, that are counterproductive, that do not, in fact, carry out the goals of the sanctions themselves. So I think the framework that Senator LUGAR of Indiana has developed, which would cause us to approach this in a much more analytical perspective—to see to it that we have a cost-effectiveness that results from our sanctions, or even if it doesn't, that we deal with the sanction from that perspective—I think makes all the sense in the world.

It is true that sanctions most often are effective when they are multinational in nature. There is nothing, as I understand Senator LUGAR's amendment, that says we can only engage in multinational sanctions. We can engage in unilateral sanctions if we so choose. We can engage in sanctions that may not be cost-effective, if we so choose. But we ought to be fully cognizant of the nature of the sanctions and their consequences if, in fact, we are going to go down those roads. It is not tying our hands, it is not tying the hands of American foreign policy or trade policy or economic policy, to know with certainty what it is we are doing and to approach it in the kind of thoughtful manner that Senator LUGAR suggests.

There is nothing in this amendment, as I see it, that constitutes the development of an entitlement for foreign aid or anything of that nature. I think that is a gross misreading, not only of the intent, but the actual effect of this amendment. There is nothing that would restrict the ability of the American Government to impose sanctions as a response to terrorism or genocide or the development of weapons of mass destruction. It does not tie our hands in that regard.

I want to say that I think we made a step in the right direction this past week with the handling of the sanctions that were about to be imposed on Pakistan in terms of agricultural sales. I think it is appropriate that this amendment be brought up in the context of this particular bill.

Again, I thank the Senator from Indiana for a great deal of work, a great deal of thought and care that has gone into this. The foreign policy of the United States and oversight that this body, the U.S. Senate, can exercise will be enhanced and not detracted from by the adoption of this amendment.

I yield back my time.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Madam President, I, too, rise and commend our colleague from Indiana for this amendment. I am proud to be a cosponsor of the amendment, along with a number of my colleagues. To use the language in another situation, this is indeed a very modest proposal. This is prospective. It affects none of the sanctions that are presently in place.

As the Senator from Indiana has rightly pointed out, sanctions are a very effective and useful tool when applied well. I think the threat of sanctions may have an even greater impact in utility. I certainly agree with him on that.

What he is merely asking us to support today is that when a proposed sanction is being suggested by the executive branch—by the way, I wish we were applying this to ourselves because too often, when the Congress of the United States offers sanctions legislation, which is oftentimes where these bills originate, we should also be asking the question of what is the cost-benefit effect of this proposal. It doesn't say don't impose the sanction. In fact, there may be situations that arise when, in fact, the outrage is so egregious that is the subject of the sanction that we would be more than willing to pay the economic price to impose it. This amendment does not preclude that result. It merely suggests that we have some ability to make an analysis of what that relationship would be and to ask for a few days to allow for objective analysis of what the sanction cost might be. I hope this will enjoy strong, unanimous, bipartisan support.

We have heard eloquent statements made on the floor of this Chamber, Madam President, over the last several weeks, as I think all of us have begun to focus on sanctions policies as a result of the tragic events in India and Pakistan with the detonation of nuclear weaponry. That was a very sad occasion, still a very worrisome occasion in terms of what it means and the implications for us in the near term and longer term.

If there has been any silver lining, if you will, in these clouds, to draw an even tighter analogy, it is that I think everyone in this Chamber has stepped back a little bit and said,

> What are these sanctions policies and how do they work? What is going on here? Are we really achieving the desired results that are the subject of our rhetoric in speeches? Are we causing policies to be changed in countries on whom we impose sanctions? Are the political elite of these nations affected by our policies? Are they in some way being impacted by these decisions? What damage do we do to ourselves in the process as a result of sanctions being imposed? Are average people in these countries, who have nothing to do with setting policies, being affected in some way? What does that do in terms of eroding support for our country and our policies where public support in foreign countries can be pivotal in unpopular decisions that may have been made by allies of ours around the world? What sort of corrosive effect do sanctions have on those decisions?

I think these are good questions that deserve answers. What the Senator from Indiana has suggested is that, at least in one aspect of these, that we know and understand what the cost-benefit relationship is.

Madam President, at a later point in this debate, I will offer another amendment dealing with food and medicine, to merely just take food, medicine, and agricultural products off the table as a tool of sanctions, for the primary reason that I don't think it has any impact on trying to modify the behavior of nations on whom we have a substantial or less-than-substantial agreement. I will wait for the appropriate time to do it when this debate is concluded.

I also have authored, along with my friend, whom I see on this floor, who has cosponsored that amendment, Senator HAGEL from Nebraska, Senator ROBERTS from Kansas, Senator WARNER from Virginia, Senator BURNS from Montana, Senator DORGAN from North Dakota, proposals that will deal with a broader issue of how sanctions ought to be dealt with. But I will save that debate for a later day. It is a broader question and one for which we have a task force taking a look at some of these issues. I certainly want to make sure we are heading in the right direction.

On the food and medicine and agricultural products, I think that makes a lot of sense, and I will offer that at the appropriate time.

I conclude by urging my colleagues to be supportive of the Lugar proposal. It is a significant step in the right direction and one that I think deserves broad-based support as we try to sort out how best to advance our foreign policy interests while not unnecessarily doing damage to our own Nation and to innocent people around the world, particularly in the unilateral application of these sanctions.

With that, Madam President, I yield the floor.

Mr. HAGEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Thank you, Madam President.

I rise to support Senator LUGAR's amendment. I am an original cosponsor of that amendment. I am an original cosponsor of the Lugar amendment because I believe the Lugar amendment applies some common sense and some relevancy to the issue of sanctions.

I know that we have a bipartisan task force on sanctions. I think most of this body supports the efforts of that task force, but I don't see any conflict in what Senator LUGAR is proposing today, and what Senator DODD and others will propose later, with the task force assignment.

It is interesting to note that since 1993 we have imposed 65 unilateral sanctions on 35 nations. We have some responsibility to give some focus and some understanding to our trade policy, which is part of our foreign policy, which is connected to our national security, which is connected to our economy and jobs and growth and productivity.

I fail to appreciate why this is not relevant, why this is not important. This is not getting in the way of the task force. The task force, as I understand it, is to help frame up this issue.

This amendment would not undo any existing sanctions. This amendment would establish a process for a more rational consideration of future use of sanctions. Sanctions surely must remain a tool of foreign policy, but sanctions are not foreign policy. Sanctions are only effective when they are multilateral. The world is dynamic. The world is changing. Trade is spherical. It moves. It will move right over the top of us unless we attempt to manage the movement.

Every great event in history has produced new opportunities, new challenges, new threats, new uncertainties, and the collapse of the Soviet empire has given the world great new opportunities and hope. Only one nation on Earth can help lead the nations of the world to that hope and opportunity, and trade surely must be a major part of that.

Why in the world would we continue to impose unworkable, unachievable, outdated, irrelevant policy rather than looking forward, getting us into the next century, with the promise that only this country can give?

Does anybody really believe, in this body, that any nation on Earth cannot get any service, any commodity, any product if they want it from some other nation? Of course not. This is a new world. Both the President and the Congress want some control of the issue of sanctions. We want some definition of what this is about. The Congress of the United States owes this Nation some leadership on this issue. The President must lead on this issue.

Senator LUGAR has described his amendment in detail. It would sunset new sanctions after 2 years. The way it is now, Madam President, we go on and on with sanctions. This amendment starts to clean up sanctions. Do we need them? Are they relevant? Does the world change? I fail to see that that is a threat to our foreign policy and to those who wish us ill.

It would require cost-benefit studies. My goodness, imagine that. What a terrible thing—a cost-benefit study. It would require an effort, first, to make sanctions multilateral. It would require an evaluation of whether a sanction is likely to achieve its policy goal. Again—again—what a questionable objective. My goodness, actually focusing on an action and figuring out, if you can, if there are consequences, if it is workable.

I know some in this body care occasionally about a headline, about a press release.

A CRS study, January 22, 1998—this year—listed 97, total, unilateral sanctions now in place. Since that report came out, we have added sanctions against India and Pakistan, for a total of at least 99 sanctions now in place. We dealt with some of that a little earlier.

A study by the National Association of Manufacturers found that from 1993 to 1996 we imposed, as I mentioned, another 61 sanctions. These 35 nations—these 35 nations—where we have imposed these sanctions make up 42 percent of the world population. Almost half of the 5.5 billion people on the Earth are included in these sanctions and 19 percent of the world's export market—$800 billion.

Who are we kidding here? Who are we hurting? We are not isolating anybody except ourselves. We are isolating our producers, our farmers, our ranchers, our manufacturers. We are isolating ourselves. And for what end? Bring a little sanity and common sense to this? I think so. I think so.

I might add, is there something really wrong about business actually stepping into this debate? Is there something really wrong about having business say, "Gee, we're being hurt"? Is that a special interest? Is American business a special interest? Is industry a special interest, people who work in business and the industry, produce jobs, create wealth, pay taxes? Be careful of that special interest. Be careful of that special interest. That is America. That is why we are the most powerful, dominant, free nation on Earth.

A new study by the International Institute of Economics estimates that, in 1995 alone, unilateral sanctions cost Americans $20 billion in lost exports, losing 200,000 jobs. That does not include, Madam President, what is referred, to as the "downstream loss." The downstream loss, when you lose markets—it means the suppliers and the jobs and the adjunct jobs—no way to really calculate that.

The National Foreign Trade Council has identified 41 separate legislative studies on the books that either require or authorize the imposition of unilateral sanctions.

Well, it goes on and on. The fact is, Madam President, what Senator LUGAR is doing is important. It is really relevant to today. It is more relevant to our future. It is relevant to our place in the world. What is the U.S. interest in the world? It is relevant to our children, and it is relevant to everything we are and who we are. That is why I strongly support this, why I was an original cosponsor, and why I urge my colleagues to vote in favor of this amendment.

Madam President, thank you. I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Madam President, let me applaud the Senator from Nebraska for a statement that I think was eloquent and filled with good sense. And I certainly want to associate myself with the remarks he has just made. And even though we were on different sides of the previous amendment, let me say, as I did previously, the Senator from Indiana is a very respected Senator, someone for whom I have great respect on foreign policy issues.

I am pleased to be here to speak as a cosponsor of the amendment that he has offered. It makes good sense to me. And I say, I think, as the Senator from Nebraska said, I would only go further than this. I certainly support this. I think it is a step in the right direction, but there is even more that we can do.

The question that is required to be asked now is, When we impose sanctions around the world, for various purposes, many of them important purposes that deal with national security and other issues, should those sanctions include the shipment of food and the shipment of medicine?

Frankly, I wonder if anyone believes that Saddam Hussein has ever missed a meal because of sanctions imposed by this country. Does anybody believe that Saddam Hussein has missed a meal? I do not think so. We cut off food shipments to Iraq. And if Saddam Hussein is making all of his meals, guess who misses their meals? It is almost always the poor and the hungry who are injured when you cut off shipments of food.

Does anybody believe that Fidel Castro does not eat well nearly every meal when he chooses to have what he wants to eat? But when we cut off food shipments to Cuba, we know that it will be the poor and the hungry who will be injured by that.

Our country, for very legitimate reasons, says we are very concerned about what is happening in Iraq, Iran, Libya, Cuba, and more. For legitimate reasons we say that. I am sure the Senator from Indiana, at greater length than any others of us, could recite the foreign policy issues and the national security issues that attend to those countries and their relationship with us and others in the world.

But the question before us is not, Should we be concerned about those countries? Of course we should. The question is, When we impose sanctions, what should those sanctions contain? Is it in our interest and in the interest of the hungry and the poor around the world to include in those sanctions the withdrawal of shipments of grain and the withdrawal of shipments of medicine?

I have clearly an interest here on behalf of family farmers. I represent one of the most agricultural States in the Nation. And nearly 10 percent of the market for wheat is out of limits or off limits to our family farmers because we have decided to impose sanctions and therefore take those markets off limits to our farmers. Does that cost farmers money? You bet. It takes money right out of their pockets. They are, in effect, told by these sanctions, "You, Mr. And Mrs. Farmer, you pay the cost of these sanctions. You pay the cost as a result of lost income."

Where I would go further is, I would support and am a cosponsor of an amendment that will be offered by Senator DODD, and I think cosponsored by Senator HAGEL, saying, let us not include food and medicine in future sanctions. That is not appropriate as part of sanctions. I am a cosponsor of that amendment to be offered. I would go further to say, this country ought to decide, if it is to impose sanctions in the future, or for sanctions that now exist, it ought to reimburse farmers for the cost of those sanctions. Why should this country simply say, "Here is our desired effect, Mr. and Mrs. Farmer. You pay the cost of it"? If it is for national security, let it come out, then, of the national security accounts from which we pay for many other matters, and say to family farmers, "We'll reimburse you for those lost markets." That is an amendment I am thinking of offering to this as well. We will see what results from that.

But it is required, I think, to say, as we discuss this issue, as I said earlier today, there is some horrible disconnection in this world.

Halfway around the world there are people in Sudan, we are told, old women, climbing trees to forage for leaves to eat, leaves because they are on the abyss of starvation; a million to a million and a quarter of them are on the edge of starvation because they don't have enough to eat.

Turn the globe another halfway around and you will find America's farmers, who are the economic all-stars, produce food in abundant quantity, and they are told in our system that when they take that grain which represents that food to market, that their product doesn't have value, doesn't have worth. There is something that is terribly disconnected about that.

I have been in many parts of the world. What I remember most about the desperate poverty and hunger that exists, for example, is in the desperate slum called Cite Soleil, on the outskirts of Port-au-Prince, Haiti. You see poverty as bad and conditions as desperate as anywhere else in the world. I leaned over a crib where a young child was dying of starvation in one of the worst slums you can imagine. This child had no one. The child had lost most of its hair; what hair was left was turning red as a result of severe malnutrition and starvation. This child, the doctor told me, was dying.

I thought to myself, there is such a terrible, terrible, disconnection here because we produce food in abundant quantity. How on Earth can moving food around the world to all parts of the world that need our food in a way that connects our interests to the interests of those who need it, how on Earth could that ever threaten our national security? It does not and it could not.

The Senator from Indiana offers an amendment on the issue of sanctions. It is very simple. It describes sanctions in the future. We ought to deal with sanctions that now exist, as well. It describes conditions for the imposition of those sanctions that deal with unilateral sanctions. It says the Secretary of Agriculture should use export assistance under various programs to offset any damage or likely damage to producers and so on.

I fully support that and I am pleased to be a cosponsor, but I say again we have much, much more to do. Hubert Humphrey, many years ago, used to say, "Send them anything they can't shoot back." What he meant by that is it will never injure our national security interests to send American food around the world, to sell it in markets where we can sell it, and to move it to other markets under title II and III under Food for Peace, and in some cases, title I, in other markets where they cannot afford to purchase it. It is always in our best interest. Is it in the best interest of farmers? Of course, but it also happens to run parallel to the national interests of our country.

Let me finish where I began and say I am pleased to vote for this amendment, pleased to be a cosponsor, and will cosponsor an amendment that will go further, that Senator DODD will offer, and may offer one myself, that deals with present sanctions and reimbursement to farmers for those sanctions, saying that the Government ought to not force them to bear the full burden of the cost of sanctions.

But I thank the Senator from Indiana for offering this amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I do not intend to delay matters at all. Whenever the chairman is ready to go, I certainly won't be on my feet. I want to rise and congratulate Senator LUGAR and those who helped put his amendment together. I am a cosponsor, but I don't take credit for any of the innovation and thoroughness of this work.

I just want to say on a very personal note that every now and then when you see things out in our country or in the world sort of mixed up, and you see mixed signals, you wonder just what is our country doing, and somebody like DICK LUGAR comes along and makes sense out of something that appears to be just a mess.

There can be no question, whatever support there is in this body for sanctions—and clearly they must be an instrument, a tool—whatever support there is for that concept does not mean our country ought to be living under a "quilt" of sanctions, many of which are just bilateral between us and some country, when we already know that many of them don't work or they work to our detriment.

Here we sit today with an emerging crisis in agriculture, probably mostly from the Asian flu; that is, from the failure in the Asian markets because of their banking systems falling apart, and those people can't buy the products they were buying. Nonetheless, when we added Pakistan for something they did, which we were all worried about, and they depended upon our grain and that kind of product to feed their people, obviously American agriculture is hurting.

Now, there are some who would like to make it that the new legislation creating an open market at some time in the future, a totally free and open market, is the cause of the problem. That is not the cause. The cause is that America's trading in foodstuffs and products from our farms is not working as well as it should because we have done something that is harming it, or failed to do some things that would cause it to work better.

Let me repeat one more time, why in the world are we still holding up IMF? If we want to reform it, why don't we reform it and pass it? There is hardly anybody in agriculture or American industry that hires our people that doesn't think we ought to do that.

Now, Senator LUGAR would like to do that. That isn't what he is doing here today. He is doing the next best thing. If that isn't a prescriptive manner, postmanner, trying to get rid of some of the nonsense of the unilateral, bilateral and multilateral situations that we have where we say we can't sell countries our product. Why don't we get on with fast track? If you want to talk about what would help our farmers, that is what would help. Get America's trade markets open so they can sell their products.

Obviously, what we are doing here today is a very rational, sensible approach to a very, very, confused set of policies which are not working to America's benefits, which we can pass and then sit back and say we did something. Isn't that great; we did something. We never measured it. I gather the new guidelines will ask us to at least measure before we do it; is that correct, Senator LUGAR?

Mr. LUGAR. Yes.

Mr. DOMENICI. At least measure before we do it.

I commend you again, Senator LUGAR. You have done it a number of times before. We have been here a long time together. I regret, even though the color of your hair might indicate to the contrary, I have been here longer than you. Nonetheless, we have been here a long time together. I do compliment you because every now and then when things are confused, you make up for that and come up with something like this.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. ROBERTS. Madam President, I would like to join the chorus of well-deserved accolades—common-sense, I guess, accolades for the distinguished Senator from Indiana, the outstanding chairman of the Senate Agriculture Committee.

The Senator from New Mexico has summed it up very well. I am not going to take the Senate's time to repeat what has already been said in regard to this debate. Senator LUGAR has already done that. Others have done that.

I do have a statement that involves obvious "golden words of truth" in regard to this issue that I will simply insert for the record, but I do want to say again that the use of sanctions as a foreign policy tool have skyrocketed since the conclusion of World War II. The last 4 years, as has been said on the floor, 61 new U.S. laws or executive actions were enacted authorizing the unilateral sanctions against 35 countries, and in all, over 70 foreign nations representing 75 percent of the world's population are currently subjected to a unilateral sanction by the United States.

These are easy perceptions, I guess, actions that people take. I think in earlier days we used to call it gunboat diplomacy. Maybe we sent a gunboat over to a nation to demonstrate our unhappiness with a foreign nation and their policy. But there have been terrible repercussions in regard to these sanctions. They do not achieve their policy goals. They are very counterproductive, and as has been indicated by some across the aisle, and others, we shoot ourselves in the foot. So the distinguished chairman has, for a considerable amount of time, taken a look at the overall objective of sanctions and what has happened in a counterproductive way, not only to U.S. agriculture, but the entire U.S. economy and the global marketplace. He has come up with a comprehensive, thoughtful approach, and it is commensurate with the debate that will take place and the discussion that will take place in this body with regard to sanctions reform overall.

There are those of us—Senator DODD, Senator HAGEL, Senator BIDEN, as well as Senator LUGAR and myself—who want to take a look at all of the sanctions that we have in place. And that is appropriate. We have taken action in a 98–0 vote last week regarding the GSM program and the possibility of selling wheat to Pakistan. The chairman was a real leader in that effort. We have taken action now by unanimous consent on the India/Pakistan situation, which will give the administration flexibility to deal with that issue. The next logical step is to consider, and I think favorably pass, the Lugar reform initiative. So I stand in solid support of the chairman for what he is trying to do.

Madam President, U.S. influence, prestige and resolve in foreign affairs currently rests at a cross-roads. The United States, which has prided itself on providing international leadership through strength and by example, has increasingly turned away from that legacy by embracing ambivalence and sanctions instead of engagement and respect. Nowhere is this more clear than in the area of unilateral economic sanctions.

The United States in recent years has developed a seemingly uncontrollable desire to show our displeasure over a specific action, behavior or belief in a foreign country by punishing that country through the imposition of unilateral sanctions. Regardless of whether a Republican or Democrat was President, regardless of whether Republicans or Democrats ran the Congress, the use of sanctions as a foreign policy tool has literally sky-rocketed since the conclusion of the Second World War. In fact, in just the last four years, 61 new U.S. laws or executive actions were enacted authorizing unilateral economic sanctions against 35 countries. All in all, over 70 foreign states representing nearly 75 percent of the world's population are currently subjected to unilateral sanctions by the United States.

Unfortunately, with few exceptions, sanctions very rarely work. In order for sanctions to be successful, the United States must—absolutely must—convince the entire rest of the world to join our boycott. Unless this occurs, the sanctioned country simply gets what it needs—food, financing, etc.—from the other countries that chose not to join the Sanctions Circle.

There are two serious repercussions when this happens. First, the sanctions hurt us instead of their intended target. Yes, that's right, when U.S. businesses lose access to markets for their products, U.S. workers lose job opportunities. So instead of joining us in professing outrage about some particularly repugnant act, foreign governments simply feign indignation while they quietly slip in to take away business from U.S. companies. And if you don't think that's true, just ask a foreign businessman or government official whether they support or oppose the American penchant for unilateral sanctions. They love it and they hope it continues.

Yes, this is the second repercussion. Foreign governments—even our allies—have figured out that by refusing to join the United States in imposing sanctions, their countries actually benefit. What a bonus! They can stick it to the United States and create new markets for their businesses at the same time! As a result of this revelation throughout the world, it has become nearly impossible for the United States to build a unanimous case for sanctions against anyone.

Just look at Iraq. If ever a case could be made for sanctions, Saddam Hussein is the poster child. After all, armed aggression against a peaceful neighbor and use of weapons of mass destruction on one's own citizens are truly reprehensible offenses, right? Surely Iraq deserved tougher sanctions when Saddam refused to accept U.N. weapons inspectors just a few months ago, right? Wrong. When Saddam pulled his latest stunt, the vast majority of the world flatly refused to support further sanctions. If we can't build a case for sanctions with Saddam Hussein as our target given the utter disregard he has shown for the United States and the rest of the world, will we ever be able to? I wonder.

Where do sanctions come from anyway? They usually are issued by the President under the authority of at least twelve different laws governing international affairs. Again, in recent years, sanctions have been used far more frequently than ever before in U.S. history. This isn't an indictment of the current administration or any previous administrations; it is simply an assessment of how U.S. foreign policy is changing. Instead of using our influence and diplomacy to encourage good behavior, we attempt to use our power to punish bad behavior. And as I've just discussed, whether used as a threat to try and prevent unwanted actions or imposed as a punishment for undesirable actions, sanctions rarely work.

Although most sanctions are imposed directly by the President, unilateral sanctions can be particularly damaging when they are imposed by Congress. The President of the United States is the Commander in Chief of our country. He is charged with implementing our foreign policy. While the Congress can and should be involved in the construction of that policy, the President is ultimately responsible for implementing it. When the Congress forces the President to impose sanctions on a country for a given action or behavior, it takes away the flexibility the President needs to address distinctly different foreign policy problem that may arise. The Congress basically says, "we don't know or care what caused the action or behavior; however, we insist that you impose these sanctions regardless of what the ramifications may be." That is a dangerous and irresponsible manner in which to conduct U.S. foreign policy.

Let me make one other point regarding the perception of the United States abroad. Foreign countries and their citizens do not distinguish between U.S. military/diplomatic policy and U.S. trade policy. To them, they are the same thing. To them, it's just plain, old-fashioned U.S. foreign policy. When the United States imposes unilateral economic sanctions, when we fail to pass fast track negotiating authority, when we fail to renew IMF funding and when we threaten to withhold regular trading status with China, the prestige and authority of the United States in foreign affairs is greatly and permanently diminished.

I yield the floor.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Madam President, I would like to speak to this amendment and express a contrary view to that expressed by my colleague who has just spoken. With all due respect to the Senator from Indiana, who has put a lot of work into this, and who has offered the amendment, and while agreeing with much of what is in the amendment and much of what he proposes to try to do, I have to object for two reasons to the consideration of the amendment at this time.

First of all, it is in reaction to—at least partially, although he has been at this for a long time, and understanding that we do need to make some changes—what has occurred with the sanctions placed on India and Pakistan. We just resolved the issue with India and Pakistan primarily because of the amendment we just passed, which eliminates the agricultural component, broadly defined, of the India/Pakistan sanctions. Therefore, to the extent that my colleague, Senator ROBERTS, was just speaking, and others who have talked about the impact on our farmers as a result of the imposition of those sanctions, we have solved that situation.

As a matter of fact, if you analyze the other sanctions imposed as a result of their nuclear tests, it gets down to a very narrow issue of some Eximbank loans or World Bank loans primarily and, therefore, I urge us not to rush into a consideration of this amendment on this particular appropriations bill because of the need to fix something that was not done with respect to India and Pakistan, when we have already begun to solve that problem.

Secondly, because of the fact that sanctions have not always worked as we have desired them, and because of the obvious deficiencies with the sanctions imposed on India and Pakistan, the majority leader has appointed a bipartisan task force, consisting of Members of both parties, with different backgrounds, to deal with this question. We had a meeting yesterday.

I am somewhat shocked that the Senator from Indiana would offer this amendment today, because yesterday he said that he wanted to preserve the option of proposing this amendment at some time in the future. But he seemed to agree with the majority opinion expressed there—in fact, all but one of the Members, in one way or another, expressed a view that a September 1 deadline was somewhat unrealistic in trying to deal with this problem. The Senator did preserve his option to offer an amendment at a future date, but I am shocked that it is offered today because the task force has not had an opportunity to review this matter in any depth.

Madam President, I would like to now discuss some of the things that we talked about yesterday, which I think will illustrate the fact that this amendment is prematurely offered at this time. Again, notwithstanding the fact that the goals behind it—to review broadly our sanctions policy and some of the specifics about it, and to be more careful about how we impose sanctions—are both worthwhile and, in many respects, something we can all agree on, one of the things we can't agree on is a definition of what a sanction is. There is a broad definition, according to the Senator from Indiana. I wonder whether we are really ready to apply the limitations and the tests that are called for in this amendment to foreign aid reductions, because as I read the proposal, one of the sanctions would be a reduction or elimination of foreign aid.

U.S. aid is not an entitlement. We are going to make different decisions every year about how much foreign aid we may want to give to a country. Should that be subject to the limitations imposed in this amendment? How about export controls on sensitive U.S. technology?

We just came from a very highly classified briefing of a committee that was specially appointed to examine the missile threat to the United States. That report is, I must say, extraordinarily concerning, I am sure, to everybody who received it. On some of the countries that pose this threat to us, we have imposed stringent export controls with respect to sensitive technology going to those countries, which could assist them in the development of their ballistic missile technology programs. Are we going to impede the President's ability and Congress' ability to impose those kinds of limitations on the sensitive export of technology to countries that we don't want to have that technology? As I read the amendment of the Senator from Indiana, that is all covered.

We need to have a common definition of what a sanction is in order to apply these kinds of limitations. And there should not be a 45- or 60-day—I think it is now reduced to 45 days—waiting period. There are all kinds of things that would cause either the President or Congress to want to impose sanctions right away and not wait 45 days.

Mr. McCONNELL. Would the Senator yield for a question?

Mr. KYL. I am happy to yield.

Mr. McCONNELL. Madam President, I am not sure I ought not to propound this question to the Senator from Indiana.

It is my understanding that this morning the President announced sanctions and trade reductions, under the International Emergency Economic Powers Act, against certain Russian companies. Is it the understanding of the Senator from Arizona that that is the kind of sanction that might not be allowed under the Lugar amendment?

Mr. KYL. Madam President, I will give the Senator my understanding of it, but I would be pleased, also, to refer that question to the Senator from Indiana. As I read it, that kind of sanction would, of course, be controlled by the 45-day limit, and the rules of the Senate that would apply, and so on. I think the Senator from Indiana should defend his own proposal.

Mr. LUGAR. I thank the Senator.

Mr. McCONNELL. Then I pose the question to him.

Mr. LUGAR. Clearly, the President, in the case of an emergency, has a right to impose whatever sanction he wants. There is no prohibition. Obviously, when national security is involved—and the national security situation is explicitly mentioned—I think that is important. But I ask the President to tidy things up. In other words, after imposing the sanction, he should state, if he has not already, the objectives and benchmarks and the cost to the American people of jobs and income. Some administration people have objected to the President playing by the same rules as the Congress. Nevertheless, the amendment is evenhanded. He has to fill it in. But he has emergency powers, of course.

Mr. McCONNELL. So, if I can follow up with the Senator from Indiana, is that the 614 national security waiver? Does that sort of override everything? Is that some sort of override?

Mr. LUGAR. If that is the correct text of the national security waiver, yes.

Mr. KYL. We will get back to that because I am not sure—if that is the intent of the Senator, I will have to see whether or not, in fact, it is effectuated.

Let me get to another national security issue. We have, I think, come to the conclusion—most of us, but not all in this body—that it would be a mistake to put an explicit time limit, for example, on our presence in Bosnia, or an explicit time limit on certain other kinds of military activities or threatening national security activities because, of course, what that does is enable the party against whom the action is being taken to simply ride it out and to understand if they can just get by the next 60 days or 6 months, then they will not have to worry about that. So we have always taken the position that when it comes to this kind of thing—national security—our actions should be somewhat open-ended to ensure that the other party begins acting in the way that we would like to have that party act.

Obviously, when you have a 2-year sunset on these kinds of sanctions, you eliminate that flexibility. I think that is one of the reasons why most of us have tended to want to support the kind of review and analysis about which the Senator from Indiana is talking. Clearly, that kind of thing should be done. But there should be a mechanism for the Congress and the President to, in effect, pull the plug on a sanction whose time has run rather than to have an arbitrary time limit for its imposition.

If the Senator from Indiana would like to respond, I am happy to yield.

Mr. LUGAR. Madam President, to answer the question posed, both the President and the Congress can reauthorize the action after two years. Additionally, they are constrained simply to explain how successful things have been and what their objectives were to begin with. But the law—at least my amendment—explicitly gives them the ability to reauthorize. They have to take that affirmative action.

Mr. KYL. If I could, Madam President, go to another point; that is, the failure to discriminate among or between different kinds of sanctions.

The amendment, as I read it, treats all sanctions alike. It does not differentiate between sanctions imposed for the transfer of nuclear technology, for example, or the exploding of nuclear devices in violation of treaties, and sanctions imposed for less dangerous activities, for example. In a sense, when one reads it, it appears to condone sanctions which have as their goal the promoting of trade but severely restricts sanctions for other purposes.

I understand that the Senators from farm States have been very concerned about limitations on exports of agricultural products.

As I say, I think we are all pleased to support the amendment which enables India and Pakistan to import American agricultural products. But I think we ought to examine this in a balanced way and understand that many of the sanctions are imposed for national security reasons. I think most of us understand that national security has to take a front seat to other considerations of a lesser degree of priority, if, in fact, it has gotten to the point that the country, either the President or the Congress, thinks it is in our national interest to impose sanctions. Yet, under the sweeping definition of a sanction here to mean literally "any restriction or condition on economic activity," it appears there is no differentiation to account for the differences in reasons why we impose sanctions.

For example, as I said before, we may have a reason to sanction a particular country, or a particular kind of trade activity, because of the national security implications of that. With respect to China, for example, we require a special waiver for certain kinds of technology transfers, or the launching of satellites, just to cite one example. It seems to me that is an entirely different kind of sanction than the typical kind of trade sanction on imports or quotas that we might apply for some other reason.

I think it is very important for us to try to come to some agreement on a definition of just exactly what is a sanction before we begin applying across the board a set of rules that would automatically sunset sanctions after 2 years; that would require a 45-day time period before sanctions could be implemented; that would change the rules of the Congress, in effect, after first stating that it is our policy that these things should be done, and changing the rules of the Senate to ensure that policy is affected.

It seems to me that we have time to deal with this now since we have dealt with the immediate emergency. The leader has appointed a task force, and we have identified this as one of the things that we need to do in this task force so that we are clear about the differentiation between the different kinds of sanctions before we begin identifying what kind of limitations should be placed upon each of them, and, therefore, that consideration of this amendment at this time is premature notwithstanding the fact that many of the ideas in the Senator's amendment might well be the kinds of things that we would adopt for certain kinds of sanctions when we end up actually adopting legislation.

But, clearly, this is not something in which there is an easy one-size-fits-all solution. I fear that is what we are doing by trying to rush this matter.

I will be happy to yield the floor at this time. I will have other things to say, but I know the Senator from Kentucky, who chairs the task force, wants to speak to the issue as well.

Mr. McCONNELL. Madam President, as a follow-on to my good friend from Arizona, let me say first I am a farm State Senator. I have been on the Agriculture Committee for 14 years. I am a supporter of GATT, NAFTA, fast track, and replenishment of the IMF, which we handle in our subcommittee of appropriations for foreign ops. So put me down as a free trader. Also, put me down as a principal sponsor of the amendment last week to lift the agricultural sanctions on India and Pakistan. We did sort of a partial job on that last week, and then, as the Senator from Arizona pointed out, sort of finished the job today.

Also, put me down as a great admirer of the chairman of the Agriculture Committee and his distinguished work over the years in foreign policy, and on trade matters as well.

The majority leader asked me to chair the task force on sanctions. The Democratic leader asked Senator BIDEN to do that. As the Senator from Arizona just pointed out, we have had an opportunity to only have one meeting. It was yesterday.

I say to my good friend from Indiana, by September I might well be supporting this bill. But I am, frankly, among those in the Senate—and I expect this is almost everyone in this body—who has not been exactly consistent on the subject of sanctions over the years. Having supported MFN to China, I have also advocated certain kinds of sanctions against Burma. My guess is that there is hardly anybody in this room who has been entirely consistent on this subject.

What the distinguished Senator from Indiana tried to do here is to enact a broad piece of legislation that may well be justified. But let me say I am just not yet comfortable in taking that step. Maybe by September I will be comforted that this is what we ought to do. But I want to echo the observations of the distinguished Senator from Arizona that I am just not sure we are ready, as a body, to wipe the slate clean.

Reading from Senator LUGAR's bill, unless I am missing something here, it says, "Notwithstanding any other provision of law, the President may not implement any new unilateral economic sanction under any provision of law with respect to a foreign country, or foreign entity, unless at least 45 days in advance of such implementation the President publishes notice in the Federal Register of his intent to implement such sanctions."

It is my understanding that just today the President announced sanctions and trade restrictions under the International Emergency Economic Powers Act against certain Russian countries. I am concerned, for example, whether under this bill the President could have taken that step. Maybe he should not have. Maybe that is the point of the bill.

But let me just say, Madam President, that I am queasy about taking such a broad, comprehensive step, even though it is only prospective, before we have even had a chance to work our way through it. I confess that many of us have not spent the amount of time the Senator from Indiana has already spent on it. He is undoubtedly one of the experts in the Senate on this subject.

But, since all of us are called upon to vote, let me appeal to those in the Senate who may not yet have the level of expertise on the sanctions issue that the distinguished chairman of the Agriculture Committee has, and ask the question, Are we ready to enact on this appropriations bill a broad, sweeping sanctions policy at this time?

Let me repeat. The Senator from Indiana may be entirely correct that this is the way to go. But I will suggest to the Senate that we give this a little more time and think it through a little further. I am not sure the work of the task force, on which many of us serve, including the Senator from Indiana and the Senator from Arizona, is going to shed a whole lot of light on this. But we are going to try. We are going to try to shed some light on it by having a hearing on July 30. We are going to try very hard to meet the majority leader's deadline of having at least a report by September 1. That may or may not enlighten a whole lot of Members of the Senate.

But for those of us who have not spent as much time on this as the distinguished Senator from Indiana maybe, that report will be helpful to us. Maybe we will get a chance, as the Senator from Arizona pointed out, to kind of start out with what a sanction is. I am not even sure I know, frankly, at this point exactly what is and what isn't a sanction. Is a restriction in a foreign aid bill a sanction? Do we make a distinction between transfers of military significance? I think most Senators would argue that you should make that kind of distinction on things like agricultural products, food and medicine, and the like.

So I commend the Senator from Indiana for a very important piece of legislation and just suggest that maybe this isn't the best time for most of us to be going forward on this, and I hope we can shed some light through the task force over the next few weeks on this whole subject.

Madam President, I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

I rise to join with my colleagues from Arizona and Kentucky, who have just spoken, with a certain sense of reluctance about opposing the amendment of the Senator from Indiana because of the respect I have for him, because of the thoughtful way in which he goes about matters generally and particularly matters of foreign policy. But to echo what has just been said, this is a very complicated and controversial subject, an important exercise of one of the major options that the United States has in carrying out its foreign policy.

The bipartisan Senate leadership has created a task force that has been referred to. As has been said, we only had an opportunity to hold our first meeting yesterday. So I think for us to act on this quite comprehensive piece of legislation, which will dramatically alter the landscape in which the United States, Congress, can impose economic sanctions, is a rush to judgment before we have had a chance to hear from all sides, as the task force will do—a public hearing is going to occur—to reason together and then to come up with a proposal.

As the Senator from Kentucky said, the end proposal may contain major parts of the amendment offered by the Senator from Indiana. But I think we would do much better and serve our national interest better if we worked this out over a period of time. There is no emergency now that I can think of, that I know of, that requires us to adopt this wholesale change in what has been a fundamental part of our foreign policy for a long time now, deriving, incidentally, from a constitutional premise of the ability, Congress' ability, to regulate commerce with other nations of the world.

So I think this is premature, though probably thoughtful. But I say "probably" because this is a detailed amendment which I, frankly, have not been able to absorb in the time it has been in the Chamber, to make a reasoned judgment, even if there was not a task force that had been appointed on this very subject.

I hear the Senator from Indiana; his intention is for its effect to be prospective, not to affect any sanctions that are in law now, and yet there are sections of this that begin "notwithstanding any other provision of law" and impose procedural requirements that make me wonder whether they would affect, for instance, the President's ability to impose sanctions in an emergency situation which, if we adopted this amendment, he might be limited from doing.

So there are questions. And I think we should step back, acknowledge that there is a chorus that has risen rather rapidly in the last period of months questioning the extent to which we have applied sanctions, the manner in which we have done it, and listen to that chorus but not rush to act in response to it before we have had a chance, each of us, to deliberate and do what is right.

Now, I want to offer one other set of thoughts here, Mr. President. Why is this so important? Well, let's all begin with the fact that most of us acknowledge, as the Senator from Kentucky said, we have not, most of us, been consistent in our votes on these matters. It is hard to be consistent in our votes on matters of sanctions, that they have been used too much. I think most of us in this Chamber would say that. That is why the leadership created the bipartisan task force, to begin to set some guidelines. But in all the criticism that we are heaping on ourselves, I think it is important not to lose sight of the value of sanctions. They are, roughly speaking, one of three options that a government has to protect its strategic interests and uphold its ideals—diplomatic, economic, and military.

If I may say so—and I know people sometimes say that we are foolish to do this, that it is self-defeating—we have to consider the impact some of the sanctions have had not just on farm States. I can tell you, some of the sanctions regimes have had an effect on manufacturing, high tech and industrial, from my State. And I am not reaching judgment on the net effect.

Let's just say a word for the fact that there is a part of our national character that, as Americans, is prepared to say we care so much about what is happening in another country, about the way that country is suppressing its people, or the threat that that country represents to our security because they are threatening their neighbors, who are our allies, or they are building missiles, that we are prepared, if our allies will not go along with us, to impose economic sanctions on them to affect their behavior. In an age when a lot of people question, well, all we care about is materialism, I am speaking respectfully of the impact of sanctions on people. This is in its way an expression of American idealism and principle and values. And while we may have overused it, we should not diminish its utility and its substance.

Finally, Mr. President, there is a very important question to ask: Have they worked? I think the record is mixed, but that is something I would like to have our task force study and, at least as one Member, learn more about. I don't know enough about it.

I know most people cite South Africa as a case where sanctions worked. Those were multilateral. More recently, sanctions we imposed on Colombia did work to alter the fundamental policy of the Government on an issue that matters to us. We have sanctions against Iraq and Libya. Well, I note that the heads of those regimes worked mightily in international diplomatic circles to get the sanctions off, so they must be having an effect on them. The same is true about the opposition of the Chinese to sanctions that we consider, and the Russians with regard to supplying components of missile parts to Iran.

I know that Senator LUGAR is not speaking against sanctions generally, and I appreciate that, and I share that view with him. We share that view because we understand, I hope all of us, that sanctions have value and have had effect. We are using them too much, but I think it requires more thought than we have had the opportunity to give before we vote on this amendment to change the ground rules so dramatically. So I intend to vote against the amendment.

I yield the floor.

Mr. BIDEN. Mr. President, I will vote against tabling the Lugar amendment. It is a useful starting point in bringing some rationalization to our sanctions policy.

I have been in the Senate for over 25 years. Over that time, I have supported many sanctions laws, and even authored a few. But I am now re-examining my approach to sanctions policy. I do so not because I oppose sanctions—sanctions are an important part of our foreign policy arsenal.

But I believe we need to rethink our overall approach. Statutory sanctions, once imposed, are difficult to repeal, and they therefore do not provide the President the flexibility that I believe he needs to conduct foreign policy. As we all know, it is easier to block legislation than to pass it; accordingly, lifting a sanction to meet changed circumstances is difficult, and sometimes impossible. I believe, therefore, that we have to start building into our sanctions policy the necessary flexibility for the President to waive, modify, or terminate sanctions with the ability of the Congress to respond to his actions.

The Lugar bill is not perfect. It has a few provisions that I believe should be changed or modified. For example, I do not believe it is wise to provide, as the amendment does in Section 806(c), for a point of order against legislation in cases where the Senate has not received required reports from the Executive Branch. This provision would conceivably permit the President to prevent consideration of a bill simply by withholding the required report. In addition, I believe the bill should clearly exclude from the definition of "sanction" those measures taken to enforce criminal laws and those measures taken pursuant to the authority of the Federal Aviation Administration to ban foreign airlines from flying to the United States which do not satisfy our safety standards. Finally, I believe the contract sanctity provision is too broad, for two reasons. First, there may be cases where a multi-year option contract would render the sanction—at least as to that contract—a nullity. Second, there may be cases—a proliferation sanction comes to mind—where it may be in our national security interest to stop the flow of technology immediately.

Despite these concerns about the Lugar amendment, I will vote against the tabling motion. The bill is a good framework upon which we can begin to construct a more rational sanctions policy, and I believe the Senate should continue to consider it further on this bill. I did not offer amendments to perfect the amendment because it was obvious that it was not going to be adopted and if it was it could be perfected in conference. We will surely revisit this issue at which time I'll have more to say.

Mr. KERRY. Mr. President, I would like to take this opportunity to share my views on the amendment of the Senator from Indiana which was voted upon earlier this evening. I agree with those of my colleagues who have argued that we have too many unilateral sanctions in place, many of them mandated by Congress, and that often these sanctions fail to achieve the stated foreign policy objectives while hurting American business and competitiveness. I support the overall objective of the amendment offered by the Senator from Indiana—to provide a rational framework for the imposition of sanctions by both the Congress and the President. However, some aspects of this legislation concern me, in particular the broad definition of the term "unilateral economic sanction" and the extensive process which is to be exhausted before sanctions are imposed.

I have always believed that sanctions are most effective when they are multilateral not unilateral, but I also recognize that there may be circumstances in which we need the option of imposing sanctions unilaterally, for example to send a message of disapproval of a given regime as we did with respect to the military junta in Burma, or to respond to a horrific event such as the use of force against those protesting for democracy in Tiananmen Square in 1989. I recognize that the legislation of the Senator from Indiana does not prevent us from imposing sanctions in these cases but I fear that the process in the bill would make it more difficult to do so expeditiously. In light of these concerns and the fact that the Senate Task Force on Sanctions, of which I am a member, is trying to address the question of unilateral sanctions and is going to begin hearings later this month, I voted to table the amendment of the Senator from Indiana at this time. However, I believe there is much of worth in this legislation, and I would like to work with him and others who believe, as I do, that we must reign in the tendency to address every foreign policy problem with a sanction.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas.

Mr. BUMPERS. Mr. President, let me just say, at the rate we are going, we should be able to finish this bill by Saturday night a week around midnight. We have 64 amendments left. We have spent about 2½ hours on this one. A lot of the people on this side are going to the White House at 4:30, and I hoped we could get a vote on it before they had to depart. I am always reluctant to suggest to anybody they cut their remarks short, and I guess we have already missed the 4:30 deadline. I see two Senators who are just chomping to speak, so there is no point in asking for a time agreement at this point. But I just want to make the Members aware, and I know I am joined by my distinguished chairman in saying, we are going to have to do something to speed this process up or we are not going to get out before December 1.

I thank the Chair.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska.

Mr. MURKOWSKI. I think the Senator from Arizona wants to propose a unanimous consent.

Mr. KYL. Yes. I thank the Chair. I thank my colleague from Alaska.

PRIVILEGE OF THE FLOOR

I ask unanimous consent that John Rood be admitted to the floor during the pendency of this amendment and other amendments on which he may desire to be present under my supervision.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I will try to be brief. I recognize the timeframe.

I think it is fair to recognize another thing though: That two-thirds of the world's population, or thereabouts, are under some type of sanctions or threatened sanction by the United States. I think the question we have to ask ourselves is, As we address the justification of sanctions, are we really helping the people we want to help?

I commend the Senator from Indiana, Mr. LUGAR, for bringing this matter up, because we can continue to debate it, we can continue to evaluate it, but the reality is, it is time to address the effectiveness of these sanctions. And, as a consequence, I rise to support the amendment of the Senator from Indiana on sanctions.

I think he is offering the amendment for one reason, which is because sanctions are now a popular choice to promote our agenda and, of course, legitimately protect our national interests. There is nothing wrong with this reasoning except many times sanctions simply do not work in the manner that we have intended. They are one tool that we can use against rogue nations—granted. The question is, How effective are sanctions? In what cases should they be used? Unfortunately, as I have indicated, the tool of choice is sanctions. Some suggest it is a hammer for brain surgery.

In any event, it is time to take stock in whether this amendment by the Senator from Indiana passes now or later. I think it is fair to say we should take up this matter and resolve it and examine, if you will, the posture of our policies.

Let me conclude with one reference that is in the amendment of the Senator from Indiana; that is, he sets guidelines before imposing sanctions. That is important, in his amendment. The amendment will require a check and balance. It will require information on the goals of the sanctions, the economic costs to the United States, the effect on achieving other foreign policy goals, and whether other policy options have been explored. It is kind of a cost-benefit risk analysis. I wish we could apply it to some of our environmental measures. That is what we are proposing here, and that is why I support the amendment of the Senator from Indiana.

This amendment will require careful thought before imposing sanctions. It does not prohibit sanctions. Dozens of sanctions are now pending before Congress. Sanctions, because they are the easy way out, have become a knee jerk reaction.

Between 1914 and 1990 we imposed unilateral sanctions 116 times. Between 1993 and 1996 alone we imposed unilateral sanctions 61 times on 35 nations. In 1995 alone, it is estimated that sanctions cost the United States $20 billion in exports.

The President has declared a national emergency 16 times during his term. In the case of Burma, the President invoked unilateral powers reserved to "deal with an unusual and extraordinary threat."

Is Burma an "unusual and extraordinary threat" to the national security of the United States? I will go out on a limb and say perhaps no.

But that is the problem. The choice to use unilateral sanctions is easy. It is a choice made for the short term to appease special interest groups. No thought is given to the chances of success or possible alternatives.

Will unilateral sanctions work in Burma—probably not! Will they hurt the people we are trying to help—definitely so!

We must look to the long term.

I think a perfect example of this is Vietnam. Restoration of diplomatic relations and the lifting of the trade embargo on U.S. exports led to progress on the MIA issue and greater economic freedoms in Vietnam.

The old saying that a rising tide lifts all boats is true.

When we decide on appropriate action to take against rogue countries, we must make decisions based on what are the most persuasive actions rather than the easy way out.

I do not condone the policies of Iran, or Libya, or North Korea. All these countries clearly pursue policies contrary to our national interests.

But I believe it has come to the point where U.S. unilateral sanctions run the risk of being completely counterproductive because they get in the way of more effective multilateral steps that could be pursued.

Unilateral sanctions should be a tool of last resort and only used after careful thought about the consequences, the costs, and the chances of success. I urge my colleagues to support Senator LUGAR. Implementing sanctions should not be based on emotion but on a rational process. This is what this amendment does.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I will also keep my statement very short.

Mr. President, I also strongly support Senator LUGAR'S amendment to include the Enhancement of Trade, Security and Human Rights through Sanctions Reform Act to the agriculture appropriations. Consistent with our commitment yesterday to help American farmers, I believe this is the appropriate time to consider this important amendment that will help us think about the consequences of unilateral sanctions before they are imposed, either by the Congress or by the President.

As you have heard, this amendment does not prohibit the Congress or the administration from imposing Unilateral sanctions, but it forces us to think before we act. It is easy to look like we are combatting various problems such as human rights abuses, religious persecution, nuclear proliferation, child labor, etcetera, by imposing unilateral sanctions. But it is not so easy to determine the negative effect they will have. It is my opinion that unilateral sanctions do not work. They do not force countries to adopt our policies, or our standards. Therefore, they wind up doing nothing but hurting our American farmers and workers who lose export opportunities to the affected nations.

Senator LUGAR'S amendment, which I have also cosponsored in its bill form, establishes procedures by which we can analyze the impact of the sanctions—first, whether they——

Mr. STEVENS. Will the Senator yield for just a moment?

Mr. GRAMS. Yes, sir.

Mr. STEVENS. Mr. President, I would like to notify the Senate that at 6 o'clock I shall seek the floor to move to table the Lugar amendment. I think it is a vote that must be taken to see where the votes are on this amendment. If it is not tabled, then it will still be open to amendment, but hopefully we might be able to work something out to see in what shape we would agree to take the Lugar amendment to conference and have a vote on whatever the Senator wants. But I do expect to make a motion to table the Lugar amendment at 6 o'clock. I ask cloakrooms notify their respective sides of that.

I thank the Senator.

Mr. GRAMS. Just to briefly finish my statement today, I believe the Lugar amendment will help to establish procedures by which we can analyze the impact of these sanctions. That is first by whether they will accomplish the intended purpose, and second, the impact they have on U.S. international competitiveness and other foreign policy goals.

This amendment is also flexible. The President can waive the provisions of this amendment in an emergency, and the amendment does not affect existing sanctions. It also does not apply to multilateral sanctions.

I urge my colleagues to take a look at this, to support this amendment which will help us determine whether a particular unilateral sanction will work or whether we should pursue the problem in another way. If unilateral sanctions are imposed, we need to ensure they will work and they are initiated only as a last resort, and only after multilateral sanctions are pursued.

Again, I thank Senator LUGAR for his leadership on this important issue. For those of us concerned about the growing trend toward unilateral sanctions without analyzing whether they will work or how they will affect our farmers and workers, I think this is a no-brainer. This is an amendment that should have no opposition from this body.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I am sure when my colleague just referred to a "no-brainer," that no one would be in opposition to it, he wasn't suggesting there is not a logical, reasonable argument in opposition to the amendment, and I would like to again try to make that and urge my colleague, if he would like, to engage in any kind of colloquy he would like to clarify what I have to say, to at least assure him that there is a reasonable argument on the other side.

I want to begin by commending Senator LUGAR for identifying many of the things which ought to be done with respect to the imposition of sanctions in his amendment. He has a lot of good material in this amendment. I know he has given it a lot of thought. I think, at the end of the day, we will be able to accept a lot of that.

Mr. President, I also believe there are some things that are not adequately thought out here. I would like to focus on a few of those. One of the things I am pleased with is a very broad definition of national emergency, which would permit the President to essentially waive the requirements of the legislation in the event of a national emergency, which is very, very broadly defined here. In one sense, that is good. But in another sense, all of the good that we are trying to achieve here could be easily undone, simply because the President decided to go forward and waive in the interests of national security. If the national security definition were a little tighter, then what we are seeking to accomplish here could probably be done, and the President would not be able to undo it easily through the invocation of a national emergency waiver.

So I want to begin this part of the debate by acknowledging that some of what the Senator from Indiana is seeking to do clearly is going to gain wide acceptance here. In some cases, we are not going to want to let the President easily get out from underneath these requirements, which the definition of national emergency, in my view, would allow him to do.

I also want to begin by making a point that one of my colleagues made, and that is to establish bona fides with respect to this. I have been getting a lot of calls from commercial associations seeking support for this, in the name of free trade. I have always supported fast track and do to this day, and I hope we will take fast track up again this year and pass it. I have supported GATT. I have supported NAFTA. I will proudly call myself a free trader, too. So my comments are not made from the perspective of someone who has not supported trade. In terms of business support, I certainly provided that.

But we also have a national security obligation as Members of the Senate, and what I do not see adequately addressed in this amendment is the careful balancing between support for economic considerations on the one hand, and national security on the other. Those interests have to be very carefully calibrated. I think, with some additional work on the amendment of the Senator, we might be able to help achieve that calibration, but not if we have to vote on that today.

Third, I mentioned the definitions problems, and I would like to get into that in detail now. I would like to read from the amendment of the Senator, the very first definition of what we are talking about when we talk about a unilateral economic sanction. Here is the definition. I am quoting:

> The term "unilateral economic sanction" means any prohibition, restriction or condition on economic activity, including economic assistance, with respect to a foreign country or foreign entity. . .

Et cetera, et cetera, et cetera.

That means foreign aid, for example. So before we do a foreign aid bill here, are we going to have to go through the requirements of this legislation? Before we reduce a country's foreign aid, is the President going to have to give the Federal Register notice for 45 days? Is the Congress going to have to wait for 45 days before we can reduce that aid? Is that reduction going to be in force only 2 years and then we would have to revisit it? Something as simple as foreign aid—we raise and lower a country's foreign aid every year for lots of different reasons.

We may apply a little more money to the foreign aid budget and be able to increase aid, or we may reduce it and have to increase aid. It has nothing to do with whether we are trying to sanction somebody or punish somebody or prohibit trade. Yet, that would be implicated because of the breadth of the definition of "economic sanction" contained in the legislation.

What about some of the other actions that we may take? I mentioned before export controls on sensitive U.S. technology. I think it is absolutely incredible that restrictions of U.S. trade, technical assistance, or any other way in which the United States would provide assistance to another country with respect to sensitive matters would be deemed subject to the requirements of this legislation.

This legislation may well be appropriate for the kind of sanctions that we would apply against a country that doesn't agree with us on a particular human rights policy, for example, or something of that sort or perhaps with whom we have a trade dispute. But it certainly should not apply to the limitations that this country imposes upon U.S. businesses wanting to transfer technology to another country. There are good and sufficient reasons we have an entire regime of export controls in place.

To show just exactly how far this legislation goes—and I think this is critical before Senators vote in favor of this amendment—they had better understand the following: We have just had exposed a tremendous technology transfer to the country of China that occurred because a couple of U.S. companies may—may; they are under investigation for it—allegedly have violated U.S. law with respect to technology transfer.

When a missile blew up and destroyed a satellite, information was provided to the country of China. That may have been in violation of U.S. law. It may well have compromised our national security. Yet, the kind of things that we impose upon companies that are going to do business with a country like China to limit the transfer of that highly sensitive technology would be implicated because of the breadth of the definition of this legislation.

Would we be able to limit the kind of technology transfer that has gone on to China that we are trying to stem?

Would we be able to require defense monitors to accompany this equipment?

Would we be able to preclude reports being issued to the Chinese Government on what went wrong with a particular launch?

Would we be able to require an export license for the kind of satellites being exported here or the kind of technology that is being transferred in aid of the launch of U.S. satellites to make sure the rockets themselves don't blow up?

Would we be precluded from putting those kind of technology transfers on a munitions list?

Would we be precluded from requiring reviews by the Justice Department?

This morning I talked with the Attorney General in a hearing of the Senate Judiciary Committee, and I said, "Even though you had this matter under direct investigation, pending investigation, and Sandy Berger, the National Security Adviser, was advised that it could significantly adversely impact the judicial process of the prosecution of people who would be indicted for having possibly violated the law, for the President to grant a subsequent waiver, notwithstanding that the President granted the waiver," and I asked the Attorney General, "did you object to that in any formal way?"

She said, "No, there is nothing in the law today that permits or requires that, and there is not even any procedure for that."

I said, "Do you think there should be?"

Her answer was, "We are working right now on recommendations that would get the Justice Department into the loop here."

What I am saying, Mr. President, is that with regard to the transfer of highly sensitive technology that could jeopardize the national security of the United States, we do impose limitations, and as I read the definition of "unilateral economic sanction," many of the kind of activities in which we engage here would be implicated by this definition.

I know, or at least I firmly believe, that the Senator from Indiana would not want to jeopardize our national security and that it would not be his intention to have that kind of technology transfer limited, or the limitations on that kind of technology transfer limited by his amendment. Yet, as I read his amendment, that is exactly what occurs, because, again, the definition is:

> Any prohibition, restriction or condition on economic activity.

Clearly, all of the things that we imposed on Loral and on Hughes are restrictions and conditions on their economic activity with China, and for a good reason: to prevent the transfer of technology that we think might harm our national security.

Are we saying today, are we willing to vote for an amendment that essentially says, with respect to that kind of condition, we are going to treat that as a sanction and we are going to put all kind of limitations on whether or not it can be done?

One of the answers is, "Well, there's a section in here that permits the President to waive any of this if there is a national security interest involved in that case."

Mr. President, it seems to me that we simply ought to make an initial determination that there are certain kind of things that we do not deem to be economic unilateral sanctions and they ought to be excluded in the legislation in the first instance, because otherwise we are going to have an extraordinarily cumbersome procedure where thousands of things that this Government does, in either the executive or the legislative branch, from foreign aid decisions of the Congress to highly sensitive national security technology transfer limitations, are going to be deemed to be sanctions that have to go through the processes of review and delay and sunset, and so on, of this legislation, or else be exempted by a waiver that the President would then have to specifically invoke with respect to each one of those particular actions.

That doesn't make sense. That is why I say this one-size-fits-all kind of approach is not the right approach. The kind of things the Senator from Indiana should be dealing with are a fairly narrow range of economic activities and limitations on those activities that either the President or the Congress has imposed in the past but that don't have anything to do with foreign aid, that don't have anything to do with national security technical assistance limitations and the like.

That is the third point I want to make.

I should also note that there are other things that could be deemed conditions or restrictions on economic activity, like denials of visas, cuts in taxpayer-funded export credits such as from OPIC or Eximbank. Are those things implicated by this? I think clearly they are. Is that the intent of the Senator from Indiana? And, if so, how are we going to get around those with a national security waiver? There are some things that I don't think we want this to apply to for which the national security waiver isn't going to be available. There, again, the one-size-fits-all approach to this just isn't going to work.

I will conclude this third point by reiterating what I said before. One of the things the Senator from Indiana is trying to do here is to be sure, before we invoke sanctions, we think it through, we analyze the impact, and we have a set of standards by which to measure whether it is effective or not and we have a mechanism for ending the sanction that forces us to, in effect, focus on whether or not it has been effective and we want to continue it or not.

All of those are valid propositions. My guess is, before we are done with this, that kind of approach will be adopted by the Senate. I am not arguing against those things, but what I am doing is reiterating the argument of the Senator from Connecticut, the Senator from Kentucky, and expanding on a point that I made earlier, and that is that just as we are getting into this issue with the first meeting of the sanctions task force—a bipartisan task force—yesterday to identify exactly what we want to cover by the kind of reforms and others that the Senator from Indiana is proposing, just as we are beginning this process, we have placed on the desk an amendment that is going to do it all and do it with a definition that is so broad that it would cover virtually any condition or limitation on economic activity. That is not, I think, what the sanctions task force views as the proper approach.

I urge my colleagues to slow this process down just a little bit. We don't have to have this amendment on this appropriations bill today. I am sure that if the Senator from Indiana will work with us, if there is deemed to be a necessity to put something in place fairly soon, and certainly before the end of this legislative year, we can come up with a good set of criteria, such as those the Senator has in his bill, for imposing sanctions—a good review process, some mechanisms for revisiting the sanctions after a point in time to ensure we still want them in place. All of those things that Senator LUGAR's amendment goes to I think we can include in a piece of legislation. But I also think we are going to want to take a look at these definitions carefully and modify them to some extent so in one case it does not go too far and embrace just too many things, and in another case it perhaps does not go far enough.

Finally, I will close with this point, Mr. President. Sanctions—and because of the breadth of the definition of sanctions here, I think we are literally talking about any kind of action the United States might take—can be in response to all kinds of different things.

We have the Jackson-Vanik sanctions that were imposed upon the Soviet Union when it would not allow the immigration of Jews from the Soviet Union. We have sanctions that were imposed on South Africa to try to change that country's behavior. We have sanctions that were imposed upon the Soviet Union after it invaded Afghanistan. We have sanctions in aid of various treaties or agreements that are hard to enforce unless you can impose some kind of sanction. The NPT, Non-Proliferation Treaty, and other kinds of treaties that we have signed, some bilateral, some multilateral, have to provide some kind of enforcement.

As Senator LIEBERMAN pointed out, you do not want to have to turn to the military option right off. So all you have are economic or diplomatic activities. Now, diplomatic activities sometimes work; sometimes they do not. They more frequently work if you have some other kind of hammer behind it, like a military or economic card to play. What it boils down to is that an economic limitation can sometimes be very important. But I do not think we ought to blame sanctions necessarily when things do not go right.

The best example of a failed policy is one which we have all dealt with here very recently, and that is the automatic sanctions that were imposed upon India and Pakistan—for doing what?—for nuclear testing.

Mr. President, I submit that the problem here is not sanctions per se. The problem is that the policy that was put in place was a failed policy to begin with, and to attach sanctions as the only way to respond to that was simply wrong. Congress was in error for doing that. We are now rushing to correct that error. But we are doing it in the wrong way.

Let us understand that the problem with the sanctions on India and Pakistan go back to the fact that as a nation we should have recognized that, just like China, Russia, and France, these nations are going to do what they think is in their best national interest, which may include testing nuclear weapons, and that they are going to do that irrespective of world opinion or economic sanctions. Their own internal country opinion was more important to them.

In both cases, they were willing to suffer the consequences economically that might result from sanctions being imposed. In fact, I think in both countries there was a certain sense of pride that they did this and that they could stand up to the rest of the world. So for us to have had to impose economic sanctions was folly. It was never going to work. These countries were going to do what they felt was in their best interest, and we were not going to be able to stop them with economic sanctions.

All we did was hurt a couple of countries that have been friendly to the United States—in the case of Pakistan, a country that is really hurting economically. And the last thing I think we really wanted to do is hurt the people of Pakistan with these sanctions; nor did we want to hurt our own country's agricultural interests. The problem was not sanctions per se. The problem was in ever thinking that we could, by the use of something like sanctions, prevent them from doing what inevitably they were going to do.

Let us not blame sanctions; let us blame a failed policy embraced by the U.S. Congress. Sanctions sometimes do work; and, as Senator MCCONNELL said, sometimes they do not work. Our record has been inconsistent in this regard. I know that is one of the things that Senator LUGAR is trying to address here. But that should animate our thinking here—not that sanctions are per se wrong and, therefore, they have to be used only in very, very limited situations, and so on, as some of the language in this amendment suggests. I agree with that as a general proposition.

We ought to be careful how we use sanctions because in some cases they are never going to be effective because the underlying policy is not a valid policy. But by the same token, in the interest of satisfying our commercial constituents, I do not think we should rush to judgment here and literally throw out the baby with the bathwater by making it very difficult to impose or retain sanctions in the future when, in point of fact, there are certain areas, like national security, for example, where we very definitely want to have conditions or limitations on economic activity—the definition in the bill—that have nothing to do with the ordinary understanding of sanctions.

For that reason, I urge my colleague from Indiana to withhold for a few days or a few hours or some point in time where we can sit down and try to rework the definitions and rework some of the other language so that we are not applying a one-size-fits-all solution to what is, as Senator LIEBERMAN pointed out, a very complex situation.

We were going to address this through the task force and take quite a bit of time to do it. If there is any reason to rush to judgment here, let us at least take enough time to narrow what we are doing and try to make it apply in a fairly restricted way to achieve whatever short-range objective we have here until we have time to think it through more thoroughly to impose a policy that would cover all of the different kinds of limitations that, as a country, we may wish to impose.

Mr. President, I urge that this amendment not be supported, that if a motion is made by Senator STEVENS, that we support that motion, and that we not consider the amendment at this time. I certainly, as a member of the sanctions task force, will work with Senator LUGAR to try to take many of the good ideas he has in this legislation and pull them into a bill I think all of us can support at the appropriate time.

Thank you.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada.

Mr. BRYAN. Mr. President, may I inquire as to the parliamentary situation on the floor? The intention of the Senator from Nevada is to offer an amendment, of which I have alerted the manager. If there is a pending amendment, if I could be so advised, I will make the necessary request.

The PRESIDING OFFICER. There is a pending amendment to be laid aside.

Mr. BRYAN. I thank the Chair for his courtesy.

Mr. President, I see the chairman of the committee is rising. I would certainly yield to him.

Mr. LUGAR. I ask the Senator a question. If it is just a parliamentary procedure, I have no objection if it is a noncontroversial amendment, because I would like to help the bill proceed. But I want us to move toward the conclusion of the debate on my amendment.

Mr. BRYAN. Responding to the inquiry of my friend, the senior Senator from Indiana, I wish I could represent to the Senator that this was noncontroversial. In this Senator's judgment, it ought to be. But fairness requires me to say, this is an amendment which has been before the Senate on many occasions dealing with the Market Access Program. It is controversial. I was under the impression that we could lay the pending amendment aside and consider it, but if the chairman has a concern about that, it is not my purpose to interrupt the orderly flow of the processing of this appropriations bill.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, Senator LUGAR desires to make further remarks in support of his amendment, and we hope the Chair will recognize him for that purpose. Any other Senators who want to speak on that amendment should do so now, because there is the plan that has previously been announced that Senator STEVENS will move to table the Lugar amendment at 6 o'clock. We will have a vote on that motion to table. But if Senators have completed their remarks on the Lugar amendment, then we could set that amendment aside, if the 6 o'clock hour has not yet arrived, and have other amendments debated. That would be our hope.

The PRESIDING OFFICER (Mr. THOMAS). The Chair recognizes the Senator from Indiana.

Mr. LUGAR. Mr. President, during this debate on the pending amendment, three arguments have been made. I want to respond to them briefly. One came about through Senators suggesting that the President of the United States, who just today proposed sanctions on certain firms in Russia and pertaining to Iranian missile transfers, would not have had the ability to impose those sanctions if the amendment that we are debating had been the law of the land.

Later, the distinguished Senator from Arizona, after a careful reading of the legislation, noted that on page 30 of the amendment—this is the language: "The President may waive any of the requirements of subsections (a), (b), (c), (d), (e)"—and so forth—in the event that the President determines there exists a national emergency that requires the exercise of the waiver.

I made that point in an earlier presentation, but I simply wanted to reiterate there are emergency situations regarding the national security of this country. The President must have the ability to act. Our legislation expressly gives him that waiver ability.

Then the distinguished Senator from Arizona raised the question as to whether, in fact, that waiver might be too broad. Perhaps. But, you cannot have it both ways. If on one hand you argue that the President of the United States is constricted in terms of what he may do, but then you find out he has full ability to do it, I suppose you could then argue that you do not want to have full ability at that point.

Let me just offer a moment of reassurance. On the same page 30 of the amendment, there is a section setting up a Sanctions Review Committee in the executive branch. It reads:

> There is established within the executive branch of Government an inter-agency committee, which shall be known as the Sanctions Review Committee, which shall have the responsibility of coordinating United States policy regarding unilateral economic sanctions and of providing appropriate recommendations to the President prior to any decision regarding the implementation of a unilateral economic sanction.

Now, that committee is composed of the Secretaries of State, Treasury, Defense, Agriculture, Commerce, Energy, the U.S. Trade Representative, and so forth.

The point being that the President of the United States should be well advised before he decides on a unilateral waiver for even national emergency purposes.

I suspect that this could be perfected further, but during the course of the debate on this legislation I simply note that many Members—and this is understandable—say this is very complex matter and we need more time to walk around it, try to think through the national security implications, the ability of the players to deal with this successfully.

I point out, respectfully, that my original legislation on which this is based was introduced last October. This has been widely discussed in this city for many months. It is supported by 37 Senators explicitly who have thought through all the implications of this and have studied it at some length.

Finally, Mr. President, I respond to the argument that the India and Pakistan incidents are the reason we are discussing this. As I recall, the distinguished Senator from Arizona pointed out we have resolved some of those problems and, therefore, it may be premature to move on to other problems. But, in fact, India and Pakistan had not gone through their nuclear testing regimes last October.

The problem that has to come back to this body is that of the American farmers—the gist of the overall agriculture appropriation bill—need some hope that this body understands the effect of economic sanctions on agriculture. The USA*Engage group, composed of some 675 businesses, including the American Farm Bureau, have strongly encouraged this body to understand the problems faced by American business.

I think the distinguished Senator from Nebraska, Senator HAGEL, stated it well: American business is not a special interest. It is not a nefarious group of people with whom we should have no contact as we talk about national security or economic security. American business and American farmers provide the money that gives us the ability to provide security to this Nation. These are the people who actually are out there working and providing jobs. They are saying to us: You folks with all of your sanctions are creating unemployment for 200,000 Americans. That number of people are losing their jobs because of what is occurring in the sanctions regime.

Of course, we have to be considerate of each and every aspect of making certain that national security is not compromised. It would be a stretch to think of many of these sanctions that have had a substantial national security implication to begin with.

I suspect, finally, there has to be a balancing of interests in our country. Even as we are deeply concerned about democratic procedures in other countries, about religious procedures in other countries, about economic procedures in other countries, we ought to weigh and we ought to have a procedure in which we say we are going to impose a sanction on some country and take the time to state why, and then take time to say, "What would be considered a success? How would we know we have victory? What are the benchmarks of our success?" At least once a year, we should think about what the sanction did. Did it make any difference? Did it make a difference in American jobs and income that was totally disproportionate to whatever the impact might have been, in the target country?

Now, that is what my amendment calls for—however you weave the argument around it, the need to state the purpose of what we are doing, the benchmarks of success, to examine periodically whether we have hit the mark even remotely, and, in any event, to estimate the cost of sanctions to Americans. It really is time to think about Americans, people in this country, farmers, producers, even as we are spinning wheels of economic sanctions for whatever economic purpose we might think of.

From the beginning—and I think everyone has heard this clearly—we are talking about sanctions in the future, prospective sanctions. I hope Senators understand that. But that is the case.

Secondly, we are talking about unilateral sanctions which we do ourselves that hurt us, that have no cooperation from others, with every other country grabbing our markets, entering in to eat our lunch. We have prescribed any number of ways in which people in this Congress and the administration have to think about it, and at the same time giving the President, as our Commander in Chief, the ability in terms of our security, to act if he must.

Finally, we have said after 2 years the sanction comes to an end unless the Congress reauthorizes it. That is, take some more time to think about what has occurred, what the implications and the costs for Americans have been.

I am hopeful this amendment will not be tabled. I regret that the distinguished chairman of the Appropriations Committee feels he must do that at 6 o'clock, but I understand the expeditious procedure of this bill, and it is an important bill, has to go on. I hope Senators will vote against tabling the amendment when that time comes, about an hour from now, because I think that a vote against tabling sends a signal of hope to American farmers that we care, and we had better send that signal.

I hope Senators understand that we have a difficult situation in American agriculture, not because of the farm bill but because demand from Asia is down and demand from other countries will be coming down as their income is constricted. We will need all of our weapons of trade in order to meet that, and the same eventually will occur to other industries.

I stress agriculture today, Mr. President, because that is the first wave. That is where the first implications of economic downturn have come, with raw materials and food. But it will spread unless we are successful in adopting a new trade strategy that must surely include greater thoughtfulness about sanctions.

Therefore, I call for a new regime of thoughtfulness—not a prohibition of sanctions, not a breach of international or national security, but a thoughtful approach, giving full latitude to the Commander in Chief and, hopefully, better latitude to us, to think through what we are doing and to do it more correctly and positively.

I conclude by saying, as I recall, the distinguished Senator from Arizona was asking a hypothetical situation whether as to whether the President could act or not, I think I have answered the question that he could have acted on today's sanction. But let's say that the President acts, or the Congress acts; how do we know in advance that this is going to have any particular effect? The answer is that we don't. As a matter of fact, in most cases, the effect has been dismal, inappropriate, and costly to the United States and to our citizens.

So I say that the President of the United States has the full ability to act, but whether he will act appropriately is another question. And that is why even the President is asked to consult with his Cabinet, and why we are asked to consult with each other—in the hope that if we do adopt a sanction, it will do some good, that it will have some wisdom behind it, some rationale and some procedure that the American people can follow. I submit, Mr. President, that many of the sanctions we have adopted have not had that wisdom, that procedure, and they have not had a very good effect.

It is for this reason that I ask the support of Senators for this amendment and the support, particularly, on the vote to table. I am hopeful that that tabling motion will not be adopted when that moment comes.

Mr. President, I thank all Senators for allowing us to have this full debate. I appreciate that there are many other issues that should come before the body.

I yield the floor.

Mr. HELMS. Mr. President, the premise of the amendment proposed by the distinguished Senator from Indiana is that—as President Clinton recently put it—the United States has gone "sanctions happy." We've all heard the statistics, repeated without question by the media, that the United States has enacted sanctions 61 times in just 4 years, thereby placing 42% of the world's population under the oppressive yoke of U.S. sanctions.

Well, it just ain't so.

I've examined these so-called statistics. And I've found that they are fabricated. The "61-sanctions" figure, which came from a study by the National Association of Manufacturers, and circulate widely by an anti-sanctions business coalition calling itself "USA Engage."

The NAM claims that, over a 4 year period (1993 through 1996) "61 U.S. laws and executive actions were enacted authorizing unilateral economic sanctions for foreign policy purposes." According to NAM, these sanctions have targeted 35 countries, over 2.3 billion people (42% of the world's population) and $790 billion—19% of the world's total—in export markets.

NAM lists a catalogue of 20 new laws passed by Congress and 41 Executive Branch actions for a total of 61 new sanctions in just 4 years.

The "61 sanctions" figure cries out for examination. I asked the Congressional Research Service to analyze the NAM claim. After examining the NAM study, CRS reported to me, "We could not defensibly subdivide or catagorize the entries in the (NAM) catalogue so that they add up to 61."

How did NAM come up with this 61-sanctions claim? Here's how:

The National Association of Manufacturers includes as examples of "unilateral economic sanctions" every time the U.S. complied with U.N. Security Council sanctions—which are, by definition, multilateral sanctions;

The NAM used double-, triple- and quadruple-counts certain sanctions;

They included as a so-called "sanction" any executive branch or Congressional actions denying, limiting or even conditioning U.S. foreign aid. (Since when, I ask, did foreign aid become an entitlement?)

The NAM lists as sanctions instances where no sanctions were actually imposed, cases sanctions were actually lifted, and cases where sanctions were imposed briefly and then lifted.

The NAM piled into their "sanctions" list any decision to bar the sale of lethal military equipment to terrorist states, and various actions which affect just a single corporate entity or individuals—not countries.

Mr. President, this is not what most of us have in mind when we think of "sanctions." We think of trade bans and embargoes on states—not seizing the assets of Colombian drug traffickers, blocking imports from a single factory in southern China which is using prison labor, or banning the sale of lethal equipment to states which arm and train terrorists.

The fact is, there is no credible way to argue that the U.S. has imposed 61 sanctions in just four years, or that anywhere near 42% of the world's population has been targeted by U.S. sanctions. In other words, there is no basis for the claim that we in Congress have gone "sanctions happy" or for the problem that the amendment offered by the Senator from Indiana proposes to fix.

But don't take my word for it. The staff of the Committee on Foreign Relations has prepared a document which analyzes the NAM study and exposes its failings. I now ask uninanimous consent that this analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

The NAM study charges that Congress enacted 20 new sanctions laws between 1993 and 1996. This is a deliberate falsehood.

In reality, *three-quarters of this total (15) were denials, restrictions or conditions on U.S. foreign aid*, included as part of normal Foreign Operations and Defense Appropriations legislation.

What were these so-called sanctions? One so-called sanction is a prohibition on aid to foreign governments that export lethal military equipment to countries supporting international terrorism. Another barred U.S. assistance for military or police training in Haiti to those involved in drug trafficking and human rights violations. Another placed conditions on assistance for the Palestinian Liberation Organization. Another prohibited Defense Department aid to any country designated as supporting international terrorism.

Another withheld foreign aid and directed U.S. to vote "no" on loans in international financial institutions for countries knowingly granting sanctuary to persons indicted by the international war crimes tribunals for the former Yugoslavia and Rwanda, for the purpose of evading prosecution.

Are these the kinds of "objectionable" and "irresponsible" actions Congress needs to reign in? I think not. Indeed, of the 20 congressional actions listed by NAM, in reality only 5 can really be called "sanctions laws." These are: The Nuclear Proliferation Prevention Act (April 30, 1994); the LIBERTAD (Helms–Burton) Law (March 12, 1996); the Anti-Terrorism & Effective Death Penalty Act (April 24, 1996); the Iran-Libya Sanctions Act (August 5, 1996); and the Burma Sanctions (September 30, 1996—part of FY97 Foreign Operations Appropriations Act).

The fact is, Congress has passed a handful of carefully crafted, highly-targeted sanctions in recent years—most of which passed the Senate by comfortable margins.

EXECUTIVE ACTIONS (41)

And what about NAM's claim of 41 "Executive Actions" implementing sanctions in just four years? This list is also deceiving. Consider the following breakdown of the NAM list:

MULTIPLE COUNTING OF THE SAME SANCTIONS: 7

The NAM study double-, triple- and quadruple-counts the same sanctions over and over again on seven different occasions.

Cuba—Same Sanctions Counted 2 Times. (NAM counts the LIBERTAD (Helms–Burton) law as two separate sanctions, once on the date it was enacted by Congress (in Table I) and a second time when the President took measures to implement Title III of the act.)

Sudan—Same Sanctions Counted 5 Times. (NAM counts the imposition of sanctions on Sudan, and then each adjustment to existing sanctions policy as a separate new sanctions episode.)

MULTILATERAL SANCTIONS IMPOSED IN COMPLIANCE WITH U.N. SECURITY COUNCIL RESOLUTIONS: 5

The study counts U.S. compliance with multi-lateral U.N. Security Council sanctions as "unilateral economic sanctions" five times:

Federal Republic of Yugoslavia, Jan. 21, 1993 (NAM: "These restrictions were designed to help implement U.N. Security Council Resolutions 757, 787, 820, and 942.")

UNITA & Angola, September 26, 1993 (NAM: "Designed to help implement U.N. Security Council Resolution 864.")

Libya, December 3, 1993 (NAM: "President announces tightened economic sanctions against Libya in accordance with U.N. Security Council Resolution 883.")

Haiti and Angola, April 4, 1994 (NAM: "The regulations are amended to add Haiti, as a result of the U.N. arms embargo against it, and to reflect the qualified embargo of Angola, also in line with U.N. multilateral sanctions." (Sudan?)

Rwanda, May 26, 1994 (NAM: "Prohibition on sales of arms and related material to Rwanda. Designed to help implement U.N. Security Council Resolution 918)

LIMITED BANS ON TRADE IN LETHAL MILITARY ITEMS: 8

The NAM study lists every single executive order or decision blocking the sale of lethal military items to a rogue states as a broad-based "sanction":

Zaire, April 29, 1993 (NAM: "Ban on the sale of defense items and services to Zaire.")

Nigeria, June 24, 1993 (NAM: "Steps taken in reaction to the military blocking a return to civilian government. . . . U.S. announces there will be a presumption of denial on all proposed sales of defense goods and services to Nigeria."

China, May 26, 1994 (President announces support for MFN for China, but imposes ban on import of certain Chinese munitions and ammunition)

Nigeria, November 1994 (NAM: "U.S. bans the sale of military goods to Nigeria. In reaction to hanging of nine environmental activists, U.S. adds to sanctions already imposed . . . Besides ban on the military sales, the U.S. also extended a ban on visas for top Nigerian leaders.")

Nigeria, December 21, 1995 (NAM: "Suspension of all licences to export commercial defense articles or services to Nigeria.")

Sudan, March 25, 1996 (NAM: "Departments of State and Commerce announce new anti-terrorism export controls on Sudan. . . . They are nearly identical to the controls maintained on Iran for anti-terrorism purposes."

Iran, Syria, Sudan, March 25, 1996 (NAM: "Departments of State and Commerce impose new export controls on explosive device detectors to Iran, Syria and Sudan.")

Afghanistan, June 27, 1996 (NAM: "U.S. announces policy to ban exports or imports of defense articles and services destined for or originating in Afghanistan.")

CASES WHERE NO SANCTIONS IMPOSED, IMPOSED BRIEFLY THEN LIFTED, OR THREATENED BUT NO ACTION TAKEN: 4

Cuba, Libya, Iran, Iraq, North Korea, Sudan, Syria, December 29, 1993 (NAM: "This is a restructuring of existing export controls, and did not result in the imposition of new controls, except on Sudan."

[Note: See multiple-counting of existing Sudan sanctions])

Executive Order, November 14, 1994 (NAM lists as a sanction an Executive Order which, in NAM's own words, "establishes some policies and bureaucratic responsibilities within the U.S. Government for dealing with the proliferation of weapons of mass destruction. It did not impose any specific new sanctions on any countries.")

China, February 28, 1996 (NAM: "Secretary of State asks Ex-Im Bank to postpone any financing for U.S. companies planning to export to China because of reports that China had shipped ring magnets to Pakistan and was otherwise supporting Pakistan's nuclear weapons program. Secretary makes a second request on April 24, 1996. Sanction lifted on May 10, 1996)

Taiwan, August 9, 1994 (Import restrictions imposed based on Taiwan's trade in tiger and rhinoceros products, lifted several months later)

SANCTIONS AFFECTING ONLY INDIVIDUALS OR SPECIFIC CORPORATE ENTITIES: 7

None of us would consider seizing the assets of drug traffickers, or blocking imports from one company using in prison labor as a "sanction." The NAM study does—seven times:

Haiti, June 4, 1993 (NAM: "limits on entry into U.S. and freezing of personal assets of specially-designated nationals who act for or on behalf of the Haitian military junta or make material contributions to that regime.")

China, June 16, 1993 (One entity affected: Qinghai Hide & Garment Factory. Reason: Use of slave labor)

China, August 24, 1993 (Two Chinese entities affected. Reason: Nuclear proliferation to Pakistan.)

Middle East, Jan. 23, 1995 (NAM: "President blocks assets of persons determined to have committed or present a significant risk of committing actions of violence that would disturb the Middle East Peace process, and he blocks transactions by U.S. persons with these foreign persons.")

Colombia, October 21, 1995 (NAM: "Executive Branch blocked property subject to jurisdiction of important foreign narcotics traffickers. Original list of four traffickers expanded to 80 entities and individuals on October 24, and more added in November 1995 [4] and March 1996 [198].")

China, April 29, 1996 (One Chinese entity affected: Tianjin Malleable Iron Factory. Reason: Use of slave labor.)

North Korea, Iran, June 12, 1996 (NAM: "Sanctions imposed on three entities in Iran and North Korea that have engaged in missile proliferation activities.")

DENIAL, RESTRICTIONS OR CONDITIONS ON U.S. FOREIGN AID: 6

And, once again, NAM lists every restriction on foreign aid as a sanction, asserting in effect that foreign aid is an entitlement:

Guatemala, May 27, 1993 (NAM: "Suspension of U.S. aid programs to Guatemala, except for humanitarian assistance, and U.S. opposition in . . . international financial institutions for loans to Guatemala . . . [in] opposition to a military coup."

Nigeria, April 1, 1994 (NAM: "President decertifies Nigeria for its inadequate anti-narcotics efforts," making it ineligible for most U.S. foreign aid and most programs from Ex-Im Bank or OPIC.)

Gambia, August-October 1994 (NAM: "Cut off of all U.S. economic and military aid because of a military coup in July against the duly elected head of state . . . pending the return of democratic rule to Gambia.")

Afghanistan, February 28, 1995 (President decertifies Afghanistan for inadequate counter-narcotics efforts. Ineligible for most U.S. foreign aid, Ex-Im Bank or OPIC support, direct U.S. to vote "no" in international financial institutions)

Colombia, March 1, 1996 (NAM: "President Clinton decertifies Colombia for its inadequate anti-drug efforts," making it ineligible for most foreign aid, Ex-Im Bank or OPIC support, and subject to U.S. opposition for loans in international financial institutions.)

DECLINE TO ISSUE A LETTER OF INTEREST: 1

NAM even lists a decision by the Ex-Im Bank not to issues a "letter of interest" in one case as a "sanction."

China, May 30, 1996 (NAM: "Ex-Im Bank board of directors declined, because of environmental concerns, to issue letters of interest to three U.S. exporters.")

Mr. HELMS. Mr. President, as the review of the NAM study makes clear, most of these actions were taken at the President's discretion, either by Executive Order or based a law where President had broad waiver authority.

If the Senate is going to have a debate over sanctions policy, we should do so on the basis of facts, not distortions presented by the anti-sanctions lobby. That is the reason that the Republican and Democratic leaderships have formed a bipartisan sanctions task force to examine the facts, and make recommendations.

Apparently, some in the business community would prefer for the Senate to act before the facts come out. We should not fall for such tactics.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, if there are no other Senators wishing to speak on the Lugar amendment at this time, and I see none on the floor, I think we should proceed to set aside the Lugar amendment and turn to an amendment to be offered by the Senator from Nevada, Senator BRYAN. It is my hope that we can complete debate on the amendment of the Senator from Nevada before the hour of 6 o'clock, and at 6 there would be a motion to table the Lugar amendment and a vote thereon. Then I will move to table the Bryan amendment and we will have a vote on that. That is the plan of action.

With that, and if there is no objection, I ask unanimous consent that the LUGAR amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I preface my comments by thanking the Senator from Mississippi. I think the arrangement he suggests is workable, and we will work within those time constraints.

Once again, I will offer an amendment to eliminate funding for one of the most egregious examples of corporate welfare in America—the Market Access Program. This program continues to waste millions of dollars subsidizing advertising and other promotions in foreign countries.

AMENDMENT NO. 3157

(Purpose: To eliminate funding for the market access program for fiscal year 1999)

Mr. BRYAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. BRYAN] for himself, Mr. REID, Mr. GREGG, Mr. FEINGOLD, and Mr. KERRY, proposes an amendment numbered 3157.

Mr. BRYAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 60, strike lines 4 through 11 and insert the following:

SEC. 717. None of the funds made available by this Act may be used to provide assistance under, or to pay the salaries of personnel who carry out, a market promotion or market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623).

Mr. BRYAN. Mr. President, I want to make some general observations. This is an area that I have had an interest in for a number of years. We have debated it many times on the floor, and I say to my friends from the agricultural heartland of America that I am not unmindful that in some of the agricultural regions of our country, there is real economic crisis out there, particularly in the plains States.

I am not unsympathetic to the concerns of farmers. Indeed, I intend to be supportive of many of the amendments that will be offered to provide assistance to farmers who face real economic crises for a variety of reasons, many of which I suggest have probably been debated on the floor during the course of this appropriations bill.

Having said that, I want to talk about a program that, in my judgment, provides no real help to America's farmers or agricultural producers and, instead, continues to subsidize some of the largest corporations in America in terms of their advertising dollars. I believe this is a wholly inappropriate use of taxpayer dollars. As I will point out during the course of this discussion, the analysis of the Market Access Program by the General Accounting Office, just released, is a definitive analysis of the efficacy of this program.

Notwithstanding those who have advocated on its behalf and those who continue to defend it, the GAO report reveals that in spite of repeated attempts to make this program accountable, no credible evidence could be found to support the claims that the Market Access Program benefits the economy. That is why a broad range of organizations have been joined in opposition. These are groups that cover the political spectrum, from right to left. Among them are: Americans for Tax Reform, Capital Watch, the Cato Institute, Citizens Against Government Waste, Citizens for a Sound Economy, the Competitive Enterprise Institute, Friends of the Earth, the National Taxpayers Union, Taxpayers for Common Sense, and the U.S. Public Interest Research Group. All of these organizations have called for the elimination of this program. Many of these organizations have joined together in a "stop corporate welfare" effort that named the Market Access Program among a select group of the most blatant of Federal handouts.

The Green Scissors report, which recommends cutting programs that hurt both taxpayers and the environment, has also cited the Market Access Program as a waste of money.

Mr. President, I ask unanimous consent that this list I have be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF COMPANIES IN BRANDED BUDGETED DOLLAR ORDER FOR 1997

Participant		Budget 1997
E. & J. Gallo	WI	$597,874.00
Tyson Foods	USAPEEC	440,000.00
Mederer Corporation	CMA	297,000.00
M&M/Mars, A Division Of Mars, Inc.	CMA	280,547.00
Sun Maid	CRAB	163,938.00
Brown-Forman Corp.	XDA	161,680.00
NAF International	MIATCO	125,000.00
Precise Pet Products	SUSTA	110,000.00
Ralston Purina International	MIATCO	108,547.00
Quality Products Intl., Inc.	USAPEEC	105,710.00
Canadaigua Wine Company	BEA	89,620.00
The Seagrams Classic Wine Company	WI	81,000.00
Shoei Food (USA) Inc.	WUSATA	70,000.00
Russell Stover Candies	CMA	60,000.00
Mauna Loa Macadamia Nut Corp.	WUSATA	56,000.00
Schwan's Food Asia Pte. Ltd.	MIATCO	52,100.00
Specialty Brands	WUSATA	52,000.00
A. Smith Bowman Distillery, Inc.	SUSTA	50,000.00
Franklin Mushroom Farms, Inc.	EUSAFEC	50,000.00
Lyons Magnus	WUSATA	50,000.00
Twin County Grocers	EUSAFEC	50,000.00
Seald-Sweet Growers	SUSTA	48,000.00
Golden Valley Microwave Foods	MIATCO	46,000.00
Lion Packing Company	CRAB	46,062.00
Fruits International, Inc.	SUSTA	45,500.00
The Iams Company	MIATCO	44,800.00
Great Western Malting Co.	WUSATA	41,000.00
Frontier Foods, International	USMEF	39,500.00
Blue Bell Creameries, L.P.	SUSTA	39,000.00
Bush Brothers & Company	SUSTA	39,000.00
Tootsie Roll Industries, Inc.	CMA	38,000.00
Heublein, Inc.	WI	36,000.00
Austin Nichols & Co., Inc.	KDA	35,786.00
Protein Technologies International	MIATCO	35,500.00
Jones Dairy Farm	USMEF	35,000.00
Macfarms of Hawaii	WUSATA	35,000.00
Certified Angus Beef	USMEF	32,500.00
H.J. Heins Company Ltd.	EUSAFEC	32,500.00
Beechnut (Ralston Foods)	MIATCO	30,900.00
European Vegetable Specialties Farms, Inc.	WUSATA	30,000.00
Fetzer Vineyards	WI	30,000.00
CPC International/Best Foods Exports	EUSAFEC	29,250.00
Rockingham Poulty	USAPEEC	27,500.00
Wm. Bolthouse Farms, Inc.	WUSATA	27,000.00
Gourmet House	MIATCO	26,642.00
Pierce Foods	USAPEEC	25,.000.00
Prime Tanning Co., Inc.	EUSAFEC	25,000.00
The J.M. Smucker Company	MIATCO	24,750.00
Maker's Mark Distillery, Inc.	KDA	22,410.00
Star Fine Foods, Inc.	WUSATA	22,000.00
General Mills, Inc.	MIATCO	21,200.00
Vie De France Corp.	SUSTA	21,000.00
H.E. Butt Grocery Company	SUSTA	19,290.00
Grimmway Enterprises, Inc.	WUSATA	19,000.00
Kroger Co.	MIATCO	17,600.00
Well's Dairy, Inc.	MIATCO	17,500.00
Schreiber Foods, Inc.	MIATCO	15,600.00
Barbara's Bakery, Inc.	WUSATA	15,000.00
Del Rey Packing Company	CRAB	15,000.00
Giumarra Vineyards	WI	15,000.00

LIST OF COMPANIES IN BRANDED BUDGETED DOLLAR ORDER FOR 1997—Continued

Participant		Budget 1997
Southern Pride Catfish	SUSTA	13,000.00
Robert Mondavi Winery	WI	12,000.00
Sara Lee Bakery	MIATCO	10,500.00
Acclerated Genetics	GENETIC	10,300.00
Chinchiolo Fruit Company	WUSATA	10,000.00
DiMare Company	WUSATA	10,000.00
Domaine Chandon	WI	10,000.00
Hudson Foods, Inc.	USAPEEC	10,000.00
Jacklin Seed Company	WUSATA	10,000.00
Simi Winery	WI	10,000.00
Stimson Lane Vineyards	WI	10,000.00
Vogel Popcorn	MIATCO	10,000.00
Wine Alliance	WI	10,000.00
Continental Mills, Inc.	WUSATA	9,000.00
Island Coffee Company	WUSATA	9,000.00
Supervalu International	WUSATA	9,000.00
Sunday House Foods, Inc.	USAPEEC	7,500.00
Avonmore Ingredients	MIATCO	6,600.00
Red River Commodities, Inc.	MIATCO	6,400.00
Mission Foods	SUSTA	6,000,00
Bil Mar Foods	USAPEEC	5,850.00
EBS, Inc	GENETIC	5,000.00
Maui Pineapple Company, Ltd.	WUSATA	5,000.00
Stahlbush Island Farms	WUSATA	5,000.00
Total		4,427,555.00

Mr. BRYAN. Mr. President, it is just not outside groups that are calling for the elimination of this program. The Market Access Program was specifically targeted for elimination in the fiscal year 1999 Republican budget resolution. This provision was included in the legislation passed on the Senate floor by a vote of 57-41 on April 2 of this year.

Unfortunately, however, like Lazarus, this program seems to rise from the dead every year and is currently authorized to receive some $90 million in fiscal year 1999.

The Foreign Agricultural Service, FAS, is a branch of the U.S. Department of Agriculture, and it distributes this $90 million that has previously been authorized in three different categories. One is a direct contribution to private companies. Two is a contribution that is made to industry associations which, in turn, makes grants to members within that association. And the third category is cooperatives. These moneys are frequently used for the promotion of brand-name products, specifically identified household names in America, as well as generic commodities overseas.

So we have private companies that receive money directly from the funding source—industry associations and cooperatives.

In spite of numerous reforms that we have debated and enacted in recent years in efforts to limit the aid provided to giant corporations, millions of dollars continue to flow to large, well-established producers, agribusinesses to subsidize their advertising budget.

Let me again make the point.

As part of the ongoing debate that we have had annually on this program, we have been able to persuade the Congress that with respect to the direct contributions made to private companies that are providing some of the largest organizations and companies in the world with money to supplement their advertising accounts, it simply cannot be defended and is an outrageous use of taxpayer dollars. So we created a small business category that is eligible to receive the private company distributions. That is currently part of the law.

But that only tells part of the story, because as you will see, the top recipients of the Market Access Program—this is the specific brand of the product that you can see here—continue to be some of the largest companies in America: Sunkist Growers, $2,594,000; Blue Diamond Nuts, $4,419,000; Welch's Foods, $707,000; Sunsweet, $616,000; Ernest & Julio Gallo, $598,000; Tyson Foods, $440,000; and Ocean Spray, $320,000.

The way that they have been able to effectively circumvent the limitation that this money should be made available only to small businesses is that industry associations and cooperatives that receive the money directly from the Foreign Agricultural Service can in turn make grants to members of the association or to the cooperative members themselves. So that is how we continue to see these substantial amounts of money that continue to flow into these large companies.

Proponents of the program will justify this corporate giveaway by pointing to various studies that exalt the benefits reaped by these advertising campaigns, but none of the studies cited, nor the benefits that are assigned to this program, can be authenticated.

Mr. President, in the course of the debate on this floor over the years, we have seen near magical benefits attributed to this program—claims that each dollar of spending through the Market Access Program yields about $16 in new agricultural exports in addition to thousands and thousands of jobs. Those have been the arguments essentially that have been used to oppose the elimination of this program.

First of all, if this analysis were correct, perhaps what we ought to do is put more money into this program and in effect have our Head Start youngsters participate in this program in order to achieve these dramatic "multiplier affects" that the advocates and defenders of this program have asserted for it.

I want to make a further point: The figure that is used for these multiplier numbers is data taken from a 1995 inagency study of the Market Access Program that has drawn much criticism from GAO.

The GAO found that the analysis on which this and other fanciful claims are based is flawed and does not follow standard cost-benefit guidelines—guidelines that are recommended by the Office of Management and Budget.

The GAO's September report—this is the report that was released in September of this last year—has found that the data that has been used and the methodology does not support the conclusions that advocates of this program attribute to this Market Access Program.

This report, which was completed at the request of the Budget Committee in the House and its chairman, could not authenticate any of these claims that have been made. Here is just a brief summary of what the GAO concluded.

First, the GAO said there is no credible evidence that the Market Access Program has expanded employment and output, or reduced the trade and budget deficits.

Second, it goes on to say that increases in farm employment and income cannot be attributed to Market Access Program spending.

Finally, that the Market Access Program is not an effective counterweight for the export programs of other nations.

That is another argument that I am sure that we will hear—that other countries are helping to subsidize their agricultural industry in providing a number of export subsidies to assist those.

But, as the GAO has reported, this program has not been an effective counterweight to the export programs designed by other countries.

I must say that this hardly is a ringing endorsement for continued expenditures for this program. That is, putting aside the philosophical objections for a moment, there is really no evidence that the money that we are spending—$90 million—accomplishes a thing.

Let me suggest that the Market Access Program has another questionable aspect to it; that is, what is the justification for continuing to subsidize promotional efforts for well-known brand-name products that do not receive Federal assistance? These companies that I have cited, Sunkist, Blue Diamond Nuts, Welch's Foods, Tyson Foods, and Ocean Spray, are fine companies, are highly successful companies and are huge companies in terms of their size. What justification is there to use taxpayer dollars to support in effect augmenting or increasing the kinds of advertising dollars that these companies clearly have the ability on their own to do? They know how to make a judgment as to how their advertising budgets should be spent. That is a private sector determination. The Government has no business, in my judgment, taking hard-earned taxpayer dollars and saying to each of these companies we are going to give you an additional $2.5 million or $1.5 million to add to your budget. I have an objection to that philosophically.

Moreover, when the GAO concluded that these dollars that we have spent over the years really have not accomplished anything, I think it is just totally indefensible.

It is true, Mr. President, as I indicated earlier, that some positive changes have been implemented in the program in an effort to focus more effort on small business and new-to-export producers. However, one-third of all MAP promotions are still brand names. They are product-specific promotions identifying a particular company, and not a generic product that is being exported abroad.

I think when you look at how the money is actually spent, notwithstanding the well-intentioned efforts to focus this program on smaller companies, that we have really failed in that objective.

The top 10 brand-name promotion grants awarded by USDA, the United States Department of Agriculture, in fiscal year 1997 includes some of the well-known products that most Americans probably recognize from U.S.-based advertising.

These are the companies.

My feeling is that I think it is very hard—I think it is impossible—to justify spending taxpayer dollars. Sunkist, for example, a company that employs between 500 and 900 people, and posted sales of over $1 billion, received $5 million in Federal advertising assistance in 1996 and 1997.

What in heaven's world are the taxpayers doing subsidizing the advertising budget of a company with sales exceeding $1 billion annually? You simply can't justify that.

Welch's Foods, another fine product, with over 1,000 employees, rang up more than $550 million in sales, yet was awarded over $1.5 million over the past 2 years as part of this program.

These examples illustrate what I have been saying for a number of years—that this program is a waste of money and public funds should not be used to underwrite private corporate activity.

Proponents of this program will point out accurately that in the last few years, the largest number of awards have gone to small businesses and cooperatives. Much of this is due to the changes to the program that were passed—with the support of the ranking member of the Agricultural Appropriations Committee on the Senate floor—that gave preference to small and nonprofit applicants.

However, it is important to note that the other types of MAP recipients, the cooperatives and the industry associations, as we pointed out, do not limit the contributions that they make to their members based upon size. That is how we have these rather large companies receiving a staggering amount of public assistance. That is why you will not see these names on MAP's award list. Large companies still receive funds through their associations. In fiscal year 1997, the Chocolate Manufacturers Association, the Kentucky Distillers' Association and the Mid-America International Agri-Trade Council passed through funds to M&M/Mars, Maker's Mark Distillery, and General Mills, Inc., respectively, to conduct name brand promotions overseas.

Finally, let me note in this context that we take a look at the names of the top 10 awards for brand name promotions—the top 10 for brand name promotions. It is interesting to note that small businesses received only $825,000 of the $7,816,000 that went to these 10 applicants. In contrast, the top two name brand recipients, Sunkist and Blue Diamond, received more than $4 million, more than half of that $7.8 million total.

We have attempted to tighten the program, with limited funding, to change the definition of preferred participants, but the same large and well-known recipients show up on the MAP award list year after year.

Many of the problems we discussed 5 and 6 years ago continue to go unresolved, and this recent report by the GAO still cannot verify the claims made by the USDA to justify MAP.

The distribution, Mr. President, of millions of dollars of public funds to private businesses for self-promotion does not win any commonsense awards, but continued spending on such a program without confirmation of the program's competitiveness is an unforgivable abuse of public funds.

Before I close my comments, I want to put this program in some perspective, because I expect many of my colleagues will come to the floor to defend this program that takes $90 million of taxpayer dollars and uses it for foreign advertising.

Mr. President, the MAP cannot offset foreign competitors' export subsidies, because it does not make U.S. products more affordable. It is an advertising subsidy, not an export subsidy. We need to ensure that our agricultural programs provide real and measurable benefits to U.S. farmers and consumers, especially as farmers are facing falling prices, and MAP's benefits do not in any way meet this test.

Perhaps a little history on this program is in order to give some perspective:

The Targeted Export Assistance (TEA) program was authorized as part of the 1985 Food Security Act to reverse the decline in U.S. agricultural exports and specifically to counter the unfair trade practices of foreign competitors.

Unlike products promoted under MAP, only commodities adversely affected by unfair foreign trade practices were eligible for funding under TEA. This restriction continued until 1994, but was eliminated as part of the implementing legislation for the Uruguay Round trade agreements. So, while a link between USDA export promotion aid and foreign trade practices once existed, it is no longer a requirement for MAP participants.

Even when the program was still targeted at unfair trade practices, it was prone to wasteful spending on behalf of huge corporations such as McDonalds, Campbell Soup and a host of others. After a critical audit by GAO, the program's name was changed to the Market Promotion Program as part of the 1990 farm bill.

Then, after two more reports critical of the program, its name was again changed in 1996, this time to the Market Access Program. At that time, Congress was under extreme pressure to end the corporate handout, and some positive and significant changes to the program's management were proposed and adopted:

USDA was directed to stop awarding funds to foreign companies; Participation was restricted to small businesses, cooperatives, and trade associations; and companies were required to certify that funds were not merely substituting for private marketing funds that were already being spent.

I wish that I could say that these changes have ensured that the program provides a fair return to the American people. Unfortunately, even with these restrictions written into law, millions continue to flow to large corporations through associations and cooperatives with no real assurance that the funds are not used to replace private advertising dollars.

These criticisms were restated by the GAO in the report released last fall following yet another GAO investigation, requested by Representative JOHN KASICH, into the effectiveness of the Market Access Program and the claims made about its success.

In this key report, the GAO discredits the analysis used by the USDA in reports that claimed that MAP has a significant impact on the economy, the agricultural sector, and U.S. trade efforts. The GAO audit found fault with each of these conclusions because each was based on the agency's use of flawed methodology and incomplete evaluations of the program's costs and benefits.

The GAO leveled additional changes at the program's management, pointing out enduring problems that Congress has tried to fix in the past. For example, in spite of the requirement that companies use MAP funds to supplement, not supplant, their own advertising spending, GAO found no way to confirm that MAP funds were indeed being used for unique expenditures. The 1993 reconciliation bill required applicants to verify that MAP funds would not replace their own advertising dollars, but this requirement is largely unconfirmed by USDA officials and verification is left up to MAP applicants.

It is also difficult to establish that MAP's stated goal of introducing firms to new markets is being met. Major questions remain unanswered, such as: when have companies or associations had "enough" assistance? Some firms will have been participating in the program for 13 years before the 5-year "graduation" requirements (instituted in 1994) will begin to take effect. The USDA currently does not have a standard method for deciding when their own program goals are reached, so business interests or associations can stay in the program without regard to their NEED for funds to open new markets.

At the center of the GAO's criticisms of MAP's effectiveness is the faulty economic analysis used by USDA to make its case for the program. GAO reported that USDA's flawed evaluations made it extremely difficult to analyze MAP's contributions to the economy, because the program analysis for MAP does not conform with the Office of Management and Budget's (OMB) agency guidelines for cost-benefit analysis. These guidelines are used by agencies to construct a uniform standard for evaluating programs' performance as required under the Government Performance and Results Act (GPRA). Without using a standard method of evaluating various government programs, it would be nearly impossible to judge any program's effectiveness.

OMB instructs agencies, when analyzing the impact of any program, to assume that resources are "fully employed" ["Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs," OMB Circular No. A–94, sec 6b(3) (Oct. 29, 1992)]. These guidelines are in place to ensure that, in keeping with the implementation of the Government Performance and Results Act, each agency follows a uniform framework when evaluating costs and benefits of its programs. This framework includes the assumption of fully employed resources.

However, in its 1995 analysis of the Market Access Program, USDA did not adhere to the OMB cost-benefit guidelines and assumed that program resources would otherwise be unemployed. Clearly, it is not accurate, in today's economy, to assume that the funds designated for MAP, or any program, would have no benefit, no alternate use, if otherwise deployed in the economy.

Put another way, USDA took the untenable postion that the resources that went into MAP could not yield benefits to the economy through other uses, such as tax breaks for American families, investment in education, or paying down the debt.

USDA also assumes that MAP-promoted agricultural products would not be exported at all in the absence of this program, which implies that the private sector would not pursue these export opportunities without MAP assistance. This premise holds that on the one hand, these markets would be unprofitable without help from the federal government, but on the other hand, these same markets bring in high returns on promotion expenditures. If the returns on investment are indeed as great as the agency holds, why would the private sector not undertake its own promotional activities?

For a recipient like Sunkist, whose homepage on the Internet boasts that "Sunkist is the 43rd most recognized name brand in the United States and the 47th most recognized in the world," it becomes clear that this program is wasting scarce federal dollars subsidizing an already highly-successful company's advertising budget.

Finally, in its 1995 report USDA also assumes that all of the workers and farmers whose labor and output is associated with MAP-promoted exports would be completely unemployed were it not for the MAP program. Under this premise, USDA calculates these workers' employment and income as benefits generated by MAP, crediting the program with economic expansion and increased tax revenues.

Mr. President, any federal program evaluated under this same set of assumptions would appear to generate income. This type of accounting is not permitted for other programs, and should not be permitted to stand here. The result is that USDA's analysis of MAP includes exaggerated estimates of the program's worth that are misleading but are nonetheless often quoted by proponents of the program.

Let me give you some examples of the overblown gains attributed to MAP as a result of the department's faulty analysis. According to information included in the USDA's 1999 Performance Plan and the Foreign Agriculture Service's five-year strategic plan, the $90 million annual allocation for MAP, through a multiplier effect, results in $5 billion in agricultural exports, expands the national economy by $12 billion, and creates 86,500 jobs. And that is just the 1997 impact.

It sounds too good to be true, and it is.

These incredible returns are the result of USDA's "free lunch" analysis—an irrational conclusion that MAP benefits the economy, based on faulty assumptions that federal and private resources have no alternate use or impact on the economy.

Another major claim made in support of MAP is that these funds are needed to counteract the export assistance of our foreign competitors. The GAO report finds this claim, like the others, unreliable because of the lack of verifiable information about foreign competitors' export assistance activities.

We often hear about the large amounts of money that foreign competitors pump into export subsidies, and how important it is to make U.S. crops competitive in foreign markets or risk being locked out of these markets altogether. This argument is irrelevant to any discussion about MAP, however, because unlike USDA's export subsidy programs which lower the prices of U.S. crops abroad, the Market Access Program is not an export subsidy, it is a promotion subsidy, and does not lower prices of U.S. goods in foreign markets.

Furthermore, while it is true that MAP's focus at its creation was countering unfair trading practices employed by our competitors in overseas markets, this is no longer the case. As I mentioned earlier, MAP's focus on matching competitors' moves was removed when the implementing legislation for the Uruguay Round agreements was approved in 1994, allowing MAP funds to be used for general export promotion purposes as the Foreign Agricultural Service sees fit. This change, combined with a lack of first-hand knowledge about foreign export activities, led the GAO to conclude that claims about MAP's effectiveness in countering other nations' export assistance cannot be verified.

Another question that has been raised about this program is whether its export promotion subsidies are undertaken by other programs at USDA. The Congressional Research Service, in a February 1997 report, raises this question in relation to the Foreign Market Development Program (FMD), which has been around since 1954. The FMD program is much like the MAP except that it is focused on developing foreign markets for U.S. commodities, as opposed to name-brand and processed exports. Therefore, its jointly-funded activities are aimed more at technical assistance and market research rather than advertising and other consumer-oriented promotions. However, unlike MAP, funding levels for FMD have remained under $50 million annually, and activities have not grown to include brand-name promotions.

While these two programs take a similar approach to different markets, there has been very little analysis of which type of promotion is more effective. It would be helpful to be able to compare MAP's track record with the results attributed to FMD, but this information has not been compiled by the USDA. Nor has there been a study to simply evaluate whether generic or branded promotions are more successful in promoting exports, and where these efforts are most successful.

Mr. President, there is just not enough evidence out there which backs up the claims we have all heard about the Market Access Program. I can think of no other federal program that we allow to receive funds without a rigorous examination of the costs and benefits associated with the government's investment. We demand this kind of analysis even for D&D programs which often have uncertain future outcomes and benefits that are difficult to forecast.

We must ask ourselves, if a policy of underwriting the advertising expenses of large producers and corporate interests makes sense when we are cutting back on funding for domestic food security and important research initiatives. We cannot justify spending one more dime on this unproven program, and this view is shared by a long list of government watchdog and consumers groups representing a broad range of beliefs: Americans for Tax Reform, Capitol Watch, the CATO Institute, Citizens Against Government Waste, Citizens for a Sound Economy, Competitive Enterprise Institute, Friends of the Earth, National Taxpayers Union, Taxpayers for Common Sense, and the U.S. Public Interest Research Group.

I urge all of you to take a long, hard look at this program's track record and vote to end the waste of taxpayer dollars on foreign advertising and promotion.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I think it is very clear from the unanimous vote we had on the resolution with which we started the debate on this legislation that all Senators agree our agriculture sector is under tremendous pressure and the Congress and the President ought to take immediate action to respond to these needs in the agriculture sector because of low prices in some areas, because of adverse weather conditions in other areas, because of a decline in demand resulting from the Asian economic crisis. Some of our strongest customers and markets are in that area of the world.

So I think we have all gone on record as agreeing we need to use our best efforts, we need to mobilize our agencies of Government to take on the responsibility of helping to develop access to new markets, to try to help expand old markets so that we can sell what we are producing and create a better prospect for profit in agriculture in the production sector.

So I don't think we have seen a situation in the last several years when there was any more reason to have a Market Access Program and to invest in an effort to expand these markets and make them more accessible to U.S. agriculture exports.

The purpose of the Market Access Program, which we began in 1985, was to help expand foreign markets. Since then, agriculture exports have doubled. Last year, agriculture exports amounted to $57.3 billion, which resulted in a $21.5 billion agriculture trade surplus, providing jobs for approximately 1 million Americans.

When we had our hearings in our agriculture appropriations subcommittee this year, we had representatives from the administration before our committee talking about the Foreign Agricultural Service programs. I am going to read the Senate something from the statement of one of those officials.

He said:

> The outlook for U.S. agricultural exports is heavily influenced by competitive pressures that differ by commodity and can affect price and/or quantity of sales. One of the primary sources of this pressure is the rising value of the U.S. dollar, especially against the currencies of our major competitors. This has the effect of making U.S. exports more expensive to our customers relative to those of our competitors.

Then there is a discussion in another part of this witness' statement about what some of the competitors are doing to try to enlarge their share of the world market for their products:

> We continue to face stiff competition in markets around the globe. Our annual review of the export promotion activities of the two countries that account for our major competition found that, just like the United States, many of our competitors have ambitious export goals. The EU and other countries assist their producers and small businesses to develop foreign markets through activities similar to our Market Access Program and Foreign Market Development Program.

He goes on to say that in the EU countries, it is estimated that $400 million in 1995 and 1996 would be spent for market promotion:

> In Australia, Canada and New Zealand, those governments have strong governmental promotion agencies and rely heavily on their statutory marketing boards to carry out market development activities for producers of specific agricultural products.

With this information and with the understanding of the success of many of these countries that are competing with us for market access and market goals, it would be the height of folly, in my judgment, to abandon one of the most successful programs that we have had to assist our agriculture producers in finding new markets and expanding those markets. We have had almost every year since I have been managing this agriculture appropriations bill an effort to either reduce the amount of money we were spending on market access promotion or to eliminate the program entirely.

In the writing of the 1996 farm bill to try to deal with some of the criticism that had been directed toward this program, it was reformed and changed so that this year for the first time only small businesses and farm cooperatives will be eligible to have the benefits of this Market Access Program. There had been criticism that only the big, wealthy companies were benefiting, only brand names were being advertised. It was a way for big companies to avoid having to pay their own advertising costs.

Let me explain that. Because of the reforms that have been made and the experiences that many have had in the program, the evidence is very compelling that this program has been working by attracting attention to the fact that American-made products do have high quality. Not only the raw agriculture commodities that are sold, but those that are processed and manufactured—some of those qualify and are eligible for participation in this program. Let me just give one example.

The U.S. cotton industry, through the Cotton Council International organization, working under the Department of Agriculture's oversight, retains control over the expenditure of funds that are made available for the cotton industry. These Market Access Program funds are applied only to Cotton Council International advertisements that are produced to communicate the benefits of U.S.-grown cotton and establish consumer preference for products that bear the name "Cotton USA." This is a trademark. It is registered. It represents all of U.S. cotton and manufactured cotton products in export promotion. These funds are used to advertise "Cotton USA," and it associates that brand name with qualified manufacturers. The funds are not used to subsidize the advertising of private companies but, rather, all U.S.-grown cotton.

Let me tell you what the results are. In 1997 alone, the Market Access Program helped combat unfair trading practices of other countries. It helped U.S. cotton producers get more income from the market as farm program payments declined. It helped generate $2.5 billion in cotton fiber exports and $5 billion in manufactured cotton product exports. It helped expand jobs, with over 150,000 workers depending directly on cotton and cotton product exports. That is one example of an agriculture commodity that is very important in my State of Mississippi and throughout our country. It is one of our major agriculture exports from our State.

There are many others. The cooperatives that are involved in produce, the fruit and vegetable business in California and elsewhere, have indicated how important this program is to them. As a matter of fact, there is an entire list of organizations which have banded together and described themselves as the Coalition to Promote U.S. Agricultural Exports. They wrote me a letter dated June 22, 1998. The coalition membership list is attached to this letter. It runs the gamut across the country of various kinds of agricultural organizations and producer groups. But I wanted to just read a couple of things from this letter, and then I will have the entire letter, and the list, printed in the RECORD:

> Reducing or eliminating [Market Access Program] funding in the face of continued subsidized foreign competition, and with another round of trade negotiations set to begin in 1999, would be nothing less than unilateral disarmament. Such action would also violate the commitments made when Congress approved the 1996 farm bill and [it would] jeopardize its continued success.

The letter also points out that this amendment to reduce funding that the Senator from Nevada is offering again this year was defeated last year—the effort to eliminate the funding—by a vote here in the Senate of 59 to 40. I think the Senate has come to realize this is an important program, it deserves the support of the Senate, and it has been reformed and revised so that the eligibility standards, the U.S. Department of Agriculture oversight, all make sure that the funds are spent wisely and that we get our money's worth as a result of this investment.

Mr. President, there are also other specific groups that have benefited from the Market Access Program. It has come to my attention, for example, that the catfish industry—which is still a new industry that has been growing enormously in our country—is dependent upon the exports that we have come to appreciate. And in the European market, one example is Germany. Since 1991, catfish exports to Germany have increased from 18 metric tons a year to 237,437 metric tons in 1996.

The Washington apple industry credits the Market Agriculture Promotion Program with fostering its dramatic apple export expansion to Indonesia. Here is a country that has had substantial economic problems recently, but back in 1990 they had less than $800,000 worth of apples being sold into that market. But each year since then, in spite of economic conditions there, sales have expanded, culminating in recent exports totaling $34 million.

Another example is the U.S. Meat Export Federation. It offers a Branded Product Promotion Program to help private companies, small businesses and cooperatives, promote their own labels in foreign countries. This Branded Product Promotion Program has been instrumental in helping a small Ohio company called Certified Angus Beef introduce new-to-market meat cuts overseas. The sales have risen from 6.2 million pounds in 1990 to 37.3 million pounds in 1996. The association members throughout the country have benefited from these export sales. The association has received $53,000 in funding from MAP over a 6-year period.

This is another specific example where we have targeted the MAP funds to small businesses, to associations, to cooperatives, and, for the first time in 1998, according to Secretary Glickman when he testified before our committee, this will be the first year when all of the funds will go to such entities.

I think it is very clear from the evidence we have accumulated and the testimony we have had, and our hearings, that for U.S. agriculture to remain competitive, we are going to have to continue the policies and programs that have been effective, and we are going to have to deal with the reality of competition from others. The amendment proposed by the distinguished Senator from Nevada would make us take a step backwards. It would make us give up one of the most effective tools we have to help American agriculture continue to prosper.

The promotion activities of the Department of Agriculture have established a foundation for future market growth and expansion. But it is more important now, with the world situation as it is and hardships in American agriculture that have been identified over the last day and a half in discussions here on the floor, that the Department continue to work as hard as it can to use its resources to be a partner with the farmers and the exporters of America to meet our expansion objectives for American agriculture. Our exports are essential, not only to agriculture, but to the Nation's economic well-being as well.

Jobs are created in the producing and packaging industries, in transportation—a wide range of economic activities are affected by agriculture. It is one of the strongest economic sectors we have. To keep it that way, we are going to have to take care of it. We can't just let it shrivel. We can't let it be the victim of international conditions as exist in Asia today. We have to do our part. The Senate has to do its part, too. American agriculture needs us, needs the programs like the Market Access Program, in order to compete in this new global environment.

I can't stress any more than I have tried to the importance of our rejecting this amendment. I urge all Senators to oppose the amendment.

Mr. President, I ask unanimous consent that the letter I referred to from the Coalition to Promote U.S. Agriculture Exports and list of members be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COALITION TO PROMOTE
U.S. AGRICULTURAL EXPORTS,
Washington, DC, June 22, 1998.

HON. THAD COCHRAN,
Chairman, Subcommittee on Agriculture, Rural Development and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to urge your continued strong support for USDA's Market Access Program (MAP) when the Senate considers the FY 1999 Agriculture Appropriations bill (S. 2159). Such support is essential to help encourage U.S. agriculture exports, counter subsidized foreign competition, strengthen farm income and protect American jobs. Last year with your leadership, the Senate rejected efforts to eliminate funding for MAP by a vote of 59 to 40.

Both farm income and the economic well-being of agriculture are heavily dependent on exports, which account for as much as one-third or more of domestic production. This is especially true since passage of the 1996 farm bill (FAIR Act), which gradually reduces farm programs over a 7 year transition period, while providing producers with greater planting flexibility to respond to the global marketplace.

Much of the support for the 1996 farm bill was based on assurances that programs encouraging U.S. agriculture exports would remain a key component of U.S. policy. The global marketplace continues to be characterized by subsidized foreign competition. Last year, the European Union budgeted $7.2 billion for export subsidies. Along with other foreign competitors, it also spent nearly $500 million on market promotion efforts. (This compares with $90 million authorized for MAP.) The EU spends more on wine promotion than the U.S. spends for all commodities combined.

While small compared to similar efforts by other countries, MAP has been a tremendous success as a cost-share program in helping encourage U.S. agriculture exports. Last year, such exports amounted to $57.3 billion, resulting in a positive $22 billion agricultural trade surplus. Without U.S. agriculture exports, our nation's trade deficit would be even worse. U.S. agriculture exports also provided jobs for nearly one million Americans. Every additional billion dollars in agriculture exports help create as many as 17,000 or more new jobs.

Reducing or eliminating MAP funding in the face of continued subsidized foreign competition, and with another round of trade negotiations set to begin in 1999, would be nothing less than unilateral disarmament. Such action would also violate the commitments made when Congress approved the 1996 farm bill and jeopardize its continued success.

Again, we urge your continued support for this vitally important program by opposing any amendments that would either eliminate or reduce funding.

Sincerely.

COALITION TO PROMOTE
U.S. AGRICULTURE EXPORTS

COALITION MEMBERSHIP—1998

Ag Processing, Inc.
Alaska Seafood Marketing Institute.
American Farm Bureau Federation.
American Forest & Paper Association.
American Meat Institute.
American Seed Trade Association.
American Sheep Industry Association.
American Soybean Association.
Blue Diamond Growers.
California Agricultural Export Council.
California Canning Peach Association.
California Kiwifruit Commission
California Pistachio Commission.
California Prune Board.
California Table Grape Commission.
California Tomato Board.
California Walnut Commission.
Cherry Marketing Institute, Inc.
Chocolate Manufacturers Association.
CoBank.
Diamond Walnut Growers.
Eastern Agricultural and Food Export Council Corp.
Farmland Industries.
Florida Citrus Mutual.
Florida Citrus Packers.
Florida Department of Citrus.
Froedtert Malt Corporation.
Ginseng Board of Wisconsin.
Hop Growers of America.
International American Supermarkets Corp.
International Dairy Foods Association.
Kentucky Distillers Association.
Mid-America International Agri-Trade Council.
National Association of State Departments of Agriculture.
National Cattlemen's Beef Association.
National Confectioners Association.

National Corn Growers Association.
National Cotton Council.
National Council of Farmer Cooperatives.
National Dry Bean Council.
National Farmers Union.
National Grange.
National Hay Association.
National Grape Cooperative Association, Inc.
National Milk Producers Federation.
National Peanut Council of America.
National Pork Producers Council.
National Potato Council.
National Renderers Association.
National Sunflower Association.
NORPAC Foods, Inc.
Northwest Horticultural Council.
Pet Food Institute.
Produce Marketing Association.
Protein Grain Products International.
Sioux Honey Association.
Southern U.S. Trade Association.
Sun-Diamond Growers of California.
Sun Maid Raisin Growers of California.
Sunkist Growers.
Sunsweet Prune Growers.
The Catfish Institute.
The Farm Credit Council.
The Popcorn Institute.
Tree Fruit Reserve.
Tree Top, Inc.
Tri Valley Growers.
United Egg Association.
United Egg Producers.
United Fresh Fruit and Vegetable Association.
USA Dry Pea & Lentil Council.
USA Poultry & Egg Export Council.
USA Rice Federation.
U.S. Apple Association.
U.S. Feed Grains Council.
U.S. Livestock Genetics Export, Inc.
U.S. Meat Export Federation.
U.S. Rice Producers Association.
U.S. Wheat Associates.
Vinifera Wine Growers Association.
Vodka Producers of America.
Washington Apple Commission.
Western Pistachio Association.
Western U.S. Agricultural Trade Association.
Wine Institute.

Mr. COCHRAN. Mr. President, for the benefit of the record, I quoted one of the witnesses who testified before our hearing. The person I quoted was Lon Hatimaya, who is Administrator of the Department of Agriculture's Foreign Agriculture Service.

Mr. BRYAN. Mr. President, has the distinguished floor manager yielded the floor? Apparently the answer is yes. Mr. President, if I might be recognized.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I find myself in agreement with at least the concern that is expressed by the able chairman of the subcommittee. There is no question that certain agricultural segments in America face a real crisis. As I said at the outset of our discussion on this amendment, I am not unmindful, I am not unsympathetic, of these concerns and, indeed, I expect to support a number of proposals that will be advanced to assist American agriculture as it moves through this crisis period.

I do not deny that the decline has demanded, that the turmoil in Asia has created a problem, that there are some weather-related phenomena, that, indeed, there may be some competitive practices by those who compete in the world's international agricultural markets that may be decidedly unfair to American agriculture. I am concerned about that as a citizen and am prepared to support measures that effectively deal with that issue and help American farmers. I am for that.

I recognize that, as the myth of this program has taken on legendary proportions, it is an article of faith, unshaken by factual analysis, that somehow the Market Access Program provides additional farm employment, expands exports internationally, is a significant contributor to the growth of the American economy, and somehow is an effective counterweight to some of the unfair competitive practices which American agriculture faces abroad.

Mr. President, the problem with that is that each of those arguments has been analyzed in considerable detail, not by the Senator from Nevada but by the GAO in its most recent report of September 1997.

Very simply, what the GAO report concludes is that none of the claims, none of the assertions made, can be verified or authenticated—none; none. The GAO report goes to the heart of the argument that, notwithstanding this mythic epic that seems to have arisen that suggests that this program is indispensable to American agriculture, the GAO report says, "Look, none of that, none of that can be verified." That is the basic premise here.

Yes, I want to be supportive and helpful to American agriculture in its time of crisis, but how can you support a program that in 10 years has cost the American taxpayer $2.3 billion?

Let me make it clear—and this is not the subject of debate today, and the Senator from Nevada certainly will yield to the Senator from Mississippi in terms of his expertise in agricultural programs—but so none of my colleagues is somehow under the impression that this Market Access Program which I seek to eliminate strikes at the core of what we are trying to do to help American agriculture, let me point out that in this same 10-year period that we spent $2.3 billion on a program which the GAO says does not do what it is intended that it does, or at least it cannot verify or authenticate it, we have spent $9 billion on export subsidies, $7.8 billion on food aid, $53.1 billion in loan guarantees. We have tried to deal with some of the issues which American agriculture faces in the international marketplace.

Point No. 1: If nothing else is taken out of this debate, the GAO says this program, notwithstanding the intensity and the passion that its advocates share for it, simply doesn't do the things that the advocates contend. Point No. 1.

The second point that I think needs to be raised, even if one conceded for the sake of argument—and I do not and the GAO does not—how can you continue to justify paying $2.5 million to the good folks at Sunkist? How do we justify paying $1.5 million to the good folks at Blue Diamond Nuts? These are sophisticated, highly effective American companies whose products are world class, and, notwithstanding the fact that none of these products are grown in my State, I think as Americans we take great pride in their success, and the fact these products are found in the storefronts in the markets of the world, that is wonderful, but how do we justify subsidizing with taxpayer dollars? These companies have advertising budgets of tens of millions of dollars—probably much more than that. So the American taxpayer is asked to write a check to subsidize these advertising accounts.

This program is not an export subsidy, it is an advertising subsidy. The point I make in response to the point of my able colleague from Mississippi is, No. 1, the GAO says it doesn't accomplish what it says it is designed to accomplish; and, No. 2, the philosophical point, notwithstanding all of our attempts to reform this program that it ought to be confined—I don't think it ought to be in existence—to small companies, still when you look at the top 10 companies that receive these dollars, small businesses receive only $825,000 of the $7,816,000 that went to these top 10 applicants.

Notwithstanding what we attempted to do in previous years, in effect, large companies continue to be the beneficiaries of a substantial amount of taxpayers' dollars to supplement their advertising accounts.

My good friend and I have an honest difference of opinion. I think that is wrong. I am willing to work with and to support Members from agricultural States in trying to do something that makes sense, that works, that can be helpful, but at this point the GAO has concluded that none of the claims has any validity. I think it is very difficult to continue as we have for the last decade where we spent $2.3 billion on this program.

Mr. President, I yield the floor.

AMENDMENT NO. 3157

Mr. BUMPERS. Mr. President, the amendment offered by the Senator from Nevada, Mr. BRYAN, in my opinion, is a meritorious amendment. He and I fought this battle. I fought it for maybe 3 or 4 years alone, and then Senator BRYAN came to the Senate, and we have labored in the venue of trying to do away with what was then the Market Promotion Program and now called the Market Access Program.

I have absolutely no quarrel with trying to assist people who really need help. The Export Enhancement Program isn't being used. It is a big program, but it isn't being used. When I started on this, the Market Promotion Program included the biggest companies in America, and that is the source of my objection.

I am talking about some of the biggest corporations in America. And I see my good friend, Tyson Foods, is on the list still. I am sure they welcome getting $440,000 a year. Tyson Foods does over $5 billion a year, and I certainly do not want to pick on a company in my home State, particularly one that has so many of my close friends in it. But that is precisely the reason I have always objected to this program. I know that it does some good.

I heard the chairman, Senator COCHRAN, talking a while ago about some of the benefits of it, and who has benefited, and how much, and so on. I just think it is welfare for the rich. That is the reason I have always opposed it.

Senator COCHRAN and I disagree. I guess this is about the only thing—maybe one or two things—we will disagree on in this entire bill. We get along famously in the committee, but this is one that I simply could not let my dear friend, Senator BRYAN, take on alone. I just wanted to get my 2 cents' worth in and to state that I will vote with Senator BRYAN on this.

I yield the floor.

Mr. KEMPTHORNE. Mr. President, I rise today in support of the Market Access Program. This program continues to be a vital and important part of U.S. trade policy aimed at maintaining and expanding U.S. agricultural exports, countering subsidized foreign competition, strengthening farm income and protecting American jobs.

The Market Access Program has been a tremendous success by any measure. Since the program was established, U.S. agricultural exports have doubled. In Fiscal Year 1997, U.S. agricultural exports amounted to $57.3 billion, resulting in a positive agricultural trade surplus of approximately $22 billion and contributing billions of dollars more in increased economic activity and additional tax revenues.

For example, the Idaho State Department of Agriculture received $125,000 of Market Access Program funds during the past year. These funds were used to promote Idaho and Western United States agricultural products in the international markets of China, Taiwan, Brazil, Mexico, Guatemala, and Costa Rica. One particular activity, the promotion of western U.S. onions in Central America, required $15,000 of MAP funds and generated inquiries for onions valued at $150,000.

Demand for U.S. agricultural products is growing 4 times greater in international markets than domestic markets. MAP has been an enormously successful program by any measure in supporting this growth. Since the program began in 1985, U.S. agricultural exports have more than doubled—reaching a record of nearly $60 billion dollars in 1996; contributing to a record agricultural trade surplus of $30 million; and providing jobs to over 1 million Americans.

MAP is a key element in the 1996 Farm Bill, which gradually reduces direct income support over 7 years. Accordingly, farm income is now more dependent than ever on exports and maintaining access to foreign markets.

Two years ago, European Union (EU) export subsidies amounted to approximately $10 billion in U.S. dollars. The EU and other foreign competitors also spent nearly $500 million on market promotion. The EU spends more on wine promotion than the U.S. spends for all its commodities combined.

Mr. President, the Market Access Program should be fully maintained as authorized and aggressively utilized by the U.S. Department of Agriculture to encourage U.S. agricultural exports, strengthen farm income, counter subsidized foreign competition and protect American jobs.

Mr. FEINGOLD. Mr. President, I join the National Taxpayers Union, the Friends of the Earth, Citizens Against Government Waste and other pro-consumer government watchdog groups in supporting Senator BRYAN's amendment to terminate the Market Access Program. Throughout the years, this wasteful program has sometimes carelessly used taxpayer money to help those who can afford to help themselves—instead of this country's struggling small farmers.

Mr. President, over the last ten years, the USDA has shelled out $1.4 billion for the Market Access Program (MAP), which is intended to promote U.S. products abroad. MAP has been roundly criticized for giving away millions of taxpayer dollars to agribusiness giants in the name of trade, but the program has managed some unusual feats, including scaring off foreign consumers. As we face the already challenging task of reducing the deficit and preserving Social Security, MAP is a program that the federal budget, and the taxpayer, can do without.

I do not need to remind members of the millions of dollars wasted on MAP and the programs preceding it. In 1989, we had the Japan/California raisin fiasco. The California Raisin Board ran untranslated ads to promote their raisins in a market where raisins were rare. Baffled at the sight of these strange dancing blobs, many Japanese children were frightened. Mr. President, it's safe to say that if the California Raisin Board had done any market research, they would not have wasted $3 million on those commercials. They wouldn't have been so careless.

MAP is the kind of program most taxpayers know little or nothing about, but we are paying dearly for it. Though the program has undergone some changes over the last nine years, it continues to dole out money to some of the largest agriculture companies in the country with funds that could instead be used to help small farmers.

Some of the companies receiving MAP funds in fiscal year 1998 include Sunkist Growers and Blue Diamond Growers. Both are big companies that can afford to market their own products abroad without spending tax dollars. The list includes a host of other beneficiaries of MAP's 1998 $90 million dollar budget, including the California Pistachio Commission, the Mohair Council of America, Kentucky Distiller's Association and the Wine Institute.

Mr. President, it is true that MAP was changed in the 1996 Farm bill to direct funds to cooperatives and trade associations instead of corporations, but a loophole still allows the companies that belong to those trade associations to continue to receive and spend taxpayer funds.

Mr. President, I believe in supporting and strengthening America's position in foreign markets, but when we allocate precious tax dollars to be used toward that end, we must spend them on concrete efforts to get American products on to the shelves in those markets, instead of subsidizing advertising campaigns for major corporations.

The USDA's own estimates put U.S. agricultural exports in 1998 down more than two billion dollars from the previous year. More than ever, Wisconsin farmers need the USDA to promote and place U.S. agricultural products in foreign markets through more successful export programs, not to line the pockets of big agribusiness and Madison Avenue.

I urge support of the Bryan amendment and yield back the balance of my time.

Mr. COCHRAN. Mr. President, I know of no other Senators who want to debate this amendment.

Let me just state for the information of all Senators the plan, as I understand it, that most who are involved have agreed upon, and that is to have a vote on a motion to table the Lugar amendment, which will be made by Senator STEVENS at 6 o'clock, and following that, a vote on a motion to table the Bryan amendment, which I intend to make. We will have the yeas and nays on both of those amendments.

It is the suggestion of the managers that if the Lugar amendment is not tabled, that that be the pending business following the vote on the motion to table the Bryan amendment. I don't want to speculate on how the vote on the motion to table the Bryan amendment will come out. The last time we voted, it was 59 to 40 in favor of tabling the amendment. That vote occurred on July 23, 1997, and it was an amendment to reduce the Market Access Program by $20 million. The vote No. was 199.

So I am making that as an announcement to the Senate. If anyone has any comments to the contrary or observations to make about it, we will be glad to consider those comments and observations.

Mr. BRYAN. If the Senator from Mississippi will yield for a moment?

Mr. COCHRAN. I am happy to yield.

Mr. BRYAN. The procedure that he outlined is certainly agreeable to the Senator from Nevada. He correctly recites the vote, which I greatly regret, a year ago. I simply say, this is a time for redemption for Senators tonight. Tonight they have an opportunity to exercise that redemption. I thank the Senator.

Mr. COCHRAN. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3156

Mr. CHAFEE. Mr. President, I am pleased to join with Senator LUGAR and others in offering this amendment today. The proposal seeks to establish a more balanced, deliberative U.S. policy as regards international sanctions.

Today, nations throughout the world look to the United States for leadership. The end of the cold war has clearly left the United States as the sole remaining superpower. We are sought after for many reasons: Financial assistance, military might, political leadership, and the advocacy of democratic ideals.

When the world looks to us for leadership on international sanctions, I am afraid that the administration and Congress have taken steps that increasingly have undermined our Government's reputation and influence abroad. The tendency—and it is particularly true with regard to Congress—to impose sweeping unilateral—that is, we do it alone—economic sanctions against nations whose behavior we disapprove of, I believe, is detrimental to our national interest and certainly has not succeeded in producing the results that we seek.

Let us look at several recent examples. We have heard much about the situation with respect to Pakistan, in which the threat of tough, mandatory U.S. sanctions did nothing to dissuade the Pakistanis from testing nuclear weapons. The 30-year embargo on Cuba, has done nothing to hasten the end of the Castro regime or ease the suffering of the Cuban people. And just this year, we passed legislation to impose sanctions on entities suspected of assisting Iran's missile program.

Moreover, when our sanctions have been structured to punish countries who continue to deal with the rogue nation we are trying to isolate, the outcome has been even murkier. All that these secondary sanctions end up doing is generating bad feeling among our allies about "American imperiousness," and precipitating complaints from our trading partners to the World Trade Organization. As a result, the world's attention turns away from the rogue nation in question, and instead focuses on the United States and its actions.

Mr. President, if Congress continues this habit of imposing, on an ad hoc basis, unilateral sanctions against any nation because of a form of behavior we find objectionable, our influence in the world will be diminished. While sanctions laws may feel good and bolster our sense of righteous indignation, sanctions imposed under these laws far too often do nothing more than antagonize nations and their peoples, and get us into trouble with our trading partners. Moreover, sanctions mean that our influence on the region in question drops sharply. And less U.S. influence means that the values we hold dear—democratic government, market economics and respect for human rights—will not be promoted worldwide. There must be a better way.

I am an original cosponsor of S. 1413, the original Lugar bill to make wide-ranging reforms of our laws on unilateral sanctions. The amendment before us today, which is based on that legislation, would establish procedural guidelines and informational requirements before any further unilateral sanctions are imposed. It also provides for enhanced consultation between the executive and legislative branches of government prior to the imposition of sanctions. Finally, it mandates a two-year sunset for such sanctions, unless Congress specifically chooses to renew them.

This amendment does not preclude Congress or the President from taking action necessary to achieve vital national security and trade objectives. However, it does ensure that such measures first will be considered in a thoughtful and responsible manner, and that we at least will have some idea as to whether these policies may actually achieve their intended goals. Thus, I urge my colleagues to support the Lugar amendment.

I do want to stress that I think it is a great mistake for us to embark on these unilateral sanctions as freely as we do. This amendment, I believe, is a good one. Furthermore, it says that if we do impose sanctions, that there is to be a sunset provision. That sunset provision goes into effect after 2 years, unless, of course, Congress chooses to renew the sanctions.

This amendment does not preclude Congress or the United States from taking action necessary to achieve vital national security or trade objectives, but it does assure that such measures are, first, very carefully considered in a responsible manner and that we at least have some idea as to whether the policies may actually achieve their stated goal.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I am saddened to have to attempt this, but I want to state to the Senate that it is to me a watershed issue now for this year. This bill really is going to go into serious gyrations if the Lugar amendment is adopted. In the first place, if it goes to the House with this amendment, it means an entirely different committee will have to review this amendment and it will make conferencing this bill very difficult.

I find myself in the position where I probably support a lot of what is in the amendment of the Senator from Indiana. I understand it is a bill that was introduced and has not moved forward as he would like. We do have a task force that was appointed by the leader to look into the problem of sanctions; the whole approach of Senator LUGAR is under review by that task force. We are hopeful we will have a proposal to act on that, we will have bipartisan support. Broad support in the Senate would be necessary to pass it.

The Senate, last week, passed legislation that was suggested by a group here in the Senate and it has been considered by the House. It has been modified and sent to the President to deal with one part of the sanctions program. I congratulate the current occupant of the Chair for his part in that effort. I think it is an effort that must be made.

As chairman of this committee, I want to tell the Senate that we are approaching the time when we will lose the first week of the August recess. We will probably have to come back the first week of September and we still won't finish by September 30, if we add to appropriations bills full bills that deserve the consideration of the Senate. That will add to the time it takes to get the appropriations bills through this process.

I hope that the majority leader will assist in trying to convince Members of the Senate, let's not do this this year. There are legitimate riders. There are legitimate limitations on expenditures. There are legitimate concepts in terms of dealing with the appropriations process that we will have to fight out here on the floor, but we should not have to fight out here on the floor amendments that will require the bill, when it goes to the House, be subject to conference by another full committee in the House. It is not right to do that, and I hope the Senate will agree with me.

I move to table the amendment of the Senator from Indiana, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment No. 3156. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 53, nays 46, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—53

Abraham
Akaka
Ashcroft
Bennett
Bingaman
Boxer
Breaux
Bryan
Campbell
Collins
Coverdell
D'Amato
DeWine
Faircloth
Feingold
Ford
Graham
Grassley
Harkin
Hatch
Helms
Hollings
Hutchinson
Inhofe
Inouye
Kennedy
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Mack
McCain
McConnell
Mikulski
Murray
Nickles
Reed
Reid
Sarbanes
Shelby
Smith (NH)
Snowe
Specter
Stevens
Thompson
Thurmond
Torricelli
Wellstone
Wyden

NAYS—46

Allard
Baucus
Biden
Bond
Brownback
Bumpers
Burns
Byrd
Chafee
Cleland
Coats
Cochran
Conrad
Craig
Daschle
Dodd
Domenici
Dorgan
Durbin
Enzi
Feinstein
Frist
Gorton
Gramm
Grams
Gregg
Hagel
Hutchison
Jeffords
Johnson
Kempthorne
Kerrey
Landrieu
Lugar
Moseley-Braun
Moynihan
Murkowski
Robb
Roberts
Rockefeller
Roth
Santorum
Sessions
Smith (OR)
Thomas
Warner

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3156) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I want to thank the Senate for recognizing the process we have to follow now to limit the consideration of issues that are extraneous to the basic appropriations bills so we can get them through.

I apologize to my friend from Indiana. I do support his effort. But we had to take that action.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENT NO. 3157

Mr. COCHRAN. Mr. President, it is now my intention to move to table the Bryan amendment. Before doing so, the Senator from California has asked for 1 minute to speak in opposition to the Bryan amendment.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. I thank the Chair.

I hope the Senate will vote to table the Bryan amendment for four reasons: One, we reformed the program and the proceeds do not any longer go to big business; they go to small businesses and cooperatives; two, we have cut this program down from a high of $300 million to about $90 million; three, other countries spend billions of dollars promoting their exports; this is the least we can do; and, four, for every $1 that we put into this Market Access Program, we get back $12 in increased exports. So I hope you will join me in voting to table the Bryan amendment.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I ask unanimous consent that the sponsor of the amendment, Senator BRYAN, be given 1 minute to respond.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Nevada.

Mr. BRYAN. Mr. President, I would simply make the point that all of the assertions and claims that have been made by the advocates for the Market Access Program have been considered by the GAO in a report released last September. They have rejected all of them. We have spent $2.3 billion in the last 10 years and the GAO concludes that they cannot establish any benefit of the program. Unfortunately, our attempt to reform the program does not prevent the largest businesses in America from continuing to have their advertising budgets supplemented to the tune of millions and millions of dollars—$5 million subsidizing the advertising budget of one of these large companies.

I hope my colleagues will recognize that this is a program that simply does not work and support the Bryan amendment by voting against the motion to table.

The PRESIDING OFFICER. Who seeks recognition?

Mr. COCHRAN. Mr. President, I move to table the Bryan amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Bryan amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 70, nays 29, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—70

Akaka
Baucus
Bennett
Biden
Bond
Boxer
Breaux
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Faircloth
Feinstein
Ford
Frist
Gorton
Graham
Gramm
Grassley
Hagel
Harkin
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kerrey
Kohl
Landrieu
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McConnell
Murkowski
Murray
Roberts
Santorum
Sarbanes
Sessions
Shelby
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thurmond
Warner
Wyden

NAYS—29

Abraham
Allard
Ashcroft
Bingaman
Brownback
Bryan
Bumpers
Feingold
Grams
Gregg
Hollings
Kennedy
Kerry
Kyl
Lautenberg
McCain
Mikulski
Moseley-Braun
Moynihan
Nickles
Reed
Reid
Robb
Rockefeller
Roth
Smith (NH)
Thompson
Torricelli
Wellstone

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3157) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DASCHLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT TO BAN EGG REPACKAGING

Mr. DURBIN. Mr. President, I want to thank Chairman COCHRAN and Senator BUMPERS for accepting the amendment I offered to ban egg repackaging as part of the Agriculture Appropriations Bill. This amendment is a first step in continuing to ensure the safety of the nation's egg supply.

On April 17, 1998, the Secretary of Agriculture announced a prohibition on the repackaging of eggs packed under the United States Department of Agriculture's (USDA) voluntary grading program. This amendment codifies Secretary Glickman's prohibition which took effect on April 27, and affects eggs packed in cartons that bear the USDA grade shield.

A recent "Dateline NBC" program focused public attention on the repackaging of shell eggs by egg packers, and raised concerns about this practice. This amendment will prohibit shell eggs that have left the packing plant, and been shipped for sale, from being returned to the packing plant for repackaging into USDA shielded cartons. This amendment affects the approximately 30% of shell eggs voluntarily graded by USDA.

The amendment also directs that not later than 90 days after the date of its enactment, the Secretary of Agriculture and the Secretary of Health and Human Services shall jointly submit a status report to the Committees on Appropriations of the House of Representatives and the Senate. This report is intended to provide the status of actions taken to enhance the safety of shell eggs and egg products. The report also will provide the status of the prohibition on the repackaging of USDA graded eggs, and provide an assessment of the feasibility and desirability of applying to all shell eggs, not just USDA graded eggs, the prohibition on repackaging in order to enhance food safety, consumer information, and consumer awareness.

The safety of our egg supply is a primary example of the confusing array of laws, regulations, and voluntary programs which divides regulation among four federal agencies and the states. The legislation I have introduced with Senator TORRICELLI—The Safe Food Act (S. 1465)—focuses attention on the problems of having multiple federal agencies with jurisdiction over various food safety laws, and how fragmentation and duplication cause waste and confusion. Jurisdiction over eggs is a good example of how confusion, overlap, and the lack of coordination leave the American public subject to food poisoning outbreaks.

The health of American families is at risk if we do not work to ensure that only safe eggs reach America's store shelves. USDA recently reported that each year over 660,000 persons in the United States become sick from eating eggs contaminated with Salmonella enteritidis (SE). Illnesses from SE can be fatal to the elderly, children, and those with weakened immune systems. According to the Centers for Disease Control and Prevention, the SE bacteria caused more reported deaths between 1988 and 1992 than any other foodborne pathogen. The Center for Science in the Public Interest estimated an annual cost of illness from SE at $118 million to $767 million.

Make no mistake, our country has been blessed with the safest and most abundant food supply in the world. However, we can do better. This amendment to ban egg repackaging will help advance the federal government's commitment to continue providing Americans with the safest food supply.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senate majority leader.

Mr. LOTT. Mr. President, I thank the managers for the work they have been doing, the progress they have made and the two votes we just had. We have been working with Senators on both sides of the aisle to identify what amendments we can do tonight. Senator DASCHLE has been working with me on this. So I announce the proposed lineup for the next few amendments to be considered tonight. I think it is important we keep working so we can complete this very important legislation for the Agriculture Department and the farmers of America.

UNANIMOUS CONSENT AGREEMENT

Mr. LOTT. Mr. President, I ask unanimous consent that the following amendments be the next first-degree amendments in order and limited to relevant second-degree amendments: Senator KERREY of Nebraska regarding livestock; Senator JOHNSON regarding meat labeling; Senator DODD regarding sanctions; Senator GRAHAM regarding disaster assistance; and Senator TORRICELLI regarding sanctions.

I further ask unanimous consent that if debate is concluded and a rollcall vote is requested that the amendment or amendments be laid aside to recur in the order in which they were debated, and the votes occur beginning at 8:45 with 2 minutes of debate equally divided before each vote begins.

Mr. DASCHLE. Mr. President, reserving the right to object, and it is only for clarification and one suggestion, I ask the majority leader whether the order could be DODD, TORRICELLI, JOHNSON and KERREY?

Mr. LOTT. I guess we did say in that order, but that order can be rearranged, unless the manager has a problem.

Mr. COCHRAN. For clarification, the 8:45 time that the majority leader indicated for the vote will be this evening rather than in the morning?

Mr. LOTT. At 8:45 p.m. tonight. That will give Senators a chance to have a meal that they might have agreed to have and also give the managers time to work through these amendments, but lock in their conclusion, and then that will be it for tonight after that block of votes.

Mr. DASCHLE. Mr. President, I also ask if the majority leader will object to dividing the time for the four amendments equally between now and 8:45?

Mr. LOTT. Is the Senator suggesting each amendment get the same amount of time? Mr. President, I do want to amend my unanimous consent request to comply with the lineup that Senator DASCHLE asked for. Will the Senator repeat that? What order?

Mr. DASCHLE. I was going to suggest Senator DODD, Senator TORRICELLI, Senator JOHNSON, Senator GRAHAM and Senator KERREY.

Mr. LOTT. Unless the managers have an objection, I amend my unanimous consent request to that extent.

Mr. TORRICELLI. Reserving the right to object.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Will the leader clarify for me the time in opposition to Senator DODD, who will be controlling time?

Mr. LOTT. It will be controlled by Senator COCHRAN, the opponent of the amendment, but I am sure he will be very fair in the disposition of that time so that others can speak against that amendment.

Mr. TORRICELLI. His disposition looks very fair, so I withdraw the objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 3158

(Purpose: To exempt agricultural products, medicines and medical equipment from U.S. economic sanctions)

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself, Mr. WARNER, Mr. ROBERTS, Mr. HAGEL, Mr. DORGAN, Mr. GRAMS and Mr. HARKIN, proposes an amendment numbered 3158.

Mr. DODD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Is the Senator from Kansas objecting?

Mr. ROBERTS. I want, Mr. President, to offer an amendment in the second degree.

The PRESIDING OFFICER. Is there objection to the dispensing with the reading of the amendment? Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill at the following new section:

SEC. (A) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targetted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) EXCLUSION FROM SANCTIONS.—Notwithstanding any other provision of law, the

President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS.—Section (B)(1) of this section shall not apply to any regulations or restrictions of such products for health or safety purposes or during periods of domestic shortages of such products.

(C) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this act.

Mr. DODD. I ask for the yeas and nays on the first-degree amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Thank you, Mr. President.

AMENDMENT NO. 3159 TO AMENDMENT NO. 3158

(Purpose: To perfect the amendment exempting agricultural products, medicines and medical equipment from U.S. economic sanctions)

Mr. ROBERTS. Mr. President, I have an amendment in the second degree that I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. ROBERTS] proposes an amendment numbered 3159 to amendment No. 3158.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first word in the pending amendment an insert in lieu thereof the following:

"(A) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targeted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medial equipment needlessly harm American farms and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) EXCLUSION FROM SANCTIONS.—Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing), of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS.—Section (B)(1) of this section shall not apply to any regulations or restrictions with respect to such products for health or safety purposes or during periods of domestic shortages of such products.

(C) EFFECTIVE DATE.—This section shall take effect one day after the date of enactment of this section into law.".

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I offer this amendment and the second-degree amendment, which fills out the tree on behalf of myself, Senator WARNER, Senator ROBERTS, Senator HAGEL, Senator DORGAN, Senator GRAMS and Senator HARKIN.

Very simply, what this amendment does is codify what Members have expressed over the last several days that they would like to see accomplished worldwide. We eliminated last week the use of food and medicine to people as a sanction in the case of Pakistan and India. We felt that was an unwise use of the sanctions; that average people, poor people should not suffer at the hands of our Nation despite the decisions made by the power elite in their own nations.

What my colleagues and I who have offered this amendment today are suggesting is that same principle ought to be applied worldwide. It is counter to everything we stand for as a people—everything we stand for. To deny people anywhere in the world food and medicine—basic food and medicine—runs contrary to the moral values that we embrace as a people.

Whatever anger we may feel and properly focus on the leadership of nations, we should not cause the innocent people of those nations to suffer as a result of our policies. For far too long, we have allowed the use of food and medicine to be used. There are only two or three countries in the world that today allow their food and their medicine to be used as a tool in foreign policy or as part of a sanctions policy.

Tonight we have an opportunity to change that law, to say that with regard to any sanctions policy, whatever other tools we may want to use depriving countries of certain economic issues, technical equipment, military hardware, availability of our lending institutions—whatever else we may want to use—that food and medicine will not be a part of that mix.

I hope no one has any illusion that in the case of a Saddam Hussein or a Fidel Castro or the leaders of North Korea, the leaders of Iran, I guarantee you tonight that they are eating well. I promise you that if they get sick, they get medicine and they see doctors.

Too often, we have allowed our foreign policy to also work against the innocent people who live in these regimes, in these terrorist countries. If this amendment is adopted, I am told that there will be an amendment offered immediately thereafter which will say that this provision should not apply to terrorist countries. None of us want anything to do with terrorist countries, but does anyone in this Chamber or America believe that the average Iraqi citizen, that the average citizen in Iran, that the average citizen in Cuba or North Korea, despite the leadership of their nation, should suffer because their leaders may engage in activities which are cruel or support terrorist activities?

I happen to believe that ought not to be the case; that the use of food and medicine ought not to be a vehicle in the conduct of our foreign policy.

Mr. President, it was noted earlier today that we have become extremely generous in the application of the sanctions policy. Since World War II, there have been 100 occasions where the United States has imposed sanctions. More than 60 percent of those sanctions have occurred since 1993.

And 61 U.S. laws and Executive orders have been enacted authorizing various types of unilateral economic sanctions against 35 countries in the name of foreign policy. The sanctioned countries comprise 42 percent of the world's population. Roughly 2.3 billion people—potential customers of U.S. goods and services—are being affected.

Mr. President, I suggest that to deprive these people of foodstuffs—I hear that one of the reasons that our farmers are not doing well in this country is because of the difficulty in foreign sales. Aside from the legitimate concern about seeing to it that innocent people are not going to be deprived of food and medicine, here is an opportunity to be able to sell some products that can actually benefit the people in these countries.

Why not take an argument away from those terrorist leaders, those dictators, who constantly want to point to us, the United States, as the reason their economies are in trouble? Why not say this evening that: You can no longer point an accusing finger at America when it comes to the issue of your children, your innocent women, your innocent civilians, from getting food or medicine? We no longer use that tool in our foreign policy. If your people are suffering, it is not because the United States is banning the exportation of food and medicine. It is because of the economic policies of your own leadership.

Tonight, no matter how angry and legitimate that anger may be at a dictator or a terrorist leader of a country, let us not say to the poor people who have to live under those dictators and terrorists that the United States, as a result of our own policies, will deny you the opportunity to get decent food and decent medicine.

Let us not be a part of only two or three other nations—Third World countries—that I can find who use that kind of a vehicle in the conduct of their foreign policy. There is not a single member of the industrialized world, the civilized world, that utilizes food and medicine. We are the only example of it.

Tonight we have an opportunity, across the board, to eliminate the use of food and medicine as a part of our sanctions policy—still have sanctions, still deprive them, if you will, of the advantage of our engineering, our technology, our military hardware, but we are not going to say that food ought to be a part of that.

Let us join the rest of the world in eliminating that. We, the United States of America, we, the nation who embraces, with great legitimacy, the issue of human rights where innocents are involved, where the meals and the food they need and the medicine they require are involved, we are not going to be the nation that deprives them of the opportunity to use some of the best products in the world.

Mr. President, the world looks to us, particularly in the area of medical devices and medicines. And to deprive poor people of an opportunity to get some of those medicines, to get some of the food—the best grown in the world—I think would be a tragedy. Mr. President, I urge the adoption of this amendment.

I note my colleagues are here from Nebraska and Kansas and may want to be heard on this issue. I yield the floor and request how much time may remain.

We don't have time agreements, do we? No time agreements?

The PRESIDING OFFICER (Mr. ALLARD). There is no time agreement on the amendment.

Mr. DODD. I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. TORRICELLI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, in regard to the amendment offered by the Senator from Connecticut, Mr. DODD, this institution should take some pause. This is some moment. Thirty years of American foreign policy by Democrats and Republicans are about to be put aside. The consequences of what Senator DODD suggests that we do here are enormous. Consider the moment.

These are not isolated humanitarian items. This would open trade for the United States of America with the greatest rogue regimes in the world, where Presidents of the United States, through 3 decades, have drawn the line and said that we will not do business with these governments unless and until they take specific actions to free their people, allow basic human rights, or make basic concessions in their relations with the United States. We are about to clear the table and tell them all is forgotten and all is forgiven.

Consider the actions, Mr. President, through the years about what would be changed. In my State, perhaps more than most in this country, tonight every Member of this Senate would have to address the families of the victims of Pan Am 103. It has been clear to Mr. Qadhafi, until he brings those to justice who were responsible for destroying that aircraft and the lives of all of those families, there will not be trade with the United States on a bilateral basis.

With the amendment of the Senator from Connecticut, the war of wills in which we have been engaged with Mr. Qadhafi, even now while he is discussing bringing those murderers to justice—we proceed. The line that was drawn those years ago is now erased.

With the Sudan—another terrorist state to which now we would sell food and medicines, engage in normal commerce; it harbors Hezbollah guerrillas, the assassins who attempted to kill President Mubarak of Egypt; we were so brave in those days, the United States was so forthcoming in drawing this line—all is forgotten and forgiven.

In North Korea—just when we have succeeded in getting the North Koreans to come to the table and enter into an agreement to stop the development of atomic weapons and try to get some responsible behavior—no need for the negotiations, we are now going to engage in commerce.

With Syria—its harboring of terrorism against Israel; its occupation in Lebanon—we will now engage in commerce.

And Iraq—at the moment, sanctions against Iraq are multinational.

But every Member of this Senate knows that the day is fast approaching when America could stand alone. Inspectors would be barred, our military would be barred from the skies. And the United States would have to have its own sanctions. And this amendment—even though Saddam Hussein has been identified again as a terrorist regime and America could be alone in its sanctions—here we would engage in commerce.

It has been contended to the Senate that we do this as a decent people because the real victims here are the poor of all these nations. That indeed is not fair, Mr. President, to this country or this Government, because, indeed, while we maintain sanctions on each of these terrorist States, for good and sound reasons that I have outlined, this Government has gone to every length to protect the poor of the poor.

In North Korea, the shipment of 800,000 tons of food, only on the condition that we know who is getting the food and that it is not going to the North Korean military. But it is not fair that the poor of the poor of North Korea are victimized because of our embargo—800,000 tons of food distributed to the poor.

And the Sudan, one of the poorest nations in the world—Senator DODD is right, the poor of the poor should not be victimized because that Government harbors terrorists and assassinates foreign leaders. And so we have approved $76 million in food assistance, only on the condition that we know that it gets to the poor of the poor.

And in Iraq, $2.8 billion worth of food and medicine, only on the condition that it not go to Saddam Hussein, that it not go to the elite, that it not support the Iraqi military—just that it go to the poor of the poor under U.N. inspections.

The amendment of the Senator from Connecticut, if indeed we at one point predictably stand alone against Saddam Hussein, our food sales will not just go to the poor of the poor, they will go to the entire Iraqi establishment.

As the author of the modern Cuban embargo, I make no apologies in this case, either. The United States provides more food and medicine per capita to Cuba than any nation in the world provides to any other nation of the world, bar none. No Member of this Senate has any apologies to make for American support of the poor of the poor in Cuba. In the last 12 months alone, there were 123 licenses to ship food and medicine to Cuba, worth $2.5 billion. I challenge any Member of the Senate to find any country more generous than the United States of America, giving to any adversary, more generously than we have to the people of Cuba.

We have a license program and we have a license program for a reason, rather than unrestricted sales of food and medicine, as the Senator from Connecticut suggests. The reason is because we found when those food and medicines are not licensed, Mr. Castro has resold them or used them to support his own military establishment, like Saddam Hussein. There is no denial of food and medicine. We simply are requiring that it be done properly.

Senator HELMS and I, with other colleagues, have joined in this Congress in an alternative to Senator DODD's proposal. Humanitarian shipments go to Cuba through the church and are licensed, on an unrestricted basis—simply that we know who is distributing them, the church, humanitarian organizations, not the Communist Party and not Fidel Castro. It is a question of control.

It is argued, finally, that these sanctions, this restriction on commerce with terrorist regimes should be lifted because they don't succeed. On the contrary. The record is otherwise. Sanctions on South Africa to end apartheid, to the Jackson-Vanik amendment to allow Soviet Jews to leave Russia, to restrictions on Vietnam until they cooperated with POWs, the record is that, while imprecise, while offering no guarantees, economic sanctions, including the leverage on our greatest, most successful export products, foods and pharmaceutical products, can and do yield results. No one should assume, no one should believe that they work in every case or work quickly. But the historic record is that they are an alternative to military action.

Where would Ronald Reagan—or George Bush—have been when Pan Am 103 was shot down, if he did not have the opportunity to have economic sanctions and this leverage? There would be nothing available but military action. Where would we have been after the shoot down of an American aircraft 2 years ago in the Straits over Cuba, if the President could not have tightened economic sanctions?

No, they are not perfect, but they give the President added authority and weight to change policy. Every one of the countries most impacted by Senator DODD's amendment in the course of the last year and every year for the last 5 years has been identified by the State Department as a source of terrorism against the international community, every country I have mentioned on this floor tonight.

Is it really the intention of this Senate, after all these years of claiming that we had the will to fight this war on terrorism, we were as resolved as Qadhafi and Saddam Hussein and Fidel Castro, after all these years, now we are to say to them we have lost our will, we changed our minds? If that is the intention of the Senate, at least have the intellectual honesty to come to the floor, repeal the terrorism list, repeal sanctions entirely, because that is the effect of this statement. We will identify you as a terrorist, we will claim you are killing our citizens, harboring assassins, but we are glad to trade with you.

I recognize that sometimes it is necessary, unfortunately, that the United States stand alone. Only Britain and the United States are still remembering the victims of Lockerbie; only the United States, the people who are jailed in Cuba. Only the United States may have the resolve to see it through with Saddam Hussein. That is too bad. But if the end result is the United States has to stand alone against these terrorist regimes, then we never stood in better company. We can be proud that we alone remember the victims and we alone are going to impose a price for those who violate international law and victimize people.

But let it not be said, however, the Members may vote on this amendment, that any of us were a party to the poorest of the poor, and the hungry being victimized by our foreign policy, because those simply, my colleagues, are not the facts—from the tons of wheat that goes to North Korea to the pharmaceutical products licensed and distributed in Cuba.

My colleagues, consider carefully this amendment. This is not a question of the Clinton administration. It is policies and embargoes that go back as far as John F. Kennedy. It is not just a question of a couple of governments. It is virtually every nation on the terrorist list. It is not simply a question of taking the stand because of an isolated incident, like Pan Am 103 or a disagreement with Saddam Hussein. They are issues as serious as preventing another Persian Gulf war by using our leverage and continuing leverage on North Korea to cooperate on a missile regime and on atomic weapons.

This is, indeed, a serious matter. I hope if an amendment is offered to table Senator DODD's amendment, as I am informed may happen. Democrat and Republicans, on a bipartisan basis, will not only vote to table the amendment by the Senator from Connecticut, but it will do so in an expression of true and strong resolve.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. I thank you, Mr. President.

I am very pleased to join my colleague, Senator DODD as a coauthor of this legislation, along with Senator HAGEL and Senator BIDEN, and many other Senators. As has been stated, it does provide a broad exclusion for all food and medical products in regard to unilateral sanctions.

Now, I want to emphasize that right away—unilateral sanctions, not multilateral sanctions. You would hope that if you are going to put any sanction on a country that works, that is effective, or the pragmatic result results in some kind of policy change that is in the best interest of our national security, that would have the support of your allies. It is only when you have unilateral sanctions that this bill applies.

Mr. DODD. Will the Senator yield?

Mr. ROBERTS. Delighted to yield.

Mr. DODD. Mr. President, I want to add, it is unilateral economic sanctions, so it is even more narrow. This does not apply to sanctions across the board but unilateral economic sanctions. If on a national security basis some of the advisors and the President want to impose the sanction, he would be allowed to. Only when we impose unilateral economic sanctions is this tool taken off the table.

I thank my colleague for yielding.

Mr. ROBERTS. I thank the Senator and the author of the bill for that explanation. I hope that would take away some of the concern as expressed by the distinguished Senator from New Jersey.

This amendment recognizes that until the United States is literally at war or we have a national security problem with another country—and certainly terrorism fits into that category—there is no positive benefit in denying the most meager necessities of life, food and medicine, to the people of this world. Certainly it doesn't benefit the sick and hungry, Mr. President.

In regard to the people of Africa and Asia, and blocking the sale of food and medicine, it does severely damage, I think, America's image in the eyes of people across the globe. As a matter of fact, as a member of the Transatlantic Partnership, which is an organization dedicated to better understanding between the peoples and the parliamentarians of Europe and the United States, this subject comes up again and again and again. Why are you basically hurting the people who are most disadvantaged in any kind of a unilateral sanction that makes no sense in terms of any policy change?

So I think the world must know that the U.S. Government and the American people care about what goes on outside our borders, and the world must also know that the United States stands ready to provide food and medicine—on commercial terms—to anybody, any time, any place, unless there is national security involved, and unless we have a situation like the Senator from New Jersey pointed out with regard to terrorist activities or exporting terrorism. This amendment represents one very critical component of what is becoming a sweeping debate on the use of acting unilaterally—and I emphasize unilateral—all by ourselves, in U.S. foreign policy. Unilateral sanctions serve no purpose other than to hurt the U.S. businesses and workers and to diminish U.S. strength and prestige.

I firmly believe that the Congress and the administration must continue to work together on a broad-based effort to reassess all instances of unilateral sanctions. This amendment would represent an excellent step in the right direction.

Mr. President, with a few add-ons, those are my prepared remarks. I want to respond to the distinguished Senator from New Jersey. The Senator from New Jersey indicated that for the last three decades the Presidents of the United States have reaffirmed in each and every case unilateral sanctions, including the use of food and medicine. To a certain degree, I think that is true, because it was in 1980, when President Carter was President, that this issue really hit a flash point. President Carter, thinking of the terrible tragedy when the former Soviet Union invaded Afghanistan, decided we would cancel out of the Olympics. He also decided he would put on a grain embargo. I know that the President intended on sending a strong message to the former Soviet Union. I know President Carter hoped that the perception in the world community would be such that somehow the Russians would change their policy. And they did not.

I will tell you who was hurt in that particular instance by the Carter grain embargo—and I am not trying to perjure it; I am saying this happened in terms of a pragmatic effect. It was like shattered glass and it headed us toward the farm crisis of the 1980s, in some ways, and it took us years to get back contract sanctity to the point that our exports made anything. We had an excellent Olympics; I think it was in L.A. Americans won a great many battles and medals. But I can tell you that, in terms of perception, it didn't do a thing. No Russian troop ever left Afghanistan.

Now, that was a terrible tragedy. Again; we were using unilateral sanctions, and we were using the farmer and rancher with regard to that price. I submit to you that if you want to put sanctions on people, all American taxpayers should pay for it, not just farmers and ranchers. That is called an embargo. I can tell you that you can spell embargo S-A-N-C-T-I-O-N-S. No country that has sanctions put on them unilaterally, regardless of what progress we are making in terms of whatever objective we are trying to achieve, will buy from us as long as that is available from other countries. That is precisely what is happening regarding the countries where we have the unilateral sanctions.

Look at Pakistan. Thank goodness, we acted on this 98-0 this week in the Senate. They have a wheat tender. Guess who was standing in line. There was the French. They were going to buy the wheat from the French. They may anyway. We acted wisely and we said, "This isn't going to work. Why are we hurting the American farmer or rancher or, for that matter, anybody in the business community when the sanctions don't work?" Yes, it has been 30 years of a broad policy, trying to look at sanctions to see if they are going to work. But the fact is that was started with the Carter embargo. I must say that it took President Reagan 2 years to get around to getting contract sanctity. In the meantime, we suffered great harm in terms of farm country.

So I say to my distinguished friend from New Jersey, you are darn right, it has been a 30-year policy and, for the most part, it hasn't worked. Now, in terms of terrorism, I personally agree. Libya? I would hope that we would have multilateral sanctions. I would hope the world community would understand that Mr. Qadhafi and Libya have, in the past, exported terrorism. I might add that one of the reasons it has been so successful in terms of keeping him under wraps is that the administration at the time sent a strong message to Mr. Qadhafi. He woke up one morning to find that part of the place where he spent most of his time to watch television and do other matters was no longer there. All of a sudden, he got the message. He probably scratched his head and said, "Had I been sitting there, it might have been a little different." And then he calmed down right away. Have we gotten to the bottom of all of the tragedies that he has inspired? No. Are we ready to sell him product, i.e., Kansas wheat, or any other product? No, because his behavior is such that we feel it is in our national security interest not to do that.

I agree with the Senator from New Jersey with regard to food products. They are fungible. What happens is, if you are able to arrange a sale, or for a humanitarian purpose you provide food, obviously, they have the ability in a totalitarian state to simply use that for other purposes, and they can continue whatever practices they may have. But in the end result, the people who are at the lowest levels are the people who get hurt—the women, children, all of the people mentioned by Senator DODD.

So while it is fungible, I think, with regard to agriculture and medicine, the basic question you have to figure out here is, are we using agriculture as a tool for peace? Or are we using agriculture as a foreign policy weapon? I can tell you that, for too many years now, we have used agriculture as a foreign policy weapon—to the detriment of farmers and ranchers, for no apparent reason, with no pragmatic result, with the nations that we are now talking about.

I might add that there are some moderating forces that are now at work in Iran. And I might add that when I went to Saudi Arabia with Chairman STEVENS and six other Senators, we asked the Saudis—we made indirect inquiries, and we were working with the Secretary of State to make further indirect inquiries: Could we help the forces of moderation in Iran by offering agriculture as a tool for peace? Would that work? Could they increase their diet, basic protein diet, so they are better off, and become, hopefully, more dependent on the United States with regard to their basic needs and their food supplies?

Think what could happen if we would use agriculture as a tool for peace, as opposed to a weapon, on a selective basis. The Senator from New Jersey mentioned Iraq and Saddam Hussein. I think it is disingenuous to say that the people who support this amendment somehow support Saddam Hussein. We are now allowing Iraq and Saddam Hussein to export as much oil as they did prior to the gulf war. They, in turn, used the cash that we allowed them to expend regarding oil sales to buy wheat in regard to the French. Hello. Why does that make any sense? If we are going to sanction Iraq under a banner of, well, everything except something that is humanitarian, and we say you can sell this oil to achieve humanitarian needs, food and medicine, i.e., food products, agriculture products, and they buy from our competitors, that doesn't make any sense. If you have sanctions, it seems to me you ought to make them across the board. We didn't do that. We backed off of that. There is a whole history as to where we are with Iraq and the United Nations and plans by the administration to have a limited armed conflict and where we are with that. I am not going to second guess that. But let's don't say that since we support this amendment, we support Saddam Hussein.

North Korea—if there ever was a totalitarian regime that is rather bizarre in its nature, it is North Korea. I have been in North Korea. I went to Pyongyang to meet with the North Koreans, along with Senator STEVENS, Senator INOUYE, and others. We met with representatives of the North Korean Government. We were trying to arrange a grain sale by a third-party country so they could somehow get an experience of trading with other nations—moderate, a little. That is a tough chore, I will tell you—what is happening in North Korea. We saw children who are 16 and 17 whose growth and whose stature really represents somebody who is 11 or 12. We saw young people marching out into the fields to plant some kind of crops and to hunt for grubs. We saw no animals whatsoever, not even a pigeon, not a dog, not a cow, not any kind of a farm animal. Bark on the trees was taken off up to that height.

Do you know who is helping the North Koreans? It is the World Food group led by Catherine Bertini.

So the United States, what we do under a humanitarian banner is we say, All right. We will contribute X amount of dollars. We will give it to the World Food organization. They, in turn, will buy grain on the open market. They will give the grain, then, to the North Koreans. Is there any real guarantee that they are going to use it for that? No. But under the circumstances the situation was so dire that I think that happened, to some degree.

So here we are expending money to the World Food group who, in turn, uses it to provide the humanitarian aid. I am not in a position to say that we are going to say to North Korea that we are going to enter into any kind of trade negotiations. That is a very oppressive regime. It is probably the most Stalinist, if I can use that word, I guess, regime in the entire country. And Kim Chong-il, "The Dear Leader," has no illusions otherwise. Now, however, we have the South Koreans making overtures that if the North Koreans will finally behave themselves, there might be a glimmer of change in North Korea. Could it well be that we could use agriculture once again as a tool for peace? I do not know. But the bottom line is that the President under this bill—under the

Dodd-Roberts bill, under the Dodd-Roberts-Hagel-Biden bill—has the authority to come in and say, if this is in our national security—if, in fact, the export of terrorism is such that this is really something that is not in our national interest, he can do so.

Why on Earth on unilateral sanctions we continue to shoot ourselves in the foot and make agriculture and farmers and ranchers pay for this when the fact is it is not working is beyond me.

Again, I say this is not an effort by Senators in some kind of disingenuous fashion to encourage terrorism, or to encourage rogue states or pariah states. Nobody wants to do that. But when you have an opportunity to use agriculture again as a tool for peace, I think we ought to do it.

I appreciate this opportunity to take this time. I thank my colleagues for their indulgence.

I yield the floor.

Mr. DURBIN. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Thank you, Mr. President. Mr. President, I wonder if the Senator from Connecticut would yield for a question?

Mr. DODD. Mr. President, I would be happy to yield.

Mr. DURBIN. I say to the Senator from Connecticut, it appears the operative language in the amendment—I hope this is the most current version—says, "Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government."

That is really the most operative paragraph of this amendment, is it not?

Mr. DODD. Mr. President, in response to my colleague's question, that is correct. That is the language of the bill.

Mr. DURBIN. The reason I raise that question is that during the course of the debate there have been some questions raised about whether we are restricting the power of the United States to deal with questions of terrorism and national security.

I want to ask the lead sponsor of this amendment to explain, if he will, what he means in using the term "unilateral economic sanctions." Do we, in fact, preclude this President, or any future President, if we adopt this amendment, from imposing sanctions for purposes of national security or national defense?

Mr. DODD. Absolutely not, Mr. President; none whatsoever. To characterize the amendment as such is completely misleading, or as not to have read it at all. It only applies to unilateral economic sanctions. For instance, this amendment does nothing with regard to the multilateral sanctions on Iraq. Those are not unilateral sanctions. Those are multilateral sanctions that apply to that country. So it only applies there. If the President, this President, or any future President, wants to apply sanctions on some basis other than economic, they may utilize this tool. We are merely removing it from the unilateral economic sanctions.

Mr. DURBIN. If I could ask the Senator to give me a little more information, should this President, or any future President, decide that another nation is guilty of terrorism against the citizens of the United States, and he seeks to apply sanctions against that country, would that President be precluded from including in those sanctions a prohibition against shipping food and medicine?

Mr. DODD. None whatsoever, I say to my colleague.

Mr. DURBIN. I thank the Senator from Connecticut for making that point clear, because I would like to join him and the Senator from Kansas, as he says, in making a very clear record hear that none of us intend to in any way restrict the power of the President—this one, or any future President—to fight terrorism, or to stand firmly in opposition to nuclear proliferation or anything that might in any way assault the integrity of the United States or the integrity of any American citizen.

I rise in support of this amendment that has been offered by Senator DODD, Senator ROBERTS, Senator HAGEL, and Senator BIDEN in a bipartisan fashion.

The seat that I usually occupy over here is a desk once occupied by Senator Hubert Humphrey of Minnesota. Senator Humphrey of Minnesota was from an agricultural State, and said in the darkest days of the cold war when the United States was engaged in massive troop commitments in Europe to protect against the possible encroachment of communism, when we were fixated in our foreign policy of the possibility of Soviet expansionism, said that we should be willing to trade anything they can't shoot back at us, and on that basis promoted the idea of agricultural trade.

You may remember visits by Nikita Khrushchev to the United States to farms in Iowa during the midst of the cold war and the suggestions that we should still engage in trade involving food with a nation that was, in fact, our mortal enemy, the U.S.S.R. A lot of us in the Farm Belt felt that this was a reasonable means to provide some exchange not only of goods but of ideas. We felt that it also said to the average Soviet citizen that the United States of America represented people who not only had a bounty to share but were willing to do it despite our clear political differences.

Senator Humphrey inspired a policy which was followed by Democrats and Republicans for years. Soviet grain sales was a major source of discussion, even during the height of the cold war. I guess when President Reagan announced that the Soviet Union was the "Evil Empire," we were still dealing in grain. We believed we could deal in food and still have a serious difference in terms of political philosophy.

Does it make a difference? Are we kidding ourselves to believe that if American food products should be sent to another country it has any impact? I think it does.

Eight years ago I went to India. Outside of Calcutta in a dusty little village I visited a site where some of America's agricultural products were being sent. It was a little facility where children—tiny little emaciated children—were being brought in for what, in effect, was their best meal of the day. I looked, and was somewhat amused to find that the bag of grain came from Peoria, IL. Imagine my pride that what we had grown in Peoria—the corn, soybeans, and wheat that was brought in—was a food product being fed in a small village outside Calcutta. What we provided these children looked like some mass of dough. It was just these basic grains mixed with water and a little sugar. They ate it like they were on a trip to Baskin-Robbins. It was the biggest treat of their lives. But before they ate the food from the United States, an interesting thing occurred. The person who was supervising the feeding of these small children in this nutrition center asked the children to pause for a moment and bow their heads and say a Hindu prayer of thanks to the United States for sending this grain.

Does it make a difference? Would it make a difference in Libya, or in North Korea, for children and their parents to know that the people of the United States were involved in either humanitarian aid or the sale of food? I think it does. I think it says something about us as a Nation.

Look at the situation in North Korea. The Senator from Kansas has been there. I have not. But it had to be absolutely frightening to see that sort of deprivation and famine in that struggle to survive.

The Senator from Connecticut is telling us in this amendment that the United States should establish standards when we push for our political policies which define us to the world. I believe, as he does, that the export of food and medicine should be above the political agenda. We are talking about the survival of children, of pregnant women, and of their families. As much as we may abhor that form of government that rules over those families, we should never be in a position where the United States has denied its bounty, its excess, to those who are in need.

As I have traveled, I have noticed the need for medicine in some countries around the world. Even those that have been liberated from the Soviet Union—now new democracies—really have medical care which is at the lowest level. Many times the basic medicines which we have in such great supply in the United States could make a world of difference in terms of disease like cholera, diphtheria, and other problems that children suffer from around the world. And so I think what the amendment seeks to do is to say that we will not deny to the children, in a country led by some dictator whom we might disagree with, the basic protection of medicine.

This amendment really speaks to our values. This amendment draws a line in defining America to the world. This amendment says that we will not show our hatred at the expense of innocent children. This amendment says that when we apply unilateral economic sanctions, we have enough muscle in so many other areas to make our political point that we need not take it out on the most helpless in countries around the world.

I am happy to stand in support of this amendment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I thank the Chair.

I rise to strongly oppose this amendment, and I believe that the amendment has been mischaracterized, or at least the most reasonable reading of this amendment is different from the interpretation it has been given. If in fact it is the intention to have this amendment not apply to applications for national security purposes or purposes of punishing those who have engaged in terrorist activities or other events which were directed against the citizens or the society of the United States of America, then the amendment should be clarified, because the plain reading of the amendment on page 1 beginning at line 14 states:

> Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

Now, the sanctions are the remedy for the action that has led us to be in a state of opposition to that foreign government. The cause of that might be that they were encouraging terrorism or they were engaged in activities that were considered to be a threat to our national security.

The means of achieving that retaliation against a foreign government is a sanction, in this case an economic sanction. The economic sanction is not the reason that we are imposing; it is the means of the imposition. And so this language does not speak to the causation of why we are imposing the sanction; it just says that whatever the cause, whether it is terrorism, national security, or whatever reason, the President is prohibited from having as one of his arrows in the quiver of remedies an economic sanction that includes all of those items which are listed in this amendment.

Mr. DODD. Will my good friend and colleague yield on that point?

Mr. GRAHAM. I will yield for a question, yes.

Mr. DODD. It is a question.

Mr. President, the authors and I could not be more clear. This is unilateral economic sanctions, and clearly in the case of some countries where we have applied that, food and medicine come off. Now, if the President wants to apply sanctions on some basis other than economic sanctions, he has all the freedom to do so.

A wonderful example of that we have just debated over the last 2 weeks. Here India and Pakistan detonate two nuclear weapons. I do not know what you could argue may be more threatening to the long-term security of the United States than two nations detonating nuclear weapons. We voted 98 to nothing to take off food and medicine as a part of the sanctions policy there.

All I and my colleagues are saying here in this case is that if the President wants to impose sanctions on the basis of something other than unilateral economic sanctions, he can do that without any restriction of this amendment. But when he only goes to impose, or we go to impose, Members of Congress—and we are far more guilty of this, by the way. Let's face it, we are talking about ourselves to some degree, and we all know what goes on here. We have a proliferation of these amendments. We all draft and issue the press releases to satisfy constituencies in this country. That is what happens. And we apply unilateral economic sanctions and deny people food and medicine, and we think that ought to stop, but not if you want to impose sanctions on bases other than economic and unilateral sanctions.

Mr. GRAHAM. I don't know what the question was.

Mr. DODD. That was a question.

Mr. GRAHAM. But clearly, the plain interpretation of the sentence that I just read is that the remedy against whatever the cause might be, whether it is nuclear proliferation, support of terrorists, attack against our national security, harboring drug traffickers, or whatever the cause may be, we are just saying that, notwithstanding any other provision of law, we have denied from the President of the United States as one of the remedies against that causation the use of unilateral economic sanctions when those sanctions include food, agricultural products, medicines, and medical equipment.

If that is not the intention, then I think the sponsors of this amendment should offer a modification—and I believe that is now within their power to do so—to clearly state it is not intended that the use of food, agricultural products, medicines, and medical equipment not be a restriction on the President's ability to use those products where the causation is terrorism, causation is an attack against national security, or some other cause. And then we could have a reasoned debate on just what would be the reach of this amendment.

I might also say, I am concerned about the language of this amendment in that we have been focusing on food—wheat, corn, other products of human nutrition. But the language goes on to say "other agricultural products (including fertilizer)."

Now, with that parenthetical, it seems to me that we are not to sanction not only food but other agricultural products, including those products which are used by that country in the production of its own indigenous agricultural food and fiber. That obviously would be the only reason to specifically exempt fertilizer. What about seed? Would that be an agricultural product against which the President could not impose a sanction? Would tractors, combines, other of the mechanics and equipment of agricultural production be similarly excluded from the President's range of sanctions that could be used?

I believe the very fact that those questions are raised goes to one of the reasons that it is imprudent, at 7:50 p.m. on this Wednesday evening, for us to be considering this amendment. This amendment has been introduced as freestanding legislation. I assume it is before some committee of the Senate. The normal manner in which we would consider an issue of this importance would be to have a hearing, to have the language subjected to close scrutiny, not just the kind of scrutiny that can be provided here on the Senate floor by those of us who have an interest in and some knowledge of this matter, and a genuine public debate. After the idea has withstood that kind of inquiry, then it is mature to come to the Senate for consideration, for adoption, adoption that would reverse three to four decades of powers which the President of the United States has been granted by this Congress in order to achieve important U.S. national objectives.

It is also ironic that we are doing this at this time, when we have recently established a separate task force whose purpose will be to review our current sanctions policy and to bring to us their reasoned judgments as to what we should do. It seems to me that prudence would indicate that the appropriate thing to do would be to at least wait until that group that we have just established has an opportunity to complete its work and give us the benefit of its recommendation, as to what our policy should be in this area.

Mr. ROBERTS. Will the Senator yield for a question?

Mr. GRAHAM. I yield, yes.

Mr. ROBERTS. The Senator has indicated we are rushing to judgment here. I would only point out that in 30 years every agricultural group, every farm group, every commodity organization, everybody connected with every hunger organization has been pointing out the insensitivity and the counterproductivity of unilateral sanctions with food and medicine.

I have some figures here from 1995. I don't have them yet for 1996, but they are very similar. U.S. sanctions cost an estimated $15 to $20 billion of lost exports. One way or other, I guess my question to the Senator would be: Would you support a sanction indemnity payments for those industries or those businesses who have suffered the losses, through no fault of their own, more especially agriculture?

I don't know how we fund—I know how we fund it. We do it. We could declare it an emergency. As a matter of fact, that is one of the proposals that was being talked about, in terms of the package put together by the folks across the aisle, and some of us over here, on down the road.

We can't go on like this. I hope, after 30 years of this debate, I would hope the wheat growers, the corn growers, the barley growers, the cattlemen, the pork producers—the Senator's State of Florida is a tremendous State in regard to agriculture output. I hope these farm groups have met with the Senator.

Would the Senator be in a position to help us support some kind of sanction indemnity payment, given the situation?

I am not even talking about the humanitarian aspects of this. But we have sanctions now on 75 percent of the world's population. We just can't go on like this. So, consequently, I think this is a step in the right direction. Rather than do it piecemeal, each country by country—as the Senator from Connecticut so aptly pointed out, 98 to 0, and we just had a UC bill pass here in regards to India and Pakistan because they were counterproductive.

I think the Senator is obviously concerned about an island not too far from his State and I am concerned about that.

I would just pose the question. Would he support sanction indemnity payments?

Mr. GRAHAM. I say to the Senator, that is one of many of the kinds of questions that I would assume this bipartisan commission, which is just commencing its review of our current sanctions policy, will be looking at.

I am not prepared tonight, nor do I feel myself competent tonight, to respond to the Senator's question as to whether we should have an addendum to our policy that relates to indemnification. But I am certain tonight that we also do not know enough to say that we ought to change 40 years of U.S. policy by adopting this amendment which has not been subjected, to my knowledge, to the first hour of serious Senate hearing consideration.

Mr. ROBERTS. Will the Senator yield for one more question?

Mr. GRAHAM. One more question.

Mr. ROBERTS. I appreciate the indulgence of my friend and colleague. I just want to point out that after every sanction, after every embargo, after every hindrance to every export program that we have had, we have had hearing after hearing after hearing in the House Agriculture Committee. I was privileged to be the chairman of that committee for 2 years. I have attended more hearings, more discussions, more farm meetings, been to more farm organization resolution meetings in State after State, to do something about a clear, comprehensive export policy that wards off these very counterproductive embargoes—and is simply misdirected. We have ample, ample evidence that this does not work.

I am on the sanctions task force. I went to the first meeting. We have taken some rifleshot reforms here that are sorely needed right now. It doesn't take away from the sanctions task force and their overall approach, to see if Senator LUGAR's bill is appropriate, or Senator DODD's bill, Senator BIDEN, Senator HAGEL, myself—to look back on sanctions. That is the appropriate agenda in regard to the task force. But I can assure the Senator, in terms of voluminous hearings ad nauseum, because of the hurt it has caused in farm country that we have had ample hearings.

I didn't ask the Senator a question, except to say I truly appreciate him yielding. I will cease and desist at this point.

Mr. GRAHAM. I am sorry that we didn't have a question, but the Senator has moved me to point 2 of my remarks, which is the undercurrent of much of this debate, where we focus on the poor, particularly the hungry children. Everyone is moved by those emotions. There is a natural humanitarian concern about people, particularly innocent people, being denied access to the basic necessities of life.

What offends me is the assumption that it is the U.S. embargo policy, whether it is against Iraq, Iran, North Korea, Cuba, or whatever rogue state, that is the cause of that impoverishment. This is a return to that classic "Let's blame America first" argument. Let's find out what is wrong with the world and then let's blame the United States of America for being responsible.

The person who is responsible for the economic conditions in Cuba is not sitting in this room and is not residing at 1600 Pennsylvania Avenue. The person who is responsible for Cuba's impoverishment is named Fidel Castro and he lives in Havana. Whether we do or do not adopt this amendment tonight, he still is going to be living in Havana and he still is going to be following discredited economic policies. He is still going to be following a personal attitude of disrespect to his own people. He still is going to be following authoritarian dictates—because he wants to stay in power.

So, Mr. President, the idea that we have to blame America first and find ourselves to be at fault for the poverty and the misery of the poor, particularly the young and the halt and the elderly, in these rogue nations, I reject and I find to be offensive personally, I find to be offensive to the values of the United States of America.

Mr. President, let me move to the third point, if I could, and that is I do want to speak specifically.

Mr. ROBERTS. Mr. President, I ask for one short question. I know I am batting, now, for the third time. If the Senator would indulge me?

Mr. GRAHAM. It is going to be a question at the end of this statement?

Mr. ROBERTS. I can promise the Senator there will be a question.

Mr. GRAHAM. I look forward to the question.

Mr. ROBERTS. It is a question I know the Senator will respond to in an affirmative way because it makes so much sense.

What would happen if we added a new section to the second-degree amendment that is pending at the desk, stating something like this:

"The President may retain or impose sanctions covered by this bill, sections (B) and (C), if he determines that retaining or imposing such sanctions would further U.S. national security interests."

I had thought about listing some of the concerns that the Senator from New Jersey and the Senator from Florida have indicated, but I thought better of that, and put a blanket situation here—U.S. national security interests. Obviously, the export of terrorism would be included. Obviously, I think, some of the concerns that have been raised by the Senator from Florida would be included.

Would the Senator be amenable to considering something like that?

Mr. GRAHAM. I think the Senator's question makes the first point I made, and that is the inappropriateness of trying to write a piece of legislation that is as nuanced and delicate as this on the floor. I pointed out what I thought was clearly an interpretation that said that whatever the cause, we were going to be denying as a remedy the use of unilateral economic sanctions which included this prescribed list of food, agricultural products, medicine and medical equipment. Now the Senator is suggesting that he doesn't really want to go as far as this language and would like to say, at least in the area of national security, that we don't have to deal with our enemies.

I think, personally, that is too narrow a construction. I think there are a variety of types of activities that the President of the United States, with the authorization of Congress, ought to be able to sanction in the most severe possible way, including denying them the products that are listed in this legislation.

I don't think we ought to try to write that on the Senate floor at now 8 o'clock at night. This is exactly the type of considered judgment that we would say in this great deliberative body ought to be deliberated in an appropriate committee with appropriate public input.

Mr. ROBERTS. I take it the Senator's answer is no.

Mr. GRAHAM. I think my answer would be no, and my reason would be point 1 of my remarks. I am now about to move to point 3 of my remarks.

Mr. ROBERTS. Then this gift horse will ride back into the sunset and withdraw the offer.

Mr. GRAHAM. I would be very happy if this amendment would ride into the sunset as long as it didn't return.

Point 3 does relate specifically to Cuba which is an object case of the point 2, which is that the reason that Cuba is in its desperate economic circumstances is not to be blamed on the United States and our policy, it is to be blamed on Fidel Castro. The reason it didn't happen 20 or 30 years earlier is because as long as there was a Soviet Union, the Soviet Union was subsidizing Cuba to the extent of 20 to 30 percent of its gross domestic product. When the Soviet Union collapsed in the late eighties, its ability to continue to provide that kind of subsidy to Cuba also collapsed and all of the underlying inadequacies of a statist, Communist economic policy surfaced.

For us to say that we are responsible for the impoverishment of the Cuban people because we have denied them access to food, agricultural products, medicine and medical equipment, I think, is, frankly, absurd and an affront to the people of the United States of America. It is Fidel Castro who has placed his people in that condition, not the people of the United States.

Maybe the most dramatic example of that, just a few years ago when our colleague and visionary, the Senator from New Jersey, was a Member of the House of Representatives, he sponsored legislation which established the modern U.S. embargo policy relative to Cuba. I am pleased to say that I was honored to be the Senate sponsor of that legislation.

In that legislation, medicine was excluded from the commercial sanction against Cuba. There is a license policy required in order for a Cuban entity to purchase medicines from the United States, but that is available.

Do you know what has happened in the intervening now some 5 years since that access to commercial purchases of U.S. medicines by Cuba has been in effect? What has happened is zero has happened, because Cuba has not availed itself of this opportunity it had. Why hasn't it availed itself? I suggest primarily because Fidel Castro has some higher priorities in terms of his use of Cuban resources, like continuing to fund one of the most oppressive state police in the world, continuing to try to maintain what is left of a military capability. Those have all had higher priorities and, therefore, there were little resources left to use the special access through license policy for U.S. medicines.

Mr. TORRICELLI. Will the Senator from Florida yield?

Mr. GRAHAM. Yes.

Mr. TORRICELLI. The Senator from Florida makes a valuable point that somehow the responsibility for the economic ailments of failing Marxist governments incredibly is being placed on the U.S. Senate. The reason that there is hunger in Cuba and North Korea is because their systems have failed.

I recognize that in the great farm belts of America, there is tremendous frustration and suffering because of the farm crisis. But it is not frank, it is not fair to the American farmer to suggest that if the United States abandons its human rights policies and its economic embargoes on these terrorist governments, that is the salvation for the American farmer.

As my friend and colleague from Florida stated, the per capita income of Cuba is $300. Cuba has 7 days' worth of foreign exchange. Just how much wheat or corn does the Senator from Kansas believe Fidel Castro will be buying? North Korea has no foreign exchange at all. Nothing. The Sudan has a per capita income of $100 per year. These are not countries that are markets for American farm products.

I share the concern of our colleagues from the Midwest of the plight of the American farmer, but believing that we can compromise our policies on terrorism or for human rights by offering sales to nations that have no resources is a false promise and, what is more, simply contradicts the facts.

The Senator from Florida has said it right. There is blame for these failing economies and the fact the poor are suffering, but it is not here. The Senator from Florida was my cosponsor in offering in the Senate the Cuban Democracy Act which is the foundation for the current embargo against Cuba. He should be proud of everything that he did because, indeed, as is now the case with the Sudan and with North Korea and with Iraq and with Cuba, we have assured that the poor, on a humanitarian basis, will get food even though they can't buy it.

That policy now will be undermined by offering to sell these products to people who can't buy it. I think the Senator from Florida has made the case persuasively. Thank you for yielding.

Mr. GRAHAM. Thank you. I appreciate those kind remarks, and no one is more dedicated to the freedom of the people of Cuba than is our friend and colleague from New Jersey. He has demonstrated that dedication time and time again.

As he said in his earlier remarks, not only are we not the source of the blame of the impoverishment of the people of Cuba, in fact, the United States, both governmentally but primarily through the generosity of its people, has provided through donations more humanitarian assistance to Cuba in the last 4 years than the foreign aid of all other governments in the world combined. Now to say blame America first, make us the object and the source of Cuba's poverty is an affront.

My final point is that by adopting this policy, we will also be missing the opportunity to adopt a policy that has the potential of making a significant difference in terms of the U.S. national interest, but more importantly the human interest of the people living in Cuba.

What is that policy? It is also one to which the Senator from New Jersey alluded in his opening remarks, and that is a policy that says: Let us increase the opportunities for the people of the United States with modest Government assistance to join that philanthropy to provide humanitarian needs to the people of Cuba. But instead of being done on a commercial basis, which means that Fidel Castro will be in control of what is purchased and how it is distributed and how it is used to either reward or punish activities which the state considers to be beneficial, let us use the nongovernmental organizations, such as the religious organizations in Cuba, to be the means of distributing the humanitarian products. Let us use that as a means of assuring that this humanitarian effort will not be perverted for political goals.

Let us use it as a means of increasing the strength of those nongovernmental organizations, because they will play a critical role today in the life of the people of Cuba, attempting to lift some of the burden which Fidel Castro has imposed upon those people. Those same nongovernmental organizations will play a critical role during the period of transition in Cuba.

One of the key questions for the United States is not whether there will be change in Cuba. Of course there will be change. No one can tell you exactly the hour and the date of that change, but that it will come is assured. What we do not know is whether that change will be more like Czechoslovakia, a "velvet revolution," relatively without bloodshed or conflict, or whether it will be more like the nation whose head of state spoke to us earlier today, Romania, where thousands of people were injured or killed during the course of the transition from an authoritarian to a democratic government.

I believe the nongovernmental organizations in Cuba will play a critical role in facilitating a peaceful transition and that by using them rather than, as this amendment would propose to do, the Government of Cuba, as the instrument for the distribution of humanitarian assistance, we have the opportunity to strengthen and elevate those nongovernmental organizations.

Mr. DODD. Will my colleague yield on that point for a question?

Mr. GRAHAM. For a question.

Mr. DODD. I think I have a question at the end of this one.

Mr. President, I know my colleague from Florida is very familiar with Cardinal Ortega, who is the leading Catholic figure on the island of Cuba. I know he knows who he is, and is aware of the recent visit by His Holiness, Pope John Paul II, when he was in Cuba in January. Obviously, my colleague is well aware, as well, of the position of the U.S. Catholic Conference with regard to lifting the sanctions on food and medicine.

I say and raise the question, certainly we all, I think, would know—and my colleague, I presume, would agree—that Castro, Fidel Castro, has no greater enemy on the island of Cuba, or anywhere, for that matter, than Cardinal Ortega, yet is it not the fact that Cardinal Ortega, the Catholic Conference, and in fact His Holiness, Pope John Paul II, has called for the lifting of restrictions on food and medicine sales when it comes to Cuba?

Mr. GRAHAM. I believe it is even more broad. I believe they have advocated a total lifting of the U.S. embargo.

Mr. DODD. I am only referring to this particular proposal.

Mr. GRAHAM. They would not be constrained to the items included in this amendment. They would advocate a total lifting of the embargo against Cuba.

Mr. DODD. Mr. President, is the answer to the question, regarding food and medicine, Cardinal Ortega has called for the lifting of the ban on food and medicine?

Mr. GRAHAM. As well as every other aspect of the embargo. And with great respect, I believe that the policy that says, rather than lift the embargo, strengthen Fidel Castro, with no real prospects, with a country so impoverished as Cuba, that they are going to be able to compete in the commercial market to buy agricultural products—why aren't they buying medicines today? They have been authorized to do it for 5 years, and yet they have not availed themselves.

The reason is probably that it is not a high enough priority of Fidel Castro to use his limited resources to buy antibiotics. He would rather buy equipment that his military and secret police can use to suppress the people. There is no expectation he is going to use any availability of the commercial purchase of foods to any greater extent that he has used his potential of commercial purchase of medicines.

What I think does offer hope is to encourage a policy of U.S. private citizen, with limited Government support, philanthropy through nongovernmental organizations to the people of Cuba, both to meet and alleviate some of their current deprivations and build up some institutions that will help in the transition in Cuba.

Mr. President, for those four stated reasons, I believe this amendment, well intended as it might be, is inappropriate for our consideration at 8:14 p.m. on the evening of July the 15th. I hope that it will be the wisdom of the U.S. Senate, if we are given the opportunity, to set this aside through a motion to table, and that we would see the wisdom of that opportunity and then would look to the bipartisan commission on sanctions as well as the standard traditional processes of deliberation in the Senate as a means to fully explore whether we, in fact, want to change a 40-year policy of the use of economic sanctions against some of the most rapacious or rogue states on this planet.

Thank you, Mr. President.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Thank you very much.

I rise this evening to strongly support the amendment by Senators DODD, WARNER, ROBERTS, HAGEL, and myself, which would exclude food and medicine sales from existing trade sanctions.

As one who has growing concern about the use of unilateral sanctions to accomplish various foreign policy and other goals, I am very pleased tonight that we are considering this very important measure. Food and medicine should not be used as a weapon in our disputes with leaders of other countries. As we have seen repeatedly, and as we have heard repeatedly on the floor of the Senate here tonight, withholding food and medicine does nothing but hurt the people whom we are trying to help in these countries.

The leaders, such as Fidel Castro, are always going to have access to these necessities. They are going to get the food, the shelter, the medicine, the care that they need. But inclusion of food and medicine in embargoes or in sanctions only makes the choices fewer for the residents of those countries and the prices higher for the average citizen.

I simply do not believe that anyone in this body can tell me this is a prudent policy in any country of the world. As just referred to here a few moments ago, somehow we are blaming the U.S. Senate or the United States for the problems in countries such as Cuba. We do not blame the United States for the bad economy. We know that that is Cuba's problem. That is Fidel Castro's making and his problem. But we are here tonight trying only to address the needs of the peoples of those countries and do it in a very humanitarian way, and not to use food and medicine as a weapon in our foreign policy arsenal.

It was also said by the Senator from Florida just a few moments ago—he said that we should have held hearings on a bill like this, that we should not be writing this kind of an amendment on the floor of the U.S. Senate tonight.

But I think he knows very well that Senator DODD and I, for many weeks, tried to schedule hearings. I am the subcommittee chairman of the subcommittee of jurisdiction in the Banking Committee over this bill. We requested numerous times—we held meetings with opponents of this legislation trying to get a time when we could hold the hearing to bring out the concerns and to help write legislation and bring it out to the floor of the Senate.

Those who are opponents of this bill are not only opposed to it tonight, but they have been opposed to it and would not allow us—now, I do not know how often that happens, but the opportunity to even hold a hearing was blocked. There have been many, many, many other attempts and meetings to try to hold a hearing on this very bill, this very amendment, and to try to work out the differences that we might have.

But for those who will say that food and medicine can still be donated as well under these embargoes, I respond by stating that the licensing process that donators have to go through is so time-consuming and it is so cumbersome that it simply is a process that does not work. What has resulted is fewer donations. Improving the distribution system is not going to work as well. We need the certainty of free market sales, unencumbered by Government regulations or dictation and direction.

Certainly, we do not need the Congress to be involved in implementing food and medicine distribution in any countries, as has been suggested here in the past. We need to help our farmers and medical supply companies preserve their excellent reputations globally. Why earn them the reputation again of being an unreliable supplier by continuing to include them in our sanctions? American farmers are still suffering from the effects of the Russian grain embargo from the late 1970s. As we heard, they got the reputation of being unreliable suppliers. And it hurt the farm economy for many, many years following that.

You have heard the statistic often in the past few days—over 60 sanctions have been imposed by this Congress and by this administration. They are based on the laws that we have passed. They target some 70 countries, and the numbers affect from one-third to two-thirds of the world's population. It is no wonder that our agricultural producers and most of the business community have united to oppose these unilateral sanctions. Why would other countries consider us reliable suppliers in the future if we continue to have this kind of a record, to hurt ourselves, to hurt our economy, to hurt our jobs, and not to accomplish the goals we have?

If these sanctions, or these unilateral sanctions, could produce the very type of reforms that we were asking or that we thought should be made, I think everybody in this Senate would line up behind it and vote for it tonight. But over 30 years we have seen that these types of sanctions and embargoes just do not work. All they do is have the exact opposite effect of hurting our farmers, our businesses, our jobs, our economy, and they also do not provide the type of health and humanitarian relief to the people of these countries suffering under these types of regimes.

Why would other countries consider us reliable suppliers in the future if we continue this kind of record? Right now we have pending, just pending, 26 unilateral sanctions—unilateral, just the United States, nobody else coming into this. When we talk about the Iraq sanctions and how we have lifted and allowed them to sell oil to meet some of their needs with food and medicine, that was a world community effort that put pressure to allow this to happen. We cannot get our allies to support this type of sanctions or embargo. The world community doesn't support it. Many in the Senate do not support it.

There are 11 other bills that could target an unlimited number of countries, as well. One is the pending religious persecution sanctions bill which alone targets over another 100 countries.

Now, in my judgment, sanctions will only accomplish their intended goal if they are applied, again, multilaterally. Anything short of that is bound to fail. The only result, then, again, is that our farmers, our workers, are going to suffer, not the leaders. Fidel Castro is not going to suffer. Fidel Castro is not going to move out of that office one day sooner because of these sanctions. In fact, he has probably stayed in office much too long because of this type of action.

This is an important amendment which follows the commitment that we made yesterday, and that is to try to help our farmers and other businesses expand markets abroad. I urge my colleagues to strongly support it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I rise this evening to strongly support this amendment. We have heard a number of dynamics—issues, good questions, relevant questions—about what is being attempted in this amendment.

Mr. President, we are not talking about some revolutionary change in our foreign policy here. What we are talking about is what works. We are talking about common sense, relevance. There has been much talk tonight about humanitarian issues, human rights, trade, foreign policy, national security, all wrapped up into this debate.

But my goodness, Mr. President, as we are about to embark on a new century, a new millennium, the greatest power on the Earth, the greatest power the world has ever seen, are we to rely on embargoing medicine and food to leverage and implement our policy and our position in the word? I don't think so. We are better than that.

We have heard much conversation tonight about unilateral sanctions, multilateral sanctions. The world has changed, shifted. There is no nation on Earth today that can't get medicine and food, commodities, services, products, somewhere else. They don't need to go through the United States. So, in fact, what are we doing? Are we isolating some other country? Are we isolating a leader? No; we are isolating ourselves. We are isolating our farmers. We are isolating our ranchers, our producers, our people, our future, our growth. And for what? We are not compromising our national security when we talk about these issues of medicine and food. We are not exchanging trade for security. We have gotten a little off focus here this evening in some of this debate, a little bit off focus.

Foreign policy is about dynamic change, about a world of great change, a world of hope and opportunity. It is about our role in the world and how we best position ourselves in the world to make our point.

The question always comes back to, How best do we do that? How best do we leverage what we have? What works? Does withholding food and medicine work? Well, look around; look around. This is not some fly-by-night quick deal that we are talking about here. We have debated these issues.

My colleagues have talked about efforts, which I have been part of, to get hearings. Again, I go back to one point of reality here: This is not a revolutionary shift in policy. And if, in fact, we are to enlist more allies and do what America has always done—defend and enhance more liberty for more people—we come back to the question of how we do that. Does trade and commerce improve people's lives? Does it open societies? I think history has answered that rather clearly.

Yes, I am from a Midwestern State. I am from a large agriculture exporting State. That is important. Those interests are important. But there is not a farmer in Nebraska who is saying, "I would trade America's national interests in the world"—or even entertaining that bargain—"for selling more corn or beef." So let's not mislead anyone here tonight that that is the trade. That is not the trade here. That is not what we are talking about. We are talking about what works and who is really penalized here.

I can go through a list. You all know about what has happened when wheat embargoes have been put on. President Nixon in 1973 banned soybean exports. What has that done? Well, it has made Brazil a very significant soybean producer, is what it has done. I have pages of these things to talk about, specifically narrow, focused issues on agriculture and medicine. But in the interest of time and the interest of good judgment, so that my colleagues won't be completely offended by this debate, suffice it to say that this is a debate about the totality and the completeness of what encompasses foreign policy, and trade is part of that—trade is part of it—and how we best work our way in to nations that don't have the same values and standards and morals and respect for rights as we do.

I close by a point I made at the beginning of my remarks. A great power, the greatest power on Earth, this Nation that has done so much for so many for so long, should not need to rely on embargoes for food and medicine to implement and further our policy.

I hope my colleagues look at this in the completeness of how we, who have offered this, intend it to be viewed and would support this amendment.

I yield the floor.

Mr. WARNER. Mr. President, I rise today as a strong supporter and principal cosponsor of this important amendment sponsored by my friend and colleague, Senator DODD.

This amendment would exclude the export (including financing) of food, other agricultural commodities, medicines and medical equipment from any unilateral sanctions imposed by the United States.

In recent weeks, we have heard over and over again here on the Senate floor, on the weekend talk shows and in the editorial pages of numerous newspapers how unilateral sanctions on the export of agricultural commodities, medicine and medical equipment primarily hurts American producers of those producers.

Also, in most cases, the prohibition or restriction on the sales of food, medicine and medical equipment in order to punish a foreign government harms the general population in the targeted country rather than that country's leadership.

Gary Hufbauer—a renowned expert on the issue of sanctions—made that very point in his recent article in the Washington Post. He stated:

> . . . economic sanctions can inflict pain on innocent people while at the same time increasing the grip of the leaders we despise. When sanctions are applied broadside—as against Haiti, Cuba and Iraq—the hardest hit are the most vulnerable: the poor, the very young, the very old and the sick. Left unharmed, and often strengthened, are the real targets: the political military and economic elites.

Finally, unilateral sanctions on food and medicine rarely achieve the goal of having the targeted nation alter its actions or policies. In light of that, I believe it is time to stop using food and medicine as a foreign policy weapon.

As a member of the recently established Sanctions Task Force, I look forward to working with my colleagues on the broader issue of reviewing on the broader issue of reviewing the overall U.S. sanctions policy.

However, I believe that is appropriate at this time to proceed with this amendment to exempt food and medicine—what I consider humanitarian products—from unilateral U.S. economic sanctions.

Mr. President, Senator DODD and I have been working towards this goal for a considerable time. Our former colleague, Senator Wallop of Wyoming, has been a valued resource for facts which compel this action. Likewise, a number of Cuban Americans have urged this goal. The time is now.

Mr. TORRICELLI. Mr. President, this issue has now been debated at great length. And having listened to so many of my colleagues, for my own part, I wanted only to respond to several things that have been said and then leave the issue with the Senate.

It is being suggested that somehow the idea of economic sanctions is some aberration of policy, inconsistent with our values, inappropriate in the final years of the 20th century. I want to remind my colleagues that the American effort to impose economic sanctions began with Woodrow Wilson, after the Great War, as an alternative to military conflict. So many lives had been lost and the war was so senseless that we began this 20th century with a commitment that this was the better alternative. I don't believe that Members of this Senate have been dissuaded from that view, given the outrageous conduct by terrorist states and facing the choice of military attack or expressing our outrage by separating them out of the international trading community. Sanctions are the better choice.

Contrary to the statements of my friend, the Senator from Nebraska, the record is replete that they do succeed. How many Soviet Jews would have left Russia had it not been for Jackson-Vanik? What cooperation would we have had from Vietnam in finding POW crash sites if it hadn't been for sanctions? Where would North Korea had been now in stopping the development of atomic weapons if not for sanctions? Where would we be in negotiating with Qadhafi for the killers of Pan Am 103 if not for sanctions? Indeed, would Fidel Castro have had the Pope in Havana if there had not been sanctions? They are not always perfect, but they are the better alternative to military action.

My friend Senator DURBIN, the Senator from Illinois, asked the rhetorical question whether or not there would be an impact on national security. What an easy vote to cast on this floor. But what a difficult thing it would be to face if tomorrow morning Castro, Saddam Hussein, and Qadhafi found that the sum and the substance of America's economic boycott on principle against their regime had been destroyed. Thirty years of American foreign policy is on the line. Without a hearing, without the administration being heard, without an alternative being offered, the sum and substance of American foreign policy would be taken off the books.

I suggested earlier in a colloquy with my friend from Florida, Senator GRAHAM, that I know why it is being done. I understand the frustration of our colleagues from the Middle West. But the suffering of American farmers is addressed by changing American farm policy, not changing American foreign policy. These are the poorest nations in the world. It is not fair to the American farmer to say that plummeting prices and failing farms are going to be answered by ending the embargo on Cuba, where the average person makes $300 a year, or the Sudan, or North Korea. These are poor, small nations, without the ability to buy. If they had the ability to buy farm products, they would be buying them from Argentina, Australia, or France, or other American competitors. But they are buying from no one, because they have nothing.

Let's at least be honest about the debate. This will not add up to one dime of American farm sales. It is a political answer for an economic problem. I suspect that the numbers would bear me out that my State of New Jersey manufactures as much in the gross value of pharmaceutical products as the State of Nebraska and the State of Kansas produce in agricultural products. Every major pharmaceutical company in America is in my State. I have never heard one pharmaceutical executive or one worker suggest that we should give in to Qadhafi on Pan Am 103, or the political prisoners in Cuba, or terrorism in Syria or Sudan because of a market opportunity—not one. And I don't believe that your farmers feel any differently than my pharmaceutical executives.

Mr. DODD. Will my colleague yield for a second? We are going to have a vote in 10 minutes. I haven't had a chance yet. I made opening remarks, but I wanted to speak again.

Mr. TORRICELLI. I wanted to ask a question, if I could, and then I will yield to the Senator from Connecticut.

In my reading of the Senator's amendment, not only would it be lifting these restrictions on food, but also on pharmaceutical products, including medical devices, and including the financing of food; is that accurate?

Mr. DODD. Yes.

Mr. TORRICELLI. Well, let me conclude, and then I will allow the Senator from Connecticut to end on his amendment, as is only right and appropriate.

I don't know how a Member of this Senate tomorrow morning could call the families of the victims of Pan Am 103, who are now suing to get financial reimbursement for the loss of their loved ones from Qadhafi, and now suggest that we are going to be financing food exports to Libya or Cuba. Not only are we not selling, but we will be financing.

This brings us back to where we were with Saddam Hussein when the gulf war started. How could we explain to any American that, while American soldiers were having to fight in Iraq, Iraqi soldiers were eating food not only made in the United States but financed by American taxpayers? That would be returned to. Senator GRAHAM and I specifically prohibited medical devices because there was evidence that Fidel Castro was using medical devices made in the United States to torture and interrogate prisoners in Cuba. That is the sum and substance of what the Senate faces.

I apologize to the Senator for consuming so much time.

Mr. DODD. Mr. President, first of all, I yield to my colleague from Kansas for a modification he wishes to make.

AMENDMENT NO. 3159, AS MODIFIED

Mr. ROBERTS. Mr. President, I send to the desk a modification in the best interests of the Senators who have expressed strong opposition to this legislation. Obviously, they have some additional concerns that have been expressed.

The PRESIDING OFFICER. The Senator has a right to modify his amendment, and the amendment is so modified.

The amendment (No. 3159), as modified, is as follows:

Strike all after the first word in the pending amendment an insert in lieu thereof the following:

"(A) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targetted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) EXCLUSION FROM SANCTIONS.—Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS.—Section (B)(1) of this section shall not apply to any regulations or restrictions with respect to such products for health or safety purposes or during periods of domestic shortages of such products.

(C) The President may retain or impose sanctions covered under (B)(1) if he determines that retaining or imposing such sanctions would further U.S. national security interests.

(D) EFFECTIVE DATE.—This section shall take effect one day after the date of enactment of this section into law.".

Mr. DODD. Mr. President, I have sat here patiently listening to a lot of rhetoric associated with this amendment.

Mr. GRAHAM. Will the Senator yield for a question?

Mr. DODD. I am happy to yield for a question.

Mr. GRAHAM. I hope that at some point someone will explain what that modification is. But this question relates to a different issue.

One of the typical restraints that the United States has imposed on the sale of food and medicine to suspect countries has been that there has to be an independent source of distribution so that the food and medicine will not be, as allegedly has occurred in North Korea, diverted just to feed the soldiers and let the civilian population starve.

In light of that, I am concerned with the language on line 15, where it states that "the President shall not restrict or otherwise prohibit any exports," and then it lists the items.

Would this mean that the President could not impose a restriction, such as the requirement that, yes, we will provide food and medicine, but in a manner that will assure that the people for whose good we intended it to be utilized will be fed, will be medicated, not the elite or those elements of the society that are serving to oppress the people? Would the President be prohibited from making those kinds of restrictions?

Mr. DODD. I thank my colleague for the question. If I thought for a single second that anything I might offer in this amendment would win his support, I would engage it with a higher degree of seriousness.

Obviously, I can be confident that any American President would want to make sure that any program we were endorsing on the sale of food and medicine was going to maximize the potential for it to reach the intended consumer, and that is the innocent people in these countries. But let me, if I can, come back to some points that have been made here over the last hour and a half or so.

First of all, we have heard about Lockerbie. I take a backseat to no one in my sense of outrage, nor do any of my colleagues who support this amendment, over the grotesque and violent shooting down of Pan Am Flight 103 that caused such a tremendous loss of life over Lockerbie, Scotland.

But let me take Libya off the table. There are multilateral sanctions against Libya. There is nothing in this bill that affects Pan Am Flight 103. And to suggest so is to not have read the amendment nor to understand the sanctions regimen against Libya. It is multilateral sanctions. This bill is unilateral sanctions only on economics.

So to raise the prospect of the tragedy over Lockerbie in the face of this amendment is either not to understand what exists in Libya or not to understand what this amendment proposes. So Libya is not in play at all.

I point out that many of my colleagues over the last few days have indicated their own strong feelings on the subject of the use of food and medicine as a tool of our sanctions policy with unilateral economic sanctions. My colleague from Idaho, Senator CRAIG, quoting him in his remarks of the day during the debate on Pakistan and India, and I quote: "Cutting ourselves off through unilateral sanctions seldom benefits us as a nation, and almost always hurts the producer. Food should never be used as a tool of foreign policy."

Our colleague from Montana, Senator BURNS: "Let me tell you a little bit about sanctions. I have never been convinced that sanctions on food really worked."

Our colleague from Kansas says, who is the Presiding Officer, if I may in his presence quote him in that debate: "Food being used as a tool of foreign policy should never ever occur."

Senator DORGAN: "We ought to decide as Congress right now that sanctions do not include food shipments."

I can go on. Our colleagues, I think, across party lines, across the great spectrum of this country, have come to realize that, as my good friend and colleague from Nebraska so eloquently pointed out, we are a great nation. We are the most powerful nation on the face of this Earth economically, and militarily. We are the envy of the world politically. And for us on this evening to say that this great power still finds it necessary in order to advance its foreign policy interests that food and medicine that would go into the mouths and bodies of innocent people who live in these dreadful regimes may be the subject of unilateral economic sanctions, I think, is sad. I think it is sad.

We who sit here this evening and have full meals—those who oppose these policies and never worry about whether or not their child can get an inoculation, or an immunization, whether or not they are ever going to have food on their table—look in the face of an innocent North Korean child, if you want to, or look in the face of an innocent Cuban child who has to live under Fidel Castro—that child didn't make that choice. That family didn't make that choice. Are we in this great power of ours, the United States of America, saying this evening that we will not allow the sale of food or medicine to help out that child of those countries? I don't believe that. I don't believe that. I think we are bigger, I think we are better than that.

I think this debate on sanctions has been healthy. It is beginning to recognize the awakening in America that, as our colleague from the farm States and others have pointed out, we need to have policies that work—not that make us feel good. This is not about press releases. It is not about satisfying constituencies here at home. It is about doing something that advances our legitimate foreign policy interests. Do we do that by causing injury to our own people and causing injury to innocent people in these countries while the elite economically and politically grow fat on their own dictatorships at the expense of their own people, and we in our own unwitting way assist them in that process?

Mr. President, I hope as our colleagues come over here—this is not about endorsing terrorism or excusing Libya in Flight 103, or any other dreadful atrocity that a dictator has imposed. It says that with regard to unilateral economic sanctions the United States of America, at the close of the 20th century and the beginning of the 21st, that we take food and medicine with regard to unilateral sanctions off the table—we take it off the table—and we will advance our cause by building support on the suggestion in the minds and hearts of innocent people in these countries that they overthrow these very dictators, and we let them know this evening that we are not going to allow our wealth and our technology, which has produced the largest abundance of food and the best medicines in the world—that if we can get them to these people, we want to see that it happens and that we stand for that.

Mr. President, I urge the adoption of this amendment which has been offered by a bipartisan group of us—from the East, in the Midwest, the far West—this evening, and that it be supported by our colleagues.

I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, it is my understanding that the Kerrey amendment we will have a vote on.

Let me ask the Senator from Mississippi.

Mr. COCHRAN. Mr. President, if the distinguished Senator will yield, it is our hope, given the fact that only one amendment really has been debated—and that is the Dodd amendment up to the point of 8:45 under the order—that a vote will occur on a motion to table the Dodd amendment, which will be made by the distinguished chairman of the Appropriations Committee. That will take with it, if it is agreed to, the amendment offered by the Senator from Kansas in the second degree. Then, that would be the only vote ordered to occur right now. We still have four other amendments that have been cited as in order to come up tonight: The Torricelli amendment, the Johnson amendment, the Graham amendment, and the Kerrey amendment. If the Dodd amendment is tabled, there won't be a need for the Torricelli amendment, as I understand it, and that would be withdrawn.

Then we think we can work out an agreement to accept the Johnson amendment, which is the third amendment, and the Graham amendment on disaster assistance. But we would have to have a vote on the Kerrey amendment. That could occur tonight, or tomorrow, whatever the pleasure of the leadership is.

Mr. STEVENS. I want the Senate to know that when the Leaders arrive, we will have to discuss the arrangement on whether or not that vote will occur tonight. And it will be my hope that it will occur tonight, Mr. President.

But, under the circumstances of the situation now, again in order to facilitate the management of this bill, I move to table the Dodd amendment, which, as I understand, would also carry with it the second-degree Roberts amendment. I reluctantly make that motion, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska to lay on the table the amendment of the Senator from Connecticut. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from New Mexico (Mr. BINGAMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 38, nays 60, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—38

Ashcroft
Breaux
Bryan
Campbell
Chafee
Cochran
Coverdell
Faircloth
Ford
Frist
Graham
Gramm
Gregg
Helms
Hollings
Hutchinson
Inhofe
Kohl
Kyl
Landrieu
Lautenberg
Levin
Lieberman
Lott
Mack
McCain
McConnell
Murkowski
Reid
Sessions
Shelby
Smith (NH)
Snowe
Specter
Stevens
Thompson
Thurmond
Torricelli

NAYS—60

Abraham
Akaka
Allard
Baucus
Bennett
Biden
Bond
Boxer
Brownback
Bumpers
Burns
Byrd
Cleland
Coats
Collins
Conrad
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Feingold
Feinstein
Gorton
Grams
Grassley
Hagel
Harkin
Hatch
Hutchison
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Leahy
Lugar
Mikulski
Moseley-Braun
Moynihan
Murray
Nickles
Reed
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Smith (OR)
Thomas
Warner
Wellstone
Wyden

NOT VOTING—2

Bingaman
Glenn

The motion to lay on the table the amendment (No. 3158) was rejected.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. STEVENS. May we have order?

The PRESIDING OFFICER. Let's have order in the Senate.

Mr. LOTT. If I can explain what the order will be now. The Chair will put the question on the Roberts amendment to the Dodd amendment. I presume that will be accepted by a voice vote. Then we will go to the Torricelli second-degree amendment, with 2 minutes for him to describe his amendment, 2 minutes for Senator DODD in opposition, and then a vote on that.

Mr. DODD. Will the leader yield?

I say, Mr. President, that is not a second-degree amendment. It is a freestanding amendment.

Mr. LOTT. Freestanding amendment then.

Mr. TORRICELLI. If the leader would yield, it is my understanding, from our conversation, that the Roberts amendment would be accepted; and I will, in turn, have a second-degree amendment.

Mr. LOTT. That was my understanding.

Mr. DODD. If the leader would yield, the Roberts amendment is a second-degree amendment.

Mr. GRAMM. If it is dealt with, that clears the tree.

Mr. LOTT. So after 4 minutes of debate, equally divided, we could go to a recorded vote on the Torricelli amendment. I ask unanimous consent that that be the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I ask unanimous consent that we then go to——

Mr. BYRD. Mr. President, reserving the right to object, and I will not, of course.

Mr. LOTT. I am glad, of course, to yield to the Senator.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I apologize to the leader for interrupting him.

Mr. LOTT. It is certainly all right, Mr. President.

Mr. BYRD. Have the yeas and nays been ordered?

Mr. LOTT. On the Torricelli amendment? I do not believe they have.

Mr. BYRD. Then the leader did not mean to include in his unanimous consent request that it would be a recorded vote.

Mr. LOTT. That is correct, Mr. President.

Mr. BYRD. I thank the Senator.

Mr. LOTT. I ask unanimous consent that it be in order to ask for the yeas and nays on the Torricelli amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I ask for the yeas and nays on the Torricelli amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LOTT. I ask unanimous consent that then we proceed to the Kerrey amendment and that there be 10 minutes of debate equally divided on the Kerrey amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, reserving the right to object, I wonder if, since everybody is here, whether we could limit the vote on the Torricelli amendment to 10 minutes.

Mr. LOTT. I think that is an excellent request.

And I ask unanimous consent that that vote be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I believe then we are ready to put the question.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 3159, the Roberts amendment.

The amendment (No. 3159) as modified, was agreed to.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. I would like to make one more unanimous consent request. I ask unanimous consent that the vote on the Kerrey amendment—if ordered, and we get the yeas and nays on that—be also limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I ask unanimous consent that it be in order for me to ask for the yeas and nays on the Kerrey amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I ask for the yeas and nays on the Kerrey amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 3160 TO AMENDMENT NO. 3158, AS AMENDED

(Purpose: To exclude the application of the amendment to certain countries)

Mr. TORRICELLI. Mr. President, Members of the Senate, we are about to cast a vote that we will remember for many years. I know the issue of the day is the farm crisis in the Midwest. The answer to that problem is in this market, in this Senate, not by changing a fundamental of American foreign policy. The issue today may be the farm crisis, but last year and the years before that, it has been the war against terrorism.

My amendment is simple. We have lifted the American embargo against selling food and medicine unless—unless—you are from a country that is engaged in terrorism against the United States of America.

Mr. Qadhafi does not deserve, tomorrow morning, to wake up and find out we forgot about Pan Am 103; or Castro, with his political prisoners; nor should we end with North Korea our actions just when we are negotiating the control of atomic weapons.

I know the frustration of my colleagues from the Midwest, but these nations, with per capita incomes of $100, $200, $300, they are not buying agricultural products from anyone in the world, so they are not going buy them from us, because they have no money, because they are failing Marxist regimes.

For 30 years, this country has held the line that on human rights and on actions of terrorism against our country we would not deal with them. Things are so close, the handful of Marxist regimes that are left—the handful—do not throw them a lifeline.

Can you imagine the frustration tomorrow morning of activists in Cuba who are fighting for freedom to find out we have taken the heart out of this embargo? Make no mistake, this is the heart. These countries, from Libya to North Korea, to those that are harboring assassins in the Sudan, the Hezbollah in Syria, these terrorist nations, they are not seeking to buy airplanes or high technology. This is all they would have if they had the resources.

This is not a message you want to send. Today it may be the farm crisis. But terrorism is not gone from this Earth. The State Department has told us that there are these nations, these six nations, engaged in terrorism against our people. They do not deserve an exception. The Senate has done its will. It has lifted food and medicine. Just keep this exception on these few terrorist states.

Mr. HELMS. Mr. President, in the rush to end sanctions, I find it incredible that some of our colleagues appear willing to forgive and forget the conduct of regimes like those in Iran, Iraq, Libya, Cuba, Sudan, and North Korea.

The inescapable impression is that they are willing—I hope unwittingly—to cast aside U.S. laws designed to ensure that U.S. taxpayers' money will not be sent to regimes that proliferate weapons of mass destruction, or smuggle drugs over our borders, or promote acts of terrorism around the world.

More disheartening is an apparent willingness to abandon the Cuban people to the brutality of Fidel Castro.

Mr. President, I am pleased that the Majority Leader has taken the initiative to create the Sanctions Task Force, of which I am a member. That bipartisan group has been tasked with studying sanctions in a deliberate process and produce recommendations for the consideration of the Senate.

Rather than wait for that careful review, Senator DODD has offered an amendment today that would have the effect of undermining existing sanctions on rogue states.

Mr. President, there should be no mistake about Senator DODD's seeking to undermine the U.S. embargo of Fidel Castro's regime. So eager is the Senator to achieve this end, that he is willing to blow a hole in all other U.S.-supported embargoes as well. That is what the Senator's amendment would do.

The Senator's amendment is based on the mistaken notion that people in Cuba go without food and medicine due to U.S. sanctions. The facts paint a very different picture. Cubans have been impoverished by a failed Communist economy. Moreover, Castro denies his own people such necessities as a means of keeping them under his thumb. But, he makes state-of-the-art medical care available to Communist party cronies and foreign tourists who provide hard currency to his regime.

Mr. President, U.S. and multilateral sanctions routinely contemplate humanitarian needs of the people in these countries. In the case of Cuba, U.S. law currently permits the sale of medicines and the donation of food and other humanitarian necessities. Indeed, just since 1992, Americans have provided about $2.3 billion in aid directly to the Cuban people.

The comprehensive trade embargo on Iran allows for humanitarian donations to be sent. Even with North Korea, the U.S. has been able to accommodate humanitarian needs without loosening the restrictions in other areas.

In Iraq, the food-for-oil agreement allows humanitarian aid to flow. Our Treasury Department also licenses the donation and sale of these items.

The bottom-line is that the Dodd amendment is not good for the Cuban people or any other country—including our own. Therefore it is imperative that the Torricelli second degree amendment be approved by the Senate.

In Cuba, as with other countries, there are reasonable, pro-active steps that we can take to promote the liberation of the people and, in the mean time, provide humanitarian assistance. But, we should do this without letting up the pressure on the tyrants who torment their own people.

Mr. President, in closing, I am persuaded that it is not and never will be in the interest of the United States of America to relax pressure on governments that promote terrorism, destabilize regions with their aggression, proliferate nuclear weapons technology, and enslave their own people. Therefore, I urge that the pending Torricelli second degree amendment be approved overwhelmingly.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TORRICELLI. I thank my colleagues.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. TORRICELLI] proposes an amendment numbered 3160 to amendment No. 3158, as amended.

Mr. TORRICELLI. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment is as follows:

At the end of its amendment add the following:

Notwithstanding any other provision of this section, section B(2) shall read as follows:

(2) EXCEPTIONS.—Section (B)(1) of this section shall not apply to any country that—

(1) repeatedly provided support for acts of international terrorism, within the meaning of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)); or

(2) systematically denies access to food, medicine, or medical care to persons on the basis of political beliefs or as a means of coercion or punishment; or to

(3)

Mr. DODD. Mr. President, the Senate has just expressed its will on this issue. My colleagues, Senator ROBERTS, Senator HAGEL, Senator WARNER, Senator GRAMS, and Senator DORGAN and I offered the amendment and, in fact, included language by Senator ROBERTS which very specifically allows the President to retain or impose any of the above sanctions if he determines such sanctions to be in the national interest of the United States.

Our underlying amendment only deals with unilateral economic sanctions. On any nation where there are multilateral sanctions, such as Libya and Iraq, this amendment would not apply. It is only in those countries where there are unilateral sanctions being imposed.

Now, it should come as no great surprise to my colleagues that the nations on whom we impose unilateral sanctions are the very nations that my colleague from New Jersey would now like to exempt. What we have been suggesting here this evening is that this great Nation, as my colleague from Nebraska, Senator HAGEL, so eloquently said—this great Nation, with its great economic and military power, we ought to be able to take food and medicine out of the arsenal of sanctions we use for the very economic elite and political elite of these terrorist countries. They do not suffer for lack of food. They do not suffer for lack of medicine. It is the innocents who live under these regimes who pay the price, and also the very farmers of this country who grow the products who are suffering today as a result of a farm crisis, denied the opportunity where there are nations who can afford to buy these products who pay the price. And we do not change policy in these countries.

With all due respect to my good friend from New Jersey and those who would support this amendment, we have provided for language here that would allow for an exception should that occasion arise. But let us not undo the will that the Senate just expressed on the underlying amendment to take food and medicine off the table. Use whatever other sanctions we will or we might, but food and medicine ought not to be a part of the unilateral economic sanctions regime that this country would seek to impose.

The PRESIDING OFFICER. The Senator's time has expired.

All time has expired.

Mr. DODD. Mr. President, I move to table the amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment No. 3160. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. FORD. I announce that the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Ohio (Mr. GLENN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 30, nays 67, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—30

Akaka
Baucus
Brownback
Byrd
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Enzi
Grams
Hagel
Harkin
Inouye
Johnson
Kennedy
Kerrey
Leahy
Lugar
Mikulski
Moseley-Braun
Moynihan
Reed
Roberts
Rockefeller
Sarbanes
Thomas
Warner
Wellstone

NAYS—67

Abraham
Allard
Ashcroft
Bennett
Biden
Bond
Boxer
Breaux
Bryan
Bumpers
Burns
Campbell
Chafee
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Faircloth
Feingold
Feinstein
Ford
Frist
Gorton
Graham
Gramm
Grassley
Gregg
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Kempthorne
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Levin
Lieberman
Lott
Mack
McCain
McConnell
Murkowski
Murray
Nickles
Reid
Robb
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thompson
Thurmond
Torricelli
Wyden

NOT VOTING—3

Bingaman
Glenn
Jeffords

The motion to lay on the table was rejected.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment.

The amendment (No. 3160) was agreed to.

AMENDMENT NO. 3158, AS AMENDED

The PRESIDING OFFICER. The question is on the first-degree amendment, as amended.

The yeas and nays have been ordered.

Mr. DODD. Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to the first-degree amendment, as amended.

The amendment (No. 3158) as amended, was agreed to.

AMENDMENT NO. 3161

(Purpose: To ensure the continued viability of livestock producers and the livestock industry in the United States)

Mr. KERREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. KERREY], for himself, Mr. BURNS, Mr. DASCHLE, Mr. JOHNSON, Mr. CONRAD, Mr. DORGAN, Mr. WELLSTONE, Mr. BAUCUS, and Mr. HARKIN, proposes an amendment numbered 3161.

Mr. KERREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 67, after line 23 add the following:

SEC. 7___. LIVESTOCK INDUSTRY IMPROVEMENT.

(a) DOMESTIC MARKET REPORTING.—

(1) IN GENERAL.—Section 203(g) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(g)) is amended—

(A) by striking "(g) To" and inserting the following:

"(g) COLLECTION AND DISSEMINATION OF MARKETING INFORMATION.—

"(1) IN GENERAL.—The Secretary shall"; and

(B) by adding at the end the following:

"(2) DOMESTIC MARKET REPORTING.—

"(A) MANDATORY REPORTING PILOT PROGRAM.—

"(i) IN GENERAL.—The Secretary shall conduct a 3-year pilot program under which the Secretary shall require any person or class of persons engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to report to the Secretary in such manner as the Secretary shall require, such information relating to prices and the terms of sale for the procurement of livestock, livestock products, meat, or meat products in an unmanufactured form as the Secretary determines is necessary to carry out this subsection.

"(ii) NONCOMPLIANCE.—It shall be unlawful for a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to knowingly fail or refuse to provide to the Secretary information required to be reported under subparagraph (A).

"(iii) CEASE AND DESIST AND CIVIL PENALTY.—

"(I) IN GENERAL.—If the Secretary has reason to believe that a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form is violating the provisions of subparagraph (A) (or regulation promulgated under subparagraph (A)), the Secretary after notice and opportunity for hearing, may make an order to cease and desist from continuing the violation and assess a civil penalty of not more than $10,000 for each violation.

"(II) CONSIDERATIONS.—In determining the amount of a civil penalty to be assessed under clause (i), the Secretary shall consider the gravity of the offense, the size of the business involved, and the effect of the penalty on the ability of the person to continue in business.

"(iv) REFERRAL TO ATTORNEY GENERAL.—If, after expiration of the period for appeal or after the affirmance of a civil penalty assessed under clause (iii), the person against whom the civil penalty is assessed fails to pay the civil penalty, the Secretary may refer the matter to the Attorney General, who may recover the amount of the civil penalty in a civil action in United States district court.

"(B) VOLUNTARY REPORTING.—The Secretary shall encourage voluntary reporting by persons engaged in the business of buying, selling, or marketing livestock, livestock products, meats, or meat products in an unmanufactured form that are not subjected to a mandatory reporting requirement under subparagraph (A).

"(C) AVAILABILITY OF INFORMATION.—The Secretary shall make information received under this paragraph available to the public only in a form that ensures that—

"(i) the identity of the person submitting a report is not disclosed; and

"(ii) the confidentiality of proprietary business information is otherwise protected.

"(D) EFFECT ON OTHER LAWS.—Nothing in this paragraph restricts or modifies the authority of the Secretary to collect voluntary reports in accordance with other provisions of law.".

(2) TECHNICAL AMENDMENT.—Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended—

(A) by striking "The Secretary is directed and authorized:"; and

(B) in the first sentence of each of subsections (a) through (f) and subsections (h) through (n), by striking "To" and inserting "The Secretary shall".

(b) PROHIBITION ON NONCOMPETITIVE PRACTICES.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) in subsection (g), by striking the period at the end and inserting "; or"; and

(2) by adding at the end the following:

"(h) Engage in any practice or device that the Secretary by regulation, after consultation with producers of cattle, lamb, and hogs, and other persons in the cattle, lamb, and hog industries, determines is a detrimental noncompetitive practice or device relating to the price or a term of sale for the procurement of livestock or the sale of meat or other byproduct of slaughter.".

(c) PROTECTION OF LIVESTOCK PRODUCERS AGAINST RETALIATION BY PACKERS.—

(1) RETALIATION PROHIBITED.—Section 202(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(b)), is amended—

(A) by striking "or subject" and inserting "subject"; and

(B) by inserting before the semicolon at the end the following: ", or retaliate against any livestock producer on account of any statement made by the producer (whether made to the Secretary or a law enforcement agency or in a public forum) regarding an action of any packer".

(2) SPECIAL REQUIREMENTS REGARDING ALLEGATIONS OF RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193), is amended by adding at the end the following:

"(e) SPECIAL PROCEDURES REGARDING ALLEGATIONS OF RETALIATION.—

"(1) CONSIDERATION BY SPECIAL PANEL.—The President shall appoint a special panel consisting of 3 members to receive and initially consider a complaint submitted by any person that alleges prohibited packer retaliation under section 202(b) directed against a livestock producer.

"(2) COMPLAINT; HEARING.—If the panel has reason to believe from the complaint or resulting investigation that a packer has violated or is violating the retaliation prohibition under section 202(b), the panel shall notify the Secretary who shall cause a complaint to be issued against the packer, and a hearing conducted, under subsection (a).

"(3) EVIDENTIARY STANDARD.—In the case of a complaint regarding retaliation prohibited under section 202(b), the Secretary shall find that the packer involved has violated or is violating section 202(b) if the finding is supported by a preponderance of the evidence.".

(3) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193) (as amended by subsection (b)), is amended by adding at the end the following:

"(f) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—

"(1) IN GENERAL.—If a packer violates the retaliation prohibition under section 202(b), the packer shall be liable to the livestock producer injured by the retaliation for not more than 3 times the amount of damages sustained as a result of the violation.

"(2) ENFORCEMENT.—The liability may be enforced either by complaint to the Secretary, as provided in subsection (e), or by suit in any court of competent jurisdiction.

"(3) OTHER REMEDIES.—This subsection shall not abridge or alter a remedy existing at common law or by statute. The remedy provided by this subsection shall be in addition to any other remedy.".

(d) REVIEW OF FEDERAL AGRICULTURE CREDIT POLICIES.—

The Secretary of Agriculture, in consultation with the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of the Farm Credit Administration, shall establish an interagency working group to study—

(1) the extent to which Federal lending practices and policies have contributed, or are contributing, to market concentration in the livestock and dairy sectors of the national economy; and

(2) whether Federal policies regarding the financial system of the United States adequately take account of the weather and price volatility risks inherent in livestock and dairy enterprises.

Mr. KERREY. Mr. President, I rise today to discuss the financial crisis growing in our rural economy and to send an amendment to the desk.

Nebraska's farmers and farm communities are confronting a series of events—most of them completely out of their control—that will lead most of them to lose money this year and may drive a fair share out of business. I have been meeting with groups of farmers for as long as I have been in the Senate, and the message I hear resounding across Nebraska is that the situation is very grim.

This is a clear case of a situation in which families won't have a shot at the American dream if we don't put the law on their side.

These events are a good reminder of why agriculture is such a precarious business to be in. Farmers are entrepreneurs who operate small businesses that manufacture their product outdoors. And on top of the always risky proposition of dealing with mother nature, this year our farmers are dealing with grain and livestock prices at their lowest levels in more than a decade, land rental prices that have increased by an average of 37%, a cost of living—particularly for health insurance—that keeps going up, even when commodity prices keep falling, and a rail transportation problem that will almost certainly leave record bushels of grain on the ground across middle America again this year.

And I haven't even mentioned the event over which farmers have the least control—the economies of foreign countries. Nebraska sends a third of its agricultural exports to Asia. Or rather, we used to. With more than 60 million people now living on less than a dollar a day in Indonesia, those markets in Asia are gone.

Many "experts" suggest that the key to a profitable farming operation is diversification. But when every major sector of production agriculture is operating at a loss—from corn to cattle to wheat to hogs—my farmers find that diversification is simply a decision of what to grow that will lose the least.

What is most troubling to me about the financial crisis in rural America is that it comes at a time of unprecedented economic success for the rest of the country. But make no mistake: trouble in rural America will not stay confined to the farm. When Nebraska farmers lose money, Omaha laborers find themselves with less work and it will happen on a nationwide scale, too. Though less so now than in the past, the United States remains an agriculture-based economy. Agriculture is our only sector that runs a trade surplus. In Nebraska, it accounts for one of every four jobs.

So I come to the floor today to issue a wake up call to the Senate. It doesn't matter what you call it—a crisis, a disaster, or just plain misfortune—family based agriculture in America is in grave danger. And there is no one who can act to preserve family based agriculture but us. The Secretary of Agriculture cannot do it and the U.S. Trade Representative cannot do it. If we believe in the value of family based agriculture, this Congress must act to preserve it ourselves.

Under the leadership of Senator DASCHLE, we are bringing a number of amendments to the floor that will help farmers regain a measure of profitability this year. These amendments are reasonable and I believe that the Senate will recognize that they strengthen the existing farm law, rather than weaken it. And I hope that in a spirit of bipartisanship, we can agree that if we add these amendments to the farm bill we can make it work for our farmers.

I am sending one of those amendments to the desk now. This amendment would try to improve market conditions in the livestock industry by mandating reporting requirements.

We have price spreads between retail beef prices and the price paid to producers that are at record levels. We all know what happens when the price of crude oil goes down—we pay less for gas at the pump. But although the price of cattle has dropped precipitously, beef is still the same price if not higher at the supermarket. That defies logic and it says to me that something does not work in the cattle market. We have an amendment that would address that.

This amendment will restore transparency to livestock markets by mandating the price reporting of live cattle and boxed beef.

The cattle feeding industry is in an extended period of sharply negative feeding margins, with losses of about $100 per head.

Earlier this year, hog prices sank to a 26-year low.

But at the same time, consumer prices at the retail level remain unchanged.

Producers are concerned that there is not enough information to determine fair market prices for livestock, and this price reporting amendment will change that.

Common sense tells us that complete price information is vital to an efficient market. But the majority of cattle are now sold under secret pricing deals, and those transactions are not recorded in the cash market.

The lack of transparency in the market creates the potential for exploitation, and we must act to stop that. My democratic colleagues support this approach and I am optimistic that Republicans can support this amendment, as well.

So I hope that we will come together in a bipartisan way this week and pass these measures to help alleviate the financial crisis occurring in rural America. For we have a great deal at stake here, and it is more than just a partisan quibble over whether or not to make changes in a law.

At stake is the preservation of family based agriculture and whether or not Congress has the good sense and the courage to step in while there is still time. For all of our sakes, I hope we do.

Mr. President, this is a very simple amendment that authorizes the Secretary of Agriculture to conduct a 3-year pilot program in mandatory price reporting so that we can get a true market in the cattle industry. It has been long debated by the Agriculture Committee. I think most Members have pretty well made up their minds on it.

I yield to the distinguished Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Mr. President, the amendment allows the head of the stockyards division to look into a way to set up mandatory price reporting. Right now, we only have one segment of the chain in the cattle market that is doing any price discovery at all; that is at the auction market. When cattle changes hands in feedlots and packing houses, these prices are not reported, or they go unreported for a week. We cannot make marketing decisions if you are producing replacement cattle while doing business like that. I suggest the adoption of this amendment.

Mr. DASCHLE. Mr. President, I commend the distinguished Senator from Nebraska and the Senator from Montana for this amendment.

We have a very serious situation with regard to price transparency. Can you imagine going into a store and not knowing the price? Can you imagine a retailer going into the market and not knowing what the prevailing price is?

What these two Senators are doing is simply asking that we have a pilot project to be able to decide if there is a way by which to better describe prices and a way to bring about price transparencies so producers and retailers or anybody has a better understanding of what the market is.

If you really believe in a free market, you will support this pilot project because it simply allows the free market to do its work.

Mr. President, I am deeply disturbed by the number of small to medium-sized producers going out of business in our states, and by mounting evidence that anti-competitive forces within the livestock market are contributing to this trend of shrinking income.

This amendment offered by Senator KERREY will help end the secret livestock deals that are driving small to medium-sized producers out of business in our states, by requiring that they report the prices they pay for live cattle.

This in turn will assure that the market price accurately reflects the real value of livestock, in other words increases market transparency.

In South Dakota, smaller livestock producers are leaving the industry literally by the hundreds.

According to South Dakota State University, in the past five years South Dakota has lost over 1,000 of our smaller cow/calf operators, and over 800 small feedlots.

Not only do these losses cripple rural communities, they threaten the vitality of the agriculture industry itself.

Small business plays an essential role in any market; it is small business that can respond most rapidly to changing consumer demand, and small business that is most likely to innovate and meet the preferences of niche markets.

As packers and feedlots continue to merge, as smaller operations go out of business, and as producers face progressively fewer markets for their production, we lose an important segment of the industry.

The result will be a less diverse, less responsive marketplace.

Increasing market transparency is essential to ensuring our producers at least have a chance to compete.

I appreciate that USDA publishes voluntarily reported price information, but we need to do more.

The contract prices that currently are not reported may have market distorting effects because reported cash prices do not reflect true market conditions.

Formula pricing, captive supplies, and vertical integration all contribute to transactions off of the cash market, and severely impede many producers' ability to compete.

This amendment would ensure, on a test basis, that all livestock prices are reported.

This means producers and feedlots will know that the market price accurately reflects the prices being paid in private transactions.

This is the way the free market is supposed to work.

The majority of producers who talk to me about conditions in the industry today simply say they want a fair shake.

They want a chance to work hard to produce a high quality product and to sell it for a fair price.

We expect our foreign markets to be open and fair so that we can compete abroad. Producers absolutely should be able to expect the same of our domestic markets.

Producers and farm organizations have been saying for some time that as prices and terms of trade become increasingly limited, there isn't enough information available to determine the fair market price for livestock.

I continue to hear that not only is complete price information vital to an efficient market, but also that it may reduce the potential for exploitative relationships in the industry.

This is an important, reasonable step to take on behalf of our small livestock producers.

If we care about small business, if we care about the rural communities they serve, if we care about having a fair and open marketplace in agriculture, we will pass Senator KERREY's amendment.

I hope that on a bipartisan basis we can support this amendment.

I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, with some reluctance, I oppose the amendment offered by the distinguished Senator from Nebraska. I do so because the industry is not for this amendment. The National Cattlemen's Beef Association has written a letter in opposition to the amendment. And just one word of that letter says the following. They refer to the Daschle amendment. This is the same amendment dealing with mandatory live cattle price reporting:

> These amendments are not fair and equitable to beef producers, and many of these provisions are counter to our producers' policies.

I ask unanimous consent that a copy of the total letter from the National Cattlemen's Beef Association be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL CATTLEMEN'S
BEEF ASSOCIATION,
Washington, DC, July 14, 1998.

Hon. LARRY E. CRAIG,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR CRAIG: S. 2159, the Agricultural Appropriations bill, will soon be considered on the Senate floor. The National Cattlemen's Beef Association strongly supports increasing funding for essential programs such as food safety research and cooperative extension, emerging animal disease research, the Market Access Program and the Grazing Lands Conservation Initiative.

In addition to these priorities, there are a number of the proposed amendments to this bill that have the potential to affect America's cattle producers. The National Cattlemen's Beef Association supports the following amendments to S. 2159:

Johnson (D-SD)/Craig (R-ID) amendment would require labeling of retail meat as either U.S. product or imported product. This provision addresses frustrations among U.S. producer who question why livestock imported into the U.S. for immediate slaughter are marketed as U.S. product. The proposed language is consistent with U.S. responsibilities and commitments to the General Agreement on Tariffs and Trade and the North American Free Trade Agreement. Consumers demand quality and consistency, and producers are continually working to meet consumer demands. Import labeling will help differentiate products in the retail meat case and increase competition among product lines. With labeling, consumers will have the ability to make more informed purchases.

Hatch (R-UT) amendment would allow for the interstate shipment and sale of state inspected meat provided that the state inspection process meets or exceeds federal inspection standards. State-inspected beef, pork and poultry are the only food products banned from interstate distribution. This provision also provides an additional incentive for state inspected meat plants to implement Hazard Analysis and Critical Control Point (HACCP) methods. The time is right for Congress to address this unjust policy that discriminates against thousands of small business owners.

Lugar (R-IN) amendment and the Roberts (R-KS)/Robb (D-VA) amendment would require thorough evaluation of international trade sanction. International trade sanctions are stifling to beef export sales and the entire U.S. economy. While sanctions are sometimes necessary, these measures should undergo thorough scrutiny to ensure they are meeting their intended goals.

The nation's cattle industry opposes the following proposed amendments to S. 2159:

Daschle (D-SD) amendment dealing with mandatory live cattle price reporting, packer concentration, and nonemergency haying and grazing on Conservation Reserve Program acreage. These amendments are not fair and equitable to beef producers and many of these provisions are counter to our producers' policy.

Bryan/Reid (D-NV) amendment would eliminate funding for the $90 million Market Access Program (MAP). MAP is crucial to maintaining, developing and expanding agricultural export markets. Eliminating this program would be a huge step back for American agriculture.

Brownback (R-KS) amendment would seriously restrict the Agriculture Census. Data provided by the Agriculture Census is crucial to farmers and ranchers who need the best information available to make timely, informed decisions.

Leahy (D-VT)/Santorum (R-PA) amendment would cap the amount of money available to the Wetlands Reserve Program and earmark this savings for the Farmland Protection Program.

Daschle (D-SD) loan rate amendment, Baucus (D-MT) loan rate amendment and the Conrad/Dorgan (D-ND) indemnity payment amendment changes farm bill policies. The National Cattlemen's Beef Association strongly opposes any amendment that would significantly change "Freedom to Farm" policy.

Bennett (R-UT) amendment would prohibit the Commodities Futures Trading Commission's (CFTC) ability to regulate over-the-counter trades and derivatives. CFTC's ability to ensure open and accurate price discovery is paramount to beef producers.

On behalf of over one million beef producers from across the country, we appreciate your consideration of these issues that are crucial to America's cattle industry. If you have questions or you would like to discuss any of these issues further, please contact our office at (202) 347-0228.

Sincerely,

G. CHANDLER KEYS, III,
Vice President, Public Policy.

Mr. COCHRAN. Mr. President, the American Meat Institute points out in a letter to me that this amendment is not a good idea in a free economy, and you don't need a pilot program to learn that. It does not add information so much as it burdens industry and compromises legitimate business interests.

In the Department of Agriculture, there is opposition to the amendment. They say that it reports already 75 percent or more of the 40 to 50 percent of boxed beef sales that comply with the reporting criteria. The Department estimates that more than two-thirds of the live negotiated cattle sales are reported.

I might conclude by pointing out that no other segment of agriculture has to undergo mandatory reporting of all private business transactions. This pilot program will only add more burden on the industry and it compromises legitimate business interests.

I suggest that the amendment should be defeated.

Several Senators addressed the Chair.

Mr. COCHRAN. It is my intention to move to table, but I will withhold the motion to table the Kerrey amendment and to ask for the yeas and nays.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, just so there is no mistake in here, the administration, the Department of Agriculture, strongly supports this amendment.

Again, let me remind my colleagues that this is a pilot project. It is an opportunity to see whether it works. We want to see the opportunity for price transparency. Let us know what the market price produces. Let's see what the prices are going to be to give and take between processors and producers. That is what this study is all about.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mrs. BOXER. The Senate is not in order, Mr. President.

Mr. LOTT. Mr. President, if the manager will withhold for a minute, this will be the last vote of the night. We hope to take up the Grassley amendment the first thing in the morning, with the first vote hopefully occurring at 10:30, although that has not been worked out. This will be the last vote of the night.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I ask unanimous consent that a copy of the letter from the American Meat Institute, the letter that I referred to, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN MEAT INSTITUTE,
Washington, DC, June 18, 1998.

Hon. THAD COCHRAN,
U.S. Senate, Washington, DC.

DEAR THAD COCHRAN: Some Members who are concerned about USDA-reported market prices for meat may offer an amendment to the pending Agriculture, Rural Development, Food and Drug Administration Appropriations Bill that would establish a pilot program on mandatory price reporting. AMI strongly opposes such a program. I respectfully request that you raise a point of order opposing any attempt to amend the bill with a pilot price-reporting program.

As I testified in the June 10 Senate Agriculture Committee hearing, voluntary reporting by industry currently captures a significant share of what is happening in today's market. On the boxed beef side; for instance, USDA estimates it reports 75 percent or more of all boxed beef sales that comply with the department's reporting criteria. A similar reporting situation exists on the live cattle side, where USDA estimates it captures and reports on more than two-thirds of all negotiated sales.

Mandatory reporting of all private business transactions between parties does not exist in any other segment of agriculture. It is not a good idea in a free economy, and you don't need a pilot program to learn that. It does not add information so much as it burdens industry and compromises legitimate business interests. As you know, USDA reporting criteria are designed to enhance the reporting of information that is meaningful to the market.

Sincerely,

J. PATRICK BOYLE,
President, CEO.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, while it is true that the packers and many of the processing industry do not like the idea of having to disclose prices and bidding, you would be hard-pressed to find a single rancher or cattle feeder in the United States of America who opposes this amendment. This is a pilot program. It will make the market work better. There are only three packers in

America controlling approximately 80 percent of the market today. That is why this amendment is needed.

I say to colleagues who want the free market to work and like the marketplace, go talk to your feeders. Go talk to the people who are out there ranching right now. They want to know what the prices are in order to get full price discovery so that they are able to know whether or not they are getting the best price for their product. It is true that the packing industry and many processors do not like this requirement. But, as I said, again you would be hard-pressed to find a single feed lot operator or rancher in America who will not support this change in law.

Mr. COCHRAN. Mr. President, the first letter that I read an excerpt from was from the American Cattlemen's Association. They represent all the beef cattlemen, many of them, throughout the country.

Mr. KERREY. Mr. President, that letter comes on behalf of people who are in the packing industry. I just tell colleagues that if you have ranchers or feed lot operators in your State, they support the change. There is a division in this particular association that comes as a consequence of packers being a part of this association. I don't object to the packers at all. I believe this change will enable them to be profitable. It doesn't shut them down at all. It merely says they have no surprise when they bid on the cattle in the marketplace.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield to the distinguished Senator from Idaho.

Mr. GRAMM. Mr. President, could we have order. This is a very important issue for people.

The PRESIDING OFFICER. We will have order in the body.

The Senator from Idaho.

Mr. CRAIG. Mr. President, the National Cattlemen's Beef Association does not represent the feeders. It represents the rank and file rancher, large and small, across our Nation. This letter says they oppose the amendment. It is very clearly, very clearly stated.

We developed a futures market not only to look at current but future prices. Most of the livestock industry today effectively operates off of that and the market trends.

Would I like to see more transparency? We all would like to see it. Does a government system and new government regulations dictating it cause it? The marketplace causes it. But this is a pilot program. Like it or not, it is new regulations in the process.

As a former rancher, as a former cattle feeder, I will tell you this is a new set of Government regulations that may resolve the question for a very small number of operators. But for the industry itself—large, small, packer, feeder, producer, cow-calf operator—this is not for what they are asking. I don't believe it is the effective way to do it. I hope you would support a motion to table.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. I was going to move to table, but I understand the Senator from Montana wishes to speak.

Mr. BURNS. Mr. President, I just want to make one point. You have three packers that are handling 85 percent of the national cattle that are killed today. And they don't want to report the prices so that the people who produce calves and replacement cattle and feed cattle in the feed lots, the individual producers, or a small packer, can compete with them. It doesn't make sense. We have always reported those prices. And now, with a lot of packer-owned cattle moving in there, we get no information at all.

Let's look at this pilot program. Let's work with the postmarketing surveillance. We can come up with some way to report these prices so that we know what these cattle are worth all the way back to the ranch.

I urge the adoption of the amendment.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I want to say amen to the Senator from Montana.

Mr. COCHRAN. Mr. President, I move to table the amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. All time is yielded. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi to lay on the table the amendment of the Senator from Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Ohio (Mr. GLENN) are necessarily absent.

The result was announced—yeas 49, nays 49, as follows:

[Rollcall Vote No. 205 Leg.]

YEAS—49

Abraham
Allard
Ashcroft
Bennett
Bond
Breaux
Brownback
Campbell
Chafee
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Faircloth
Frist
Gorton
Graham
Gramm
Gregg
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Thompson
Thurmond
Warner

NAYS—49

Akaka
Baucus
Biden
Boxer
Bryan
Bumpers
Burns
Byrd
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Enzi
Feingold
Feinstein
Ford
Grams
Grassley
Hagel
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Santorum
Sarbanes
Stevens
Thomas
Torricelli
Wellstone
Wyden

NOT VOTING—2

Bingaman
Glenn

The motion to lay on the table the amendment (No. 3161) was rejected.

Mr. DASCHLE. Mr. President, I move to reconsider the vote.

Mr. KERREY. I move to table.

The motion to lay on the table was agreed to.

THE PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3161) was agreed to.

Mr. KERREY. Mr. President, I move to reconsider the vote.

Mr. DASCHLE. I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, the yeas and nays are vitiated.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the remaining amendments that we have identified to complete action on tonight were the Johnson amendment regarding meat labeling and the Graham amendment regarding disaster assistance. We are prepared to recommend that the Senate accept those amendments, along with other amendments that have been cleared by the two managers. I am prepared to ask unanimous consent that we accept those amendments en bloc, those that we have identified, and include statements in the RECORD describing the amendments.

Mr. President, Senator GRAHAM is here. We could do his amendment first. We are prepared to accept it, and then the other list of amendments we will do en bloc if there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida.

AMENDMENT NO. 3162

(Purpose: To appropriate funds for certain programs to provide assistance to agricultural producers for losses resulting from drought or fire)

Mr. GRAHAM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM], for himself and Mr. MACK, proposes an amendment numbered 3162.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, after line 21, add the following:

DISASTER ASSISTANCE

For necessary expenses to provide assistance to agricultural producers in a county with respect to which a disaster or emergency was declared by the President or the Secretary of Agriculture by July 15, 1998, as a result of drought and fire, through—

(1) the forestry incentives program established under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.), $9,000,000;

(2) a livestock indemnity program carried out in accordance with part 1439 of title 7, Code of Federal Regulations, $300,000;

(3) the emergency conservation program authorized under sections 401, 402, and 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201, 2202, 2204), $2,000,000; and

(4) the disaster reserve assistance program established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $10,000,000; to remain available until expended: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

Mr. GRAHAM. Mr. President, members of the Senate, today I join my colleague, Senator MACK, in offering an amendment to the Agriculture Appropriations bill that will provide much needed relief to agriculture in the State of Florida in the wake of the extreme drought and severe wildfires that have plagued our State in the last two months.

The fire crisis is the latest example of our State's meteorological reversal of fortune in 1998. Florida's hot summer temperatures are typically accompanied by afternoon thunderstorms and tropical weather. This year's heat and drought, and the lush undergrowth and foliage that sprung up in the wake of Florida's unusually wet winter, combine to fuel the fires that have put the State under a cloud of smoke and chased nearly 112,000 residents from their homes, 2,000 of them into emergency shelters.

These fires have had severe consequences. More than 220 homes, businesses, or buildings have been destroyed or heavily damaged. Nearly 100 individuals, mostly brave firefighters battling the blazes, have been injured. A 140-mile stretch of Interstate 95 was closed for several days. 458,000 acres of land have burned.

Florida has sustained almost $300 million in damage. In a step never before taken in Florida's long history with violent weather, every one of the 45,000 residents of Flagler County—a coastal area between Jacksonville and Daytona Beach—had to be evacuated from their homes over the Independence Day weekend.

On June 19, 1998, President Clinton declared all 67 Florida counties as a major disaster area and made them eligible for immediate federal financial assistance. In the weeks that followed that declaration, FEMA officials skillfully coordinated relief efforts and worked hard to channel additional aid to the hardest hit areas.

Both the fires and their original cause, the extreme drought throughout the state, have contributed to a drastic impact on Florida agriculture, particularly in the North and West areas of the State. 600,000 acres of summer crops were destroyed or severely damaged by the drought conditions. Hardest hit has been corn which has suffered a 100 percent low on about 80,000 acres and 50 percent yield loss on another 20,000 acres. Value of the lost corn crops as of June 22, 1998, was identified to be $20 million. Cotton, peanuts, soybeans, and watermelons have suffered 25 to 30 percent losses.

At the end of June, virtually none of the $60 million hay crop was harvested, causing the potential for a major shortage of winter feed even when the drought subsides.

In the Panhandle area, many of the 7,000 farmers are facing their third straight year of destructive weather conditions after tropical storms and hurricanes in 1996 and 1997. In this region alone, farmers have invested more than $100 million in borrowed money to plant this year's crop, only to find themselves with no prospect of harvest at this time.

In response to this dire situation, on July 9, 1998, Secretary Glickman declared the state of Florida to be an Agriculture Disaster area, making agriculture in Florida eligible for federal financial assistance.

This declaration makes Florida agriculture eligible for several Department of Agriculture programs including:

(1) the Emergency Loan Program which provides assistance to family farmers, ranchers, and aquaculture operators with loans to cover losses resulting from natural disasters.

(2) the Non-Insured Crop Disaster Assistance Program (NAP) which provides assistance to eligible owners of non-insured crops when a natural disaster causes a catastrophic loss of production; and

(3) the Emergency Conservation Program which provides assistance to farmers fro the purpose of performing emergency conservation measures to control wind erosion, to rehabilitate farmlands damaged by natural disasters, and to carry out emergency water conservation measures.

These programs will provide vital assistance to the Florida agriculture community. However, there are some needs of Florida in the wake of this disaster that are not addressed by existing programs.

First, in the area of forestry, we currently have almost 500,000 acres that were completely destroyed. To provide assistance for reforestation in this type of situation, the Department of Agriculture has created the Forestry Incentive Program which authorizes USDA to share up to 65% of the costs of tree planting, timber stand improvements, and related practices on nonindustrial private forest lands. In the State of Florida, there are over 7 million acres in this ownership class equal to 49% of our State's timberland. To support this need, Senator MACK and I have proposed an emergency appropriation of $9 million to be expended over the next 3 years to spur the rebirth of the Florida forests.

Second, in the area of livestock, the State of Florida is suffering in two ways. We have had a small number of livestock deaths and are experiencing a widespread food shortage due to drought and fire. To compensate livestock owners for livestock deaths attributable to the natural disaster, my colleague and I are requesting an emergency appropriation of $300,000 for the Livestock Indemnity Program. Many of you are familiar with this program as it has provided support for livestock casualties in many of your States. This program will provide benefits in the State of Florida to beef and dairy cattle, swine, goats, poultry, equine animals used for the production of food, and ostrich.

The need for livestock feed is a long-term issue that is affecting 32 counties with approximately 1,073,000 head of cattle, with severe problems with approximately 750,000 head. In the State of Florida, the majority of dairy and beef producers grow their own hay on individual farms for future use as cattle feed. The majority of these hays are seasonal, with a growing season spanning approximately 7 to 8 months. During the 2–3 months of severe flooding followed by severe drought and subsequent fire, approximately 1.5 million acres of pastureland has been completely destroyed, leaving approximately 1.1 million cattle with the threat of malnutrition leading to decreased dairy production and substandard beef production. Extension specialists estimate a need for 30 million pounds of roughage a day for Florida cows with only 15 million pounds per day available from current pasture production even with welcomed rains on part of the State. These producers desperately need assistance in order to provide adequate feed grain for their livestock.

The State of Florida is fortunate to have received approximately 170 truckloads of feed that have been donated from Oregon, Kentucky, Illinois, Virginia, Delaware and Maryland, although only 82 tons have been delivered to producers from South Carolina, Tennessee, and North Carolina due to lack of transportation. While this feed would provide a starting point for renourishment of livestock, there are no funds available to transport it.

To combat this situation, Senator MACK and I are introducing in this amendment a request for $10,000,000 for the Disaster Relief Assistance Program to be used in support of a livestock feed program providing reimbursement for feed purchase or transport for over 1.1 million head of cattle. Prior to 1996, the Emergency Feed Assistance Program was the primary user of the DRAP, providing 25,716,113 bushels between 1984 and 1996. This program was suspended by the 1996 Farm Bill.

Finally, we are requesting an additional $2,000,000 for the Emergency Conservation Program (ECP) in support specifically of conservation. For example, in the State, there are currently approximately 390 miles of destroyed fences in just 3 counties from fires resulting in potentially 12,000 cows roaming outside of home pasturelands.

Mr. President, and fellow members of Congress: I ask that you give full consideration to this amendment and the dire needs of agriculture in the state of Florida as we seek to recover from the devastating effects of this year's drought and fire.

Mr. President, unfortunately, the Nation and the world are aware of the very severe circumstances through which Florida has recently suffered and continues, fortunately in a less degree, to suffer, as a result of drought and severe wildfires. The purpose of this amendment is to restore various accounts within the U.S. Department of Agriculture that are intended to provide disaster assistance and makes that assistance available to those areas which have been designated, as of July 15, 1998, to be agricultural disaster areas.

I urge the adoption of this amendment on behalf of myself and my colleague, Senator MACK.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the Department of Agriculture advises us that they cannot at this time verify whether available disaster money has been depleted. I understand this has been a devastating disaster for Florida and that other areas of the country have also been affected by various disasters. We will work with the administration and the House conferees to address the needs of the areas affected by these recent disasters and to determine whether these needs are being met through available funds.

It is my hope that the Department of Agriculture and the Office of Management and Budget are assessing the need for additional funding to meet the needs resulting from these most recent disasters and that the President will soon submit to the Congress requests for supplemental funds which are determined to be required.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3162) was agreed to.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENTS NOS. 3163 THROUGH 3170, EN BLOC

Mr. COCHRAN. Mr. President, the Senator from Arkansas and I have reviewed a number of amendments and have agreed to recommend the Senate accept them. I now ask unanimous consent the following amendments be considered en bloc, agreed to en bloc, the motions to reconsider be laid upon the table: An amendment of the Senator from Georgia, Mr. COVERDELL, on food safety research and E. coli; Senators DEWINE and HUTCHISON, a sense of the Senate on inhalants; Senators HARKIN and GRASSLEY on APHIS biocontainment facilities; Senator COCHRAN, a technical correction on conservation operations; Senators KEMPTHORNE and BAUCUS and others, secondary agriculture education, with a Kempthorne statement for the RECORD; an amendment for Senator BRYAN dealing with the Market Access Program report; another amendment in behalf of Senator GRAHAM of Florida and Senator MACK on the Mediterranean fruit fly; an amendment for Senator JOHNSON on meat labeling.

The PRESIDING OFFICER. Is there objection? Without objection, the clerk will report the amendments by number.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes amendments Nos. 3163 through 3170, en bloc.

The PRESIDING OFFICER. Without objection, the amendments (Nos. 3163 through 3170), en bloc, are agreed to.

The amendments (Nos. 3163 through 3170) agreed to en bloc are as follows:

AMENDMENT NO. 3163

(Purpose: To earmark funding for the food safety competitive research program for research on E.coli: 0157H7)

On page 14, line 17 before the period, insert the following:

": *Provided*, That of the $2,000,000 made available for a food safety competitive research program at least $550,000 shall be available for research on E.coli:0157H7.

AMENDMENT NO. 3164

(Purpose: To require the Commissioner of Food and Drugs to conduct assessments and take other actions relating to the transition from use of chlorofluorocarbons in metered-dose inhalers, and for other purposes)

At the appropriate place in title VII, insert the following:

SEC. ___. METERED-DOSE INHALERS.

(a) FINDINGS.—Congress finds that—

(1) the Montreal Protocol on Substances That Deplete the Ozone Layer (referred to in this section as the "Montreal Protocol") requires the phaseout of products containing ozone-depleting substances, including chloroflourocarbons;

(2) the primary remaining legal use in the United States of newly produced chloroflourocarbons is in metered-dose inhalers;

(3) treatment with metered-dose inhalers is the preferred treatment for many patients with asthma and chronic obstructive pulmonary disease;

(4) the incidence of asthma and chronic obstructive pulmonary disease is increasing in children and is most prevalent among low-income persons in the United States;

(5) the Parties to the Montreal Protocol have called for development of national transition strategies to non-chloroflourocarbon metered-dose inhalers;

(6) the Commissioner of Food and Drugs published an advance notice of proposed rulemaking that suggested a tentative framework for how to phase out the use of metered-dose inhalers that contain chloroflourocarbons in the Federal Register on March 6, 1997, 62 Fed. Reg. 10242 (referred to in this section as the "proposal"); and

(7) the medical and patient communities, while calling for a formal transition strategy issued by the Food and Drug Administration by rulemaking, have expressed serious concerns that the proposal, if implemented without change, could potentially place some patients at risk by causing the removal of metered-dose inhalers containing chloroflourocarbons from the market before adequate non-chlorofluorocarbon replacements are available.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Food and Drug Administration should, in consultation with the Environmental Protection Agency, assess the risks and benefits to the environment and to patient health of the proposal and any alternatives;

(2) in conducting such assessments, the Food and Drug Administration should consult with patients, physicians, other health care providers, manufacturers of metered-dose inhalers, and other interested parties;

(3) using the results of these assessments and the information contained in the comments FDA has received on the proposal the Food and Drug Administration should promptly issue a rule ensuring that a range of non-chloroflourocarbon metered-dose inhaler alternatives is available for users, comparable to existing treatments in terms of safety, efficacy, and other appropriate parameters necessary to meet patient needs, which rule should not be based on a therapeutic class phaseout approach; and

(4) the Food and Drug Administration should issue a proposed rule described in paragraph (3) not later than May 1, 1999.

AMENDMENT NO. 3165

(Purpose: To provide for the construction of a Federal animal biosafety level-3 containment center)

On page 20, line 7, strike "expended" and insert: "expended: *Provided*, That the Animal and Plant Health Inspection Service shall enter into a cooperative agreement for construction of a Federal large animal biosafety level-3 containment facility in Iowa".

AMENDMENT NO. 3166

(Purpose: To provide additional funding for conservation operations)

On page 31, line 4, strike "$638,231,000" and insert in lieu thereof "$638,664,000".

AMENDMENT NO. 3167

(Purpose: To provide funding for a secondary agriculture education program, as authorized by the Federal Agriculture Improvement and Reform Act of 1996)

On page 14, line 5, after the semicolon, insert "$1,000,000 for a secondary agriculture education program (7 U.S.C. 3152(h);".

On page 14, line 17, strike "$436,082,000" and insert "$437,082,000."

On page 35, line•7, strike "$703,601,000" and insert "$702,601,000."

Mr. KEMPTHORNE. Mr. President, many of my colleagues have come to this floor today to talk about the state of American agriculture. Simply put, we are in a state of emergency.

Whether it be low commodity prices, lack of export markets or too many government restrictions, farmers are facing catastrophes from every angle. If we are truly going to take steps to fix this problem, and not just use short-term fixes, we must to examine and correct the alarming rate at which children are leaving the family farm in pursuit of other occupations.

Wilder, Idaho, is a small town in Idaho known for its fertile soil and exceptional growing conditions. Wilder is also the hometown of Idaho's distinguished governor, Phil Batt. In fact, Phil still lists his occupation as a farmer and can still be seen driving his pickup around the farm periodically. Wilder is also the home of the Churches—Tom and his son Mike. When Mike Church turned 18, he left for one of the most prestigious agriculture universities in the nation, Texas A&M, with the intention of getting his degree in agriculture economics and eventually returning to the land that his family has farmed for generations. Something happened to Mike while at A&M, he decided that he could not follow in his father's footsteps as a farmer. While studying agriculture balance sheets, Mike realized it was becoming more and more difficult for farmers across the country to break even, much less make a profit on their family farm.

It's not that Mike didn't want to farm, the fact is he had worked on the farm since he was a young boy. Mike felt that the future was bleak in farming and had witnessed the struggles that Idaho farmers faced every day on the family farm. It was based on these realizations that Mike decided there was more of a future in speculating the paper commodities as a stockbroker than growing the actual commodities as a farmer. Twenty or thirty years ago it was understood that a son, or sometimes a daughter, would take over the family farm. This is no longer the case.

If we are going to save the American family farm, we must start with the children who live on it. We must inspire the young people in our rural communities, like Wilder, to continue in the field of agriculture. Agriculture is not just about judging the weather anymore; the science of agriculture has become the cutting edge as we continue to compete against farmers in countries around the globe.

This amendment provides much needed funding to an area that can and will inspire those young people to continue in farming. The Agriculture Education Competitive Grants Program would fund a competitive grants program for school-based agricultural education at the high school and junior college levels of instruction. The program was authorized in the 1996 Farm Bill. Competitive grants targeted to school-based agricultural education would be used to enhance curricula, increase teacher competencies, promote the incorporation of agriscience and agribusiness education into other subject matter, like science and mathematics, and facilitate joint initiatives between secondary schools, 2-year postsecondary schools, and 4-year universities. Most importantly, the program would encourage young people to pursue higher education in the food and agricultural sciences—something in which this country is currently making a failing grade.

Mr. President, we must find a way to keep talented young people like Mike Church in the classroom and on the farm. The agriculture competitive grants program is the first step in that direction. This a bipartisan effort. Senator CRAIG, Senator BAUCUS, Senator JOHNSON, Senator DORGAN, Senator THOMAS, and Senator FAIRCLOTH have all lent their cosponsorship to this amendment. It is through this bipartisan spirit that we can begin to bring the next generation of farmers back to the farm I thank my colleagues for joining in supporting my amendment to fund the Agricultural Education Competitive Grants Program.

AMENDMENT NO. 3168

(Purpose: To require the Secretary of Agriculture to submit to Congress a report concerning the market access program)

On page 67, after line 23, add the following:

SEC. 7. REPORT ON MARKET ACCESS PROGRAM.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Comptroller General of the United States, shall submit to the committees of Congress specified in subsection (c) a report that, as determined by the Secretary—

(1)(A) analyzes the costs and benefits of programs carried out under that section in compliance with the cost-benefit analysis guidelines established by the Office of Management and Budget in Circular A-94, dated October 29, 1992; and

(B) in any macroeconomic studies, treats resources in the United States as if the resources were likely to be fully employed;

(2) considers all potential costs and benefits of the programs carried out under that section, specifically noting potential distortions in the economy that could lower national output of goods and services and employment;

(3) estimates the impact of programs carried out under that section on the agricultural sector and on consumers and other sectors of the economy in the United States;

(4) considers costs and benefits of operations relating to alternative uses of the budget for the programs under that section;

(5)(A) analyzes the relation between the priorities and spending levels of programs carried out under that section and the privately funded market promotion activities undertaken by participants in the programs; and

(B) evaluates the spending additionality for participants resulting from the program.

(6) conducts an analysis of the amount of export additionality for activities financed under programs carried out under that section in sponsored countries, controlling for relevant variables, including—

(A) information on the levels of private expenditures for promotion;

(B) government promotion by competitor nations;

(C) changes in foreign and domestic supply conditions;

(D) changes in exchange rates; and

(E) the effect of ongoing trade liberalization;

(7) provides an evaluation of the sustainability of promotional·effort in sponsored results for recipients in the absence of government subsidies.

(b) EVALUATION BY COMPTROLLER GENERAL.—The Comptroller General of the United States submit an evaluation of the report to the committees specified in subsection (c).

(c) COMMITTEES OF CONGRESS.—The committees of Congress referred to in subsection (a) are—

(1) the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(2) the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

AMENDMENT NO. 3169

(Purpose: To provide additional funding for fruit fly exclusion and detection, with an offset)

On page 19, line 10, before the period, insert the following: ": *Provided further*, That, of the amounts made available under this heading, not less than $22,970,000 shall be used for fruit fly exclusion and detection".

On page 19, line 23, strike "$95,000,000" and insert "$93,000,000".

Mr. GRAHAM. Mr. President, this amendment will increase by $2 million the funds available to the Animal and Plant Health Inspection Service in their battle against the Mediterranean Fruit Fly, or medfly. I am, unfortunately, all too familiar with the devastation caused by these tiny pests, and I am particularly concerned this year, because Florida has experienced an unusual number of medfly infestations.

In the past, medflies have caused significant damage to Florida fruit and vegetable crops. This year's infestation is particularly troubling, because it has occurred in the heart of Florida's citrus and tomato growing country. In Lake County, over 1,300 medflies have been detected since the end of April. In Manatee County, over 550 medflies have been detected since the first find in mid-May. In fact, just last week, a medfly was discovered in Highlands County, and as of today, over 100 new flies have been detected in this area.

Unless fully eradicated, the medfly has the potential to cause hundreds of millions of dollars in damage to Florida fruit and vegetable crops. In addition, medfly infestation provides our trading partners with a convenient reason to deny the entry of Florida fresh fruits and vegetables into their country. Florida's growers have spent a considerable amount of time and money in their efforts to gain access to important markets, like Mexico. Each time medflies are discovered in Florida, growers are forced to take a giant step backwards in their markets access efforts.

The eradication efforts themselves, through ground or aerial spraying and the release of sterile medflies, are also expensive, costing the State of Florida and the federal government over $20 million last year.

The funds provided by this amendment will enhance APHIS's efforts to exclude and detect the medfly. Funds will be utilized to increase trapping and detection activities, particularly in urban areas and near ports-of-entry, where the introduction of this pest is most likely. Increasing funds for this program will also help to reassure our trading partners that the U.S. is committed to medfly control, and will deter them from restricting the entry of citrus products and other important agricultural exports.

In conclusion, I would like to make it very clear that this is only the first step in a more comprensive strategy to address this critical problem. Because medflies commonly enter the United States via larval-infested fruit carried through ports-of-entry by travelers or by commercial fruit smugglers, I have asked the Department of Agriculture to undertake an immediate review of their inspection procedures at Florida ports-of-entry, in order to evaluate the effectiveness of the inspection process. The Department of Agriculture has indicated that this review will be completed within the next three to four months. The results of the review will provide us with a roadmap for future actions, including the appropriate funding levels for a fully effective inspection program. I look forward to working closely with the Chairman and Ranking member to find a more permanent solution to this critical problem.

On page 67, after line 23 add the following:

TITLE VIII—MEAT LABELING

SEC. 801. DEFINITIONS.

Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

"(w) Beef.—The term 'beef' means meat produced from cattle (including veal).

"(x) Lamb.—The term 'lamb' means meat, other than mutton, produced from sheep.

"(y) Beef blended with imported meat.—The term 'beef blended with imported meat' means ground beef, or beef in another meat food product that contains United States beef and any imported meat.

"(z) Lamb blended with imported meat.—The term 'lamb blended with imported meat' means ground meat, or lamb in another meat food product, that contains United States lamb and any imported meat.

"(aa) Imported beef.—The term 'imported beef' means any beef, including any fresh muscle cuts, ground meat, trimmings, and beef in another meat food product, that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

"(bb) Imported lamb.—The term 'imported lamb' means any lamb, including any fresh muscle cuts, ground meat, trimmings, and lamb in another meat food product, that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

"(cc) United states beef.—

"(1) In general.—The term 'United States beef' means beef produced from cattle slaughtered in the United States.

"(2) Exclusions.—The term 'United States beef' does not include—

"(A) beef produced from cattle imported into the United States in sealed trucks for slaughter;

"(B) beef produced from imported carcasses;

"(C) imported beef trimmings; or

"(D) imported boxed beef.

"(dd) United states lamb.—

"(1) In general.—The term 'United States lamb' means lamb, except mutton, produced from sheep slaughtered in the United States.

"(2) Exclusions.—The term 'United States lamb' does not include—

"(A) lamb produced from sheep imported into the United States in sealed trucks for slaughter;

"(B) lamb produced from an imported carcass;

"(C) imported lamb trimmings; or

"(D) imported boxed lamb.".

SEC. 802. LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.

(a) Labeling Requirement.—

(1) In general.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended by adding at the end the following:

"(13)(A) If it is imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb and is not accompanied by labeling that identifies it as imported beef or imported lamb.

"(B) If it is United States beef or United States lamb offered for retail sale, or offered and intended for export as fresh muscle cuts of beef or lamb, and is not accompanied by labeling that identifies it as United States beef or United States lamb.

"(C) If it is United States or imported ground beef or other processed beef or lamb product and is not accompanied by labeling that identifies it as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States beef and imported beef United States lamb and imported lamb or contained in the product, as determined by the Secretary under section 7(g).".

(2) Conforming amendment.—Section 20(a) of the Federal Meat Inspection Act (21 U.S.C. 620(a)) is amended by adding at the end the following: "All imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb shall be plainly and conspicuously marked, labeled, or otherwise identified as imported beef or imported lamb.".

(b) Ground or Processed Beef and Lamb.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

"(g) Ground or Processed Beef and Lamb.—

"(1) Voluntary labeling.—Subject to paragraph (2), the Secretary shall provide by regulation for the voluntary labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

"(2) Mandatory labeling.—

"(A) In general.—Except as provided in subparagraph (B), not later than 18 months after the date of enactment of this subsection, the Secretary shall provide by regulation for the mandatory labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

"(B) Application.—Subparagraph (A) shall not apply to the extent the Secretary determines that the costs associated with labeling under subparagraph (A) would result in an unreasonable burden on producers, processors, retailers, or consumers.".

(c) Ground Beef and Ground Lamb Labeling Study.—

(1) In general.—The Secretary of Agriculture shall conduct a study of the effects of the mandatory use of imported, blended, or percentage content labeling on ground beef, ground lamb, and other processed beef or lamb products made from imported beef or imported lamb.

(2) Costs and responses.—The study shall be designed to evaluate the costs associated with and consumer response toward the mandatory use of labeling described in paragraph (1).

(3) Report.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report the findings of the study conducted under paragraph (1) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 803. REGULATIONS.

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to carry out the amendments made by this title.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, as I am sure my distinguished colleague, the Chairman of the Subcommittee, is aware, the Food and Drug Administration Modernization Act (FDAMA) included a significant provision related to FDA's review and approval of indirect food additives. For the benefit of my colleagues, these are products that are used for containers, wrappings and packaging of food products.

To ensure the safety of indirect food additives, these materials that touch or contain food, the Food and Drug Administration (FDA) must receive safety data submitted by the manufacturer. Often, FDA's process of evaluating these data has been extremely lengthy and has worked to delay the market availability of new and improved products. As a result, many companies have chosen simply not to bring new products to market, thus depriving the public of improvements in products and technology.

In order to address this concern, a provision was included in FDAMA which requires the FDA to establish a new and expedited new product notification and review process that will substantially improve the situation for manufacturers of indirect food additives and thus the consumers of packaged food products. However, under section 309 of FDAMA, the provision will only become effective if the FDA receives an appropriation of $1.5 million for FY 1999. Subject to this new appropriation, FDA would be required to set the program in motion by April 1, 1999.

I am aware that the House mark does include funding for the indirect food additive pre-market notification program, but at a level of $500,000. While this certainly indicates the intention and willingness of the House to fund the program, unfortunately the amount is not sufficient to meet the specific requirements of FDAMA.

I am extremely mindful of the tight allocation under which S. 2159 was crafted, and I recognize that it was not an easy task to bring this bill forward today. I am very grateful for the Subcommittee's efforts under the leadership of Chairman COCHRAN. At the same time, I hope the Chairman will agree with me that funding of this important FDA reform is critically important and that the conferees will try to work this out so that the new program can be implemented next year.

Mr. COCHRAN: The Committee was mindful of this problem, and, in fact, included report language indicating its awareness of the need to implement the premarket notification provisions in order to spur innovation of new and improved food packaging materials. As you said, we are operating under a very tight allocation, but we will do our best to try to work this out.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DEWINE). Without objection, it is so ordered.

The Senator from Mississippi.

MORNING BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESS NEEDS TO ACT ON ENCRYPTION LEGISLATION

Mr. LOTT. Mr. President, I rise to commend the continuing efforts of America's computer industry to find a technical solution to the encryption issue. On Monday, July 13, a consortium of thirteen high-tech companies announced an alternative to the Administration's proposed key escrow/third party access system. As you will recall, many computer and security exports have stated that key escrow would be an invasion of privacy, technically unworkable, and cost prohibitive.

Unlike the key recovery system advocated by the Administration, industry's "private doorbells" approach would not require sensitive encryption keys to be escrowed with third parties in order for law enforcement to gain access to computer messages. Instead, the FBI and other federal, state, and local agencies would be able to combat crime by being provided with court approved, real-time access to communiques at the point where they are sent or at the point where the message is received. Clearly, high-tech executives have not been sitting on the sidelines as the encryption debate continues. As this announcement indicates, the computer industry is working hard to find a balanced solution that ensures the needs of our law enforcement and national security communities while maintaining privacy protections for all U.S. citizens. We owe it to them, and to all Americans, to find a balanced legislative solution to encryption.

Mr. LEAHY. Mr. President, I would also like to applaud the computer industry's efforts to find alternative technical solutions to help law enforcement with the challenge of encrypted data and communications without the need to establish a government-mandated key escrow or key recovery scheme. With the appropriate privacy safeguards in place, as outlined in the E-PRIVACY bill, S.2067, the solution that the companies are proposing appears encouraging. American companies are desperate for a common sense approach to our export policy on encryption. As you are well aware, the Administration, starting with Clipper Chip, has been wedded to key escrow schemes to ensure that the FBI can get access to plaintext, or unscrambled electronic data. This path has been pursued despite the serious questions that experts have raised about the costs, privacy risks and lack of consumer interest in such schemes. As U.S. companies watch their market share for computer hardware and software products erode because of our country's outdated export controls on encryption, it is imperative that the Administration direct the FBI to consider creative alternatives to key escrow.

Mr. CRAIG. The recent announcement by several leading companies in the computer industry makes it clear that, in addressing both economic and law enforcement concerns, it is important to find a balance between the two. We must create legislation that addresses consumer demand for encrypted products while also meeting the needs of law enforcement—legislation that fosters a global marketplace dominated by U.S. encryption products. Those products, of course, will be a great benefit to our national security.

Mr. BURNS. Industry's plan to allow law enforcement access to the plaintext of some encrypted communications demonstrates that market solutions can truly address many areas of law enforcement's concerns with encryption. At the same time, we should not forget that there is a continuing need for legislative privacy protections governing how and when law enforcement should have access to encrypted data.

Mr. LEAHY. I agree, the announcement by the high-tech companies of alternative means of access to plaintext to encrypted data demonstrates industry's commitment to find solutions that accommodate law enforcement interests. It also reiterates the need for privacy protection legislation to ensure that law enforcement only gets such access with a proper court order. The E-PRIVACY bill, S. 2067, which I have sponsored with Senator ASHCROFT, and others, would provide that privacy protection.

Mr. BURNS. Yes, these recent developments continue to highlight the desperate need for a change in U.S. encryption policy. Last week the Administration announced it would make exceptions in encryption export policy allowing banks and certain financial institutions to export strong encryption, without vulnerable key recovery systems, to their subsidiaries in a select group of 40 countries. This is a welcome development for those companies that will qualify for this narrow exception but it does not provide the same protection of online privacy for everyday Americans.

Mr. LOTT. Americans want and need strong encryption to protect their most sensitive data and communications from unauthorized access. Yet the Administration continues to pursue an encryption policy that limits exports, requires key recovery backdoors for law enforcement, and ultimately stifles American innovation. Instead of keeping technology out of the hands of criminals, continuing export controls will only ensure that U.S. citizens have less protection than other computer users throughout the globe. The financial institutions announcement confirms what many in Congress have been saying for some time: users of electronic commerce will be best served by providing relief from current export control regulations. Allowing advanced encryption to be exported ensures that sensitive data is protected while helping American companies compete globally. Individual consumers, as well as multinational financial institutions, will not buy and will not use encryption systems when government mandated recovery keys for these products are provided to third parties. This system, as many experts have reported, creates a host of security risks, making our online communications vulnerable to attack by thieves, hackers and other criminals.

Mr. CRAIG. From an economic standpoint, foreign companies are winning an increasing number of contracts because consumers are unwilling to buy products that ensure third party access or require that keys be stored with government certified or operated facilities. This is particularly true since they can buy stronger encryption overseas from either foreign-owned companies or American owned companies on foreign soil. We must act quickly and prudently in addressing this problem.

Mr. ASHCROFT. Mr. President, for several years we have debated, argued and discussed the real economic impact of continuing to follow the Administration's wrong-headed policy on encryption. In addition to the Administration, several members of Congress on both sides of the aisle have refused to consider many of the facts of encryption technology and the importance of the technology sector to our robust economy. After all these years, we have an historical opportunity to debate encryption on the floor of the U.S. Senate.

Mr. CRAIG. I agree. With the rapid expansion of the "super highway" and Internet commerce, it is crucial we bring encryption legislation to the forefront. A secure, private and trusted national global information infrastructure is essential to promote citizens' privacy and economic growth.

Mr. LEAHY. Encryption technology is not only a critical tool for protecting the confidentiality of our online communications and the privacy of our stored electronic information, it is also the building block for digital signatures. The future of electronic commerce requires that parties conducting business online be able to trust the authenticity of the contracts they enter and that the parties with whom they are dealing are who they say they are. In fact, a number of States, including my own State of Vermont, are making progress on crafting the rules for digital signatures and online commercial transactions.

Mr. BURNS. Encryption is also an essential part of new "digital signature" techniques used to identify parties and authenticate transactions online. These techniques are widely viewed as an essential feature of electronic commerce. The use of digital signatures raises complex business and privacy issues, but these issues are completely separate from the questions raised by encryption used for confidentiality. There is a great deal of ongoing activity in the private sector and at the state level attempting to sort out these complex issues of business use and consumer protection. Federal digital signature legislation is clearly needed, but should be dealt with separately from encryption reform legislation.

Mr. ASCHROFT. As in everything regarding the topic of encryption, we face some decisions and difficulties. Some would like to weigh down the already contentious issue of encryption with other unrelated issues, such as digital signatures. Now, at first blush, many may believe that these two issues are fundamentally tied, or that one necessarily raises the other. However, this is not true. While digital signature products may use some sort of encryption, they are not encryption. The potential debate on federal level digital signature legislation is a worthy debate, the nuances of what potential legislation may look like are many, and the differences in arguments regarding digital signatures and encryption are great.

Mr. LEAHY. These are important issues that can and should be addressed separately from the immediate need for encryption legislation that protects privacy and confidentiality.

Mr. ASHCROFT. I have heard that some object to even allowing for encryption and digital signature legislation to reside in different pieces of legislation, even if both were brought to the floor. They express their concern that without the inclusion of digital signatures that public networks cannot be adequately secure. This argument gives me great pause, mainly because it demonstrates a fundamental misconception of a digital signature. A digital signature does not secure the network but rather secures the signature. Applying the same logic to the analog world would dictate that contracts could not be written until we could adequately solve for the potential of forgeries. Obviously, we have not taken this approach yet individuals enter into millions of contracts every year.

Mr. LEAHY. While digital signature legislation at the Federal level may help encourage the development of online commercial transaction rules, we must be careful not to stifle the development of efficient and inexpensive digital signature services by prematurely regulating—or granting Federal agencies unfettered authority to regulate—in this area. We must particularly avoid creating a federal system for digital signatures that will become the national i.d. card for cyberspace. The Administration in its "Framework for Global Electronic Commerce" got it right when it said that "participants in the marketplace—including consumers, business, financial institutions, and on-line service providers—should define and articulate most of the rules that will govern electronic commerce."

Mr. ASHCROFT. All that said, encryption and digital signatures do not and should not be joined in the same legislation. The opportunity we have before us is to bring the encryption debate into the open and to pass legislation that adequately addresses the concerns of law enforcement, national security, privacy, and system security.

Mr. ABRAHAM. At the same time, we have the opportunity to affect real growth in digital signature technologies by addressing digital signature as a separate piece of legislation during this Congress. We should not allow differences in encryption policy to stifle innovation and improvements in this exciting technology. Digital signature is crucial to ensuring the continued dynamic growth of electronic commerce in this country. Many in Congress recognize this, industry recognizes this, and the Administration agrees.

Mr. CRAIG. In order to pass legislation in a timely manner it is important that it be in a clean bill with only the most essential language related to encryption; language that seeks to protect individual privacy, while at the same time addressing national security and law enforcement concerns.

Mr. SHELBY. Mr. President, I rise because I have concerns about efforts to ease or remove export restrictions on certain hardware and software encryption products. Export controls on encryption and on other products serve a clearly defined purpose—to protect our nation's security. The Intelligence Committee believes that the effects on U.S. national security must be the paramount concern when considering any proposed change to encryption export policy, and the Committee will seek referral of any legislation regarding encryption export policy under its jurisdiction established under Senate Resolution 400. With our ongoing investigation into the possible technology transfers to China, the Vice Chairman and I are also concerned that any effort to change U.S. export policy on encryption be consistent with the export policy review included in our investigation.

Export restrictions on encryption products assist the Intelligence Community in its signals intelligence mission. By collecting and analyzing signals intelligence, U.S. intelligence agencies seek to understand the policies, intentions, and plans of foreign state and nonstate actors. Signals intelligence plays an important role in the formation of American foreign and defense policy. It is also a significant factor in the U.S. efforts to protect its citizens and armed forces against terrorism, the proliferation of weapons of mass destruction, narcotics trafficking, international crime and other threats to our nation's security.

While the Committee recognizes the commercial interest in easing or removing export restrictions, it believes the safety of our citizens and armed forces should be the predominant concern when considering U.S. policy towards the export of any product. The Committee supports the continued control of encryption products, and believes that a comprehensive strategy on encryption export policy can be developed that addresses national security concerns as well as the promotion of American commercial interests abroad.

I look forward to working with Senator LOTT and others as legislation moves through the Senate.

Mr. ASHCROFT. The bottom line to all of this is that we can move encryption legislation in this Congress, with the support of the majority leader. To hold up this progress works against national security, works against support of our law enforcement and erodes individual's privacy protections. We should all diligently work to craft an encryption bill that can come to the floor this session.

Mr. LOTT. I agree with my colleagues. While I strongly support the passage of legislation on both encryption and on digital signatures, I am convinced that the best approach during this session is to deal with these matters in separate bills. Let me say again, that in order to pass legislation on both of these issues during this Congress, we must recognize that there are significant differences between these important and complex policy issues. Digital signature and certificate authority have appeared in various proposals in association with encryption. However, these matters need to be considered separately because they raise different questions and complications.

A digital signature is a technical method for authenticating the identity of a sender or author.

As its name implies, it is a digital version of a person's written signature. Encryption is a means to ensure confidentiality. It is a set of algorithms used to scramble and unscramble text in order to keep unauthorized person's from reading your computer data and messages. It is a technology that protects medical, business, and individual files from invasion. Again, encryption for confidentiality, and digital signatures for authentication and related certificate authorities, are not the same issue. Dealing with encryption and digital signatures in one piece of legislation could lead to the demise of such a weighted bill. Consequently, I am prepared and committed to moving separate bills dealing with these issues during this session. I urge my colleagues to support this dual track approach as my colleagues have recommended. I share the belief that this is the best chance for legislation to be passed in both of these areas during the 105th Congress.

Congress needs to stop debating these issues and enact balanced legislation that will ensure the privacy rights of individuals while protecting America's public safety, economic, and national security interests.

Mr. BURNS. I commend the Majority Leader and Senators LEAHY, CRAIG, ASHCROFT, ABRAHAM, and SHELBY for their continuing hard work and vision on these difficult but critical issues. I hope we will be able to move forward legislatively on both encryption reform and digital signatures this session.

HAPPY BIRTHDAY, MAX FISHER

Mr. LOTT. Mr. President, I am always reluctant to add another national holiday to our calendar, but were we to do so, then July 15 would be a good bet. For today is Max Fisher's birthday.

In fact, it is his 90th birthday. But longevity, important as it is, is the least of his accomplishments.

Many of our colleagues, from both sides of the aisle, know Max very well. He has long been one of the most prominent and influential leaders in the American Jewish community.

He has advised every Republican President since Richard Nixon. He has advised every Israeli Prime Minister since Golda Meir. He was a critical force behind the airlift that helped save Israel in the darkest days of the 1973 Yom Kippur War.

The great work of his life has been building bridges between Israel and the United States. But that is only one of many reasons to honor him.

Max is one of our Nation's greatest philanthropists. He played a vital role in his home city of Detroit after the tragic riots of 1967 by promoting reconciliation and economic opportunity. He continues in that effort today.

No one will ever know how many people have benefited from his quiet generosity.

Max, of course, would prefer the term social responsibility. Whatever the words, the meaning is the same, and so is the inspiration. As the Book of Proverbs teaches, "He who is gracious to the poor lends to the Lord."

Ten years ago, when Max celebrated his eightieth birthday, accolades came in from around the world. President Reagan called him "a legend."

Today, ten years later, the legend continues to build. He still works quietly, behind the scenes.

It is no coincidence that his biography is entitled, "The Quiet Diplomat." That book documents what all of his friends and admirers know so well: His dedication to the cause of peace, his energy in the cause of justice, his wisdom and effectiveness in working for a better world.

At some point, with a man like Max, we run out of accolades. He has heard them all—and probably been impressed by none of them.

His eye is always on the future: What remains to be done, what is still to be built, what has not yet been set right.

In that spirit, on behalf of the Senate of the United States, I want to wish him yet another Happy Birthday, in the full realization that these ninety years have been as much a blessing to us and to the Nation as they have been to him and to his family.

To Max from America: Mazel tov, and God bless.

DESERT CHORALE

Mr. REID. Mr. President, I rise today to pay tribute to a Las Vegas institution. No, I am not referring to the "Strip" and the neon lights, but to a cultural organization that has provided Las Vegans many years of enjoyment, the Desert Chorale. I have had the pleasure of listening to their incredible range of talent for the past 16 years. This spectacular choir made up of volunteers has provided Nevada music lovers countless hours of enjoyment. While Las Vegas and Southern Nevada may be known for big head-liners like Siegfried and Roy, Liberace and Elvis, I can personally attest that thousands of Nevadans have flocked the Desert

Chorale's concerts over the years. From the patriotic to the spiritually uplifting, the sheer beauty of the music they make touches and inspires their audiences.

Now, this great choir from the Silver State will be sharing their talent with a slice of the world audience. The Desert Chorale has been recognized for their musical achievements and have been invited to participate in the Boris Brott Music Festival in Canada. The festival is entering into it's twelfth year and their contributions to Canada's and the world's cultural scene has been highly praised. Not only does the choir have the honor of being invited to this festival, but they were also chosen as the first musical organization of its kind to represent the Western United States. I stand here on behalf of the great state of Nevada, as that state's senior senator, and the United States of America, to congratulate the Desert Chorale on taking part in this prestigious tradition. The Desert Chorale will be an excellent addition to the festival. I am confident from the previous performances I have attended, that they will do a superb job in representing the great heritage of both the state of Nevada and the United States of America.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, July 15, 1998, the federal debt stood at $5,530,848,048,686.17 (Five trillion, five hundred thirty billion, eight hundred forty-eight million, forty-eight thousand, six hundred eighty-six dollars and seventeen cents).

One year ago, July 15, 1997, the federal debt stood at $5,355,394,000,000 (Five trillion, three hundred fifty-five billion, three hundred ninety-four million).

Five years ago, July 15, 1993, the federal debt stood at $4,336,912,000,000 (Four trillion, three hundred thirty-six billion, nine hundred twelve million).

Ten years ago, July 15, 1988, the federal debt stood at $2,550,628,000,000 (Two trillion, five hundred fifty billion, six hundred twenty-eight million).

Fifteen years ago, July 15, 1983, the federal debt stood at $1,330,290,000,000 (One trillion, three hundred thirty billion, two hundred ninety million) which reflects a debt increase of more than $4 trillion—$4,200,558,048,686.17 (Four trillion, two hundred billion, five hundred fifty-eight million, forty-eight thousand, six hundred eighty-six dollars and seventeen cents) during the past 15 years.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 7, 1997, the Secretary of the Senate, on July 14, 1998, during the adjournment of the Senate, received a message from the House of Representatives announcing that Speaker has signed the following enrolled bill:

S. 2282. An act to amend the Arms Export Control Act, and for other purposes.

Under the authority of the order of the Senate of January 7, 1997, the enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

MESSAGES FROM THE HOUSE

At 6:40 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2379. An act to designate the Federal building and United States courthouse located at 251 North Main Street in Winston-Salem, North Carolina, as the "Hiram H. Ward Federal Building and United States Courthouse."

H.R. 2544. An act to improve the ability of Federal agencies to license federally owned inventions.

H.R. 3223. An act to designate the Federal building located at 300 East 8th Street in Austin, Texas, as the "J.J. 'Jake' Pickle Federal Building."

H.R. 3453. An act to designate the Federal Building and Post Office located at 100 East B Street, Casper, Wyoming, as the "Dick Cheney Federal Building."

H.R. 4164. An act to amend title 28, United States Code, with respect to the enforcement of child custody and visitation orders.

The message also announced that the House has the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 318. An act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 1273) to authorize appropriations for fiscal years 1998 and 1999 for the National Science Foundation, and for other purposes.

The message also announced the House agrees to the amendment of the Senate to the bill (H.R. 2870) to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forest through debt reduction with developing countries with tropical forests.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 2379. An act to designate the Federal building and United States courthouse located at 251 North Main Street in Winston-Salem, North Carolina, as the "Hiram H. Ward Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 2544. An act to improve the ability of Federal agencies to license federally owned inventions; to the Committee on Commerce, Science, and Transportation.

H.R. 3223. An act to designate the Federal building located at 3000 East 8th Street in Austin, Texas, as the "J.J. 'Jake' Pickle Federal Building"; to the Committee on Environment and Public Works.

H.R. 3453. An act to designate the Federal Building and Post Office located at 100 East B Street, Casper, Wyoming, as the "Dick Cheney Federal Building"; to the Committee on Environment and Public Works.

H.R. 4164. An act to amend title 28, United States Code, with respect to the enforcement of child custody and visitation orders; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on July 14, 1998, he had presented to the President of the United States, the following enrolled bill:

S. 2282. An act to amend the Arms Export Control Act, and for other purposes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-506. A resolution adopted by the Council of the City of North Miami Beach, Florida relative to the renaming of the Everglades National Park; to the Committee on Energy and Natural Resources.

POM-507. A resolution adopted by the Council of the City of Ann Arbor, Michigan relative to global warming; to the Committee on Environment and Public Works.

POM-508. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION NO. 101

Whereas, the business meal deduction is one hundred percent legitimate business expense and should be a one hundred percent legitimate deduction; and

Whereas, two-thirds of business meal deduction users make less than sixty thousand dollars in income per year; and

Whereas, seventy percent of such business meal users typically use low to moderately priced restaurants for business lunches; and

Whereas, restoring the business meal deduction was the number two priority of the one thousand six hundred business delegates at the last White House Conference on Small Business; and

Whereas, one-fifth of business meal users are self-employed people; and

Whereas, small business owners rely more heavily on the one-on-one relationship offered by a business meal, more so than large corporations with an advertising budget and marketing staff. Therefore, be it

Resolved, That the Legislature of Louisiana does hereby memorialize the United States Congress to take such actions as are necessary to restore the legitimate expense of the business meal to one hundred percent deductibility. Be it further

Resolved, That the Legislature of Louisiana strongly urges the governor of Louisiana and the governors and legislatures of other states to also communicate to the United

States Congress that the business meal is a legitimate expense which must be restored to one hundred percent deductibility. Be it further

Resolved, That copies of this Resolution be transmitted to the presiding officers of the United States Senate and the House of Representatives and to each member of the United States Congress, and to the governors and appropriate officers of the legislatures of all of the states.

POM–509. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION NO. 123

Whereas, Arcadia, Louisiana, has been notified by the United States Postal Service that the Postal Service is considering the option of relocating the downtown post office in Arcadia; and

Whereas, the downtown post office in Arcadia has been serving the needs of residents for over sixty years; and

Whereas, in June of 1997, by unanimous vote of the Arcadia Town Council, the downtown district of Arcadia was declared an historic downtown district; and

Whereas, the downtown post office in Arcadia plays an important role in the downtown area and is needed for ongoing revitalization of that area; and

Whereas, there are other options available besides relocation of the downtown post office, including modernization of the existing downtown post office building and development of carrier substations; and

Whereas, such other options should be given close and serious consideration by Congress and the United States Postal Service in lieu of relocation of the downtown post office in Arcadia. Therefore, be it

Resolved, That the Legislature of Louisiana does hereby memorialize the United States Congress and United States Postal Service to take such actions as are necessary to have other options in lieu of relocation considered for the downtown post office in Arcadia, Louisiana. Be if further

Resolved, That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America, each member of the Louisiana congressional delegation, the Postmaster General of the United States, and to the mayor of Arcadia, Louisiana.

POM–510. A joint resolution adopted by Legislature of the State of California; to the Committee on Finance.

ASSEMBLY JOINT RESOLUTION NO. 51

Whereas, the 1998–99 Governor's budget includes $85 million, beginning with the 1998–99 fiscal year, that is predicated on the assumption that the United States Congress will act to establish a program under which the Internal Revenue Service and the United States Treasury Department may offset or withhold a federal tax refund to satisfy legally enforceable, past due state income tax obligations; and

Whereas, there are currently 31 states, including California, and the District of Columbia, that offset state income tax refunds to satisfy delinquent federal tax obligations under a cooperative arrangement between the state tax agency and the Internal Revenue Service; and

Whereas, California has been participating in the state offset arrangement since January 1991 and collected $27.5 million during the 1995–96 fiscal year and $28 million during the 1996–97 fiscal year and will collect $29 million during the 1997–98 fiscal year for the federal government; and

Whereas, permitting federal refunds to be offset for state income tax debts would further existing cooperative efforts between the Internal Revenue Service and state taxing agencies and would be an effective method of collecting delinquent debts owed to the states; and

Whereas, according to the Federation of Tax Administrators, a reciprocal tax program at the federal level would increase state receipts by an estimated $200 million annually in the early years of implementation. Of this amount, it is estimated that California would receive revenue in the range of $85 million annually; and

Whereas, a reciprocal program could also benefit federal receipts because it would likely lead the remaining 10 income tax states to participate in the program; and

Whereas, H.R. No. 1730, a measure authored by Congresswoman Nancy Johnson (D-Connecticut), is currently being considered by Congress; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to establish a program to offset or withhold federal tax refunds to satisfy legally enforceable, past due state income tax obligations; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Acting Commissioner of the Internal Revenue Service; and to the Secretary of the Treasury.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SHELBY, from the Committee on Appropriations, without amendment:

S. 2307. An original bill making appropriation for the Department of Transportation and related agencies for the fiscal year ending September 30, 1999, and for other purposes (Rept. No. 105–249).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with amendments:

S. 2176. A bill to amend sections 3345 through 3349 of title 5, United States Code (commonly referred to as the "Vacancies Act") to clarify statutory requirements relating to vacancies in and appointments to certain Federal offices, and for other purposes (Rept. No. 105–250).

By Mr. CAMPBELL, from the Committee on Appropriations, without amendment:

S. 2312. An original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes (Rept. No. 105–251).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs:

Jacob Joseph Lew, of New York, to be Director of the Office of Management and Budget.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. SHELBY, from the Select Committee on Intelligence:

L. Britt Snider, of Virginia, to be Inspector General, Central Intelligence Agency.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SHELBY:

S. 2307. An original bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1999, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. GRAHAM (for himself, Mr. CHAFEE, Mr. JOHNSON, Mr. GRASSLEY, Mr. HARKIN, Mr. HOLLINGS, and Mr. INOUYE):

S. 2308. A bill to amend title XIX of the Social Security Act to prohibit transfers or discharges of residents of nursing facilities as a result of a voluntary withdrawal from participation in the medicaid program; to the Committee on Finance.

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 2309. A bill to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historical Park; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 2310. A bill to designate the United States Post Office located at 297 Larkfield Road in East Northport, New York, as the "Jerome Anthony Ambro, Jr. Post Office Building"; to the Committee on Governmental Affairs.

By Mr. KOHL (for himself and Mr. SESSIONS):

S. 2311. A bill to amend section 201 of title 18, United States Code, to increase prosecutorial effectiveness and enhance public safety, and for other purposes; to the Committee on the Judiciary.

By Mr. CAMPBELL:

S. 2312. An original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. GREGG (for himself, Mr. BREAUX, Mr. THOMPSON, Mr. ROBB, Mr. THOMAS, and Mr. COATS):

S. 2313. A bill to amend title II of the Social Security Act to provide for individual security accounts funded by employee and employer social security payroll deductions, to extend the solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Finance.

By Mr. LEAHY:

S. 2314. A bill to clarify that prosecutors and other public officials acting in the performance of their official duties may enter into cooperation agreements and make other commitments, assurances, and promises, as provided by law in consideration of truthful testimony; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself, Mr. D'AMATO, and Mr. FORD):

S. 2315. A bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and titles XVIII and XIX of the Social Security Act to require that group and individual health insurance coverage and group health plans and managed care plans under the medicare and medicaid programs provide coverage for hospital lengths of stay as determined by the attending health care provider in consultation with the patient; to the Committee on Labor and Human Resources.

By Mr. MCCONNELL (for himself and Mr. DEWINE):

S. 2316. A bill to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride; read the first time.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself, Mr. CHAFEE, Mr. JOHNSON, Mr. GRASSLEY, Mr. HARKIN, Mr. HOLLINGS, and Mr. INOUYE):

S. 2308. A bill to amend title XIX of the Social Security Act to prohibit transfers or discharges of residents of nursing facilities as a result of a voluntary withdrawal from participation in the Medicaid Program; to the Committee on Finance.

NURSING HOME PATIENT PROTECTION ACT

Mr. GRAHAM. Mr. President, I rise today, along with Senators CHAFEE, JOHNSON, GRASSLEY, HARKIN, HOLLINGS, and INOUYE to introduce the Nursing Home Patient Protection Act—legislation to protect our nation's seniors from indiscriminate patient dumping. This bill modifies the original legislation to include several simple changes to alleviate the concerns of the nursing home industry and senior citizen advocates. It is with their support that we encourage the Senate to take action on this important piece of legislation. I have also included the following letters of support from the American Home Care Association and the National Seniors Law Center.

A few months ago, it looked like 93-year old Adela Mongiovi might have to spend her 61st Mother's Day away from the assisted living facility that she has called home for the last four years.

At least that's what son Nelson and daughter-in-law Gina feared when officials at the Rehabilitation and Healthcare Center of Tampa told them that their Alzheimer's Disease-afflicted mother would have to be relocated so that the nursing home could complete "renovations."

As the Mongiovis told me when I met with them and visited their mother in Tampa last March, the real story far exceeded their worst fears. The supposedly temporary relocation was actually a permanent eviction of all 52 residents whose housing and care were paid for by the Medicaid program.

The nursing home chain which owns the Tampa facility and several others across the United States wanted to purge its nursing homes of Medicaid residents, ostensibly to take more private insurance payers and Medicare beneficiaries which pay more per resident.

This may have been a good financial decision in the short run, however, its effects on our nation's senior citizens, if practiced on a widespread basis, would be even more disastrous.

In an April 7, 1998 Wall Street Journal article, several nursing home executives argued that state governments and Congress are to blame for these evictions because they have set Medicaid reimbursement rates too low.

While Medicaid payments to nursing homes may need to be revised, playing Russian roulette with elderly patients' lives is hardly the way to send that message to Congress. And while I am willing to engage in a discussion as to the equity of nursing home reimbursement rates, I and my colleagues are not willing to allow nursing facilities to dump patients indiscriminately.

The fact that some nursing home companies are willing to sacrifice elderly Americans for the sake of their bottom-line is bad enough. What's even worse is their attempt to evade blame for Medicaid evictions.

The starkest evidence of this shirking of responsibility is found in the shell game many companies play to justify evictions. Current law allows nursing homes to discharge patients for inability to pay.

If a facility decreases its number of Medicaid beds, the state and federal governments are no longer allowed to pay the affected residents' bills. They can then be conveniently and unceremoniously dumped for—you guessed it—their inability to pay.

Evictions of nursing home residents have a devastating effect on the health and well-being of some of society's most vulnerable members.

A recent University of Southern California study indicated that those who are uprooted from their homes undergo a phenomenon known as "transfer trauma." For these seniors, the consequences are stark. The death rate among these seniors is two to three times higher than that for individuals who receive continuous care.

Those of us who believe that our mothers, fathers, and grandparents are safe because Medicaid affects only low-income Americans, we need to think again.

A three-year stay in a nursing home can cost upwards of $125,000. As a result, nearly half of all nursing home residents who enter as privately-paying patients exhaust their personal savings and lose health insurance coverage during their stay. Medicaid becomes many retirees' last refuge of financial support.

On April 10, the Florida Medicaid Bureau responded to evidence of Medicaid dumping in Tampa by levying a steep, $260,000 fine against the Tampa nursing home. That was a strong and appropriate action, but it was only a partial solution. Medicaid funding is a shared responsibility of states and the federal government.

And while the most egregious incident occurred in Florida, Medicaid dumping is not just a Florida problem. While nursing homes were once locally-run and family-owned, they are increasingly administered by multi-state, multi-facility corporations that have the power to affect seniors across the United States.

Mr. President, let me also point out that the large majority of nursing homes in America treat their residents well and are responsible community citizens. Our bill is designed solely to prevent potential future abuses by bad actors.

And this new bill is better, simple and fair. It would prohibit current Medicaid beneficiaries or those who "spend down" to Medicaid from being evicted from their homes. And that is a crucial point, Mr. President.

Adela Mongiovi is not just a "beneficiary." She is also a mother and grandmother. And to Adela Mongiovi, the Rehabilitation and Health Care Center of Tampa is not an "assisted living facility." To Adela Mongiovi—this is home.

This is the place where she wants—and deserves—like all seniors—to live the rest of her life with the security of knowing that she will not be evicted. And through passage of this bill, Mr. President, we can provide that security to Adela Mongiovi and all of our nation's seniors.

Mr. President, I ask unanimous consent that letters in support of the legislation be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN HEALTH CARE ASSOCIATION,
Washington, DC, June 11, 1998.
Hon. BOB GRAHAM,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR GRAHAM: I am writing to lend the support of the American Health Care Association to your legislation which helps to ensure a secure environment for residents of nursing facilities which withdraw from the Medicaid program. Understand you will be filing this legislation in the next few days.

We know firsthand that a nursing facility is one's home, and we strive to make sure residents are healthy and secure in their home. We strongly support the clarifications your bill will provide to both current and future nursing facility residents, and do not believe residents should be discharged because of inadequacies in the Medicaid program.

This bill addresses a troubling symptom of what could be a much larger problem. The desire to end participation in the Medicaid program is a result of the unwillingness of some states to adequately fund the quality of care that residents expect and deserve. Thus, some providers may opt out of the program to maintain a higher level of quality than is possible when relying on inadequate Medicaid rates. Nursing home residents should not be the victims of the inadequacies of their state's Medicaid program.

In 1996, the Congress voted to retain all standards for nursing facilities. We support those standards. In 1997, Congress voted separately to eliminate requirements that states pay for those standards. These two issues are inextricably linked, and must be considered together. Importantly, your legislation mandates the Department of Health and Human Services study the link between payment and the ability to provide quality care. We welcome the opportunity to have this debate as Congress moves forward on this issue.

Again, we appreciate the chance to work with you to provide our residents with quality care in a home-like setting that is safe and secure. We also feel that it would be most effective when considered in the context of the relationship between payment and quality and access to care.

Finally, we greatly appreciate the inclusive manner in which this legislation was crafted, and strengthened. When the views of consumers, providers, and regulators are considered together, the result, as with your bill, is intelligent public policy.

Sincerely yours,

Dr. PAUL R. WILLGING,
Executive Vice President.

NATIONAL SENIOR CITIZENS,
LAW CENTER,
Washington, DC, June 26, 1998.

Senator BOB GRAHAM,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR GRAHAM: Earlier this year, the Vencor Corporation began to implement a policy of withdrawing its nursing facilities from participation in the Medicaid program. The abrupt, involuntary transfer of large numbers of Medicaid residents followed. Although Vencor reversed its policy, in light of Congressional concern, state agency action, and adverse publicity, the situation highlighted an issue in need of a federal legislative solution—what happens to Medicaid residents when a nursing facility voluntarily ceases to participate in the federal payment program.

I have read the draft bill that your staff has written to address this issue. The bill protects residents who were admitted at a time when their facility participated in Medicaid by prohibiting the facility from involuntarily transferring them later when it decides to discontinue its participation. As you know, many people in nursing facilities begin their residency paying privately for their care and choose the facility because of promises that they can stay when they exhaust their private funds and become eligible for Medicaid. In essence, the bill requires the facility to honor the promises it made to these residents at admission. It continues to allow facilities to withdraw from the Medicaid program, but any withdrawal is prospective only.

This bill gives peace of mind to older people and their families by affirming that their Medicaid-participating facility cannot abandon them if it later chooses to end its participation in Medicaid.

The National Senior Citizens Law Center supports this legislation. We look forward to working with your staff on this legislation and on other bills to protect the rights and interests of nursing facility residents and other older people.

Sincerely,

TOBY S. EDELMAN.

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 2309. A bill to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historical Park; to the Committee on Energy and Natural Resources.

GATEWAY VISITOR CENTER AUTHORIZATION ACT OF 1998

● Mr. SPECTER. Mr. President, today I introduce legislation to authorize the Interior Department to enter into an agreement with the nonprofit Gateway Visitor Center Corporation for the construction and operation of the Gateway Visitor Center in Independence National Historical Park in Philadelphia, Pennsylvania.

This legislation is needed because the Visitor Center will provide some services which are beyond the scope of existing National Park Service statutory authority at the Park. As a result, I am advised that construction may not begin until this bill is enacted. I have worked with the National Park Service and the Gateway Visitor Center Corporation to develop this bill and note that similar legislation has been introduced in the House of Representatives by Congressmen JON FOX and ROBERT BORSKI. The bill also has the strong support of Philadelphia Mayor Edward Rendell.

The Gateway Visitor Center is part of the revitalization of Independence Mall and is critical to creating an outstanding visitor experience. It will serve as the gateway into the Park and will orient visitors as to the rich history of the National Historical Park, the city of Philadelphia, and the region as a whole. I was pleased to assist in obtaining funds in the TEA–21 Act for the road and infrastructure improvements necessary for the redevelopment of the Independence Mall and would note that the Senate FY99 Interior Appropriations bill also includes funding for this project.

The legislation is necessary because, in addition to its role as the Park's primary visitor center, the Gateway Visitor Center will be permitted to charge fees, conduct events, and sell merchandise, tickets, and food to visitors to the Center. These activities will allow the Gateway Visitor Center to meet its park-wide, city-wide and regional missions while defraying the operating and management expenses of the Center.

The Gateway Visitor Center holds enormous potential for Independence National Historical Park and the greater Philadelphia region as a whole, and I urge my colleague to support this legislation.●

By Mr. MOYNIHAN (for himself, and Mr. D'AMATO):

S. 2310. A bill to designate the United States Post Office located at 297 Larkfield Road in East Northport, New York, as the "Jerome Anthony Ambro, Jr. Post Office Building"; to the Committee on Governmental Affairs.

JEROME ANTHONY AMBRO, JR. POST OFFICE BUILDING LEGISLATION

Mr. MOYNIHAN. Mr. President, I rise today with my friend and colleague, Senator D'AMATO, to introduce a bill to designate the East Northport, New York Post Office as the "Jerome Anthony Ambro, Jr. Post Office Building."

Jerry Ambro's life was one dedicated to serving the people of New York. A Brooklyn native, he was educated in the New York City public schools and was graduated from New York University. After a two-year stint in the United States Army, he began working for the Town of Huntington, New York. He went on to serve on the Suffolk County Board of Supervisors and was elected Town Supervisor of Huntington for four terms.

First elected to Congress in 1974, in the wake of President Nixon's resignation, Jerry Ambro was a leader among leaders. He served as the chairman of the 82-member New Members Caucus, a reform-minded group that instituted campaign finance reform and new procedures for selecting committee chairmen. The Caucus aided in deposing three committee and subcommittee chairmen.

As Chairman of the House Subcommittee on Natural Resources and the Environment, he fought to protect the environment. He prevented the Long Island Lighting Company from converting from oil to coal and he preserved wetlands in Massapequa. As Town Supervisor, he enacted one of the first municipal bans on DDT.

Following his years in Congress, he went on to serve ably as the Washington lobbyist for then-Governor Hugh L. Carey. He died in 1993 from complications from diabetes.

I am pleased to introduce this bill today to name a post office after such a distinguished New Yorker. Congressman GARY L. ACKERMAN has introduced a similar measure in the House. That it has the support of the entire New York delegation demonstrates how widely admired Jerry Ambro was. I urge the swift passage of this legislation.

Mr. President, I ask unanimous consent that the full text of the bill be placed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States Post Office located at 297 Larkfield Road in East Northport, New York, shall be known and designated as the "Jerome Anthony Ambro, Jr. Post Office Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office referred to in section 1 shall be deemed to be a reference to the "Jerome Anthony Ambro, Jr. Post Office Building".

Mr. D'AMATO. Mr. President, I rise to join my colleague, Senator MOYNIHAN, in introducing this bill that will designate that the U.S. Post Office located at 297 Larkfield Road in East Northport, New York, as the "Jerome Anthony Ambro, Jr. Post Office Building."

The designation will be a tribute to the life and legacy of a strong and able local and federal representative and I am proud to be a co-sponsor of this bill. In doing so, we join the entire New York delegation in supporting this bill.

The designation will be a tribute to the life and legacy of a strong and able local and federal representative and I am proud to be a co-sponsor of this bill. In doing so, we join the entire New York delegation in supporting this bill.

Anthony Ambro was a full fledge New Yorker. He had his own ideas and his own means of accomplishing his goals—and those goals greatly assisted his constituency. He was a great man from a different political persuasion. But one thing is certain, he put people ahead of politics.

Born in Brooklyn, he attended New York University where he received his Bachelor's degree. He served in the United States Army, Military Police before he began his career in public service. He was budget officer, purchasing and personnel director for the Town of Huntington, served on Suffolk County Board of Supervisors and was elected to four terms as Supervisor of the Town of Huntington. In addition, he was president of the freeholders of the Town of Huntington and co-founder of the New York State Coalition of Suburban Towns.

To reward him for the tremendous accomplishments for the people of Suffolk County, he was elected to the House of Representatives beginning in 1975, for three terms. Beginning in 1981, he operated a consulting business bringing his own brand of humor and sagacity to bear on behalf of hundreds of New Yorkers as they struggled to make sense of Washington's labyrinth.

During his tenure he served as Chairman of the House Subcommittee on Natural Resources and the Environment, working on environmental issues, including the prohibiting the dumping of dredged material in Long Island Sound. As a local official, he supported housing projects for the elderly. He was a free-thinking man whose primary purpose was to represent the needs of his constituency and whose tenacity was driven by his beliefs.

I counted him as a friend and advisor who made many a lunch-time meal at the Monocle a pleasure as well as an education.

Anthony Ambro passed away in March, 1993 from diabetes complications. I am sure he is missed terribly by his wife Antoinette Salatto Ambro, and his children, step children and grandchildren. His qualities endeared him to the people of New York and I hope these sentiments will be reflected in the passage of this measure. I thank the senior Senator from New York and urge its enactment.

By Mr. KOHL (for himself and Mr. SESSIONS):

S. 2311. A bill to amend section 201 of title 18, United States Code, to increase prosecutorial effectiveness and enhance public safety, and for other purposes; to the Committee on the Judiciary.

EFFECTIVE PROSECUTION AND PUBLIC SAFETY ACT OF 1998

• Mr. KOHL. Mr. President, Senator SESSIONS and I today are introducing a bill that guarantees prosecutors can exercise their full power to keep criminals off our streets. The "Effective Prosecution and Public Safety Act of 1998" makes clear that prosecutors can offer plea bargains to accomplices in exchange for their testimony—a longstanding, accepted and necessary practice—without tainting a conviction resulting from such testimony. This measure puts to rest any concerns raised by an overwhelmingly disputed decision issued recently by a panel of three appellate court judges. And it makes it less likely that courts could overturn convictions of dangerous criminals like Oklahoma City bomber Timothy McVeigh.

Until a court decision two weeks ago, there was no doubt that prosecutors could build criminal cases by offering leniency to accomplices in exchange for their testimony at trial. But in U.S. versus Singleton, a Tenth Circuit panel held that a federal anti-bribery statute, which had been on the books for over 35 years, barred these kinds of leniency deals. This unprecedented decision has been criticized virtually unanimously. Subsequently, the full Tenth Circuit put the decision on hold, pending a full court rehearing scheduled for November.

There is little doubt that the Tenth Circuit's decision is just plain wrong. Nothing in the legislative history suggests that Congress ever intended to take away a prosecutor's ability to make deals for testimony. And it is no surprise that in 35 years no court ever found the anti-bribery statute to apply to this reasonable exercise of prosecutorial discretion. This decision is simply a case of Scalia-ism taken to the extreme, beyond the bounds of common sense and in the face of established practices. I cannot believe that even Justice Scalia, the high priest of literalism, would agree with this result.

As wrong as this decision is, it still cannot be taken lightly. Prosecutors make deals with cooperating witnesses all the time. So this decision puts tens of thousands of convictions in jeopardy. For an example, we need look no further than the conviction of Timothy McVeigh, which was based in large part on the testimony of Michael Fortier, who was allowed to plea to lesser charges in exchange for his testimony. And McVeigh's conviction is on appeal in the same Tenth Circuit—could that be the next conviction it will try to overturn?

In my view, the risks posed by this decision are too great to leave this issue to the courts—even though I am confident that in the end they would do the right thing. Indeed, until this issue works its way to the Supreme Court, the potential dangers are serious. Prosecutors may feel the need to hold back on cutting deals with potential witnesses, making it tougher to convict dangerous criminals. And criminals behind bars will have a better chance than ever at overturning their convictions. Already, jailhouse lawyers are probably foaming at the mouth anticipating making this argument in courts all over the nation.

Congress can act now to put this issue behind us, to guarantee that prosecutors are not hampered in their efforts to put criminals behind bars, and to make sure that is where criminals stay. This bill is simple and effective. It amends the anti-bribery statute to exempt deals for leniency made by prosecutors in exchange for testimony. And it applies to past as well as future deals, so that no criminal—including the Oklahoma City bomber—can try to use this awful decision as a "get out of jail card" at the expense of the safety of the American people.

Mr. President, let me make clear what this proposal does and what it does not do. All it does is reinforce what Congress always intended—to allow plea bargains in exchange for testimony. It does not permit prosecutors to "buy" testimony with cash payoffs. That is still illegal. It does not allow prosecutors to knowingly elicit false testimony. That is obstruction of justice. And it does not prevent a defense attorney from raising a deal at trial to try to cast doubt on the credibility of a witness. That is what cross-examination is all about.

Mr. President, prosecutors will be most effective and the public will be safest if we set the record straight now and correct the Tenth Circuit's outrageous decision. I urge my colleagues to join me in support of this bill. And I offer for the RECORD the following two articles—an editorial from the Washington Post criticizing the decision and a piece from Legal Times explaining its impact and recent developments, and ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[The Washington Post, Wed., July 8, 1998]

JUDICIAL TROUBLE

Every now and then, a federal appeals court issues a ruling that is, at once, so wrongheaded and so sweeping that it results in a brief period of uncertainty in the legal world before being reversed. The decision last week by the U.S. Court of Appeals for the 10th Circuit in the case of *U.S.* v. *Singleton* is one such bombshell. A unanimous three-judge panel threw out the drug conspiracy and money laundering conviction of a woman named Sonya Singleton, finding that the government had violated a criminal anti-gratuity statute by promising leniency to a witness in exchange for his testimony.

On its face, the decision seems faintly reasonable. There is, after all, a federal law that holds criminally liable anyone who, "directly or indirectly, gives, offers or promises anything of value to any person, for or because of the testimony under oath or affirmation given . . . by such person as a witness." This law contains no explicit exception for the government, and leniency in sentencing is certainly of value to a person who is facing jail. Hence, the court held, the government violated the law by using bought testimony, and Ms. Singleton's conviction must be thrown out.

Logical, perhaps, but dead wrong. What the government actually promised the witness was, in fact, a standard plea agreement of a sort prosecutors rely on every day. Oklahoma City bomber Timothy McVeigh was convicted based, in substantial part, on testimony by Michael Fortier—who was allowed to plead guilty to lesser charges. Many, if not most, significant investigations rely on witnesses who are "flipped" by prosecutors in exchange for some sort of special treatment, almost all of which could be considered "of value."

This practice can be—self-evidently—corrupting. A witness who knows that his cooperation will get him a cut sentence has a strong incentive to say what prosecutors want to hear. But the traditional remedy is the cross examination of the witness by defense lawyers, and no court has previously deemed a run-of-the-mill plea agreement to be a felony by a prosecutor.

Though the law does not explicitly exempt the government, this appears to reflect only the fact that members of Congress never considered the possibility that they were criminalizing normal prosecutorial practice. In fact, Congress has adjusted the law in question without balking at the behavior of prosecutors. And the Supreme Court, in *Giglio* v. *U.S.*, held that when the government makes a deal with a witness, that a deal must be disclosed to the defense as exculpatory evidence—a holding that seems to concede that the deal-making itself is legitimate. The 10th Circuit's decision is at odds both with assumed prosecutorial practice and—by the judges' own admission—with the other judicial authorities in the books.

[From the Legal Times, Week of July 13, 1998]

FEDERAL COURT WATCH—APPEALS PANEL RETRACTS SNITCH RULING

(By Robert Schmidt)

It was a revolutionary federal appeals court decision—a unanimous ruling by three judges that the time-honored prosecutorial tactic of offering witnesses leniency in exchange for their testimony is illegal—and it sent prosecutors and defense lawyers into a frenzy.

The ruling's sweeping implications also apparently caught the very judges who issued it off guard.

In a highly unusual move late last week, the U.S. Court of Appeals for the 10th Circuit, acting on its own motion, vacated the July 1 opinion in *United States* v. *Singleton* so it could address the issue en banc.

The decision stunned defense lawyers across the nation, some of whom had already filed motions in other federal courts based on the precedent. The 10th Circuit's reversal, however, pleased prosecutors—especially officials at Main Justice, who have been scrambling to develop for U.S. attorneys' offices legal guidelines that take Singleton into account.

On July 9, Justice announced it was planning on asking the 10th Circuit to hear the case en banc, but it had not yet filed the motion when the court acted on its own.

"This does not seem like the kind of case where they would grant en banc sua sponte because they felt that [the decision] was right," says a Justice official working on the matters. "This is a hopeful sign."

John "Val" Wachtel, the Wichita, Kan., lawyer who initially triumphed before the three-judge panel, says he is disappointed but eager to argue before the entire court.

"We plan to write our brief and go out and argue and win this case," says Wachtel, a partner of Wichita's Klenda, Mitchell, Austerman & Zuercher. "The decision of the panel is right."

The court's unusual move followed a firestorm in federal courts across the six Western states that make up the 10th Circuit. Although the panel noted that its ruling would not "drastically alter" prosecutors' tactics, no one else seemed to agree.

Trial lawyers of all stripes predicted that if the opinion's holding stood, it would dramatically change the way prosecutors investigate and try many types of criminal cases, including major conspiracies involving drug trafficking, money laundering, and fraud.

And last week, those predictions were already coming true in the 10th Circuit.

According to press accounts and lawyers who practice in the circuit, ongoing federal criminal cases there were virtually paralyzed as lawyers and even judges tried to decide what to do.

Stephen Saltzburg, a former Justice official who now teaches at George Washington University Law School, says that this type of paralysis plus the widespread media attention likely prompted the 10th Circuit to issue its order late last week.

"They may not have paid careful attention to this when it was lurking," posits Saltzburg. "Once they had the uproar, and focused on it, they realized that every criminal case that went to trial is now at risk."

Indeed, the court did see that as a potential problem. In its July 10 order, signed by 11 of the 12 judges, the court asked attorneys for both sides to file briefs that "address whether any opinion reversing the district court would have prospective or retrospective application."

The Circuit ordered that the briefs be submitted in August and said it would hear oral argument in November.

While criminal law experts like Saltzburg almost all predict that the entire court will reverse Singleton, defense lawyers say they are confident the opinion will be affirmed.

The underlying case involved Sonya Singleton, who was convicted of one count of conspiracy to distribute cocaine and seven counts of money-laundering. The main evidence against Singleton was the testimony of Napoleon Douglas, a fellow alleged conspirator who cut a plea deal with the government.

Singleton's lawyer, Wachtel, argued that Douglas' testimony should be suppressed, claiming that 18 U.S.C. §201(c)(2)—the law governing bribery of public officials and witnesses—applies to prosecutors just as it applies to everyone else.

The section reads: "Whoever . . . directly or indirectly, gives, offers or promises anything of value to any person, for or because of the testimony under oath or affirmation given or to be given by such person as a witness upon a trial, hearing or other proceeding, before any court . . . shall be fined under this title, or imprisoned for not more than two years, or both."

The panel did not suggest that prosecutors should go to jail or be fined for violating the law. But it did determine that the statute was broad enough to include federal prosecutors.

The court then noted that Douglas' plea agreement, which incorporated standard boilerplate language used by U.S. attorneys' offices nationwide, made three specific promises to Douglas in exchange for his testimony.

Those promises—not to prosecute him for any other crimes stemming from the investigation and to tell both the sentencing court and his parole board about the extent of his cooperation—constituted "something of value," the court reasoned. Thus, they amounted to an illegal gratuity.

"The obvious purpose of the government's promised actions was to reduce his jail time," wrote U.S. Circuit Judge Paul Kelly Jr., "and it is difficult to imagine anything more valuable than personal physical freedom."

Despite the 10th Circuit's decision last week, local defense lawyers say they are eager to raise the issue in Washington's federal court.

"I guess, given the attention it received, [the 10th Circuit's action] is not all that surprising, but it is definitely disappointing," says L. Barrett Boss, an assistant federal public defender in Washington. "The argument that is made, that testimony in exchange for leniency violated the bribery statute, is rock solid, so we're definitely going to be pursuing that issue at every opportunity."●

By Mr. GREGG (for himself, Mr. BREAUX, Mr. THOMPSON, Mr. ROBB, Mr. THOMAS, and Mr. COATS):

S. 2313. A bill to amend title II of the Social Security Act to provide for individual security accounts funded by employee and employer Social Security payroll deductions, to extend the solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Finance.

TWENTY-FIRST CENTURY RETIREMENT ACT

• Mr. GREGG. Mr. President, today I introduce—I believe I can say without exaggeration—a landmark piece of legislation, the Twenty-First Century Retirement Act.

Joining me as principal co-sponsor of this legislation is Senator JOHN BREAUX, with whom I served as co-chair of the National Commission on Retirement Policy during the last year. Also this week, the same legislation will be introduced by our House colleagues, Congressmen JIM KOLBE and CHARLES STENHOLM.

With many pieces of legislation, naming the cosponsors upon introduction is merely a perfunctory exercise. With this one, it is significant. Also as original cosponsors of this legislation, we have Senators FRED THOMPSON, CHUCK ROBB, CRAIG THOMAS, and DAN COATS. Several cosponsors from both sides of the aisle are also joining on the House bill.

This in and of itself is almost an unprecedented accomplishment. This simply does not happen with Social Security, long considered the "third rail" of American politics. We are turning this "third rail" into a passenger train—a bipartisan, bicameral process for reform.

Two months ago, the National Commission on Retirement Policy voted 24–0 to approve the recommendations that this legislation would implement. Today we are introducing it with several cosponsors from both sides of the aisle. Given the difficulty that most experts see with restoring the Social Security system to balance, our proposal has set a modern record for the most support attracted to any proposal to place Social Security on sound long-term footing.

For several years, we have seen numerous Commissions divide among themselves, breaking into factions, issuing separate minority opinions instead of coming to agreement. We have seen various—many of them visionary and constructive—individual legislators introduce reform proposals that could attract little support beyond the original co-sponsors. But today we stand here with a proposal that has received endorsements that have not been given to other Social Security proposals in recent years.

What have we done that has enabled us to build such support?

The first thing we did was to take careful note of what Social Security has meant to Americans, and what they insist that it mean in the future. Social Security has long been the principal government program lifting senior citizens out of poverty. In addition to providing a basic level of protection against poverty, the program has also been sold to Americans as not a welfare program, but rather a program under which benefits paid will bear a reasonable relationship to the contributions that people have put in.

So we set about to ensure that this remained the case. We wanted to have a system that, in the end, would do an even better job of lifting Americans out of poverty—and would, at the same time, ensure that people received a fair deal for the investment that they made in the program.

Let me step back a bit, Mr. President, and review why action is necessary to achieve this purpose. This requires me to review the projections for Social Security under current law.

It is often said that Social Security faces an actuarial problem. It is said that the program is solvent only through the year 2032. That is true. But it does not begin to describe all of the problems with the program.

Even an actuarially sound Social Security program would face enormous financing problems under its current structure. It is a "pay as you go" system. Any surplus assets it holds are invested in the federal government—which then has to pay it back at some date in the future. So, even if the books were balanced—and they are trillions of dollars out of balance—the general taxpayer would still face the problem of paying off more than $4 trillion in Trust Fund assets. This would be needed above and beyond payroll taxes(!) in order to pay the benefits that have been promised to the baby boom generation of retirees.

So what would that mean? It would mean raising taxes on future generations of Americans. The payroll tax would ultimately have to go up by almost 50%! That is because the net cost of the system would ultimately top 18% of payroll, as opposed to today's 12.4% tax rate.

Raising the FICA tax today, immediately, by 2.2% of payroll, would not solve this problem. It would just mean that future taxpayers would have a larger Trust Fund to pay off later on, and that the 50% payroll tax increase would be borne indirectly, through general taxation.

But there would be another dire effect of such a change. Under current law, rates of return under Social Security are dropping. If you are a single male, the chances are very good that you will never get back the value of the contributions that you put in. The situation is comparably grim for single females—and for two-earner couples.

If we were to raise taxes to restore the system to solvency—or, for that matter, if we simply and mindlessly cut benefits—that situation would grow far worse. More and more Americans would be losing money through the program. Ultimately, its political support would be imperiled. The basic societal consensus in favor of Social Security—based on the premise that it treats everyone fairly—would be undermined.

So we must find another way to restore Social Security to health—and to enable it to provide the kind of retirement income that Americans have a right to expect from the program.

I believe that it is imperative that we begin to "pre-fund" the future liabilities of Social Security. A "pay as you go" system is not built for a demographic shift on the order of the baby boom generation. A "pay as you go" system assumes that there is always a demographic pyramid—that each generation coming through at the bottom is more numerous than the generation that they are supporting above them.

But with the baby boomers coming through in such great numbers—and having comparatively fewer kids—the pyramid looks more like a rectangle. And the individuals at the bottom will bear a crushing burden unless we reduce some of it by putting additional funding aside now.

Fortunately, we have an opportunity to do this. We have projections of near-term budget surpluses—and we already have short-term Social Security surpluses. We are collecting money that the government does not need to meet current operations, and we are collecting it through the Social Security system.

The very first thing we should do is to give this extra money directly back to taxpayers, allow them to own it once again, and to fund a portion of their future retirement benefits through those personally-owned retirement accounts.

Our legislation would do that. It would refund 2% of the current payroll tax back to individual Americans, to be used to directly finance some of their future Social Security benefits. We will move that portion of the benefit—and of future unfunded liabilities—off of the federal ledger.

We would set up these personal accounts on the model of the Thrift Savings Plan currently provided to federal employees. We do this because it is an obvious way to reduce administrative costs. We also do it to avoid new mandates on employers. Employers would continue to pay the payroll tax just as they do now, and individuals would decide in which fund they want 2% of the current 12.4% payroll tax to be invested.

The Thrift Savings Plan is a tested, workable way of generating investment wealth for beneficiaries. It strikes a reasonable balance between providing good investment opportunities and limiting individual risk. Perhaps most importantly, all Americans would have the opportunity to save for retirement on a payroll deduction basis—not just those who have pension plans, or who have gone through the trouble of setting up IRAs. This will do a tremendous amount to provide investment wealth to the millions of Americans who have not thus far had the opportunity to share in that wealth.

Our legislation would also permit individuals to make $2,000 in extra voluntary contributions—above the 2% automatically redirected for them—to these personal savings accounts. This means that we have created a vehicle through which net national savings should increase. The more that individuals contribute to their personal accounts—the more retirement income they will have—and the greater the chances that they will be able to retire early, just as is the case with other retirement saving.

This proposal is the most comprehensive one developed to date. It has been scored by the Social Security actuaries as achieving solvency through the next century. Perhaps even more importantly, it eliminates the enormous financing gap under current law. If we enact this legislation, we will remove the need for taxpayers to pony up hundreds of billions of dollars, above payroll taxes, in order to pay current benefits. Each year, the cash flow for the system will be smooth and manageable, and there will be a much closer balance between payroll tax revenue and the benefits that must be paid from it.

Moreover, we have compared the results of our plan with a plan that would simply balance the current system within the existing 12.4% tax rate. In general, beneficiaries will receive much more income from our plan than they would from a plan that simply balanced the old system without personal accounts.

We have also compared the benefits that our plan would provide to beneficiaries relative to current law, presuming that current benefits were made whole with tax increases. A 2.2% payroll tax hike to make the current system actuarially sound was compared with the income that individuals would receive if they made 2.2% voluntary contributions to our personal accounts. Virtually across the board, individuals would do much, much better under our plan.

These are among the reasons why a personal account system is so vital for Social Security reform. Not only will they remove some of the unfunded liabilities of the federal government, but they will provide greater income to individual beneficiaries.

We have also carefully thought through the relationship between personal account income and income through the traditional Social Security system. I would like to comment about some of what our legislation would accomplish in this regard.

Personal accounts, by their nature, are not progressive. There is a direct relationship between money put in and benefits received. It is not redistributed from wealthy beneficiaries to needier ones.

Accordingly, if we move towards a system that includes personal accounts, benefits on the traditional side must be made more progressive if we are ultimately to have a system that is just as progressive, as a whole, as is our current one. We have done this with our plan.

Our plan includes a new "minimum benefit" poverty protection that would strengthen the safety net for low-income beneficiaries. If an individual works for a full 40 years, we would guarantee that they will not retire in poverty. An individual becomes eligible for some of the protection after 20 years of work, and receives increased protection for every quarter of work after that.

Thus, for low-income beneficiaries, our plan would provide additional income security, even without the personal accounts. The personal account income would be a pure bonus for them. Even if they invest badly, their basic protections will be secure—not only secure, but strengthened.

In the short term, because of these protections, the Social Security system would become more progressive than it is now. Ultimately, when the personal accounts have built up to be much larger, in the year 2050 or 2060, the progressivity of the system would be essentially what is now—the main difference being that individuals would have much more income.

We also did much to correct the flawed incentives of the current system. We eliminate the earnings test above the normal retirement age—a disincentive for continued work.

We would also increase the delayed retirement credit, and restore the proper relationship between normal retirement and early retirement benefits. Under current law, an individual has little incentive to wait until normal retirement age, because the extra payroll taxes he pays during those years will never fully be received back in benefits. We would change this, so that for each year an individual works, benefits would increase more sharply, and work would be rewarded.

We also would credit an individual for every year of earnings in the benefit formula. Right now, the Social Security system only calculates a benefit based on the average of the highest 35 years of earnings. Many reform proposals would increase this number of years, effectively reducing benefits. Our proposal also recognizes the necessity of increasing the number of computation years in the denominator of this formula—but on the other hand, we would credit an individual in the numerator for every year of earnings, no matter how small.

I am certain that my colleagues have received letters from senior citizens who say, "I am working part-time at the age of 64, but it is not among my highest years of lifetime earnings. I won't get any credit for this in my Social Security benefits. Why not?" We believe that we should reward all work, and this proposal would. We even would have the minimum benefit guarantee also depend on the total number of years worked. If we enact this proposal, rewards for continued work would be greatly strengthened, and our country will benefit as a result.

At this point, I feel compelled to point out that there is no "free lunch" in Social Security reform. It is essential that we enact personal accounts, but we must enact them in the right way.

Our proposal would explicitly replace unfunded benefits with funded benefits. We move part of the current payroll tax into personal accounts, to fund future benefits. This only makes policy sense if we use such a change to reduce federal liabilities. If we set up personal accounts—but leave all of the old, traditional liabilities in place—we have not achieved anything. Indeed, we could make the financing problem worse.

So we gradually replace unfunded benefits with funded ones. Every responsible proposal to move towards pre-funded benefits will be vulnerable to the attack that it is "cutting" benefits, even though in sum, total benefits would be higher than under a "traditional fix." It is imperative that Congress and the public not buy into such misrepresentations as we undertake Social Security reform. If we leave in place all of the unfunded liabilities, and all of the old unfunded benefit promises, then we will leave in place all of the projected tax increases as well.

For example. Our proposal would, in order to prevent the traditional system from posing an ever-increasing burden on taxpayers, gradually raise the age of eligibility for full benefits to 70 in the year 2037 (for individuals turning 62 in the year 2029.) No one over the age of 31 would be affected by the full phase-in of this change.

At the same time, it must be noted—we do not set an age for access to the personal retirement accounts. Our proposal would allow people to retire on these accounts once they are capable of providing a poverty-level annual benefit—even if this earlier than early retirement age. This is an incentive for individuals to put more money into these accounts, and it provides them with flexibility on their age of retirement that they do not have under current law.

We would also require additional reforms to the Consumer Price Index, and adjust the bend points in the Social Security benefit formula in a progressive manner, to gradually phase down the liabilities on the traditional side as we move those benefits over into funded accounts.

I would repeat: Personal accounts are an indispensable component of a Social Security reform program that delivers more retirement income than merely balancing an unreformed system can possibly provide. But they will not solve our long-term financing problems unless we use them to phase down the unfunded liabilities of the old system. This means directly addressing the growth of the unfunded benefits we are promising to pay out, at the same time that we are replacing them with funded benefits.

As a result, we believe our plan is the most fiscally responsible proposal yet devised. The net liabilities upon the federal government in any year during the baby boom retirement period—whether you pick 2020, 2025, 2030, or beyond—would be significantly less than under almost any other proposal. We have avoided any and all tax increases—while at the same time avoided unseen financing costs above and beyond the explicit tax rates.

We have also produced a proposal that will give beneficiaries the opportunity to generate more retirement income through self-directed investments, provide a Social Security system that the economy can sustain, and at the same time enhance protections against the risk of poverty.

I want to thank my co-sponsors—especially Senator JOHN BREAUX, Congressman KOLBE, and Congressman STENHOLM—and their staffs, who have worked so closely with me and with my staff throughout a long and difficult process.

I also want to thank all others who are constructively participating in the Social Security reform debate. We have made it this far without turning this critical issue into a partisan shooting match. I am pleased that the President has remained open to various proposals for reform, and we have been reaching out to him to explain our ideas. I am also appreciative that Senators MOYNIHAN and KERREY have also produced an actuarially sound proposal, and that discussions of the differences between our proposals have been made on a constructive basis. I would extend a similar appreciation for a number of other Senators who are exploring this issue seriously—everyone from Congressmen MARK SANFORD and NICK SMITH, to Senators ROTH, SANTORUM and PHIL GRAMM in our own chamber.•

• Mr. THOMPSON. Mr. President, I am delighted to join my colleagues today as an original cosponsor of an exciting new proposal to reform Social Security.

We all know that the Social Security program gets in serious financial trouble when the Baby Boomers start retiring early in the next century. The Social Security actuaries tell us that, just 15 years from now, in 2013, Social Security will begin paying out more in benefits than it receives in taxes and will have to begin redeeming the treasury bonds issued to the Trust Funds. By 2032, the Trust Funds will be exhausted, and the program will be running annual cash deficits of hundreds of billions of dollars.

As more and more people become aware of these financial realities, Social Security has quickly ceased to be the untouchable third rail of politics. In my view, it should soon become the brass ring of politics. Entitlement reform is one of the greatest challenges our nation faces, and we should all be reaching for the solution that will enable Social Security to provide for our grandchildren like it did for our grandparents.

Fortunately, right now we have a tremendous window of opportunity for real reform. Our economy is strong; the federal budget is balanced for the first time in 30 years; and the Congressional Budget Office is actually projecting budget surpluses each year for the next decade. Just as important, the 76 million Baby Boomers are still in the workforce paying taxes into the Social Security system. If we wait until this enormous group stops paying taxes and instead begins drawing benefits, the fixes will have to be much more severe.

Over the past 15 months, Senators JUDD GREGG and JOHN BREAUX, along with Congressmen JIM KOLBE and CHARLES STENHOLM, have served as congressional co-chairmen for the National Commission on Retirement Policy, sponsored by the Center for Strategic and International Studies. This 24-member group of politicians, businessmen, and policy experts developed and unanimously approved a broad proposal for reforming Social Security. The Senators and Congressmen then crafted bipartisan legislation based on the commission's recommendations.

The outline of the Gregg-Breaux plan is simple. It would reduce the Social Security payroll tax by 2 percentage points and divert the money into a mandatory savings account for every worker under age 55. The accounts would supplement—not replace—benefits guaranteed through the traditional system. Workers could pick from a limited number of investment funds dealing in stocks, government bonds, or a combination of the two, much like the Thrift Savings Plan available to members of Congress and federal employees. The benefits of current retirees and workers age 55 or older would not be affected by the private accounts, and benefits to survivors of deceased workers and the disabled would also be protected.

Meanwhile, Gregg-Breaux would make changes to the remaining pay-as-you-go system to bring it into actuarial balance. It would accelerate the scheduled increase in the retirement age, raising the age for full benefits to 70 and the age for early retirement benefits to 65 by 2029. It would reduce the Consumer Price Index by half a percentage point so that it more accurately reflects the rate of inflation, and it would scale back benefits to wealthier retirees, who are likely to fare better with their individual accounts. Unlike several of the proposals that are on the table, however, the Gregg-Breaux plan does not raise taxes, period. In fact, the payroll tax is reduced from 12.4 to 10.4 percent and never rises above 10.4 percent again.

Some groups continue to insist that only minor adjustments are needed to put Social Security back on sound financial footing. What they often won't tell you is that all of these adjustments would either raise taxes or cut benefits. For me, it's clear that "reforming" Social Security in this way will no longer suffice. These kinds of traditional reforms were last used by the 1983 Greenspan Commission to "fix" Social Security for 75 years. Today, we know the program will be in trouble again in 2013, when tax revenues are no longer sufficient to pay promised benefits.

Instead of taxing Americans at ever-higher rates while scaling back their retirement benefits, our goal should be to enable all workers to accumulate a level of wealth that will allow them to retire with a basic level of economic security. That's why private accounts are a central part of the plan I support.

Private accounts would give working-class Americans the same access to the power of compound interest that the rich enjoy today. This notion terrifies those who want to keep workers as dependent on government as possible, but more and more people acknowledge that private accounts are the best way to simultaneously solve the two crises facing Social Security—the impending insolvency of the program due to enormous demographic shifts, and the lower and lower rates of return for each new generation of workers. First, private accounts would allow younger workers to take advantage of the higher returns available to private investment. Second, because these workers would be giving up some of their future claims on traditional Social Security benefits, the unfunded liability of the program would be reduced.

As the American people learn more about the issue of Social Security reform, public opinion on the issue of private accounts has clearly shifted. Depending on how the question is phrased, between 60 and 80 percent of Americans now say they favor letting workers invest some portion of their Social Security tax payments. Most of the current reform plans have an element of private investment, and I am pleased that several of our Democratic colleagues in the Senate have openly endorsed them.

In my view, reforming Social Security is the most significant political issue on the horizon for the foreseeable future, and I am encouraged that the American people and elected officials on both sides of the aisle recognize its importance to our nation's continued prosperity. History has shown us that an issue of this magnitude can only be addressed successfully through a bipartisan process. The Gregg-Breaux plan is a thoughtful approach to reform, and I expect it to wield considerable influence in shaping the important debate that lies ahead.•

• Mr. COATS. Mr. President, I rise today as a cosponsor of the sweeping Social Security Legislation introduced by my colleagues—Senators GREGG and BREAUX. The "21st Century Retirement Security Plan of 1998" is designed to strengthen Social Security now, encourage personal savings, and expand the availability of private pension plans.

Senators GREGG and BREAUX recently co-chaired the National Commission on Retirement Policy. This bipartisan commission of lawmakers, economists, pension experts, and businessmen released a report calling for legislation including, among other things, personal savings accounts and a gradual increase in the retirement age. The "21st Century Retirement Plan" implements both these provisions and aims to serve a two-fold purpose: It strengthens the Social Security system—ensuring payment to all of the hard-working Americans that have paid into it. And it expands opportunities for private retirement savings—which will provide Americans with more options to save and invest in their future.

As we approach the dawn of the 21st century, it is common knowledge that the aging baby boom will create huge financial problems for future generations. Without changes, the Social Security trust funds will be unable to pay full benefits beginning around the year 2030. Therefore, a thirty-eight year old individual, making an average wage, will have to live until the age of 91 to get back what he paid into the system. This is not the time to propose patchwork solutions to this problem, but rather to seize this unique opportunity to restructure the entire system. I believe that this legislation is a logical first step toward achieving that goal.

President Clinton has also jumped on the save Social Security bandwagon, although his plan is to sit back and wait until we have three or four "national town meetings" to discuss the ramifications of changing the system. Coincidentally, those meetings conclude at the end of this year—which just happens to be an election year. This epitomizes the lack of courage of the part of most of our elected officials.

This legislation will save the Social Security system through the next century without raising taxes. In fact, under this plan, taxpayers would be able to invest 2 percent of their current payroll tax in private savings accounts modeled after the Government's thrift savings plan. This change would not affect current retirees, but would rather assist current tax-paying Americans preparing for their retirement. As a tax-paying American, I trust myself to manage my money much more than I trust the Federal Government to provide for my future.

This allocation of part of the payroll tax would be offset by our current budget surplus and a gradual rise of the retirement age from 67 to 70 by 2029. Further, these accounts would provide a higher rate of return for recipients. This would, as provided by the bill, lower guaranteed Social Security payments and ease the burden on the system.

This plan improves retirement security and protects future generations by strengthening the safety-net aspect of the Social Security system and providing Americans more options for savings and investment. The "21st Century Retirement Security Plan of 1998" contains the courage and common sense necessary to save our children and our children's children from the economic strife that is bound to arise if we do not address this impending problem.•

By Mr. LEAHY:

S. 2314. A bill to clarify that prosecutors and other public officials acting in the performance of their official duties may enter into cooperation agreements and make other commitments, assurances, and promises, as provided by law in consideration of truthful testimony; to the Committee on the Judiciary.

PROSECUTORS' COOPERATION AGREEMENTS CLARIFICATION LEGISLATION

Mr. LEAHY. Mr. President, earlier this month, a three-judge panel of the Tenth Circuit decided United States v. Singleton, in which it found that the prosecutor had violated the federal gratuity statute and a state ethics rule by entering a plea agreement with a cooperating defendant that made certain promises in exchange for the cooperator's truthful testimony at trial. The promises in question were the sort of plain vanilla promises that appear in virtually every cooperation agreement, and are the lifeblood of bringing successful prosecutions.

As a former prosecutor, I found this decision bizarre and dangerous. In effect, it makes it illegal—a federal felony—for prosecutors to offer leniency in return for testimony on the theory that leniency is a form of bribery. Defense attorneys across the country have already begun to jump on the Singleton bandwagon. In my state, Vermont, the decision has already triggered new motions in a major drug smuggling case involving a billion dollars worth of hashish. The defendant, Martin Scott, is scheduled to go to trial in September, and the government's evidence includes testimony by cooperating codefendants. Scott has now moved to exclude this testimony on the ground that it was obtained unlawfully in return for government promises of leniency, citing Singleton.

If this controversial decision stands, prosecutors would be exposed to the threat of felony liability and disciplinary action just for doing their jobs. In addition, this decision could result in a tidal wave of reversals and suppression rulings in cases involving cooperator testimony.

I was relieved to see that the Tenth Circuit acted swiftly to vacate the panel decision and set the case down for en banc rehearing in November, and I am confident that the ruling will eventually be thrown out—but not before the issue has been raised and relitigated at every turn in every district and circuit court in the land. At a minimum, this will delay trials, squander scarce judicial resources, and generally waste everyone's time.

We need to insure that prosecutors have the tools they need to do their jobs effectively, and being able to enter into cooperation agreements is critical. That's why I am introducing legislation today to make crystal clear that prosecutors and other public officials acting in the performance of their official duties may enter cooperation agreements and make other such commitments, assurances and promises in return for truthful testimony.

I look forward to working with my colleagues on this matter, and ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2314

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLARIFICATION OF PROSECUTORIAL AUTHORITY.

Section 201 of title 18, United States Code, is amended—

(1) in subsection (c)—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(B) by striking "Whoever" and all that follows through "otherwise than" and inserting "Whoever, otherwise than";

(C) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately; and

(D) in paragraph (1), as so designated, by striking "or" at the end; and

(2) in subsection (d), by striking "paragraphs (2) and (3)" and inserting "paragraphs (3) and (4)".

By Mrs. FEINSTEIN (for herself, Mr. D'AMATO, and Mr. FORD):

S. 2315. A bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and titles XVIII and XIX of the Social Security Act to require that group and individual health insurance coverage and group health plans and managed care plans under the medicare and medicaid programs provide coverage for hospital lengths of stay as determined by the attending health care provider in consultation with the patient; to the Committee on Labor and Human Resources.

HOSPITAL LENGTH OF STAY ACT OF 1998

Mrs. FEINSTEIN. Mr. President, today Senator D'AMATO, Senator FORD and I are introducing a bill to require health insurance plans to cover the length of hospital stay for any procedure or illness as determined by the attending physician, in consultation with the patient, to be medically appropriate.

This bill will return medical decision-making to medical professionals because it is time to stop insurance plans' interference into this important area of physician decision-making.

It is endorsed by the American Medical Association, the American College of Surgeons, the American College of Obstetricians and Gynecologists, the American Academy of Neurology and the American Psychological Association. Only a physician, taking care of the patient who understands the patient's history, medical condition and needs, can make a decision on how much hospital care a person needs. Physicians are trained to evaluate all the unique needs and problems of each individual patient. Every patient is different and the course of illness has great variation.

Lengths of stay should not be determined by insurance company clerks, actuaries or non-medical personnel. It is the attending physician, not a physician or other representative of an insurance company, that should decide when to admit and discharge someone.

Professional physician organizations develop practice guidelines that guide them in determining medical necessity. These are intended as guidance and are medical judgments made by qualified medical people. Physicians know what medical necessity and generally accepted medical practice are.

We are introducing this bill because we have had a virtual parade of doctors come to us and in essence say, "We are fed up. We spend too much of our time trying to justify our decisions on medical necessity to insurance companies. Insurance company rules have supplanted doctor decision making."

Donna Damico, a nurse in a Maryland psychiatric unit of a hospital, told National Public Radio on October 1, 1997:

> I spend my days watching the care on my unit be directed by faceless people from insurance companies on the other end of the phone. My hospital employs a full-time nurse whose entire job is to talk to insurance reviewers. . . . The reviewer's background can range anywhere from high school graduate to nurse, social worker or even actual physicians.

A number of examples have come to my attention:

In 1996, we addressed the problem of "drive-through" baby deliveries, insurance plans covering minimal hospital stays for newborns and their mothers because of examples like this: One California new mother was readmitted after a Caesarean section because of severe anemia from excessive blood loss. She didn't know how much blood loss was normal after a delivery. Two California women were readmitted after vaginal deliveries with endometritis, an infection of the uterus.

We've had examples of "drive-through" mastectomies, insurance plans shoving women out the door to deal on their own with drainage tubes, pain and disfigurement. S. 249, which I introduced with Senator D'AMATO last year, addresses that abuse and we are trying to get it passed.

A California pediatrician told us of a child with very bad asthma. The insurance plan authorized 3 days in the hospital; the doctor wanted 4–5 days. He told us about a baby with infant botulism (poisoning), a baby with a toxin that had spread from the intestine to the nervous system so that the child could not breathe. The doctor thought a 10–14 day hospital stay was medically necessary for the baby; the insurance plan insisted on one week.

A California neurologist told us about a seven-year-old girl with an ear infection who went to the doctor feverish. When her illness developed into pneumonia, she was admitted to the hospital. After two days she was sent home, but she then returned to the hospital three times because her insurance plan only covered a certain number of days. The third time she returned she had meningitis which can be life threatening. The doctor said that if this girl had stayed in the hospital the first time for five to seven days, the antibiotics would have killed the infection and the meningitis would never have developed.

A 27-year-old man from central California had a heart transplant and was forced out of the hospital after 4 days because his HMO would not pay for more days. He died.

Nurses in St. Luke's Hospital, San Francisco, say that women are being sent home after only two nights after a hysterectomy and two nights for a Caesarean section delivery, both of which are major abdominal surgeries, even though physicians think the women are not ready to go home.

Just last week Lisa Breakey, a San Jose speech pathologist, came to my office and told us that she is providing home healthcare for stroke patients she used to see in the hospital. She sees patients in their homes who have G tubes in their stomachs for feeding and trach tubes in their throats for breathing. The trach tubes have an inflated balloon or cuff which a family members must deflate and inflate by using a needle. Family members are supposed to suction the patient's mouth and throat before they deflate the cuff. Families, she stressed, are providing intensive care, for which they are unprepared and untrained. Bedrooms have become hospital rooms.

Another California physician told us about a patient who needed total hip replacement because her hip had failed. The doctor believed a seven-day stay was warranted; the plan authorized five.

Rep. GREG GANSKE, a physician serving in the House, told the story of a six-year-old child who nearly drowned. The child was put on a ventilator and it appeared that he would not live. The hospital got a call from the insurance company, asking if the doctor had considered sending the boy home because home ventilation is cheaper.

These cases can be summarized in the comments of a Chico, California, maternity ward nurse: "People's treatment depends on the type of insurance they have rather than what's best for them."

As these cases illustrate, premature discharges can increase readmissions and medical complications. During the "drive-through delivery" debate, we heard about babies who were jaundiced and dehydrated and had to come back to the hospital.

Similarly, as reported in American Medical News on March 23, 1998, according to Dr. David Phillips, "a shift toward outpatient treatment actually has come at quite a high price . . . an increased loss of lives." This University of California study found that medication errors are 3 times higher among outpatients than inpatients; that medications side effects provides limited oversight by medical personnel and that the patient-physician relationships is compromised.

Ms. Damico said, "Patients return to us in acute states because their insurance will no longer pay the same amount for their outpatient treatment . . . [They] deteriorate to the point of suicidal thoughts or attempts and need to return to the hospital." She cited the example of a suicidal woman whose plan denied a hospital admission requested by her physician. After the doctor told her of the denial, she took twenty 50-milligram tabs of Benadryl, was then admitted, and the plan then had to pay for hospital care, an ambulance and emergency room fees.

So not only do premature discharges compromise health, they ultimately cost the insurer more.

Physicians say they battle daily with insurance companies to give patients the hospital care they need and to justify their decisions on medical necessity.

An American Medical Association review of a managed care contract (Aetna US Healthcare) found that the contract gives "the company the unilateral authority to change material terms of the contract and to make determinations of medical necessity . . . without regard to physician determinations or scientific or clinical protocols

. . . .," according to the January 19, 1998 American Medical News.

A study by the American College of Surgeons found that guidelines published by Milliman and Robertson and used by many insurers represent a minimum length of stay, compared with surgeons' estimates.

A study by the American Academy of Neurology found that the Milliman and Robertson guidelines on length of stay are "extraordinarily short in comparison to a large National Library of Medicine database . .. And that [the guidelines] do not relate to anything resembling the average hospital patient or attending physician . . . ." The neurologists found that these guidelines were "statistically developed," not scientifically sound or clinically relevant.

A study in the April 1997 Bulletin of the American College of Surgeons found that surgeons stated that the appropriate length of stay for an appendectomy is zero to five days, while insurance industry guidelines set a specific coverage limit of one day.

According to 134 interviews reported in the March 15, 1998 Washington Post, 7 in 10 physicians said, in dealing with managed care plans, they have exaggerated the severity of an patient's condition to "prevent him or her from being sent home from a hospital prematurely." Dr. David Schriger, at UCLA Medical Center in Los Angeles, said that he routinely has patients, such as a frail, elderly woman with the flu, who is not in imminent danger, but could encounter serious problems if she is sent home during the night. He told the Post, "At this point I have to figure out a way to put her in the hospital. . . And typically, I'll come up with a reason acceptable to the insurer," and orders a blood test and chest x-ray, to justify admission.

The Post article also cited Kaiser Permanente's Texas division which "warned doctors in urgent care centers not to tell patients they required hospitalization, as one Kaiser administrator recalled. "We basically said [to] the UCC doctors, 'If you value your job, you won't say anything about hospitalization. All you'll say is, I think you need further evaluation . . . .'"

Ms. Damico, the psychiatric nurse interviewed on NPR said, "Our utilization review nurse gives all of us, including the doctors, good advice on how to chart so that our patients' care will be covered . . . We all conspire quietly to make certain the charts look and sound bad enough."

The American College of Surgeons wrote: "We believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decision-making process only undermines the quality of that patient's care and his or her health and well being . . . . specific, single numbers [of days] cannot and should not be used to represent a length of stay for a given procedure." (April 24, 1997) ACS on March 5 wrote, "We believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decision making process only undermines the quality of that patient's care and his or her health and well being."

The American Medical Association wrote on May 20, 1998, "We are gratified that this bill would promote the fundamental concept, which the AMA has always endorsed that medical decisions should be made by patients and their physicians, rather than by insurers or legislators . . . We appreciate your initiative and ongoing efforts to protect patients by ensuring that physicians may identify medically appropriate lengths of stay, unfettered by third party payers."

The American Psychological Association, on March 4, 1998 wrote me, "We are pleased to support this legislation, which will require all health plans to follow the best judgment of the patient and attending provider when determining length of stay for inpatient treatment."

Americans' faith in their medical system has plummeted as almost daily we hear of more horror stories of care denied and HMO hassles. Arbitrary insurance company rules cannot address the subtleties of medical care. A March 1998 U.S. News and Kaiser Family Foundation survey found that three in four Americans are worried about their health care coverage and half say they are worried that doctors are basing treatment decisions strictly on what insurance plans will pay for.

The bill we introduce today begins to address some of these problems. I am also a cosponsor of the Patient Bills of Rights (S. 1890) and the Patient Access to Responsible Care Act (S. 644), bills proposing comprehensive reforms.

I hope these initiatives will send a strong message to the health insurance industry and return medical decision-making to those medical professionals trained to make those decisions.

Mr. President, I ask unanimous consent that a summary of the bill and letters in support be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

SUMMARY OF THE HOSPITAL LENGTH OF STAY ACT OF 1998

Requires plans to cover hospital lengths of stay for all illnesses and conditions as determined by the physician, in consultation with the patient, to be medically appropriate.

Prohibits plans from requiring providers (physicians) to obtain a plan's prior authorization for a hospital length of stay.

Prohibits plans from denying eligibility or renewal for the purpose of avoiding these requirements.

Prohibits plans from penalizing or otherwise reducing or limiting reimbursement of the attending physician because the physician provided care in accordance with the requirements of the bill.

Prohibits plans from providing monetary or other incentives to induce a physician to provide care inconsistent with these requirements.

Includes language clarifying that—nothing in the bill requires individuals to stay in the hospital for a fixed period of time for any procedure; plans may require copayments but copayments for a hospital stay determined by the physician cannot exceed copayments for any preceding portion of the stay.

Does not pre-empt state laws that provide greater protection.

Applies to private insurance plans, Medicare, Medicaid and Medigap.

AMERICAN MEDICAL ASSOCIATION,
May 20, 1998.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINSTEIN: On behalf of the American Medical Association (AMA), we would like to express our support for your draft legislation the "Hospital Length of Stay Act of 1998". We hope you introduce this legislation that would require coverage of an inpatient's hospital stay to the extent determined medically appropriate by the attending physician in consultation with the patient.

We are gratified that this bill would promote the fundamental concept, which the AMA has always endorsed, that medical decisions should be made by patients and their physicians rather than by insurers or legislators. As you may know, on several occasions the AMA has supported legislative initiatives that would require coverage on a diagnosis by diagnosis basis for medically appropriate minimum lengths of stay. While those bills have moved us in the right direction, this legislation would take us where we want to be.

We appreciate your initiative and ongoing efforts to protect patients by ensuring that physicians may identify medically appropriate lengths of stay, unfettered by third party payors. We offer you our assistance in helping to enact this legislation.

Sincerely,

LYNN E. JENSEN,
Interim Executive Vice President.

AMERICAN COLLEGE OF SURGEONS,
July 15, 1998.

STATEMENT: POSTOPERATIVE LENGTHS OF HOSPITAL STAY

EDWARD R. LAWS, Jr., MD, FACS,
Member of the Board of Regents,
American College of Surgeons.

On behalf of the American College of Surgeons, I would like to commend Senator Feinstein for her continuing concern for high-quality patient care. In particular, I want to praise her and her cosponsor, Senator D'Amato, for their most recent effort to protect patients by introducing legislation to ban the practice of imposing arbitrary coverage limits on hospital length of stay—a practice that is currently being used by some third-party payers.

The issue of "drive-through" maternity care, followed more recently by the issue of outpatient mastectomy operations, clearly illustrate the patient care problems that are created when third-party payers set a specific number of days as the appropriate length of stay for a given procedure. For some maternity and breast cancer patients, the outpatient setting may well be medically appropriate and personally preferred, but for many others this certainly is not the case.

As many state and federal legislators have come to realize, each of these patients has her own set of unique medical problems and related issues, and it is inappropriate to expect them to conform to cost containment goals that were designed with the "optimum" patient in mind.

What few people seem to recognize, however, is that these problems are not limited to new mothers and breast cancer patients. Indeed, thousands of patients whose illnesses do not occupy a high profile on the nation's health care agenda face the same dilemma. A variety of factors—such coexisting illnesses, the optimum treatment method selected, complications arising during the operation, and differences in response to the treatment—can vary significantly among individual patients, making it impossible to accurately or precisely predict the appropriate length of stay for a given procedure. Such factors may also determine the appropriate site for performing a particular operation or procedure. Despite these important considerations, efforts to restrain growth in spending for health care services, although a legitimate concern, are coming into conflict with individual patient needs.

We need to view the issue of length-of-stay coverage limits from a broader perspective than we have in the past. Congress, state legislatures, and the managed care industry have acted on a procedure-specific basis in response to concerns raised about coverage limits placed on maternity care and mastectomy operations. But, it is time to take the next step.

Senator Feinstein's legislation, the "Hospital Length of Stay Act" would take this step by proposing to protect medical decisionmaking on behalf of all patients. The legislation specifies that decisions about the medical appropriateness of a hospital length of stay should be determined by the attending physician, in consultation with the patient. Further, the legislation would prohibit health plans from penalizing patients, physicians, or hospitals for following through on these medical decisions.

The American College of Surgeons believes strongly that, for all surgical patients, the responsibility for making the decisions to operate, what type of operation the patient should have, and how long the patient stays in the hospital following the operation must rest with the surgeon and the patient. The College has always encouraged its members to keep their patients' length of stay as short as possible. However, we do believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decision-making process only undermines the quality of that patient's care and his or her health and well-being.

Once again, we congratulate Senator Feinstein and Senator D'Amato for their courageous efforts on behalf of quality patient care. The College looks forward to working closely with them and their colleagues in the House of Representatives, including Congressman Tom Coburn and Congresswoman Rosa DeLauro, to ensure swift passage of this important legislation.

The American College of Surgeons is a scientific and educational organization of surgeons that was founded in 1913 to raise the standards of surgical practice and to improve the care of the surgical patient. The College is dedicated to the ethical and competent practice of surgery. Its achievements have significantly influenced the course of scientific surgery in America, and have established it as an important advocate for all surgical patients. The College has more than 62,000 members and is the largest organization of surgeons in the world.

AMERICAN COLLEGE OF SURGEONS,
March 5, 1998.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINSTEIN: On behalf of the 62,000 Fellows of the American College of Surgeons, I want to commend you for introducing the "Hospital Length of Stay Act of 1998." Your legislation will contribute significantly to the effort to educate Congress and the public about the practice of imposing arbitrary coverage limits on hospital length of stay that do not take into account an individual patient's unique health care needs.

For all surgical patients, the responsibility for making the decision to operate, the type of operation, and how long the patient stays in the hospital following the operation must rest with the surgeon and the patient. The College has always encouraged its members to keep their patients' length of stay as short as possible. However, we believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decisionmaking process only undermines the quality of that patient's care and his or health and well being.

Once again, we appreciate your continuing concern, and congratulate you on introducing legislation that acknowledges the importance of preserving the surgeon-patient relationship and ensuring that they are able to exercise their responsibility for making medical treatment decisions.

Sincerely,

PAUL A. EBERT,
Director.

AMERICAN ACADEMY OF NEUROLOGY®,
April 22, 1998.

Hon. DIANNE FEINSTEIN,
Attn: Glenda Booth and Ann Garcia, Washington, DC.

DEAR SENATOR FEINSTEIN: The American Academy of Neurology, an association of over 15,000 neurologists, has been in the forefront of discussions and debate concerning the necessary protections that should be afforded our patients in a health care environment increasingly dominated by corporate and managed care structures. We believe that it is imperative that patients, who often feel powerless in today's health care environment, be protected through the implementation of basic health care standards including such protections as appropriate health plan disclosure, adequate choice of plans and providers, and appropriate grievance processes.

Your bill, the Hospital Length of Stay Act of 1998, contains many of the elements that we deem important, especially its fundamental premise to protect and preserve the patient and provider relationship. Physicians need to be allowed to exercise their decisionmaking without obstruction when they consult with their patients concerning the appropriate treatment or care for their health care condition.

A survey by the National Coalition on Health Care found that 80% of Americans believe that their quality of care is often compromised to save money. Many Americans feel insecure about their health care plan and question whether or not the plan will take care of them when they really need it such as when they become hospitalized. It is out of this demonstrated national concern that the President of the United States as well as several leading medical societies, such as the Academy, are now calling on members of Congress to implement national health care standards or more commonly known as consumer "bill of rights".

The Academy applauds and endorses your bill as a bill of rights component and we hope that this is one of many steps that will be taken by you and your colleagues in helping us to be able to confidently tell our patients that their health care plan will take care of them when they are sick or are in need of health care.

I have included a copy of the Academy's patient protection statement that I hope you will review and consider as the debate on this important issue continues throughout this legislative session.

Sincerely,

STEVEN P. RINGEL,
President.

AMERICAN PSYCHOLOGICAL ASSOCIATION,
March 4, 1998.

Senator DIANNE FEINSTEIN,
Washington, DC.

DEAR SENATOR FEINSTEIN: On behalf of the American Psychological Association, I am writing to thank you for your sponsorship of the Hospital Length of Stay Act of 1998. We are pleased to support this legislation, which will require all health plans to follow the best judgment of the patient and attending provider when determining length of stay for inpatient treatment.

We appreciate your sensitivity to our concerns over the reality that psychologists in many states are attending providers under their state license and scope of practice. Accordingly, your bill extends this quality of care protection to the patients of psychologists as well as "physicians", as did the Coburn-Strickland amendment to the House Commerce Committee version of the Balanced Budget Act last year.

There is obviously enormous public interest in having Congress act this year to pass enforceable federal standards of consumer protection in managed care. Our members are also supportive of a bill that you have cosponsored, the Patient Access to Responsible Care Act (S. 644), and we are very appreciative of your visible involvement in this issue. The Hospital Length to Stay Act addresses another important issue that should be addressed in this debate and we commend you for taking it on.

Sincerely,

MARILYN S. RICHMOND,
Assistant Executive Director for Government Relations.

By Mr. MCCONNELL (for himself and Mr. DEWINE):

S. 2316. A bill to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride; read the first time.

UNITED STATES ENRICHMENT CORPORATION PRIVATIZATION

Mr. MCCONNELL. Mr. President, I rise today to introduce a must-pass piece of legislation to ensure that the Department of Energy is not stuck with a massive unfunded mandate as a result of privatizing the United States Enrichment Corporation. I am pleased to be joined by Senator DEWINE who is an original cosponsor of this legislation.

Last month, the administration, the Department of Energy, and the USEC Board came to a decision on how they intend to privatize the USEC. This deal, which was struck in secret, is a complicated and confusing matter that I am only just beginning to understand. The facts, I have discovered, are not welcome news to the communities of Paducah, Kentucky, and Portsmouth, Ohio, where the two USEC gaseous diffusion plants are located. These facilities employ approximately 4,000 people, making them the largest employers in those regions.

The most discouraging aspect of this privatization proposal is the impact this deal will have on jobs. The administration has tried to put a positive spin on things by claiming that only 600 jobs would be lost over the next 2 years. Unfortunately, this may be the tip of the iceberg, because after the first 2 years, the administration has made no guarantees on the number of jobs that might be lost. In fact, after reading the fine print of this agreement, union and community leaders feel that closure of one of the two plants is a very real possibility. This could result in the loss of nearly 2,000 jobs. Without some efforts to mitigate the job losses, these communities will be economically devastated.

The second item of concern is that the Department of Energy—and taxpayers—will be stuck with an unfunded environmental liability. As you may know, under the terms of the USEC Privatization Act of 1996, the responsibility for the treatment and disposal of the uranium waste will be transferred from USEC to the Department of Energy. To prepare for this reality, USEC has collected nearly $385 million from its customers for the specific purpose of cleaning up their environmental liability. Unfortunately, the administration's proposal only provides $50 million of that total to be used to address this problem, while the remaining $335 million is due to be deposited into the General Treasury.

Mr. President, there are two problems with this scenario. First, I fail to see the logic behind the decision to use only one-eighth of the money which has been collected for the purpose of addressing the nuclear waste at the USEC plants. Second, the administration's plan calls for the $50 million to be given to USEC, Inc.—the private corporation. Why should we, as legislators, allow the government to give a $50 million handout to a private corporation to clean up a Federal entity's mess when $385 million is already available for environmental clean up? What is worse, the administration's plan will add to the tens of thousands of canisters of depleted uranium hexafluoride already stored at the plants, further expanding the environmental problems of the plants and the cost to clean up this site for the Department of Energy.

Mr. President, I am not one to look a gift horse in the mouth, but this deal is not good for Kentucky and is an abrogation of the Federal Government's responsibility to clean up this nuclear mess. We need to ensure that the taxpayers and the workers at these facilities get a better deal than what is being offered. That is why I have introduced this legislation to ensure that all the funds raised and earmarked for the clean up of USEC's environmental legacy will remain available for that purpsoe—and that purpose only. This bill mandates that the administration hold these earmarked funds until the Secretary of Energy submits a plan and legislation to implement and operate a facility to cleanup the nuclear waste at Paducah and Portsmouth. Once this plan is submitted, then the funding can flow to clean up this environmental nightmare.

This bill will ensure that taxpayers aren't stuck with an unfunded mandate and makes a commitment to the communities that this toxic hazard will be disposed of in a timely manner. Unlike the administration's plan to simply store additional uranium waste, my bill will create many more jobs to construct and operate this facility. The new facility will convert the depleted uranium from an unstable and toxic hexaflouride form to a stable and non-threatening oxide. During this process many useful commercial by-products can also be recovered and sold.

Mr. President, I have here a letter from the Governors of Kentucky, Ohio, and Tennessee urging Secretary Peña to take immediate steps to convert the toxic uranium hexafluoride into a more stable, non-threatening oxide form. The Governors urge the Secretary to seek the necessary funding to begin this process and they specifically identified the funding I have identified in my amendment. I ask unanimous consent that the letter signed by Governors Patton, Sunquist, and Voinovich be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 27, 1998.

Hon. FEDERICO PEÑA,
Secretary, Department of Energy, Washington, DC.

Re "Draft PEIS for Alternative Strategies for the Long-Term Management and Use of Depleted Uranium Hexafluoride," DOE/EIS-0269 dated December 1997.

DEAR SECRETARY PEÑA: More than forty years ago the U.S. Department of Energy began the uranium enhancement initiative that created a common link between Ohio, Kentucky, and Tennessee. This commonality includes the U.S. Department of Energy's legacy of waste, a significant portion of which is made up of depleted uranium hexafluoride. Today, our three states are working together in order to recommend the selection of an appropriate and lawful alternative for the long-term management and use of depleted uranium hexafluoride. We believe that such an alternative must minimize impacts on human health and the environment, as well as benefit the overall mission of our states and the U.S. Department of Energy ("DOE").

Ohio, Kentucky, and Tennessee have the following significant concerns regarding the above-referenced document:

DOE should consider the immediate conversion of all depleted uranium hexafluoride (DUF6) to the less hazardous uranium oxide (U308) and provide above ground storage of the U308. We do not believe that waiting for possible market demands for the DUF6 is justification for delaying this project. It is incumbent upon DOE to immediately begin seeking funds from Congress for this conversion. We urge DOE to complete conversion by the year 2018 or earlier and reduce the mortgage of maintaining the cylinders.

A long-term strategy for DUF6 must include DOE's entire cylinder inventory, including heel and small cylinders. The 10,000+ cylinders of DUF6 generated by the United States Enrichment Corporation (USEC), which will revert to DOE ownership upon privatization of USEC, must also be considered in any plans.

An estimated $480 million has been accrued by USEC since 1993 in order to offset the cost of the future conversion of DUF6 generated by USEC. DOE should work with Congress now to ensure this fund is not diverted into the federal treasury for an unrelated use. In addition, DOE might consider partnering with the future owner of USEC in a long-term strategy for managing and converting DUF6, in order to avoid redundancy of efforts. Any partnering effort, however, must not slow progress toward conversion.

Natural phenomena events or accidents may not have been adequately considered in the PEIS. DOE must identify the "worse-case" cylinder conditions and explicitly use this information in the hazard modeling descriptions.

In order for states to effectively evaluate the potential impact of the preferred alternative DOE must provide information on the location of the sites where conversion would occur and how wastes generated from this process will be managed. In order to avoid the undue risk of transporting deteriorating cylinders, we recommend that DOE evaluate the feasibility of on-site conversion plants.

DOE must ensure that funding for safe storage and maintenance of DUF6 cylinders and storage yards is at an adequate level to protect human health and the environment.

The States welcome the opportunity to work closely with the Department of Energy in addressing these complex issues and moving rapidly toward an alternative that will well serve the public and the environment. In addition we urge DOE to carefully consider the more detailed comments being submitted by each of our states environmental regulatory agencies.

Sincerely,

GOVERNOR PAUL E. PATTON,
GOVERNOR GEORGE V. VOINOVICH,
GOVERNOR DON SUNDQUIS.

Mr. MCCONNELL. Mr. President, I also have a letter from the Oil, Chemical and Atomic Workers Union, which represents 2,200 hourly workers at the Paducah and Portsmouth uranium enrichment facilities. They have also advocated for the use of those funds to begin the clean up of this toxic material. I ask unanimous consent that this letter also be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OIL, CHEMICAL AND ATOMIC WORKERS INTERNATIONAL, UNION, AFL–CIO,
Lakewood, CO, JULY 14, 1998.

Senator MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCONNELL: On June 29, 1998 the Administration announced that it will soon privatize the United States Enrichment Corporation (USEC), which operates the two uranium enrichment plants owned by the Department of Energy in Portsmouth, Ohio and Paducah, Kentucky. Coinciding with this announcement, USEC declared that:

(1) "to the extent commercially practicable" it will eliminate no more than 600 jobs during over the next two years, consistent with an undisclosed USEC "Strategic Plan", and

(2) it will transfer thousands of canisters of its depleted uranium hexaflouride waste to the Department of Energy who will inherit the disposition responsibility for wastes that were created by USEC between July 1, 1993 and the date of privatization. USEC has accrued approximately $400 million on its balance sheet to cover the disposition costs of this waste.

Approximately $1.2 billion is presently in a revolving fund account in USEC's name at the Treasury Department—a fund which was created pursuant to Section 1308 of the Energy Policy Act of 1992. Of that amount, $400 million represents the funds collected from utility customers for enrichment services to cover the costs for disposition of these wastes. The Administration has advised us that, absent legislation, these funds will be swept out of this revolving fund immediately after privatization.

To date, Treasury Department officials have been unwilling to secure these funds for the purpose of which they were reserved; to threat the massive quantities of waste left by USEC for the government to clean up. If the funds accrued on USEC's pre-privatization balance sheet were transferred into a dedicated fund at the Department of Energy, these extremely corrosive radioactive wastes would not sit untreated and approximately 240 displaced workers could be re-employed preforming waste treatment activity at Paducah and Portsmouth.

We understand that you are planning legislation which will secure the $400 million in USEC's account at Treasury for the purpose for which it was reserved: to treat waste generated by USEC. Your legislation will fence these funds until the Administration submits a waste treatment plan to Congress with its FY 2000 budget request. The plan will include the construction of two treatment plants—one in Ohio and one in Kentucky. This approach will reduce the hazards associated with the transport of radioactive wastes.

In April of this year the Governors from Kentucky, Ohio and Tennessee wrote to Secretary of Energy Federico Pena endorsing the concept of using the funds from USEC's balance sheet for the treatment and disposition of the depleted uranium hexaflouride tails.

The Oil, Chemical & Atomic Workers Union (OCAW), which represents 2,200 hourly workers at the two gaseous diffusion plants in Paducah and Portsmouth, applauds your efforts to pass legislation which will fence these funds prior to the privatization of USEC.

As you deliberate this legislation, we urge you to ensure that the Department of Energy will require the cleanup contractor(s) to provide a right of first refusal to displaced workers from the gaseous diffusion plants, and to require the contractor(s) to minimize the social and economic impacts by bridging health and pension benefits. Such an arrangement is consistent with the amendment you proposed to offer as part of the FY 99 Energy and Water Development Appropriations Act.

We look forward to working with you and other members to ensure swift passage of this legislation in the House and Senate prior to the privatization date.

Sincerely,

RICHARD MILLER,
Policy Analyst.

Mr. MCCONNELL. Mr. President, I have also cleared this bill with Chairman MURKOWSKI of the Energy Committee and Senator DOMENICI, who is the chairman of the relevant subcommittee on the Appropriations Committee. Neither Senator has any objection to the immediate passage of this legislation. Finally, I have cleared this proposal with the Congressional Budget Office and they have scored this bill as having zero budget impact.

Mr. President, we need to ensure that the people, economies and environment of Western Kentucky and Southeastern Ohio are not sacrificed to make a quick buck off the sale of the uranium enrichment facilities, especially when funding is available. I urge my colleagues to approve this legislation and protect taxpayers from paying an additional cost for clean up.

Mr. DEWINE. Mr. President, I rise in strong support of the legislation offered by our distinguished friend from Kentucky, Senator MCCONNELL, to ensure that the Energy Department has the resources to address an important public health issue and is not saddled with a massive unfunded mandate in the wake of the privatization of the United States Enrichment Corporation (USEC).

This privatization will entail the purchase of nuclear material from the Russians—material which it is clearly in our national security interest to have removed from the international market. There is currently a fund within USEC which deals with the "disposition of depleted uranium hexafluoride"—and this fund contains an estimated $400 million. If no changes are made, this money will go to the U.S. Treasury when the Initial Public Offering occurs, possibly as soon as next week.

This fund was created explicitly to handle the disposition of this kind of material. But if the law isn't changed, the Department of Energy (DOE) would have to find new funding sources in order to treat the material—and it may not be able to come up with the money.

This would be a vary undesirable result. The material under discussion is highly toxic—and disposing of it is and should remain an important national security priority. That $400 million is needed to stabilize this material, and to process it so that parts of it can be recycled and other parts can be safely secured.

This bill would provide that, "the Secretary of Energy shall prepare, and the President shall include in the budget request for fiscal 2000, a plan and proposed legislation to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to commence construction of, not later than January 31, 2004, and to operate, an onsite facility at each of the gaseous diffusion plants at Paducah, Kentucky, and Portsmouth, Ohio, to treat and recycle depleted uranium hexafluoride."

The bill will address this key challenge. And it will also prevent a major economic dislocation in two communities—Portsmouth, OH (whose USEC plant has 2,400 employees) and Paducah, KY (whose USEC plant has 2,000 employees). This bill will support new decontamination and decommissioning jobs at these plants, which may experience limited job loss through the privatization.

It is an important investment in these two communities—and in a sensible toxic-materials disposal policy for America. I thank Senator MCCONNELL for his leadership on this legislation, and I am proud to be an original cosponsor of this effort.

ADDITIONAL COSPONSORS

S. 263

At the request of Mr. MCCONNELL, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 263, a bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 361

At the request of Mr. JEFFORDS, the name of the Senator from Georgia [Mr. CLELAND] was added as a cosponsor of S. 361, a bill to amend the Endangered Species Act of 1973 to prohibit the sale, import, and export of products labeled as containing endangered species, and for other purposes.

S. 1251

At the request of Mr. D'AMATO, the name of the Senator from Ohio [Mr. DEWINE] was added as a cosponsor of S. 1251, a bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation.

S. 1413

At the request of Mrs. MURRAY, her name was added as a cosponsor of S.

1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 1459

At the request of Mr. GRASSLEY, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1459, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind and closed- loop biomass.

S. 1647

At the request of Mr. BAUCUS, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1647, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 1734

At the request of Mrs. HUTCHISON, the name of the Senator from Illinois [Mr. DURBIN] was added as a cosponsor of S. 1734, a bill to amend the Internal Revenue Code of 1986 to waive the income inclusion on a distribution from an individual retirement account to the extent that the distribution is contributed for charitable purposes.

S. 1759

At the request of Mr. HATCH, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 1759, a bill to grant a Federal charter to the American GI Forum of the United States.

S. 1890

At the request of Mr. DASCHLE, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1890, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 1891

At the request of Mr. DASCHLE, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1891, a bill to amend the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

S. 2001

At the request of Mr. MURKOWSKI, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2001, a bill to amend the Indian Health Care Improvement Act to make permanent the demonstration program that allows for direct billing of medicare, medicaid, and other third party payors, and to expand the eligibility under such program to other tribes and tribal organizations.

S. 2078

At the request of Mr. GRASSLEY, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 2078, a bill to amend the Internal Revenue Code of 1986 to provide for Farm and Ranch Risk Management Accounts, and for other purposes.

S. 2128

At the request of Mr. STEVENS, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 2128, a bill to clarify the authority of the Director of the Federal Bureau of Investigation regarding the collection of fees to process certain identification records and name checks, and for other purposes.

S. 2151

At the request of Mr. NICKLES, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of S. 2151, a bill to clarify Federal law to prohibit the dispensing or distribution of a controlled substance for the purpose of causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual.

S. 2208

At the request of Mr. FRIST, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2208, a bill to amend title IX of the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research.

S. 2213

At the request of Mr. FRIST, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 2213, a bill to allow all States to participate in activities under the Education Flexibility Partnership Demonstration Act.

S. 2256

At the request of Mr. KERRY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2256, a bill to provide an authorized strength for commissioned officers of the National Oceanic and Atmospheric Administration Corps, and for other purposes.

S. 2271

At the request of Mr. HATCH, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 2271, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law, and for other purposes.

S. 2295

At the request of Mr. MCCAIN, the names of the Senator from South Dakota [Mr. DASCHLE] and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 2295, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. MOYNIHAN, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress in support of the recommendations of the International Commission of Jurists on Tibet and on United States policy with regard to Tibet.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. D'AMATO, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of Senate Concurrent Resolution 105, a concurrent resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

AMENDMENT NO. 3004

At the request of Mr. DODD the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Rhode Island [Mr. REED] were added as cosponsors of Amendment No. 3004 proposed to S. 2057, an original bill to authorize appropriations for the fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 3136

At the request of Mr. COCHRAN the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of amendment No. 3136 proposed to S. 2159, an original bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

AMENDMENTS SUBMITTED

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

BAUCUS AMENDMENT NO. 3154

(Ordered to lie on the table.)

Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill (S. 2159) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes; as follows:

On page 67, after line 23, add the following:

SEC. 7 . EXTENSION OF MARKETING ASSISTANCE LOANS.

Section 133 of the Agricultural Market Transition Act (7 U.S.C. 7233) is amended by striking subsection (c) and inserting the following:

"(c) EXTENSION.—The Secretary may extend the term of a marketing assistance loan made to producers on a farm for any loan commodity for 1 6-month period.".

BROWNBACK (AND OTHERS) AMENDMENT NO. 3155

Mr. COCHRAN (for Mr. BROWNBACK for himself, Mr. ROBERTS, Mr. HAGEL, Mr. GORTON, Mr. ROBB, Mr. SMITH of Oregon, and Mrs. FEINSTEIN) proposed an amendment to the bill S. 2159, supra; as follows:

At the appropriate place in the bill, insert the following:

TITLE ___—INDIA-PAKISTAN RELIEF ACT

SEC. ___01. SHORT TITLE.

This Act may be cited as the "India-Pakistan Relief Act of 1998".

SEC. ___02. WAIVER AUTHORITY.

(a) AUTHORITY.—The President may waive for a period not to exceed one year upon enactment of this Act with respect to India or Pakistan the application of any sanction or prohibition (or portion thereof) contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export Import Bank Act of 1945.

(b) EXCEPTION.—The authority provided in subsection (a) shall not apply to any restriction in section 102(b)(2) (B), (C), or (G) of the Arms Export Control Act.

(c) Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balance Budget and Emergency Deficit Control Act of 1985, as amended: *Provided*, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. ___03. CONSULTATION.

Prior to each exercise of the authority provided in section ___02, the President shall consult with the appropriate congressional committees.

SEC. ___04. REPORTING REQUIREMENT.

Not later than 30 days prior to the expiration of a one-year period described in section ___02, the Secretary of State shall submit a report to the appropriate congressional committees on economic and national security developments in India and Pakistan.

SEC. ___05. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

In this title, the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and the Committees on Appropriations of the House of Representatives and the Senate.

LUGAR (AND OTHERS) AMENDMENT NO. 3156

Mr. LUGAR (for himself, Mr. HAGEL, Mr. DORGAN, Mr. DOMENICI, Mr. ROBERTS, Mr. CHAFEE, Mr. DODD, Mr. CRAIG, Mr. WARNER, Mr. MURKOWSKI, and Mr. SANTORUM) proposed an amendment to the bill, S. 2159, supra; as follows:

At the end of the bill, insert the following new title:

TITLE VIII—SANCTIONS POLICY REFORM ACT

SEC. 801. SHORT TITLE.

This title may be cited as the "Sanctions Policy Reform Act".

SEC. 802. PURPOSE.

It is the purpose of this title to establish an effective framework for consideration by the legislative and executive branches of unilateral economic sanctions in order to ensure coordination of United States policy with respect to trade, security, and human rights.

SEC. 803. STATEMENT OF POLICY.

It is the policy of the United States—

(1) to pursue United States interests through vigorous and effective diplomatic, political, commercial, charitable, educational, cultural, and strategic engagement with other countries, while recognizing that the national security interests of the United States may sometimes require the imposition of economic sanctions on other countries;

(2) to foster multilateral cooperation on vital matters of United States foreign policy, including promoting human rights and democracy, combating international terrorism, proliferation of weapons of mass destruction, and international narcotics trafficking, and ensuring adequate environmental protection;

(3) to promote United States economic growth and job creation by expanding exports of goods, services, and agricultural commodities, and by encouraging investment that supports the sale abroad of products and services of the United States;

(4) to maintain the reputation of United States businesses and farmers as reliable suppliers to international customers of quality products and services, including United States manufactures, technology products, financial services, and agricultural commodities;

(5) to avoid the use of restrictions on exports of agricultural commodities as a foreign policy weapon;

(6) to oppose policies of other countries designed to discourage economic interaction with countries friendly to the United States or with any United States national, and to avoid use of such policies as instruments of United States foreign policy; and

(7) when economic sanctions are necessary—

(A) to target them as narrowly as possible on those foreign governments, entities, and officials that are responsible for the conduct being targeted, thereby minimizing unnecessary or disproportionate harm to individuals who are not responsible for such conduct; and

(B) to the extent feasible, to avoid any adverse impact of economic sanctions on the humanitarian activities of United States and foreign nongovernmental organizations in a country against which sanctions are imposed.

SEC. 804. DEFINITIONS.

As used in this title:

(1) UNILATERAL ECONOMIC SANCTION.—

(A) IN GENERAL.—The term "unilateral economic sanction" means any prohibition, restriction, or condition on economic activity, including economic assistance, with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, including any of the measures described in subparagraph (B), except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other members of that regime have agreed to impose substantially equivalent measures.

(B) PARTICULAR MEASURES.—The measures referred to in subparagraph (A) are the following:

(i) The suspension, restriction, or prohibition of exports or imports of any product, technology, or service to or from a foreign country or entity.

(ii) The suspension of, or any restriction or prohibition on, financial transactions with a foreign country or entity.

(iii) The suspension of, or any restriction or prohibition on, direct or indirect investment in or from a foreign country or entity.

(iv) The imposition of increased tariffs on, or other restrictions on imports of, products of a foreign country or entity, including the denial, revocation, or conditioning of nondiscriminatory (most-favored-nation) trade treatment.

(v) The suspension of, or any restriction or prohibition on—

(I) the authority of the Export-Import Bank of the United States to give approval to the issuance of any guarantee, insurance, or extension of credit in connection with the export of goods or services to a foreign country or entity;

(II) the authority of the Trade and Development Agency to provide assistance in connection with projects in a foreign country or in which a particular foreign entity participates; or

(III) the authority of the Overseas Private Investment Corporation to provide insurance, reinsurance, financing, or conduct other activities in connection with projects in a foreign country or in which a particular foreign entity participates.

(vi) A requirement that the United States representative to an international financial institution vote against any loan or other utilization of funds to, for, or in a foreign country or particular foreign entity.

(vii) A measure imposing any restriction or condition on economic activity on any foreign government or entity on the ground that such government or entity does business in or with a foreign country.

(viii) A measure imposing any restriction or condition on economic activity on any person that is a national of a foreign country, or on any government or other entity of a foreign country, on the ground that the government of that country has not taken measures in cooperation with, or similar to, sanctions imposed by the United States on a third country.

(ix) The suspension of, or any restriction or prohibition on, travel rights or air transportation to or from a foreign country.

(x) Any restriction on the filing or maintenance in a foreign country of any proprietary interest in intellectual property rights (including patents, copyrights, and trademarks), including payment of patent maintenance fees.

(C) MULTILATERAL REGIME.—As used in this paragraph, the term "multilateral regime" means an agreement, arrangement, or obligation under which the United States cooperates with other countries in restricting commerce for reasons of foreign policy or national security, including—

(i) obligations under resolutions of the United Nations;

(ii) nonproliferation and export control arrangements, such as the Australia Group, the Nuclear Supplier's Group, the Missile Technology Control Regime, and the Wassenaar Arrangement;

(iii) treaty obligations, such as under the Chemical Weapons Convention, the Treaty on the Non-Proliferation of Nuclear Weapons, and the Biological Weapons Convention; and

(iv) agreements concerning protection of the environment, such as the International Convention for the Conservation of Atlantic Tunas, the Declaration of Panama referred to in section 2(a)(1) of the International Dolphin Conservation Act (16 U.S.C. 1361 note), the Convention on International Trade in Endangered Species, the Montreal Protocol on Substances that Deplete the Ozone Layer, and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes.

(D) ECONOMIC ASSISTANCE.—The term "economic assistance" means—

(i) any assistance under part I or chapter 4 of part II of the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2, relating to the Overseas Private Investment Corporation), other than—

(I) assistance under chapter 8 of part I of that Act,

(II) disaster relief assistance, including any assistance under chapter 9 of part I of that Act,

(III) assistance which involves the provision of food (including monetization of food) or medicine, or

(IV) assistance for refugees; and

(ii) the provision of agricultural commodities, other than food, under the Agricultural Trade Development and Assistance Act of 1954.

(E) FINANCIAL TRANSACTION.—As used in this paragraph, the term "financial transaction" has the meaning given that term in section 1956(c)(4) of title 18, United States Code.

(F) INVESTMENT.—As used in this paragraph, the term "investment" means any contribution or commitment of funds, commodities, services, patents, or other forms of intellectual property, processes, or techniques, including—

(i) a loan or loans;

(ii) the purchase of a share of ownership;

(iii) participation in royalties, earnings, or profits; and

(iv) the furnishing or commodities or services pursuant to a lease or other contract.

(G) EXCLUSIONS.—The term "unilateral economic sanction" does not include—

(i) any measure imposed to remedy unfair trade practices or to enforce United States rights under a trade agreement, including under section 337 of the Tariff Act of 1930, title VII of that Act, title III of the Trade Act of 1974, sections 1374 and 1377 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3103 and 3106), and section 3 of the Act of March 3, 1933 (41 U.S.C. 10b–1);

(ii) any measure imposed to remedy market disruption or to respond to injury to a domestic industry for which increased imports are a substantial cause or threat thereof, including remedies under sections 201 and 406 of the Trade Act of 1974, and textile import restrictions (including those imposed under section 204 of the Agricultural Act of 1956 (7 U.S.C. 1784));

(iii) any action taken under title IV of the Trade Act of 1974, including the enactment of a joint resolution under section 402(d)(2) of that Act;

(iv) any measure imposed to restrict imports of agricultural commodities to protect food safety or to ensure the orderly marketing of commodities in the United States, including actions taken under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624);

(v) any measure imposed to restrict imports of any other products in order to protect domestic health or safety;

(vi) any measure authorized by, or imposed under, a multilateral or bilateral trade agreement to which the United States is a signatory, including the Uruguay Round Agreements, the North American Free Trade Agreement, the United States-Israel Free Trade Agreement, and the United States-Canada Free Trade Agreement; and

(vii) any prohibition or restriction on the sale, export, lease, or other transfer of any defense article, defense service, or design and construction service under the Arms Export Control Act, or on any financing provided under that Act.

(2) NATIONAL EMERGENCY.—The term "national emergency" means any unusual or extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, or economy of the United States.

(3) AGRICULTURAL COMMODITY.—The term "agricultural commodity" has the meaning given that term in section 102(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5602(1)).

(4) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on Agriculture, the Committee on International Relations, the Committee on Ways and Means, and the Committee on Banking and Financial Services of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry, the Committee on Finance, and the Committee on Foreign Relations of the Senate.

(5) CONTRACT SANCTITY.—The term "contract sanctity", with respect to a unilateral economic sanction, refers to the inapplicability of the sanction to—

(A) a contract or agreement entered into before the sanction is imposed, or to a valid export license or other authorization to export; and

(B) actions taken to enforce the right to maintain intellectual property rights, in the foreign country against which the sanction is imposed, which existed before the imposition of the sanction.

(6) UNILATERAL ECONOMIC SANCTION LEGISLATION.—The term "unilateral economic sanction legislation" means a bill or joint resolution that imposes, or authorizes the imposition of, any unilateral economic sanction.

SEC. 805. GUIDELINES FOR UNILATERAL ECONOMIC SANCTIONS LEGISLATION.

It is the sense of Congress that any unilateral economic sanction legislation that is introduced in or reported to a House of Congress on or after the date of enactment of this Act should—

(1) state the foreign policy or national security objective or objectives of the United States that the economic sanction is intended to achieve;

(2) provide that the economic sanction terminate 2 years after it is imposed, unless specifically reauthorized by Congress;

(3) provide for contract sanctity;

(4) provide authority for the President both to adjust the timing and scope of the sanction and to waive the sanction, if the President determines it is in the national interest to do so;

(5)(A) target the sanction as narrowly as possible on foreign governments, entities, and officials that are responsible for the conduct being targeted;

(B) not include restrictions on the provision of medicine, medical equipment, or food; and

(C) seek to minimize any adverse impact on the humanitarian activities of United States and foreign nongovernmental organizations in any country against which the sanction may be imposed; and

(6) provide, to the extent that the Secretary of Agriculture finds, that—

(A) the proposed sanction is likely to restrict exports of any agricultural commodity or is likely to result in retaliation against exports of any agricultural commodity from the United States, and

(B) the sanction is proposed to be imposed, or is likely to be imposed, on a country or countries that constituted, in the preceding calendar year, the market for more than 3 percent of all export sales from the United States of an agricultural commodity, that the Secretary of Agriculture expand agricultural export assistance under United States market development, food assistance, or export promotion programs to offset the likely damage to incomes of producers of the affected agricultural commodity or commodities, to the maximum extent permitted by law and by the obligations of the United States under the Agreement on Agriculture referred to in section 101(d)(2) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(2)).

SEC. 806. REQUIREMENTS FOR UNILATERAL ECONOMIC SANCTIONS LEGISLATION.

(a) PUBLIC COMMENT.—Not later than 15 days prior to the consideration by the committee of primary jurisdiction of any unilateral economic sanction legislation, the chairman of the committee shall cause to be printed in the Congressional Record a notice that provides an opportunity for interested members of the public to submit comments to the committee on the proposed sanction.

(b) COMMITTEE REPORTS.—In the case of any unilateral economic sanction legislation that is reported by a committee of the House of Representatives or the Senate, the committee report accompanying the legislation shall contain a statement of whether the legislation meets all the guidelines specified in paragraphs (1) through (6) of section 805 and, if the legislation does not, an explanation of why it does not. The report shall also include a specific statement of whether the legislation includes any restrictions on the provision of medicine, medical equipment, or food.

(c) FLOOR CONSIDERATION IN THE HOUSE OF REPRESENTATIVES AND SENATE.—

(1) FLOOR CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—A motion in the House of Representatives to proceed to the consideration of any unilateral economic sanctions legislation shall not be in order unless the House has received in advance the appropriate report or reports under subsection (d).

(2) CONSIDERATION IN THE SENATE.—A motion in the Senate to proceed to the consideration of any unilateral economic sanctions legislation shall not be in order unless the Senate has received in advance the appropriate report or reports under subsection (d).

(d) REPORTS.—

(1) REPORT BY THE PRESIDENT.—Not later than 30 days after a committee of the House of Representatives or the Senate reports any unilateral economic sanction legislation or the House of Representatives or the Senate receives such legislation from the other House of Congress, the President shall submit to the House receiving the legislation a report containing—

(A) an assessment of—

(i) the likelihood that the proposed unilateral economic sanction will achieve its stated objective within a reasonable period of time; and

(ii) the impact of the proposed unilateral economic sanction on—

(I) humanitarian conditions, including the impact on conditions in any specific countries on which the sanction is proposed to be or may be imposed;

(II) humanitarian activities of United States and foreign nongovernmental organizations;

(III) relations with United States allies;

(IV) other United States national security and foreign policy interests; and

(V) countries and entities other than those on which the sanction is proposed to be or may be imposed;

(B) a description and assessment of—

(i) diplomatic and other steps the United States has taken to accomplish the intended objectives of the unilateral sanction legislation;

(ii) the likelihood of multilateral adoption of comparable measures;

(iii) comparable measures undertaken by other countries;

(iv) alternative measures to promote the same objectives, and an assessment of their potential effectiveness;

(v) any obligations of the United States under international treaties or trade agreements with which the proposed sanction may conflict;

(vi) the likelihood that the proposed sanction will lead to retaliation against United States interests, including agricultural interests; and

(vii) whether the achievement of the objectives of the proposed sanction outweighs any likely costs to United States foreign policy, national security, economic, and humanitarian interests, including any potential harm to United States business, agriculture, and consumers, and any potential harm to the international reputation of the United States as a reliable supplier of products, technology, agricultural commodities, and services.

(2) Report by the Secretary of Agriculture.—Not later than 30 days after a committee of the House of Representatives or the Senate reports any unilateral economic sanction legislation affecting the export of agricultural commodities from the United States or the House of Representatives or the Senate receives such legislation from the other House of Congress, the Secretary of Agriculture shall submit to the House receiving the legislation a report containing an assessment of—

(A) the extent to which any country or countries proposed to be sanctioned or likely to be sanctioned are markets that accounted for, in the preceding calendar year, more than 3 percent of all export sales from the United States of any agricultural commodity;

(B) the likelihood that exports of agricultural commodities from the United States will be affected by the proposed sanction or by retaliation by any country proposed to be sanctioned or likely to be sanctioned, and specific commodities which are most likely to be affected;

(C) the likely effect on incomes of producers of the specific commodities identified by the Secretary;

(D) the extent to which the proposed sanction would permit foreign suppliers to replace United States suppliers; and

(E) the likely effect of the proposed sanction on the reputation of United States farmers as reliable suppliers of agricultural commodities in general, and of the specific commodities identified by the Secretary.

(e) Rules of the House of Representatives and Senate.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such these rules are deemed a part of the rules of each House, respectively, and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

SEC. 807. REQUIREMENTS FOR EXECUTIVE ACTION.

(a) In General.—

(1) Announcement of intent.—Notwithstanding any other provision of law, the President may not implement any new unilateral economic sanction under any provision of law with respect to a foreign country or foreign entity, unless at least 45 days in advance of such implementation, the President publishes notice in the Federal Register of the President's intention to implement such sanction.

(2) New unilateral economic sanction.—For purposes of this section, the term "new unilateral economic sanction" means a unilateral economic sanction imposed pursuant to a law enacted after the date of enactment of this Act or a sanction imposed after such date of enactment pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

(b) Consultation.—The President shall consult with the appropriate congressional committees regarding a proposed new unilateral economic sanction, including consultations regarding efforts to achieve or increase multilateral cooperation on the issues or problems prompting the proposed sanction.

(c) Public Hearings; Record.—The President shall publish a notice in the Federal Register of the opportunity for interested persons to submit comments on the proposed new unilateral economic sanction.

(d) Requirements for Executive Branch Sanctions.—Any new unilateral economic sanction imposed by the President—

(1) shall—

(A) include an assessment of whether—

(i) the sanction is likely to achieve a specific United States foreign policy or national security objective within a reasonable period of time, which shall be specified; and

(ii) the achievement of the objectives of the sanction outweighs any costs to United States national interests;

(B) provide for contract sanctity;

(C) terminate not later than 2 years after the sanction is imposed, unless specifically extended by the President in accordance with the procedures of this section;

(D)(i) be targeted as narrowly as possible on foreign governments, entities, and officials that are responsible for the conduct being targeted; and

(ii) seek to minimize any adverse impact on the humanitarian activities of United States and foreign nongovernmental organizations in a country against which the sanction may be imposed; and

(E) not include any restriction on the provision of medicine, medical equipment, or food, other than restrictions imposed in response to national security threats, where multilateral sanctions are in place, or restrictions involving a country where the United States is engaged in armed conflict; and

(2) should provide, to the extent that the Secretary of Agriculture finds, that—

(A) a new unilateral economic sanction is likely to restrict exports of any agricultural commodity from the United States or is likely to result in retaliation against exports of any agricultural commodity from the United States, and

(B) the sanction is proposed to be imposed, or is likely to be imposed, on a country or countries that constituted, in the preceding calendar year, the market for more than 3 percent of all export sales from the United States of an agricultural commodity, that the Secretary of Agriculture expand agricultural export assistance under United States market development, food assistance, or export promotion programs to offset the likely damage to incomes of producers of the affected agricultural commodity or commodities, to the maximum extent permitted by law and by the obligations of the United States under the Agreement on Agriculture referred to in section 101(d)(2) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(2)).

(e) Report by the President.—

(1) In general.—Prior to imposing any new unilateral economic sanction, the President shall provide a report to the appropriate congressional committees on the proposed sanction. The report shall include the report of the International Trade Commission under subsection (g) (if timely submitted prior to the filing of the report). The President's report shall contain the following:

(A) An explanation of the foreign policy or national security objective or objectives intended to be achieved through the proposed sanction.

(B) An assessment of—

(i) the likelihood that the proposed new unilateral economic sanction will achieve its stated objectives within the stated period of time; and

(ii) the impact of the proposed new unilateral economic sanction on—

(I) humanitarian conditions, including the impact on conditions in any specific countries on which the sanction is proposed to be imposed;

(II) humanitarian activities of United States and foreign nongovernmental organizations;

(III) relations with United States allies;

(IV) other United States national security and foreign policy interests; and

(V) countries and entities other than those on which the sanction is proposed to be imposed.

(C) A description and assessment of—

(i) diplomatic and other steps the United States has taken to accomplish the intended objectives of the proposed sanction;

(ii) the likelihood of multilateral adoption of comparable measures;

(iii) comparable measures undertaken by other countries;

(iv) alternative measures to promote the same objectives, and an assessment of their potential effectiveness;

(v) any obligations of the United States under international treaties or trade agreements with which the proposed sanction may conflict;

(vi) the likelihood that the proposed sanction will lead to retaliation against United States interests, including agricultural interests; and

(vii) whether the achievement of the objectives of the proposed sanction outweighs any likely costs to United States foreign policy, national security, economic, and humanitarian interests, including any potential harm to United States business, agriculture, and consumers, and any potential harm to the international reputation of the United States as a reliable supplier of products, technology, agricultural commodities, and services.

(2) REPORT ON OTHER SANCTIONS.—In the case of any unilateral economic sanction that is imposed after the date of enactment of this Act, other than a new unilateral economic sanction described in subsection (a)(1) or a sanction that is a continuation of a sanction in effect on the date of enactment of this Act, the President shall not later than 30 days after imposing such sanction submit to Congress a report described in paragraph (1) relating to such sanction.

(f) REPORT BY THE SECRETARY OF AGRICULTURE.—Prior to the imposition of a new unilateral economic sanction by the President, the Secretary of Agriculture shall submit to the appropriate congressional committees a report that shall contain an assessment of—

(1) the extent to which any country or countries proposed to be sanctioned are markets that accounted for, in the preceding calendar year, more than 3 percent of all export sales from the United States of any agricultural commodity;

(2) the likelihood that exports of agricultural commodities from the United States will be affected by the proposed sanction or by retaliation by any country proposed to be sanctioned, including specific commodities which are most likely to be affected;

(3) the likely effect on incomes of producers of the specific commodities identified by the Secretary;

(4) the extent to which the proposed sanction would permit foreign suppliers to replace United States suppliers; and

(5) the likely effect of the proposed sanction on the reputation of United States farmers as reliable suppliers of agricultural commodities in general, and of the specific commodities identified by the Secretary.

(g) REPORT BY THE UNITED STATES INTERNATIONAL TRADE COMMISSION.—Before imposing a new unilateral economic sanction, the President shall make a timely request to the United States International Trade Commission for a report on the likely short-term and long-term costs of the proposed sanction to the United States economy, including the potential impact on United States trade performance, employment, and growth, the international reputation of the United States as a reliable supplier of products, agricultural commodities, technology, and services, and the economic well-being and international competitive position of United States industries, firms, workers, farmers, and communities.

(h) WAIVER IN CASE OF NATIONAL EMERGENCY.—The President may waive any of the requirements of subsections (a), (b), (c), (d)(1)(B), (e)(1), (f), and (g), in the event that the President determines that there exists a national emergency that requires the exercise of the waiver. In the event of such a waiver, the requirements waived shall be met during the 60-day period immediately following the imposition of the new unilateral economic sanction, and the sanction shall terminate 90 days after being imposed unless such requirements are met. The President may waive any of the requirements of paragraphs (1)(B), (1)(D), (1)(E), and (2) of subsection (d) in the event that the President determines that the new unilateral economic sanction is related to actual or imminent armed conflict involving the United States.

(i) SANCTIONS REVIEW COMMITTEE.—

(1) ESTABLISHMENT.—There is established within the executive branch of Government an interagency committee, which shall be known as the Sanctions Review Committee, which shall have the responsibility of coordinating United States policy regarding unilateral economic sanctions and of providing appropriate recommendations to the President prior to any decision regarding the implementation of any unilateral economic sanction. The Committee shall be composed of the following 11 members, and any other member the President deems appropriate:

(A) The Secretary of State.

(B) The Secretary of the Treasury.

(C) The Secretary of Defense.

(D) The Secretary of Agriculture.

(E) The Secretary of Commerce.

(F) The Secretary of Energy.

(G) The United States Trade Representative.

(H) The Director of the Office of Management and Budget.

(I) The Chairman of the Council of Economic Advisers.

(J) The Assistant to the President for National Security Affairs.

(K) The Assistant to the President for Economic Policy.

(2) CHAIR.—The President shall designate one of the members specified in paragraph (1) to serve as Chair of the Sanctions Review Committee.

(j) INAPPLICABILITY OF OTHER PROVISIONS.—This section applies notwithstanding any other provision of law.

(k) WAIVER OF ADVANCE ANNOUNCEMENT REQUIREMENT.—The President may waive the provisions of subsections (a)(1) and (c) in the case of any new unilateral economic sanction that involves freezing the assets of a foreign country or entity (or in the case of any other sanction) if the President determines that the national interest would be jeopardized by the requirements of this section.

SEC. 808. ANNUAL REPORTS.

(a) ANNUAL REPORT.—Not later than 6 months after the date of enactment of this Act, and annually thereafter, unless otherwise required under existing law, the President shall submit to the appropriate congressional committees a report detailing with respect to each country or entity against which a unilateral economic sanction has been imposed—

(1) the extent to which the sanction has achieved foreign policy or national security objectives of the United States with respect to that country or entity;

(2) the extent to which the sanction has harmed humanitarian interests in that country, the country in which that entity is located, or in other countries; and

(3) the impact of the sanction on other national security and foreign policy interests of the United States, including relations with countries friendly to the United States, and on the United States economy.

(b) REPORT BY THE UNITED STATES INTERNATIONAL TRADE COMMISSION.—Not later than 6 months after the date of enactment of this Act, and annually thereafter, the United States International Trade Commission shall report to the appropriate congressional committees on the costs, individually and in the aggregate, of all unilateral economic sanctions in effect under United States law, regulation, or Executive order. The calculation of such costs shall include an assessment of the impact of such measures on the international reputation of the United States as a reliable supplier of products, agricultural commodities, technology, and services.

On page 60, strike lines 4 through 11 and insert the following:

SEC. 717. None of the funds made available by this Act may be used to provide assistance under, or to pay the salaries of personnel who carry out, a market promotion or market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623).

BRYAN (AND OTHERS) AMENDMENT NO. 3157

Mr. BRYAN (for himself, Mr. REID, Mr. GREGG, Mr. FEINGOLD, and Mr. KERRY) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 60, strike lines 4 through 11 and insert the following:

SEC. 717. None of the funds made available by this Act may be used to provide assistance under, or to pay the salaries of personnel who carry out, a market promotion or market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623).

DODD (AND OTHERS) AMENDMENT NO. 3158

Mr. DODD (for himself, Mr. WARNER, Mr. ROBERTS, Mr. HAGEL, Mr. DORGAN, Mr. GRAMS, and Mr. HARKIN) proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place in the bill at the following new section:

SEC. (A) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targetted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines, and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) EXCLUSION FROM SANCTIONS. Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS. Section (B)(1) of this section shall not apply to any regulations or restrictions of such products for health or safety purposes or during periods of domestic shortages of such products.

(C) EFFECTIVE DATE. This section shall take effect on the date of enactment of this act.

ROBERTS AMENDMENT NO. 3159

Mr. ROBERTS proposed an amendment to amendment No. 3158 proposed by Mr. DODD to the bill, S. 2159, supra; as follows:

Strike all after the first word in the pending amendment and insert in lieu thereof the following:

"(A) Findings.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targetted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of U.S. policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(B)(1) Exclusion From Sanctions.—Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) Exceptions.—Section (B)(1) of this section shall not apply to any regulations or restrictions with respect to such products for health or safety purposes or during periods of domestic shortages of such products.

(C) Effective Date.—This section shall take effect one day after the date of enactment of this section into law.".

TORRICELLI (AND GRAHAM) AMENDMENT NO. 3160

Mr. TORRICELLI (for himself and Mr. Graham) proposed an amendment to amendment No. 3158 proposed by Mr. Dodd to the bill, S. 2159, supra; as follows:

At the end of the amendment add the following:

Notwithstanding any other provision of this section Section B(2) shall read as follows:

(2) Exceptions. Section (B)(1) of this section shall not apply to any country that—

(1) repeatedly provided support for acts of international terrorism, within the meaning of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)); or

(2) systematically denies access to food, medicine, or medical care to persons on the basis of political beliefs or as a means of coercion or punishment; or to

(3)

KERREY (AND OTHERS) AMENDMENT NO. 3161

Mr. KERREY (for himself, Mr. Daschle, Mr. Johnson, Mr. Conrad, Mr. Dorgan, Mr. Wellstone, Mr. Baucus, and Mr. Harkin) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23 add the following:

SEC. 7___. LIVESTOCK INDUSTRY IMPROVEMENT.

(a) Domestic Market Reporting.—

(1) In general.—Section 203(g) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(g)) is amended—

(A) by striking "(g) To" and inserting the following:

"(g) Collection and Dissemination of Marketing Information.—

"(1) In general.—The Secretary shall"; and

(B) by adding at the end the following:

"(2) Domestic market reporting.—

"(A) Mandatory reporting pilot program.—

"(i) In general.—The Secretary shall conduct a 3-year pilot program under which the Secretary shall require any person or class of persons engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to report to the Secretary in such manner as the Secretary shall require, such information relating to prices and the terms of sale for the procurement of livestock, livestock products, meat, or meat products in an unmanufactured form as the Secretary determines is necessary to carry out this subsection.

"(ii) Noncompliance.—It shall be unlawful for a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to knowingly fail or refuse to provide to the Secretary information required to be reported under subparagraph (A).

"(iii) Cease and desist and civil penalty.—

"(I) In general.—If the Secretary has reason to believe that a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form is violating the provisions of subparagraph (A) (or regulation promulgated under subparagraph (A)), the Secretary after notice and opportunity for hearing, may make an order to cease and desist from continuing the violation and assess a civil penalty of not more than $10,000 for each violation.

"(II) Considerations.—In determining the amount of a civil penalty to be assessed under clause (i), the Secretary shall consider the gravity of the offense, the size of the business involved, and the effect of the penalty on the ability of the person to continue in business.

"(iv) Referral to attorney general.—If, after expiration of the period for appeal or after the affirmance of a civil penalty assessed under clause (iii), the person against whom the civil penalty is assessed fails to pay the civil penalty, the Secretary may refer the matter to the Attorney General, who may recover the amount of the civil penalty in a civil action in United States district court.

"(B) Voluntary reporting.—The Secretary shall encourage voluntary reporting by persons engaged in the business of buying, selling, or marketing livestock, livestock products, meats, or meat products in an unmanufactured form that are not subjected to a mandatory reporting requirement under subparagraph (A).

"(C) Availability of information.—The Secretary shall make information received under this paragraph available to the public only in a form that ensures that—

"(i) the identity of the person submitting a report is not disclosed; and

"(ii) the confidentiality of proprietary business information is otherwise protected.

"(D) Effect on other laws.—Nothing in this paragraph restricts or modifies the authority of the Secretary to collect voluntary reports in accordance with other provisions of law.".

(2) Technical amendment.—Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended—

(A) by striking "The Secretary is directed and authorized:"; and

(B) in the first sentence of each of subsections (a) through (f) and subsections (h) through (n), by striking "To" and inserting "The Secretary shall".

(b) Prohibition on Noncompetitive Practices.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) in subsection (g), by striking the period at the end and inserting "; or"; and

(2) by adding at the end the following:

"(h) Engage in any practice or device that the Secretary by regulation, after consultation with producers of cattle, lamb, and hogs, and other persons in the cattle, lamb, and hog industries, determines is a detrimental noncompetitive practice or device relating to the price or a term of sale for the procurement of livestock or the sale of meat or other byproduct of slaughter.".

(c) Protection of Livestock Producers Against Retaliation by Packers.—

(1) Retaliation prohibited.—Section 202(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(b)), is amended—

(A) by striking "or subject" and inserting "subject"; and

(B) by inserting before the semicolon at the end the following: ", or retaliate against any livestock producer on account of any statement made by the producer (whether made to the Secretary or a law enforcement agency or in a public forum) regarding an action of any packer".

(2) Special requirements regarding allegations of retaliation.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193), is amended by adding at the end the following:

"(e) Special Procedures Regarding Allegations of Retaliation.—

"(1) Consideration by special panel.—The President shall appoint a special panel consisting of 3 members to receive and initially consider a complaint submitted by any person that alleges prohibited packer retaliation under section 202(b) directed against a livestock producer.

"(2) Complaint; hearing.—If the panel has reason to believe from the complaint or resulting investigation that a packer has violated or is violating the retaliation prohibition under section 202(b), the panel shall notify the Secretary who shall cause a complaint to be issued against the packer, and a hearing conducted, under subsection (a).

"(3) Evidentiary standard.—In the case of a complaint regarding retaliation prohibited under section 202(b), the Secretary shall find that the packer involved has violated or is violating section 202(b) if the finding is supported by a preponderance of the evidence.".

(3) Damages for producers suffering retaliation.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193) (as amended by subsection (b)), is amended by adding at the end the following:

"(f) Damages for Producers Suffering Retaliation.—

"(1) In general.—If a packer violates the retaliation prohibition under section 202(b), the packer shall be liable to the livestock producer injured by the retaliation for not more than 3 times the amount of damages sustained as a result of the violation.

"(2) Enforcement.—The liability may be enforced either by complaint to the Secretary, as provided in subsection (e), or by suit in any court of competent jurisdiction.

"(3) Other remedies.—This subsection shall not abridge or alter a remedy existing at common law or by statute. The remedy provided by this subsection shall be in addition to any other remedy.".

(d) Review of Federal Agriculture Credit Policies.—

The Secretary of Agriculture, in consultation with the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of the Farm Credit Administration, shall establish an interagency working group to study—

(1) the extent to which Federal lending practices and policies have contributed, or are contributing, to market concentration in the livestock and dairy sectors of the national economy; and

(2) whether Federal policies regarding the financial system of the United States adequately take account of the weather and price volatility risks inherent in livestock and dairy enterprises.

GRAHAM (AND MACK) AMENDMENT NO. 3162

Mr. GRAHAM (for himself and Mr. Mack) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 29, after line 21, add the following:

DISASTER ASSISTANCE

For necessary expenses to provide assistance to agricultural producers in a county with respect to which a disaster or emergency was declared by the President or the Secretary of Agriculture by July 15, 1998, as a result of drought and fire, through—

(1) the forestry incentives program established under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.), $9,000,000;

(2) a livestock indemnity program carried out in accordance with part 1439 of title 7, Code of Federal Regulations, $300,000;

(3) the emergency conservation program authorized under sections 401, 402, and 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201, 2202, 2204), $2,000,000; and

(4) the disaster reserve assistance program established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $10,000,000; to remain available until expended: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

COVERDELL AMENDMENT NO. 3163

Mr. COCHRAN (for Mr. Coverdell) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 14, line 17 before the period, insert the following:

": *Provided*, That of the $2,000,000 made available for a food safety competitive research program at least $550,000 shall be available for research on E.coli:0157H7.

DEWINE (AND HUTCHINSON) AMENDMENT NO. 3164

Mr. COCHRAN (for Mr. DeWine for himself and Mr. Hutchinson) proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place in title VII, insert the following:

SEC. . METERED-DOSE INHALERS.

(a) Findings.—Congress finds that—

(1) the Montreal Protocol on Substances That Deplete the Ozone Layer (referred to in this section as the "Montreal Protocol") requires the phaseout of products containing ozone-depleting substances, including chloroflourocarbons;

(2) the primary remaining legal use in the United States of newly produced chloroflourocarbons is in metered-dose inhalers;

(3) treatment with metered-dose inhalers is the preferred treatment for many patients with asthma and chronic obstructive pulmonary disease;

(4) the incidence of asthma and chronic obstructive pulmonary disease is increasing in children and is most prevalent among low-income persons in the United States;

(5) the Parties to the Montreal Protocol have called for development of national transition strategies to non-chloroflourocarbon metered-dose inhalers;

(6) the Commissioner of Food and Drugs published an advance notice of proposed rulemaking that suggested a tentative framework for how to phase out the use of metered-dose inhalers that contain chloroflourocarbons in the Federal Register on March 6, 1997, 62 Fed. Reg. 10242 (referred to in this section as the "proposal"); and

(7) the medical and patient communities, while calling for a formal transition strategy issued by the Food and Drug Administration by rulemaking, have expressed serious concerns that the proposal, if implemented without change, could potentially place some patients at risk by causing the removal of metered-dose inhalers containing chloroflourocarbons from the market before adequate non-chlorofluorocarbon replacements are available.

(b) Sense of Congress.—It is the sense of Congress that—

(1) the Food and Drug Administration should, in consultation with the Environmental Protection Agency, assess the risks and benefits to the environment and to patient health of the proposal and any alternatives;

(2) in conducting such assessments, the Food and Drug Administration should consult with patients, physicians, other health care providers, manufacturers of metered-dose inhalers, and other interested parties;

(3) using the results of these assessments and the information contained in the comments FDA has received on the proposal, the Food and Drug Administration should promptly issue a rule ensuring that a range of non-chloroflourocarbon metered-dose inhaler alternatives is available for users, comparable to existing treatments in terms of safety, efficacy, and other appropriate parameters necessary to meet patient needs, which rule should not be based on a therapeutic class phaseout approach; and

(4) the Food and Drug Administration should issue a proposed rule described in paragraph (3) not later than May 1, 1999.

HARKIN (AND GRASSLEY) AMENDMENT NO. 3165

Mr. COCHRAN (for Mr. Harkin for himself and Mr. Grassley) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 20, line 7, strike "expended" and insert: "expended: *Provided*, That the Animal and Plant Health Inspection Service shall enter into a cooperative agreement for construction of a Federal large animal biosafety level-3 containment facility in Iowa".

COCHRAN AMENDMENT NO. 3166

Mr. COCHRAN proposed an amendment to the bill, S. 2159, supra; as follows:

On page 31, line 4, after strike "$638,231,000" and inset in lieu thereof "$638,664,000".

KEMPTHORNE (AND OTHERS) AMENDMENT NO. 3167

Mr. COCHRAN (for Mr. Kempthorne for himself, Mr. Baucus, Mr. Craig, Mr. Johnson, Mr. Thomas, Mr. Faircloth, and Mr. Dorgan) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 14, line 5, after the semicolon, insert "$1,000,000 for a secondary agriculture education program (7 U.S.C. 3152(h));".

On page 14, line 17, strike "$436,082,000" and insert "$437,082,000."

On page 35, line 7, strike "$703,601,000" and insert "$702,601,000."

BRYAN AMENDMENT NO. 3168

Mr. COCHRAN (for Mr. Bryan) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. 7 . REPORT ON MARKET ACCESS PROGRAM.

(a) In General.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Comptroller General of the United States, shall submit to the committees of Congress specified in subsection (c) a report that, as determined by the Secretary—

(1)(A) analyzes the costs and benefits of programs carried out under that section in compliance with the cost-benefit analysis guidelines established by the Office of Management and Budget in Circular A-94, dated October 29, 1992; and

(B) in any macroeconomic studies, treats resources in the United States as if the resources were likely to be fully employed;

(2) considers all potential costs and benefits of the programs carried out under that section, specifically noting potential distortions in the economy that could lower national output of goods and services and employment;

(3) estimates the impact of programs carried out under that section on the agricultural sector and on consumers and other sectors of the economy in the United States;

(4) considers costs and benefits of operations relating to alternative uses of the budget for the programs under that section;

(5)(A) analyzes the relation between the priorities and spending levels of programs carried out under that section and the privately funded market promotion activities undertaken by participants in the programs; and

(B) evaluates the spending additionality for participants resulting from the program;

(6) conducts an analysis of the amount of export additionality for activities financed under programs carried out under that section in sponsored countries controlling for relevant variables, including—

(A) information on the levels of private expenditures for promotion;

(B) government promotion by competitor nations;

(C) changes in foreign and domestic supply conditions;

(D) changes in exchange rates; and

(E) the effect of ongoing trade liberalization;

(7) provides an evaluation of the sustainability of promotional effort in sponsored markets for recipients in the absence of government subsidies.

(b) EVALUATION BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall submit an evaluation of the report to the committees specified in subsection (C).

(c) COMMITTEES OF CONGRESS.—The committees of Congress referred to in subsection (a) are—

(1) the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(2) the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

GRAHAM (AND MACK) AMENDMENT NO. 3169

Mr. COCHRAN (for Mr. GRAHAM, for himself and Mr. MACK) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 19, line 10, before the period, insert the following: ": *Provided further*, That, of the amounts made available under this heading, not less than $22,970,000 shall be used for fruit fly exclusion and detection".

On page 19, line 23, strike "$95,000,000" and insert "$93,000,000".

JOHNSON (AND BURNS) AMENDMENT NO. 3170

Mr. COCHRAN (for Mr. JOHNSON for himself and Mr. BURNS) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23 add the following:

TITLE VIII—MEAT LABELING

SEC. 801. DEFINITIONS.

Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

"(w) BEEF.—The term 'beef" means meat produced from cattle (including veal).

"(x) LAMB.—The term 'lamb' means meat, other than mutton, produced from sheep.

"(y) BEEF BLENDED WITH IMPORTED MEAT.—The term 'beef blended with imported meat' means ground beef, or beef in another meat food product, that contains United States beef and any imported meat.

"(z) LAMB BLENDED WITH IMPORTED MEAT.—The term 'lamb blended with imported meat' means ground meat, or lamb in another meat food product, that contains United States lamb and any imported meat.

"(aa) IMPORTED BEEF.—The term 'imported beef' means any beef, including any fresh muscle cuts, ground meat, trimmings, and beef in another meat food product, that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

"(bb) IMPORTED LAMB.—The term 'imported lamb' means any lamb, including any fresh muscle cuts, ground meat, trimmings, and lamb in another meat food product, that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

"(cc) UNITED STATES BEEF.—

"(1) IN GENERAL.—The term 'United States beef' means beef produced from cattle slaughtered in the United States.

"(2) EXCLUSIONS.—The term 'United States beef' does not include—

"(A) beef produced from cattle imported into the United States in sealed trucks for slaughter;

"(B) beef produced from imported carcasses;

"(C) imported beef trimmings; or

"(D) imported boxed beef.

"(dd) UNITED STATES LAMB.—

"(1) IN GENERAL.—The term 'United States lamb' means lamb, except mutton, produced from sheep slaughtered in the United States.

"(2) EXCLUSIONS.—The term 'United States lamb' does not include—

"(A) lamb produced from sheep imported into the United States in sealed trucks for slaughter;

"(B) lamb produced from an imported carcass;

"(C) imported lamb trimmings; or

"(D) imported boxed lamb.".

SEC. 802. LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.

(a) LABELING REQUIREMENT.—

(1) IN GENERAL.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended by adding at the end the following:

"(13)(A) If it is imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb and is not accompanied by labeling that identifies it as imported beef or imported lamb.

"(B) If it is United States beef or United States lamb offered for retail sale, or offered and intended for export as fresh muscle cuts of beef or lamb, and is not accompanied by labeling that identifies it as United States beef or United States lamb.

"(C) If it is United States or imported ground beef or other processed beef or lamb product and is not accompanied by labeling that identifies it as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States beef and imported beef United States lamb and imported lamb or contained in the product, as determined by the Secretary under section 7(g).".

(2) CONFORMING AMENDMENT.—Section 20(a) of the Federal Meat Inspection Act (21 U.S.C. 620(a)) is amended by adding at the end the following: "All imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb shall be plainly and conspicuously marked, labeled, or otherwise identified as imported beef or imported lamb.".

(b) GROUND OR PROCESSED BEEF AND LAMB.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

"(g) GROUND OR PROCESSED BEEF AND LAMB.—

"(1) VOLUNTARY LABELING.—Subject to paragraph (2), the Secretary shall provide by regulation for the voluntary labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

"(2) MANDATORY LABELING.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 18 months after the date of enactment of this subsection, the Secretary shall provide by regulation for the mandatory labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

"(B) APPLICATION.—Subparagraph (A) shall not apply to the extent the Secretary determines that the costs associated with labeling under subparagraph (A) would result in an unreasonable burden on producers, processors, retailers, or consumers.".

(c) GROUND BEEF AND GROUND LAMB LABELING STUDY.—

(1) IN GENERAL.—The Secretary of Agriculture shall conduct a study of the effects of the mandatory use of imported, blended, or percentage content labeling on ground beef, ground lamb, and other processed beef or lamb products made from imported beef or imported lamb.

(2) COSTS AND RESPONSES.—The study shall be designed to evaluate the costs associated with and consumer response toward the mandatory use of labeling described in paragraph (1).

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report the findings of the study conducted under paragraph (1) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 803. REGULATIONS.

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to carry out the amendments made by this title.

HOMEOWNERS PROTECTION ACT OF 1998

SANTORUM (AND SPECTER) AMENDMENT NO. 3171

Mr. DEWINE (for Mr. SANTORUM for himself and Mr. SPECTER) proposed an amendment to the bill (S. 318) to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes; as follows:

SEC. . Section 481(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(4)) is amended by—

(1) inserting the subparagraph designation "(A)" immediately after the paragraph designation "(4)";

(2) redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(3) adding at the end thereof the following new subparagraph:

"(B) Subparagraph (A)(i) shall not apply to a nonprofit institution whose primary function is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under Chapter 11 of Title 11 of the United States Code between July 1 and December 31, 1998."

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a full committee hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, July 22, 1998 at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to consider the nomination of Bill Richardson to be Secretary of the Department of Energy.

For further information, please contact Gary Ellsworth of the Committee staff at (202) 224-7141.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the full committee business meeting of the Committee on Energy and Natural Resources originally scheduled for Wednesday, July 22, 1998 has been rescheduled for Wednesday, July 29, 1998.

The business meeting will take place at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please contact Gary Ellsworth of the Committee staff at (202) 224-7141.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, July 15, 1998, to conduct a hearing on the practice of automated teller machine surcharging.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, July 15, 1998, at 2:00 p.m. on S. 2107—Government Paperwork Elimination Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, July 15, for purposes of conducting a full committee hearing which is scheduled to begin at 9:00 a.m. The purpose of this hearing is to receive testimony on H.R. 856, a bill to provide a process leading to full self-government for Puerto Rico; and S. 472, a bill to provide for referenda in which the residents of Puerto Rico may express democratically their preferences regarding the political status of the territory, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be granted permission to conduct a hearing Wednesday, July 15, 11:00 a.m., Hearing Room (SD-406), to receive testimony from Nikki L. Tinsley, nominated by the President to be Inspector General, Environmental Protection Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, July 15, 1998 at 10:30 am for a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, July 15, 1998 at 9:30 a.m. to Mark-Up the following: S. 1905, Cheyenne River Sioux Compensation; S. 391, Mississippi Sioux Judgment Funds; H.R. 700, Agua Caliente and S. 109, Native Hawaiian Housing. Immediately following the Mark-Up the Committee will hold a HEARING on S. 2097, Indian Tribal Conflict Resolution and Tort Claims and Risk Management Act of 1998. The meeting/hearing will be held in room G-50 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 15, 1998 at 9:00A.M. in room 226 of the Senate Dirksen Office Building to hold a hearing on: "Department of Justice Oversight."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate for a hearing entitled "Home Health Care: Can Small Agencies Survive New Regulations?" the hearing will begin at 9:45 a.m. on Wednesday, July 15, 1998, in room 428A Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, July 15, 1998 at 2:30 p.m. to hold an open hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Special Committee on Aging be permitted to meet on July 15, 1998 at 1:30 to 5:00 p.m. in Dirksen 628 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EUROPEAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on European Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 15, 1998 at 2:00 pm to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

EARTH SCIENCE WEEK

• Mr. WYDEN. Mr. President, in the nineteenth century, Merriwether Lewis and William Clark explored the western reaches of our expanding country. As they explored my home region of the Pacific Northwest, Lewis and Clark cataloged the mineral and natural resources of the land. In particular, they spoke of a mighty river known to the local inhabitants as Nch'i Wana, the Great River. We know it today as the Columbia River and its importance as a reliable source of water and power to the people of the Pacific Northwest is undeniable.

When Twentieth Century American explorers embarked on a similar journey to explore the Moon, one of their earliest actions was to bend down to the surface and pick up a rock. That simple movement framed an ancient reflex that underscores the basic imperative to explore our surroundings. Today, I want to recognize the important role played by the earth sciences in expanding our economy, supporting our national goals, and increasing our knowledge of the larger world.

Modern geophysical research reveals that ours is a dynamic planet. On the Earth's surface, great tectonic plates shift continental positions with terrific force. On the ocean's surface, microscopic plants and animals help regulate global atmospheric gases and serve as the foundation of our planet's food web. In the deep ocean abyss, mysterious and wondrous animal communities thrive in endless darkness by deriving life-sustaining nutrients from active volcanic vents.

Earth science is a global science that speaks a global language and unites people by promoting sustainable development. The study of earth science provides the skills necessary for locating and utilizing natural resources, understanding natural processes that often conflict with human designs, and comprehending our natural heritage through the unusual perspective of geologic time. The unique panorama of geologic time allows us to observe the full range of natural processes on Earth and aids in developing a comprehensive view of the natural world beyond a perspective limited only to that of human influence.

In my home state of Oregon, we celebrate the land and respect the power of nature. We have learned to protect our citizens and expand our economy by working with nature and prudently mitigating natural hazards. In consideration of the importance of the earth sciences in the daily lives of all Americans, I submit, for the RECORD, the resolution issued by the Association of American State Geologists.

The resolution follows:

Whereas the earth sciences are fundamental to society; and

Whereas the earth sciences are integral to finding, developing, and conserving mineral, energy, and water resources needed for society; and

Whereas the earth sciences promote public safety by preparing for and mitigating natural hazards such as floods, landslides, earthquakes, volcanic eruptions, sinkholes, and coastal erosion; and

Whereas the earth sciences are crucial to environmental and ecological issues ranging from climate change and water and air quality to waste disposal; and

Whereas geological factors of resources, hazards, and environment are vital to land management and land use decisions at local, state, regional, national, and international levels; and

Whereas the earth sciences contribute critical information that enhances our understanding of Nature,

Therefore, be it resolved that the second full week of October henceforth be designated as Earth Science Week.•

DR. BOB LEFTWICH

• Mr. COVERDELL. Mr. President, I rise today to commend the exemplary efforts of Dr. Bob Leftwich, a school councelor in Ellijay, Georgia. Over the past years, Dr. Leftwich has worked with students in his area by talking to them about life and their futures. In his discussions, he has urged students to be the very best they can be and to make firm commitments to excellence.

Dr. Leftwich is a prime example of a hero in my book. He is a committed advocate for young people and the freedoms they can achieve through hard work and perseverance.

It is people like Bob, with the motivation he brings to our students, who will be remembered when these students are the leaders of our great nation. They will no doubt look back and remember the impact that this individual had on their lives. And hopefully they will follow his lead by getting involved with young people themselves.

Once again, Mr. President, I would like to thank Dr. Leftwich for his dedication to excellence. His work should serve as an encouragement to others to become more involved with the education of our nation's youth.•

NEBRASKA GIRL SCOUT GOLD AWARD RECIPIENTS

• Mr. KERREY. Mr. President, I would like to recognize seventeen outstanding young Nebraska women who have been honored with the Girl Scout Gold Award, the highest achievement award a U.S. Girl Scout can attain.

The Girl Scout Gold Award symbolizes outstanding accomplishment in leadership, community service, career planning, and personal development. This year's winners completed projects such as creating a multicultural mural at a local school; cleaning, rust-proofing, and painting bathhouses at Two Rivers State Park; and building a large scale doll house that will teach independent living skills to children at the Hattie B. Munroe Center. The Nebraska recipients were honored by the Great Plains Girl Scout Council in Omaha, Nebraska.

Girl Scouts of the U.S.A., an organization serving over two and a half million girls, has awarded more than 20,000 Girl Scout Gold Awards to Senior Girls Scouts since the inception of the program in 1980. The Gold Award represents the culmination of the achievement of many goals.

I would today like to honor these Nebraskans for their exceptional efforts in attaining the Gold Award: Megan Rachel Adams, Alyssa Ann Arthur, Gina R. Dowis, Elizabeth Ann Holland, Melody E. Jones, Sara Anne Jones, Kjirsten R. Kellogg, Stefanie Kudera, Tera R. Maeder, Katie Michalski, Stephanie Jane Patton, Kelly Peters, Marie Roscoe, Melissa Jo Scurlock, Elizabeth A. Sigler, Karianne Sis, and Samantha Waterman. I salute them for their significant service to their community and our country.•

NELSON MANDELA CONGRESSIONAL GOLD MEDAL ACT

• Mr. D'AMATO. Mr. President, I rise to make a few comments regarding the passage of H.R. 3156 late yesterday. This bill authorizes the President to present, on behalf of Congress, the Congressional Gold Medal to Nelson Mandela. I am very pleased that the Senate has acted swiftly to pass this legislation.

The Congressional Gold Medal is the highest honor that the United States Congress may bestow on a civilian. This prestigious award has been bestowed on a variety of people whose leadership and lives have left an indelible impression on our great nation. President Mandela is without a doubt, one of those persons who has earned our recognition through his leadership in the quest for freedom and equality.

His ongoing struggle for such noble causes has carried the people of South Africa into a new era. And, his compassion for the downtrodden has been felt around the world uplifting all people suffering from oppression.

Mr. President, I would like to thank the ranking member of the Senate Banking Committee, Senator SARBANES for his efforts in seeing this legislation through the Senate in an expedited manner. I would also like to thank Congressman HOUGHTON for first introducing this bill, H.R. 3156, in the House and for all of his hard work and leadership.•

TRIBUTE TO ED WILLIAMS

• Mr. CLELAND. Mr. President, I rise today to honor Ed Williams of Valdosta, Georgia, a man who has dedicated more than three decades of his life to bringing a Veterans Clinic to the Valdosta area. His dreams and hard work were realized with the April 28, 1998 opening and dedication of the new Valdosta Veterans Health Care Clinic.

Ed is one of the few survivors of the original group of veterans who began working to bring a veterans clinic to Valdosta 35 years ago. I commend and graciously thank Ed Williams for all of his determination and hard work over the years in bringing this clinic to Valdosta.

The Valdosta Veterans Health Care Clinic, located at 2123 N. Ashley St. in Valdosta, will serve the 7,000 veterans in Lowndes County and almost 5,000 veterans in the surrounding counties. The veterans of Georgia owe Mr. Williams the deepest gratitude and appreciation for his tireless efforts to secure the new facility.

Mr. President, I would like to acknowledge and honor Ed Williams for his outstanding and innumerable contributions over the years to the Valdosta area, to the State of Georgia and to our Nation. He has dedicated his life to inspiring and improving us all, and I ask my colleagues to join me in saluting and congratulating Ed Williams on the opening of the Valdosta Veterans Health Care Clinic. It is great to see all of Ed's hard work pay off!•

CHILD CUSTODY PROTECTION

• Mr. ABRAHAM. Mr. President, I rise to bring to my colleagues' attention an opinion piece from the New York Times by Bruce A. Lucero. Mr. Lucero until recently owned and operated the "New Woman, All Women Health Care" abortion clinic and remains, in his words, "staunchly pro-choice." He also supports my Child Custody Protection Act, S. 1645, currently being marked-up in the Judiciary Committee. This article shows, I believe, that even strong pro-choice advocates have good reason to join with those of us who are pro-life in supporting parental involvement in their daughters' decision whether or not to have an abortion.

In his article, Mr. President, Mr. Lucero points out that the Child Custody Protection Act is important for the health of teen-age girls across America. By making it illegal for anyone to take a minor across state lines for an abortion without first meeting the home state's parental notification requirements, this Act sees to it that parents are involved in their daughter's critical medical decision of whether to have an abortion. Where teen-agers cannot consult their parents, for example because of abuse, a judge may waive the parental notification requirement. But as Mr. Lucero points out, parents almost always are the best source of emotional support and financial assistance for girls facing unplanned pregnancies. In addition, teen-age girls who avoid consulting their parents too often end up having later term, more dangerous procedures and avoiding necessary follow-up care. These factors combine to increase medical risks significantly for teen-age girls who undergo secret abortions.

Mr. Lucero calls for people on both sides of the abortion issue to join in supporting the Child Custody Protection Act. As he states, "The only way we can and should keep abortions legal is to keep them safe. To fight laws that would achieve this does no one any good—not the pregnant teen-agers, the parents or the pro-choice movement."

I hope my colleagues on both sides of the aisle and on both sides of the abortion issue will take seriously Mr. Lucero's point, that the health and well-being of the teen-age girls of America is too important to allow ideology to keep their parents from fully participating in crucial decisions such as whether or not to have an abortion, and I urge them to support S. 1645, the Child Custody Protection Act.

I ask that the full text of Mr. Lucero's article be printed in the RECORD.

The article follows:

[From the New York Times, July 12, 1998]

PARENTAL GUIDANCE NEEDED

(By Bruce A. Lucero)

Alexandria, VA.—I am a doctor who performed some 45,000 abortions during 15 years in practice in Alabama. Even though I no longer perform abortions, I am still staunchly pro-choice.

But I find that I disagree with many in the pro-choice movement on the issue of parental notification laws for teen-agers. Specifically, I support the Child Custody Protection bill now being considered by Congress. Under the legislation, it would be illegal for anyone to accompany a minor across state lines for an abortion if that minor failed to meet the requirement for parental consent or notification in her home state.

The legislation, which the House is scheduled to vote on this week, is important not only to the health of teen-age girls, but to the pro-choice movement as well.

Opponents of the measure believe that the bill would simply extend the reach of a state's parental notification or consent law to other states. And they claim that teen-agers would resort to unsafe abortions rather than tell their parents.

In truth, however, in most cases a parent's input is the best guarantee that a teen-ager will make a decision that is correct for her—be it abortion, adoption or keeping the baby. And it helps guarantee that if a teen-ager chooses an abortion, she will receive appropriate medical care.

In cases where teen-agers can't tell their parents—because of abuse, for instance—parental notification laws allow teen-agers to petition a judge for a waiver.

Society has always decided at what age teen-agers should have certain rights—be it the right to drive a car or the right to vote. In the same way, society should determine at what age a minor has the right to an abortion without notifying their parents.

In almost all cases, the only reason that a teen-age girl doesn't want to tell her parents about her pregnancy is that she feels ashamed and doesn't want to let her parents down.

But parents are usually the ones who can best help that teen-ager consider her options. And whatever the girl's decision, parents can provide the necessary emotional support and financial assistance. Even in a conservative state like Alabama, I found that parents were almost always supportive.

If a teen-ager seeks an abortion out of state, however, things become infinitely more complicated. Instead of telling her parents, she may delay her abortion and try to scrape together enough money—usually $150 to $300—herself. As a result, she often waits too long and then has to turn to her parents for help to pay for a more expensive and riskier second-trimester abortion.

Also, patients who receive abortions at out-of-state clinics frequently do not return for follow-up care, which can lead to dangerous complications. And a teen-ager who has an abortion across state lines without her parents' knowledge is even more unlikely to tell them that she is having complications.

Ultimately, the pro-choice movement hurts itself by opposing these kinds of laws. I have had many parents sit in my office with their teen-age daughter and say, "We never thought this would happen to us" or, "We were against abortion, but now it is different."

The hard truth is that people often become pro-choice only when they experience an unwanted pregnancy or when their daughter does. Too often, pro-choice advocates oppose laws that make common sense simply because the opposition supports or promotes them. The only way we can and should keep abortions legal is to keep them safe. To fight laws that would achieve this end does no one any good—not the pregnant teen-agers, the parents or the pro-choice movement.•

Y2K PROBLEM

• Mr. MOYNIHAN. Mr. President, President Clinton yesterday called for urgent action regarding the Year 2000 (Y2K) problem in a speech at the National Academy of Sciences. The President stated "This is clearly one of the most complex management challenges in history." He cited progress in American business and the Federal Government in preparing for the Y2K problem, while simultaneously noting "far too many businesses, especially small-and medium-sized firms, will not be ready unless they begin to act."

I am pleased to see that President Clinton is speaking openly about the seriousness of the Y2K computer problem. Over two years ago I stated "that the Year 2000 problem is indeed serious, and that fixing it will be costly and time-consuming. The problem deserves the careful and coordinated attention of the Federal Government, as well as the private sector, in order to avert major disruptions on January 1, 2000." On July 31, 1996 I sent President Clinton a letter expressing my views and concerns about Y2K. I warned him of the "extreme negative economic consequences of the Y2K Time Bomb," and suggested that "a presidential aide be appointed to take responsibility for assuring that all Federal Agencies, including the military, be Y2K compliant by January 1, 1999 [leaving a year for 'testing'] and that all commercial and industrial firms doing business with the federal government must also be compliant by that date."

I trust the President's acknowledgment of the Y2K issue as a grave and pervasive problem will prompt the agencies and private sector to act quickly. Yet having spent two years studying the problem and warning of the lagging progress of federal agencies in addressing it, I must state that combating the millennium bug at this late date "looks to be the 13th labor of Hercules." I can only hope that both American businesses and the Federal Government follow the President's warnings and begin to give this problem the attention it deserves.•

GERARD AND MYRIAM UBAGHS

• Mr. BREAUX. Mr. President, I rise today to commemorate the efforts of Gerard and Myriam Ubaghs of

Margraten, Netherlands, who have cared for the graves of American servicemen killed in the line of duty during World War II. In September of 1944, the United States Army reached the German frontier and entered the Netherlands near the city of Maastricht. By September 13, 1944, the troops of the U.S. 30th Infantry Division liberated part of eastern Holland, freeing the area from the grip of Nazi Germany. During the battle, 8,302 soldiers lost their lives including American servicemen from every state in the Union.

I, as well as all American citizens, am truly thankful for the bravery, valor, and patriotism shown by our soldiers who fought and died for their country on that day and every day of World War II. These servicemen not only gave their lives for their country, but also died for the people of the Netherlands. For this, the citizens of the Netherlands have been and remain truly grateful to the fallen soldiers of the U.S. Army.

One manifestation of their appreciation is their care for the Netherlands American Cemetery in the town of Margraten, in the Limburg Province of the Netherlands. This cemetery is the only one of its kind in the Netherlands. It was established in November of 1944 and free use of the land as a permanent burial ground was granted, without charge or taxation by the government of the Netherlands. The cemetery occupies 65.5 acres and includes a 101 foot-tall tower, a Court of Honor, a chapel and a reflecting pool. Among the 8,302 graves lie the remains of American, English, Canadian and Mexican troops.

I would like to thank not only the people of the Netherlands for this cemetery, but two individuals in particular who have honored our fallen servicemen for fifty-three years. They are Gerard and Myriam Ubaghs. As children, after the liberation of their town by American troops, they adopted and cared for two graves until the bodies were identified and returned to the United States. To this day, they continue to honor our fallen soldiers and express much gratitude to America.

I would like to officially acknowledge the Ubaghs and the people of Margraten, and thank them for their gracious deeds and for honoring our fallen soldiers. Their service is a reminder to all of us how the efforts of such brave soldiers on a day more than fifty years ago effects people around the world even today.•

CONGRESSIONAL GOLD MEDALS TO THE "LITTLE ROCK NINE"

Mr. BUMPERS. Mr. President, in just a moment, staff will have a bill that I introduced several months ago. I would like to just discuss it briefly so we can get that behind us before I offer it.

But this is an amendment that would award the Congressional Gold Medal to the nine African American children who integrated Little Rock Central High during probably the greatest threat to the Constitution since the Civil War. I lived through it. I was in a small town in western Arkansas called Charleston. That is my hometown, where I was born and reared.

My hometown had integrated in 1954, very quietly and very peacefully, a town of 1,200 people at the time. Our schools had successfully integrated from the fall of 1954 until Governor Faubus called out the Guard to block integration at Little Rock Central High School in Little Rock.

Let me also say that Charleston, this little hometown of mine which I am seeking to get designated a national commemorative site by the Park Service this year, was the first school to integrate following the Brown v. Board of Education decision in May of 1954. I was on the school board during that time, and we integrated the school that fall. There is still some controversy because good records were not kept about how many African American children were integrated into the school system.

It went along smoothly. There were some schools that wouldn't play us in football, and there were some schools that wouldn't allow our band to participate, because we had African Americans on the football team and in the band. We lived with that as best we could. There was a lot of seething undercurrent. Even though it had gone peacefully for 3 years, there was still an unrest among some.

After the turmoil in Little Rock, that seething unrest surfaced. I will never forget, Mr. President, I was trying a lawsuit on the third floor of Logan County Courthouse in Paris, AR, and I heard these rumbling trucks going down Highway 22 from Fort Chaffee which came through my hometown to Little Rock to provide the logistical support for the 101st Airborne which President Eisenhower had sent in to Little Rock to enforce the integration of that school.

It was a very ominous, frankly, rather terrifying time. I was not as concerned about what was going on in Little Rock—though that was terrifying and certainly to the people in Little Rock it was terrifying—as I was with the certain knowledge in my own mind that we were in for big trouble in my hometown, too, because I knew, as I say, that seething unrest was going to be fortified and encouraged to try to do the same thing, and sure enough it happened.

We had a big knock-down-drag-out election in March of 1958, and the whole issue was: Shall we stay integrated or shall we re-segregate?

I convinced a friend of mine to run to fill one of the vacancies that had been created because things got so hot a couple of board members resigned. I think there were about 600 votes cast in that election, probably five times more than ever had been cast in a school election in Charleston, AR, in its history. In any event, the so-called "moderates" won overwhelmingly, and that put the issue to rest in my hometown.

Back to the Little Rock Nine. Ernie Green testified in the Energy Committee the other day in support of a bill to make Central High School in Little Rock a unit of the Park Service. He was one of the Little Rock Nine, later was Assistant Secretary of Labor when Jimmy Carter was President.

Anybody who didn't live through that time can never understand what a traumatic period that was for my State. We didn't attract a single industry in the State of Arkansas for almost 10 years after the Little Rock High School integration crisis. But those nine young black children who were escorted into that school in the fall of 1957 by paratroopers from the 101st Airborne showed more bravery than anybody I have ever seen in my life. It was absolutely unbelievable.

They have been recognized in a lot of ways, but S. 1283 would provide them with the Congressional Gold Medal. It is an honor that they are due and that is long overdue. This bill was recently reported out of the Banking Committee and is now on the Calendar. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 465, S. 1283.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1283) to award congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the "Little Rock Nine" on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment on page 4, so as to make the bill read:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL FINDINGS.

The Congress hereby finds the following:

(1) Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, hereafter in this section referred to as the "Little Rock Nine", voluntarily subjected themselves to the bitter stinging pains of racial bigotry.

(2) The Little Rock Nine are civil rights pioneers whose selfless acts considerably advanced the civil rights debate in this country.

(3) The Little Rock Nine risked their lives to integrate Central High School in Little Rock, Arkansas, and subsequently the Nation.

(4) The Little Rock Nine sacrificed their innocence to protect the American principle that we are all "one nation, under God, indivisible".

(5) The Little Rock Nine have indelibly left their mark on the history of this Nation.

(6) The Little Rock Nine have continued to work toward equality for all Americans.

SEC. 2. CONGRESSIONAL GOLD MEDALS.

(a) PRESENTATION AUTHORIZED.—The President is authorized to present, on behalf of Congress, to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred to as the "Little Rock Nine", gold medals of appropriate design, in recognition of the selfless heroism such individuals exhibited and the pain they suffered in the cause of civil rights by integrating Central High School in Little Rock, Arkansas.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a) the Secretary of the Treasury shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary for each recipient.

(c) AUTHORIZATION OF APPROPRIATION.—Effective October 1, 1997, there are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 3. DUPLICATE MEDALS.

(a) STRIKING AND SALE.—The Secretary of the Treasury may strike and sell duplicates in bronze of the gold medals struck pursuant to section 2 under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

(b) REIMBURSEMENT OF APPROPRIATION.—The appropriation used to carry out section 2 shall be reimbursed out of the proceeds of sales under subsection (a).

SEC. 4. NATIONAL MEDALS.

The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

SEC. 5. COMMEMORATIVE COINS.

(a) IN GENERAL.—Section 101(7)(D) of the United States Commemorative Coin Act of 1996 (Public Law 104–329, 110 Stat. 4009) is amended to read as follows:

"(D) MINTING AND ISSUANCE OF COINS.—The Secretary—

"(i) may not mint coins under this paragraph after July 1, 1998; and

"(ii) may not issue coins minted under this paragraph after December 31, 1998.".

(b) EFFECTIVE DATE.—The amendment made by this section shall be construed to have the same effective date as section 101 of the United States Commemorative Coin Act of 1996.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the committee amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the bill, as amended, be read for the third time, passed and the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed in the RECORD at the appropriate place as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1283), as amended, was considered read the third time and passed.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JUSTICE DEPARTMENT TRAVEL OVERSEAS

Mr. GORTON. Mr. President, the Justice Department is out of control. Evidence is mounting that officials at the Department's Antitrust Division has been traveling around the world urging foreign governments to join them in their witch hunt against Microsoft.

The Administration is offering a helping hand to U.S. competitors overseas. While foreign governments work hard to protect their most important industries, our Justice Department is assisting those foreign governments in their efforts to keep one of America's most vibrant, innovative, and successful companies out of their markets.

In a letter sent yesterday to Attorney General Janet Reno, my colleagues Senators SESSIONS, ABRAHAM, and KYL raised provocative questions about the activities of Justice Department officials overseas. They have learned that Joel Klein and his staff at the Department's Antitrust Division are busily recruiting their foreign counterparts to join in their war against Microsoft.

First and foremost, Mr. President, I would like to know what Justice Department officials, whose work focuses exclusively on issues here at home, are doing traveling overseas at taxpayer's expense. According to the letter, in the last 6 months, Joel Klein has traveled to Japan, Russell Pittman, chief of the Competition Policy Section of the Antitrust Division has visited Brazil, Dan Rubinfeld, chief economist for the Antitrust Division has gone to Israel, and Deputy Assistant Attorney General Douglas Melamed spent a week in Paris in June.

At a time when Joel Klein has been complaining that his division does not have enough money or people to do its job effectively, he and his staff are traveling around the world on the Justice Department's dime. And they are using those foreign visits as a bully pulpit to tout the merits of their case against Microsoft and to encourage foreign governments to join in the attack.

This activity is reprehensible. It is even more egregious when one notes that it is being financed by the American people—many of whom may wind up losing their jobs and their livelihoods if Joel Klein is successful.

We need some answers, Mr. President. Does the Attorney General consider such activities on the part of the Antitrust Division legitimate? Is Joel Klein working on behalf of U.S. taxpayers or against them? How much is the antitrust division spending to send its employees around the world? Which foreign competitors have benefited?

Here is the evidence my colleagues have compiled to date:

Joel Klein visited Japan to meet with the Japanese Fair Trade Commission last December. A month later, the Trade Commission raided Microsoft's Tokyo offices, confiscating thousands of company documents.

When Russell Pittman went to Brazil in May, he spoke publicly to senior Brazilian government officials responsible for antitrust enforcement in that country, outlining the Justice Department's case against Microsoft in detail. Nine days later, the Brazilian government announced its intention to begin legal proceedings against the company.

A quote from Mr. Pittman at this event is particularly troubling, and, I might add, somewhat ironic. He accused Microsoft of behaving "like an arrogant monopolist, even acting arrogantly in its relations with the antitrust authorities. It will receive from these agencies what it deserves." Who is calling whom arrogant? A Government bureaucrat on a taxpayer-funded jaunt to Brazil? If the situation were not so serious, I would find this quote to be quite ironic, Mr. President.

In Israel in May, Dan Rubinfeld gave a public speech on the department's case against Microsoft to an audience that included Israeli public officials responsible for antitrust enforcement. He later met privately, along with his sidekicks from the Federal Trade Commission, with a group of Israeli Government officials to outline the Department of Justice's complaint against Microsoft.

Not surprisingly, the Israeli Government is now in discussions with Microsoft concerning its business practices in that country.

And finally, on June 8, Douglas Melamed briefed the OECD's Competition Law and Policy Committee in Paris on the strengths of the department's case against Microsoft. The OECD Committee includes officials from Europe, Japan, Canada, and Brazil.

I applaud Senators SESSIONS, ABRAHAM, and KYL for bringing this issue to light, Mr. President. It is just one in a series of steps by the administration to tie the hands of successful U.S. companies.

The American people deserve to know how and why the administration is using their money and why thousands of jobs in my home State of

Washington and across the United States are being put on the line by a contemptuous group of bureaucrats over at the Justice Department.

I demand that Attorney General Reno do right and answer the questions raised by my colleagues promptly and completely.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEWINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

HEALTH CARE

Mr. DEWINE. Mr. President, I rise tonight to talk about health care, managed care, and the several proposals in Congress that attempt to address these issues.

Mr. President, just this morning, the assistant Republican leader, Senator NICKLES, and his Republican working group, unveiled an outline of a bill they are developing, a bill that they intend to shortly introduce.

This is clearly an issue that affects all Americans. Back home in Ohio, I hear constantly from my constituents about the issues involving managed care and the new world of health care that we all live in.

Mr. President, I recognize and share the concerns that many Americans have with the cost and the quality of health care and of managed care. As the father of eight children, I visited emergency rooms and I visited pediatricians' offices. I hear and I understand parents' concerns about all the new hurdles in health care. I understand the problems of parents struggling to try to get a doctor's appointment for their children, the difficulty in trying to get managed care plans to authorize care, and the concern that their children will not get needed care if that care is not authorized.

Mr. President, these are problems shared by millions of American families. They are problems Congress must deal with. But as we look at this issue, and all the problems and concerns that go with them, we need to be careful. We need to be careful that we do not create solutions that are really worse than the problems.

For example, as we look at regulating managed care, we have to be careful about the impact of proposed regulations on the availability of that care. Certainly I do not believe any of us wants to see fewer people being able to get health insurance as a result of our good intentions. That is why we need to be sure that whatever Congress does, we do not cause health care costs to significantly increase. We know that the only result of higher costs will be a health care system that many companies and individuals will simply not be able to afford, meaning more Americans will be denied quality health insurance.

So where do things stand right now? Obviously, several health care proposals already have been introduced and talked about, such as the Patient Access to Responsible Care Act, or PARCA, and also the Democrat's Patients' Bill of Rights. Other options are being developed. I already mentioned the legislation being developed by my colleague from Oklahoma, Senator NICKLES, and a Republican working group. The House of Representatives is considering their own proposals as well.

The bottom line is this: It is clear that Congress needs to consider managed care reform legislation. I am eager to work with my colleagues to make sure some crucial issues, particularly the issues that face America's children, are in fact addressed.

Mr. President, while I would like to see specific language—after all, as we always say, the devil is always in the details—I believe that the legislation unveiled today by the Senator from Oklahoma, Senator NICKLES, and the rest of the working group, represents a positive—a positive—start on the road to reform.

I am particularly pleased that the bill includes a guarantee that children will have direct access to pediatricians. I have said it many, many times on this floor, but let me say it again this evening—children are not just little adults. Their health care needs are unique. When a child goes to a doctor's office, that child needs to see someone who has been specifically trained to deal with the unique issues of pediatric care; that child needs to see a pediatrician.

I am very pleased that my discussions with Republican task force members on pediatric issues has helped produce a provision in the working group bill that would guarantee our children will be, in fact, treated by pediatricians.

Mr. President, there are several additional ways that we can further improve the quality of children's health care as a part of this overall managed care reform effort. I would like to talk about these additional ways right now.

Specifically, Mr. President, I believe there are three key issues that would go a long way to addressing the health care needs of our children: No. 1, additional pediatric protections beyond what is already now in the bill. In addition to guaranteeing access to pediatricians, other basic protections for children should be addressed to help make sure that health plans are addressing specific pediatric needs.

The most important of these is making sure that when a child faces a serious health problem that calls for specialty care, that that child has access to a health care provider with pediatric training or experience. This could mean that a child with a heart murmur would be guaranteed access to a pediatric cardiologist. It could also mean that a baby in need of intensive hospital care and monitoring has access to a children's hospital, a children's hospital to make sure that pediatrics-specific equipment and care is available for that baby.

Mr. President, my wife Fran and I have personal experiences with our children and with children's hospitals. When your child—my child—has a serious medical problem, you want the best care, you want the best specialists. Many times, quite bluntly, that means going to a children's hospital.

Specialists trained to treat adults often do not have the expertise that children need. That is not their specialty. I would hope that our efforts of managed care reform include making sure children have access to the necessary pediatric expertise, whether that be from the initial treating physician being a pediatrician, or whether it means ultimately going to a children's hospital.

Mr. President, it is important that these basic protections are in place for children, because pediatric care is probably the part of managed care that we really know the least about. The truth is, we just don't know how well managed care takes care of our kids. The measures of quality and studies we have that evaluate managed care simply have not looked at children. In the absence of this evidence, I think that some basic protections for children are required, and they certainly make sense.

I also don't believe the cost of these pediatric protections will amount to a great deal. As we all know, children comprise about 30 percent of our population, but a much smaller part of the cost of health care, a much smaller. I don't believe that making sure children can see pediatricians and pediatric specialists will have an increase on health care costs. In fact, it should have the opposite effect. It could and should reduce costs. This kind of access could cut down on unnecessary trips to doctors, emergency rooms, and work as a good avenue for preventive medicine. Preventive medicine is important for all of us, but nowhere is it as important as it is in dealing with our children. Let me say that again. As the father of eight, I think anyone who has had children knows that and understands that preventive care is the key.

Let me move to the second point and the second suggestion, that is pediatric quality-related research. One important trend we have seen lately in our health care system is the effort to measure quality and improve the science of health care quality. The ability to measure this is vitally significant. But as with many parts of our health care system, not enough attention has focused on children. It is reported that only about 5 percent of this research is aimed at our kids. What is the result? We just haven't had the same type of advances and quality improvements for our children that we have seen for adults.

I have introduced a bill that tries to fix this by focusing attention on pediatric quality-related research. Among other things, our bill includes dedicated funding to make up for the lack of health care outcomes and quality-related information for children. The legislation being developed by the Republican working group already includes a significant focus on health care quality research. My friend from Tennessee, Senator BILL FRIST, has worked very hard on this part of the bill and he has done an excellent job. I believe we should build on that effort to focus specifically on children. I believe that would be an excellent and an important addition to managed care reform.

Let me turn to the third item. The third area where I believe we can improve this bill, the third item with which I think this Congress must deal, the other improvement I would like to see considered, is language to strengthen the services provided by our Nation's poison control centers. Other than preventive care, much of the health care our children receive is based on emergencies, occurs when emergencies happen. One of the more common emergencies in children, of course, is poison. Each year more than 2 million poisonings are reported—2 million—over half of which occur in children younger than 6 years of age.

While our Nation's poison control centers do a very good job, a very good job responding to these crises, they do face funding problems. Many of these centers have been financed through unstable arrangements from a variety of public and private sources. Funding difficulties are the primary reason that about half of our poison control centers are not certified, meaning that they may not be operating at all times or that fully qualified experts may not be available around the clock.

I have written legislation that would deal with this problem by providing Federal supplemental assistance to poison control centers. In addition, the bill that I have sponsored, and is cosponsored by Senator ABRAHAM, would create a single, simple, toll-free number so parents will always know who to call in the event of a poisoning emergency, so that they always know what number they can call. These measures not only would improve the quality of health care services available for children's health, they would be lifesavers as well.

We have before the Senate a very important debate dealing with the quality and availability of health care. As always, when we talk about health care, we need to be sure we are meeting the needs of children as well as adults. So, as we begin the debate and consider the legislation, we have a great opportunity, a great opportunity to take action that improves the lives of our young people. This Congress already has enacted a number of important pieces of legislation that will save lives, that will save young lives.

Last year, for example, we passed important bipartisan legislation to improve the quality and the availability of health care for low-income children. We also passed bipartisan legislation to reform our foster care system, vitally important legislation to reform our foster care system that will save lives and is saving lives.

This Congress clearly has taken the opportunity to improve the lives of our children. I am hopeful we will take advantage of this opportunity that we face this week and next week, the opportunity that is before us, to find the solution that best provides for health care quality for our children and for all Americans.

HOMEOWNERS PROTECTION ACT OF 1998

Mr. DEWINE. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on the bill (S. 318) to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 318) entitled "An Act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes", do pass with the following amendments:

(1) Page 1, line 5, strike **[**1997**]** and insert: *1998*

(2) Page 12, after line 16 insert the following:

(4) GAO REPORT.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Congress a report describing the volume and characteristics of residential mortgages and residential mortgage transactions that, pursuant to paragraph (1) of this subsection, are exempt from the application of subsections (a) and (b). The report shall—

(A) determine the number or volume of such mortgages and transactions compared to residential mortgages and residential mortgage transactions that are not classified as high-risk for purposes of paragraph (1); and

(B) identify the characteristics of such mortgages and transactions that result in their classification (for purposes of paragraph (1)) as having high risks associated with the extension of the loan and describe such characteristics, including—

(i) the income levels and races of the mortgagors involved;

(ii) the amount of the downpayments involved and the downpayments expressed as percentages of the acquisition costs of the properties involved;

(iii) the types and locations of the properties involved;

(iv) the mortgage principal amounts; and

(v) any other characteristics of such mortgages and transactions that may contribute to their classification as high risk for purposes of paragraph (1), including whether such mortgages are purchase-money mortgages or refinancings and whether and to what extent such loans are low-documentation loans.

(3) Page 24, strike lines 15 through 23 and insert:

(2) PROTECTION OF EXISTING STATE LAWS.—

(A) IN GENERAL.—The provisions of this Act do not supersede protected State laws, except to the extent that the protected State laws are inconsistent with any provision of this Act, and then only to the extent of the inconsistency.

(B) INCONSISTENCIES.—A protected State law shall not be considered to be inconsistent with a provision of this Act if the protected State law—

(i) requires termination of private mortgage insurance or other mortgage guaranty insurance—

(I) at a date earlier than as provided in this Act; or

(II) when a mortgage principal balance is achieved that is higher than as provided in this Act; or

(ii) requires disclosure of information—

(I) that provides more information than the information required by this Act; or

(II) more often or at a date earlier than is required by this Act.

(C) PROTECTED STATE LAWS.—For purposes of this paragraph, the term "protected State law" means a State law—

(i) regarding any requirements relating to private mortgage insurance in connection with residential mortgage transactions;

(ii) that was enacted not later than 2 years after the date of the enactment of this Act; and

(iii) that is the law of a State that had in effect, on or before January 2, 1998, any State law described in clause (i).

(4) Page 27, line 21 before "Nothing" insert:

(a) PMI NOT REQUIRED.—

(5) Page 27, after line 23 insert the following:

(b) NO PRECLUSION OF CANCELLATION OR TERMINATION AGREEMENTS.—Nothing in this Act shall be construed to preclude cancellation or termination, by agreement between a mortgagor and the holder of the mortgage, of a requirement for private mortgage insurance in connection with a residential mortgage transaction before the cancellation or termination date established by this Act for the mortgage.

Ms. MOSELEY-BRAUN. Mr. President, I am glad that the Senate is considering S. 318, the Homeowners Protection Act. I thank my colleagues on the Banking Committee for working so hard to come to a final agreement on this legislation. I am pleased with the result, and I believe that our final product is a good balance which will both benefit consumers and protect the industry. The Senate passed S. 318 last November and this version, which has been passed by the House, contains all of the key provisions of the bill as it first passed the Senate.

Private Mortgage Insurance or PMI is a property insurance line that protects lenders from mortgage default risk. Homeowners pay the premiums, but the lender is the beneficary. PMI is generally used to facilitate loans in which the borrower makes a down payment of less than 20 percent, and the lender usually seeks coverage of the initial 20 percent of the loan value.

However, a number of homeowners currently continue to pay premiums well pass the point of reaching 20 percent equity in their home, and sometimes for the entire life of the loan. This excessive PMI coverage is not only expensive for the consumer, but provides little added protection to the lender. In many cases, homeowners are never informed of their right to cancel PMI, or are faced with significant obstacles when they do attempt to cancel the coverage. This legislation will end that predatory practice. It gives homeowners the right to cancel PMI when they have accummulated sufficient equity in their home to protect the lender from default. It will also provide for automatic cancellation of the mortgage insurance when the mortgagor's payments meet the defined loan to value ratio of 78 percent or less. Finally, the bill generally prohibits lenders from requiring that consumers obtain PMI when they have a 20 percent or more down payment, with certain exceptions.

S. 318 also ensures that lenders can continue to offer a product called lender paid mortgage insurance or LPMI, where the mortgage insurance is paid by the lender. LPMI folds the insurance payment into a slightly higher interest rate. The product provides an economic benefit for consumers for the early part of the loan, and becomes less beneficial over time if the loan is not refinanced for the life of the loan. When the legislation was considered in the Banking Committee I authored an amendment, along with my colleague, Senator GRAMS, which preserves LPMI. Our amendment, which is a part of this legislation, provides for strong disclosures that ensure the consumer is aware of the way that LPMI works, and can assess the benefits and drawbacks of this product. I would like to thank my colleagues for accepting my amendment, which ensures that this product will continue to provide benefit to consumers.

Again, Mr. President, I would like to express my strong support for S. 318, the Homeowners' Protection Act, and I urge my colleagues to support its quick enactment.

AMENDMENT NO. 3171

Mr. DEWINE. I ask unanimous consent the Senate concur in the amendments of the House with an amendment, which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. DEWINE] for Mr. SANTORUM, for himself and Mr. SPECTER, proposes an amendment numbered 3171 to the amendments of the House to the bill S. 318.

The amendment is as follows:

At the end of the House amendments, add the following:

SEC. . Section 481(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(4)) is amended by—

(1) inserting the subparagraph designation "(A)" immediately after the paragraph designation "(4)";

(2) redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(3) adding at the end thereof the following new subparagraph:

"(B) Subparagraph (A)(i) shall not apply to a nonprofit institution whose primary function is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankrupcy under Chapter 11 of Title 11 of the United States Code between July 1 and December 31, 1998."

Mr. DEWINE. Mr. President, I move that the Senate concur in the amendments of the House with the amendment I have sent to the desk.

The motion was agreed to.

MEASURE READ THE FIRST TIME—S. 2316

Mr. DEWINE. Mr. President, on behalf of the majority leader, I understand that S. 2316, introduced earlier today by Senator MCCONNELL, is at the desk and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2316) to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle the depleted uranium hexafluoride.

Mr. DEWINE. Mr. President, I now ask for its second reading, and I object to my own request.

The PRESIDING OFFICER. The objection is heard.

The bill will be read for the second time on the next legislative day.

ORDERS FOR THURSDAY, JULY 16, 1998

Mr. DEWINE. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. on Thursday, July 16.

I further ask that when the Senate reconvenes on Thursday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then resume consideration of S. 2159, the agriculture appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DEWINE. Mr. President, again, on behalf of Majority Leader LOTT, for the information of all Senators, the Senate will reconvene tomorrow morning at 10 a.m. and immediately resume consideration of the agriculture appropriations bill.

It is hoped that Members will come to the floor to offer and debate any remaining amendments to the agriculture appropriations bill so that the Senate can complete action on this legislation by early afternoon tomorrow.

Following disposition of the agriculture appropriations bill, the Senate may resume consideration of the VA-HUD appropriations bill, or may begin the legislative branch appropriations bill.

The Senate may also consider any other legislative or executive items cleared for action. Therefore, Senators should expect rollcall votes throughout the day and into the evening during Thursday's session.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. DEWINE. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 10:48 p.m., adjourned until Thursday, July 16, 1998, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 15, 1998:

DEPARTMENT OF AGRICULTURE

CHARLES R. RAWLS, OF NORTH CAROLINA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF AGRICULTURE, VICE JAMES S. GILLILAND, RESIGNED.

FEDERAL EMERGENCY MANAGEMENT AGENCY

ROBERT M. WALKER, OF TENNESSEE, TO BE DEPUTY DIRECTOR OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY, VICE HARVEY G. RYLAND, RESIGNED.

DEPARTMENT OF STATE

GEORGE MCDADE STAPLES, OF KENTUCKY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF RWANDA.

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE UNITED STATES INFORMATION AGENCY FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED, AND FOR APPOINTMENT AS CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE, AS INDICATED:

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR:

ROBERT JAMES BIGART, JR., OF NEW YORK
THOMAS J. KRAL, OF MARYLAND
CAROL J. URBAN, OF THE DISTRICT OF COLUMBIA

EXTENSIONS OF REMARKS

TRIBUTE TO ROMANIAN PRESIDENT EMIL CONSTANTINESCU

HON. MIKE PARKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. PARKER. Mr. Speaker, for the RECORD I would like to submit a statement of tribute by my former House colleague David Funderburk to Romania's President who is visiting Washington this week.

A TRIBUTE TO ROMANIAN PRESIDENT EMIL CONSTANTINESCU ON THE OCCASION OF HIS VISIT TO WASHINGTON IN JULY 1998

(By David Funderburk)

Emil Constantinescu has been described as Romania's "Vaclav Havel." There are many reasons why Constantinescu should be classed together with Vaclav Havel the Czech dissident hero of the communist era.

Admittedly as a friend of Constantinescu I am not a completely unbiased observer. And after spending two years living in Romania during the 1970's and four years during the 1980's in Ceausescu's time, I never thought I would see a democratic President of Romania. For a few years following the end of the Ceausescus I looked with skepticism on some of the transitional figures of the country. Also I wondered how many of those new voices who seemed to be jumping on the democratic reform and free market bandwagon were for real. Emil Constantinescu has proven that he is for real.

Emil Constantinescu is the first truly democratic President of Romania after 42 years of harsh communism and 7 years of stagnation following the demise of Nicolae and Elena Ceausescu.

Constantinescu is enlightened, well educated, pro-American, and a man of integrity with a historical sense of purpose for his people and their future.

The leading interwar political party—the National Peasant & Christian Democrats—emerged from the ashes of communism under the leadership of Corneliu Coposu, a giant figure who had been imprisoned under Ceausescu. Coposu, who was a national symbol of integrity and sacrifice for freedom, designated as the party's standard-bearer in both 1992 and 1996 the little known Geology professor and Rector of the University of Bucharest, Dr. Emil Constantinescu. During the transition period in Romania under Iliescu, Constantinescu gained political experience in his role as a leader of the opposition.

Romania's "Havel" Emil Constantinescu has in fact accomplished the following:

Led Romania to its first real democratic election victory in 1996 and peaceful transition with a platform incorporating the core values of Western civilization. And Constantinescu initiated the coalition Democratic Convention program called the "Contract with Romania."

Presided as a populist President living a spartan existence and working long hours in the midst of hardship for many workers in the country. He receives only a token salary and drives a small inconspicuous car without the motorcade fanfare of his predecessors;

Led an activist campaign to permanently tie Romania to the West, NATO and the U.S. (whose support Romania needs for its NATO aspirations). He has helped ensure that romania takes a leadership role in the Partnership for Peace collaboration. He helped lead the Romanians in giving U.S. President Bill Clinton in 1997 his biggest reception anywhere up to that time. And the same Romanians have indicated the highest level of support for NATO and partnership with America of any of the peoples of Eastern Europe;

Met with regional and other world leaders to demonstrate his determination to make Romania a peaceful island of stability in the volatile region. His outreach to the Hungarian minority and to neighboring Hungary as well as to neighboring Ukraine have been models of cooperation in the region;

Helped guide Romania through its most difficult economic crisis in the post-communist period by calmly accentuating the positive, and focusing on the big picture of Romania's goals of Western partnership and peace. His leadership has helped produce political stability and project optimism in the face of a not-always-supportive coalition government.

There is no doubt that Romania has some distance to travel before it's on a par with the West in terms of economic reform and even political stability. More needs to be done to make the investment climate attractive to U.S. companies and to complete the implementation of the economic reforms.

But change has been coming—gradually, steadily, inexorably. And most remarkably Romania has come a very long way since Ceausescu. Romania was left in about the worst possible position to reform with a Stalinist command economy, central planning and virtually no private sector.

The steady hand of Constantinescu's leadership has helped guide Romania as it goes through the toughest transition in Eastern Europe, without bloodshed, revolt or diversion from the NATO-integration course. Constantinescu is a visionary leader who focuses on the big picture of Romania's place in the world, and strives to help fulfill the dreams of ordinary Romanians to be given recognition, acceptance and respect by the West particularly by the U.S. Since we have the benefit of such a leader in Bucharest, we should move quickly during this visit to assist Constantinescu and Romania.

Washington—from the White House to Capitol Hill to the business community and media—has a special moment in history to do the right thing by this new Romania. Let's show our appreciation to President Emil Constantinescu and Romania and show our recognition for their historic longings, their geopolitical and strategical value to peace, and political stability in the region.

Let's take advantage of this special opportunity and welcome the new democratic President Emil Constantinescu—"Romania's Havel"—to Congress, the White House and America. It's something we will not regret.

HEALTH CARE REFORM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 15, 1998 into the CONGRESSIONAL RECORD.

MANAGED CARE REFORM

The most important political issue today, and for the past decade, is health care. Several prominent publications have identified health care as the defining issue of the 1990s. I agree. In meeting after meeting in southern Indiana I have noticed how persistently the question of health care comes forward in discussions. It is the issue that bubbles and seethes beneath the surface at all times simply because it is the most personal and real issue that touches the hopes and fears of every American.

POPULAR VIEWS ON HEALTH CARE

I find Hoosiers overwhelmingly want everyone to have access to health care services but they split on how to pay for that access. Hoosiers are usually skeptical of government action but I do not find them objecting to a prominent role for government to play in health care. They do not want a comprehensive plan like the one President Clinton proposed in 1994, but they do want to see the government assuring access to affordable health care, vigorously policing the providers of health care such as insurance companies, demanding more generous coverage from employers, and ensuring that their existing benefits are not cut back. Futhermore, they do not want to see any interference with the doctor-patient relationship.

When it comes to the issue of managed care, most people recognize that managed care plans have helped to hold down costs and provide preventive health care. But they also worry that managed care can sometimes interfere with the doctor-patient relationship and impede access to medical treatment. They want government to hold managed care plans accountable. The general view seems to be that Hoosiers will support tougher government oversight of managed care plans but they do not want the government to come in and take over health care.

MIXED SUCCESS

In light of widespread support for changes in the health care system, I am struck by the number of Hoosiers who say to me that they are quite satisfied with their own health care. Their personal experiences have largely been positive. They recognize the successes of the American health care system. Vaccination rates are up, premature births are down, more women are getting mammograms, and the move to managed care has saved billions of dollars in health care spending. They and their families are probably as healthy today as they ever were and for the most part they have affordable health coverage.

Nonetheless, underlying these successes is the fear that the system will not continue to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

work for them and be there in times of crisis. Hoosiers really worry about how they would handle a major illness, and they tell me again and again of acquaintances who were simply wiped out financially by a major medical problem. Many feel overwhelmed by the red tape and bureaucracy in today's health care system. They are uncomfortable that power has shifted in the health care system from the physicians to the insurance companies and managed care plan administrators.

CONGRESSIONAL OUTLOOK

President Clinton made health care a central theme of his first term in office when he put forward his sweeping health care proposal which featured universal coverage and a mandate on employers to provide health insurance for their employees. But his plan was decisively rejected and led, in large part, to the change of control in Congress in 1994. The Clinton health care proposal was rejected because people felt it was too massive, too complex, and its consequences too uncertain. The bill was about 1,300 pages in length.

Although the rejection of Clinton's proposal made both the Congress and the President wary of comprehensive health care reform, the issue did not die. Today, members of Congress are keenly aware of the intensity of their constituents feelings on health care. The public is demanding better care for less money. They do not like the high cost of health care or the restrictions on its availability. They know the shortcomings in today's system: too many Americans, especially children, do not have adequate health care coverage; long-term care for older persons is unaffordable to most Americans; and many feel that managed care plans focus more on holding costs down than providing quality care.

INCREMENTAL REFORM

On health care, as on many issues, Americans are more comfortable with incremental steps and skeptical of massive changes in one swoop. For the next few years, my guess is that the Congress will proceed with improvements in health care on a step-by-step basis. That's what it tried to do two years ago with the Kennedy-Kassenbaum legislation which mandated portability in most insurance plans, enabling workers to change jobs and not be dropped for preexisting conditions, and last year when it expanded coverage for children.

In the Congress, both parties are proposing plans to patch up managed care with such measures as expanding a patient's ability to choose a doctor and to receive emergency care and to appeal plan decisions to a neutral third party.

It is quite possible that the Congress will approve this year a sensible, but modest, health care reform package which I would expect to support. The elements of the package would likely include new opportunities for patients to appeal to a neutral third party when their health plans deny them care, give more information to help them select doctors and health plans, provide women the right to see a gynecologist, guarantee emergency room access without prior approval from managed care plans, protect personal medical information, and allow doctors to discuss with their patients a full range of medical options.

CONCLUSION

We are in the midst of major changes in health care coverage. A decade ago, the majority of Americans received health care through traditional fee-for-service plans. Today most Americans receive their health care through managed care, usually through HMOs. Lower costs and a wider array of benefits, including prescription drug benefits, are often seen as advantages of managed care plans. As the reform debate goes forward it is important to build on the success of what is developing into a more efficient health care system, while improving both the quality of care and patient satisfaction with their health care services. My guess is that health care reform will be on the agenda of the Congress for many years to come.

TRIBUTE TO LISA MENDOSA

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to Lisa Mendosa. Lisa Mendosa, an accomplished woman of the '90s, has added the title of Community Relations Coordinator of Borders Books to her credit. Having worked in numerous fields, Lisa Mendósa is in many respects, considered a renaissance woman.

Lisa Mendosa has had an impressive career, yet still has much of her life ahead of her. In 1987, she was named one of America's top 100 women in Communications/Hispanic USA. In the same year she also won an award in the Associated Press television-radio competition. In 1989, she was named one of America's top 100 junior college graduates. In 1995, Lisa Mendosa received an Emmy Award for her coverage of the Leer Jet crash in Fresno.

Lisa Mendosa has also published a number of books on animals and children. She has a great love for animals and has raised two dogs from the age of eight weeks and studied their development for more than 8 years. Lisa Mendosa spent 17 years working in TV news researching, writing, producing and presenting thousands of news stories. At Channel 24, Lisa went from management to producer. After winning her Emmy, Lisa was offered a position by Channel 30, which she took. Currently, she is a Community Relations Coordinator for Borders Books. Today, she works harder than ever to establish a close community relationship with the Borders Book's staff.

Mr. Speaker, it is with great honor that I pay tribute to Lisa Mendosa. Already being an accomplished woman of the '90's and considered a renaissance woman, Lisa Mendosa continues to be dedicated to her work. Her dedication and exemplary efforts should serve as an inspiration to all. I ask my colleagues to join me in wishing Lisa Mendosa continued success for the future.

CONGRATULATING THE PARK RIDGE ROTARY CLUB

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate the Park Ridge (New Jersey) Rotary Club on its 70th anniversary. This group of business men and women is a cornerstone of public service in our community. Their dedication and hard work have helped groups ranging from the Boy Scouts to the handicapped. They help keep alive the old-fashioned value of neighbor helping neighbor—the type of value that makes a community a community.

The Park Ridge Rotary Club was chartered November 19, 1928, and held its first meeting December 14, 1928, at the Masonic Hall in Park Ridge. Of the 25 charter members present at that meeting, one—Charlie Grey—is still active at age 96. There are 63 members in today's club, which serves the Tri-Boro area of Park Ridge, Montvale and Woodcliff Lake.

The Rotary had its beginnings in February 1905, when Chicago attorney Paul P. Harris called three businessmen friends to a meeting. He proposed a club that would kindle fellowship among members of the business community and by the end of the year, the club had 30 members. The name Rotary was adopted because meetings were rotated among the members' place of business. Rotary Clubs were formed in San Francisco, Seattle, Washington, Los Angeles and New York in the next few years. By 1921, the organization was represented on every continent and the name Rotary International was adopted in 1922. Today, there are more than 24,000 Rotary Clubs with a membership of 1.1 million in 167 countries.

At the international level, Rotary is involved in many humanitarian projects, including educational grants for overseas study, a $200 million program to eradicate polio worldwide, youth and group exchanges between nations to foster international understanding, hunger and health programs in developing countries, and financial aid to disaster relief programs.

At the local level, the Park Ridge Rotary is involved in a wide variety of community service programs. The Rotary distributes annual holiday food baskets to the handicapped, sponsors a holiday party for the handicapped, sponsors the Rotary Youth Leadership Awards and an exchange student program. It supports the Tri-Boro Ambulance, Meals on Wheels, the Park Ridge High School and Pascack Valley High School Interact Clubs, the Park Ridge and Montvale Eagle Scout Awards, the Park Ridge Public Library and many other organizations, events and programs.

The Park Ridge Rotary Club has helped make Park Ridge—along with Montvale and Woodcliff Lake—a better place to live, work and raise a family for 70 years. I join with my colleagues in the House of Representatives to wish the Club and its members many more years of continued success.

PROMPT COMPENSATION ACT OF 1998

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. HUNTER. Mr. Speaker, I rise today to discuss an issue that is extremely important, private property rights. All of us have heard from constituents in our districts who are frustrated with the process by which the government provides compensation to landowners for the private property it acquires. As you know, the federal government obtains private property for all types of reasons, from community and infrastructure development to environmental concerns. Unfortunately, it is common for this process to take several years, during which, the property owner is discouraged from conducting any type of development or improvement activity upon their land. It is for this reason that I will soon be introducing The Prompt Compensation Act of 1998.

Currently, the federal government has two alternatives available in acquiring private property. The first is termed as a "straight condemnation" procedure where a landowner receives notification that a federal agency has requested the Justice Department to file a complaint in condemnation in an attempt to acquire their property. The complaint is filed with the district court of the district where the land is located and the appropriate compensation is ascertained. Once this process is completed, the federal government is afforded the option of paying this amount and assuming the title of the land or moving for dismissal, in which case, the title of the property remains with the original owner. It is important to remember that during this process, the landowner's opportunity to conduct any type of development is severely limited, depriving these individuals of time, revenue and, in some cases, overall value in their land.

The second alternative is termed a "quick-take" procedure where the title of the property is immediately transferred to the federal government and an amount, which the government presumes the land is worth, is provided to the owner. Normal protocol is then followed, a condemnation complaint is filed and the court determines just compensation. If this amount is more than that originally provided, the federal government is required to pay the difference with interest.

The Prompt Compensation Act of 1998 will require the federal government to provide just compensation to the property owner within 90 days or forfeit its interest. In other words, this legislation will simply make the "quick-take" procedure the only option available to the federal government. The Prompt Compensation Act of 1998 will require the federal government to strongly consider all viable alternatives before attempting to acquire new land and prevent landowners from losing valuable time in developing their property. I urge all my colleagues to become a cosponsor of this bill and to strongly consider the significant impact this legislation will have in curbing the taking authority of the federal government, while at the same time, strengthening the private property rights of America's landowners.

IN PRAISE OF INGHAM COUNTY'S EFFORTS TO REDUCE TEEN SMOKING

HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Ms. STABENOW. Mr. Speaker, I rise today to commend the outstanding work of the Ingham County Board of Commissioners and the Ingham County Health Department in restricting the sale of tobacco to minors. The Ingham County Board of Commissioners passed an ordinance effective January 1, 1993 requiring that tobacco could only be sold through establishments licensed by the county. For violations, the Health Department can issue citations and for repeated violations have the license to sell tobacco revoked.

These enforcement provisions are similar to many used for enforcing liquor laws in communities which have been very effective in curbing the sale of liquor to minors. The possibility of losing a license to sell liquor or tobacco for a violation of law has proven to have a significant impact on the business community's self monitoring activities.

In 1992, 78% of minors who attempted to purchase cigarettes in Ingham County were successfully able to make a purchase. In other words, only 22% of all minors were refused the sale. Since the ordinance was instituted in the county in 1993, that number has declined dramatically. In a recent investigation conducted in Ingham county, 85% of all minors who attempted to purchase cigarettes were denied the sale. These are impressive statistics that I would like to see repeated across the nation.

The war against teen smoking will only be successful if it is fought on many fronts. Tough, comprehensive laws must be passed at the federal level. And, we must work in partnership with states and local governments if we are to be successful. I encourage state and local governments across our country to join the fight and follow the example set by Ingham County by instituting laws in their communities that prevent minors from purchasing cigarettes. I commend the efforts of the Ingham County Board of Commissioners and the Ingham County Health Department for making a bold effort to improve the health and welfare of our community's youngest citizens.

BALINT VAZSONYI: TRUE AMERICAN

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. RADANOVICH. Mr. Speaker, I rise to commend Dr. Balint Vazsonyi as a true American. Balint Vazsonyi knows first-hand what it means to live in fear, as he has done so under Nazi occupation then under Communist oppression in his native Hungary.

Overcoming the barriers to human expression put up by authoritarian states, Dr. Vazsonyi has since become a world-renowned concert pianist, and a well-respected historian and ultimately a United States citizen.

Dr. Vazsonyi, or just plain "Balint", is a regular op-ed contributor to the Washington Times as well as several other newspapers around the country. He sits on the boards of many community groups and is the Director of the Center for the American Founding. As a child he lived under Nazi terror and as an adolescent he participated in the Hungarian uprising against the Soviet occupiers.

Balint's musical career is well known. He received his Artist Diploma at Budapest's famed Liszt Academy. Just recently, the Hungarian Embassy in Washington, DC presented him a gala piano recital in celebration of the 50th anniversary of his first concert appearance in Hungary. Balint also has a Ph.D. in history.

I highly recommend to my colleagues, and all Americans, his new book, "America's 30 Years War: Who is Winning?" Drawing on his own life experiences he describes how our hard-won freedoms are gradually being eroded. Vazsonyi traces the essence of what makes America unique, from the Founding until today, and exposes how ideas imported from European socialist states are undermining America's distinct political and moral culture.

In a witty and personal style, Balint documents how the founding principles of the rule of law, individual rights, secure ownership of property and common American identity are being deliberately supplanted by the alien notions of group rights, forced redistribution of private possessions, and multiculturalism.

In "America's 30 Years War: Who is Winning?" Dr. Vazsonyi shows, with unmistakably clarity, how every time we move away from America's founding principles we move toward the failed model of European socialism.

Please take time to read this seminal and through-provoking book.

Mr. Speaker, I congratulate Dr. Balint Vazsonyi on his many accomplishments and I ask my colleagues to join me in wishing him many more years of success.

SOCIAL SECURITY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 8, 1998 into the Congressional Record.

Social Security Reform

In recent months, much attention has been focused in Congress on the status of the Social Security program. Following President Clinton's State of the Union address this past January in which he recommended that saving Social Security be a top priority, reform proposals have become a hot topic. The most widely discussed proposals include investing some of the Social Security Trust Fund in the stock market, adding a meanstest requirement, or enacting a combination of tax cuts and benefit reductions.

SUCCESSES OF SOCIAL SECURITY

Social Security is not only a very popular program but has also proven to be an extremely successful program in providing a safety net for our nation's elderly.

Since the program began under President Franklin Roosevelt in 1935, Social Security has provided benefits to generations of workers and their families, with the number of beneficiaries over the last half century in excess of 160 million Americans. With almost 92% of Americans over the age of 65 receiving Social Security benefits, this program provides nearly universal coverage. In Indiana, over 960,000 Hoosiers are beneficiaries, covering over 17% of our state's population. Therefore, Social Security has played, and continues to play, an important role in the lives of many beneficiaries and their families.

In addition to serving as a broad safety net for millions of Americans, Social Security is also the largest anti-poverty program. By some estimates, half of our nation's elderly (about 18 million people) would live in poverty if Social Security did not exist. Last year, two-thirds of the elderly in America were provided benefits from Social Security that represented at least half of their income. Social Security is more than simply a retirement program. More than a third of benefits go to widows or widowers, children, and the disabled.

LONG—TERM SOLVENCY

Social Security is our largest domestic social program. In 1996, the benefits paid out exceeded $347 billion. Social Security has been able to pay these benefits with great efficiency. Administration costs for Social Security are about 1% of benefits, compared to the 12–14% that is typical for private insurance plans. But while the program has operated with relative efficiency over the years, there still remain significant challenges to the long-term financial health of Social Security. In particular, the impending increase in the number of retirees and the increase in the life span of Americans both present other sets of challenges for the long-term solvency of Social Security.

The Social Security Trust Fund is currently solvent and is projected to remain solvent well into the next century. But the long-term changes in the workforce will place a major strain on its ability to pay full benefits for the baby boomers' retirement. Social Security will be able to pay all promised benefits including cost-of-living adjustments until the year 2032. After 2032, the trust fund will still be able to pay 75% of promised benefits. Thus if no adjustments are made between now and then, the trust fund will experience a shortfall, but will not be exhausted. Our current economic prosperity, and projected budget surpluses, though, offer a great opportunity to act now to avert the depletion of the trust fund.

REFORM PROPOSALS

The reform debate is focusing on three broad approaches to shore up Social Security.

Incremental reform: The first approach is to make modest adjustments to the existing program by reducing benefits and altering the taxation of benefits. For example, the working period over which a retiree's benefits are computed could be increased from 35 to 38 years. By taking into account the additional three years, a worker's earlier, and usually lower-paying, employment years would figure into her wage history, thereby lowering the level of benefits. Another proposal on the benefits side calls for adjusting the consumer price index so that it more accurately reflects the rate of inflation. On the tax side, the income threshold for taxation of Social Security benefits could be raised. Currently, only beneficiaries with incomes above certain annual thresholds, $32,000 for married couples and $25,000 for single people, owe taxes on their benefits.

Means-testing: A second basic approach to reform entails means-testing Social Security. This approach would involve reducing payments to beneficiaries who earn more than a specified income threshold. Advocates of means-testing argue that Social Security was designed to protect the elderly from financial adversity in old age, and that benefits could be reduced for those who are better off and have less of a need for benefits. Critics respond that means-testing might transform the public's perception of the program from one that benefits everyone to one that serves only low-income beneficiaries. This opens up the possibility of undermining the broad political base of support for the program.

Privatization: A third approach is to privatize the Social Security system. The main proposal would establish a system of Individual Retirement Accounts. These accounts would allow workers to invest their savings directly into higher yielding assets than government securities. Most proposals which include some type of private account would maintain a minimum level of benefits, lower than today's benefit level, while allowing an additional amount to be invested in the stock market. Both components would continue to be financed by payroll taxes. One major advantage of privatization would come from the potential higher returns that beneficiaries could obtain from the stock market. A down turn on the market, on the other hand, presents significant risks for any privatization plans.

CONCLUSION

Social Security has been a very successful program. The program provides nearly universal coverage of American workers and their dependents, as well as helping a significant number of the disabled and children. The program is progressive in offering larger benefits relative to lifetime earnings for lower earners than for higher earnings. It is an efficient program and is an important means to eliminating poverty. The program, however, clearly requires reform so that we can provide benefits to future generations of retirees. The challenge will be to enact reforms which build on the successes of the program, enjoy broad public support, and put the program on firm financial footing for generations to come.

J.J. "JAKE" PICKLE FEDERAL BUILDING

SPEECH OF

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 14, 1998

Mr. SMITH of Texas. Mr. Speaker, I strongly support H.R. 3223, a bill designating the J.J. "Jake" Pickle Federal Building in Austin, Texas.

Though Jake has been out of office for 5 years, his former constituents and fellow Texans still call on him and respect him because they all know what everyone knows about Jake—he really cares.

Throughout his 30 years in Washington he never forgot who sent him or why he was there—to make the lives of his constituents and all Americans better.

Of course no building named after Jake would be complete without the words "Howdy, Howdy, Howdy" inscribed over the entryway! Surely he is the quintessential Texan.

All of us—Republicans and Democrats—continue to admire and appreciate Jake Pickle.

THANK YOU TO THE CREW OF "JOHN C. STENNIS"

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. GILMAN. Mr. Speaker, today the men and women of the U.S. Armed Forces stand guard in defense of our vital interests in the Persian Gulf. These dedicated men and women stand ready to respond to the latest crisis in the Middle East with the most advanced and capable weapons systems available. A few months ago as the United States prepared to strike Iraq, the news media flooded the airwaves with stories about our military personnel in the Gulf. After the crisis, the media left but thousands of our soldiers, sailors and airmen remained—on guard and at their posts.

One of the most difficult assignments in the Gulf is service at sea aboard the many naval vessels that ensure the U.S. retains a unilateral ability to defend our interests in a crisis. Much of the work is long, tedious and boring but let us make no mistake about it—the fate of the world's economy and our national security depend on these men and women in uniform.

I want to take this moment to thank the men and women of our armed services who are currently serving in the Gulf for their dedication to duty and their commitment to their country. I also want to send a specific thank you to the crew of the U.S.S. *JOHN C. STENNIS* (CVN 74) who form the backbone of our commitment to Gulf security. Under the able leadership of the Battlegroup Commander, RADM Ralph Suggs, the ship's Commanding Officer, Captain Douglas Roulstone, and the Executive Officer, CDR Wade Tallman, our newest aircraft carrier and pride of the fleet is the reason why Saddam Hussein and the Iraqi leadership are kept at bay. These Navy leaders took a brand new ship and crew and welded them into a team that is now a cornerstone in our nation's security.

A member of my staff recently served with this crew as they prepared for the Gulf. He reminded me that long after CNN and the other networks left the Gulf, our people in the nation's sea service remained on duty in the Gulf. While I cannot read the names of the whole crew, I wanted to send a special thank you from the Congress to the ship's intelligence staff who are the eyes and ears of the Battlegroup, watching any threat which may intend harm for America and her allies. In specific, I want to thank the following sailors for their service.

CDR Paula L. Moore, LCDR William P. Hamblet, LCDR Cecil R. Johnson, LT Claudio C. Biltoc, LT Wayne S. Grazio, LT Constance M. Greene, LT Amy L. Halin, LT Michael C. McMahon, LT Michael S. Prather, LTJG Jason S. Alznauer, LTJG Kwame O. Cooke, LTJG Joe A. Earnst, LTJG Ben H. Eu, LTJG Neil A. Harmon, LTJG Kevin J. McHale, LTJG Alexander W. Miller, LTJG Eric C. Mostoller, LTJG Kevin E. Nelson, LTJG John M. Schmidt, ENS Curtis D. Dewitt, ENS Joseph M. Spahn, CWO2 Robert G. Stephens, ISCS(SW) Mary B. Buzuma, CTIC Andrea C. Elwyn, CTRC(SW/AW) Leroy Dowdy, ISC Nancy A. Heaney, PHC(AW) Troy D. Summers, CTO1 William L. Beitz, IS1 Janice E. Bevel, CTR1 Theresa L. Covert, CTR1 Charlene Duplanter, PH1 Lewis E. Everett, CTA1 Jennifer L. Fojtik, IS1 Matthew E. Hatcher, CTM1(SW) Susan C. Kehner, IS1(AW) Kevin E. King, CTT1 John E. Schappert, CTT1 Marx A. Warren, CTR1(SW/AW) Kevin R. Webb, PH1(AW) James M. Williams, CTR2 Francis E. Algers, IS2 Zachary C. Alyea, PH2 Clinton C. Beaird, IS2 Brandon G. Brooks, DM2 Chad A. Dulac, IS2 Sean M. Fitzgerald, PH2(AW) Brain D. Forsmo, CTR2 Sarah A. Fuselier, IS2 Brent L. George, IS2 Richard M. Gierbolini, IS2 Christopher S. Holloman, CTR2 Kevin J. Hubbard, PH2 Leah J. Kanak, CTI2(NAC) Paula C. Keefe, IS2 Angel Morales, IS2 Matthew W. Nace, CTI2(NAC) Eric S. Newton, CTO2 Milton T. Pritchett, IS2 Richard J. Quinn, IS2 Lee E. Redenbo, CTR2 Michael A. Santichi, IS2 Bryan S. Stanley, IS2 Mark A. Szypula, PH2(AW) Jadye A. Theobald, CTI2 Sarah A. Vogel, PH3(SW) Robert M. Baker, IS3 Gere L. Beason, IS3 Michael J. Barrenchea, PH3 Richard J. Brunson, CTO3 Michael H. Buxton, PH3 Jomo K. Coffea, IS3 Terry D. Cooper, IS3 Trinity A. Durrell, CTR3 Angel Garay-Guzman, CTR3 George W. Hall, PH3 Sandra Harrison, CTO3 Yacha C. Hodge, IS3 Mark T. Kenny, CTT3 David E. Kozacek, PH3 Michael L. Larson, PH3(SW) Stephen E. Massone, CTI3 Dennis M. Paquet, IS3 Christopher P. Petrofski, IS3 Christopher D. Ross, IS3 John C. Shirah, CTT3 Gus Smalls, PH3 Alicia C. Thompson, CTM3 Jonathan R. Thompson, PH3 Kevin R. Tidwell, CTR3 Malina N. Townsend, IS3 William T. Tyre, CTR3 Thomas J. Wilgus, PH3 Robin R. Williams, ISSN Sa,uel J. Abernathy, PHAN Emily A. Baker, ISNN Kevin L. Bolden, CTRSN Stacey L. Bowman, ISSN Daniel F. Cady, ISSN Charles E. Fischer, ISSN Gene H. Gregory, ISSN Stephen W. Hedrick, AN Thomas E. Kossman, CTOSN Melissa A. Oliver, PHAN Jamie Snodgrass, ISSN Michael D. Spiller, ISSN Arther C. Twyman, ISSN Travis L. Veal, PHAR James A. Farraly, and PHAR Quinton D. Jackson.

In August, we plan to welcome these fine sailors and their crewmates back to the United States at their new home port in San Diego, California. Until then and on behalf of the whole Congress, I want to thank the crew of the *JOHN C. STENNIS* and their families for their pride, service and dedication to their country. God Speed and come home safely.

ON THE 50TH ANNIVERSARY OF THE NATIONAL INSTITUTE OF DENTAL RESEARCH

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. BONILLA. Mr. Speaker, I rise today to recognize the 50th anniversary of the National Institute of Dental Research. NIDR was established in response to the deplorable oral health of our recruits during World War II. As the third oldest institute of the prestigious National Institutes of Health, NIDR was entrusted with a leadership role designed to improve and promote the oral health of the American people.

In this capacity, NIDR supports biomedical and behavioral research in its laboratories and in public, private and academic research centers throughout the nation. The far-reaching results of these efforts have greatly improved the oral health status of the nation and reduced America's dental expenditures by $4 billion annually.

While NIDR continues to support research to further understand and prevent conditions that lead to tooth loss, its focus has broadened over the years to embrace studies of the entire craniofacial-oral-dental complex. Critical areas of investigation include infectious diseases, such as HIV/AIDS; inherited diseases; oral cancers; and autoimmune diseases. There is avid interest in studying tissue repair and regeneration and the interactive roles of various factors involved in the generation of craniofacial-oral-dental diseases.

I commend the National Institute of Dental Research on its accomplishments over the past 50 years. I am confident that over the next 50 years, NIDR will continue to greatly improve America's oral health through its outstanding oral health research.

CONGRATULATIONS TO BOB HOULDING, SR.

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate Bob Houlding, Sr., for being recognized as the 1998 Senior Farmer of the Year. Mr. Houlding has been dedicated to providing services to the agricultural community of Madera County since the 1920's and is very deserving of this honor.

Mr. Houlding's family connection to Madera goes back to the 1800s. Bob Houlding, Sr., is the son of William and Ludema Houlding. William Houlding came with his family from Nebraska to Madera in 1891. Bob Houlding, Sr.'s brothers are Frank, Bill and Vigil, and he has a sister, Ludema (Houlding) Weis.

Mr. Houlding started school in 1922 at Howard School, the year it was built, and graduated from Madera High School in 1934. In 1939, Bob Sr. joined the Army Air Corps to serve his country, staying in until 1946. He initially signed up for a three-year hitch, but just as his first tour was nearing its end, World War II broke out and he continued to serve. In the Air Corps (later the Air Force) he worked as an engineer, repairing B–24s and B–29s in the 21st Bomb Squadron and serving in places such as New Orleans, LA; Riverside, CA; Kansas; and the Aleutian Islands.

In 1942 he married Mildred Sonier. After marrying, the couple raised three sons, Bob Jr., Jerry, and Mike. Mr. Houlding continued to farm once he returned to Madera, growing cotton, alfalfa, wheat, and potatoes. As the years passed, Bob Houlding, Sr., involved his sons in the family business and now together they own 3,500 acres in Madera and on the west side of the San Joaquin Valley. His grandchildren and their spouses are also involved in farming. All of the grandchildren are graduates, current students, or have aspirations of attending Cal Poly—San Luis Obispo.

Mr. Houlding began by farming row crops, but since 1976, has moved into growing tomatoes, cotton, wheat, and almonds on the west side of Madera and Fresno counties. Mr. Houlding's action plan for farming has always been to diversify the kinds of crops he grows and to use modern farming techniques such as micro-sprinklers. Mr. Houlding has been a great proponent of reduced pesticide usage through the introduction of predator insects and of water conservation through the installation of drip and sprinkler irrigation systems.

Mr. Houlding has always been supportive to his community and of youth involvement in agriculture. He was a member of the board of directors of the Golden State Gin, a member of the Trade Club, and a charter member of the Reel and Gun Club.

Mr. Speaker, it is with great honor that I congratulate Bob Houlding, Sr., for receiving the Senior Farmer 1998 Award for Madera County. I applaud Mr. Houlding's dedicated service to, and leadership of, the agricultural community. I ask my colleagues to join me in wishing Mr. Houlding many more years of success.

IN MEMORY OF SISTER ADELAIDE CANELAS

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday; July 15, 1998

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise today to offer my condolences to the family of Sr. Adelaide Canelas, whose recent passing has meant a loss to her family, her friends, and the entire State of Rhode Island. It is with the deepest respect for her life's work, and in her memory, that I offer this resolution for the RECORD.

SENATE RESOLUTION EXTENDING CONDOLENCES ON THE PASSING OF SISTER ADELAIDE CANELAS

Whereas, Sister Adelaide Canelas, S.S.D. of Our Lady of Fatima Convent in Warren, R.I., died unexpectedly on Saturday, July 11, 1998; and

Whereas, Born in Lisbon, Portugal, a daughter of the late Eusebio and Albertina (Vazco) Canelas, Sister Adelaide entered the congregation of the Sisters of St. Dorothy in Lisbon in 1937 and was missioned to the United States in 1948; and

Whereas, After receiving a Bachelor's degree in Education, she taught in New Bedford, East Providence, Newport, and Bristol, at St. Francis Xavier School, St. Elizabeth School, and Our Lady of Mount Carmel School. In 1973, she dedicated herself to helping immigrants, especially the poor and under privileged; and

Whereas, Among the many programs Sister Adelaide worked with were Citizens Concerned for Human Progress, Coalition for Consumer Justice, R.I. Azorean Relief Fund and the George Wiley Center. She was also a member of the St. Vincent De Paul Society of St. Francis Xavier Church and was employed by them as Social Action Coordinator and Senior Aide of Self Help Inc.; and

Whereas, A very unique and determined individual, Sister Adelaide didn't exactly fit into the Pre-Vatican mold religious women were supposed to fit. She had strong convictions and was very stubborn, way ahead of her times; and

Whereas, Her determination was never more evident than when she met family after family, desperately poor and in need. She began by researching groups involved with helping poor people and went from there. Between transporting, fighting, picketing, finding jobs, and spending time in jail, Sister Adelaide put common sense and logic before the bureaucracy which was stifling her efforts to put food on their tables and clothing on their backs; and

Whereas, This "Robin Hood of Rhode Island" brought color to our lives, along with laughter, love, and kindness and we know that she has found a place in God's heart. Godspeed, Sister, and may you hear God say to you, "Come my beloved into the heavenly court for you have found the gift I value most—compassion and love for all in need, enter into my Heavenly Kingdom" now, therefore be it

Resolved, That this Senate of the State of Rhode Island and Providence Plantations hereby extends its sincerest condolences on the passing of Sister Adelaide Canelas and also extends condolences to her sister, Gloria; and be it further

Resolved, That the Secretary of State be and he is hereby authorized and directed to transmit a duly certified copy of this resolution to Gloria Canelas.

CIVIC PARTICIPATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 1, 1998 into the CONGRESSIONAL RECORD.

CIVIC PARTICIPATION

One of our country's most noteworthy characteristics has been the variety of organizations to which Americans belong, like churches, PTAs, unions, fraternal organizations, service clubs, and political parties, just to name a few. A belief in the power of collective action has shaped the history of our nation from the American Revolution to the civil rights movement. Alexis de Tocqueville, who studied American life in the 1830s, wrote that "Americans of all ages, all stations in life, and all types of disposition are forever forming associations." I am always impressed by how these organizations bring out the energy and talents in people. Every problem in the country I encounter is being addressed and ameliorated by some group.

But I am concerned about declining involvement of citizens in the community. In recent decades, many traditional community organizations have suffered declines in membership and participation. For example, the number of volunteers for the Boy Scouts and the Red Cross has dropped substantially since 1970; labor union participation has dropped by half since the mid-1950s; the League of Women Voters, Jaycees, and Lions have all seen double-digit drops in membership levels in the last 20 or 30 years. Anyone who has worked in an enterprise that depends on volunteers knows how difficult it is to recruit and keep them.

Several possible explanations for this change have been suggested. Some say that stagnant wages and a rapidly changing economy, coupled with the movement of women into the labor force, mean that citizens don't have the time to devote to community causes they once did. Americans now tend to move more often, hindering their ability to put down roots. In addition, adults are marrying later, divorcing more, and having fewer children than they did a generation ago—significant factors given that married, middle-class parents are the most likely to be civically involved.

Others note that technology, particularly the advent of the TV, has dramatically changed the way we spend our leisure time. Instead of going to a dance at the local lodge or gathering at the coffee shop, we may watch a movie on the VCR or log on to an Internet chat room. Technology allows us to spend less time in face-to-face contact with our neighbors. Americans' civic involvement seems to parallel the change in leisure activities. Although traditional civic organizations are less popular now, other groups, like the Sierra Club and the American Association of Retired Persons, have grown in recent years. For many, though, membership consists primarily of paying dues and reading a newsletter, rather than attending regular meetings and planning events. Many professional associations have also grown, and for some of us the workplace has supplanted the neighborhood as our primary focus for social interaction.

Why civic involvement matters: Communities benefit in a number of ways from the active involvement of citizens. First, citizens come to feel a greater stake in the community's welfare. I visit many schools in southern Indiana every year, and it is clear that one of the strongest factors in the quality of the school is the involvement of the parents. Many anti-crime programs have become successful only because citizens came together to address the problem.

Second, civic organizations have always sought to address problems the government didn't or couldn't solve. Voluntary efforts continue to play a huge role in the provision of services to needy Americans—from food banks to pre-school programs. Americans have always been suspicious of big government, but they also have a strong sense of compassion. Civic organizations allow them to reach out to those who need help.

Third, civic participation can act as a buffer against the potent forces of individualism—which sometimes devolves into selfishness—and allow us to exercise other important values, like cooperation, altruism, and negotiation. I often find Americans emphasizing freedom almost to the exclusion of responsibility, and expressing their gratitude for being citizens of the best country in the world while failing to perceive the need to fulfill the duties of good citizenship. Civic participation can remind us that along with the individual liberties we prize comes responsibility to seek the common good. Working with others toward a shared goal also helps build bonds of trust, thus serving as an antidote to cynicism.

Fourth, civic participation also fosters participation in the political process. In southern Indiana the people who come to my public meetings are often also the same people who are active in civic organizations. They take seriously their right and responsibility to participate in government. And the skills of negotiation and compromise learned through civic involvement are the lifeblood of democracy.

Conclusion: Fortunately, we still have many groups that have a remarkably salutary effect, channeling the energy and talents of individuals into public service for the betterment of the community. Civic participation is not obsolete, but an essential part of improving the quality of life in the nation. Americans, I believe, retain their desire to help their families and communities, but they must do it within the realities of two-career families, hectic lifestyles, and rapid changes in the economy and in their careers.

We have to work to strengthen civil society. Ultimately, this will depend not on government, but the acts of individuals. We do have to be sensitive to the way in which government can impinge on the activities of civil society and to the manner in which the workings of our government and economy can disrupt the good efforts of individuals and families. Dismantling the government is not the answer, but neither is more government. Both a prudent but limited role for government and a strengthened civil society are needed.

I am not suggesting that we could or should try to turn back the clock to the 1950s, or that all hope is lost. A recent poll of young adults showed high levels of interest in public service. We should, however, think about ways to reinvigorate civic life in light of the realities of the 1990s, and try harder to find ways to encourage Americans to become full participants in the civic life of the nation.

NATIONAL SCIENCE FOUNDATION REAUTHORIZATION

SPEECH OF

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 14, 1998

Mrs. CAPPS. Mr. Speaker, I rise in favor of this bill to reauthorize the National Science Foundation.

I am particularly pleased that this bill is finally moving to completion. I know that my late husband, Walter Capps, worked on this legislation last year and I share his dedication to ensuring the continuation of the good work of NSF. I want to commend and to thank Chairman SENSENBRENNER and my colleague from California, Mr. BROWN, for their outstanding work on this legislation.

This bill authorizes $3.8 billion for Fiscal Year 1999 and $3.9 billion in FY2000 in funding for the NSF, worthy and much needed increases in funding for math and science research. This bill also contains a provision to encourage the NSF to donate equipment to schools to enhance science and math programs. I believe strongly that we must ensure that all of our schools have access to the latest in high tech equipment to give our kids the skills they need to compete in the 21st century.

I have spent my professional life in the fields of health care and education. I know full well the value of research in these areas and can personally attest to the value of math, science and engineering education in our schools. In my district, for example, the University of California, Santa Barbara, has received numerous NSF education grants. One of the grants helped fund a 4-year Teacher Enhancement program to assist 750 K–8 math teachers in several local counties. California Polytechnic State University, in San Luis Obispo, has done some great work on math curriculum development and building interactive math models on the Web with NSF grants.

Much is said today about the need to educate our children for the increasingly competitive environment of the 21st century. I agree with that viewpoint. However, I also believe that education inspires individual and personal growth, which inevitably leads to a more civilized and prosperous society. That is also what these NSF programs achieve. The National Science Foundation's mission to sponsor research and encourage new thinking in education is a critical element for our economic growth as we move into the 21st century.

I urge my colleagues to support this legislation.

TRIBUTE TO GENERAL GEORGE WILLIAMS

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. RIGGS. Mr. Speaker, I rise today to say a special thank you to Brigadier General George "Nick" Williams, U.S. Air Force, for the complete professionalism he always displayed while Commander of the 60th Air Mobility Wing (AMC) at Travis Air Force Base, California.

During his two years at Travis, Brig. Gen. Williams has overseen a great deal of change. One of our most vivid memories of his tenure as base commander, will be the massive construction program that is making Travis the showcase of the Air Force.

Especially noteworthy has been his emphasis on projects which have improved the quality of life of the troops he was responsible for. He has overseen the completion of over $140 million in infrastructure improvement projects, including: A modern maintenance squadron building; a fire station; a state-of-the-art KC–10 hangar; a KC–10 simulator facility; four squadron operations buildings; a first class Health & Wellness Center; two Child Development Centers; five improved dorms; sixty-two military family housing units; a new officer and enlisted club; and, the largest BX in the Air Force. He has also helped to plan an ambitious expansion of the commissary schedule for next year.

Running the largest wing in AMC is a daunting task, Brig. Gen. Williams made an incredible contribution to the defense of the Nation. He maintained the highest operations tempo in AMC, with over 600 departures per month. He also had the highest command departure reliability rates for the two major weapon systems based at Travis—the C–5 at 83%, and the KC–10 at over 94%. This was accomplished, while facing a serious management challenge concerning pilot manning. The Travis Team flying units lost more than a third of their pilot manning in a matter of 18 months.

Under Brigadier General Williams tenure, Travis led participation in Southern Watch, Joint Endeavor, Deny Flight, Desert Strike, Guardian Assistance, Joint Guard, Decisive Endeavor, AEF 97–2, AEF 97–3, Deep Freeze, Centrazbat, Phoenix Scorpion I & II. Stellar performance on all South West Asia contingencies and Air Expeditionary Force deployments earned Travis an unprecedented AMC/CC full ORI credit in 1998.

Brigadier General Williams led the Travis Team to 14 trophy wins during Phoenix Rodeo international air mobility competition, including "Best C–5 Wing" and "Best Airland Wing;" an "Excellent" Nuclear Surety Inspection; 15 AF Aircrew Standardization Evaluation Visit "best seen."

I am pleased and privileged to have worked with this outstanding officer. I consider him a friend. As he heads to Scott AFB to become Director of Plans and Programs at Headquarters, Air Mobility Command, I wish him and his wife, Mary Ann, a successful assignment and a THANK YOU for a job well-done.

TRIBUTE TO FLOOD VICTIMS OF LAWRENCE COUNTY, TN

HON. VAN HILLEARY

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. HILLEARY. Mr. Speaker, I rise today to send my thoughts and prayers out to the citizens of Lawrence County in my district in Tennessee.

On Monday evening, a strong storm dumped four inches of rain on the County within an hour, which set off a devastating flash flood which killed at least two people and left an estimated 15,000 people in Lawrenceburg and the outlying areas without drinking water and sewage service. As of Wednesday morning, two people are still missing, and 123 homes were damaged or destroyed by the flood.

I went to Lawrence County yesterday afternoon to meet with local officials, survey the damage and offer any help I could. I'm hopeful that federal disaster aid will be approved, and I urge my colleagues to support our cleanup effort any way they can.

Unfortunately, my emergency trip to Lawrence County prevented me from being present for floor votes in the House of Representatives on Tuesday night. I regret not being able to be in Washington for those votes, but when there is an emergency or disaster in my district which affect my constituents, that's where my responsibilities lie.

I want to close by once again sending my prayers out to everybody who has had their lives affected by the horrible flood. Hard times bring out the best in people and communities, and I know Lawrence County is already pulling together to get back on its feet as soon as possible.

RECONCILIATION IN GUYANA

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. GALLEGLY. Mr. Speaker, in December 1997, the people of Guyana, exercising their strong support for democracy went to the polls to vote for a new President. In numbers reportedly as high as 88 percent of the electorate they cast their votes and elected the candidate of the People's Progressive Party/Civic or PPP. This election which was observed by representatives of the international community, including Americans, was judged to be free and fair. Despite the transparency of the overall election, there were some problems involving the counting of certain ballot boxes. As a result, the newly elected government of Guyana asked the nations of CARICOM to conduct an impartial audit to determine if the alleged irregularities in the vote count were of a fraudulent nature as to cast doubt on the outcome of the election.

Recognizing the extremely important process of democracy of Guyana, as demonstrated by the election, the House International Relations Committee marked-up and adopted a Resolution introduced by our Colleague from New Jersey, DONALD PAYNE. This resolution congratulated the people of Guyana for their strong expression of support for democracy, expressed support for the CARICOM audit, called on both the PPP and the People's National Congress (PNC) to abide by the outcome of that audit and to commit to peace and stability in the post-election period. Subsequently, the House overwhelmingly passed this resolution.

On June 2, the CARICOM audit was completed and declared that the recount of the more than 400,000 ballots cast, varied only slightly from the original results. Thus, the election of President Jagan was determined to be fair.

Today, however, Guyana is in the midst of a civil disobedience campaign led by the supporters of the opposition PNC. Despite the fact that PNC Presidential candidate Desmond Hoyte said that he accepted the results of the audit, he has stated that acceptance did not mean that his party accepted Mrs. Jagan as President. Fair enough. But ever since, Mr. Hoyte and his followers have been engaged in a systematic anti-government movement which has employed violent mob protests, arson and physical assaults on representatives of the government, the PPP, and even the press to vent their frustration at their electoral loss. Unfortunately, these actions are close to constituting a direct threat to democracy in Guyana.

Mr. Speaker, the feuding parties in Guyana must stop the violence, accusations and name-calling and must begin a period of reconciliation for the stability of the nation and the good of the people. The opposition leader, Mr. Hoyte should accept his electoral defeat, publicly call for an end to the mob violence and assume the role of opposition leader in the halls of the political arena rather than in the streets. The PNC members of the Guyana National Assembly who have refused to take their seats and allow the business of the country to go forward should assume their democratic responsibilities and make their case through the legislative process. For her part, President Jagan should appoint, in consultation with the opposition, the Constitutional Reform Commission called for in the Herdmanston agreement of January, 1998. This Commission should consist of representatives of all political parties and a broad range of citizens which would review the major issues of disagreement, disparity and discrimination within the country and which would make recommendations to the National Assembly for action. And finally, the leaders of the PPP and PNC in the Assembly should appoint a joint committee of their own to establish a dialogue on the major issues the country needs to address with respect to political and economic reform and then to work with each other through the legislative process to enact necessary changes.

In sum, Mr. Speaker, democracy in Guyana must prevail and must grow stronger. In any truly democratic society, there are those who win elections and those who lose and the losers must peacefully respect the wishes of the electorate, however distasteful, and take up their role of the opposition in a statesmen-like manner and work with the government to provide a more stable, strong and prosperous nation for all the people.

Reconciliation must happen now so that Guyana can move forward in the true sense of a free and democratic nation.

RECOGNITION OF UPPER SANDUSKY, OH, SESQUICENTENNIAL CELEBRATION

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. OXLEY. Mr. Speaker, I rise to offer my congratulations to the community of Upper Sandusky which celebrated its sesquicentennial. This celebration is a time to reflect on the attributes which have made Upper Sandusky the strong city it is today, while focusing on the stepping stones of the future to ensure continued growth and prosperity.

What officially became known as Upper Sandusky in July, 1848, was once an area occupied by the Wyandot Indians. This location was attractive to the pioneers that arrived after the Wyandots moved Westward because it offered fertile land and all the opportunities of starting a new life without traveling to the new frontier out west.

While keeping up with the expansion of the village, the early leaders and citizens of Upper Sandusky began to build churches, schools, libraries, a courthouse, and a post office. Furthermore, railroads, bridges, roads, and a phone system were all in place by the mid 1850's which aided the rapid development of the area. Following this pattern of growth, Upper Sandusky was the first village in Wyandot County to be granted a city charter in 1966.

Contributing to the vitality of Upper Sandusky was the early establishment of an industrial base. While the surrounding area was ideal for agriculture, the village also had brickmakers, steam pump works, cabinet making, and saw mills, just to name a few. Today, Upper Sandusky continues its tradition of being a rich agricultural and industrial center.

Even more important than the growth of commerce has been Upper Sandusky's tradition of community based values. Much of this can be attributed to early German Irish immigrants to the area who trusted in God and esteemed ones family. I know the positive effects of a small town that values each of its citizens. There is a feeling of security and reassurance that comes from calling your community your home; a place where your neighbors, classmates, coworkers are not only your friends, but become an extension of your family. Continuing to develop in an enriching environment, I have no doubt that Upper Sandusky will prosper for another 150 years.

CONGRATULATING THE BUEHLER CHALLENGER AND SCIENCE CENTER

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mrs. ROUKEMA. Mr. Speaker, I rise to draw the attention of my colleagues to the Buehler Challenger and Science Center in Paramus, New Jersey. This is a highly educational facility that provides excellent hands-on learning opportunities for thousands of young people. It is a wonderful example of how to make learning fun!

The Buehler Challenger and Science Center was dedicated September 6, 1994. It is a mockup of the NASA space shuttle and its control centers and allows students who dream of the stars to come as close to space flight as they can without leaving the ground. In the process, it teaches a myriad of lessons about science, math, thinking, problem-solving, teamwork and self-confidence.

The center is named for Emil Buehler, an aviation pioneer whose experience ranged from the biplanes and dogfights of World War I to the beginnings of the shuttle program before his death in 1983.

This center presents the young people of New Jersey with a taste of the many challenges in science and technology that await them as we enter the 21st Century. The children who visit this center will see advances in science and technology during their lifetimes we cannot begin to imagine. Our children are our future and this center helps ensure their future is a bright one.

Students who have taken the Buehler center's "fantastic voyage" are transported into a whole new world. And, like astronauts returning from space, they bring back with them invaluable knowledge about themselves and the world around them. This knowledge will help them aim for the stars as they pursue new heights in math, science and technology.

Inspiring children through facilities such as this is essential to initiate and maintain interest in technology among our young people to enable them to meet the demands of citizens will face in the next century. This is essential to maintain our position in the global economy of the future.

Unfortunately, but true, many children decide as early as elementary school that they have no interest in science. Too many believe they can't "do" science or that math is "too hard." The result, according to some estimates, is that America will have a shortage of half a million chemists, biologists, physicists and engineers by the year 2000. The Challenger Center is helping reverse that trend. Fortunately, these same students are fascinated by space subjects, especially astronauts. This unique, hands-on experience can raise students' expectations of success, foster in them a long-term interest in math and science, and motivate them to pursue careers in these fields.

It is only natural that the Challenger Center can be a way to reach students uncertain about science. Since the inception of the space program, NASA and the nation's education system have traveled parallel paths. They share the same goals—exploration, discovery, the pursuit of new knowledge and the achievement of those goals is interdependent. NASA depends on the education system to produce a skilled and knowledgeable work force. The education community, in turn, has used the space program to motivate and encourage students to study science, engineering and technology.

If the United States is to remain at the forefront of space science and aerospace technology and research, then we must provide students with the skills they will need in a highly complex and technical workplace. The next generation of science and technology achievements can only be as good as the education and challenges we give our children in those subjects today.

The children who visit this center today could easily turn out to be the scientists of tomorrow. Who knows what discoveries they will make or new technologies they will develop? Their work could be as dramatic as the airplane was to our grandparents or the space shuttle to us.

Even for those who don't enter the world of science, this center offers an insight into the technological world around them. If we think it's vital to be computer literate today, imagine the skills that will be required in another generation.

An important aspect of this challenge to learn is that some believe the United States is no longer challenged. With the demise of the Soviet Union and the end of the Cold War, we no longer have the type of outside challenge that pushed us to the moon. Remember, it was the insult and shock of Sputnik that led President Kennedy to launch the space program.

If we are not to be challenged by another nation, we must challenge ourselves. We must make a commitment to go where no one has gone before, to explore and learn and never be satisfied that there are no challenges left to meet.

Today I'd like to challenge our young people to continue the record of meeting challenges that our nation has exhibited in the past. The Buehler Center is part of the highway to a future where the American thirst for knowledge will keep our nation the world's leader in science and technology.

THE U.S. AND PANAMA BEYOND 1999

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. GALLEGLY. Mr. Speaker, over the July Fourth district work period some very disturbing and disheartening news reached us regarding negotiations between the United States and Panama as to the presence of the United States in Panama beyond 1999. And now, our State Department is about to inform the Government of Panama that talks may just be over. This could be a mistake and both sides should agree to take a time out and enter into a cooling off period.

As my colleagues know, next year, on December 31, 1999, the Panama Canal Zone will be turned over to Panamanian control and all United States forces are to withdraw from that nation. However, for over a year, the United States and the Government of Panama, largely at the suggestion of the Panamanian President, Perez Balladares, have been negotiating a compromise which would permit a limited number of U.S. military personnel to remain in Panama.

The negotiations were over the creation of a new multinational anti-narcotics center which would be located at the Howard Air Force Base. Under the agreement, which was largely completed last January, some 2,000 U.S. military personnel would be permitted to remain in Panama to staff the center which would provide regional air surveillance, intelligence information and direct counter-narcotics assistance to nations participating in the center. At the time, there was a good deal of optimism expressed by both sides that the agreement would satisfy each nation's specific needs. Panama would see the end of U.S. control of the Canal and would gain what it considered its final and total national sovereignty. The U.S. would retain a presence in Panama while not appearing to be retaining a strictly defined military base. For the United States, the retention of a small military profile in Panama would allow us to maintain our commitment to the preservation of democracy and stability in Central America and to continue the fight against the drug trade essentially in region. For Panama, the continued presence of U.S. personnel would serve as a confidence builder for foreign investors and those concerned over the future security of the canal.

Interestingly, Panamanian public opinion seemed to favor such an agreement for largely the same reasons.

Unfortunately, and despite the initial optimism, the agreement now appears to be in serious jeopardy as both sides seem to be having difficulty deciding what it is they really want. The Government of Panama, for its part, can't seem to make up its mind as to whether it really wants a continued U.S. presence beyond 1999 or for that matter, a counter-drug center on its territory. All of this is wrapped around internal political and Presidential politics with President Perez Balladares unable to determine whether such a center helps or hurts his standing within his own political party and whether it hurts or helps his reelection chances.

The United States, for its part, cannot seem to decide whether it wants a military base or an anti-narcotics center in Panama. The whole premise for supporting an anti-drug center was to reassure those in this country that wanted the U.S. to remain in Panama that it was possible to do so and to avoid the controversy within Panama of retaining a bona fide military base in that country beyond 1999 and in violation of the Panama Canal Treaties. A multinational, anti-drug center seemed to fit the bill with at least a wink and a nod. Even the other nations of the region, while supporting the concept of an anti-narcotics center, were not about to sign on if the center was simply a cover for a U.S. military base.

Yet, the negotiations have broken down at least in part due to the Clinton Administration's insistence that it be allowed to conduct additional operations out of the center which are more closely associated with military operations than counter-narcotics operations. One can argue the finer points of search and rescue or humanitarian resupply, but to insist on them being part of a non-military base, anti-drug center, does give the Panamanian government a legitimate issue to argue over. It seems that both sides could compromise on this issue. The U.S. side could temporarily drop its insistence on the inclusion of other missions and just work on the anti-drug center, provided of course that the anti-drug center is the priority. The Government of Panama could commit, preferably in a side note, to take up the question of the other missions once the anti-drug center agreement is finalized, if it really wants such a center in Panama.

Mr. Speaker, the bottom line is that both sides must determine what it really wants. President Balladares must face the voters. The Clinton Administration must face the American people. If the drug center is that important, and in many respects it is. And if the ability to retain some element of the U.S. military in Panama beyond 1999 is a political necessity, and it could be, then the Administration must decide the price in throwing away this opportunity solely because we may not be able to write into the agreement whether or not search and rescue training can be conducted once in a while in Panama over the next twelve years.

A TRIBUTE TO ERIC BACHMANN

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. PORTMAN. Mr. Speaker, today I rise to celebrate the life of Eric Bachmann, a remarkable young man who was working to preserve an important chapter in our nation's history. Tragically, Eric died on Saturday, July 11, one day before his 27th birthday.

Eric was the Assistant to the President and CEO at the National Underground Railroad Freedom Center in Cincinnati, Ohio. He also helped us develop the National Underground Railroad Network to Freedom Act which will be signed into law soon. As we move forward to promote racial cooperation, we will continue to be motivated by Eric's spirit.

Eric graduated from Texas Tech in 1993 with a degree in history. Eric then moved on to the National Conference for Community and Justice (formerly the NCCJ), before beginning his service as an official of the National Underground Railroad Freedom Center.

Healing the wounds of racial and social injustice was one of Eric's true passions, and he admired those who worked for freedom. These ideals led him to work diligently to honor the courage of those involved with the Underground Railroad.

Eric was loyal and dedicated. He served his community and country through his good work. All of us in Cincinnati will miss him as a colleague and friend.

PERSONAL EXPLANATION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. WOLF. Mr. Speaker, I was unable to be present for rollcall 266 on Wednesday, June 24. Had I been present, I would have voted "yea" on passage of H.R. 4103, the fiscal year 1999 defense appropriations bill.

THE FREEDOM AND PRIVACY RESTORATION ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. PAUL. Mr. Speaker, I rise today to introduce the Freedom and Privacy Restoration Act, which repeals those sections of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 authorizing the establishment of federal standards for birth certificates and drivers' licenses. This obscure provision, which was part of a major piece of legislation passed at the end of the 104th Congress, represents a major power grab by the federal government and a threat to the liberties of every American, for it would transform state drivers' licenses into national ID cards.

If this scheme is not stopped, no American will be able to get a job; open a bank account; apply for Social Security or Medicare; exercise their Second Amendment rights; or even take an airplane flight unless they can produce a state drivers' license, or its equivalent, that conforms to federal specifications. Under the 1996 Kennedy-Kassebaum health care reform law, Americans may even be forced to present a federally-approved drivers' license before consulting their physicians for medical treatment!

Mr. Speaker, the Federal Government has no constitutional authority to require Americans to present any form of identification before engaging in any private transaction such as opening a bank account, seeing a doctor, or seeking employment.

The establishment of a national standard for drivers' licenses and birth certificates makes a mockery of the 10th amendment and the principles of federalism. While no state is forced to conform their birth certificates or drivers' licenses to federal standards, it is unlikely they will not comply when failure to conform to federal specifications means none of that state's residents may get a job, receive Social Security, or even leave the state by plane? Thus, rather than imposing a direct mandate on the states, the federal government is blackmailing states into complying with federal dictates.

Of course, the most important reason to support the Freedom and Privacy Restoration Act is because any uniform, national system of identification would allow the federal government to inappropriately monitor the movements and transactions of every citizen. History shows that when government gains the power to monitor the actions of the people, it eventually uses that power to impose totalitarian controls on the populace.

I ask my colleagues what would the founders of this country say if they knew the limited federal government they bequeathed to America would soon have the power to demand that all Americans obtain a federally-approved ID?

If the disapproval of the Founders is not sufficient to cause my colleagues to support this legislation, then perhaps they should consider the reaction of the American people when they discover that they must produce a federally-approved ID in order to get a job or open a bank account. Already many offices are being flooded with complaints about the movement toward a national ID card. If this scheme is not halted, Congress and the entire political establishment could drown in the backlash from the American people.

National ID cards are a trademark of totalitarianism and are thus incompatible with a free society. In order to preserve some semblance of American liberty and republican government I am proud to introduce the Freedom and Privacy Restoration Act. I thank Congressman BARR for joining me in cosponsoring this legislation. I urge my colleagues to stand up for the rights of American people by cosponsoring the Freedom and Privacy Restoration Act.

J.J. "JAKE" PICKLE FEDERAL BUILDING

SPEECH OF

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 14, 1998

Mr. EDWARDS. Mr. Speaker, I rise today to tip my hat and pay tribute to former Congressman Jake Pickle for his service to the state of Texas and the people of the 10th Congressional District. Jake Pickle served with distinction and honor during his 31 years in Congress. I consider it a great privilege to have served with him. I now find it an honor to support H.R. 3223 which names the Federal Building in Austin, Texas, as the J.J. "Jake" Pickle Building. The bill has my wholehearted support and the man has my deepest respect.

Jake Pickle's legacy extends far beyond the naming of a building in his honor. His legacy lies in his many years of public service and the millions of Americans who have been touched by his devotion and dedication. Jake Pickle was an independent minded man who never shied from a fight, but who was always ready to listen to a problem and lend a helping hand. Jake Pickle looked beyond partisan politics to help insure that Social Security is solvent today and that the elderly have Medicare. He was instrumental in a wholesale reform of the tax code and in fostering government programs that spurred small business and created jobs for working families.

Jake began to develop his political expertise at the University of Texas at Austin where he served as student body president. His political journey began in the early 1930s when he became a friend and political ally of Lyndon B. Johnson. Jake Pickle was a student of the New Deal era which taught that a person has an individual responsibility and that the government should be responsible for its citizens.

Jake Pickle answered the call of his country and served in the U.S. Navy during World War II. After the war, Jake returned to Austin and was a business partner in a local radio station. He maintained his political ties, stayed involved in the community and continued to practice his philosophy of individual and governmental responsibility.

He brought that philosophy with him to Washington when he took his seat in the U.S. House of Representatives in December 1963, less than a month after LBJ assumed the presidency. Jake immediately got to work for the country and the constituents of his Hill Country congressional district.

Jake Pickle cast important ground breaking votes for the Civil Rights Act of 1964 and the Voting Rights Act of 1965. These votes were politically difficult for a new member from the South, but Jake Pickle made the right decision.

Jake served on the powerful House Ways and Means Committee, where he was a leader on many important issues and willing to take a stand for working families. He worked tirelessly on Social Security reform and on programs that provided a better life for this nation's senior citizens.

I am proud to have served in this House with Congressman Jake Pickle. His service to the State of Texas and the people of the 10th district will be remembered for many years to come. It is appropriate and quite fitting that the federal building in Austin is designated in Jake Pickle's honor.

GENERAL MOTORS EXPORTS AMERICAN JOBS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. LIPINSKI. Mr. Speaker, GM, America's largest auto manufacturer, is embroiled in a costly and expensive showdown with the United Auto Workers. The strike is expected to cost GM around $1 billion in second quarter profits. This strike has nearly paralyzed GM's North American operations.

Since NAFTA was signed into law by President Clinton, GM has aggressively shifted manufacturing jobs to places like Silao, Mexico. That's not the only GM plant in Mexico. At last count, GM has one car assembly plant, two truck assembly plants and 29 parts plants in Mexico employing a total of 70,000 Mexican workers. Unfortunately, it is not too far of a jump to conclude that these 70,000 jobs in Mexico came at the expense of 70,000 American workers.

GM contends that these cost-saving measures are necessary for it to stay competitive in this global economy. In the unrelenting drive to fatten the bottom line, GM has thrown American workers to the side of the road.

Free trade does not equal fair trade, especially when American working families suffer the consequences of our misguided trade policies that throws American workers out of work and only fattens the multinational corporations' bottom line. Corporations are in the black with record profits while American workers stand in the unemployment lines.

The UAW is right on target in placing this at the core of their negotiations with GM. It is a valid issue that is of vital concern to all American workers in the manufacturing industry. I believe that it is fair to say that the outcome of this strike will highlight what is to come in the future. Will multinational corporations continue to move their manufacturing operations to foreign nations? Will they continue to export American jobs overseas?

I urge my colleagues to consider these questions as this chamber is expected to consider MFM for China and fast track renewal authority later this year. With foreign trade equal to 30 percent of our gross domestic product, it is inextricably intertwined with our national economy. The dream of global free trade has been marred by realistic facts: the spiralling U.S. trade deficit, stagnant wages, and the export of American jobs.

Wake up, America! It's time we stop this relentless, blind march toward the so-called "global economy" and embrace effective trade policies, and yes, perhaps even industrial policies, that will ensure a rising standard of living for the American people and protect vital economic interests. We can—and we must—do more for American workers by embracing trade policies that embraces American workers.

It's time to stop representing the multinational corporations and time to start working for the American people.

IMPROVING COST RECOVERY FOR THE COAST GUARD'S INTERNATIONAL PATROL

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. GEJDENSON. Mr. Speaker, in the "Year of the *Titanic*," I rise to salute the brave men and women of the United States Coast Guard who are engaged in important life-saving work of the International Ice Patrol. The

Ice Patrol is headquartered in my district of Groton, Connecticut.

As a direct result of the sinking of the *Titanic,* the Ice Patrol was established in 1914 as part of the International Maritime Organization's first convention of the Safety of Life at Sea. Over eighty years later, icebergs still pose a significant threat to commercial navigation. The Coast Guard Ice Patrol program provides a vital and internationally-recognized contribution to maritime safety.

The Coast Guard uses C–130 aircraft equipped with side-looking airborne radar to overfly North Atlantic shipping lanes during the annual "ice season." Radar observations are combined with ocean current and water temperature information to produce computer-generated predictions of the southern-most limits of floating ice for each day of the season. The resulting information is broadcast on open radio frequencies to all ships transiting the North Atlantic.

The great circle route past Newfoundland and Nova Scotia is the shortest distance to North America from all European and Mediterranean ports. Operators of commercial vessels save tens of thousands of dollars per year in fuel costs and voyage time by relying on the Coast Guard's radio broadcasts to determine how far north they may safely sail and at what speed. In addition, knowledge of ice zone limits over time allows ships to pass farther north than they would otherwise travel. Without this information, voyages would take longer and be more expensive.

Ice Patrol activities cost the U.S. Coast Guard an average of $3.5 million per year, not including fixed capital costs. Under a 1956 International Maritime Organization financial support agreement, the U.S. Government collects and tabulates national flag and tonnage data, bills other parties to the Agreement, and remits collections to the U.S. Treasury.

When the Agreement about costs was established, most maritime nations which used the North Atlantic routes were located in the North Atlantic region or were flag states with large amounts of traffic on the route. The seventeen current members of the Agreement are: the United States, Greece, Germany, Belgium, Denmark, Finland, the United Kingdom, Spain, Norway, Canada, Panama, France, Italy, Sweden, the Netherlands, Japan and Poland. The Agreement operates on the honor system: membership is voluntary, and, because it involves safety of life at sea, the information generated by the Coast Guard is broadcast to all North Atlantic mariners free-of-charge.

In recent years, the 1950s-era handshake approach has become inequitable for paying members. In short, it is no longer fair. Non-contributing countries represent a growing share of North Atlantic shipping, and as a result, the seventeen Agreement members are becoming increasingly unwilling to pick up all non-member costs while using a shrinking share of the service. Currently, only about 53 percent of the total benefiting tonnage belongs to vessels flagged to contributing states. The remaining 47 percent is flagged to ships that use the service but do not pay. I would call them "free riders." The United States must pay almost $250,000 per year more than it would pay if every nation contributed its fair share.

Another growing problem is the accumulated debt to the United States by member countries who are not settling their Ice Patrol accounts. Liberia, which dropped out of the agreement in 1990, still owes $1.9 million in pre-1990 arrearages. All told, current and former Agreement members owe the U.S. Treasury over $7.3 million. Unfortunately, this balance continues to grow every year.

At a meeting of member states in late 1996, there was unanimous consensus that the Ice Patrol is a valuable navigation safety service which should be continued. There was also general agreement that the financing system was not working, due to the increasing use of the service by non-contributing states. Members authorized the United States to explore other collection options. Accordingly, the United States Coast Guard intends to raise the issue at the next meeting of the International Maritime Organization later this month. They will be seeking changes in the agreements that would permit the U.S. to recover all costs of the Ice Patrol on a equitable basis.

Mr. Speaker, for the record, I would like to lend my full support to the efforts of the Coast Guard and other U.S. government agencies engaged in the provision of this valuable safety service. I also encourage the Administration to continue vigorously its efforts to replace the current inequitable financing system with one that reflects national costs more closely tied to the benefits enjoyed by the users involved.

50TH ANNIVERSARY OF THE BOROUGH OF RARITAN, SOMERSET COUNTY, NEW JERSEY

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today to congratulate the people of the Borough of Raritan, Somerset County, New Jersey, as they commemorate the 50th Anniversary of the incorporation of their community. While Raritan has been incorporated as a self-governing municipality for only fifty years, its history dates back to the 1600's.

The Borough of Raritan is situated on the river bearing the same name, about one mile southwest of Somerville, New Jersey. Early records indicate that in 1846 or 1848 a group of residents gathered to decide upon a name for the village. After some discussion, it was decided to name the village after the Raritan River.

As we look back in time, we find a place rich in history and culture. In 1734, George Middaugh, one of the early settlers, built a tavern at the corner of Glaser Avenue and Granetz Place. This tavern became the first meeting place for the colonists of the village of Raritan. One of the oldest historic houses in Somerset County is also located in Raritan. The Central Railroad of New Jersey, with the first bridge built across the Raritan River, provided excellent transportation for the citizens of Raritan.

In 1844, there were four houses and a gristmill in Raritan. The first store was opened by J.V.D. Kelly, who owned the gristmill. The first Sunday School was established in 1845 in the blacksmith shop on Somerset Street, owned by John A. Staats. Religious services were held for several years at private residences by members of different denominations until the building of the old school-house on Wall Street.

During the ministry of Gulliam Bertholf, and while he was on a missionary tour of northwest New Jersey, the First Reformed Church of Raritan was formed. Records indicate that written material of the church was in the Dutch language and the first record, dated March 8, 1699, is of the baptism of the children of Jeronimus Van Neste, Cornelius Theunissen and Pieter Van Neste. In 1872, a group of people united and formed the Methodist Church and in, 1854, St. Bernard's Church was established.

The year 1850 saw the opening of a new post office for the residents of Raritan. The population of the village at that time was approximately 2,240 people. Additionally, the first school-house was 25 by 36 feet, and two stories high. In December 1871, the school and lot were sold to the Methodist Society. This is just a glimpse of Raritan's development as a community.

The Borough of Raritan also has a very special place in our nation's history. Raritan has become a landmark of freedom and independence. The Reformed Church is proud of the fact that General George Washington spent the winter of 1779 in a home in Raritan. Another historical fact notes that, in 1778, General Lafayette made his headquarters in the "Cojeman House" in Raritan.

Raritan gave its all to the World War I effort and the sacrifice of the people was acknowledged by the United States Congress when they decided that a ship be built and named after the Borough. The S.S. Natirar (Raritan spelled backwards), was launched at Wilmington, Delaware in 1920. This was a high honor bestowed upon a town, but Raritan received another distinction when President Warren G. Harding signed the Treaty of Raritan at the home of United States Senator Joseph S. Frelinghuysen of Raritan on July 20, 1921, officially ending World War I.

During World War II, thousands of citizens from Raritan also served with distinction and honor and one in particular is remembered each year. Marine Sergeant John Basilone was awarded the first Congressional Medal of Honor for his heroic actions on Guadalcanal. He was later killed in Iwo Jima in 1945. Today, his memory is celebrated by the annual Basilone Parade, held each September.

Mr. Speaker, I ask that you join me and our colleagues, in congratulating the citizens of the Borough of Raritan as they celebrate this historic milestone.

A SALUTE TO THE WOMEN'S RIGHTS MOVEMENT

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. FROST. Mr. Speaker, I rise today in recognition of the 150th anniversary of the Women's Rights Movement.

In Seneca Falls, New York in the summer of 1848, the first convention of American women was held. It was there that the women of America officially began their struggle toward empowerment. On the 150th anniversary of the landmark Seneca Falls convention, the history of the United States is indelibly marked with the amazing accomplishments of its women. As Congress prepares to salute the women of our nation on this important anniversary, I would like to take this opportunity to celebrate 150 years of women's achievement.

The Seneca Falls participants, led by women's rights pioneers Lucretia Mott and Elizabeth Cady Stanton, shared a hopeful vision of the future of women in America. The women came together to demand fair treatment in every aspect of American life. In their Declaration Sentiments, the Seneca Falls women offered a new vision of equality in America: "We hold these truths to be self-evident: that all men and women are created equal."

As women's leaders fought for equal property and voting rights, American women busily achieved in other areas. In 1872, Charlotte E. Ray became the first American woman to graduate law school. In 1916, Jeannette Rankin of Montana became the first woman elected to the Congress of the United States. In 1920, women celebrated a major victory as the 19th Amendment was signed into law, guaranteeing the women of America the right to vote.

American women have displayed remarkable talent in almost every imaginable field of endeavor. Authors such as Louisa May Alcott, Harriet Beecher Stowe, and Toni Morrison have contributed great works to American literature. In 1932, Amelia Earhart became the first woman to fly solo across the Atlantic Ocean; fifty-two years later, Dr. Kathryn Sullivan became the first woman to walk in space.

One hundred and fifty years after the Seneca Falls convention, we see just how far women have come in America. Today, Justice Sandra Day O'Connor and Justice Ruth Bader Ginsburg both sit on the Supreme Court, and Secretary of State Madeline Albright is the first woman to hold that prestigious office. I salute those women, past and present, who fought and continue to fight to achieve their goals of freedom.

THE GRADUATE MEDICAL EDUCATION TECHNICAL AMENDMENTS ACT OF 1998

HON. JOHN ELIAS BALDACCI

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. BALDACCI. Mr. Speaker, I rise today to introduce the Graduate Medical Education Technical Amendments Act of 1998. This bill addresses the serious, albeit unintended consequences of reimbursement changes for Graduate Medical Education residency programs, particularly rural family practice residency programs, resulting from the Balanced Budget Act of 1997.

Various adjustments in the Graduate Medical Education program (GME) resulted from last year's Balanced Budget Act (BBA). In an attempt to reign in costs and address a nationwide glut of physicians, reimbursement levels have been capped for all hospitals, including those in rural and underserved areas. While there may be an overabundance of physicians willing to serve in cities like Boston or New York or Los Angeles, towns like Lewiston in my district in Maine lack an adequate number of physicians, especially family practice physicians. The bill that I am introducing with the support of Congressman ALLEN will ensure that rural areas maintain the flexibility needed to react to primary physician shortages. This legislation also clarifies the definition of rural facilities allowed "special consideration" under the GME reimbursement caps. These changes are essential for my state, and for many others around the country.

The Balanced Budget Act of 1997 places a cap on the number of residents "in the hospital" as of December 31, 1996, as opposed to the number of residents enrolled in the GME program. Due to instances of residents on leave from the hospital or in training at ambulatory care facilities in the base cost reporting period, many hospitals are facing a lowered cap. This cap does not reflect the true number of residents enrolled in their programs. The problem is acute for family practice residency programs, which rely heavily on site training of their residents.

Also lost in the GME reimbursement changes in the Balanced Budget Act of 1997 is the definition of rural programs given flexibility under the cap. Clarification is needed in order to recognize the innovative programs being established in many districts in which urban institutions provide a "rural track", training residents to serve in rural communities. The definition of facilities allowed "special consideration" under the cap restrictions should be expanded to include programs that are targeting rural communities, even if the hospital itself is located in a non-rural area. Many small community hospitals offer only one residency program, and these are primarily family practice programs. Those hospitals with only a single residency program should be exempt from the cap in order to allow the facilities the flexibility to adapt to the needs of their community.

Another shortfall of the GME reimbursement changes affects new primary care residency programs which were in the process of expanding their programs to meet the needs of their rural communities when the Balanced Budget Act became law. The published interim final rule arbitrarily utilizes August 5, 1997 as the date by which all new residency programs had to fill their allocation of residency slots. There are programs that were recently accredited which did not have time to meet their full allotment of residency slots. For this reason, the legislation I am introducing today would change the cut-off date to September 30, 1999. These developing programs should be allowed to come to fruition.

Mr. Speaker, similar legislation has been introduced in the other body of my colleague and friend, Senator SUSAN COLLINS. I ask that Members of the House examine how their rural residency programs will be affected by the GME changes mandated by the Balanced Budget Act, and that they support this legislation which seeks only to give rural communities an opportunity to meet the health care needs of their citizens.

A TRIBUTE TO JOHN E. LOBBIA

HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. UPTON. Mr. Speaker, a good friend is retiring in Michigan and I wanted to share a letter that the Michigan delegation sent to John Lobbia, CEO of Detroit Edison Company.

Mr. JOHN E. LOBBIA
Chairman and Chief Executive Officer, The Detroit Edison Company, 2000 2nd Avenue, Detroit, Michigan.

DEAR MR. LOBBIA. On behalf of the entire Michigan Congressional Delegation, it is a great honor for us to wish you a long, healthy, and happy retirement. Congratulations on the completion of an outstanding career.

Under your guidance, Detroit Edison has emerged as a national leader, known for its quality, competitiveness, and innovation. More than two million Michigan homes and businesses count on Detroit Edison for their energy needs. Your success at meeting those demands has helped to power Michigan through its economic renaissance and emerge as one of the nation's most successful states.

But we recognize that many of the milestones of your career occurred outside Detroit Edison. Your unwavering support for a number of civic and community organizations has left an indelible mark on our state. Clearly, your caring and support of our community runs deep—the mark of a true leader.

Again, congratulations on your many years of service to Detroit Edison and to Michigan. With respect and admiration we remain,

Very truly yours,
FRED UPTON,
JOHN DINGELL,
Members of Congress.

HONORING LAKESIDE FAMILY AND CHILDREN'S SERVICES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. GILMAN. Mr. Speaker, I rise today to honor the Lakeside Family and Children's Services on their Seventy-fifth Anniversary. Lakeside Family and Children's Services has been a shining example of what a community together can accomplish and what effect the selfless service of individuals can have on children.

On October 1, 1998 Lakeside Family and Children's Services will celebrate this special anniversary. The Gala Dinner will be held at the New York Hilton Hotel and Towers, and will celebrate the "Jewels of Lakeside," the children and the families that it serves.

Three individuals deserve special recognition for the care and love they have shown as foster parents. Rufina Rodriguez, Felix and Ingrid Simeon have each provided warm loving homes to children and are being honored by Lakeside for the tremendous service that they have performed. Nothing can be more difficult than to open your life to a child and act as a parent for a short time. Giving your entire heart to the child, who in many cases has gone without the love of a parent for far too long, is one of the most trying experiences an individual can face. Rufina, Felix and Ingrid must be commended for their accomplishment, and for the love that they have given to such deserving children.

Seventy-five years is a very long time for an organization to maintain a high quality service, yet Lakeside Family & Children's Services has accomplished just that. Lakeside was a beacon of light to countless children during the darkest hours of the Depression, a home to children while the world was torn by war, and a launching pad for children today as they reach the 21st century.

When Lakeside first began in 1923 it was an orphanage, providing a home to children who had lost their parents and had no family to turn to. Orphanages played a very important role in that era as many children were left by parents who had to search for work and eke out an existence during one of the darkest times in our nation's history.

Today Lakeside Family and Children's Services provides so much more. Lakeside matches children to foster parents so that a child can have the feeling of a real home. For many fortunate children Lakeside is able to find adoptive parents who take a child in as their own. Lakeside also provides adolescents with group homes and greater chances for independent living. As Lakeside has grown, so have the options available to the children it serves.

Lakeside has also become an active service to children with disabilities. Today, Lakeside offers residential alternatives for mentally retarded and developmentally disabled children. This specific service shows how the role Lakeside has undertaken has grown over 75 years. Lakeside Family and Children's Services has adapted to the community as our needs change. Today it is as critical to the youths in our community as it was 75 years ago.

Lakeside Family and Children's Services must be commended for the superb job that it has done for our society. Life has changed in many ways over the last 75 years, but one thing has remained constant, the need for caring individuals. Our children are the most vulnerable to the dangers of our society, and are in critical need of the services provided by Lakeside and organizations like it throughout our nation.

Mr. Speaker, I urge all of my colleagues to join in honoring Lakeside Family and Children's Services and foster parent honorees Rufina Rodriguez, Felix and Ingrid Simeon. We should encourage more individuals to be like them and to help extraordinary organizations like Lakeside.

REMARKS CONCERNING RULE 30 OF THE FEDERAL RULES OF CIVIL PROCEDURE AND RESTORATION OF THE STENOGRAPHIC PREFERENCE

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. COBLE. Mr. Speaker, I rise to introduce legislation that will restore the stenographic preference for depositions taken in federal court proceedings. This bill is similar to S. 1352, which Senator GRASSLEY sponsored on October 31, 1997.

For 23 years, Rule 30 of the Federal Rules of Civil Procedure permitted the use of nonstenographic means to record depositions, but only pursuant to court order or the written stipulation of the parties. In December of 1993, however, the Chief Justice submitted a recommendation pursuant to the Rules Enabling Act that eliminated the old Rule 30 requirement of a court order or stipulation. The revision also afforded each party the right to arrange for recording of a deposition by nonstenographic means.

When representatives of the Judicial Conference testified on the subject in 1993, they could not provide the Subcommittee on Courts and Intellectual Property with a single justification for their recommendation. As a result, the Subcommittee unanimously approved legislation, H.R. 2814, to prevent implementation of the change. The full House of Representatives followed suit by passing the bill under suspension of the rules on November 3, 1993.

It is my understanding that the Senate Judiciary Subcommittee on Courts and Administrative Practice also held hearings on Rule 30 during the 103d Congress. I believe the members who participated in those hearings received testimony which generated concerns about the reliability and durability of video or audio tape alternatives to stenographic depositions. Then and since, court reporters have complained of increased difficulty in identifying speakers, deciphering unintelligible passages, and reconstructing accurate testimony from "blank" passages when relying on mechanical recordings. In contrast, information was also submitted at this time which suggested that the stenographic method will become even more cost-effective in the future as a result of improvements in recording technology.

These findings from the 103d Congress were confirmed last term when the Subcommittee on Courts and Intellectual Property again conducted its own hearing on H.R. 1445, the precursor to the bill I am introducing today; and later, when the Committee on the Judiciary reported H.R. 1445 to the full House.

Mr. Speaker, I have never entirely understood why Rule 30 was changed in the first place. Like many others, I have found that experience is the best teacher; and it has been my experience that no one in my district was displeased with the application of the law prior to 1993. I visit my district frequently and maintain good relations with members of the bench and bar, and not one attorney or judge ever complained about the operation of Rule 30 to me before 1993.

I am pleased to continue my ongoing support for reinstating the pre-1993 law on Rule 30 by sponsoring this bill.

STARR SUBPOENAS THE PRESIDENT'S MEN WHO STAND IN THE LINE OF FIRE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. CONYERS. Mr. Speaker, today we have learned that the Independent Counsel Ken Starr has issued a new subpoena for the testimony of Special Agent Larry Cockell, a plainclothes Secret Service officer who is in charge of the President's personal security detail. This new turn in Mr. Starr's endless investigation raises an important question: why didn't he subpoena this plainclothes agent earlier this year before he went to court over whether the Secret Service should give confidential information to the grand jury.

Perhaps Mr. Starr was concerned that the court might take a different view of his arguments against the Secret Service's privilege if it knew the full scope of his intentions with respect to questioning the Secret Service. It is disturbing that two courts have had to examine the issue of a secret service privilege without being informed that Mr. Starr also intended to question plainclothes Secret Service agents in addition to the uniformed Secret Service agents.

Plainclothes Secret Service agents are unique in that they enjoy intimate access to the President and are responsible for his physical safety in public crowds and other places where the risk of harm is the greatest. In the event of an assassination attempt, they are truly in the line of fire.

Seeking to question those agents raises a different set of issues which the courts have not yet been confronted with. Mr. Starr's latest subpoenas frustrate the orderly judicial resolution of the important issues raised by his unprecedented requests for the testimony of uniformed Secret Service agents.

The Secret Service argument in support of a privilege against testifying seems more reasonable than Starr's argument that the attorney-client privilege did not survive the death of the client. In both cases, there was little available precedent and the arguments were based on policy considerations. If Starr's attorney-client privilege argument was not frivolous and deserved Supreme Court review, it must be said that the Secret Service's sincere arguments in support of their protective function is just as legitimate.

It seems Mr. Starr is determined to deny the Secret Service the same opportunity for Supreme Court review that he has sought for himself. He has already forced the Secret Service to seek a stay of his subpoena in court while it pursues its request for judicial review.

It has been reported that Starr may ask Secret Service personnel to testify about conversations between President Clinton and his attorney Robert Bennett concerning the Paula Jones case. This would create a potentially tragic Catch-22 situation in which the Secret Service has an obligation to guard the President, but Mr. Starr argues that their presence eliminates the President's attorney-client privilege. It is unreasonable, unfair and unprecedented for Mr. Starr to force the President to compromise his Secret Service protection in order to receive confidential advice from his private attorney.

To its credit, the Secret Service strongly believes that their duty to protect the President is far more important than Mr. Starr's inquiry into what any of them may or may not have witnessed in the course of carrying out their responsibilities.

It is unseemly and inappropriate for Mr. Starr to continue to force the Secret Service to forego the judicial review that it believes is absolutely appropriate in order to carry out its mission of protecting the President. Mr. Starr got to go to the Supreme Court on his privilege issue and he lost. Why doesn't the Secret Service, which is trying to protect the life of this and future Presidents, get to go to the Supreme Court? What Mr. Starr is trying to do with this latest subpoena is to get the testimony he wants before the arguments about privilege can reach the Supreme Court. This new subpoena is a tactical maneuver to avoid the full judicial review of these issues of enormous national importance. They are legal maneuvers that violate a fundamental sense of fairness and are really unnecessary to the execution of his statutory responsibilities.

It is obvious to everyone that any further review will be handled in an expeditious manner, just as the courts have already done. A fair-minded prosecutor would welcome a complete Supreme Court review of the privilege asserted by the Secret Service and efforts to thwart such review only serves to increase the doubts that many have about the legitimacy of this investigation.

A TRIBUTE TO MIDDLE SCHOOL 45

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. SERRANO. Mr. Speaker, on July 7, 1998 while the House was in recess, I had the privilege of receiving, in my district office, a group of thirteen students from Middle School 45 who won first place in the K–8th grade category in the National Chess Tournament held in Phoenix, Arizona from April 30 to May 2. I am submitting for the RECORD some remarks I made during their visit.

It gives me great pleasure to be with such a wonderful group of gifted and talented South Bronx students from Middle School 45.

Oscar Bedoya, Ariel Uriarte, Bianey Morillo, Rafael Ortiz, Eliexer De Jesús, Joel Nolasco, Juan De Jesús, Jorge Peréz, Trung Nguyen, Sarun Sin, Trung Bui, Granit Gjonbalaj and Reasy Suon, under the leadership of coach Félix López, you won first place in the K–8th grade category among 62 teams who participated in the National Chess Tournament held in Phoenix, Arizona from April 30 to May 2.

You have demonstrated an outstanding skill, for which you have become role models in our community. We are proud of your accomplishments and I hope that you will continue succeeding in chess and also in academics. I also encourage you to take full advantage of the possible opportunity that some universities offer to chess champions to earn scholarships for their higher education. You are terrific examples for future chess players.

I would like to applaud teachers César Solis and Georgina Pierre for being with us today but, more important, for their tireless work in helping these students reach their potential.

I also would like to commend the National Scholastic Chess Foundation for sponsoring the chess program at Middle School 45, which includes weekly chess classes for 500 students. Their teaching and support were invaluable for what you have achieved.

I have the privilege of representing the 16th district of New York where Middle School 45 is located, and I am delighted by your chess team's success.

All of us here congratulate Middle School 45, the administration and faculty, and you, the students whose ambition and hard work will make this great institution a tremendous source of price and success for years to come.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Middle School 45, to the administration and faculty, and to the students whose ambition and hard work will make this great institution a tremendous source of pride and success for years to come.

CONFERENCE REPORT ON H.R. 2676, INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1998

SPEECH OF

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1998

Mr. DOYLE. Mr. Speaker, I rise today in support of the Internal Revenue Service Restructuring and Reform Act Conference Report (H.R. 2676).

Continuously, I hear from my constituents who ask this Congress to address ways to simplify filing, and improve IRS customer assistance and service. I have long advocated that the IRS should be overhauled to better serve taxpayers and run more like a business. I believe that the Conference Report we are voting on today effectively addresses these concerns.

This landmark legislation establishes an independent review board which will oversee IRS administration, management and execution of IRS laws, which should help the agency run more effectively. Six of the nine members of this review board will come from the private sector with expertise in customer service, federal tax laws and organizational development. The remaining three members would be the Secretary of the Treasury, the IRS Commissioner and a representative from the National Treasury Employees Union (NTEU). Their goal will be to recommend options which will improve overall effectiveness in customer service.

I also want to highlight several provisions of the Conference Report which are aimed at protecting taxpayers rights. This bipartisan Conference Report now places the burden of proof on the IRS rather than the taxpayer in tax disputes that come before a U.S. Tax Court judge. This agreement also requires the IRS to make available to taxpayers clarifications, definitions and explanations on a variety of matters. Also falsification or destruction of documents, or violating the civil rights of a taxpayer will now result in the dismissal of the individual responsible, and will permit taxpayers to sue the government if any of these charges can be proven.

Often, I hear from my constituents that filing federal taxes is too complex, and as a former small business owner I agree that filing federal taxes is unnecessarily confusing and time consuming. The Conference Report addresses this concern by calling on the Secretary of the Treasury to establish an electronic commerce advisory group policy that promotes paper-less filing. Under the Conference Report, the advisory group will study ways to increase taxpayer use of electronic filing and work on a plan to meet the goal of 80 percent electronic filing by 2007. I am especially pleased that this tax simplification provision was included in H.R. 2676.

This bill, which requires the IRS to be more accountable to all taxpayers, is a step in the right direction. Let us move forward on the widespread agreements that exist to substantially reform the IRS. That is why I urge my colleagues to vote for passage of this Conference Report today.

HOMEOWNERS PROTECTION ACT OF 1998

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 14, 1998

Mr. GILMAN. Mr. Speaker, I rise today in support of the Homeowners Insurance Protection Act which will amend the Truth in Lending Act and stop the abusive practice of overcharging homeowners for private mortgage insurance.

Private mortgage insurance has given millions of Americans the opportunity to become homeowners. This is a valuable service that mortgage industry provides, however, most homeowners are unclear about their rights under this insurance. Many Americans believe that private mortgage insurance insures them, when in fact it insures the lender while the homeowner pays the premium. As the practice stands, homeowners who have paid off 20 percent of their loan no longer need the insurance, but they do not realize it and continue to pay the premium throughout the life of their mortgage. In some cases, 20 to 30 extra years of payments. For an individual who pays $350 per year on a 30-year mortgage, that can mean paying an extra $7,000 to $10,000 of unnecessary premiums.

This legislation will bring about two simple reforms. It will require full disclosure of a homeowners' right to cancel the insurance once they have down 20 percent on their home. It will also require the mortgage lenders to inform consumers at least once a year of their cancellation rights. Both of these requirements must be provided by the credtitor at no extra cost to the consumer.

This bill will protect the rights of homeowners from overpaying unnecessary premiums while maintaining the important role of private mortgage insurance in promoting home ownership. Accordingly, I strongly urge my colleagues to join me in supporting this important legislation.

COLUSA BASIN WATERSHED INTEGRATED RESOURCES MANAGEMENT ACT

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. FAZIO of California. Mr. Speaker, as my colleagues know all too well, some of our most contentious public policy debates concern the management of natural resources. We have all spent many, many hours arguing over conflicting economic and environmental needs, especially in the West.

Fortunately, a new approach to natural resources management has emerged. It emphasizes compatibility rather than conflict. It relies on consensus to develop solutions. It seeks to provide multiple benefits to the environment and to urban and rural communities.

The Colusa Basin Watershed Integrated Resources Management Plan embodies this new approach. It is a comprehensive water management program that will provide flood protection and increase surface and groundwater supplies while enhancing wetland and riparian habitat for wildlife in a million-acre watershed in the Sacramento Valley of California.

I am pleased today to introduce the Colusa Basin Watershed Integrated Resources Management Act, which will authorize the Secretary of the Interior to participate in this innovative program.

Over many decades, devastating floods have repeatedly struck the Colusa Basin, resulting in the loss of life and costly damages to public and private property. In 1995, the Basin suffered an estimated $100 million in flood damage. Flooding in early 1997 again caused serious losses, and today the region is counting the cost of flooding caused by recent storms.

Local authorities know that reducing peak storm flows is the key to preventing widespread damage. A few years ago, they began to bring together representatives of the agricultural and urban communities, environmental interests, and state and federal agencies to develop a plan that would control peak storm flows, increase water supplies and enhance the environment.

The initial plan was outlined in October 1993, a reconnaissance study was completed the following year, and a stakeholder's task force conducted a series of public workshops to identify goals for the program. What emerged from this collaborative process is a plan for construction of several small-scale, environmentally-sound flood control and groundwater recharge projects. Site selection and environmental analysis for these projects are underway.

The legislation that I am introducing today will authorize the Secretary of the Interior to provide financial assistance to the program in the form of cost-sharing with local authorities. The Colusa Basin Watershed Integrated Resources Plan is strongly supported by local governments, and it is compatible with other federal environmental restoration and water management programs in the region.

Mr. Speaker, I urge my colleagues to join me in supporting this legislation.

"EVERYONE WINS WITH THE A.D.A.!"

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. FILNER. Mr. Speaker and colleagues, I rise to celebrate the eight anniversary of the Americans with Disabilities Act, the most sweeping nondiscrimination legislation since the Civil Rights Act of 1964. The Americans with Disabilities Act (A.D.A.) has opened doors for 49 million Americans, providing hope that they will one day achieve complete social and economic integration. To celebrate this achievement, hundreds of people will gather in San Diego's Balboa Park on July 25, 1998 as part of our region's Disability Independence Day.

The theme of the San Diego observance is apt—"Everyone Wins with the A.D.A.!" The A.D.A. has created jobs and ensured access to public buildings—basic human rights that should be guaranteed to all Americans. We have all benefited, now that people with disabilities can access the workplace, can shop at their local stores, and can visit museums and other public places. We no longer have to be ashamed, now that government buildings or health care centers are open to all citizens. And we can all feel protected—because any one of us could become disabled at any time.

Although Congress passed this historic law that prohibits discrimination against people with disabilities, the real heroes are the women and men who fought for the most basic rights in the years and decades before the A.D.A. was passed and those who have challenged the capacity of their communities' infrastructure since its passage. Disabled Americans continually demonstrate how successful people can be once barriers are knocked down!

The victory of the passage of the Americans with Disabilities Act belongs to thousands of disabled Americans in San Diego and all over the nation, who fought a courageous and commendable fight along with their families, friends and advocates. But the celebration belongs to all Americans because we now have the ability to celebrate together!

As a society with the promise of equal access for all, we must unite to root out areas where this promise is not yet a reality. In honor of Disability Independence Day, let us rededicate ourselves to ensuring that, truly, "everyone wins with the A.D.A."

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 16, 1998, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 17

10:30 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions and Regulatory Relief Subcommittee
Housing Opportunity and Community Development Subcommittee
To hold joint hearings to review a report on the Real Estate Settlements Procedure Act and the Truth in Lending Act from the Department of Housing and Urban Development and the Federal Reserve.
SD–538

JULY 21

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to examine discretionary spending activities within the Department of Transportation and the Department of Commerce.
SR–253

10:00 a.m.
Budget
To hold hearings to examine issues associated with implementing personal savings accounts as part of social security reform.
SD–608

Labor and Human Resources
To hold hearings on S.766, to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans.
SD–430

JULY 22

9:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine how the Year 2000 computer conversion will affect agricultural businesses.
SR–332

Environment and Public Works
Business meeting, to consider pending calendar business.
SD–406

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine China's missile transfer issues.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Finance

To hold hearings to examine new directions in retirement security policy, focusing on social security, pensions, personal savings and work.

SD-215

Judiciary

To hold oversight hearings to examine the Department of Justice's implementation of the Violence Against Women Act.

SD-226

Labor and Human Resources

Business meeting, to mark up S. 1380, to amend the Elementary and Secondary Education Act of 1965 regarding charter schools, S. 2112, to make the Occupational Safety and Health Act of 1970 applicable to the United States Postal Service in the same manner as any other employer, and S. 2213, to allow all States to participate in activities under the Education Flexibility Partnership Demonstration Act.

SD-430

Indian Affairs

To hold joint hearings with the House Resources Committee on S. 1770, to elevate the position of Director of the Indian Health Service to Assistant Secretary of Health and Human Services, and to provide for the organizational independence of the Indian Health Service within the Department of Health and Human Services, and H.R. 3782, to compensate certain Indian tribes for known errors in their tribal trust fund accounts, and to establish a process for settling other disputes regarding tribal trust fund accounts.

SD-106

10:00 a.m.

Governmental Affairs

To hold hearings on S. 2161, to provide Government-wide accounting of regulatory costs and benefits, and S. 1675, to establish a Congressional Office of Regulatory Analysis.

SD-342

2:00 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 2136, to provide for the exchange of certain land in the State of Washington, S. 2226, to amend the Idaho Admission Act regarding the sale or lease of school land, H.R. 2886, to provide for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System, and H.R. 3796, to convey the administrative site for the Rogue River National Forest and use the proceeds for the construction or improvement of offices and support buildings for the Rogue River National Forest and the Bureau of Land Management.

SD-366

JULY 23

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on S. 2238, to reform unfair and anticompetitive practices in the professional boxing industry.

SR-253

Energy and Natural Resources

To hold oversight hearings to examine the results of the Arctic National Wildlife Refuge, 1002 Area, Petroleum Assessment, 1998, conducted by the United States Geological Survey.

SD-366

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings to examine the problem of telephone cramming-the billing of unauthorized charges on a consumer's telephone bill.

SD-342

Special on SPECIAL COMMITTEE ON THE YEAR 2000 TECHNOLOGY PROBLEM

To hold hearings to examine the Year 2000 computer conversion as related to the health care industry.

SD-192

2:00 p.m.

Energy and Natural Resources

National Parks, Historic Preservation, and Recreation Subcommittee

To hold hearings on S. 2109, to provide for an exchange of lands located near Gustavus, Alaska, S. 2257, to reauthorize the National Historic Preservation Act, S. 2276, to amend the National Trails System Act to designate El Camino Real de los Tejas as a National Historic Trail, S. 2272, to amend the boundaries of Grant-Kohrs Ranch National Historic Site in the State of Montana, S. 2284, to establish the Minuteman Missile National Historic Site in the State of South Dakota, and H.R. 1522, to extend the authorization for the National Historic Preservation Fund.

SD-366

3:00 p.m.

Armed Services

To hold hearings on the nominations of Patrick T. Henry, of Virginia, to be Assistant Secretary of the Army for Manpower and Reserve Affairs, Carolyn H. Becraft, of Virginia, to be Assistant Secretary of the Navy for Manpower and Reserve Affairs, and Ruby Butler DeMesme, of Virginia, to be Assistant Secretary of the Air Force for Manpower, Reserve Affairs, Installations and Environment.

SR-222

JULY 27

1:00 p.m.

Special on Aging

To hold hearings to examine allegations of neglect in certain California nursing homes and the overall infrastructure that regulates these homes.

SH-216

JULY 28

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine why cable rates continue to increase.

SR-253

Energy and Natural Resources

To hold hearings to examine the March 31, 1998 Government Accounting Office report on the Forest Service, focusing on Alaska region operating costs.

SD-366

10:00 a.m.

Special on Aging

To continue hearings to examine allegations of neglect in certain California nursing homes and the overall infrastructure that regulates these homes.

SH-216

JULY 29

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold oversight hearings on the Department of Agriculture's progress in consolidating and downsizing its operations.

SR-332

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to mark up S. 1405, to provide for improved monetary policy and regulatory reform in financial institution management and activities, to streamline financial regulatory agency actions, and to provide for improved consumer credit disclosure.

SD-538

JULY 30

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review a recent concept release by the Commodity Futures Trading Commission on over-the-counter derivatives, and on related proposals by the Treasury Department, the Board of Governors of the Federal Reserve System and the Securities and Exchange Commission.

SD-106

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings to examine international satellite reform.

SR-253

SEPTEMBER 10

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To resume hearings to examine international satellite reform.

SR-253

OCTOBER 6

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans Affairs on the legislative recommendations of the American Legion.

345 Cannon Building

POSTPONEMENTS

JULY 21

2:30 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 1964, to provide for the sale of certain public land in the Ivanpah Valley, Nevada, to the Clark County Department of Aviation,

and S. 1509, to authorize the Bureau of Land Management to use vegetation sales contracts in managing land at Fort Stanton and certain nearby acquired land along the Rio Bonita in Lincoln County, New Mexico.

SD-36

SENATE—*Thursday, July 16, 1998*

The Senate met at 10 a.m. and was called to order by the Honorable TIM HUTCHINSON, a Senator from the State of Arkansas.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have called us to be creative thinkers. You endowed us with a thinking brain so we could think Your thoughts after You. That's awesome, Father, You are omniscient. You know everything. You also know what is best for our future as a Nation. This is Your land; we are Your people; we are a Nation under Your sovereignty. In response, we make Proverbs 16:3 the motto for this day, "Commit Your works to the Lord and Your thoughts will be established." Throughout the day, we will intentionally submit the work of this Senate to You, seek Your guidance, and claim this promise for clarified convictions in keeping with Your will. A profound peace invades our souls as we say with the psalmist, "I commit my way to the Lord and trust also in Him, and He shall bring it to pass * * * I rest in the Lord and wait patiently for Him."—Psalm 37:5,7. Speak to our minds, Lord, we are listening. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 16, 1998.

TO THE SENATE: Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TIM HUTCHINSON, a Senator from the State of Arkansas, to perform the duties of the Chair.

STROM THURMOND,
President Pro tempore.

Mr. HUTCHINSON thereupon assumed the chair as Acting President pro tempore.

Mr. COCHRAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi.

SCHEDULE

Mr. COCHRAN. Mr. President, at the request of the majority leader, I am pleased to make the following announcement concerning the schedule of the Senate today.

This morning, the Senate will immediately resume consideration of the agriculture appropriations bill. It is expected that Senator GRASSLEY will offer an amendment which will be considered by the Senate. Following disposition of the Grassley amendment, it is hoped that Members will come to the floor to offer and debate any remaining amendments to the agriculture appropriations bill so that the Senate can complete action on this legislation by early afternoon.

Following disposition of the appropriations bill, the Senate may resume consideration of the VA-HUD appropriations bill or begin the legislative branch appropriations bill. The Senate may also consider any other legislative or executive items cleared for action.

Therefore, Senators should expect rollcall votes throughout the day and into the evening during today's session.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The ACTING PRESIDENT pro tempore. The Senate will now resume S. 2159, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2159) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Christy May Carlson, an intern in my office, be allowed on the floor during today's debate on the legislation.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRASSLEY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

AMENDMENT NO. 3172

(Purpose: To express the sense of the Senate concerning appropriate actions to be taken to alleviate the economic effect of low commodity prices)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The clerk will report.

The Senator from Iowa (Mr. GRASSLEY), for himself, and Mr. ROBERTS, Mr. LUGAR, Mr. HAGEL, Mr. BROWNBACK, and Mr. BOND, proposes an amendment numbered 3172.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 67, after line 23, add the following:

SEC. 7_. SENSE OF THE SENATE CONCERNING APPROPRIATE ACTIONS TO BE TAKEN TO ALLEVIATE THE ECONOMIC EFFECT OF LOW COMMODITY PRICES.

It is the sense of the Senate that—

(1) Congress should pass and the President should sign S. 1269, which would reauthorize fast-track trading authority for the President;

(2) Congress should pass and the President should sign S. 2078, the Farm and Ranch Risk Management Act, which would allow farmers and ranchers to better prepare for fluctuations in the agricultural economy;

(3) the House of Representatives should follow the Senate and provide full funding for the International Monetary Fund;

(4) Congress should pass and the President should sign sanctions reform legislation so that the agricultural economy of the United States is not harmed by sanctions on foreign trade;

(5) Congress should uphold the presidential waiver of the Jackson-Vanik amendment to the 1974 Trade Act providing normal trade relations status for China and continue to pursue normal trade relations with China;

(6) the House and Senate should continue to pursue a package of capital gains and estate tax reforms;

(7) the President should pursue stronger oversight on all international trade agreements affecting agriculture and commerce dispute settlement procedures when countries are found to be violating such trade agreements;

(8) the President should sign legislation providing full deductibility of health care insurance for self-employed individuals; and

(9) the Congress and the Administration should pursue efforts to reduce regulations on farmers. The President should use the administrative tools available to him to use Commodity Credit Corporation and unused Export Enhancement Program funds for humanitarian assistance.

Mr. GRASSLEY. Mr. President, this is a sense-of-the-Senate resolution regarding the problems that our farmers are experiencing and what we can do to ease the burden of uncertainty and risk that every farmer faces.

As those of us from States with major ag economies know, and as my friends on the other side of the aisle have discussed, farmers across the Nation have legitimate concerns about the prices they receive for their products. I know, as do my colleagues who represent ag States, that commodity prices are not good.

Making that problem worse, in Iowa, for example we are looking at the possibility of a bumper crop and we still have nearly 40 percent of last year's grain in storage, which obviously, will work to keep prices low.

I am not here to say everything is just fine with the ag economy right now. But I am here to say that in addressing these problems we must take our marching orders from farmers and the folks who represent farm interests such as Farm Bureau, the corn growers and the soybean producers, among others. Opening up the 1996 farm bill, as some advocate, is not the way to legitimately address these very real concerns. And it is not what these very respected farm organizations advocate, and I must say, it is not what farmers in my State have been telling me to do. Nonetheless, we need to do something to alleviate the worries our farmers face. Earlier this year, representatives of all the major agriculture organizations came to Capitol Hill to discuss the problems the ag industry is facing. Frankly, opening up Freedom to Farm did not make their list of priorities. In fact, this list consisted almost entirely of initiatives to support and enhance trade opportunities. Farmers tell me the most important thing Congress can do to ensure the long-term prosperity of the family farm is to open and expand foreign markets for their products. That's why we must give our farmers the opportunity to compete for every sale, in every market in the world.

In fact, the message that we were sending to the rest of the world when we passed Freedom to Farm is that we intend to compete for every market anywhere in the world and we are going to be a sure supplier in that market.

We in the Senate ought not be telling farmers what they should want and need. We should be listening to farmers and doing what they tell us is important. That is what my resolution is all about. My resolution is nothing less than a commitment to the American farmer that we have heard you and we share the principles that you support and we will work with you to make those principles a permanent part of farm policy.

It is a reiteration of the principles of Freedom to Farm. But it is 3 years later a reiteration of what we ought to be doing and an admission that in some places we have come up short as far as the marketing opportunities we promised that they should produce and that there will be markets for that product.

And as we know, at least in my part of the country, we export about 40 percent of our production, so farmers have to have open markets. They must be overseas. Anybody who wants to price the United States out of the world market is saying that we ought to shut down 40 percent of our productive capability. That is not only intolerable for farmers, but it is economically disadvantageous to small business people of America who depend upon the business that farmers bring to them, both in processing of our agriculture products as well as inputs in agriculture.

So I do not pretend that there is anything new here. But I do intend to carry out the principles of Freedom to Farm, which is dependent upon market-opening opportunities overseas. There is a crisis in trade policy right now and we need to focus more on it. And some of that crisis is politically oriented. There is not enough activity in this town on market promotion and on setting a political tone that the United States will continue to be a leader in market-opening negotiations around the world, which we have been for the last 50 years, and it is an expression of all of these things coming together, that we have to have more of an emphasis on trade opportunities.

So this Sense-of-the-Senate resolution states that we in Congress should act on a variety of measures that have been endorsed by agriculture groups as providing the best hope for farmers across the country for sustained economic growth and opportunity. These measures include fast-track negotiating authority for the President, legislation that I introduced establishing farm and ranch savings accounts, sanctions reform legislation, normal trading status with China, stronger oversight on international trade agreements affecting agriculture, additional estate and capital gains tax reform, full deductibility of health care insurance for self-employed individuals, reducing the regulation on farmers, and finally using the CCC and the EEP funds for food aid.

Mr. President, these are reforms that the leaders of the farm groups we met with have asked for. Many of these items were also promised to farmers when we passed the 1996 farm bill. It is time for Congress to live up to these promises.

We have heard today and in the days past in the debate on this bill about the serious problems facing American farmers in the northern plains States, particularly the Dakotas. So I met with North Dakota Governor Ed Schafer yesterday morning, and he told me about the serious circumstances in which his farmers find themselves. But he also told me emphatically that reopening Freedom to Farm would be a tremendous disservice to his constituents; that doing so would not give his people the help they need. It is time that we show our solidarity with the American farmer and pledge to give these hard-working men and women fundamental, long-term assistance that they count on from year to year rather than so-called emergency measures.

I have lived and worked on a family farm all of my life. My son operates our family farm. I know that farmers are independent, and I know they want as little Government interference in their business as possible. The initiatives listed in my resolution will help ensure that independence. It will help make sure that the promises of Freedom to Farm, that the farmer was going to be able to operate according to the marketplace and not according to the dictates of bureaucrats in Washington, DC, are adhered to.

The 1996 farm bill took positive and necessary steps to bring this about for the American farmer. Some in this body would reverse that progress. Let's show that we really listen to farmers' concerns and put the Senate on record as supporting our farmers in the initiatives they have asked. I strongly urge a "yes" vote on this legislation. It is a sense-of-the-Senate resolution. It does not change any policy, but it reaffirms what we did 3 years ago. It acknowledges the problems that come from the Southeast Asian economic situation—less exports going to that part of the world and a deteriorating income situation because of that.

Now, some people might say, well, what is different than 2 days ago or just yesterday when there were some negative votes for some help for the American farmer offered by people on the other side of the aisle? Well, the difference is this. Those programs would have changed Freedom to Farm. Those programs would have been short term rather than long term. Those programs would not have been budget neutral. Keeping the budget balanced to keep interest rates low for American farmers is very, very important.

But what has also happened is very bad signals coming from the White House. Now, let me emphasize—very bad signals coming from the White House and coming within the last 24 hours, and so this was not a part of the political environment when we were talking about farm legislation yesterday and the day before. The White House is sending very clear signals through the business community of America that they do not want fast-track trading authority for the President brought up this year. They do not want to vote on it.

So we are hearing from the White House, for the first time, that the United States should withdraw from leadership in world trade as a matter of fact because of the absence of policy we have had, because we have not had fast-track negotiating authority for the last 4 years. But now there is a signal sent that nothing should be done about fast track.

To this point, the administration kept telling us we should be pushing for fast-track trading authority because this President wants it, and also because it has been the tradition of this country since World War II to lead in this area. The administration sent signals, both through the legislation and the activity of the White House, that the president wants to continue to get this authority, to continue to lead.

But now I hear there are meetings going on at the White House with the business community where the administration is sending a signal that, no, now is not the time for fast track. Well, this is the first time in 50 years that now is not the time for the President of the United States, Republican or Democrat, to be a leader in breaking down barriers to free trade so that our farmers can export and be prosperous because of it.

Now, when we are in this environment, where the administration is sending this signal that they do not want fast-track trading authority, then it is time for us to reiterate Congress' stand, which has been the stand of this Congress since World War II, that we should be a leader in marketing opportunities for our farmers, for our businesses, and for our services in America.

It is a sad day to hear, particularly for those involved with us in the Senate who are leaders in international trade, that we are not getting the support from the White House that we need to pass fast track. It does not send a very good signal to the people we have been working with around the world for the last 50 years, looking to the United States for leadership, that the United States doesn't want to lead. We are saying to the rest of the world: You lead. We are saying to the rest of the world: We don't see that it is necessary for us to be at the table. We don't think it is necessary for the President of the United States to be at the table to protect our farmers, to be at the table to protect our business interests, to be at the table to protect our producers that want to export.

This is an intolerable situation. If we do not reverse this policy, the legacy of this administration is going to be that the United States has withdrawn from world leadership in trade barrier reduction. I don't think that is the legacy this President wants. I don't think that is a very good legacy for this country as we go into the 21st century.

What is so important? It is not just the economic opportunities we lose, but commerce breaks down barriers between people. Commerce promotes peace. Commerce is going to expand the world economic pie for a growing population so we have more for more people rather than less for more people, not only from the standpoint of the quality of their life but from the standpoint of their ability to just survive—just survive. When we have a growing economic pie, we are going to have more political stability in the world and we are going to promote the process of world peace.

That is what is at jeopardy when a President of the United States is sending a signal—or even his staff is sending a signal—to the business community of America: Forget fast track.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, my colleague from Kansas asked whether he might speak, and then I know the Chair wants to speak briefly. I will be pleased to defer to my colleague. I ask unanimous consent that I then be allowed to follow those two Senators.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Kansas.

Mr. ROBERTS. Mr. President, I especially thank my colleague from Minnesota. I know he will have some important things to say, too.

Mr. President, I rise today as a cosponsor of the Grassley amendment. While this vote is nonbinding, as the Senator has said, I believe it does give the Senate the opportunity to make a very important statement on our commitment to our farmers and ranchers. We have had a rather spirited and I think a rather good debate in these past few days in regard to the many challenges that face farm country. I think this amendment is very clear. It simply lays out the issues Congress must address before we finish this session. Time is certainly drawing near. The time for action is now.

None of these issues, as the distinguished Senator from Iowa has pointed out, is more important than fast-track trade negotiating authority. Senator GRASSLEY did actually consider offering the fast track as an amendment to this bill, but obviously, due to the need to complete this bill, he has decided not to offer the amendment. So we have a sense of the Senate, if you will, that this is our priority action. That does not mean we should not come back to the issue as of this session, and that is the plan.

Before the Senator leaves the floor, let me point out, I do not know anybody in this Senate who has been a more distinguished leader in behalf of agriculture than the Senator from Iowa. There is an expression in farm country that you need to sit on the wagon to be able to listen to farmers. CHUCK GRASSLEY is the personification of that. There isn't anybody who speaks more in concert with the corn producer of Iowa or the hog producer of Iowa or livestock producer or any other farmer in Iowa, and I think that is reflective of his position of leadership in the Senate and all throughout the country.

As a matter of fact, this sense-of-the-Senate resolution mirrors a letter sent to the President, to the Secretary of State, the Secretary of Agriculture, to the distinguished Democratic leader, to our leader. This is the letter I referred to in my remarks when we had the debate on the Daschle amendment. It was sent, as I have said, to the President, the Secretary of State, to our Special Trade Representative, the Secretary of Agriculture, everybody on the House Committee on Agriculture, the Senate Committee on Agriculture, Ways and Means.

The person who really paid attention to this was, in fact, the distinguished Senator from Iowa. He pretty much took what these farm organizations—and I might add, it is: the American Farm Bureau Federation, the American Soybean Association, the National Association of Wheat Growers, the National Barley Growers Association, the National Cattlemen's Beef Association, the National Corn Growers—obviously they would be here if Senator GRASSLEY did it—the National Cotton Council of America, the National Grain Sorghum Producers Association, National Grange, National Oilseed Processors Association, National Pork Producers Council, National Sunflower Association.

They had a meeting with Senator LOTT and 12 Senators, attended by Senator GRASSLEY. Not content with just saying, "Here's the list of what we need to do," Senator GRASSLEY has come to the floor of the Senate and said, "These are our marching orders. It's the sense of the Senate that we do these things." Consequently, he listened to agriculture. He followed the farm summit that the agriculture leaders of America had with Republican Senators, and this is bipartisan as well. So I certainly credit him in that regard.

I do have some concern about the President first saying, "Yes, let's do this," and then, "Perhaps, you know, let's not." So, consequently, in that regard I am happy that both the distinguished majority leader of the Senate, Senator LOTT, and Speaker of the House NEWT GINGRICH, have indicated we will vote on fast track, and hopefully it can be combined with IMF funding, a Caribbean initiative, or the African trade bill. I cannot think of a more important message to say to our farmers or more important work that we should do prior to this session ending.

With that, I thank, again, the Senator from Minnesota, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I have suggested to the Democratic manager, on the other side, that this amendment ought to be accepted. But I understand that there are some Senators who have objections to certain provisions of the resolution.

My observation is that at the beginning of the debate on this bill there was a sense-of-the-Senate resolution, which we approved unanimously on a recorded vote, that talked about the plight of agriculture, the problems in production agriculture, the low prices in some commodities, disasters that occurred in some parts of the country. It is a very uneven situation in agriculture right now. But the serious problems are serious. There are serious problems that need the immediate attention, as that resolution said, of the Congress and the President. This resolution spells out what some of those specific things are that can be done by the Congress and the President to relieve problems in production agriculture and strengthen our agricultural economy.

So I applaud the Senator from Iowa for going further than the sense-of-the-Senate resolution in getting into the details of some specific ideas that he has for improving the plight of farmers and those involved in the agriculture sector. I intend to support the resolution. I recommend the Senate approve it. There will be some others who will have other ideas, and they are here on the floor to speak to them, but I suggest to Senators, if you do want to be heard on this resolution, you should come to the floor and express yourself on the resolution, because I expect we will vote on it—whether it is a voice vote or a record vote—and that could occur soon.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Arkansas is recognized.

Mr. BUMPERS. I just want to echo the words of my chairman, Senator COCHRAN, and state, first of all, this is a sense-of-the-Senate resolution. So the world is not going to come to an end, no matter how strenuously somebody might object to a particular provision of the bill. I would have been willing—when I came on the floor, I discussed it with Senator COCHRAN—I would be willing to accept it and go to conference with it. It doesn't seem all that ominous to me. But there are some really strenuous objections on this side. So I suppose, as the chairman said, we are going to have to have a vote on it. I not only find nothing objectionable, I find a lot in it to commend.

I think it is an excellent, very thoughtfully crafted proposal, and I agree with every one of the items he has listed here. I understand, as I say, that there are strong feelings on the other side.

In conclusion, this is one of those things—I see my colleague from Arkansas seeking the floor, and I think I know which provision he dislikes intensely in it, and Senator BYRD, I think, has voiced objection to the fast-track provision. I wish we could adopt it on a voice vote. If we can't do that, why, then do something else. Maybe we can get Senator GRASSLEY on the floor and at least get a time agreement on this amendment. It is the kind of amendment that can just go on all day long and it is a sense-of-the-Senate resolution. We never will get the bill passed if we spend this much time on sense-of-the-Senate resolutions. We have a lot of work to do here. If we finish this bill today, we will be lucky, in my opinion.

In any event, Mr. President, I hope that people who want to speak on this bill will hurry to the floor and get said whatever they want to say, and we can get Senator GRASSLEY on the floor and maybe work out a time agreement so we have some definition of what the day in front of us is going to look like. I yield the floor.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The other distinguished Senator from Arkansas is recognized.

Mr. HUTCHINSON. I thank the Chair. Mr. President, before I raise my concerns about this sense-of-the-Senate resolution, I pay my respects and my thanks to the Senator from Iowa for his leadership and his advocacy for agriculture, as well as the Senator from Kansas, who is presiding at this time, for his many years of service to agriculture and service to our country as a proponent and advocate for the agriculture community. I think that the intent of the sense-of-the-Senate resolution is admirable. It has many very laudable provisions. Certainly, I am a proponent of fast track. We need to give the President fast-track authority. I regret that President Clinton has expressed his unwillingness to pursue that aggressively in the House of Representatives, and I applaud the Speaker of the House for scheduling a vote in September on fast-track authority.

I believe the votes are there to pass fast-track authority in the Senate, and I hope we have the opportunity to do that. I hope we have more than sense of the Senate. I hope we will, in fact, have the opportunity to give the President that negotiating authority, which I believe will be an important step in opening markets for the agriculture community. I am glad that we have a sense of the Senate that has that provision in it.

I also applaud the provisions regarding sanctions reform. I believe very strongly that we misuse the sanctions tool. Sanctions is not a policy; sanctions is a tool, and it is a tool that we should not abandon. We have only three great tools: one is military, one is economic, and one is diplomatic. We need all three of them, and it would be a mistake for us to make a wholesale abandonment of the use of sanctions in dealing with other nations. It would make the use of military force a greater likelihood, and that would be a mistake.

There is no doubt we need to reform sanctions laws in this country, and I am glad to be serving on the leader's bipartisan task force to bring about comprehensive reform of the sanctions laws. It is important, and the leader has said by September 1, we should try to produce comprehensive reform of the sanctions in this country. I don't know that we will make the September 1 deadline, but it is a mistake for us to prematurely begin to make those kinds of reforms incrementally. I think we should wait for a comprehensive approach to sanctions reform, but I am glad to support the sense of the Senate that advocates that we reform the sanctions.

My concern about this resolution, nonbinding though it is, is that there is a provision included that would put us on record in support of extending most-favored-nation status to China. Next week, the House of Representatives will begin what I think will be a heated and intense debate on whether we should, once again, provide most-favored-nation trading status to the People's Republic of China. For the U.S. Senate, 1 week before the House begins its debate, to have, in a sense of the Senate, one little provision that says, "Yes, we should extend MFN and, in fact, extend MFN permanently to China," would be a great mistake. I regret that the authors of the sense-of-the-Senate resolution saw fit to include that one provision which I think, more than any other provision in this resolution, becomes controversial.

This week there was a headline in the Washington Post that said this: "Chinese Resume Arrests."

Mr. President, perhaps nothing is more prophetic or revealing about the lack of impact the President's recent trip will have on the future of democracy in China than this week's headlines announcing a multitude of new arrests of political dissidents in China.

Less than 1 week after the President of the United States ended his tour of China, Chinese police arrested 10 prodemocracy advocates in China. I will read the first paragraph in that Post article, dated July 12, Beijing:

> Police detained 10 democracy advocates just one week after President Clinton ended a tour of China, during which he emphasized the benefits of freedom and the rule of law, and praised Chinese President Jiang Zemin as a man who could transform this nation into a modern democracy.
>
> The detainees included two cofounders of the opposition China Democratic Party, who tried to register it on June 25, the day Clinton began his nine-day visit.

These people were arrested for one reason: They dared to start an opposition party to the Communist Party in China. For daring to say we will be an opposition voice, for daring to say we will dissent from the ruling political party in China, they were arrested.

I asked an advocate of MFN today, a Member of the House of Representatives who is a proponent of MFN, "Sir, what would it take for you to vote against normal trading status with China? What would they have to do?

What abuse would they have to perpetrate in order for you to cast a vote against MFN?"

There was a thoughtful response, and I think a cause for pause. I ask all those who say we need to adopt a sense-of-the-Senate resolution today advocating MFN for China to ask themselves the question: What would it take? Is it forced abortion? Apparently not. So a nation that continues to practice taking women who are 7, 8 and 9 months pregnant against their will forcibly to a labor camp, putting them in a cell and forcing them against their will to have an abortion, if that is not enough to deny normal trading status or MFN, what does it take?

China today continues to persecute religious minorities, whether they are Hindus, whether they are Buddhists or whether they are Evangelical Christians, they continue to incarcerate them, they continue to require registration, they continue to monitor the messages.

If religious persecution is not enough to deny MFN for China, what does it take? What would they have to do? China continues to proliferate weapons of mass destruction. In committee testimony this week, officials of this Government admitted they cannot guarantee that China is not today continuing to proliferate. So if the proliferation of missiles and weapons technology is not enough to deny MFN, what does it take? What would it require that we say no to giving them normal trading status?

For us to go on record in light of the ongoing abuses—what a thumb in the eye to the U.S. Senate and to the United States of America and to the President of this country, within 1 week of our President's visit, to round up those who dare to say, "We would like to be an opposition political party," and who dare to call their political party the Democracy Party. They rounded them up and put them in jail. How ironic that the President would refer to, and I quote the President's words in his speech in China, what he called "a steady breeze of freedom blowing through China."

That gentle breeze has become a brittle wind chilling any hope for true freedom—freedom of speech, freedom of political expression, freedom of religion in this Communist nation.

So while there were dazzling pictures and eloquent rhetoric about human rights, the President's tour of China was full of missed opportunities and mistakes that are sure to have a much more detrimental impact on human rights in China in the long run than the benefit of any short-term afterglow.

I will not today itemize what I think were the missed opportunities during the President's trip to China. But there is one—there is one—certainty, that on the heels of that trip, the Chinese Government once again cracked down on those who would make the mildest of political dissent and seek to register as a new political party.

Any pretense that the government, the regime, that dominates China today is moving toward reform and democracy should have been dispelled by what they did this week. And for the U.S. Senate to say, we are going on record in favor of most-favored-nation status, in view of what they did, I think would be a great mistake.

I would welcome the opportunity for the sponsors of this amendment to simply take the MFN provision out of this sense of the Senate; and I would wholeheartedly support it. But I think it is a mistake for us to go on that kind of record in view of what China has done in the wake of the President's recent trip in which he spoke so eloquently for freedom and for democracy.

I add, to my colleagues in the Senate, that it was this week that the Communist government in China rebuked the U.S. Senate for our audacity in passing a resolution reaffirming our traditional support for Taiwan.

I believe the President made mistakes in his trip to China, and I could enumerate them. But the greatest mistake was this: pinning our hopes for democratic reform in China to this regime. And the laudatory comments made about Jiang Zemin and the expression of the belief that he would be the leader to move in a transition from the current totalitarianism and repression to democracy and freedom, that hope was surely dashed in the actions of the Chinese Government this week.

I ask my colleagues to think again. I ask my distinguished colleague from Iowa, whom I admire and respect so much, to rethink the inclusion of a pro-MFN statement in this sense-of-the-Senate resolution.

I thank the Chair and yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, my colleagues—I have been waiting for awhile—have asked me whether they could have a minute—a minute, I say to my colleague from Arkansas—to speak. But I understand their passion and know how strongly they feel about these issues.

My very good friend from New Mexico has also asked for some time, and I would be pleased to defer to him. I ask unanimous consent that I follow the Senator from New Mexico, and that then I will be free to speak and take more than a minute.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. DOMENICI. I thank my good friend.

The ACTING PRESIDENT pro tempore. The distinguished Senator from New Mexico is recognized.

CBO MIDYEAR REVIEW

Mr. DOMENICI. Mr. President, yesterday the Congressional Budget Office released its annual midyear review. I believe every Senator should acquaint himself with it. This CBO analysis speaks volumes about the success that the Republican-led Congress has had in putting the Federal Government's fiscal house in order—because policies aimed at reducing Federal spending, stimulating economic growth, coupled with the passage of the Balanced Budget Act last year have produced remarkable results.

The Congressional Budget Office, which is our official scorekeeper and economic analysis group, now projects that there will be a Federal budget surplus of $1.6 trillion over the next 10 years. Let me repeat, the Congressional Budget Office now projects a Federal budget surplus of $1.6 trillion over the next 10 years. This is up significantly from the $650 billion, 10-year number they gave us in January.

The Budget Office forecasts surpluses of $63 billion for this year; but they tell us that surplus will grow, rising to $80 billion in 1999; $251 billion in 2008. The Congressional Budget Office estimates that the total accumulated surplus—I repeat—during the next 10 years will be a whopping $1.6 trillion.

More importantly, the Budget Office projects that in the second 5 years, from 2003 to 2008, we will produce a $168 billion operating budget surplus. That means a surplus, excluding the money borrowed from Social Security.

For those who said they wonder when the day will ever come when we will have a balanced budget, having returned to the Social Security trust fund whatever was used in the general funding of this Nation, the Congressional Budget Office says that day will arrive in the year 2003. And it will produce a very genuine and solid $40 billion a year, more or less, in a genuine surplus on budget, taking into consideration the Social Security trust fund in its entirety.

In other words, under the leadership of this Congress, we have moved from Federal budgets that produced deficits for as far as the eye can see to budgets that project surpluses for as far as the eye can see. I believe we must now move to protect this surplus from those who would use it to expand Government. Rather, our first priority must be to protect and preserve the fiscal integrity of Social Security for the future.

We are committed to that goal. But we are also committed to providing needed tax relief to our hard-working families. We now know that we will have an operating surplus, roughly $40 billion a year, beginning in the year 2005. Therefore, I believe we must see to it that this surplus is available for tax cuts for the American people and that we not spend this money to grow

Government. Let us spend this money to grow the paychecks of Americans.

Mr. President, there will be a lot of talk about this Congressional Budget Office's re-estimating of our national fiscal policy. I commend it to those who are concerned, legitimately concerned, about where we ought to go in the future based upon our successes.

I also would like Senators to know that the Congressional Budget Office did not assume a robust, strong, growing economy for the entire next 10 years. They have taken into consideration the potential, although we hope it will not occur, of a downturn in the economy, and we still have these kinds of surpluses—indicating that the economy is vibrant, productive, that the increases in productivity are far greater than we have estimated in the past, tax revenues are growing faster than we estimated in the past.

Clearly, an opportunity now is before us to make sure Social Security is taken care of and also to look carefully and surely right in the eye of, Should we give tax cuts to the American people? I think the answer is going to be a resounding yes.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. WELLSTONE. I ask unanimous consent that I be able to speak briefly as if in morning business, and then go right to this amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WELLSTONE. Thank you, Mr. President, and I thank my colleagues for their courtesy. I will definitely speak to the amendment in a moment.

AUTOWORKERS OF FLINT, MICHIGAN

Mr. WELLSTONE. Mr. President, for more than 5 weeks, the Nation's largest industrial corporation has been locked in a labor dispute with workers in two of its Flint, MI, plants. I do not believe that we have had any discussion on the floor of the Senate about this. I want to speak about it. The company and the workers are fighting over local issues—health and safety, speeding up the production lines, and sending work to outside suppliers—but these local disputes also highlight a broader national concern that affects millions of working Americans: how U.S. corporations invest, how they compete, and where they invest.

GM's hard-line stance and labor-war tactics endanger the livelihoods of tens of thousands of workers in the automotive industry and in the industries that rely on auto production for their business. Ironically, these hardball tactics also undermine the very competitiveness that GM says it wants. Competitive firms need good labor relations; and good labor relations begin with a handshake, not a 2 by 4.

Monday's Washington Post reported that high-level negotiations to end the strike broke down Sunday "amid signs the auto maker now may be willing to risk an all-out labor war." The company has asked an arbitrator to rule on the legality of the strike. The union has said fine. But GM's vice president in charge of labor relations broke off negotiations, refusing to even participate further in talks to reach an overall solution to the strike. The Post further reported, "A GM source said some top company officials are pushing for a form of drastic action to 'send a clear message to the UAW' * * * Options reportedly under consideration, the source said, range from a legal action challenging the walkout * * *; cutting off health-care benefits to all UAW members idled by the strike; or shutting down the two strike-bound parts plants in Flint, Mich., and contracting out the work. Such a move," the Post explained, "would amount to an all-out war."

GM has taken the first step, filing a lawsuit against the union. GM would apparently rather sue than negotiate. They would rather fight than talk. The Post has reported that, "Company sources said the lawsuit is probably the first step in an escalating war between the company and the union."

This is no way for the Nation's largest industrial organization to treat its workers and their representatives. The duly recognized representatives of GM workers, the United Auto Workers, had sought to negotiate a global settlement. GM senior representative should come back to the table.

Yes, GM has every right to seek to improve productivity and profits. But as yesterday's New York Times reported, "G.M.'s biggest productivity problem lies in its auto parts factories, which were * * * starved of investment during the 1980's * * * and have antiquated machinery as a result."

GM entered into agreements with the United Auto Workers to invest more in its American operations but has fallen short of making new demands on workers before it would comply with what it had already promised.

What is really at stake here are American jobs—good jobs, with good benefits. The workers at GM's Flint parts plants are fighting to preserve those American jobs. Over the next 2 years, in this act alone GM threatens to transfer about 11,000 of these jobs to subcontractors or out of the country altogether. GM's workers are justifiably concerned with what the New York Times calls "G.M.'s steady push to build factories overseas while slowing investment in its low-profit American operations."

GM should stop fighting its workers and get back to investing in the creation of those good jobs which bring good benefits right here in the United States. Strikes are hard on everyone—on the company, on the economy, and hardest of all on the men and women on the picket line. The best way for GM, or any corporation, to avoid picket lines is to address the underlying problems that lead to strikes, not to challenge the right of workers to strike.

The free world looked upon strikes in the 1930s with hope, because, as Franklin Roosevelt said in 1939, "Only in free lands have free labor unions survived." As long as there have been unions, we have known that the right to strike and liberty go hand in hand.

That is why, in 1860, Abraham Lincoln told striking New Haven shoe factory workers, "Thank God we have a system of labor where there can be a strike."

I have confidence in the auto workers of Flint, MI. Although I stand here today on the floor of the U.S. Senate, in my heart I stand with the auto workers of Flint, MI. They know the history of work, the auto workers of Flint, MI.

It was the auto workers of Flint, MI, who, on December 30, 1936, called another strike against the same company, General Motors. The goal of that strike was simple, too. All the strikers wanted was for GM to recognize the union. For over 6 weeks, the auto workers of Flint, MI, stopped production in the famous Sit-Down Strike of 1937. They slept on unfinished car seats and ate what food their families could slip through the factory windows. The auto workers of Flint, MI, faced tear gas, heat shutoffs, and company security guards. Led by their new 29-year-old president of Local 174, a man named Walter Reuther, and the great union leader, John L. Lewis, the auto workers of Flint, MI, prevailed.

Because the auto workers of Flint, MI, were willing to strike, the auto industry was forever challenged. Because the auto workers of Flint, MI, were willing to strike, over the years the automotive industry became a source of good jobs with good benefits and the Nation prospered. GM was the most successful auto maker in the world when it paid the highest wages, not the lowest. Americans want to be the beneficiaries of a more competitive firm, not their victims. And that is exactly why the auto workers of Flint, MI, walk the picket lines today.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with consideration of the bill.

AMENDMENT NO. 3172

Mr. WELLSTONE. Mr. President, I wanted to briefly speak to this amendment, as well, and I thank my colleagues for their indulgence. I don't know ultimately how we will dispense with this. I understand there has been some change in the language from the original amendment that was brought to the floor.

By the way, I would like to associate myself with the remarks of the Senator from Arkansas, Senator HUTCHINSON.

In addition, I would like to say to my colleague, Senator GRASSLEY from Iowa, a colleague for whom I have a tremendous amount of respect, that there are some provisions in this amendment I just don't quite understand. The idea of most farmers right now being able to put money in IRAs just doesn't make a lot of sense. If I go to northwest Minnesota this weekend and I say, "We have a sense-of-the-Senate resolution that talks about your being able to put all the extra money you are making into IRAs, tax free," they are going to look at me like I have been living on the Moon. What good does it do for farmers who are going under to have a provision talking about IRAs—that you can take all the extra money you have and put it into savings?

For the last several days we have been talking about a farm crisis. We have been talking about 20 percent of the farmers in Northwestern Minnesota in economic trouble. We have been talking about people not being able to cash-flow. Why are we talking about IRAs, tax-free savings, for people who not only can't save but can't cash-flow on the record low prices they are getting?

Second, we can talk about trade and fast track and all the rest. Our farmers can compete with anybody, anywhere, anytime, if we have fair trade. But in all due respect—and my colleague from North Dakota talked about this the other day—if I was to take a look at the United States-Canadian Free Trade Agreement, which then was the precursor to NAFTA, which then superseded that agreement, and asked the wheat farmers in northwest Minnesota, "How are you doing on the basis of that trade agreement?" they would say, "What are you all talking about? You cut an agreement that did great for intellectual property rights, that did well for all the big grain companies, but left us completely out in the cold. Why in the world would you want to extend or expand that trade agreement that never gave us a fair shake or level playing field in the first place?"

Maybe the wording of this amendment has changed, and maybe everybody can agree, but I only saw the original version; I was down here on the floor listening to my colleague from Iowa. I have to say, maybe we hear what we want to hear. Maybe we talk to different kinds of farmers. Maybe there is something else that explains this. But I have been to a fair number of farm gatherings, now called "farm crisis meetings." When you walk into a school in northwest Minnesota, there is a sign outside "Farm Crisis Meeting."

When people start talking about what is happening to them, there are two things that I hear: No. 1, we need some direct assistance; this is a disaster. In northwest Minnesota, that means scab disease, wet weather, and low prices.

My colleague, Senator CONRAD, I think, will have an amendment on the floor talking about indemnity payments. People are saying, "In the here and now, please get that payment to us." It is like in Ada, Minnesota, I say to my colleague from North Dakota. We got hit with the flooding. It destroyed the high school. FEMA, the Federal Emergency Management Assistance, came in with direct grant money that enabled the communities to rebuild their school. That is what we are talking about—some direct assistance to family farmers so that they can rebuild their lives, so they at least have a chance to go on and don't go under.

The other thing that I hear farmers talking about over and over and over again is price. In all due respect, this Freedom to Farm legislation which my colleague, Senator GRASSLEY from Iowa, talks about, and I have heard other colleagues talk about staying the course, is a disaster. When prices were up, yes, people were for it—some were—when there were the transition payments. But we cut out the safety net; we took away from farmers their ability to have any leverage and get a fair price in the marketplace. Farmers can't cash-flow on less than $2 a bushel of corn and $2.58 a bushel of wheat. It is that simple. I think I am pretty good at arithmetic. If on every bushel of corn and every bushel of wheat you continue to lose a lot of money because it costs you far more to produce it than the price you get, then just producing more bushels of corn and more bushels of wheat will put you further into debt.

The way it works, colleagues, vis-a-vis trade, is we should go with the trade, go with the exports. But if you don't get the loan rate up, the family farmers have no leverage with the grain companies, and the grain companies make the money on the trade; it is not the family farmers. The loan rate is what is key to the price. We are talking about price. It is like when I was teaching in Northfield, MN, at Carleton College, I remember one evening bringing in a bunch of farmers from the community so they could teach the class. Many of the students, even though Rice County, where they lived, was very much an agricultural county, hadn't had a chance to learn that much about agriculture. I remember one farmer coming in and he came up to the blackboard and he wrote down "price," and then underneath it "price," and then underneath it "price."

I just want to say one more time, since we had this discussion on the floor here today, that if we don't do something about the loan rate and get it up to give the farmers a price, they can't cash-flow. The exports will be great for the grain companies, but the farmers aren't going to get the fair price. Do you think that farmers, when they are dealing with the big grain companies, are dealing with Adam Smith's invisible hand, some small businesses? They are dealing with a few large companies that dominate. They are facing an oligopoly. They need to have some leverage in the marketplace, so we need to get the loan rate up.

So, with all due respect, I am in profound disagreement about staying the course on Freedom to Farm. It has become freedom to fail. It is great for the grain companies and terrible for family farmers. If you don't get the price up, all the speeches and rhetoric in the world will not help, and the surest, quickest, most efficient, fairest way to get the price is to at least take the cap off of the loan rate.

We lost that amendment yesterday. We are going to come back to it because, in the fall, this situation could be even worse. In the short run, to lead up to my colleague from North Dakota speaking, who is about to lay down an amendment, I fully support this effort by my colleague from North Dakota, which at least will get some indemnity payments out there and give farmers some assistance so our families can stay on the land and they can have a chance at least to dream about a better tomorrow.

I yield the floor.

Mr. GORTON. Mr. President, I must comment on Senator GRASSLEY's sense-of-the-Senate. While I unequivocally support many of the provisions within the amendment, I must voice my concern over the provision regarding extending most-favored-nation trading status to China.

For more than 20 years, the Pacific Northwest has been unable to break China's ban on our wheat. In addition, China has consistently barred imports of our apples and other high quality commodities. With these obvious barriers to American agriculture, I question the wisdom of extending MFN to China when it refuses to open its agricultural markets to our produce.

I have serious reservations regarding extending MFN status for China, but because of the dire situation facing the family farm in America, I will support Senator GRASSLEY's sense-of-the-Senate.

Mr. KYL. Mr. President, the Grassley amendment that is before us today expresses the sense of the Senate about a wide array of issues, about nine different issues in all. I agree with some of the ideas expressed in the amendment, but I have serious reservations about others.

Mr. President, among the ideas I favor are the provisions of the amendment that express support for additional capital-gains and death-tax relief.

Although it is unclear from the language of the amendment what form that relief should take, I hope Senator GRASSLEY would agree with me that a good approach on capital gains would be something like the 70-percent exclusion that would be allowed by S. 73, the Capital Gains Reform Act, which I introduced last year. That is the same exclusion proposed by President John Kennedy some 35 years ago.

Preferably, death-tax relief would mean outright elimination of the death tax, as proposed in S. 75, the Family Heritage Preservation Act. That bill, which I introduced last year, is cosponsored by 30 other Senators.

Fast-track trade authority is something that I have voted for in the past, and I will vote for it again. Hopefully, we will have the chance to do that before the year is out.

And I have long supported legislation that would provide full deductibility for health insurance for the self-employed. There is no good reason why people who are self-employed are singled out for disparate treatment when full deductibility is allowed for all other employees. We ought to provide 100 percent deductibility, and do it now, not several years from now.

Unfortunately, there is more to the amendment than capital-gains and death-tax relief, health insurance, and fast track. There are other issues, too, and some of them are quite controversial. For example, the amendment expresses the support of the Senate for full funding for the International Monetary Fund (IMF). But what does full funding mean? Is it $3.5 billion or $18 billion—or will it be more, now that the IMF and Russia are talking about another bailout? Will the funding be conditioned on meaningful reform of the way the IMF does business?

We do not know the answers to these questions from the language of the amendment. It is not designed to answer them, because it is merely a sense of the Senate amendment. But without knowing the answers, I believe it would be imprudent to go on record in support of "full funding for the IMF."

In fact, many of us have serious reservations about providing more money for the IMF, particularly it if is not accompanied by meaningful reform of the way the international agency does business. Many of us question the fundamental wisdom of having taxpayers bail out bad business practices and bad investment decisions abroad. Therefore, I would have to object to the IMF-related provisions we are considering here.

There is also language in this amendment on economic sanctions. We addressed that issue yesterday when we considered the Lugar, Dodd, and Torricelli amendments, so I am not sure why we are considering it again, particularly since the amendment does not specify what kind of sanctions reform is in order.

Most Favored Nation status for China is another controversial issue, and I believe we need to focus on it separately, more deliberately. There are far too many issues at stake this year to be considering MFN status along with myriad others in this sense of the Senate amendment.

Mr. President, as I said at the outset, this is only a sense of the Senate amendment. It has no force of law, no effect, regardless of whether it passes.

But I think it does cloud the record when issues like the IMF, economic sanctions, and MFN status for China are coupled with things like capital-gains and estate-tax reform, fast track, and health insurance. I would not want support for the latter set of issues to be construed as support for the former set.

Since we will still need to act on separate legislation to accomplish the things raised by the Senator from Iowa in his amendment, and since there are some key elements of the amendment to which I object, I am going to vote against the amendment. It accomplishes nothing, and it adds confusion by suggesting that members either oppose or support everything in it. My "no" vote should be construed as a vote against this irrelevant and confusing procedure.

Mr. BYRD. Mr. President, although I have great respect for the Senator from Iowa, Mr. GRASSLEY, and I recognize that he is one of the Senate's foremost experts on matters that affect the Nation's farmers, I nevertheless strongly oppose the pending amendment. The amendment merely expresses the "Sense of the Senate," and in so doing would not, if adopted, result in any legislative action in any of the areas addressed by the amendment. Nevertheless, in my years of service in this body, I cannot recall having seen an amendment that attempted to address so many diverse issues at one time. It amounts to a virtual smorgasbord, a Dagwood sandwich, a grab bag, a hodgepodge designed to enable one to issue a zillion press releases rolled into one. It is intended to be all things to all people. It is analogous to wearing a pinstripe suit, a plaid tie, paisley trousers, and a polka-dotted shirt at the same time.

The amendment raises ten very important matters and expresses the Sense of the Senate that each of these ten matters should be enacted or undertaken by the President and Congress in short order. I will not take the time of the Senate to address in detail each of the areas contained in the amendment. But, for the interest of the viewers who may be following this debate, it urges the President and Congress to pass fast track trading authority—which authority, in my view, would grossly undermine the constitutional prerogatives of the Legislative Branch to oversee trade agreements; it states that Congress should pass and the President sign S. 2178, the Farm and Ranch Risk Management Act; it calls for full funding of the International Monetary Fund—some $18 billion—over which there is substantial controversy at this time as to how much funding should be given to IMF and what reforms should be undertaken by that organization in order to be able to access any appropriations that may be provided to them; it states that Congress should pass and the President should sign sanctions reform legislation so that the agricultural economy is not harmed by sanctioned foreign trade; it urges Congress to uphold the Presidential waiver of the Jackson-Vanik amendment to the 1974 Trade Act relating to normalizing trade relation status to China; it calls on the House and Senate to pursue a package of capital gains and estate tax reforms; it calls on the President to pursue stronger oversight on all international trade agreements affecting agriculture; it then shifts to the question of providing full deductibility of health care insurance for self-employed individuals—urging the President to sign such legislation; it then calls on Congress and the Administration to pursue efforts to reduce regulations on farmers—never mind what regulations, it just says to reduce regulations on farmers; and finally the tenth matter in the amendment calls on the President to use administrative tools available to him to use Commodity Credit Corporation and unused Export Enhancement funds for humanitarian assistance.

Mr. President, this is an amendment which is ill-conceived and should not be attached to this Agriculture Appropriation Bill. It is a very far-reaching resolution, basically outlining an ambitious agenda for the Senate on a number of very contentious issues. I do not want to prematurely endorse action on all the items on this list, particularly before I have had a chance to study the actual language on which he proposes we act. I remind my colleagues of the old adage, "Act in haste, repent at leisure." Each of these matters in the amendment is very important and deserves extensive consideration and debate by the Senate. We should not attempt to address them in this manner at this time.

I urge Senators to oppose this amendment.

Mr. DORGAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me briefly rise in opposition to the sense-of-the-Senate amendment that has been offered. While I think there is much in that amendment to commend—and I support some parts of it—the first provision in that amendment is to suggest that Congress should bring up and pass fast-track trade authority. I could not disagree more with that recommendation. I cannot support a sense-of-the-Senate resolution that includes it.

I want to just demonstrate for my colleagues with some numbers where we have been with fast-track trade authority. I know some people don't want to talk about the details; they want to talk about the theory. The theory is that if you have expanded trade around the world, that is good for everybody. I am all for expanded trade. Put me down as a "yes" checkmark on the line for expanded trade. Yes, this country ought to be a leader in expanding trade. But this country also ought to be a leader in saying that we demand and insist on fair trade agreements with our trading partners. And when we have trading partners that don't treat us fairly, this country ought to say, stop, wait, we won't allow that to continue to happen. We ought to say to the Chinese, Japanese, Canadians, Europeans and, yes, others that I could mention but have not, when we have a relationship with you, it must be different than the relationship we used to have just after the Second World War.

Just after the Second World War, almost all of our trade relationships were foreign policy issues. How do you treat this country? Well, this country is weak and rebuilding, so let's give them concessions here and concessions there, and we will open our market up to their products, and they can close their market to ours, because we are bigger and better and stronger and tougher and we can beat anybody with one hand tied behind our back, and that is fine. For a quarter of a century after World War II, that is the way we thought and behaved, and it didn't matter because we succeeded anyway. Income in this country had increased, economic growth was substantial, and we were just fine.

The second 25 years, post-Second World War, have been different. Our trading partners are now stronger, better, shrewder. We still have the softheaded notion that our trade policy ought to be foreign policy. We say to the Chinese, you can ratchet up in one decade a $50 billion or $60 billion trade surplus with the United States, or put the United States in a trade deficit position with China, and it is OK. Let the United States be your cash cow for your hard currency needs. That is OK. We are willing to do that. With Japanese trade, as far as the eye can see, there are $40 billion, $50 billion and $60 billion deficits every single year that we experience.

We are urged to pass fast track authority. Now, fast track—which is the reason I am objecting to this amendment—is a specific, unusual procedure that says, let's have the American trade negotiators go somewhere and negotiate a trade agreement. Almost always, it will be in a closed room, and almost always, behind a closed door. They negotiate the agreement and then bring it back. Here is the catch: Fast track means that when it is brought back to the floor of the House and the Senate, there are no amendments—no democracy here—just up or down. There are no suggestions for improvement, no objections, no amendments. You must vote up or down, yes or no, and that is fast-track authority.

Mr. President, let me just review a couple of the fast-track agreements we have had. Well, our folks went off and negotiated with Canada a fast-track trade agreement. At the time, we had about an $11 billion trade deficit with Canada. So our negotiators got involved and got behind those doors. I don't know whose "jerseys" they were wearing. I kind of wish we could buy them jerseys and they would say "U.S.A.," indicating that they represent the good old U.S.A., that they are on our team, that they are negotiating for us. I kind of wish we could put jerseys on them and send them into the room. I expect that the people wear white shirts, and they have all the theories in mind, and they talk back and forth about trade theory.

In any event, when they did it with Canada, here is what happened. We had an $11 billion trade deficit with Canada. They went in and talked about their theories and did their little deal behind closed doors, and they brought it back to the Congress and said, OK, there's no chance for amendments. So the Congress passed it—not with my vote; I voted against it—Congress passed it, and guess what? The trade deficit with Canada doubles. It doubles. And the people that negotiated the agreement say, gee, didn't we do a good job? This is really working well. Well, what school did they go to? They do a trade agreement and our deficit doubles, and they think we are making progress? I don't know of any schools that teach that.

So they say, well, that is not enough. Now let's do a deal that includes Canada and Mexico and call it NAFTA, and we will do it under fast track. So we get them all at the table, close the room, bring more chairs to the table and negotiate some more. Still no jerseys, I expect. But they negotiate and negotiate, and they come back. Now, we had a $2 billion trade surplus with Mexico as we started negotiating.

They come back with a trade agreement, and they say to Congress, "Gee, you've really done a good job this time." And Congress votes on no amendments with no opportunity to change it. I didn't vote for it. But Congress supports it, because fast-track trade authority prevents anybody from making any adjustments or changes. And the Congress then passes NAFTA, the North American Free Trade Agreement. At the time, we had a $2 billion trade surplus with Mexico. Guess what happened. The $2 billion trade surplus evaporates, and the $2 billion trade surplus we had with Mexico now becomes a $14 billion to $15 billion trade deficit—$14 billion to $15 billion deficit—and the same people who told us we ought to do it say, "Gee, this is working really well." Apparently they went to the same school and took the same classes.

Let me give you some numbers with respect to Mexico, just as an example. This is how they describe these trade agreements. They say, "From 1993 to 1996, do you know that we increased our exports from the United States to Mexico by $14 billion?" Why, give them a blue ribbon at the county fair—$14 billion increase in exports from the United States to Mexico. They don't read what is on the other page, do they? The other page says, "Oh, yes, we did increase our exports to Mexico some"—$14 billion. But imports from Mexico into the United States increased nearly double, from $39 billion to $73 billion—$34 billion increase in imports from Mexico. In fact, we now import more automobiles from Mexico into the United States than the United States exports to all the rest of the world.

We were told with NAFTA, by the way, "If you pass NAFTA, guess what will happen. The products of low-skilled labor will come into the United States. That is what will happen with Mexico."

What are the three largest imports from Mexico? The products of high-skill labor: Automobiles, automobile parts, and electronics.

But my point is simple. With Canada, with Mexico, the two most recent examples, they are saying: Take fast track, let us negotiate it, and we will essentially shove it down your throat with no opportunity for amendment, and things will work out just fine. If history is any guide, we ought to understand things don't work out fine. The NAFTA agreement was not a good agreement for this country. It is not working. It has increased this country's trade deficit. The agreement with Canada has not worked.

My colleague from Minnesota and I know other people get tired of me saying this and referencing the Canada agreement. And I am going to say it again. The Senator from Iowa acknowledges that he either heard it before or is tired of perhaps hearing it. But there is virtually a flood of grain coming into this country from Canada. Mr. Clayton Yeutter, good enough fellow, was trade ambassador at the time. He went up to negotiate this. I was on the Ways and Means Committee in the U.S. House at the time. I have in writing from the trade ambassador a representation that the trade agreement between the United States and Canada would not result in the increase in quantity of grain being shipped across the border either way—in writing, a guarantee from the trade ambassador. That is what the two sides agreed to. It wasn't worth the paper it was written on.

The agreement was passed. The fact is, we had this flood of unfairly subsidized grain coming in. We tried to enforce our laws and get the information that we ought to get from the Canadian Wheat Board.

By the way, in the negotiations with Canada, we said, "We will allow your state monopoly trading enterprise to ship into this country." It would be illegal in this country, by the way, to have a state monopoly trading enterprise like the Wheat Board. But we will allow that Canadian Wheat Board to ship into our country and unfairly compete with United States farmers and refuse to disclose information about the shipping costs and the cost of acquisition.

So we finally decided to push really hard on this, and file complaints, and so on. Then we discovered a secret deal had been made with the Canadians by the trade ambassadors, and which had not been disclosed to any of us, which said in terms of antidumping, and so on, in the United States that we agree that certain payments under the GRIP payment system by the Canadian Wheat Board to Canadian farmers will not be included as acquisition costs for their grain, which means you would never be able to prove antidumping because, by definition, they excluded part of the cost of acquisition of the grain. It just essentially sold out American farmers.

I will never go for fast track—never—under these circumstances. It is not in this country's interests.

Is it in this country's interest to increase the Federal trade deficit? If so, how? Someone explain that to me. Is it in this country's interest to do another trade agreement that increases the deficit? I don't think so. Yet, what trade agreement have we in recent years negotiated that has not resulted in a substantial increase in this country's trade debt or trade deficit? Name one. No one in this Chamber can name one trade agreement that has turned out in recent years. That is because, as I have said before, our trade policies in this country are soft-headed and weak-kneed. And, yes, that is strong language, but it describes exactly what is happening to trade.

We have negotiators that negotiate fundamentally incompetent agreements because they don't have the nerve and will, it seems to me, to stand up for this country's interests. I have even thought that maybe on an appropriations bill I would offer an amendment that says let's add at least four or five employees down at USTR, and we will name them "Backbone," "Nerve," and will add a couple other names, and see if we can't inject some kind of passion to stand up for this country's interests and to say that we care about America's farmers, that we care about America's jobs, and we are willing to compete with anybody in the world—anybody. But the competition must be fair with respect to farmers. It is not fair.

If a state monopoly pushes the flood of unfairly subsidized grain across our border, it drops the prices for American farmers. It is not fair. It is not fair that factory workers in this country are told: "You compete against 14-year-olds that work 14 hours a day for 14 cents an hour somewhere on the other side of the globe." That is not fair competition. Yet, that is precisely what is negotiated in these trade agreements.

My only point is—I will simplify it because others want to speak. I was going to offer a second-degree amendment to strip out the first provision which would push for fast-track trade authority. But in deference to time—Senator COCHRAN and Senator BUMPERS are gallantly trying to run this bill through the Senate in a way that is thoughtful and favorable to everybody—in deference to that, I will not offer a second-degree amendment. I will just oppose the amendment that has been offered. I want to cooperate. I think other Members do as well.

I do just want to say that while there is some in this amendment to commend it—some provisions to commend it, the first provision that says let's start doing again that which has failed us so badly, let's begin anew to stimulate trade policy that has resulted in such substantial increases in our Federal trade deficits, let's try once again and see if we can't do more trade agreements that have resulted in such unfairness to American farmers, I say there is no sense in that at all.

Let me complete my statement by just showing a couple of charts. This is the trade deficit. If this isn't an avalanche of red ink, I don't know what is. Those who say this is a successful strategy, I say get me the names of the people who negotiated these trade agreements and let's make sure they do not negotiate again for this country.

Let me just provide the one that shows what is happening with China. Our trade deficit with China is $50 billion and getting worse yearly. We don't get enough wheat into China. They displaced us as a major wheat supplier to China, as you know. We don't get enough pork into China. They consume half the world's pork. Our trade agreement with China, or the agreement by which we trade with China, is fundamentally unfair with us. If we take your trousers, shoes, shorts, and shirts, you take our beef and wheat, and don't tell us when you need to buy our airplanes from us, that you will only buy our airplanes from the United States if they come and manufacture them in China.

That is not fair trade.

Let's stand up for this country's interest.

There are some who say, "Well, when you talk like that, you are a protectionist." I am not a protectionist. I am for expanded trade. But I am darned sure for insisting that this country demand fair trade.

Let me just, with one final chart, describe graphically what I have talked about now for a few minutes.

In 1993, when we negotiated the trade agreements with Canada and Mexico, we had a $2 billion trade surplus with Mexico and an $11 billion trade deficit with Canada. Two years later, three years later, that trade deficit went from $11 billion to $23 billion with Canada, and it went from a surplus of $2 billion with Mexico to a nearly $16 billion deficit with Mexico.

If that is progress, you give them the names of people who call it progress, and I think they ought to be banned from further trade negotiations.

So I cannot support the amendment that is offered because it calls for fast-track trade authority and the renewal of that authority. And while I will not offer a second-degree amendment to strip that, I will simply vote against the amendment for the reasons I have stated.

Mr. President, I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Idaho.

Mr. CRAIG. Mr. President, for just a few moments I would like to agree with the Senator from North Dakota on a couple of points that he just made. But I would also like to disagree with him on a few other points.

He, like I, voted against the Canadian Free Trade Agreement, and we both voted against the North American Free Trade Agreement because we felt they were not properly negotiated. We felt both agreements had loopholes in them. The Senator from North Dakota has pointed out some of those loopholes.

What we disagree on is the sense-of-the-Senate resolution that is before us now which clearly outlines what a lot of farm and commodity groups in this country feel they need this Congress and this administration to do to improve the situation down on the farm. The Senator from North Dakota is right. The situation down on the farm is not very good right now. There are a lot of farmers losing money. But the Government should not dictate rules to farmers, and the Government should not be the total safety net. In a free enterprise system, such as ours, there should be an element of risk. In the 1996 FAIR Act, Congress have offered farmers flexibility along with that risk. Today, the Senate must decide how to shape that flexibility in a way to assure that farmers can make a safe transition to Freedom to Farm. This is where the Senator from North Dakota and I disagree.

Yesterday I talked to the Governor of North Dakota, the president of the North Dakota Farm Bureau, and representatives from the North Dakota Wheat Growers. I left that meeting with the impression that these folks from North Dakota don't agree with the Senator from North Dakota either. They told me North Dakotans don't want to see Freedom to Farm reversed. They don't want Congress to lurch back into the failed policies of the past. They don't want the Government to be the largest provider of income to American agriculture, to be the one that holds the hand of the farmer and tells the farmer what to farm, how to farm, and when to farm. They agree that these choices ought to be made by the individual, as a free person in a free market.

Now, Government has a role. The Senator from North Dakota is right when he states that the Government has not been fulfilling that role well. However, that role is not to be a safety net. It is not to be a caretaker. The proper role of the Government is to be the force which opens the door at the border. Government is to be a facilitator.

I agree with the Senator from North Dakota on that point. Our negotiators ought to put jerseys when they go into trade talks. I want it to be Team America working for America and America's farmers. But I don't want a government check to be the sole source of income to America's farmers. Past administrations tried it and farmers became victims of an agricultural system design by Government. It did not work.

Now agriculture is in transition. Times are not easy. And all of us are trying to sort out what can be done to help agriculture through that transition. But a step back into the past is not the route to take. I believe what the resolution before us today is exactly what American agriculture is looking for.

What I want to know is why was this administration asleep at the switch for 12 long months while commodity prices slid and never used the tools Congress have given them to make a difference? Was it politics or was it simply ignorance of what was going on? Did they not know what they could do and what they should have been doing?

What we heard from the commodity groups is very simple: Keep Freedom to Farm. Give us the flexibility and trade, trade, trade. They don't want crops stored on the farm—not for 1 year, not for 2 years, not for 3. They do not need a huge surplus hanging over the market. Let's move the grain. Let's sell the product.

Yet, what has this administration done? They haven't used one tool to make a difference, and they don't know how to do it. That is what is frustrating to me.

Mr. DORGAN. Will the Senator yield for a question?

Mr. CRAIG. I can't yield. We have a time limitation. Let me close, and then the Senator from North Dakota can speak if he wishes, because there is a lot that we agree on but there is also a lot that we disagree on.

I do not want to look into the past. I want to look into the future. I want American agriculture to modernize and develop the flexibility that it ought to have. I want to help them when they need help. That is what we are on the floor discussing.

The Senator from North Dakota talks about trade deficit. Trade deficits have occurred, and I do not like it either. But I have also watched our ability to trade expand with every agreement that we have struck. We know that in American agriculture today, if you don't sell 40 percent of the crop you raise in a foreign market, you are in trouble financially. That is why they are in trouble financially today—because this Government, this administration, this USDA, didn't help them sell the product at a time when markets were collapsing and other governments were aggressively pursuing those markets.

So there are things we can do, but I hope this Senate will not step backwards into a dark age of government programs, farming controlled by Government, forcing farmers to live with a government check arriving in the mailbox as their only source of income. My farmers don't want that. Most farm groups don't want that.

That is what this resolution is about—to craft a sense of the Senate in the area of trade, in the area that deals with taxes, to offer farmers the flexibility so that they won't be injured like they where when a Democrat controlled Congress in 1986 rolled back the ability of farmers to use income averaging. Congress ought not make those same mistakes again. I don't think we will.

So let me conclude by saying this. There is a lot that the Senator from North Dakota and I agree on. We agree on the Government's inability to negotiate good trade agreements. Our trade negotiators need to be out there, working for agriculture.

I voted yesterday and I will vote today and probably again next week for programs to help American agriculture out during this transition, but they have to be compatible with Freedom to Farm. We can't go back to all kinds of on-farm programs that store the wheat and store it and store it and store it for another year. Let's sell it, move it through the market, so we can get on with the business of transition. That is what I think this resolution represents. I hope the Senate will support it.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I will take just a couple minutes, but I must respond to the Senator from Idaho. There is no time agreement here. I wish the Senator would have allowed me to ask a question and he had responded to it.

Mr. CRAIG. I would be happy to respond to a question.

Mr. DORGAN. I would like us to have a debate. In fact, the Senator from Idaho was winning a debate we weren't having a few minutes ago. So that is the easiest debate to win. We weren't having a debate a couple minutes ago about price supports. We were having a debate about this amendment. But we did have a discussion yesterday about price supports, and the Senator from Idaho described the Democratic Congress previously that did so and so, and the President, and USDA.

This is not about which party has forsaken farmers. This is about, after all, what can be done to help farmers survive in the future. I am all for this nation to say to farmers, "Get your money from the marketplace." I would love for a farmer to load up a truck and drive that truck to the country elevator and raise that hoist and drop that grain and sell it and get a decent price for it. But I will you this: that farmer loses money on every load of grain and loses big money, not because of something they have done but because of a whole range of other reasons—because, first of all, we have bad trade agreements, we have unfair grain coming in undercutting their markets, we have trade sanctions that mean 10 percent of the international wheat market is outside of their ability to sell, when they market up into the neck of a bottle against grain trade firms that hold an iron fist around the neck of that bottle when they buy farm machinery and equipment—guess what. They pay for it. They pay through the nose because those prices are going up.

When they try to get their grain to a flour miller, four milling firms own over 60 percent of the milling capacity in this country. The same thing with wet corn milling. The same thing with meatpackers.

If the Senator from Idaho can tell me that a family farmer driving on that lonely road in an old truck, in most cases a 10- or 12- or 15-year-old truck, trying to get those few bushels of grain to market, hoping above hope that they will be able to get something for that grain that meets their cost of living and meets their cost of production—if the Senator from Idaho can tell me that the deck isn't stacked against those farmers, that we don't have virtual monopolies in every area they turn around, that they don't show up at a railroad track and find that there are not two or three railroads ready to serve them, there is one (and in my State they will double-charge because there is no competition)—if the Senator from Idaho can tell me that that farmer driving that truck is driving down the road towards free and open and fair competition, then I say that is just fine, then we ought to butt out.

But if the Senator can't say that—and I do not think he can say that in a million years—then somebody, somebody, had better say that family farmers matter and the future of this country will be benefited and enhanced if we decide that family farming has value and merit.

I said it yesterday, and I am going to say it again. There is something so fundamentally wrong with what is happening in this country with respect to agriculture. We have people starving on the other side of the world, people trying to eat leaves on trees because they don't have food, and we have people driving their trucks to the elevator, sweating all year and risking everything they have in life to plant a crop and harvest it, and they are told when they get to the elevator that their grain doesn't have value, their crop doesn't have value. That is a situation we must find a way to correct and change.

So, while we agree on some things, the Senator from Idaho and I, one thing we don't agree on is suggesting, as he has suggested, that, "Gee, it is the Democrats here, Democrats there." All of us, Republicans and Democrats, have a stake in whether there are family farmers in the future.

I wish very much that we never again have to have a farm program that provides support prices. But I will say this, when grain prices collapse and crops are ravaged by disease, if someone is not available to step in to say to family farmers, "We are here to help; you matter," if someone isn't around to say, "We are not going to pull the safety net out from under you because we want you in our future," then they are not going to survive and we will have corporate agrifactories farming America from the west coast to the east coast. And some might be fat and happy about that, thinking it is good for the country, but it won't be me, because we will have lost something very important in rural areas of our country.

I know the majority leader wishes to be recognized. I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, this is a sense-of-the-Senate resolution. I know the issue is very important. I know Senators had wanted to be heard on it. But we have now been in session for 1½ hours and we have been on a sense-of-the-Senate resolution. I wonder if the Senate is not prepared to vote here momentarily. I know Senator COCHRAN has been working on that. Senator HARKIN will use just a couple of minutes, and Senator DASCHLE—did the Senator want to comment on this?

Mr. DASCHLE. Mr. President, I agree with the majority leader. There is no reason why we can't bring this to closure. I think there is going to be a strong vote for it. We ought to just get on with it.

I will be prepared to go to a vote immediately. I know Senator HARKIN had a couple of minutes he wanted to speak. Then we can hold it open, if we have to accommodate a Senator. So we can get on with the vote.

Mr. LOTT. I would like to do that, because someone else will come in and say, "Could you delay it a little longer?" Or, "Do it quicker?" I would like to accomplish it quickly, but it is impossible to accommodate everybody.

I want to make this point. We have had some good debate on this. I know there are some important issues out there. But we need to get on with it and we need to complete this bill this afternoon. I would say to my colleagues, we are going to have to finish it today because we have other votes.

I hope everybody would recognize that this afternoon at some point we should just start, on both sides of the aisle, moving to table all amendments. If we had a vote right now on this bill, it would get over 90 votes. So I hope the Senate would cooperate. I know Senator DASCHLE and the managers on both sides are trying to do that. But I am a little nervous that the tempo is not there yet to get this completed so we could go on to other appropriations bills and so Senator DASCHLE and I can continue to work to try to get agreement on other important issues.

So please let's cooperate. Let's bring this to a conclusion by the middle of the afternoon. I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I agree with the majority leader. We have had a good debate. We have had some very important issues debated. We were on the Lugar amendment most of the day yesterday, for good reason. It was a very controversial issue that I think was important. We had a good opportunity to discuss it. We have had some good amendments on this side.

But there comes a time when we have to bring this matter to a close. I hope my Democratic colleagues can work with the leadership here in an effort to come to a finite list that is narrower than the one that currently exists, in an effort to accommodate our schedule. I am hopeful we can do that in the next couple of hours so we have a very definitive list of what needs to be done and we can finish this bill sometime tonight or this afternoon.

I yield the floor.

Mr. DORGAN. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Iowa.

Mr. HARKIN. Mr. President, I have been listening, of course, to the last couple of days of debate. I sympathize with the majority leader and minority leader on the issue of moving ahead with the legislation. I think we should. There are some very important issues here on agriculture. We have a crisis looming for our farmers, ranchers, and our rural economies all over America.

Maybe it has not hit with full force and effect yet, as it has in North Dakota, and maybe a couple of other places, but we are on the cusp of it in Iowa. I had an Iowa farmer call me yesterday. The corn price in northwest Iowa is down to $1.89 a bushel, and it is dropping every day. It doesn't look like it is going to get any better. There is nothing out there, nothing out there that is going to do anything between now and harvesttime.

I was checking the figures a little bit, with what we had in the 1980s. We had corn priced in the 1980s—about 1985, it was down to $1.50 a bushel, and after that we had a whole wave of foreclosures and farm bankruptcies. Those of us who have been around remember that in the 1980s. The corn price in Iowa is getting down to that same level again, when you consider the increase in the cost of inputs and everything like that. So we are back where we were, right before the wave of foreclosures and bankruptcies in 1985, 1986, 1987, and 1988.

You would think we would learn from history not to repeat that, not to wait too long before we respond to this crisis. But that looks like what we are going to do here. We are just going to jaw it around and talk about it and not do anything.

I had a sense-of-the-Senate resolution a couple of days ago that basically said there is a crisis out there. There are problems out there. There is a sense of the Senate that the President and the Congress should immediately respond to this farm crisis out there. Mr. President, 99 Senators voted for it.

Yesterday, we really had a chance to do something about it by lifting the caps on the loan rates, at least for 1 year, and giving farmers more flexibility in being able to market their crops, and giving them 15 months rather than 9 months to pay it back in a marketing loan procedure—which would not leave grain hanging over the market. I heard that debate around here. Obviously, people don't understand marketing loans if they say that. So we had a good debate on that. And we lost, 56 to 43. Not one Member of the Republican side voted for it—not one. Not a single one. Yet the day before they said there was a crisis there and we have to do something about it.

Now we have another sense-of-the-Senate resolution by my colleague from Iowa. It has a lot of good language in there. There are a lot of good things we ought to do. Funding IMF, I am all for that; China; capital gains and estate tax reforms, I am all for that. That is good. Oh, yes, the Farm and Ranch Risk Management Act, which allows farmers to have IRAs. That is fine, too. But before you can have an IRA, you have to have some money. They don't have any money.

So, while my colleague's sense-of-the-Senate resolution sounds very nice, it doesn't do anything. So, once again, I guess the Senate is going to be the greatest deliberative body in the world. We will deliberate it but we won't do anything. So that is basically what we have here in this resolution.

I must say that I have one serious reservation about this amendment the Senator from Iowa offers. It says:

> Congress should pass and the President should sign S. 1269, which would reauthorize fast-track trading authority for the President; . . .

There may be a fast-track bill that I could support, but I cannot support that one. While I might vote for this amendment, I want to be clear on the record that I do not support S. 1269. I had an amendment to that bill that I thought had a good chance of being adopted if we ever got it on the floor. We never did. But I could never vote for S. 1269 as it is drafted.

Some of the other things in here are pretty good. I would say probably about 70 percent of this amendment is pretty good, and 30 percent is not too good. You have to weigh those around here.

We can all vote for it. It might make you feel good, but it doesn't do anything. This resolution doesn't do a thing to get the price up for our farmers. Why don't we just have sense-of-the Senate resolutions around here forever, then we won't have to do anything, but it will make you feel good. If you want to feel good, you can go ahead and vote for the Grassley amendment, but I don't think it is going to do one single thing to get the price up for our farmers that is going to help them get through this next year, not one single thing. I yield the floor.

Mr. COCHRAN. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 3172. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER (Mr. BURNS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 71, nays 28, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—71

Abraham
Akaka
Allard
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Chafee
Cleland
Cochran
Collins
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Durbin
Enzi
Faircloth
Feinstein
Ford
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Hutchison
Inouye
Jeffords
Johnson
Kempthorne
Kerrey
Kerry
Kohl
Landrieu
Leahy
Lieberman
Lott
Lugar
McCain
McConnell
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Robb
Roberts
Rockefeller
Roth
Santorum
Shelby
Smith (OR)
Stevens
Thomas
Thurmond
Warner
Wyden

NAYS—28

Ashcroft
Byrd
Campbell
Coats
Conrad
Dorgan
Feingold
Graham
Helms
Hollings
Hutchinson
Inhofe
Kennedy
Kyl
Lautenberg
Levin
Mack
Mikulski
Reed
Reid
Sarbanes
Sessions
Smith (NH)
Snowe
Specter
Thompson
Torricelli
Wellstone

NOT VOTING—1

Glenn

The amendment (No. 3172) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there further amendments?

Mr. CONRAD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, it is 12:15 and we have had one vote. We have dispensed with a sense-of-the-Senate resolution on the agriculture appropriations bill. Now the managers are having difficulty getting Senators to come to the floor and offer amendments. This is beyond ridiculous.

If we don't get going in the next 15 minutes or so, we are going to go live on a quorum. I am going to look, then, for the next serious action to take, because we should be through with this bill. If Senators are serious, they should be here offering their amendments. If they are not, then we are going so start having votes of another nature. We are not just going to stand in a quorum for the next hour, hour and a half. It is not fair to the managers. We will be here at midnight tonight, and I don't think anybody wants that.

So again, I call on Senators to come to the floor. Surely a Senator has an amendment, out of the 40 amendments we have pending, that could be offered. Let's dispose of it.

We will wait 15 minutes, or so, to get one going and then we will go to a live quorum.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I am in the majority leader's corner on this. This is unforgivable. Maybe there is some forgiveness in the order because most Members on our side are in a meeting with the President right now. I am hoping that somebody will have the nerve to walk out of that meeting to come over here and offer an amendment and get this show on the road.

The other thing that is mildly encouraging is that we have been going over the list of Democratic amendments, and an awful lot of them are folding, and some are going to be accepted. I only know about three or four fairly controversial amendments that are probably going to require a rollcall vote—in the vicinity of three or four. The rest, I think, are either not going to be offered, or we are going to be able to accept them. Hopefully, we can get through here by sometime in the middle to late afternoon.

I certainly appreciate the majority leader's frustration, with all of these amendments lying around and nobody here to offer them. In all fairness, the reason nobody is over here is because they are all in a meeting with the President.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I ask unanimous consent to proceed as if in morning business for not to exceed 15 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

CHINA TASK FORCE INVESTIGATION

Mr. KYL. Mr. President, I was disappointed by some of the actions of the majority leader's statement the day before yesterday in which he provided an update on the Senate inquiry into U.S. policy on satellite exports to China.

In particular, some charged that the majority leader was engaging in partisan politics when he simply presented some of the things that we have learned in the 13 hearings and the numerous briefings and meetings held on that subject to date.

As a member of the task force appointed by the leader, I can state conclusively, Mr. President, that this investigation is driven by a desire to safeguard our Nation's security, and it is not motivated by partisan politics.

Let's examine the five main points that the leader raised in his remarks.

Point one: The Clinton administration's export controls for satellites are inadequate and have not protected U.S. security.

Many of us have been dismayed at the lax implementation and the irregular application of safeguards during launches of American satellites in China. For example, the Clinton administration has failed to require Defense Department monitors for every Chinese launch of U.S. satellites. Monitors are typically Air Force officers who are required to be present at all meetings with the Chinese launch service provider and the American satellite exporter. The monitor's presence is necessary because sensitive know-how can be inadvertently disclosed.

Chinese officials make no secret of their desire to obtain high-tech information, and the incentive for an American company to provide information necessary for a successful launch of a multimillion-dollar satellite is great, therefore a monitor can be extremely helpful in reducing the amount of information that is shared with Chinese engineers and scientists.

Although Clinton administration officials routinely note the importance of monitors in testimony and briefings, under the current system, monitors are not required by statute, regulation, or international agreement. In fact, during three satellite launch campaigns conducted in China since 1995, monitors have not been present at any stage of the process. In three other launch campaigns in China, though not required by the government, monitors have been present only for the launch, but not the important technical exchange meetings dealing with mating the satellite to the launch vehicle and ensuring that it survives the stressful launch environment and is delivered intact to the intended orbit.

The majority leader's point that export controls on satellites are inadequate is not merely endorsed by the members of the task force. As the New York Times said in an editorial on the issue on May 26, "In its eagerness to improve relations with Beijing and expand American commerce in China, the White House has been careless about enforcing security protections." One month later, the New York Times again commented on the subject in another editorial on June 19 which stated,

> Evidence keeps mounting that the Chinese Army is exploiting flawed American export controls to acquire sophisticated satellite communications technology for military and intelligence use. The Pentagon and State Department are now questioning the pending sale of a Hughes communications satellite whose upgraded design would let Chinese authorities eavesdrop on mobile telephone conversations at home and abroad. President Clinton should suspend this sale and the licensing of any more satellite deals with China until export control rules are tightened. In particular, he needs to put the State and Defense Departments back in charge of export approvals and diminish the role of the Commerce Department.

That is the New York Times speaking. That is not the majority leader. It is obviously a sentiment he shares.

This sentiment is shared on a bipartisan basis. During a hearing of the Governmental Affairs Subcommittee on International Security, Senator CLELAND criticized the administration for shifting responsibility for regulating satellite exports from the State Department to the Commerce Department stating, "I've got more and more concern about Commerce becoming the lead dog here. I'd rather hedge my bets and put national security first and commerce second."

The second point made by the leader day before yesterday was that in violation of stated United States policy, sensitive technology related to satellite exports has been transferred to China.

Mr. President, this is also an accurate, objective statement that is widely shared. Additional hearings will be necessary to continue to gauge how much damage has been done to United States national security, but several launches have occurred in China without the necessary safeguards and at least two analyses conducted by American companies of failed launches have been sent to China without first being reviewed by the State or Defense Departments.

As the Washington Post said on May 31,

> There is little dispute that some American know-how inevitably seeped across to the Chinese, despite strict rules covering what technology United States companies could share with the Chinese and despite the monitoring of contracts by United States Air Force specialists. The argument is over how much seepage occurred and whether any of it helped China improve its military rockets.

Again, the majority leaders' comments are vindicated by the press.

The third point made by the leader day before yesterday was that China has received military benefit from United States satellite exports.

Additional information in this regard may be uncovered as the Senate's inquiry continues, but some key information has already come to light. Last month, in a front page story published on June 13, the New York Times broke the news that,

> For the past two years, China's military has relied on American-made satellites sold for civilian purposes to transmit messages to its far-flung army garrisons, according to highly classified intelligence reports. The reports are the most powerful evidence to date that the American Government knew that China's Army was taking advantage of the Bush and Clinton Administrations' decisions to encourage sales of American high technology to Asian companies.

Again, the majority leader was not wrong. He is right.

The fourth point made by the majority leader was that the administration has ignored overwhelming information regarding Chinese proliferation and has embarked on a de facto policy designed to protect China and United States satellite companies from sanctions under United States nonproliferation law.

This is another objective observation about what we have learned from the hearings conducted so far. And again I turn to reports in the media in confirmation of the majority leader's point. As the Washington Post reported on June 12,

> The former chief of the Central Intelligence Agency's weapons counter-proliferation efforts told a Senate committee yesterday that the Clinton Administration's determination not to impose economic sanctions on China led it to play down persuasive evidence that Beijing sold nuclear-capable M–11 missiles to Pakistan. "There's no question in my mind" that China sold 34 M–11 missiles to Pakistan in November 1992, Gordon Oehler, former director of the CIA's Nonproliferation Center, told the Senate Foreign Relations Committee. Intelligence agencies are "virtually certain" the sale occurred he said, but "intelligence analysts were very discouraged to see their work was regularly dismissed" by Clinton aides.

Yet despite this overwhelming evidence, the Clinton administration has not imposed sanctions and as a result of the transfer of authority over satellite exports from the State Department to the Commerce Department, satellite exports have been shielded from the effects of sanctions. Prof.

Gary Milhollin made this point in testimony to the Armed Services Committee on July 9, stating,

> One of the main effects of this transfer has been to remove satellites from the list of items that are subject to U.S. sanctions for missile proliferation. In effect, the transfer has given Chinese firms a green light to sell missile technology to Iran and Pakistan. Chinese companies can now sell components for nuclear-capable missiles without worrying about losing U.S. satellite contracts.

The administration has been interested in shielding China from the effects of United States nonproliferation sanctions for some time. According to a classified National Security Council memo reprinted in the Washington Times in March, the administration believed one of the benefits of United States support for China's membership in the Missile Technology Control Regime would be "substantial protection from future U.S. missile sanctions."

And again what the majority leader said is on the record. It is vindicated. It is not wrong.

The fifth and final point made by the majority leader day before yesterday was that new information has come to light about China's efforts to influence the American political process and that the Attorney General should name an independent counsel to investigate.

I serve on the Intelligence Committee which recently received classified testimony from the Attorney General and the Director of Central Intelligence on this subject. While obviously I will not comment on that testimony here, I simply point out that over the past few months a great deal of troubling information has been published on the subject in the press. As the Senate investigation proceeds we may uncover additional information in this area, but in my view the appointment of an independent counsel to investigate these allegations is already long overdue.

As I have tried to demonstrate today, attempts to portray the majority leader's statement or the work of the task force as partisan politics are simply invalid. The protection of our nation's security has been—and should be—our only concern. I urge my colleagues to examine the RECORD before leveling such charges. Although the Senate investigation will continue, it is clear that we must change the way we handle export controls on sensitive technology or risk further jeopardizing America's security.

The bottom line, Mr. President, is that when the majority leader made his controversial remarks, he was right and the record needs to reflect that.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. CONRAD. Mr. President, I am going to begin discussing the amendment that we have been working on, on a bipartisan basis here, for a number of days, awaiting final determination from the Budget Committee on the question of a budget point of order. That is being discussed now by their legal people and the chief of staff of the Budget Committee. While we are awaiting that determination, I would like to take this opportunity to talk about the circumstances we find ourselves in and why the amendment that we have been discussing is needed.

The basic idea is that we have enormous economic distress out across farm country. Certainly, in my own State, we have seen a triple whammy of bad prices, bad weather, and bad policy. The result has been collapsing farm income, and the result of that is thousands of farmers being forced off the land.

This chart shows North Dakota farm incomes being washed away in 1997. According to the Government's own figures, from 1996 to 1997, farm income reported to the Commerce Department, reported by the Labor Department, went down 98 percent in North Dakota from 1996 to 1997. We all know there are many factors here. Low prices are a chief culprit. In addition to that, dramatically reduced production as a result of unusual weather patterns that have led to a massive outbreak of disease, so-called scab, which is really a fungus, which cost us a third of the crop in North Dakota last year.

Let me just say it is not just North Dakota that is affected. USDA has informed us that many States would benefit by such an indemnity payment; that North Dakota, South Dakota, and Minnesota would be key beneficiaries, but so, too, would Texas, Oklahoma, North Carolina, South Carolina, Mississippi, Alabama, and the State of Idaho, and many other States as well. In a few moments I will show a map of the United States and show the States affected.

What is happening is, in addition to all of those things, the so-called Asian flu is costing us our most important export market. And on top of that, our own Government is sanctioning other countries and, as a consequence of those sanctions, removing us from being able to sell into those countries. So the fundamental problem is a dramatic loss of income in many States in the country.

This chart shows that farm income has dropped in a majority of the States. We can see those that are over a 40-percent drop are in red. That is North Dakota, at 98 percent; Missouri, I think their loss is in the 40-percent range. You can see New York, Maryland, Virginia and West Virginia. These States have all suffered very dramatic income declines in the agricultural sector.

In addition to that, in orange are those States that have seen a 20- to 39-percent reduction in farm income: Minnesota, Wisconsin, Illinois, Kentucky, Tennessee, Pennsylvania, Maine and Connecticut are in that category, as well as Washington, Nevada and Utah out West. Those that are in the zero to 19-percent decline: Montana, Idaho, South Dakota, Iowa, Arkansas, Louisiana, Mississippi, Alabama, Georgia, South Carolina, North Carolina, New Jersey, Rhode Island, New Hampshire and Vermont.

Farmers are suffering in silence. It has not gotten a lot of attention, but it is nonetheless real and it is nonetheless urgent. We can see the change in income by major industry from 1996 to 1997. All of these major industries saw increases with one exception—agriculture saw a $3.4 billion decline. But we saw increases in mining—theirs were modest; in forestry and fishing, in transportation and public utilities, in construction, in wholesale trade, in government services, in retail trade, in finance, insurance and real estate, in manufacturing and services. Services, by the way, saw an enormous increase of over $100 billion as we move increasingly towards a service economy.

One of the key reasons that we have seen the steep drop in North Dakota and some of the other States is these very unusual weather patterns. In Texas and Oklahoma it is drought. In North Carolina it is hurricanes. In North and South Dakota and Minnesota it is overly wet conditions.

This is a picture of the North Dakota farm country. This picture, if you can see it, shows not the kind of dry landscape one would associate with North Dakota, but one sees water everywhere. We are swamped in North Dakota. When I say farm income has been washed away, that is exactly what has happened. Farmland can't be planted. That which has been planted is drowned out. That which isn't drowned out is suffering from a massive outbreak of disease that has cost a third of the crop last year, to this dreadful scab outbreak.

I wish we could say it was restricted to scab, but in addition to that we have white mold, now, attacking the canola crop. That will affect not only our State but Minnesota, Montana, and South Dakota as well.

These are an extraordinary set of circumstances with which our farmers are dealing, and it is forcing them off the land. We anticipate losing 2,000 farmers in North Dakota this year out of 30,000. The Secretary of Agriculture came to North Dakota 3 weeks ago and he had a disaster team that briefed him before the meetings. They told him, "You could lose 30 percent of the farmers in North Dakota in the next 2 years"—30 percent. If that is not a disaster, I don't know what is.

It is not just North Dakota, although we are one of the hardest hit, but certainly Minnesota, South Dakota, Montana, and the other States I mentioned, Oklahoma and Texas, all were hard hit by drought, continuing drought; of course Florida with their fires, North Carolina with hurricanes, and we saw other States affected as well.

This is another picture of North Dakota. Again, everywhere you look—water. I was just in the southeastern part of our State, six counties. I met with a young farmer there. He had planted corn twice this year. Both times it drowned out. For mile after mile, we saw land under water, land that is not going to be planted again this year, land that has been not planted for 2 or 3 years. In that particular farmer's case, he had land he hasn't been able to farm for 4 years.

These exceptionally wet conditions in North Dakota, Minnesota, and parts of South Dakota are leading to perfect conditions for the breeding of this fungus disease—scab. That is not only reducing the production—as I indicated, we lost a third of the crop last year—but in addition to that, what you do harvest is then badly discounted when you go to the elevator to sell.

It is this combination of factors that is putting such a crunch on North Dakota agricultural producers. Again, as I say, it is not just our State but other States as well. It is very much related to a collapse in prices, very much related to natural disasters, very much related, in addition to that, to what is happening abroad. The collapse of the Asian financial markets is reducing demand for our products. That is where we sell most of our agricultural production. That is the fastest growing market for the United States, in Asia, and they don't have the funds to buy. As a result, we are seeing sharp reductions, sharp restrictions in agricultural exports.

This chart, I think, tells the story very well. It shows a 50-year pattern of spring wheat prices. These are all stated in 1997 dollars so we are comparing apples to apples. You can see we are about at an all-time low at the end of 1997. You see a long-term trendline of wheat prices coming down, but we are now at virtually an all-time low. If you then look at 1998, you see the pattern continuing. By June of this year, we are at a 50-year low for spring wheat prices. Wheat prices in North Dakota are now about $3.20 a bushel. To put that in some perspective, it costs about $4.50 to produce wheat, so you have an invitation to lose money if you are planting wheat.

Of course, the upper Great Plains are dominated by wheat production. It is not just wheat. We see exactly the same pattern with respect to barley. Here is a 50-year trendline of barley prices, and you can see by the end of 1997, we were near a 50-year low.

If you go to this year, you can see what has happened this year—further price collapse—so that we are at a 50-year low. Prices for wheat and barley have not been this low in 50 years. When you then couple that with reduced production because of the massive outbreak of disease, what you have is an income collapse—as I showed in the first chart—an income collapse in my home State of North Dakota.

What does that mean? That means we are seeing record auction sales, as the little house on the prairie is auctioned off. That is what is happening in my State. It is a disaster. It is a calamity and something must be done.

We can debate at great length overall farm policy. We have differences on the question of long-term farm policy. I don't think we have differences on the question of responding to an emergency, and that is what we have. We have an emergency. It is a dire emergency, but we have very little ability to respond to it.

We did away with disaster programs for agriculture during consideration of the last farm bill and actually before that. We decided to do away with disaster programs and use crop insurance. The problem is, crop insurance does not work where you have multiple years of disaster. Even the head of the risk management agency has agreed with that proposition. In testimony before the Senate Agriculture Committee, he made very clear: Crop insurance, as currently constituted, does not work when you have multiple years of disaster.

Unfortunately, all across America, we see multiple years of disaster.

This chart shows where the losses have been most severe. As you can see on the chart, those areas that are in red are the parts of the country that have been hardest hit over the last period of time. You can see, yes, North Dakota and South Dakota and Minnesota hard hit, but we also see Oklahoma and Texas very hard hit and, of course, we go east and North Carolina and Virginia are very hard hit as well.

Interestingly enough, Pennsylvania; that is because they have been hit by tornadoes and have repeated losses as a result. But it is not just those States. You can see South Carolina, Georgia, Alabama, Mississippi—all of those States are badly affected. Go out west and the State of Idaho has been hard hit. This map doesn't reveal it, but there are parts of Montana hard hit as well.

This map doesn't reveal the individuals. This reveals the counties that are hardest hit. We also have many individuals, especially in the State of Montana, who have been hard hit by this same set of unusual conditions: Precipitous drop in prices, coupled with sharp drops in production because of natural disasters, weather disasters of one kind or another, and combined, they have led to an income collapse for many farmers in many parts of the country.

The question is, How do we respond? The idea has been we wouldn't have disaster programs for agriculture because we are going to use crop insurance. The problem is crop insurance doesn't work where you have multiple years of disaster. Some who are viewing may ask, Why is that? Why wouldn't crop insurance work if you have multiple years of disaster. Nobody knows better than the occupant of the Chair what the problem is. The problem with crop insurance is it is calculated based on your last 5 years of production. If you have 5 years of disaster, your production base erodes, it evaporates, and then you don't get much help from crop insurance. That is the fundamental problem that we have identified.

So how do you address it? What we are recommending is an indemnity program that will help make payments to those farmers who have had multiple years of disaster, who have had a sharp income decline, sharp losses in income so that they can get some assistance to carry over so that they will live to fight another day, so they can get through these depressed times and get on to better times.

Mr. President, we have worked with our colleagues on both sides of the aisle in terms of crafting a program that we think will be of assistance. Before I send that amendment to the desk, we are waiting for an evaluation on which one of the amendments best meets the budget requirements that the U.S. Congress is under. We are hoping for word on that very soon.

To sum up, this is a calamity. This is a disaster. This is an emergency. By the way, the President yesterday said he will support an emergency designation for an answer to what we are seeing across the country. The Secretary of Agriculture indicated he, too, will support an emergency designation, and that is critical so that we don't violate the budget caps.

The chairman of the Agriculture Appropriations Committee, Senator COCHRAN, and the ranking member, Senator BUMPERS, are under very sharp strictures with respect to what they can spend. They have allocations made to them. If we are going beyond that, we have to have an emergency designation. The President has indicated he is willing to make such a designation. I am hopeful that we will find the Budget Committee agrees as well. We are awaiting their word on that matter.

Mr. President, these sharp drops in farm income are certainly not isolated. It is not just North Dakota. The State of Missouri saw a very sharp drop, 72 percent drop there; Maryland, 44 percent drop; New York, 44 percent drop; West Virginia, 44 percent; Virginia, 42 percent; Minnesota, 38 percent; Wisconsin, the same; Nevada, 35 percent; Pennsylvania, a sharp drop, again, because of natural disasters with what is happening with tornadoes.

We also know that producers, on this map provided by USDA, in North Carolina have been very, very hard hit by a set of hurricanes. Of course, Oklahoma and Texas is burning up with this drought, and so many of their producers are under extreme economic pressure as a result.

I will enter into the RECORD a letter from the President. I will read from it before I send it to the desk. This is a letter sent to Leader DASCHLE yesterday. The President says:

> I am very concerned about the financial stress facing farmers and ranchers in many regions of the country. Natural disasters, combined with a downturn in crop prices and farm income, expected by the Department of Agriculture to remain weak for some time, cause me to question again the adequacy of the safety net provided by the 1996 farm bill. In some areas of the U.S., as many as five consecutive years of weather and disease-related disasters have demonstrated weaknesses in the risk protection available through crop insurance.

I think all of us who represent farm country certainly understand that. That is because of the formula. It is going to take us time to fix crop insurance. It is going to take a bipartisan effort to do that, but that takes time. Those of us who serve on the Agriculture Committee understand the complexities of reforming crop insurance. That is not going to happen this year. That is not going to be done in time to help these people who have been hit by repeated years of disaster and for whom the crop insurance system does not work. What we are saying together is we ought to move and fill in the difference, provide some assistance while we are waiting for crop insurance to be fixed.

The President said:

> Therefore, I am instructing the Secretary of Agriculture to redouble his efforts to augment the current crop insurance program to more adequately meet farmers' needs to protect against farm income losses. In the interim, to respond to the current unusual situations, I urge the Congress to take emergency action to address specific stresses now afflicting sectors of the farm economy.

He goes on to say:

> I agree with the intent of Senator CONRAD's amendment and recommend that funding to address these problems be designated as emergency spending. A supplemental crop insurance program for farmers who experience repeated crop losses, a compensation program for farmers and ranchers whose productive land continues to be under water, and extended authority for the livestock disaster program are examples of the type of emergency actions that could help farmers and ranchers.

Well, amen to that. I certainly thank the President for recognizing the extraordinary economic stress our farmers and ranchers are under.

The President concludes by saying:

> I am confident that you and your colleagues share my concern for American farmers and ranchers who are experiencing financial stress from natural disasters and low prices, exacerbated by the global downturn in agricultural trade, and I encourage the Congress to take emergency action quickly.

Mr. President, I ask unanimous consent that the letter from the President be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> THE WHITE HOUSE,
> *Washington, July 15, 1998.*
>
> Hon. THOMAS A. DASCHLE,
> *Minority Leader, U.S. Senate,*
> *Washington, DC.*
>
> DEAR MR. LEADER: I am very concerned about the financial stress facing farmers and ranchers in many regions of the country. Natural disasters, combined with a downturn in crop prices and farm income, expected by the Department of Agriculture (USDA) to remain weak for some time, cause me to question again the adequacy of the safety net provided by the 1996 farm bill. In some areas of the U.S., as many as five consecutive years of weather and disease-related disasters have demonstrated weaknesses in the risk protection available through crop insurance.
>
> During the debate on the 1996 farm bill, I encouraged Congress to maintain a sufficient farm safety net, and since its enactment my Administration has repeated that call, proposing measures to buttress the safety net that are consistent with the market-oriented policy of the 1996 farm bill. The 1994 Crop Insurance Reform Act established a policy of improving the crop insurance program in order to remove the need for ad hoc disaster payments. This commitment to crop insurance as the preferred means of managing crop loss risks was reaffirmed in the 1996 farm bill. Farmers have responded to this policy by maintaining their enrollment in crop insurance at very high levels, especially in the Northern Plains states.
>
> Therefore, I am instructing the Secretary of Agriculture to redouble his efforts to augment the current crop insurance program to more adequately meet farmers' needs to protect against farm income losses. In the interim, to respond to the current unusual situations, I urge the Congress to take emergency action to address specific stresses now afflicting sectors of the farm economy.
>
> I agree with the intent of Senator Conrad's amendment and recommend that funding to address these problems be designated as emergency spending. A supplemental crop insurance program for farmers who experience repeated crop losses, a compensation program for farmers and ranchers whose productive land continues to be under water, and extended authority for the livestock disaster program are examples of the type of emergency actions that could help farmers and ranchers.
>
> It is also crucial that the Congress provide the level of funding proposed in my FY 1999 budget in the regular appropriations bills and that the Congress pass the full IMF package to support the efforts of American farmers.
>
> I am confident that you and your colleagues share my concern for American farmers and ranchers who are experiencing financial stress from natural disasters and low prices, exacerbated by the global downturn in agricultural trade, and I encourage the Congress to take emergency action quickly.
>
> Sincerely,
> BILL CLINTON.

Mr. CONRAD. Mr. President, I say to my colleagues, I will relinquish the floor at this point and await the word from the Budget Committee. We are expecting it momentarily. So I relinquish the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. COCHRAN. Will the Senator withhold the request?

Mr. CONRAD. I am happy to.

Mr. COCHRAN. I say to the distinguished Senator from North Dakota, I appreciate very much his going forward and offering this amendment. We have been discussing the amendment and the problems that he identifies as emergency problems because of drought and other problems throughout the agricultural sector. We are very sympathetic to these problems and the need for Congress and the President and the Department of Agriculture to act in a positive way and in an effective way to address these problems and to try to help solve them.

We have been advised there may be a problem with the Budget Act in getting an amendment, as drafted, approved in the Senate without having the amendment subject to a budget point of order. We have discussed this with the chairman of the Budget Committee. And there are other Senators with whom we have discussed the problem as well.

There is a lot of concern on both sides of the aisle that we have a bill for agriculture appropriations that takes into account all of the problems we have in the country, and that we respond in a thoughtful way. We are continuing to work on this issue. I want Senators to know that I hope we get it resolved so we can approve an amendment of some kind to provide relief, such as that sought in the amendment of Senator CONRAD.

But while we await further negotiations on this subject, I agree with the Senator that we probably should suggest the absence of a quorum. Some Senators are away from the Capitol right now who want to be involved in this discussion. I expect we will be able to make progress on it in the early part of the afternoon.

If there are other amendments that can be offered by Senators, we would encourage Senators to come to the floor to offer those amendments. We could set aside this amendment for that purpose to receive other amendments. And some of them may be agreeable. We are willing to work with all Senators. We appreciate the assistance we have had from many today indicating a willingness to reach agreement on proposed changes to the bill. I am hopeful we can complete action on the bill today, and I pledge to Senators that I will work very hard to try to help make that a reality.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HAGEL). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE

Mr. GRAMM. Mr. President, I notice no one is on the floor debating this bill, so I thought I would take the opportunity to say a little bit about health care. I understand our President has come to Capitol Hill today to tell us about how, having rejected his proposal to take over the health care system 4 years ago, we now ought to join the President and Senator KENNEDY in letting the Government tell us how to run that health care system. Obviously, we are always flattered when the President comes to Capitol Hill to talk to us, to tell us about his views.

I want to make a couple of things clear. Yesterday, we offered the Republican alternative. The Republican health care proposal is superior in a lot of ways, but there are several ways that I think are very important. No. 1, we don't preempt States in those areas where they have already acted to deal with problems in providing health care. We differ with the President and with Senator KENNEDY in that we don't believe we know more about the interest of each individual State than their Governor and their State legislature do. What we do in our alternative proposal is deal with the parts of the problem that the Federal Government has jurisdiction over.

I notice the President and some of our colleagues made a big point out of the fact that their bill affects 140 million people, whereas our bill affects a smaller number. Why is that? The reason our bill affects a smaller number is, in those areas where the States have the power to deal with their own medical problems, we don't get involved in telling them how to do it. In those areas where they don't have jurisdiction because of ERISA, then we step in and try to deal with the problem.

We differ with the President on the whole issue of how to deal with the denial of services. The President says we can improve the situation by taking it to court. The President and Senator KENNEDY say it is indispensable that we give people the power to sue. We think there is a better way. We think the better way is setting up an appellate process on an expedited basis, both internal and external, to an HMO so that people can get a resolution. What happens when you take it to court is that it really does not solve the problem that you are trying to deal with. It may, after the fact, put money—most of it in the hands of a lawyer, maybe some of it in the hands of the patient.

I assert that when a mother has a sick baby she wants medical attention for the infant. She doesn't want the ability to go out and hire a lawyer and go to court and 2 years later get a judgment when it is too late to deal with the health care concerns of her baby. We believe we need to get a resolution in 72 hours on those issues rather than going into court, exploding the cost of health care, and denying millions of Americans their right to health care.

We also believe in freedom. Here is the problem as stated very simply. We have a situation today where there is only one part of our health care system where anybody has any incentive to control cost. That is in the health maintenance organization, the HMO. Twenty years ago, very few people, outside of a very small number of States, were enrolled in HMOs. In the last 25 years, we have had an explosion of enrollment because the cost of health care has literally skyrocketed. The positive effect has been that for the first time since 1965 we have brought the cost of medical care and its growth below the Consumer Price Index. For the first time since 1965, we are not pricing blue-collar working families in America out of the health care market. That is the good news.

The bad news is that a lot of Americans are unhappy about a system where they have to get approval from the HMO in order to get certain kinds of treatment. I liken it to the situation where you go into the examining room and you expect to be in the examining room with only your physician and you find that you have a gatekeeper in the examining room with you.

Now, Senator KENNEDY's solution, President Clinton's solution, is to put a government bureaucrat and a lawyer in the examining room with the gatekeeper, with your doctor, and with you. That way, the government bureaucrat can be there to regulate the gatekeeper and the lawyer can be there to sue the doctor.

We believe there is a better solution. The better solution is something we call medical savings accounts.

I have two cards here. One is from the Mellon Bank. It is a medical savings account on MasterCard. The other is with American Health Value, and it is a medical savings account on Visa. How the medical savings account will work is, for the first time it will empower the individual family to make their own health care decisions and to control cost. How will it do that? It will do it in the following way: Say today that your family has a Blue Cross-Blue Shield policy, family of four, and that Blue Cross-Blue Shield policy costs $4,000 a year. If they had standard option, Blue Cross-Blue Shield, that would be about the average cost. That Blue Cross-Blue Shield policy gives you very low deductibles. Under the medical savings account, you would buy the Blue Cross-Blue Shield policy with a $3,000 deductible and it would cost about half as much as it costs now. You would take the $4,000 that your employer is currently spending, $2,000 would buy the high-deductible insurance policy and $2,000 would go into your medical savings account. Then, you would take the $1,000 that is typically spent annually on premiums and deductibles and deposit that in the medical savings account, adding it to the $2,000 contributed by the employer. Then you would make the health care decisions on when and how to spend that first $3,000 of health care. After meeting that deductible, your health insurance policy would kick in and cover all remaining costs.

Now, there are two things that are very important about this program. One is, you have an incentive to be cost conscious; the other is, you are in charge.

Under Senator KENNEDY's proposal and under the President's bill, if you call up the gatekeeper and you can't get to see your doctor, you can then call a government bureaucrat and you can talk to him, he talks to the gatekeeper, and then if you can't see your doctor, then you can call a lawyer, who will talk to the Government bureaucrat and the gatekeeper, and he might file suit, and 2 years from now you might get a resolution. That is the Kennedy-Clinton alternative.

Here is our alternative: When you want to see your doctor, under the medical savings account, you pick up your card and you pick up the phone and you make the decision: Do you need a general practitioner? Is it an OB/GYN? Should you call a pediatrician? Is it Dr. Frist, who does heart and lung surgery? You pick up the Yellow Pages, you call the doctor of your choice, and you have to ask only one question—not, "Is it approved?" or, "Are you at our point-of-service option?" Your simple question is, "Doc, do you take Mastercard or Visa, or do you take a check?" If he takes Mastercard, Visa, or a check, you walk into the doctor's office and you make the choice for yourself.

Now, which would you rather have? Would you rather be alone with your doctor in the examining room, where you are in control, because you have the ability to give him your medical savings account credit card, without anybody saying "yes," "no," or "maybe"? Or would you rather go into the examining room with your doctor, with the gatekeeper from the HMO, with a Federal bureaucrat, and with a lawyer? I think most Americans would rather do it themselves. They want to get everybody out of the examining room, except their doctor. They want the freedom to choose.

The Republican health care bill gives them the freedom to choose, because it empowers them.

Now, as I said yesterday, Senator KENNEDY and the President are as afraid of this credit card, this Mastercard and this Visa, they are as afraid of these cards as a vampire is afraid of a cross. They fear these cards because they fear choice, because they know that if we empower families to make their own health care decisions, they will never, ever tolerate the Federal Government taking over and running the health care system. And we know that, deep in their hearts, the President and Senator KENNEDY want the Government to take over and run the health care system, and they want the Government to run the health care system because they "feel our pain," and they believe that the Government could do it better. They know that if they could make everybody go to a Government-run health care system, it would all work better, and that the Government would be caring, and that a Government that does not work well in any other area of our lives would be magic in health care. And so they give us the alternative, which is to regulate HMOs so that they can't control costs, so that then we can have one HMO—the Government HMO—and it, of course, will control costs, because when it says "no," you have nowhere else to go.

I do think it is an incredible paradox that the same people who, 4 years ago, wanted to put every American family into a Government-run HMO, where the government would have had absolute authority to say "yes" and "no," now they want to tell private HMOs how to be run, and they suddenly are concerned that HMOs have too much power.

We have an alternative, and the alternative is to take the power away from HMOs and give it to families. Let families have medical savings accounts so that they can determine which doctor they go to see and they can decide when they go.

Finally, I want to respond to two charges that are made by the Democrats against medical savings accounts. The first one is that they are for rich people. Well, why would rich people need or want high-deductible insurance? They can buy any insurance they want. But if you cut the cost of health insurance in half, you let working families, for the first time, have coverage for those expenses when they have to go to the hospital, or when something terrible happens. Working families can begin, over the years, to build up their medical savings account until they have the same kind of coverage everybody else has. Medical savings accounts cut in half the cost of the insurance you really need and have to have. That is not for rich people, that is for working people.

Secondly, the charge is made that only people who are healthy will go into medical savings accounts. I think exactly the opposite is true. If you have a chronic health problem, do you want to go to an HMO where some gatekeeper makes the decision about your health care? It seems to me that if you have a chronic health care problem and any morning you might wake up with a life-threatening illness, you would much rather be in a position, instead of calling the gatekeeper, the Government, a lawyer, or a Government bureaucrat, to call up a doctor and say, "I would like to come in. Do you take Mastercard or Visa?"

So I think we have a very clear choice, and we are ready to vote. We are glad the President has come to Capitol Hill to tell us, once again, that he knows what is best for our health care. Four years ago, he told us he wanted the Government to take over and run the health care system, and we listened with respect and reverence, and we said "No," and the American people said "No," with an expletive in front of the "no."

Now the President is telling us, 4 years later—he appears before Government employee groups and says, "I haven't changed my mind; I still want the Government to take over and run the health care system, only we have to do it one step at a time." It seems that he believes the next step is to let the Government run the HMOs. How does he think that make the patient better off? Well, it presumable makes the patient better off because when we go into the examining room with the doctor and the gatekeeper, a Federal bureaucrat and a lawyer will now join us. I don't think that is what people want. People want to be alone in the examining room with their doctor.

The Republican plan, which empowers the family to decide, puts only the patient and the doctor in the examining room. It throws out the Government bureaucrat, it throws out the lawyer, it throws out the gatekeeper, and it replaces all of that mechanism of Government bureaucracy with one simple question: "Do you take Mastercard, or do you take Visa, or do you take a check?" If the answer to any of those questions is "yes"—and it will be yes to all three—then you go to the doctor of your choice.

That is our alternative. It is a better alternative. That is why we are going to defeat the President and Senator KENNEDY once again. The American people do not want a Government-run or a Government-controlled health care system, and we can give them an alternative. The alternative is freedom.

Once again, America is at a crossroads. We are going to have to choose. Do we believe the solution to our problems in medicine will be found with more Government interference, with more time in court, with more time working under the control of Government bureaucrats? Or do we believe the solution is to be found in freedom? Well, I am going to bet the future of my family and the future of the 19 million people in Texas, who hired me to represent them in the Senate, on freedom because I know freedom works, and I know something else—I know Government does not work.

Four years ago, the American people didn't want Government to run the health care system, and today they don't want Government to control the health care system. So Republicans and Democrats agree on one thing: There are problems in the health care system. But where we disagree is, we want to empower families with innovations like medical savings accounts, and the President and Senator KENNEDY want to empower the Federal Government. That is the choice. It is a clear choice.

I yield the floor.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. DORGAN. Mr. President, in a few minutes Senator CONRAD from North Dakota will send an amendment to the desk on behalf of himself and myself and some others that will deal with an indemnity program, an amendment that I think he has already described to Members of the Senate. I think this is one of the most important amendments we will vote on on this bill while it is on the Senate floor.

I want to just describe again, as I think my colleague has and I have on other occasions, what causes us to feel the need and the urgency to respond to an agricultural crisis. The agricultural crisis is occurring in a number of

States in our country in a way that is causing family farmers to lose their farms, to have the auction sales, to sell out and lose their hopes and dreams. We feel that because of collapsed prices and rampant crop disease, and other things which are not the farmers' fault, that we ought to do something to extend a helping hand and say to them that we want to help them over this tough period.

I would like to show my colleagues a map that describes the problems we have had in North Dakota for family farmers. The red represents counties that have been declared disaster areas every year for 5 straight years. All of these counties have been declared disasters every year for 5 years in a row. That means if you are farming here, or here, any one of these areas, you have been out there farming in an environment and in a climate in which there is, in most cases, a devastating wet cycle with you being prevented from planting because the fields are full of standing water that has not left and has not absorbed, and if you did get a crop in, you have had it devastated by the worst crop disease in this century in North Dakota.

The orange have been declared disaster areas for 4 years out of 5 years, and the yellow, 3 years out of 5 years,. The farmers in these areas have confronted a disease called scab. This picture doesn't mean much to a lot of folks. But it is the picture of a field of hard red spring wheat infested with scab disease. It is called fusarium head blight. But it is a devastating disease that decimates the quality of this crop, so that when and if the farmer gets a crop and hauls it to market, the farmer discovers it is worth very, very little.

The cereal scientist, Bryan Steffeson, said, "I have never faced anything as tough as fusarium head blight. Make no mistake about it. This is the worst plant disease epidemic that the United States has faced with any major crop during this century."

This is very unusual and devastating to the pocketbooks of family farmers.

With respect to wheat, I just described the previous chart; with respect to barley, the same plant scientist says, "North Dakota's barley industry is hanging by a thread, even though it is typically the leader in feed malting barley products."

As a result of crop disease and collapsed market prices, our farmers' incomes in North Dakota dropped 98 percent in 1 year—a devastating drop in income. And I think almost anyone can imagine if, in their neighborhood, or on their block, or among their friends, they had a 98-percent drop in income, they would understand this is very, very difficult to live through. A lot of family farmers aren't able to survive it. The result is they are forced off the farm and forced to sell out.

This was in the New York Times accompanying a story on July 12. "Across the northern tier, farmers' income drops." And it says we have a problem with farm income dropping in Montana, North Dakota, South Dakota, Nebraska, Minnesota, Wisconsin, and elsewhere. The point of that is that this is a pervasive, difficult problem that requires an urgent response.

The Fargo Forum in an editorial yesterday indicates that, "The crisis in farming is for real. The social and economic damage piling up in farm country cannot be minimized. Politicians who believe the revolutionary Freedom to Farm law is working should spend some time in rural America, especially in the upper Midwest."

This is a paper, incidentally, that has editorialized in favor of the Freedom to Farm bill. They say that it needs some adjustments and changes. You can't ignore that.

They say at the end of this editorial, "The least Congress can do now, while in the longer term enlighten lawmakers to revisit and revise the Freedom to Farm, is to try to pass some type of supplemental legislation that would respond to urgent needs for some payments in farm country."

A number of us, led by Senator CONRAD, and joined by myself and others, have worked on a program that would provide the opportunity for some indemnity payments, which is just another way of saying those farmers who have had their income washed away would be given some short-term interim help with the passage of this amendment. The amendment would provide up to $500 million for the Indemnity Payment Program.

It is supported by President Clinton. We were meeting at the White House yesterday with President Clinton. My colleague, Senator CONRAD, myself, and a number of others from farm country, received a letter from President Clinton that describes in writing what he told us personally yesterday during the meeting—that he supports the amendment we are offering now, and it is part of a three-pronged approach that he himself espouses: No. 1, a supplemental benefit program of the type we have described, an indemnification program; No. 2, compensation for farmers who have flooded lands; and, No. 3, extended authority for emergency livestock needs.

Mr. President, I mentioned earlier—I want to say again—that this is not a political or a partisan issue. Out in the country they don't drive Democratic or Republican trucks. They don't pull Democratic or Republican plows. They are only family farmers trying to make a living in a very difficult set of circumstances. They are some of the hardest working Americans. They get up early, work hard all day, and go to bed late. They risk everything they have. Everything they have is on the line—all of their hopes, all of their dreams—and all of their savings are invested in a crop that might or might not grow. If it is grows, it might or might not yield them an income that allows them to repay the expenses they incurred to put in the crop.

That is the nature of family farming. I think family farmers have always understood that risk and always accepted that risk. But they have always hoped. And they have sometimes been the recipients as a result of that hope that when times are tough, when the bottom falls out, when prices collapse, when they are hit with devastating crop disease, that somehow there would be a basic safety net to try to be helpful to them to allow them to get over those price valleys; some kind of a bridge to allow them to cross that difficult period.

If you are a very, very large corporation, you can cross that price valley. Things get tough, you can tighten your belt, and you can survive. But the thin financial nature of a family farm often cannot cross that price valley. When prices collapse, or disease conspires, then there must be some kind of a bridge, some kind of mechanism of support that says, "Let us step in and help."

That is what the amendment offered by Senator CONRAD, myself, and others will do. It simply says, "Let us step in and provide some help to respond to a growing and urgent farm crisis."

Mr. President, with this, I would yield the floor. I believe we are close to having the amendment in order to send to the desk. When we do, I believe that Senator CONRAD, a couple of others, and I will make brief additional comments. We would hope very much that our colleagues will respond favorably to this.

We think it is thoughtful. It is supported by the President and it is supported by the Secretary of Agriculture. Editorially it is supported by newspapers that support the Freedom to Farm bill, because the editorials, others, and family farmers recognize this need is urgent and the response to it cannot be delayed.

Let me commend my colleague, Senator CONRAD, with whom I am privileged to work. We work on a lot of issues together but none more important than the issue of trying to respond to and to help family farmers survive during times of crisis and times of urgent need. His leadership and efforts on this legislation are significant.

I am pleased to be a part of the effort today to offer this amendment, and I hope for the favorable consideration of our colleagues.

I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 3173

(Purpose: To provide funds for and improve the reserve inventories program)

Mr. CONRAD. I thank my colleague, Senator DORGAN, who has been with us every step of the way in developing this amendment, in offering it to our colleagues and persuading others to support it, and in convincing the White House that this is an emergency matter.

I am very pleased with the outcome of the meeting we had yesterday. I think there is a real sense of urgency not only by the President but by the Secretary of Agriculture and others in the administration who recognize that in many parts of the country we are simply faced with a collapse of income as a result of badly depressed prices, and in addition, a loss of production because of natural disasters that have taken many forms in many places—as I described earlier, monsoon conditions in North Dakota and Minnesota and parts of South Dakota, but, on the other hand, terrible drought in Oklahoma and Texas; and then perversely in the eastern part of the United States, hurricane activity that has had a devastating effect on North Carolina and Virginia. And I was just talking to a Senator from Pennsylvania; they have also been hard hit. So this amendment would move to provide resources to provide assistance to those areas.

Now, some may say, gee, I thought we put crop insurance in place so we didn't have to have this kind of program. And that is precisely right. Unfortunately, what we have discovered is the Crop Insurance Program we put in place does not work when you have multiple years of disaster. And the reason for that is the formula. The formula in crop insurance looks at your last 5 years of production. If you have had 3 to 5 years of disasters, whether it is drought, whether it is overly wet conditions, whether it is a terrible disease outbreak as we faced in North Dakota, or hurricanes as they have faced in the East, your base for crop insurance is so badly depressed it does not provide the risk management tool that all of us intended.

I was just talking to the Senator from Idaho, who is one of the most knowledgeable members of the Agriculture Committee with respect to this matter, and he was saying what we see is that when the base goes down, crop insurance cannot provide the coverage we all intended.

We are not going to get crop insurance reform this year, as much as many of us would like to do; that simply takes a longer effort. And so, Mr. President, until crop insurance gets fixed, something has to be there to allow farmers to survive. If we do not, we are going to have a calamity of staggering proportions.

USDA tells us in North Dakota that we are going to face potentially the loss of 30 percent of our farmers in 2 years—30 percent. That is a disaster by any description.

So what we have tried to do is work in a way that is not subject to a budget point of order, that does provide assistance to these farmers all across the country.

We have now received a letter from the Executive Office of the President, the Office of Management and Budget, which indicates that this amendment would not be subject to a point of order, that this would qualify for an emergency designation, and the President supports an emergency designation for this legislation. We will submit that for the RECORD when we have a chance to actually submit the language. It is being typed now.

We have it. The final provision is here. We will send that to the desk. We need to get copies distributed to our colleagues.

The Budget Committee of the Senate has informed us this would not be subject to a budget point of order.

I ask unanimous consent that there be printed in the RECORD the letter from the Office of Management and Budget, the Executive Office of the President, indicating that they, too, agree that this qualifies for an emergency designation and would not be subject to a budget point of order.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 16, 1998.

Hon. KENT CONRAD,
U.S. Senate,
Washington, DC.

DEAR SENATOR CONRAD: This responds to your request for the views of the Office of Management and Budget (OMB) on whether your proposed amendment relating to farm payments under 7 U.S.C. 1427a qualifies for the emergency adjustment under the Budget Enforcement Act (BEA).

Section 251(b)(2)(A) of the BEA provides that an adjustment in the discretionary spending limits shall be made for appropriations designated as an emergency by Congress and the President. That section also states that the designation is not available for "appropriations to cover agricultural crop disaster assistance."

We have examined your proposed amendment, and we are of the view that it qualifies as emergency relief under Section 251(b)(2)(A) and is not an appropriation to cover agricultural crop disaster assistance. Your amendment would provide funding for the reserve program established under 7 U.S.C. 1427a. That program is designed to establish a reserve of certain crops through the price support program. The purpose of purchasing the commodities is to hold a reserve that then may be disposed of to relieve distress at a later time. The purpose of the program is to establish a reserve of crops for future use, not to make assistance available to the producers from whom the crops are purchased. Thus, it is OMB's view that the funding does not provide "crop disaster assistance" within the meaning of Section 251(b)(2)(A), and the adjustment provided by that section for emergencies may thus be applied to the funding in your amendment.

Sincerely,

ROBERT G. DAMUS,
General Counsel.

Mr. CONRAD. Mr. President, we are ready for any additional debate, and we are ready to move, after people have had a chance to speak, to a vote at a time that the chairman of the committee thinks is appropriate.

Mr. COCHRAN. Mr. President, I think we are at a point now where we can ask the question, What is the will of the Senate? Because that is the question. We have an amendment here that proposes a new program of spending based on an emergency of about one-half billion dollars. I think that is the number. Five-hundred million is the total projected cost of the bill, but it is based on an emergency that is declared in this legislation to exist in agriculture. We understand the President has agreed that there is an emergency, not specifically that this amendment describes that emergency, but that a response should be made by the Government to deal with this problem.

Now, I know that there are Senators who are wondering, well, what are the criteria? How are farmers going to be declared eligible to participate in payments under this program? There are questions that are very legitimate and, frankly, this legislation does not tell us much about that. It is leaving a lot of discretion in the hands of the Secretary of Agriculture. That is very clear. And this amendment could be subject to the criticism that it is too much, there is too much discretion. I am confident the department would have to issue regulations and describe some program payment benefit scheme that farmers would have to be governed by in terms of applications and eligibility.

So there are some legitimate questions that can be asked. I am willing to listen to the advice of other Senators and be governed by the will of the Senate on this issue. I do not want to reject this out of hand and say that it is not a good amendment. I think it is based on a legitimate interest in helping deal with very real problems that exist in certain parts of the country, primarily in North Dakota, South Dakota, Minnesota, where half the payments are projected to occur under the amendment, but there are other States as well. We know that Texas, Oklahoma, and Colorado would be eligible. We know that southern-tier States, parts of States in the Southeast, North Carolina, in addition to South Carolina; there are some parts of my State, I am told, that would benefit from the legislation.

So it is time now in the consideration of this amendment for Senators to take a look at the proposal and come to some consensus on what to do about this. We can accept the amendment on a voice vote, the managers could accept the amendment, if that is the will of the Senate, or if some Senators want to have a record vote on the amendment, we could do that. I had been told earlier that this amendment would probably be subject to a budget point of order in that it would violate the Budget Act. But because of changes the drafters, the authors of the amendment have made within the language, I am advised that the Budget Committee staff director has told us there is no violation of the Budget Act. That could be confirmed by a statement from the chairman of the Budget Committee, and I would like for him to tell us that formally before we make a decision on whether a point of order would be made on the basis of the Budget Act.

Those are my reactions to the proposal, and I will await other Senators coming to the floor to let us have some suggestions and guidance about how to proceed at this point.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the Senator from Mississippi, the chairman of the Agriculture Appropriations Subcommittee, for the gracious way he has allowed us to work through this. He has been very patient, and we thank him very much for his patience. We also thank him very much for his open-mindedness. I think he does recognize there are real problems around the country. Unfortunately, we do not have the perfect tools to deal with them. The Senator from Mississippi raises questions that are absolutely legitimate questions: What kind of system would be used to use these funds?

This is not a new program in the sense that this is replenishing a program and an authority that the Secretary has had. This is a program that the Secretary has utilized. And those funds are now depleted.

The way it was done in the past was to use actual commodities, but one thing we have learned is, it is really much more efficient to use money in that fund rather than commodities, because when we use commodities, we find that about 25 percent of what is used is used up in distribution costs, in handling charges, and the rest. So USDA, in examining this, has said it would be much more taxpayer friendly, really, to have money in this fund that is now depleted rather than to have commodities.

We are using the same model we used for the Livestock Indemnity Program last year; that is, to give the Secretary broad discretion, because when you sit down and try to write the specifics here on the floor with this relatively short period of time, we have discovered there are a series of problems. One of them is, we would probably become subject to a budget point of order. So we find doing it this way, with the general authority of the Secretary that he already has, which is recognized, but we restore the fund, we replenish the fund that has been depleted so the Secretary has the ability to respond to these various circumstances around the country.

It is not one set of events that is affecting us. We have one set of events in North Dakota and Minnesota and South Dakota, and the Senator is exactly right, we would get a significant portion of this. But other parts of the country as well—in Texas and Oklahoma it is a drought; in North Carolina, where they have been so badly hit, and Virginia, it is hurricanes. In Pennsylvania, the Senator from Pennsylvania tells us, it is a combination of factors. In Idaho, it is much the same thing that has been happening in these northern-tier States; they have, in many cases, overly wet conditions.

But combining it all, we have a natural disaster and we have price collapse. What is happening is, we are left with dramatically reduced farm income that is forcing people off the land. The question is, Do we act? Do we do something? Do we provide the tools to respond? I think the will of the Senate will be, as it has been in the past: Yes, we should respond. We have a chance to do that.

I also will indicate, in the amendment I sent to the desk, the original cosponsors are Senator DORGAN and Senator CLELAND. I welcome other Senators. I am very hopeful this is a bipartisan enterprise. I have been talking to Republican Senators over the last several weeks about this matter, and I very much hope they join in and we make this a fully bipartisan effort. They certainly have contributed thoughts to what we could do here.

So I hope, before we reach conclusion here, we have a healthy number of Senators on both sides of the aisle who cosponsor this legislation, that we join together and say, "Yes, there are problems out there. Let's address them. Let's provide some assistance."

This does not mean we are voting on overturning agricultural policy. We have differences there. We recognize those differences. This is one case where we are rising above those differences to march together and try to help those who clearly are in need.

I yield the floor.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for himself, Mr. DORGAN and Mr. CLELAND, proposes an amendment numbered 3173.

Mr. CONRAD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, after line 21, add the following:

RESERVE INVENTORIES

For the reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $500,000,000: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

On page 67, after line 23, add the following:

SEC. 7 . RESERVE INVENTORIES.

Section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) is amended—

(1) in the first sentence of subsection (a), by inserting "of agricultural producers" after "distress";

(2) in subsection (c), by inserting "the Secretary or" after "President or"; and

(3) in subsection (h)—

(A) by striking "(h) There is hereby" and inserting the following:

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are"; and

(B) by adding at the end the following:

"(2) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments that don't go for crop disasters, but for income loss to carry out the purposes of this section.".

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, Let me make two points that I think Senator CONRAD and I and others would want to make. One responds a bit to some comments made earlier.

The potential benefits of this amendment would be available to people in a range of areas of the country who have suffered, in one form or another, substantial income loss and are going through an agricultural crisis. That includes Texas, South Carolina—a whole range of areas of the country. But I want to make it clear, this is not simply an amendment that would target one or two or three States. Farmers in many other parts of the country who face similar circumstances and a similar crisis would be eligible.

Second, and I think most important, while there has been a lot of discussion on the floor of the Senate about agricultural policy, I think it is important to make clear, this amendment is not a substitute for or a denial of the interest many of us have in some of the arguments that have been offered and proposed in recent days by others on the floor about the increased need for additional effort in trade. Some of our colleagues have stood on the floor and talked about the need for moving American grain overseas, for additional efforts in trade, additional use of the Export Enhancement Program, and other things. I support all of that.

I think we ought to be more aggressive with respect to Food for Peace. I have mentioned that there are people starving around the world: A million people to a million and a quarter people face starvation in Sudan today. We can and should, in my judgment, with the quantity of grain we have, substantially increase shipments under title II and title III of Food for Peace.

We can and should be more aggressive with the use of the Export Enhancement Program. We can and should be more aggressive with a range of other programs. The Secretary of Agriculture, I would say, has been very aggressive with the GSM program and others. But I would like our country to meet competition anywhere around the Earth. If the European Union wishes to deeply subsidize its grain and attempt to take markets away from this country, we ought to go to those markets and meet them and compete and win that competition. If that requires export subsidies to meet what the Europeans are doing, then so be it; that is precisely what we should do.

So, those who insist on a much more aggressive approach in international trade will find no quarrel with me. I believe we should have a more aggressive posture with respect to trade issues. That is one, but only one, of the issues we need to address.

Another of the issues we need to address is the issue of emergency response in times of crisis to farmers, particularly in some areas of the country that have seen almost a total collapse of their income. That is the purpose of the amendment we have sent to the desk.

I, too, listened carefully to the Senator from Mississippi. I think he is an awfully good legislator. He is certainly fair. I hope we can achieve some bipartisan support here in this Chamber on this kind of legislation. I don't think there is any pride of authorship here either. My expectation is that in the coming period we will be able to discuss some of the specifics of this legislation and perhaps reach a conclusion on it.

With that, I know my colleague from Montana is here, although he apparently is not going to speak at this point. Let me yield the floor to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, last night, after we had our last recorded vote, there were two amendments which we discussed and recommended to the Senate that we accept and they were accepted, one of which was offered by the Senators from Florida. Senator GRAHAM offered an amendment, it was cosponsored by Senator MACK, and it dealt with disaster problems that exist in Florida because of the recent wildfires that we are all familiar with because we saw these vividly photographed on television. For days and days, fires raged throughout the State of Florida. As a result of that, the Senators are asking that emergency funds be made available to compensate victims of that disaster who were involved in agriculture. I invite the attention of the Senators to the record of the discussion of that issue last night.

The proposal was to make available funds from the account that has been described by the Senators from North Dakota. There is no indication right now, from the Department of Agriculture, whether or not the disaster fund that is discretionary with the Secretary has been depleted to the extent that replenishment is necessary in order to compensate the victims in Florida. What I said during the discussion of the amendment involved an assurance that we would receive from the Department of Agriculture and the President a supplemental request for funds to replenish that discretionary disaster fund of the Secretary's, so that appropriate disaster relief could be made available to agriculture producers and others who are eligible for those funds. That satisfied the Senators from Florida, and, on that basis, the amendment was accepted by the Senate.

I am prepared to make the same suggestion to the Senate on this amendment. There is no question that there are differences, however—one of which is that farm producers would have to show that, out of 3 of the last 5 years, there had been declarations declaring disasters, either by the Secretary of Agriculture or the President, in the areas where eligibility would be considered to have been established.

At least that is what I understand the amendment provides.

The point is this: The year is not over. This fiscal year that we are appropriating money for right now begins on October 1. We don't know what the full needs for agriculture producers around the country will be by the time we get to the beginning of the fiscal year.

I am suggesting that it may be appropriate to take this proposal to conference with the House and await the receipt from the President or the Secretary of Agriculture of specific requests for supplemental funds beyond that requested in the budget that has already been submitted by the administration for next year that they foresee will be needed to replenish the Disaster Assistance Discretionary Fund of the Secretary to compensate disaster victims for their losses.

There are other programs available to provide benefits, Senators realize. There are crop insurance programs, there are other assistance programs that are authorized in the 1996 farm bill.

As I understand it, this does not create a new disaster assistance program, and because it doesn't, it is not subject to a budget point of order.

I am mentioning that idea that I have as an alternative way of considering this and would like to have the benefit of other Senators' thoughts on it, particularly those who chair the legislative committees on the budget and on agriculture legislation. It may be we can work out some way to take this amendment to conference. If that is not possible, then the question will be whether we move to table the amendment and bring this issue up later as a freestanding bill—that is a possibility. This legislative session doesn't end with the passage of this agriculture appropriations bill. There may be other opportunities to assess the disaster situation around the country.

I thought since the similarity between the amendment offered by the Senator from Florida last night which was accepted by the Senator, and the presentation of the amendment which we have heard now from the Senators from North Dakota were so similar, that it presented us with the same alternative that we exercised last night.

Let me read what I said on the floor of the Senate last night:

> . . .the Department of Agriculture advises us that they cannot at this time verify whether available disaster money has been depleted. I understand this has been a devastating disaster for Florida and that other areas of the country have also been affected by various disasters. We will work with the administration and the House conferees to address the needs of the areas affected by these recent disasters and to determine whether these needs are being met through available funds.
>
> It is my hope that the Department of Agriculture and the Office of Management and Budget are assessing the need for additional funding to meet the needs resulting from these most recent disasters and that the President will soon submit to the Congress requests for supplemental funds which are determined to be required.

I am prepared to suggest to the Senate that on that basis, we take this amendment to conference, but I will not make that suggestion without further discussing my idea with the appropriate legislative committee chairmen.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I listened carefully to the Senator from Mississippi. I understand he wants to hear from other Senators. It seems to me that one of the suggestions he made makes a lot of sense. Having the opportunity to go to conference with a provision similar to this in the piece of legislation that comes from the Senate will put us in the position of sending a message to those areas that have been hardest hit, a number of areas of the country ranging from the Southeast, to the South, to the North, that we understand this is, in fact, a crisis; that we are responding as we did in the sense-of-the-Senate resolution passed earlier this week without a dissenting vote, that the ag crisis is something that we are willing to address.

I accept the point made by Senator COCHRAN that there may well, in the coming days or weeks, be a need to change the response. Perhaps the response will need to be more aggressive. Perhaps the response may need to be characterized differently. But it seems to me appropriate to go to conference with a provision of this type in the legislation, because it is, I think, telling the family farmers in this land that this Senate does care, does want to respond, and understands that there is a crisis in certain parts of the country.

Again, I certainly respect the interest of the Senator from Mississippi wanting to gauge the reaction of a number of Senators on this subject, but I hope when the day is out and this amendment is disposed of that it will be disposed of in a way—I guess "disposed" of is the wrong word—I hope that it is resolved in a way that reaches one of the suggestions perhaps offered by the Senator from Mississippi that we can include it in this legislation.

I must say that I have watched the Senator from Mississippi for some days on the floor. I have always felt he has the patience of Job. He is one of the most gracious and considerate Members of the Senate. I know this is a trying time. I am on the Appropriations Committee with Senator COCHRAN, and I am also someone who will sit here as a ranking member on one of the subcommittees. I know it is a trying time to bring a bill to the floor of the Senate and discover that a lot of folks want to address this bill with peculiar amendments on a range of issues.

I know he understands, because of the vote earlier in the week, that we face very unusual and, in fact, very difficult times in some parts of the country. The crisis we have in our State is unparalleled. I can't think of a time when we have suffered a 98-percent loss in net farm income. It has been devastating. The Senator from Mississippi understands that is what has occasioned amendments to be offered to this bill.

I must say, again, he has enormous patience. Even in exhibiting that patience, he has a graciousness and dignity that all of us appreciate. I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. I thank the Chair.

(The remarks of Mr. BAUCUS pertaining to the introduction of the bill are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, in further discussions with the Senators from North Dakota and others, I am prepared to recommended that we accept the amendment offered by the Senators from North Dakota and take the issue to conference under the same understanding that I read into the RECORD last night when I accepted, and the Senate agreed to, the amendment offered by the Senators from Florida, Mr. GRAHAM, and Mr. MACK, who was a cosponsor of that amendment.

The statement is as follows:

> The Department of Agriculture advises us that they cannot at this time verify whether available disaster money has been depleted. I understand this has been a devastating disaster for Florida and that other areas of the country have also been affected by various disasters. We will work with the administration and the House conferees to address the needs of the areas affected by these recent disasters and to determine whether these needs are being met through available funds. It is my hope that the Department of Agriculture and the Office of Management and Budget are assessing the need for additional funding to meet the needs resulting from these most recent disasters, and that the President will soon submit to the Congress requests for supplemental funds, which are determined to be required.

It is also my understanding that the proposal in this amendment is a new program. I had suggested that it was a description of an existing discretionary program of the Department of Agriculture, and that I had misread or misunderstood the proposal offered by the Senators.

Nonetheless, I am prepared, under the same understanding, to recommend to the Senate that we accept this amendment. It has been, in this amendment, described as an emergency, which would require an emergency finding not only by Congress, but by the President, in order to avoid having an offset of the funds that are contemplated to be spent under the amendment. But because it does have the emergency declaration, it does not require an offset, and I am advised by the chairman of the Budget Committee that it is not subject to a budget point of order. On that basis, I recommend that the Senate approve it. I understand from my good friend from Arkansas that he has no objection to this recommendation.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. CONRAD. Mr. President, I ask unanimous consent that a letter I have sent to the desk be printed in the RECORD. It is from farm organizations endorsing this amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> JULY 16, 1998.
>
> Hon. KENT CONRAD,
> *U.S. Senate, Washington, DC.*
>
> DEAR SENATOR CONRAD: On behalf of the farmers and ranchers of our organizations, we strongly support your amendment to the agriculture appropriations bill which would provide supplemental assistance to those producers who have suffered multiple years of crop losses.
>
> Your amendment is tailored to provide urgently needed assistance to those farmers who have purchased crop insurance, but are unable to obtain adequate coverage, due to multiple years of disaster.
>
> The amendment would help over 45,000 producers. While there are regions in every state that would be eligible, it is especially important for Oklahoma, Texas, North Carolina, Virginia, Mississippi, western Pennsylvania, Idaho and the Upper Plains states.
>
> The supplemental assistance will not only help the individual producers, but will also provide a critical boost to the rural communities in which they reside, which are suffering from the severe losses.
>
> Our organizations share a strong commitment to strengthening the crop insurance program to allow producers to stay in business, even in times of disaster. This amendment will go a long way toward improving coverage for those producers who have purchased crop insurance.
>
> Sincerely,
>
> AMERICAN SOYBEAN ASSOCIATION.
> NATIONAL FARMERS ORGANIZATION.
> NATIONAL FARMERS UNION.
> NATIONAL SUNFLOWER ASSOCIATION.
> NORTH DAKOTA GRAIN GROWERS ASSOCIATION.
> UNITED STATES CANOLA ASSOCIATION.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3173) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CONRAD. Mr. President, would the Senator from Idaho like to be included as an original cosponsor?

Mr. CRAIG. Yes.

Mr. CONRAD. Mr. President, I ask unanimous consent that the Senator from Idaho, Mr. CRAIG, be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I thank the chairman of the committee for his help with this amendment, and the many others who participated in these deliberations. I especially thank my colleague, Senator DORGAN, and the Senator from Idaho, Senator CRAIG, who helped us with this amendment.

I think we are moving in the right direction. Obviously, we will have additional opportunities to fashion a final package, as we all understand this will have to go to conference. Again, I thank, very much, the chairman and ranking member and all those who helped.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, let me thank my colleagues from North Dakota for the sincere effort they have made and the willingness of the chairman of the Agriculture Appropriations Subcommittee to review this and help them shape it and accept it.

Certainly, as we get to conference, there is going to be every effort made by this Senator and others to provide what can be provided, and to resolve, as best we can, this impending farm crisis. We clearly understand the problem, the growing problem, and we know that certain actions here can be very, very helpful. I am pleased to be a participant in this, to be supportive of it. I am sure we will be looking at other packages that we will want to bring together in a total effort to help agriculture during this time.

Let me say in my closing comments that our actions here on the floor have consequences. Every Senator who is on the floor now joined with us were active participants last Thursday when the Senate of the United States voted 98–0 to drop the sanctions against Pakistan and India. The Presiding Officer at this moment, the Senator from Kansas, led that dramatic effort to show that this country would stand united and not use food as a tool of foreign policy.

Just moments ago the Senator from Kansas and I had calls from the Ambassador of Pakistan. They have tendered an offer now of over a 100-million-ton purchase from the United States. It is my understanding that they will make an effort at a nearly 300,000-tons purchase within the next several months. That is significant, and those tonnages will be purchased from the United States.

Our actions here have consequences. If we want to be players in the world market, with and for our producers, we cannot throw up the artificial barrier of politics. We tore that down last Thursday in this instance, and the nations involved are responding.

I thank my colleagues.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, there are a number of issues we find strong agreement on today on the agricultural matters. And the matter that was just spoken about by the Senator from Idaho regarding sanctions is one in which I have very strong agreement with him, and also with the Presiding Officer, Senator ROBERTS of Kansas. All of us agree that it doesn't make any sense at all to use food as a tool of foreign policy and to tell farmers to pay the costs of sanctions, and so on. So I am very pleased that we were able, on a bipartisan basis, to work together to resolve that issue. I think we have done that in an effective way.

I am also pleased that the amendment which we have just offered and was accepted and cosponsored by the Senator from Idaho. We have worked with the Senator from Idaho and others, including the Senator from Kansas, Senator ROBERTS, in discussions on a wide range of income issues dealing with family farmers. The reason I sought recognition is just to make one final point; that is, this amendment now becomes part of the agricultural appropriations bill. It then goes from the Senate to a conference with House of Representatives. That is likely, between now and sometime in September, as this agricultural crisis continues to emerge, to occur in a way that may require some changes and some adjustments. We all understand that.

But I think this is an enormously important and a helpful first step to say to family farmers who are struggling that we recognize that this is, indeed, a crisis and we want to respond to that crisis.

I thank the Senator from Mississippi for his leadership, and the Senator from Arkansas for his leadership as well, and I thank my colleague, Senator CONRAD, who is as determined and effective and tough a legislator as there is to work with. I am pleased to have joined him in working on this amendment as well.

I think this is an important step, and it will be viewed as good news—not necessarily the final answer, but good news by family farmers, that on a bipartisan basis the Congress recognizes a crisis and is prepared to respond effectively to it.

I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota, Mr. CONRAD.

Mr. CONRAD. Mr. President, I ask unanimous consent that Senator DASCHLE, Senator HARKIN, Senator BAUCUS, Senator HOLLINGS, and Senator WELLSTONE all be added as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I also thank my colleague who is in the Chair, Senator ROBERTS, for his good advice to us as we proceeded with this effort. I want to tell him that we look forward to working with him as we try to craft a bipartisan, long-term solution to the problems that we face. I thank the Chair and yield the floor.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Senator from Montana, Mr. BURNS, be added as a cosponsor to the Conrad amendment that was previously offered and agreed to by the Senate.

The PRESIDING OFFICER. (Mr. SMITH of Oregon). Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, we are now moving toward the point where we are wrapping up the consideration of amendments on the agriculture appropriations bill. A number of Senators have advised the managers that they do not intend to offer amendments that they had originally proposed to the bill. We are encouraged by that, and with some effort I think the Senate can complete action on this bill very soon. We are awaiting the arrival in the Chamber of Senators who have suggested that they will offer amendments. We encourage them to come to the floor, offer those amendments, and let's debate them. If we can agree to them, we will recommend that to the Senate. We appreciate very much the cooperation and assistance of all Senators who have been helpful to us in this effort.

1998 LOUISIANA DROUGHT AND CROP DISASTER

Mr. BREAUX. Mr. President, I call to the Senate's attention the serious and significant drought which has occurred in Louisiana this year. The combination of a prolonged lack of rainfall and persistent high temperatures have resulted in a natural disaster of historic proportions. For those affected, damages have been hard-hitting.

As we debate the 1999 agricultural appropriations bill and amendments to it which respond to severe agricultural distress throughout the nation this year, caused by weather-related damages and low commodity prices, I urge my colleagues to keep in mind the situation in Louisiana.

On June 18 of this year, Governor M.J. "Mike" Foster and Commissioner of Agriculture and Forestry Bob Odom wrote to Agriculture Secretary Dan Glickman about the drought in Louisiana.

Though adequate production records were not yet available at the time of their letter, Governor Foster and Commissioner Odom told Secretary Glickman substantial losses were expected in the state and that they expected to be requesting a disaster declaration as soon as adequate production information could be obtained.

Various row crops and pine and hardwood seedlings have been affected in Louisiana by the drought, they said. Cattle have been affected because of severe hay and pasture shortages. Poultry losses also have occurred due to the high temperatures.

Illustrative of the drought's historic character, they pointed out that records have been set for the least amount of rainfall received in the month of May, with rainfall records going back more than 100 years.

Though Congressionally-authorized programs are in place at USDA to respond to disasters, I urge the Senate to be prepared to respond further and promptly as conditions and impacts would worsen.

Mr. President, we know that production disruptions brought about by the drought will cause economic disruptions for producers. In addition, the communities in which our producers live also will be affected. It is for these reasons that I urge close attention to crop disasters and low prices and a readiness to act as warranted.

Ms. MOSELEY-BRAUN. Mr. President, earlier today I voted for Senator GRASSLEY's Sense of the Senate amendment that urges prompt action on a number of trade, tax, and regulatory issues in order to help the American farm community. I think our farmers are experiencing serious problems, and I believe that prompt action on many of the initiatives contained in the Grassley amendment will help expand U.S. agricultural export markets and improve farm profits.

The amendment Senator GRASSLEY put before the Senate recommended that the Senate act on S. 2078, the Farm Ranch Risk Management Act, which I have cosponsored. It urges action to provide full funding for the International Monetary Fund; I believe action to increase the capital of the IMF is essential to address the economic crisis in Asia and the current situation in Russia, both of which have enormous impacts on U.S. agriculture. It urges Congressional approval legislation to continue normal trading relations with China, which I also support. It calls for estate tax reform, reduced regulations on farmers, and use of the Commodity Credit Corporation and Export Enhancement Program at the Department of Agriculture, all of which are worthy of prompt attention by the Senate.

Notwithstanding my support for the general objective of Senator GRASSLEY's amendment, however, I do have one major reservation concerning his amendment, and that has to do with fast-track trade negotiating authority.

Senator GRASSLEY's amendment urges providing the President with new fast-track negotiating authority. I oppose giving the President that authority at this time, for both practical and philosophical reasons. As a practical matter, fast-track, and any agreements it might ultimately lead to, will only provide benefits to American agriculture in the distant future, not in the near term. In fact, the only possible trade agreement on the horizon is with Chile, and that agreement, even if it were put into place tomorrow, would be unlikely to have any significant impact on the economic health of American agriculture.

Moreover, granting the President fast-track authority is not currently warranted because of the total lack of consensus on American trade policy for the future. Large parts of the rest of the world cannot discern any consistent set of underlying principles governing U.S. trade policy decisions. Congress and the Administration have not come to an agreement on a trade policy framework, and in the absence of that framework, decisions are all too often made on an ad hoc basis.

Granting the President fast-track authority requires the Congress to delegate much of the trade authority given the legislative branch by our Constitution to the President. It is no less a delegation of Congressional authority than the line-item veto. Fast track is therefore an issue of the utmost importance institutionally and Constitutionally to the Congress. In the absence of real consensus on trade policy within both the executive branch and the Congress, I cannot and do not support this kind of diminution of Congressional authority over trade.

My support for the general objectives of the Grassley amendment does not represent any change in my view of the fast-track issue. In the absence of a consensus on a new trade policy architecture that includes not only the Congress and the President, but also American agriculture, labor, the business community, and the American people generally, I oppose providing the President with new fast-track negotiating authority.

Mrs. BOXER. Mr. President, I voted for the Grassley sense of the Senate amendment to the Agriculture Appropriations bill because I support nine of its ten provisions.

I do not support the provision stating that we should enact the bill S. 1269, which reauthorizes fast-track trading authority for the President.

It is premature and disruptive to endorse fast-track legislation now, before resolving questions about its effect on jobs and the environment. These are very controversial and complicated problems, and so far we have not figured out how to deal with them.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I ask unanimous consent to proceed as if in morning business for 5 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

TEAMSTERS UNION ELECTIONS

Mr. GREGG. Mr. President, I want to bring to the attention of the body an issue which is percolating under the surface as we move toward the end of this week; that is, the question of the financing of the Teamsters Union elections which were financed by tax dollars, and which elections may be held again for which there has been a request to finance them again with tax dollars.

The last time we went down this road, the Teamsters Union ran an election which was overseen by the U.S. attorney in New York with the assistance of the Justice Department. And the U.S. Marshals I believe were also involved in it. The taxpayers of this country spent $17 million to oversee this election. The election was then reviewed. It was determined that the election had been fraudulently run, that it had corruptly proceeded, and that it was basically an election which had to be voided by the Federal judge who was overseeing the election.

So for the $17 million of tax money which we invested in order to get a fair and honest election in the Teamsters Union, the taxpayers got a dishonest, corrupt, and fraudulent election.

That is bad enough. What is even worse is that the taxpayers had to pay in the first place to oversee a union election.

This is the largest union in the United States, I believe, relative to membership. It is a very wealthy union. It is obviously a union which has had some significant problems over the years, both with its leadership and with the management, and especially with its pension funds for its rank and file. But it clearly is a union which has the financial strength to pay the cost of oversight of its elections to assure that the rank-and-file membership of the union get a fair and honest election.

I personally felt sorry for the membership of the Teamsters Union which has been put through this election which has been so fraudulently managed. But I also think that the taxpayers have to be concerned. We have to be concerned about the taxpayers. Why should the taxpayers of this country be asked to pay for the cost of overseeing a union election for a union which is so wealthy? Clearly, for any oversight that occurs, the cost should be borne by the union itself. I should think it would want to in order to obtain an honest and fair election. But no, that didn't happen.

In the last election, the taxpayers came up with $17 million, which was clearly wasted. Have we been reimbursed for that? Have the taxpayers been reimbursed for that $17 million? No, we haven't. I realize that in Washington $17 million seems like a meager sum, but I have to tell you, it is a lot of money.

There are a lot of people in New Hampshire both who are union members and who are nonunion members, who work very hard and who work all year long to pay their taxes. And if you were to add up their taxes, you would find it didn't meet $17 million. I suspect that is probably for 5,000 or 6,000 people in the State of New Hampshire the tax burden for a year. I am not sure. That is a guess. But I suspect it is a large number of people who work all year paying their taxes so they can be put into this union election, which is then fraudulently run. And we didn't get the money back.

Now they come to us again. They say, "We need another—we don't know what the final figure might be." But initially they need another $8 million of tax money in order to run this second election. Fool me once, and it is your fault. Fool me twice, and it is my fault. Clearly, it is the taxpayer who is being taken down the road. If the Congress allows this to happen again, it is the Congress that is being taken down the road, and as a result we are not carrying out our obligation to support the taxpayers.

So for us to pay another $8 million—it may end up being much more than that. It may be $20 million in order to support another union election after we haven't been reimbursed for the $17 million we spent in the last election, which was basically totally mismanaged. It is inconceivable. It is inappropriate. It makes no sense. Fortunately, that is my view. Unfortunately, there are a number of people around here who have a different view.

The White House wants us to spend this money. The Justice Department wants us to spend this money. The Speaker of the House wants to spend, I guess, this money. A number of Members of our own body want to spend this money. But to get this money, they have to, at least in theory, come to the committee that I chair and get me to authorize and reprogram to do it.

I want to go on record as to why I am not doing it. I am not going to reauthorize that reprogram because I am not going to go back to New Hampshire and be walking through a factory somewhere, or on a farm somewhere, or in a small software company somewhere, and have one of my constituents come up to me and say, "You know, last year I paid *X* dollars in taxes, and you just sent it to run a corrupt election for the Teamsters. What are you doing with my money? Aren't you supposed to be taking care of that money down there? Aren't you supposed to be my fiduciary? Aren't you supposed to be overseeing it so it doesn't get wasted?"

If I approve this transfer, my answer to them would have to be, I am not doing my job, that I am not fulfilling my obligation to protect the taxpayers from the fraudulent misuse of their funds.

The Teamsters Union has the financial wherewithal to pay the cost of overseeing its own elections. The last election was such an abysmal failure from the standpoint of integrity, from the standpoint of appropriateness of an election process, that it is absolutely inexcusable that the Court, that the Justice Department, that the White House, or that anyone else would come to us again and say, Taxpayers, we are going to go down this road one more time. We are going to take you on this ride one more time. We are going to spend your money one more time to run another election for a union which has proven itself to be so corrupt in the manner in which it runs elections." It is just beyond my comprehension how we can pursue that course of action. But that seems to be the desire of a number of members in this body and a number of members of the other body, of the White House and of the leadership of the Justice Department. However, if they are going to do it, they are going to do it without my support, and I will do everything I can in this body to make sure that those tax dollars are not spent in this way.

Mr. President, I yield the floor.

Mr. President I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from West Virginia.

ANNIVERSARY OF THE GREAT COMPROMISE

Mr. BYRD. Mr. President, today marks the 211th anniversary of one of the more momentous, but little-understood, perhaps, events in our country's history. I will just take a few minutes to remind ourselves of that event and to consider just how the course of this Nation's history might have been forever altered if not for what transpired on July 16, 1787.

It should be of special significance to Members of this body, because it was, fortunately for us, that those who attended the Philadelphia Convention were some of the ablest, brightest figures of the time; in fact, of any time. Ah, Mr. President, to have been a fly on the wall at that gathering! Truly, this was a gathering graced by an accumulation—nay, an abundance—of wisdom, learning, grace, and dignity of a like not seen since the conclaves at Mt. Olympus! From Virginia alone, there were Washington, James Madison, George Mason, and Edmund Randolph; from Massachusetts, Elbridge Gerry and Rufus King; from Pennsylvania, James Wilson, Gouverneur Morris and Benjamin Franklin; and from New York, Hamilton. Here was a constitutional dream team for the ages! And what a starting five! What foe could resist a lineup featuring Wilson's full-court vision, Madison's patience and tactical prowess, Hamilton's aggressive offense, Franklin's experience, and George Washington's dominating presence in the center, as the one who presided over the gathering.

These five were just the tip of the iceberg. Fifty-five men in all presented themselves at the Convention, representing every State, save one—Rhode Island. And with passion and gusto they soon set about devising a plan to guide the country past the shoals and rocks and storms that beset it and into a new sea of tranquility and prosperity.

Nowadays, many of us overlook the tremendous physical and mental effort that were expended in drafting the Constitution. In reading this short document—here it is, I hold it in my hand—in reading this short document, with its precise and careful phrases, it is easy to forget the toil, the sweat, the frustration, the shouting, the argumentation, the thinking, speechifying, and the pleading that went into its creation during that hot Philadelphia summer. For progress was unavoidably slow, and the greatest sticking point—"the most threatening that was encountered in framing the Constitution," according to Madison—was the question of whether States should be represented in Congress equally or on the basis of population.

This question was far from academic, of course. In order to create a Constitution acceptable to the States, the delegates needed to assuage the fears of the small States that they would be swallowed up in a more centralized union. The smaller States looked to Virginia, Massachusetts, and Pennsylvania, with fear and with distrust. The small States feared that a Congress based on population would soon fall under the sway of the large States. New Jersey's delegates declared that it would not be "safe"—the word is theirs, not mine—they would not be safe to allow Virginia 16 times as many votes as Delaware. They rejected the Virginia Plan, which was presented by Governor Edmund Randolph, with its legislature of two houses, and instead proposed a Congress with a single legislative chamber in which the States had an equal vote.

The Continental Congress, of course, had been a single Chamber, a unicameral legislative branch. It was followed by the Congress, under the Articles of Confederation, again, one body. It was legislative, executive and, to some considerable part, judicial all in one. There was no Chief Executive in the form of an individual. It was the Congress under the Confederation.

Days, and then weeks, of prolonged and acrimonious debate failed to resolve the issue. Some suggested redrawing State boundaries so that all the States would be of roughly equal size. The Convention considered, and then failed to agree upon, equal representation of States in the lower House of Congress. Several times, Connecticut advanced a proposal, initially made by Roger Sherman, calling for equal representation of States in the

Senate. This, too, failed to win support. Madison—James Madison—labeled it unjust. Massachusetts' Rufus King angrily announced that he would not, could not, listen to any talk of equal representation in the Senate. James Wilson declaimed that the small States had nothing to fear from their larger brethren in the large States. To this, Delaware's Gunning Bedford retorted, "I do not, gentlemen, trust you!" and warned his colleagues that the small States might themselves confederate or even find "some foreign ally of more honor and good faith who will take them by the hand and do them justice." Bedford was roundly rebuked for his words, but the threat of foreign alliances lingered in the stale and sticky summer air. There was no air-conditioning, much like it was in this Chamber up until 1929, when air-conditioning first came to this Chamber.

Efforts to resolve this question "nearly terminated in a dissolution of the Convention"—it came that close; the effort to resolve this question—according to Luther Martin of Maryland, whose own impulsiveness and heated language did little to calm matters. Washington, that charismatic sphinx who presided over the Convention but kept his thoughts mostly to himself, confided to Hamilton in July that he "almost despaired" of success. And Sherman of Connecticut lamented that "[i]t seems," he said, "we have got to a point that we cannot move one way or another."

On Monday, July 16—Monday, July 16—some 2 months after the Convention began—the question was finally resolved. Perhaps it was fear of failure that led the delegates to settle, for they knew that the country's future was in their hands—their hands. Perhaps it was exhaustion, for they had already spent many long days and weeks in earnest debate. It may have been because of the heat that had tormented them for so long. Maybe that finally broke that day. Or perhaps the open exchange of opinions, that wrenching but vital process of questioning, debating, and argumentation—that process had successfully whittled away extraneous detail and opinion to arrive at an essential verity. Franklin had described the Convention as "groping . . . in the dark to find political truth"; perhaps they had at last stumbled upon it. In any event, this day, 211 years ago, the delegates agreed that Congress would be composed of a Senate with equal representation for each State and a House based on proportional representation. This was the Great Compromise, as it was, and has ever since been, called.

Perhaps, Mr. President, we would do best to avert our mind's eye from the horrors that might have befallen this country had the framers not struck the Great Compromise. Perhaps we would be better off simply to thank them, and to also thank Providence, for the miraculous document—the miraculous document; there it is in my hand—the miraculous document that is our Federal Constitution. Perhaps . . . but one thing is clear; without the Great Compromise, the Senate as we know it would not exist.

Without that compromise, without that Great Compromise, the Constitution might not even exist; the Senate, as we know it, you can be sure, would not exist. For this body was conceived that day, 211 years ago today, in Philadelphia when the framers agreed to an upper House of Congress in which each State—each State—had an equal number of votes, each State had equal representation. This is the forum that was born on that day. This is the body—the unique; the body sui generis—that was born on that day, the Senate of the United States. But for the Great Compromise, the Senate—that beloved institution to which so many of us have dedicated our lives, our hopes, our reputations, our strength, our talents, our visions—might never have seen the light of day, let alone played an often pivotal and dramatic role in our national history over the course of more than two centuries.

Mr. President, we would all do well to recall from time to time that the chamber in which we sit owes its existence to a remarkable instance of compromise and conciliation.

Senator DALE BUMPERS of Arkansas, Senator THAD COCHRAN of Mississippi, Senator ROBERT C. BYRD of West Virginia might never have met, might never have known one another, might never have had an opportunity to work together in the interests of our respective constituencies, in the interests of this great Republic.

When next we in the Senate are unable to reach agreement—when we find ourselves plagued by seemingly insurmountable obstacles—when we become frustrated at the obduracy and narrow-mindedness of our opponents—perhaps then, we should remember that minds far more intelligent, visions far more far seeing, persons far more learned—Ah, that learned group of men, they knew about the classics. They knew about Rome and Athens, Persia, Polybius, Plutarch. They knew about Montesquieu. They knew about the colonial experience, the history of England, the history of the ancient Romans.

They were able to find common ground on a matter of far greater import and controversy than much of what we discuss here today. And we should then think to ourselves that just maybe we, too, can find some compromise, some meeting of the minds such as our framers found on that day so long ago in Philadelphia.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I rise to express my profound gratitude to my distinguished colleague from West Virginia, Senator BYRD, for always injecting a meaningful, penetrating history lesson such as we have just been subjected to. It had not occurred to me that it has been 211 years since those magnificent days in Philadelphia brought us this sacred document we call the Constitution which has made us the longest living democracy on Earth, under a Constitution that is the longest living organic law under which any nation has ever lived.

I have made speeches on the floor time and again about what I call the trivialization of the Constitution. When one considers since Congress first convened there have been over 11,500 efforts to amend this document, over 11,500 resolutions introduced in the House and the Senate to amend the work of Madison, Franklin, Hamilton and Adams, and all those great minds which, as the distinguished Senator knows, the great scholar Arthur Schlesinger called the greatest assemblage of political genius ever under one roof—I don't quarrel with that for an instant.

As you have so eloquently pointed out, those men were schooled in the art and the nobility of government. They were historians and they were lawyers, but they were brilliant men. They knew there would be charlatans coming down the pike, trying to trivialize the Constitution. I remember some since I came to the Senate.

I am very pleased to say that I will, at the end of this year, have been a Member of this body for 24 years. I voted for one constitutional amendment the first year I was in the Senate, and it was a mistake. I am often asked by some member of the press, "Do you regret some of your votes?"

Of course I do; I am not infallible. If I were doing it over again, I don't know which ones offhand, but if I went through my record, there would be votes I would change. And one amendment to the Constitution which I supported—which, in my opinion today, was dead wrong—I will tell you, was the Equal Rights Amendment. We didn't need a constitutional amendment to provide women with equal rights. We did that in the Civil Rights Act of 1964, and it has been working just fine. We did not have to tinker with the Constitution to do it.

I believe my staff has told me I have voted 38 times against constitutional amendments. I think I want that on my epitaph. And, while noble men may disagree on this, I do not intend before I leave the Senate to cast a vote to change the Bill of Rights. The Bill of Rights—I defer to my colleague—I think they were ratified in 1791. But when the framers left Philadelphia, it was understood that James Madison was going to compose these 10 amendments to the Constitution. These are today called our Bill of Rights. That is the first ten amendments to the Constitution, which provide us freedom of the press, freedom of religion—we have more freedom of religion than most of us are taking advantage of now—and freedom of speech.

Sometimes when I read stories in the press, I think, surely there is some way we can change the freedom of the press clause in the Constitution to stop this sort of irresponsible reporting. But I am not going to do that, because I don't think you can do it without creating a lot more problems than you will solve.

Senator BYRD, if I had my way, no youngster would graduate from college without a fundamental, profound understanding of the Constitution. And precious few of them are graduating with that knowledge today.

Congress deserves a lot of credit. Oh, we take a lot of slings and arrows in this body about knuckling under the special interests, the voters, and the money, and all that sort of thing, but does it not speak well for the Congress that, out of 11,500-plus efforts to change the Constitution, we have only seen fit to do it 27 times? And that includes the first block of 10, called the Bill of Rights, in 1791. You take the 10 in the Bill of Rights out; that leaves 17 times we have actually amended the Constitution. And you remember, we decided we wouldn't drink, and later we decided we would drink; you take those 2 out and there are only 15 times. That is pretty amazing, is it not?

We are importing workers. You heard the debate here just recently about how we are going to allow 75,000 to 95,000 high-tech personnel from abroad, special visa status to come to this country to work. I didn't vote for that bill, incidentally. I still think it was a mistake. But one of the things that troubles me about that is why we are going all out in this country to train people to be computer experts or high-tech gurus. Yet this poor document, the Constitution—which is next to the Holy Bible in sacredness to me—youngsters are graduating from college, and they don't know who James Madison is—the father of the Constitution.

Now, I don't want to denigrate any of my colleagues, but I have to look very carefully at somebody today who thinks he can improve on the words of James Madison. I can assure my colleagues and my constituents back home that I will leave here this fall still only having voted for only one constitutional amendment in my 24 years here.

So, Mr. President, I might just quit on this one note. If I were going to confess to this body the one thing about the Constitution that disturbs me more than anything else—it was a good idea in its time, but I am troubled about it now—that is the fifth amendment requirement of grand juries. The States have long since pretty much eliminated grand juries. But the grand jury system was guaranteed for serious offenses in the Fifth Amendment because they wanted a jury of your peers to make the decision to indict, not the King.

As a matter of fact, the authors of the Constitution intended to make sure that we had no more kings, and they succeeded very admirably. We have had 42 Presidents, I guess, and no kings, since 1787. But I will say this. Their idea was that you could trust the people with your deciding fate and your innocence or guilt a lot more than you could the Crown or anybody representing the Crown.

And, so, the grand jury system had the noblest of intentions. But I would be remiss if I didn't relieve myself of this thought for the benefit of whoever wants to listen. I can tell you, what is going on with the grand jury system in this country right now is dangerous—dangerous in the extreme. I am not suggesting we change the Constitution to do away with grand juries, but I am saying that the grand jury system needs some control and it needs reforming. I have introduced legislation which will do that.

Well, Mr. President, this conversation has been the highlight of my day. I hadn't thought lately about that hot July in 1787 in Philadelphia. It was so hot and George Washington was so intent on everything being secret, they closed the windows and they almost suffocated just to make sure that nothing of the deliberations was heard on the street. But what a lucky people we are to have the honor and the privilege of living in this great country of ours because of those men. Some of them fought in the Revolution, sacrificed their families to fight in the Revolution. And they went there and provided us with this magnificent document.

I thank the Senator again for raising our awareness level on that point.

I yield the floor.

Mr. BYRD. Mr. President, we might pause tomorrow, July 17, to remember that it was on July 17, 1789, 2 years later, that the Senate of the United States passed the Judiciary Act. The Senate was not expected to originate legislation. That didn't mean it could not, but it was anticipated that the House would originate about all the legislation and the Senate would tamper with it, improve it, refine it, and so on.

But in the U.S. Senate, on July 17, 1789, history will always mark the passage of the Judiciary Act, which created the judicial system. Oliver Ellsworth was a key player in that matter. He later became Chief Justice of the United States. But he was never as a justice what he was as a legislator. Oliver Ellsworth. It all causes one to marvel at how that first Senate came to grips with these problems and legislated for the first time on so many of these things. And it was in that first Congress that the two Houses learned to work together and have conferences on bills, where they resolved the differences between the two Houses.

Our forebears were remarkable men. That was a remarkable time in history. I will never fail to believe that Providence had its hand in the destiny of this country when those marvelous things happened in Philadelphia. When one pauses to think about it, the real miracle—and there were many miracles that happened there—was when men of different minds and different experiences, different temperaments, viewpoints, and attitudes, were able to mold their opinions and give and take, compromise, and come to a conclusion. That was a miracle in many ways.

It seems to me that the greatest miracle of all was the convergence of circumstances and people that took place with the Convention. Perhaps 5 years earlier it would not have happened, because the country had not yet fully experienced all of the weaknesses and shortcomings of the Articles of Confederation. A consensus had not yet formed as to the necessity for a new Constitution. Its experiences under the Articles taught it many things to avoid in this new Constitution. And it was fortunate that the Convention was not delayed until 5 years later, as we consider the events that occurred in France with the French Revolution and all of the horrors that took place there with the execution of King Louis XVI.

The fruit ripened just at the right time. That, to me, showed the hand of Providence, and that was somewhat of a miracle in itself.

I thank the Senator and I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I join my friend from Arkansas in thanking the distinguished Senator from West Virginia for his comments today. It is always a pleasure to hear him recount the history of our country. In doing so, I can't help but remember the time and effort and diligence he put to the task of writing the "History of the U.S. Senate," which we have in our offices and others have had an opportunity to enjoy and appreciate over the last several years. It is one of the remarkable acts of scholarship that has been turned in by a U.S. Senator and probably ranks No. 1 in the list of books written by active Members of the U.S. Senate, for all of which I think we owe a deep expression, and sincere expression, of gratitude to the Senator from West Virginia.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, there is just one final little anecdote that I would like to share with the Senate.

When my former colleague, Senator Pryor, left the Senate last year, he went home to the University of Arkansas to teach. He is sort of a roving professor. He taught one day at the school of business, and the next day the school of agriculture, and so on. He was at the law school one day. He said that some smart law student got up and said, "Why don't you deliver a lecture someday on the comparison of our democracy and the Athenian democracy?" Senator Pryor said he didn't know what to do. So he went back to his office and he called the Senate historian and he told him what he was up against. The historian said, "You are lucky. Senator BYRD has just delivered about 15 speeches on Athenian democracy." He sent those to him, and he said everybody in the university thinks he is an Athenian scholar.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. COCHRAN. Mr. President, I am hopeful that we can continue now with consideration of amendments of Senators who wish to offer them on the agriculture appropriations bill. We sent word out through the cloakrooms at 3 o'clock that we were prepared to conclude consideration and approve amendments, recommend acceptance of Senators' amendments, which have been brought to the attention of the managers, and those that could not be agreed upon, we would offer them for Senators and get votes on them if they wanted us to do that, or move to table them and dispose of them in that way, so that we could complete action on this bill. We need to complete action on the bill today and move on to other matters.

I notice the distinguished Senator from Iowa is on the floor. He has an amendment to offer. I am happy to yield the floor to permit him to do so.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent the privilege of the floor during the debate on the agriculture appropriations bill be granted to Sarah Lister, a member of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3175

(Purpose: To provide funding for the Food Safety Initiative with an offset)

Mr. HARKIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa (Mr. HARKIN), for himself, and Mr. LEAHY, Mr. KENNEDY, Mr. TORRICELLI, Mr. DURBIN, Mr. WELLSTONE, Ms. MIKULSKI, and Mrs. MURRAY, proposes an amendment numbered 3175.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 67, after line 23, insert the following:

SEC. 7. FOOD SAFETY INITIATIVE.

(a) IN GENERAL.—In addition to the amounts made available under other provisions of this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, to carry out activities described in the Food Safety Initiative submitted by the President for fiscal year 1999—

(1) $98,000 to the Chief Economist;

(2) $906,000 to the Economic Research Service;

(3) $8,920,000 to the Agricultural Research Service;

(4) $11,000,000 to the Cooperative State Research, Education, and Extension Service;

(5) $8,347,000 to the Food Safety and Inspection Service; and

(6) $37,000,000 to the Food and Drug Administration.

1. Amendment of the No Net Cost Fund assessments to provide for collection of all administrative costs not previously covered and all crop insurance costs for tobacco. Section 106A of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445-1(c), is hereby amended by, in (d)(7) changing "the Secretary" to "the Secretary: and" and by adding a new clause. (d)(8) read as follows:

"(8) Notwithstanding any other provision of this subsection or other law, that with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which a Fund is maintained under this section, an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to: (1) the administrative costs within the Department of Agriculture that not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessment under this clause for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this clause shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this clause. For each domestically produced pound of tobacco the assessment amount to be remitted under this clause shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Fund maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the Fund and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this clause shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment."

2. Amendment of the No Net Cost Account assessments to provide for collection of all administrative cost not previously covered and all crop insurance costs. Section 106B of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445-2, is amended by renumbering subsections "(i)" and "(j)" as "(j)" and "(k)" respectively, and by adding a new subsection "(i)" to read as follows:

"(i) Notwithstanding any other provision of this section or other law, the Secretary shall require with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which an Account is maintained under this section, that an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to: (1) the administrative costs within the Department of Agriculture that are not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessments under this clause for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this clause shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this clause. For each domestically produced pound of tobacco the assessment amount to be remitted under this clause shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Account maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the Account and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this clause shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment."

3. Elimination of the Tobacco Budget Assessment. Notwithstanding any other provision of law, the provisions of Section 106(g) of the Agricultural Act of 1949, as amended, 7 USC 1445(g) shall not apply or be extended to the 1999 crops of tobacco and shall not, in any case, apply to any tobacco for which additional assessments have been rendered under Sections 1 and 2 of this Act.

Section 4(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(g)) is amended in the first sentence by striking "$193,000,000" and inserting "$178,000,000".

Amend the figure on page 12 line 20 by reducing the sum by $13,500,000.

Amend page 12 line 25 by striking "law." and inserting in lieu thereof the following: "law, and an additional $13,500,000 is provided to be available on October 1, 1999 under the provisions of this paragraph."

Mr. HARKIN. Mr. President, my cosponsors on this amendment are Senators LEAHY, KENNEDY, TORRICELLI, DURBIN, WELLSTONE, MIKULSKI, and MURRAY. I want them all added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, the amendment that I just offered would restore $66 million for the President's Food Safety Initiative, the funding of which I believe should be a national priority. I understand the constraints faced here on this subcommittee on spending. But food safety is an increasing problem in this country. As the President has pointed out, I think we ought to make food safety a priority. If there is one thing we all do, it is that we all eat. And there are few things more important than knowing that the food you are going to eat isn't going to make you sick.

So this amendment really is to ensure that the health and safety of American consumers is protected, and protected even better than it has been in the past.

Again, Mr. President, I don't know the reason why this is happening. But more and more frequently we are getting outbreaks of pathogens and foodborne illnesses in this country.

Just last month, in June of 1998, there were 12 outbreaks of foodborne illnesses in this country. Here is the chart that depicts that. I know there are more dots here than 12. But there are 12 different outbreaks. Some outbreaks occurred in more than one State. So we had 12 different outbreaks. It affected consumers in 41 States and caused more than 7,000 illnesses.

That is in the month of June of this year. That is one month. That is just the tip of the iceberg. It is estimated that there are millions of cases and over 9,000 deaths per year in this country from foodborne illnesses, including a lot of kids who need dialysis, or kidney transplants, after eating food contaminated with what now has become a well known pathogen, E. coli 0157H7. We all know that kids get it. They get deathly ill from it. Many die. Those who do not go on kidney dialysis have kidney transplants.

Here is the interesting thing. This pathogen, E. coli 0157H7, we all read about. And you can talk to persons on the street and they know about E. coli 0157H7. It didn't even exist 20 years ago. So we are seeing new mutations. Twenty years ago, E. coli 0157H7 didn't even exist, and today thousands of people are getting sick and dying from it throughout the United States.

The E. coli 0157H7 are the blue dots. The white dots, the green dots, and all these others—about six different ones here—E. coli 0157H7 outbreaks throughout the country in June.

One other outbreak, which affected hundreds of people in 12 States, involved an unusual strain of Salmonella that came in breakfast cereals. That is the one in the red dots here you can see all over the United States.

I happen to be a cereal eater. I have eaten cereal—Cheerios, Wheaties, and everything else—since I was a kid, obviously, and I am sure everyone else has. If there is one thing that you think is really safe, it is cereal. It is dry. It is roasted, toasted, baked, or something. You get it in a box, you open it, put it in the bowl, put milk on it, and you think it is safe. This is the first time that we have ever had Salmonella occur in a dry cereal. Usually you get Salmonella in raw eggs, or things like that, but not from cereal.

So, as I said, there is something happening that we have not seen before in terms of the kinds of foods and the numbers of outbreaks and the new pathogens that are affecting our country.

I always like to ask people when I talk about this in meetings in Iowa and other places. I say, "How many people here have ever gone out to a restaurant to eat and you come home, you have had a nice meal out, you watch the evening news, you go to bed, and at 2 o'clock in the morning you wake up and there is a railroad train going through your stomach, and you make a bee-line for the bathroom?"

Usually people start laughing. But they are nodding their heads. A lot of those aren't even reported. And people are a little sluggish the next day, they don't feel quite right the next day, productivity goes down, but after 24 hours they are over it and move on. That is what I mean. A lot of these aren't even reported, but it happens to people every single day.

If that happens to me, and I get a little upset stomach, I get a little sick, a little diarrhea the next day, or I feel a little down, I move on, think what happens to a kid. What about a child? What about someone 12, 13, or 10 years old? They are affected a lot worse than that. Or an elderly person whose immune system may not be as strong as someone my age. They are the ones who are getting hit harder and harder by these foodborne pathogens.

This is really an appropriate time to be talking about this, during the middle of a hot summer, because there is another interesting thing about foodborne pathogens.

In 1997, and we know in previous years the same is true, the number of foodborne illnesses always peaks in the summer, and they come down in the winter. May to September is when we get our peak. Pathogens flourish on the foods and any foods that aren't handled properly in the summer heat. So during the summertime, we see the number of incidents of foodborne pathogens going up. So this is a proper time to be talking about it, in the summer months.

We can reduce the number of foodborne illnesses that we have in this country.

We can reduce the incidence and severity of foodborne illnesses, and the Food Safety Initiative that the President announced will provide funding for necessary inspection, surveillance, research, and education activities at both the USDA and the FDA to improve the level of food safety in this country.

I will go over each one of those. First, inspection. The amendment that I sent to the desk provides for increased spending to improve inspection. Now, what kind of inspection are we talking about? Well, the FDA inspects the 53,000 domestic food processing plants on the average of once every 10 years. That is right, on the average of once every 10 years, FDA inspects the plants that can our fruits, can our vegetables, handle our produce and fresh fruits and things like that—about once every 10 years. Right now, FDA inspects only about 2 percent of imported produce, although consumption of these products is increasing and imported produce has been linked to several outbreaks of illnesses in recent years. So only 2 percent of imported produce is even inspected by the FDA.

This amendment funds 250 new inspectors at FDA for this purpose. It will also fund a program at USDA to implement the new inspection procedures for meat inspection in State-inspected meat and poultry plants. Right now, we have a Federal system. We also have State-inspected meat and poultry plants, and this amendment would help fund the implementation of these new—HACCP, as it is called—meat inspection systems in our State-inspected meat and poultry plants.

So that is the first part, inspection.

The second part has to do with research and risk assessment. The Food Safety Initiative seeks new funds for research and risk assessment. The funding will lead to new rapid-testing methods to identify pathogens before they can be spread far and wide. Funding for on-farm testing will help determine where simple solutions such as vaccines can make major improvements in the safety of food. So risk assessment and research can point to practical solutions that will get to it early on and make high-risk foods a lot safer—I mean foods that are handled a lot, foods that are used a lot in the summertime, maybe are handled and cooked outdoors, that type of thing.

The third aspect of this amendment deals with education. This amendment calls for funding for education programs for farmers, food service workers, and consumers. I might just point out that consumer food safety education is crucial as traditional homemaker education in schools and at home is increasingly rare. Educating food service workers is also important as more and more of us eat out or eat take-out foods.

The last part is surveillance. In the case of these outbreaks in June, extensive investigations were necessary before tainted products could be identified and recalled. The Food Safety Initiative provides new funds for the USDA and FDA to coordinate with the Centers for Disease Control and Prevention in identifying and controlling outbreaks of illnesses from food; in other words, get better surveillance out there to coordinate with CDC, USDA, and FDA—and that is not taking place right now—so that if you do have an outbreak, you can contain it and keep it in one locality without it spreading to other States. And that is really important.

I will take this chart and again put it up here to show the outbreaks that happened in June. What you can see is, you have an outbreak of E. coli here in one State, and you see it spreading to other States, the same strain, the same packages. Why would it be in Ohio, then in Kansas, and then out here in Utah? Why would it be in those States all at the same time? We know how fast we move food around this country. You could have something slaughtered, processed, produced, and packaged in one State and 24 hours later it is being eaten halfway across the country. That is why you need good surveillance. If you find something that has happened in one locality, you can coordinate with the CDC down here in Atlanta, GA, and put the brakes on right away. We don't have that kind of in-depth coordination and surveillance right now, and this amendment would provide that.

Last October at a hearing before the Senate Ag Committee, numerous producer, industry, and consumer groups called on the Federal Government to increase resources for food safety in research, education, risk assessment, and surveillance. I thought I might just quote a couple of these.

Mike Doyle, Ph.D., on behalf of the American Meat Institute, the Grocery Manufacturers Association, National Broiler Council, National Food Processors Association, and the National Turkey Federation, testified last October, and he said:

> The problem we should be facing is how to prevent or reduce pathogens in the food supply. Research, technology and consumer education are the best and most immediate tools available. Government can be most helpful by facilitating the aggressive use of these tools to find new ways to protect consumers.
>
> A strategic plan for a prevention-oriented, farm-to-table food safety research technology development and transfer that engages the resources of the public and private sector must be developed and fully funded.

Alan Janzen on behalf of the National Cattlemen's Beef Association.

Gregg Page, President, Red Meat Group, Cargil, Inc., on behalf of the American Meat Institute, said:

> Congress can help ensure that there is reality in the laws and regulations governing food safety by endorsing educational activities focused on proper cooking and handling practices and a comprehensive, coordinated and prioritized approach to food safety research.

C. Manly Molpus, Grocery Manufacturers of America, in a letter dated January 19, 1998, said:

> With new, emerging food pathogens, FDA must have the resources to recruit scientists and fund research and surveillance. Increased resources will mean better, more focused and planned scientific research programs.

So we have a lot of comments from the industry about the need to make sure that this Food Safety Initiative is, indeed, fully funded.

Now, lastly, let me just point out where we get the offset for this amendment. The offset has several components. The principal one would complete the job of getting the U.S. taxpayer out of the business of supporting the production of tobacco. It is a common question I hear: If smoking is so bad and we are trying to get this tobacco bill passed around here, then why is the Government subsidizing the production of tobacco?

Well, it is not supposed to be. Under the 1982 No Net Cost Tobacco legislation, the cost of the tobacco price support program is covered by assessments made by tobacco companies and growers. But that is only for the price support program. These assessments do not cover the cost to the taxpayer of crop insurance on tobacco, nor do they cover the administrative costs of the tobacco program or the various other tobacco-related activities at the USDA. The total cost of these USDA tobacco activities is about $60 million a year. Under this amendment, tobacco companies will cover the cost of these USDA tobacco activities. After all, it is the tobacco companies that benefit from having a dependable supply of tobacco available to them.

So I think it is about time that we close this last little loophole and have the tobacco growers and companies pay the $60 million that the taxpayers are paying today.

So that is the first part of the offset. The second one is that we get $15 million from the mandatory CCC computer account. These funds are available to the USDA to be spent for data processing and information technology services. Cutting this account will in no way reduce the ability of the USDA to prepare for the Y2K problem at all. So there is $15 million from this computer account.

And, lastly, we cut $13 million from the ARS buildings and facilities account. Again, we do not propose to eliminate any building projects. Rather, we propose to delay the money that would be obligated but not spent during the fiscal year 1999.

In other words, the money would be obligated, but it would not be spent. All projects would be allowed to continue development and planning of these facilities. But there is no point in appropriating money in fiscal year 1999, money that will not be spent, when there is a critical need for food safety funds to fund the Food Safety Initiative.

I see two of my colleagues on the floor who have worked very hard on this Food Safety Initiative, who are strong supporters of it. I yield the floor at this time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I yield to the Senator from Illinois.

PRIVILEGE OF THE FLOOR

Mr. DURBIN. Mr. President, I ask unanimous consent that Kevin Mulry, a Brookings fellow in my office, be granted the privilege of the floor during consideration of the Harkin amendment on the agriculture appropriations bill, S. 2159.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. I make a second unanimous consent request, if there is no objection from the chairman, the Senator from Mississippi, since it does not appear there is another Senator on the floor, I ask unanimous consent to follow the Senator from New Jersey in making remarks in support of the Harkin amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I rise in support of the Harkin amendment to fund President Clinton's Food Safety Initiative. In supporting this effort to fund food safety in our country, I must admit to some surprise about the debate. Through the years in this Congress, we have had controversial debates with legitimately and strongly held different views. This is a difference of opinion that I just do not understand.

It is now estimated that there are 9,000 Americans per year losing their lives because of food safety. There is a rising cost in human life and suffering because of compromises in the quality of food consumed in America. In a nation where we are accustomed to automobile accidents and crime, the leading reason in our country to visit an emergency room is because of food that you purchased and consumed. It is not an insubstantial cost to our economy. Mr. President, 6.5 million people suffering from foodborne illness; $22 billion in cost to our economy.

Two years ago, on a bipartisan basis, across philosophical lines as a national community, we came to recognize that this cost was not sustainable and mostly was not necessary. This Congress began to fund, under President Clinton's leadership, an initiative to ensure the quality and safety of our Nation's food supply. We are now about to enter into the second year of that program, which has included hiring more inspectors, enhancing surveillance and early warning, increasing research into pathogens like the E. coli bacteria, and to develop more fast, cost-efficient, and more modern detection methods. The second year is about to begin, but a preliminary judgment has been made on the budget of the Government to abandon the effort: No research, no new technology, no new inspectors—nothing.

It would be a legitimately held view to come to the floor of this Senate and say, "The President's plan has been tried and has been evaluated, it is understood, but there is a better idea." There may be better ideas. There is no monopoly of wisdom in constructing this plan. But to argue, in the U.S. Senate, in the face of this rising problem, that the better answer is to do nothing, confounds logic. I do not understand it—governmentally or politically.

The American people may be under the impression that their food supply is safe. It is certainly true by world standards; compared with many nations, it is safe. But it is not what they believe. Mr. President, 9,000 deaths is unconscionable, but it is not even the full extent of the problem. Some years ago, like most Americans not recognizing the full extent of this problem, I heard testimony from a constituent of mine named Art O'Connell. His 23-month-old daughter, Katie, had visited a fast-food restaurant in New Jersey. The next day she wasn't feeling well. Two days later she was in a hospital. By that night her kidneys and her liver began to fail. A day later, she was dead.

I thought it was about as bad a story as I could hear, and then in the same hearing I heard mothers and fathers from around America whose children had also been exposed to the E. coli bacteria, and realized that sometimes the child that dies can be the fortunate child. The E. coli bacteria will leave an infant blind, deaf, paralyzed for life. In the elderly, it can strike more quickly and also result in death.

It is a crisis in our country, but it is one that will not solve itself. Indeed, it is estimated over the next decade, the death toll and the suffering from foodborne illness in America will increase by 10 to 15 percent per decade.

There are, to be certain, a number of reasons—the sources of food supplies, a more complex distribution system, failures to prepare food properly, and almost certainly because of rising imports of food. Food imports since 1992 have increased by 60 percent. Yet, notably, inspections have fallen by 22 percent. There are 53,000 potential sites in America involved in the production of food for the American people—53,000. The United States has 700 inspectors. To place this in context, in the State of New Jersey where we operate a gaming industry, in Atlantic City, we have 14 casinos. We operate with 850 inspectors. What my State government in New Jersey is doing to assure that the roulette wheels and gaming tables of Atlantic City are safe for gamers, the United States of America is not doing for the food supply of the entire country. Mr. President, 700 inspectors for this country.

To be honest, I do not argue that, even if Senator HARKIN's amendment is accepted, that the Members of this Senate can face their constituents honestly and claim that this problem is being solved, no less managed. It would, in truth, require much more. Over the years, in working with Senator DURBIN, we have outlined legislation that is far more comprehensive, in my judgment, much more attuned to what is required—to create a single food agency to replace the current 12 Government agencies involved in food safety, to remove agencies whose principal mission is to prevent the consumption and sale of food from inspection—to remove an inherent conflict of interest in the management of the Nation's food supply; and certainly to give the Department of Agriculture a mandatory recall authority so the moment we know there is a problem and health is endangered, we can eliminate the distribution problems.

All these things are required, but we are asking for none of that today. All that Senator HARKIN is asking is to fund at the commitment levels we decided on a year ago, to do the second half of a 2-year program to provide for the inspections, the technologies of this food safety program.

Mr. President, many of us years ago learned of a different period in American history through the words of Upton Sinclair in his writing, "The Jungle." At a time when the Federal Government was not doing little to ensure the safety of our food supply for our people, it was doing nothing.

Most Americans will be surprised to learn that, as they read as a student of Upton Sinclair, the technology of food inspection has not really changed in these several generations. The principal instrument used by the U.S. Government to ensure that meat is safe is the human nose of an inspector. The second line of defense is his eyesight. As food comes down the assembly line, assuring that it is safe is based on the instinct of those inspectors, albeit inspecting 2 percent of the Nation's imported food supply.

Part of this program is to advance the technologies which we are using in every other aspect of American life, the extraordinary technologies of our time which uniquely, incredibly and inexplicably are not being used on a very item of life and death of our citizens—our food supply. This program will develop and advance those technologies.

New pathogens are being found all the time. The E. coli bacteria itself is changing. This program will research to understand those pathogens, to use our technology to defeat them in biomedicine.

As the Senator from Iowa has said, we also need enhanced surveillance. Because we live in a time when the food supply of one State can appear in another State within hours, a single source of contaminated food can be across America in days. We need to track it through surveillance to find it and eliminate it.

Of course, as I suggested, we need more inspectors to also ensure the presence of the Government is there.

All we are doing is attempting to fulfill what the American people believe they already have. Most Americans, if you were to ask them today, would tell you: "Yes, there's a Federal inspector where that meat is produced, those fruits and vegetables, that syrup, they are there, and we are using the best technology and we are understanding the pathogens." We are asking that this Senate help fund that which we committed to 2 years ago and that which the American people already believe exists.

Finally, there is ample time for us to disagree on many issues. There are legitimate concerns about which we can differ. If ever there was an issue about which we could come together in common cause, this is that issue. This is not an expansion of Government power, it is a power which the Government has had for all the 20th century. It is not draining significant resources we do not have. It is $100 million in a modest program.

I am proud to join with Senator HARKIN, Senator DURBIN and Senator KENNEDY in offering this amendment. I hope we can receive an affirmative vote and proceed with this program and avoid all that suffering, which is just so unnecessary, and begin to turn the corner on dealing with this very important problem.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, first I thank my colleague from New Jersey for his fine statement, as well as my colleague from Iowa. The Senator from New Jersey and I have introduced legislation which attempts to streamline this entire process. It is mind-boggling to try to come to grips with the many different agencies and laws that apply to food safety inspection in America.

Though that is not the object of the amendment of the Senator from Iowa, it is something which I hope on another day the Senate will address. To think that there are some six different Federal agencies with the responsibility of food inspection, some 35 different laws and a crazy quilt of jurisdiction which not only wastes taxpayers' dollars, but creates risk for consumers is unacceptable.

What we address today is more immediate, different than a change of jurisdiction within agencies. It is to address the immediate need to assure the consumers of America that its Government is doing all in its power to protect them at their family tables.

This issue first came to my attention about 3 or 4 years ago. I certainly heard about the E. coli outbreaks in Jack-in-the-Box and the others that were well publicized, but I received a letter when I was a Member of the House of Representatives from a lady in Chicago. I didn't represent the city, but she sent me a letter when she heard we were debating modernizing our food inspection system.

In this handwritten letter, Nancy Donley of Chicago told the tragic story of going to the local grocery store to buy hamburger for her 6-year-old son Alex, coming home and preparing it. Alex ate the hamburger and within a few days was dead, dead from E. coli-contaminated hamburger, which led to one of the most gruesome episodes one can imagine.

Your heart breaks to think of a mother and father standing helplessly by a hospital bed wondering what is taking the life away from this little boy whom they love so much. She tells in graphic detail how Alex's body organ by organ shut down until he finally expired because of contamination in a food product.

It brought to my attention an issue which I had not thought about for a long time, because you see, unlike some Members of the Senate, I have some personal knowledge when it comes to this issue, not just because I eat, which all of us do, but 30 years ago, I worked my way through college working in a slaughterhouse in East St. Louis, IL. I spent 12 months of my life there, and I saw the meat inspection process and the meat processing firsthand.

I still eat meat, and I still believe America has the safest food supply in the world, but I am convinced that we need to do more. The world has changed in 30 years. The distribution network of food in the United States has changed. When I was a young boy, it was a local butcher shop buying from a local farmer processing for my family. Now look at it—nationwide and worldwide distribution, sometimes of a great product but sometimes of a great problem. That some contaminated beef last year led to the greatest meat recall in our history is just a suggestion of the scope of this problem. A contamination in one plant in one city can literally become a national problem.

This chart that Senator HARKIN of Iowa brought before us doesn't tell what happened across the United States in 1 year. It tells us what happened in 1 month, June of 1998. These were the outbreaks and recalls in the United States of America. I am sorry to say, with the possible exception of New York, my home State of Illinois was hit the hardest, for you see, we had over 6,000 people in the Chicago area who were felled by some food-related illness that might have been associated with potato salad—6,000 people. We are still searching to find exactly what caused it.

We had a hearing with Senator COLLINS of Maine just a few days ago in the Governmental Affairs Committee which took a look at the importation of fruits and vegetables. She focused—and I think it was an excellent hearing—on Guatemalan raspberries that came into the United States contaminated with cyclospora, and, of course, caused illnesses for many people across the United States.

The fascinating thing, the challenging part of that testimony was that if you look at our inspection process today, there is no way for us to detect the presence of that bacteria, nor is it easy for any doctor to diagnose a person as having been stricken by that illness.

As we trace those imports in the United States of fruits and vegetables, we find that we face a new challenge in addition to this broadening distribution network. It is a challenge where our appetites have changed, and where we enjoy the bounty of produce from all over the world. So our concerns which used to be focused on the United States and partially on imported fruits and vegetables have expanded dramatically. Now we worry about imported fruits and vegetables from the far corners of the world.

We worry about contaminations which we never heard of before which could, in fact, affect literally millions of Americans. The challenge of food inspection is changing dramatically.

Let me give you another illustration about what is happening. Most of us can recall, when we were children, when mom would bake a cake or make cookies, and she finished putting it all together, and you were standing dutifully by waiting for the cookies or the cake, she would hand you the mixing bowl—and you would reach in with a spoon or spatula and taste a little bit of the dough, cake batter, whatever it might be. As you see, I did that many times; and I appreciated it very much.

You know, now that is dangerous. You know why it is dangerous? Because of the raw eggs that are part of the mix. It used to be that the salmonella was traced to the shell of the egg, so if the shell fell in the batter, you would say, "Oh, that's something we need to be concerned about." But, sadly, within the last few years they have found the salmonella inside the egg. So you can never be certain handing that mixing bowl to a tiny tot in the kitchen that you are not inviting a foodborne illness that could be very serious.

Things are changing. We need to change with them. When President Clinton stepped forward and said, "America's concerned about this problem and American families realize they can't protect themselves as individuals, they're counting on us to do the job," he challenged us to fund it. Sadly, we are not funding it in this bill.

That is why the Senator from Iowa, Senator HARKIN, Senator KENNEDY, Senator TORRICELLI, and I are offering this amendment to increase the funds.

What will we do with them?

First, increase the number of inspectors. We clearly need more people on the borders taking at look at the process and the fresh food coming into the United States. I have been there. I have been to Nogales, Mexico, Nogales, AZ. I have seen that border crossing.

I have followed the FDA inspection all the way from the trucks to the samples taken into the laboratory in Los Angeles, CA, to be tested; and I can tell you that, though it is good, it is far from perfect.

In most instances, by the time they have tested that sample of fruits or sample of vegetables, and if they find anything wrong with it, it is long gone, it is already on the grocery shelves somewhere in America. Oh, they are going to be more watchful the next time around, but they cannot protect us with the resources presently available.

President Clinton said we can do more, and we should do more. We also need to look into this whole question of surveillance. As we noted here, this distribution system around the Nation really calls on us to move quickly. If we find a problem at a processing plant in my home State of Illinois, we need to know very quickly whether or not it has been spread across the United States so that recalls can take place.

We need more research, too, research on these foodborne illnesses, how they can be averted and avoided. I think we can achieve that, as we should. The Senator from New Jersey had the most telling statistic: 53,000 different food production sites around America, 700 inspectors. We will never have an inspector for every site. We certainly can do better than we have at the present time.

Let me also say that the offset that the Senator from Iowa is offering to us is a very good one. I am personally aware of it because a large part of it represents an amendment which I have offered for several years, first in the House and then in the Senate. It answers a question which virtually all of us, as politicians—Senators and Members of Congress—face.

How many times I have gone into a town meeting and someone raises their hand and says, "Senator, let me ask you a question. If you tell us that tobacco is so dangerous, why does the Federal Government subsidize it?" Well, I will tell you, there is not a very good answer to that question.

This amendment being offered by the Senator from Iowa finally puts to rest and answers that question. We are going to stop subsidizing the growing of tobacco in America. We are going to stop asking taxpayers across the United States to pay for a subsidy to the tobacco-growing industry.

I have offered this amendment before. I have never had a better use of it than what the Senator from Iowa is offering today. Take the taxpayers' money now being invested in the cultivation and growth of this deadly product, tobacco, take that money, put it into food safety.

There is a real justice to this amendment and what the Senator is offering so that we can say to people, we are not only stopping this Federal subsidy of the cultivation of tobacco, we are trying to protect children, the elderly, and those who have some health problems that may make them particularly vulnerable. So I heartily support the offset which is being offered by the Senator from Iowa.

Mr. HARKIN. Will the Senator yield?

Mr. DURBIN. I am happy to yield.

Mr. HARKIN. I want to make it clear for the RECORD that the Senator from Illinois, Senator DURBIN, has been the leader in going after this aspect of the taxpayer funding of tobacco at USDA for years. So I just thank the Senator for letting me capitalize on that and use this money that he has tried so valiantly over the years to stop—to use that for this offset for the Food Safety Initiative.

I appreciate the Senator's support and his willingness to let us use the offset that he has been trying to kill for years, because it really is unfair for the taxpayers of this country to spend $60 million every year in support of USDA activities that go to help grow more tobacco in this country. If they want to do it, let the tobacco companies fund it themselves. I thank the Senator for his years on this effort in this regard.

Mr. DURBIN. Let me say to the Senator from Iowa, I am happy to join him in this effort. We could not think of a better investment of this money than to take it away from the promotion of a product which causes so much death and disease and put it into the kind of health initiative which the Senator from Iowa has suggested.

Let me just say this: Mark my words. Within a few weeks we will read in the newspapers again of some outbreak of food contamination and food illness. We will be alarmed and saddened by the stories of the vulnerable—the children, the elderly, and those who are in a frail medical condition who have become victims because of it.

Each of us, in our own way, if it affects our State will express our outrage, our disappointment; and we will promise that we will do something about it. Well, let us be honest. This is the amendment that might do something about it. We can give these speeches—and we will—but the real question is, Are we prepared to back up our concern in front of a television camera with our votes on the floor of the U.S. Senate?

The Senator from Iowa is offering us an opportunity to really be certain that the American people understand what our commitment is to this important issue. I thank him for his commitment. I am happy to join him as a cosponsor of this amendment.

I yield back the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. Mr. President, I ask unanimous consent that floor privileges during the debate on the agriculture appropriations bill be granted to Diane Robertson, Stacey Sachs, and Mary Reichman.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I join in thanking my friend and colleague from Iowa, Senator HARKIN, and Senator DURBIN, and others, for providing the leadership in what I consider to be one of the most important amendments introduced as part of this legislation. I hope that we will be successful, because it addresses a problem that has been outlined by my colleagues on the floor of the Senate about what has been happening in our food supply over recent years.

What we have seen, Mr. President, over the period of the last 5 years, has been the doubling of imported food into the United States. We expect that the food that has come into the United States will double again over the next 5 years.

We are finding that a third of all of the fruit, and over half of the seafood consumed in this country is being imported into the United States. And those figures are going to grow over the next 5 years. At the same time, we have seen a significant reduction in resources dedicated to inspections. Over the period of the last 5 years, there has been a 22-percent reduction of support for inspections and food safety in the Food and Drug Administration.

The Department of Agriculture has primary responsibility for meat and poultry. The Food and Drug Administration has primary responsibility for inspection of all other food. The increase in imports in these other food categories—produce, seafood, etc.—inspected by FDA would be one factor which could justify the increase that is included in the Harkin amendment. But that really does not tell the whole story, Mr. President.

To understand the whole story, we have to understand the very dramatic changes which have taken place in terms of our food supply.

For example, let's look at E. coli, which occurs naturally in our bodies. In the last 20 years, E. coli has mutated to be more virulent and even deadly. This was illustrated today by my friend and colleague from Illinois, Senator DURBIN, and illustrated by the food disease outbreaks that we have seen from January to July of 1998.

We are not just saying that the appropriations haven't kept up with the need, as important as that is, and that ought to justify it, but there are dramatic differences in the eating habits of the American people. More people are eating out. More people are eating products that are coming from different countries. More Americans are storing their food over longer periods of time. All of this is having an impact in terms of the increased risk from foodborne pathogens and the increased occurrence of foodborne illness.

The bottom line, Mr. President, is that foodborne diseases are much, much more dangerous today than they were 3 years ago, 5 years ago, 10 years ago. You are getting a change in quantity and the severity of the illnesses, the virulence of foodborne pathogens and their impact on human beings.

Antimicrobial resistance contributes to this phenomenon, and those in the pharmaceutical industry see it every single day. They believe that this is one of the very significant new phenomena in the whole area of health science. It is reflected in the severity of these illnesses. They are deadly today. They don't just give you a stomach ache; they kill you.

That is why I believe this amendment is of enormous importance. We need to have the kind of support that this amendment provides, to make sure that we, as Americans, are going to have the safest food supply in the world. We do. But it is threatened. For us not to understand the risk is foolishness. I believe this amendment, with its offsets, is justifiable and of enormous importance.

I thank the Senator from Iowa for his leadership in this area. I commend him for his legislation and for the seriousness with which he has approached it and for his constancy in pursuit of it. We are very much in your debt.

Even with this, Mr. President, I think all of us have a responsibility of watching, and watching carefully, what is happening to our food supply as we move ahead in these next months and years. Tragically, if we fail to do this, and we see the kind of tragedies that are bound to take place, we will have, once again, I think, in an important way, failed to meet our responsibilities to provide protections for the American people in the most basic and fundamental way.

Every day, more Americans are stricken with food poisoning. Children and the elderly are especially at risk.

Outbreaks of foodborne illness are increasing. The toxicity of bacteria is increasing. Yet resources to combat these festering problems are decreasing. Without additional resources, FDA and the Department of Agriculture cannot act effectively to prevent these illnesses. The American public deserves better.

In the last two months: over 400 people became ill and 74 were hospitalized in 21 states from Salmonella in dry cereal; 6,500 people in Illinois became ill from salad contaminated with E. coli; 40 people became ill and almost half were hospitalized because of an outbreak of E. coli in cheese; and over 300 people became ill in six states from bacteria in oysters.

These cases are a small sample. According to the Congressional General Accounting Office, foodborne illnesses affect up to 80 million citizens a year and cause 9,000 deaths. Medical costs and lost productivity are estimated at $30 billion. This is not a problem that we can ignore.

Michael Osterholm, state epidemiologist for the Minnesota Department of Health, condemned the lack of action after a recent outbreak in the state. He said that, "If we don't do better, and we don't give the FDA more money, more events like this are going to happen. Right now, we don't seem to have the resources or the will to keep something like this from happening again. As long as we don't, we will have other outbreaks."

The old wisdom does not apply. You can't just cook your food more thoroughly to avoid these illnesses. Harmful bacteria are appearing in virtually all food products—juice, lettuce, even cereal.

Our amendment will provide $73 million in additional funds to support greater monitoring, education, research, and enforcement to address this growing problem.

We have the ability to prevent most foodborne illnesses. Improved monitoring allows earlier detection and an earlier response to outbreaks. Increased food inspections are needed to keep unsafe food out of our stores and off our dining room tables.

Expanded research is needed to detect and identify dangerous organisms likely to contaminate food. The need is especially great with respect to imports of fresh produce and vegetables.

Our amendment will provide the resources needed to perform these essential activities. It will mean 150 new inspectors for FDA to focus on food imports, which have more than doubled since 1992. Yet during that same period, FDA resources devoted to imported foods dropped by 22 percent. As a result, FDA now inspects less than 2 percent of imported food. Clearly, we have to do better.

Our amendment would also provide funds to enhance "early warning" and monitoring systems needed to detect and respond to outbreaks. These systems will also provide information to prevent future outbreaks. Early detection and control are essential to ensure the safety of every American.

In addition, our amendment will fund research essential to understand dangerous organisms in food. Many cannot be identified today. Others have developed resistance to traditional methods of preserving food. Still others have developed resistance to antibiotics. Clearly, additional research is needed to protect the food supply.

We have broad support for this amendment. The food industry, consumer groups and the public all favor increased funding. Food safety affects every American every day.

Without additional resources, we will continue to see the escalation of these outbreaks. Congress must act to ensure the safety of the food supply for all Americans. The American people deserve to know that the food they eat is safe, no matter where it is grown, processed, or packaged.

I thank the Senator and urge our colleagues to support this amendment.

Mr. HARKIN. I want to thank the Senator from Massachusetts for his kind words. But more than that, I want to thank him for his efforts through the years to make sure we had a Food and Drug Administration that was on the side of consumers in this country, a strong Food and Drug Administration that made sure that we could have confidence when we went to the drugstore or to the grocery store to get our food, drugs and medicine, that they would indeed be safe. I want to thank the Senator from Massachusetts for his leadership in that area and thank him for his kind and generous support of this amendment.

Everything he said is right on mark. It is not just the consumers, I say to my friend from Massachusetts. I earlier had some comments from people representing the Grocery Manufacturers Association, the Cattlemen's Beef Association, the Broiler Council, the National Food Processors Association, all of whom basically said we need better surveillance, we need better risk assessment, we need better education out there. That is what this amendment does. It is the processors, the wholesalers—everyone recognizes that this is a new phenomenon, as the Senator from Massachusetts said, something new we have not experienced in the past. Everyone recognizes the need to get on top of this.

Mr. KENNEDY. Will the Senator yield?

Biologically, we have E. coli in our bodies, and humankind has always had E. coli, but it was not the deadly strain we are seeing today. Twenty years ago we were not even aware of the E. coli O157:H7 strain that is deadly, and we increasingly see this deadly strain. How many more outbreaks do we have to have before we act?

This is why I think this amendment is so important, because of the increased danger that these outbreaks pose for our people. Particularly vulnerable are the children and the seniors. With the offset that you have proposed, I cannot understand the reluctance to protect the consumer, rather than taking our chances.

I find it difficult to understand why we wouldn't have it accepted.

Mr. HARKIN. You are right about E. coli. I counted up in June of this year, this last month, and we had six E. coli outbreaks of food poisoning in this country, of a strain of E. coli that didn't exist 20 years ago. It wasn't there. And now it is here. It is not only making people sick, but killing kids.

There are new pathogens that become more virulent. The surveillance systems we have in place and the risk assessment and the other inspection systems we have—the FDA, as the Senator knows, only on average inspects our food processing plants once every 10 years.

Mr. KENNEDY. It is less than 2 percent of the imported products that are being inspected; 2 percent. We are seeing a doubling of the imported foods that are coming into this country and from a greater number of countries around the world. We are looking at less than 2 percent and the number of imports will be doubling.

Mr. HARKIN. I wonder how many consumers know that only 2 percent of all the produce they eat that comes from outside this country is ever inspected—2 percent. The rest of it, who knows what is on that stuff when it comes to this country. The consumers don't know this. And as the Senator said, it will go up in the future. We will get more and more of that produce from other countries. That is why this is really needed.

I thank the Senator for his support and his comments on this.

Mr. President, there is an editorial that appeared in today's Los Angeles Times that I was just made aware, calling on us to do something about food safety. Obviously, they probably didn't know about my amendment. But they did say.

> . . . the U.S. Senate can take a big step to combat food contamination by restoring all or most of the $101-million initiative the Clinton administration has proposed to improve food safety. The money would go to

> hire new safety inspectors, upgrade technologies, and bring coherence to disjointed oversight.
>
> So far, The Senate has allocated only a piddling $2.6 million for the initiative at the U.S. Department of Agriculture and nothing at all at the Food and Drug Administration.

The editorial went on to say that we needed more funding. I will quote the last paragraph of the editorial:

> Food safety is an unassailable cause. There are some things that only government can do, and guaranteeing the wholesomeness of our food supply is one of them.

I ask unanimous consent that the editorial from the Los Angeles Times of this morning, Thursday, July 16, 1998, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STARVING FOOD SAFETY

Americans now enjoying their summer picnics may suffer a glimmer of anxiety over recent outbreaks of food-borne illness: 6,500 people became sick in Illinois last month after eating commercial potato salad, and E. coli bacterial contamination occurred in fruit juice and lettuce that originated in California. Today, the U.S. Senate can take a big step to combat food contamination by restoring all or most of the $101-million initiative the Clinton administration has proposed to improve food safety. The money would go to hire new safety inspectors, upgrade technologies and bring coherence to disjointed oversight.

So far, the Senate has allocated only a piddling $2.6 million for the initiative at the U.S. Department of Agriculture and nothing at all at the Food and Drug Administration. The shame of this penny-pinching is that it comes when lawmakers are spending like drunken sailors elsewhere, for instance in the pork-laden transportation bill.

The need for better food safety oversight could not be stronger. The Centers for Disease Control estimated that this year 9,000 Americans will die and millions will fall seriously ill because of tainted foods, numbers that have been growing. CDC officials aren't sure why those statistics are rising, though they suspect part of the reason may be improved detection and the increase in imported foods bearing bacteria and other pathogens to which Americans have little resistance. Food imports have doubled in the last seven years and are expected to increase by one-third in the next three years.

The administration's Food Safety Initiative would get at this problem first by hiring new inspectors. Less than 2% of imported food is inspected now because the FDA's budget has not grown along with imports. Sen. Thad Cochran (R-Miss.), the chairman of the Senate committee that decided not to fund the initiative at the FDA, suggested that some of the FDA's duties be delegated to states and local governments, but the increasing movement of food across state lines and national borders argues for just the opposite: a coordinated national strategy.

National planning, for instance, is the only way to successfully deploy new technologies like DNA fingerprinting, which within hours allows federal inspectors to trace the genetic signature of, say, a dangerous bacterium on apples marketed in the West back to the farm where the fruit was harvested in Maine. Funding the initiative would enable federal agencies to continue efforts to install such technology in sites around the country and train workers to quickly identify and track food pathogens. And Congress needs to consider pending bills to give the FDA and the USDA the power to recall food and to create a single food safety agency to consolidate scattered oversight.

Food safety is an unassailable cause. There are some things that only government can do, and guaranteeing the wholesomeness of our food supply is one of them.

Mr. HARKIN. Mr. President, one other thing. I listened to the comments made by the Senator from Illinois, Senator DURBIN, when he very poignantly told the story of the young child who died in Illinois. I just point out again that these outbreaks are growing with rapidity and showing up in the oddest of places. For example, last month, dozens of children got sick—again, with this E. coli 0157H7—in Atlanta after swimming in a public pool.

Many of these children spent time on dialysis for kidney failure. This was just last month. Now, the infection they got was the same strain of E. coli that came from a local ground beef recall in an outbreak in Atlanta 2 weeks earlier. So 2 weeks earlier, there was an outbreak of E. coli from a ground beef recall, and now it shows up in a swimming pool 2 weeks later. Children in five States were infected from this ultimately foodborne illness. So it started out as a foodborne illness and then it got into a swimming pool. Dozens of kids got sick and some spent time on kidney dialysis.

So that is how virulent some of these strains have become. Not only do they show up in the food, they are so virulent that not even the chlorine in the swimming pool could kill it.

Again, Mr. President, I think this amendment deserves widespread support. I point out again that the President asked for $101 million to fully fund his food initiative. I wish we could do it. We should do it. But because of the problem with offsets and points of order and getting 60 votes, we had to look around to find legitimate offsets that we could use. As I said, we found offsets for $66 million. So this brings the funding up to $66 million. It is not up the full $101 million, but it brings it to $68 million. Those offsets, of course, were the money that we got from taking away the Federal Government's subsidizing of tobacco, $15 million from the CCC computer account, and $13 million from the ARS buildings and facilities account.

I want to make a couple of things very clear before I close my comments. I have heard some talk around that there is some new enforcement authority here. I want to make it clear that there is no new enforcement authority in my amendment.

Secondly, there are no new user fees for the meat industry—not one bit of user fees for the meat industry in this amendment.

In the bill now, there is $2.6 million for this Food Safety Initiative. The House only put in $15 million. The President asked for $101 million. The amount that this amendment would increase it to would be $66 million.

I yield the floor.

Ms. MOSELEY-BRAUN. Mr. President, last month, more than 4,000 Illinoisans were sickened by an illness that was ultimately traced to potato salad contaminated by E. Coli bacteria. A few weeks ago, thousands of boxes of breakfast cereal were recalled after an outbreak of salmonella in the cereal infected more than 200 people, including residents of Illinois. In fact, according to the Center for Science and the Public Interest, the number of FDA-regulated food products that have been recalled due to contamination has increased fivefold over the past ten years.

Health officials say that food poisoning causes more than 30 million illnesses and thousands of deaths annually. Consequently, the American people are increasingly concerned about the safety of our food supply. In 20th century America, this is unacceptable. No American should have to fear their food.

That is why I support this amendment offered today by Senator HARKIN to restore funding for the President's Food Safety Initiative. This amendment will provide $93 million to strengthen efforts by the United States Department of Agriculture and the Food and Drug Administration to address food safety issues.

The amendment provides $33 million to recruit more scientists in the war against food dangers, and for developing new technologies for combating hazardous pathogens. $28 million is provided to check food imports at the border, increase seafood safety, and boost fruit and vegetable inspections. Twelve million is provided for consumer awareness campaigns so that children, cooks, and those who handle food at summer festivals can learn safer ways to prepare and handle food.

This is not the first proposal to come before Congress that addresses food safety. Many of our colleagues have introduced legislation to respond to this growing problem. Senator HARKIN has introduced S. 1264, which I have cosponsored, that would increase the ability of the USDA to recall tainted meat and poultry products. My distinguished colleague from Illinois, Senator DURBIN, has introduced a bill to consolidate and coordinate federal food safety improvements that are currently scattered among a labyrinth of agencies. My colleague from Maryland, Senator MIKULSKI, has proposed increasing FDA oversight on foreign produce.

Regrettably, however, no significant action has occurred on these bills in this Congress. Meanwhile, the outbreaks of food illnesses are on the rise nationwide. Mr. President, we can do better. There is a time to debate, and a time to act, and today, Congress has a real opportunity to act. Let us pass this amendment and strengthen our federal food protection system so that the citizens of our country need not worry each time they reach for a scoop of picnic potato salad, a home-grilled hamburger, or a morning bowl of cereal. Doing nothing is not an option, and that is why I urge my colleagues to vote for this amendment.

Mr. LEAHY. Mr. President, let me begin by thanking Chairman COCHRAN and his staff for pulling together this appropriations bill under very difficult circumstances. Not only was there a very low allocation, but a number of the requests were based on assumed revenue from new fees. Under these circumstances, Senator COCHRAN and Senator BUMPERS did an admirable job balancing all the agriculture programs.

However, today we are calling attention to an urgent need in our country: the increasing outbreaks of food poisoning across the country. Almost a year ago we witnessed one of the largest beef recalls in U.S. history. Fortunately, what could have been a national health disaster was caught early and stopped. But the underlying problem remained. To address this problem the Administration requested $96 million in new food safety funds for the U.S. Department of Agriculture and the Food and Drug Administration to reduce the hazards associated with bacteria, viruses and parasites in our food supply. Although I realize the budget allocation constrains us from funding this full amount, I join Senator HARKIN to offer an amendment to fund the most urgently needed proposals of the Food Safety Initiative.

Mr. President, there are many problems that arrive on Congress's doorstep that we can do little about. This is a problem we can—and should—address. And we need to address this problem now. A year after the 25-million pound beef recall we are still seeing headlines about new outbreaks. Each year more than 30 million Americans suffer a foodborne illness, and 9,100 die. The cost to the nation is anywhere from $5.6 billion to more than $22 billion.

This is a national problem, ranging from cheese and egg contamination in the Pacific Northwest to tomatoes in Minnesota to shellfish and strawberries in the South. E. coli outbreaks in recent years have also been traced to contaminated sprouts, lettuce, salami and other products. Two summers in a row, in 1996 and 1997, thousands of illnesses were linked to imported raspberries containing a parasite, Cyclospora, that is not found in this country.

After each one of these scary outbreaks, the American public is left asking the same questions—questions that the programs to be funded by this amendment and the President's Food Safety Initiative will help answer: How do these viruses move so swiftly through our food system, how can they be prevented, and where might they show up next?

The United States enjoys the safest food supply in the world, but we can and should do better. Americans know the risk to our food supply is growing. Recent covers of Newsweek, U.S. News & World Report and newspapers across the country have asked if we can continue to trust our food supply. As a nation, we cannot afford an erosion of the public's trust in the safety of our food.

More than 44 percent of Americans think our food supply is less safe than 10 years ago. FDA-regulated plants are only inspected on average once every 10 years. FDA import inspections have declined dramatically in just the last four years, so that now less than two percent of FDA-regulated imported food is subject to any type of inspection.

Our amendment will increase inspections of imported food. It will fund development of improved inspection practices to detect threats to our food supply earlier and stop massive outbreaks from occurring.

Most of us as adults have had a case of food poisoning. Anyone who has had food poisoning can imagine how much worse it is for a child. Think of what it is like when these outbreaks of e-coli, which can be devastating to adults, but can be critical and even life-threatening to children.

Every one of us has a stake in this, whether we are involved in producing or consuming these food products, or whether or not we are parents who have to worry about what we are feeding our children. Ask people back home: Is there anything that is going to affect you more several times a day than the safety of the food you eat? Nothing else will. This is something we can and must do.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, this is an interesting part of the President's budget. When we reviewed it, we noticed, first of all, that over $400 million in new user fees were proposed by the President to be assessed on the food and poultry processing plants all around the country to generate money to pay for the inspections that are performed in those plants by Federal employees. This was a proposal for a change in the law and the legislation.

Our committee, of course, doesn't have jurisdiction to change the law. We simply appropriate the money, consistent with existing law. And so without the jurisdiction to make those changes, our committee could not consider that as a part of our bill. The legislative committees in the House and Senate have not acted on these proposed user fee impositions, and so there are no funds available to be allocated, as the President proposed, to pay for the Food Safety and Inspection Service of the Department of Agriculture.

Nonetheless, our committee approved and suggested in our legislation to fund increases in the Food Safety and Inspection Service's account. So our appropriation that is recommended by this committee for Food Safety and Inspection Service activities amounts to $605,149,000, as compared with the administration's request for funding the Food Safety and Inspection Service of $149,566,000. That is more than $350 million in additional funding that this committee has proposed than what the President recommended be appropriated for that activity.

Now, when you generate that kind of fund in your proposed budget, you have an opportunity to spread those proposed dollars around and spend it elsewhere. That is what the President has done, and that has made up for his so-called Food Safety Initiative—and more. The Food Safety Initiative—so-called "new initiative"—calls for the expenditure of about $100 million in new funding added to a variety of different programs in the Department of Agriculture and the Food and Drug Administration.

Our committee is not critical and not, in any way, opposing these increased expenditures in the initiatives that the President has requested. Our budget allocation didn't give us the luxury, though, of an additional $350 million. Our allocation doesn't presume any increase in funding for discretionary programs this year—no increase. We are all operating under the Balanced Budget Act restrictions, under the allocation that is provided to subcommittees like the Agriculture Appropriations Subcommittee. So if we increase something, we have to take the money from other accounts.

So we did provide not only the full amount needed to continue the inspections of meat and poultry inspectors throughout the country, with no new increase—no new user fees, no new taxes on those plants. But we also provided increases in funding for the Agriculture Research Service, Food Safety Research Program, and for the Food and Nutrition Service, Food Safety Grant Program. These are additions over last year's levels. We were able to find other offsets in the budget to accommodate those increases.

So I suggest that the committee has been responsive to the need to continue to upgrade the quality and the aggressiveness of our Food Safety Research and Inspection Programs. We think, of course, that there can be more done, it can be a more efficiently operated system.

For that reason, some of us on the Governmental Affairs Committee are actively participating in the investigation that is chaired by the distinguished Senator from Maine, Senator

COLLINS, who is looking into the issues presented on the imported foods—fruits and vegetables, primarily—that have to be inspected under the jurisdiction of the Food and Drug Administration. She has done a wonderful job leading the staff of that committee to try to find out what the options are for improving those activities, making sure that they are doing as good a job as can possibly be done to accommodate the needs resulting from the huge increases in imported foodstuffs that are coming into the country. These are enormous challenges.

I don't think anybody has the magic solution to the problem. I think on both sides of the aisle we are very interested in solving the problems that are presented. We have heard some very impressive speeches made today on that subject. We can continue to make speeches. But I think we should continue to work together—that is what I suggest we do—with the administration, with the Congress, to try to do the best possible job.

I think the American people can be reassured that an enormous amount of effort and an enormous amount of money is being invested to achieve that goal. If you add up the total of all of the dollars that are appropriated, we are spending more money to not only inspect the meat and poultry that is being processed in this country, but fruits and vegetables as well. Research and education programs, how to handle foodstuffs, and at the farm on how to produce the foods so they will be free from contamination, an enormous amount of effort is being invested.

So we hope this amendment can be accepted by the Senate, frankly. Offsets have been identified in a number of areas. We have tried to get the administration's reaction to these offsets. We haven't heard from them on some of them. We have checked with the Congressional Budget Office to see if this amendment violates the Budget Act. We have been assured that it does not.

So because we are going to have to continue to work to resolve our differences with the House, there may be some adjustments in which the House insists. But we will work very hard to make sure that when we come back from conference to the Senate with our conference report that it will reflect a genuine effort and a sizable investment of discretionary funds in the food safety area, both for the Department of Agriculture's activities and the Food and Drug Administration's activities.

Mr. President, I know of no other Senators who have requested an opportunity to speak on the amendment. I am prepared to go to a vote and suggest that we agree to the amendment.

Incidentally, I have been authorized to express the support for that recommendation from the Senator from Arkansas who is the ranking member of the Agriculture Appropriations Subcommittee.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER (Mr. BROWNBACK). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas, 65 nays 34, as follows:

[Rollcall Vote No. 207 Leg.]

YEAS—65

Abraham
Akaka
Baucus
Biden
Bingaman
Bond
Boxer
Brownback
Bryan
Bumpers
Byrd
Campbell
Chafee
Cleland
Cochran
Collins
Coverdell
D'Amato
Daschle
DeWine
Dodd
Dorgan
Durbin
Feingold
Feinstein
Frist
Gorton
Graham
Grassley
Hagel
Harkin
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
McCain
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Roth
Sarbanes
Shelby
Snowe
Specter
Stevens
Torricelli
Warner
Wellstone
Wyden

NAYS—34

Allard
Ashcroft
Bennett
Breaux
Burns
Coats
Conrad
Craig
Domenici
Enzi
Faircloth
Ford
Gramm
Grams
Gregg
Hatch
Helms
Hollings
Hutchinson
Inhofe
Kempthorne
Kyl
Lott
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Smith (NH)
Smith (OR)
Thomas
Thompson
Thurmond

NOT VOTING—1

Glenn

The amendment (No. 3175) was agreed to.

CHANGE OF VOTE

Mr. DOMENICI. Mr. President, on rollcall vote No. 207 I voted "aye." It was my intention to vote "nay." Therefore, I ask unanimous consent that I be recorded as a "nay." This would not affect the outcome of the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I have an amendment which I want to send to the desk to be considered. I talked to the ranking member, but I wasn't able to talk to the floor manager of the bill. I am willing to accept a short time agreement on this amendment.

Mr. BUMPERS. Will the Senator take 10 or 15 minutes?

Mr. DODD. I will be happy to take a very brief time agreement. If you have some other agenda you want to move ahead, I say to the floor manager, I will be happy to consider some other program the floor manager may have.

Mr. COCHRAN. Mr. President, if the Senator will yield.

Mr. DODD. I am happy to yield.

Mr. COCHRAN. I appreciate the Senator's inquiry. I have no objection to your offering the amendment. I haven't seen the amendment. I asked my staff what it was about. They haven't seen it, either. We are trying to get in touch with the legislative committee. We understand it is a legislative subject, not appropriations at all. It doesn't ask for spending any more money or any less money, but it imposes a burden on an industry, and we are trying to find out what the implications are. You can offer it.

AMENDMENT NO. 3176

(Purpose: To amend the Federal Food, Drug, and Cosmetic Act to require the Secretary to ensure timely notification of certain recalls)

Mr. DODD. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 3176.

Mr. DODD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title VII, insert the following:

SEC. ___. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

(a) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

"(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

"(2) In this subsection:

"(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

"(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.".

(b) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting "or if the recall is a class I recall," after "cannot be identified"; and

(2) by adding at the end the following:

"(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.".

(c) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking "or gross" and inserting "gross"; and

(2) by striking the period and inserting ", or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).".

Mr. DODD. Mr. President, this is a very straightforward proposal and is similar to legislation that was offered by my colleague in the other body, Congressman SHAYS of Connecticut. This amendment deals with the issue of defective pharmaceutical products and medical devices that have been recalled by the manufacturer.

We almost had a very tragic case in Connecticut several months ago involving recalls, which provoked this piece of legislation. A child in Connecticut, a young boy by the name of Matthew McGarry, has food allergies to peanuts and needs a device known as an Epi-Pen to counteract the severe reactions—seizures or even death—that could result if he inadvertently eats certain foods. The Epi-Pen that Matthew relies on was recalled by the manufacturer because it was found to have substantial leaks in it, rendering it ineffective.

Matthew was fortunate that his school nurse, Betty Patterson, heard of the recall and immediately notified his parents, Karen and William McGarry, that they needed to replace the product. Had she not heard of the recall and had young Matthew had an attack, he very well could have died. The family is very well aware that a tragedy was averted.

His family and other Connecticut families brought this to the attention of Congressman SHAYS and myself and suggested this would be an appropriate area for some thoughtful legislation to require that consumers be notified when dangerous products are taken off the market—a requirement not currently found in law.

Consumers have the right to be notified when the cars they drive or the toys their children play with are unsafe. Shouldn't they have the same right when it comes to drugs and devices found in every family's medicine cabinet?

The recall process presently relies almost exclusively on the good-faith efforts of manufacturers, wholesalers and retailers. Most of the time it works very well to protect consumers. However, a recent spate of recalls involving these Epi-Pen devices—first in October of 1997 and most recently in May of this year—has highlighted the need to better ensure that consumers, when appropriate, are directly informed that a drug or device may be dangerous.

An Epi-Pen is a device, as my colleagues, I am sure, are aware, that injects epinephrine and is used by children with severe food allergies to counteract life-threatening reactions. Due to a defect in the manufacturing process, some lots of the device were found to leak the encapsulated drug, potentially leaving patients with an amount of the drug insufficient to counter an allergic response.

A class 1 recall of the product was issued, indicating a reasonable possibility that the use of the product could cause serious health effects or death. Despite the severity of the defect, the recall notification failed to notify consumers whose children relied on these products, either because the retailers did not pass along the notification in a timely fashion or because the retailers themselves received notification days after the recall was first issued.

In an effort to provide the public with better and more timely notice of the most serious recalls, this amendment will, for the first time, explicitly require the Food and Drug Administration to ensure that consumers receive prompt notification of class I recalls.

How the directive will be accomplished will be left up to the FDA. We don't mandate a specific approach. The FDA could, for example, encourage distributors and pharmacies to employ more effective and rapid notification technologies, a shift that some in the industry are already advocating. We do not micromanage the notification process. We are just suggesting that better mechanisms be put in place to give consumers who use these products and rely on them a higher degree of confidence.

I hope my colleagues can support this straightforward amendment. I hope that my colleagues will recognize that if we do not take up this issue now, we run the risk that some other child won't be as lucky as Matthew and will suffer serious harm. For those reasons, Mr. President, I urge adoption of the amendment.

Mr. KENNEDY. I understand that since the Agency already has authority under the devices statute to require both recalls and notifications, amending these provisions to refer only to Class 1 recalls could be interpreted as limiting the Agency's existing authority. Am I correct that your intent is not to limit the Agency's existing authority, either with respect to recalls or notification?

Mr. DODD. That is correct. What I intend by the amendment is to make certain that in the case of every Class 1 recall FDA does provide notice to the public. I certainly would not want to do anything to suggest that such authority does not now exist, or that such authority does not exist for Class 2 and Class 3 recalls, or other actions as deemed appropriate for public notice by FDA. I just want to make certain that they use their authority in all Class 1 recalls.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Will the Senator be willing to set his amendment aside temporarily to allow the Senator from Virginia to proceed?

Mr. DODD. Yes.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Dodd amendment be temporarily laid aside to allow Senator ROBB, who has been waiting patiently for about 3 days, to offer his amendment—it should not be long—and that immediately upon the adoption or disposition of his amendment, we return to the Dodd amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia.

Mr. ROBB. Thank you, Mr. President. I thank the distinguished Senator from Arkansas and the distinguished Senator from Mississippi.

AMENDMENT NO. 3177

(Purpose: To waive the statute of limitations barring certain discrimination complaints against the Department of Agriculture)

Mr. ROBB. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Virginia [Mr. ROBB], for himself, Mr. GRASSLEY, Mr. CLELAND, Ms. LANDRIEU, Mr. COVERDELL, Mr. HOLLINGS and Ms. MOSELEY-BRAUN, proposes an amendment numbered 3177.

Mr. ROBB. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, line 14, strike $97,200,000 and insert $92,200,000, and on page 14, line 17, strike $437,082,000 and insert $432,082,000.

On page 18, line 1, strike $424,473,000 and insert $419,473,000.

On page 19, line 23, strike $93,000,000 and insert $88,000,000, on

On page 67, after line 23, add the following:

SEC. . Expenses for computer-related activities of the Department of Agriculture funded through the Commodity Credit Corporation pursuant to section 161(b)(1)(A) of P.L. 104–127 in fiscal year 1999 shall not exceed $50,000,000; provided, that Section 4(g) of the Commodity Credit Corporation Charter Act is amended by striking $178,000,000 and inserting $173,000,000.

SEC. . WAIVER OF STATUTE OF LIMITATIONS FOR CERTAIN DISCRIMINATION CLAIMS.

(a) DEFINITION OF ELIGIBLE CLAIM.—In this section, the term "eligible claim" means a non-employment-related claim that was filed with the Department of Agriculture on or before July 1, 1997 and alleges discrimination by the Department of Agriculture at any time during the period beginning on January 1, 1981, and ending on December 31, 1996,

(1) in violation of the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) in administering—

(A) a farm ownership, farm operating, or emergency loan funded from the Agricultural Credit Insurance Program Account; or

(B) a housing program established under title V of the Housing Act of 1949; or

(2) in the administration of a commodity program or a disaster assistance program.

(b) Waiver.—To the extent permitted by the Constitution, an eligible claim, if commenced not later than 2 years after the date of the enactment of this Act, shall not be barred by any statute of limitations.

(c) Administrative Proceedings.—

(1) In general.—In lieu of bringing a civil action, a claimant may seek a written determination on the merits of an eligible claim by the Secretary of Agriculture if such claim is filed with the Secretary within two years of the date of enactment of this Act.

(2) Time period for resolution of administrative claims.—To the maximum extent practicable, the Secretary shall, within 180 days from the date an eligible claim is filed with Secretary under this subsection, conduct an investigation, issue a written determination, and propose a resolution in accordance with this subsection.

(3) Hearing and award.—The Secretary shall—

(A) provide the claimant an opportunity for a hearing before making the determination; and

(B) award the claimant such relief as would be afforded under the applicable statute from which the eligible claim arose notwithstanding any statute of limitations.

(d) Standard of Review.—Federal courts reviewing an eligible claim under this section shall apply a de novo standard of review.

(e) Limitation on Administrative Awards and Settlement Authority and Extension of Time.—

(1) Limitaton on administrative awards and settlement authority.—A proposed administrative award or settlement exceeding $75,000 (other than debt relief) of an eligible claim—

(A) shall not take effect until 90 days after notice of the award or settlement is given to the Attorney General; and

(B) shall not take effect if, during that 90-day period, the Attorney General objects to the award or settlement.

(2) Extension of time.—Notwithstanding subsections (b) and (c), if an eligible claim is denied administratively, the claimant shall have at least 180 days to commence a cause of action in a Federal court of competent jurisdiction seeking of review of such denial.

Mr. ROBB. Mr. President, for over a year now I have been working with many minority farmers to address the problem of discrimination at the U.S. Department of Agriculture. I am pleased that we have finally found a way to provide relief to these farmers. I thank, in particular, the Senator from Mississippi for his efforts and commitment to work out the details of this important amendment.

This amendment will provide long overdue relief for many minority farmers who were the victims of systematic and egregious discrimination by USDA officials—discrimination which has been acknowledged by Secretary Glickman and the USDA.

This amendment, which is very similar to language which has already passed in the House, seeks to remedy this problem by imposing a new statute of limitations for farmers who experienced discrimination between 1981 and 1996 and who filed complaints to seek redress.

As I discovered about a year or so ago, many farmers were denied credit opportunities and were discriminated against when seeking housing loans, and obtained no relief from USDA when they complained of such discrimination.

These farmers filed discrimination complaints with the USDA's Office of Civil Rights in the early 1980's. However, they were never told that, in 1983, the Office of Civil Rights at USDA was abolished. Furthermore, they had no notice that their claims were not even being investigated despite being led to believe otherwise.

These farmers are barred, only by the statute of limitations, from obtaining relief from this mistreatment. Whether it is a racial slur or a denial of credit opportunities, discrimination is unconscionable and it is intolerable, and it is particularly appalling when such discrimination is exhibited by Government officials—officials employed by our Government to serve all Americans, as was the case with the USDA.

Studies, reports, and task forces in 1965, 1970, 1982 and 1990, have all documented the same inherent problems at USDA—continued discrimination and mistreatment of minority and socially disadvantaged customers.

It is estimated by the Congressional Budget Office that the relief for these farmers' claims is approximately $15 million in fiscal year 1999 and $42 million over the next 3 years. That means that the Congressional Budget Office believes that the Government legitimately owes $15 million in order to provide relief to farmers who were discriminated against by our Government officials.

The statute of limitations is now the only obstacle standing in the way of these farmers getting the relief they deserve. And this amendment simply removes that obstacle.

Inexplicably, the discrimination that many minority farmers suffered at the hands of USDA officials still has not been punished or mitigated. This amendment will mitigate for the farmers who were discriminated against.

Too many farmers and communities have been affected by this travesty, Mr. President. I am pleased that the U.S. Senate has chosen not to remain silent.

In reaching a resolution, I particularly thank Senator Cochran, Senator Bumpers, Senator Grassley, Senator Lugar, and their staffs, and my staff for their hard work. I also thank Secretary Glickman and his staff at USDA and the staff at the Department of Justice for their commitment and hard work on this amendment.

Finally, I especially acknowledge and thank the White House for its unwavering support of this amendment and of these farmers. While it has been a challenge to work on the spending issues, and reach agreement on the offsets, I believe the result was well worth the effort. What we have done today, Mr. President, is right, just, and long overdue.

With that, I yield the floor and seek action on the amendment.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, in deciding on the offsets for this amendment, one of the offsets for $5 million in savings is from funds that would be used by the Department of Agriculture for information technology. These funds are provided through the Commodity Credit Corporation. I have a letter from the Secretary of Agriculture responding to that offset and suggesting that the Department supports it. I want to be sure that we understand one provision in this letter and its implications. He says:

> The statute of limitations waiver is one of my highest priorities in this legislation, and this amendment and its offset have my support. If enacted, USDA will not seek to restore the computer spending reduction through future appropriations.

With that understanding, Mr. President, I am able to support the amendment. It has been my intention to assist the author of the amendment in his effort to get this passed in the Senate.

What it does is to waive, as a legal defense, the statute of limitations that had run on claims that were going to be filed, or that had been filed by certain persons who claim to be the victims of discrimination by the U.S. Department of Agriculture.

This amendment does not guarantee that everybody who has a claim on the basis of discrimination is going to win or is going to prevail if the Department decides to resist. It gives the Department, though, an opportunity to negotiate those claims, to make decisions about which ones are meritorious and which ones are not.

But it does not permit the Department to use as a defense the fact that the statute of limitations has run. It was a peculiar and unique statute of limitations when it was first granted under the authority of previous legislation. It permitted claims to be filed on this basis within a window of opportunity of about 2 years. Most of them fell within this 2-year period.

Some farmers did not understand that they had to file a claim in writing and go through certain steps in order to keep that statute from running, and so there was a lot of misunderstanding about the fact that this statute had been imposed and limited to the duration within which claims could be filed.

Some lawsuits have been filed now contesting the statute. This is an effort to say to those claimants that we are not going to let you have your claim fail on the basis of not having complied with that early 2-year statute of limitations. So that is going to be removed. Your claim will be decided now on its merits. And that is up to the Department; and that is up to the claimants.

That is my understanding of the amendment. I congratulate the Senator for his initiative and his hard work in getting us to this point. We support the amendment and hope the Senate will approve it.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from the great State of Arkansas.

Mr. BUMPERS. Let me again echo the very eloquent words of the chairman, and for the purposes of the Record state this has been sort of a festering sore down at the Department of Agriculture for some time. I know the President is personally—very personally—interested in the extension of the statute of limitations so nobody who has a meritorious claim will be denied that claim simply because he did not understand the intricacies affecting his claim.

By the same token, I think it is well, for the Record, to say—and I think this is precisely what has been said by the chairman; I will simply repeat it—we are not making a judgment on the merits of a single claim. We are simply saying that if you have a claim that has merit, we are going to give you a chance to present it; and hopefully it will be decided in a very judicial way and a justifiable way.

So with that little caveat, I congratulate Senator Robb. He has worked diligently to try to find offsets in order to offer this. He has done a magnificent job. I thank the Department of Agriculture and the White House for their cooperation.

With that, on this side of the aisle we are prepared to accept the amendment, Mr. President.

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. I thank the Senator from Mississippi and the Senator from Arkansas for their long-suffering understanding and help on this amendment.

I add, lest anyone be concerned—or to add to the discussion which was right on the money—that any claims that exceed $75,000 will actually be reviewed by the Justice Department. So in addition to the claims being reviewed by the Department of Agriculture, the Justice Department would review a claim in excess of that particular amount. This gives an additional screen for claims that might be viewed as excessive in any way, shape or form. But the bottom line is, as both Senators have suggested, this removes an impediment that otherwise would bar a meritorious claim. And it does nothing more than that.

Mr. COCHRAN. Mr. President, I ask unanimous consent that a copy of the letter from Secretary of Agriculture Dan Glickman to me that I referred to be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Agriculture,
Washington, DC, July 16, 1998.

Hon. Thad Cochran,
Chairman, Subcommittee on Agriculture, Rural Development, and Related Agencies, U.S. Senate, Washington, DC.

Dear Thad: During the Senate's consideration of the fiscal year 1999 agricultural appropriations bill, I understand the Senate may consider an amendment waiving statute of limitations preventing the Department of Agriculture (USDA) from properly resolving certain civil rights complaints. I understand further, to offset the additional spending that would result from such a provision, the amendment may reduce spending for Farm Service Agency and other USDA information technology funded through the Commodity Credit Corporation by as much as $5 million.

The statute of limitations waiver is one of my highest priorities in this legislation, and this amendment and its offset have my support. If enacted, USDA will not seek to restore the computer spending reduction through future appropriations.

I appreciate your consideration of my views and your support for this amendment.

With best personal regards, I am

Sincerely,

Dan Glickman,
Secretary.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3177) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. ROBB. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3176

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut is recognized.

Mr. DODD. Mr. President, let me return to the amendment to mention several people here who deserve a great deal of credit for bringing this issue to the attention of Congressman Shays and myself.

Betty Patterson is the nurse at St. Theresa's School in Trumbull, CT. There are thousands and thousands of school nurses all across America who probably don't get enough credit for the work and job they do every day, caring for our children while they are away at school. It was Betty Patterson who came across the notification that the EPI-PEN had been recalled, and knew that one of the students in the St. Theresa school, Matthew, would need to get a safe and effective replacement.

First, I want to congratulate Betty Patterson for the tremendous job she did.

Second, I'd like to commend Karen McGarry, Mathew's mother, who, discovering that her pharmacist had not notified his patients, contacted the Connecticut Post, a major newspaper in my home State of Connecticut, to look into the matter. And I'd like to commend Michael Mayko of the Connecticut Post who wrote stories on this incident and did the checking to discover that there was no Federal law or State law that required that consumers be notified. So I want to thank him for doing so much to highlight this important story.

Of course, I want to thank Matthew himself, who is one of 1.47 million people in this country who suffer from severe allergies and must rely on products like the Epi-Pen, for telling his story.

Mr. President, I'd like to once again restate that this amendment simply says that the Food and Drug Administration, when working with manufacturers to plan a class I recall, should take all appropriate measures to ensure that consumers are directly and promptly notified. I think most would agree this should be a commonsense requirement.

For those reasons, Mr. President, I hope my colleagues will feel confident in supporting this amendment. I don't seek any recorded votes on it. If the majority and minority can accept it, I am prepared to conclude the debate and go to other amendments. I don't know what their pleasure is.

I see my distinguished floor manager rising. I yield to him.

The PRESIDING OFFICER. The distinguished floor manager.

Mr. COCHRAN. Mr. President, I appreciate the Senator's indulgence. We are trying to get the reaction of the Food and Drug Administration and the legislative committee that has jurisdiction over this subject. I don't have an answer from them yet as to whether they want me to move to table the amendment or try to amend it to make it consistent with their wishes, or to suggest that we accept it.

The Senator said that a Member of the House, the other body, has offered this as an amendment over there. Has it been passed in a freestanding bill, or is it on this bill, does the Senator know?

Mr. DODD. I say to my colleague, I am informed the bill has been introduced by Congressman Shays, whom I know my colleague and friend from Mississippi knows. I don't believe they have moved the bill over there.

By the way, we have checked with the FDA and the words they use—we have included and incorporated the comments of the FDA in the legislative proposal.

Mr. COCHRAN. I thank the Senator.

Mr. DODD. If my colleagues want to move to another amendment, I am more than happy to set this aside.

Mr. BUMPERS. I ask unanimous consent that the Dodd amendment be temporarily laid aside while we deal with some amendments that are agreed to, at the conclusion of which, we will automatically return to the Dodd amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, let me thank the distinguished Senator from Connecticut for his agreement to set aside his amendment while we proceed to other business so we can near the time we are ready to conclude action on this bill. We hope that will be soon.

We have nine amendments that I think have been cleared on both sides. My proposal would be that we consider them en bloc and that they be approved en bloc, and statements relating to the amendments be printed in the RECORD, and that motions to reconsider the votes and to table the motions to reconsider be considered as passed. That will be my request. I want to be sure that we do have the list, and I will read the list for the benefit of my comanager of this bill.

There is a Brownback amendment on the census of agriculture, a Levin amendment on tree assistance, an amendment for Senators KERREY and ROBERTS on farm policies studies.

Mr. BUMPERS. Mr. President, would the Senator yield just a moment. What was the Levin amendment?

Mr. COCHRAN. The Levin amendment is regarding tree assistance—disaster assistance for tree plants.

Mr. BUMPERS. I have fire blights.

Mr. COCHRAN. It is fire blights.

A Graham amendment for country-of-origin produce labeling, a Bumpers amendment relating to sense of the Senate on program funding levels, a Feingold and Jeffords amendment on small farms, a Dorgan amendment relating to planting penalty limitation, a Craig and Lugar amendment on biodiesel fuel, and a Bumpers amendment on Rural Housing Service Award.

We had cleared a Hatch amendment on interstate meat distribution, and we understand a question has been raised by a colleague.

We understand the question has been answered, so we can now add the tenth amendment to the list, by Senator HATCH, interstate meat distribution plan, and a colloquy that would go along with that.

Those are 10 amendments that have been cleared on this side. If the distinguished comanager of the bill agrees, I am prepared to offer a unanimous consent request that they be considered en bloc and agreed to en bloc.

Mr. BUMPERS. Mr. President all of those amendments have been cleared on this side.

AMENDMENTS NOS. 3178 THROUGH 3187, EN BLOC

Mr. COCHRAN. Mr. President, I ask unanimous consent that those amendments that I read in the list be considered en bloc, agreed to en bloc, that motions to table the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes amendments No. 3178 through 3187, en bloc.

The amendments agreed to en bloc are as follows:

AMENDMENT NO. 3178

(Purpose: To direct the Secretary of Agriculture to improve the Census of Agriculture by eliminating redundant questions and removing penalties)

On page 67, after line 23, add the following:

SEC. 7 . CENSUS OF AGRICULTURE.

(a) IN GENERAL.—Section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) is amended—

(1) in subsection (b) by inserting at the end the following: "In fiscal year 1999 the Secretary of Agriculture is directed to continue to revise the Census of Agriculture to eliminate redundancies in questions asked of farmers by USDA.";

(2) in subsection (d) by deleting in paragraph (1) "who willfully gives" and inserting in its place "shall not give", and deleting ", shall be fined not more than $500";

(3) in subsection (d) by deleting in paragraph (2) "who refuses or willfully neglects" and inserting in its place "shall not refuse or willfully neglect", and deleting ", shall not be fined more than $100";

AMENDMENT NO. 3179

(Purpose: To authorize the Secretary of Agriculture to use certain funds to carry out a tree assistance program and to clarify the eligibility of certain producers for assistance under the program)

On page 67, after line 23, add the following:

SEC. ___. TREE ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture may use funds for the assistance made available under Public Law 105–174, to carry out a tree assistance program to owners of trees that were lost or destroyed as a result of a disaster or emergency that was declared by the President or the Secretary of Agriculture during the period beginning May 1, 1998, and ending August 1, 1998, regardless of whether the damage resulted in loss or destruction after August 1, 1998.

(b) ADMINISTRATION.—Subject to subsection (c), the Secretary shall carry out the program, to the maximum extent practicable, in accordance with the terms and conditions of the tree assistance program established under part 783 of title 7, Code of Federal Regulations.

(c) ELIGIBILITY.—A person shall be presumed eligible for assistance under the program if the person demonstrates to the Secretary that trees owned by the person were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation that was caused by a disaster or emergency described in subsection (a).

AMENDMENT NO. 3180

(Purpose: To require the Secretary of Agriculture to assist the Commission on 21st Century Production Agriculture to conduct a study to guide the development of future Federal agricultural policies)

On page 67, after line 23, add the following:

SEC. 7___. STUDY OF FUTURE FEDERAL AGRICULTURAL POLICIES.

(a) IN GENERAL.—On the request of the Commission on 21st Century Production Agriculture, the Secretary of Agriculture, acting through the Chief Economist of the Department of Agriculture, shall make assistance and information available to the Commission to enable the Commission to conduct a study to guide the development of future Federal agricultural policies.

(b) DUTIES.—In conducting the study, the Commission shall—

(1) examine a range of future Federal agricultural policies that may succeed the policies established under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for the 2003 and subsequent crops, and the impact of such policies on farm income, the structure of agriculture, trade competitiveness, conservation, the environment and other factors;

(2) assess the potential impact of any legislation enacted through the end of the 105th Congress on future Federal agricultural policies; and

(3) review economic agricultural studies that are relevant to future Federal agricultural policies.

(c) REPORT.—Not later than December 31, 1999, the Commission shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate the results of the study conducted under this section.

AMENDMENT NO. 3181

(Purpose: To require country of origin labeling of perishable agricultural commodities imported into the United States and to establish penalties for violations of the labeling requirements)

On page 67, after line 23, add the following:

SEC. ___. INDICATION OF COUNTRY OF ORIGIN OF IMPORTED PERISHABLE AGRICULTURAL COMMODITIES.

(a) DEFINITIONS.—In this section:

(1) FOOD SERVICE ESTABLISHMENT.—The term "food service establishment" means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility, operated as an enterprise engaged in the business of selling foods to the public.

(2) PERISHABLE AGRICULTURAL COMMODITY; RETAILER.—The terms "perishable agricultural commodity" and "retailer" have the meanings given the terms in section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)).

(b) NOTICE OF COUNTRY OF ORIGIN REQUIRED.—Except as provided in subsection (c), a retailer of a perishable agricultural commodity imported into the United States shall inform consumers, at the final point of sale of the perishable agricultural commodity to consumers, of the country of origin of the perishable agricultural commodity.

(c) EXEMPTION FOR FOOD SERVICE ESTABLISHMENTS.—Subsection (b) shall not apply to a perishable agricultural commodity imported into the United States to the extent that the perishable agricultural commodity is—

(1) prepared or served in a food service establishment; and

(2)(A) offered for sale or sold at the food service establishment in normal retail quantities; or

(B) served to consumers at the food service establishment.

(d) METHOD OF NOTIFICATION.—

(1) IN GENERAL.—The information required by subsection (b) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the imported perishable agricultural commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

(2) LABELED COMMODITIES.—If the imported perishable agricultural commodity is already individually labeled regarding country of origin by the packer, importer, or another person, the retailer shall not be required to provide any additional information to comply with this section.

(e) VIOLATIONS.—If a retailer fails to indicate the country of origin of an imported perishable agricultural commodity as required by subsection (b), the Secretary of Agriculture may assess a civil penalty on the retailer in an amount not to exceed—

(1) $1,000 for the first day on which the violation occurs; and

(2) $250 for each day on which the same violation continues.

(f) DEPOSIT OF FUNDS.—Amounts collected under subsection (e) shall be deposited in the Treasury of the United States as miscellaneous receipts.

(g) APPLICATION OF SECTION.—This section shall apply with respect to a perishable agricultural commodity imported into the United States after the end of the 6-month period beginning on the date of the enactment of this Act.

Mr. GRAHAM. Mr. President, this amendment would require Country of Origin labeling of perishable agricultural commodities imported into the United States. I offer this amendment to ensure that Americans know the origin of every orange, banana, tomato, cucumber, and green pepper on display in the grocery store, and to improve the safety of food consumed by all Americans.

In March of 1996, shoppers throughout California and nineteen other states discovered that the produce they had brought home from the grocery store was accompanied by an uninvited and unwelcome guest—cyclospora, a harmful parasite that invades the small intestine and causes extreme diarrhea, vomiting, weight loss, and severe muscle aches.

Immediately, the federal government's Center for Disease Control (CDC) sprang into action. The agency traced the illness to contaminated Guatemalan raspberries and directed consumers to avoid buying fruit from the Central American nation until the outbreak could be investigated, contained, and eradicated.

Americans take this kind of urgent health directive seriously. But millions of shoppers found that their hands were tied against following the CDC's instructions. In 49 states, consumers discovered that grocery stores were not required to post where their fresh fruits and vegetables had been grown. The information required to prevent other Americans from getting sick simply wasn't available.

Florida was the exception. For nearly twenty years, Floridians shopping at their local Publix, Winn Dixie, Food Lion, and other grocery stores have been able to make educated choices about the food products they purchase for their families. In 1979, in my first year as Governor, I proudly signed legislation to make country-of-origin labels commonplace in produce sections all over Florida.

Country-of-origin labelling is not new to the American marketplace. For decades, "Made In" labels have been as visible as price tags on clothes, toys, television sets, watches, and many other products. It makes no sense that they are nowhere to be found in the produce section of grocery stores in the vast majority of states.

President Clinton has unveiled a number of food safety initiatives over the past several months. Although his plans commendably call for strict safety measures in the growing and harvesting of domestic fruits and vegetables, and establish the U.S. Food and Drug Administration (FDA) as another line of defense against potentially contaminated imported produce, they do not empower individual shoppers with the knowledge they need to make educated choices in the produce section.

As the Guatemalan case illustrated, that is a dangerous omission. The current lack of identifying information on produce means that Americans who wish to heed government health warnings about foreign products or who have justifiable concerns about other nations' labor, environmental, and agricultural standards are powerless to choose other perishibles.

Contrary to many claims opposing this legislation, compliance with a country of origin law would be of minimal cost to our nation's retailers. Both Publix and Winn Dixie have estimated that compliance costs most individual grocery stores less than $10 each month. The total cost for more than 25,000 retail stores in Florida is less than $195,000 annually.

That's a small price to pay for consumers' peace of mind, and to preserve the concept of choice that is the foundation for our Nation's free market system. Any first-year economics student knows that the laws of supply and demand do not work unless consumers have adequate information about goods and services for sale. Fruits and vegetables are no exception.

In addition, a study by the U.S. Department of Agriculture found that twenty-six of our key trading partners, including Guatemala, require country of origin labeling for fresh fruits and vegetables. By adopting this amendment, our law will become more consistent with the laws of our global trading partners, and would not constitute an unfair barrier to trade.

Giving consumers greater confidence in the produce they buy should be a central part of our nation's efforts to improve food safety. Congress can take a major step toward meeting that goal by enacting this amendment, and restoring American shoppers' ability to make an informed decision.

AMENDMENT NO. 3182

(Purpose: To express the sense of the Senate that unauthorized user fees submitted in the President's budget have resulted in shortfalls for specified programs)

FINDINGS.—

The President's budget submission includes unauthorized user fees; It is unlikely these fees will be authorized in the immediate future; The assumption of revenue from unauthorized user fees results in a shortfall of funds available for programs under the jurisdiction of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee;

That among the programs for which additional funds can be justified are:

Human Nutrition Research;

The Food Safety Initiative activities of the USDA and the FDA;

the wetlands Reserve Program;

the Conservation Farm Option Program;

the Farmland Protection Program;

the Inspector General's Law Enforcement Initiative;

FDA pre-notification certification;

FDA clinical pharmacology;

FDA Office of Cosmetics and Color;

the Rural Electric loan programs;

the Pesticide Data Program;

the Rural Community Advancement Program;

civil rights activities; and

Fund Rural America.

Therefore, it is the Sense of the Senate that: In the event an additional allocation becomes available, the above mentioned programs should be considered for funding.

AMENDMENT NO. 3183

(Purpose: To require the Secretary of Agriculture to establish and maintain within the Department of Agriculture an Office of the Small Farms Advocate)

On page 67, after line 23, add the following:

SEC. . OFFICE OF THE SMALL FARMS ADVOCATE.

(a) DEFINITION OF SMALL FARM.—In this section, the term "small farm" has the meaning given the term in section 506 of the Rural Development Act of 1972 (7 U.S.C. 2666).

(b) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall establish and maintain in the Department of Agriculture an Office of the Small Farms Advocate.

(c) FUNCTIONS.—The Office of the Small Farms Advocate shall—

(1) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms;

(2) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms are represented; and

(3) develop and implement a plan to coordinate the effective delivery of services of the Department to small farms.

(d) ADMINISTRATOR.—

(1) APPOINTMENT.—The Office of the Small Farms Advocate shall be headed by an Administrator, who shall be appointed by the President, with the advice and consent of the Senate. Nothing in this Act shall be construed to authorize a net increase in the number of political appointees within the Department of Agriculture.

(2) DUTIES.—The Administrator shall—

(A) act as an advocate for small farms in connection with policies and programs of the Department; and

(B) carry out the functions of the Office of the Small Farms Advocate under subsection (b).

(3) EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Administrator, Office of the Small Farms Advocate, Department of Agriculture.".

(e) RESOURCES.—Using funds that are otherwise available to the Department of Agriculture, the Secretary shall provide the Office of the Small Farms Advocate with such human and capital resources as are sufficient for the Office to carry out its functions in a timely and efficient manner.

(f) ANNUAL REPORT.—The Secretary shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report that describes actions taken by the Office of the Small Farms Advocate to further the interests of small farms.

Mr. FEINGOLD. Mr. President, I rise today to introduce an amendment aimed at preserving America's small farms. This amendment costs nothing and was inspired by a recommendation included in the January, 1998 publication of the National Commission on Small Farms.

Mr. President, there is no question that America's small farms are struggling. Their struggle is detailed in "A Time to Act", the report issued by the National Commission on Small Farms, which outlines the crisis small farmers will face as they enter the next century.

Mr. President, 94% of the farms in America are small farms, yet they receive only 41% of all farm receipts. Simply put 6% of our farms collect 59% of the receipts. Also, data shows that, on average, these farms actually earn a negative return on equity. Mr. President, many feel that one cause of the problem is that USDA does not emphasize the needs of small farms in its strategic plans, partly because Congress does not require that emphasis. References to small farms appear seldom in USDA policy and Congress is to blame. Lets use this opportunity to right a wrong and attempt to preserve small farms throughout the country.

Mr. President, the Feingold amendment will turn the USDA's attention to the plight of the small farmer. This amendment directs the Secretary of Agriculture to establish an Office of the Small Farms Advocate within six months of enactment of the underlying bill. This office will be headed by an Administrator who will be appointed by the President and who will report directly to the Secretary of Agriculture. This office will be created without going outside current budget or personnel resources. The Office of the Small Farms Advocate will ensure that USDA and its programs work to meet the needs of today's small farmers.

The Office of the Small Farms Advocate will accomplish this by: working with all USDA agencies to ensure that they consider the needs of small farmers; providing formal input on major programmatic and policy decisions by USDA agencies; developing a plan to enhance small farm program delivery at USDA; and being a constant advocate for small farms and small farm policies.

Let me assure my colleagues that it is not my intention to create another layer of bureaucracy—it is my intention to coordinate USDA programs to meet small farmer needs and make the bureaucracy more responsive.

Mr. President, this amendment will not increase USDA's authorized budget, but instead directs USDA to use its current financial and personnel resources. Finally, this amendment does not increase the number of political appointees within the Department of Agriculture.

Mr. President, day after day, season after season, we are losing small farms at an alarming rate. In the United States, we have 300,000 less farms than we did in 1979. In 1980, there were 45,000 dairy farms in Wisconsin. In 1997, there are only 24,000 dairy farms. That is a loss of more than 3 dairy farms a day—every day for 18 years. And it does not begin to measure the human cost to families driven from the land. As small farms disappear, we are witnessing the emergence of larger agricultural operations. This trend toward fewer but larger dairy operations is mirrored in most states throughout the Nation.

For many of the rural communities of Wisconsin, small family-owned farms are the key component of the community. They provide economic and social stability. The reduction in the number of small farms has hurt their neighbors as well and deprived the merchants on Main Street of many lifelong customers. We need a system in which small farms can be viable and the work of the producer can be fairly rewarded.

Mr. President, many feel federal policy and federal investments focus almost solely on the needs of larger scale agricultural producers—neglecting the specific research needs of small producers. Small producers need more Federal research and extension activity devoted to the development of these alternatives. It is my hope that this new office at USDA will be committed to help develop and promote production and marketing systems that specifically address the needs of small farms. This bias has hamstrung small farmers, depriving them of the tools they need to adapt to changes in farming and the marketplace and accelerating the trend toward increased concentration.

Mr. President, this country's small producers should not be forced to become larger in order to remain competitive. Bigger is not necessarily better. Maintaining the economic viability of small operations has benefits beyond those gained by farmers and the communities in which they reside; they can also provide environmental benefits. For example, as operations expand, manure storage and management practices become more costly and more burdensome for the operator and raise additional regulatory concerns associated with runoff and water quality among State and Federal regulators. Federal policy that helps small operators to remain competitive and profitable without dramatic expansion will help minimize these concerns. And in fact, Mr. President, expansion is often counterproductive for small operations, requiring them to take on even greater debt. Unfortunately, federal agriculture policy has put many producers in a situation where they must choose to expand their operations or throw in the towel. Farmers should not be forced into that position. We must provide the tools necessary for farmers to survive and prosper regardless of the size of their operation.

We all congratulated the USDA when it convened the National Commission on Small Farms in July 1997. We applauded the appointment of farmers, ranchers, staff of nonprofit farm and farmworker advocacy organizations, Extension professionals, current and former public officials, and philanthropic foundation program staff. We all held up the final report as our signal to rural America that we were going to do something. Mr. President, we haven't done anything yet. The Commission important report and recommendation have fallen by the wayside. It would be a travesty if the U.S. Government spent taxpayer money on a worthwhile project such as this—then didn't act on those recommendations. This amendment is the first step in our commitment to not preserve a large sector of our agriculture community, and an important piece of America's heritage.

I urge my colleagues to support this no-cost, pro-farmer amendment and yield back the balance of my time.

AMENDMENT NO. 3184

(Purpose: To limit the penalty for an inadvertent violation of a contract under the Agricultural Market Transition Act)

On page 67, after line 23, add the following:

SEC. 7___. LIMIT ON PENALTY FOR INADVERTENT VIOLATION OF CONTRACT UNDER THE AGRICULTURAL MARKET TRANSITION ACT.

If an owner or producer, in good faith, inadvertently plants edible beans during the 1998 crop year on acreage covered by a contract under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) the Secretary of Agriculture shall minimize penalties imposed for the planting to prevent economic injury to the owner or producer.

AMENDMENT NO. 3185

(Purpose: To amend the Energy Policy Act of 1992 to take into account newly developed renewable energy-based fuels and to equalize alternative fuel vehicle acquisition incentives to increase the flexibility of controlled fleet owners and operators, and for other purposes)

On page 67 after line 23 add the following new section:

SEC. .

(1) SHORT TITLE; TABLE OF CONTENTS

(a) Short Title.—This Act may be cited as the "Biodiesel Energy Development Act of 1998".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Amendment to the Energy Policy and Conservation Act.
Sec. 4. Minimum Federal fleet requirement.
Sec. 5. State and local incentives programs.
Sec. 6. Alternative fuel bus program.
Sec. 7. Alternative fuel use in nonroad vehicles, engines, and marine vessels.
Sec. 8. Mandate for alternative fuel providers.
Sec. 9. Replacement fuel supply and demand program.
Sec. 10. Modification of goals; additional rulemaking authority.
Sec. 11. Fleet requirement program.
Sec. 12. Credits.
Sec. 13. Secretary's recommendation to Congress.

(2) DEFINITIONS.

Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended—

(1) in paragraph (2), by striking "derived from biological materials" and inserting "derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume";

(2) in paragraph (8), by striking subparagraph (B) and inserting the following:

"(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel.";

(3) by redesignating paragraphs (11) through (14) as paragraphs (12), (14), (15), and (16), respectively;

(4) by inserting after paragraph (10) the following:

"(11) the term 'heavy duty motor vehicle' means a motor vehicle or marine vessel that is greater than 8,500 pounds gross vehicle weight rating;";

(5) by inserting after paragraph (12) (as redesignated by paragraph (3)) the following:

"(13) the term 'marine vessel' means a motorized watercraft or other artificial contrivance used as a means of transportation primarily on the navigable waters of the United States;";

(6) in paragraph (15) (as redesignated by paragraph (3)), by striking "biological materials" and inserting "domestically produced renewable biological materials (including biodiesel)".

(3) AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT.

Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amended—

(1) in the second sentence of subsection (a)(3)(B), by striking "vehicles converted to use alternative fuels may be acquired if, after conversion," and inserting "existing fleet vehicles may be converted to use alternative fuels at the time of a major vehicle overhaul or rebuild, or vehicles that have been converted to use alternative fuels may be acquired, if"; and

(2) in subsection (g)—

(A) in paragraph (2), by striking "derived from biological materials" and inserting "derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume";

(B) in paragraph (5), by striking subparagraph (B) and inserting the following:

"(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel; and"; and

(C) in paragraph (6), by inserting "or marine vessel" after "a vehicle".

(4) MINIMUM FEDERAL FLEET REQUIREMENT.

Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(2) by inserting after subsection (b) the following:

"(c) Heavy Duty and Dual-Fueled Vehicle Compliance Credits.—

"(1) In general.—For purposes of meeting the requirements of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to acquire 1 heavy duty alternative fueled vehicle in place of 2 light duty alternative fueled vehicles.

"(2) Additional credits.—For purposes of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to take an additional credit for the purchase and documented use of alternative fuel used in a dual-fueled vehicle, comparable conventionally-fueled motor vehicle, or marine vessel.

"(3) Accounting.—

"(A) In general.—In allowing a credit for the purchase of a dual-fueled vehicle or alternative fuel, the Secretary may request a Federal agency to provide an accounting of the purchase.

"(B) Guidelines.—The Secretary shall include any request made under subparagraph (A) in the guidelines required under section 308.

"(4) Fuel and vehicle neutrality.—The Secretary shall carry out this subsection in a manner that is, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.".

(5) STATE AND LOCAL INCENTIVES PROGRAMS.

(a) Establishment of program.—Section 409(a) of the Energy Policy Act of 1992 (42 U.S.C. 13235(a)) is amended—

(1) in paragraph (2)(A), by striking "alternative fueled vehicles" and inserting "light and heavy duty alternative fueled vehicles and increasing the use of alternative fuels"; and

(2) in paragraph (3)—

(A) in subparagraph (B), by inserting after "introduction of" the following: "converted or acquired light and heavy duty";

(B) in subparagraph (E), by inserting after "of sales of" the following: ", incentives toward use of, and reporting requirements relating to"; and

(C) in subparagraph (G)—

(i) by redesignating clauses (i) through (iii) as clauses (ii) through (iv), respectively; and

(ii) by inserting after "cost of—" the following:

"(I) alternative fuels;".

(b) Federal Assistance to States.—Section 409(b) of the Energy Policy Act of 1992 (42 U.S.C. 13235(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(D) grants of Federal financial assistance for the incremental purchase cost of alternative fuels.";

(2) in paragraph (2)(B), by inserting after "be introduced" the following: "and the volume of alternative fuel likely to be consumed"; and

(3) in paragraph (3)—

(A) by inserting "alternative fuels and" after "in procuring"; and

(B) by inserting "fuels and" after "of such".

(C) General provisions.—Section 409(c)(2)(A) of the Energy Policy Act of 1992 (42 U.S.C. 13235(c)(2)(A)) is amended by inserting after "alternative fueled vehicles in use" the following: "and volume of alternative fuel consumed".

(6) ALTERNATIVE FUEL BUS PROGRAM.

Section 410(c) of the Energy Policy Act of 1992 (42 U.S.C. 13236(c)) is amended in the second sentence by striking "and the conversion of school buses to dedicated vehicles" and inserting "the incremental cost of alternative fuels used in flexible fueled school buses, and the conversion of school buses to alternative fueled vehicles".

(7) ALTERNATIVE FUEL USE IN NONROAD VEHICLES, ENGINES, AND MARINE VESSELS.

Section 412 of the Energy Policy Act of 1992 (42 U.S.C. 13238) is amended—

(1) in the section heading, by striking "and engines" and inserting ", engines, and marine vessels";

(2) by striking "vehicles and engines" each place it appears in subsections (a) and (b) and inserting "vehicles, engines, and marine vessels";

(3) in subsection (a)—

(A) in the subsection heading, by striking "NONROAD VEHICLES AND ENGINES" and inserting "IN GENERAL";

(B) in paragraph (1)—

(i) in the first sentence, by striking "a study" and inserting "studies"; and

(ii) in the second sentence—

(I) by striking "study" and inserting "studies"; and

(II) by striking "2 years" and inserting "2, 6, and 10 years";

(C) in paragraph (2)—

(i) by striking "study" each place it appears and inserting "studies"; and

(ii) in the second sentence, by inserting "or marine vessels" after "such vehicles"; and

(D) in paragraph (3)—

(i) by striking "report" and inserting "reports"; and

(ii) by striking "may" and inserting "shall"; and

(4) in subsection (b)—

(A) in the subsection heading, by striking "AND ENGINES" and inserting ", ENGINES, AND MARINE VESSELS"; and

(B) by striking "rail transportation, vehicles used at airports, vehicles or engines used for marine purposes, and other vehicles or engines" and inserting "rail and waterway transportation, vehicles used at airports and seaports, vehicles or engines used for marine purposes, marine vessels, and other vehicles, engines, or marine vessels''.

(8) MANDATE FOR ALTERNATIVE FUEL PROVIDERS.

Section 501 of the Energy Policy Act of 1992 (42 U.S.C. 13251) is amended—

(1) in subsection (a)(1), by inserting "or heavy" after "new light"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "and" at the end;

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(3) allow the conversion of an existing fleet vehicle into a dual-fueled alternative fueled vehicle at the time of a major overhaul or rebuild of the vehicle, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.".

(9) REPLACEMENT FUEL SUPPLY AND DEMAND PROGRAM.

Section 502 of the Energy Policy Act of 1992 (42 U.S.C. 13252) is amended—

(1) in the first sentence of subsection (a), by inserting "and heavy" after "in light"; and

(2) in the first sentence of subsection (b), by inserting after "October 1, 1993," the following: "and every 5 years thereafter through October 1, 2008,".

(10) MODIFICATION OF GOALS; ADDITIONAL RULEMAKING AUTHORITY.

Section 504 of the Energy Policy Act of 1992 (42 U.S.C. 13254) is amended—

(1) in the first sentence of subsection (a), by striking "and periodically thereafter" and inserting "consistent with the reporting requirements of section 502(b)"; and

(2) in subsection (c), by inserting after the first sentence the following: "Any additional regulation issued by the Secretary shall be, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.".

(11) FLEET REQUIREMENT PROGRAM.

(a) FLEET PROGRAM PURCHASE GOALS.—Section 507(a)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13257(a)(1)) is amended by inserting "acquired as, or converted into," after "shall be".

(b) FLEET REQUIREMENT PROGRAM.—Section 507(g) of the Energy Policy Act of 1992 (42 U.S.C. 13257(g)) is amended—

(1) in paragraph (1), by inserting "acquired as, or converted into," after "shall be";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

"(4) SUBSTITUTIONS.—The Secretary shall, by rule, permit fleets covered under this section to substitute the acquisition or conversion of 1 heavy duty alternative fueled vehicle for 2 light duty vehicle acquisitions to meet the requirements of this subsection.".

(c) CONVERSIONS.—Section 507(j) of the Energy Policy Act of 1992 (42 U.S.C. 13257(j)) is amended—

(1) by striking "Nothing in" and inserting the following:

"(1) IN GENERAL.—Subject to paragraph (2), nothing in"; and

(2) by adding at the end the following:

"(2) CONVERSION INTO ALTERNATIVE FUELED VEHICLES.—

"(A) IN GENERAL.—A fleet owner shall be permitted to convert an existing fleet vehicle into an alternative fueled vehicle, and purchase the alternative fuel for the converted vehicle, for the purpose of compliance with this title or an amendment made by this title, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.

"(B) CREDITS.—A fleet owner shall be allowed a credit for the conversion of an existing fleet vehicle and the purchase of alternative fuel for the vehicle.".

(d) MANDATORY STATE FLEET PROGRAMS.—Section 507(o) of the Energy Policy Act of 1992 (42 U.S.C. 13257(o)) is amended—

(1) in paragraph (1)—

(A) by inserting "or heavy" after "new light"; and

(B) by inserting "or converted" after "acquired"; and

(2) in the first sentence of paragraph (2)(A)—

(A) by striking "this Act" and inserting "the Biodiesel Energy Development Act of 1997"; and

(B) by inserting after "of light" the following: "or heavy duty alternative fueled".

(12) CREDITS.

(a) IN GENERAL.—Section 508(a) of the Energy Policy Act of 1992 (42 U.S.C. 13258(a)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—The Secretary"; and

(2) by adding at the end the following:

"(2) ALTERNATIVE FUEL.—The Secretary shall allocate a credit to a fleet or covered person that acquires a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle acquired or converted by the fleet or covered person as required under this title.".

(b) ALLOCATION.—Section 508(b) of the Energy Policy Act of 1992 (42 U.S.C. 13258(b)) is amended—

(1) by striking "In allocating credits under subsection (a)," and inserting the following:

"(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—In allocating credits under subsection (a)(1),"; and

(2) by adding at the end the following:

"(2) DUAL-FUELED VEHICLES; ALTERNATIVE FUEL.—In allocating credits under subsection (a)(2), the Secretary shall allocate 2 credits to a fleet or covered person for acquiring or converting a dual-fueled vehicle and acquiring a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle if the dual-fueled vehicle acquired is in excess of the number that the fleet or covered person is required to acquire or is acquired before the date that the fleet or covered person is required to acquire the number under this title.".

(13) SECRETARY'S RECOMMENDATION TO CONGRESS.

Section 509(a) of the Energy Policy Act of 1992 (42 U.S.C. 13259(a)) is amended—

(1) in paragraph (1), by inserting before the semicolon at the end the following: "and exempting replacement fuels from taxes levied on non-replacement fuels"; and

(2) in paragraph (2)—

(A) by inserting "and converters" after "suppliers"; and

(B) by inserting before the semicolon the following: ", including the conversion and warranty of motor vehicles into alternative fueled vehicles".

Mr. JOHNSON. Mr. President, renewable alternative fuels benefit energy security, the environment, and our overall economy. The amendment being offered today by Senator CRAIG and myself is critically important to soybean farmers across the country, and will do a great deal to give the ag economy a shot in the arm in states which produce soybeans.

Since the Farm Bill took affect two years ago, soybean prices have dropped 15 percent, costing soybean producers in South Dakota about a hundred million dollars in lost revenue. The Craig/Johnson amendment could help offset these losses by boosting soybean prices an average of 11 cents a bushel and generating about $10 million in additional revenue for South Dakota soybean farmers and more than $300 million for soybean farmers nationwide without costing taxpayers one dime.

This amendment makes changes to the Energy Policy Act of 1992. As most know, EPACT was enacted to stimulate the research and development of technologies which can potentially shift the focus of national energy demand away from imported oil and toward renewable or domestically produced energy sources. One component of energy consumption on which EPACT focuses is significantly reducing the amount of imported oil used by the transportation sector. The stated goal in EPACT is to replace 10 percent of petroleum by the year 2000 and 30 percent by the year 2010 with alternative fuels.

This amendment is necessary because unfortunately, EPACT's current mandates and incentive structure essentially exclude some alternative fuels, such as biodiesel, from being an option for controlled fleet owners and operators. Further, the amendment will aid in the achievement of EPACT's goals of strengthening America's energy security through the substitution of domestically produced alternative fuels for imported petroleum products in the transportation sector. The latter point is important because this country is making extremely poor progress toward meeting the petroleum displacement goals of EPACT, and even federal fleets are not in compliance with the requirements of this statute.

However, it is my understanding that Senators BUMPERS and ROCKEFELLER have some concerns about the impact the amendment will have on other alternative fuels currently eligible under EPACT. Is that correct?

Mr. BUMPERS. Yes, Senator JOHNSON, I do have some concerns about the amendment. However, I am prepared to accept the amendment today if I can secure a commitment from the Senator from South Dakota to sit down and address my concerns between passage of the Senate's legislation today and completion of action by the conference committee. Can I have that commitment from you, Senator JOHNSON?

Mr. JOHNSON. Certainly, and I very much appreciate your willingness to work with me on this issue. Senator

ROCKEFELLER, would you be willing to accept the amendment today knowing that we will be sitting down between now and the completion of the conference committee to work out a compromise to address your concerns?

Mr. ROCKEFELLER. While you are correct that I have concerns about specific provisions in the amendment, I also have concerns about the process by which we have taken up this issue. One of my top legislative priorities since coming to Congress has been the promotion of alternative fuels, and I am concerned that today's action is only a band-aid on a program which needs major surgery. However, I am prepared to accept the amendment today with the commitment to work together in the coming weeks to find a compromise to address my concerns.

Mr. JOHNSON. Thank you, Senator ROCKEFELLER. I look forward to working with you on this specific issue in the coming weeks, and on the larger issue of more effectively promoting the use of all alternative fuels in the coming months and in future congresses. I also want to thank Senator CRAIG and Chairman COCHRAN for their leadership on this amendment, and look forward to working with them during the coming weeks to find a compromise on this important issue prior to completion of action by the conference committee.

AMENDMENT NO. 3186

[The text of the amendment will appear in a future issue of the RECORD.]

AMENDMENT NO. 3187

(Purpose: To require the Secretary of Agriculture to submit a plan to Congress for the lifting of the ban on interstate distribution of state inspected meat)

The Secretary of Agriculture shall present to Congress a report on whether to recommend by March 1, 1999, lifting the ban on the interstate-distribution of state inspected meat.

Mr. COCHRAN. Mr. President, I ask unanimous consent that Senator ROBERTS be added as a cosponsor to the biodiesel amendment, amendment No. 3185.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I and my colleague from Vermont Senator JEFFORDS, would like to engage Senator COCHRAN, Senator BUMPERS, Senator GRAHAM, and Senator MACK in a colloquy regarding Senator GRAHAM's disaster assistance amendment. I can certainly sympathize with what Senator GRAHAM and Senator MACK are trying to do tonight with this amendment, and I support their amendment. The fires that have struck Florida in recent weeks have shocked people from across the country, and undoubtedly the damage to agriculture in the state has been severe. However, I would like to bring attention to the fact that a number of other states have also suffered significant damage from natural disasters in recent months. My own state of Vermont suffered significant flooding early this month. Eight of the state's fourteen counties were declared disaster areas. Other parts of the country are also suffering agricultural damage including areas of the west and southeast which are suffering serious drought conditions. Damage from these disasters is still being determined, however by the time we go to conference with the House on the Agriculture Appropriations bill, we will have a better idea about the extent of those damages. I hope that at that point we can revisit this disaster assistance and adjust the funding levels to reflect the full extent of agricultural damage from natural disasters being suffered by farmers throughout the country.

Mr. JEFFORDS. I would like to join Senator LEAHY in expressing my hope that we can revisit the issue of disaster assistance funding in conference. Senator LEAHY and I toured the damage in Vermont following the flooding there earlier this month, and the damage for farmers in affected areas was indeed severe. Those farmers are going to need assistance and I hope that we will be able to provide it in this bill.

Mr. COCHRAN. I agree with the Senators from Vermont that there are areas of the country suffering agricultural damage as a result of natural disasters and the needs of these areas should be addressed. The Administration should review the damage estimates from affected areas and request any emergency funding required to address those additional needs.

Mr. BUMPERS. I am in full agreement with Senator COCHRAN. While the need of farmers in Florida is clear and pressing, other farmers are also suffering as a result of the many disasters which have struck the country this year. The final conference agreement on this provision should reflect the full extent of damage to farmers in all affected regions of the country.

Mr. GRAHAM. I appreciate the support of Senator COCHRAN and Senator BUMPERS for our amendment and agree that it would be appropriate to address any additional needs of farmers from other disaster-stricken regions in conference.

Mr. MACK. I would like to join my colleagues in agreement that appropriate action to meet the needs of farmers in disaster-stricken areas throughout the nation should be taken in conference.

WILDLIFE SERVICES DIVISION OF APHIS AERIAL SAFETY STUDY

Mr. BURNS. Senator COCHRAN, I would like to discuss recent problems that have been facing the Wildlife Services aerial program.

Mr. COCHRAN. Mr. President, I understand that the Wildlife Services Division of APHIS has recently completed a full, independent review of their aerial program.

Mr. BURNS. That's absolutely correct. As you know, Wildlife Services provides a broad range of services across the country and the aerial operations program is a key component of these services. In fact, distribution of rabies vaccine baits by Wildlife Services occurred earlier this year in Texas, Ohio, New Hampshire and other states. These activities help protect pets, children and others from the spread of rabies.

Mr. COCHRAN. I understand that the aerial program plays a large role in wolf recovery efforts in the Rocky Mountain West.

Mr. BURNS. That's right. The aerial program helps researchers track radio-collared wolves so we learn about wolf movements, habitat needs and feeding patterns. Without the aerial program it would be much more difficult to tranquilize and relocate wolves preying on domestic livestock. And, in the event of a wolf persists on killing livestock, it enables the program to efficiently remove the specific problem animal.

Mr. COCHRAN. But there have been problems?

Mr. BURNS. Yes. Despite a historically solid safety record, a series of aircraft accidents in the past two years including four fatalities of pilots, have prompted Assistant Secretary Mike Dunn to call for a full outside review.

Mr. COCHRAN. What were the conclusions of this review?

Mr. BURNS. The review found that not enough resources are being devoted to maintaining the safety of the program. Because of increasing demand for their aerial services, the program directs most of their resources into program delivery. This, coupled with ongoing budget constraints have limited the ability of the program to keep pace with developing technology and training in aircraft operations.

It is my understanding that the House has provided funds to address this situation. I hope the Senate conferees on this bill will review the findings of this study in the conference to assess whether additional funding is justified.

Mr. COCHRAN. I appreciate your bringing this study to our attention and we will look into this situation prior to conference.

Mr. CRAIG. Will the Senator from South Dakota yield for purposes of a colloquy?

Mr. JOHNSON. I am happy to enter into a colloquy with the Senator from Idaho.

Mr. CRAIG. The Senator and I have been working together on the Meat Labeling Act of 1998 for some time. Might I ask, what is the Senator's understanding of the Act's impact on meat prepared and served by a restaurant?

Mr. JOHNSON. It is my understanding, as the sponsor of the legislation, that it would have no impact what-so-ever on meat prepared and served by a restaurant. It is not our intent to require labeling of meat prepared and served by a restaurant.

Mr. CRAIG. That is also my understanding and intent. I thank the Senator for his clarification.

Mr. BAUCUS. Mr. President, I rise to discuss my amendment to the Agriculture Appropriations Bill, number 3150. This amendment would provide increased funding for research activities to improve counter-narcotic efforts.

I realize that the Subcommittee faced a very difficult challenge with the level of the funding allocation this year. While I am disappointed that it has been impossible to fund this project at this time, I wish to call the attention of the members of the Subcommittee to this important proposal. I believe it makes sense for the future of the agriculture industry.

This project would increase efforts to use biotechnology in the control of narcotic plants. This research would also enhance traditional agriculture production practices, supplying an important tool in weed control. Biotechnology research promises an economical solution to the spread of noxious weeds and other pests that threaten both public and private land across the nation.

I believe this type of research holds great potential for success in the war on drugs. Related efforts are underway in private industry, but there is great need to increase our efforts. This project would be an important step in that direction.

Finally, I would like to thank the Subcommittee Leadership, Senator BUMPERS and Chairman COCHRAN for their efforts to find funding for this program. And I hope it will be possible for the Subcommittee to give this project strong consideration in the future.

Mr. BUMPERS. I thank Senator BAUCUS for agreeing to look at funding this project in the future. I look forward to working with him on that effort.

Mr. BAUCUS. Thank you Senator BUMPERS, and thanks to the Chairman, as well for his assistance.

Mr. HARKIN. Would the distinguished Senator from Mississippi yield for the purpose of engaging in a colloquy with me on an issue of some concern to food packagers and to the general public?

Mr. COCHRAN. I am pleased to yield to the Senator from Iowa for the purpose of a colloquy.

Mr. HARKIN. As my colleague, the distinguished Chairman of the Subcommittee may know, I have been advised that the Food and Drug Administration Modernization Act of 1997 (FDAMA) authorized a new streamlined pre-market notification system for food packaging materials. The current regulatory process involves significant delays, resulting in lost sales and decisions not to bring new products to market that would improve food safety and protect the public health.

The new notification system will substantially reduce the length of the FDA review process and allow the introduction of advanced packaging materials. The Agency will still, however, receive all of the information needed to establish the safety of packaging materials and will continue to be able to keep unsafe materials off the market.

I also have been advised that FDAMA requires that certain funding criteria be met for the program to take effect as scheduled on April 1, 1999.

The Act calls for funding of the premarket notification program at a level of $1.5 million in FY 1999. I note that the counterpart legislation passed by the House Appropriations Committee currently provides for the sum of $500,000. It is my hope that the distinguished Chairman of the Subcommittee will further address this issue in conference in order for the FDA to implement this important reform as intended by Congress.

Mr. COCHRAN. I agree with my colleague that the implementation of this program would expedite the introduction of improved food packaging materials and will give every consideration to this issue in the Conference Committee.

Mr. President, I think we can announce that additional amendments have now been cleared on both sides of the aisle. There are 4 amendments. Three of them are Coverdell-Cleland amendments, the Senators from Georgia. One involves a prohibition on loan guarantees. Another involves a definition of "farmland." A third involves disaster loan collateral requirements. A fourth Amendment is for Senator HARKIN, and it involves the WIC amendment, and it includes a colloquy.

If my distinguished friend from Arkansas can verify that these have been cleared on his side of the aisle, we are prepared to proceed to ask that they be considered en bloc and agreed to en bloc.

Mr. BUMPERS. May I ask the floor manager, what was the last amendment?

Mr. COCHRAN. The Harkin amendment on the WIC program, together with a colloquy.

Mr. BUMPERS. That has been cleared on this side.

AMENDMENTS NO. 3188 THROUGH 3191, EN BLOC

Mr. COCHRAN. Mr. President, I send four amendments to the desk, en bloc.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes amendments numbered 3188 through 3191, en bloc.

The amendments (Nos. 3188 through 3191), en bloc, are as follows:

AMENDMENT NO. 3188

(Purpose: To modify the prohibition on loan guarantees to borrowers that have received debt forgiveness)

On page 67, after line 23, add the following:

SEC. ___. PROHIBITION ON LOAN GUARANTEES TO BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.

Section 373 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h) is amended by striking subsection (b) and inserting the following:

"(b) PROHIBITION OF LOANS FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—

"(1) PROHIBITIONS.—Except as provided in paragraph (2)—

"(A) the Secretary may not make a loan under this title to a borrower that has received debt forgiveness on a loan made or guaranteed under this title; and

"(B) the Secretary may not guarantee a loan under this title to a borrower that has received—

"(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this title; or

"(ii) received debt forgiveness on no more than 3 occasions on or before April 4, 1996.

"(2) EXCEPTIONS.—

"(A) IN GENERAL.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower that was restructured with a write-down under section 353.

"(B) EMERGENCY LOANS.—The Secretary may make an emergency loan under section 321 to a borrower that—

"(i) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this title; and

"(ii) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this title.".

AMENDMENT NO. 3189

(Purpose: To modify the factors that are used to determine whether applicants are eligible for farm credit loans)

On page 67, after line 23, add the following:

SEC. ___. DEFINITION OF FAMILY FARM.

(a) REAL ESTATE LOANS.—Section 302 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922) is amended by adding at the end the following:

"(c) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(b) OPERATING LOANS.—Section 311 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941) is amended by adding at the end the following:

"(d) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(c) EMERGENCY LOANS.—Section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) is amended by adding at the end the following:

"(e) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(d) EFFECTIVE DATE.—This amendment shall be considered to have been in effect as of January 1, 1977.

AMENDMENT NO. 3190

(Purpose: To prohibit the Secretary of Agriculture from denying an emergency loan to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if it is reasonably certain that the borrower will be able to repay the loan)

On page 67, after line 23, add the following:

SEC. . APPLICABILITY OF DISASTER LOAN COLLATERAL REQUIREMENTS UNDER THE SMALL BUSINESS ACT.

Section 324(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(d)) is amended—

(1) by striking "(d) All loans" and inserting the following:

"(d) REPAYMENT.—

"(1) IN GENERAL.— All loans"; and

(2) by adding at the end the following:

"(2) NO BASIS FOR DENIAL OF LOAN.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall not deny a loan under this subtitle to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if the Secretary is reasonably certain that the borrower will be able to repay the loan.

"(B) REFUSAL TO PLEDGE AVAILABLE COLLATERAL.—The Secretary may deny or cancel a loan under this subtitle if a borrower refuses to pledge available collateral on request by the Secretary.".

AMENDMENT NO. 3191

(Purpose: To include the bonus value of commodities in meeting a minimum commodity assistance requirement and to increase the amount appropriated for the WIC program)

On page 46, line 24, before the period, insert the following: ": *Provided further*, That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g))".

On page 47, line 6, strike "$3,924,000,000" and insert "$3,948,000,000".

Mr. COCHRAN. We are prepared to accept the amendment offered by the Senator from Iowa. We have made a strong effort to provide adequate funding in this bill in order to maintain WIC participation within the budgetary constraints we have faced.

Mr. HARKIN. I certainly appreciate the efforts of the distinguished Chairman to fund WIC adequately within the limitations of the bill. However, analysis supporting the Administration's budget request indicates that the amount provided will not be sufficient to maintain WIC participation at the level it is expected to reach at the end of this fiscal year. Because of the success of WIC. I believe it is important to do whatever we can to ensure that WIC participation does not fall for lack of funding. My amendment provides a portion—but much less than all—of the additional appropriation the Administration believes is necessary to avoid a reduction in WIC participation during fiscal 1999.

Mr. COCHRAN. I certainly want to provide adequate funding to maintain WIC participation. We felt that we were providing sufficient funding in the bill to accomplish that. I would also note that I am concerned about the effect of the offset in the Senator's amendment on the level of commodities that may be purchased and provided to schools for the National School Lunch Program.

Mr. HARKIN. I acknowledge the doubts the Chairman has about the accuracy of the WIC budget request. Also, as the Chairman knows, I share his strong support for the School Lunch Program and for supplying commodities to it. I do have a letter from Secretary Glickman stating my amendment would not have an adverse effect on the School Lunch Program. I would be pleased to work with the Chairman and Senator BUMPERS to obtain a more thorough understanding of the needed level of WIC funding and of the effects of the offset prior to conference on the bill.

Mr. COCHRAN. I appreciate the willingness of the Senator to work with us on these questions.

Mr. HARKIN. I thank the Chairman very much for his cooperation on this amendment and look forward to working with him further on the matter.

Mr. COCHRAN. Mr. President, I ask unanimous consent that those amendments be agreed to, en bloc, and that the motion to table the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 3188 through 3191), en bloc, were agreed to.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3176

Mr. DODD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. Senator DODD's amendment No. 3176 is the pending business.

AMENDMENT NO. 3192 TO AMENDMENT NO. 3176

(Purpose: To amend the Federal Food, Drug, and Cosmetic Act to require the Secretary to ensure timely notification of certain recalls)

Mr. DODD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 3192 to Amendment No. 3176.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the amendment strike all after the first word and insert the following:

. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

(a) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

"(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

"(2) In this subsection:

"(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

"(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.".

(b) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting "or if the recall is a class I recall," after "cannot be identified"; and

(2) by adding at the end the following:

"(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.".

(c) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking "or gross" and inserting "gross"; and

(2) by striking the period and inserting ", or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).".

This section shall take effect one day after date of this bill's enactment.

Mr. DODD. Mr. President, this is a second-degree amendment to my own amendment.

I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DODD. Mr. President, I suggest the absence——

Mr. COCHRAN. Mr. President, if the Senator will withhold. We are hoping that we can get a response to a request we have made of a legislative committee to react to the Senator's amendment. Senator HARKIN is on the floor and has an amendment that he has been prepared to offer for some time. I hope we can proceed in the meantime and dispose of that amendment. Would the Senator object?

Mr. DODD. No.

Mr. COCHRAN. Mr. President, I ask unanimous consent to set aside the Dodd amendment so the Senator from Iowa can offer his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Michele Chang and Matthew Thornblad of my staff have floor privileges for the duration of the consideration of the Agriculture Appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3193

(Purpose: To provide for the conduct of anti-tobacco activities by the Food and Drug Administration)

Mr. HARKIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. REED, Mr. LAUTENBERG, Mr. KENNEDY, and Mr. JOHNSON, proposes an amendment numbered 3193.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. TEEN ANTI-TOBACCO ACTIVITIES.

(a) INCREASE IN FUNDS.—The amount described for salaries and expenses of the Food and Drug Administration under title VI shall be increased from $1,072,640,000 to $1,172,640,000.

(b) USER FEE.—The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall, not later than 60 days after the date of enactment of this Act, and annually thereafter assess and collect from each manufacturer of tobacco products a user fee for the conduct of teen anti-tobacco activities by the Food and Drug Administration.

(c) AMOUNT.—With respect to each year, the user fee assessed to a manufacturer under subsection (b) shall be equal to an amount that bears the same ratio to $150,000,000 as the tobacco product market share of the manufacturer bears to the tobacco market share of all tobacco product manufacturers for the year preceding the year in which the determination is being made.

(d) DEPOSITS.—Amount collected under subsection (b) shall be deposited into the general fund of the Treasury.

(e) APPROPRIATION.—There are authorized to be appropriated in each fiscal year, and there are appropriated, an amount equal to the amount deposited into the Treasury under subsection (d) for that fiscal year, to be used by the Food and Drug Administration to carry out teen anti-tobacco activities under the Federal Food, Drug and Cosmetic Act.

(f) NO REQUIREMENT FOR PAYMENT.—The Secretary shall not require that a manufacturer pay a user fee under this section for any tobacco product for any fiscal year if the Secretary determines that the tobacco product involved as manufactured by the manufacturer is used by less than 0.5 percent of the total number of individuals determined to have used any tobacco product as manufactured by all manufacturers for the year involved.

(g) FINAL DETERMINATION.—The determination of the Secretary as to the amount and allocation of an assessment under subsection (b) shall be final and the manufacturer shall pay such assessment within 30 days of the date on which the manufacturer is assessed. Such payment shall be retained by the Secretary pending final judicial review.

(h) JUDICIAL REVIEW.—The amount of any user fee paid under subsection (b) shall be subject to judicial review by the United States Court of Appeals for the District of Columbia Circuit, based on the arbitrary and capricious standard of section 706(2)(A) of title 5, United States Code. Notwithstanding any other provision of law, no court shall have the authority to stay any payment due to the Secretary under subsection (b) pending judicial review.

Mr. HARKIN. Mr. President, I hope we don't have to take too long on this. I know Senator REED wants to speak. I don't know that too many others want to speak on this amendment. It is a very important amendment. It is simple and straightforward. It simply says that the laws we have that make it illegal to sell tobacco products to kids should be adequately enforced. To do that, the amendment I have just sent to the desk provides full funding for the ongoing anti teen smoking program at the FDA, which is funded through the Agriculture Appropriations bill. It pays for this with an assessment fee on tobacco companies that equals about $25 per teen smoker. The amendment does nothing more or less than that.

It in no way is intended to be a substitute for action on comprehensive tobacco reform. I am hopeful we will still have it. It does not speak for the issue of FDA authority over tobacco products. It does not impact on tobacco company advertising. And it does not impact on tobacco farmers. It simply provides the money necessary to continue an ongoing program, a program that is already in effect, but to do it in a way that is effective.

This amendment is virtually identical to the amendment that Senators CHAFEE, REED, I, and others, offered last September, which passed this body by a vote of 70 to 28 last September.

The bill before us provides $34 million for the FDA antiteen smoking initiative. That was the money that we put in there last September. That was the 70 to 28 vote that added the $34 million. But $134 million is needed to assure that the effort is fully effective. This was the amount requested by the President, and it is basically the same as was requested in the Commerce Committee tobacco bill.

So, again, the amount that is in this amendment is what was requested by the President, and it is about the same as was requested in the Commerce Committee bill that was voted out of the Commerce Committee. Our amendment basically increases the amount in the bill for this purpose from $34 million to $134 million for next year.

As I said, it is fully offset by establishing an assessment fee on tobacco companies based on their share of the tobacco market. Because of budget scoring rules, it is necessary to collect this assessment totaling about $150 million to provide for an additional $100 million needed.

For example, if the total tobacco market in the United States this year is $100 billion, and let's say, for example, Philip Morris has 60 percent of that share, they would pay 60 percent of the $150 million, or $90 million. So the assessment on the tobacco companies is based upon their percentage of the total tobacco market in the United States. As I mentioned, this roughly equates to about $25 per teen smoker.

Mr. President, the amendment, again, returns us to the most fundamental question of our long and ongoing debate on tobacco. The fundamental question is whether we are serious about helping America's kids avoid the deadly addiction of tobacco use, and whether we are prepared to continue and adequately fund an existing program designed to deter illegal sales to children.

As I mentioned last year, this body overwhelmingly affirmed increased funding of the FDA use of the antitobacco initiative with a strong bipartisan vote, as I said earlier, of 70 to 28. That was a vote on the Chafee-Reed-Harkin amendment on September 3 of 1997.

For Senators' elucidation, this is basically the same amendment. It just takes it from $34 million to $134 million. In other words, it fully funds the program so it can be effective. Plainly and simply, this amendment is about America's kids and protecting them from the disease, suffering, and death caused by smoking and nicotine addiction.

With a death toll of more than 400,000 each year, smoking kills more Americans than AIDS, alcohol, motor vehicles, fires, homicides, illicit drugs, and suicide all combined. Mr. President, this is a chart that most graphically illustrates why tobacco is the No. 1 killer in America today. As I said, you can add up all of this—alcohol deaths, accidents, suicides, AIDS, homicides, illegal drugs, fires—and they don't equal the 418,690 deaths caused by tobacco last year.

It is an epidemic. It is an epidemic that begins with underage smoking. We know from the documents that have been released to the various court cases in the States involving the tobacco companies now that they have targeted young people. We know from their documents that 90 percent of adult smokers began at or before the age of 18. We know that for years the tobacco companies have targeted young people to smoke—not older people. They target young people because they know if they can get these young people hooked by the time they are 18, they have got them hooked.

Again, all I ask is look at the advertising the tobacco companies use. It is always young people. It is Joe Camel. It is young people. It is young people on the beach. They are having a lot of fun. And it is designed to get young people. It is not designed for old fogies like me. It is designed for the young people. All you have to do is look at the ads the tobacco companies put out there, and you will know they are trying to get young people hooked.

Today, like every other day, 3,000 young Americans will begin smoking—3,000; 1,000 of them will die every single day. That is more than three jumbo jets full of our children crashing every day. At current smoking rates, 1 million American kids under 18 who are alive today will die from slow suffocation due to a smoking-related disease. They will die hooked up to machines and craving nicotine. And teenage smoking rates are still climbing.

There is a chart that shows the rate among high school seniors. It is at a 17-year high. It has been shooting up ever since the early 1990s. We are now at a 17-year high for youth smoking. The addiction is very real. Almost half of all the kids who experiment with as few as three cigarettes go on to become regular smokers.

More than half of the kids who smoke daily said that they smoked their first cigarette within 30 minutes of waking in the morning. I found that hard to believe. But then I am not a smoker. But I drove from my house one morning. My daughter goes to a local public school out in Virginia. About 7 o'clock in the morning I drove her to school. She had a lot of stuff she had to take. I put her in the car and drove her down to school. You drive down there, and you see all of these kids walking down the streets and on the street corners before they go into school at between 7 and 7:15 in the morning smoking cigarettes. I could hardly believe it at that early hour.

Then I see that more than half of them smoke their first cigarette within 30 minutes of waking in the morning. All you have to do is go to any local school about halfway down the street before the school and watch the kids walking to school and you will see that this is true.

More than 90 percent of kids who smoke or use spit tobacco experience at least one symptom of nicotine withdrawal when they try to quit. When they say you have a choice to smoke or not, once these kids are hooked, I tell you, they don't have much of a choice.

Compared to the comprehensive tobacco legislation that we need, this amendment makes just a small investment in the future of our children. But even this small investment will pay off in longer lives and better health for millions of Americans. Since each dollar spent to implement FDA regulations has been shown to result in at least $48 worth of health and social benefits, it is a sound investment that we can make.

Let me review briefly what this amendment will fund at FDA. Right now FDA, as I said, has about $34 million in this fiscal year 1998. That is because of the amendment that was adopted here last September by an overwhelming vote of 70 to 28. They are using these funds to fund contracts with 45 States and local jurisdictions to carry out the enforcement of minimum age restrictions for tobacco purchases and to require photo ID checks.

The FDA initiative also includes funding to provide information to retailers and the public to help retailers comply with the rules and not sell tobacco to kids.

This excerpt that I have from an FDA brochure indicates some of the educational information that the FDA is using to show why it is necessary to have a photo ID check. Which one is 16? Is it Melissa or is it Amy?

If they walked into a store, would the clerk know which one was under 18? Well, to eliminate the guesswork, FDA requires retailers to card anyone who is under 27.

Melissa here is 16 and Amy is 25. So, again, you really do not know, and that is why we need a good information campaign to make sure that retailers know what they are up against in requiring these ID checks.

This year, FDA's current tobacco enforcement budget will fund 200,000 compliance checks. So the money that we voted here last fall, Mr. President, will fund about 200,000 compliance checks nationwide. That may sound like a lot, but it only covers one-fifth, one out of five or 20 percent, of the Nation's tobacco retailers. So four out of five aren't even covered.

The Secretary of Health and Human Services has estimated that three-fourths of the approximately 1 million tobacco outlets in this country sell tobacco to children—three out of four. The Centers for Disease Control and Prevention estimates that minors illegally purchase 256 million packs of cigarettes each year resulting in almost $500 million in sales. Just think of that. Over $500 million a year flow into the tobacco companies from the illegal sale of tobacco. Let me repeat that: $500 million flow into the tobacco companies every year just from the illegal sales of tobacco to young people.

What are we asking for in this amendment? We are asking for $134 million. And they are making $500 million just off of the illegal sales to minors.

The Surgeon General has concluded that children are able to buy a pack of cigarettes or a tin of spit tobacco 67 percent of the time without once ever being asked for proof of age. The amendment we have sent to the desk will more than double the number of annual compliance checks that can be conducted and increase to 60 percent the coverage of tobacco outlets nationwide. Right now, it is only 20 percent. At least this amendment gets it up to 60 percent of the retail outlets that will be covered nationwide.

This year, the FDA is able to fund very limited outreach efforts to educate retailers, parents and the public about access and advertising restrictions. With the $34 million that we provided last fall, FDA is conducting radio, billboard and newspaper outreach campaigns, but only one city per State for 4 weeks out of every year is covered. So the $34 million we put in last year, just think about it, goes to only one city per State for 4 weeks out of every year. Now, contrast that to what the tobacco companies spend to push their product. Over $13 million every day, over half a million dollars per hour; that is what the tobacco industry is spending every minute around the clock on tobacco advertising and promotion, a whopping $5 billion—that is with a B—$5 billion a year that they spend. What we are asking for is $134 million just to get information out to conduct ID checks, to cover just a few more cities and a few more States.

This amendment we have sent to the desk will allow FDA to conduct national education and outreach efforts at a level more commensurate with the problem.

Increased funding at the level we have in our amendment would double the media exposure and double the number of markets used to communicate important information about restrictions on access to tobacco and tobacco advertising to retailers and to the general public. Comprehensive merchant education programs combined with community education and strong enforcement programs have been shown to successfully reduce illegal underage sales by 24 percent.

So you can think of this amendment in another way. How would you like to cut down on illegal underage sales of tobacco by 24 percent next year? Well, we all say we do. We all say we want to cut back on teenage smoking. Here is a proven way, an ongoing program. We are starting no new program. We are not starting any new bureaucracy, no new laws. All we are taking is an existing program and funding it a little more adequately. And we could reduce the illegal underage sales by 24 percent. So it is not a new bureaucratic program.

At least $75 million of the money will go out to State and local jurisdictions for enforcement. At least $35 million will be used to educate retailers and the public about the rules so that retailers can comply. The point of rules is not to punish anyone. It is to prevent tobacco from being sold to kids.

I just might add that this photo ID check and the minimum age rules were fully upheld by the Federal District Court in Greensboro, NC.

So to recap, this amendment simply provides funding, full funding for the ongoing FDA antiteen smoking program. The bulk of the $100 million goes to States and localities to enforce the rules, and it pays for the increase through an assessment on tobacco companies based on their total market share. So, in other words, the largest tobacco companies; that is, large based on their market share, pay more of the $150 million. The smaller companies, of course, would pay less.

As I said, a very similar amendment was supported by 70 Senators last September. So if we are prepared to stand with America's kids and their parents to take even the most basic step of effectively enforcing the rules against illegal sales of tobacco, this is the way to do it. By stopping these illegal sales, we can help our children avoid an addiction that will destroy their health and take their lives. This amendment will do that. I urge my colleagues to support the amendment.

I see my cosponsor and colleague from Rhode Island is in the Chamber. I yield the floor.

The PRESIDING OFFICER (Mr. BENNETT). The Senator from Rhode Island.

Mr. REED. Mr. President, I rise in strong support of Senator HARKIN's amendment. I am pleased to be a cosponsor of this amendment.

As the Senator indicated, last year this Senate strongly supported a virtually identical measure which would increase the enforcement ability of the Food and Drug Administration dramatically. We all know that in every State in this country it is illegal for children to buy cigarettes, but we also know it is very easy for children to buy cigarettes from vending machines and retail outlets. And last year, there were a staggering total of 256 million packs of cigarettes sold to children under the age of 18. That is an enormous amount of cigarettes, as Senator HARKIN indicated, roughly $500 million, a huge market, a very lucrative market. And we all know if we don't take effective steps to provide for the enforcement of existing State laws and education of children and, just as importantly, the retail salespeople, this staggering total will go on and on and on, with dreadful consequences to the health of our children.

Our effort today is to provide the resources to ensure that illegal tobacco sales to children are stopped if at all possible. Our amendment would fully fund the FDA's youth in our tobacco efforts by raising an additional $100 million by imposing a user fee on tobacco companies based on their market share. The pending bill, the bill that we are considering today, provides only $34 million, which is roughly one-quarter of the request submitted by the administration, to fully and effectively enforce the tobacco laws in the United States against sales of tobacco products to children.

Let's put this total in perspective, that we are asking for, this $100 million. It has already been eclipsed by the amount of money spent by the tobacco industry in advertising against comprehensive tobacco legislation this year in the U.S. Senate. Just, in fact, a few moments ago in the cloakroom, I saw another advertisement being run by the big tobacco companies. They have already spent much more than that in trying to prevent effective legislation that will curtail teen smoking in the United States.

Another aspect we should consider: This $100 million is just roughly 2 percent of the $5 billion that the industry spends each year in advertising its products, and, as we well know and has been well documented, too much of this advertising is directed at children.

We have to in some way, some small way, counteract this constant fusillade of advertising aimed at children, and one way we can do it today—far short of the comprehensive debate that we had weeks ago—one way we can do it is ensuring FDA has the resources to adequately support State efforts to suppress childhood access to tobacco products.

In terms of the money we are requesting, a total of over $100 million, it is also small compared to the health consequences of tobacco smoking in the United States. It has been estimated that over $50 billion a year is drained from our health care system because of tobacco and its effect on children. As Senator HARKIN so well indicated, this is a pediatric disease; it begins with young people. Mr. President, 90 percent or more of individuals who begin to smoke do so before they are 18 years of age. Smoking begins around 12 or 13 year old. Regular smokers are regular smokers by the time they are 14. It is a pediatric disease. It is costing us billions of dollars a year, and we have to take effective steps to stop it. This is one way that we can do it, one way I hope we can do it.

We know, too, enforcement of these laws is a significant way of curtailing access to tobacco products for children and, we hope, curtailing their exposure to tobacco and nicotine. One of the significant aspects of this amendment is, it will allow the FDA to put more resources into State efforts to curtail access to tobacco products by young people.

We all were lobbied heavily by different groups—industry groups and public health groups—about the comprehensive legislation. There is not one group that came into my office, be they public health advocates or industry representatives, that did not emphatically and unhesitatingly say, "We are in favor of strong enforcement of existing laws that curtail teen smoking. We want this. We will do this." Now we have an opportunity to fulfill their desire by giving resources to the FDA to ensure that these laws are strictly and effectively and efficiently enforced.

We are talking about a situation in which we can provide resources to bolster the laws that are already on the books. As I indicated, as my colleague indicated, every State in this country curtails teen smoking. Every quarter of this country speaks out against underage smoking. It is not just public health advocates, it is the industry. Everyone says this is wrong. Yet, unfortunately, we are seeing a tremendous rise in smoking among teenagers. It is rising dramatically. It has increased by over a third since 1991. It is one of the unfortunate health statistics related to children in America today. Again, unless we take effective steps, it will continue to rise.

We know that most young people buy their cigarettes themselves. This is not some great conspiracy where adults are out supplying kids. These are young people walking into these stores or getting access to a vending machine and buying it themselves. We know we can cut down this abuse, we know we can cut down this access, if we have stronger, better laws. More enforcement, though, of the existing laws, is certainly the first place to start.

FDA evidence indicates, if we thoroughly enforce the compliance laws of the United States, we can significantly reduce teenage smoking. We can do it without entering into some of the more extensive proposals that were entertained just weeks ago here. We can do it by providing the resources of the FDA to support the States so they can both educate their salespeople in retail categories and also to ensure that we are checking on what they are doing.

This is a terribly lucrative product. Talking to convenience store owners, many of them indicated this is the most lucrative product they have in their stores in terms of the margin on the sales they make. There is tremendous incentive to backslide, to ignore the regulations, to do anything you can to make these sales, to do anything you can to avoid the laws against selling tobacco products to minors. Unless we check them, unless we supervise them, unless we give real incentives to the States to do that, that is exactly what will happen, because that is exactly what is happening today.

We have to, I think, find a way, not just each year coming to this floor and arguing for additional resources, but in the future I hope we can find a way to permanently fund sufficient resources to fully implement State laws and other provisions that will curtail the access to tobacco products by young people. But today we have the opportunity, the real opportunity, to provide more resources so we can do in deeds what we all say in words we want done: To stop young people from buying tobacco products, to give them a chance to grow up, to give them a chance later, if they wish, as adults, to make a decision about smoking.

This is the moment for us to stand up and to literally put our money where our mouth is. I urge passage of the amendment, and I yield back my time.

Mr. FAIRCLOTH. Mr. President, this is the wrong time for a debate on tobacco taxes. No one is opposed to food safety, but I'm not so enthusiastic about a plan that raises taxes on already cash-strapped tobacco farmers to pay for new USDA bureaucrats.

Farmers all over the country are hurting, and we're pledging to help them, but this amendment will continue to hold up our work on this bill.

We all know that this is just politics because the House will "blue slip" the bill.

This is certainly the wrong time to make things worse for tobacco farmers—the real effect of this amendment. This is a misguided attempt to tax small farmers to pay for the Clinton Administration's new spending proposals.

Mr. President, like farmers everywhere, tobacco farmers are hurting. The southeast is dry. We don't know how much tobacco the companies will buy. We shouldn't be passing any amendments that make their lives any tougher. This will do just that.

So, the tobacco farmer is about to get hit—again. Like he has been throughout this tobacco debate, the farmer is forgotten.

The farmer will get hit with lower prices for his tobacco as the companies try to hold the line on costs.

What happened to all the talk about helping farmers, the demands for action?

Instead, this amendment proposes to throw up another hurdle in their way, another obstacle to making the payments, in order to fund President Clinton's new spending.

The companies will take this tax out of the price paid to the farmer. This will cost some farmers their farms. Like a lot of farmers, they are on the edge, and we certainly shouldn't pass legislation to make it worse.

American tobacco is the most expensive in the world, and the tobacco companies may respond to higher costs with increased use of imported tobacco.

Let me say it again: the tobacco farmer can't afford another drop in income. His production quota keeps dropping, but the loan balances keep growing.

This amendment is an attempt to score political points. Let's not play political games at the expense of good public policy.

Further, this amendment initiates a tax measure in the Senate. The federal budget is 1.6 trillion dollars, but this amendment would raise taxes, yet again, on small farmers to pay for more bureaucrats.

It's wasteful and unconstitutional.

Tax and spend. Tax and spend.

I want to commend the distinguished chairman and ranking member of the agriculture appropriations subcommittee for their work.

This is a critical bill for my State and includes a number of important provisions for my farmers. I am reluctant to interfere with it, but if this amendments passes, I will be forced to do so on behalf of those very farmers.

I will personally call the Chairman of the Ways and Means Committee and alert him to "blue slip" this bill.

This amendment is anti-farmer, Mr. President. We just passed a Sense of the Senate resolution declaring our intent to help farmers. We just added an amendment for disaster assistance that will aid farmers in my State.

How we can turn around and pass an anti-farmer amendment like this today? It's not right, Mr. President.

I urge my colleagues to vote against this amendment.

Mr. KENNEDY. Mr. President, I strongly support the Harkin amendment, which fully funds the Food and Drug Administration's youth anti-smoking initiative at $134 million.

These FDA rules were upheld by a Federal court in Greensboro, North Carolina last year. They prohibit the sale of tobacco to minors, and require retailers to check the photo identification of consumers who purchase tobacco products if they look 27 years old or younger. Of the $134 million which President Clinton requested in his FY1999 budget, $75 million will go to the States for enforcement, and $35 million will go for education and outreach to retailers to ensure compliance with these regulations.

The pending bill provides only $34 million for this important initiative—$100 million less than President Clinton requested. The funding level in this bill is clearly inadequate. States will be able to check only 20% of tobacco retailers to ensure that they are not illegally selling tobacco products to minors. The additional $100 million in the Harkin amendment will increase that coverage to 60% of retailers.

By establishing a minimum age to purchase tobacco products, and by requiring photo ID checks of young buyers, this initiative can make a significant difference in reducing youth smoking. Teenage tobacco use in the United States has clearly reached epidemic proportions. According to a report in April by the Centers for Disease Control and Prevention, smoking by high school students rose by nearly a third between 1991 and 1997. Among African-Americans, smoking has soared by 80%. More than 36% of all high school students smoke—a 19-year high.

Once people are hooked on cigarette smoking as children, it is very difficult for them to quit as adults. Ninety percent of current adult smokers began to smoke before they reached the age of 18. In other words, if people reach age 18 without having smoked, they are unlikely to begin smoking as adults.

Even more disturbing is that teenagers under-estimate the addictiveness of nicotine. Studies have found that 86% of teenagers who smoke daily and try to quit smoking are unsuccessful.

Big Tobacco has known this fact for years. The tobacco companies are fully aware that if they do not persuade children to take up smoking, the industry will collapse in the next generation. That's why the industry has targeted children with billions of dollars in advertising and promotional giveaways. They promise popularity, maturity, and success for those who take up smoking.

Evidence from the tobacco industry's own files indicates their blatant and cynical marketing to kids. A 1975 Philip Morris report by researcher Myron Johnston described how Marlboro became the most popular cigarette brand among young smokers. According to Mr. Johnston:

> Marlboro's phenomenal growth rate in the past has been attributable in large part to our high market penetration among young smokers . . . 15 to 19 years old. . . . My own data, which includes younger teenagers, shows even higher Marlboro market penetration among 15 to 17 year olds. . . . The teenage years are also important because those are the years during which most smokers begin to smoke, the years in which initial brand selections are made, and the period in the life-cycle in which conformity to peer group norm is greatest.

An R.J. Reynolds memo written before the introduction of the Joe Camel marketing campaign emphasized that "younger adult smokers are critical to R.J. Reynolds' long-term profitability.

Therefore, RJR must make a substantial long-term commitment of manpower and money dedicated to younger adult smoking programs."

It's no coincidence that shortly after R.J. Reynolds launched its Joe Camel campaign in 1988, Camel's share of the youth market skyrocketed from less than 1% to 33% in the 1990s.

An undated Lorrilard memo stated boldly what we have known all along about Big Tobacco, that "the base of our business are high school students."

Because the tobacco companies have cynically marketed their deadly products to children, it is essential for the Senate to take strong action to prevent cigarettes from getting into the hands of children. Children and adolescents have little trouble purchasing tobacco products directly from retailers today. Studies have found that nearly 70% of the time that children and adolescents attempt to buy cigarettes from retailers, they succeed. If these youngsters have any problem at the counter, they go to a vending machine, where they can successfully purchase cigarettes 90% of the time.

According to Professor Joseph DiFranza of the University of Massachusetts Medical Center, "If $1 billion in illegal sales were spread out evenly over an estimated one million tobacco retailers nationwide, it would indicate that the average tobacco retailer breaks the law about 500 times a year."

The Harkin amendment will prevent thousands of children from lighting up their first cigarette. It is a reasonable step to prevent youth smoking that has the strong support of the American public. I urge the Senate to approve it.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, first, we should not be legislating on appropriations bills. We are getting to a point that we cannot pass appropriations bills for all the legislation that is on the appropriations bills, especial something of this magnitude.

I understand how easy it is to talk emotionally about children, but there are two things wrong with this amendment. One, it is not relevant, because under the unanimous consent agreement that these would be relevant amendments, this is not. So you have a point there. Second, there is a budget point of order that will be made against the amendment, and therefore we should go ahead and, I guess, get rid of it.

But this is just nibbling again. The bill I wanted to try to get through here did not go. I wanted to take care of my farmers a little bit, but no one seems to think about those. It makes it a little bit hard to take. But the amendment invites us to reopen the tobacco debate, and I do not think this is the time or the place. What is next, liability limitations? That would be quite a debate. What next, tax increases? That would be a real debate. What next, new programs? That is what we have here, new programs.

We began debating this bill on June 18, 4 weeks ago. It is time we stopped considering legislative amendments that go way beyond the scope of this bill.

I received, and I guess all my Democratic colleagues received:

Support Harkin amendment to fund FDA's ongoing teen antitobacco initiative. This is no anti-teen-smoking initiative, when you get right down to it. The amendment fully funds the FDA youth and anti-tobacco efforts by imposing a tobacco industry user's fee of $100 million, or approximately $25 per child who uses tobacco products. How do you know that? It is really not $100 million. The amendment says $150 million. Are we into that phrase now, "a haircut"—you have to raise $150 million to get $100 million? Anyhow, the information I got was it was $100 million. I read the amendment and it says $150 million.

This is a tax on adults. This is a tax on adults. It says the tobacco product market share. It has nothing to do with how many teens smoke. We hear about "spit tobacco." The HHS set a level, by the year 2000, of no more than 4 percent of those between 12 and 17 would be using spit tobacco. The rate today is 1.9. The industry is doing a wonderful job—twice the amount that was set by HHS by the year 2000, without any imposition by this legislative body. So now we are putting a tax on adult smokers, trying to fog it up with teen programs.

Mr. President, I understand what is going on. This is a new tax being described as a $25-per-kid tax without any basis. It started out with a survey. That is a terrible way to tax. It has nothing to do with youth smoking or how many youth are smoking. This is a $150-million tax increase as assessed based on the share of the adult market—not teenagers, the adult market. It was based on the adult use of the product and taxes adult use of the product. It should not be on an agricultural bill.

The amendment raises taxes, not by $100 million that we have heard, but $150 million. It is based on a terrible public policy. We should not be raising taxes on an agriculture appropriations bill anyhow. This amendment should be defeated, maybe not for its purpose, but for its procedure.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I appreciate the arguments made by my friend and colleague from Kentucky. I want to try to clear it up, if I can, and say to my colleague from Kentucky that we do not reopen the tobacco program. This has nothing to do—or tobacco debate.

Mr. FORD. Mr. President, I did not say anything about the tobacco program.

Mr. HARKIN. I am sorry, I misspoke. The Senator said something that it is going to reopen the tobacco debate.

Mr. FORD. That is correct.

Mr. HARKIN. This doesn't do it.

Mr. FORD. You are already doing that. You are in the tobacco industry. You are attacking the tobacco industry, and it is all about tobacco.

Mr. HARKIN. If the Senator will yield.

Mr. FORD. You have the floor.

Mr. HARKIN. I will get into a discussion with the Senator on this because this amendment—it kind of all wraps up because the Senator from Kentucky also said this shouldn't be on an ag appropriations bill. He also said we should not have a new program. This is not a new program, it is an ongoing program. It is funded under agricultural appropriations because we fund the FDA. That is exactly where we fund the FDA.

This amendment doesn't start anything new. It takes an existing program at the FDA and expends the money. That is what an appropriations bill does. We are not legislating on an appropriations bill. There is no legislation here, I say to my friend from Kentucky. We are only increasing the money.

Mr. FORD. You are legislating a tax, and it isn't limited to 1 year, it is ongoing.

Mr. HARKIN. I respond again to the Senator from Kentucky that there are other assessments and user fees in this bill. So why should the tobacco companies be exempt from an assessment? There are, I point out, a number of other assessments on industry in this ag appropriations bill. So this is nothing new and startling.

Again, we are not reopening the tobacco debate. This amendment was offered last summer, last September, and was voted on, and it carried by a vote of 70 to 28.

That amendment raised $34 million. What is different between that amendment and this amendment is, this amendment raises an additional $100 million. I know what the Senator is going to say about the 150. I want to explain that.

Mr. FORD. I know about the haircut, but in the amendment it is $150 million.

Mr. HARKIN. And I will explain why that is.

Mr. FORD. It is still $150 million out of the taxpayer's pocket.

Mr. HARKIN. The reason it is is because if we put an assessment, I say to the Senator from Kentucky—if we put an assessment on the tobacco companies to pay into this, that assessment they can deduct from their taxes. They deduct it from their taxes. And so in order to score it to get the $100 million that we need to fully fund the FDA youth ID check, we have to assess the $150 million because they get to write that off on their taxes. To get to $150 million, we have to do the $100 million assessment.

Mr. LOTT. Mr. President, will the Senator yield just for a question?

Mr. HARKIN. I sure will yield for a question.

Mr. LOTT. I am trying to get some idea as to where we are on time so we can notify Members when we can expect a vote. Is the Senator going to need more time?

Mr. HARKIN. No, I don't need more time. I am going to finish this up.

Mr. LAUTENBERG. I will take 5 or 6 minutes.

Mr. HARKIN. I don't need any more time.

Mr. LOTT. I urge my colleagues on both sides of the aisle—I am beginning to see the natives circling around here. We hoped we could have finished this bill at 4 o'clock this afternoon. I urge my colleagues, we know the issue. There is going to be a point of order made, and I hope that point of order will proceed. We need to conclude this bill. We have other work.

Mr. NICKLES. Will the leader yield?

Mr. LOTT. Mr. President, if the Senator will yield.

Mr. HARKIN. Mr. President, I will yield for a question without losing my right to the floor.

Mr. NICKLES. I ask the leader, this side would like to have a couple minutes to respond. I have a possible suggestion of having the vote at 7 o'clock and dividing the time equally.

Mr. LOTT. I ask unanimous consent, Mr. President, that we have 15 minutes remaining on this issue, equally divided—half and half—and we have the vote on the point of order at 7 o'clock.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LOTT. I thank the Senator.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, how much time do I have now?

The PRESIDING OFFICER. The Senator from Iowa has 7½ minutes.

Mr. HARKIN. Mr. President, I yield myself whatever time I consume right now.

This is not a new program, it is ongoing. We are not opening any debates. We had an amendment last fall for $34 million. This adds $100 million more on it. We had to for the scoring. They get $150 million and they can deduct it from their taxes. The reason it is on ag appropriations is that it should be here because it has to do with FDA; it is funding and it is money. That is what an appropriations bill is all about. We are not legislating on an appropriations bill.

Again, 70 Senators last September voted for this amendment. Seventy Senators on both sides of the aisle voted for $34 million. This bumps it up to $100 million to fully fund the youth ID check nationwide.

Mr. President, I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield myself 2 minutes.

I urge my colleagues to vote "no" on this amendment. We have debated this issue before, but I will make a couple comments because maybe some of my colleagues are not aware of what this amendment has.

This amendment has $150 million of a new tax, and unlike any other tax that we passed that I am aware of, this allows the Secretary of Health and Human Services to conduct a survey. And from that survey, she is going to raise—she being Secretary Shalala at this point—is going to raise $150 million.

I find that incredible. If the Senator wants to raise the cigarette tax, raise the cigarette tax; say we are going to have an excise of so many cents per pack, and that is fine, that is legitimate. But to say we are going to have a survey that basically is going to be deemed to be accurate and give the Secretary of Health and Human Services the power and authority to raise that tax is absurd. It is terrible tax policy.

Then it is to enforce, what? The FDA regs. The FDA regs, some people are acting like they are sacrosanct, like they are good. FDA regs dealing with ID check, which I heard my colleague bragging about, have the Federal Government involved in enforcing ID checks up to age 27.

It is illegal to smoke up to age 18, but we are going to have the Federal Government setting up an enforcement mechanism to find out if people 26 years old are buying cigarettes. And if they don't check an ID—if you have a convenience store or something and you don't ask what their age is when they are 26 years old, you are in violation of the regulation, and you can be fined up to $10,000. That is the FDA reg that he is wanting to give FDA more power to enforce.

Do we really want to give the Federal Government enforcement powers to be checking the IDs of young adults up to age 26, and if you do not comply, you can be fined up to $10,000? I think that is absurd. Equally as bad is to give the Secretary of Health and Human Services taxing authority, to be able to raise $150 million.

I think they are two of the worst pieces of policy I have seen. We have debated tobacco at length. I am willing to do some things to discourage tobacco consumption. All this would do would be to encourage bureaucracy at FDA. I urge my colleagues to support the point of order by the Senator from New Mexico.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, have I been yielded time?

Mr. HARKIN. How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 6 minutes left.

Mr. LAUTENBERG. Four.

Mr. HARKIN. I yield 4 minutes.

Mr. LAUTENBERG. Thank you, Mr. President.

I thank my colleague from Iowa and commend him for raising this issue and for presenting a way—that has been thus far deterred from becoming law—of reducing teen smoking. That is the mission here. We have already seen the leadership kill the comprehensive tobacco bill. So in the wake of the tobacco bill's death, the only existing nationwide program to reduce the teen smoking of cigarettes is an FDA rule. The FDA program needs this additional funding.

We went through extensive debate. I do not know whether the Senator from Oklahoma is still on the floor, but he voted for this when we considered it before. Those who oppose this funding once again stand to say no to protecting our kids, to trying to reduce teenage smoking. They are standing directly or inadvertently with the tobacco industry.

Mr. President, the FDA rule prohibits—nationwide—the sale of tobacco products to anyone under the age of 18. Without sufficient enforcement money, the rule is unnecessary because it will lack the teeth to force retailers to comply.

Friends of big tobacco have already blocked our attempt to pass a comprehensive effort to reduce teen smoking, and now what we will see is tobacco's influence once again prevailing here. They are going to be able to thwart our existing efforts to control teenage smoking.

What is their mission? Their mission is to get 3,000 kids every day to buy a pack of butts that is going to ruin their health in not too many years. So the money that we approve today is a bargain compared to what we will be forced to spend in later years in treating smoking-related illnesses.

Mr. President, this is a fairly simple issue. If we adhere to what we say is our code of conduct—and that is to reduce teen smoking—then the rest of this debate is superfluous, I must tell you. Yes, we ought to try to find a way to pay for it that is as directly connected to the FDA rule as possible. That is what we have attempted to do here.

But whether or not you are supporting this amendment has little to do with the funding issue; it has to do with whether or not we really believe that stopping teen smoking is a good objective. I hope that we will see that in a vote that is soon to come, Mr. President.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM. Mr. President, how much time do we have left?

The PRESIDING OFFICER. Four minutes 39 seconds.

Mr. GRAMM. I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, this is the second amendment we have had today on this bill that has, in essence, raised tobacco taxes and spent the money. I want our colleagues to understand that both parties can play this game. If we are going to continue, by bits and pieces, to raise tobacco taxes and spend the money, we are going to raise tobacco taxes and give the money back to the working men and women of America by cutting their taxes.

I think we are making an absolute sham out of the appropriations process. I think we need to stop this kind of business. I am confident we are going to sustain the point of order against this amendment. But I want to put people on record, if we are going to continue to raise tobacco taxes and spend the money, then I am going to move—and I am sure others will join in that effort—to take that same money and cut taxes for the working men and women of America.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two minutes 57 seconds.

Mr. HARKIN. Mr. President, I understand some point of order is going to be raised, I assume by the Budget chairman, I suppose, on this; and then we will have a vote to override the Budget Act. But don't get caught up in all of that. That is not what it is about. What it is about is whether this Senate wants to effectively fund an ongoing program to enforce the rules that keep kids from illegally buying cigarettes. That is all it is.

We voted on this last September. Seventy Senators voted for it—$34 million. We are bumping it up to $100 million, that is right. Where are we getting it from? The tobacco companies. Yes, it is an assessment. But they do not have to pass it on. They do not have to have it as a tax or whatever. But they have to pay it based upon their market share.

So don't get all caught up in whether this is going to be a tax on tobacco companies or this budget point of order. That is nonsense. This is a vote on whether or not we will fund the FDA's program to effectively cut down on teenage smoking in this country. That is all it is. And it pays for it by getting an assessment from the tobacco companies based upon their market share.

Tobacco companies would have to put in $150 million, of which they get a tax deduction, so we get the $100 million to fund it. That is a drop in the bucket to what the tobacco companies make every year. Surely—surely—this Senate can go on record as sticking up for the kids and making sure we have the money to adequately enforce the FDA rule so our kids do not become addicted to cigarettes. That is all this issue is—no more, no less; plain and simple. Which side are you going to be on when we cast this vote on a so-called budget point of order?

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am for the kids, but I am also for passing an appropriations bill that helps all the farmers in the United States and puts into play the entire agricultural program of this country.

Frankly, Mr. President, the other day I came to the floor and talked about, how much longer are we going to spend debating the cigarette tax and various expenditures under that program? I made a mistake, I told the listeners that we had 2 weeks. We had 4 weeks to debate these issues. Now we are scheduled to pass appropriations bills that will keep our Government running and more and more, for some reason, we leave it to everybody here to speculate—the other side continues to offer amendments, be it on the tobacco issue or some other program that has nothing to do with the appropriations process, that delays it and then puts in motion things that actually put the bill in jeopardy.

The Senator just spoke and said this was not a budget issue. Let me tell you, it is a budget issue. It is a budget issue to the tune of $100 million being added to the expenditure side of a balanced budget 5-year plan, because under the Budget Act you cannot count taxes against expenditures like this. So we are breaking the budget to the tune of $100 million—$100 million.

It seems to this Senator we ought not to be doing that when we just got a 5-year agreement in place. And so it is subject to a point of order. The Senator can say it is technical. I say it is real.

In addition, I say this approach of imposing taxes—and this is a tax according to the Congressional Budget Office—should not be taking place on appropriations bills that are already late. Mark my word, the President of the United States will be giving the Republican leadership—he will be saying to them, "You can't get your work done. You didn't get the appropriations done."

Let me tell you, this violates the spending caps that we agreed to—plain and simple. I do not believe we ought to do that on this bill when that chairman spent weeks and weeks in his committee trying to not break the caps. We come along with an amendment, and it sounds nice, sounds kind of sexy politically, but essentially it is reopening the debate that we had for 4 solid weeks here on the Senate floor.

Now, for all the reasons I stated, but more important, because the Budget Act so provides, I make a point of order against the pending amendment under section 302(f) of the Budget Act of 1974.

Mr. President, let me say, I believe the Senate ought to stand up and say we are not going to break the budget here. We are going to stand on this point of order of substance and deny the efficacy of this amendment because it can't sustain the 60 votes required.

I make the point of order and I yield the floor.

MOTION TO WAIVE BUDGET ACT

Mr. HARKIN. I move to waive the Budget Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays were ordered.

The question is on agreeing to the motion to waive Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 49, nays 50, as follows:

[Rollcall Vote No. 208 Leg.]

YEAS—49

Akaka
Baucus
Biden
Bingaman
Bond
Boxer
Bryan
Bumpers
Byrd
Chafee
Cleland
Collins
Conrad
D'Amato
Daschle
DeWine
Dodd
Dorgan
Durbin
Feingold
Feinstein
Graham
Harkin
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
McCain
Mikulski
Moseley-Braun
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Smith (OR)
Snowe
Specter
Torricelli
Wellstone
Wyden

NAYS—50

Abraham
Allard
Ashcroft
Bennett
Breaux
Brownback
Burns
Campbell
Coats
Cochran
Coverdell
Craig
Domenici
Enzi
Faircloth
Ford
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lott
Lugar
Mack
McConnell
Moynihan
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Stevens
Thomas
Thompson
Thurmond
Warner

NOT VOTING—1

Glenn

The PRESIDING OFFICER. On this vote, the yeas are 49, the nays are 50.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I call the Senate's attention to an issue that is very important to our livestock producers and small meatpackers. I know that my colleagues are aware of the difficulties the livestock industry has faced in recent years. In an effort to find solutions for small farmers and livestock producers, the Secretary of Agriculture called three separate commissions: The Advisory Committee on Agricultural Concentration, the National Commission on Small Farms, and the National Advisory Committee on Meat and Poultry Inspection. Each of these commissions has recommended that the ban restricting the interstate distribution of state-inspected meat be lifted. For that reason I have introduced, along with Senators FEINGOLD, THOMAS, BROWNBACK, LANDRIEU, BURNS, ENZI, and ROBERTS, S. 1291, the Interstate Distribution of State-inspected Meat Act. This proposal would lift the ban on interstate distribution of state-inspected beef, pork, and poultry, which are the only products in the United States that face such a restriction. This measure is endorsed by the Farm Bureau, the Farmers Union, the National Cattlemen's Beef Association, and the American Sheep Industry Association. This issue is one of both fairness and common sense, and I believe it merits consideration by the Senate.

I'd like to ask the distinguished Chairman of the Agriculture Committee if he would hold hearings in the Agriculture Committee on this proposal sometime in the near future, so we could promptly consider the measure next year.

Mr. LUGAR. I would like to say to my good friend from Utah that I am aware that this issue has arisen in the past and that it is an important one. I agree with Senator HATCH that the measure deserves a hearing in the near future, and I would be happy to work with him to that end.

Mr. HATCH. I appreciate the willingness of the Chairman of the Agriculture Committee to give this legislation a hearing, and I believe it will make for an interesting one. I look forward to working with the distinguished Senator from Indiana and the Agriculture Committee on this issue.

Mr. COCHRAN. Mr. President, I thank the Senator from Utah and the Chairman of the Agriculture Committee for working this out. I believe the best procedure for addressing this issue would be through the Senate Agriculture Committee.

Mr. BYRD. Mr. President, I rise in support of the Agriculture, Rural Development, and Related Agencies Appropriations Bill. The $57.2 billion in new budget authority that this bill proposes will benefit millions of Americans, both urban and rural. In addition to funding food and nutrition programs such as Food Stamps, WIC, and the school lunch program, the bill funds almost $1.7 billion worth of badly needed agricultural research and extension programs to improve the productivity of our farmers as well as the nutritional value of our food supply. It allocates $1 billion for farm assistance programs such as farm ownership and operating loans. It helps restore and protect our farmlands and watersheds by designating $792 million for conservation programs. It ensures the safety of our nation's food and medicine by allocating $952 million to the Food and Drug Administration. Finally, by providing $2.1 billion for rural development programs, the bill addresses one of my long-standing priorities—implementing and maintaining basic community infrastructure. This bill will bring water and sewer systems to 840 small rural communities. It will allow almost 62,000 of rural America's working families to purchase homes, and, by providing funding for the construction or rehabilitation of 6,900 rental units, this budget addresses the desperate need for affordable housing in America's heartland.

For my own state of West Virginia, this bill provides an increase of $1,250,000 for research on Cool and Cold Water Aquaculture at Leetown, West Virginia which includes $1,000,000 to initiate trout genome research. The bill also provides an increase of $300,000 for the Appalachian Fruit Research Station at Kearneysville, West Virginia to improve profitability of this important part of the West Virginia farm sector.

In addition to these and other research programs important to my state, this bill also includes a number of important conservation measures. Among these include assistance for the Knapps Creek watershed project, flood control in the Tygart River and Upper Tygart Valley watershed, continuation of the important Potomac Headwaters project, funding the grazing lands initiative in West Virginia, and many other programs important for West Virginia farmers, rural communities, and protection of our environment.

The chairman and ranking member of the Agriculture Subcommittee, Senators COCHRAN and BUMPERS, are very knowledgeable of the many competing interests that require funding in this bill. They are to be commended for their ability to craft a bill that meaningfully addresses the challenges confronting our farmers, rural communities, and the Food and Drug Administration, given the budgetary constraints within which they had to work. I applaud their efforts and that of their staff: Galen Fountain and Carole Geagley for the minority and Rebecca Davies, Martha Poindexter, and Rachelle Graves for majority.

Mr. DURBIN. Mr. President, I rise today to express my concern with language included in the House version of the agriculture appropriations bill that could have the effect of depriving rural working poor families of perhaps the only source of information they have on the federal Earned Income Tax Credit.

In my own state of Illinois, for tax year 1996, over 750,000 working families received this critical tax relief. The EITC lifts approximately 4.6 million children out of poverty each year while encouraging work. The tax credit helps a substantial number of low-income working households in rural areas. A 1996 information bulletin published by the USDA Economic Research Service (No. 724-02) noted the importance of the EITC for rural working families: "The earned income tax credit (EITC) has become a major source of support for low-income rural workers and their families, especially in the South, where the rural poor are concentrated. Program benefits for rural areas are expected to total about $6 billion in 1996 . . . providing benefits to an estimated 4.5 million low-income rural workers and their families."

Unfortunately, report language included in the House's FY 1999 agriculture appropriations bill could deter and discourage important educational work done by CES offices. The language questions the appropriateness of CES involvement in informing families in their local communities about the EITC. This language could prompt many CES offices to discontinue their efforts to educate eligible workers about the tax credit. If that occurs, substantial numbers of low-income working families in rural areas could lose an important source of information about federal tax relief for which they qualify.

In Illinois, Coop Extension Services offices in 22 counties or communities (many rural) have been working to alert eligible working families to the EITC. The University of Illinois-Urbana Cooperative Extension Service provides programs to low-income working parents and students, including a teen parent welfare-to-work program in the high schools of East St. Louis. It published a notebook, "The Easy Way to Prepare Your 1996 Individual Income Tax Return," for distribution to program participants. The notebook contains simplified tax return instructions, including how to determine eligibility for the EITC and calculate the amount of the credit. The program surveyed participants, and found that only a third of the participants had filed a tax return previously, but 86 percent filed a return after their training. A third of the participants were found to be eligible for the EITC.

The House language is simply not acceptable and should be rejected by the Senate conferees on the agriculture appropriations bill.

MARKET ACCESS PROGRAM

Mr. BRYAN. Mr. President, I wish to make a few comments about my amendment to the Agriculture Appropriations bill that was adopted last night by the Senate. This amendment requires the Secretary of Agriculture to make important information about the Market Access Program (MAP) and its expenditures available to the Congress and to the General Accounting Office (GAO).

It is no secret that I am no fan of this program, Mr. President. I would have rather eliminated funding for the Market Access Program completely, as we attempted to do with an earlier amendment. Unfortunately, this wasteful program's corporate handouts survived, but the reporting amendment adopted by the Senate will at least give auditors the tools they need to thoroughly investigate the impact of this program.

As I pointed out earlier on the floor of the Senate, the claims that are continually used to justify MAP and extend its life have been called into question by the General Accounting Office (GAO) in a study published last year. The report, which was requested by the Chairman of the House Budget Committee, JOHN KASICH, evaluated claims that MAP benefits the U.S. economy, boosts the agriculture sector, and helps counter competitor nations' agricultural export assistance programs.

The GAO could not find evidence to authenticate any of these claims.

In fact, the GAO assailed the lack of accountability within the Market Access Program and the general lack of clear and complete data available for their analysts.

With major questions left unanswered, the GAO has been unable to produce an honest and useful evaluation of the program that could help Congress and program administrators choose policies that will provide the most benefits to the United States.

In the conclusion to its report on the Market Access Program, GAO suggested that "Congress may wish to direct USDA to develop more systematic information on the potential strategic value of U.S. export assistance programs."

That is exactly what this amendment will do.

My amendment requires the Secretary of Agriculture, in consultation with the Comptroller General of the United States, to submit a report that analyzes the costs and benefits of the program in compliance with OMB guidelines and treats resources as fully deployed, two of the GAO's main criticisms of earlier program analyses for MAP and other export assistance programs.

The amendment would require the USDA to estimate the impact on the agriculture sector as well as on U.S. consumers, while also considering the costs and benefits of alternative uses of the funds currently allocated to MAP.

Another requirement calls for an analysis of increases in exports, controlling for outside influences, such as exchange rates and international market conditions, that can have a great influence on international trade.

Finally, the Department is required to evaluate the sustainability of promotion efforts in the absence of government subsidies, an important question that has not been asked throughout the life of these programs.

Again, Mr. President, I would have liked to eliminate the funding for MAP altogether and turn to other, proven programs to increase the strength of our agriculture sector, but this amendment moves in the right direction by opening up the inner workings of MAP and making this program more accountable.

I am hopeful that using these recommendations to gather additional useful information in a report to Congress will finally establish what benefits can truly be attributed to MAP and will help us make informed decisions about this program.

THE MEAT LABELING ACT

Mr. JOHNSON. Mr. President, I am pleased to announce the Senate has accepted the Meat Labeling Act of 1998 as an amendment to S. 2159, the Agricultural Appropriations Bill of 1998 which provides appropriations for FY 1999 for the United States Department of Agriculture, the Food and Drug Administration, and other related agencies.

As we all know, we can easily determine which country manufactured the automobiles we drive through country of origin labeling. We can easily tell where our clothing was made by simply looking at the label or tag on our shirts or trousers. And also, we can easily determine where our computers, stereos, and telephones were made by simply looking at the products' label. But, surprisingly, when we go to the grocery store to purchase meat products for our families to eat, we have no idea where that meat originated.

Throughout my service in the United States Congress, I have been a strong believer in country of origin labeling for products—whether it be for automobiles, clothing, technological, or food products. I have been an especially strong supporter of country of origin labeling for meat products because of its common-sense nature, its benefits to ranchers, farmers, and consumers, its strong bipartisan and agricultural group support, its cost-free benefit to taxpayers as scored by the Congressional Budget Office (CBO), and its trade friendly provisions.

After many years of effort to pass meat labeling legislation, we have finally succeeded. I would like to thank Senator CRAIG for his strong support and willingness to work with me, as well as Agriculture Appropriations Subcommittee Chairman COCHRAN and Ranking Member BUMPERS.

In April of 1997, I introduced, along with Senators CRAIG, DASCHLE, BURNS, and BAUCUS S. 617, the Meat Labeling Act of 1997, which would require that beef and lamb products be labeled for country of origin so consumers can make the choice to buy meat produced from livestock raised on American ranches and farms.

Since my introduction of S. 617, the Meat Labeling Act of 1997, received the strong bipartisan support of 16 of my colleagues—8 Democrats and 8 Republicans. Also, it has enjoyed the enthusiastic support of every major agricultural organization including the National Farmers Union, the American Farm Bureau, the National Cattlemens Beef Association, and the American Sheep Institute.

The amendment that has been accepted by the Senate, the Meat Labeling Act of 1998, has the same country of origin labeling spirit in mind but has been modified slightly from S. 617. My amendment requires beef and lamb meat products to be labeled as imported and allows for voluntary labeling of those beef and lamb products for their country of origin.

The Meat Labeling Act of 1998 is designed in the following way. My amendment requires beef and lamb meat products to be labeled as imported beef or imported lamb, and it permits imported beef and lamb to bear a label identifying the country-of-origin. US beef and lamb would also bear labels of designation. Finally, beef and lamb products blended with beef or lamb from the US and another country would bear a blended label.

Also, the Meat Labeling Act of 1998 creates a voluntary labeling study for ground beef or lamb. As you may know, ground beef (hamburger) and lamb are the remains of meat carcasses after they are utilized for the prime cuts. My legislation recognizes the difficulties in determining the exact country of origin status of the ground beef or lamb and therefore, does not mandate it to be labeled for country of origin immediately.

Instead, my legislation is designed to allow a study of the impact and costs to producers, processors, and consumers of labels for ground beef or lamb. After one year of voluntary labeling, the United States Secretary of Agriculture will then take six months to determine the costs, benefits, and impacts of voluntary labeling and if the Secretary deems it to be cost effective and beneficial to all involved then the labeling of ground beef and lamb will become effective.

As we all know, America's ranchers and farmers are very proud of the fine beef and lamb products they produce. This legislation reflects that pride our ranchers and farmers have in their products. In fact, ranchers and farmers throughout South Dakota tell me over and over that when America's consumers have a choice between US beef or imported beef, consumers will choose US beef because of its quality and its nutritional value.

The benefits to consumers are many. First of all, consumers have the right to know where their food is produced because of prices, quality, taste, safety, etc. If passed, this legislation will finally permit the competitive free market to determine the demand and price of beef and lamb meat products through consumer choice.

Also, a national survey in December 1995 found 74 percent of consumers favored labeling; 51 percent would buy American produce, even if it cost more than imports of equal quality and appearance. Furthermore, an April 1997 survey conducted in Florida showed that 96 percent consumers surveyed strongly agreed that food products should have a country of origin.

Clearly, this evidence shows that American consumers want country of origin labeling for the food they eat.

Labeling is affordable. Preliminary estimates from USDA show that labeling meat may cost an estimated 20 CENTS per customer per year.

This legislation is consistent with the General Agreement on Tariffs and Trade (GATT.) Most of our major trading partners, including Canada, Japan, Australia and the EU, require country of origin labeling for produce and meat products. This legislation simply levels the playing field for our producers and consumers.

Clearly, the Meat Labeling Act of 1998 is broadly supported by American producers and consumers. It enjoys strong bipartisan support in Congress, is endorsed by every major agricultural organization, incurs zero costs to taxpayers, and benefits consumers in numerous ways.

I would like share from you part of a recent letter I received from the major agricultural organization supporting my legislation:

"Consumers demand quality and consistency, and producers are continually working to meet consumer demands. With the current system, there is limited ability to identify the source of product that does not meet consumer demands. Import labeling will help differentiate products in the retail meat case and increase competition among product lines. With labeling, consumers will have the ability to make informed decisions when purchasing meat and meat products and the relative value of meat from different product lines will be determined through competitive forces in the marketplace."

Finally, I ask unanimous consent that the following documents be printed in the RECORD: A letter addressed to me from the National Farmers Union, the American Farm Bureau Federation, the National Cattlemen's Beef Association, and the American Sheep Industry Association, a July 15, 1998, letter from the National Consumers League the largest and oldest consumer organization in the United States, and a September 16, 1997 editorial from the Sioux Falls Argus Leader.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JULY 8, 1997.

Hon. TIM JOHNSON,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR JOHNSON: The following organizations urge you to join the bi-partisan co-sponsorship and support for the "Meat Labeling Act of 1998," to be substituted for the original S. 617 language and offered as an amendment to the Senate agricultural appropriation bill.

Industry leaders from each organization testified before the Senate Committee on Agriculture, Nutrition, and Forestry to urge support for legislation to require labeling of imported meat. The "Meat Labeling Act of 1998" will address frustrations among U.S. producers who question why livestock imported into the U.S. for immediate slaughter are allowed to be marketed as U.S. product. In short, the bill will ensure truth in labeling. The legislation does not establish trade barriers to limit the ability of countries to export meat to the U.S. and does not violate U.S. obligations under provisions of international trade agreements. It is our understanding that the proposed legislation is consistent with U.S. responsibilities and commitments to the GATT and NAFTA.

During 1997, beef imports were equal to about 9 percent of total U.S. beef production. Most of this imported beef was blended into ground beef or processed beef products or sold at the retail meat case as U.S. product. In addition to beef imports, nearly 1.1 million live cattle were imported from Canada directly to U.S. packing plants during 1997. Although all of the value-added production took place in Canada, once these cattle were processed in U.S. packing plants they effectively became U.S. beef. Imported lamb on a volume basis has increased from just over 7 percent of the U.S. lamb supply in 1993, to 20 percent in 1997. During the first quarter of 1998, lamb imports reached 25 percent and when computed on a carcass equivalent basis made up approximately one-third of the total lamb supply in the U.S.

Consumers demand quality and consistency, and producers are continually working to meet consumer demands. With the current system, there is limited ability to identify the source of product that does not meet consumer demands. Import labeling will help differentiate products in the retail meat case and increase competition among product lines. With labeling, consumers will have the ability to make informed decisions when purchasing meat and meat products and the relative value of meat from different product lines will be determined through competitive forces in the marketplace.

The following organizations greatly appreciate your leadership in this effort. We look forward to working with you to enact this legislation.

Sincerely,

AMERICAN FARM BUREAU FEDERATION.
AMERICAN SHEEP INDUSTRY ASSOCIATION.
NATIONAL CATTLEMEN'S BEEF ASSOCIATION.
NATIONAL FARMERS UNION.

NATIONAL CONSUMERS LEAGUE,
Washington, DC, July 15, 1998.

Hon. TIM JOHNSON,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR JOHNSON: The National Consumers League, the nation's oldest nonprofit, consumer advocacy organization, supports the requirement to label imported meat and meat food products. As consumption and reliance on imported meat increases, it is vital that consumers are afforded the utmost levels of protection to prevent food-borne illness. One of the most effective means to achieve this goal is through consumer knowledge. Clear and accurate labeling of the country of origin of meat is an important step to providing consumers with such knowledge.

Labeling is a powerful tool to inform consumers about the origins of the food they eat. While America's meat supply is considered the safest in the world, a large portion of the meat Americans consume is from other countries. By labeling meat, consumers will have an informed choice and a right to know the product's origin.

We thank you for providing strong leadership on this issue. We look forward to working with you to continue to ensure that American consumers enjoy the safest possible food supply.

Sincerely,

BRETT KAY,
Program Associate, Health Policy.

[From the Sioux Falls Argus Leader, Sept. 16, 1997]

CONSUMERS HAVE RIGHT TO KNOW ORIGIN OF MEAT

Many U.S. consumers assume the meat they purchase at the grocery store is produced by American farmers, but that's not necessarily so.

Imported meat inspected abroad under standards set by the U.S. Department of Agriculture goes on the shelves unlabeled with reference to the country of origin, just as U.S. meat does.

Consumers have a right to know where the meat they buy comes from. Just about every other item in stores is so labeled.

A bill introduced by U.S. Sen. Tim Johnson, D-S.D., would require country-of-origin labeling of meat at retail outlets.

Lawmakers may be hesitant to pass the law for fear of drawing ire from trading partners that might suffer from xenophobic consumers. They should consider the history of other imported products. Labeling certainly hasn't hurt the market for Japanese cars, French perfume or apples from New Zealand.

The recent recall of 25 million pounds of suspect ground meat by a Hudson Foods plant in Columbus, Neb., shines a glaring light on the importance of knowing sources of meat. The E. coli contamination is thought to have originated at a slaughterhouse—but where?

The uncertainty is unfair to producers and packers that run tight ships, because consumers who can't determine the origination of a problem will consider all sources a possibility.

A meat-labeling law would best require wholesale buyers to record the sources of meat they purchase by company name as well as location.

Meaningful meat labeling would hold producers both in foreign countries and in the United States accountable for the quality and safety of their products.

Consumers, livestock producers and reputable packers should all be clamoring for a law to identify the origin of meat.

Mr. DOMENICI. Mr. President, I rise in support of the Department of Agriculture and Related Agencies Appropriations bill for fiscal year 1999.

The Senate-reported bill provides $56.7 billion in new budget authority (BA) and $40.8 billion in new outlays to fund most of the programs of the Department of Agriculture and other related agencies. All of the funding in this bill is nondefense spending. This Subcommittee received no allocation under the Crime Reduction Trust Fund.

When outlays for prior-year appropriations and other adjustments are taken into account, the Senate-reported bill totals $55.2 billion in BA and $47.5 billion in outlays for FY 1998. Including mandatory savings, the Subcommittee is at its 302(b) allocation in BA and outlays.

The Senate Agriculture Appropriations Subcommittee 302(b) allocation totals $55.2 billion in budget authority (BA) and $47.5 billion in outlays. Within this amount, $13.7 billion in BA and $14.1 billion in outlays is for nondefense discretionary spending.

For discretionary spending in the bill, and counting (scoring) all the mandatory savings in the bill, the Senate-reported bill at the Subcommittee's 302(b) allocation in BA and outlays. It is $43 million in BA and $24 million in outlays above the President's budget request for these programs.

I recognize the difficulty of bringing this bill to the floor at its 302(b) allocation. I appreciate the Committee's support for a number of ongoing projects and programs important to my home state of New Mexico as it has worked to keep this bill within its budget allocation.

Mr. President, I ask unanimous consent that a table displaying the Senate Budget Committee scoring of the bill be printed in the RECORD. I urge the adoption of the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

S. 2159, AGRICULTURE APPROPRIATIONS, 1999—SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 1999, dollars in millions]

	Defense	Nondefense	Crime	Mandatory	Total
Senate-reported bill:					
Budget authority	....	13,715	....	41,460	55,175
Outlays	....	14,080	....	33,429	47,509
Senate 302(b) allocation:					
Budget authority	....	13,715	....	41,460	55,175
Outlays	....	14,080	....	33,429	47,509
1998 level:					
Budget authority	....	13,930	....	35,048	48,978
Outlays	....	14,227	....	35,205	49,432
President's request:					
Budget authority	....	13,672	....	41,460	55,132
Outlays	....	14,056	....	33,429	47,485
House-passed bill:					
Budget authority	....	13,596	....	41,460	55,056
Outlays	....	14,031	....	33,429	47,460
SENATE-REPORTED BILL COMPARED TO:					
Senate 302(b) allocation:					
Budget authority	....	....	....	....	....
Outlays	....	....	....	....	....
1998 level:					
Budget authority	....	−215	....	6,412	6,197
Outlays	....	−147	....	−1,776	−1,923
President's request:					
Budget authority	....	43	....	....	43
Outlays	....	24	....	....	24
House-passed bill:					
Budget authority	....	119	....	....	119
Outlays	....	49	....	....	49

NOTE.—Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

NUTRITION EDUCATION AND TRAINING PROGRAM

Mr. LEAHY. Mr. President, I raise the visibility of a little-known, but praiseworthy, program—the Nutrition Education and Training Program. I am speaking today in defense of this program, which now seems to be on life-support, and in dire need of resuscitation. For those who are not aware, the Nutrition Education and Training Program, NET, is a direct grant-to-States program which provides the nutrition education and food service training component of the Child Nutrition Programs. Under NET, all funds are distributed to the States. States and local governments leverage these limited resources into effective and innovative education and training programs for children, food service personnel, and parents. I know in my own State of Vermont, the creativity and innovation of the NET staff has provided unique and valuable nutrition materials that are relevant to thousands of Vermonters. Over the past 20 years, NET has promoted an infrastructure and quality standards that support local schools in providing nutritious meals and improving the health and nutrition behavior of our Nation's children. State and local NET coordinators have been responsible for much of the local success of the nutrition education effort.

NET programs are intended to teach children about the nutritional value of foods and the relationship between food and health. The program is also intended to provide nutrition education for teachers and training in nutrition and food service management for school food service personnel, and to facilitate development of classroom materials and curricula. This is done through a State Nutrition Education Coordinator who identifies the needs of the State—this is important—the program is not one size fits all, full of restrictions and mandates from Washington, but rather a cooperative program that is tailored to State needs.

Sadly, I am here today to report on the dire funding status of NET. In fiscal years 1997 and 1998, NET has struggled along at a level of only $3.75 million—this is a far cry from the original program in 1978–79 of $26.2 million—giving each State a level of 50 cents per child. The fiscal year 1999 House appropriations bill funds NET at only $3.75 million and the Senate bill provides nothing—putting all funds into Team Nutrition at $10 million. This low level of funding has diminished NET's effectiveness and threatens its viability to provide nutrition education to the nearly $9 billion Child Nutrition Programs it supports.

A few years ago, as Chairman of the Agriculture Committee, I supported a change in the law to provide NET with a guaranteed $10 million per year to provide important Nutrition Education activities. This level is not a budget-busting amount, and is in fact the amount the President requested in the fiscal year 1999 budget for this program. Unfortunately, in the rush toward welfare reform in 1996, NET's status as a mandatory program was rescinded, and the funding levels for NET have been problematic ever since.

I urge when the Conference on the Agriculture appropriations bill convenes that NET be provided adequate funding. The Child Nutrition Programs are absolutely critical to our Nation's future. Along with those benefits, we must give our children the chance to choose the right foods, to select a diet suited for them based on the facts and not on the latest billion-dollar junk food advertising.

NUTRITION FOR THE ELDERLY PROGRAM

Mr. DURBIN. Mr. President, I rise today in order to engage the chairman of the Agriculture Appropriations Subcommittee, Senator COCHRAN in a brief colloquy regarding the need for increased funding for the nutrition for the elderly program, contained in this bill. Senior nutrition programs are our best defense against elderly hunger and malnutrition. The House has provided $10 million more than the Senate for this program which helps our elderly, low-income seniors have good, nutritious meals. This increased funding would restore funds for both meals on wheels and meal sites by $10 million to $150 million to their FY96 levels.

The Senior nutrition program provides grants to states so that local organizations can prepare meals delivered to elderly persons in both congregate settings or in their homes. Many poor seniors rely on these programs as their primary source for nutrition. Unfortunately, 41% of Meals on Wheels programs have a waiting list. As the senior population grows, these waiting lists will only increase without adequate funding both local and federal for home-delivered meals programs. The average beneficiary for senior nutrition programs is 77 years old and 90% of beneficiaries live on income below 200% of the poverty level. 40% live on incomes below the poverty level. These poor seniors really need this program. I hope that the House level of funding will alleviate some of these waiting lists.

Studies conducted at the University of Florida found that over 66% of beneficiaries of senior nutrition programs are at moderate to high risk for malnutrition. In addition, these senior nutrition programs not only make good social policy sense, but they also make good fiscal policy sense. Every $1 spent on this nutrition program saves $3 in federal Medicare, Medicaid, and veterans' health care costs, since malnourished patients stay in the hospital nearly twice as long as well-nourished seniors, costing $2,000 to $10,000 more per stay. HHS Secretary Shalala has called these elderly nutrition programs "a bargain for the federal government".

This program also provides cash assistance to state agencies to help store and donate food to low-income seniors.

Home-delivered meals programs highlight positive values through volunteerism and community support. It is this type of cost-effective, federal-local partnership that Congress should be encouraging. This level of funding is endorsed by the National Council of Senior Citizens, the Grey Panthers and the Meals on Wheels Association of America.

4 million seniors live in poverty in this, the richest nation in the world. Another 16 million live near the poverty level. Our seniors are going hungry because we cut funding for this seniors nutrition program two years ago. Now is the time to restore this funding to its FY96 levels in conference.

Mr. COCHRAN. I thank the Senator from Illinois. As Senator DURBIN knows, the committee has worked hard over the past several years to maintain this very important program. I will work with my colleagues in conference to see that the House level of funding is available for seniors. With the greying of America, the need for this program has clearly increased and as the Senator from Illinois has stated, many of these meals on wheels sites have long waiting lists. I thank the Senator from Illinois for bringing this issue to our attention.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I would like to make an announcement here of how we are going to proceed for the balance of the night.

SENATOR SAM BROWNBACK RECEIVES GOLDEN GAVEL AWARD

Mr. LOTT. Mr. President, I want to recognize the distinguished Senator that is the Presiding Officer at this time. He is another one of our Members that has reached that magic mark of 100 hours as Presiding Officer. Senator BROWNBACK has done an outstanding job in presiding and handling the gavel. He has earned the Golden Gavel Award.

This is a tradition that started several years ago, and it helps make this institution work as it should. And I would like to extend a sense of appreciation to Senator BROWNBACK for his time as the Presiding Officer.

(Applause, Senators rising.)

Since the 1960's, the Senate has recognized those dedicated Members who preside over the Senate for 100 hours with the Golden Gavel. This award continues to represent our appreciation for the time these dedicated senators contribute to presiding over the U.S. Senate—a very important duty.

Senator BROWNBACK spent a significant amount of unscheduled time in the chair during last night's votes and still insisted upon meeting his presiding duties today. For his ongoing commitment to presiding, we thank him and extend our congratulations on receiving the Golden Gavel Award.

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, for the information of all Senators with regard to the schedule tonight, I understand the Senate will be voting very shortly now on final passage of the agriculture appropriations bill. The managers have worked out the Dodd amendment, and we will be shortly ready to go to final passage.

Following that vote, the Senate would then resume consideration of the HUD-VA appropriations bill. There is an amendment pending to that appropriations bill, which I understand may be withdrawn. But it is my hope and the intent of the managers—I was just talking to Senator BOND and Senator MIKULSKI—that we would get time agreements on amendments that are pending, and finish all debate on all amendments tonight, and then the votes that would be required would be in the morning at 9:30.

We would then go to the legislative appropriations bill during Friday's session.

So votes could be expected on Friday's session at 9:30 with one other possible vote.

I am hoping maybe that the legislative appropriations bill will not have any complicating issues and that it could be handled by a voice vote, or with only one vote.

I would like to finish it all tonight. But the managers have a number of amendments they have to work through.

So what we would have, then, as we now see it, is final passage on agriculture, go to HUD-VA, and we have one issue that may be resolved, which would then not require a vote, and then we would go on to the amendments.

So it is possible that after this next vote, the next recorded vote will not be until 9:30 in the morning. We will do everything we can to not go late tomorrow and certainly not later than 12 o'clock. But cooperation from Senators on both sides will allow us to actually finish it up by 10 o'clock or 10:30 tomorrow.

Mrs. FEINSTEIN. This is the last vote?

Mr. LOTT. We have one other issue we have to get clarified. This could be the last vote, but right now we could have one more right after this one. And we will clarify that in the next few minutes and notify all Senators.

Mr. COCHRAN addressed the Chair.

Mr. REID. Is there a unanimous consent pending?

Mr. LOTT. There is no unanimous consent request pending.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENT NO. 3192

Mr. COCHRAN. Mr. President we are now on the Dodd amendment. We had asked for the yeas and nays. We now have been able to work out that amendment and agreed to take that amendment to conference.

I ask unanimous consent that the yeas and nays be vitiated with that understanding.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3192, AS MODIFIED

Mr. DODD. Mr. President, I ask unanimous consent to send a modification of my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 3192), as modified, is as follows:

In the amendment strike all after the first word and insert the following:

SEC. ___. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

This section shall be referred to as "Matthew's Law".

(b) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

"(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

"(2) In this subsection:

"(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

"(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.".

(c) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting "or if the recall is a class I recall," after "cannot be identified"; and

(2) by adding at the end the following:

"(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.".

(d) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking "or gross" and inserting "gross"; and

(2) by striking the period and inserting ", or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).".

This section shall take effect one day after date of this bill's enactment.

Mr. DODD. Mr. President, the yeas and nays have been vitiated?

The PRESIDING OFFICER. The yeas and nays have been vitiated.

Mr. DODD. Mr. President, let me say briefly, if I may, for purposes of the RECORD on this amendment, I want to express my gratitude to the managers of the underlying bill, the agriculture appropriations bill, for their support on this, as well as my colleague from Vermont, Senator JEFFORDS, and Senator KENNEDY of Massachusetts.

There may be some technical questions that have to be addressed in conference.

Mr. FORD. Mr. President, may we have order.

The PRESIDING OFFICER. May we please have order in the Chamber.

The Senator from Connecticut.

Mr. DODD. Mr. President, there may be some technical questions that we will have to address in conference, and I have agreed, if that is the case, I would certainly strongly support those corrections, but I am deeply grateful for support of this amendment and ask unanimous consent it be adopted.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment. Without objection, the amendment is agreed to.

The amendment (No. 3192), as modified, was agreed to.

The PRESIDING OFFICER. Without objection, the first-degree amendment is agreed to.

The amendment (No. 3176), as amended, was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, we have reached the point where we are prepared to recommend approval of two other amendments that we have cleared on both sides. It is my understanding we have. And I ask my colleague from Arkansas if he is prepared to recommend the passage of our amendment that we are offering for Senators BAUCUS, LEAHY, and SESSIONS, and then an amendment offered in behalf of Senator COVERDELL.

Mr. BUMPERS. Mr. President, the first amendment that the chairman mentioned has been cleared on this side. The amendment by Senator COVERDELL has not.

The PRESIDING OFFICER. Who seeks recognition?

AMENDMENT NO. 3194

Mr. COCHRAN. Mr. President, the amendment that I suggested had been cleared is one that is offered by Senators BUMPERS and myself for Senators BAUCUS, LEAHY, and SESSIONS. I understand that amendment has been cleared on both sides. I send that amendment to the desk and ask that it be reported.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself and Mr. BUMPERS, for Mr. BAUCUS, Mr. LEAHY, and Mr. SESSIONS, proposes an amendment numbered 3194.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, line 11, strike "$50,500,000" and insert "$51,400,000".

On page 14, line 17, strike "$432,082,000" and insert "$432,982,000".

Mr. COCHRAN. Mr. President, this amendment would provide additional funding for three new special research grants, as follows:

Food safety (Alabama) $300,000;

Brucellosis vaccine (Montana) $150,000; and

Food Science Center (Vermont) $150,000.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3194) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I know of no other requests for recognition.

I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I ask unanimous consent that Senator BYRD be listed as a cosponsor on the Bumpers sense-of-the-Senate resolution on program funding levels which was previously adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Did the clerk read the bill for the third time?

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The clerk will report the House bill.

The bill clerk read as follows:

A bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. All after the enacting clause of H.R. 4101 is stricken, and the text of S. 2159, as amended, is inserted in lieu thereof.

The question is on the third reading of the bill.

The bill (H.R. 4101), as amended, was ordered to a third reading and was read the third time.

Mr. COATS. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote No. 209 Leg.]

YEAS—97

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Faircloth
Feingold
Feinstein
Ford
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NAYS—2

Kyl
Santorum

NOT VOTING—1

Glenn

The bill (H.R. 4101), as amended, was passed, as follows:

[The text of the bill was not available for printing. It will appear in a future edition of the RECORD.]

The PRESIDING OFFICER. The Senate insists on its amendment, requests a conference with the House, and the Chair appoints the following conferees.

The Presiding Officer [Mr. SESSIONS] appointed Mr. COCHRAN, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. BURNS, Mr. STEVENS, Mr. BUMPERS, Mr. HARKIN, Mr. KOHL, Mr. LEAHY, Mrs. BOXER and Mr. BYRD conferees on the part of the Senate.

Mr. COCHRAN. Mr. President, I express my sincere appreciation to all Senators for their assistance and cooperation in the consideration of the agriculture appropriations bill. In particular, I thank my distinguished colleague and good friend from Arkansas, who has served for 20 years as a member of this committee and was helping manage the agricultural appropriations bill for the last time in his Senate career. He has been not only a very good friend but very helpful, thoughtful, intelligent and effective as a Senator in this capacity, helping shape this legislation during the time we have had the opportunity to work together as members of the Appropriations Committee.

I am going to miss him very much. The Senate is going to miss DALE BUMPERS. He is one of the most astute, articulate and effective Senators serving in the Senate today.

I want Senators to know, too, that at my request, this bill includes a general provision to designate the United States National Rice Germplasm Evaluation and Enhancement Center in Stuttgart, AR, the DALE BUMPERS National Rice Research Center.

In my judgment, Senator BUMPERS is the father of this center. He has helped guide the development of the research there in this important agriculture sector. I think it is very appropriate and I was pleased that the subcommittee included that in our committee print. It was approved by the full committee and is included in the bill that was passed by the Senate.

Mr. President, I also say that without the wonderful assistance of members of our staff and the other members of our subcommittee, the passage of this bill would not have been possible.

I particularly praise the hard work and effective work of the chief clerk of our subcommittee, Rebecca Davies. Those who have assisted her have also turned in exemplary performances, and I appreciate very much all of their work. They are: Martha Scott Poindexter, Rachelle Graves, Hunt Shipman, who is a member of my personal staff and legislative assistant for agriculture and other issues, and our summer intern, Haywood Hamilton, from Albin, MS, who we are glad to have with us in our office this summer.

Those who worked closely with Senator BUMPERS on the Democratic side: Galen Fountain, his chief assistant on this subcommittee we have come to know and appreciate over a period of time, and we are grateful for his excellent assistance; Cornelia Teitka, who is a designee allocated to us as a resource from the Department of Agriculture, has been very helpful in the handling of the legislation; Ben Noble and Carole Geagley also have assisted them from Senator BUMPERS staff. We thank them all. We appreciate very much everyone's good efforts in the work on this bill.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I extend my congratulations and appreciation to the managers of this very important agriculture appropriations bill. My colleague from the State of Mississippi, Senator COCHRAN, always exhibits patience and real leadership on this important legislation. I thank him for what he does. And also to Senator BUMPERS, I think it is absolutely appropriate that this National Center on Rice Research be named after Senator BUMPERS. He certainly has labored in the vineyards on rice and also on the agriculture appropriations bill.

So thank you both for the work that you have done.

Mr. DASCHLE. Will the majority leader yield for a moment?

Mr. LOTT. Certainly.

Mr. DASCHLE. I join with the majority leader in complimenting the manager, the very distinguished Senator from Mississippi, as well as our ranking member. This will be the last bill our ranking member will manage, at least on the appropriations side. He may have other responsibilities in other committees, but on this bill it will be his last bill. We will miss his managerial skills, his remarkable sense of humor, and the ability that he demonstrates each and every day to work with all of us. So I compliment both of them and thank them for their fine work tonight.

I thank the majority leader for yielding.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

Mr. LOTT. I ask unanimous consent that the Senate now resume the HUD-VA appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2168) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Daschle amendment No. 3063, to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

Mr. LOTT. Mr. President, I ask unanimous consent that with respect to the HUD-VA appropriations bill, all first-degree amendments must be offered and debated tonight, and if votes are ordered with respect to those amendments, they occur, in a stacked sequence, beginning at 9 o'clock in the morning—I want to emphasize to our colleagues, we are beginning a little earlier than normal; it will be 9 o'clock; and we will go right to the stacked sequence, with 2 minutes of debate prior to each vote for explanation, as has been requested and is the normal practice—and that all succeeding votes be limited to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Now, Mr. President, I know that there are several amendments that need to be worked through. I see that Senator WELLSTONE is here on the floor ready to go. And I believe we can get some time agreements on other issues.

Does the manager, Senator BOND, wish to comment?

Mr. BOND. Thank you.

Mr. President, I believe Senator NICKLES was prepared to go, and I know that Senator WELLSTONE wants to go right after that. But I believe before we move forward, I need to yield to the distinguished minority leader who has to deal with this. It was our understanding from the discussions that Senator NICKLES would move forward on a major amendment he has, and then I would hope we would be able to turn to Senator WELLSTONE.

With that, let me yield to the minority leader.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

AMENDMENT NO. 3063 WITHDRAWN

Mr. DASCHLE. Mr. President, the majority leader and I have been talking throughout the day. And I believe we are making progress in setting up a procedure by which at some point in the not too distant future—I think the prospects are greater tonight than they have been in some time—we might have a good debate on the Patients' Bill of Rights. Because I believe that these negotiations are proceeding successfully, I withdraw the pending amendment on HUD-VA with an expectation that we will come to some successful conclusion at a later date.

The PRESIDING OFFICER. The amendment is withdrawn.

The amendment (No. 3063) was withdrawn.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Might I make a request for 1 second?

I ask unanimous consent that I be able to follow the Nickles amendment, so I can go back to the office and come back.

Mr. BOND. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the majority leader and the minority leader for allowing us to get back to this VA-HUD bill. We have had good discussions on it. We have had a very important amendment debated at length on the space station. This is always one of the important points that we have to debate on the VA-HUD bill.

We have had great cooperation from Senators on both sides. I think we have narrowed the list of amendments. And we hope to be able to accept and include in the managers' amendment many of the things that have been raised by our colleagues.

We are now waiting for Senator NICKLES to come forward to debate an amendment on the FHA limits. But we do have a number of amendments we can accept while we are waiting.

AMENDMENT NO. 3195

(Purpose: To increase funds for VA homeless grant and per diem program)

Mr. BOND. First, I send an amendment to the desk on behalf of myself, Senator CLELAND, and Senator MIKULSKI and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself, Mr. CLELAND, and Ms. MIKULSKI, proposes an amendment numbered 3195.

Mr. BOND. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, line 18, add the following new provisos prior to the period: ": *Provided further*, That of the funds made available under this heading, $14,000,000 shall be for the homeless grant program and $6,000,000 shall be for the homeless per diem program: *Provided further*, That such funds may be used for vocational training, rehabilitation, and outreach activities in addition to other authorized homeless assistance activities".

Mr. BOND. Mr. President, this amendment would provide, within the $17.2 billion medical care appropriation, $20 million for VA's homeless grant and per diem program. The amendment would make these funds available for vocational training, outreach, shelter, and other important activities to aid homeless veterans in a comprehensive manner.

This should help meet the needs of the 275,000 veterans who are estimated to be homeless on any given night of the year. Together with funds already included in the bill, we will have provided $100 million in VA homeless assistance. This is a critical need. I commend the other Senators who worked on supporting this. I urge adoption of the amendment.

Mr. CLELAND. Mr. President, I would like to thank the Chairman and Ranking Member for their outstanding leadership on this important piece of legislation. Given the hard work that went into this bill, I wanted to first express my appreciation for what they have done. I am reminded of the old phrase "too many cooks spoil the broth." Sometimes the legislative branch might be thought of in that way. As I offer this amendment, I have attempted to be mindful not to "spoil the broth."

As the former head of the Veterans Administration, the veterans portion of this bill continues to be near and dear to my heart. I am extremely pleased to see that the Appropriations Committee under the leadership of Senator BOND and Senator MIKULSKI has increased funding for the Department of Veterans Affairs by over $1.5 billion when compared to last year's budget. This represents a real increase in funding even when inflation is factored in. Senator BOND and Senator MIKULSKI are true friends of America's veterans, and we thank them.

The amendment I have offered attempts to fill a void that exists with respect to services for veterans. When I was head of the Veterans Administration, it was clear to me that the VA could not be everywhere at all times. We relied heavily on other government agencies and private entities in our attempt to assure that all veterans could obtain the benefits they were entitled to and the assistance they needed. Today, in an era of balanced budgets, we cannot depend solely on federal dollars to solve every problem. The era of balanced budgets brings with it the era of partnership.

The VA must continue to partner with other entities to fulfill its mission. For instance, in this year's Defense Authorization bill, I have authored language which would strongly encourage the VA to partner with the Department of Defense to provide health care for our nation's military personnel, their dependents, military retirees, and veterans.

Today, I am advocating much stronger partnering between the VA and the private sector to fill the basic needs of our nation's veterans. The Homeless Providers Grant and Per Diem Program was established in 1992 to fund the development and operation of transitional housing for homeless veterans who are free of alcohol and drugs. Over 2,000 beds have been made available under this program. Over $21 million has been appropriated for this purpose.

Unfortunately, the current program is completely inadequate in the face of the overwhelming need which exists for housing for homeless veterans. The VA estimates that over 275,000 veterans are currently homeless on any given night. In a given year, over 500,000 veterans find themselves homeless at some point. In Atlanta, Georgia, nearly 10,000 veterans are in need of homeless assistance. This is clearly unacceptable. A mere 2,000 beds, while important, would not meet the needs of one state, let alone the entire nation. The program does not come close to fulfilling the entire need. Currently at approximately $7 million, it represents less than two-hundredths of a percent of the entire VA budget.

The amendment I have offered would set aside $20 million for the Homeless Providers Grant and Per Diem program. This would nearly triple the amount available for this program. It would also insure that funds are available for rehabilitation, vocational training, and outreach. These are critical elements because the list of successful programs have demonstrated that helping veterans become drug and alcohol free and employable is the best way to insure that they not find themselves homeless again. Furthermore, it is important to provide for successful outreach to veterans in need to insure that veterans are able to take advantage of the services, both public and private, that are available to them.

Several groups have contacted me since I was elected to the Senate to seek support for the veterans assistance projects they are trying to establish or expand. I would like to take a few moments to describe two such programs.

Last year, the Georgia Military College conducted a pilot program in which veterans voluntarily undergoing drug rehabilitation were offered a college course. The program was paid for through the proceeds of a golf tournament sponsored by the Atlanta Veterans Administration Medical Center. Eighteen veterans participated in the original program. In light of the initial success, the Georgia Military College seized on the idea of expanding the program not only to provide for education but to offer additional counseling and to provide shelter for the participants. The College is in the process of establishing a 5-year program aimed at improving the lives of Georgia's homeless veterans. This is the type of program that can truly make a difference. Instead of a "band-aid" approach, it offers true skills training, and the transitional housing these veterans need to be able to continue with the program.

The National Veterans Foundation offers perhaps one of the most important services a nation can provide to our veterans in need—a human voice. The Foundation was founded by Floyd "Shad" Meshad in 1985 to help veterans recover from the pain of war. It has aided over a quarter of a million veterans, funding housing, legal services, job training, counseling, and rehabilitative programs. A major focus of the Foundation is its toll-free Information and Referral Line. Shad Meshad refers to it as a "Clearing House" to direct veterans and their families to the assistance they need. It is a real human voice on the other end of the line, not a recording. Over the years, the National Veterans Foundation has logged thousands of calls. Unfortunately, this critical outreach program is only available during business hours, Monday through Friday. Our veterans deserve the kind of service provided by the National Veterans Foundation—but they deserve it 24 hours a day, 7 days a week.

These are just two of the types of programs that deserve the support of the VA. In my view, it is only lack of resources which currently limits that support. It should be made clear that what we are talking about is not the old give-away of federal funds. This is not new "corporate welfare." I was introduced to the Homeless Providers Grant and Per Diem program fairly recently. I was surprised to learn that the Veterans Administration does not currently have a comprehensive grant program that could fund meritorious projects, but it does have this program. I believe the Homeless Providers Grant and Per Diem Program combined with a future comprehensive grant program will leverage federal dollars with private, state, and local money to create a multiplier effect that will aid our nation's veterans for years to come. It is my intent to introduce legislation in the future to provide the necessary statutory authority to establish a comprehensive grant program that goes beyond the current homeless assistance program.

Mr. President, I would like to thank Senator BOND and Senator MIKULSKI for their cooperation and support for this amendment. Without their leadership, this amendment would not be possible. I look forward to working closely with them in the future to further assist our nation's veterans.

I yield the floor.

Ms. MIKULSKI. Mr. President, I am proud to concur with Senators CLELAND and BOND on this amendment. It will increase by $13 million the amount for the homeless grants for the VA. Nobody who fought to save our country should be out on the street. These men have borne the permanent wounds of war, some of which have caused deep-seated emotional problems—unable to find a job.

What I like about the VA homeless program is, it not only provides a shelter but tries to get them focused on starting a new way of life. We have an outstanding one in Maryland. I am proud of it. And I look forward to accepting this amendment and say hats off to try to give the vets a new lease on life.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Without objection, it is so ordered.

The amendment (No. 3195) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3196

(Purpose: To require entities that operate homeless shelters to identify and provide certain counseling to homeless veterans)

Mr. BOND. Mr. President, on behalf of Senator MCCAIN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. MCCAIN, proposes an amendment numbered 3196.

Mr. BOND. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 93, between lines 18 and 19, insert the following:

SEC. 423. (a) Each entity that receives a grant from the Federal Government for purposes of providing emergency shelter for homeless individuals shall—

(1) ascertain, to the extent practicable, whether or not each adult individual seeking such shelter from such entity is a veteran; and

(2) provide each such individual who is a veteran such counseling relating to the availability of veterans benefits (including employment assistance, health care benefits, and other benefits) as the Secretary of Veterans Affairs considers appropriate.

(b) The Secretary of Veterans Affairs and the Secretary of Housing and Urban Development shall jointly coordinate the activities required by subsection (a).

(c) Entities referred to in subsection (a) shall notify the Secretary of Veterans Affairs of the number and identity of veterans ascertained under paragraph (1) of that subsection. Such entities shall make such notification with such frequency and in such form as the Secretary shall specify.

(d) Notwithstanding any other provision of law, an entity referred to subsection (a) that fails to meet the requirements specified in that subsection shall not be eligible for additional grants or other Federal funds for purposes of carrying out activities relating to emergency shelter for homeless individuals.

Mr. BOND. Mr. President, this amendment will assist homeless veterans by requiring the federally funded homeless shelters report to the Veterans' Administration the number of homeless veterans they serve, and it seeks to ensure that these homeless veterans be provide information regarding the availability of veterans benefits.

The amendment will improve the Federal Government's database on homeless veterans and will help homeless veterans know about programs which can help them address critical needs. It has been cleared on both sides.

I urge its adoption, and yield the floor.

Mr. MCCAIN. Mr. President, I rise to offer an amendment to the VA/HUD Appropriations bill for Fiscal Year 1999. The amendment will assist homeless veterans and seek to eliminate some of the suffering of those less fortunate Americans who served their country in the military.

This amendment will develop better methods for identifying veterans who utilize federally funded homeless shelters so that they can be educated about veteran benefits to which they are entitled, including Department of Veterans Affairs health care. A homeless shelter which receives federal funding would be required to inquire if a person, man or woman, entering the shelter is a veteran. This information would be used solely to assist in tracking the number of homeless veterans and providing counseling to the veteran regarding all available benefits, including job search, veterans preference rights, and medical benefits. Additionally, the Secretary of Veterans Affairs and the Secretary of Housing and Urban Development will coordinate these activities and specify a schedule for notifying the Department of Veteran Affairs of the status of these homeless veterans. It is the intent of this amendment to require homeless shelters to follow this procedures if they are to be eligible for additional Federal grants.

Today, there is no easy or accurate way to track the number of homeless veterans in the United States. I find this astonishing. We just celebrated Independence Day, and this country owes a great deal to the men and women who bore arms to keep America free. It is astonishing to me that there would be no mechanism or process set up to accurately track or keep national records on homeless veterans. The Department of Veterans Affairs estimates the number of homeless veterans to be between 275,000 and 500,000 over the course of a year. Conservatively, one out of every three individuals who is sleeping in a doorway, alley, or box in our cities and rural communities has worn a uniform and served our country. Mr. President, the time is right, right now, to give a helping hand.

Of the figures the Department of Veterans Affairs does acknowledge, homeless veterans are mostly male; about three percent are women. The vast majority are single; most come from poor, disadvantaged communities; forty percent suffer from mental illness; and half have substance abuse problems. More than seventy-five percent served our country for at least four years and Vietnam veterans account for more than forty percent of the total number estimated.

Mr. President, there are many complex factors affecting all homelessness: extreme shortage of affordable housing, poverty, high unemployment in big cities, and disability. A large number of displaced and at-risk veterans live with lingering effects of Post Traumatic Stress Disorder (PTSD) and substance abuse, compounded by a lack of family and social support networks.

I do not mean to be critical of the Secretary of Veterans Affairs or the Secretary of Housing and Urban Development in offering this amendment. To a certain degree the Department of Veterans Affairs is responsive in taking care of some homeless veterans. But the ones that are receiving critical medical treatment and veterans benefits are those who know that such programs exist. It is incumbent on our government to reach out to all homeless veterans. However, to do that, there must be a process in place.

Homeless veterans need a coordinated effort, between the Secretaries of Veterans Affairs and Housing and Urban Development, that provides secure housing and nutritional meals, essential physical health care, substance abuse aftercare and mental health counseling. They may need job assessment, training and placement assistance. To those that may argue that this is a new entitlement program, I would say that these rights and benefits currently exist for veterans today. Why would we as a nation not do everything in our power to provide this help for those less fortunate veterans.

Mr. President, our veterans deserve no less. I hope my colleagues will support this amendment and support our veterans.

Ms. MIKULSKI. Mr. President, no one can speak for the veterans the way a former POW can. I wish to be associated with the remarks of Senator MCCAIN and move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

The amendment (No. 3196) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3197

(Purpose: To provide funds for the Primary Care Providers Incentive Act, once authorized)

Mr. BOND. Mr. President, I send an amendment to the desk on behalf of myself, Senator MIKULSKI, and Senator ROCKEFELLER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] for himself, Mr. ROCKEFELLER and Ms. MIKULSKI, proposes an amendment numbered 3197.

Mr. BOND. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, line 18, add the following new provisos prior to the period: ": *Provided further*, That of the funds made available under this heading, $10,000,000 shall be for implementation of the Primary Care Providers Incentive Act, contingent upon enactment of authorizing legislation".

Mr. BOND. This amendment has been cleared on both sides and would provide $10 million within the VA medical appropriation for the Primary Care Providers Incentive Act contingent upon authorization.

Senators MIKULSKI and ROCKEFELLER have been working to create a program to facilitate the employment of primary care personnel at the VA, including an education debt reduction program which Senator MIKULSKI has long been interested in establishing. This program is intended to improve the recruitment and retention of primary care providers, a very important element in the service to the VA.

The Primary Care Providers Incentive Act seeks to update VA's educational assistance programs for prospective employees, particularly in areas where recruitment has been difficult. I urge the authorizing committees to act expeditiously on this important program.

I urge adoption of the amendment.

Mr. BOND. I yield to my distinguished colleague from Maryland.

Ms. MIKULSKI. Mr. President, this does attempt to recruit the very best and brightest in the field of primary care to the VA. I proposed the debt reduction program, a student debt reduction program, back in 1992.

Now, why do I approach this as debt reduction rather than scholarships? The scholarship program is very worthwhile, but there are many very talented people who have already graduated. They have a substantial student debt from studying either nursing or other primary care practices. What the $5 million would do would go towards reducing their student debt if they would enter VA services; they would get a year's worth of debt reduction for a year's worth of service.

This way, we know they have completed their training, they have passed their licensing requirement, they are as fit for duty as the veterans they will serve. That is why we approached it from that policy standpoint. It also joins with the outstanding efforts being made by Senator ROCKEFELLER to also develop other tools.

I concur in the amendment, and I urge its adoption and ask it be accepted unanimously.

Mr. ROCKEFELLER. Mr. President, I am delighted that $10 million to fund S. 2115, the Department of Veterans Affairs Primary Care Providers Incentive Act, has been provided through a managers' amendment to the VA/HUD appropriations bill. I thank the Chairman and Ranking Member of the VA/HUD Subcommittee, Senator BOND and Senator MIKULSKI, for their cooperation in making this possible.

The new scholarship and educational debt reduction programs that are contained in S. 2115 are designed to revitalize the Health Professionals Education Assistance Program at VA. This program was originally intended to help VA to recruit and retain health professionals, but it has atrophied in recent years, despite an ongoing demand for educational financial aid by health professionals employed by or interested in working at VA. This funding will help breathe new life into the educational assistance programs, and provide much needed incentives to improve recruitment and retention of primary care providers.

The VA health care system is in the midst of a major reorganization that is simultaneously reducing the current workforce and creating the need for more primary care health professionals. VHA's five-year strategic plan includes the activation and/or planning of nearly 400 community-based outpatient clinics, to be staffed by primary care health professionals. Yet hiring of these professionals and retraining of current employees, to prepare for these changes, has lagged behind the planning process. The Primary Care Providers Incentive Programs that will be funded through this amendment will motivate current employees to get training in new areas of need by providing scholarships, and assist in the recruitment of new primary care providers by helping to pay off student loans.

VA needs educational assistance programs such as these to effectively recruit and retain trained primary care health professionals. In VA hospitals and clinics, some of the most difficult positions to fill are those of nurse practitioners, physical therapists, and occupational therapists. In my own state of West Virginia, for example, at one of the VA hospitals, there has been a vacancy for an occupational therapist for over 12 years! Two of the VA hospitals have no physical therapists at all. This is simply unacceptable.

The plain fact is that starting salaries in the VA are not competitive with those in private practice. The Education Debt Reduction Program gives the VA a financial recruitment tool that will be an enormous help in making the VAMCs more competitive for these much-needed and highly skilled individuals. In fact, one of the most frequently asked questions by prospective new employees is whether or not VA has a debt reduction program. Clearly, this program will answer a critical need.

But improving recruitment is only half of the story. Retention of trained people is equally important. Funding the employee incentive scholarship program can help solve this very real problem. Eligibility is limited to current VA employees, providing a way for vulnerable individuals to protect themselves against future RIFs by acquiring training in the new areas of need. This will go a long way toward improving staff morale at the VA, which has been severely undermined in the last few years due to the necessary streamlining that resulted from significant budget cuts.

The educational assistance programs in S. 2115 are a valuable investment, enhancing morale of the VA health care providers in the short term, while building a workforce that matches VA's needs and improves veterans' health care in the long run. In the coming months, I will be working with my colleagues on the Senate Committee on Veterans' Affairs to authorize these worthwhile programs.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3197) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3198

(Purpose: To provide for the National Fallen Firefighters Foundation)

Mr. BOND. Mr. President, I send an amendment to the desk on behalf of Senators SARBANES and MIKULSKI and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] for Mr. SARBANES, for himself and Ms. MIKULSKI, proposes an amendment numbered 3198.

Mr. BOND. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ____ . NATIONAL FALLEN FIREFIGHTERS FOUNDATION.

(a) ESTABLISHMENT AND PURPOSES.—Section 202 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5201) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) primarily—

"(A) to encourage, accept, and administer private gifts of property for the benefit of the National Fallen Firefighters' Memorial and the annual memorial service associated with the memorial; and

"(B) to, in coordination with the Federal Government and fire services (as that term is defined in section 4 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2203)), plan, direct, and manage the memorial service referred to in subparagraph (A)";

(2) in paragraph (2), by inserting "and Federal" after "non-Federal";

(3) in paragraph (3)—

(A) by striking "State and local" and inserting "Federal, State, and local"; and

(B) by striking "and" at the end;

(4) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

"(5) to provide for a national program to assist families of fallen firefighters and fire departments in dealing with line-of-duty deaths of those firefighters; and

"(6) to promote national, State, and local initiatives to increase public awareness of fire and life safety in coordination with the United States Fire Administration."

(b) BOARD OF DIRECTORS OF FOUNDATION.—Section 203(g)(1) of the National Fallen Firefighters Foundation Act (36 U.S.C. 5202(g)(1)) is amended by striking subparagraph (A) and inserting the following:

"(A) appointing officers or employees;".

(c) ADMINISTRATIVE SERVICES AND SUPPORT.—Section 205 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5204) is amended to read as follows:

"SEC. 205. ADMINISTRATIVE SERVICES AND SUPPORT.

"(a) IN GENERAL.—During the 10-year period beginning on the date of enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, the Administrator may—

"(1) provide personnel, facilities, and other required services for the operation of the Foundation; and

"(2) request and accept reimbursement for the assistance provided under paragraph (1).

"(b) REIMBURSEMENT.—Any amounts received under subsection (a)(2) as reimbursement for assistance shall be deposited in the Treasury to the credit of the appropriations then current and chargeable for the cost of providing that assistance.

"(c) PROHIBITION.—Notwithstanding any other provision of law, no Federal personnel or stationery may be used to solicit funding for the Foundation.".

Mr. BOND. Mr. President, this amendment by Senator SARBANES and Senator MIKULSKI affects the National Fallen Firefighters Foundation, which is a federally chartered corporation dedicated to helping families of fallen firefighters in assisting State and local efforts to recognize firefighters who die in the line of duty.

The Federal Emergency Management Agency, U.S. Fire Administration, is a member of the foundation's board. Senator SARBANES sponsored the original legislation creating this foundation.

His amendment, along with Senator MIKULSKI, makes some technical changes to the law and eliminates the cap on staff. We understand it has been approved by FEMA. It has been cleared by the Commerce Committee. It would have no impact on spending and will ensure that the foundation is able to employ the staff it needs to operate.

I urge adoption of the amendment, and I yield to the sponsors.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I thank the chairman of the subcommittee for his support for this amendment.

The National Fallen Firefighters Foundation has done an absolutely outstanding job. I think it bears out the wisdom of the Congress in establishing it. The services they are now providing to the families of deceased firefighters are really exemplary. We have had many communications from spouses, from children, from parents, of how much the activities of the Fallen Firefighters Foundation mean to them.

They have enlisted very significant support from the private sector for their activities. These changes are technical in nature in order to enable the foundation to carry out its responsibilities with greater efficacy and greater efficiency.

I didn't want to let this opportunity pass without underscoring the tremendously fine work that is being done by the National Fallen Firefighters Foundation.

Ms. MIKULSKI. Mr. President, I concur with the remarks of my distinguished Senator. He has really done the heavy lifting on this policy issue. I want to thank him for doing this. I absolutely concur with the direction in which we are going. I think it will be an important memorial and a way to staff it properly.

I urge this amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3198) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3199

(Purpose: To restore veterans tobacco-related benefits as in effect before the enactment of the Transportation Equity Act for the 21st Century)

Mr. WELLSTONE. Mr. President, I will get started on this amendment.

Mr. BOND. Might I ask for clarification? I ask the Senator which amendment he has that he wants to discuss.

Mr. WELLSTONE. This is the amendment that will restore benefits to veterans for smoking-related diseases.

Mr. President, this amendment which I now send to the desk is on behalf of myself, Senator MURRAY and Senator MCCAIN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] for himself, Mrs. MURRAY, and Mr. MCCAIN, proposes an amendment numbered 3199.

Mr. WELLSTONE. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

The amendment is as follows:

On page 16, between lines 19 and 20, insert the following:

SEC. 110. (a)(1) Section 1103 of title 38, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 11 of such title is amended by striking the item relating to section 1103.

(b) Upon the enactment of this Act—

(1) the Director of the Office of Management and Budget shall not make any estimate of changes in direct spending outlays under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 for any fiscal year resulting from the enactment of this section; and

(2) the Chairmen of the Committees on the Budget shall not make any adjustments in direct spending outlays for purposes of the allocations, functional levels, and aggregates under title III of the Congressional Budget Act of 1974 for any fiscal year resulting from the enactment of this section.

Mr. WELLSTONE. Mr. President, my amendment would restore benefits to veterans with smoking-related diseases. How would we do that? It is simple. The TEA 21 highway program canceled the disability benefits that veterans would have received under existing rules and procedures, and it used that money instead to pay for more highway projects. My amendment would simply return the favor. It would repeal that offset from the highway bill.

Let me go through the procedural history of this to review how we got to where we are today. This offset first appeared in the President's 1999 budget request. The administration, I think, wildly overestimated the cost of benefits for smoking-related disabilities. But this money was then taken from veterans and it was used elsewhere. There is a tremendous amount of indignation in the veterans community over this, and there should be. Congress decided to play the same game. In the budget resolution they agreed to deny benefits to veterans and use the money elsewhere just like it had been done by the administration. But the budget priorities were a little different. The savings were used for highway projects. That didn't happen on the Senate side, but by the time it came back from the House, that is what happened. That was the major reason I voted against that bill.

The appropriate place to repeal this offset and restore veterans' benefits would have been in the technical corrections to the TEA 21 highway bill. Senator ROCKEFELLER and I intended to offer an amendment which would have done just that, but we never got a chance because that amendment was folded into another conference report so we could never get an up-or-down vote. We all know that conference reports, as I just said, cannot be amended.

As I have said before on the floor, it is only right that we should have a clean vote on this issue. This is not only a question of veterans, it is a question of accountability. There is simply no excuse for hiding behind procedural gimmicks to avoid responsibility. Some have said we have already voted on this bill, or we have already voted on this question, but I don't think that is true.

Let me explain. The two votes we had on the budget resolution did not deal directly with this question. Senators got a chance to pretend they were for veterans and against the offset, knowing that 5 minutes later we could cast a vote in the opposite direction.

We had some camouflage about doing a study sometime in the future. But I think we all recognize it was only a study. And the vote on the IRS reform bill was not a clean up-or-down vote; it was only a procedural vote, a point of order. We need to have a clean vote up or down, no subterfuge, no trickery. It is not enough to take these benefits away from veterans. Congress will add insult to injury by not having a clean up-or-down vote on this question.

I think veterans should take a clear position on this issue, and that should go on the RECORD. Now, some may object to this amendment because it is legislation on an appropriations bill, or they may think that this appropriations bill is the wrong place to remedy this particular problem. Let me remind my colleagues that this offset was a jurisdictional raid to begin with. Transportation conferees stole the money without ever going through the Veterans' Affairs Committee. This was originally the Veterans' Affairs Committee. If we now repeal this offset through the Veterans' Affairs Committee, we will have to pay for it by taking even more money away from veterans. The highway bill took that money away. It was not taken away by the Veterans' Committee. Nobody wants to do that. Nobody wants to take more funding away from veterans.

There are a few misconceptions that I would like to clear up. First and foremost, compensation for veterans with smoking-related illnesses was not a new program. It was not an expansion of a program. It was a benefit to which disabled veterans were entitled to under existing law. Veterans who had become addicted to tobacco because of their service in the military had the right to apply for disability. The highway bill took that right away.

It is a very tough test that the veterans have to meet. Only 300 have passed it. These were not special rules, either. Those veterans had to meet the same legal and evidentiary requirements as for any other service-connected disability. They had to prove that their addiction began in the military service. They had to prove that their addiction continued without interruption. They had to prove that their addiction resulted in an illness. They had to prove that their addiction resulted in a disability.

There is another thing that ought to be pointed out tonight. We are not really talking about $17 billion here. Let's be clear about it. OMB first came up with that figure based on an estimate of 500,000 claims granted every year. But over the past 6 years, a grand total of only 8,000 veterans have applied, and only 300 of those claims have been granted. CBO came in with a lower, but still high, estimate of $10.5 billion. But the TEA 21 conferees needed more money, so they took advantage of the higher OMB number to pay for a huge increase in funding for highways.

The administration's cost projections are based on many, many unknowns. More importantly, OMB is assuming

VA will grant 100 percent of all claims but, to date—listen to this, colleagues—VA has granted only 5 percent of the claims. The test veterans have to meet is simply much harder than OMB seems to think.

There are a number of other unknowns with the administration's methodology. On the percentage of veterans who currently smoke or are heavy smokers, VA experts made what we consider to be a questionable assumption that veterans who smoke more than 100 cigarettes in their lifetime would have the same disease rates as smokers; the percentage of veterans who may file claims for tobacco-related illnesses that are already receiving compensation for those or other conditions; the rate at which the VA can adjudicate these claims. There are lots of assumptions I would question.

Let me get right down to the very nitty-gritty of what this amendment is about. My first choice would be to keep the old rules for deciding disability claims—the ones we had before the TEA 21 highway bill. I don't see why Congress should go out of its way to deny disability benefits to veterans. Don't we have better places to look for spending offsets? Back in World War II, these veterans had free and discounted cigarettes included in their rations, and those packs didn't even have warning labels on them. Soldiers were encouraged to smoke to relieve the stress of military strain. And now some of them are suffering the consequences and they are not getting the compensation. That is what is so outrageous about what we have done, and that is what this amendment intends to correct.

The second choice—even if Congress does decide to deny these benefits, I find it hard to understand why this money should be taken away from veterans' programs. I believe, at the very least, it should stay with veterans. It is quite one thing to argue, look, though they deserve this compensation, they have to meet strict criteria to get this compensation. We handed cigarettes out like candy and we know veterans became addicted. They should have been entitled to this benefit. It is quite one thing to take away the compensation benefit, which we have done; it is adding insult to injury to not at least have to put that money, scored by OMB and CBO, back into veterans' health care.

That is why I come to the floor and I speak with so much indignation about this. That is why Senator MURRAY from Washington and Senator MCCAIN from Arizona join me in this amendment. If this offset proposal had been considered in the Veterans' Affairs Committee, as it should have been, I doubt that it would have seen the light of day. But if it had passed the committee, those savings would have remained within the committee's jurisdiction. Those savings would have been plowed right back into veterans' programs. That would have been my second choice.

So let me be clear again. The first choice: This compensation should have gone to the veterans. This is an injustice; it really is. Secondly, if we weren't going to do that, it should have stayed in the Veterans' Committee. I can tell you that committee would have at least made sure that this money would have been invested in veterans' health care. Only because it is late at night and because there are other colleagues who have amendments—trust me, I think I can talk, without notes, for 2 hours about the holes right now—gaping holes—in veterans' health care, in the financing and delivery of veterans' health care.

After all, we are running out of excuses for underfunding veterans' programs. Remember, for many years, Congress used deficit reduction as an excuse. That was the justification for flat-lining the VA budget in the 1997 budget deal. By the way, the flat-line budget is not going to work. It doesn't take into account inflation. It doesn't take into account all of the veterans now living to be 85—an ever-aging veterans population. It won't work. But now the deficit is gone and we can no longer claim that there are no offsets available. The first time an offset comes down the pike, and it is a real whopper, Congress immediately whisks it away to pay for other programs—programs that obviously have a much higher priority.

I can't imagine how Congress can make its budget priorities any clearer. I have to tell you that if our priority is to live up to our commitment to veterans, then I believe we should have 100 votes for this amendment.

The VA/HUD appropriations bill does include a significant $222 million increase over the President's request in funding for veterans' health care. I thank my colleagues, the Senators from Missouri and Maryland, for their very fine leadership.

Let me bring something to my colleagues' attention. As the Veterans Affairs' Committee wrote in its letter to Appropriations, an increase of over $500 million is necessary to maintain the current level of services. My argument is that not only did we not give the veterans the compensation they would have gotten if we hadn't raided—really, what was their funding for their addiction, for their illness—but to add insult to injury, if we didn't do that, we should have at least put it into veterans' health care because we are not properly funding health care for veterans in this country. Before the budget deal, we just simply did not take into account the inflation that is taking place. The budget is not enough.

Finally, let me be clear about what this amendment will do and what it will not do.

First of all, this amendment does not cancel or deny any transportation projects. Those projects are already in law. This amendment would not affect them in any way.

Second, this amendment that I have introduced with Senator MURRAY and Senator MCCAIN would not trigger a budget sequester. It includes the same protection against sequestration, the same budget gimmickry that was included in the TEA 21 bill.

It may be argued that this amendment would be using the surplus to pay for veterans' benefits. I would argue that the highway bill was spending the surplus because it was using an unreasonably high estimate for this offset. That is going to happen whether or not we repeal that offset.

But to the extent we do restore previous law on veterans' disability benefits and waive the Budget Act—I am asking colleagues to waive the Budget Act—the cost is not going to be anywhere near $17 billion. I want to be clear about that.

In the summer of 1997, the VA said it wouldn't be able to process more than a couple billion dollars worth of claims over 5 years.

Mr. President, and colleagues, let me just summarize. I have decided to really try to be brief. There is a lot that I feel strongly about, and there is a lot that I would like to talk about. But I think my colleagues from Missouri and Maryland were gracious enough to let me come to the floor with this amendment and get to work on it.

I summarize this way. This amendment would restore benefits to veterans with smoking-related diseases. This amendment that I introduce on behalf of myself and Senator MURRAY and Senator MCCAIN does what we should have done—to have provided this funding for compensation to go to veterans for smoking-related disease. We did not do that through a whole lot of gimmickry and a whole lot of zigs and zags. We took that funding away from veterans.

My second choice would have been to have at least invested this funding into veterans' health care.

We have got so many needs for those that are 85, and elderly veterans; so many needs for veterans that are walking around and struggling with PTSD; so many needs for more drop-in centers; so many needs to fill the gaps in our current VA health care system. And we didn't put the money into the veterans' health care.

Then, finally, I want to make real clear what this will do and what it will not do.

I don't want anybody to be able to say that we are now going to cancel any transportation projects. That is not what this amendment does.

I don't want anybody to say it is going to trigger a budget sequester. It has the same protection that we had against sequestration.

I don't want anybody to argue that we will waive a budget order, that we will have to go into a surplus. We have a huge surplus. We put the surplus into the highways. Now, I am just saying take it back, even though you don't take it from the highways, because you have already funded that. You should at least take that money that belongs to the veterans that should have gone to them directly for compensation.

I don't think we can avoid an up-or-down vote on this any longer. We should have a clear up-or-down vote. We should all be accountable. I feel very strongly about this, and I hope that I will receive very strong support for this amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I think the Senator from Alaska has another amendment. I was going to say that I believe the Senator from New Mexico, the chairman of the Budget Committee, will raise a point of order tomorrow. As the Senator from Minnesota knows, the Senator from Maryland and I have supported his position. There will be a Budget Act point of order.

But I ask for the yeas and nays on Senator WELLSTONE's amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, first of all, I would like to thank Senator WELLSTONE for his cooperation in this debate, and for his willingness to stay on the floor. I also appreciate his remarks. I know the passion that the Senator from Minnesota has on behalf of veterans. He spoke in behalf of atomic veterans, and in behalf of a group of veterans in his own State that have been ignored. He has spoken for the homeless, for the mentally ill veterans, and also for the need for long-term care for the veterans. I thank him for that.

Mr. President, when we debated both the highway bill and the budget bill, I supported the sense-of-the-Senate resolution that we not raid the veterans' medical care. Thence, when we voted on the highway bill, I voted for final passage, but was very clear saying we should not fix America's potholes on the backs of America's veterans and their needs for health care, many of whom bear the permanent wounds of war.

I thank the Senator for raising this issue again. I want the Senator from Minnesota to know that I support his policy position on this. I, too, believe that promises made should be promises kept to the veterans, and we should find other ways of funding that highway bill.

I look forward to further work with him on this topic.

Mr. MCCAIN. Mr. President, I rise to offer my strong support, as an original cosponsor of the amendment offered by Mr. WELLSTONE to the VA/HUD Appropriations bill for fiscal year 1999 which will rightfully transfer approximately $10.5 billion back to the Department of Veterans Affairs for veterans programs. I understand from the managers of the bill that the vote on this critical amendment will not occur until tomorrow. I would have voted for this provision if I was not called out of town on a prior commitment. Furthermore, I urge my colleagues to show their support for veterans and vote for this measure.

On July 8, 1998, I submitted for the RECORD a statement regarding veterans' health care activities for tobacco-related illnesses and disabilities. At that time, I had every intention to offer an amendment to the VA/HUD Appropriations bill that would restore the $10.5 billion in funding that was so egregiously and eagerly taken from our nation's veterans to fund pork-laden highway programs in the Intermodal Surface Transportation Efficiency Act of 1998 (ISTEA). Unfortunately, there was simply no possibility that this amendment would be adopted, simply because of the inflexibility of the Appropriations Committee's allocation of funds between the Transportation and VA/HUD Committees.

Because of the arcane rules of the Senate, I and my cosponsors are precluded from righting this profound wrong that has been perpetrated against those who have served and sacrificed for our country. I am not sure that our efforts will be more successful this evening, but I do know, that it is the right thing to do. This issue is far from dead.

It is important, I believe, that my colleagues fully understand the facts regarding the funding shortfall for veterans health care and compensation for tobacco related diseases.

First, the Department of Veterans Affairs critical funding shortfall is a result of President Clinton's legislative proposal to Congress to disallow service-connected disability or death benefits based on tobacco-related diseases arising after discharge from the military. Congress, eager to fund pork-laden highway programs, then transferred nearly $10.5 billion to the Intermodal Surface Transportation Efficiency Act of 1998 (ISTEA), H.R. 2400, earlier this year. This egregious act was fully supported by President Clinton.

Second, on April 2, 1998 the Senate voted for an amendment sponsored by Senators DOMENICI, LOTT, and CRAIG on the Balanced Budget Act which transferred approximately $10.5 billion over five years from the Department of Veterans Affairs for veterans' tobacco-related diseases to the ISTEA bill for transportation related projects. I voted for this amendment, in part, because I believed that the tobacco companies, rather than the taxpayers, should bear the burden for tobacco-related diseases caused partially by smoking and using other tobacco products while they were in military service. Military service did not force servicemembers to smoke, but I acknowledge that for morale reasons, the services made cigarettes available for free or at inexpensive prices. The services also give servicemembers condoms and birth control pills at no cost to military personnel, but that does not mean that they want our men and women in uniform to be promiscuous.

Third, on the tobacco bill, I sponsored legislation that would provide not less than $600 million per year to the Department of Veterans' Affairs for veterans' health care activities for tobacco-related illnesses and disability and directed the Secretary of Veterans' Affairs to assist such veterans as is appropriate. The amendment would have provided a minimum of $3 billion over five years for those veterans that are afflicted with tobacco-related illnesses and disability. Additionally, the amendment would have provided smoking cessation care to veterans from various programs established under the tobacco bill.

Now that the tobacco bill has been returned to the Commerce, Science, and Transportation Committee, I feel more compelled to rectify this situation. As a conferee on the ISTEA bill, I refused to support and sign the ISTEA Conference Report. I opposed the ISTEA Conference Report for a number of reasons, particularly because of my objections to shifting critical veterans funding to support pork barrel spending in this massive highway bill. It seems that the Congress has no hesitation in breaking budget agreements, when it suits their own purposes to do so, to spend far more on transportation than agreed to in the balanced budget plan. What's worse, it seems that the Congress has no problem with robbing from veterans, whose programs have been seriously under funded for years, to pay for this luxury.

Furthermore, Mr. President, the facts are clear with respect to tobacco related health care costs and the impact on veterans:

Tobacco-related diseases, for example, include cancers of the lip, oral cavity, and pharynx; esophagus; pancreas; larynx; lung; bladder; kidney; coronary heart disease; cerebrovascular disease (stroke); various circulatory diseases; and chronic bronchitis.

The Department of Veteran Affairs' (VA) fiscal year 1997 expenditures for health care for veterans with tobacco-related illnesses are estimated to be $2.6–$3.6 billion.

In fiscal year 1997, the VA treated 405,000 patients with at least one tobacco-related illness.

In fiscal year 1997, the VAs' average cost per patient with at least one tobacco-related illness was $8,800.

In fiscal year 1997, patients with tobacco-related illnesses accounted for over 6.5 million visits to the VAs' health care facilities.

The projected additional health care costs for tobacco related-illnesses for the VA are estimated to be $2.9 billion over the next five years.

The projected additional health care costs for tobacco related-illnesses for the VA are estimated to be negligible for fiscal year 1999.

The projected cost for tobacco claims in fiscal year 1999 is about $500 million based on the number of claims that could be processed. Processing time for claims is expected to increase with an influx of tobacco claims.

Our nation's veterans should not be excluded from payments by tobacco companies for health care costs associated with tobacco-related diseases. The failure to address the tobacco-related health care needs of our men and women who faithfully served their country in uniform would be wrong. Congress cannot continue to rob from veterans, whose programs have been seriously under funded for years, to pay for these and other special interest projects.

Mr. President, our veterans deserve no less. I hope my colleagues will support this amendment and support our veterans. Thank you.

Mr. WELLSTONE. Mr. President, if there is more comment on this amendment, I will wait. I ask my colleague from Alaska whether he intends to move on to another amendment, or comment on this amendment.

Mr. MURKOWSKI. Mr. President, in response to my friend, it would be my intent to ask unanimous consent that the amendment be set aside so I can offer mine.

Mr. WELLSTONE. Mr. President, other colleagues may want to speak to that. I will take 2 minutes, I say to all of my colleagues.

I would like to thank the Senator from Maryland for her very kind remarks. I have to say that I will not go now through the technical part of what happened. I am telling you that this was a real injustice. We sort of went on record saying we wouldn't do this, and we have done it. We shouldn't have. This amendment restores that funding to where it should go.

I wish to say to my colleagues that we have a huge surplus. We really essentially took some of that money and put it in the highways. We shouldn't have. We got the highways. But we left the veterans out in the cold. They know that. All of these veterans organizations know that. I will say this tomorrow again. All these veterans know that. Senator MURRAY, Senator McCAIN, and many of my colleagues know it as well.

I hope that there will be very strong support for this, Democrats and Republicans alike, because, again, the money should have gone to deal with the problem, to deal with veterans who really are struggling with illness based upon addiction to tobacco, and, if not, it should have gone into the veterans' health care. It should not have gone, as my colleague from Maryland said, to pay for additional highways, which is what happened.

So let's correct a wrong. Please. Let's have a very strong vote on this tomorrow morning.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 3200

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside, and the clerk will report.

The legislative clerk read as follows:

The Senator from Alaska (Mr. MURKOWSKI) proposes an amendment numbered 3200.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. . VIETNAM VETERANS ALLOTMENT.

The Alaskan Native Claims Settlement Act (43 U.S.C. 1600, et seq.) is amended by adding at the end the following:

OPEN SEASON FOR CERTAIN NATIVE ALASKAN VETERANS FOR ALLOTMENTS

SEC. 41. (a) IN GENERAL.—(1) During the eighteen month period following promulgation of implementing rules pursuant to paragraph (6), a person described in subsection (b) shall be eligible for an allotment of not more than 160 acres of land under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

(2) Allotments selected under this section shall not be from existing native or non-native campsites, except for campsites used primarily by the person selecting the allotment.

(3) Only federal lands shall be eligible for selection and conveyance under this Act.

(4) All conveyances shall be subject to valid existing rights, including any right of the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement.

(5) All state selected lands that have not yet been conveyed shall be ineligible for selection under this section.

(6) No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section.

(7) The Secretary of the Interior may covey alternative federal lands, including lands within a Conservation System Unit, to a person entitled to an allotment located within a Conservation System Unit if—

(A) the Secretary determines that the allotment would be incompatible with the purposes for which the Conservation System Unit was established.

(B) the person entitled to the allotment agrees in writing to the alternative conveyance; and

(C) the alternative lands are of equal acreage to the allotment.

(b) ELIGIBLE INDIVIDUALS.—(1) A person is eligible under subsection (a) if that person would have been eligible under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971, and that person is a veteran who served during the period between January 1, 1968 and December 31, 1971.

(c) STUDY.—The Secretary of the Interior shall—

(1) conduct a study to identify and assess the circumstances of veterans of the Vietnam era who were eligible for allotments under the Act of May 17, 1906 but who did not apply under that Act and are not eligible under this section; and

(2) within one year of enactment of this section, issue a written report with recommendations to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

(d) DEFINITIONS.—For the purpose of this section, the terms 'veteran' and "Vietnam era" have the meanings given those terms by paragraphs (2) and (29) respectively, of section 101 of title 38, United States Code.

Mr. MURKOWSKI. Mr. President, I think we have given the amendment to both of the floor leaders.

The simple reality of this amendment is that this affects a group of native Alaskans—Aleut, Eskimo, and Indian—who served in uniform during the Korean or Vietnam war, and as a consequence of that service were unavailable and not in the State at the time when they would have had the opportunity to take advantage of an individual allotment, which was authorized under the 1906 Alaska Native Allotment Act, allowing the collection of up to 160 acres of nonmineral, vacant, unappropriated, unreserved land in Alaska to any qualified Alaska Native head of a household.

What happened during that timeframe between 1968 and 1972, which is the 3 years that are explicitly addressed in this amendment, is that the authorization for the selection ended. So what we have here is the passage of the Alaska Native Claims Settlement Act in 1971 that terminated this selection opportunity, and there were a number of Alaska Natives serving in the military who did not have an opportunity to take advantage of the 160 acres that were due them under the 1906 law.

Now, Mr. President, it is fair to say that we do not have a scoring on this. We hope to have one tomorrow. It is fair to say also that scoring would be very insignificant because this is land where they traditionally have fished, they have hunted, they have subsisted, and it is not land in areas of sensitivity relative to parks, wilderness areas, and wildlife areas. In all candor, it is also appropriate to say that the Department of Interior will be in opposition to it from the standpoint of any public land transferring to any individuals, even the indigenous people who were given by congressional action the right to the selection of this land.

Now, it is also fair to reflect on the fact that Alaska contains about 365 million acres. We are talking about authorization for those valid recipients of land in an amount less than 300,000 acres. So it would be equivalent to dropping, if you will, a tack in the State of Virginia in relationship to the footprint.

I recognize the effect that anything of significant scoring would have on this bill. We do not want to jeopardize the bill. I have talked to the floor manager. It is my hope that we can get an accurate scoring that reflects reality. It is also my hope that we recognize this truly belongs in the category of veterans issues. I am on the Veterans' Committee. I have been on that committee for 18 years. These veterans simply were unable to take advantage of the opportunity because they were serving in the Armed Forces.

So the amendment would restore the right of the Vietnam era Alaskan Native veterans to apply for these allotments as a right that they were denied only because they were serving in the uniform of our Nation.

The Amendment calls for the same standards that were in effect under the Allotment Act to be used to evaluate the new applications. Additionally, it calls for DOI to develop rules to implement this bill in consultation with Alaska Natives.

This amendment allows the Department of the Interior ample time to promulgate regulations needed to carry out the provisions of this amendment.

The amendment protects the current valid rights of the Federal Government.

The amendment also addresses the concerns of the administration about possible Veteran allotments within Conservation System Units.

If an Allotment is within a Conservation System Unit The Secretary of the Interior is authorized to offer other lands to the allottee.

I think this is a fair solution as these veterans had rights to these lands long before they were ever made part of a CSU.

This amendment is appropriate on this bill as it addresses a specific problem incurred by Veterans of the Vietnam war who are Alaska Natives and were denied a privilege offered other Alaska Natives, for the sole reason that they were overseas defending our freedom.

I know the administration would like to see this amendment "tightened" to include a smaller class of veterans and I think that is plain wrong.

Where our veterans are concerned I think we should always err on the side of greater participation as without every one of them we would not be here today as free people.

On a per capita basis, Alaska Natives represent the largest group of minorities serving in active duty in the U.S. Armed Forces.

It is my intention to ask for the yeas and nays tomorrow sometime, but I hope to have the opportunity to have further discussion with the floor managers on the scoring unless they have specific questions for me at this time.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, the Senator from Alaska presents a very compelling case. As a Senator interested in that area, I can see the importance of the case he makes. The problem is, this deals with a subject matter over which this subcommittee does not have primary jurisdiction, and therefore I would have to say, No. 1, I cannot comment on or respond properly to the views of the appropriate appropriations subcommittee, nor could I respond to the questions that might be raised by the authorizing committee.

The Senator has advised us that we do not have the scoring from CBO. He has assured us it will be minimal. Frankly, this bill is very close to our limits, and if the scoring turns out to push us over the allocations, we will have to raise a Budget Act point of order.

So I urge the Senator to talk with the chairman of the Appropriations Committee—the chairman and ranking member, and the chairman and ranking member of the appropriations subcommittee, and seek their counsel on it. We will be happy to have a vote on it or to deal with it tomorrow. While it does involve veterans, the subject matter is not one which is within the expertise of this subcommittee, and we do need to hear from the other appropriations subcommittees and the authorizing committee on it.

Mr. MURKOWSKI. If I may respond to the floor manager, I appreciate his understanding. I don't want to jeopardize activities of the committee. If there is a significant scoring, I will be willing to withdraw the amendment. But if it is a significant scoring, I would appreciate your consideration. If I may leave it at that, I would reserve the right—it would be my intention to have it listed on the pending amendments. I will ask for the yeas and nays.

Mr. BOND. I would be happy to join in asking for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MURKOWSKI. I will address it in the morning. I thank the floor managers, the gentlelady from Maryland, and the gentleman from Missouri.

I yield the floor.

Ms. MIKULSKI. Mr. President, I concur in the remarks of Chairman BOND. It sounds as if it is a worthwhile endeavor, a complex issue, and not necessarily appropriate to our subcommittee. So we await further information in the morning to see what are the appropriate next steps. I concur that the Senator always has a right to ask for a vote on his amendment. So we will just wait to hear what we hear on the scoring and what the Interior subcommittee chairman and ranking member say.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 3201

(Purpose: To provide class size demonstration grants)

Mr. FEINGOLD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 3201.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 93, between lines 18 and 19, insert the following:

SEC. ____. CLASS SIZE DEMONSTRATION GRANTS.

Subpart 3 of part D of title V of the Higher Education Act of 1965 (20 U.S.C. 1109 et seq.) is amended to read as follows:

"Subpart 3—Class Size Demonstration Grants

"SEC. 561. PURPOSE.

"It is the purpose of this subpart to provide grants to State educational agencies to enable such agencies to determine the benefits, in various school settings, of reducing class size on the educational performance of students and on classroom management and organization.

"SEC. 562. PROGRAM AUTHORIZED.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The Secretary shall award grants, on a competitive basis, to State educational agencies to pay the Federal share of the costs of conducting demonstration projects that demonstrate methods of reducing class size that may provide information meaningful to other State educational agencies and local educational agencies.

"(2) FEDERAL SHARE.—The Federal share shall be 50 percent.

"(b) RESERVATION.—The Secretary may reserve not more than 5 percent of the amount appropriated under section 565A for each fiscal year to carry out the activities described in section 565.

"(c) SELECTION CRITERIA.—The Secretary shall make grants to State educational agencies on the basis of—

"(1) the need and the ability of a State educational agency to reduce the class size of an elementary school or secondary school served by such agency;

"(2) the ability of a State educational agency to furnish the non-Federal share of the costs of the demonstration project for which assistance is sought;

"(3) the ability of a State educational agency to continue the project for which assistance is sought after the termination of Federal financial assistance under this subpart; and

"(4) the degree to which a State educational agency demonstrates in the application submitted pursuant to section 564 consultation in program implementation and design with parents, teachers, school administrators, and local teacher organizations, where applicable.

"(d) PRIORITY.—In awarding grants under this subpart, the Secretary shall give priority to demonstration projects that involve at-risk students in the earliest grades, including educationally or economically disadvantaged students, students with disabilities, and limited English proficient students.

"(e) GRANTS MUST SUPPLEMENT OTHER FUNDS.—A State educational agency shall use the Federal funds received under this subpart to supplement and not supplant other Federal, State, and local funds available to the State educational agency to carry out the purpose of this subpart.

"SEC. 563. PROGRAM REQUIREMENTS.

"(a) ANNUAL COMPETITION.—In each fiscal year, the Secretary shall announce the factors to be examined in a demonstration project assisted under this subpart. Such factors may include—

"(1) the magnitude of the reduction in class size to be achieved;

"(2) the level of education in which the demonstration projects shall occur;

"(3) the form of the instructional strategy to be demonstrated; and

"(4) the duration of the project.

"(b) RANDOM TECHNIQUES AND APPROPRIATE COMPARISON GROUPS.—Demonstration projects assisted under this subpart shall be designed to utilize randomized techniques or appropriate comparison groups.

"SEC. 564. APPLICATION.

"(a) IN GENERAL.—In order to receive a grant under this subpart, a State educational agency shall submit an application to the Secretary that is responsive to the announcement described in section 563(a), at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) DURATION.—The Secretary shall encourage State educational agencies to submit applications under this subpart for a period of 5 years.

"(c) CONTENTS.—Each application submitted under subsection (a) shall include—

"(1) a description of the objectives to be attained with the grant funds and the manner in which the grant funds will be used to reduce class size;

"(2) a description of the steps to be taken to achieve target class sizes, including, where applicable, the acquisition of additional teaching personnel and classroom space;

"(3) a statement of the methods for the collection of data necessary for the evaluation of the impact of class size reduction programs on student achievement;

"(4) an assurance that the State educational agency will pay, from non-Federal sources, the non-Federal share of the costs of the demonstration project for which assistance is sought; and

"(5) such additional assurances as the Secretary may reasonably require.

"(d) SUFFICIENT SIZE AND SCOPE REQUIRED.—The Secretary shall award grants under this subpart only to State educational agencies submitting applications which described projects of sufficient size and scope to contribute to carrying out the purpose of this subpart.

"SEC. 565. EVALUATION AND DISSEMINATION.

"(a) NATIONAL EVALUATION.—The Secretary shall conduct a national evaluation of the demonstration projects assisted under this subpart to determine the costs incurred in achieving the reduction in class size and the effects of the reductions on results, such as student performance in the affected subjects or grades, attendance, discipline, classroom organization, management, and teacher satisfaction and retention.

"(b) COOPERATION.—Each State educational agency receiving a grant under this subpart shall cooperate in the national evaluation described in subsection (a) and shall provide such information to the Secretary as the Secretary may reasonably require.

"(c) REPORTS.—The Secretary shall report to Congress on the results of the evaluation conducted under subsection (a).

"(d) DISSEMINATION.—The Secretary shall widely disseminate information about the results of the class size demonstration projects assisted under this subpart.

"SEC. 565A. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart $15,000,000 for fiscal year 1999 and each of the 4 succeeding fiscal years.".

SEC. . PROHIBITION REGARDING RESEARCH AND DEVELOPMENT BY NASA RELATING TO SUPERSONIC OR SUBSONIC AIRCRAFT.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Administrator of the National Aeronautics and Space Administration may not carry out research and development activities relating to supersonic aircraft or subsonic aircraft.

(b) DEFICIT REDUCTION.—Upon the date of enactment of this Act, savings resulting from amounts reduced pursuant to the application of subsection (a) shall be subject to the following provisions:

(1) BUDGET AUTHORITY AND SPENDING LIMITS.—The Office of Management and Budget shall—

(A) reflect the reduction in discretionary budget authority that results from the application of subsection (a) in the estimates required by section 251(a)(7) of the Balanced Budget and Emergency Deficit Control Act of 1985 in accordance with that Act, including an estimate of the reduction of the budget authority for each outyear; and

(B) include a reduction to the discretionary spending limits for budget authority and outlays in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985 for each applicable fiscal year set forth in section 251(c) of that Act by amounts equal to the amounts for each fiscal year estimated pursuant to subparagraph (A).

(2) ADJUSTMENTS TO SPENDING LIMITS.—The Office of Management and Budget shall make the reduction required by paragraph (1)(B) as part of the next sequester report required by section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(3) CBO ESTIMATES.—As soon as practicable after the date of enactment of this Act, the Director of the Congressional Budget Office shall provide to the Committee on the Budget of the House of Representatives and the Committee on the Budget of the Senate an estimate of the reduction of the budget authority and the reduction in outlays flowing from such reduction of budget authority for each outyear.

On page 78, line 24, strike "$1,305,000,000" and insert "$866,000,000".

Mr. FEINGOLD. Mr. President, just briefly, my amendment accomplishes three things: It provides States some modest funding to promote one of the single most effective reforms we can make to improve the education of our children, and that is smaller class size; it eliminates a notorious piece of corporate welfare in the budget; and it reduces our budget deficit by $2.1 billion over the next 5 years.

The amendment authorizes a limited number of innovative demonstration grant programs to assist States in their efforts to reduce public school class size and to improve learning in the earliest grades.

My State of Wisconsin has been a leader in the effort to reduce public school class size, and this amendment is modeled after Wisconsin's successful pilot program, the so-called Student Achievement Guaranty in Education, or the SAGE Program.

Mr. President, we have been very proud of this program. It has worked well, and I think a model for it on the national level would be extremely helpful.

The amendment is fully offset by cuts in a wasteful and unnecessary Federal subsidy that benefits research and development for the world's largest aircraft manufacturer. We can fully fund this important SAGE Program and still reduce the Federal budget by more than $2.1 billion over 5 years if this amendment is adopted.

As we near the end of the 105th Congress, I fear that Congress will somehow go home having done nothing to reduce public school class size. My amendment approaches this issue without expanding the deficit and it eliminates an expensive corporate subsidy.

Briefly, passage of this amendment will save $2.2 billion by dealing with certain research efforts that have the explicit goal of maintaining the company's market share in the global aircraft market.

For the information of my colleagues, this company has reported profits in excess of $5 billion over the last 5 years, and I don't think there is any justification for this kind of subsidy. It flies in the face of free-market economics and it wastes billions of our constituents' tax dollars.

My distinguished colleague, the senior Senator from Texas, in speaking out against this subsidy, said, "The market system is much more efficient at creating jobs and opportunities than the Government is."

So I urge my colleagues to take his heed and eliminate this form of corporate welfare. As I noted before, we would produce in our amendment a $2.1 billion net deficit reduction over the next 5 years. To some of us, we may sometimes feel we are belaboring the obvious, but I feel constrained to point out that we still do have a deficit in our Federal budget and that this amendment will be very helpful in that regard.

I thank the Senator from Oklahoma and my friend, the senior Senator from Wisconsin, for deferring to me briefly so I could have the opportunity to speak about this amendment and offer it. In light of the understanding that the Senate wants to move forward on this bill, let me, in a moment, withdraw my amendment, but indicate I hope to offer it on another appropriations bill later this year.

With that, Mr. President, I withdraw the amendment and yield the floor.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 3201) was withdrawn.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I express my appreciation to the Senator from Wisconsin. We are now ready for the amendment by the Senator from Oklahoma. The Senator from Rhode Island has an amendment to go after this one. I ask the Chair to recognize him after this amendment has been dealt with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma.

AMENDMENT NO. 3202

(Purpose: To amend the bill with respect to single family maximum mortgage amounts, and for other purposes)

Mr. NICKLES. Mr. President, on behalf of myself and Senators Kohl, Mack, Allard, Feingold, DeWine and Faircloth, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. Nickles], for himself, Mr. Kohl, Mr. Mack, Mr. Allard, Mr. Feingold, Mr. DeWine and Mr. Faircloth, proposes an amendment numbered 3202.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 53, strike lines 9 through 25 and insert the following:

SEC. 219. INCREASE IN FHA SINGLE FAMILY MAXIMUM MORTGAGE AMOUNTS AND GNMA GUARANTY FEE.

(a) FHA Single Family Maximum Mortgage Amounts.—Section 203(b)(2)(A) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)) is amended by striking "38 percent" and inserting "48 percent".

(b) GNMA Guaranty Fee.—Ssection 306(g)(3)(A) of the National Housing Act (12 U.S.C. 1721(g)(3)(A)) is amended by striking "No Fee or charge" and all that follows through "or collected" and inserting "A fee or charge in an amount equal to not less than 12 basis points shall be assessed and collected".

Mr. NICKLES. Mr. President, before I describe the amendment, first I would like to just express my appreciation to my colleagues, Senator Bond from Missouri and Senator Mikulski from Maryland. I have the pleasure of serving with them on the Appropriations Committee, on this subcommittee, and I enjoyed the work on this subcommittee. This subcommittee is a hard committee because it deals with so many agencies. It is not easy. It is not just one agency. The bill is commonly VA-HUD and other agencies. It includes EPA, the Science Foundation, NASA and so on. So it requires an enormous amount of work by staff and by Senators to try to stay on top of all the demands, and the multitude of requests by the agencies and Senators who are involved with them. So I compliment them for their work.

Mr. President, I agree with most of the things they have in their bill, although I have some questions about the cost of the bill, but I will may raise that at another time. I notice in the committee report the bill has about a $5 billion increase in requests compared to last year. I do not know of any other appropriations bill that has that kind of increase. I am going to have to check into that, but that is not what I raise tonight. I may vote against the bill because of the $5 billion compared to last year's level. I am concerned about that, but I am going to do my homework on that.

The reason I am rising to introduce this amendment is because in the committee bill it increases the FHA loan limits and increases them rather significantly. For those who are not familiar with this, FHA, the Federal Housing Administration, insures mortgage loans. These mortgages are 100 percent guaranteed by the Federal Government. It was started many, many years ago, and its purpose was to expand housing in areas where people maybe could not afford it. It had a noble purpose. We had a housing shortage. We had people who could not get money, could not borrow money. The private sector markets were not there and money was not available to assist people to buy a home.

One of the basic, fundamental principles we have in this country is we want people to be able to buy their own homes. We want people to be able to own their own homes, not just rent, we want people to own their own homes. So the Federal Government assisted in this program with the Federal Housing Administration.

But we have limits. We have guiding principles that say, if we are going to have the Federal Government insure home loans to individuals, they basically be limited to about 95 percent of the median home price for that area. It kind of makes sense. You should not be able to get 100 percent Federal insurance for home loans far in excess of the value of homes in the area. That does not make sense.

There is in effect, base amounts or a bottom amount so every county across the country would not fall below a particular amount. And then there is also a cap. We ought to have some kind of limit. We should not have the Federal Government insuring loans very expensive homes. I see my colleague from Rhode Island. There are some areas of Rhode Island, at least one area there, where there are probably all million-dollar homes.

Mr. REED. That is in Massachusetts.

Mr. NICKLES. Maybe that is in Massachusetts, I am not sure. But the Federal Government should not be insuring those million dollar homes. So we have a maximum limit to make sure the federal government doesn't insure million dollar homes. The bottom loan limit is $86,000 this year. Last year, it was $81,000, so it has increased. The top limit it is $170,000. So you have limits set at 95 percent of the median value of homes, but everywhere in this country is going to have at least this base limit, $86,000. Right now, current law, you can get a home Loan, insured 100 percent by the Federal Government, guaranteed by the taxpayers, in an amount equal to $86,000. In some areas, the higher price home areas, up to $170,000.

The committee increased both of those limits. They increased the base amount from $86,000 to $109,000. And they also increased the top limit from $170,000 to $197,000—almost $200,000. Our amendment strikes the increase in the top limit.

I hope my colleagues would say, wait a minute, $170,000 is enough for the Federal Government to insure. Shall we really go up to $200,000? Last year, it was $160,000, so, because it is tied to a percentage of the Freddie Mac conforming loan limit, it already goes up from last year's level in the top areas, from $160,000 it goes to $170,000. Isn't that enough? But, no, the committee said let's go on up to almost $200,000.

The purpose of this program was to assist low-income people, or people who could not get loans to be able to get a loan with a Federal guarantee; a loan that is guaranteed by taxpayers 100 percent. But now the committee is going all the way up to $200,000? I think that is too high. I do not think that was the purpose of the program.

The Secretary of Housing called me two or three times and said, "Can't we do this?" I disagreed with him. He wanted to do it on the highway bill, and I respect the Secretary of Housing, but I said, "No. That is bad public policy." They tried to get this put in the highway bill and I disagreed with him and we were successful in stopping it. Now the VA-HUD appropriations subcommittee is doing it.

Our amendment does not touch the bottom increase. I might tell my colleagues, I think we should. I did not want to increase the bottom amount, but I also know how to count votes. I didn't have the votes to prevent the increase in the bottom limit. I hope we will have the votes to not increase the top limit. I hope we will keep the Federal Housing Administration targeted to lower income individuals. You have to have a pretty good income in order to be able to afford a $200,000 mortgage. Is that the purpose of the Federal Government, to insure loans and mortgages up to $200,000? I don't think so. I don't think that is why FHA was created.

What brought us here? The Secretary of Housing wants to increase the loan limits. I guess there was a Housing Affairs letter, an internal industry newsletter that quoted a HUD official saying, "The increase in the loan limit is vital to the President's nationwide home ownership campaign, and if it passes Congress, it will surely translate into votes in the next Presidential campaign."

I'm not sure that is why we have this increase. I just don't think that is what the Federal Government should be doing. I might mention the administration wanted to take it up to $227,000, so maybe I should thank my colleagues from Maryland and Missouri because they did not go to $227,000. They did not accede to the President's request. The President wanted to take it to $227,000 nationwide. That is a quarter of a million dollars. That was the administration's proposal. To me, that is absolutely wrong and we should not do that.

What kind of a job has FHA been doing? Have they done such a great job that we should be encouraging them to make more and more loans? I might mention, when you are having a Federal insured loan, you are crowding out private sector loans. Shouldn't the private sector be making loans? If we are talking about loans of $200,000, shouldn't the private sector be making those loans with the risk that is involved? Or are we going to have the Federal Government do it and have the taxpayers at risk? I think the private sector should do it. If somebody wants to build or buy a $200,000 home, great, I hope they do. But I don't think the taxpayers should be at risk for it.

I have a young son who is working. When he looks at his paycheck he says, "Hey, Dad, thank you very much. You guys are taking a big chunk out of my check. Thank you very much." I don't think we should put his tax dollars at risk for somebody having a $200,000 home. He doesn't have one. My daughter doesn't have one. Why in the world should we be putting them at risk to be guaranteeing $200,000 loans? I don't think we should be doing that. But we are getting ready to do it in this bill. So I think that is a serious mistake.

Is FHA doing such a great job? They have three times the default rate of conventional loans. They are not doing that great if they have a default rate running at 8.4 percent, three times the national rate in conventional loans.

They have a smaller downpayment, which means a much greater risk. If you have a loan with FHA, I believe the loan-to-value ratio is 96 percent. That is far lower than conventional loans, so you have a lot more risk and three times the default rate.

FHA is not doing such a great job. We have a system that really encourages lenders to make FHA-insured loans, and that is another part of our amendment. We try to take some of the incentive away from lenders steering home buyers into FHA. Right now the system is really loaded, really geared towards FHA. You get a 100 percent Federal guarantee if you go FHA, and if you happen to be in the business of lending, you are going to get a much better deal going through FHA than you do through the private sector.

In our amendment, we also change the point level dealing with Ginnie Mae. We raise the Ginnie Mae guaranty fee from 6 basis points to 12. I might mention, under most conventional loans, servicing fees to lenders are usually about half, about 25 points, but under current law, FHA, it is 44 points.

What does that mean? If you are servicing a $100,000 loan, under a conventional mortgage you will get about half of those 50 basis points, or $250 on a $100,000 mortgage. If you do it for FHA, you get $440, a much better deal if you go with the Government-guaranteed loan. There is a much lower downpayment, and the Federal Government is going to guarantee it 100 percent. There is a real encouragement for people to steer home buyers into FHA. The Government is going to take care of it.

I might mention, that has had a catastrophic effect in many, many neighborhoods. This is sad.

Let me read a little summary. And, Mr. President, I will have several articles printed in the RECORD from people who studied this issue far more than I. But this is from a report that was done by the Chicago Area Fair Housing Alliance policy paper dated March of 1998, and it talks about the two faces of FHA. I will read a couple points:

> The Chicago Area Fair Housing Alliance has conducted studies which indicate that when FHA lending is concentrated, it has disastrous effects on these areas of concentration, resulting in undue levels of blight and disinvestment.

It goes on. It says:

> Yet our research clearly indicates that a pattern of FHA lending that limits housing opportunities contributes to segregation, perpetuates a myth of race as a contributor to community disinvestment and ultimately leads to community decline itself. The racially discriminatory effects of FHA single-family programs have been known to HUD for more than 25 years. However, HUD has failed to take its share of responsibility for the role FHA plays in the destruction of these communities.

It goes on:

> FHA has allowed itself to be a direct contributor to community disinvestment and decline.

We should be ashamed of ourselves. In other words, FHA in many areas has done more damage than good and has contributed to the decline of many, many neighborhoods.

This didn't come from DON NICKLES, from my research, this came from a group, the Chicago Area Fair Housing Alliance.

Mr. President, I will point out a few other comments that were made by people who have studied this issue, again, far more than I, just for the information of our colleagues, so they can see what a lot of people have said, that raising the FHA loan limits is not the right thing to do.

There is a letter from the Cato Institute, dated July 16, 1998. I will read a section.

Mr. President, it says:

> I wish to remind you that in the late 1980s the FHA lost over $2 billion of taxpayer funds when it became overextended. I fear that we may soon be facing the same problem today.
>
> It is also worth noting that the FHA already has a very poor lending record. At a time when the average conventional mortgage default rate hovers between 2 and 3 percent, FHA incredibly has an 8.4 percent default rate. I am very fearful that the FHA is becoming a ticking timebomb that will explode in the taxpayers' laps.

That was by Stephen Moore.

Americans for Tax Reform—I will highlight one page:

> The time has long passed since potential homeowners needed drastic federal intervention to qualify for affordable loans. With today's home ownership at an all-time high and with an innovative private mortgage market meeting the needs of homeowners across the bracket, logic would strongly suggest scaling back the FHA.

The bill we have before us doesn't scale back the FHA, Mr. President, it expands it, and expands it rather dramatically.

The Heritage Foundation issued an executive memorandum, dated July 16, 1998. I will read a short part of it:

> If ultimately enacted into law, these provisions—referring to the expansion, raising the loan limits—would expand the federal government's role even deeper into the residential mortgage market, provide windfall profits to a select group of mortgage financiers, undermine the viability of private mortgage insurers, and expose the U.S. taxpayers to a costly bailout for an already faltering FHA insurance fund.
>
> According to budget data provided to Congress by HUD, the FHA's 1997 property acquisitions through foreclosure were up 117 percent, or a staggering $2.3 billion, from initial projections.

I might mention, if my memory serves me correct, in 1997, FHA foreclosed on $5 billion worth of properties. This is not a success story in housing.

I will read from a different group. I have read from the Heritage Foundation, from the Cato Institute, and from a taxpayers group. Those groups are usually perceived to be free enterprise, conservative think-tanks and institutions.

This is from the Consumer Federation of America. It doesn't fall into the above category. It says:

"I am writing to express our strong support for your amendment"—the amendment by myself, Senator KOHL and others—"to the HUD Appropriations bill when it comes to the Senate floor."

The amendment eliminates a proposed increase in the high-cost FHA loan limit, which will keep FHA focused on the moderate-income home buyers it was created by Congress to serve.

It continues:

> Your amendment discourages lenders from inappropriate behavior by bringing the fee they make on FHA loans more in line with private sector fees—without any increase in the cost of an FHA loan to consumers.

They are right. Again, I reiterate, one of the things that we did in adjusting the guaranty fees on Ginnie Mae, going from 6 points to 12 points, will be to bring down the staggering servicing fees to the lenders from 44 basis points to 38. That is not much, but it moves it closer to being in line with the private marketplace. The marketplace is a lot closer to 25 basis points. Right now this very high fee is a real incentive for people to steer loans to FHA. We shouldn't have a Federal policy making it more profitable for people to send their loans FHA insurance with the Federal Government guaranteeing the loans. That doesn't make sense, but that happens to be current policy.

I ask unanimous consent that letters and statements from the Cato Institute, from the Americans for Tax Reform, and the National Taxpayers Union, as well as the Consumer Federation of America, be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CATO INSTITUTE,
Washington, DC, July 16, 1998.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: I just wanted to write you to thank you for your efforts to block any increase in the top FHA loan limit this year. With the FHA already holding over $300 billion of loans in its portfolio, it is the height of fiscal folly to be substantially increasing the size of the FHA loan portfolio, particularly since this policy would mostly affect higher income homebuying. Taxpayers are already at great risk of default, especially if the housing market goes into slowdown. I wish to remind you that in the late 1980s the FHA lost over $2 billion of taxpayer funds when it became overextended. I fear that we may soon be facing the same problem today.

It is also worth noting that the FHA already has a very poor lending record. At a time when the average private mortgage insurance claims rate hovers between 2 and 3 percent, FHA incredibly has an 8.4 percent default rate. I am very fearful that the FHA is becoming a ticking timebomb that will explode in taxpayers' laps. just as the savings and loan bailout required billions of dollars of taxpayer rescue funds in the late 1980s.

There is no reason that a federally subsidized agency should compete with the private market place, when private companies are quite adequately serving market need. The primary effect of increasing the FHA loan limit will be to divert homebuyers from PMI insurance to FHA insurance.

I'm enclosing a recent article of mine on FHA policy as well as my recent testimony before the Banking Committee. My position has been and continues to be that we ought to move aggressively towards privatizing the FHA, not expanding it.

Best wishes,

STEPHEN MOORE,
Director of Fiscal Policy Studies.

AMERICANS FOR TAX REFORM,
Washington, DC, June 18, 1998.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: I am writing to applaud your efforts to reject the provision in the FY 99 VA/HUD Appropriations bill that unnecessarily hikes the current Federal Housing Administration (FHA) loan limits to $197,490 in high-cost areas and to nearly $109,000 in lower-cost markets. Though lower than the $227,150 nationwide limit requested by the Administration, the new limits put forth in the Senate bill would substantially hinder the private market's ability to provide adequate mortgage capital and subsequently place the taxpayer at a higher risk of losses.

In what may have seemed like a plausible solution to solving mortgage debt defaults during the Great Depression, today's FHA loan program has changed little to meet the current structure of the market. The time has long passed since potential homeowners needed drastic federal intervention to qualify for affordable loans. With today's home ownership at an all-time high and with an innovative private mortgage market meeting the needs of homeowners across the income bracket, logic would strongly suggest scaling back the FHA.

Instead of limiting such loan programs, however, the Clinton Administration wants to increase the guaranteed loan rate for the most affluent homeowners, making it possible for higher-income individuals who cannot qualify for credit in the private market to obtain taxpayer-insured loans. Why should Americans, at any level of income, run the risk of paying higher taxes to cover the potential mortgage defaults of higher-income individuals with poor credit ratings?

The FHA loan program, which requires minimal payments yet loses $4 billion per year, has a default rate of three times the national average in comparison to the private sector. Lacking any credible economic wisdom, we must assume that the Clinton Administration will use the taxpayer-funded loans to harvest votes.

The Congress should not place American taxpayers at a higher risk of losses by increasing FHA's loan limits. Americans for Tax Reform, and the undersigned groups, in support of limiting the tax burden on all Americans, considers such an increase as fiscally irresponsible and a gross intrusion into the private market. On behalf of all taxpayers, we applaud your efforts to defeat this provision.

Sincerely,

GROVER G. NORQUIST
(And 6 others).

THE HERITAGE FOUNDATION,
July 16, 1998.

EXECUTIVE MEMORANDUM—WHY RAISING THE FHA MORTGAGE INSURANCE LIMIT WOULD BE BAD POLICY

(Ronald D. Utt, Ph.D.)

As Congress moves to consider the House and Senate appropriations bills for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), lawmakers will have to consider provisions to raise the maximum mortgage amount that can be backed by the Federal Housing Administration (FHA) insurance fund. If ultimately enacted into law, these provisions would expand the federal government's role even deeper into the residential mortgage market, provide windfall profits to a select group of mortgage financiers, undermine the viability of private mortgage insurers, and expose the U.S. taxpayers to a costly bailout for the already faltering FHA insurance fund.

Since early this year, the FHA has been confronting much-higher-than-expected loan defaults and insurance claims. According to budget data provided to Congress by HUD, the FHA's 1997 property acquisitions through foreclosure were up 117 percent, or a staggering $2.3 billion, from initial projections. The FHA further announced that it anticipated this higher rate of foreclosure to continue, and that it was revising 1998 foreclosed property acquisition estimates upward from an initial $1.9 billion to almost $4 billion. The FHA's declining confidence in the quality of its mortgage insurance portfolio has been justified by events. In the first quarter of 1998, despite the booming economy and rising employment throughout the United States, the FHA's delinquency rate reached an all-time high of 8.35 percent, meaning that nearly one in ten FHA borrowers were behind in their payments. This compares with a default rate of just 2.91 percent on conventional mortgages, the market on which the FHA seeks congressional approval to encroach.

Apparently having learned little from the devastating collapse of the savings and loan industry in the 1980s and the subsequent scandals that revealed shoddy underwriting standards in billions of dollars of mortgages, some Members of Congress are proposing that the FHA be allowed to insure a greater share of the market by moving into riskier, higher-valued mortgages. They also are recommending that the FHA's minimum down-payment requirement be reduced from its already inadequate levels. Minimal down-payment requirements under current law allow the FHA to insure 99.6 percent of a $100,000 loan, leaving little or no equity cushion to protect FHA reserves in the event of loan default and/or foreclosure.

HUD Secretary Andrew Cuomo has proposed that the FHA maximum loan limit be increased to $227,150 throughout the country, and that FHA's already generous down-payment requirements be made even more generous. House and Senate appropriators have agreed to propose much of what Cuomo is asking for: upping the regional cap on the minimum loan from $86,000 to $109,000, raising the maximum cap from $170,000 to $197,000, and allowing borrowers to make an even smaller down payment.

If enacted into law, these changes would worsen an already deteriorating situation within the FHA's insured portfolio by exposing it to disproportionately greater risks. With FHA out-of-pocket losses typically running at a rate equivalent to 30 percent of the value of the loan on the foreclosed property, the unanticipated foreclosed property acquisitions in 1997 and 1998 could lead to additional losses of $1.26 billion against the FHA's reserves.

Rather than placing the taxpayer at far greater risk of having to pick up the tab on foreclosed FHA-backed mortgages, a better alternative for Congress to consider is an amendment to the Senate bill that will be offered by a bipartisan coalition composed of Senators Don Nickles (R–OK), Herbert Kohl (D–WI), Connie Mack (R–FL), Wayne Allard (R–CO), and Russell Feingold (D–WI). Their amendment would raise the floor on the maximum-size mortgage the FHA can insure from the current $86,000 to $109,000 to target first-time and moderate-income home buyers more accurately while also eliminating much of the windfall corporate welfare benefits FHA mortgages bestow on some mortgage financiers. Whereas conventional mortgages allow mortgage originators to keep just 20 to 25 basis points in servicing fees, the FHA currently allows them 44 basis points, which largely explains the real estate industry's enthusiasm for the further federalization of the market. Under the bipartisan coalition's plan, these excessive servicing fees would be cut back to 38 basic points, with the 6-basis-point difference applied to the Government National Mortgage Association, a part of HUD that repackages and reinsures FHA and VA mortgages for final sale to investors.

Although the bipartisan coalition's amendment is a step in the right direction, an even better alternative would be for Congress to reject any expansion of the FHA's scope and instead hold oversight hearings to determine the reason the FHA and the mortgage originators that use the program have done such a consistently poor job of maintaining the financial integrity of a program that could be of considerable value to first-time home buyers. By failing to achieve underwriting standards common in the conventional mortgage market, the existing management of the FHA has exposed the U.S. taxpayer to the risk of a costly bailout and made it likely that many more FHA home buyers will face the humiliation and financial loss of foreclosure.

[Ronald D. Utt, Ph.D. is Grover M. Hermann Fellow in Federal Budgetary Affairs at The Heritage Foundation. For additional information, see the author's "HUD Wants Federal Housing Administration to Offer More Corporate Welfare," Heritage Foundation Executive Memorandum No. 512, March 9, 1998.]

CONSUMER FEDERATION OF AMERICA,
Washington, DC, July 13, 1998.

Hon. DON NICKLES and Hon. HERB KOHL,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES AND SENATOR KOHL: I am writing to express our strong support for your amendment to the HUD Appropriations bill when it comes to the Senate Floor.

The amendment eliminates a proposed increase in the high-cost FHA loan limit, which will keep FHA properly focused on the moderate-income home buyers it was created by Congress to serve. Congress should not increase FHA's loan limit to enable borrowers making as much as $75,000 a year to use a government program to buy a home.

The amendment also is a step in the right direction in lowering lender incentives to steer borrowers to FHA-insured mortgages when they may not be the best financing option. Lenders now make nearly twice the amount servicing FHA loans than they do servicing conventional loans. Your amendment discourages lenders from inappropriate behavior by bringing the fee they make on FHA loans more in line with private sector fees—without any increase in the cost of an FHA loan to consumers. Lowering lenders' fees on FHA loans even further would serve as a more effective disincentive for such anti-consumer lender action.

Sincerely,

STEPHEN BROBECK,
Executive Director.

NATIONAL TAXPAYERS UNION,
Alexandria, VA, July 14, 1998.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: On behalf of the 300,000-member National Taxpayers Union (NTU), I am writing to applaud your opposition to any increase in FHA mortgage insurance ceilings.

The Federal Housing Administration was created in 1934 to fill a void in the marketplace created by the Depression. Its aim has been to assist lower income families in obtaining their first home through mortgage insurance and lower down payments. Thanks to the enormous economic growth experienced in America since World War II, first time homeowners' reliance of FHA subsidized loans has fallen from 50% of the market during the 1950s, to the current level of only 10%. Yet, instead of trumpeting the success in lowering the number of Americans reliant upon government assistance to enter the housing market, the Clinton Administration is seeking to expand this entitlement to the wealthiest 14% of American households.

Now, some in Congress are pushing a "compromise" that would raise the top FHA limit to $198,000 and the base FHA limit to $109,000 (up from $86,000). This "compromise" will expand FHA benefits to the richest 16% of Americans and will direct FHA away from low and moderate income borrowers.

Defenders of the FHA note that the agency provides an important resource to lower-income families and minorities who wish to purchase a home. NTU fails to see how low income families will be served by FHA loans to those in the middle-to upper-class income range. This is especially curious since approximately 90% of Americans at this income level already own a home or have owned a home in the past. In most cases, families in this income bracket who cannot obtain private mortgages are trying to purchase homes out of their price range. Apparently, supporters of raising the ceilings will not be happy until every wealthy American owns a home at government expense.

In fact, the evidence suggests that low income families would actually be hurt by increasing the mortgage ceiling. A recent GAO report shows that in 1994, the FHA insured only 24% of all loans made to minorities, 20% of all loans to low-income families, and 21% of all loans to first time buyers—all of whom the FHA was supposedly created to help. Under the current system, the only means FHA has to direct loans to these target groups is through the loan insurance ceilings. Raising the ceilings would direct even less FHA assistance to these presumably needy groups. Who can defend lessening federal entitlements to the poor and minorities in order to expand benefits to the richest Americans?

This move also represents an unnecessary government intervention into the private sector—which could have disastrous results. As a document prepared by the House Banking Committee notes:

"Since the FHA pays mortgage lenders significantly higher servicing fees than either Fannie Mae or Freddie Mac (.44% of a loan value compared to .25%) and the agency assumes the total risk, allowing the FHA to expand into this market would skew the incentives of mortgage lenders against dealing with private entities to no justifiable public end."

In other words, the federal government would crowd private mortgage insurers out of the home mortgage business, leaving the government as the main mortgage insurer for most Americans. What's next? The official U.S. Government Visa card? This represents a clearly unneeded and harmful intrusion into the private sector by the federal government and should be stopped.

In fact, there is some question as to whether the FHA is even necessary in today's market. Presently, home ownership is at an all time high of 65.7%. In 1997 alone, there was a 27.7% surge in minority home ownership. Clearly, the days when most Americans couldn't afford their own home are over.

While the need for the FHA has been decreasing, there has been a serious increase in mismanagement at the FHA. In fact, as recently as last year, the GAO designated the FHA as "high-risk." Within the last year, FHA was forced to change its adjustable rate mortgage program as a result of high losses caused by weak underwriting. A report prepared by the House Banking Committee notes that:

"[I]n 1997, the FHA fund paid 71,599 claims, an 18% increase from the previous year. These foreclosures occurred despite reforms to the FHA fund, the Omnibus Budget Reconciliation Act of 1990, a record low levels of unemployment, increasing real wages, historically low mortgage interest rates, and a period of sustained economic prosperity since 1993. According to the Mortgage Bankers of America, FHA delinquencies have risen by 23% since 1988. During that same period, Department of Veterans Affairs Single Family Mortgage Guaranty Program delinquencies rose at a much lower rate (only 9%) and conventional mortgage delinquencies actually fell by 8%."

Plainly, wise lending practices are not being followed by the FHA. What the FHA needs is reform, not expansion.

To put it simply, Washington wants to expand an inefficient federal program that barely helps those it is intended to help in order to provide an entitlement to the richest 14% of American families—done at the expense of low income and minority families.

Mr. NICKLES. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial that was in the Wall Street Journal on June 8 of this year talking about vote building, which is an excellent editorial that talks about how this policy will hurt areas, large cities, blighted areas, and how this policy will increase, unfortunately, the plight of many, many neighborhoods, as well as the exposure to taxpayers.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[The Wall Street Journal, June 8, 1998]

REVIEW & OUTLOOK

VOTE BUILDING

It seemed like a worthy idea at the time. In 1934, when Congress created the Federal Housing Administration, half the nation's mortgage debt was in default. It was felt some entity was needed to help home buyers who couldn't qualify for conventional mortgages. Today, home ownership's at an all-time high and an innovative private mortgage market keeps coming up with new products to extend credit to low and moderate income home buyers. Logic suggests scaling back the FHA: instead, the Clinton Administration wants to make it easier for the affluent to qualify for 100% taxpayer-insured loans. This is intriguing.

FHA's share of the mortgage market has fallen to 9.1% in 1996 from 13.1% in 1990. This has prompted Housing and Urban Development Secretary Andrew Cuomo to propose a plan he says will let the FHA "maintain its market share" by increasing its maximum loan amount to $227,150, a one-third increase over current levels.

Not only would this reorient the program to higher-income borrowers who don't need government help to purchase a home, but it would increase the taxpayer risk of loans going sour. Democratic Senator Herb Kohl of Wisconsin notes that the default rate on FHA lending, which requires minimal down payments, is almost three times as high as in the private sector. This year, the FHA is losing $4 billion in loan defaults.

Even at current loan levels, the FHA is having a perverse effect on neighborhoods. The Chicago Area Fair Housing Alliance issued a study this month that found the FHA's 100%-backed loans offer service fees that are twice as large as those for privately insured loans and that encourage mortgage lenders to create loans likely to fail. The result is clusters of abandoned and boarded-up homes in marginal neighborhoods. "Large inventories of FHA foreclosed, vacant and deteriorating properties are found concentrated in minority and racially changing areas," the study concluded. "It is this blight that creates the impression that racial change causes neighborhood decline."

There are better ways to open the housing market. Financing isn't the only restraint on supply; there are politically created obstacles. In 1991 a commission headed by then-HUD Secretary Jack Kemp called for removing unnecessary barriers to the creation of housing. New studies have estimated that in high-priced California, where many new FHA loans would be made, the amenity and code requirements can boost prices as much as $60,000 a home.

Despite the taxpayer risks inherent in increasing the FHA loan limit, the Clinton Administration is trying to sell the expansion as a revenue raiser. Added premiums from FHA mortgage insurance would add some $1 billion to the Treasury over five years.

But it may also be an attempt to use a taxpayer-funded program to harvest votes. The April 17 issue of the Housing Affairs Letter, an internal industry newsletter, quoted a HUD official as saying, "The increase in the loan limit is vital to the president's nationwide homeownership campaign, and if it passes Congress, it will surely translate into votes in the next presidential campaign." Former HUD Secretary Kemp calls raising FHA loans limits a "classic Clinton-Gore strategy: courting suburbanites with proposals that they could rationalize through the prism of politics, but couldn't defend as sound policy."

Under ideal conditions, a political playpen like the FHA would be privatized and local governments encouraged to fine-tune their zoning and code requirements to help home buyers now frozen out of high-priced markets. But so long as that doesn't happen, it makes little sense to expand FHA loans to people with upper-middle-class incomes.

Who should be eligible for FHA loans? Why not restrict such loans only to those families in the 15% tax bracket. If the Clinton Administration wants to help more people buy homes, it can lower the number of people subject to the steeper 28% bracket, and at the same time provide them with more money to meet the loan payments and avoid default. But with its more upscale "reform," it appears that the White House prefers buying votes the old-fashioned way.

Mr. NICKLES. Mr. President, I have a letter from Jack Kemp, who was former Secretary of Housing and Urban Development, dated July 15, 1998. I will read one short paragraph. He says:

> Your amendment will also stop a brash move by the administration to push the FHA further and further away from its core mission of supporting the home ownership dreams of low- and moderate-income American families, a noble mission that has enjoyed bipartisan support in Congress.
>
> The drive to raise the FHA loan limit to $197,000 is motivated by a desire for votes in the fall elections. It would take an income of about $75,000 a year to qualify for such a loan, or the top 16% of wage earners.

Mr. President, I ask unanimous consent to have that letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 15, 1998.

Hon. DON NICKLES,
SH–133 Hart Senate Office Building, Washington, DC.

DEAR SENATOR NICKLES: I am writing to you today to support your efforts to stop yet another attempt by the federal government to expand its power, harm those it intends to serve and trample on the private sector mortgage market. As you know, I have opposed raising the FHA loan limits at all. And the provision in the current HUD/VA Appropriations Bill raising the limits to the proposed level would expose the federal taxpayer to $10 billion in contingent liability. It also would increase economic incentives for mortgage lenders to steer borrowers to the FHA program even though it may not be the best financing option. Therefore, I cannot support raising the FHA loan limits a single dollar.

However, if you have concluded that the provision has sufficient support to pass, I believe your amendment to raise Ginnie Mae's guarantee fees from 6 to 12 basis points goes a long way toward making a bad idea a livable one. And on its own merits, I believe you have an excellent proposal. Without costing a homebuyer an extra cent, your amendment removes the incentive for mortgage companies to unnecessarily direct buyers toward FHA loans. Currently, lenders make twice as much in servicing fees from FHA loans than they do in servicing conventional loans. Even though they require lower downpayments, FHA loans are more costly to the borrower over the life of the loan. By reducing lenders' fees for servicing FHA loans, lenders will have less incentive to steer borrowers to these higher cost FHA loans when they might have qualified for cheaper conventional financing.

Furthermore, the point must be made that without your amendment, the contingent liability on the American people will increase by $10 billion. With FHA delinquencies already at an all-time high, an economic slowdown or recession could render the FHA insurance fund insolvent and that contingent liability would come due.

Your amendment also will stop a brash move by the administration to push the FHA further and further away from its core mission of supporting the homeownership dreams of low- and moderate-income American families, a noble mission that has enjoyed bipartisan support in Congress.

The drive to raise the FHA loan limit to $197,000 is motivated by a desire for votes in the fall elections. It would take an income of about $75,000 a year to qualify for such a loan, or the top 16% of wage earners. Among these borrowers, 86% are homeowners today. It would make more sense to target families making less than $50,000, 40% of whom own their home, and can use the FHA program at today's levels.

I applaud you for your efforts to sensibly raise money for housing programs and keep the FHA program true to its mission of serving low- and moderate-income Americans.

Very sincerely yours,

JACK KEMP.

Mr. NICKLES. Let me just conclude by stating that I regret coming in and opposing my friends and colleagues from Missouri and Maryland on this issue. But if my memory serves, several years ago the Senator from Maryland and I wrestled with this issue on the floor of the Senate.

At that time there was an effort for people to raise the limits. I said, "Wait a minute. Why are we having the Federal Government guaranteeing more and more loans?" Home ownership, I might mention, in this country is at an all-time high. I think that is great. Most of that is done in the private sector. It just so happens FHA is losing its percentage share as the private sector has exploded. I think that is good.

I think this increase is an effort by the Secretary of Housing to say, "Wait a minute. We want the Federal Government to be making more loans." I also think it is also driven by a desire to generate more money for the Government. Because as you increase the loan limits, you increase the fees, and so on, and that allows the Government to spend more money.

I will not get too technical on the budget, but if the committee raises money through fees and so on, that allows them to stay within the budget caps because they get an offset for the increase in fees, and as a result, by increasing the fees both on the bottom and the top, the committee is going to get about an extra $80 million a year over and above the budget that we agreed to last year, that the President signed. I am not saying it is not within the rules of the Congress. I am just saying I think it is an attempt to have more money to spend. I personally am somewhat troubled by that.

Under existing law, loan rates on both the low end and the top end have already increased. They increased on the low end from $81,000 to $86,000. This committee bill increases it to $109,000. We do not touch that. I think maybe we should, but we do not.

Our amendment just says we should not increase the top limit from

$170,000—keep in mind, last year's was $160,000—to $197,000. A $10,000 increase in Federal Government loan guarantees in the high income areas, surely that is enough. The committee wants to take it almost $200,000. I think that is a serious mistake. I think that takes FHA away from its core mission. FHA's mission was to help low- and moderate-income people, not the wealthiest 15 percent of society.

I urge my colleagues to vote in favor of this amendment. We will be voting on it early tomorrow morning. I think it is very important that we protect taxpayers from greater risk, and that we keep FHA focused on low and moderate income home buyers. I thank my colleague from Wisconsin for his leadership and support on this amendment, his coauthorship of this amendment, as well as my colleague, Senator MACK, from Florida, who happens to be chairman of the authorizing committee. I also want to thank Senators FAIRCLOTH, ALLARD, and FEINGOLD for their support in trying to eliminate this expansion of the higher income limits for FHA.

Mr. President, I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, it is always good to see our former colleague on the VA-HUD committee come to the floor to talk about the difficult issues. We certainly appreciate his kind comments.

The VA-HUD-Independent Agencies is a very challenging and interesting area. He raised the question about the increase in spending; and to explain that will perhaps give my colleagues some idea why this is such a complex area.

The total spending includes—total spending is about $93 billion—includes $22 billion in mandatory spending for veterans administration categories. That is about a $4 billion increase over fiscal year 1998. The increase is attributable largely to the following—about a $1.5 billion increase in veterans administration, primarily mandatory spending, things over which our subcommittee has no control.

In addition, there is, HUD figures, about $2.6 billion over last year's figure. And that is because money was taken from section 8 contracts earlier in the year to pay for a supplemental. This is the budget that is always raided. And the broader Appropriations Committee has raided these section 8 contracts. That would be good except for the fact that the cost of renewing section 8 contracts in HUD continues to escalate.

In fiscal year 1997, we needed $3.6 billion in budget authority to renew existing section 8 contracts. Because we had moved to shorter and shorter term contracts, from multiyear contracts down to 2-year and 1-year contracts, it then shot up to $8.2 billion in budget authority for fiscal year 1998, the current year; and it jumps to $11.1 billion in fiscal year 1999. That is the result of the length of the contracts.

But it means, in order to continue providing the same assistance we do currently under section 8, we have to have about $2.9 billion more in budget authority for fiscal year 1999 than we did for fiscal year 1998. If you say we do not want to increase it, it means, in essence, that we are going to have to take away section 8 housing contracts and kick people out. That is just a simple choice.

I must oppose the amendment of my good friend from Oklahoma to strike the increase in FHA mortgage insurance limits for high-cost areas and to offset that with an increase of 6 basis points to the fees that Ginnie Mae charges for servicing costs.

The first point we need to make is that the FHA mortgage insurance increase is a bipartisan proposal, a bipartisan congressional proposal, that enjoys wide support from both Republicans and Democrats in this body. I do not see this modest increase as growing government. Rather, the FHA mortgage increase represents an approach to fill a gap that allows Americans of modest means—moderate-income Americans—to own their own homes, one of the great American dreams for all families.

The FHA was established in 1934 as a result of nearly impossible lending conditions during the Great Depression, and in over 60 years the public-private partnership of FHA and private lenders has enabled more than 25 million families to realize the dream of home ownership. Moreover, the FHA Mortgage Insurance Program supplements and complements the role of private mortgage insurance by assisting families who do not have adequate resources to meet the private mortgage markets' downpayment requirement, which is often 20 percent of the mortgage amount.

While the private mortgage insurance market has made tremendous strides in providing new products to assist families in purchasing homes, many families would be unable to purchase their home without the benefit of FHA mortgage insurance. In brief, the Senate VA-HUD fiscal year 1999 appropriations bill provides modest increases in the FHA mortgage insurance limits, raising the floor from 38 percent of the Freddie Mac conforming loan limit, or about $86,000, to 48 percent of the conforming loan limit, or some $109,000. It establishes a new ceiling for high-cost areas from the existing 75 percent of the conforming loan limit, or some $170,000, to 87 percent of the conforming loan limit, or some $197,000.

And let me indicate where these higher loan limits would be implemented. Right now—this is a chart which shows the United States. The colors of the chart indicate where the low rate, the base limit, is in place. These are the areas in blue. This is where the base lending rate would go from $86,000 to roughly $109,000.

The green areas on here are 95 percent of the local median.

The high-low rate, the one which is being challenged in this amendment which is raised to $197,000, would be in these few red areas on the East Coast—essentially, Boston, New York, Washington, DC area, Denver, CO, and California along the coastline. The rest of the country is not affected by the increases in the higher-end loan limit.

I think the legislation seeks to strike a reasonable balance to promote additional home ownership and would allow home ownership for some 30,000 families, 20,000 in high-cost areas and 10,000 basically nonurban areas. In particular, these new FHA mortgage insurance limits will help in nonurban areas where the price of new housing has escalated beyond the capacity of first-time home buyers to use FHA mortgage insurance to buy a house in some areas because the FHA lower-limits financing is not available for construction of first homes for families of workers with lower wages.

The problem is that the existing FHA mortgage insurance limits do not reflect the higher cost of new homes. New homes cost more than existing homes because of the cost of materials and labor. In addition, there are many other expenses. For example, the cost to develop new housing subdivisions is expensive because of the cost of utility hookups, environmental requirements, local taxes and surcharges for things like schools, roads, fire protection, as well as the cost of buildable land. Currently, the median price for a new home is $142,000, while the median price for an existing home is $126,500, for a $15,500 difference.

Now, this difference is very important for Missouri as well as the rest of the Nation. Home ownership in housing construction has been and always will be a locomotive for the U.S. economy. In addition to the jobs created through the development of new housing, many nonurban areas in particular will be able to provide the affordable housing that is so critical to attracting new business and to maintaining existing businesses.

I have talked with people in areas just outside the metropolitan Kansas, MO area, in areas of north Missouri, where they are benefiting from new jobs coming into the area but they are strangled because the new jobs bring in people who can't get housing. They can't get affordable housing. This is one of the critical needs for people in those areas so that they can continue to create jobs and see their communities grow. They need to have affordable housing. I am hoping that the raising of the lower limit will enable them to get FHA financing and build new homes.

Now, I don't want to confuse anyone. As I said, Senator NICKLES' amendment does not seek to reduce the increase to the FHA mortgage insurance floor, the one I was just talking about, as provided in the VA-HUD 1999 appropriations bill. Senator NICKLES' concern, as well as those of his colleagues, is that the proposed new mortgage insurance limit of $197,000 for high-cost areas is too high. In particular, in a "Dear Colleague" letter, Senators NICKLES, MACK, ALLARD, KOHL, and FEINGOLD state that to qualify for a mortgage of $197,000, a family would need an income of at least $75,000. Well, $197,000 is a lot of money for a house. That cost, however, is the reality in many areas and it needs to be addressed.

In addition, I think it is fair to say that $75,000 is not an extraordinary amount of income for a family. For example, it means that a two-income family, a schoolteacher and a firefighter, will be able to live in a community in which they serve. This is important. I do not think we should lose sight of the importance of mixed-income communities while providing opportunities for home ownership.

Moreover, as part of Secretary Kemp's FHA reform initiative as enacted in the National Affordable Housing Act, Price Waterhouse conducts an actuarial review of the FHA Mutual Mortgage Insurance Fund on an annual basis. From the perspective of actuarial soundness, NAHA mandated a fund to achieve a capital ratio of at least 2 percent by fiscal year 2000. However, the fund reached a capital ratio of 2.81 percent in fiscal year 1997 and is expected to reach 3.21 percent by fiscal year 2000. Moreover, the projected economic value of the Mutual Mortgage Insurance Fund was $11.3 billion at the end of fiscal year 1997. This represents a more than $14 billion increase in the value of the fund since Secretary Kemp's reforms in 1990, when it was a negative $2.7 billion.

In addition, the FHA Single Family Mortgage Insurance Program is self-sustaining, has not cost the American taxpayer any money in its entire existence. Insurance premiums and loan loss recovery proceeds pay for all costs incurred in the administration of the program, leaving sufficient reserves from an actuarial perspective to pay all future claims.

I note that Senators NICKLES, MACK, and FAIRCLOTH have developed a number of very worthwhile reforms to the FHA mortgage insurance program which have been agreed to and will be included in the next managers' amendment. As with my colleagues, I remain concerned over HUD's capacity to administer its many programs, including its FHA mortgage insurance programs. These FHA management reforms would require that each lender provide a comparison of FHA mortgage funding with three of a lender's most frequently employed mortgage loan structures, an annual study by GAO on steering by lenders to FHA, and a requirement that HUD submit an initial report within 60 days annually on how HUD plans to correct mortgage problems in the FHA Single Family Mortgage Insurance Program.

Finally, I have concerns about any changes to the Ginnie Mae servicing structure. I have been advised that any change in the servicing fee will likely result in increased home ownership costs to families, with estimates that it could cost consumers some $250 million per year and price some 15,000 home buyers out of the market each year.

I have a letter from a significant group of veterans organizations that I will place at the end of my statement for the RECORD from the AMVETS, Disabled American Veterans, Non Commissioned Officers Association, Blind Veterans Association, and Paralyzed Veterans of America, saying that any increase in Ginnie Mae fees will result in an added cost to lenders which will invariably be passed on to VA loan recipients. We estimate that even just a 6-basis-point increase in the Ginnie Mae guarantee fee will cost VA borrowers over $67 million annually, with a typical veteran paying over $250 in upfront closing costs. With the veterans already struggling to afford their first homes, this cost increase would be devastating.

I expect the argument of my colleagues will be that lenders currently receive a fee for servicing FHA-insured mortgages of 38 basis points, almost double the fee that lenders receive for servicing loans in the private sector. For example, as opposed to the 38 basis points lenders receive in service fees under FHA, lenders receive between 20 and 25 basis points for servicing fees associated with conventional mortgages guaranteed by Fannie Mae and Freddie Mac. Nevertheless, Ginnie Mae operates significantly different from Fannie Mae and Freddie Mac, particularly when Fannie Mae and Freddie Mac take on the responsibility that all security holders receive their payments, whereas the servicer is responsible for the pass-through on a Ginnie Mae security, and where a servicer fails, it is no longer permitted to participate in a Ginnie Mae program. That is a significant responsibility and merits additional fees.

I send this letter of July 14 to the desk. It happens to be addressed to the distinguished occupant of the Chair. This is a letter from AMVETS, Disabled Veterans, Non Commissioned Officers, Blind Veterans, and the Association of Paralyzed Veterans of America.

I ask unanimous consent to have it printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

July 14, 1998.

Hon. WAYNE ALLARD,
U.S. Senate, Washington, DC.

DEAR SENATOR ALLARD: The Senate is scheduled to consider the FY 99 VA/HUD Appropriations bill, S. 2168 in the next few days. As organizations that share a deep commitment to our nation's veterans, we ask that you oppose any amendments to increase the Ginnie Mae guaranty fee. Specifically, this fee increase would mean added costs to veterans taking out VA mortgages. Quite simply, this policy would make homeownership more expensive for veterans.

Because VA mortgages are typically placed into mortgage-backed securities guaranteed by Ginnie Mae, the VA home loan program is linked to the capital markets. This link means lower cost mortgage funds for veteran borrowers. Ginnie Mae, which charges lenders a fee for the guaranty, makes the whole process possible.

However, any increase in Ginnie Mae fees will result in an added cost to lenders, which will invariably be passed on to VA loan recipients. We estimate that even just a six basis point increase in the Ginnie Mae guaranty fee would cost VA borrowers over $67 million annually—with the typical veteran paying over $250 more in up-front closing costs. With many veterans already struggling to afford their first homes, this cost increase could be devastating.

Please vote against any amendments to increase the Ginnie Mae guaranty fee.

Sincerely,

AMVETS.
DISABLED AMERICAN VETERANS.
NON COMMISSIONED OFFICERS ASSOCIATION OF THE USA.
BLINDED VETERANS ASSOCIATION.
PARALYZED VETERANS OF AMERICA.

Mr. BOND. I urge my colleagues, when the vote is held on this very important amendment tomorrow morning, that they oppose this amendment. I believe the time has come to provide this modest increase in the loan limits, and I hope our colleagues will support the committee in this effort.

I yield the floor.

Mr. KOHL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise as a cosponsor of the amendment offered by my colleague from Oklahoma, Senator NICKLES. As my colleagues know, this amendment would strike the increase to the high-end FHA loan limit included in the VA/HUD bill.

FHA is intended to fill an important mission—helping low- and middle-income Americans purchase their first homes—helping those who are not served by the private market.

For this reason, our amendment leaves the proposed increase to the low-end FHA loan limit in place, ensuring that in the vast majority of States across the country—97 percent of the counties in the United States—the loan limit will be more than sufficient for low- to moderate-income people to purchase homes of their own.

But we should all be reminded that any decision to raise the loan limits on the high end should be approached with caution. FHA loans are 100 percent insured by the Federal Government. If a home owner goes into default, it is the taxpayer, not the lender, that bares the risk. And that's no small risk—FHA default rates are three times higher than defaults on conventional mortgages. Last year, foreclosures on FHA homes resulted in over $5 billion in claims.

There is no reason to extend that risk on behalf of home buyers who are already well-served by the private market. Raising the high end limit and expanding FHA to cover expensive homes may very well jeopardize the health of the entire program. Higher priced home loans, especially when combined with the relatively low downpayments required by FHA, default more often—and obviously cost more when they default. Raising the high end limit would clearly place the Federal Government in competition with the private sector, needlessly expose taxpayers to more risk, and give upper income home buyers access to mortgage credit they don't need.

Changing the high end limit will steer the program away from working families—at a higher cost to taxpayers—with more devastation to the communities that hold abandoned, foreclosed-upon FHA properties.

With this amendment, we have the chance to ensure that the program stays focused on borrowers who legitimately need help and also to create a strong, healthy FHA that works for everyone—home buyers, lenders, and the taxpayers.

So I urge my colleagues to support the Nickles amendment.

Mr. FEINGOLD. Mr. President, I rise today to join my colleagues, Senator NICKLES, Senator KOHL and Senator MACK in supporting this amendment to strike language raising the ceiling on mortgage limits insured by the Federal Housing Administration.

Mr. President, the appropriations bill we are currently considering includes language that would raise the ceiling on the Federal Housing Administration's loan limit from the current level of 75% of the conforming loan limit—approximately $170,000—to 87% of the conforming loan limit, which is approximately $197,000.

Mr. President, it is—quite frankly—astounding to me that Congress is considering action that would raise the FHA loan limit. In a time when Congress needs to be focusing on balancing the budget, it is truly ironic to me that some members seem to want to increase the burden to taxpayers by expanding a government program into an area already well-served by the private sector. In case you or any of our colleagues is wondering, a $197,000 loan translates to a house worth over $200,000. To afford such a house, a family would have to have annual earnings of over $75,000—an income level that only about 16% of American families are at. I don't know about you, Mr. President, but in Wisconsin, we don't consider folks who own $200,000 homes to be "needy." These upper-income families are already well-served by the private market.

Mr. President, the arguments against raising FHA loan limits are overwhelming: HUD's own FY 1999 Budget proposal predicts a 100% increase in the default rate for 1998—totaling $4 billion. The very same Committee Report seeking to raise the loan limits also acknowledges, and I quote, "concern[s] about HUD's capability to manage the FHA mortgage insurance programs and the potential exposure of the Federal Government if there is an economic downturn." Since 1990, while the mortgage delinquency rate in the conventional market fell by 8%, the FHA delinquency rate rose by 23%. FHA backs 100% of every loan it insures, and so those delinquencies and defaults are borne 100% by taxpayers. It would seem to me, Mr. President, that those who seek to increase FHA's loan-limits are sending a strong message that they are willing to let American taxpayers pick-up the tab.

Mr. President, I have here a letter from the National Taxpayers Union to Congressman Bob Livingston, Chair of the House Appropriations Committee. The letter, which I would ask be inserted in the record, sums-up—I think very nicely—the manifold concerns with increasing the loan limit ceiling:

> Defenders of the FHA note that the agency provides an important resource to lower-income familes and minorities who wish to purchase a home. NTU fails to see how low-income families will be served by FHA loans to those in the middle-to upper-class income range . . . Apparently, supporters of raising the ceilings will not be happy until every wealthy American owns a home at government expense.

It would seem to me, Mr. President, that rather than raising the FHA loan limits, Congress needs to be thinking critically about what steps we can take to improve the actuarial safety and soundness of FHA programs so that it can continue to help working families purchase their homes. Rather than expanding the program for the benefit of upper-income borrowers and special interest groups, we ought to be thinking about how we can make sure those working families of modest means are truly being served by the existing FHA programs.

Mr. President, the amendment my colleagues and I are introducing today would remove language raising the FHA loan limit ceiling and increase the Ginnie Mae guaranty fee by 12 basis points. I believe that raising the loan limit ceiling to $197,000 is fiscally irresponsible, unnecessarily expands a government program into an area already well-served by the private sector, and distracts the FHA from its mission to serve lower-income home-buyers. I hope my colleagues will give careful consideration to these concerns and support our amendment.

I yield the floor.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I rise in opposition to the Nickles amendment. The simple fact is that the Nickles amendment would greatly reduce the availability of FHA loans, which have helped millions of first-time, low-income and minority home buyers share in the American dream of home ownership. S. 2168, before us, currently includes a provision that would expand the FHA loan limits in high-cost markets only—in high-cost markets only—from a current cap of $170,000 to a new cap of $197,000 in such high-cost markets. My able colleague from Missouri earlier indicated on a map where those markets would be located.

Now, the committee's proposal represents, I think, a very significant and appropriate compromise to the administration's request. The administration's request was to institute a single, nationwide loan limit of $227,000. The committee did not go down that path. The committee, instead, went down the path of raising the lower limit which, interestingly enough, this amendment does not try to strike, apparently, according to my colleague from Oklahoma, because of just political realities of the matter, and also raise the high-cost limit, maintaining that distinction. I think it represents a very significant compromise. I urge my colleagues to support the committee and to reject the amendment.

Now, we are experiencing a time when almost two-thirds of American families own their own homes today. This would not have been possible without the FHA Single Family Mortgage Insurance Program. Each year, about 700,000 Americans purchase homes using FHA insurance. The vast majority of these home buyers could not qualify for a conventional home loan. If the FHA weren't available, they would not have been able to break into the ranks of homeowners.

The point is made that the default rate within the FHA is somewhat greater, at 8 percent, than it is in the private insurance market. But that is because, of course, the FHA is making this opportunity available to people who would otherwise be closed out of the market altogether. Of course, the reverse side of the 8 percent is the 92 percent who were able to break into the home ownership market.

It is estimated that 77 percent of first-time home buyers and 85 percent of minority home buyers who use FHA would not have qualified for private mortgage insurance. And since the FHA insurance premium is financed through borrower premiums, it does not end up costing the taxpayer.

One of the difficulties is that FHA insurance, at a set figure, cannot be utilized effectively in all parts of the country. Nationwide, there are 43 metropolitan areas, representing 25 percent of the population, which are capped at the current ceiling of $170,000. In 32 out of the 43 metropolitan areas, the median home price exceeds the $170,000 figure. So at the $170,000 figure, in 32 of the 43 metropolitan areas, the median home price exceeds that figure. In Maryland, half of our counties—12 of our 24 countries—are now capped at $170,000. Now, by striking the provision in S. 2168 which raises the loan limits in high-cost areas to $197,000, the result of the Nickles amendment would be that hundreds of thousands of Americans would be denied the opportunity to purchase modestly priced homes simply because they live and work in high-cost parts of the country.

These are not wealthy Americans. These are teachers, policemen, and firemen who serve in communities where they often cannot afford to live. Now, this isn't just unfortunate, this is also unfair. What has to be understood is that a limit that will work in one part of the country will not work in another part of the country. In other words, if you say, well, we ought to give moderate-income people an opportunity to have home ownership, you have some parts of the country where the cost of housing is low, incomes are lower, costs are lower, a whole different dynamic works, and other parts of the country where costs are much higher and housing costs in particular are much higher.

I can take you on a very short ride from here to jurisdictions where ordinary working people would not have a chance at home ownership, except through the FHA program. We need to raise those limits in those areas because the median housing cost is now well above the existing cap.

Furthermore, I want to know—because of the split which the Senator from Oklahoma has made where he said he doesn't go after the lower limits, which, of course, have a much broader application throughout the country—the Nickles amendment imposes substantial increases in Ginnie Mae user fees. This imposes a double hit on consumers. First, the increased cost to lenders will be passed along to FHA consumers in the form of higher interest rates and/or larger downpayments. Second, FHA lenders may opt out of the program if the cost of participation becomes too high.

The net result of these changes, the increase in the Ginnie Mae user fees, would be a substantial reduction in FHA use and availability even within the current loan limits. And to those of my colleagues who do not have high-cost areas in their State, I point out that the Nickles amendment provision to increase the Ginnie Mae user fees would hurt all FHA users regardless of the size of their loans. By contrast, S. 2168 would increase FHA participation without placing a cost on the taxpayers or any additional financial burdens upon FHA consumers.

Mr. President, the FHA program has helped millions of Americans purchase homes who would not otherwise qualify. The FHA program serves a much higher percentage of first-time, low- and moderate-income and minority home buyers than any conventional loan product.

If we as a Nation are committed to supporting home ownership for all Americans, we should reaffirm our commitment to the FHA program.

I really want to commend the committee, I think, for the very careful balance which they developed. This is a far departure from what the administration's request was. In fact, I think the committee obviously took into account the number of points that had been raised by proponents of the Nickles amendment in making their calculations and reaching their judgments in terms of what to do. But unless we raise the cap in the high-cost markets, they are really going to get excluded from the possibility of home ownership. People really qualify as low- and moderate-income people in those high-cost areas. The Nickles amendment allows the floor figure to come up, which in those areas of the country means that the very sort of people that I am concerned about in the high-cost areas would, in fact, not be able to obtain home ownership. I don't think the people in the high-cost areas who confront a whole different economic circumstance ought to be denied that opportunity.

This program has been enormously important and successful in moving Americans into home ownership who would not otherwise have had that opportunity.

I urge my colleagues to vote against the Nickles amendment.

I yield the floor.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Mr. President, I rise in support of the Nickles amendment.

At the outset, I want to say to the chairman of the VA-HUD Subcommittee, both to Senator BOND and Senator MIKULSKI, that I congratulate them for their effort in putting together what is generally a good and balanced HUD appropriations bill.

As chairman of the HUD's authorizing subcommittee, I appreciate the difficulty of funding the most important parts of HUD's mission, while also addressing the critical need of the Department to reform its management and operations.

I especially appreciate Senator BOND's cooperation in helping ensure the effective implementation of the section 8 "mark-to-market" program we enacted last year. However, on the issue of FHA loan limits, Senator BOND and I disagree.

I am concerned that the Appropriations Committee did not consider the views of the authorizing committee. This is a major policy change that is being implemented through the appropriations process despite evidence gathered in hearings that would indicate that the change is ill-advised.

Last month, the Housing Opportunity and Community Development Subcommittee held two days of oversight hearings on FHA. The Subcommittee heard extensive testimony from HUD, GAO, the HUD Inspector General and outside witnesses on the programs, operations and mission of FHA, and on proposals for reform. I heard little testimony at those hearings that made a compelling case to raise the FHA loan limit. As chairman of the authorizing subcommittee, I would not have recommended an increase in the loan limits.

This bill does not contain the Administration's initial proposal for raising the loan limits—a proposal I strongly oppose. However, the proposal contained in the bill does focus attention away from the traditional mission of FHA of serving low- and moderate-income families and first-time home buyers. Further, it covers up some of the fundamental problems in the FHA single-family insurance program that jeopardize its long-term stability.

This proposal would result in targeting FHA, in part, to households well above median income, the vast majority of whom are already homeowners. An increase in the maximum mortgage amount would do little to help the households that FHA is intended to serve, namely moderate income families who for one reason or another do not have access to the conventional mortgage market.

Mr. President, Senator NICKLES, I think, did a good job of arguing his position, and the points that Senator SARBANES raised is one of the central areas of debate.

I would like to focus my attention on some other aspects of FHA. I want to focus the bulk of my comments now on a series of management problems in FHA which should be corrected before FHA expands its program and assumes further risks.

At a Housing Subcommittee hearing in May, we heard testimony concerning serious material weaknesses in internal controls, financial systems and resource management that make the Department vulnerable to waste, fraud and mismanagement. Although HUD is in the process of a major management reform program, the ultimate success of that effort is questionable.

FHA, with about $400 billion of insurance-in-force and a portfolio of 6.7 million single-family loans, is HUD's largest, most visible—and most vulnerable—program area. Many of the material weaknesses identified and described by the HUD Inspector General, the General Accounting Office and others, involve FHA programs. Further, these problems have been identified in each independent audit of FHA conducted since fiscal year 1991.

First, FHA's staffing resources have significantly declined over the past several years. Furthermore, the majority of staffing reductions that have already occurred or are planned under HUD's 2020 Management Reform come out of FHA's single-family operations. FHA's staffing resources have declined during a period where its insured portfolio has continued to increase. In 1992, FHA's staff was about 6,800, but today, its staff is down to around 4,100. This is equivalent to a 40 percent reduction. This raises concerns about the quality of skilled staff that remain at FHA today, since many senior staff have left the Department. Replacing this staff is problematic, since unlike private entities, FHA does not have the authority to hire staff or the ability to quickly invest more resources in automated tools or staff training when its business increase.

Second, FHA has serious weaknesses with its accounting and financial management systems. The main problems with its information system is that the systems are not linked and integrated or configured to meet all financial reporting requirements. Also, data quality problems exist in its default monitoring system. Although these problems have been recognized for several years. The HUD Inspector General has found that "resources needed to develop state-of-the-art systems are lacking" because of budgetary constraints or the lack of prioritizing these matters.

FHA's accounting and financial management systems will also be affected by the so-called "Year 2000" or "Y2K" problem. FHA has 19 critical systems that OMB has mandated to be Y2K compliant by March 1999. However, only two systems have been programmed to address Y2K, and neither has been certified as Y2K compliant. The GAO recently warned that failure to address the Y2K problem could result in system failures that would interrupt the processing of applications for mortgage insurance and the payment of mortgage insurance claims.

Third, data integrity problems with its default monitoring system has affected FHA's ability to effectively monitor the performance of its mortgagees. FHA also lacks an effective underwriting system that can predict which borrowers pose the greatest risk. Identifying and managing risk is absolutely critical to the long-term soundness of FHA.

While FHA's single-family insurance fund currently exceeds its capital reserve requirement, there have been recent indications of potential problems in the FHA program. If these problems are not corrected, then FHA faces financial instability. For example, FHA defaults are serveral times higher than either the VA or the conventional mortgage market. During fiscal year 1997 claim payments for FHA-insured loans, especially for adjustable rate mortgages, were far higher than expected. The inventory of single-family properties owned by HUD increased by about 30 percent to more than 30,000. We have also heard and seen evidence that the geographic concentration of mortgage defaults, and FHA's inability to manage and monitor its portfolio, have damaged neighborhoods and permitted families to purchase homes that are either substandard or unafforable. In addition, Fannie Mae and Freddie Mac have recently introduced lower down payment mortgage products that may attract some of FHA's lower-risk borrowers, leaving FHA with more of the high-risk market.

There is no denying that the FHA single-family insurance program has been a success. More than 24 million households have used FHA since its creation in 1934. FHA has traditionally been a preferred tool for homeownership by young families and first-time homebuyers and by lower income and minority households who for many reasons have not been served well by the conventional marketplace. And, thanks to reforms begun under Secretary Jack Kemp, FHA has made significant strides toward financial stability. I have a strong interest in ensuring that FHA take all of the necessary steps to ensure that it continues to serve the people and communities the program is intended to serve and will ultimately make the program more financially stable.

However,I question whether it is prudent for any business, let alone one ultimately subsidized by the taxpayer, to expand its operations while attempting to deal with serious management problems. And on the basis of this concern alone, an increase in FHA loan limits would not be prudent.

Mr. President, I yield the floor.

Mrs. BOXER. Mr. President, I take the floor to stand in opposition to the amendment that would strike the raise in the ceiling on the Federal Housing Administration loan limit. I believe the raise in the ceiling is critical for high cost real estate market areas, and I urge my colleagues to vote no on this amendment.

This bill raises the ceiling on FHA loans from 75 percent of the Freddie Mac conforming loan limit, which is about $170,000, to 87 percent of the conforming loan limit, or about $197,000. This is particularly good for my state, where the cost of housing is so high, especially in Los Angeles and San Francisco.

FHA loans encourages lenders to make mortgage credit available in areas and to borrowers who may not otherwise qualify for conventional loans on affordable terms, such as first-time home buyers. Raising the loan limit will help those who have not been able to get conventional loans because of small credit blemishes or a lack of a large cash downpayment. These are the gaps in homeownership that FHA now fills, across income levels, and home prices.

This is a modest proposal, and one that helps consumers residing in high-cost areas of the country who are currently locked out of housing because the FHA maximum of $170,362 is less than the average cost of housing.

The cost of housing is so high in the Bay Area, that Bridge Housing Corporation rarely uses FHA. Carol Galante, the president of Bridge, one of the largest non-profit housing developers in the country, says she rarely can use FHA insurance because the loan limits are so far below the median home price for Northern California.

Raising the FHA loan limit will enable FHA to reach more borrowers and more communities which are not currently being served by the private mortgage industry. The raise in the FHA loan limit as provided for in this bill will help between 125,000 and 175,000 worthy American families, including 16,500 to 23,100 California families, to have access to homeownership over the next 5 years.

In the 15 highest cost U.S. housing markets, the homeownership rate is only 58%. That is more than 7 percentage points below the national average, and in these markets, FHA is the only credit program not available to moderate-income households. Thus, in places like New York, Boston, Los Angeles, and San Francisco, over 7% of families are systematically denied access to homeownership. This increase in the loan limit will allow 18 counties in California to raise their loan limits.

The increase in the loan limit will generate revenues of about $80 million a year. FHA has never called upon the taxpayers for a bailout, and certainly will not under this proposal.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise in opposition to the Nickles amendment.

I wish to associate myself with the remarks by the chairman of the subcommittee, the Senator from Missouri, Mr. BOND, as well as the senior Senator from Maryland, Mr. SARBANES, who also is the ranking member on the Housing, Banking, and Urban Affairs

Committee. Senator SARBANES outlined, I think in rather solid, logical terms, exactly why the Nickles amendment really is, though well-intentioned, flawed in its public policy ramifications, as did Senator BOND.

I must say that initially, when Secretary Cuomo came and presented this idea, I really raised my eyebrows. I thought, my gosh, FHA—he wanted to raise the limit to $227,000. That is a quarter of a million dollars. That is a lot of money. Now, from the time I either chaired the subcommittee or now, as ranking, it has been my passion and my commitment to public policy to expand opportunities for first-time home ownership, and two significant tools were in the VA-HUD Subcommittee—the VA mortgage itself, which has been a significant empowerment tool for minorities and for others who might have been really segregated out of the mortgage market, and also FHA has been very, very important in terms of first-time home buyers.

But yet as we looked at the facts, it really became important for us to lift the limit, and we felt that a reasonable approach would be to raise the FHA loan limit in high-cost areas, many of which are in my State, from $170,000 to $197,000, and also to raise the limit in low-cost areas from $86,000 to $108,000, which are also in my State, and to streamline the downpayment calculations to reduce administrative costs and burdens.

The administration wanted to have just that one limit of $227,000 for all communities. I do not believe that one size fits all. I do believe we need to recognize the realities of the market.

In addition to that, we are concerned about foreclosures, and we did not want to risk people getting into so much debt early in their lives or risking the loss of a home because they got in over their heads. We did not want to end up with heartbreak for the families and heartburn for the taxpayers.

I believe what we have here is a good middle ground. Included in the language, in addition to the mortgage, we direct HUD to consult with Congress before beginning its bulk sale of foreclosed properties so that we can deal with the way they deal with foreclosed properties, which I am not happy about and I know the Presiding Officer is not either. I do not want to see those properties go at fire sale prices or end up blighting a community when it should have been a tool of empowerment. The Federal Government ends up being a slum landlord, selling it to someone who either cannot afford it or chooses to use it to downgrade the neighborhood. FHA should be a tool for first-time home buyers and not a tool for neighborhood deterioration.

Let me just give you some figures from Maryland and why I think this bill is good for Maryland and also good for the Nation. There are three counties in Maryland at the current low end limit of $86,000. They are Allegany, Garrett, and Somerset. And I also know Dorchester sits somewhere in there as well. In Garrett, the realtors report that the median home price is $124,000 in a county where the FHA limit is $86,000. That is a poor county. FHA is a very important tool. It is not a poor county, but it is of very modest means.

Eleven counties out of our 23 and Baltimore have limits at the FHA limit of $170,000, yet in Montgomery County housing the median price is $174,000. Raising these limits, I note, could help create 2,000 new home buyers in the State of Maryland.

Well, Mr. President, that talks about Maryland, and I have a whole set of facts here on why it would be good for the Nation and also why increasing the Ginnie Mae fees would really give me pause, and I absolutely oppose raising the Ginnie Mae fees.

What applies in Maryland will also apply in many communities around the country.

This is especially true in many urban high cost areas, particularly in the Northeast and California. It is also true that in many rural areas in the heartland of the country. FHA does not meet the local market realities.

HUD estimates that the provision we have included in our bill will provide for 17,000 new home buyers annually and generate $80 million a year in revenue for the FHA fund.

HUD estimates the Senate's FHA increase will raise the limits in 32 high-cost metropolitan areas and 174 lower cost areas.

But let's be clear; we're not talking about buying a place, but we are talking about buying a home. It is estimated that the average loan amount under the Senate proposal will only be $142,000.

We have raised the limits enough to meet today's market realities without unduly increasing the risks for foreclosures.

FHA is also a critical resource to fill the gap for potential home buyers who are credit worthy, but don't have the money for large down payments. Two-thirds of FHA loans have down payments of 5 percent or less, while only 8 percent of private mortgage insurance purchases are low down payment loans.

Why oppose the Nickles amendment? Two reasons: it eliminates the high-cost area increase and increases GNMA fees by 6 basis points, from 6 to 12.

ELIMINATES INCREASE IN LOAN LIMIT IN HIGH COST AREAS

Striking the high-end increase will affect people in 32 high-cost areas across the country, including several areas in Maryland—Baltimore City, and three counties: Baltimore, Montgomery, and Prince Georges.

For thousands of people in high cost cities and counties across the country, FHA will be severely limited in its ability to provide this real resource for families shopping in the local housing markets.

INCREASES GNMA FEES

The Nickles amendment also increase the GNMA fees for those who handle FHA loans. This can get really technical, and the "experts" have a nice time detailing the intricacies.

The bottom line is that it will cost more for a lender to have GNMA securitize both FHA and VA loans and despite what people may say, I think we all would agree that when costs go up for a product provider, costs often go up for the consumer.

Simply put, this amendment could make FHA and VA loans more costly for consumers. HUD estimates that it will increase the cost to the lender by an average of $2,200. Several veterans services organizations have also estimated that the increase in GNMA fees will increase costs for veterans purchasing a home by $250. These costs may be passed along to those trying to purchase their first homes.

We do not want to burden our first-time home buyers or our veterans with pass-through costs.

Mr. President, home ownership is critical step in a person or family's attempt to obtain assets and become a more permanent fixture in a community.

Like many of my colleagues, I share the concern about the effect that foreclosures can have on individuals' credit and the stability of a community. My own hometown of Baltimore has been a victim of foreclosures harming neighborhoods.

We have provided a modest increase that does not raise the limit too much too quickly.

Our objective is clear, for those who FHA serves, ensure that it is a useful tool. The objective is not to put the private mortgage insurance companies out of business or to move FHA away from providing for low- and moderate-income buyers.

I believe that the FHA provision included in the Senate bill before us is good for Maryland and good for the Nation.

I believe that this is a positive step in rewarding investment and provides relief to working families.

I encourage my colleagues to oppose the Nickles amendment and support the Appropriations Committee's attempt to help home buyers across the country.

Mr. President, I hope that we defeat the Nickles amendment at tomorrow's vote and I look forward to hearing my colleagues' comments.

Mr. BOND. Mr. President, I think the distinguished Senator from Colorado wishes to speak on this. Has the Senator from North Carolina spoken yet? I believe he also wishes to speak. And then I believe we are ready to go on to the amendment by the Senator from Rhode Island. So I thank the Chair.

The PRESIDING OFFICER (Mr. MACK). The Senator from Colorado.

Mr. ALLARD. I thank the Senator from Missouri. I thank the Chair for recognizing me. I appreciate the other Members who are on the floor allowing me to go ahead and speak. I was presiding, and the Senator from Florida has graciously consented to give me some relief from the Chair while I come down and make some comments on this important piece of legislation.

I want to talk a little bit about my State because I think it gives some idea of how this issue impacts my State.

I happen to be rising in favor of the Nickles amendment, the Senator from Oklahoma. You see the map on the Senate floor entitled "FHA Loan Limits by County," which was alluded to during comments made by my colleague from Missouri. During his comments, he pointed to the Rocky Mountain region in my State. That region characterizes counties of high levels of income which would be impacted by the upper loan limit increase in the VA/HUD Appropriations bill. These counties have a high preponderance of second homes. The reason these counties have a higher FHA loan limit is that they are recreation counties. People who go to these counties and have second homes make a considerable amount of money.

Now, there is no doubt that there is a housing problem in those counties for individuals who have to run the ski lifts, individuals who work in the ski lodges, but they do not have the income level to afford a loan of $197,000 for a home. In fact, some may not even qualify for the lower loan limit range, which we are raising from $86,000 to $109,000. In addition to this disparity of wages that you see in these areas, many of these counties have implemented a no-growth policy.

Finding affordable housing is certainly a problem we all should strive to deal with, not just at the Federal level, but also at the local level, at the county level, and particularly at the city level. Many counties in Colorado, because of their rapid growth rate, have decided to try to slow down that growth by increasing the costs of development, increasing the costs of homes.

If we have a problem in those counties with obtaining affordable housing, I think that local governments should have a responsibility and should implement some programs that would hold the costs of those homes down so that those with lower and median incomes can afford them.

I think my colleague from Oklahoma, Senator NICKLES, did a very good job in explaining what the current situation is, and the proposed increase of the FHA loan limit. Currently, the lower FHA loan limit is $86,000 and the upper limit is $170,000. This appropriations bill raises both of these limits to a lower limit of $109,000 and an upper limit of $197,000. I like the idea that we raise up the lower loan limits. I think that helps us meet the needs of lower income and median-income families. The higher income limits, in my view, don't need to be subsidized. Most of that market is already met by conventional loans. In fact, in order to have a $197,000 mortgage, a buyer typically needs an income level of $74,000 or more. These individuals are the top 16 percent of the income earners in the United States. Nearly 85 percent of households earning more than $50,000 already own homes. I think that is reflected in the State of Colorado.

I point out this idea of raising the loan limits is a rather controversial issue, as far as Colorado is concerned. The mortgage lenders in my State cannot reach a consensus as to whether this ought to happen or not. They are divided. So it is with a considerable amount of thought and concern that I enter into the debate as it applies to my State of Colorado.

I see no reason why the Congress should be advocating that HUD compete against a very successful private market. I would also point out, from some of the testimony that was received by the Banking Committee on which I serve with the Senator from Florida, Senator MACK, there is really no clear connection between FHA loan limit increases and greater access to financing affordable houses.

So when I put all these factors together, I find myself opposing raising the upper loan limit, and yet supporting an increase in the lower FHA loan limit. I think a lot of the testimony that was heard by the Banking Committee, the authorizing committee, was significant in pointing out that there is a three-times higher default rate for higher loans than there is for lower loans. In other words, the higher the loan is for the home, the higher the default rate is, as far as FHA is concerned.

In this program, if there is a default on a loan, the taxpayers must pick up the cost. I do not think it is necessary for us to provide for that indirect subsidy.

If we look at the lower loan limit, 73 percent of all mortgages of $85,000 or less are already provided by the private sector. Therefore, I think we can assume that this market is being serviced sufficiently. The FHA program is set up to make riskier loans to individuals who are not serviced in the private sector. By allowing the loan limit to increase, FHA will be insuring higher valued loans and will be, as a consequence, exposed to an increased risk.

As I pointed out earlier, as these loan limits increase, the number of defaults will simply increase. I don't think that we should be increasing the upper loan limit. Therefore, I am supporting the Nickles amendment. I think it is the correct approach to the problem, particularly as it applies to my State. I think it is also the right approach as far as the country is concerned since only three percent of the counties will be affected by the upper limit.

Without any further ado, I yield the floor. I thank Senators for their indulgence.

Mr. FAIRCLOTH. Mr. President, I rise to support this amendment. This amendment does two things. First, it limits the FHA loan limit increase to the base level. Second, it creates an equal playing field for private sector and FHA loans.

The current FHA limit for low-cost areas is $86,000. Although it gets indexed every year to median home sale prices in that area (so that it is increased annually), many believe that the limit is too low. Some argue that you cannot build new construction for $86,000.

Now, I thought FHA was for first-time and low and moderate income home buyers. And I didn't realize that first-time home buyers were entitled to a brand new house. I thought FHA was supposed to help with "starter homes". But some people feel otherwise and so this amendment will leave the increase in place that raises the limit from $86,000 to almost $109,000.

However, I feel very strongly that we should not be raising the ceiling from the current $170,000 to more than $197,000. To qualify for a mortgage of $197,000 a person must make more than $75,000 a year. Only 15% of the people in this country make salaries that high—and most of those folks already own homes through the private sector.

I don't think when President Roosevelt created FHA back in 1934 that he intended the program to help people making $75,000 a year. I don't think he intended for the federal government to back 100% of those loans. He believed that FHA should step in where the private sector cannot. The private sector is making these loans already. There is no reason to raise the limit to almost $200,000.

Second, the amendment establishes a more level playing field between FHA and private sector loans so that borrowers are not steered towards FHA. Currently, lenders receive huge financial incentives to make loans through FHA.

The first incentive is that the federal government insures 100% of the loan amount. There is no risk to the lender. Total to taxpayer. In the private sector, the lender assumes some of the risk of the loan so there is a greater stake in making sure that a borrower can pay back the loan.

Second, under FHA, the lender makes twice the amount in servicing the loan than what he makes in the private sector. A servicing fee is charged for collecting the monthly mortgage payment, escrowing real estate taxes, etc. There is no justification why lenders should get much bigger servicing fees for FHA loans. CRS said that it would have no effect on FHA loans or increasing costs on homeownership. It only goes to the profit that the servicers make.

Until we level the playing field lenders will have every economic incentive to steer borrowers towards FHA. Remember we've already given the lender a 100% federal guarantee that the loan will be paid back. Now we are making them rich in servicing fees.

I urge my colleagues to support this amendment. FHA has a lot of problems already. Default rates for FHA loans are already three to four times the rate of the private sector. Unless we take steps to change the situation and deter borrowers from being steered towards FHA, things may only get worse for the program and, ultimately, the country. Join consumer groups, the National Taxpayer Union and others in supporting this amendment.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, as the ranking member on the Committee on Banking, Housing and Urban Affairs, I echo the comments made by others praising the work that has been done by Senator BOND and Senator MIKULSKI in framing the housing part of this appropriations bill. I have had a chance to go over it. I think they have been very sensitive to the various concerns existing in this field. I think they have done a very good job on the legislation. So as the ranking member on the authorizing committee, I want to enter that into the RECORD as others have done, recognizing the general work they have done on this legislation.

Ms. MIKULSKI. I thank my colleague.

The PRESIDING OFFICER. Does the Senator wish a recorded vote?

Mr. BOND. Mr. President, I do not see any other Senators wishing to speak on this amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BOND. I ask this amendment be set aside and the Senator from Rhode Island be recognized to offer his amendment.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 3203

(Purpose: To increase the funding for community development block grants)

Mr. REED. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED] proposes an amendment numbered 3203.

Mr. REED. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 33, line 17, strike "$60,000,000" and insert "$70,000,000".

On page 33, line 21, insert "*Provided:* That none of these funds shall be available for the Healthy Homes Initiative" before the period.

Mr. REED. Mr. President, I am offering this amendment tonight not only on behalf of myself, but Mr. ABRAHAM, Mr. CHAFEE, Mr. LEAHY, Mr. WELLSTONE, and Ms. MIKULSKI. My amendment would add a modest $10 million increase to the budget for the Office of Lead Hazard in the Department of Housing and Urban Development.

I first want to commend and thank the chairman and ranking member for their assistance and their help. Both Senator BOND and Senator MIKULSKI have committed to finding more resources to prevent the exposure of young children to the lead hazard which is so prevalent in older housing throughout the United States. They have worked very closely with my staff and myself. I thank them for that. I am also very confident they will continue these efforts in conference so we can increase even more the funds that are allocated to this important endeavor.

Over the last 20 years, the United States has made great strides in reducing lead exposure among our population, particularly among our children. Since the enactment of a ban on lead-based paint, since the elimination of lead solder in food cans and the deleading of gasoline, we have seen a significant decrease in blood level exposures of American citizens by about an order of 80 percent. However, it is still estimated that approximately 1 million children nationwide still have excessive levels of lead in their blood, making lead poisoning a leading childhood environmental disease and a disease that can be prevented.

Today, the key culprit in this exposure is lead-based paint in housing. It is the major source of exposure and is responsible for most cases of childhood lead poisoning. It has been estimated that approximately half of America's housing stock, roughly 64 million homes, contain some lead-based paint. Twenty million of these homes contain lead-based paint in a hazardous condition, paint which is peeling, cracked or chipped, paint that can be ingested by children, taken into their bloodstream, causing them severe health problems.

The problem of lead-based paint is particularly severe in my home State of Rhode Island. Forty-three percent of our housing stock was built before 1950, the time in which lead paint was universally used in painting homes.

But the problem of lead-paint exposure and lead-paint poisoning in children is not related to Rhode Island; it is truly a national problem. One in 11 children nationwide have elevated blood levels, and if you refer to the chart on my left, you can see that, for example, in the city of Baltimore, 22 percent of children age 1 through 6 have dangerously high levels of blood—Chicago, 12 percent; Davenport, Iowa, 18 percent; Denver, CO, 16 percent; Milwaukee, 36 percent; St. Louis, MO, 23 percent; my home State, Providence, RI, 28 percent of children tested have higher than normal levels of lead in their bloodstream. This is a nationwide problem. It is a problem particularly severe in the older urban areas of the country, but not exclusively there.

Again, one of the key factors is housing stock of the community. Housing built before 1950 typically have extensive lead paint still residing in these homes. If you look across the country, there are States everywhere that have significant totals of housing built before 1950. For example, in Illinois, 36 percent of the housing was built before 1950; in Michigan, 31 percent; in New York, 47 percent.

All of this points to an extremely important public health problem. It is important because childhood lead poisoning has a profound health effect on children, a profound educational impact on children, their ability to learn and their ability to develop intellectually. Children with high blood levels can suffer from brain damage, behavior and learning problems, slow growth and hearing problems.

Children with a history of lead poisoning frequently require special education to compensate for intellectual deficits and behavior problems. In my State of Rhode Island, officials believe special education services are 40 percent higher among children with significant lead exposure, and in 1990 dollars, it costs roughly an additional $10,000 to provide special education services to a child.

By failing to eliminate the hazard of lead in homes, we are harming not only the children directly, but we are also incurring huge additional costs for education and health care. This is truly a problem that we must address, and we have to address it with the resources necessary to address this problem effectively.

Mr. President, childhood lead poisoning is a significant health, educational and fiscal issue. We must do everything to eliminate this lead-based paint hazard to our children. By providing sufficient funding to the HUD's Office of Lead Hazard Control, which has the primary responsibility for addressing this hazard in housing, and since 1992, the Office of Lead Hazard Control has been a highly effective component of the Federal Government's effort to address childhood lead poisoning.

Through its grant program, this office has provided grants to State and local governments to reduce the exposure of young children to lead-based paint hazards in their homes. Specifically, they have given grants to privately owned homes, to low-income occupied, and rental housing, all in an attempt to help them eliminate the source of lead poisoning in children, the most common source, and that is lead paint within homes.

Since 1993, $385 million has been awarded to 30 States and the District of Columbia. These grants have helped abate or mitigate lead-based paint hazards in 50,000 homes where young children reside. Regrettably, this is just, in effect, the tip of the iceberg, because there are so many homes that have these particular hazards to children.

In addition to helping mitigate and abate lead exposure in homes, they have also supported programs to test children for lead-based paint exposure, and also to test the homes. All of these efforts together have helped in some small way to eliminate this problem, and I have had the opportunity in my own home State of Rhode Island to visit and look at the efforts that are undertaken to eliminate these exposures to children. They are important.

What is most important is ensuring that we have the resources so that we can protect the health of all of these young children. As I stated before, this is a problem that is terribly frustrating. We know that children, if they ingest lead into their system, will suffer some type of health effect. This health effect will usually result in poor intellectual development and behavioral problems. We will be paying later through special education and through the lifetime of these children who then become adults.

We can at this point take an effective step to ensure that these problems are addressed. It is preventable. It is a pediatric disease we can prevent if we simply get the lead out. My amendment this evening will increase the resources to the Office of Lead Hazard Mitigation so that we can, in fact, help local communities ensure that the housing these young children are living in is lead free.

Oftentimes, the families of these children have no choice. They must go to homes that is the best available housing, but in providing a shelter for their child, in some cases unwittingly they are exposing their child to a hazard which will claim not only their health, but also their intellectual development.

I urge all of my colleagues to support this amendment. I am prepared to yield to the chairman at this time.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Missouri.

Mr. BOND. Mr. President, I commend the Senator from Rhode Island because there is no question about the dangers of lead-based paint, what hazards they present. This is a critical program. The program is funded at $60 million. The Senator's amendment will increase it to $70 million.

There is a great need to reduce lead-based paint hazards for children. As the Senator has pointed out, some of the statistics of lead-based paint and the dangers in some of our more mature urban areas is really frightening. I believe the figures are that there are some $3 billion in housing rehabilitation needs existing out there to address all of the lead-based paint problems in the country.

It is our desire to accept the amendment on this side. The funding will be taken from the overall CDBG funding of $4.75 billion, which is $75 million over last year's level. We are willing to accept it on this side.

Ms. MIKULSKI. Mr. President, I, too, concur with the chairman. I thank the Senator from Rhode Island for his leadership. The facts speak for themselves. The situation in Baltimore of 22 percent of children in Baltimore city have some type of lead in their blood, this is a serious issue. I won't go into all the public health aspects and pediatric consequences this late. But I will tell you what it means.

It means lower intellectual achievement. It means a lethargy, a sluggishness that is perpetual. Unless the child has their blood chelated, and if you go into Johns Hopkins and you are going to have your blood chelated because there was lead paint dust on your mom's kitchen table that kind of got mixed up with after-school cookies, then it is going to cost $8,000 in Medicaid to clean out your blood.

Even if we can clean that blood out, we can't necessarily clean out the consequences that have already set this child back, particularly in cognitive development.

I thank the Senator from Rhode Island for raising this, to move it up.

I am glad we can finally accept it with an offset. I asked that I be a cosponsor of the amendment. And we know that we need more research. We need the type of licensed people to be able to clean out the lead paint and protect our children. I view this as an important public health, get-behind-our-kids initiative. I look forward to just accepting it and defending it in conference.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

Without objection, it is so ordered.

The amendment (No. 3203) was agreed to.

Mr. BOND. I move to reconsider the vote.

Mr. REED. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. I thank the Senator from Rhode Island.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 3204

(Purpose: To prohibit the Administrator of the Environmental Protection Agency from implementing or enforcing the public water system treatment requirements related to the copper action level of the national primary drinking water regulations for lead and copper until certain studies are completed)

Mr. KERREY. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. KERREY], for himself and Mr. HAGEL, proposes an amendment numbered 3204.

Mr. KERREY. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 93, between lines 18 and 19, insert the following:

SEC. 423. TEMPORARY PROHIBITION ON IMPLEMENTATION OR ENFORCEMENT OF PUBLIC WATER SYSTEM TREATMENT REQUIREMENTS FOR COPPER ACTION LEVEL.

(a) IN GENERAL.—None of the funds made available by this or any other Act for any fiscal year may be used by the Administrator of the Environmental Protection Agency to implement or enforce the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.), to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level, until—

(1) the Administrator and the Director of the Centers for Disease Control and Prevention jointly conduct a study to establish a reliable dose-response relationship for the adverse human health effects that may result from exposure to copper in drinking water, that—

(A) includes an analysis of the health effects that may be experienced by groups within the general population (including infants) that are potentially at greater risk of adverse health effects as the result of the exposure;

(B) is conducted in consultation with interested States;

(C) is based on the best available science and supporting studies that are subject to peer review and conducted in accordance with sound and objective scientific practices; and

(D) is completed not later than 30 months after the date of enactment of this Act; and

(2) based on the results of the study and, once peer reviewed and published, the 2 studies of copper in drinking water conducted by the Centers for Disease Control and Prevention in the State of Nebraska and the State of Delaware, the Administrator establishes an action level for the presence of copper in drinking water that protects the public health against reasonably expected adverse effects due to exposure to copper in drinking water.

(b) Current Requirements.—Nothing in this section precludes a State from implementing or enforcing the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.) that are in effect on the date of enactment of this Act, to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level.

Mr. KERREY. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. KERREY. Mr. President, I am offering this amendment together with my colleague from Nebraska, Senator Hagel, to delay implementation of a rule that has been promulgated by the Environmental Protection Agency. This delay would be required until the agents review existing scientific data to determine whether there is ample evidence to support the rule.

Mr. President, this rule, together with the rule on lead, is there to protect Americans, to give us safe drinking water. Unlike lead, however, copper is an essential element and is regulated in a much different fashion. I intend with my statement to lay before the body an appeal.

Nebraska has an unusual situation. Perhaps other States do have a similar situation. But ours is essentially this: The Environmental Protection Agency has a limit with their rule of 1.3 milligrams per liter. There isn't a single city in Nebraska that has 1.3 milligrams per liter. Here is the problem. In some communities, the water level is sufficiently acidic if it remains in the pipes for 6 hours or longer. When you turn the water on, you will get more than 1.3 milligrams per liter. Run the water for a minute, and the water drops below 1.3 milligrams per liter.

The EPA is saying, it does not matter. The EPA is saying, "We test the water. It comes out of the pipe immediately. It is over 1.3 milligrams; therefore, you have to make investments, substantial investments."

Hastings, NE, is having to invest about $1 million initially, and $250,000 per year. Sixty communities are being asked to make substantial investments in their water systems to remove copper from their water, even though not a single citizen in Nebraska is getting sick—not a single person. I emphasize this.

The EPA comes into Nebraska and says, "You are right, Senator, nobody is getting sick." I say, "Wait a minute, what is the Safe Drinking Water Act for?" They say, "Well, it is to make the water safe." I say, "The water is safe, is it not? If somebody was getting sick, then we would have unsafe water." They say, "Yes, that is right. But we have established 1.3 milligrams per liter as the level allowed." And even though there is not a single community with 1.3 milligrams per liter—if it sets in the pipe 6 hours—even though it is flushed out immediately, and even though the State public health people are willing to implement a program of public education to make sure they stay below 1.3 milligrams, the EPA says, "It doesn't matter."

Unfortunately, Mr. President, this has become one of those litmus test issues. I have talked to many people in the environmental community. And they have said to me, "Gee, Senator, you can't put this on this bill because it is another rider." They compare it to the 1995 bill—I guess it was 1995 or 1996—the year when a lot of riders were attached. "We don't want another rider." I said, "Well, what does that have to do with anything? Do you think the public health data supports what you are trying to do in Nebraska? Is there a reason?" They say, "No, it doesn't matter. What we are talking about here, Senator," they say, "is politics. We don't disagree with the public health aspect of this."

Mr. President, I ask unanimous consent that two studies be printed in the Record, both done by the Centers for Disease Control, that say there isn't a problem.

There being no objection, the material was ordered to be printed in the Record, as follows:

Interim Trip Report: Cu Health Effects in Delaware, 1996

DATES AND PLACES

Washington, DC: Feb. 12.

Dover, DE: July 10–12, July 29–Aug. 7, Nov. 7–8.

BACKGROUND

Copper is an established gastro-intestinal irritant which has been documented to cause nausea, vomiting, stomach cramps, and diarrhea in humans. The lowest level at which these adverse effect occur has not been well defined. Following amendments to the Safe Drinking Water Act in 1986, EPA promulgated a revised standard for Cu. The new copper standard required action, such as the installation of corrosion control measures, when the highest 10% of first morning flush household tap samples exceeds 1.3 mg/l for a given water distribution system. During a state-wide survey of water systems in Delaware in 1995, 35 systems exceeded the action level for copper. Thirteen of these systems had 10% of their samples higher than 5.3 mg/l, the EPA's LOEL (lowest observable effect level).

Out of concern for the health of individuals consuming high levels of copper, and to utilize the unique social and geological conditions in Delaware to better document the consequences of such exposure. Delaware Health and Social Services contacted CDC for technical assistance. Many small communities in Delaware have older houses with copper pipes and utilize untreated, acidic groundwater sources from high silica soils. The results of this collaborative effort are presented herein. Note that data collection is ongoing and the results presented are those of a work in progress.

PRINCIPLE PERSONS MET

EPA: Jeff Cohen, Office of G.W. and D.W.; Ken Baily, ORD; Bruce Mintz, ORD; Ed Hoddum.

Delaware: Ed Hallock, Barbara Ashby, Raymond C. Davidson, and Donna Stulir, Office of Drinking Water, Health and Social Services; Gerald Llewellyn, Dir. of Public Health, Health and Social Services; Mahhadeo Verma, Director, Public Health Laboratory; and Christopher Zimmerman, Dep. Dir., Public Health Laboratory.

METHODS

Those communities which have high levels of copper during the state-wide survey of 1995, had a population over 100, and which were suspected of not having installed adequate corrosion control measures as of June, 1996 were included in the study. Because of the widespread installation of corrosion control systems in the preceding year, only 4 communities met this criteria. One additional trailer park which not in violation during the 1955 survey but which had older homes with acidic water was also visited. All household in the area with homes built before 1980 were visited.

Contacted households were given a copper free container and asked to capture the first water of the day out of whichever tap they usually drank on the following morning. Participants were asked not to run any other taps and not to flush their toilets in the morning until after they had collected the water sample. On the morning after the bottles were handed out, samples were picked-up by investigators, stored in a cooler, and taken to the State Public Health Laboratory by 1 PM.

Households with > 5.0 mg/l copper in the first flush sample were revisited and interviewed. For each of these "High Copper" households, 2 neighborhood matched "Control" households were interviewed. Potential control households were those with less than 0.5 mg/l copper in the first flush water sample they had provided. A copy of the interview form is attached.

To attempt to estimate individual doses, all "High Copper" individuals and 10 individuals from "Control" households were asked to collect a daily water intake sample in a provided bucket. To do this, each time a person ingested coffee, or water, or any other drink containing water, they were asked to put an equal volume, taken from the same tap at the same time, into a bucket. Houses were also revised at the end of the study to obtain a second first flush water sample to help confirm that their exposure status did not change over the course of the study. Blank samples consisted of bottles filled with store bought distilled water. Some bucket samples were shaken and two bottles were filled to serve as duplicates. The laboratory was blinded to the cohort status and the sample type (first flush vs. blank vs. bucket) by a sample numbering scheme. Duplicate samples were separated in the numbering sequence.

Households were contacted by phone once per week over a period of 12 weeks between August 5th and October 21st. Interviewees were asked, "Has anyone in your household been ill during the past week?" If the answer was yes, a questionnaire regarding patient symptoms was completed. No individuals were ill with the same symptoms for more than one phone interview. A copy of the illness inquiry form is attached.

Households that were called 3 times without an answer were considered "not contacted" for that week. Households who departed for the season or asked to no longer be contacted were terminated and information from the household was included for those person-weeks during which successful phone contact took place. Weeks in which interviewers neglected to call households were also excluded from the analysis.

Self-reported nausea, vomiting, stomach cramps, diarrhea, and constipation were all defined as being consistent with copper toxicity (CCT). Having acute nausea and/or vomiting alone or with a headache, or any 3 of the 5 symptoms consistent with copper toxicity was defined as indicative of copper toxicity (ICT).

RESULTS

Cohort selection

867 houses were approached and 365 successfully contacted (42%). Of those, 7 (1.9%) refused to participate, 32 (8.8%) drank bottled water exclusively, and the remaining 326 self-reported tap water drinkers were asked to collect a first flush sample. Forty-seven households (14.4%) did not return the sample bottle. Of the 279 samples collected, 23 were above 5.0 mg/l copper.

Of these 23 high copper households, 3 could not be re-contacted, and 3 decided that they did not drink the water by the time they were re-contacted. 17 high copper households were enrolled in the study. During the course of the study, 2 households began drinking bottled water, 1 used a RO unit which had been by-passed during our initial sampling, and 1 pregnant woman was advised by the investigators to drink only bottled water. Thus, 13 households and 40 individuals were followed over the entire course of the study. Of the 40 enrolled control households, 3 acquired filters during the course of the study and 7 reported beginning to use bottled water exclusively. These control households were not excluded from the analysis since the new water source did not change their copper exposure status. Two control households and 1 "High Copper" household asked to be dis-enrolled during the study.

Water

The average "High Copper" household first flush concentration was 7.21 mg/l Cu among the 17 households enrolled. Nine bucket samples were collected from nine individuals. The average first flush concentrations for these people was 7.00 mg/l Cu while the average daily intake value was 2.91 mg/l Cu. Thus, average intake was 41% of first flush values. These 9 people ingested an average of 2.3 quarts per day according to our bucket collection procedure.

Health

A summary of the weekly phone surveillance results is presented below.

Parameter	Control	High Cu
No. of households	40	13
No. of individuals	102	40
Person/week-phone contacts as a % of attempts	818/1127 (72%)	346/413 (84%)
Illness events (all)	26	15
Persons ill at some time during study	20 (19.6%)	11 (27.5%)
Cases consistent with Cu toxicity (CCT)	31	9
Cases CCT/all person-weeks	31/818 (3.8%)	9/346 (2.6%)
No. of people with CCT at some point	13 (12.6%)	8 (20.0%)
Cases indicative of copper toxicity (ICT)	22	4
Cases ICT/all person-weeks	22/818 (2.7%)	4/346 (1.2%)
No. of people with ICT at some point	9 (8.8%)	4 (10.0%)

Other findings

It is possible that more people (as a fraction of the population) consume high levels of copper (>5 mg/l) in their water in Southern Delaware as anywhere in the U.S. Therefore Gerald Llewellyn and Laurie Cowen of Delaware's Dept. of Health and Social Services searched the state databases to look at the incidence of Wilson's Disease, an illness previously associated with copper ingestion. Between 1979 and the present, only one case of Wilson's Disease was reported in the State and that case occurred in the Wilmington area where systems have little problem with corrosion control. This is a Statewide reported rate of .08 illnesses per million population per year. Nationally, approximately 15 deaths per year were recorded between 1979 and 1992 with Wilson's Disease being listed as the primary cause. Between 1988 and 1990, less than 700 hospital discharges were estimated to occur nationally via the NCHS Hospital Discharge Database (less than 2.8 hospitalizations per million population per year). Given the rarity of Wilson's Disease and the potential for incomplete reporting of this illness, little significance can be attributed to Delaware's apparently lower rate of the illness.

DISCUSSION

While the study reported herein included far fewer households than initially intended, there seems to be no difference in the symptoms typically associated with copper toxicity among the two study groups. If copper is a gastro-intestinal irritant at the levels observed in the 40 individuals included in our study, the effect was not observed here. The most specific and direct indicator for a persistent irritant would be displayed by contrasting the persons meeting the most specific case definition divided by the number of person/week observation periods, "Cases ICT/all person weeks" in this study. Individuals in the "High Copper" household had a statistically similar, but lower rate of symptoms "Indicative of Copper Toxicity" than did the individuals in the "Control" households.

There are three possible explanations for this finding.

(1) People drinking water with an average of 2.7 mg/l Cu and with a first flush level of 7.2 mg/l are not ingesting enough copper to develop G.I. symptoms.

(2) The "High Copper" exposure level in this study is enough to make people sick, but not the people in this study.

(3) These copper levels do make people sick, but the study failed to detect this fact.

Addressing these issues in reverse order, while the sample size in this study was small, it is likely that a major effect from copper ingestion would have been detected. People displayed symptoms, like those expected in copper toxicity cases (ICT), during approximately 2% of the person weeks surveyed (2.7% in control households, 1.2% in high copper households). Thus, if the effect was missed due to a lack of power in the study, the effect is likely to be less than 3 episodes of nausea or vomiting per person per year, which is not consistent with the ongoing symptoms of copper toxicity typically described in the scientific literature. The final data set was sufficient in size to detect a relative risk of 2.5 in "cases ICT/all person weeks" and a relative risk of 3.5 in the "number of people with ICT at some point" with 95% confidence and 80% power. While self-described symptoms via a phone interview can produce lower quality data than some other methods, for exmaple, medical examinations, it is unlikely in this case that a systematic bias on the part of the interviewee or the interviewer resulted in an underreporting in the "High Copper" cohort. The interviewers were blinded to the cohort status of the study participants.

Explanation 2, that the study population was not susceptible to copper induced illness, is somewhat more problematic. People may be susceptible to copper for a short period and then acclimate. This study had very few transient participants and most households had been at their present location for months or years. Likewise, within a population, some individuals may be particularly susceptible to copper toxicity, realize that their water is making them ill, and change sources. Because households who reported not drinking their water were not enrolled in the study, the data here cannot address that possibility. Several people during the initial interview process reported becoming ill after moving to their present address and attributed their illness to their water. Several of these individuals lived in "High Copper" homes.

Explanation 1, that the ingested levels of copper in the study were not sufficient to cause illness, seems the most likely explanation, perhaps in conjunction with the self-exclusion bias described above. Given that the average intake was 2.4 liters with a Cu concentration of 2.9 mg/l, and given this level is below the EPA LOEL, this is not surprising. What is surprising is that, in perhaps the systems serving some of the most corrosive water in the U.S., studying just the older homes with copper pipes, no adverse health effects can be detected. Houses in the study were receiving water at 6 times the concentration of EPA's 90th percentile action level, and represented the 92nd percentile, of the oldest portions of the State's most problematic systems (therefore, perhaps the 99th percentile of their communities). Thus, it is unlikely that there is widespread acute illness in Delaware from the ingestion of copper in people's homes.

FINDINGS

(1) This study indicated that those people drinking the highest levels of copper identified in Delaware are not suffering adverse acute effects from this exposure.

(2) No evidence of Wilson's Disease can be seen in the state registry in this population with some of the highest water copper levels seen in the U.S.

(3) Average daily intakes of copper are not well predicted by first flush values. A time and volume weighed daily intake was typically 41% of the Cu concentrations found in the first flush samples.

(4) The bucket collection procedure employed here for estimating daily dose was easy and quantitative. Future studies should use urine collection techniques to confirm its accuracy.

RECOMMENDATIONS

To Delaware

Future inquiries regarding population concerns over Cu in drinking water in Delaware should be addressed with a one page summary of this study since it represents a best effort to identify the most problematic systems and households in the state. Susceptible individuals may exist and individual complaints regarding systems with corrosive water should be investigated and copper toxicity events reported to the CDC.

Many good reasons exist for promoting corrosion control measures independent of copper and lead toxicity. The results of this investigation should not be used by utilities to avoid undertaking prudent investments in municipal infrastructures or treatment processes.

Cooperation between the Department of Epidemiology, the State Public Health Laboratory, and the Drinking Water Program has been exemplary throughout this study. The study should be held forward as a model cooperatively and thriftily addressing public health concerns.

Phone monitoring efforts in future studies should remain directly under the supervision of the Delaware official with principle responsibility for the study.

To CDC

CDC should not conduct future studies to identify and quantify the copper LOEL in a stable domestic population without reports of symptomatic illness. It is unlikely that ongoing illness from copper exposure in drinking water is a major problem anywhere in the U.S. among domestic users. If the EPA LOEL of 5.3 is an accurate estimate of where health effects begin to be seen, this study indicated that first flush levels of 13 mg/l would be needed to inflict daily average tap water level of 5.3 mg/l Cu. No households in our study or the state-wide survey had such high concentrations of Cu.

The daily dose method employed here was appears to be effective and should be validated.

Support of the kind provided to Delaware in this modest study: (a) is a cost-effective way to produce valuable public health data, (b) established excellent ties for future cooperation, (c) is educational for both State and Federal participants who often have dramatically different perspectives.

Interim Report

Evaluating Gastrointestinal Irritation among Humans From Copper in Drinking Water, Lincoln, Nebraska (Epi-E94–73)—Sharunda D. Buchanan,[1] Ph.D., Robby Diseker,[1] M.P.H., Jack Daniel,[2] Thomas Floodman,[2] Thomas Sinks,[1] Ph.D.

[1] Division of Environmental Hazards and Health Effects, National Center for Environmental Health, Centers for Disease Control and Prevention (CDC), 4770 Buford Highway, N.E., Atlanta, Georgia 30341-3724.

[2] Division of Drinking Water and Environmental Sanitation, Nebraska Department of Health, 301 Centennial Mall South, P.O. Box 95007, Lincoln, Nebraska 68509-5007.

Abstract

EVALUATING HUMAN GASTROINTESTINAL IRRITATION FROM COPPER (CU) IN DRINKING WATER, LINCOLN, NEBRASKA, 1994

Background: In 1993, Nebraska copper (Cu) drinking water levels exceeded EPA's action level of 1.3 mg/L Cu in 50% (19 of 38) of public water systems serving 3,300 to 10,000 people. The action level is based on gastrointestinal illness (GI) including vomiting, nausea, stomach cramps, or diarrhea. Officials at the state health department were concerned that Nebraskan's were suffering adverse health effects as a result of this exposure and requested assistance from the Centers for Disease Control and Prevention.

Methods: To determine if Nebraskan's were at increased risk of GI due to Cu concentrations in drinking water, we interviewed people living in homes having Cu levels (measured in 1993) of >3 mg/L (51 homes), 2 to 3 mg/L (54 homes), and <1.3 mg/L (42 homes). Case-subjects were those who had rapid onset of vomiting or nausea with abdominal pain during the 2 weeks preceeding interview. To validate the relationship between Cu and GI, we conducted a nested case-control study, resampling drinking water in the homes of 22 case-subjects and 27 age-matched control-subjects.

Interim Results: The risk of GI was greater for persons in households with drinking water >3 mg/L (RR=1.65; 95% CI 0.63, 4.31) but not for persons in households with copper levels from 2 to 3 mg/L (RR=0.73; 95% CI: 0.24 to 2.17) when compared to individuals with copper levels less than 1.3 mg/L. The relationship was not confirmed in the nested case-control study ($OR_{>3\ mg/L,\ <1.3\ mg/L}$=0.44, 95% CI 0.8 and $OR_{2\ to\ 3\ mg/L,\ <1.3\ mg/L}$=0.11, 95% CI 0.02 to 0.62) because 1993 sampling results differed substantially from sampling results in 1994. The occurrence of GI was explained by weight loss (OR=8.30; 95% CI 1.56 to 44.11) and self-reported flue-like illness (OR=4.18; 95% CI 0.77, 22.78).

Interim Conclusions: These preliminary data indicate that at the time of the survey, people were not experiencing GI related to the level of Cu in their drinking water, even though 51 of the selected homes had Cu drinking water levels that were greater than two times the EPA action level the year prior to the study. We also noted that Cu concentrations in drinking water at the time of the study were far less than the levels measured one year earlier. We encourage further investigations of the health effects of copper in drinking water. We also encourage further work to evaluate the reproducibility of the sampling method recommended by the EPA to establish compliance with the drinking water standard for Cu and Pb.

Mr. KERREY. Mr. President, copper is a substance that at certain levels will cause gastrointestinal problems. That is the issue here. Unlike lead, it is a different sort of public health problem. Again, it is an essential element. Understand, that the estimated content in mother's milk in some cases will exceed 1.35—will exceed 1.3 milligrams per liter. You can imagine what the EPA would say if we gave them the authority to regulate mother's milk. Perhaps they would require some sort of contraption to be applied in order to make certain that babies are not getting a dose in excess of 1.3 milligrams, even though no scientific study, Mr. President, has concluded that there is a problem.

The EPA will say, remarkably, "Well, the World Health Organization has a standard of 2.0 milligrams per liter, and 1.3 milligrams per liter is close." Two is almost twice of 1.3. It may look close if you are calculating the size of the deficit, but it is not very close as a multiple of 1.3.

They set a level, Mr. President, an arbitrary level, that cannot be supported by science. All we are asking for is delay. I would be willing to accept some change in the law, some report language that would enable Nebraska to say, "We will, with our public health effort, make certain that no one in Nebraska is going to get sick. But, for gosh sakes, don't make these Nebraska communities invest millions of dollars in water treatment efforts."

Some of these communities have very, very small budgets. You are asking them to invest substantial amounts of money even though there isn't a single person in their communities getting sick—no one. There is no public health problem. And what we are being told—we tried to get this amendment accepted. We tried to get EPA to change their rule. They said to us, "We don't care. We don't care, Senator, that science demonstrates that 1.3 milligrams is not really supportable. We don't care that nobody in Nebraska is getting sick. We are not concerned." "Please, do not offer this because of the political problems of another rider on this bill."

Mr. President, this is one of the reasons that people like myself—that have supported the Clean Water Act and the Safe Drinking Water Act and the Clean Air Act—we struggle to sustain our support for this kind of effort because time and time again we find ourselves faced with a situation where common sense and science combine to say the EPA should not be given authority to require local communities to make these kinds of investments because there is no public health case that can be made to require them to do it.

This amendment, Mr. President, is propublic health and pro-environment. I, too, seek public health protections, and I seek environmental protections as well. Senator HAGEL and I see this as an amendment that says that money spent on threats that do not exist is money that cannot be spent to prevent actual hazards to health or the environment.

I am not seeking to overturn EPA regulations, and I am not seeking to instruct EPA on scientific issues on which myself and the legislative branch are not qualified to provide instructions. I am seeking, Mr. President, to have the EPA give adequate consideration, evidence from another Federal agency that is amply qualified in this respect, an agency, Mr. President, that is charged with ensuring public health and safety, and that is the Centers for Disease Control and Prevention.

Mr. President, whatever you think on this issue, we should all agree that the people of this country who are drinking the water and who are paying the bills should at least have a say in this matter. And they should have a say through their elected officials. The argument that comes from the EPA that Congress does not have the right or the responsibility to question regulations or to weigh in on regulatory debates is an argument that government should not be held accountable to the people.

Mr. President, that is an argument that I do not support. And it is an argument I hope we would all dismiss outright. But, Mr. President, beyond this argument—and there is a truly valid argument against that scientific basis for this EPA rule which I, tonight on this floor, challenge with this amendment. I challenge any of my colleagues to come to the floor and dispute the evidence that I offer.

The rule pertains to copper levels in drinking water, and the requirement that communities treat their water supplies to remove copper when it is present at levels higher than EPA's 'action level' of 1.3 milligrams per liter (mg/l). There are currently 60 communities in Nebraska that are being required by EPA to begin treating their water to remove copper. I have here in my hand two studies conducted by the federal Centers for Disease Control and Prevention that indicate the drinking water in these communities is safe, and is not causing any illness or adverse health effects. One of the studies was conducted in my state of Nebraska. However, the EPA will not consider these studies until they are peer reviewed and published. Fair enough, I say—they are scheduled to be published before the end of the calendar year, and likely sooner than that. So my amendment simply states that EPA wait until these studies are published, and that they review these studies, and any additional peer-reviewed data pertinent to this issue, to determine whether the CDC is correct, and perhaps this copper action level is not set at the appropriate level.

There is also a savings clause in my amendment that will allow any state that so chooses to continue to implement and enforce, if they desire, the copper treatment aspect of this rule. If a community or a state is currently treating its water supplies to reduce copper, or chooses to implement treatments based on copper levels, nothing in my amendment precludes them from doing so.

Mr. President, I support fully the efforts and the importance of the mission and the work of the Environmental Protection Agency. I support fully the Safe Drinking Water Act, the Clean Water Act, the Clean Air Act, and all the other acts under whose auspices the authorities of the EPA lie. However, I support these Acts based on the assumption that all the rules and regulations that are promulgated by the agency are based on sound science. But in this case—in the case of a copper action level in drinking water supplies—we do not have sound science at work. What we are seeing here is a level that has been set that cannot be supported by science—a level that even the federal Centers for Disease Control and Prevention, EPA's sister agency, says in at least two different studies causes neither illness nor adverse health effects. The CDC has indicated that in my home state of Nebraska, and in Delaware, copper in drinking water supplies that is in excess of EPA's action level does not cause any illness or adverse health effects.

But 60 small- and medium-sized communities in Nebraska are being forced to implement expensive water treatment activities to remove the copper from their drinking water. One community alone, Hastings, Nebraska, with a population of 23,000, has estimated the costs of this treatment at $1 million to start, and $250,000 annually thereafter. That is for one community alone. In the Village of Snyder, which has a population of 280, and an annual water budget of $31,000, the estimated cost to treat two wells is $30,000 for building modifications and equipment purchases, plus an additional annual cost of $12,000 for chemicals, training, administrative, and repair and maintenance costs. For the first year, then, this figure represents $11,000 more than the Village of Snyder's annual water budget—or a total first year cost of $42,000. Multiply these figures and these hardships by 60 communities, we are talking about an inordinate amount of money to remove an essential mineral, a naturally occurring element, from drinking water when there are no known or associated adverse health effects at the levels that it is present at.

But that's not the most unreasonable aspect of this issue, Mr. President—because there is more. Here's the rub. The ground water that these public water supplies rely on for drinking water in these 64 Nebraska communities does NOT contain copper in excess of EPA's action level. As a matter of fact, none of the natural groundwater supplies in Nebraska exceed the copper action level as established by EPA. Not one.

The problem is the method EPA requires that States use when testing for copper. EPA requires that the water be tested only after being undisturbed for at least 6 hours—that is, the water must be sitting in the pipes and plumbing of a home for at least 6 hours, or overnight, before being tested. And while the water sits in these pipes, copper leaches out of the pipes, and the "action level" is exceeded. Why does this happen? It so happens that the acidity of the ground water in my state of Nebraska causes the copper to corrode, or to leach out when it sits in pipes for a long period of time, such as overnight. However, if you run this water for a few minutes before testing it, or before drinking it, the copper action level set by EPA are not exceeded.

But even the CDC has questioned this testing method. In one of its studies, the CDC states:

> We encourage further investigations of the health effects of copper in drinking water. We also encourage further work to evaluate the reproducibility of the sampling method recommended by EPA to establish compliance with the drinking water standard for Cu (copper) and Pb (lead).

But even beyond that, even at the levels that are coming out of these pipes now, and that the people of these Nebraska communities are drinking now, there is no incidence of illness or other deleterious effects from this water. My amendment will simply delay some costly requirements to remove copper from water that is not causing illness.

So the issue immediately at hand, at best I or anyone else can discern, is really an issue of testing. Despite the fact that none of the groundwater in Nebraska exceeds EPA's copper action level, the manner of testing required by EPA results in some communities actually exceeding the action level. Flushing for a few minutes prior to testing, or to drinking, would result in copper levels in the water that are below EPA's action level. And it is likely that an improved testing methodology will result in none of these water systems exceeding the copper rule. But until this is reviewed, we have no way of knowing.

Beyond the testing issue is the greater issue of the validity of the rule. No, I am not a scientist qualified to decide this issue, but some of the scientists that I have talked to about the issue agree that the science is insufficient to support EPA's action level for copper. Even government scientists who have studied copper their entire careers agree that the evidence just isn't there—and I'm talking about human nutrition scientists, not just the scientists who conducted the studies at the CDC. Scientists have told me that there is little evidence of chronic health effects caused by ingestion of copper at the levels we are talking about in our communities. There is even preliminary evidence that seems to suggest that elevated copper plays a role in reducing or preventing the incidence of osteoporosis, a disease which causes significant suffering, discomfort and associated medical problems, primarily in the elderly. What this underscores is the lack of definitive knowledge about this substance.

My colleagues in the State of Nebraska have tried to work with the EPA on this, and have tried to offer reasonable alternatives and solutions that will prevent costly and needless treatments from being required. My colleagues in Nebraska asked the EPA if it would be acceptable to implement an educational program to get folks in these communities to run the water for a time, to flush out the water that may have absorbed some copper, before drinking it. EPA said no.

My colleagues asked the federal Centers for Disease Control to study the issue in the state, and determine if the copper was causing any illness or adverse health effects. The CDC did this, and found no adverse health effects. EPA's response is that they cannot consider this data because it is not yet peer-reviewed and published. That is what bring me here now.

What frustrates me most about this is that I am a staunch proponent of the role of the federal government in protecting the safety and health of the people. This role is perhaps one of the greatest issues separating our country from many other industrialized and non-industrialized countries—we protect our nation from potential hazards in our food and drink, and from many other hazards that may befall us. But I am also a proponent of a government that is of, by, and for the people—of a government that serves to protect when protection is needed, but that does not intervene needlessly when intervention is not needed. Yet here we have evidence that a regulation promulgated by a federal agency will cost Nebraska communities millions of dollars, and will have no apparent impact on the health or safety of the people. So I am here to ask for a delay before costly treatment is required in these communities, a delay to allow these studies to be published, which they imminently will be, and a review of the data, to include these studies.

To help my colleagues understand how deeply flawed this action level may be, and thus, how inappropriate is the insistence of the EPA that these small Nebraska communities spend millions of dollars to correct a ghost problem, let me share with you some additional information on how copper in drinking water is treated elsewhere.

On an international scale, the World Health Organization, or WHO, which is recognized worldwide as the preeminent public health and welfare agency in both developed and underdeveloped nations, has declared that:

> In view of uncertainties regarding copper toxicity in humans, a provisional guideline value for copper of 2 mg/litre was established in the 1993 WHO guidelines for drinking water quality.

The WHO further states that:

> A copper action level of 2 mg/litre in drinking water will be protective of adverse effects of copper and provides an adequate margin of safety. It is also noteworthy that copper is an essential element.

This provisional, international action level for copper of 2 mg/l is set at a level that approaches twice EPA's action level of 1.3 mg/l. Yet EPA cites this level as evidence that their level is "not far off" from the WHO level, and thus is supportive of their 1.3 mg/l level.

Mr. President, there are two last, astounding pieces of information. The National Research Council of the National Academy of Sciences has established a recommended daily allowance for copper of 3 mg, with an adult toxic dose of 100 mg. These recommendations are for adults. But more astounding is the following information, published in peer reviewed literature: "Copper levels of human milk range from 0.15 to 1.34 mg./litre." Human breast milk, Mr. President, contains up to 1.34 mg/litre of copper, which is in exceedance of the EPA copper action level.

There is much more evidence to support my contention, Mr. President, that there is cause to review the data and perhaps revise EPA's action level for copper, and I am more than willing to share it with my colleagues. At the moment, however, there is great urgency in offering this amendment and approving it to prevent needless costly treatments from being implemented in many small American communities that will be more harmed from the economic impacts of this rule than from the potential adverse health effects from copper.

The EPA says, "We don't care"—the EPA says, "We don't care. This is a political issue."

I say wait a minute, what is the purpose here? "We don't care." Reject it out of hand, ignore the scientific evidence, and say we are concerned that this is one of these riders. They are not willing to come and debate each rider on its merit. They say "rider"; we rule out of hand.

I would love to have Administrator Browning come to Hastings, NB, and explain that to my citizens in Nebraska. She would not be able to do it. That is what I have to do. I have to go home and explain these rules. When I go home and explain these rule to these 60 communities where nobody is getting sick, why they have to spend millions of dollars to invest in their water systems, they say this doesn't make any sense at all.

So I invite any Senator who opposes—I would love, if they take the EPA position—come out to Hastings, NB. Come out to my State and talk to the community and explain to them why, if nobody is getting sick, I have two CDC studies saying there is no health problem and yet the rule still is going to be enforced.

As I said earlier, I am not looking to overturn the EPA regulation. Indeed, in this amendment there is a savings clause that allows any State that so chooses to continue to implement and enforce the copper treatment aspect of the rule. If the communities—or State, is currently treating its water supplies to reduce copper, or chooses to implement treatments based on copper levels, nothing in my amendment precludes them from doing so.

I see both the Senator from Montana and the Senator from Alabama. It looks like they have an amendment. I would like to talk longer, and I apologize to the Senator from Missouri and the Senator from Maryland. I know both they and I would like to go to sleep. I would prefer a healthier debate. Unfortunately, what will happen is, we will talk tomorrow, we will have 2 minutes equally divided, the opponents will offer some reason to oppose this amendment, and everybody is likely to walk down and oppose it.

What will happen is, I will have millions of dollars' worth of investments that will have to occur and there will be a deterioration of support for any regulation of this kind.

I am willing to stop and allow the Senators from Montana and Alabama to offer their amendment. I don't know how long they will take.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I will tell you briefly why this amendment is going to have to be opposed and why I think it will be defeated and move to table it, because we do have other amendments to go on to tonight.

Obviously, the Senator can seek the floor later on if he has not finished.

If he has finished with his argument, I am happy to respond briefly.

The chairman and/or ranking member of the Environment and Public Works Committee will be here tomorrow to express their opposition, and I will print in the RECORD tonight the letter from the Environmental Protection Agency which says the EPA is strongly opposed to this amendment.

Unfortunately, Mr. President, the Senator has some compelling arguments. I sympathize with his frustration, but the EPA said, "We believe it is unnecessary, inconsistent with the policy requirements of the 1996 amendments to the Safe Drinking Water Act and harmful to the protection of the public health." He goes on to cite articles. He does state that, "The State of Nebraska has yet to avail itself of several opportunities for substantial flexibility and assistance described herein," and the EPA Assistant Administrator, Robert Perciasepe, has offered to go to Nebraska and show up in Hastings. I think my colleague from Maryland and I will urge him in the strongest possible terms to coordinate his schedule with yours and go to Hastings and other towns to answer.

But the fact of the matter is that there is a strong objection by the EPA to this. That objection is supported by the members of the authorizing committee. In our appropriations measures, we have not, we do not, and we will not take authorizing measures or legislative matters which are strongly opposed by the authorizing committee. We believe as a courtesy to the committees of jurisdiction that we should not do it. We have not done it and we don't intend to do it.

Mr. KERREY. Mr. President, I guess—as I said, I am willing—I don't know how long the Senator from Montana and Alabama want to talk. I intend to talk further. I appreciate what will happen tomorrow is, there will be 2 minutes equally divided and Senator CHAFEE and Senator BAUCUS will come down here and they will say, "We don't necessarily disagree with you but we have a letter from the EPA and they are saying for rules"—blah, blah, blah—"we don't care that there is no public health problem. We don't care that nobody is getting sick, and we are willing to be flexible."

Well, I appreciate you are willing to be flexible, but the problem is, we don't have a public health problem. What are you talking about, you want to be flexible? Thank you, Mr. Perciasepe. I appreciate you being willing to visit these communities, but I have 60 communities you are asking to spend millions of dollars. You have a rule that you are going to enforce it even though there is no public health problem.

I know we have a dilemma here. It is 10:30 at night and the unanimous consent procedure requires me to talk for however long I am prepared to talk, and then we will have 2 minutes tomorrow. I will have 1 minute, Senators CHAFEE and BAUCUS will come down here and they will say whatever, and this thing will get knocked out.

Mr. President, I appeal to my colleagues, this is not something that is a small item. Nobody is going to walk down here. I suspect the Senator from Missouri will not stand up and say that there is a compelling public health reason why Nebraska citizens and their communities should have to make these investments. EPA doesn't. They don't make a case that it is a public health problem. They don't come to Nebraska and say, gee, there is somebody getting sick that we haven't noticed.

Copper is different from lead. We are not talking about something that has the dangerous properties of lead. This is an essential element. This is an element that is contained in mother's milk, for gosh sakes. And in some cases the mother's milk is at a level higher than what the EPA will allow in drinking water.

Nebraska is being forced to sue the Environmental Protection Agency because the Environmental Protection Agency is unwilling to be flexible. I seek a remedy to this, Senators. You are saying you don't accept the amendment, fine. I am prepared to talk, then, further, because I want to make certain that Nebraskans understand what is at stake here—that even though nobody is getting sick, even though there is no public health problem, even though there is no safety issue at all in our State, it doesn't matter; the Federal Government is still going to require and this Senate is going to say, "Well, it is a rider, we will accept the EPA's recommendation, regardless. We will vote to table or we will vote no on the amendment, we don't care. It doesn't matter."

It seems to me that what we have here is a reasonable request by a State that has an unusual situation that deserves to be remedied. It is not enough for the EPA to say,"We are willing to be flexible." It doesn't work. Their flexibility still, at the end of the day, will say, "You will have to get your copper levels down to 1.3 milligrams per liter in the first burst of water that comes out of the faucet," even though nobody in Nebraska is getting sick, even though no faucet is at 1.3 milligrams per liter. Only the first burst has the problem.

I go back to my statement here and continue.

Mr. BOND. Mr. President, I might ask the Senator from Nebraska. He obviously has made some very compelling points. It is noted there are Senators who are waiting to offer amendments. If he would be willing to do so, I would like to finish up the work of the Senators who are waiting, and I will move to table the amendment, and then I will offer to go back in morning business and afford the Senator from Nebraska as much time as he wishes, because we have heard the compelling arguments—the situation is very clearly that with the authorizing committees opposing this, the agency opposing it, it is our policy not to accept these amendments on an appropriations bill. His arguments are made with a great deal of passion and common sense, but they are not going to be accepted, and he will have an opportunity to appeal to our colleagues in a colloquy or in discussions later this evening, or in the 1 minute tomorrow. Would that be acceptable to the Senator from Nebraska?

Mr. KERREY. Mr. President, I appreciate what you are trying to do, but I am not sure I understand what it is you are trying to do.

First of all, I ask the Senator from Montana, how long does he and the Senator from Alabama want to take?

Mr. BURNS. Mr. President, responding to the Senator's question, it will take me less than 5 minutes. I can assure the Senator from Nebraska that I will support his amendment.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Will the Senator yield so that I may have a letter printed in the RECORD?

Mr. KERREY. Mr. President, I will yield only for that purpose, without losing my right to the floor.

Mr. BOND. Mr. President, I ask unanimous consent that this letter from the U.S. Environmental Protection Agency be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, July 9, 1998.

Hon. JOHN CHAFEE,
Chairman, Senate Committee on Environment and Public Works, Washington, DC.

Hon. MAX BAUCUS,
Ranking Member, Senate Committee on Environment and Public Works, Washington, DC.

DEAR SENATOR CHAFEE AND SENATOR BAUCUS: As you requested, this letter presents the views of the Environmental Protection Agency (EPA) regarding the draft amendment proposed by Senators Hagel and Kerrey to the Fiscal Year 1999 Appropriation Bill for VA-HUD and Independent Agencies, which amendment would prevent for an indefinite period of time the implementation of the portions of the Lead and Copper Rule providing protection from hazardous levels of copper in public drinking water supplies. EPA strongly opposes this amendment. We believe it is unnecessary, inconsistent with the policy directions and requirements of the 1996 Amendments to the Safe Drinking Water Act (SDWA), and harmful to the protection of public health.

The proposed amendment is based on the questions raised by the State of Nebraska on the validity of the science underlying the Copper Rule. These questions are said to be based on interim reports on recent surveillance studies performed in Nebraska by the Federal Centers for Disease Control (CDC), and in Delaware by Delaware's Division of Public Health. Neither of these studies has been peer reviewed or published. The interim findings on the level of adverse health effects reported for the CDC Nebraska study actually are consistent with the scientific data EPA relied upon to develop the action level for copper. That action level incorporates a margin of safety below the lowest level of adverse health effects, as required by SDWA. The interim findings of the Delaware study are based on a very small sample with low statistical "power" to identify health effects.

In the 1996 Amendments to SDWA, your Committee developed, and Congress and the President enacted, a requirement that standard setting under the SDWA must be "based on the best available, peer reviewed science." This requirement is equally applicable to EPA's review and revision of existing standards such as the Copper Rule, which was finalized in 1991, as it is to the setting of new standards. EPA does not believe that the interim reports on these studies meet the test of scientific rigor required by the 1996 Amendments for the revision of any existing drinking water standard, or make a compelling scientific case to change the action level for copper. EPA is participating in planning further studies on health effects of copper, and is prepared to reevaluate the scientific basis of the present copper action level if appropriate.

In this regard, an article entitled "Defining a Safe Level for Copper in Drinking Water" was published in the July 1998 issue of Journal AWWA by Frederick Pontius, a staff member of the American Water Works Association. This article presents a review of available scientific research on the health effects of copper exposure, noted that "USEPA's MCLG and action level for copper have been criticized as being either too low, or not low enough, depending on the health study cited," and concluded that a "change in the copper action level would be difficult to justify based on feasibility of corrosion control treatment unless a better measure is developed for determining when optimal corrosion control for copper is being applied."

The State of Nebraska has also expressed serious concerns about excessive costs and implementation burdens on affected communities from enforcement of the Copper Rule. However, the copper standard is framed as an action level. When public water systems exceed the level in 10 percent or more of the required samples, the State primacy agency is supposed to work with the systems to help them develop and implement a treatment optimization plan. Such a plan is not a "one size fits all" approach that seems to have generated exaggerated estimates of compliance costs cited for some Nebraska towns. Rather, treatment optimization is to address in the most cost effective way possible the specific conditions in the system that caused them to exceed the action level, and meet effectiveness criteria set by the State.

The 1996 SDWA Amendments give States additional flexibility to use the exemption process to phase in whatever tailored approach to treatment the State and water system agree to implement. Also, the Amendments provided for a new source of Federal funding, the Drinking Water States

Revolving Loan Fund, to offer subsidized financing to water systems facing significant costs associated with implementing treatment. The State of Nebraska has yet to avail itself of any of the several opportunities for substantial flexibility and assistance described here.

I appreciate your request to present our understanding of this issue and the several workable, potential solutions available. EPA wants to continue working with the State of Nebraska to resolve this matter, and stands ready to provide hands-on technical assistance to demonstrate how the State can identify practical, common sense ways to help towns provide the important public health protections that compliance with the Copper Rule will bring.

Sincerely,

ROBERT PERCIASEPE,
Assistant Administrator.

Mr. KERREY. Mr. President, do I have the floor?

The PRESIDING OFFICER. Yes, the Senator from Nebraska has the floor.

Mr. KERREY. Mr. President, in that case, I would like to continue with my statement. Again, I don't mean to tie up the Senator from Missouri and the Senator from Maryland here unreasonably, I appreciate that I am, but this is a very serious issue in my State. We have a UC here that gives me very limited options. The unanimous consent puts me in a position where I have 1 minute tomorrow, and the authorizers are going to come down here and they are going to merely say, "we object." They are not going to offer any science, or refute the scientific evaluation, or argue what the CDC has said. They are not going to present a case that 1.3 milligrams is reasonable. They are not going to refute statements about nobody getting sick in Nebraska, or they are not going to say what EPA is doing is reasonable.

We are left with a situation where the State of Nebraska is going to have to sue the EPA. That is what we are left with. Again, I am willing to step aside here and allow the Senator from Alabama and the Senator from Montana to do their work. I guess what you are seeking is an opportunity to go into morning business so you could all leave and I can stay here and talk. Is that basically what you are saying?

Mr. BOND. The Senator is correct. You have made a very compelling case. We have expressed our views. I was suggesting that other Senators also have amendments to offer. Quite frankly, the people who wish to hear this can read this in the RECORD. They will be able to do so. But there are other people waiting.

Mr. KERREY. I am perfectly willing to make an effort to accommodate. Unfortunately, I am in a situation where I don't feel like I am going to get much accommodation from the Senators in communities that are going to spend millions of dollars to invest in something that is going to produce no improvement in public health.

Ms. MIKULSKI. If the Senator from Nebraska will yield, the suggestion by the Senator from Missouri is not to deny the Senator from Nebraska from presenting his arguments. What it does do is give us a framework for moving on these other two amendments and it relieves us of our responsibility to conduct our business. It doesn't preclude the Senator from Nebraska from talking.

If the Senator will yield further, why would talking while we two are here accomplish what you want to accomplish, beyond what we have already discussed? I don't understand why you are objecting to morning business when we are not in any way asking you to give up your right to continue to speak.

Mr. KERREY. Well, my hope is that by listening to these wonderful arguments, there is going to be persuasion. You are saying that you want to move to table my amendment and leave and go into morning business, and then I will have 2 minutes tomorrow to persuade a majority of my colleagues, which is not going to happen. There is going to be no persuasion. Senator CHAFEE and Senator BAUCUS will come down with 30 seconds each and they are going to say no, and they are not going to offer any arguments at all. They are not going to read anything into the RECORD or consider any arguments given. I appreciate that things get scheduled and bumped up against a late hour.

Ms. MIKULSKI. But why is it that speaking on the bill is different than speaking in morning business, if you want to continue to persuade?

Mr. KERREY. Are you basically saying you want to move to table my amendment and then walk out? Is that it? You will leave and we will say we are in morning business; is that the offer?

Ms. MIKULSKI. Is it the Senator's belief that the longer we stay, there will be a change in our position?

Mr. KERREY. Well——

Ms. MIKULSKI. Is that his hope?

Mr. KERREY. That is my hope.

Ms. MIKULSKI. Hope springs eternal, as does this evening.

Mr. KERREY. Mr. President, I am sort of teetering on the edge of how reasonable I want to be. I am appealing to colleagues. I have 70 communities in Nebraska that are facing substantial costs. There is no argument against this, other than that EPA opposes it. I don't hear any scientific argument against it or any public health argument against it. Earlier today, by a voice vote, the Senator from Arkansas and the Senator from Mississippi accepted a $500 million amendment to indemnify farmers in disaster aid—just like that—and it was accepted on a voice vote.

Here we are being told, no, we can't accept this amendment. EPA isn't saying we disagree with the science, or we disagree that it is an unreasonable rule in the case of Nebraska, or we disagree with any argument you offer; we are just going to enforce it. I say to the Senator from Missouri—and as you know, I am preaching to the choir here. The Senator from Missouri has faced this sort of thing in the past in Missouri as a Governor and as a Senator.

I am seeking some sort of remedy other than merely voting this amendment down. Had this occurred earlier in the day, my colleague, Senator HAGEL, would be on the floor with me, arguing with much passion in favor of this amendment, that it is reasonable, and that science supports what we are trying to do.

Again, I say to the Senator from Missouri and the Senator from Maryland, I know it is 10:45, and I would rather not be here either, but that is the hand I have been dealt. If it were earlier in the day, there would be more debate on this. I would love to have Senator CHAFEE and Senator BAUCUS come and tell me why this rule should be enforced, tell me why what I am offering, with a savings clause that enables any State that wants to, to continue to enforce 1.3 milligrams per liter—allow them to continue to do that—is not a reasonable thing. Or some other alternative, or some language that would enable Nebraska to engage in a public health effort. Let us spend the money per year to engage in a public health effort to make certain that these communities are keeping their drinking water levels safe.

I am just appealing to my colleagues to look for an alternative. You all have the votes and you have the way to knock this thing out. But there must be some way to give me some assistance with the EPA other than to say they are going to give me flexibility. You know what their idea of flexibility is at the end of the day.

Ms. MIKULSKI. If the Senator will yield, what would he suggest?

Mr. KERREY. I would accept report language that would say the State of Nebraska would be allowed to make a public health investment in those communities where there is in excess of 1.3 milligrams that first minute. I would allow Nebraska to be permitted to experiment with the different testing methodology—anything that would give me something that would say to the communities in Nebraska that the Federal Government is prepared to be reasonable, other than just surrendering me to the good wishes of the EPA, saying they are willing to come out and be flexible. We all know what that means. I would be willing, I say to my colleagues, to accept report language and not put this amendment up for a vote—accept report language that made an attempt to rectify this situation. You know what we are dealing with. I see heads shaking there. Are you saying no?

Ms. MIKULSKI. It would have been useful if perhaps the Senator had suggested this earlier and we could have consulted with the authorizers. Our hands are shackled, really, because of the authorizers strongly opposing the amendment.

Mr. KERREY. I appreciate that. I didn't know at 8 o'clock this morning that we were going to be taking this thing up.

Ms. MIKULSKI. Could the Senator talk to the Senator from Montana, Mr. BAUCUS, and the Senator from Rhode Island, Mr. CHAFEE, to see if they would accept some report language, and come back and discuss the report language?

Mr. KERREY. I would agree to in some sort of consent agreement. I don't want to surrender the floor and then end up with my amendment tabled with no capacity to appeal for some sort of flexibility in law or report language that would enable me to satisfy the concerns that I have. I think what you are asking for is reasonable. I would be willing to talk to Senator CHAFEE, Senator BAUCUS, and Administrative Browner, and see if they would accept some kind of report language that would do precisely what you are saying.

I would say to the Senator from Missouri that I would be willing to go right this minute to the cloakroom and make those calls. But I would like to resolve it without having my amendment tabled, because I know I am going to have to bring a report back to you and say what they said and see if you would agree with it.

Mr. BOND. If the Senator from Nebraska would yield, we are willing to try to be as helpful as we possibly can. I have outlined for him the position in which we find ourselves. We are not going to be able to accept the amendment that is proposed. We have gone through that. The EPA has filed a letter that is now on the record objecting to it. That is not going to change.

The Senator can speak as long as he wishes. But he is not going to change that position from my standpoint.

If the Senator is willing to work with us—we can't do report language here. We can do report language in the committee and attempt to work with him on getting report language and seeing what we can encourage the authorizing committee to do. I have said we would be willing to ask the EPA Administrator to go out there. We don't direct and we cannot control the EPA. I think that is clear. You know what the political situation is.

Frankly, continuing to talk on the floor tonight when others are waiting to offer amendments is not going to encourage us to work with the Senator from Nebraska on the very compelling problem he has. But we would be willing to help him. But talking about it on the floor at greater length is not going to further the process of cooperation and assist us in working out report language or some alternative means by which we can encourage the EPA to come to an agreement with the State of Nebraska.

Mr. KERREY. Mr. President, I appreciate that. The Senator from Missouri knows that a couple of years ago we did the very same thing with the radon rule the EPA had and the Senator from Missouri cooperated. We knew what the impact was going to be, and we delayed or withheld the money from EPA to enforce a radon rule that we all knew was unreasonable. We did that because they could not make a scientific case that the rule that they had was going to increase public health. We withheld their money. As I recall, the Senator from Missouri supported that.

I appreciate what you are saying. I understand I am pushing here to a point where you are saying that if I continue doing this I am going to get less than I would likely get by trying to work cooperatively. I regret that at 11 o'clock at night that I am in that position. I am prepared to call Senator CHAFEE and Senator BAUCUS to ask them. I am prepared to talk to them to see if there is some flexibility to achieve it either in report language or in some fashion.

But I appeal to my colleagues. The flexibility offered by the EPA, as you know, is not sufficient. They have the law on their side. They are going to enforce 1.3 milligrams per liter. They are not going to give us any testing flexibility. They are going to force 1.3 milligrams per liter even though nobody is getting sick. I have communities investing enormous amounts of money. Again, you are hearing this for the seventh or eighth time, this argument.

Again, I would be willing to allow this thing to come to a painful close. The Senators are saying if I talk to Senator CHAFEE and Senator BAUCUS that they are willing to consider some sort of report language and this thing will move in committee if I can get some report language.

Mr. BOND. In the conference.

Mr. KERREY. But not on this bill.

Mr. BOND. Mr. President, we don't have further report language we can offer.

Mr. KERREY. In conference, you would be willing.

Mr. BOND. I thought we tried to emphasize, we are willing to do anything we can the next opportunity we have. We have already stated on the floor that we would urge the assistant administrator to come out. He has talked in his letter about flexibility being available for the State of Nebraska. The EPA contends that there are a number of remedies available.

I would certainly urge my colleagues on the Environment and Public Works Committee to work with you and the State of Nebraska to see if there are accommodations that can be made. We can work with you. And based on what we learned from the authorizing committee—the majority and minority—we might put language in the report directing or asking that steps be taken. But, frankly, that is not going to be bill language. But we are willing to work with you and with the ranking member and the chairman of the authorizing committee.

Mr. KERREY. First of all, let me say that I appreciate the good-faith effort to try to accommodate this. I know that both the Senator from Missouri and the Senator from Maryland are in a bind. You were facing the situation in your State before. And I know it has been frustrating. I have spoken with both of you about these kinds of regulations and how they can decrease our citizen support for environmental regulations.

I have all week long been approached by environmental organizations begging me not to offer this amendment, and not a single one of them, by the way, being able to offer a single shred of evidence as to why this rule ought to be enforced—not a one of them—just saying, "for political reasons, we would rather the Senator not offer it."

Ms. MIKULSKI. Will the Senator yield for a question without in any way yielding the floor? The talented staff has come up with an idea that might help. We would like to discuss it with you by going into a quorum without you losing your right to the floor. This is no trick.

Mr. KERREY. I would be willing to do a UC and let the Senators from Montana and Alabama go to theirs.

Ms. MIKULSKI. I would like you to hear this proposal and see if it would be acceptable to get out of the logjam that we are in right this minute.

Mr. KERREY. I don't object to that. I just want to make it clear that I have a sufficient amount of trust in both the Senator from Maryland and the Senator from Missouri that I would be willing to allow the Senators from Alabama and Montana to offer their amendments. I am not even that concerned about that. The problem is—I know I need to talk to both of you to try to get something and, when I talk to Senator CHAFEE and Senator BAUCUS, that I have instructions as to what it is I am trying to do.

Do we need to go into a quorum call? I would be prepared to let them go ahead, just as long as I get back to this thing when they are finished.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the pending Kerrey amendment be laid aside for not more than 5 minutes, and that the Senator from Montana offer his indemnification amendment, and that at the conclusion of that amendment we return to the amendment of Senator KERREY.

The PRESIDING OFFICER. Is there objection to that unanimous consent request?

Without objection, it is so ordered.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

AMENDMENT NO. 3205

(Purpose: To provide for insurance and indemnification with respect to the development of certain experimental aerospace vehicles)

Mr. BURNS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana (Mr. BURNS) proposes an amendment numbered 3205.

Mr. BURNS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 93, between lines 18 and 19 insert the following:

SEC. 4___. INSURANCE; INDEMNIFICATION; LIABILITY.

(a) IN GENERAL.—The Administrator may provide liability insurance for, or indemnification to, the developer of an experimental aerospace vehicle developed or used in execution of an agreement between the Administration and the developer.

(b) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Except as otherwise provided in this section, the insurance and indemnification provided by the Administration under subsection (a) to a developer shall be provided on the same terms and conditions as insurance and indemnification is provided by the Administration under section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) to the user of a space vehicle.

(2) INSURANCE.—

(A) IN GENERAL.—A developer shall obtain liability insurance or demonstrate financial responsibility in amounts to compensate for the maximum probable loss from claims by—

(i) a third party for death, bodily injury, or property damage, or loss resulting from an activity carried out in connection with the development or use of an experimental aerospace vehicle; and

(ii) the United States Government for damage or loss to Government property resulting from such an activity.

(B) MAXIMUM REQUIRED.—The Administrator shall determine the amount of insurance required, but, except as provided in subparagraph (C), that amount shall not be greater than the amount required under section 70112(a)(3) of title 49, United States Code, for a launch. The Administrator shall publish notice of the Administrator's determination and the applicable amount or amounts in the Federal Register within 10 days after making the determination.

(C) INCREASE IN DOLLAR AMOUNTS.—The Administrator may increase the dollar amounts set forth in section 70112(a)(3)(A) of title 49, United States Code, for the purpose of applying that section under this section to a developer after consultation with the Comptroller General and such experts and consultants as may be appropriate, and after publishing notice of the increase in the Federal Register not less than 180 days before the increase goes into effect. The Administrator shall make available for public inspection, not later than the date of publication of such notice, a complete record of any correspondence received by the Administration, and a transcript of any meetings in which the Administration participated, regarding the proposed increase.

(D) SAFETY REVIEW REQUIRED BEFORE ADMINISTRATOR PROVIDES INSURANCE.—The Administrator may not provide liability insurance or indemnification under subsection (a) unless the developer establishes to the satisfaction of the Administrator that appropriate safety procedures and practices are being followed in the development of the experimental aerospace vehicle.

(3) NO INDEMNIFICATION WITHOUT CROSS-WAIVER.—Notwithstanding subsection (a), the Administrator may not indemnify a developer of an experimental aerospace vehicle under this section unless there is an agreement between the Administration and the developer described in subsection (c).

(4) APPLICATION OF CERTAIN PROCEDURES.—If the Administrator requests additional appropriations to make payments under this section, like the payments that may be made under section 308(b) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b(b)), then the request for those appropriations shall be made in accordance with the procedures established by subsections (d) and (e) of section 70113 of title 49, United States Code.

(c) CROSS-WAIVERS.—

(1) ADMINISTRATOR AUTHORIZED TO WAIVE.—The Administrator, on behalf of the United States, and its departments, agencies, and instrumentalities, may reciprocally waive claims with a developer and with the related entities of that developer under which each party to the waiver agrees to be responsible, and agrees to ensure that its own related entities are responsible, for damage or loss to its property for which it is responsible, or for losses resulting from any injury or death sustained by its own employees or agents, as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(2) LIMITATIONS.—

(A) CLAIMS.—A reciprocal waiver under paragraph (1) may not preclude a claim by any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or that natural person's estate, survivors, or subrogees for injury or death, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(B) LIABILITY FOR NEGLIGENCE.—A reciprocal waiver under paragraph (1) may not absolve any party of liability to any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or such a natural person's estate, survivors, or subrogees for negligence, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(C) INDEMNIFICATION FOR DAMAGES.—A reciprocal waiver under paragraph (1) may not be used as the basis of a claim by the Administration or the developer for indemnification against the other for damages paid to a natural person, or that natural person's estate, survivors, or subrogees, for injury or death sustained by that natural person as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(d) DEFINITIONS.—In this section:

(1) ADMINISTRATION.—The term "Administration" means the National Aeronautics and Space Administration.

(2) ADMINISTRATOR.—The term "Administrator" means the Administrator of the National Aeronautics and Space Administration.

(3) COMMON TERMS.—Any term used in this section that is defined in the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.) has the same meaning in this section as when it is used in that Act.

(4) DEVELOPER.—The term "developer" means a person (other than a natural person) who—

(A) is a party to an agreement that was in effect before the date of enactment of this Act with the Administration for the purpose of developing new technology for an experimental aerospace vehicle;

(B) owns or provides property to be flown or situated on that vehicle; or

(C) employs a natural person to be flown on that vehicle.

(5) EXPERIMENTAL AEROSPACE VEHICLE.—The term "experimental aerospace vehicle" means an object intended to be flown in, or launched into, suborbital flight for the purpose of demonstrating technologies necessary for a reusable launch vehicle, developed under an agreement between the Administration and a developer that was in effect before the date of enactment of this Act.

(e) RELATIONSHIP TO OTHER LAWS.—

(1) SECTION 308 OF NATIONAL AERONAUTICS AND SPACE ACT OF 1958.—This section does not apply to any object, transaction, or operation to which section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) applies.

(2) CHAPTER 701 OF TITLE 49, UNITED STATES CODE.—The Administrator may not provide indemnification to a developer under this section for launches subject to license under section 70117(g)(1) of title 49, United States Code.

(f) TERMINATION.—

(1) IN GENERAL.—The provisions of this section shall terminate on December 31, 2002, except that the Administrator may extend the termination date to a date not later than September 30, 2005, if the Administrator determines that such an extension is necessary to cover the operation of an experimental aerospace vehicle.

(2) EFFECT OF TERMINATION ON AGREEMENTS.—The termination of this section does not terminate or otherwise affect a cross-waiver agreement, insurance agreement, indemnification agreement, or any other agreement entered into under this section except as may be provided in that agreement.

Mr. BURNS. Mr. President, this is a pretty straightforward amendment.

This is an indemnification amendment that would be part of the reauthorization of the National Aeronautics and Space Administration. We have in process now the building of the X–33 and the X–34, which are unmanned space capsules, and it is probably key to our next step into space. Those tests are due to start next year, and no test has ever been conducted by this country that this clause was not included to cover the testing of those experimental aircraft. I have been told by the leadership that this will require a vote in the morning, and so I would just let the amendment remain at the desk and also call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BURNS. That is all the time I need. I yield the floor.

The PRESIDING OFFICER. The amendment will be laid aside and now the Kerrey amendment 3204 recurs.

Mr. BOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. BOND. I object.

The PRESIDING OFFICER. Objection is heard.

The bill clerk continued with the call of the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3204, WITHDRAWN

Mr. KERREY. Mr. President, I have spoken to the managers of this bill, the distinguished Senator from Missouri and the distinguished Senator from Maryland. I appreciate, very much, their cooperation. I understand why they have to oppose this amendment. I know that they have experienced very frustrating situations themselves with regulations that are being imposed with no benefit attached.

What I would propose to do, and I would like to ask the Senator from Missouri and the Senator from Maryland just to engage me in a little bit of colloquy on this, I would be prepared to withdraw this amendment and to work with the Senator from Missouri and the Senator from Maryland as well as the Senator from Rhode Island and the Senator from Montana, the ranking members of the Environment and Public Works Committee, and with Administrator Browner of the EPA, to see if some kind of report language could be included in the conference that would allow us to apply some common sense to the implementation of this rule without sacrificing the public health objective, which is all that I want to accomplish.

Ms. MIKULSKI. First of all, I appreciate the willingness of the Senator from Nebraska to actually withdraw the amendment. The Senator from Missouri has my absolute assurance to work for report language or another acceptable approach that would deal with the compelling issue that he raised about the State of Nebraska. This would mean working with the appropriate authorizers. It also means working with the Administrator. We are willing to work with the Senator.

We understand that Nebraska comes under a rule where there are consequences with excessive copper—with nausea, diarrhea, and other things. They might not affect anybody in Nebraska, but there are consequences. We are not going to debate science tonight.

What we want to let the Senator know is, first of all, we appreciate the Senator's withdrawing the amendment. The Senator has our assurance we will work with him to advance this so that Nebraska's small communities do not have to make these expensive expenditures to comply with a rule that might in that State have either no or limited utility. We all have examples in our States. And the consequences, particularly to small, rural areas, are quite severe.

I have had to confront some of these issues in Maryland myself. I won't give the examples because of the time. But I know what it is like for a county not to have a lot of money, to maybe have to go into bonds to be able to do that and then, having to spend their bond money, they can't build another school, another library, buy another computer for a child. So we understand that and look forward to working with the Senator. The Senator has my assurance we will work with him in conference.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I, too, thank the Senator from Nebraska for his willingness to withdraw the amendment. This is not a productive road we are going down. But we are willing to work with both Senators from Nebraska because the points they make raise some very serious issues that need to be addressed by the EPA and by the authorizing committee with staff. I hope that we can bring them together and perhaps we can come out of the conference with report language that will outline a solution, or at least we can work with the authorizing committees and the other scientific entities to find out if the science on which the EPA is relying is adequate.

Also, as I believe I mentioned, the EPA has said there are flexibility options under the existing programming in which Nebraska could take advantage. I cannot tell the Senator what those are, but we can find out and present those to the Senators so that a determination can be made if the problem can be solved by flexibility that EPA will utilize. At this juncture, at this time of night, we can't say what it will be, but we certainly assure the Senator that we will work to find, to explore every avenue to bring the relief the Senator seeks.

Mr. KERREY. I sincerely thank the Senator from Missouri and I thank the Senator from Maryland. I know the hour is late. I regret that I am in the Chamber dragging you beyond what is a reasonable hour.

I appreciate very much your willingness to try to work with both Senator HAGEL and I, and I will assure you that I will talk to the chairman and ranking member, Senator CHAFEE and Senator BAUCUS, to try to come up with some report language that will satisfy EPA.

One of the reasons we are here today is the flexibility offering that the EPA made to the Department of Environmental Control in the State of Nebraska was so insufficient the State attorney general has filed a lawsuit against EPA as a consequence. So we have reached this extreme situation, and I am very grateful for the willingness of both Senators to cooperate.

Mr. President, I ask unanimous consent that the amendment I sent to the desk earlier be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3204) was withdrawn.

AMENDMENT NO. 3206

(Purpose: An amendment increasing funding for activities of the National Aeronautics and Space Administration concerning science and technology, aeronautics, space transportation, and technology by reducing funding for the AmeriCorps program)

Mr. SESSIONS. Mr. President, I send to the desk an amendment and ask for its consideration.

I also ask that Mr. Jim Frees, a member of my staff, be given the privilege of the floor throughout the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 3206.

Mr. SESSIONS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is printed in today's RECORD under "Amendments Submitted."

Mr. SESSIONS. Mr. President, I wish to express my sincere appreciation to my good friend, Senator BOND, from Missouri, who is managing this bill in a magnificent fashion, and the ranking member, the distinguished Senator from Maryland, Senator MIKULSKI. She is a true friend of space and NASA. Under the leadership of these two distinguished Senators, the subcommittee has done an excellent job in crafting this important piece of legislation. But, this bill provides funding for a variety of important Federal agencies, and a number of areas in this bill are of special interest to me and my constituents. However, today I would like to confine my remarks to the issues involving NASA and its funding and budget.

First, I congratulate this Senate for its strong support of the International Space Station. On July 7, a few days ago, this body voted by a 2 to 1 margin to continue this Nation's commitment to research in space. The first assembly flights of the space station are only a few months away. When it becomes operable, the space station will provide a unique microgravity laboratory that will far exceed any capability that has been previously available on the space shuttle or the Mir Space Station. Advances in medical and pharmaceutical science that result from space station research alone, may ultimately justify our national investment in the space station. Shuttle-based research is just beginning to demonstrate the enormous potential of using the microgravity environment for research into pharmaceutical products, and other aspects. Important developments in physics, materials science, life science and other fields through the space station research are not only possible, but probable in the future.

Furthermore, perhaps more important, the space station represents a bridge to further human exploration in space. The willingness and foresight of this Congress to take a long-term view to keep the United States involved in manned exploration of the universe is important.

Since its establishment in 1958, NASA has been a tremendous force for scientific and technological progress in this Nation. In addition, NASA has been a source of inspiration for literally millions of people, myself included, who were captivated by the dream of exploring the frontiers of space. Despite its great record and strong public support, however, NASA is laboring under the weight of several successive years of significant budget cuts.

For fiscal year 1999, the President proposed giving NASA less than $13.5 billion, which is far less than 1 percent of the national budget. This would mark the fifth year in a row that NASA's budget has been cut, in terms of real dollars. If we consider the further reduction in buying power caused by inflation during this 5-year period, the significance of these cuts become apparent. To make matters worse, the administration's budget estimate for fiscal year 2000 contemplates almost $200 million in additional budget cuts to NASA. The cuts in the President's budget request are all the more disconcerting in that they come in a year in which the President is proposing increases for almost every other civilian research and development budget as part of what the administration calls the 21st Century Research Fund.

Let me ask, can any agency symbolize to our people, and to the world, the discovering, adventuring spirit of America better than NASA? The administration, and this budget, appear to suggest differently. If the administration wants to build a bridge to the 21st century, then NASA must be one of its trusses. It simply does not make sense for our dynamic, high-tech Nation to keep cutting NASA's budget year after year.

I share the concern expressed by the National Space Society. They wrote recently:

> NASA's potential to be a world leader as we move into the next millennium will be compromised by a lack of Administration interest in space exploration.

That is a serious comment and we ought to think carefully about it. The low priority put on the space program is evident when you compare the President's budget submission with the budget projections for NASA from past administrations. This chart makes the comparison.

In 1991, a very distinguished panel studied space, the Committee on the Future of the U.S. Space Program. They projected what we ought to be spending to keep NASA at the level at which they thought it should be. It went all the way up to almost $60 billion by the year 2003, and would be at $37 billion next year. Right now we are at $13 billion in this budget.

In addition to that, according to the FY 1993 budget submission that was projected to carry out through this time period, we would have substantially more money in the NASA budget. Indeed, this year shows us $8 billion below the budget submission that was projected in 1993 for NASA. That is a significant reduction. During this whole time, the total reduction from the budgetary projections for NASA total $27 billion. So they have had basically a flat and declining budget at a time they were projected to go up significantly. I think those are matters of great importance.

Norm Augustine, the Chairman of Martin Marietta, saw the need for NASA budgets which would rise by 10 percent a year through the end of the decade. We have not kept up with his vision for America and the Commission's vision for America, and we must do better about that.

Let me ask this: How has NASA coped with these large budget reductions that they sustained? In my view, they have done very well. Under the leadership of Administrator Dan Goldin, NASA has made "Doing more with less" not just a slogan, but a reality. Administrator Goldin has pushed his agency over and over again to do things better, faster and cheaper. The results at NASA, in my opinion, have been remarkable. They have done a good job. Mr. Goldin told me several weeks ago that "business as usual" does not count anymore at NASA.

I am sure all of my colleagues recall the fascinating Mars Pathfinder Mission. Just 1 year ago, Pathfinder, on July 4, with its little Sojourner rover, was busy exploring the surface of the red planet.

Most of my colleagues probably recall also the Viking mission in 1976. The Viking spacecraft landed on Mars, took photos, and was the first mission to scoop up and analyze Martian soil. Viking was a remarkable success. It cost over $3 billion, however, in today's dollars, and took about a decade to develop. It was about the size of an average car. By contrast, the Mars Pathfinder of last year took a quarter of the time to develop, it cost less than one-tenth as much, and it was a fraction of the size, yet produced remarkable results, catching the attention of the world. I am told the Internet site, NASA's Internet site, received more hits during that period of time than any other site in history.

So this chart summarizes what has been accomplished in terms of Mr. Goldin's goal of faster, better, and cheaper.

As to cheaper, the average spacecraft development cost has gone from, in fiscal years 1990 to 1994, a cost of $600 million, down to $175 million in the period fiscal years 1995 to 1999, and they expect it to be at $85 million. That is the kind of progress we like to see. It makes space exploration much more viable in today's world than it was.

The average development time in terms of years: In fiscal year 1990 to 1994, a new mission took 8.3 years; in 1995 to 1999, it is now at 4.4. It will go to 3.5, and 3.1, under their efforts.

With regard to flight rate, that is the number of launches they are able to conduct per year—in 1990 to 1994 there were just 2. In 1995 to 1999 they have gone up to 9. In fiscal year 2000 they expect to have 13; and, in 2004, they expect to have 16. That is good. They are doing what this Congress has asked; that is, to do more with less, to explore space and to make the kind of progress that makes America proud.

Mr. President, during this time since 1993, NASA has cut its number of employees 25 percent. I recall a time 3 years ago when I became Attorney General of Alabama and I faced a budget crisis of enormous proportions. The first day I took office, we made a major decision. We had to terminate the employment of one-third of our people. We worked hard, we did a lot of different things, and we were able to continue the productivity of that office; and begin to build on that as time went by and have a better office.

NASA has done what we have asked them to do. There is no other agency, I believe, in this kind of research and exploration that has had that kind of employment cut in the last 4 or 5 years. They have done well. They are doing more in less time at less cost and at the same time with less people. I think it is something we ought to be proud of and we ought to celebrate. But we ought not to keep taking advantage of them and always cutting their budget because they are performing as we encouraged them to do.

With regard to space flight by humankind, they have continued to work on that, and it is difficult, but they have reduced the cost of space shuttle flights by 42 percent between 1992 and 1997. That is what we like to see. They are working to cut those costs even more.

The conclusion we draw is that during a time of tight budgets, NASA has been doing better than could be expected, and they responded to this Congress' challenge. Certainly, up to a point, budget challenges can be healthy for an agency. They force some critical self-examination, and they result in some positive changes.

We have heard that the periodical giving of blood makes a person strong, but if you give more than a pint and more blood and more blood, it begins to weaken you. I believe NASA is lean and healthy and strong now. It is at a good point, and we need to strengthen it now and allow it to flower and grow and continue its great scientific exploration.

The budget request for 1999 increases other civilian and research development agencies. Almost all of them, whether it is the NIH or National Science Foundation, received substantial budget increases, but not NASA. The administration proposes increases for all the major agencies in VA and HUD, but not for NASA. For fiscal year 1999, the administration has requested less than $13.5 billion, a reduction of $183 million from last year's budget.

Fortunately, Senator BOND and Senator MIKULSKI restored $150 million of that cut, and that leaves NASA facing a $33 million cut for fiscal year 1999. That is just not acceptable for this Nation. This is not a huge amount, but it is an important principle.

Our history, our heritage, our character as a nation is that we are explorers. We believe in discovery and reaching out beyond our homeland and exploring this universe. That character is at stake if year after year we keep cutting our exploration agency.

That is why I am proposing this amendment. It would add $33 million in funds for NASA for fiscal year 1999. That would bring it up to level funding—that is all—but it would be a statement, an important message by this Congress, that the day of cutting their budget more and more will end.

We are supposed to have offsets for that, and we have worked hard at that. There is no way you can have a pleasant experience when you talk about finding funds for an offset.

I have noticed, and it is well known at this time by the Members of this body, that the House committee has terminated the AmeriCorps budget, zeroed it out. We have over $220 million in this bill's funding for AmeriCorps. The whole program is about $400 million.

If we take $33 million from that, we are talking about less than a 10-percent reduction in that budget. That will probably happen in conference committee because, as I said, the House committee has zeroed out the budget, and we expect it to be less. This may be and does appear to be a perfect place to find the funds we need to maintain the NASA spending at the level of last year. In the future, we need to work to increase that budget to identify the kind of programs that will be exciting and worthwhile in this Nation and in this world.

Of the $33 million in additional funds provided by my amendment, $20 million would go to NASA's aeronautics, space transportation, and technology line item, which includes the Reusable Launch Vehicle Program. It will also provide funds to accelerate research in advanced space transportation technologies.

Additional funds will also be available for NASA's important aeronautics programs and many other projects. It will have $13 million for additional funding for NASA's science and technology programs. It will provide them the kind of affirmation and support they need.

I thank our distinguished subcommittee chairman, the Senator from Missouri, and our ranking member, the Senator from Maryland, for their efforts in restoring much of the money that was cut from NASA's budget by the President's budget request. While the amount of money is not large in terms of this Senate's overall budgetary concerns, it is significant and it sends an important signal.

Adoption of my amendment will send an important message, a message that says that NASA's programs are significant for the future of this country and its citizens and that this Congress is not going to be a party to continued reductions in support for space exploration. That is not what we ought to do. We ought not to worry about it when we have well below 1 percent of our budget going for this project.

Next year's budget submission from the President will literally take this Government into the 21st century. I call on President Clinton to demonstrate true leadership by proposing an increase in NASA's budget. The President's plan to cut additional millions from NASA next year is not acceptable.

Last year, on this floor, I made a speech proclaiming my conviction that we must continue to be a nation of explorers. At that time, I stated the following:

> Space is a key to the image and the future of this Nation in the 21st century and beyond. We must have national leadership, keen vision, clear-cut goals and a strong commitment from this Congress and the Congresses to follow. We must be willing to pay the price necessary to realize our dreams and the dreams and goals of our children.

That was true last year, and it is true today, and it will continue to be true. We are a nation of explorers. This is how the world sees us. It is how we see ourselves. All over the world on July 4 last year, people watched Pathfinder on Mars. The Internet lit up like it has never lit up before. There were record high levels of inquiries. Let's not allow this great achievement to slip away from us. Let's not give it away at this point in time. We have to make a decision as we stand on the threshold of the next millennium. It is no time to be timid; it is no time to fall back. We are on the verge of some of the world's greatest accomplishments in science and space and technology. NASA will play a key role in that.

Mr. President, that is why I ask for support for this amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. SESSIONS. I yield the floor.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I rise in opposition to the Sessions amendment. I really respect the Senator from Alabama and his deep commitment to space and to the significant investments that must be made in science if America is to be a leader in the 21st century.

I have been to the Huntsville NASA program where they are doing a significant amount of the space station work, along with so many other worthwhile projects, and can see why he would have such a passion both from a patriotic standpoint, a competitive standpoint, and in actually seeing it hands on. I do not dispute the need to increase NASA's budget. Both the chairman and I have really dealt with this issue as forcibly as we could.

Given our parameters, we felt that we have come up with essentially a funding for NASA that keeps crucial and critical programs, that keeps us exploring, keeps the Shuttle safe, and continues our work in Earth observatory data. What I object to, though, in the amendment of the Senator from Alabama, is his offset. He takes the offset of $33 million from the Corporation for National and Community Service. That program, too, has been flatlined for more than 3 years.

When we talk about national and community service, let me just say what it is. This corporation makes grants to States, institutions of higher education, and public and nonprofit organizations to create service opportunities. But most of all, one of its most significant programs is to have volunteers in communities. If you are an AmeriCorps volunteer, you get a voucher to reduce your student debt or to be able to use that voucher to either go to college, higher education, vocational education, or get yourself ready for the future.

Essentially, it is an earned-learned service opportunity. I could ask the

Senator from Alabama a series of questions but I will not. But if we are going to talk about $33 million, know that $5 million in this program is to continue the Points of Light Foundation established by President Bush which we have supported in a bipartisan way. It is also $18 million from the Civilian Conservation Corps. I cannot support cutting $18 million for the Civilian Conservation Corps. So $5 million, $18 million, and we are up to $23 million. I really do not want to cut Points of Light. I really do not want to cut the Civilian Conservation Corps.

Then there is $43 million for school-based and community-based service learning. I think we do need to teach values. I do think we need to teach habits of the heart, and service learning is one of the most important ways we could do that.

The benefits in my State, my State of Maryland, show that when students have participated in volunteer services as part of the requirement to graduate from high school, they have been forever changed by the fact that they worked in a library, visited senior citizens, helped in a soup kitchen and did a whole series of other things.

Mr. President, tonight is not the night to extol the virtues of the Corporation for National and Community Service, but it has served the Nation very well. It, too, has been flatlined.

I will just conclude by saying this. There is a program in Baltimore, it is an old convent called St. Stanislaus Convent right down the street from where I lived in a neighborhood called Fells Point. It has been recycled where Catholic nuns and AmeriCorps volunteers are working with children from very poor families—really out of the public housing projects. Because of what the AmeriCorps volunteers bring, they recruit other volunteers to help the sisters be able to educate these children.

When we talk about exploring the future, we have to get behind our kids to make sure that our kids have the skills that they need to get ready for this future. And what AmeriCorps does in many ways is that the very volunteers work in public education, work to be able to recruit people for an American roots program, and gets them ready for the exciting opportunities that we have.

So while we want to go into space to explore—I want to make sure we look for yet unidentified planets—I want to make sure we have those programs that make sure that we get our kids ready to be able to work in these science and technology programs. And I believe the AmeriCorps program helps do that. And, therefore, I urge rejection of the Sessions amendment.

Mr. BOND. Mr. President, I listened with great interest to all of the wonderful and exciting things my colleague from Alabama said about the space program. He made very telling points about how this is the future and motivation of our children, this is a symbol for the next century. There are many, many, many good things about our space program. As a matter of fact, I agree with almost everything he said about how important the space program is, and I think my colleague from Maryland agrees. And, frankly, that is why in a very extremely tough budget, when the President recommended $13.465 billion for NASA, we recommended we appropriate $13.615 billion for NASA.

Now, these are the people who are running NASA. They say all they want is $13.465 billion. And we said, "No. You've got to do better. You are going to take another $150 million beyond what the folks who are running it—under the direction of the Director of OMB—have asked for. We are increasing it. And we think that is very important."

Unfortunately, we have had to make these choices in a budget where we had to restore an 83-percent cut in elderly housing, the section 202 elderly and assisted housing, the supportive housing that was savaged by Secretary Cuomo and the administration. We have had to restore money for veterans' health care where that was cut.

Frankly, we have reached the accommodation on a very difficult bill. And we have agreed to maintain the funding at the National Service and AmeriCorps. And as part of, I think, an overall responsible approach to the budget for all of these agencies we work on, and, in addition, to assure that the administration will be able to sign the bill—because without the administration signing the bill, it does not do us any good to go through the drill of coming up with a totally different set of priorities than they have—we have kept in funding for National Service and AmeriCorps.

Therefore, I commend the Senator for his enthusiasm for NASA. I do not believe it is feasible to achieve it. Therefore, I move to table the amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. BOND. I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. The amendment will be set aside until tomorrow.

AMENDMENT NO. 3207

(Purpose: To provide for the ineligibility for certain housing assistance of individuals convicted of manufacturing or producing methamphetamine)

Mr. BOND. Mr. President, I send to the desk an amendment for Mr. ASHCROFT and myself.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. ASHCROFT, for himself and Mr. BOND, proposes an amendment numbered 3207.

Mr. BOND. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title IV, insert the following:

SEC. 4___. INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE FOR CERTAIN HOUSING ASSISTANCE.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended by adding at the end the following:

"(f) INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE ON THE PREMISES.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 8 that—

"(1) permanently prohibit occupancy in any public housing dwelling unit by, and assistance under section 8 for, any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law; and

"(2) immediately and permanently terminate the tenancy in any public housing unit of, and the assistance under section 8 for, any person who is convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law.".

Mr. BOND. Mr. President, quite simply, this has to do with getting and keeping methamphetamine production out of public housing. Many of my colleagues do not have the misfortune of understanding why the amendment is so important. Methamphetamine is a raging crisis in Missouri and many other States in the Midwest. And if it isn't in your State now, it may well be soon.

For those of you unfamiliar with the drug, it is a highly addictive, artificial stimulant constituted of such unwholesome products as lighter fluid, antifreeze, and ether, among other things. It is highly addictive, some say more so than crack; but it is perhaps the most physically destructive of illegal drugs.

In my State of Missouri, through the excellent work of local law enforcement, in cooperation with the State, and with the DEA, nearly 800 clandestine methamphetamine labs were busted last year. Law enforcement reports that there may be even more this year.

Meth started off as a rural drug, but labs have started to turn up in the major metropolitan areas of St. Louis and Kansas City. Urban drug users are starting to discover this drug as well. It is not likely that this trend will slow down, because the drug is cheaper than crack, it is more potent than crack or cocaine, it is more addictive than either of those drugs, and it can be made in the home or, in fact, almost anywhere else. In fact, it largely, in our State, is a home-made drug, which is the reason why this amendment is important.

Most of the meth being consumed in Missouri is homemade in mom-and-pop drug stores. Information necessary to make the drug is widely available and the ingredients can be purchased at your local convenience store or discount store.

The drug, however, is very dangerous to produce. While some who make this drug may consider themselves to be amateur chemists, they are actually rather ignorant individuals who are not only endangering themselves but innocent others.

Mr. President, I have seen pictures of children horribly burned because adults caring for them have them in the room where this junk is being produced, and when it goes off it can be highly dangerous. It is highly explosive. Producing meth in a kitchen or a basement produces toxins, and it produces highly explosive gas. Meth labs have been known to explode when drug officers go into a bust. They use low-velocity guns, they use low-intensity flashlights, because a flashlight, a hot flashlight, could set off the ether.

If you don't believe it, there are buildings that have had the sides blown out of them—motel rooms, shacks, wherever they have done it. When one of the meth labs explodes, it doesn't just cause a little fire. It can burn people. It can kill people. It can blow the sides of buildings out. It is very, very dangerous. That is why this bill provides for training and more assistance to local law enforcement officers, the first responders in emergency personnel—fire officials, law enforcement officials—so they will know what to do when they go into a meth lab.

We need to send a clear message that this activity is not welcome and it will not be tolerated in public housing. Not only do we want drug dealers out, but we especially want those out who are so cavalier with the safety of others that they would conduct a chemical operation, a chemistry operation that is highly dangerous, in the heart of a densely populated residential area. Should anyone doubt that this is taking place, law enforcement officers have told me about drug dealers performing the process in hotel rooms, moving cars, trailer parks, State parks, in the parking lot next to our official offices in one city, and in homes with children.

This amendment adopts zero tolerance for drug dealers. I hope that it can be adopted.

Ms. MIKULSKI. Mr. President, this side of the aisle accepts the amendment offered by Senators BOND and ASHCROFT. I commend the Senators from Missouri for bringing this to our national attention.

It obviously points out this despicable drug has two negative consequences. It is horrendous and devastating to anyone who takes it, but it is also dangerous in where it is made, and innocent people, innocent children nearby, are unwittingly exposed to and even in additional danger around its manufacturer.

We want to support this amendment. I believe we need those steps to get crime out of public housing. Public housing should be an opportunity to lead a better life, not an incubator for small business drug trafficking.

Mr. ASHCROFT. Mr. President, I rise in strong support of the amendment offered by my colleague, the senior Senator from Missouri. I am proud to be an original cosponsor of this amendment because it addresses the most pressing illegal drug problem facing our state and, perhaps, our country.

As my colleague explained, our amendment provides for a lifetime ban for individuals who manufacture or produce methamphetamine on public housing premises. Specifically, the amendment requires public housing agencies to prohibit occupancy in any public housing unit by any person convicted of manufacturing methamphetamine in violation of federal or state law. Current tenants convicted of meth manufacturing will be evicted immediately and permanently.

The need for this amendment could not be clearer. According to the Drug Czar's office, methamphetamine is by far the most prevalent synthetic controlled substance manufactured in the United States. This fact is not news to my constituents in Missouri. Last year alone, authorities seized 396 meth labs in Missouri, more than double the number of labs seized in California.

Congress has taken some significant steps to address the growing meth problem. I was proud to have sponsored the Comprehensive Methamphetamine Control Act of 1996 and to have helped secure funding for the creation of a high-intensity drug trafficking area in the Midwest. We have tried to target meth production by giving it higher priority in the demand for limited federal resources.

Unfortunately, the meth problem has become a crisis. Just this past weekend, the National Institute of Justice released a study showing that methamphetamine use among adult arrestees and detainees has risen to alarming levels. The problem is not confined to adults, however. Among 12th graders, the use of ice, which is a slang term for a very pure, smokeable form of meth, has risen 60 percent since 1992.

The amendment we are offering today sends a clear signal to meth producers: We will not tolerate your behavior and we certainly will not subsidize it. If you want to turn your taxpayer-subsidized residence into a meth lab, the only public housing you will be eligible for in the future is the penitentiary.

Our amendment attacks the problem of meth production and manufacture in federal housing projects in order to protect the safety and welfare of those law-abiding individuals who need subsidized housing. The sponsor of this amendment, my colleague from Missouri, deserves a great deal of credit for his lead role in cracking down on drug users and dealers in public housing. In 1996, he was instrumental in getting Congress to pass a provision requiring the eviction of any tenant from publicly or federally assisted housing if that tenant is determined to be involved in a drug-related criminal activity. As a result of his efforts, tenants involved in drugs are prohibited from receiving federal housing assistance for three years or until the evicted tenant successfully meets certain rehabilitation requirements.

These provisions were designed to ensure the safety and security of families living in public housing. In addition, the reforms sought to instill responsibility in families participating in the federally assisted housing programs and to emphasize that federal housing assistance is a privilege, not a right. The amendment we are offering today extends and strengthens these provisions to address the deadly consequences of meth production.

Meth labs have been called toxic time bombs, containing highly flammable materials and deadly chemicals. As DEA Special Agent Michael Cashman has observed, "The investigation of clandestine methamphetamine laboratories is one of the few instances where the evidence and crime scene can hurt or even kill the investigator."

Clandestine lab explosions are responsible for killing and injuring not only meth producers and law enforcement investigators, but innocent bystanders as well. Just last year, a four-year-old child was killed in Arizona when the meth lab his parents had erected in their apartment caught on fire. As horrifying as this case is, it is not an isolated incident. Within the last couple of years, other innocent young children of meth-producing addicts as well as heroic law enforcement agents have been victimized by the highly dangerous enterprise of meth manufacturing.

As the epidemic of meth production has grown, so has its presence in public housing. When I asked local prosecutors if they knew of recent manufacturing activities in Missouri, it seemed everyone had a story or two to tell.

In Dekalb County, two men recently pled guilty to attempted manufacturing of meth in a public housing unit. Sadly, when police made the arrest, they found not only gas cans, paint thinner, butane fuel, and other meth paraphernalia, but an infant girl.

In Platte County, a man living in section 8 housing was recently convicted of meth production, possession, and endangering the welfare of a child.

And, in Grundy County, two recipients of federal housing assistance were found guilty recently of attempting to manufacture meth in their apartment.

Mr. President, these examples were obtained with just a few phone calls. I do not doubt that many of my colleagues have heard about similar crimes from police and prosecutors in their states.

We need to get serious again about fighting the use of meth and all illegal drugs in this country. I say "again" because for the past five and one-half years, the Clinton-Gore Administration has failed to provide leadership on this critical threat to our nation. Since President Clinton took office, use of marijuana by 8th graders has increased 176 percent. Cocaine and heroin use among 10th graders have more than doubled. And, as I mentioned before, use of meth ice has risen 60 percent on this Administration's watch.

Even if it is accepted, this amendment will not single-handedly reverse these frightening trends. It is, however, a step in the right direction. It sends the signal this Congress needs to send; namely, that the dangerous manufacture of illegal drugs in public housing is unacceptable.

I want to thank my colleague again for his leadership on this issue. He understands the destruction meth has caused in our state and around the country, and his amendment is an appropriate response. I am glad to join him in this effort.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3207) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3208

(Purpose: To state the sense of the Senate that it should be the goal of the Department of Veterans Affairs to serve all veterans at health care facilities within 250 miles of their homes, and for other purposes)

Mr. BOND. Mr. President, on behalf of Senators SNOWE and COLLINS, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Missouri [Mr. BOND] for Ms. SNOWE, for herself, and Ms. COLLINS, proposes an amendment numbered 3208.

Mr. BOND. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. 110. (a) It is the sense of the Senate that it should be the goal of the Department of Veterans Affairs to serve all veterans at health care facilities within 250 miles of their homes, and to minimize travel distances if specialized services are not available at a health care facility operated by the Veterans Health Administration within 250 miles of a veteran's home.

(b) Not later than 6 months after the date of enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report on the estimated costs to and impact on the health care system administered by the Veterans Health Administration of making specialty care available to all veterans within 250 miles of their homes.

Ms. SNOWE. Mr. President, this amendment will help ensure that America's veterans get the health care and services they deserve as close to home as possible.

My amendment does two things: It expresses the sense of the Senate that it should be the goal of the VA to serve all veterans at health care facilities within 250 miles of their homes, and minimize travel distances if specialized services are not available at a health care facility operated by the VA within 250 miles of a veteran's home.

Second, it mandates that the VA submit a report to Congress on the estimated cost to and impact on the health care system administered by the VA of making specialty care available to all veterans within 250 miles of their homes.

Mr. President, I represent a rural state, Maine, which is served by one Department of Veterans Affairs facility, the Togus VA Medical Center outside the state's capital, Augusta. Many of Maine's veterans already must travel hundreds of miles just to reach Togus—and often, if specialized services are required, they must travel even further to facilities in Boston. This means long drives, frequently in terrible weather, and separation from the vital support that family and friends can provide.

This is not a problem limited to Maine—far from it. It is a problem that exists anywhere where there are vast distances between cities—out west, in the heartland, and down south.

The level of our commitment to this nation's veterans should not be contingent upon the whims of geography. I understand the financial constraints under which the VA must operate, however, the debt we owe our veterans will never be repaid until we do all we can to ensure that all our nation's veterans have appropriate access to services.

Mr. President, this amendment does not all any additional funding to the VA/HUD bill. All it does is to recognize that there is a serious disparity in terms of veterans' access to the services which they earned and to which they are entitled, encourage the VA to make a priority of serving all veterans equally, and require the VA to explore the situation further.

I think we can all agree that we owe our veterans that much. I know that the VA is facing challenging times, but my hope is that the VA will also recognize that our veterans are facing serious challenges in accessing the services they were promised. I urge my colleagues to join me in supporting this amendment.

Mr. BOND. The amendment has been cleared on both sides. It is a sense-of-the-Senate resolution that it should be the goal of the Veterans' Administration to serve all veterans at health care facilities within 250 miles of their home. It sounds like a very reasonable proposal. I urge its adoption.

Ms. MIKULSKI. I gladly accept the amendment offered by my colleague from Maine. Her commitment to health care and its accessibility is long standing. To ensure that veterans don't have to drive miles and miles and miles to get the health care that they need is a very modest amendment that we could agree to.

Mr. BOND. I thank my colleague from Maryland.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3208) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. CRAIG. Will the Senator from Missouri yield for purposes of a colloquy?

Mr. BOND. I am happy to enter into a colloquy with the Senator from Idaho.

Mr. CRAIG. As the Senator is aware, I have worked extensively on assuring the Waste Isolation Pilot Project, a site in New Mexico to store low-level, transuranic waste, is open to dispose of nuclear waste.

Mr. BOND. I am aware of the extensive support the Senator has given to WIPP.

Mr. CRAIG. Is the Senator aware that the New Mexico Environment Department is in the process of issuing a RCRA Part B Permit to have mixed waste shipped to and stored at the site?

Mr. BOND. The Senator from Idaho has made me aware that the RCRA Part B permit is to be issued soon.

Mr. CRAIG. Well, I would like to address that process and the actions of the New Mexico Environment Department for a moment. Mr. Chairman, it is my belief that the State of New Mexico is using an unprecedented process in issuing the RCRA Part B. If the current draft is finalized, the permit would require that each site which seeks to ship mixed waste to WIPP go through a modification of the Part B

Permit. This could delay already stalled shipments from sites in New Mexico, Colorado and Idaho because of procedural impediments put in place by the State of New Mexico. This needless delay would likely cause the Department of Energy to violate their agreement regarding the disposal of nuclear waste from Idaho. Mr. Chairman, my point is this: The reason that the State of New Mexico is involved in this process is that the Environmental Protection Agency has delegated its authority over materials regulated by RCRA to the State of New Mexico. However, delegating authority does not, I believe, relieve EPA from its responsibility to ensure that the permitting of the WIPP facility is done within the intent of Congress in the WIPP Land Withdrawal Act and RCRA. As a matter of fact, it is tasked with ensuring that the State acts within the intent of federal law. Mr. Chairman, the Environmental Protection Agency has recently certified that WIPP can accept transuranic waste. However, it sits idly by as the State works to ensure that WIPP is not opened in a timely manner. The EPA should provide adequate oversight of the State of New Mexico to assure WIPP's timely opening.

Mr. BOND. I thank the Senator for bringing this to the attention of the Committee. I would hope EPA would carefully evaluate the situation and keep the Committee informed of its progress.

SENIOR CITIZENS HOUSING

Mr. D'AMATO. Mr. President, I would like to enter into a colloquy with my friend Senator KIT BOND, the distinguished Chairman of the Veterans Affairs and Department of Housing and Urban Development (HUD) Appropriations Subcommittee. I applaud the strong efforts of the Chairman in protecting funding for housing programs for senior citizens. I am pleased to support the funding provided by this bill for elderly housing.

I was pleased to cosponsor Senator BOND's amendment to the Senate Budget Resolution earlier this year, expressing the Sense of the Senate that funding for the HUD Section 202 Elderly Housing program should be protected. The amendment, which passed the Senate by a vote of 97–2 on April 2, 1998, expressed a policy that was not only met but exceeded by this bill. Specifically, I fully support this bill's inclusion of $676 million for the Section 202 program in Fiscal Year 1999—a $31 million increase from the Fiscal Year 1998 funding level.

The HUD Section 202 program is a critical component of our federal housing strategy. The program provides funding for the development of new affordable housing opportunities and services for seniors. This combination of affordable housing with services helps to promote and maintain the independence and dignity of our senior citizens. This critical program helps to protect seniors' quality of life by offering them an opportunity to remain active and respected members of the community.

I was dismayed earlier this year by the Administration's proposal to reduce funding for this important program by over 83 percent, to a level of $109 million. This proposal to cut housing for the elderly was unacceptable. The funding increase provided by this bill sends a strong signal to the Administration that future proposals to cut the program will be met by fierce opposition by the Senate.

Mr. President, I would also like to applaud Chairman BOND's inclusion of a requirement for HUD to conduct a formal study assessing the housing needs of elderly Americans. This much-needed study will examine the unmet housing needs of the elderly and assess the physical condition of the existing stock of affordable housing for the elderly.

In connection with this study, I would like to bring to the attention of the Senate an important resource for elderly housing in my home state of New York. The Council of Senior Centers and Services of New York City (Council) can provide invaluable input to HUD during the development of this study. The Council represents 265 senior service organizations—ranging from individual community centers to large, multiservice, city-wide organizations.

I would ask the distinguished Chairman of the Subcommittee if it is his intent that HUD should develop the required study with the input and assistance of local senior housing providers and nonprofit organizations such as the Council of Senior Centers and Services?

Mr. BOND. Mr. President, I agree with the comments of my friend, Senator D'AMATO, the Chairman of the Committee on Banking, Housing and Urban Affairs, which has jurisdiction over federal housing programs. In an effort to ensure that HUD's elderly housing programs are operating in an effective manner, the Subcommittee included a provision in the legislation to require a report on the unmet housing needs of the elderly and the condition of the existing elderly housing stock. In addition, HUD will report on new and innovative approaches to providing additional housing opportunities while reducing costs and increasing efficiency.

It is the intent of the authors of this legislation that HUD's report on elderly housing shall be developed with meaningful input from a wide variety of interested parties, including government entities and housing organizations. In particular, the authors fully intend HUD to develop this study in partnership with housing and service providers. Furthermore, the Subcommittee is fully cognizant of the invaluable work of the Council of Senior Centers and Services in meeting the housing and service needs of the elderly in New York City. The Subcommittee strongly encourages HUD to solicit the input and advice of the Council in the development of this study.

I thank Senator D'AMATO for his clarifying remarks and I look forward to receiving this much-anticipated HUD report on elderly housing.

TORNADO PREPAREDNESS PILOT PROGRAM IN SOUTH DAKOTA

Mr. JOHNSON. Mr. President, on the night of May 30 a powerful tornado devastated the small community of Spencer, South Dakota. The tornado destroyed ninety percent of the town, injured 150 people, and, most tragically, killed six South Dakotans. I am pleased to say the positive determination of the residents of Spencer to rebuild their lives has been inspirational and all of the surviving victims are making progress toward returning their lives to some semblance of normality.

Unfortunately tornadoes are all too common in my state, however one aspect of the Spencer tornado caught my attention right away—that is the fact the warning siren did not sound because the electricity had been blown out. I recognize that the tornado which hit Spencer was so powerful that sounding a warning siren may not have spared the residents of Spencer the total destruction of their community. However, reports of the lack of a warning from the siren in Spencer prompted a statewide focus on the quality of the emergency alert capability around my state of South Dakota. Unfortunately, almost every county in my state has acknowledged that it urgently needs some sort of emergency alert upgrade.

Mr. President, my guess is that South Dakota is not unique in that the emergency alert system for tornadoes is inadequate in virtually every part of the state. I suspect many states have never systematically examined their emergency alert systems and how needs have changed since the civil defense sirens were initially erected and technology advanced.

I am hopeful that at least one positive development to come out of the devastation of the Spencer tornado can be legislative action to address the emergency alert needs across the state of South Dakota and this nation. Consequently, I have proposed the creation of Tornado Preparedness Pilot Program to be administered by Region VIII of the Federal Emergency Management Agency.

Mr. President, this pilot program would provide $1 million from the Emergency Planning and Assistance appropriation for grants directly to local and county emergency management officials in South Dakota to provide 75% of the cost of purchasing emergency alert equipment. Examples of emergency alert equipment eligible for purchase under this Tornado Preparedness Pilot Program includes: new sirens with back-up capability, siren upgrade equipment, weather radio transmitters, weather radios and other emergency alert equipment.

This pilot program would be an excellent first step in establishing a nationwide Tornado Preparedness Program much like the Hurricane Preparedness Grant Program and an Earthquake Hazards Reduction Grant Program which currently exist.

Further, I think South Dakota is the appropriate state to conduct this pilot program because in the wake of the tragic Spencer tornado, awareness has been elevated all over the state of South Dakota about the critical importance of high quality, effective emergency alert capability. Our state is now ready to aggressively deal with this problem. Additionally a large, rural state like South Dakota has unique needs. For example, many South Dakotans need a different kind of alert system than sirens because they live in a remote area. Most small communities lack the tax base to fully fund a siren upgrade or the purchase of additional sirens. Also, the terrain of the Black Hills of South Dakota presents challenges for transmitter coverage and also for adequate siren coverage.

Senator MIKULSKI, do you support my proposal to create a Tornado Preparedness Pilot Program in the State of South Dakota?

Ms. MIKULSKI. I appreciate your bringing the situation in South Dakota to the Senate's attention. I encourage the Federal Emergency Management Agency to fund this important initiative.

Mr. JOHNSON. I deeply appreciate the Senator's support. The number of tornados experienced each year throughout the '90s has remained consistently high. Data available from the National Climatic Data Center shows that in every year in the '90s our country has experienced close to or over 1,100 tornados each year. Mr. Chairman, do you agree that the pilot program I have proposed would be useful not only in terms of meeting the needs in South Dakota, but also in terms of providing this nation a model for the future to be used to increase emergency alert capabilities across the country?

Mr. BOND. I urge the Federal Emergency Management Agency to consider funding the pilot program so that we can assess its success prior to the Fiscal Year 2000 appropriations process.

Mr. JOHNSON. I thank the Chairman for this support, and I deeply appreciate your and the Senator from Maryland's willingness to work with me on this critically important issue.

Mr. FEINGOLD. Responding to several constituent inquiries on this matter, I wanted to clarify with the Subcommittee Chairman and the Ranking Member of the purposes for which the funds contained in FY 1999 Department of Veteran's Affairs and Housing and Urban Development Appropriations bill for Section 319 of the Clean Water Act can be used. Is this Senator correct in his understanding, Mr. Chairman, that Phase I, II, and III projects, and lake water quality assessments which were previously done under the Section 314 Clean Lakes Program may be funded with the funds provided for Section 319 grants?

Mr. BOND. Yes, the Senator is correct. With the resources provided in this bill, states may use Section 319 funding for eligible activities that might have been funded in previous years under Section 314 of the Clean Water Act. It is the Committee's hope that Section 314 program activities can be well supported with the funding provided to the 319 program.

Mr. KOHL. I appreciate the clarification by the Senator from Missouri. There has been considerable concern in our home state of Wisconsin that since EPA has combined its budget request for the 319 and 314 programs, Clean Lakes program grants to states have been reduced in the number of projects and dollars spent. I would ask the Senator from Maryland if she shares Senator from Missouri's understanding?

Ms. MIKULSKI. Again, to be clear, the funds in this legislation can be used to support Section 314 program priorities. EPA Regional Clean Lakes Coordinators and EPA Regional Nonpoint Source Coordinators and their counterparts at the state and local level will need to work together to assure that critical Clean Lakes program needs, such as water quality assessment and diagnostic studies, are accomplished with 319 dollars.

Mr. FEINGOLD. I thank the Chairman and Ranking Members for their explanations.

HOUSING ASSISTANCE

Mr. WELLSTONE. Mr. President, I understand that in conference the issue of FHA property disposition reform may be raised. Without going into the details of any possible changes to the program, I would like to receive some indication from the bill managers as to how the funds that would be saved by such reforms might be used. I hope such savings would be used for housing assistance. It seems to me that this would be a unique opportunity to further address the 5.3 million American households with worst case housing needs. I know that my colleagues on the VA/HUD appropriations subcommittee worked hard to put as much money into housing as possible given the constraints that they were working under. I know housing is a priority for them. So I would simply ask my colleague if he agrees with the logic of putting HUD program reform savings into housing assistance.

Mr. BOND. I appreciate the question from the Senator from Minnesota. I agree that there are greater housing needs in this country than can be met by this bill, though I believe the Committee has done a good job of trying to reconcile a lot of conflicting priorities. Naturally it would be the intent of this senator to maximize the number of Americans who are able to avail themselves of federal housing assistance.

Ms. MIKULSKI. I concur with the observations of the Senator from Minnesota. There is a disturbingly large gap between the number of units of affordable housing and the number of families in need. Savings from HUD property disposition reform should go to federal housing assistance in some form. As a clarification, would it be correct to say that my Colleague from Missouri agrees with the Senator from Minnesota and myself that if savings could be found within the HUD accounts, that housing programs would be a primary target for such funds?

Mr. BOND. That is correct. I also want to emphasize that the reform of FHA property disposition is critical, but needs to be designed to ensure that property disposition helps to protect distressed communities, where applicable.

Ms. MIKULSKI. I concur with Chairman BOND and will work with him to ensure that the reform of the FHA property disposition program protects local communities.

Mr. WELLSTONE. The Chairman and Ranking member's comments on property disposition reform are well taken. I thank my colleagues.

Mr. BINGAMAN. Mr. President, I want to commend Senators BOND and MIKULSKI for their hard work in bringing this appropriations bill to floor. I realize it is a difficult task to accommodate so many members' requests, and I appreciate their efforts. I do want to bring to their attention, however, a project I believe is very worthy of funding. It is a multi-purpose in Shiprock, New Mexico, which is on the Navajo Indian Reservation. The center would primarily be for Navajo youth. I know the Senator from Maryland is well aware that juvenile crime, drug abuse, alcohol abuse and unemployment are very serious problems on the Navajo reservation. There is a desperate need to get these problems under control and give youth a meaningful alternative. This multi-purpose Center will do exactly that.

Ms. MIKULSKI. I thank the Senator from New Mexico for bringing this worthy project to my attention. I am aware of the serious problems on the Navajo reservation, and I agree that this is a worthy project. The Senator from New Mexico has my commitment to work in conference to support this project should funding become available.

Mr. BINGAMAN. I thank the Senator from Maryland for her commitment to help address the desperate situation facing many of these Navajo youth, and I look forward to working with her.

Mr. NICKLES. I thank my friend from Missouri for allowing me to ask him a question regarding the Supreme Court's June 25th ruling that the line-item veto is unconstitutional. As Chairman of the VA/HUD Appropriations Subcommittee, I believe his opinion on this matter is important. Especially, in light of the fact that his Subcommittee has approved $900,000 in its FY 1998 Conference Report for the final planning and design stages of a new national veterans cemetery in Oklahoma which was line-item vetoed by the president.

My question is this, now that the line-item veto has been declared unconstitutional, does the VA now have the authority to spend the $900,000 that was appropriated in the FY 1998 VA/HUD bill.

Mr. BOND. It is my understanding, now that the Line-item veto has been declared unconstitutional, that the VA can go ahead and spend the $900,000 that was appropriated in the FY 1998 VA/HUD Appropriations bill, and I strongly encourage the VA to do so, as expeditiously as is possible.

Mr. NICKLES. I thank the Chairman. I want to add that my staff asked the Congressional Research Service (CRS) this same question and in a memo to my staff CRS offered this opinion, "The United States Supreme Court has held that a law that is repugnant to the Constitution is void and is as no law." Seeing as the line-item veto has been declared unconstitutional, it is void and is as no law. Therefore one can conclude that the $900,000 set aside for the cemetery in Oklahoma should be spent by the VA for that purpose.

Mr. BOND. Again, I agree with my friend from Oklahoma. I am of the opinion that the VA can and should spend the $900,000 for the national veterans cemetery in Oklahoma. I do want to say to my friend and colleague from Oklahoma, that it is my understanding that the Administration is still debating how to move forward on this issue—the line item veto being declared unconstitutional. If for some reason, the Administration determines that the money is not available to be spent in FY 1998, or does not reach a decision regarding the final disposition of these funds by the time this bill goes to Conference I, as Chairman of this subcommittee will do everything I can to make sure that the $900,000 for the final planning and design stage of the new national veterans cemetery is included in the FY 99 Conference Report so that this important project can move forward in FY 1999.

Mr. NICKLES. I thank the Chairman for his support of this project, and for the cooperative manner in which he has worked with me on this important matter for the veterans of Oklahoma.

Mr. LEVIN. Mr. President, I would like to engage the distinguished majority manager of the bill in a brief colloquy regarding the Great Waters program.

As the Senator from Missouri is aware, the Great Waters program is important to my state, the Great Lakes, the Chesapeake Bay, and Lake Champlain area and all states with coastal waters. The program is intended to monitor atmospheric deposition of toxic air pollutants, provide information on these pollutants sources and loadings in our surface waters, and recommend to Congress any necessary changes in the Clean Air Act to prevent serious adverse effects to public health and serious or widespread environmental effects. These are important multi-media tasks that should receive Congress's full support. This program will help us identify and reduce toxic air pollution in an efficient way.

The FY99 budget request for the Great Waters program, also known as section 112(m) of the Clean Air Act, is $1.484 million. In FY 98, the program received $2.612 million in appropriations. The House Appropriations Committee has included language in its report urging that the EPA "—provide at least $3 million to carry out—the Great Waters program." I would hope that, at a minimum, the Senate would support this amount for this important program.

Could the Senator indicate what the Senate's position would be in the conference on this matter?

Mr. BOND. I thank the Senator from Michigan for his interest. As he knows, the Senate report and bill do not speak directly to the Great Waters program. But, barring action on any amendment specifically to reduce that program, I see no reason that the Senate conferees would not accept the House statement.

Mr. LEVIN. I appreciate the Senator's assistance and attention to this issue.

SWEETWATER BRANCH PROJECT, GAINESVILLE, FL

Mr. MACK. Mr. Chairman, I would like to engage in a colloquy with you concerning a very important project in the State of Florida, known as the Sweetwater Branch/Payne's Prairie Stormwater Protection Initiative.

Mr. BOND. I would be pleased to engage in a colloquy with the Senator from Florida on what I do understand is a project that will have a positive impact on the drinking water supply or the residents of Central Florida.

Mr. MACK. I thank the chairman. Through the Sweetwater Branch/Payne's Prairie Stormwater Protection Initiative, the City of Gainsville, Florida is attempting to tackle a very critical and complex problem that confronts not only Gainesville, but ultimately the drinking water supply of much of Central Florida.

The Sweetwater Basin, which emanates above and beyond Gainesville, runs through some of the oldest sections of the City. The Sweetwater Basin discharges into a very critical natural resource in Florida, known as Payne's Prairie, a natural reserve park owned by the State of Florida. It is home to a number of plants and animal species that are unique to Florida. As these discharges move further through the system, they discharge into what is called the Alachua Sink, a major natural sink hole that drains directly into the Florida Aquifer.

The City has taken the initiative to bring together the State, the County and a broad array of environmental resources and interests in order to tackle the problems that result from contaminated runoffs which seriously impact the health of Payne's Prairie and ultimately the Florida Aquifer. The City is trying to address the problem now, in order to prevent a more serious deterioration. Unfortunately, this is a problem and a project that is beyond the scope and reach of this one small city.

Mr. BOND. Has Gainesville been working with other jurisdictions concerning this initiative?

Mr. MACK. Yes, it has. The City has brought together and obtained the support of Alachua County, the St. Johns Water Management District, and the Florida Department of Environmental Protection for the purpose of providing a solution to this problem. The City of Gainesville is to be commended for bringing together so many various interests and impact parties to address this problem. This City needs help. They have devised a preliminary plan with a relatively low cost which could ameliorate and potentially resolve the situation, but because the project is beyond the scope of the City's jurisdiction, it seems to fall between the cracks of any one federal program at this time.

Mr. BOND. I understand your concerns, and the reasons for you support of this project. This project would appear to warrant support as a special demonstration project through the Environmental Protection Agency.

Do I understand that the City of Gainesville has been devoting its own resources towards the resolution of this problem and is fully committed to a financial partnership on this project?

Mr. MACK. The Chairman is correct. The City of Gainesville has a long history of taking care of its own problems with local resources. In this case the City has already committed resources to the development of this plan and remain commits to a financial partnership.

I am pleased, Mr. Chairman, that you agree with me on the importance of this project and are willing to work with Senator Graham and the City of Gainesville to explore a more specific source of funding for this project in the up coming Conference with the other body. It is my understanding that this is correct?

Mr. BOND. Yes, Senator you are correct in your understanding. Further, I appreciate the position of the Senator from Florida and do commend the City of Gainesville for its initiative. I would like to work with you to further explore ways to assist Gainesville in moving this partnership forward, an to address this further in final FY'99 legislation.

Mr. MACK. Thank you, Mr. Chairman for your consideration. I am confidant that we can work together to provide funding for this project through the Environmental Protection Agency.

DRINKING WATER STATE REVOLVING LOAN FUND MONEY

Mr. BROWNBACK. Mr. President, I ask Senator CHAFEE, as chairman of the committee with jurisdiction over the Safe Drinking Water Act if he could please explain the eligibility requirements to qualify for loans from the Drinking Water State Revolving Loan fund, or DWSRF as it is commonly known?

Mr. CHAFEE. Yes, I would be happy to. The DWSRF is to be used to assist public water systems to finance infrastructure projects needed to comply with federal drinking water regulations. Public water systems that regularly serve at least 25 year-round residents or have a least 15 service connections qualify for assistance. The DWSRF may be used if it will significantly further the public health objectives of the Act. We recognize that there are a few communities that are currently serviced by wells that are contaminated, and the best way to solve the existing public health problems intended to be addressed by the Act may be to create a federally regulated public water system.

Mr. BROWNBACK. A community in Kansas called Colwich receives their drinking water from private wells. When the county tested a sampling of the wells in this community they discovered that 81 percent of the wells are poorly constructed, 75 percent are improperly located, 29 percent experience bacterial problems and 6 percent have levels of nitrates greater than the EPA recommended level. Senator CHAFEE, as a cosponsor to the Safe Drinking Water Act Amendments of 1996, is it your opinion that providing DWSRF money to the community of Colwich will enable the families of Colwich to have safe drinking water and will further the health objectives of this Act?

Mr. CHAFEE. Yes, it is my opinion that providing Drinking Water State Revolving Loan fund money to the community of Colwich to create a public water system will further the health objectives of the Safe Drinking Water Act Amendments of 1996. Therefore, the State of Kansas has the authority to allocate DWSRF money to the community of Colwich.

Mr. BOND. Although the Appropriations Subcommittee on VA, HUD, and Independent Agencies was able to increase the drinking water SRF for fiscal year 1999 to $800 million, it is impossible to expect the DWSRF to fund new projects where there is not a public health threat. The purpose of the DWSRF is to fund drinking water systems that are having difficulties complying with the Act, it is not intended to finance new drinking water systems for communities that are having difficulties distributing drinking water.

FORT HARRISON VAMC SEWER LINE

Mr. BURNS. Mr. President, I'd like to clarify the issue of funding for a new sewer line connecting Fort Harrison VA Medical Center to the City of Helena. The Senate Appropriations Committee Report directs the VA to work with interested parties on a cost-sharing plan for the sewer line. The Committee has received a commitment from the Department of Veterans Affairs to provide $1.4 million for the sewer line out of its minor construction account. This amount is slightly over half of the estimated total cost for the project. Does the Chairman concur that the Committee endorses this funding agreement and expects the VA to make the funds available in an expeditious manner?

Mr. BOND. I concur with the Senator from Montana. The Committee expects the VA to provide $1.4 million for the Fort Harrison sewer line in an expeditious manner. I thank the Senator from Montana for the clarification.

Mr. CRAIG. Mr. President, I rise to commend the Chairman on his leadership and hard work on his bill. He and the Subcommittee have had to make hard decisions about scarce resources and have labored to do so fairly. I also appreciate the Chairman's diligence in pursuing needed, aggressive oversight of some large agencies that, at times, have been sluggish in responding. He and the Subcommittee have made real efforts to make sure the taxpayer's hard-earned dollar is spent effectively and efficiently. I have seen first-hand, and appreciate, the Chairman's dedication to the integrity of this process.

I request that the distinguished Chairman and I be permitted to engage in a colloquy.

As the Chairman knows, the City of McCall, Idaho, is faced with the absolutely critical need to make significant improvements to its water system. McCall faces a potential cost of $6 million because of federal mandates for water purification.

However, as much of 85 to 90 percent of these capital costs might be saved by installing a new, prototype, filtration technology. The City only recently received a proposal for a prototype filtration system. In what ought to be a prototype for voluntary private-public partnerships, the cost of research and development of the system would be borne by the contractor.

That leaves the City with the need for $253,000 toward installation, start-up, and initial testing of the system. Through no fault on anyone's part, the proposal was not ready for the City to review, and could not be submitted to the Subcommittee, in time for consideration during the markup of this bill.

I would ask the Chairman if he could work with us in conference to evaluate this request, with an eye toward inclusion in the conference report.

This investment of $253,000 would not only save the community of McCall possibly more than $5 million, it would be a demonstration project that could help countless other communities, as well as the federal government, save millions of the taxpayers dollars in the future. I believe such a project would be consistent with the missions of either the EPA Science and Technology program or EPA State and Tribal Grants.

Mr. BOND. I appreciate Senator CRAIG's concern for the City of McCall, its environment, the burdens imposed by federal requirements, and the very real need that this and other communities have to comply with federal mandates as economically as possible.

I will be happy to work with the Senator to examine this proposal more thoroughy. If we can determine that this project does, indeed, qualify for existing EPA programs, we will see what can be done to address this need.

EPA GRANT PROGRAMS FOR PLANNING FUTURE GROWTH

Mr. BENNETT. Mr. President, I take the Senate floor to enter a colloquy with the distinguished Chairman of the VA, HUD and Independent Agencies Subcommittee, Senator BOND. The topic of which I speak is the tremendous growth that continues to take place in my home state of Utah. Presently, Utah is ranked by the U.S. Bureau of the Census as the third fastest growing state in the Union. While Utah is often thought of as a rural state, roughly 80 percent of our population resides in the narrow mountain valleys along 100 miles of the Wasatch Front. In reality, Utah is one of the most urban states in the country.

With this in mind, I would like to thank the Chairman of the VA, HUD Committee for his assistance in including report language in the Fiscal Year 1999 bill, which encourages the Environmental Protection Agency (EPA) to work with Envision Utah, a private/public organization tasked with planning for Utah's future. I would also like to ask Chairman BOND whether or not additional EPA programs might be of assistance to Envision Utah in fulfilling its mission?

Mr. BOND. I am happy to respond to my colleague from Utah that EPA has a number of programs that can assist organizations like Envision Utah in preparing for future growth demands. Clearly, EPA's mission of protecting the environment includes management of resources such as open space by encouraging sound urban planning. I encourage the EPA to look at any grant program that might help Envision Utah meet its goal of preparing Utah for future growth.

Mr. BENNETT. I thank my friend from Missouri for his assistance and support in addressing growth in Utah.

BUDGET COMMITTEE SCORING OF S. 2168

Mr. DOMENICI. Mr. President, I rise in support of S. 2168, the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Bill for 1999.

This bill provides new budget authority of $93.9 billion and new outlays of $54.5 billion to finance the programs of the Departments of Veterans Affairs and Housing and Urban Development, the Environmental Protection Agency, NASA, and other independent agencies.

I congratulate the Chairman and Ranking Member for producing a bill that complies with the Subcommittee's 302(b) allocation. This is a one of the most difficult bills to manage with its varied programs and challenging allocation, but I think the bill meets most of the demands made of it while not exceeding its budget and is a strong candidate for enactment. So I commend my friend the chairman for his efforts and leadership.

When outlays from prior-year BA and other adjustments are taken into account, the bill totals $91.9 billion in BA and $102.4 billion in outlays. The total bill is at the Senate subcommittee's 302(b) allocation for budget authority and outlays, for both defense and nondefense.

I ask members of the Senate to refrain from offering amendments which would cause the subcommittee to exceed its budget allocation and urge the speedy adoption of this bill.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the bill printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

S. 2168, VA–HUD APPROPRIATIONS, 1999 SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 1999, in millions of dollars]

	Defense	Nondefense	Crime	Mandatory	Total
Seante-reported bill:					
Budget authority	131	69,855	....	21,885	91,871
Outlays	127	80,653	....	21,570	102,350
Senate 302(b) allocation:					
Budget authority	131	69,855	....	21,885	91,871
Outlays	127	80,653	....	21,570	102,350
1998 Enacted:					
Budget authority	131	69,286	....	21,332	90,749
Outlays	139	80,250	....	20,061	100,450
President's request:					
Budget authority	131	70,607	....	21,885	92,623
Outlays	127	81,163	....	21,570	102,860
House-passed bill:					
Budget authority	....	....	....	....	....
Outlays	....	....	....	....	....
Senate-reported bill compared to:					
Senate 302(b) allocation:					
Budget authority	....	....	....	....	....
Outlays	....	....	....	....	....
1998 Enacted:					
Budget authority	....	569	....	553	1,122
Outlays	(12)	403	....	1,509	1,900
President's request:					
Budget authority	....	(752)	....	....	(752)
Outlays	....	(510)	....	....	(510)
House-passed bill:					
Budget authority	131	69,855	....	21,885	91,871
Outlays	127	80,653	....	21,570	102,350

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

AMENDMENT NO. 3209

Mr. BOND. I have a managers' amendment to offer, and I offer it en bloc. It has been cleared on both sides.

First, there are a number of technical amendments.

Second, for Senators CAMPBELL, STEVENS, and MACK, there are several amendments to ensure Native American groups are eligible for HUD drug elimination grants and the HUD rural housing and economic development.

Third, for Senator D'AMATO, we are continuing the authority for the HUD G–4 auction program.

Fourth, we are allowing HUD to use data on multifamily housing developed by the Multifamily Housing Institute.

Fifth, this amendment would require all agencies under the bill to provide detailed salaries and expenses information.

In addition, we are including Senator FRIST's amendment which authorizes OSTP, the Office of Science and Technology Policy, to conduct a study on methods for evaluating federally funded research and development.

We have also included an amendment for Senator WELLSTONE providing for a 12-month notice to tenants before prepaying the mortgage of a preservation project. Owners who have already filed notice would not be impacted. We appreciate Senator WELLSTONE's providing this amendment. We had been hoping we could have adopted this one a number of weeks ago.

Finally, we included a number of reforms of the FHA which we believe are very sound and responsible provisions. They are from Senator NICKLES, Senator MACK, and Senator FAIRCLOTH to direct HUD to improve the management of FHA.

I send this amendment to the desk and ask for its consideration en bloc.

The PRESIDING OFFICER. If there is no objection, the amendments will be considered en bloc.

The clerk will report.

The bill clerk read as follows:

The Senator from Missouri [Mr. BOND], for himself and Ms. MIKULSKI, proposes an amendment numbered 3209.

Mr. BOND. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

NOTICE REQUIREMENTS FOR PREPAYMENT OF FEDERALLY SUBSIDIZED MORTGAGES

Mr. WELLSTONE. Mr. President, I rise today to thank the Chairman and Ranking Member for including in the manager's amendment, my amendment to the VA/HUD appropriations bill. This amendment addresses the loss of Section 236 and Section 221 housing across the country. Prepayment of federally assisted mortgages is exacerbating an already static housing market and is wrenching for the tenants, who often barely receive adequate warning that their homes may soon become too expensive for them to afford. My amendment provides tenants and local officials with fair notice that a Section 236 or 221 building is leaving the federal subsidy program. This allows tenants the ability to try and find alternate housing, and non-profits and local governments the opportunity to preserve the housing by buying out the owner's interest.

Section 236 and Section 221(d)(3) of the National Housing Act provided for the creation of federally assisted, privately owned affordable housing. Under the Section 221 program, the federal government insured the mortgages on certain rental housing, under the Section 236 program, the federally government subsidized the interest payments that owners of rental housing made on the mortgages. Both of the programs offered the security of a federal subsidy for building owners in return for their maintaining these buildings as affordable housing—the regulatory agreement signed between HUD and the building owner restricted the rents which could be charged on the units within the building so long as the mortgage was insured or subsidized by HUD. To be eligible for the program, an owner signed a 40 year mortgage, however, the deeds of trust for such properties that the owner could prepay the mortgage or terminate the insurance contract after 20 years and potentially remove that building from the pool of affordable housing.

By the late 1980's, Congress realized that the loss of Section 236 and Section 211 properties could be devastating to the supply of affordable housing. In many communities across the country, housing and real estate markets were tight enough that owners of such properties had a strong incentive to leave the programs and convert their units to market rate, or to find alternate uses for the property. In 1987, Congress enacted the Emergency Low Income Preservation Act, which created a two year moratorium on prepayment of Section 221 or Section 236 mortgages. This was done to allow Congress some time to formulate a comprehensive solution to the prepayment problem. In 1990 as part of the National Affordable Housing Act, Congress enacted the Low Income Housing Preservation and Resident Homeownership Act of LIHPRHA (LIPRA). This law was intended to manage the prepayment process, to provide incentives for owners with critical properties to stay in the system and to create a mechanism for transfer of properties to nonprofit or resident ownership.

Today this system is in tatters. Congress has not appropriated funds for the incentive program since fiscal year 1997 and it appears that HUD is no longer enforcing the provisions of LIHPRHA which call for fair notice to tenants and a plan of action to be submitted by owners.

Mr. President, the loss of Section 236 and 221 properties has become a crisis in my state. The Minnesota Housing Finance Agency believes that 10% of Minnesota's Section 236 and 221 housing is at risk—Housing advocates believe that the long term losses will be far greater. But the loss of these apartment buildings does not occur in a vacuum, the Twin Cities metropolitan area has a vacancy rate of 1.9 percent—five percent vacancy is usually regarded as full. The loss of these buildings as affordable housing is absolutely devastating to these communities.

Mr. President, I'd like to share some examples from my own state of illustrate the problem facing these tenants. These Minnesotans have had their lives completely disrupted by the prepayment of a Section 236 mortgage and if you listen to their stories over and over again you hear the same thing: with more notice they could have organized an equitable buy out of the current owner's mortgage or have made a dignified search for other housing.

Terry Truja moved into Oak Grove Towers in Minneapolis, MN, ten years ago when she became disabled; she now uses a wheel chair. She lived in the neighborhood around Oak Grove Towers for seven years prior to her disability and worked as a nurse. Her building's Section 236 mortgage was prepaid in July of 1997. Prior to the prepayment, Terry paid $250 a month for her apartment. After prepayment, her apartment now rents for $615. She has been able to stay in her apartment for one year thanks to en Enhanced Section 8 Voucher, but she will not be eligible for ordinary Section 8 after that period. Terry and the other tenants of Oak Grove Towers received 60 days notice that the mortgage was being prepaid. They are trying to work with a local non-profit who wishes to buy the building and keep it as low income housing, but now they are fighting against time. Extra notice could have made all the difference.

Elza Glikina is a Russian immigrant who lives with her husband in Oak Grove Towers. She speaks fluent English and serves as a contact with the outside world for the many elderly Russian immigrants who live in the building, many of whom do not speak English. She says that these people "lived through so much grief in their lives" back in their home countries and that they "thought they had found peace" here in Oak Grove Towers where they have formed closed bonds with others of the same nationality. For them, Elza said, the prepayment was terrifying. It reminded them of arbitrariness and soullessness of life in the Soviet Union. 60 days was not enough time for these immigrants to get their affairs in order, to apply for supplemental assistance. Though Elza is more capable then most, she says that she "feels sick at the thought of moving."

Jennifer Nguyen is a severely disabled Vietnamese immigrant who lives next to her brother and mother in Oak Grove Towers. She suffers from multiple medical problems, including tuberculosis and has only a portion of one lung remaining. Her doctor is located in the neighborhood, and her health might be seriously jeopardized if she is forced to move. She likes living at Oak Grove Towers, but if the building is not sold to a non-profit, she will likely have to relocate to the suburbs—away from her friends and her doctor.

Ann Peterson is a mother with a nine year old son who lives in Boulevard Villa in Coon Rapids, MN. She works, but medical problems make employment difficult. The mortgage on their building was prepaid in April of this year. Tenants and local housing officials received three weeks notice of prepayment. Ann and others tried to find a non-profit to take over the mortgage but three weeks was just not enough time—in fact it took 6 weeks after prepayment for the paperwork to provide Enhanced Vouchers to be approved. She has lived there 8 years and says that she still "has faith that they will be able to stay." She continues to try and find a buyer for the building.

Mr. President, these are a few stories from two buildings where the Section 236 mortgages have been repaid. Together they represent the potential loss of 281 units of affordable housing—in a market that already has a 1.9 percent vacancy. Again, I think there stories show why notice is important for two reasons: as a buffer to the tenant and to allow local governments and non-profits time to react to keep the housing affordable.

Mr. President, I believe my amendment is a step in the right direction. It:

1. Requires an owner of eligable low income housing, such as a Section 236 or Section 221(d)(3) building, who intends to prepay a federally subsidized mortgage or terminate the federal insurance contract to give a one year notice of such intent to the tenants of the affected property and to the appropriate state and local authorities.
2. Waives this requirement in the event that the owner wishes to transfer the property to a non-profit or Residents Council which intends to maintain the units as affordable housing.
3. This amendment does not apply to owners who have already given notice of prepayment or termination, as of July 7, 1998, in accordance with current law and regulation.

Under current federal law, tenants of federally assisted rental housing receive only 30 or 60 days notice of an owner's attempt to pre-pay an insured mortgage. This short time period makes it impossible for the tenants, their advocates, local or state government to devise any alternatives to prevent the permanent loss of affordable housing. Minnesota has enacted a one year prepayment notice requirement, but this been pre-empted by LIHPRHA, LIHPRHA specifically struck down state laws which put more restrictive requirements for Section 236 and 221 than is provided for in federal law. This was justified by the funding mechanism also included in LIHPRHA, which was designed to preserve the housing should the owner decide to prepay. Now that this federal funding is gone, I believe Congress should act to require a firm, one year notice period. Again, however, my amendment is not intended to cover owners who have given legal notice of prepayment or termination under the prepayment process currently being implemented by HUD.

Mr. President, the Congressional budget office has determined that my amendment would not add to the cost of this bill. I don't believe it will be a burden to owners either. It simply provides warning to tenants, warning that I believe out of simple dignity they should be provided, and gives local and state governments the tools they need to preserve the housing—after buying out the owner at a fair price—in the affordable housing pool.

Mr. President, other speakers have talked about the crisis in affordable housing. We are at a point in our history where we are simultaneously experiencing some of the most tremendous economic growth while enduring an all time high of renters with worst case housing needs—5.3 million people across the country. My amendment is a small change, but if it is a change which provides low income tenants with increased security and allows for ample warning so that housing can be preserved then, I believe it will have a big impact.

Mr. BOND. I ask unanimous consent that it be designated as a Bond and Mikulski amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment (No. 3209) was agreed to en bloc.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay it on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Again, my sincere thanks particularly to my colleague from Maryland for her fine staff. My thanks to our staff for staying with us. I think we have set a record for debate, for expeditious handling of VA/HUD bill. We are grateful, No. 1, to the leadership, Senator DASCHLE and Senator LOTT, for giving us such a propitious time to expedite the consideration of this measure.

Let me extend my special thanks to the occupant of the Chair and all of the floor personnel, including the pages, of the Senate for staying with us to quarter to 12, and perhaps a little later. We appreciate your willingness. This has helped us move forward.

Ms. MIKULSKI. Mr. President, as we close the debate on the fiscal year 1999 VA/HUD bill, I thank Chairman BOND, first, for all the courtesies that he has extended both to myself and to my staff during the entire year that we have considered this legislation—many hearings, many discussions, many issues that we ironed out so we could come to the floor with the bill that really met compelling human need and investment in the future.

And at the same time, avoid a lot of the wrangling that sometimes can surround appropriations bills. I also think he handled the bill tonight with great deftness. We want to thank him. I want to thank his staff, Carolyn Apostolou and Jon Kamarck for the outstanding job they did. Of course, I could not stand here and be able to articulate the position of both my party and my own beliefs without my very able staff. I thank Andy Givens, David Bowers and Bertha Lopez, who were with me throughout the entire year as we moved this bill.

So I look forward to voting for the bill tomorrow and in conference. And really, for all of the pages who have worked so late, they should know that this bill has really helped. We have housing for the poor and have saved the environment, invested in the future. I could go on, but I am going to now yield the floor.

Mr. BOND. Mr. President, I ask unanimous consent that the votes ordered with respect to the amendments offered to the VA-HUD appropriations bill occur in the order they were offered, beginning at 9 a.m. tomorrow morning as under the previous order. I further ask that no second-degree amendments be in order to the amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. For the information of all Senators, the voting schedule for Friday morning is as follows:

The Wellstone amendment regarding veterans compensation. I understand that the chairman of the budget committee will raise a point of order with respect to this amendment so the vote will be on a motion to waive the budget act with respect to the Wellstone amendment.

Following the Wellstone vote the Senate will vote on or in relation to the Murkowski amendment regarding Alaska veterans, followed by a vote on or in relation to the Nickles FHA amendment, followed by a vote on or in relation to the Burns amendment regarding NASA indemnification, followed by a vote on or in relation to the Sessions amendment regarding NASA funding.

It is hoped that following the preceding amendment votes the Senate will immediately move to final passage of the VA-HUD Appropriations Bill.

UNANIMOUS CONSENT AGREEMENT

Mr. President, I ask unanimous consent that when the Senate completes all action on S. 2168, that it not be engrossed and be held at the desk. I further ask that when the House of Representatives companion measure is received in the Senate, the Senate immediately proceed with its consideration; that all after the enacting clause of the House bill be stricken and the text of S. 2168, as passed, be inserted in lieu thereof; that the House bill, as amended, be read for a third time and passed; that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and the Chair be authorized to appoint the following conferees on the part of the Senate: Senators BOND, BURNS, STEVENS, SHELBY, CAMPBELL, CRAIG, MIKULSKI, LEAHY, LAUTENBERG, HARKIN, and BYRD; and that the foregoing occur without any intervening action or debate.

I further ask unanimous consent that upon passage by the Senate of the House companion measure, as amended, the passage of S. 2168 be vitiated and the bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BOND. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMARKS OF THE HONORABLE HOWARD H. BAKER, JR.—LEADER'S LECTURE SERIES

Mr. LOTT. Mr. President, this was old home week in the Senate. Former Senator Howard Baker of Tennessee, who served almost two decades in this body, returned to give us a piece of his mind—in the best sense of the phrase.

To be precise, he delivered, in the august Old Senate Chamber, the second presentation in our Leader's Lecture Series. The first address earlier this year, by former Senator Mike Mansfield, was both moving and memorable. Senator Baker's remarks were no less so.

He entitled his remarks "On Herding Cats," a reference to the nature of the work of a Senator Majority Leader—or, for that matter, a Minority Leader. Suffice it to say that, as the current holder of the leadership office which Senator Baker gave up when he left the Senate, I fully understand what he means.

To advance the public's understanding of the Senate, and to further appreciation of its unique traditions and procedures, I ask unanimous consent that the text of Senator Baker's Lecture be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE HOWARD H. BAKER, JR., LEADER'S LECTURE SERIES, JULY 14, 1998

ON HERDING CATS

I first walked into the gallery of the United States Senate nearly sixty years ago. My great-aunt Mattie Keene was secretary to Senator K.D. McKeller of Tennessee, and I came here to visit her in July 1939 as a 13-year-old-boy, and she procured gallery passes for the House and the Senate.

The Senate had only the most primitive air conditioning in those days. It was principally cooled by a system of louvers and vents and sky lights that dated from 1859, when the Senate vacated this chamber and moved down the hall to its present home.

The system did not work very well against Washington's summertime plague of heat and humidity, and as a consequence, Congress was not a year-round institution in those days.

Anyone who knows me understands how tempting it is to devote the remainder of these remarks to my perennial thesis—that this was precisely the way the national legislature was designed to operate: as a citizen legislature that did its work and went home, rather than a perpetual Congress hermetically sealed in the capitol city. In the summer of 1939, in any event, nature and technology offered little choice.

On that same trip in 1939, I traveled even further north—to New York, in the company of the same Aunt Mattie—to see the New York World's Fair. There I had my first encounter with a novel technology that would have even more profound consequences than air conditioning. It was called "television."

And it was the same K.D. McKeller, my Aunt Mattie's boss, who only three years later would help President Roosevelt launch the Manhattan Project that would shortly usher in the nuclear age.

(Senator McKeller, by the way, was chairman of the Senate Appropriations Committee at the time, and when President Roosevelt asked him if he could hide a billion dollars to finance this top-secret project, Senator McKeller replied, "Of course I can, Mr. President—and where in Tennessee are we going to build this plant?")

I recite all this personal history not to remind you how old I am but to remark on how young our country is, how true it is in America that, as William Faulkner wrote, "the past isn't dead. It isn't even the past."

The same ventilation system that Senator Jefferson Davis of Mississippi had installed in the new Senate chamber in 1859—just before leaving Washington to become President of the Confederacy—was still in use when I first came here as a boy, when television and nuclear power were in their infancy.

We enter rooms that Clay and Webster and Calhoun seem only recently to have departed. We can almost smell the smoke of the fire the British kindled in what is now Senator Lott's office to burn down Washington in August of 1814.

(By the way, you can thank me for whatever smoke you now smell. My late father-in-law, Everett Dirksen, has told me that the fireplaces in the Republican Leader's offices didn't work since they were sealed when they air conditioned the Capitol. So when I was elected Republican Leader, I asked the Architect of the Capitol what it would take to make these fireplaces work, and he replied, "A match, I suppose.")

My dear friend, Jennings Randolph of West Virginia, with whom I helped write much of the environmental and public work legislation of the 1970s and who passed away recently, came to Washington with Franklin Roosevelt in 1932 and was still here when Ronald Reagan arrived in 1981. He was a walking history lesson who embodied—and gladly imparted—a half century of American history.

You may be wondering by now what all these ruminations have to do with the subject of Senate leadership. The answer is this: what makes the Senate work today is the same thing that made it work in the days of Clay, Webster and Calhoun, in whose temple we gather this evening.

It isn't just the principled courage, creative compromise and persuasive eloquence that these men brought to the leadership of the Senate—important as these qualities were in restoring political prestige and Constitutional importance to the Senate in the first half of the 19th century.

(Heretical as it may sound, before these gentlemen arrived, an alarming number of men left the Senate to pursue more influential political careers in the House of Representatives.)

It isn't simply an understanding of the unique role and rules of the Senate, important as that understanding is.

It isn't even the devotion of the good of the country, which has inspired every Senator since 1789.

What really makes the Senate work—as our heroes knew profoundly—is an understanding of human nature, an appreciation of the hearts, as well as the minds, the frailties as well as the strengths, of one's colleagues and one's constituents.

Listen to Calhoun himself, speaking of his great rival Clay: "I don't like Henry Clay. He is a bad man, an imposter, a creator of wicked schemes. I wouldn't speak to him. But by God, I love him."

It is almost impossible to explain that statement to most people, but most Senators understand it instinctively and perfectly.

Here, in those twenty-eight words, is the secret to leading the United States Senate. Here, in a jangle of insults redeemed at the end by the most profound appreciation and respect, is the genius and the glory of this institution.

Very often in the course of my eighteen years in the Senate, and especially in the last eight years as Republican Leader and then Majority Leader, I found myself engaged in fire-breathing, passionate debate with my fellow Senators over the great issues of the times: civil rights, Vietnam, environmental protection, Watergate, the Panama Canal, tax cuts, defense spending, the Middle East, relations with the Soviet Union, and dozens more.

But no sooner had the final word been spoken and the last vote taken than I would walk to the desk of my recent antagonist, extend the hand of friendship, and solicit his support on the next day's issue.

People must think we're crazy when we do that. Or perhaps they think our debates are fraudulent to begin with, if we can put our passion aside so quickly and embrace our adversaries so readily.

But we aren't crazy, and we aren't frauds. This ritual is as natural as breathing herd in the Senate, and it is as important as anything that appends in Washington or in the country we serve.

It signifies that, as Lincoln said, "We are not enemies but friends. We must not be enemies." It pulls us back from the brink of rhetorical, intellectual, even physical violence that, thank God, has only rarely disturbed the peace of the Senate.

It's what makes us America and not Bosnia. It's what makes us the most stable government on Earth, not a civil war waiting to happen.

We're doing the business of the American people. We have to do it every day. We have to do it with the same people every day. And if we cannot be civil with one another—if we stop dealing with those who disagree with us or those we do not like—we would soon stop functioning altogether.

Sometimes we have stopped functioning. Once we had a civil war. Once Representative Preston Brooks of South Carolina (who, by the way, was born in Senator Thurman's hometown of Edgefield) came into this chamber and attacked Senator Charles Summer of Massachusetts with a cane, nearly killing him. And it is at those times we have learned the hard way how important it is to work together, to see beyond the human frailties, the petty jealousies, even the occasionally craven motive, the fall from grace that every mortal experiences in life.

Calhoun didn't like Clay, didn't share his politics, didn't approve of his methods. But he loved Clay because Clay was, like him, an accomplished politician, a man in the arena, a master of his trade, serving his convictions and his constituency just as Calhoun was doing.

Calhoun and Clay worked together because they knew they had to. The business of their young nation was too important—and their roles in that business too central—to allow them the luxury of petulance.

I read recently that our late friend and colleague Barry Goldwater had proposed to his good friend, then Senator John Kennedy, that the two of them make joint campaign appearances in the 1964 presidential campaign, debating the issues one-on-one, without intervention from the press, their handlers, or anyone else.

Barry Goldwater and John Kennedy would have had trouble agreeing on the weather, but they did agree that presidential campaigns were important, that the issues were important, and that the public's understanding of their respective positions on those issues was important.

That common commitment to the importance of public life was enough to bridge an ideological and partisan chasm that was both deep and wide. And that friendship, born here in the Senate where they were both freshmen together in 1953, would have served the nation well whoever might have won that election in 1964.

Barry Goldwater and I were also personal friends, as well as professional colleagues and members of the same political team. Even so, I could not automatically count on his support for anything. Once, when I really needed his vote and leaned on him perhaps a little too hard, he said to his Majority Leader, "Howard, you have one vote, and I have one vote, and we'll just see how this thing comes out."

It was at that moment that I formulated my theory that being leader of the Senate was like herding cats. It is trying to make ninety-nine independent souls act in concert under rules that encourage polite anarchy and embolden people who find majority rule a dubious proposition at best.

Perhaps this is why there was no such thing as a Majority Leader in the Senate's first century and a quarter—and why it's only a traditional, rather than statutory or constitutional, office still today.

Indeed, the only Senator with constitutional office is the President Pro Tempore, who stands third in line of succession to the Presidency of the United States. Strom Thurmond has served ably in that constitutional role for most of the last 17 years, and

I have no doubt he has at least another 17 to go.

In Strom's case I am reminded of an invitation that I recently received to attend the dedication of a time capsule in Rugby, Tennessee to be opened in a 100 years. Unfortunately, I could not attend because of a schedule conflict so I wrote that I was sorry that I couldn't be there for the burying of the time capsule, but I assured them that I would try to be there when they dig it up.

There was a time when even the Vice Presidency was a powerful office. When John Calhoun served as Andrew Jackson's vice president, he had the power not only to cast tie-breaking votes but also to appoint whole congressional committees.

There was also a time when Majority and Minority Leaders could keep their members in line by granting or withholding campaign funds from the national parties—the only major source of funds, besides personal wealth, that most Senators could call upon.

Even Lyndon Johnson, in the late 1950s, could wield this power and enforce his party's discipline with cash and committee assignments, as well as the famous "Johnson treatment."

Today, every Senator is an independent contractor, beholden to no one for fund-raising, for media coverage, for policy analysis, for political standing, or anything else. I herded cats. Trent Lott and Tom Daschle have to tame tigers, and the wonder is not that the Senate, so configured, does so little but that it accomplishes so much.

That it does is a tribute to their talented leadership. They can herd cats. They can tame tigers. They can demonstrate the patience of Job, the wisdom of Solomon, the poise of Cary Grant and the sincerity of Jimmy Stewart—all of which are essential to success in the difficult roles they play.

For whatever help it may be to these and future leaders, let me offer now a few rules of Senate leadership. As it happens, they are an even Baker's Dozen.

1. Understand its limits. The leader of the Senate relies on two prerogatives, neither of which is constitutionally or statutorily guaranteed. They are the right of prior recognition under the precedent of the Senate and the conceded right to schedule the Senate's business. These, together with the reliability of his commitment and whatever power of personal persuasion one brings to the job, are all the tools a Senate leader has.

2. Have a genuine and decent respect for differing points of view. Remember that every Senator is an individual, with individual needs, ambitions and political conditions. None was sent here to march in lockstep with his or her colleagues and none will. But also remember that even members of the opposition party are susceptible to persuasion and redemption on a surprising number of issues. Understanding these shifting sands is the beginning of wisdom for a Senate leader.

3. Consult as often as possible, with as many Senators as possible, on as many issues as possible. This consultation should encompass not only committee chairmen but as many members of one's party conference as possible in matters of legislative scheduling.

4. Remember that Senators are people with families. Schedule the Senate as humanely as possible, with as few all-night sessions and as much accommodation as you can manage.

5. Choose a good staff. In the complexity of today's world, it is impossible for a Member to gather and digest all the information that is necessary for the Member to make an informed and prudent decision on major issues. Listen to your staff, but don't let them fall into the habit of forgetting of who works for whom.

6. Listen more often than you speak. As my father-in-law Everett Dirksen once admonished me in my first year in this body, "occasionally allow yourself the luxury of an unexpressed thought."

7. Count carefully, and often. The essential training of a Senate Majority Leader perhaps ends in the third grade, when he learns to count reliably. But 51 today may be 49 tomorrow, so keep on counting.

8. Work with the President, whoever he is, whenever possible. When I became Majority Leader after the elections of 1980, I had to decide whether I would try to set a separate agenda for the Senate or try to see how our new President, with a Republican Senate, could work together as a team to enact his programs. I chose the latter course, and history proved me right. Would I have done the same with a President of the opposition party? Lyndon Johnson did with President Eisenhower, and history proved him right, as well.

9. Work with the House. It is a co-equal branch of government, and nothing the Senate does—except in the ratification of treaties and the confirmation of federal officers—is final unless the House concurs. My father and step-mother both served in the House, and I appreciate its special role as the sounding board of American politics. John Rhodes and I established a Joint Leadership Office in 1977, and it worked very well. I commend that arrangement to this generation of Senate leaders and to every succeeding generation.

10. No surprises. Bob Byrd and I decided more than twenty years ago that while we were bound to disagree on many things, one thing we would always agree on was the need to keep each other fully informed. It was an agreement we never broke—not once—in the eight years we served together as Republican and Democratic Leaders of the Senate.

11. Tell the truth, whether you have to or not. Rather that your word is your only currency you have to do business with in the Senate. Devalue it, and your effectiveness as a Senate leader is over. And always get the bad news out first.

12. Be patient. The Senate was conceived by America's founders as "the saucer into which the nation's passions are poured to cool." Let Senators have their say. Bide your time—I worked for 18 years to get television in the Senate and the first camera was not turned on until after I left. But, patience and persistence have their shining reward. It is better to let a few important things be your legacy than to boast of a thousand bills that have no lasting significance.

13. Be civil, and encourage others to do likewise. Many of you have heard me speak of the need for greater civility in our political discourse. I have been making that speech since the late 1960s, when America turned into an armed battleground over the issues of civil rights and Vietnam. Having seen political passion erupt into physical violence, I do not share the view of those who say that politics today are meaner or more debased than ever. But in this season of prosperity and peace—so rare in our national experience—it ill behooves America's leaders to invent disputes for the sake of political advantage, or to inveigh carelessly against the motives and morals of one's political adversaries. America expects better of its leaders than this, and deserves better.

I continue in my long-held faith that politics is an honorable profession. I continue to believe that only through the political process can we deal effectively with the full range of the demands and dissents of the American people. I continue to believe that here in the United States Senate, especially, our country can expect to see the rule of the majority co-exist peacefully and constructively with the rights of the minority, which is an interesting statement.

It doesn't take Clays and Websters and Calhouns to make the Senate work. Doles and Mitchells did it. Mansfields and Scotts did it. Johnsons and Dirksens did it. Byrds and Bakers did it. Lotts and Daschles do it now, and do it well. The founders didn't require a nation of supermen to make this government and this country work, but only honorable men and women laboring honestly and diligently and creatively in their public and private capacities.

It was the greatest honor of my life to serve here and lead here. I learned much about this institution, about this country, about human nature, about myself in the eighteen years I served here at the pleasure of the people of Tennessee.

I enjoyed some days more than others. I succeeded some days more than others. I was more civil some days than others. But the Senate, for all its frustration and foibles and failings, is indeed the world's greatest deliberative body. And by God, I love it.

BASEBALL CHOOSES WELL—BUD SELIG

Mr. LOTT. Mr. President, today I wish to congratulate Bud Selig on his unanimous election as the ninth Commissioner of major league baseball.

Baseball is enjoying a renaissance of popularity at all levels of play. Participation and interest in youth baseball is at an all-time high. Minor league baseball sets new attendance records each year while bringing the joy of the sport to smaller communities across our Nation. Major league baseball is enjoying unprecedented interest as its great players and teams continue their assault on the all-time records.

As a lifelong fan of baseball, I know Mr. Selig will continue to make baseball even more popular for its millions of fans and players from youth league through the major leagues. He will also bring considerable experience and background to his new post all of which will add to the glory of our national pastime. I wish him well. Baseball has chosen well.

ENCRYPTION LEGISLATION

Mr. DASCHLE. Late yesterday several of my colleagues took to the floor to discuss their views on the need for congressional action on encryption legislation. I would like to take this opportunity to briefly provide my thoughts on this important issue.

As everyone who follows encryption policy knows, despite years of discussion and debate, we still have not found a solution that is acceptable to industry, consumers, law enforcement and national security agencies. In this Congress alone, we have seen 7 competing bills introduced—3 in the House and 4 in the Senate.

The country is paying a price for this inability to produce a consensus solution. That price is evident not only in loss of market share and constraint on internet commerce, but also in the steady erosion of the ability of law enforcement's and national security agencies' to monitor criminal activity or activities that threaten our national interest.

We simply must find a comprehensive national policy that protects both U.S. national security and U.S. international market share—sooner rather than later. And I believe we can.

After many months of participating in discussions on encryption policy and hearing from all sides of this complex issue, I have reached two conclusions. First, the Administration has and is continuing to make good-faith efforts to reach agreement on the numerous complex issues that underlie our encryption policy. And second, there is already considerable agreement on a series of key issues. The challenge is to pull together to forge a consensus encryption policy for the 21st Century.

Earlier this year, I sent a letter to Vice President GORE asking for the Administration's goals and plans for encryption policy. In his response to me, the Vice President indicated that he supports "energizing an intensive discussion that will apply the unparalleled expertise of U.S. industry leaders in developing innovative solutions that support our national goals." Subsequent actions demonstrate that the Vice President and this Administration have been true to their word.

In the last several months, the Administration has engaged in intensive discussions with the Americans for Computer Privacy, an important business-oriented interest group. These discussions have focused on technical, policy, legal, and business issues associated with encryption, and the impact of strong encryption on law enforcement and national security. The Administration is also reviewing ACP's proposals for export relaxation. I have been assured by senior Administration officials that, in making decisions on our encryption policy, the Administration recognizes it must carefully consider commercial needs as well as law enforcement and national security interests.

As a result of the Administration's statements and actions, I am more convinced than ever that there is already agreement on a significant number of issues and that a consensus on encryption policy is possible in the not-to-distant future. First, all parties accept the need for and reality of strong encryption products. Second, all parties agree that strong encryption products are essential to the growth of electronic commerce and the internet. Third, all parties agree that 40-bit keys are inadequate to ensure privacy and security. Fourth, all parties agree that doing nothing has a real and significant downside. According to a recent study, maintaining existing encryption policies will cost the U.S. economy as much as $96 billion over the next 5 years in lost sales and slower growth in encryption-dependent industries. Finally, all parties agree that doing nothing is unsustainable because the relaxed restrictions the Administration placed on 56-bit encryption products expire at the end of the year and must be addressed within the next month or two.

So where does this leave us? Unfortunately, while recent discussions between industry and the Administration have been fruitful, they have not gone far enough or proceeded fast enough to produce the kind of agreement I believe the majority of the Congress would all like to see. The time has come for the Administration to announce exactly where it stands on several key issues—including how it intends to proceed when the current relaxed restrictions on 56-bit encryption expire.

Having urged the Administration to greater efforts, I must also ask if it would not be constructive for those who are most frustrated with the pace of change in this area to take a step back and closely examine their own positions. For example, several of the bills introduced in the Congress this session call for the Secretary of Commerce to have exclusive jurisdiction over the export of encryption products. Despite the widespread agreement that the sale of encryption products has important ramifications for our national security and law enforcement, these bills would give no role to officials from the Justice Department, the FBI, or the intelligence community in the decision process regarding which encryption products can be legally sold.

This fact would be noteworthy even in isolation. It is even more remarkable when one combines it with the observation that many of the adherents to this laissez-faire approach to export controls for encryption products are the most vocal critics of the Administration's export policies for commercial satellites.

The incongruity of these two positions is stunning. Trying to reconcile them is impossible. There are only two conclusions to be drawn from this inconsistency. Either the right hand does not know what the left is doing, or at least part of the criticism directed at the Administration is politically motivated.

I will be working with the Administration and my colleagues in the days ahead in the hope of reaching some consensus on national encryption policy. I am hopeful that over the next few weeks we can begin to resolve the numerous difficult issues that remain. Neither industry nor government is likely to get 100 percent of what it wants. However, if both sides are flexible and cognizant of the stakes involved, I am hopeful we can reach an agreement that's good for consumers, good for business, and good for law enforcement and national security.

OMNIBUS PATENT ACT OF 1997

Mr. LEAHY. Mr. President, I am here once again to talk about S. 507, the Omnibus Patent Act of 1997. On this date back in 1878, a gentleman named Thaddeus Hyatt was granted a patent for reinforced concrete. Now, 120 years later, the Senate is refusing to reinforce American innovation by failing to take concrete action to reform our nation's patent laws.

We are presented with an opportunity that will not soon repeat itself—an opportunity to pass S. 507 and give U.S. inventors longer patent terms, put more royalties in their pockets, save them money in costly patent litigation, and avoid wasting their development resources on duplicative research. At the same time, we can get our new technology more rapidly into the marketplace and make U.S. companies more competitive globally.

Remaining globally competitive is not an idle concern. The failure of this body to enact the reforms of our patent system contained in S. 507 has given foreign entities applying for and receiving patents in the U.S. unfair advantages over U.S. firms—advantages that U.S. persons filing and doing business abroad do not have. This ability to keep U.S. inventors in the dark about the latest technological developments does not work to our economic advantage. Why are we turning our backs on our businesses, small and large, by not voting on this bill?

I have made recent speeches citing the strong support this legislation has around the country. This legislation has more than just Vermont or any state in mind. It has the entire country in its best interest. Our 200 year old patent system has provided protections to many of our inventions that have led to our global economic leadership position in the world marketplace. However, that leadership position is being threatened. Litigation has increased. Small inventors have been taken advantage of. Inventors and businesses are asking for our help and requesting that we pass S. 507.

The Senate Judiciary Committee reported this bill out over a year ago by an overwhelmingly bipartisan vote of 17–1, and this bill has yet to see the light of day on the floor. No longer can we turn the other cheek when American business lets out such a cry for help. We need to bring this bill to the floor now and to pass it. We must not squander this opportunity to not only update our patent system but to come to America's defense.

I inserted into the CONGRESSIONAL RECORD on June 23, letters of support from the White House Conference on Small Businesses, the National Association of Women Business Owners, the Small Business Technology Coalition, National Small Business United, the National Venture Capital Association, and the 21st Century Patent Coalition.

On July 10, I inserted into the CONGRESSIONAL RECORD additional letters of support from The Chamber of Commerce of the United States of America; the Pharmaceutical Research and Manufactures of America, PhRMA; the American Automobile Manufacturers Association; the Software Publishers Association; the Semiconductor Industry Association; the Business Software Alliance; the American Electronics Association; and the Institute of Electrical and Electronics Engineers, Inc.

I now ask that additional letters of support for S. 507 be printed in the RECORD. These letters are from IBM; the Biotechnology Industry Organization; the International Trademark Association; 3M; Intel Corporation; Caterpillar; AMP Incorporated; and Hewlett-Packard Company.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

IBM INTERNET MEDIA GROUP,
Essex Junction, VT, June 6, 1998.

Hon. PATRICK LEAHY,
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: As an inventor I rely on the strength of the U.S. patent system to legally protect my invention(s). I am also the chairman of an ANSI standardization committee (NCITS L3.1) which represents the United States in an International Standardization Forum (ISO/IEC JTC 1/SC 29/WG 11). Our committee has developed the Emmy Award winning standard called MPEG–2, a standard which may have never come to pass had it not been for strong International parent protection. We are currently working on the future of International Multimedia (MPEG–4), a standard which promises to be as popular and widely used as MPEG–2 will be. The strength of the patent laws is essential to promoting participation and the development of International Standards. However, the system which for years has effectively encouraged innovation and protected inventors, is no longer effective. A significant number of ways have been found to abuse it, such as people and/or companies obtaining inappropriate patents and in some cases pilfering others' hard-earned invention. This threatens to undermine America's position as the global leader in technology innovation. I am proud that my work as an inventor has contributed to IBM's patent portfolio.

There is no legislation pending before you that will help restore leadership and integrity to the U.S. patent system. It is responsive to today's fast paced, highly competitive environment, and it will protect inventors like me. I am writing to ask you to urge Majority Leader Lott (R-MS) to bring S. 507, the Omnibus Patent Act of 1997, to the Senate floor as soon as possible and for you to support its final passage.

The bipartisan Omnibus Patent Act of 1997, S. 507, was passed out of the Senate Judiciary Committee 17–1 and has not yet been brought up for a floor vote. The House of Representatives also passed a similar bill in May 1997. Five former Commissioners of the Patent and Trademark Office (PTO) support this bill. A Senate floor vote is the only way to continue the process to enact this legislation that would help protect inventors and companies from patent system abuse.

Please help protect America's intellectual property and urge Majority Leader Lott (R-MS) to bring this bill to the floor for a vote. Thank you for your attention to this matter, and as a concerned constituent, I request your support of this legislation.

Sincerely,

PETER P. SCHIRLING,
IBM Senior Engineer.

JUNE 18, 1998.

Re Scheduling Debate on Patent Reform Legislation, S. 507 (Hatch/Leahy).

United States Senator,
Washington, DC.

DEAR SENATOR: We are writing to urge you to support scheduling of the patent reform legislation, S. 507, on the Senate floor before the August recess. This legislation is supported by an overwhelming majority of the Senators and the few Senators who have amendments to offer can easily be accommodated in a time agreement.

BIO has been working on this critical legislation for four years, the House passed the bill by a lopsided and bipartisan margin, and it emerged from the Senate Judiciary Committee on a near-unanimous vote. There are very few issues for the Senate debate or conference with the House. It should be easy to complete action on this bill and enact it into law this session. Doing so will be a major victory for biomedical and other research.

This bill answers the concerns raised by the biotechnology industry and other high technology industries regarding the erosion of patents caused by the adoption of the GATT 20 year-from-filing regime. We need to enact this bill to provide vital protection to biotechnology firms conducting research on cures and therapies for cancer, AIDS, Alzheimer's, and other deadly and disabling diseases.

The Biotechnology Industry Organization (BIO) represents almost 800 companies and organizations that use or support biotechnology research. Our companies are finding the next generation of medicines and cures for endemic diseases that diminish the quality of life for all Americans. On a per capita basis, our companies invest more in research and development than any other industry—almost ten times the national average—or about $100,000 per employee per year. This industries investment (almost 10 billion dollars in 1998) is protected primarily through the patent system.

Patents as an incentive for this critical research. Without patents this research would stop because no investor will fund this research without patents. This is why the patent term protections in this bill are so important. The Hatch-Leahy patent term bill provides complete and unequivocal protections to ensure that diligent patent applicants will not lose patent term under the new GATT 20 year patent law.

There is no industry which has lost more in patent protection under the new GATT 20 year patent term than the biotechnology industry. Our industry has been working for three years to secure protections so that diligent patent applicants cannot, and will not, lose patent protection under this new law. It is imperative that the GATT law be amended to protect diligent patent applicants this year.

Diligent patent applicants cannot lose patent term under the patent provisions of Hatch-Leahy bill. If there are any delays in the grant of a patent by the Patent and Trademark Office (PTO) which are beyond the applicant's control, the applicant is given extra patent term—day-for-day compensation. This is a similar system which now applies when a patent holder loses patent term due to delays in the approval of a product by the Food and Drug Administration. So, the solution provided by the Hatch-Leahy bill is tried and tested and it works.

In addition to these patent term provisions, the Hatch-Leahy bill also provides for publication of internationally filed patent applications 18 months after filing and BIO supports this provision as well. Our companies file for patents in Europe and Japan where all applications are published after 18 months. Therefore 18 month publication in the United States will place U.S. companies on equal footing to their European and Asian competitors.

We enthusiastically support the patent term and publication provisions of the Hatch-Leahy bill, know that it solves the patent term problem, urge you to support scheduling of this bill and support final passage. The current GATT/TRIPS law is very problematic for the biotechnology industry and enactment of S. 507 is needed to eliminate the disincentive for biomedical research,

Please contact us with any questions about this critical issue; we would be pleased to meet with you to discuss them.

Sincerely,

CHARLES E. LUDLAM,
Vice President for Government Relations.
DAVE SCHMICKEL,
Patent and Legal Counsel.

INTERNATIONAL TRADEMARK ASSOCIATION,
Washington, DC, May 8, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: You already know of our association's strong support for S. 507, the Omnibus Patent Reform Act. Our members are trademark owners located in every state of the union. This bipartisan bill makes important changes to the U.S. Patent and Trademark Office (USPTO) that are necessary to enable the USPTO to respond efficiently and effectively to the tremendous growth in trademark applications generated by our robust economy.

With next week designated as "High Tech Week" in the Senate, where legislation dealing with new technology will be considered, there is no bill that is more deserving of attention and support at this time than S. 507. By converting the USPTO into a government corporation that is 100% user-fee funded, S. 507 will free the agency from constraints which have long hampered efficient operations. Passage of this important legislation will ensure that new products and inventions receive the protection they need both here at home and in global markets.

S. 507 provides great value to intellectual property owners and should be allowed to proceed to the Senate floor. We ask for your help in gaining passage of S. 507.

Sincerely,

DAVID STIMSON,
President.

3M, OFFICE OF
INTELLECTUAL PROPERTY COUNSEL,
St. Paul, MN, June 9, 1998.

Hon. PATRICK LEAHY,
United States Senate,
Washington, DC.

DEAR SENATOR LEAHY: I am writing to express the strong support of the 3M Company for the reforms contained in S. 507, the Hatch/Leahy Omnibus Patent Reform Act, and to request that you ask Senator Lott to schedule it for a Senate vote as soon as possible. S. 507 is critically important to U.S. industry. Its reforms will strengthen and improve the United States patent system, allowing American industry to compete more effectively with its foreign competition.

S. 507 will give the U.S. Patent and Trademark Office the administrative flexibility to operate at peak efficiency, save inventors money, and accelerate patent processing. It will allow American inventors and companies to see foreign technology contained in U.S. patent applications more than a year earlier than today, while ensuring that domestic inventors who choose not to take advantage of publication before patent grant may continue to do so if they do not file outside of the U.S. The legislation will guarantee diligent applications a patent term of at least 17 years from grant and most will receive an even longer term of exclusivity. S. 507 would also make existing reexamination procedures more effective by allowing greater third party participation, while adding numerous safeguards to protect against abuse.

One specific reform of S. 507 which 3M most strongly supports is that of creating a prior domestic commercial use defense. This long overdue reform will protect manufacturing jobs in American companies like 3M by ensuring that a late filed patent—nearly one-half of U.S. patents are foreign owned—will not disrupt domestic manufacturing operations. Important technology underlying our successful Post-it® Notes such as those attached to this letter—and the jobs of the American workers who produce them—will be made safer against foreign attack by the passage of S. 507.

The reforms in S. 507 are designed to improve the functioning of the patent system for all users, large and small. In fact, Senators Hatch and Leahy have recently agreed to amend their bill on the Senate floor in response to requests from small businesses. With these changes, key small business constituencies such as the Technology Chairs of the White House Conference on Small Business, the National Association of Women Business Owners, and the Small Business Technology Coalition have expressed their enthusiastic support for S. 507.

U.S. industry needs these patent reforms now. Support S. 507 and urge Senator Lott to bring it to a vote promptly.

Sincerely,

GARY L. GRISWOLD,
Staff Vice President and
Chief Intellectual
Property Counsel.

INTEL CORPORATION
Santa Clara, CA, June 12, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate,
433 Russell Senate Office Building.

DEAR SENATOR LEAHY: For the past four years, Intel has been an active participant in the 21st Century Patent Coalition, which supports the enactment of patent reform legislation (S. 507). S. 507 would accomplish three broad goals of vital importance to our industry: modernizing patent administration, improving and simplifying dispute resolution procedures in the Patent and Trademark Office, and strengthening inventors' rights in a number of ways, most importantly by protecting them from loss of term due to Patent Office delays. Our coalition has the support of over 80 major American industrial companies and 22 industry associations that are composed, primarily, of small businesses.

Now, S. 507—which passed the House on a voice vote last year, and was approved in the Senate Judiciary by a vote of 17–1—is ready for floor action in the Senate. Our coalition has worked hard to address any and all legitimate concerns about the text of the bill and its impact upon small business entities and independent inventors, and we believe that it would, if enacted, create the most pro-inventor patent system in the world. It has recently received the enthusiastic support of the White House Conference on Small Business Technology Chairs, the National Association of Women Business Owners, and the Small Business Technology Coalition.

The patent system we have today will be ill equipped to serve the needs of inventors in the next century if the improvements provided for in S. 507 are not made. We ask for your help in scheduling S. 507 for a floor vote, and for your support for the Committee bill on final passage.

Your support will help preserve America's role as the world's technology leader.

Sincerely,

CARL SILVERMAN,
Director of Intellectual Property.

CATERPILLAR INC.,
Peoria, IL, June 3, 1998.

Hon. PATRICK J. LEAHY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LEAHY: I am writing to express Caterpillar's strong support for S. 507 (Hatch/Leahy), The Omnibus Patent Act of 1997. As you know, S. 507 was reported from the Senate Judiciary Committee on a vote of 17–1 and is awaiting Senate floor action. A companion bill passed the House last year.

S. 507 would modernize the U.S. patent system through major improvements in our patent laws that will greatly benefit America's large and small businesses, inventors and entrepreneurs. For Caterpillar, this legislation will mean reduced costs, reduced risk, reduced bureaucracy, fewer lawsuits, more certainty regarding property rights, and generally a faster, more responsive patent system.

Equally significant, key small business groups now agree that S. 507 will streamline the patent process and help America's inventors who currently suffer from delays in the patent office that are not their fault.

It's time for the Senate to vote on this bill to help strengthen the U.S. economy and keep jobs in America.

I urge you to contact Majority Leader Lott in support of early scheduling of S. 507 for floor debate, and support the efforts of its sponsors to adopt a bill without weakening amendments.

Sincerely,

WILLIAM B. HEMING,
General Patent Counsel.

AMP INCORPORATED,
Washington, DC, June 3, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LEAHY: Please ask Senator Lott to bring S. 507, the Hatch-Leahy Omnibus Patent Act, to the floor as soon as possible. This patent reform is important to AMP, our employees, and the hundreds of inventors in our company who think up new ideas to produce better products, to keep our company competitive, and to create new jobs.

It's time to bring this bill up for a vote. The technology chairs of the White House Conference on Small Business have approved S. 507 because, "(it) will lower the litigation costs for small business, make it easier to know what areas of technology are open for innovation, and will go a long way towards giving us a more level playing field vis-a-vis our foreign competitors." AMP and the dozens of other companies and associations in the 21st Century Patent Coalition agree.

This bill has undergone months and months of scrutiny and compromise and is now ready for a vote. I hope you'll encourage the Majority Leader to schedule floor time for this reasonable reform measure.

If you need any more information about S. 507, please let me know.

Sincerely,

JOHN PALAFOUTAS,
Director, Federal Relations.

HEWLETT-PACKARD COMPANY,
Palo Alto, CA, June 22, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LEAHY: S. 507, the Omnibus Patent Act, has been reported out of the Judiciary Committee, but is appears that Majority Leader Lott needs some encouragement to schedule the bill for floor action. Hewlett-Packard Company strongly supports enactment of S. 507 and would appreciate your support in urging Senator Lott to put the bill on the calendar.

Enactment of S. 507 would assure that inventors can receive a full 17 years—or more—of patent protection if they pursue their patent claims in a timely manner. It would also streamline patent operations to expedite processing and accelerate the dissemination of new technologies for continuing advancement in products and services.

Significantly, S. 507 achieves these important goals without threatening a return to the "submarine patent" system that existed before the 1995 reform. Under the old policy, an inventor could manipulate the patent system to stretch the term even while withholding the new knowledge from society. Prior to 1995, inventors could wait until the technology had ripened, and then essentially extort license fees form another inventor who had independently, in good faith, created the same or a similar invention.

While "submarine patents" are infrequent, when they strike, they are egregious. In an HP cases, for example, the company has paid millions of dollars in royatlieis to a Swedish inventor whose patent has expired in every other country except the United States. This inventor contributed nothing to the technology that is in use, in fact, he did not offer to work with the consortium that was developing the technology in an open-systems environment. A more thorough explanation of that case is attached for your review.

Senator Hatch and other supporters of S. 507 have worked diligently with small business and independent inventors to resolve concerns about the bill. It is a good compromise for a more effective patent system as we head into the 21st century. HP urges your support for S. 507 without weakening amendments that would revive the submarine patent system.

Sincerely,

LEW PLATT,
Chairman, President and Chief Executive Officer.

U.S. FOREIGN OIL CONSUMPTION FOR WEEK ENDING JULY 10TH

Mr. HELMS. Mr. President, the American Petroleum Institute has reported that for the week ending July 10 that the U.S. imported 9,323,000 barrels of oil each day, 1,645,000 barrels a day more than the 7,678,000 imported during the same week a year ago.

Americans relied on foreign oil for 59.6 percent of their needs last week. There are no signs that the upward spiral will abate. Before the Persian Gulf War, the United States imported about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970s, foreign oil accounted for only 35 percent of America's oil supply.

All Americans should ponder the economic calamity certain to occur in the U.S. if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the U.S.: now 9,323,000 barrels a day at a cost of approximately $104,137,910 a day.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, July 15, 1998, the federal debt stood at $5,529,722,681,857.67 (Five trillion, five hundred twenty-nine billion, seven hundred twenty-two million, six hundred eighty-one thousand, eight hundred fifty-seven dollars and sixty-seven cents).

One year ago, July 15, 1997, the federal debt stood at $5,357,143,000,000 (Five trillion, three hundred fifty-seven billion, one hundred forty-three million).

Five years ago, July 15, 1993, the federal debt stood at $4,333,088,000,000 (Four trillion, three hundred thirty-three billion, eighty-eight million).

Ten years ago, July 15, 1988, the federal debt stood at $2,553,732,000,000 (Two trillion, five hundred fifty-three billion, seven hundred thirty-two million).

Fifteen years ago, July 15, 1983, the federal debt stood at $1,329,911,000,000 (One trillion, three hundred twenty-nine billion, nine hundred eleven million) which reflects a debt increase of more than $4 trillion—$4,199,811,681,857.67 (Four trillion, one hundred ninety-nine billion, eight hundred eleven million, six hundred eighty-one thousand, eight hundred fifty-seven dollars and sixty-seven cents) during the past 15 years.

ADDITIONAL COSPONSOR—S. 2022

Mrs. MURRAY. Mr. President, I ask unanimous consent that my name be added as a cosponsor of S. 2022, the Crime Identification Technology Act of 1998. Mr. President, inadvertently my name was left out and I was not included as a cosponsor on July 13, 1998, the day I spoke on the Senate floor urging the passage of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

30TH ANNIVERSARY OF UMAS OF COLORADO

Mr. CAMPBELL. Mr President, today I take this opportunity to recognize the 30th anniversary and reunion of the United Mexican-American Students of Colorado.

In July 1968, Mexican-American students at the University of Colorado at Boulder came together to discuss the formation of an organization committed to initiating change within the educational system to serve the needs of the Mexican-American community and to recruit minority students to the institution. The outcome of that meeting was the formation of the United Mexican-American Students (UMAS).

Later that same summer, fifty minority students were admitted into a tutorial program initiated by university professors and students to make higher education accessible to African American and Chicano students. UMAS students worked for the program. The Migrant Action Program also brought migrant workers into the university and they also became UMAS members.

A student referendum initiated and supported by UMAS was passed in March 1969 which dedicated five dollars from registration fees each semester to create scholarships for minority students. These funds and federal matching funds allowed UMAS to implement tutorial counseling, recruitment and financial aid programs. On-campus accredited summer remedial programs followed. Students who successfully completed those classes gained admission and earned financial aid.

UMAS has thrived on the Boulder Campus of the University of Colorado for three decades. This summer marks the thirtieth anniversary of the organization. To mark this important anniversary, UMAS alumni and supporters will come together to renew their commitment and unity.

Mr. President, I commend the work of UMAS students and alumni associations for their commitment and continuing efforts to serve deserving students on the Boulder campus of the University of Colorado. As someone who has experienced hardship, I sincerely appreciate the empowerment UMAS has offered to thousands of deserving students.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–6048. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Pipeline Safety: Incorporation by Reference of Industry Standard on Leak Detection" (RIN21137–AD06) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6049. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; General Electric Company GE90 Series Turbofan Engines" (Docket 98–ANE–17–AD) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6050. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Pratt and Whitney JT9D Series Turbofan Engines" (Docket 97–ANE–04) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6051. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Rolls-Royce Limited, Aero Division-Bristol, S.N.E.C.M.A., Olympus 593 Series Turbojet Engines" (Docket 98–ANE—13–AD) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6052. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A300 Series Airplanes" (Docket 98-NM–31–AD) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6053. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Area: Copper Canyon, Lake Havasu, Colorado" (Docket 11–97–010) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6054. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulations; World Series of Power Boat Racing on Mission Bay (formerly known as Thunderboat Regatta)" (Docket 11–98–009) received on July 13, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6055. A communication from the Aberdeen Area Director, Bureau of Indian Affairs, Department of the Interior, transmitting a report on the Aberdeen Area Management, Accounting and Distribution Pilot Project; to the Committee on Indian Affairs.

EC-6056. A communication from the Director of the Office of Rulemaking Coordination, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Worker Protection Management for DOE Federal and Contractor Employees" (DOE O 440.1A) received on July 8, 1998; to the Committee on Energy and Natural Resources.

EC-6057. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Food Labeling: Warning and Notice Statement; Labeling of Juice Products" (RIN0910-AA43) received on July 14, 1998; to the Committee on Labor and Human Resources.

EC-6058. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals for fiscal year 1998 dated July 13, 1998; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Agriculture, Nutrition, and Forestry, to the Committee on Energy and Natural Resources, to the Committee on Finance, to the Committee on Foreign Relations, and to the Committee on Indian Affairs.

EC-6059. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Missouri" (FRL6124-7) received on July 14, 1998; to the Committee on Environment and Public Works.

EC-6060. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule entitled "Pseudomonas Fluorescens Strain PRA-25; Temporary Exemption From the Requirement of a Tolerance" (FRL6016-7) received on July 14, 1998; to the Committee on Environment and Public Works.

EC-6061. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule entitled "Myclobutanil; Extension of Tolerance for Emergency Exemptions" (FRL6016-8) received on July 14, 1998; to the Committee on Environment and Public Works.

EC-6062. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule entitled "Fipronil; Pesticide Tolerance" (FRL5768-3) received on July 14, 1998; to the Committee on Environment and Public Works.

EC-6063. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of a rule regarding the delegation of emission standard enforcement authority to the Arizona Department of Environmental Quality (FRL6123-4) received on July 14, 1998; to the Committee on Environment and Public Works.

EC-6064. A communication from the Acting Director of the Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule regarding perch fishery in the Eastern Aleutian Islands (Docket 971208298-8055-02) received on July 14, 1998; to the Committee on Commerce, Science, and Transportation.

EC-6065. A communication from the Associate Managing Director for Performance Evaluation and Records Management, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Commercial Availability of Navigation Devices" (Docket 97-80) received on July 15, 1998; to the Committee on Commerce, Science, and Transportation.

EC-6066. A communication from the Associate Managing Director for Performance Evaluation and Records Management, Federal Communications Commission, transmitting, pursuant to law, the report of a rule regarding the streamlining of radio technical rules (Docket 98-93) received on July 15, 1998; to the Committee on Commerce, Science, and Transportation.

EC-6067. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of the Orphan Products Board for calendar year 1997; to the Committee on Labor and Human Resources.

EC-6068. A communication from the Acting Assistant General Counsel for Regulations, Department of Education, transmitting, pursuant to law, the report of a rule entitled "William D. Ford Federal Direct Loan Program" received on July 14, 1998; to the Committee on Labor and Human Resources.

EC-6069. A communication from the Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adhesives and Components of Coatings" (Docket 90-F-0142) received on July 14, 1998; to the Committee on Labor and Human Resources.

EC-6070. A communication from the Acting Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers (pigments)" (Docket 97F-0305) received on July 8, 1998; to the Committee on Labor and Human Resources.

EC-6071. A communication from the Acting Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers (stabilizers)" (Docket 97F-0469) received on July 8, 1998; to the Committee on Labor and Human Resources.

EC-6072. A communication from the Acting Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Polymers" (Docket 90F-0435) received on July 8, 1998; to the Committee on Labor and Human Resources.

EC-6073. A communication from the Acting Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers (polyethylene films)" (Docket 97F-04689) received on July 8, 1998; to the Committee on Labor and Human Resources.

EC-6074. A communication from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Disclosure for Adjustable-Rate Mortgage Loans" (RIN1550-AB12) received on July 14, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC-6075. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled "Revisions to the Freedom of Information Act Regulation" (RIN3069-AA71) received on July 14, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC-6076. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed transfer of missiles from Belgium to the Government of Turkey (RSAT-3-98); to the Committee on Foreign Relations.

EC-6077. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, the texts of international agreements other than treaties entered into by the United States (98-90 to 98-100); to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

H.R. 1085. A bill to revise, codify, and enact without substantive change certain general and permanent laws, related to patriotic and national observances, ceremonies, and organizations, as title 36, United States Code, "Patriotic and National Observances, Ceremonies, and Organizations".

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 207. A resolution commemorating the 20th anniversary of the founding of the Vietnam Veterans of America.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 1134. A bill granting the consent and approval of Congress to an interstate forest fire protection compact.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1645. A bill to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 2192. A bill to make certain technical corrections to the Trademark Act of 1946.

S. 2193. A bill to implement the provisions of the Trademark Law Treaty.

S.J. Res. 35. A joint resolution granting the consent of Congress to the Pacific Northwest Emergency Management Arrangement.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Kim McLean Wardlaw, of California, to be United States Circuit Judge for the Ninth Circuit.

Jose de Jesus Rivera, of Arizona, to be United States Attorney for the District of Arizona for the term of four years.

(The above nominations were reported with the recommendation that they be confirmed.)

By Mr. HELMS, from the Committee on Foreign Relations:

Treaty Doc. 105-43 Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Exec. Rept. 105-19)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, adopted at Paris on November 21, 1997, by a conference held under the auspices of the Organization for Economic Cooperation and Development (OECD), signed in Paris on December 17, 1997, by the United States and 32 other nations (Treaty Doc. 105-43), subject to the understanding of subsection (a), the declaration of subsection (b), and the provisos of subsection (c).

(a) UNDERSTANDING.—The advice and consent of the Senate is subject to the following understanding, which shall be included in the instrument of ratification and shall be binding on the President:

EXTRADITION.—The United States shall not consider this Convention as the legal basis for extradition to any country with which the United States has no bilateral extradition treaty in force. In such cases where the United States does have a bilateral extradition treaty in force, that treaty shall serve as the legal basis for extradition for offenses covered under this Convention.

(b) DECLARATION.—The advice and consent of the Senate is subject to the following declaration:

TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1998, and Condition (8) of the resolution of ratification of the Document Agreed Among States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISOS.—The advice and consent of the Senate is subject to the following provisos:

(1) ENFORCEMENT AND MONITORING.—On July 1, 1999, and annually thereafter for five years, unless extended by an Act of Congress, the President shall submit to the Committee on Foreign Relations of the Senate, and the Speaker of the House of Representatives, a report that sets out:

(A) RATIFICATION.—A list of the countries that have ratified the Convention, the dates of ratification and entry into force for each country, and a detailed account of U.S. efforts to encourage other nations that are signatories to the Convention to ratify and implement it.

(B) DOMESTIC LEGISLATION IMPLEMENTING THE CONVENTION.—A description of the domestic laws enacted by each Party to the Convention that implement commitments under the Convention, and an assessment of the compatibility of the laws of each country with the requirements of the Convention.

(C) ENFORCEMENT.—An assessment of the measures taken by each Party to fulfill its obligations under this Convention, and to advance its object and purpose, during the previous year. This shall include:

(1) an assessment of the enforcement by each Party of its domestic laws implementing the obligations of the Convention, including its efforts to:

(i) investigate and prosecute cases of bribery of foreign public officials, including cases involving its own citizens;

(ii) provide sufficient resources to enforce its obligations under the Convention;

(iii) share information among the Parties to the Convention relating to natural and legal persons prosecuted or subjected to civil or administrative proceedings pursuant to enforcement of the Convention; and

(iv) respond to requests for mutual legal assistance or extradition relating to bribery of foreign public officials.

(2) an assessment of the efforts of each Party to:

(i) extradite its own nationals for bribery of foreign public officials;

(ii) make public the names of natural and legal persons that have been found to violate its domestic laws implementing this Convention; and

(iii) make public pronouncements, particularly to affected businesses, in support of obligations under this Convention.

(3) an assessment of the effectiveness, transparency, and viability of the OECD monitoring process, including its inclusion of input from the private sector and non-governmental organizations.

(D) LAWS PROHIBITING TAX DEDUCTION OF BRIBES.—An explanation of the domestic laws enacted by each signatory to the Convention that would prohibit the deduction of bribes in the computation of domestic taxes. This shall include:

(i) the jurisdictional reach of the country's judicial system;

(ii) the definition of "bribery" in the tax code;

(iii) the definition of "foreign public official" in the tax code; and

(iv) the legal standard used to disallow such a deduction.

(E) FUTURE NEGOTIATIONS.—A description of the future work of the Parties to the Convention to expand the definition of "foreign public official" and to assess other areas where the Convention could be amended to decrease bribery and other corrupt activities. This shall include:

(1) a description of efforts by the United States to amend the Convention to require countries to expand the definition of "foreign public official," so as to make illegal the bribery of:

(i) foreign political parties or party officials,

(ii) candidates for foreign political office, and

(iii) immediate family members of foreign public officials.

(2) an assessment of the likelihood of successfully negotiating the amendments set out in paragraph (1), including progress made by the Parties during the most recent annual meeting of the OECD Ministers; and

(3) an assessment of the potential for expanding the Convention in the following areas:

(i) bribery of foreign public officials as a predicate offense for money laundering legislation;

(ii) the role of foreign subsidiaries and offshore centers in bribery transactions; and

(iii) private sector corruption and corruption of officials for purposes other than to obtain or retain business.

(F) EXPANDED MEMBERSHIP.—A description of U.S. efforts to encourage other non-OECD member to sign, ratify, implement, and enforce the Convention.

(G) CLASSIFIED ANNEX.—A classified annex to the report, listing those foreign corporations or entities the President has credible national security information indicating they are engaging in activities prohibited by the Convention.

(2) MUTUAL LEGAL ASSISTANCE.—When the United States receives a request for assistance under Article 9 from a country with which it has in force a bilateral treaty for mutual legal assistance in criminal matters, the bilateral treaty will provide the legal basis for responding to that request. In any case of assistance sought from the United States under Article 9, the United States shall, consistent with U.S. laws, relevant treaties and arrangements, deny assistance where granting the assistance sought would prejudice its essential public policy interests, including cases where the Responsible Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Convention is engaged in a felony, including the facilitation of the production or distribution of illegal drugs.

(3) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CHAFEE (by request):

S. 2317. A bill to improve the National Wildlife Refuge System, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CAMPBELL:

S. 2318. A bill to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. BREAUX, and Mr. COCHRAN):

S. 2319. A bill to authorize the use of receipts from the sale of migratory bird hunting and conservation stamps to promote additional stamp purchases; to the Committee on Environment and Public Works.

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2320. A bill to amend the Employee Retirement Income Security Act of 1974 to clarify that an individual account plan shall not be treated as requiring investment in employer securities if an employee can withdraw an equivalent amount from the plan; to the Committee on Finance.

By Mr. REID:

S. 2321. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Truckee Watershed Reclamation Project for the reclamation and reuse of water; to the Committee on Energy and Natural Resources.

By Mr. BREAUX (for himself, Mr. NICKLES, and Mr. HELMS):

S. 2322. A bill to amend the Internal Revenue Code of 1986 to change the determination of the 50,000-barrel refinery limitation on oil depletion deduction from a daily basis to an annual average daily basis; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. BAUCUS, Mr. BREAUX, Mr. ROCKEFELLER, Mr. JEFFORDS, Mr. MACK, Mr. KERREY, Mr. MURKOWSKI, Ms. LANDRIEU, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. BURNS, Mr. HAGEL, Mrs. HUTCHISON, Mr. LEAHY, Mr. HATCH, Mr. GRAHAM, Mr. BINGAMAN, Mr. DOMENICI, Mr. ROBB, and Mr. SANTORUM):

S. 2323. A bill to amend title XVIII of the Social Security Act to preserve access to home health services under the medicare program; to the Committee on Finance.

By Mr. DURBIN (for himself, Mr. CHAFEE, Mr. LAUTENBERG, Mr. TORRICELLI, Mr. REED, and Mrs. BOXER):

S. 2324. A bill to amend section 922(t) of title 18, United States Code, to require the reporting of information to the chief law enforcement officer of the buyer's residence and to require a minimum 72-hour waiting period before the purchase of a handgun, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CAMPBELL:

S. 2318. A bill to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period; to the Committee on Finance.

ESTATE AND GIFT TAX RATE REDUCTION ACT OF 1998

Mr. CAMPBELL. Mr. President. It seems that in every Congress the issue of "death taxes" comes before this body at some time. Each year we tinker around the edges of the issue, making adjustments here and exemptions there. But the fact is, estate and gift taxes still remain a burden on American families, particularly those who own their own businesses.

Family-owned businesses are hit with the highest tax rate when they are handed down to descendants. In fact, the highest estate and gift tax rate is fifty-five percent—that's far higher than even the highest income tax rate bracket of thirty-nine percent. Estate and gift taxes right now are one of the leading reasons why family farms and small businesses are declining; the burden of the inheritance tax is just too crushing. That hardly seems fair to me. It also seems to suggest that families should spend as much money as they can while they are still alive, since whatever they have managed to save will create a huge tax burden when passed on to their descendants.

That is why today I am introducing the Estate and Gift Tax Rate Reduction Act of 1998, which will gradually eliminate this tax burden. That's right, I said eliminate, not reduce. This bill will phase out the estate and gift tax by gradually reducing the amount of the tax by five percent each year until the highest rate—55%—reaches zero. Several states have already taken the initiative and phased out this type of tax on their own. I think it's time we follow the example they have set, and eliminate them across the board. At the same time, we will be encouraging better investment, savings and retirement planning by relieving the threat of an impending tax crisis.

This legislation is a companion bill to H.R. 3879, introduced by our colleague in the House, Congresswoman JENNIFER DUNN. I hope my colleagues will support passage of this bill, and will join me in putting a real end to this oppressive and unfair tax.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2318

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Estate and Gift Tax Rate Reduction Act of 1998".

SEC. 2. FINDINGS.

The Congress finds and declares that—

(1) estate and gift tax rates, which reach as high as 55 percent of a decedent's taxable estate, are in most cases substantially in excess of the tax rates imposed on the same amount of regular income and capital gains income; and

(2) a reduction in estate and gift tax rates to a level more comparable with the rates of tax imposed on regular income and capital gains income will make the estate and gift tax less confiscatory and mitigate its negative impacts on American families and businesses.

SEC. 3. PHASEOUT OF ESTATE AND GIFT TAXES.

(a) REPEAL OF ESTATE AND GIFT TAXES.—Subtitle B of the Internal Revenue Code of 1986 (relating to estate and gift taxes) is repealed effective with respect to estates of decedents dying, and gifts made, after December 31, 2008.

(b) PHASEOUT OF TAX.—Subsection (c) of section 2001 of such Code (relating to imposition and rate of tax) is amended by adding at the end the following new paragraph:

"(3) PHASEOUT OF TAX.—In the case of estates of decedents dying, and gifts made, during any calendar year after 1998 and before 2009—

"(A) IN GENERAL.—The tentative tax under this subsection shall be determined by using a table prescribed by the Secretary (in lieu of using the table contained in paragraph (1)) which is the same as such table; except that—

"(i) each of the rates of tax shall be reduced (but not below zero) by the number of percentage points determined under subparagraph (B), and

"(ii) the amounts setting forth the tax shall be adjusted to the extent necessary to reflect the adjustments under clause (i).

"(B) PERCENTAGE POINTS OF REDUCTION.—

"For calendar year:	The number of percentage points is:
1999	5
2000	10
2001	15
2002	20
2003	25
2004	30
2005	35
2006	40
2007	45
2008	50.

"(C) COORDINATION WITH PARAGRAPH (2).—Paragraph (2) shall be applied by reducing the 55 percent percentage contained therein by the number of percentage points determined for such calendar year under subparagraph (B).

"(D) COORDINATION WITH CREDIT FOR STATE DEATH TAXES.—Rules similar to the rules of subparagraph (A) shall apply to the table contained in section 2011(b) except that the number of percentage points referred to in subparagraph (A)(i) shall be determined under the following table:

"For calendar year:	The number of percentage points is:
1999	1½
2000	3
2001	4½
2002	6
2003	7½
2004	9
2005	10½
2006	12
2007	13½
2008	15."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 1998.

By Mr. REID:

S. 2321. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Truckee Watershed Reclamation Project for the reclamation and reuse of water; to the Committee on Energy and Natural Resources.

TRUCKEE RIVER WATERSHED RECLAMATION PROJECT LEGISLATION

Mr. REID. Mr. President, I introduce today a bill to authorize the Truckee River Watershed Reclamation Project. The water in Nevada is a precious resource that should not be wasted and we need to reuse what we can of this commodity. The Title XVI program in the Bureau of Reclamation is aimed at reclaiming the water for use within the community. The projects that are within this watershed project will in fact be utilized in multiple municipal functions throughout the Truckee River Basin communities.

Specifically, the North Valleys Reuse Project would be to reclaim the wastewater from Reno and Sparks and convey that water to subdivisions extending to the north of Reno for irrigation purposes so that the groundwater can be preserved for domestic and other potable uses. Once the new effluent reuse system is operational, groundwater currently used for irrigation can then be a reliable source in a region with limited resources. Additionally, the Spanish Springs Valley Reuse Project would use treated wastewater with excessive total dissolved solids to be channeled for irrigation and environmental watering. The treated wastewater would be returned to the valley where numerous parks, golf courses, pastures could be irrigated with effluent reducing the quantity of groundwater pumped and improving the quality of the aquifer. Another aspect of this reclamation effort is the protection of the scarce resource during emergency conditions, increases the reliability of domestic water supply in the event of a toxic spill into the Truckee River through a series of optional programs in cooperation with the regional and community resource planners. When this project is authorized and appropriated for the counties can begin their feasibility studies of their projects and programs within its Regional Water Management Plan.

Mr. President, as the ranking member on the Energy and Water Development Appropriations, I have the opportunity to examine closely the Bureau of Reclamation's programs and I appreciate the assistance the Bureau gives to communities throughout the arid west. The first project initiated by the Bureau of Reclamation was in Nevada called the Newlands Project and Nevada communities have benefited from the Federal assistance in water management. Now, the Bureau of Reclamation Title XVI program can be of immeasurable value to the communities in the Truckee River Watershed to preserve and reclaim some of this precious resource.

By Mr. GRASSLEY (for himself, Mr. BAUCUS, Mr. BREAUX, Mr. ROCKEFELLER, Mr. JEFFORDS, Mr. MACK, Mr. KERREY, Mr. MURKOWSKI, Ms. LANDRIEU, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. BURNS, Mr. HAGEL, Mrs. HUTCHISON, Mr. LEAHY, Mr. HATCH, Mr. GRAHAM, Mr. BINGAMAN, Mr. DOMENICI, Mr. ROBB, and Mr. SANTORUM):

S. 2323. A bill to amend title XVIII of the Social Security Act to preserve access to home health services under the Medicare Program; to the Committee on Finance.

HOME HEALTH ACCESS PRESERVATION ACT OF 1998

Mr. GRASSLEY. Mr. President, I rise today in support of the Home Health Access Preservation Act of 1998, which I am introducing today. I have been deeply involved in home care issues throughout my career, and that involvement has deepened in the past year. It was 1 year ago that the Special Committee on Aging, which I chair held a hearing on fraud and abuse of the Medicare home health benefit. That led to a roundtable, where we brainstormed on solutions to that problem. That discussion led to turn to a bill, the Home Health Integrity Preservation Act of 1998, which I was proud to cosponsor with Senator BREAUX.

In March of this year, the Aging Committee held another hearing on home health. This hearing focused on the Balanced Budget Act provisions affecting seniors' access to home care. At this hearing, we learned of the serious problems being caused by the Health Care Financing Administration's surety bond regulations, as well as by the Interim Payment System for home health. Like the earlier hearing, this hearing led to two pieces of legislation. The first was Senate Joint Resolution 50, which would have vetoed the surety bond regulation. I was pleased that this effort brought the administration to the bargaining table, and I believe that the surety bond problem will be solved as we work together.

The second piece of legislation to come out of that hearing is the bill I am introducing today. It addresses a major piece of unfinished business in the home health area, and that is the Interim Payment System. What's wrong with that system? In short, it bases payment on an individual home health agency's historical costs from Fiscal Year 1994. That means that if the agency had high cost per patient in that year, it can receive relatively high payment this year. However, if the agency had low costs in that year, its payments this year is severely limited.

This approach would be fine if the Health Care Financing Administration knew that the higher-cost agency had sicker patients this year, but the sad truth is that HCFA has no idea. So the interim system has been a windfall for some agencies, but crushing for agencies with low historical costs. In Iowa, we are blessed with many efficient providers, but this system seems to prove the old adage that "No good deed goes unpunished." In many cases, the providers who are suffering—and more importantly, whose patients are suffering—are those who most want to keep in the Medicare program.

Another feature of the system is that it treats older and newer home health providers in completely different ways. In some areas of the country, new agencies simply cannot compete with older agencies, while in other areas (such as Iowa), it is the older agencies that are at the disadvantage. This kind of arbitrary distinction just doesn't make sense.

For months, I have worked with a bipartisan group of Finance Committee members on fixing the Interim Payment System. This bill is the product of those efforts. Believe me, if this were an easy issue to tackle, I would have introduced this bill months ago. Instead, we have gone to great lengths to get input from home health providers, as well as from a broad range of Senate colleagues. Those efforts have paid off, and I am gratified to be introducing the bill with seventeen original cosponsors, and maybe more by the end of the day.

The bill has a number of features, but its basic approach is to abandon our reliance on individual agencies' historical costs. Instead, it would pay all agencies—old or new—based on a 50/50 blend of national and regional average rates from the 1994 base year. This 50/50 blend is the only approach that can win support from all parts of the country. In addition, the bill seeks to provide supplemental payments for patients with long stays as home care recipients. We think it is essential that agencies be compensated for taking these neediest patients.

The bill is budget-neutral, which in my opinion it has to be in order to have a chance of passage. There is a great deal of concern, which I share, about the automatic 15 percent cut in all home health payment that will occur in October 1999. We did consider an attempt to address that cut in this bill, but the cosponsors have learned from the Congressional Budget Office that, under its methodology, such language would send the bill's costs skyrocketing. We think that this would doom the bill's chances of enactment this year. We do believe that there is a crisis that needs to be addressed this year, and thus we have not included the 15 percent provision in the bill. I will urge the Senate to revisit that issue next year, when we'll have more information on home health cost growth or decline, but for now it cannot be addressed.

If there was any doubt about the need for action to rectify the Interim Payment System, I believe that it has vanished with the administration's recent indications that prospective payment will not be ready in October 1999, as mandated by Congress. Just this morning, at a hearing of the House Ways and Means Subcommittee on Health, the administrator of HCFA confirmed that the Year 2000 computer problem has made meeting the deadline totally impossible. In fact, at HCFA's suggestion, we have written the per-beneficiary limit numbers into the bill itself, so that HCFA will not need to issue a regulation in order to implement the bill. HCFA just doesn't think it could issue a regulation doing so, in light of its Year 2000 problems. The fact is that we do not know when prospective payment will be ready. We had better do what we can now, to make sure our agencies can hang on until that day.

Let me make a comment about political realities. Our focus was on creating something that could actually pass this year, and so the bill is a product of compromise. In talking with home health providers, I find that many of them understand the need to be realists. I wish that the big national associations were equally reasonable. It is already the middle of July. This bill's moderate approach is the only one that has any chance of moving this year. If there really is an emergency in home health, which I believe, then everyone needs to get serious right now. Let me be more explicit: I call on the home health industry to recognize that this approach is as good as it's gong to get, and to support it. I call on HCFA to make fixing this system a top, near-term priority. And I call on my colleagues here in Congress to unite around a moderate, feasible formula. Our Nation's seniors and disabled are waiting for us.

Mr. BAUCUS. Mr. President, today I am introducing a bill, along with Senator GRASSLEY, Senator ROCKEFELLER and Senator BREAUX, the Home Health Access Preservation Act of 1998. Essentially, our legislation is geared at reforming the home health interim payment system.

Several years ago, because home health care costs were rising at such a rapid, alarming rate, Congress, in the Balanced Budget Act of 1997, decided to do something about it. What did we do? We passed a provision called the interim payment system as a transition interim system for home health care agencies to live under until we move to a prospective payment system.

What does all that mean? It is this: In the first 15 years of Medicare, home health care constituted about 2 percent of the total Medicare budget. Medicare, as we know, is the program that is financed almost entirely out of payroll taxes. Those dollars go to Uncle Sam, and Uncle Sam then pays hospitals and doctors for health care for senior citizens. Part A is hospital care; Part B is doctor's care for senior citizens. Again, only 2 percent of Part A of Medicare—that is the hospital part—was for home health care.

In 1997, however, the total amount of Medicare Part A dollars—that is, the hospital dollars that go out to senior citizens—was about 15 percent. That is a rise from 2 percent up to 15 percent, a staggering increase in home health care.

Why did that happen? Basically, because hospitals were moving patients out of hospitals. They were moving some of the patients into home health care settings. In addition to that, it was a lot cheaper to provide some services out of the hospitals. And, on top of that, seniors prefer to have care at home rather than sometimes in the hospital or perhaps in a nursing home. Home health care has risen dramatically.

Well, as a consequence, there has been extra pressure on the Medicare trust fund. And that is why Congress, in 1997, decided to pass this provision, changing the way we reimburse home health care and moving to a system to try to get a handle on all this rising cost.

The old way that Medicare paid home health care was called cost-based reimbursement. Essentially, a home health care agency would get reimbursed, get paid, for the costs that that home health care agency incurred in treating patients—basically cost-plus; that is, the agency would get whatever it cost and was able to add on just a little bit to stay in business.

As a consequence, several phenomena developed.

In some States, there was a proliferation of home health care agencies. They just sprung up all over because they are cost based. In addition to getting more patients to get reimbursed more, they provide more services to the public.

In some other States, home health care agencies were very efficient; that is, they did their work, and they did not try to provide extra services, nor did they get extra reimbursement.

We are in a position now where the interim system that Congress passed in 1997 is causing problems, and significant problems, for all home health care agencies, in particularly those rural areas. Why is that? It is because the provision we passed, the interim payment system, provided that home health care agencies would be paid on whatever their costs were in 1994.

Well, that means that those home health care agencies that were very efficient in 1994, compared with those who were very inefficient in 1994, are adversely affected. Why is that? That is because, if the payment is based upon 1994 levels, and it is locked in at 1994 levels, and you are a very efficient home health care agency—you are cutting costs—then you are paid less.

On the other hand, if you were a very inefficient home health care agency in 1994, and you are locked into whatever Uncle Sam was paying you in 1994, you can continue to be inefficient. Well, that is obviously not fair. It is not fair to those home health care agencies who were doing a pretty good job.

In addition, there is another problem. The movement from cost-based reimbursement over to what is called a prospective payment reimbursement—that is, paying home health care agencies a certain payment for a given procedure regardless of what else is going on with the agency—is based on the assumption that the efficient home health care agencies, the efficient providers—hospitals are also paid on a prospective payment system—that is, the efficient ones will survive, they will do well; the inefficient, those that are getting the same dollars but are inefficiently run, poorly run, will fail, they will not be able to make it.

That is good—the theory is—because the efficient survive and the inefficient don't. The theory goes on to hold that, well, that is OK for patients, for people, because when the inefficient fails, there is a nearby efficient hospital, or nearby efficient home health care agency in this case. So patients are still well served. They just go to the other, nearby, efficient home health care agency.

That is a false assumption, Mr. President, for rural areas, because in rural areas of America, when an inefficient fails—or for some other reason that home health care agency cannot make ends meet—when it fails, there is no other nearby home health care agency, there is no nearby alternative provider because they are just too many miles apart.

We, Mr. President, are introducing legislation designed to fix this problem until we finally move to a more permanent compensation system for rural health care agencies. Essentially, what it does is, we say to a State, we are going to have a single rate per State, not differential among States, but per State. We also get rid of the cap on agency-specific costs, because we move to a 50–50 blend of regional as well as national averages.

That is, I think, a fair compromise between those who want fixed costs based on a national rate and those who want the rate to be based upon the particular characteristics of the region.

I think this helps. I think it goes a long way to solving the problem that many home health care agencies have. This, by the way, is in addition to the surety bond problem facing home health care agencies, another matter which we are addressing separately.

But I hope this interim measure that we are now reforming will be reformed along the way to provide for, in the bill, making sure that a lot of people get health care who otherwise would not have it available.

Mr. ROCKEFELLER. Mr. President, I rise today to join a number of my colleagues, and most especially Senators GRASSLEY, BAUCUS, and BREAUX, in introducing the "Home Health Care Access Preservation Act of 1998." This legislation seeks to prevent many reputable home health agencies from going out of business and it will ensure that patients continue to have access to quality home care in the future.

I would like to talk about the importance of health care in the lives of our Nation's seniors and why we must take action to protect their access to home care. Some people question why we need to make these changes. I think they ask because when we talk about providing care, sometimes we forget that it is about taking care of someone. Home care is not just about giving people their pills and checking their blood pressure. It's about giving people who need a little help the ability to stay at home, surrounded by their family and friends. It's about preserving the dignity of people who've worked hard their entire lives to provide for their families and serve the community they live in.

Mr. President, our seniors should not lose their right to live life in the way they want because of their age. They want to stay at home. They can get the care they need at home. We can provide it for them. And if we can do it, I think we should.

There are also financial reasons to provide home health care. When managed properly, home health care can save the health system money. Homes care can often be substituted for more expensive care provided in hospitals and nursing homes.

Last year, the Congress made needed reforms to the Medicare Program through the Balanced Budget Act, including moving to a prospective payment system (PPS) for home care. Everyone, including the home health industry, agrees that the Medicare Program should move away from a retrospective payment system and PPS to encourage all providers to be more cost-effective.

The move toward PPS was included among many other reforms to Medicare. We, however, knew that we couldn't move directly into PPS—we needed time and more information to create a workable system. Therefore, the Interim Payment System (IPS) was also established in the BBA to transition home care from fee-for-service to prospective payment. But, in making these changes, the future viability of home health care has been threatened.

Already, at least four home health agencies have gone out of business in my home State of West Virginia. In rural states like West Virginia, sometimes there is only one agency to provide these services in the area. We cannot afford to lose providers without endangering the well-being of our citizens.

Therefore, it is imperative that we again take action to make sure that the home health care problems we're facing today do not become a crisis that we'll have to face in the near future. This legislation will help do just that.

This bill attempts to accomplish three critical goals:

1. Keep agencies viable by providing a badly needed bridge between the old home health payment system and the new system due to be implemented in the next several years.

2. Level the playing field in the home care industry, ensuring that efficient, low cost providers are able to continue providing services as Medicare transitions to a new payment system.

3. Make certain that patients with chronic health needs have continued access to quality care.

Many members of the home health industry are particularly concerned about this issue of providing quality health care to patients with chronic conditions. Under current law, caring for the chronically ill pushes home health agencies closer to the brink of bankruptcy. We share that concern and realize that IPS does not address this issue. As a result, our bill creates supplemental payments to compensate home health agencies for the added costs they incur caring for the chronically ill.

While this bill would address the immediate concerns faced by the home health care industry, and is an important step toward protecting access—there is still more that needs to be done. While the BBA intended for IPS to be a temporary system, it now looks like it may be in place longer than we expected. I have recently learned that HCFA may have to postpone the implementation of the prospective payment system. They will have their hands full restructuring their computer systems to prepare for the year 2000. I remain concerned that if we do not move to PPS quickly, all agencies will face an additional 15 percent across the board cut. Certainly, this will place an undue financial burden on the agencies and force many to close their doors.

Mr. President, I am not advocating going back in time and undo the BBA. However, we must address the inequities that resulted from its enactment, particularly when it comes to making certain our seniors get the care they need. To do this, we must level the playing field so that all reputable home health care agencies can remain competitive. Our legislation will accomplish this by providing a bridge between the old Medicare payment system and the new one.

We have to remain watchful of the situation to make sure that home health care continues to be a viable option for so many in need. We have a commitment to those who came before us and sacrificed so much to make this Nation what it is today. I believe that we have to honor that commitment, and I urge my colleagues to do so by supporting the Home Health Care Access Preservation Act.

Mr. JEFFORDS. Mr. President, I rise to once again express my concern over the plight of Medicare beneficiaries who are in need of home health care services. I am pleased to cosponsor the Home Health Access Preservation Act of 1998, with my colleagues on the Senate Finance Committee, as an attempt to address these concerns. The Interim Payment System which was enacted by this Congress for the reimbursement of home health care services is not achieving the policy goals that Congress wants nor is it not serving the best interest of American citizens.

The act is appropriately titled because, without a correction, access to home health services for Medicare's most vulnerable beneficiaries will be seriously damaged. Since the new reimbursement system has been implemented, no fewer than 1,200 agencies have left Medicare program and most of these 1,200 have been forced to cease operations. Although many of our health policy actions are based upon allowing the market to determine the optimum efficiency of our health care system, we must recognize that not all areas and all sectors are prepared for a rapid change in how these forces operate. The problem of access to home care is particularly troublesome in rural areas and inner cities where these services are sorely needed.

My home State of Vermont is a case in point. Home health agencies and their patients are facing a true crisis. There are only 13 agencies in the State, all not-for-profit, each serving a distinct and separate area. The system was developed to meet the needs of our largely rural State, and all of these agencies have a long tradition of providing quality care to our citizens. We cannot accept the loss of a single agency without serious consequences for patients and other sectors of care.

I want to emphasize that today we are proposing a revision to the home health reimbursement system because of our deep concern for the welfare of those frail elders and disabled individuals who have come to depend upon home care for their very existence. Yes, we are concerned about fiscal responsibility. We remain determined to eliminate fraud and abuse within the Medicare program. Of course, we must find a way to preserve the Medicare Trust Fund for future generations. But it is not acceptable to seek these goals by any mechanism that will impose an even greater burden on those who are most in need of our help.

The Home Health Access Preservation Act of 1998 is budget neutral. It does not change the fact that home health agencies will have to work hard to remain financially viable and allocate their resources carefully. The Act does, however, level the playing field for home health agencies. Under the present IPS system, agencies in close proximity to one another are expected to operate competitively under highly divergent payment limits. Furthermore, under the current IPS system, the most efficient agencies and those that care for the most difficult cases, are hit hardest by the reduction in reimbursement. Thus the Act does provide some relief for agencies in the worst predicament.

Finally, it is important to recognize that the Home Health Access Preservation Act represents an interim resolution to our most pressing concerns. The implementation of a prospective payment system as directed by Congress represents the preferred solution. Thus, the bill requires the Secretary to provide regular quarterly updates to Congress on progress toward the development of the prospective payment system for home health care. But for now, Congress must pass legislation to ensure that home care remains an option for Medicare beneficiaries. We also must pledge to work with the Health Care Financing Administration and the home health industry to replace the interim payment system with a permanent system which better meets the needs of patients and is fair to health care providers.

This Congress struggles with many challenges, but I doubt that there are many that are of greater significance than home health care. Access to home care affects a significant number of persons, has a serious influence on their mental and physical health, and its financial impact is measured in billions of dollars. We must act. We must act quickly to curtail the negative consequences of the payment system as it exists today.

By Mr. DURBIN (for himself, Mr. CHAFEE, Mr. LAUTENBERG, Mr. TORRICELLI, Mr. REED, and Mrs. BOXER):

S. 2324. A bill to amend section 922(t) of title 18, United States Code, to require the reporting of information to the chief law enforcement officer of the buyer's residence and to require a minimum 72-hour waiting period before the purchase of a handgun, and for other purposes; to the Committee on the Judiciary.

THE BRADY WAITING PERIOD EXTENSION ACT OF 1998

• Mr. DURBIN. Mr. President, today I with my colleagues Senators CHAFEE, LAUTENBERG, TORRICELLI, REED, DODD, and BOXER introduce the "Brady Waiting Period Extension Act of 1998." It is vital that we enact this measure this year if we are to ensure Americans that the popular Brady Bill will continue to be one hundred percent effective.

Almost 5 years ago, Congress passed the Brady Bill. That law contained a provision that required a 5 day waiting period before a person can buy a gun. Unfortunately, on November 30 of this year, the waiting period will be eliminated when we begin using the national instant check system for gun purchasers.

I fully support the use of an instant check system to determine if a putative firearm purchaser is legally barred from owning a gun because of a criminal record. But I believe that it must be coupled with a cooling off period.

Let me briefly explain what his legislation would to. It would require that anyone who wishes to buy a handgun must wait three days. There are two exceptions to this requirement. First, if a prospective purchaser presents a written statement from his of her local chief law enforcement officer stating that the handgun is needed immediately because of a threat to that person's life or that of his family, then the cooling off period will not apply. Second, if a prospective purchaser lives in a state that has a licensing requirement—and there are 27 such states—then the federal cooling off period will not apply.

I think that both of these are common sense exceptions. Obviously people who have a legitimate and immediate need of a handgun for self-defense should be able to buy one. And in the states that have licensing or permit systems, the process of getting a permit acts as a state cooling off period.

This measure also requires that when a person applies to buy a gun that the gun shop owner send a copy of the application to the local chief law enforcement officer. In addition, it alters the amount of time that the state or federal government has to investigate a potential purchaser who has an arrest record. Under the law that will go into effect on the first of December this year, if a person with an arrest record applies for a gun, law enforcement will have three days to determine if that arrest resulted in a conviction. The measure we introduce today would give law enforcement five days.

Mr. President, let me walk you through the process of buying a gun if this law were in place.

If you are in a state that does not have a permit system in place, then you go into a store and fill out a purchase form. A copy of that form will be sent to the Insta-Check point of contact for your state and a copy will also be sent to the chief law enforcement officer for where you live. You will then need to wait three days whereupon, assuming that you do not have a criminal record or any of the other disqualifying characteristics, you will be able to pick up your gun.

If on the other hand, when the Insta-Check is run, the FBI learns that you were arrested, then you will have to wait at least 5 days. That five days will be used to determine if the arrest resulted in a conviction. If it did not, then after 5 days you can get your gun. It you were arrested and convicted then you cannot get your gun and may be prosecuted.

Enacting this law is only sensible. A cooling off period may be the only barrier between a woman and her abusive husband whose local restraining order doesn't show up on a computer check or the only obstacle in the way of a troubled person planning to commit suicide and take others with them. A cooling off period will prevent crimes of passion and spontaneous suicides. The list of people who have bought guns and used them within a few hours or a day to kill themselves or others is far too long.

A recent study by the Center to Prevent Handgun Violence demonstrates a disturbing trend that reinforces the need for a cooling off period. Normally, 4 to 5% of all crime guns traced by the police were used in murders. But the study found that 20% of all guns traced within 7 days of purchase were used in murders. That is a startlingly high incidence of guns being bought and used very soon thereafter to commit a murder.

But this measure has a second, equally important justification.

That the Insta-Check system is in very good shape, but it will never be perfect. For example, it will not have a lot of mental health records. And it is unlikely to have information like restraining orders entered in domestic violence cases. Letting local law enforcement know about a potential gun purchase is a good idea—the local sheriff may know that a person trying to buy a gun has a restraining order while the FBI's Insta-check computer might not. In short, then, this bill will help serve as a fail safe mechanism for the Insta-Check system. I for one do not want to learn a year from now that someone got a gun and used it to harm someone else when a simple check of local records in addition to the Insta-Check would have revealed that the purchaser had a history of mental instability.

Making the Brady waiting period permanent is not about more government. It's about fewer gun crime victims. I hope that we can all agree on this goal.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be referred to as the "Brady Waiting Period Extension Act of 1998".

SEC. 2. ESTABLISHMENT OF MINIMUM 72-HOUR HANDGUN PURCHASE WAITING PERIOD.

Section 922(t) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking "before the completion of the transfer, the licensee" and inserting "after the most recent proposal of the transfer by the transferee, the licensee, as expeditiously as is feasible"; and

(ii) by inserting "and the chief law enforcement officer of the place of residence of the transferee" after "Act";

(B) in subparagraph (B)(ii)—

(i) by striking "3" and inserting "5"; and

(ii) by striking "and" at the end;

(C) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following:

"(D) if the firearm is a handgun—

"(i) not less than 72 hours have elapsed since the licensee contacted the system;

"(ii) the transferee has presented to the transferor a written statement, issued by the chief law enforcement officer of the place of residence of the transferee during the 10-day period ending on the date of the most recent proposal of such transfer by the transferee, stating that the transferee requires access to a handgun because of a threat to the life of the transferee or of a member of the household of the transferee; or

"(iii) the law of the State in which the proposed transfer will occur requires, before any licensed importer, licensed manufacturer, or licensed dealer completes the transfer of a handgun to an individual who is not licensed under section 923, that an authorized State or local official verify that the information available to the official does not indicate that possession of a handgun by the transferee would be in violation of the law, and the authorized State or local official has provided such verification in accordance with that law."; and

(2) by adding at the end the following:

"(7) In this subsection, the term 'chief law enforcement officer' means the chief of police, the sheriff, or an equivalent officer of a law enforcement agency, or the designee of any such officer.

"(8) A chief law enforcement officer who is contacted under paragraph (1)(A) with respect to the proposed transfer of a firearm shall, not later than 20 business days after the date on which the contact occurs, destroy any statement or other record containing information derived from the contact, unless the chief law enforcement officer determines that the transfer would violate Federal, State, or local law.

"(9) The Secretary of the Treasury shall promulgate regulations regarding the manner in which information shall be transmitted by licensees to the national instant criminal background check system under paragraph (1)(A).".●

● Mr. LAUTENBERG. Mr. President, I am pleased to join with Senator DURBIN in introducing the Brady Waiting Period Extension Act of 1998.

This legislation will build on the incredible success of the original Brady Act, which I cosponsored. Since that law went into effect in February 1994, our hard-working law enforcement officers have prevented more than 240,000 felons, domestic abusers, and mentally ill people from buying guns. In 1997 alone, 69,000 prohibited purchases were stopped. Because of the Brady Act, and the Domestic Violence Gun Ban which I authored, over 6,000 criminals convicted of domestic violence offenses were prevented from buying a gun last year.

These laws are working. They are saving countless lives, helping to protect women and children, and making our streets safer. Just imagine how much more gun violence there would have been, if these gun purchases had not been stopped.

And the Brady Act does more than just stop handgun purchases—it helps the police put violent criminals behind bars. Consider just a few examples:

The Brady Law stopped a handgun sale in Colorado to a man who was wanted for armed robbery in the State of Washington. As a result of the Brady check, he was arrested in Colorado and extradited back to Washington.

In Utah, an individual trying to purchase a handgun from a pawn dealer was arrested by the Salt Lake City Police Department on a felony warrant held by the State of Colorado for aggravated sexual abuse of a child.

Incredibly, criminals continue to try to buy guns at gun stores. But thanks to the Brady Law, they do not get the deadly tools of their trade, and lives are saved.

The legislation I am introducing today will build upon this success. As my colleagues know, the five-day waiting period for handgun purchases will expire in November of this year, and be replaced with a computerized background check system. While we all hope that this computerized system will work well, there are some potential problems. The Department of Justice and the FBI have done a good job centralizing most crime record, but some information, like restraining orders and mental health records, will not be available through the system.

Our bill will ensure that no criminals slip through the system, by requiring that the Brady forms be sent to the chief law enforcement officer where the buyer resides. This requirement will give local police the opportunity to look through local records and determine whether the buyer is a prohibited purchaser.

This legislation will also provide a 72-hour waiting period for handgun purchases. By maintaining a brief "cooling off" period, we can help prevent crimes of passion and suicides. When you consider that 20 percent of funds used in murders are purchased in the week before the crime, this provision will help save lives.

Mr. President, these are sensible provisions that will help reduce gun violence in our nation. And make no mistake about it, there is much work to be done.

In the United States, firearm violence is currently the second leading cause of injury-related death, behind automobile-related fatalities. This violence is increasing at an alarming rate. By the year 2003, firearm fatalities are projected to become the United States leading cause of injury-related death.

Violence is taking a terrible toll on our children. Homicide is the third leading cause of death for youths 5 to 14 years old and the vast majority of these homicides were committed by firearms.

Mr. President, our nation can do better. We can and we must stop the gun violence on our street. The Brady Waiting Period Extension Act will help us toward that goal, and I urge my colleagues to support it.●

ADDITIONAL COSPONSORS

S. 358

At the request of Mr. DEWINE, the names of the Senator from Oklahoma (Mr. INHOFE), the Senator from Missouri (Mr. BOND), and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 358, a bill to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes.

S. 389

At the request of Mr. ABRAHAM, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 389, a bill to improve congressional deliberation on proposed Federal private sector mandates, and for other purposes.

S. 474

At the request of Mr. KYL, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 474, a bill to amend sections 1081 and 1084 of title 18, United States Code.

S. 852

At the request of Mr. LOTT, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 1413

At the request of Mr. LUGAR, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1413, a bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 1427

At the request of Mr. FORD, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1427, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve lowpower television stations that provide community broadcasting, and for other purposes.

S. 1890

At the request of Mr. DASCHLE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1890, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 1891

At the request of Mr. DASCHLE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1891, a bill to amend the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

S. 1968

At the request of Mr. FORD, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 1968, a bill to amend title 49, United States Code, to authorize the Secretary of Transportation to implement a pilot program to improve access to the national transportation system for small communities, and for other purposes.

S. 2022

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2022, a bill to provide for the improvement of interstate criminal justice identification, information, communications, and forensics.

S. 2145

At the request of Mr. SHELBY, the names of the Senator from Alabama

(Mr. SESSIONS), the Senator from Arkansas (Mr. HUTCHINSON), and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S. 2145, a bill to modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

S. 2190

At the request of Mr. KENNEDY, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2190, a bill to authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes.

S. 2220

At the request of Mr. JOHNSON, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 2220, a bill to provide the President with expedited Congressional consideration of line item vetoes of appropriations and targeted tax benefits.

S. 2222

At the request of Mr. GRASSLEY, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 2222, a bill to amend title XVIII of the Social Security Act to repeal the financial limitation on rehabilitation services under part B of the Medicare Program.

S. 2295

At the request of Mr. MCCAIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2295, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

S. 2316

At the request of Mr. MCCONNELL, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 2316, a bill to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

SENATE JOINT RESOLUTION 50

At the request of Mr. BOND, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of Senate Joint Resolution 50, a joint resolution to disapprove the rule submitted by the Health Care Financing Administration, Department of Health and Human Services on June 1, 1998, relating to surety bond requirements for home health agencies under the medicare and medicaid programs.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. D'AMATO, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from New Mexico (Mr. DOMENICI), the Senator from New York (Mr. MOYNIHAN), the Senator from Iowa (Mr. GRASSLEY), the Senator from North Carolina (Mr. HELMS), the Senator from Illinois (Ms. MOSELEY-BRAUN), the Senator from Michigan (Mr. ABRAHAM), the Senator from Maine (Ms. SNOWE), the Senator from Virginia (Mr. WARNER), the Senator from California (Mrs. FEINSTEIN), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Maine (Ms. COLLINS), and the Senator from Oregon (Mr. SMITH) were added as cosponsors of Senate Concurrent Resolution 105, a concurrent resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

SENATE RESOLUTION 189

At the request of Mr. TORRICELLI, the names of the Senator from Colorado (Mr. CAMPBELL), the Senator from Georgia (Mr. CLELAND), the Senator from Nevada (Mr. BRYAN), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. INOUYE), the Senator from Maryland (Mr. SARBANES), the Senator from Massachusetts (Mr. KERRY), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Oregon (Mr. SMITH), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of Senate Resolution 189, a resolution honoring the 150th anniversary of the United States Women's Rights Movement that was initiated by the 1848 Women's Rights Convention held in Seneca Falls, New York, and calling for a national celebration of women's rights in 1998.

SENATE RESOLUTION 193

At the request of Mr. REID, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Oregon (Mr. SMITH), the Senator from New Hampshire (Mr. SMITH), the Senator from Indiana (Mr. COATS), the Senator from Wyoming (Mr. ENZI), the Senator from Nebraska (Mr. HAGEL), the Senator from Colorado (Mr. CAMPBELL), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of Senate Resolution 193, a resolution designating December 13, 1998, as "National Children's Memorial Day."

AMENDMENTS SUBMITTED

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

GRASSLEY (AND OTHERS) AMENDMENT NO. 3172

Mr. GRASSLEY (for himself, Mr. ROBERTS, Mr. LUGAR, Mr. HAGEL, Mr. BROWNBACK, and Mr. BOND) proposed an amendment to the bill (S. 2159) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 19999, and for other purposes; as follows:

On page 67, after line 23, add the following:

SEC. 7___. SENSE OF THE SENATE CONCERNING APPROPRIATE ACTIONS TO BE TAKEN TO ALLEVIATE THE ECONOMIC EFFECT OF LOW COMMODITY PRICES.

It is the sense of the Senate that—

(1) Congress should pass and the President should sign S. 1269, which would reauthorize fast-track trading authority for the President;

(2) Congress should pass and the President should sign S. 2078, the Farm and Ranch Risk Management Act, which would allow farmers and ranchers to better prepare for fluctuations in the agricultural economy;

(3) the House of Representatives should follow the Senate and provide full funding for the International Monetary Fund;

(4) Congress should pass and the President should sign sanctions reform legislation so that the agricultural economy of the United States is not harmed by sanctions on foreign trade;

(5) Congress should uphold the presidential waiver of the Jackson-Vanik amendment to the 1974 Trade Act providing normal trade relations status for China and continue to pursue normal trade relations with China;

(6) the House and Senate should continue to pursue a package of capital gains and estate tax reforms;

(7) the President should pursue stronger oversight on all international trade agreements affecting agriculture and commerce dispute settlement procedures when countries are found to be violating such trade agreements;

(8) the President should sign legislation providing full deductibility of health care insurance for self-employed individuals; and

(9) the Congress and the administration should pursue efforts to reduce regulations on farmers. The President should use the administrative tools available to him to use Commodity Credit Corporation and Unused Export Enhancement Program funds for humanitarian assistance.

CONRAD (AND OTHERS) AMENDMENT NO. 3173

Mr. CONRAD (for himself, Mr. DORGAN, Mr. CLELAND, Mr. CRAIG, Mr. DASCHLE, Mr. HARKIN, Mr. BAUCUS, Mr. HOLLINGS, Mr. WELLSTONE, Mr. BURNS, Mr. JOHNSON, and Mr. KERREY) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 29, after line 21, add the following:

RESERVE INVENTORIES

For the reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $500,000,000: *Provided*, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): *Provided further*, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

On page 67, after line 23, add the following:

SEC. 7 . RESERVE INVENTORIES.

Section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) is amended—

(1) in the first sentence of subsection (a), by inserting "of agricultural producers" after "distress";

(2) in subsection (c), by inserting "the Secretary or" after "President or"; and

(3) in subsection (h)—

(A) by striking "(h) There is hereby" and inserting the following:

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are"; and

(B) by adding at the end the following:

"(2) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments that don't go for crop disasters, but for income loss to carry out the purposes of this section.".

UNITED STATES PATENT AND TRADEMARK ORGANIZATION ACT OF 1998

LEAHY AMENDMENT NO. 3174

(Ordered to lie on the table.)

Mr. LEAHY submitted an amendment intended to be proposed by him to the bill (S. 507), to establish the United States Patent and Trademark Organization as a Government corporation, to amend the provisions of title 35, United States code, relating to procedures for patent appliations, commerical use of patents, reexamination reform, and for other purposes; as follows:

On page 106, line 1, strike all through line 6 on page 176 and insert the following:

TITLE I—UNITED STATES PATENT AND TRADEMARK ORGANIZATION

SEC. 101. SHORT TITLE.

This title may be cited as the "United States Patent and Trademark Organization Act of 1998".

Subtitle A—Establishment of the United States Patent and Trademark Organization

SEC. 111. ESTABLISHMENT OF THE UNITED STATES PATENT AND TRADEMARK ORGANIZATION AS A GOVERNMENT CORPORATION.

(a) ESTABLISHMENT.—The United States Patent and Trademark Organization is established as a wholly owned Government corporation subject to chapter 91 of title 31, separate from any department, and shall be an agency of the United States under the policy direction of the Secretary of Commerce.

(b) OFFICES.—The United States Patent and Trademark Organization shall maintain its principal office in the District of Columbia, or the metropolitan area thereof, for the service of process and papers and for the purpose of carrying out its powers, duties, and obligations under this title. The United States Patent and Trademark Organization shall be deemed, for purposes of venue in civil actions, to be a resident of the district in which its principal office is located except where jurisdiction is otherwise provided by law. The United States Patent and Trademark Organization may establish satellite offices in such places within the United States as it considers necessary and appropriate in the conduct of its business.

(c) REFERENCE.—For purposes of this title, a reference to the "Organization" shall be a reference to the United States Patent and Trademark Organization, unless the context provides otherwise.

SEC. 112. POWERS AND DUTIES.

(a) IN GENERAL.—The United States Patent and Trademark Organization, under the policy direction of the Secretary of Commerce, shall be responsible for—

(1) the examination of patents and the trademark applications;

(2) in support of the Under Secretary for Intellectual Property Policy, assisting with studies, programs, or exchanges of items or services regarding domestic and international patent and trademark law, the administration of the Organization, or any other function vested in the Organization by law, including programs to recognize, identify, assess, and forecast the technology of patented inventions and their utility to industry;

(3)(A) in support of the Under Secretary for Intellectual Property Policy, assisting with studies and programs cooperatively with foreign patent and trademark offices and international organizations, in connection with the granting and issuing of patents and the registration of trademarks; and

(B) with the concurrence of the Secretary of State, authorizing the transfer of not to exceed $100,000 in any year to the Department of State for the purpose of making special payments to international intergovernmental organizations for studies and programs for advancing international cooperation concerning patents, trademarks, and related matters; and

(4) disseminating to the public information with respect to patents and trademarks.

(b) SPECIAL PAYMENTS.—The special payments under subsection (a)(3)(B) may be in addition to any other payments or contributions to international organizations and shall not be subject to any limitations imposed by law on the amounts of such other payments or contributions by the United States Government.

(c) SPECIFIC POWERS.—The Organization—

(1) shall have perpetual succession;

(2) may indemnify the Director of the United States Patent and Trademark Organization, the Commissioner of Patents, the Commissioner of Trademarks, and other officers, attorneys, agents, and employees (including members of the Management Advisory Boards of the Patent Office and the Trademark Office) of the Organization for liabilities and expenses incurred within the scope of their employment;

(3) may adopt, amend, and repeal bylaws, rules, regulations, and determinations, which—

(A) shall govern the manner in which its business will be conducted and the powers granted to it by law will be exercised; and

(B) shall be made after notice and opportunity for full participation by interested public and private parties;

(4)(A) may acquire, construct, purchase, lease, hold, manage, operate, improve, alter, and renovate any real, personal, or mixed property, or any interest therein, as it considers necessary to carry out its functions; and

(B) sell, lease, grant, and dispose of such property as it considers necessary to effectuate the purposes of this Act;

(5)(A) may make such purchases, contracts for the construction, maintenance, or management and operation of facilities, and contracts for supplies or services, without regard to the provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Public Buildings Act (40 U.S.C. 601 et seq.), and the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.); and

(B) may enter into and perform such purchases and contracts for printing services, including the process of composition, platemaking, presswork, silk screen processes, binding, microform, and the products of such processes, as it considers necessary to carry out the functions of the Organization, without regard to sections 501 through 517 and 1101 through 1123 of title 44, United States Code;

(6) may use, with their consent, services, equipment, personnel, and facilities of other departments, agencies, and instrumentalities of the Federal Government, on a reimbursable basis, and cooperate with such other departments, agencies, and instrumentalities in the establishment and use of services, equipment, and facilities of the Organization;

(7) may obtain from the Administrator of General Services such services as the Administrator is authorized to provide to other agencies of the United States, on the same basis as those services are provided to other agencies of the United States;

(8) may use, with the consent of the United States and the agency, government, or international organization concerned, the services, records, facilities, or personnel of any State or local government agency or instrumentality or foreign government or international organization to perform functions on its behalf;

(9) may retain and use all of its revenues and receipts, including revenues from the sale, lease, or disposal of any real, personal, or mixed property, or any interest therein, of the Organization, including for research and development and capital investment, subject to the provisions of section 10101 of the Omnibus Budget Reconciliation Act of 1990 (35 U.S.C. 41 note);

(10) shall have the priority of the United States with respect to the payment of debts from bankrupt, insolvent, and decedents' estates;

(11) may accept monetary gifts or donations of services, or of real, personal, intellectual, or mixed property, in order to enhance libraries and museums operated by the Organization, support the educational programs of the Organization, or otherwise carry out the functions of the Organization;

(12) may execute, in accordance with its bylaws, rules, and regulations, all instruments necessary and appropriate in the exercise of any of its powers; and

(13) may provide for liability insurance and insurance against any loss in connection

with its property, other assets, or operations either by contract or by self-insurance.

(d) Restrictions on Gifts.—Any acceptance of a gift or donation under subsection (c)(14) shall be subject to section 201 of title 18, United States Code. The Director shall establish regulations for the acceptance of such gifts and donations including regulations prohibiting gifts or donations to the Organization by foreign entities.

(e) Rule of Construction.—Nothing in this section shall be construed to nullify, void, cancel, or interrupt any pending request-for-proposal let or contract issued by the General Services Administration for the specific purpose of relocating or leasing space to the United States Patent and Trademark Organization.

SEC. 113. ORGANIZATION AND MANAGEMENT.

(a) Offices.—The United States Patent and Trademark Organization shall consist of—

(1) the Office of the Director;

(2) the United States Patent Office; and

(3) the United States Trademark Office.

(b) Director.—

(1) In general.—The management of the United States Patent and Trademark Organization shall be vested in a Director of the United States Patent and Trademark Organization (hereafter in this title referred to as the "Director", unless the context provides otherwise), who shall be a citizen of the United States and who shall be appointed by the Secretary of Commerce to a 5-year term and compensated without regard to chapters 33, 51, and 53 of title 5, United States Code. The Secretary shall make the appointment on the basis of demonstrated ability in management and professional experience regarding patents or trademarks, and without regard to political affiliation or activity. The Secretary may reappoint the Director to subsequent terms so long as performance, as set forth in the annual performance agreement, is satisfactory or better.

(2) Duties.—(A) The Director shall—

(i) be responsible for the management and direction of the Organization and shall perform this duty in a fair, impartial, and equitable manner; and

(ii) strive to meet the goals set forth in the performance agreement described under paragraph (4); and

(iii) provide such advice to the Under Secretary for Intellectual Property Policy as the Director deems appropriate to assist the Under Secretary in carrying out the Under Secretary's responsibilities.

(B) The Director, in consultation with the Director of the Office of Personnel Management, shall maintain a program for identifying national security positions and providing for appropriate security clearances.

(C) The Director may perform such personnel, procurement, and other functions, with respect to the United States Patent Office and the United States Trademark Office, where a centralized administration of such functions would improve the efficiency of the Offices, by continuous unanimous agreement of the Director, the Commissioner of Patents, and the Commissioner of Trademarks. The agreement shall be in writing and shall indicate the allocation of costs among the Office of the Director, the United States Patent Office, and the United States Trademark Office.

(D) Except as otherwise provided in this title, the Director shall ensure that—

(i) the United States Patent Office and the United States Trademark Office, respectively, shall—

(I) prepare all appropriation requests under section 1108 of title 31, United States Code, for each office for submission by the Director;

(II) adjust fees to provide sufficient revenues to cover the expenses of such office; and

(III) expend funds derived from such fees for only the functions of such office; and

(ii) each such office is not involved in the management of any other office.

(E) The Director shall submit to Congress annually such information as is required under chapter 91 of title 31, United States Code, including—

(i) the total monies received and expended by the Organization;

(ii) the purpose for which the monies were spent;

(iii) the amount of any surplus revenues retained by the Organization;

(iv) the quality and quantity of the work of the Organization; and

(v) other information relating to the Organization.

(3) Oath.—The Director shall, before taking office, take an oath to discharge faithfully the duties of the Organization.

(4) Compensation.—The Director shall be paid an annual rate of basic pay not to exceed the maximum rate of basic pay for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality based comparability payment that may be authorized under section 5304(h)(2) of such title. In addition, the Director may receive a bonus in an amount up to, but not in excess of, 50 percent of such annual rate of basic pay, based on the Secretary of Commerce's evaluation of the Director's performance in relation to the performance goals set forth in an annual performance agreement. Payment of a bonus under this paragraph may be made to the Director to the extent that such payment does not cause the Director's total aggregate compensation in a calendar year to equal or exceed the amount of the President's salary under section 102 of title 3, United States Code.

(5) Removal.—The Director shall be removable by the Secretary of Commerce for misconduct or failure to meet performance goals set forth in the annual performance agreement.

(6) Designee of director.—The Director shall designate an officer of the Organization who shall be vested with the authority to act in the capacity of the Director in the event of the absence or incapacity of the Director.

(c) Officers and Employees of the Organization.—

(1) Commissioners of patents and trademarks.—The Secretary of Commerce shall appoint a Commissioner of Patents and a Commissioner of Trademarks under section 3 of title 35, United States Code and section 53 of the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946), respectively, as amended by this Act.

(2) Other officers and employees.—The Director shall—

(A) appoint officers, employees (including attorneys), and agents of the Organization, who shall be citizens of the United States, as the Director considers necessary to carry out its functions;

(B) fix the compensation of such officers and employees, except as provided in subsection (e); and

(C) define the authority and duties of such officers and employees and delegate to them such of the powers vested in the Organization as the Director may determine.

(3) Personnel limitations.—The Organization shall not be subject to any administratively or statutorily imposed limitation on positions or personnel, and no positions or personnel of the Organization shall be taken into account for purposes of applying any such limitation.

(d) Limits on Compensation.—Except as otherwise provided by law, the annual rate of basic pay of an officer or employee of the Organization may not be fixed at a rate that exceeds, and total compensation payable to any such officer or employee for any year may not exceed, the annual rate of basic pay in effect for level II of the Executive Schedule under section 5313 of title 5, United States Code. The Director shall prescribe such regulations as may be necessary to carry out this subsection.

(e) Inapplicability of Title 5, United States Code, Generally.—Except as otherwise provided in this section, officers and employees of the Organization shall not be subject to the provisions of title 5, United States Code, relating to Federal employees.

(f) Continued Applicability of Certain Provisions of Title 5, United States Code.—

(1) In general.—The following provisions of title 5, United States Code, shall apply to the Organization and its officers and employees:

(A) Section 3110 (relating to employment of relatives; restrictions).

(B) Subchapter II of chapter 55 (relating to withholding pay).

(C) Subchapters II and III of chapter 73 (relating to employment limitations and political activities, respectively).

(D) Chapter 71 (relating to labor-management relations), subject to paragraph (2) and subsection (g).

(E) Section 3303 (relating to political recommendations).

(F) Subchapter II of chapter 61 (relating to flexible and compressed work schedules).

(G) Section 2302(b)(8) (relating to whistleblower protection) and whistleblower related provisions of chapter 12 (covering the role of the Office of Special Counsel).

(2) Compensation subject to collective bargaining.—

(A) In general.—Notwithstanding any other provision of law, for purposes of applying chapter 71 of title 5, United States Code, pursuant to paragraph (1)(D), basic pay and other forms of compensation shall be considered to be among the matters as to which the duty to bargain in good faith extends under such chapter.

(B) Exceptions.—The duty to bargain in good faith shall not, by reason of subparagraph (A), be considered to extend to any benefit under title 5, United States Code, which is afforded by paragraph (1), (2), (3), or (4) of subsection (g).

(C) Limitations apply.—Nothing in this subsection shall be considered to allow any limitation under subsection (d) to be exceeded.

(g) Provisions of Title 5, United States Code, That Continue To Apply, Subject to Certain Requirements.—

(1) Retirement.—(A) The provisions of subchapter III of chapter 83 and chapter 84 of title 5, United States Code, shall apply to the Organization and its officers and employees, subject to subparagraph (B).

(B)(i) The amount required of the Organization under the second sentence of section 8334(a)(1) of title 5, United States Code, with respect to any particular individual shall, instead of the amount which would otherwise apply, be equal to the normal-cost percentage (determined with respect to officers and employees of the Organization using dynamic assumptions, as defined by section

8401(9) of such title) of the individual's basic pay, minus the amount required to be withheld from such pay under such section 8334(a)(1).

(ii) The amount required of the Organization under section 8334(k)(1)(B) of title 5, United States Code, with respect to any particular individual shall be equal to an amount computed in a manner similar to that specified in clause (i), as determined in accordance with clause (iii).

(iii) Any regulations necessary to carry out this subparagraph shall be prescribed by the Office of Personnel Management.

(C) The United States Patent and Trademark Organization may supplement the benefits provided under the preceding provisions of this paragraph.

(2) HEALTH BENEFITS.—(A) The provisions of chapter 89 of title 5, United States Code, shall apply to the Organization and its officers and employees, subject to subparagraph (B).

(B)(i) With respect to any individual who becomes an officer or employee of the Organization pursuant to subsection (i), the eligibility of such individual to participate in such program as an annuitant (or of any other person to participate in such program as an annuitant based on the death of such individual) shall be determined disregarding the requirements of section 8905(b) of title 5, United States Code. The preceding sentence shall not apply if the individual ceases to be an officer or employee of the Organization for any period of time after becoming an officer or employee of the Organization pursuant to subsection (i) and before separation.

(ii) The Government contributions authorized by section 8906 of title 5, United States Code, for health benefits for anyone participating in the health benefits program pursuant to this subparagraph shall be made by the Organization in the same manner as provided under section 8906(g)(2) of such title with respect to the United States Postal Service for individuals associated therewith.

(iii) For purposes of this subparagraph, the term "annuitant" has the meaning given such term by section 8901(3) of title 5, United States Code.

(C) The Organization may supplement the benefits provided under the preceding provisions of this paragraph.

(3) LIFE INSURANCE.—(A) The provisions of chapter 87 of title 5, United States Code, shall apply to the Organization and its officers and employees, subject to subparagraph (B).

(B)(i) Eligibility for life insurance coverage after retirement or while in receipt of compensation under subchapter I of chapter 81 of title 5, United States Code, shall be determined, in the case of any individual who becomes an officer or employee of the Organization pursuant to subsection (i), without regard to the requirements of section 8706(b) (1) or (2) of such title, but subject to the condition specified in the last sentence of paragraph (2)(B)(i) of this subsection.

(ii) Government contributions under section 8708(d) of such title on behalf of any such individual shall be made by the Organization in the same manner as provided under paragraph (3) thereof with respect to the United States Postal Service for individuals associated therewith.

(C) The Organization may supplement the benefits provided under the preceding provisions of this paragraph.

(4) EMPLOYEES' COMPENSATION FUND.—(A) Officers and employees of the Organization shall not become ineligible to participate in the program under chapter 81 of title 5, United States Code, relating to compensation for work injuries, by reason of subsection (e).

(B) The Organization shall remain responsible for reimbursing the Employees' Compensation Fund, pursuant to section 8147 of title 5, United States Code, for compensation paid or payable after the effective date of this title in accordance with chapter 81 of title 5, United States Code, with regard to any injury, disability, or death due to events arising before such date, whether or not a claim has been filed or is final on such date.

(h) LABOR-MANAGEMENT RELATIONS.—

(1) LABOR RELATIONS AND EMPLOYEE RELATIONS PROGRAMS.—The Organization shall develop hiring practices, labor relations and employee relations programs with the objective of improving productivity and efficiency, incorporating the following principles:

(A) Such programs shall be consistent with the merit principles in section 2301(b) of title 5, United States Code.

(B) Such programs shall provide veterans preference protections equivalent to those established by sections 2108, 3308 through 3318, 3320, 3502, and 3504 of title 5, United States Code.

(C)(i) The right to work shall not be subject to undue restraint or coercion. The right to work shall not be infringed or restricted in any way based on membership in, affiliation with, or financial support of a labor organization.

(ii) No person shall be required, as a condition of employment or continuation of employment—

(I) to resign or refrain from voluntary membership in, voluntary affiliation with, or voluntary financial support of a labor organization;

(II) to become or remain a member of a labor organization;

(III) to pay any dues, fees, assessments, or other charges of any kind or amount to a labor organization;

(IV) to pay to any charity or other third party, in lieu of such payments, any amount equivalent to or a pro rata portion of dues, fees, assessments, or other charges regularly required of members of a labor organization; or

(V) to be recommended, approved, referred, or cleared by or through a labor organization.

(iii) This subparagraph shall not apply to a person described in section 7103(a)(2)(v) of title 5, United States Code, or a "supervisor", "management official", or "confidential employee" as those terms are defined in 7103(a) (10), (11), and (13) of such title.

(iv) Any labor organization recognized by the Organization as the exclusive representative of a unit of employees of the Organization shall represent the interests of all employees in that unit without discrimination and without regard to labor organization membership.

(2) ADOPTION OF EXISTING LABOR AGREEMENTS.—The Organization shall adopt all labor agreements which are in effect, as of the day before the effective date of this title, with respect to such Organization (as then in effect).

(i) CARRYOVER OF PERSONNEL.—

(1) FROM PTO.—Effective as of the effective date of this title, all officers and employees of the Patent and Trademark Office on the day before such effective date shall become officers and employees of the Organization, without a break in service.

(2) OTHER PERSONNEL.—(A) Any individual who, on the day before the effective date of this title, is an officer or employee of the Department of Commerce (other than an officer or employee under paragraph (1)) shall be transferred to the Organization if—

(i) such individual serves in a position for which a major function is the performance of work reimbursed by the Patent and Trademark Office, as determined by the Secretary of Commerce;

(ii) such individual serves in a position that performed work in support of the Patent and Trademark Office during at least half of the incumbent's work time, as determined by the Secretary of Commerce; or

(iii) such transfer would be in the interest of the Organization, as determined by the Secretary of Commerce in consultation with the Director.

(B) Any transfer under this paragraph shall be effective as of the same effective date as referred to in paragraph (1), and shall be made without a break in service.

(3) ACCUMULATED LEAVE.—The amount of sick and annual leave and compensatory time accumulated under title 5, United States Code, before the effective date described in paragraph (1), by any individual who becomes an officer or employee of the Organization under this subsection, are obligations of the Organization.

(4) TERMINATION RIGHTS.—Any employee referred to in paragraph (1) or (2) of this subsection whose employment with the Organization is terminated during the 1-year period beginning on the effective date of this title shall be entitled to rights and benefits, to be afforded by the Organization, similar to those such employee would have had under Federal law if termination had occurred immediately before such date. An employee who would have been entitled to appeal any such termination to the Merit Systems Protection Board, if such termination had occurred immediately before such effective date, may appeal any such termination occurring within such 1-year period to the Board under such procedures as it may prescribe.

(5) TRANSITION PROVISIONS.—(A)(i) On or after the effective date of this title, the President shall appoint a Director of the United States Patent and Trademark Organization who shall serve until the earlier of—

(I) the date on which a Director qualifies under subsection (b); or

(II) the date occurring 1 year after the effective date of this title.

(ii) The President shall not make more than 1 appointment under this subparagraph.

(B) The individual serving as the Assistant Commissioner of Patents on the day before the effective date of this title shall serve as the Commissioner of Patents until the date on which a Commissioner of Patents is appointed under section 3 of title 35, United States Code, as amended by this Act.

(C) The individual serving as the Assistant Commissioner of Trademarks on the day before the effective date of this title shall serve as the Commissioner of Trademarks until the date on which a Commissioner of Trademarks is appointed under section 53 of the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946), as amended by this Act.

(j) COMPETITIVE STATUS.—For purposes of appointment to a position in the competitive service for which an officer or employee of the Organization is qualified, such officer or employee shall not forfeit any competitive status, acquired by such officer or employee before the effective date of this title, by reason of becoming an officer or employee of the Organization under subsection (i).

(k) SAVINGS PROVISIONS.—Compensation, benefits, and other terms and conditions of employment in effect immediately before the effective date of this title, whether provided by statute or by rules and regulations of the former Patent and Trademark Office or the executive branch of the Government of the United States, shall continue to apply to officers and employees of the Organization, until changed in accordance with this section (whether by action of the Director or otherwise).

(l) REMOVAL OF QUASI-JUDICIAL EXAMINERS.—The Organization may remove a patent examiner or administrative patent judge, or a trademark examiner or an administrative trademark judge only for such cause as will promote the efficiency of the Organization.

SEC. 114. UNITED STATES PATENT OFFICE.

(a) ESTABLISHMENT OF THE PATENT OFFICE AS A SEPARATE ADMINISTRATIVE UNIT.—Section 1 of title 35, United States Code, is amended to read as follows:

“§ 1. Establishment

“(a) ESTABLISHMENT.—The United States Patent Office is established as a separate administrative unit of the United States Patent and Trademark Organization, where records, books, drawings, specifications, and other papers and things pertaining to patents shall be kept and preserved, except as otherwise provided by law.

“(b) REFERENCE.—For purposes of this title, the United States Patent Office shall also be referred to as the ‘Office’ and the ‘Patent Office’.”.

(b) POWERS AND DUTIES.—Section 2 of title 35, United States Code, is amended to read as follows:

“§ 2. Powers and duties

“The United States Patent Office, under the policy direction of the Secretary of Commerce through the Director of the United States Patent and Trademark Organization, shall be responsible for—

“(1) examination of patent applications;

“(2) in support of the Secretary of Commerce and Under Secretary for Intellectual Property Policy, assisting with studies, programs, or exchanges of items or services regarding domestic and international patent law, the administration of the Office, or any other function vested in the Office by law, including programs to recognize, identify, assess, and forecast the technology of patented inventions and their utility to industry;

“(3) in support of the Secretary of Commerce and Under Secretary for Intellectual Property Policy, assisting with studies and programs cooperatively with foreign patent offices and international organizations, in connection with the granting and issuing of patents; and

“(4) disseminating to the public information with respect to patents.”.

(c) ORGANIZATION AND MANAGEMENT.—Section 3 of title 35, United States Code, is amended to read as follows:

“§ 3. Officers and employees

“(a) COMMISSIONER.—

“(1) IN GENERAL.—The management of the United States Patent Office shall be vested in a Commissioner of Patents, who shall be a citizen of the United States and who shall be appointed by the Secretary of Commerce and shall serve at the pleasure of the Secretary of Commerce. The Commissioner of Patents shall be a person who, by reason of professional background and experience in patent law, is especially qualified to manage the Office.

“(2) DUTIES.—

“(A) IN GENERAL.—The Commissioner shall be responsible for all aspects of the management, administration, and operation of the Office, and shall perform these duties in a fair, impartial, and equitable manner.

“(B) ADVISING THE DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK ORGANIZATION.—The Commissioner of Patents shall advise the Director of the United States Patent and Trademark Organization of all activities of the Office undertaken in response to obligations of the United States under treaties and executive agreements, or which relate to cooperative programs with those authorities of foreign governments that are responsible for granting patents. The Commissioner of Patents shall advise the Director of the United States Patent and Trademark Organization on matters of patent law and shall recommend to the Director of the United States Patent and Trademark Organization changes in law or policy which may improve the ability of United States citizens to secure and enforce patent rights in the United States or in foreign countries.

“(C) REGULATIONS.—The Commissioner may establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent Office. The Director of the United States Patent and Trademark Organization shall determine whether such regulations are consistent with the policy direction of the Secretary of Commerce.

“(D) CONSULTATION WITH THE MANAGEMENT ADVISORY BOARD.—(i) The Commissioner shall consult with the Management Advisory Board established in section 5—

“(I) on a regular basis on matters relating to the operation of the Office; and

“(II) before submitting budgetary proposals to the Director of the United States Patent and Trademark Organization for submission to the Office of Management and Budget or changing or proposing to change patent user fees or patent regulations.

“(ii) The Director of the United States Patent and Trademark Organization shall determine whether such fees or regulations are consistent with the policy direction of the Secretary of Commerce.

“(3) OATH.—The Commissioner shall, before taking office, take an oath to discharge faithfully the duties of the Office.

“(4) COMPENSATION.—

“(A) IN GENERAL.—The Commissioner shall receive compensation at the rate of pay in effect for level IV of the Executive Schedule under section 5315 of title 5.

“(B) BONUS.—In addition to compensation under subparagraph (A), the Commissioner may, at the discretion of the Director of the United States Patent and Trademark Organization, receive as a bonus, an amount which would raise total compensation to the equivalent of the rate of pay in effect for level III of the Executive Schedule under section 5314 of title 5.

“(b) OFFICERS AND EMPLOYEES.—

“(1) DEPUTY COMMISSIONER OF PATENTS.—The Commissioner shall appoint a Deputy Commissioner of Patents who shall be vested with the authority to act in the capacity of the Commissioner in the event of the absence or incapacity of the Commissioner. In the event of a vacancy in the office of Commissioner, the Deputy Commissioner shall fill the office of Commissioner until a new Commissioner is appointed and takes office.

“(2) OMBUDSMAN.—The Commissioner shall appoint an ombudsman to advise the Commissioner on the concerns of independent inventors, nonprofit organizations, and small business concerns.

“(3) OTHER OFFICERS AND EMPLOYEES.—Other officers, attorneys, employees, and agents shall be selected and appointed by the Commissioner, and shall be vested with such powers and duties as the Commissioner may determine.”.

(d) MANAGEMENT ADVISORY BOARD.—Chapter 1 of part I of title 35, United States Code, is amended by inserting after section 4 the following:

“§ 5. Patent Office Management Advisory Board

“(a) ESTABLISHMENT OF MANAGEMENT ADVISORY BOARD.—

“(1) APPOINTMENT.—The United States Patent Office shall have a Management Advisory Board (hereafter in this title referred to as the ‘Advisory Board’) of 5 members, who shall be appointed by the President and shall serve at the pleasure of the President. Not more than 3 of the 5 members shall be members of the same political party. At least 1 member shall be an independent inventor, as defined in regulations issued by the Commissioner.

“(2) CHAIR.—The President shall designate a Chair of the Advisory Board, whose term as chair shall be for 3 years.

“(3) TIMING OF APPOINTMENTS.—Initial appointments to the Advisory Board shall be made within 3 months after the effective date of the United States Patent and Trademark Organization Act of 1998. Vacancies shall be filled in the manner in which the original appointment was made under this subsection within 3 months after they occur.

“(b) BASIS FOR APPOINTMENTS.—Members of the Advisory Board shall be citizens of the United States who shall be chosen so as to represent the interests of diverse users of the United States Patent Office, and shall include individuals with substantial background and achievement in corporate finance and management.

“(c) MEETINGS.—The Advisory Board shall meet at the call of the Chair to consider an agenda set by the Chair.

“(d) DUTIES.—The Advisory Board shall—

“(1) review the policies, goals, performance, budget, and user fees of the United States Patent Office, and advise the Commissioner on these matters;

“(2) within 60 days after the end of each fiscal year—

“(A) prepare an annual report on the matters referred to in paragraph (1);

“(B) transmit the report to the Director of the United States Patent and Trademark Organization, the President, and the Committees on the Judiciary of the Senate and the House of Representatives; and

“(C) publish the report in the Patent Office Official Gazette.

“(e) COMPENSATION.—Each member of the Advisory Board shall be compensated for each day (including travel time) during which such member is attending meetings or conferences of the Advisory Board or otherwise engaged in the business of the Advisory Board, at the rate which is the daily equivalent of the annual rate of basic pay in effect for level III of the Executive Schedule under section 5314 of title 5, and while away from such member's home or regular place of business such member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5.

“(f) ACCESS TO INFORMATION.—Members of the Advisory Board shall be provided access to records and information in the United States Patent Office, except for personnel or other privileged information and information concerning patent applications required to be kept in confidence by section 122.

"(g) Applicability of Certain Ethics Laws.—Members of the Advisory Board shall be special Government employees within the meaning of section 202 of title 18.".

(e) Conforming Amendments.—Section 6 of title 35, United States Code, and the item relating to such section in the table of contents for chapter 1 of title 35, United States Code, are repealed.

(f) Board of Patent Appeals and Interferences.—Section 7 of title 35, United States Code, is amended to read as follows:

"§ 7. Board of Patent Appeals and Interferences

"(a) Establishment and Composition.—There shall be in the United States Patent Office a Board of Patent Appeals and Interferences. The Commissioner, the Deputy Commissioner, and the administrative patent judges shall constitute the Board. The administrative patent judges shall be persons of competent legal knowledge and scientific ability.

"(b) Duties.—

"(1) In general.—The Board of Patent Appeals and Interferences shall, on written appeal of an applicant, a patent owner, or a third-party requester in a reexamination proceeding—

"(A) review adverse decisions of examiners—

"(i) upon applications for patents; and

"(ii) in reexamination proceedings; and

"(B) determine priority and patentability of invention in interferences declared under section 135(a).

"(2) Hearings.—Each appeal and interference shall be heard by at least 3 members of the Board, who shall be designated by the Commissioner. Only the Board of Patent Appeals and Interferences may grant rehearings.".

(g) Annual Report of Commissioner.—Section 14 of title 35, United States Code, is amended to read as follows:

"§ 14. Annual report to Congress

"The Commissioner shall report to the Director of the United States Patent and Trademark Organization such information as the Director is required to submit to Congress annually under section 157(d) of this title, and under chapter 91 of title 31, including—

"(1) the total of the moneys received and expended by the Office;

"(2) the purposes for which the moneys were spent;

"(3) the quality and quantity of the work of the Office; and

"(4) other information relating to the Office.".

(h) Practice Before Patent Office.—

(1) In general.—Section 31 of title 35, United States Code, is amended to read as follows:

"§ 31. Regulations for agents and attorneys

"The Commissioner may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Office. The regulations may require such persons, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.".

(2) Designation of attorney to conduct hearing.—Section 32 of title 35, United States Code, is amended in the first sentence by striking "Patent and Trademark Office" and inserting "Patent Office" and by inserting before the last sentence the following: "The Commissioner shall have the discretion to designate any attorney who is an officer or employee of the United States Patent Office to conduct the hearing required by this section.".

(i) Funding.—

(1) Adjustment of fees.—Section 41(f) of title 35, United States Code, is amended to read as follows:

"(f) The Commissioner, after consulting with the Patent Office Management Advisory Board pursuant to section 3(a)(2)(C) of this title and after notice and opportunity for full participation by interested public and private parties, may, by regulation, adjust the fees established in this section. The Director of the United States Patent and Trademark Organization shall determine whether such fees are consistent with the policy direction of the Secretary of Commerce.".

(2) Patent office funding.—Section 42 of title 35, United States Code, is amended to read as follows:

"§ 42. Patent Office funding

"(a) Fees Payable to the Office.—All fees for services performed by or materials furnished by the United States Patent Office shall be payable to the Office.

"(b) Use of Moneys.—Moneys from fees shall be available to the United States Patent Office to carry out, to the extent provided in appropriations Acts, the functions of the Office. Moneys of the Office not otherwise used to carry out the functions of the Office shall be kept in cash on hand or on deposit, or invested in obligations of the United States or guaranteed by the United States, or in obligations or other instruments which are lawful investments for fiduciary, trust, or public funds. Fees available to the Commissioner under this title shall be used only for the processing of patent applications and for other services and materials relating to patents, including the agreed upon share of any centralized function, as set forth in section 113(b)(2)(E) of the United States Patent and Trademark Organization Act of 1998.

"(c) Contribution to the Office of the Director of the United States Patent and Trademark Organization.—The Patent Office shall contribute 50 percent of the annual budget of the Office of the Director of the United States Patent and Trademark Organization.".

SEC. 115. UNITED STATES TRADEMARK OFFICE.

(a) Establishment of the United States Trademark Office as a Separate Administrative Unit.—The Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946) is amended—

(1) by redesignating titles X and XI as titles XI and XII, respectively;

(2) by redesignating sections 45, 46, 47, 48, 49, 50, and 51 as sections 61, 71, 72, 73, 74, 75, and 76, respectively; and

(3) by inserting after title IX the following new title:

"TITLE X—UNITED STATES TRADEMARK OFFICE

"SEC. 51. ESTABLISHMENT.

"(a) Establishment.—The United States Trademark Office is established as a separate administrative unit of the United States Patent and Trademark Organization.

"(b) Reference.—For purposes of this chapter, the United States Trademark Office shall also be referred to as the 'Office' and the 'Trademark Office'.

"SEC. 52. POWERS AND DUTIES.

"The United States Trademark Office, under the policy direction of the Secretary of Commerce through the Director of the United States Patent and Trademark Organization, shall be responsible for—

"(1) the examination of trademark applications;

"(2) in support of the Secretary of Commerce and the Under Secretary for Intellectual Property Policy, assisting with studies, programs, or exchanges of items or services regarding domestic and international trademark law or the administration of the Office;

"(3) in support of the Secretary of Commerce and the Under Secretary for Intellectual Property Policy, assisting with studies and programs cooperatively with foreign trademark offices and international organizations, in connection with the registration of trademarks; and

"(4) disseminating to the public information with respect to trademarks.

"SEC. 53. OFFICERS AND EMPLOYEES.

"(a) Commissioner.—

"(1) In general.—The management of the United States Trademark Office shall be vested in a Commissioner of Trademarks, who shall be a citizen of the United States and who shall be appointed by the Secretary of Commerce and shall serve at the pleasure of the Secretary of Commerce. The Commissioner of Trademarks shall be a person who, by reason of professional background and experience in trademark law, is especially qualified to manage the Office.

"(2) Duties.—

"(A) In general.—The Commissioner shall be responsible for all aspects of the management, administration, and operation of the Office, and shall perform these duties in a fair, impartial, and equitable manner.

"(B) Advising the director of the united states patent and trademark organization.—The Commissioner of Trademarks shall advise the Director of the United States Patent and Trademark Organization of all activities of the Office undertaken in response to obligations of the United States under treaties and executive agreements, or which relate to cooperative programs with those authorities of foreign governments that are responsible for registering trademarks. The Commissioner of Trademarks shall advise the Director of the United States Patent and Trademark Organization on matters of trademark law and shall recommend to the Director of the United States Patent and Trademark Organization changes in law or policy which may improve the ability of United States citizens to secure and enforce trademark rights in the United States or in foreign countries.

"(C) Regulations.—The Commissioner may establish regulations, not inconsistent with law, for the conduct of proceedings in the Trademark Office. The Director of the United States Patent and Trademark Organization shall determine whether such regulations are consistent with the policy direction of the Secretary of Commerce.

"(D) Consultation with the management advisory board.—(i) The Commissioner shall consult with the Trademark Office Management Advisory Board established under section 54—

"(I) on a regular basis on matters relating to the operation of the Office; and

"(II) before submitting budgetary proposals to the Director of the United States Patent and Trademark Organization for submission to the Office of Management and Budget or changing or proposing to change trademark user fees or trademark regulations.

“(ii) The Director of the United States Patent and Trademark Organization shall determine whether such fees or regulations are consistent with the policy direction of the Secretary of Commerce.

“(E) PUBLICATIONS.—(i) The Commissioner may print, or cause to be printed, the following:

“(I) Certificates of trademark registrations, including statements and drawings, together with copies of the same.

“(II) The Official Gazette of the United States Trademark Office.

“(III) Annual indexes of trademarks and registrants.

“(IV) Annual volumes of decisions in trademark cases.

“(V) Pamphlet copies of laws and rules relating to trademarks and circulars or other publications relating to the business of the Office.

“(ii) The Commissioner may exchange any of the publications specified under clause (i) for publications desirable for the use of the Trademark Office.

“(3) OATH.—The Commissioner shall, before taking office, take an oath to discharge faithfully the duties of the Office.

“(4) COMPENSATION.—

“(A) IN GENERAL.—The Commissioner shall receive compensation at the rate of pay in effect for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

“(B) BONUS.—In addition to compensation under subparagraph (A), the Commissioner may, at the discretion of the Director of the United States Patent and Trademark Organization, receive as a bonus, an amount which would raise total compensation to the equivalent of the rate of pay in effect for level III of the Executive Schedule under section 5314 of title 5.

“(b) OFFICERS AND EMPLOYEES.—The Commissioner shall appoint a Deputy Commissioner of Trademarks who shall be vested with the authority to act in the capacity of the Commissioner in the event of the absence or incapacity of the Commissioner. In the event of a vacancy in the office of Commissioner, the Deputy Commissioner shall fill the office of Commissioner until a new Commissioner is appointed and takes office. Other officers, attorneys, employees, and agents shall be selected and appointed by the Commissioner, and shall be vested with such powers and duties as the Commissioner may determine.

“SEC. 54. TRADEMARK OFFICE MANAGEMENT ADVISORY BOARD.

“(a) ESTABLISHMENT OF MANAGEMENT ADVISORY BOARD.—

“(1) APPOINTMENT.—The United States Trademark Office shall have a Management Advisory Board (hereafter in this title referred to as the ‘Advisory Board’) of 5 members, who shall be appointed by the President and shall serve at the pleasure of the President. Not more than 3 of the 5 members shall be members of the same political party.

“(2) CHAIR.—The President shall designate a Chair of the Advisory Board, whose term as chair shall be for 3 years.

“(3) TIMING OF APPOINTMENTS.—Initial appointments to the Advisory Board shall be made within 3 months after the effective date of the United States Patent and Trademark Organization Act of 1998. Vacancies shall be filled in the manner in which the original appointment was made under this section within 3 months after they occur.

“(b) BASIS FOR APPOINTMENTS.—Members of the Advisory Board shall be citizens of the United States who shall be chosen so as to represent the interests of diverse users of the United States Trademark Office, and shall include individuals with substantial background and achievement in corporate finance and management.

“(c) MEETINGS.—The Advisory Board shall meet at the call of the Chair to consider an agenda set by the Chair.

“(d) DUTIES.—The Advisory Board shall—

“(1) review the policies, goals, performance, budget, and user fees of the United States Trademark Office, and advise the Commissioner on these matters; and

“(2) within 60 days after the end of each fiscal year—

“(A) prepare an annual report on the matters referred to under paragraph (1);

“(B) transmit the report to the Director of the United States Patent and Trademark Organization, the President, and the Committees on the Judiciary of the Senate and the House of Representatives; and

“(C) publish the report in the Trademark Office Official Gazette.

“(e) COMPENSATION.—Each member of the Advisory Board shall be compensated for each day (including travel time) during which such member is attending meetings or conferences of the Advisory Board or otherwise engaged in the business of the Advisory Board, at the rate which is the daily equivalent of the annual rate of basic pay in effect for level III of the Executive Schedule under section 5314 of title 5, United States Code, and while away from such member's home or regular place of business such member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

“(f) ACCESS TO INFORMATION.—Members of the Advisory Board shall be provided access to records and information in the United States Trademark Office, except for personnel or other privileged information.

“(g) APPLICABILITY OF CERTAIN ETHIC LAWS.—Members of the Advisory Board shall be special Government employees within the meaning of section 202 of title 18.

“SEC. 55. ANNUAL REPORT TO CONGRESS.

“The Commissioner shall report to the Director of the United States Patent and Trademark Organization such information as the Director is required to report to Congress annually under chapter 91 of title 31, including—

“(1) the moneys received and expended by the Office;

“(2) the purposes for which the moneys were spent;

“(3) the quality and quantity of the work of the Office; and

“(4) other information relating to the Office.

“SEC. 56. TRADEMARK OFFICE FUNDING.

“(a) FEES PAYABLE TO THE OFFICE.—All fees for services performed by or materials furnished by the United States Trademark Office shall be payable to the Office.

“(b) USE OF MONEYS.—Moneys from fees shall be available to the United States Trademark Office to carry out, to the extent provided in appropriations Acts, the functions of the Office. Moneys of the Office not otherwise used to carry out the functions of the Office shall be kept in cash on hand or on deposit, or invested in obligations of the United States or guaranteed by the United States, or in obligations or other instruments which are lawful investments for fiduciary, trust, or public funds. Fees available to the Commissioner under this chapter shall be used only for the registration of trademarks and for other services and materials relating to trademarks, including the agreed upon share of any centralized function, as set forth in section 113(b)(2)(E) of the United States Patent and Trademark Organization Act of 1998.

“(c) CONTRIBUTION TO THE OFFICE OF THE DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK ORGANIZATION.—The Trademark Office shall contribute 50 percent of the annual budget of the Office of the Director of the United States Patent and Trademark Organization.”.

(b) TRADEMARK TRIAL AND APPEAL BOARD.—Section 17 of the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946) (15 U.S.C. 1067) is amended to read as follows:

“SEC. 17. (a) In every case of interference, opposition to registration, application to register as a lawful concurrent user, or application to cancel the registration of a mark, the Commissioner shall give notice to all parties and shall direct a Trademark Trial and Appeal Board to determine and decide the respective rights of registration.

“(b) The Trademark Trial and Appeal Board shall include the Commissioner of Trademarks, the Deputy Commissioner of Trademarks, and administrative trademark judges competent in trademark law who are appointed by the Commissioner. Each case shall be heard by at least 3 members of the Board, the members hearing such case to be designated by the Commissioner.”.

(c) DETERMINATION OF FEES.—Section 31(a) of the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946) (15 U.S.C. 1113(a)) is amended by striking the second and third sentences and inserting the following: “Fees established under this subsection may be adjusted by the Commissioner, after consulting with the Trademark Office Management Advisory Board in accordance with section 53(a)(2)(C) of this Act and after notice and opportunity for full participation by interested public and private parties. The Director of the United States Patent and Trademark Organization shall determine whether such fees are consistent with the policy direction of the Secretary of Commerce.”.

SEC. 116. SUITS BY AND AGAINST THE ORGANIZATION.

(a) ACTIONS UNDER UNITED STATES LAW.—Any civil action or proceeding to which the United States Patent and Trademark Organization is a party is deemed to arise under the laws of the United States. The Federal courts shall have exclusive jurisdiction over all civil actions by or against the Organization.

(b) REPRESENTATION BY THE DEPARTMENT OF JUSTICE.—The United States Patent and Trademark Organization shall be deemed an agency of the United States for purposes of section 516 of title 28, United States Code.

(c) PROHIBITION ON ATTACHMENT, LIENS, OR SIMILAR PROCESS.—No attachment, garnishment, lien, or similar process, intermediate or final, in law or equity, may be issued against property of the Organization.

SEC. 117. FUNDING.

(a) IN GENERAL.—The activities of the United States Patent and Trademark Organization and each office of the Organization shall be funded entirely through fees payable to the United States Patent Office (under section 42 of title 35, United States Code) and the United States Trademark Office (under section 56 of the Act of July 5, 1946 (commonly known as the Trademark Act of 1946)), and surcharges appropriated by Congress, to the extent provided in appropriations Acts and subject to the provisions of subsection (b).

(b) BORROWING AUTHORITY.—

(1) IN GENERAL.—The United States Patent and Trademark Organization is authorized to issue from time to time for purchase by the Secretary of the Treasury its debentures, bonds, notes, and other evidences of indebtedness (hereafter in this subsection referred to as "obligations") to assist in financing the activities of the United States Patent Office and the United States Trademark Office. Borrowing under this section shall be subject to prior approval in appropriations Acts. Such borrowing shall not exceed amounts approved in appropriations Acts.

(2) BORROWING AUTHORITY.—Any borrowing under this subsection shall be repaid only from fees paid to the Office for which such obligations were issued and surcharges appropriated by Congress. Such obligations shall be redeemable at the option of the United States Patent and Trademark Organization before maturity in the manner stipulated in such obligations and shall have such maturity as is determined by the United States Patent and Trademark Organization with the approval of the Secretary of the Treasury. Each such obligation issued to the Treasury shall bear interest at a rate not less than the current yield on outstanding marketable obligations of the United States of comparable maturity during the month preceding the issuance of the obligation as determined by the Secretary of the Treasury.

(3) PURCHASE OF OBLIGATIONS.—The Secretary of the Treasury shall purchase any obligations of the United States Patent and Trademark Organization issued under this subsection and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under that chapter are extended to include such purpose.

(4) TREATMENT.—Payment under this subsection of the purchase price of such obligations of the United States Patent and Trademark Organization shall be treated as public debt transactions of the United States.

SEC. 118. TRANSFERS.

(a) TRANSFER OF FUNCTIONS.—Except as relates to intellectual property policy matters as set out in section 151 of this title, there are transferred to, and vested in, the United States Patent and Trademark Organization all functions, powers, and duties vested by law in the Secretary of Commerce or the Department of Commerce or in the officers or components in the Department of Commerce with respect to the authority to examine patent and trademark applications, and in the Patent and Trademark Office, as in effect on the day before the effective date of this title, and in the officers and components of such Office. Except as otherwise provided in this Act, on the effective date of this Act, there are transferred to, and vested in, the Under Secretary of Commerce for Intellectual Property Policy all functions, powers and duties with respect to the authority to grant and issue patents, to register trademarks and to provide advice on patent and trademark policy vested by law in the Patent and Trademark Office, and in the officers and components of such Office.

(b) TRANSFER OF FUNDS AND PROPERTY.—The Secretary of Commerce shall transfer to the United States Patent and Trademark Organization, on the effective date of this title, so much of the assets, liabilities, contracts, property, records, and unexpended and unobligated balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available to the Department of Commerce, including funds set aside for accounts receivable which are related to functions, powers, and duties which are vested in the United States Patent and Trademark Office by this title.

SEC. 119. USE OF ORGANIZATION NAME.

The use of the terms "United States Patent and Trademark Organization", "Patent and Trademark Office", "United States Patent Office", "Patent Office", "United States Trademark Office", "Trademark Office", or any combination of such terms, as the name or part thereof under which an individual or entity does business, is prohibited. A violation of this section may be enjoined by any Federal court at the suit of the Organization. In any such suit, the Organization shall be entitled to statutory damages of $1,000 for each day during which such violation continues or is repeated following notice by the Organization and, in addition, may recover actual damages flowing from such violations.

Subtitle B—Effective Date; Technical Amendments

SEC. 131. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 4 months after the date of the enactment of this Act.

SEC. 132. TECHNICAL AND CONFORMING AMENDMENTS.

(a) AMENDMENTS TO TITLE 35.—

(1) TABLE OF PARTS.—The item relating to part I in the table of parts for title 35, United States Code, is amended to read as follows:

"I. United States Patent Office .... 1.".

(2) HEADING.—The heading for part I of title 35, United States Code, is amended to read as follows:

"PART I—UNITED STATES PATENT OFFICE".

(3) TABLE OF CHAPTERS.—The table of chapters for part I of title 35, United States Code, is amended by amending the item relating to chapter 1 to read as follows:

"1. Establishment, Officers and Employees, Functions .... 1".

(4) TABLE OF SECTIONS.—The table of sections for chapter 1 of title 35, United States Code, is amended to read as follows:

"CHAPTER 1—ESTABLISHMENT, OFFICERS AND EMPLOYEES, FUNCTIONS

"Sec.
"1. Establishment.
"2. Powers and duties.
"3. Officers and employees.
"4. Restrictions on officers and employees as to interest in patents.
"5. Patent Office Management Advisory Board.
"6. Duties of Commissioner.
"7. Board of Patent Appeals and Interferences.
"8. Library.
"9. Classification of patents.
"10. Certified copies of records.
"11. Publications.
"12. Exchange of copies of patents with foreign countries.
"13. Copies of patents for public libraries.
"14. Annual report to Congress.".

(5) COMMISSIONER OF PATENTS AND TRADEMARKS.—(A) Section 41(h)(1) of title 35, United States Code, is amended by striking "Commissioner of Patents and Trademarks" and inserting "Commissioner".

(B) Section 155 of title 35, United States Code, is amended by striking "Commissioner of Patents and Trademarks" and inserting "Commissioner".

(C) Section 155A(c) of title 35, United States Code, is amended by striking "Commissioner of Patents" and inserting "Commissioner".

(6) PATENT AND TRADEMARK OFFICE.—The provisions of title 35, United States Code, are amended by striking "Patent and Trademark Office" each place it appears and inserting "Patent Office".

(7) SECRETARY OF COMMERCE.—Section 157(d) of title 35, United States Code, is amended by striking "Secretary of Commerce" and inserting "Director of the United States Patent and Trademark Organization".

(b) AMENDMENTS TO THE TRADEMARK ACT OF 1946.—

(1) REFERENCES.—All amendments in this subsection refer to the Act of July 5, 1946 (commonly referred to as the Trademark Act of 1946).

(2) AMENDMENTS RELATING TO COMMISSIONER.—Section 61 (as redesignated by section 115(a)(2) of this Act) is amended by striking the undesignated paragraph relating to the definition of the term "Commissioner" and inserting the following:

"The term 'Commissioner' means the Commissioner of Trademarks.".

(3) AMENDMENTS RELATING TO PATENT AND TRADEMARK OFFICE.—(A) Section 1(a)(1) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(B) Section 1(a)(2) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(C) Section 1(b)(1) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(D) Section 1(b)(2) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(E) Section 1(d)(1) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(F) Section 1(e) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(G) Section 2(d) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(H) Section 7(a) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(I) Section 7(d) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(J) Section 7(e) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(K) Section 7(f) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(L) Section 7(g) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(M) Section 8(a) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(N) Section 8(b) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(O) Section 10 is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(P) Section 12(a) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(Q) Section 13(a) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(R) Section 13(b)(1) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(S) Section 15(2) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(T) Section 17 is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(U) Section 21(a)(2) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(V) Section 21(a)(3) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(W) Section 21(a)(4) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(X) Section 21(b)(3) is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(Y) Section 21(b)(4) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(Z) Section 24 is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(AA) Section 29 is amended by striking "Patent and Trademark Office" each place such term appears and inserting "Trademark Office".

(BB) Section 30 is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(CC) Section 31(a) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(DD) Section 34(a) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(EE) Section 34(d)(1)(B)(i) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(FF) Section 35(a) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(GG) Section 36 is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(HH) Section 37 is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(II) Section 38 is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(JJ) Section 39(b) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(KK) Section 41 is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(LL) Section 61 (as redesignated under section 115(a)(2) of this Act) is amended in the undesignated paragraph relating to the definition of "registered mark"—

(i) by striking "Patent and Trade Mark Office" and inserting "Trademark Office; and

(ii) by striking "Patent and Trade Office" and inserting "Trademark Office".

(MM) Section 72(a) (as redesignated under section 115(a)(2) of this Act) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(NN) Section 76 (as redesignated under section 115(a)(2) of this Act) is amended by striking "Patent and Trademark Office" and inserting "Trademark Office".

(c) AMENDMENTS TO TITLE 5.—Title 5, United States Code, is amended—

(1) in section 5102(c)(23)—

(A) by striking "examiners-in-chief" in each place it appears and inserting "administrative patent judges"; and

(B) by striking "Office, Department of Commerce" and inserting "Organization"; and

(2) in section 5316—

(A) by striking "Commissioner of Patents, Department of Commerce."; and

(B) by striking:

"Deputy Commissioner of Patents and Trademarks.

"Assistant Commissioner for Patents.

"Assistant Commissioner for Trademarks.".

(d) AMENDMENT TO TITLE 31.—Section 9101(3) of title 31, United States Code, is amended by adding at the end the following:

"(R) the United States Patent and Trademark Organization.".

(e) AMENDMENTS TO INSPECTOR GENERAL ACT OF 1978.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1) by striking "or the Commissioner of Social Security, Social Security Administration;" and inserting "the Commissioner of Social Security, Social Security Administration; or the Director of the United States Patent and Trademark Organization, United States Patent and Trademark Organization;"; and

(2) in paragraph (2) by striking "or the Veterans' Administration, or the Social Security Administration;" and inserting "the Veterans' Administration, the Social Security Administration, or the United States Patent and Trademark Organization;".

Subtitle C—Miscellaneous Provisions

SEC. 141. REFERENCES.

Any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to a department, agency, or office from which a function is transferred by this title—

(1) to the head of such department, agency, or office is deemed to refer to the head of the department, agency, or office to which such function is transferred; or

(2) to such department, agency, or office is deemed to refer to the department, agency, or office to which such function is transferred.

SEC. 142. EXERCISE OF AUTHORITIES.

Except as otherwise provided by law, a Federal official to whom a function is transferred by this title may, for purposes of performing the function, exercise all authorities under any other provision of law that were available with respect to the performance of that function to the official responsible for the performance of the function immediately before the effective date of the transfer of the function under this title.

SEC. 143. SAVINGS PROVISIONS.

(a) LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, grants, loans, contracts, agreements, certificates, licenses, and privileges that—

(1) have been issued, made, granted, or allowed to become effective by the President, the Secretary of Commerce, any officer or employee of any office transferred by this title, or any other Government official, or by a court of competent jurisdiction, in the performance of any function that is transferred by this title, and

(2) are in effect on the effective date of such transfer (or become effective after such date pursuant to their terms as in effect on such effective date), shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, any other authorized official, a court of competent jurisdiction, or operation of law.

(b) PROCEEDINGS.—This title shall not affect any proceedings or any application for any benefits, service, license, permit, certificate, or financial assistance pending on the effective date of this title before an office transferred by this title, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted, and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be considered to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

(c) SUITS.—This title shall not affect suits commenced before the effective date of this title, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this title had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Department of Commerce or the Secretary of Commerce, or by or against any individual in the official capacity of such individual as an officer or employee of an office transferred by this title, shall abate by reason of the enactment of this title.

(e) CONTINUANCE OF SUITS.—If any Government officer in the official capacity of such officer is party to a suit with respect to a function of the officer, and under this title such function is transferred to any other officer or office, then such suit shall be continued with the other officer or the head of such other office, as applicable, substituted or added as a party.

(f) ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW.—Except as otherwise provided by this title, any statutory requirements relating to notice, hearings, action upon the record, or administrative or judicial review that apply to any function transferred by this title shall apply to the exercise of such function by the head of the Federal agency, and other officers of the agency, to which such function is transferred by this title.

SEC. 144. TRANSFER OF ASSETS.

Except as otherwise provided in this title, so much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with a function transferred to an official or agency by this title shall be available to the official or the head of that agency, respectively, at such time or times as the Director of the Office of Management and Budget directs for use in connection with the functions transferred.

SEC. 145. DELEGATION AND ASSIGNMENT.

(a) IN GENERAL.—Except as otherwise expressly prohibited by law or otherwise provided in this title, an official to whom functions are transferred under this title (including the head of any office to which functions are transferred under this title) may—

(1) delegate any of the functions so transferred to such officers and employees of the office of the official as the official may designate; and

(2) authorize successive redelegations of such functions as may be necessary or appropriate.

(b) RESPONSIBILITY FOR ADMINISTRATION.—No delegation of functions under this section or under any other provision of this title shall relieve the official to whom a function is transferred under this title of responsibility for the administration of the function.

SEC. 146. AUTHORITY OF DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET WITH RESPECT TO FUNCTIONS TRANSFERRED.

(a) DETERMINATIONS.—If necessary, the Director of the Office of Management and Budget shall make any determination of the functions that are transferred under this title.

(b) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this title, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this title.

(c) TERMINATION OF AFFAIRS.—The Director shall provide for the termination of the affairs of all entities terminated by this title and for such further measures and dispositions as may be necessary to effectuate the purposes of this title.

SEC. 147. CERTAIN VESTING OF FUNCTIONS CONSIDERED TRANSFERS.

For purposes of this title, the vesting of a function in a department, agency, or office pursuant to reestablishment of an office shall be considered to be the transfer of the function.

SEC. 148. AVAILABILITY OF EXISTING FUNDS.

Existing appropriations and funds available for the performance of functions, programs, and activities terminated pursuant to this title shall remain available, for the duration of their period of availability, for necessary expenses in connection with the termination and resolution of such functions, programs, and activities.

SEC. 149. DEFINITIONS.

For purposes of this title—

(1) the term "function" includes any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(2) the term "office" includes any office, administration, agency, bureau, institute, council, unit, organizational entity, or component thereof.

Subtitle D—Establishment of the Under Secretary of Commerce for Intellectual Property Policy

SEC. 151. UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY POLICY.

(a) APPOINTMENT.—There shall be within the Department of Commerce an Under Secretary of Commerce for Intellectual Property Policy, who shall be appointed by the President, by and with the advice and consent of the Senate, at level III of the Executive Schedule. On or after the effective date of this title, the President may designate an individual to serve as the Acting Under Secretary until the date on which an Under Secretary qualifies under this subsection.

(b) DUTIES.—The Under Secretary of Commerce for Intellectual Property Policy, under the direction of the Secretary of Commerce, shall perform the following functions with respect to intellectual property policy:

(1) Grant patents and register trademarks.

(2) In coordination with the Under Secretary of Commerce for International Trade, promote exports of goods and services of the United States industries that rely on intellectual property.

(3) Advise the President, through the Secretary of Commerce, on national and certain international issues relating to intellectual property policy, including issues in the areas of patents, trademarks, and copyrights.

(4) Advise Federal departments and agencies on matters of intellectual property protection in other countries.

(5) Provide guidance, as appropriate, with respect to proposals by agencies to assist foreign governments and international intergovernmental organizations on matters of intellectual property protection.

(6) Conduct programs and studies related to the effectiveness of intellectual property protection throughout the world.

(7) Advise the Secretary of Commerce on programs and studies relating to intellectual property policy that are conducted, or authorized to be conducted, cooperatively with foreign patent and trademark offices and international intergovernmental organizations.

(8) In coordination with the Department of State, conduct programs and studies cooperatively with foreign intellectual property offices and international intergovernmental organizations.

(c) DEPUTY UNDER SECRETARIES.—To assist the Under Secretary of Commerce for Intellectual Property Policy, the Secretary of Commerce shall appoint a Deputy Under Secretary for Patent Policy and a Deputy Under Secretary for Trademark Policy, as members of the Senior Executive Service in accordance with the provisions of title 5, United States Code. The Deputy Under Secretaries shall perform such duties and functions as the Under Secretary shall prescribe.

(d) COMPENSATION.—Section 5314 of title 5, United States Code, is amended by adding at the end the following: "Under Secretary of Commerce for Intellectual Property Policy."

(e) FUNDING.—Funds available to the United States Patent and Trade Organization shall be made available for all expenses of the Office of the Under Secretary of Commerce for Intellectual Property Policy, subject to prior approval in appropriations Acts. Amounts made available under this subsection shall not exceed 2 percent of the projected annual revenues of the United States Patent and Trademark Organization from fees for services and goods of that Organization. The Secretary of Commerce shall determine the budget requirements of the Office of the Under Secretary for Intellectual Property Policy.

(f) CONSULTATION.—In connection with the performance of his duties under this section, the Under Secretary shall, on appropriate matters, consult with the Register of Copyrights.

SEC. 152. RELATIONSHIP WITH EXISTING AUTHORITIES.

(a) NO DEROGATION.—Nothing in section 151 shall derogate from the duties of the United States Trade Representative or from the duties of the Secretary of State. In addition, nothing in this title shall derogate from the duties and functions of the Register of Copyrights or otherwise alter current authorities relating to copyright matters.

(b) CLARIFICATION OF AUTHORITY OF THE COPYRIGHT OFFICE.—Section 701 of title 17, United States Code, is amended—

(1) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively; and

(2) by inserting after subsection (a) the following:

"(b) In addition to the functions and duties set out elsewhere in this chapter, the Register of Copyrights shall perform the following functions:

"(1) Advise Congress on national and international issues relating to copyright, semiconductor chip protection, and related matters.

"(2) Provide information and assistance to Federal departments and agencies and the Judiciary on national and international issues relating to copyright, semiconductor chip protection, and related matters.

"(3) Participate in meetings of international intergovernmental organizations and meetings with foreign government officials relating to copyright, semiconductor chip protection, and related matters, including as a member of United States delegations as authorized by the appropriate Executive Branch authority.

"(4) Conduct studies and programs regarding copyright, semiconductor chip protection, and related matters, the administration of the Copyright Office, or any function vested in the Copyright Office by law, including educational programs conducted cooperatively with foreign intellectual property offices and international intergovernmental organizations.

"(5) Perform such other functions as Congress may direct, or as may be appropriate in furtherance of the functions and duties specifically set forth in this title."

• Mr. LEAHY. Mr. President, I am here once again to talk about S. 507, the Omnibus Patent Act of 1997. On this date back in 1878, a gentleman named Thaddeus Hyatt was granted a patent for reinforced concrete. Now, 120 years later, the Senate is refusing to reinforce American innovation by failing to take concrete action to reform our nation's patent laws.

We are presented with an opportunity that will not soon repeat itself—an opportunity to pass S. 507 and give U.S. inventors longer patent terms, put more royalties in their pockets, save them money in costly patent litigation, and avoid wasting their development resources on duplicative research. At the same time, we can get our new technology more rapidly into the marketplace and make U.S. companies more competitive globally.

Remaining globally competitive is not an idle concern. The failure of this body to enact the reforms of our patent system contained in S. 507 has given foreign entities applying for and receiving patents in the U.S. unfair advantages over U.S. firms—advantages that U.S. persons filing and doing business abroad do not have. This ability to keep U.S. inventors in the dark about the latest technological developments does not work to our economic advantage. Why are we turning our backs on our businesses, small and large, by not voting on this bill?

I have made recent speeches citing the strong support this legislation has around the country. This legislation has more than just Vermont or any state in mind. It has the entire country in its best interest. Our 200 year old patent system has provided protections to many of our inventions that have led to our global economic leadership position in the world marketplace. However, that leadership position is being threatened. Litigation has increased. Small inventors have been taken advantage of. Inventors and businesses are asking for our help and requesting that we pass S. 507.

The Senate Judiciary Committee reported this bill out over a year ago by an overwhelmingly bipartisan vote of 17–1, *17–1*, and this bill has yet to see the light of day on the floor. No longer can we turn the other cheek when American business lets out such a cry for help. We need to bring this bill to the floor now and to pass it. We must not squander this opportunity to not only update our patent system but to come to America's defense.

I inserted into the RECORD on June 23, letters of support from the White House Conference on Small Businesses, the National Association of Women Business Owners, the Small Business Technology Coalition, National Small Business United, the National Venture Capital Association, and the 21st Century Patent Coalition.

On July 10, I inserted in the RECORD additional letters of support from The Chamber of Commerce of the United States of America; the Pharmaceutical Research and Manufactures of American, PhRMA; the American Automobile Manufacturers Association; the Software Publishers Association; the Semiconductor Industry Association; the Business Software Alliance; the American Electronics Association; and the Institute of Electrical and Electronics Engineers, Inc.

I now ask unanimous consent that additional letters of support for S. 507 be included in the RECORD. These letters are from IBM; the Biotechnology Industry Organization; the International Trademark Association; 3M; Intel Corporation; Caterpillar; AMP Incorporated; and Hewlett-Packard Company.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

HEWLETT-PACKARD COMPANY,
Palo Alto, CA, June 22, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: S. 507, the Omnibus Patent Act, has been reported out of the Judiciary Committee, but it appears that Majority Leader Lott needs some encouragement to schedule the bill for floor action. Hewlett-Packard Company strongly supports enactment of S. 507 and would appreciate your support in urging Senator Lott to put the bill on the calendar.

Enactment of S. 507 would assure that inventors can receive a full 17 years—or more—of patent protection if they pursue their patent claims in a timely manner. It would also streamline patent operations to expedite processing and accelerate the dissemination of new technologies for continuing advancement in products and services.

Significantly, S. 507 achieves these important goals without threatening a return to the "submarine patent" system that existed before the 1995 reform. Under the old policy, an inventor could manipulate the patent system to stretch the term even while withholding the new knowledge from society. Prior to 1995, inventors could wait until the technology had ripened, and then essentially extort license fees from another inventor who had independently, in good faith, created the same or a similar invention.

While "submarine patents" are infrequent, when they strike, they are egregious. In an HP case, for example, the company has paid millions of dollars in royalties to a Swedish inventor whose patent has expired in every other country except the United States. This inventor contributed nothing to the technology that is in use, in fact, he did not offer to work with the consortium that was developing the technology in an open-systems environment. A more thorough explanation of that case is attached for your review.

Senator Hatch and other supporters of S. 507 have worked diligently with small business and independent inventors to resolve concerns about the bill. It is a good compromise for a more effective patent system as we head into the 21st century. HP urges your support for S. 507 without weakening amendments that would revive the submarine patent system.

Sincerely,

LEW PLATT.

IBM, INTERNET MEDIA GROUP,
Essex Junction, VT, June 6, 1998.

Hon. PATRICK LEAHY,
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: As an inventor I rely on the strength of the U.S. patent system to legally protect my invention(s). I am also the chairman of an ANSI standardization committee (NCITS L3.1) which represents the United States in an International Standardization Forum (ISO/IEC JTC 1/SC 29/WG 11). Our committee has developed the Emmy Award winning standard called MPEG–2, a standard which may have never come to pass had it not been for strong International patent protection. We are currently working on the future of International Multimedia (MPEG–4), a standard which promises to be as popular and widely used as MPEG–2 will be. The strength of the patent laws is essential to promoting participation and the development of International Standards. However, the system which for years has effectively encouraged innovation and protected inventors, is no longer effective. As significant number of ways have been found to abuse it, such as people and/or companies obtaining inappropriate patents and in some cases pilfering others' hard-earned invention. This threatens to undermine America's position as the global leader in technology innovation. I am proud that my work as an inventor has contributed to IBM's patent portfolio.

There is now legislation pending before you that will help restore leadership and integrity to the U.S. patent system. It is responsive to today's fast paced, highly competitve environment, and it will protect inventors like me. I am writing to ask you to urge Majority Leader Lott (R-MS) to bring S. 507, the Omnibus Patent Act of 1997, to the Senate floor as soon as possible and for you to support its final passage.

The bipartisan Omnibus Patent Act of 1997, S. 507, was passed out of the Senate Judiciary Committee 17–1 and has not yet been brough up for a floor vote. The House of Representatives also passed a similar bill in May 1997. Five former Commissioners of the Patent and Trademark Office (PTO) support this bill. A Senate floor vote is the only way to continue the process to enact this legislation that would help protect inventors and companies from patent system abuse.

Please help protect America's intellectual property and urge Majority Leader Lott (R-MS) to bring this bill to the floor for a vote. Thank you for your attention to this matter, and as a concerned constituent, I request your support of this legislation.

Sincerely,

PETER P. SCHIRLING,
Senior Engineer.

BIOTECHNOLOGY INDUSTRY ORGANIZATION,
June 18, 1998.

U.S. SENATOR,
Washington, DC.

Re: Scheduling Debate on Patent Reform Legislation, S. 507 (Hatch/Leahy)

DEAR SENATOR: We are writing to urge you to support scheduling of the patent reform legislation, S. 507, on the Senate floor before the August recess. This legislation is supported by an overwhelming majority of the Senators and the few Senators who have amendments to offer can easily be accommodated in a time agreement.

BIO has been working on this critical legislation for four years, the House passed the bill by a lopsided and bipartisan margin, and it emerged from the Senate Judiciary Committee on a near-unanimous vote. There are very few issues for the Senate debate or conference with the House. It should be easy to complete action on this bill and enact it into law this session. Doing so will be a major victory for biomedical and other research.

The bill answers the concerns raised by the biotechnology industry and other high technology industries regarding the erosion of patents caused by the adoption of the GATT 20 year-from-filing regime. We need to enact this bill to provide vital protection to biotechnology firms conducting research on cures and therapies for cancer, AIDS, Alzheimer's, and other deadly and disabling diseases.

The Biotechnology Industry Organization (BIO) represents almost 800 companies and organizations that use or support biotechnology research. Our companies are finding the next generation of medicines and cures for endemic diseases that diminish the quality of life for all Americans. On a per capita basis, our companies invest more in research and development than any other industry—almost ten times the national average—or about $100,000 per employee per year. This industries investment (almost 10 billion dollars in 1998) is protected primarily through the patent system.

Patents as an incentive for this critical research. Without patents this research would stop because no investor will fund this research without patents. This is why the patent term protections in this bill are so important. The Hatch-Leahy patent term bill provides complete and unequivocal protections to ensure that diligent patent applicants will not lose patent term under the new GATT 20 year patent law.

There is no industry which has lost more in patent protection under the new GATT 20 year patent term than the biotechnology industry. Our industry has been working for three years to secure protections so that diligent patent applicants cannot, and will not, lose patent protection under this new law. It is imperative that the GATT law be amended to protect diligent patent applicants this year.

Diligent patent applicants cannot lose patent term under the patent term provisions of Hatch-Leahy bill. If there are any delays in the grant of a patent by the Patent and Trademark Office (PTO) which are beyond the applicant's control, the applicant is given extra patent term—day-for-day compensation. This is a similar system which now applies when a patent holder loses patent term due to delays in the approval of a product by the Food and Drug Administration. So, the solution provided by the Hatch-Leahy bill is tried and tested and it works.

In addition to these patent term provisions, the Hatch-Leahy bill also provides for publication of internationally filed patent applications 18 months after filing and BIO supports this provision as well. Our companies file for patents in Europe and Japan where all applications are published after 18 months. Therefore 18 month publication in the United States will place U.S. companies on equal footing to their European and Asian competitors.

We enthusiastically support the patent term and publication provisions of the Hatch-Leahy bill, know that it solves the patent term problem, urge you to support scheduling of this bill and support final passage. The current GATT/TRIPS law is very problematic for the biotechnology industry and enactment of S. 507 is needed to eliminate the disincentive for biomedical research.

Please contact us with any questions about this critical issue; we would be pleased to meet with you to discuss them. 857-0244.

Sincerely,

CHARLES E. LUDLAM,
Vice President for Government Relations.
DAVE SCHMICKEL,
Patent and Legal Counsel.

INTERNATIONAL TRADEMARK ASSOCIATION,
Washington, DC, May 8, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: You already know of our association's strong support for S. 507, the Omnibus Patent Reform Act. Our members are trademark owners located in every state of the union. This bipartisan bill makes important changes to the U.S. Patent and Trademark Office (USPTO) that are necessary to enable the USPTO to respond efficiently and effectively to the tremendous growth in trademark applications generated by our robust economy.

With next week designated as "High Tech Week" in the Senate, where legislation dealing with new technology will be considered, there is no bill that is more deserving of attention and support at this time than S. 507. By converting the USPTO into a government corporation that is 100% user-fee funded, S. 507 will free the agency from constraints which have long hampered efficient operations. Passage of this important legislation will ensure that new products and inventions receive the protection they need both here at home and in global markets.

S. 507 provides great value to intellectual property owners and should be allowed to proceed to the Senate floor. We ask for your help in gaining passage of S. 507.

Sincerely,

DAVID STIMSON,
President.

3M COMPANY, OFFICE OF INTELLECTUAL PROPERTY COUNSEL,
June 9, 1998.

Hon. PATRICK LEAHY,
U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: I am writing to express the strong support of the 3M Company for the reforms contained in S. 507, the Hatch/Leahy Omnibus Patent Reform Act, and to request that you ask Senator Lott to schedule it for a Senate vote as soon as possible. S. 507 is critically important to U.S. industry. Its reforms will strengthen and improve the United States patent system, allowing American industry to compete more effectively with its foreign competition.

S. 507 will give the U.S. Patent and Trademark Office the administrative flexibility to operate at peak efficiency, save inventors money, and accelerate patent processing. It will allow American inventors and companies to see foreign technology contained in U.S. patent applications more than a year earlier than today, while ensuring that domestic inventors who choose not to take advantage of publication before patent grant may continue to do so if they do not file outside of the U.S. The legislation will guarantee diligent applications a patent term of at least 17 years from grant and most will receive an even longer term of exclusivity. S. 507 would also make existing reexamination procedures more effective by allowing greater third party participation, while adding numerous safeguards to protect against abuse.

One specific reform of S. 507 which 3M most strongly supports is that of creating a prior domestic commercial use defense. This long overdue reform will protect manufacturing jobs in American companies like 3M by ensuring that a late filed patent—nearly one-half of U.S. patents are foreign owned—will not disrupt domestic manufacturing operations. Important technology underlying our successful Post-it® Notes such as those attached to this letter—and the jobs of the American workers who produce them—will be made safer against foreign attack by the passage of S. 507.

The reforms in S. 507 are designed to improve the functioning of the patent system for all users, large and small. In fact, Senators Hatch and Leahy have recently agreed to amend their bill on the Senate floor in response to requests from small businesses. With these changes, key small business constituencies such as the Technology Chairs of the White House Conference on Small Business, the National Association of Women Business Owners, and the Small Business Technology Coalition have expressed their enthusiastic support for S. 507.

U.S. industry needs these patent reforms now. Support S. 507 and urge Senator Lott to bring it to a vote promptly.

Sincerely,

GARY L. GRISWOLD,
Staff Vice President and Chief Intellectual Property Counsel.

INTEL CORPORATION,
Santa Clara, CA, June 12, 1998.

Hon. PATRICK J. LEAHY,
U.S. Senate, Russell Senate Office Building.

DEAR SENATOR LEAHY: For the past four years, Intel has been an active participant in the 21st Century Patent Coalition, which supports the enactment of patent reform legislation (S. 507). S. 507 would accomplish three broad goals of vital importance to our industry: modernizing patent administration, improving and simplifying dispute resolution procedures in the Patent and Trademark Office, and strengthening inventors' rights in a number of ways, most importantly by protecting them from loss of term due to Patent Office delays. Our coalition has the support of over 80 major American industrial companies and 22 industry associations that are composed, primarily, of small businesses.

Now, S. 507—which passed the House on a voice vote last year, and was approved in the Senate Judiciary by a vote of 17-1—is ready for floor action in the Senate. Our coalition has worked hard to address any and all legitimate concerns about the taxt of the bill and its impact upon small business entities and independent inventors, and we believe that it would, if enacted, create the most pro-inventor patent system in the world. It has recently received the enthusiastic support of the White House Conference on Small Business Technology Chairs, the National Association of Women Business Owners, and the Small Business Technology Coalition.

The patent system we have today will be ill equipped to serve the needs of inventors in the next century if the improvements provided for in S. 507 are not made. We ask for your help in scheduling S. 507 for a floor vote, and for your support for the Committee bill on final passage.

Your support will help preserve America's role as the world's technology leader.

Sincerely,

CARL SILVERMAN,
Director of Intellectual Property.

CATERPILLAR INC.,
Peoria, IL, June 3, 1998.

Hon. PATRICK J. LEAHY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LEAHY: I am writing to express Caterpillar's strong support for S. 507 (Hatch/Leahy), The Omnibus Patent Act of 1997. As you know, S. 507 was reported from the Senate Judiciary Committee on a vote of 17-1 and is awaiting Senate floor action. A companion bill passed the House last year.

S. 507 would modernize the U.S. patent system through major improvements in our patent laws that will greatly benefit America's large and small businesses, inventors and entrepreneurs. For Caterpillar, this legislation will mean reduced costs, reduced risk, reduced bureaucracy, fewer lawsuits, more certainty regarding property rights, and generally a faster, more responsive patent system.

Equally significant, key small business groups now agree that S. 507 will streamline the patent process and help America's inventors who currently suffer from delays in the patent office that are not their fault.

It's time for the Senate to vote on this bill to help strengthen the U.S. economy and keep jobs in America.

I urge you to contact Majority Leader Lott in support of early scheduling of S. 507 for floor debate, and support the efforts of its sponsors to adopt a bill without weakening amendments.

Sincerely,

William B. Heming,
General Patent Counsel.

AMP Incorporated,
Washington, DC, June 3, 1998.

Hon. Patrick J. Leahy,
U.S. Senate, Russell Senate Office Building, Washington, DC.

Dear Senator Leahy: Please ask Senator Lott to bring S. 507, the Hatch-Leahy Omnibus Patent Act, to the floor as soon as possible. This patent reform is important to AMP, our employees, and the hundreds of inventors in our company who think up new ideas to produce better products, to keep our company competitive, and to create new jobs.

It's time to bring this bill up for a vote. The technology chairs of the White House Conference on Small Business have approved S. 507 because, "(it) will lower the litigation costs for small business, make it easier to know what areas of technology are open for innovation, and will go a long way towards giving us a more level playing field vis-a-vis our foreign competitors." AMP and the dozens of other companies and associations in the 21th Century Patent Coalition agree.

This bill has undergone months and months of scrutiny and compromise and is now ready for a vote. I hope you'll encourage the Majority Leader to schedule floor time for this reasonable reform measure.

If you need any more information about S. 507, please let me know.

Sincerely,

John Palafoutas,
Director, Federal Relations.●

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

HARKIN (AND OTHERS) AMENDMENT NO. 3175

Mr. HARKIN (for himself, Mr. Leahy, Mr. Kennedy, Mr. Torricelli, Mr. Durbin, Mr. Wellstone, Ms. Mikulski, Mrs. Murray, and Mr. Kerry) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, insert the following:

SEC. 7___. FOOD SAFETY INITIATIVE.

(a) In General.—In addition to the amounts made available under other provisions of this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, to carry out activities described in the Food Safety Initiative submitted by the President for fiscal year 1999—

(1) $98,000 to the Chief Economist;

(2) $906,000 to the Economic Research Service;

(3) $8,920,000 to the Agricultural Research Service;

(4) $11,000,000 to the Cooperative State Research, Education, and Extension Service;

(5) $8,347,000 to the Food Safety and Inspection Service; and

(6) $37,000,000 to the Food and Drug Administration.

1. *Amendment of the No Net Cost Fund assessments to provide for collection of all administrative costs not previously covered and all crop insurance costs for tobacco.* Section 106A of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445–1(c), is hereby amended by, in (d)(7) changing "the Secretary" to "the Secretary; and" and by adding a new clause, (d)(8) read as follows:

"(8) Notwithstanding any other provision of this subsection or other law, that with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which a Fund is maintained under this section, an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to: (1) the administrative costs within the Department of Agriculture that not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessment under this clause for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this clause shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this clause. For each domestically produced pound of tobacco the assessment amount to be remitted under this clause shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Fund maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the fund and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this clause shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment."

2. *Amendment of the No Net Cost Account assessments to provide for collection of all administrative cost not previously covered and all crop insurance costs.* Section 106B of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445–2, is amended by renumbering subsections "(i)" and "(j)" as "(j)" and "(k)" respectively, and by adding a new subsection "(i)" to read as follows:

"(i) Notwithstanding any other provision of this section or other law, the Secretary shall require with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which an account is maintained under this section, that an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to: (1) the administrative costs within the Department of Agriculture that are not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessments under this clause for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this clause shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this clause. For each domestically produced pound of tobacco the assessment amount to be remitted under this clause shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Account maintained under this section. The administrative and crop issuance costs that are taken into account in fixing the amount of the assessment shall be a claim on the Account and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this clause shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment."

3. *Elimination of the Tobacco Budget Assessment.* Notwithstanding any other provision of law, the provisions of Section 106(g) of the Agricultural Act of 1949, as amended, 7 U.S.C. 1445(g) shall not apply or be extended to the 1999 crops of tobacco and shall not, in any case, apply to any tobacco for which additional assessments have been rendered under Sections 1 and 2 of this Act.

Section 4(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(g)) is amended in the first sentence by striking "$193,000,000" and inserting "$177,000,000."

Amend the figure on page 12 line 20 by reducing the sum by $13,500,000.

Amend page 12 line 25 by striking "law." and inserting in lieu thereof the following: "law, and an additional $13,500,000 is provided to be available on October 1, 1999 under the provision of this paragraph."

DODD AMENDMENT NO. 3176

Mr. DODD proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place in title VII, insert the following:

SEC. ___. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

(a) Drugs.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

"(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

"(2) In this subsection:

"(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

"(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.".

(b) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting "or if the recall is a class I recall," after "cannot be identified"; and

(2) by adding at the end the following:

"(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.".

(c) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking "or gross" and inserting "gross"; and

(2) by striking the period and inserting ", or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).".

ROBB (AND OTHERS) AMENDMENT NO. 3177

Mr. ROBB (for himself, Mr. GRASSLEY, Mr. CLELAND, Ms. LANDRIEU, Mr. COVERDELL, Mr. HOLLINGS, and Ms. MOSELEY-BRAUN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 13, line 14, strike $97,200,000 and insert $92,200,000, and on page 14, line 17, strike $437,082,000 and insert $432,082,000. On page 18, line 1 strike $424,473,000 and insert $419,473,000. On page 19, line 23, strike $93,000,000 and insert $88,000,000, on page 67, after line 23, add the following:

SEC. . Expenses for computer-related activities of the Department of Agriculture funded through the Commodity Credit Corporation pursuant to section 161(b)(1)(A) of P.L. 104–127 in fiscal year 1999 shall not exceed $50,000,000; provided, that Section 4(g) of the Commodity Credit Corporation Charter Act is amended by striking $178,000,000 and inserting $173,000,000.

SEC. . WAIVER OF STATUE OF LIMITATIONS FOR CERTAIN DISCRIMINATION CLAIMS.

(a) DEFINITION OF ELIGIBLE CLAIM.—In this section, the term "eligible claim" means a non-employment-related claim that was filed with the Department of Agriculture on or before July 1, 1997 and alleges discrimination by the Department of Agriculture at any time during the period beginning on January 1, 1981, and ending on December 31, 1996.

(1) in violation of the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) in administering—

(A) a farm ownership, farm operating, or emergency loan funded from the Agricultural Credit Insurance Program Account; or

(B) a housing program established under title V of the Housing Act of 1949; or

(2) in the administration of a commodity program or a disaster assistance program.

(b) WAIVER—To the extent permitted by the Constitution, an eligible claim, if commenced not later than 2 years after the date of the enactment of this Act, shall not be barred by any statute of limitations.

(c) ADMINISTRATIVE PROCEEDINGS.

(1) IN GENERAL.—In lieu of bringing a civil action, a claimant may seek a written determination on the merits of an eligible claim by the Secretary of Agriculture if such claim is filed with the Secretary within two years of the date of enactment of this Act.

(2) TIME PERIOD FOR RESOLUTION OF ADMINISTRATIVE CLAIMS.—To the maximum extent practicable, the Secretary shall, within 180 days from the date an eligible claim is filed with Secretary under this subsection, conduct an investigation, issue a written determination, and propose a resolution in accordance with this subsection.

(3) HEARING AND AWARD.—The Secretary shall—

(A) provide the claimant an opportunity for a hearing before making the determination; and

(B) award the claimant such relief as would be afforded under the applicable statute from which the eligible claim arose notwithstanding any statute of limitations.

(d)— STANDARD OF REVIEW.—Federal courts reviewing an eligible claim under this section shall apply a de novo standard of review.

(e) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY AND EXTENSION OF TIME.—

(1) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY.—A proposed administrative award or settlement exceeding $75,000 (other than debt relief) of an eligible claim—

(A) shall not take effect until 90 days after notice of the award or settlement is given to the Attorney General; and

(B) shall not take effect if, during that 90 day period, the Attorney General objects to the award or settlement.

(2) EXTENSION OF TIME.—Notwithstanding subsections (b) and (c), if an eligible claim is denied administratively, the claimant shall have at least 180 days to commence a cause of action in a Federal court of competent jurisdiction seeking a review of such denial.

BROWNBACK (AND DORGAN) AMENDMENT NO. 3178

Mr. COCHRAN (for Mr. BROWNBACK for himself and Mr. DORGAN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. 7 . CENSUS OF AGRICULTURE.

(a) IN GENERAL.—Section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) is amended—

(1) in subsection (b) by inserting at the end the following: "In fiscal year 1999 the Secretary of Agriculture is directed to continue to revise the Census of Agriculture to eliminate redundancies in questions asked of farmers by USDA."

(2) in subsection (d) by deleting in paragraph (1) "who willfully gives" and inserting in its place "shall not give", and deleting ", shall be fined not more than $500".

(3) in subsection (d) by deleting in paragraph (2) "who refuses or willfully neglects" and inserting in its place "shall not refuse or willfully neglect", and deleting ", shall not be fined more than $100".

LEVIN AMENDMENT NO. 3179

Mr. COCHRAN (for Mr. LEVIN) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. . TREE ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture may use funds for tree assistance made available under Public Law 105–174, to carry out a tree assistance program to owners of trees that were lost or destroyed as a result of a disaster or emergency that was declared by the President or the Secretary of Agriculture during the period beginning May 1, 1998, and ending August 1, 1998, regardless of whether the damage resulted in loss or destruction after August 1, 1998.

(b) ADMINISTRATION.—Subject to subsection (c), the Secretary shall carry out the program, to the maximum extent practicable, in accordance with the terms and conditions of the tree assistance program established under part 783 of title 7, Code of Federal Regulations.

(c) ELIGIBILITY.—A person shall be presumed eligible for assistance under the program if the person demonstrates to the Secretary that trees owned by the person were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation that was caused by a disaster or emergency described in subsection (a).

KERREY (AND ROBERTS) AMENDMENT NO. 3180

Mr. COCHRAN (for Mr. KERREY for himself and Mr. ROBERTS) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. 7 . STUDY OF FUTURE FEDERAL AGRICULTURAL POLICIES.

(a) IN GENERAL.—On the request of the Commission on 21st Century Production Agriculture, the Secretary of Agriculture, acting through the Chief Economist of the Department of Agriculture, shall make assistance and information available to the Commission to enable the Commission to conduct a study to guide the development of future Federal agricultural policies.

(b) DUTIES.—In conducting the study, the Commission shall—

(1) examine a range of future Federal agricultural policies that may succeed the policies established under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for the 2003 and subsequent crops, and the impact of such policies on farm income, the structure of agriculture, trade competitiveness, conservation, the environment and other factors;

(2) assess the potential impact of any legislation enacted through the end of the 105th Congress on future Federal agricultural policies; and

(3) review economic agricultural studies that are relevant to future Federal agricultural policies.

(c) REPORT.—Not later than December 31, 1999, the Commission shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committee on Appropriations of the House of Representatives and the Senate the results of the study conducted under this section.

GRAHAM AMENDMENT NO. 3181

Mr. COCHRAN (for Mr. GRAHAM) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. . INDICATION OF COUNTRY OF ORIGIN OF IMPORTED PERISHABLE AGRICULTURAL COMMODITIES.

(a) DEFINITIONS.—In this section:

(1) FOOD SERVICE ESTABLISHMENT.—The term "food service establishment" means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility, operated as an enterprise engaged in the business of selling foods to the public.

(2) PERISHABLE AGRICULTURAL COMMODITY; RETAILER.—The terms "perishable agricultural commodity" and "retailer" have the

meanings given the terms in section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)).

(b) Notice of Country of Origin Required.—Except as provided in subsection (c), a retailer of a perishable agricultural commodity imported into the United States shall inform consumers, at the final point of sale of the perishable agricultural commodity to consumers, of the country of origin of the perishable agricultural commodity.

(c) Exemption for Food Service Establishments.—Subsection (b) shall not apply to a perishable agricultural commodity imported into the United States to the extent that the perishable agricultural commodity is—

(1) prepared or served in a food service establishment; and

(2)(A) offered for sale or sold at the food service establishment in normal retail quantities; or

(B) served to consumers at the food service establishment.

(d) Method of Notification.—

(1) In general.—The information required by subsection (b) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the imported perishable agricultural commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

(2) Labeled commodities.—If the imported perishable agricultural commodity is already individually labeled regarding country of origin by the packer, importer, or another person, the retailer shall not be required to provide any additional information to comply with this section.

(e) Violations.—If a retailer fails to indicate the country of origin of an imported perishable agricultural commodity as required by subsection (b), the Secretary of Agriculture may assess a civil penalty on the retailer in an amount not to exceed—

(1) $1,000 for the first day on which the violation occurs; and

(2) $250 for each day on which the same violation continues.

(f) Deposit of Funds.—Amounts collected under subsection (e) shall be deposited in the Treasury of the United States as miscellaneous receipts.

(g) Application of Section.—This section shall apply with respect to a perishable agricultural commodity imported into the United States after the end of the 6-month period beginning on the date of the enactment of this Act.

BUMPERS (AND OTHERS) AMENDMENT NO. 3182

Mr. COCHRAN (for Mr. Bumpers for himself, Mr. Daschle, Mr. Leahy, Mrs. Boxer, Mr. Durbin, and Mr. Byrd) proposed an amendment to the bill, S. 2159, supra; as follows:

Findings.—

The President's budget submission includes unauthorized user fees;

It is unlikely these fees will be authorized in the immediate future;

The assumption of revenue from unauthorized user fees results in a shortfall of funds available for programs under the jurisdiction of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee;

That among the programs for which additional funds can be justified are:

Human Nutrition Research;

The Food Safety Initiative activities of the USDA and the FDA;

the Wetlands Reserve Program;

the Conservation Farm Option Program;

the Farmland Protection Program;

the Inspector General's Law Enforcement Initiative;

FDA pre-notification certification;

FDA clinical pharmacology;

FDA Office of Cosmetics and Color;

the Rural Electric loan programs;

the Pesticide Data Program;

the Rural Community Advancement Program;

civil rights activities; and

Fund Rural America.

Therefore, it is the sense of the Senate that, In the event an additional allocation becomes available, the above mentioned programs should be considered for funding.

FEINGOLD (AND JEFFORDS) AMENDMENT NO. 3183

Mr. COCHRAN (for Mr. Feingold for himself and Mr. Jeffords) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. ___. OFFICE OF THE SMALL FARMS ADVOCATE.

(a) Definition of Small Farm.—In this section, the term "small farm" has the meaning given the term in section 506 of the Rural Development Act of 1972 (7 U.S.C. 2666).

(b) Establishment.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall establish and maintain in the Department of Agriculture an Office of the Small Farms Advocate.

(c) Functions.—The Office of the Small Farms Advocate shall—

(1) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms;

(2) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms are represented; and

(3) develop and implement a plan to coordinate the effective delivery of services of the Department to small farms.

(d) Administrator.—

(1) Appointment.—The Office of the Small Farms Advocate shall be headed by an Administrator, who shall be appointed by the President, with the advice and consent of the Senate. Nothing in this Act shall be construed to authorize a net increase in the number of political appointments within the Department of Agriculture.

(2) Duties.—The Administrator shall—

(A) act as an advocate for small farms in connection with policies and programs of the Department; and

(B) carry out the functions of the Office of the Small Farms Advocate under subsection (b).

(3) Executive schedule.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Administrator, Office of the Small Farms Advocate, Department of Agriculture.".

(e) Resources.—Using funds that are otherwise available to the Department of Agriculture, the Secretary shall provide the Office of the Small Farms Advocate with such human and capital resources as are sufficient for the Office to carry out its functions in a timely and efficient manner.

(f) Annual Report.—The Secretary shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report that describes actions taken by the Office of the Small Farms Advocate to further the interests of small farms.

DORGAN AMENDMENT NO. 3184

Mr. COCHRAN (for Mr. Dorgan) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 67, after line 23, add the following:

SEC. 7. LIMIT ON PENALTY FOR INADVERTENT VIOLATION OF CONTRACT UNDER THE AGRICULTURAL MARKET TRANSITION ACT.

If an owner or producer, in good faith, inadvertently plants edible beans during the 1998 crop year on acreage covered by a contract under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.), the Secretary of Agriculture shall minimize penalties imposed for the planting to prevent economic injury to the owner or producer.

CRAIG (AND OTHERS) AMENDMENT NO. 3185

Mr. COCHRAN (for Mr. Craig for himself, Mr. Johnson, Mr. Grams, and Mr. Roberts) proposed an amendment to the bill, S.2159, supra; as follows:

On page 67 after line 23 add the following section:

SEC. . 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Biodiesel Energy Development Act of 1998".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Amendments to the Energy Policy and Conservation Act.
Sec. 4. Minimum Federal fleet requirement.
Sec. 5. State and local incentives programs.
Sec. 6. Alternative fuel bus program.
Sec. 7. Alternative fuel use in nonroad vehicles, engines, and marine vessels.
Sec. 8. Mandate for alternative fuel providers.
Sec. 9. Replacement fuel supply and demand program.
Sec. 10. Modification of goals; additional rulemaking authority.
Sec. 11. Fleet requirement program.
Sec. 12. Credits.
Sec. 13. Secretary's recommendation to Congress.

SEC. 2. DEFINITIONS.

Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended—

(1) in paragraph (2), by striking "derived from biological materials" and inserting "derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume";

(2) in paragraph (8), by striking subparagraph (b) and inserting the following:

"(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel.";

(3) by redesignating paragraphs (11) through (14) as paragraphs (12), (14), (15), and (16), respectively;

(4) by inserting after paragraph (10) the following:

"(11) the term 'heavy duty motor vehicle' means a motor vehicle or marine vessel that is greater than 8,500 pounds gross vehicle weight rating;'';

(5) by inserting after paragraph (12) (as redesignated by paragraph (3)) the following:

''(13) the term 'marine vessel' means a motorized watercraft or other artificial contrivance used as a means of transportation primarily on the navigable waters of the United States;'';

(6) in paragraph (15) (as redesignated by paragraph (3)), by striking ''biological materials (including biodiesel)''.

SEC. 3. AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT.

Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amendment—

(1) in the second sentence of subsection (a)(3)(B), by striking ''vehicles converted to use alternative fuels may be acquired if, after conversion,'' and inserting ''existing fleet vehicles may be converted to use alternative fuels at the time of a major vehicle overhaul or rebuild, or vehicles that have been converted to use alternative fuels may be acquired, if''; and

(2) in subsection (g)—

(A) in paragraph (2), by striking ''derived from biological materials'' and inserting ''derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume'';

(B) in paragraph (5), by striking subparagraph (B) and inserting the following:

''(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel; and''; and

(C) in paragraph (6), by inserting ''or marine vessel'' after ''a vehicle''.

SEC. 4. MINIMUM FEDERAL FLEET REQUIREMENT.

Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(2) by inserting after subsection (b) the following:

''(c) Heavy Duty and Dual-fueled Vehicle Compliance Credits.—

''(1) In general.—For purposes of meeting the requirements of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to acquire 1 heavy duty alternative fueled vehicle in place of 2 light duty alternative fueled vehicles.

''(2) Additional credits.—For purposes of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to take an additional credit for the purchase and documented use of alternative fuel used in a dual-fueled vehicle, comparable conventionally-fueled motor vehicle, or marine vessel.

''(3) Accounting.—

''(A) In general.—In allowing a credit for the purchase of a dual-fueled vehicle or alternative fuel, the Secretary may request a Federal agency to provide an accounting of the purchase.

''(B) Guidelines.—The Secretary shall include any request made under subparagraph (A) in the guidelines required under section 308.

''(4) Fuel and vehicle neutrality.—The Secretary shall carry out this subsection in a manner that is, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.''.

SEC. 5. STATE AND LOCAL INCENTIVES PROGRAMS.

(a) Establishment of Program.—Section 409(a) of the Energy Policy Act of 1992 (42 U.S.C. 13235(a)) is amended—

(1) in paragraph (2)(A), by striking ''alternative fueled vehicles'' and inserting ''light and heavy duty alternative fueled vehicles and increasing the use of alternative fuels''; and

(2) in paragraph (3)—

(A) in subparagraph (B), by inserting after ''introduction of'' the following: ''converted or acquired light and heavy duty'';

(B) in subparagraph (E), by inserting after ''of sales of'' the following: '', incentives toward use of, and reporting requirements relating to''; and

(C) in subparagraph (G)—

(i) by redesignating clauses (i) through (iii) as clauses (ii) through (iv), respectively; and

(ii) by inserting after ''cost of—'' the following:

''(I) alternative fuels;''.

(b) Federal Assistance to States.—Section 409(b) of the Energy Policy Act of 1992 (42 U.S.C. 13235(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) grants of Federal financial assistance for the incremental purchase cost of alternative fuels.'';

(2) in paragraph (2)(B), by inserting after ''be introduced'' the following: ''and the volume of alternative fuel likely to be consumed''; and

(3) in paragraph (3)—

(A) by inserting ''alternative fuels and'' after ''in procuring''; and

(B) by inserting ''fuels and'' after ''of such''.

(c) General Provisions.—Section 409(c)(2)(A) of the Energy Policy Act of 1992 (42 U.S.C. 13235(c)(2)(A)) is amended by inserting after ''alternative fueled vehicles in use'' the following: ''and volume of alternative fuel consumed''.

SEC. 6. ALTERNATIVE FUEL BUS PROGRAM.

Section 410(c) of the Energy Policy Act of 1992 (42 U.S.C. 13236(c)) is amended in the second sentence by striking ''and the conversion of school buses to dedicated vehicles'' and inserting ''the incremental cost of alternative fuels used in flexible fueled school buses, and the conversion of school buses to alternative fueled vehicles''.

SEC. 7. ALTERNATIVE FUEL USE IN NONROAD VEHICLES, ENGINES, AND MARINE VESSELS.

Section 412 of the Energy Policy Act of 1992 (42 U.S.C. 13238) is amended—

(1) in this section heading, by striking ''and engines'' and inserting '', engines, and marine vessels'';

(2) by striking ''vehicles and engines'' each place it appears in subsection (a) and (b) and inserting ''vehicles, engines, and marine vessels'';

(3) in subsections (a)—

(A) in the subsection heading, by striking ''Nonroad Vehicles, and Engines'' and inserting ''In General'';

(B) in paragraph (1)—

(i) in the first sentence, by striking ''a study'' and inserting ''studies''; and

(ii) in the second sentence—

(I) by striking ''study'' and inserting ''studies''; and

(II) by striking ''2 years'' and insert ''2, 6, and 10 years'';

(C) in paragraph (2)—

(i) by striking ''study'' each place it appears and inserting ''studies''; and

(ii) in the second sentence, by inserting ''or marine vessels'' after ''such vehicles''; and

(D) in paragraph (3)—

(i) by striking ''report'' and inserting ''reports''; and

(ii) by striking ''may'' and inserting ''shall''; and

(4) in subsection (b)—

(A) in this subsection heading, by striking ''and Engines'' and inserting '', Engines, and Marine Vessels''; and

(B) by striking ''rail transportation, vehicles used at airports, vehicles or engines used for marine purposes, and other vehicles or engines'' and inserting ''rail and waterway transportation, vehicles used at airports and seaports, vehicles or engines used for marine purposes, marine vessels, and other vehicles, engines, or marine vessels''.

SEC. 8. MANDATE FOR ALTERNATIVE FUEL PROVIDERS.

Section 501 of the Energy Policy Act of 1992 (42 U.S.C. 13251) is amended—

(1) in subsection (a)(1), by inserting ''or heavy'' after ''new light'' and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(3) allow the conversion of an existing fleet vehicle into a dual-fueled alternative fueled vehicle at the time of a major overhaul or rebuild of the vehicle, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.''.

SEC. 9. REPLACEMENT FUEL SUPPLY AND DEMAND PROGRAM.

Section 502 of the Energy Policy Act of 1992 (42 U.S.C. 13252) is amended—

(1) in the first sentence of subsection (a), by inserting ''and heavy'' after ''in light''; and

(2) in the first sentence of subsection (b), by inserting after ''October 1, 1993,'' the following: ''and every 5 years thereafter through October 1, 2008,''.

SEC. 10. MODIFICATION OF GOALS; ADDITIONAL RULEMAKING AUTHORITY.

Section 504 of the Energy Policy Act of 1992 (42 U.S.C. 13254) is amended—

(1) in the first sentence of subsection (a), by striking ''and periodically thereafter'' and inserting ''consistent with the reporting requirements of section 502(b)''; and

(2) in subsection (c), by inserting after the first sentence the following: ''Any additional regulation issued by the Secretary shall be, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.''.

SEC. 11. FLEET REQUIREMENT PROGRAM.

(a) Fleet Program Purchase Goals.—Section 507(a)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13257(a)(1)) is amended by inserting ''acquired as, or converted into,'' after ''shall be''.

(b) Fleet Requirement Program.—Section 507(g) of the Energy Policy Act of 1992 (42 U.S.C. 13257(g)) is amended—

(1) in paragraph (1), by inserting, ''acquired as, or converted into,'' after ''shall be'';

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

"(4) SUBSTITUTIONS.—The Secretary shall, by rule, permit fleets covered under this section to substitute the acquisition or conversion of 1 heavy duty alternative fueled vehicle for 2 light duty vehicle acquisitions to meet the requirements of this subsection.".

(c) CONVERSIONS.—Section 507(j) of the Energy Policy Act of 1992 (42 U.S.C. 13257(j)) is amended—

(1) by striking "Nothing in" and inserting the following:

"(1) IN GENERAL.—Subject to paragraph (2) nothing in"; and

(2) by adding at the end the following:

"(2) CONVERSION INTO ALTERNATIVE FUELED VEHICLES.—

"(A) IN GENERAL.—A fleet owner shall be permitted to convert an existing fleet vehicle into an alternative fueled vehicle, and purchase the alternative fuel for the converted vehicle, for the purpose of compliance with this title or an amendment made by this title, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.

"(B) CREDITS.—A fleet owner shall be allowed a credit for the conversion of an existing fleet vehicle and the purchase of alternative fuel for the vehicles.".

(d) MANDATORY STATE FLEET PROGRAMS.—Section 507(o) of the Energy Policy Act of 1992 (42 U.S.C. 13257(o)) is amended—

(1) in paragraph (1)—

(A) by inserting "or heavy" after "new light"; and

(B) by inserting "or converted" after "acquired"; and

(2) in the first sentence of paragraph (2)(A)—

(A) by striking "this Act" and inserting "the Biodiesel Energy Development Act of 1997"; and

(B) by inserting after "of light" the following "or heavy duty alternative fueled".

SEC. 12. CREDITS.

(a) IN GENERAL.—Section 508(a) of the Energy Policy Act of 1992 (42 U.S.C. 13258(a)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—The Secretary"; and

(2) by adding at the end the following:

"(2) ALTERNATIVE FUEL.—The Secretary shall allocate a credit to a fleet or covered person that acquires a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle acquired or converted by the fleet or covered person as required under this title.".

(b) ALLOCATION.—Section 508(b) of the Energy Policy Act of 1992 (42 U.S.C. 13258(b)) is amended—

(1) by striking "In allocating credits under subsection (a)," and inserting the following:

"(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—In allocating credits under subsection (a)(1),"; and

(2) by adding at the end the following:

"(2) DUEL-FUELED VEHICLES; ALTERNATIVE FUEL.—In allocating credits under subsection (a)(2), the Secretary shall allocate 2 credits to a fleet or covered person for acquiring or converting a dual-fueled vehicle and acquiring a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle if the dual-fueled vehicle acquired is in excess of the number that the fleet or covered person is required to acquire or is acquired before the date that the fleet or covered person is required to acquire the number under this title.".

SEC. 13. SECRETARY'S RECOMMENDATION TO CONGRESS.

Section 509(a) of the Energy Policy Act of 1992 (42 U.S.C. 13259(a)) is amended—

(1) in paragraph (1), by inserting before the semicolon at the end the following: "and exempting replacement fuels from taxes levied on non-replacement fuels"; and

(2) in paragraph (2)—

(A) by inserting "and converters" after "suppliers"; and

(B) by inserting before the semicolon the following: ", including the conversion and warranty of motor vehicles into alternative fueled vehicles".

BUMPERS AMENDMENT NO. 3186

Mr. COCHRAN (for Mr. BUMPERS) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 40, line 20, strike the last period and replace with ";".

On page 40, line 20, after the ; insert the following:

"*Provided further*, That the Administrator may expend not more than $10,000 to provide modest non-monetary awards to non-USA employees."

HATCH AMENDMENT NO. 3187

Mr. COCHRAN (for Mr. HATCH) proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place insert the following:

The Secretary of Agriculture shall present to Congress a report on whether to recommend by March 1, 1999, lifting the ban on the interstate-distribution of state inspected meat.

COVERDELL (AND CLELAND) AMENDMENTS NOS. 3188–3190

Mr. COCHRAN (for Mr. COVERDELL for himself and Mr. CLELAND) proposed three amendments to the bill, S. 2159, supra; as follows:

AMENDMENT NO. 3188

On page 67, after line 23, add the following:

SEC. ___. PROHIBITION ON LOAN GUARANTEES TO BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.

Section 373 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h) is amended by striking subsection (b) and inserting the following:

"(b) PROHIBITION OF LOANS FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—

"(1) PROHIBITIONS.—Except as provided in paragraph (2)—

"(A) the Secretary may not make a loan under this title to a borrower that has received debt forgiveness on a loan made or guaranteed under this title; and

"(B) the Secretary may not guarantee a loan under this title to a borrower that has received—

"(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this title; or

"(ii) received debt forgiveness on no more than 3 occasions on or before April 4, 1996.

"(2) EXCEPTIONS.—

"(A) IN GENERAL.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower that was restructured with a write-down under section 353.

"(B) EMERGENCY LOANS.—The Secretary may make an emergency loan under section 321 to a borrower that—

"(i) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this title; and

"(ii) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this title.".

AMENDMENT NO. 3189

On page 67, after line 23, add the following:

SEC. ___. DEFINITION OF FAMILY FARM.

(a) REAL ESTATE LOANS.—Section 302 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922) is amended by adding at the end the following:

"(c) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(b) OPERATING LOANS.—Section 311 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941) is amended by adding at the end the following:

"(d) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(c) EMERGENCY LOANS.—Section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) is amended by adding at the end the following:

"(e) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(d) EFFECTIVE DATE.—This amendment shall be considered to have been in effect as of January 1, 1977.

AMENDMENT NO. 3190

On page 67, after line 23, add the following:

SEC. ___. APPLICABILITY OF DISASTER LOAN COLLATERAL REQUIREMENTS UNDER THE SMALL BUSINESS ACT.

Section 324(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(d)) is amended—

(1) by striking "(d) All loans" and inserting the following:

"(d) Repayment.—

"(1) In general.— All loans"; and

(2) by adding at the end the following:

"(2) No basis for denial of loan.—

"(A) In general.—Subject to subparagraph (B), the Secretary shall not deny a loan under this subtitle to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if the Secretary is reasonably certain that the borrower will be able to repay the loan.

"(B) Refusal to pledge available collateral.—The Secretary may deny or cancel a loan under this subtitle if a borrower refuses to pledge available collateral on request by the Secretary.".

HARKIN AMENDMENT NO. 3191

Mr. COCHRAN (for Mr. Harkin) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 46, line 24, before the period, insert the following: ": *Provided further*, That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g))".

On page 47, line 6, strike "$3,924,000,000" and insert "$3,948,000,000".

DODD AMENDMENT NO. 3192

Mr. COCHRAN (for Mr. Dodd) proposed an amendment to amendment No. 3176 proposed by him to the bill, S. 2159, supra; as follows:

In the amendment strike all after the first word and insert the following:

. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES.

(a) Drugs.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

"(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

"(2) In this subsection:

"(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

"(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.".

(b) Devices.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting "or if the recall is a class I recall," after "cannot be identified"; and

(2) by adding at the end the following:

"(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.".

(c) Conforming Amendment.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking "or gross" and inserting "gross"; and

(2) by striking the period and inserting ", or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).".

This section shall take effect one day after date of this bill's enactment.

HARKIN (AND OTHERS) AMENDMENT NO. 3193

Mr. HARKIN (for himself, Mr. Reed, Mr. Lautenberg, Mr. Kennedy, Mrs. Murray, and Mr. Johnson) proposed an amendment to the bill, S. 2159, supra; as follows:

At the appropriate place, insert the following:

SEC. . TEEN ANTI-TOBACCO ACTIVITIES.

(a) Increase in Funds.—The amount described for salaries and expenses of the Food and Drug Administration under title VI shall be increased from $1,072,640,000 to $1,172,640,000.

(b) User Fee.—The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall, not later than 60 days after the date of enactment of this Act, and annually thereafter assess and collect from each manufacturer of tobacco products a user fee for the conduct of teen anti-tobacco activities by the Food and Drug Administration.

(c) Amount.—With respect to each year, the user fee assessed to a manufacturer under subsection (b) shall be equal to an amount that bears the same ratio to $150,000,000 as the tobacco product market share of the manufacturer bears to the tobacco market share of all tobacco product manufacturers for the year preceding the year in which the determination is being made.

(d) Deposits.—Amount collected under subsection (b) shall be deposited into the general fund of the Treasury.

(e) Appropriation.—There are authorized to be appropriated in each fiscal year, and there are appropriated, an amount equal to the amount deposited into the Treasury under subsection (d) for that fiscal year, to be used by the Food and Drug Administration to carry out teen anti-tobacco activities under the Federal Food, Drug and Cosmetic Act.

(f) No Requirement for Payment.—The Secretary shall not require that a manufacturer pay a user fee under this section for any tobacco product for any fiscal year if the Secretary determines that the tobacco product involved as manufactured by the manufacturer is used by less than 0.5 percent of the total number of individuals determined to have used any tobacco product as manufactured by all manufacturers for the year involved.

(g) Final Determination.—The determination of the Secretary as to the amount and allocation of an assessment under subsection (b) shall be final and the manufacturer shall pay such assessment within 30 days of the date on which the manufacturer is assessed. Such payment shall be retained by the Secretary pending final judicial review.

(h) Judicial Review.—The amount of any user fee paid under subsection (b) shall be subject to judicial review by the United States Court of Appeals for the District of Columbia Circuit, based on the arbitrary and capricious standard of section 706(2)(A) of title 5, United States Code. Notwithstanding any other provision of law, no court shall have the authority to stay any payment due to the Secretary under subsection (b) pending judicial review.

BAUCUS AMENDMENT NO. 3194

Mr. COCHRAN (for Mr. Baucus) proposed an amendment to the bill, S. 2159, supra; as follows:

On page 13, line 11, strike "$50,500,000" and insert "$51,400,000".

On page 14, line 17, strike "$432,082,000" and insert "$432,982,000".

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

BOND (AND OTHERS) AMENDMENT NO. 3195

Mr. BOND (for himself, Mr. Cleland, Ms. Mikulski, and Mr. Coverdell) proposed an amendment to the bill (S. 2168) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, as follows:

On page 7, line 18, add the following new provisos prior to the period: ": *Provided further*, That the funds made available under this heading, $14,000,000 shall be for the homeless grant program and $6,000,000 shall be for the homeless per diem program: *Provided further*, That such funds may be used for vocational training, rehabilitation, and outreach activities in addition to other authorized homeless assistance activities".

McCAIN AMENDMENT NO. 3196

Mr. BOND (for Mr. McCain) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 93, between lines 18 and 19, insert the following:

Sec. 423. (a) Each entity that receives a grant from the Federal Government for purposes of providing emergency shelter for homeless individuals shall—

(1) ascertain, to the extent practicable, whether or not each adult individual seeking such shelter from such entity is a veteran; and

(2) provide each such individual who is a veteran such counseling relating to the availability of veterans benefits (including employment assistance, health care benefits, and other benefits) as the Secretary of Veterans Affairs considers appropriate.

(b) The Secretary of Veterans Affairs and the Secretary of Housing and Urban Development shall jointly coordinate the activities required by subsection (a).

(c) Entities referred to in subsection (a) shall notify the Secretary of Veterans Affairs of the number and identity of veterans ascertained under paragraph (1) of that subsection. Such entities shall make such notification with such frequency and in such form as the Secretary shall specify.

(d) Notwithstanding any other provision of law, an entity referred to subsection (a) that fails to meet the requirements specified in that subsection shall not be eligible for additional grants or other Federal funds for purposes of carrying out activities relating to emergency shelter for homeless individuals.

BOND (AND OTHERS) AMENDMENT NO. 3197

Mr. BOND (for himself, Mr. ROCKEFELLER, and Ms. MIKULSKI) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 7, line 18, add the following new provisos prior to the period: ": *Provided further*, That of the funds made available under this heading, $10,000,000 shall be for implementation of the Primary Care Providers Incentive Act, contingent upon enactment of authorizing legislation".

SARBANES (AND MIKULSKI) AMENDMENT NO. 3198

Mr. BOND (for Mr. SARBANES for himself and Ms. MIKULSKI) proposed an amendment to the bill, S. 2168, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. NATIONAL FALLEN FIREFIGHTERS FOUNDATION.

(a) Establishment and Purposes.—Section 202 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5201) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) primarily—

"(A) to encourage, accept, and administer private gifts of property for the benefit of the National Fallen Firefighters' Memorial and the annual memorial service associated with the memorial; and

"(B) to, in coordination with the Federal Government and fire services (as that term is defined in section 4 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2203)), plan, direct, and manage the memorial service referred to in subparagraph (A)";

(2) in paragraph (2), by inserting "and Federal" after "non-Federal";

(3) in paragraph (3)—

(A) by striking "State and local" and inserting "Federal, State, and local"; and

(B) by striking "and" at the end;

(4) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

"(5) to provide for a national program to assist families of fallen firefighters and fire departments in dealing with line-of-duty deaths of those firefighters; and

"(6) to promote national, State, and local initiatives to increase public awareness of fire and life safety in coordination with the United States Fire Administration."

(b) Board of Directors of Foundation.—Section 203(g)(1) of the National Fallen Firefighters Foundation Act (36 U.S.C. 5202(g)(1)) is amended by striking subparagraph (A) and inserting the following:

"(A) appointing officers or employees;".

(c) Administrative Services and Support.—Section 205 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5204) is amended to read as follows:

"SEC. 205. ADMINISTRATIVE SERVICES AND SUPPORT.

"(a) In General.—During the 10-year period beginning on the date of enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, the Administrator may—

"(1) provide personnel, facilities, and other required services for the operation of the Foundation; and

"(2) request and accept reimbursement for the assistance provided under paragraph (1).

"(b) Reimbursement.—Any amounts received under subsection (a)(2) as reimbursement for assistance shall be deposited in the Treasury to the credit of the appropriations then current and chargeable for the cost of providing that assistance.

"(c) Prohibition.—Notwithstanding any other provision of law, no Federal personnel or stationery may be used to solicit funding for the Foundation.".

WELLSTONE (AND OTHERS) AMENDMENT NO. 3199

Mr. WELLSTONE (for himself, Mrs. MURRAY, Mr. MCCAIN, and Mr. KERRY) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 16, between lines 19 and 20, insert the following:

Sec. 110. (a)(1) Section 1103 of title 38, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 11 of such title is amended by striking the item relating to section 1103.

(b) Upon the enactment of this Act—

(1) the Director of the Office of Management and Budget shall not make any estimate of changes in direct spending outlays under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 for any fiscal year resulting from the enactment of this section; and

(2) the Chairmen of the Committees on the Budget shall not make any adjustments in direct spending outlays for purposes of the allocations, functional levels, and aggregates under title III of the Congressional Budget Act of 1974 for any fiscal year resulting from the enactment of this section.

MURKOWSKI AMENDMENT NO. 3200

Mr. MURKOWSKI proposed an amendment to the bill, S. 2168, supra; as follows:

SEC. . VIETNAM VETERANS ALLOTMENT.

The Alaskan Native Claims Settlement Act (43 U.S.C. 1600, et seq.) is amended by adding at the end the following:

OPEN SEASON FOR CERTAIN NATIVE ALASKAN VETERANS FOR ALLOTMENTS

Sec. 41. (a) In General.—(1) During the eighteen month period following promulgation of implementing rules pursuant to paragraph (6), a person described in subsection (b) shall be eligible for an allotment of not more than 160 acres of land under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

(2) Allotments selected under this section shall not be from existing native or non-native campsites, except for campsites used primarily by the person selecting the allotment.

(3) Only federal lands shall be eligible for selection and conveyance under this Act.

(4) All conveyances shall be subject to valid existing rights, including any right of the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement.

(5) All state selected lands that have not yet been conveyed shall be ineligible for selection under this section.

(6) No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section.

(7) The Secretary of the Interior may covey alternative federal lands, including lands within a Conservation System Unit, to a person entitled to an allotment located within a Conservation System Unit if—

(A) the Secretary determines that the allotment would be incompatible with the purposes for which the Conservation System Unit was established;

(B) the person entitled to the allotment agrees in writing to the alternative conveyance; and

(C) the alternative lands are of equal acreage to the allotment.

(b) Eligible Individuals.—(1) A person is eligible under subsection (a) if that person would have been eligible under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971, and that person is a veteran who served during the period between January 1, 1968 and December 31, 1971.

(c) Study.—The Secretary of the Interior shall—

(1) conduct a study to identify and assess the circumstances of veterans of the Vietnam era who were eligible for allotments under the Act of May 17, 1906 but who did not apply under that Act and are not eligible under this section; and

(2) within one year of enactment of this section, issue a written report with recommendations to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

(d) Definitions.—For the purposes of this section, the terms "veteran" and "Vietnam era" have the meanings given those terms by paragraphs (2) and (29) respectively, of section 101 of title 38, United States Code.

FEINGOLD AMENDMENT NO. 3201

Mr. FEINGOLD proposed an amendment to the bill, S. 2168, supra; as follows:

On page 93, between lines 18 and 19, insert the following:

SEC. ___. CLASS SIZE DEMONSTRATION GRANTS.

Subpart 3 of part D of title V of the Higher Education Act of 1965 (20 U.S.C. 1109 et seq.) is amended to read as follows:

"Subpart 3—Class Size Demonstration Grants

"SEC. 561. PURPOSE.

"It is the purpose of this subpart to provide grants to State educational agencies to enable such agencies to determine the benefits, in various school settings, of reducing class size on the educational performance of students and on classroom management and organization.

"SEC. 562. PROGRAM AUTHORIZED.

"(a) Program Authorized.—

"(1) In general.—The Secretary shall award grants, on a competitive basis, to State educational agencies to pay the Federal share of the costs of conducting demonstration projects that demonstrate methods of reducing class size that may provide information meaningful to other State educational agencies and local educational agencies.

"(2) Federal share.—The Federal share shall be 50 percent.

"(b) Reservation.—The Secretary may reserve not more than 5 percent of the amount appropriated under section 565A for each fiscal year to carry out the activities described in section 565.

"(c) Selection Criteria.—The Secretary shall make grants to State educational agencies on the basis of—

"(1) the need and the ability of a State educational agency to reduce the class size of an elementary school or secondary school served by such agency;

"(2) the ability of a State educational agency to furnish the non-Federal share of the costs of the demonstration project for which assistance is sought;

"(3) the ability of a State educational agency to continue the project for which assistance is sought after the termination of Federal financial assistance under this subpart; and

"(4) the degree to which a State educational agency demonstrates in the application submitted pursuant to section 564 consultation in program implementation and design with parents, teachers, school administrators, and local teacher organizations, where applicable.

"(d) Priority.—In awarding grants under this subpart, the Secretary shall give priority to demonstration projects that involve at-risk students in the earliest grades, including educationally or economically disadvantaged students, students with disabilities, and limited English proficient students.

"(e) Grants Must Supplement Other Funds.—A State educational agency shall use the Federal funds received under this subpart to supplement and not supplant other Federal, State, and local funds available to the State educational agency to carry out the purpose of this subpart.

"SEC. 563. PROGRAM REQUIREMENTS.

"(a) Annual Competition.—In each fiscal year, the Secretary shall announce the factors to be examined in a demonstration project assisted under this subpart. Such factors may include—

"(1) the magnitude of the reduction in class size to be achieved;

"(2) the level of education in which the demonstration projects shall occur;

"(3) the form of the instructional strategy to be demonstrated; and

"(4) the duration of the project.

"(b) Random Techniques and Appropriate Comparison Groups.—Demonstration projects assisted under this subpart shall be designed to utilize randomized techniques or appropriate comparison groups.

"SEC. 564. APPLICATION.

"(a) In General.—In order to receive a grant under this subpart, a State educational agency shall submit an application to the Secretary that is responsive to the announcement described in section 563(a), at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) Duration.—The Secretary shall encourage State educational agencies to submit applications under this subpart for a period of 5 years.

"(c) Contents.—Each application submitted under subsection (a) shall include—

"(1) a description of the objectives to be attained with the grant funds and the manner in which the grant funds will be used to reduce class size;

"(2) a description of the steps to be taken to achieve target class sizes, including, where applicable, the acquisition of additional teaching personnel and classroom space;

"(3) a statement of the methods for the collection of data necessary for the evaluation of the impact of class size reduction programs on student achievement;

"(4) an assurance that the State educational agency will pay, from non-Federal sources, the non-Federal share of the costs of the demonstration project for which assistance is sought; and

"(5) such additional assurances as the Secretary may reasonably require.

"(d) Sufficient Size and Scope Required.—The Secretary shall award grants under this subpart only to State educational agencies submitting applications which described projects of sufficient size and scope to contribute to carrying out the purpose of this subpart.

"SEC. 565. EVALUATION AND DISSEMINATION.

"(a) National Evaluation.—The Secretary shall conduct a national evaluation of the demonstration projects assisted under this subpart to determine the costs incurred in achieving the reduction in class size and the effects of the reductions on results, such as student performance in the affected subjects or grades, attendance, discipline, classroom organization, management, and teacher satisfaction and retention.

"(b) Cooperation.—Each State educational agency receiving a grant under this subpart shall cooperate in the national evaluation described in subsection (a) and shall provide such information to the Secretary as the Secretary may reasonably require.

"(c) Reports.—The Secretary shall report to Congress on the results of the evaluation conducted under subsection (a).

"(d) Dissemination.—The Secretary shall widely disseminate information about the results of the class size demonstration projects assisted under this subpart.

"SEC. 565A. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subpart $15,000,000 for fiscal year 1999 and each of the 4 succeeding fiscal years.".

SEC. ___. PROHIBITION REGARDING RESEARCH AND DEVELOPMENT BY NASA RELATING TO SUPERSONIC OR SUBSONIC AIRCRAFT.

(a) In General.—Notwithstanding any other provision of law, the Administrator of the National Aeronautics and Space Administration may not carry out research and development activities relating to supersonic aircraft or subsonic aircraft.

(b) Deficit Reduction.—Upon the date of enactment of this Act, savings resulting from amounts reduced pursuant to the application of subsection (a) shall be subject to the following provisions:

(1) Budget authority and spending limits.—The Office of Management and Budget shall—

(A) reflect the reduction in discretionary budget authority that results from the application of subsection (a) in the estimates required by section 251(a)(7) of the Balanced Budget and Emergency Deficit Control Act of 1985 in accordance with that Act, including an estimate of the reduction of the budget authority for each outyear; and

(B) include a reduction to the discretionary spending limits for budget authority and outlays in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985 for each applicable fiscal year set forth in section 251(c) of that Act by amounts equal to the amounts for each fiscal year estimated pursuant to subparagraph (A).

(2) Adjustments to spending limits.—The Office of Management and Budget shall make the reduction required by paragraph (1)(B) as part of the next sequester report required by section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(3) CBO estimates.—As soon as practicable after the date of enactment of this Act, the Director of the Congressional Budget Office shall provide to the Committee on the Budget of the House of Representatives and the Committee on the Budget of the Senate an estimate of the reduction of the budget authority and the reduction in outlays flowing from such reduction of budget authority for each outyear.

On page 78, line 24, strike "$1,305,000,000" and insert "$866,000,000".

NICKLES (AND OTHERS) AMENDMENT NO. 3202

Mr. NICKLES (for himself, Mr. Kohl, Mr. Mack, Mr. Allard, Mr. Feingold, Mr. DeWine, and Mr. Faircloth) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 53, strike lines 9 through 25 and insert the following:

SEC. 219. INCREASE IN FHA SINGLE FAMILY MAXIMUM MORTGAGE AMOUNTS AND GNMA GUARANTY FEE.

(a) FHA Single Family Maximum Mortgage Amounts.—Section 203(b)(2)(A) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)) is amended by striking "38 percent" and inserting "48 percent".

(b) GNMA Guaranty Fee.—Section 306(g)(3)(A) of the National Housing Act (12 U.S.C. 1721(g)(3)(A)) is amended by striking "No Fee or charge" and all that follows through "or collected" and inserting "A fee or charge in an amount equal to not less than 12 basis points shall be assessed and collected".

REED (AND OTHERS) AMENDMENT NO. 3203

Mr. REED (for himself, Mr. Abraham, Mr. Chafee, Mr. Leahy, Mr. Wellstone, Ms. Mikulski) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 33, line 17, strike "$60,000,000" and insert "$70,000,000".

On page 33, line 21, insert "*Provided:* That none of these funds shall be available for the Healthy Homes Initiative" before the period.

KERREY (AND HAGEL) AMENDMENT NO. 3204

Mr. KERREY (for himself and Mr. Hagel) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 93, between lines 18 and 19, insert the following:

SEC. 423. TEMPORARY PROHIBITION ON IMPLEMENTATION OR ENFORCEMENT OF PUBLIC WATER SYSTEM TREATMENT REQUIREMENTS FOR COPPER ACTION LEVEL.

(a) In General.—None of the funds made available by this or any other Act for any fiscal year may be used by the Administrator of the Environmental Protection Agency to implement or enforce the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.), to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level, until—

(1) the Administrator and the Director of the Centers for Disease Control and Prevention jointly conduct a study to establish a reliable dose-response relationship for the adverse human health effects that may result from exposure to copper in drinking water, that—

(A) includes an analysis of the health effects that may be experienced by groups within the general population (including infants) that are potentially at greater risk of adverse health effects as the result of the exposure;

(B) is conducted in consultation with interested States;

(C) is based on the best available science and supporting studies that are subject to peer review and conducted in accordance with sound and objective scientific practices; and

(D) is completed not later than 30 months after the date of enactment of this Act; and

(2) based on the results of the study and, once peer reviewed and published, the 2 studies of copper in drinking water conducted by the Centers for Disease Control and Prevention in the State of Nebraska and the State of Delaware, the Administrator establishes an action level for the presence of copper in drinking water that protects the public health against reasonably expected adverse effects due to exposure to copper in drinking water.

(b) CURRENT REQUIREMENTS.—Nothing in this section precludes a State from implementing or enforcing the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.) that are in effect on the date of enactment of this Act, to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level.

BURNS AMENDMENT NO. 3205

Mr. BURNS proposed an amendment to the bill, S. 2168, supra; as follows:

On page 93, between lines 18 and 19 insert the following:

SEC. 4___. INSURANCE; INDEMNIFICATION; LIABILITY.

(a) IN GENERAL.—The Administrator may provide liability insurance for, or indemnification to, the developer of an experimental aerospace vehicle developed or used in execution of an agreement between the Administration and the developer.

(b) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Except as otherwise provided in this section, the insurance and indemnification provided by the Administration under subsection (a) to a developer shall be provided on the same terms and conditions as insurance and indemnification is provided by the Administration under section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) to the user of a space vehicle.

(2) INSURANCE.—

(A) IN GENERAL.—A developer shall obtain liability insurance or demonstrate financial responsibility in amounts to compensate for the maximum probable loss from claims by—

(i) a third party for death, bodily injury, or property damage, or loss resulting from an activity carried out in connection with the development or use of an experimental aerospace vehicle; and

(ii) the United States Government for damage or loss to Government property resulting from such an activity.

(B) MAXIMUM REQUIRED.—The Administrator shall determine the amount of insurance required, but, except as provided in subparagraph (C), that amount shall not be greater than the amount required under section 70112(a)(3) of title 49, United States Code, for a launch. The Administrator shall publish notice of the Administrator's determination and the applicable amount or amounts in the Federal Register within 10 days after making the determination.

(C) INCREASE IN DOLLAR AMOUNTS.—The Administrator may increase the dollar amounts set forth in section 70112(a)(3)(A) of title 49, United States Code, for the purpose of applying that section under this section to a developer after consultation with the Comptroller General and such experts and consultants as may be appropriate, and after publishing notice of the increase in the Federal Register not less than 180 days before the increase goes into effect. The Administrator shall make available for public inspection, not later than the date of publication of such notice, a complete record of any correspondence received by the Administration, and a transcript of any meetings in which the Administration participated, regarding the proposed increase.

(D) SAFETY REVIEW REQUIRED BEFORE ADMINISTRATOR PROVIDES INSURANCE.—The Administrator may not provide liability insurance or indemnification under subsection (a) unless the developer establishes to the satisfaction of the Administrator that appropriate safety procedures and practices are being followed in the development of the experimental aerospace vehicle.

(3) NO INDEMNIFICATION WITHOUT CROSS-WAIVER.—Notwithstanding subsection (a), the Administrator may not indemnify a developer of an experimental aerospace vehicle under this section unless there is an agreement between the Administration and the developer described in subsection (c).

(4) APPLICATION OF CERTAIN PROCEDURES.—If the Administrator requests additional appropriations to make payments under this section, like the payments that may be made under section 308(b) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b(b)), then the request for those appropriations shall be made in accordance with the procedures established by subsections (d) and (e) of section 70113 of title 49, United States Code.

(c) CROSS-WAIVERS.—

(1) ADMINISTRATOR AUTHORIZED TO WAIVE.—The Administrator, on behalf of the United States, and its departments, agencies, and instrumentalities, may reciprocally waive claims with a developer and with the related entities of that developer under which each party to the waiver agrees to be responsible, and agrees to ensure that its own related entities are responsible, for damage or loss to its property for which it is responsible, or for losses resulting from any injury or death sustained by its own employees or agents, as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(2) LIMITATIONS.—

(A) CLAIMS.—A reciprocal waiver under paragraph (1) may not preclude a claim by any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or that natural person's estate, survivors, or subrogees for injury or death, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(B) LIABILITY FOR NEGLIGENCE.—A reciprocal waiver under paragraph (1) may not absolve any party of liability to any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or such a natural person's estate, survivors, or subrogees for negligence, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(C) INDEMNIFICATION FOR DAMAGES.—A reciprocal waiver under paragraph (1) may not be used as the basis of a claim by the Administration or the developer for indemnification against the other for damages paid to a natural person, or that natural person's estate, survivors, or subrogees, for injury or death sustained by that natural person as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(d) DEFINITIONS.—In this section:

(1) ADMINISTRATION.—The term "Administration" means the National Aeronautics and Space Administration.

(2) ADMINISTRATOR.—The term "Administrator" means the Administrator of the National Aeronautics and Space Administration.

(3) COMMON TERMS.—Any term used in this section that is defined in the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.) has the same meaning in this section as when it is used in that Act.

(4) DEVELOPER.—The term "developer" means a person (other than a natural person) who—

(A) is a party to an agreement that was in effect before the date of enactment of this Act with the Administration for the purpose of developing new technology for an experimental aerospace vehicle;

(B) owns or provides property to be flown or situated on that vehicle; or

(C) employs a natural person to be flown on that vehicle.

(5) EXPERIMENTAL AEROSPACE VEHICLE.—The term "experimental aerospace vehicle" means an object intended to be flown in, or launched into, suborbital flight for the purpose of demonstrating technologies necessary for a reusable launch vehicle, developed under an agreement between the Administration and a developer that was in effect before the date of enactment of this Act.

(e) RELATIONSHIP TO OTHER LAWS.—

(1) SECTION 308 OF NATIONAL AERONAUTICS AND SPACE ACT OF 1958.—This section does not apply to any object, transaction, or operation to which section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) applies.

(2) CHAPTER 701 OF TITLE 49, UNITED STATES CODE.—The Administrator may not provide indemnification to a developer under this section for launches subject to license under section 70117(g)(1) of title 49, United States Code.

(f) TERMINATION.—

(1) IN GENERAL.—The provisions of this section shall terminate on December 31, 2002, except that the Administrator may extend the termination date to a date not later than September 30, 2005, if the Administrator determines that such an extension is necessary to cover the operation of an experimental aerospace vehicle.

(2) EFFECT OF TERMINATION ON AGREEMENTS.—The termination of this section does not terminate or otherwise affect a cross-waiver agreement, insurance agreement, indemnification agreement, or any other agreement entered into under this section except as may be provided in that agreement.

SESSIONS AMENDMENT NO. 3206

Mr. SESSIONS proposed an amendment to the bill, S. 2168, supra; as follows:

Beginning on page 58, strike line 15 and all that follows through page 79, line 2, and insert the following:

Corporation for National and Community Service

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (referred to in the matter under this heading as the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (referred to in the matter under this heading as the "Act") (42 U.S.C. 12501 et seq.), $309,500,000, to remain available until September 30, 1999: *Provided*, That not more than $27,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)): *Provided further*, That not more than $2,500 shall be for official reception and representation expenses: *Provided further*, That not more than $70,000,000, to remain available without fiscal year limitation, shall be transferred to the National Service Trust account for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601 et seq.), of which not to exceed $5,000,000 shall be available for national service scholarships for high school students performing community service: *Provided further*, That not more than $120,000,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the AmeriCorps program), of which not more than $40,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)): *Provided further*, That not more than $5,500,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.): *Provided further*, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12571(b)): *Provided further*, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: *Provided further*, That not more than $9,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further*, That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further*, That not more than $30,000,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.): *Provided further*, That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further*, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, shall expand significantly the number of educational awards provided under subtitle D of title I, and shall reduce the total Federal costs per participant in all programs.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $3,000,000.

Court of Veterans Appeals

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Veterans Appeals as authorized by 38 U.S.C. sections 7251–7298, $10,000,000, of which $865,000, shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set fourth, under this heading in Public Law 102–229.

Department of Defense—Civil

Cemeterial Expenses, Army

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses, $11,666,000, to remain available until expended.

Environmental Protection Agency

SCIENCE AND TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $643,460,000, which shall remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $1,840,500,000, which shall remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $31,154,000, to remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $52,948,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111 (c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; not to exceed $1,500,000,000 (of which $100,000,000 shall not become available until September 1, 1999), to remain available until expended, consisting of $1,250,000,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That $12,237,300 of the funds appropriated under this heading shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2000: *Provided further*, That notwithstanding section 111(m) of CERCLA or any other provision of law, $74,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of SARA: *Provided further*, That $40,200,000 of the funds appropriated under this heading shall be transferred to the "Science and Technology" appropriation to remain available until September 30, 2000: *Provided further*, That none of the funds appropriated under this heading shall be used for Brownfields revolving loan funds unless specifically authorized by subsequent legislation: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1998.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $75,000,000, to remain available until expended: *Provided*, That hereafter, the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as she deems appropriate for the same purposes as are set forth in section 9003(h)(7) of RCRA.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, and to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,255,000,000, to remain available until expended, of which $1,400,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended, and $800,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended; $75,000,000 for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $30,000,000 for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; $100,000,000 for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the Committee report (S. Rept. 105–216) accompanying this Act (S. 2168); and $850,000,000 for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities: *Provided*, That, consistent with section 1452(g) of the Safe Drinking Water Act (42 U.S.C. 300j–12(g)), section 302 of the Safe Drinking Water Act Amendments of 1996 (Public Law 104–182) and the accompanying joint explanatory statement of the committee on conference (H. Rept. No. 104–741 to accompany S. 1316, the Safe Drinking Water Act Amendments of 1996), and notwithstanding any other provision of law, beginning in fiscal year 1999 and thereafter, States may combine the assets of State Revolving Funds (SRFs) established under section 1452 of the Safe Drinking Water Act, as amended, and title VI of the Federal Water Pollution Control Act, as amended, as security for bond issues to enhance the lending capacity of one or both SRFs, but not to acquire the state match for either program, provided that revenues from the bonds are allocated to the purposes of the Safe Drinking Water Act and the Federal Water Pollution Control Act in the same portion as the funds are used as security for the bonds: *Provided further*, That, notwithstanding the matching requirement in Public Law 104–204 for funds appropriated under this heading for grants to the State of Texas for improving wastewater treatment for the Colonias, such funds that remain unobligated may also be used for improving water treatment for the Colonias, and shall be matched by State funds from State resources equal to 20 percent of such unobligated funds: *Provided further*, That, hereafter the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as she deems appropriate for the development and implementation of programs to manage hazardous waste, and underground storage tanks: *Provided further*, That beginning in fiscal year 1999 and thereafter, pesticide program implementation grants under section 23(a)(1) of the Federal Insecticide, Fungicide and Rodenticide Act, as amended, shall be available for pesticide program development and implementation, including enforcement and compliance activities.

ADMINISTRATIVE PROVISION

None of the funding provided under this Act may be used by the Environmental Protection Agency to issue any notification, or enter into, implement or approve agreements that enable the export of government owned ships to be dismantled in foreign countries unless the Administrator of the Environmental Protection Agency certifies to the Congress that the environmental standards imposed by law and enforced in the country in which the vessel is to be dismantled or scrapped are comparable to the environmental standards imposed and enforced under United States law.

Executive Office of the President

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $5,026,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, $2,575,000: *Provided*, That, notwithstanding any other provision of law, no funds other than those appropriated under this heading, shall be used for or by the Council on Environmental Quality and Office of Environmental Quality: *Provided further*, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as Chairman and exercising all powers, functions, and duties of the Council.

Federal Deposit Insurance Corporation

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $34,666,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

Federal Emergency Management Agency

DISASTER RELIEF

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $846,000,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $1,355,000, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $25,000,000.

In addition, for administrative expenses to carry out the direct loan program, $440,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 31 U.S.C. 1343; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses, $170,000,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $5,400,000.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $231,000,000: *Provided*, That for purposes of pre-disaster mitigation pursuant to 42 U.S.C. 5131 (b) and (c) and 42 U.S.C. 5196 (e) and (i), $25,000,000 of the funds made available under this heading shall be available until expended for project grants.

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended, $100,000,000: *Provided*, That total administrative costs shall not exceed three and one-half percent of the total appropriation.

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

There is hereby established in the Treasury a Radiological Emergency Preparedness Fund, which shall be available under the Atomic Energy Act of 1954, as amended, and Executive Order 12657, for offsite radiological emergency planning, preparedness, and response. Beginning in fiscal year 1999 and thereafter, the Director of the Federal Emergency Management Agency (FEMA) shall promulgate through rulemaking fees to be assessed and collected, applicable to persons subject to FEMA's radiological emergency preparedness regulations. The aggregate charges assessed pursuant to this section during fiscal year 1999 shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for such fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 1999, and remain available until expended.

For necessary expenses of the Fund for fiscal year 1999, $12,849,000, to remain available until expended.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, as amended, not to exceed $22,685,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $78,464,000 for flood mitigation, including up to $20,000,000 for expenses under section 1366 of the National Flood Insurance Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2000. In fiscal year 1999, no funds in excess of (1) $47,000,000 for operating expenses, (2) $343,989,000 for agents' commissions and taxes, and (3) $60,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations. For fiscal year 1999, flood insurance rates shall not exceed the level authorized by the National Flood Insurance Reform Act of 1994.

Section 1309(a)(2) of the National Flood Insurance Act (42 U.S.C. 4016(a)(2)), as amended by Public Law 104–208, is further amended by striking "1998" and inserting "1999".

Section 1319 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4026), is amended by striking "September 30, 1998" and inserting "September 30, 1999".

Section 1336 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4056), is amended by striking "September 30, 1998" and inserting "September 30, 1999".

The first sentence of section 1376(c) of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4127(c)), is amended by striking "September 30, 1998" and inserting "September 30, 1999".

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, $2,419,000, to be deposited into the Consumer Information Center Fund: *Provided*, That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $7,500,000. Appropriations, revenues, and collections accruing to this fund during fiscal year 1999 in excess of $7,500,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

INTERNATIONAL SPACE STATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in support of the International Space Station, including development, operations and research support; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $2,300,000,000, to remain available until September 30, 2000.

LAUNCH VEHICLES AND PAYLOAD OPERATIONS

For necessary expenses, not otherwise provided for, in the conduct and support of the space shuttle program, including safety and performance upgrades, space shuttle operations, and payload utilization and operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $3,241,000,000, to remain available until September 30, 2000; *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station other than costs of space shuttle flights utilized for space station assembly.

SCIENCE AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of space science, earth science, life and mirogravity science, and academic programs, including research, development; operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $4,270,400,000, to remain available until September 30, 2000: *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station.

AERONAUTICS, SPACE TRANSPORTATION AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of aeronautics, space transportation, and technology research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition of condemnation of real property, as authorized by law; and purchase, lease, charter, and maintenance and operation of mission and administrative aircraft, $1,325,000,000, to remain available until September 30, 2000: *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station.

ASHCROFT (AND BOND) AMENDMENT NO. 3207

Mr. BOND (for Mr. ASHCROFT for himself and Mr. BOND) proposed an amendment to the bill, S. 2168, supra; as follows:

At the appropriate place in title IV, insert the following:

SEC. 4   . INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE FOR CERTAIN HOUSING ASSISTANCE.

Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended by adding at the end the following:

"(f) INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE ON THE PREMISES.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 8 that—

"(1) permanently prohibit occupancy in any public housing dwelling unit by, and assistance under section 8 for, any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law; and

"(2) immediately and permanently terminate the tenancy in any public housing unit of, and the assistance under section 8 for, any person who is convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law.".

SNOWE (AND COLLINS) AMENDMENT NO. 3208

Mr. BOND (for Ms. SNOWE for herself and Ms. COLLINS) proposed an amendment to the bill, S. 2168, supra; as follows:

SEC. 110. (a) It is the sense of the Senate that it should be the goal of the Department of Veterans Affairs to serve all veterans at health care facilities within 250 miles of their homes, and to minimize travel distances if specialized services are not available at a health care facility operated by the Veterans Health Administration within 250 miles of a veteran's home.

(b) Not later than 6 months after the date of enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report on the estimated costs to and impact on the health care system administered by the Veterans Health Administration of making specialty care available to all veterans within 250 miles of their homes.

BOND (AND MIKULSKI) AMENDMENT NO. 3209

Mr. BOND (for himself and Ms. MIKULSKI) proposed an amendment to the bill, S. 2168, supra; as follows:

On page 17, line 10, insert after "1437)" the following: "(the "Act" herein)".

On page 17, beginning on line 22, strike out "United States Housing Act of 1937" and insert in lieu thereof: "Act".

On page 19, line 14, insert after “basis” the following “(except as otherwise provided in this proviso)”.

On page 19, line 23, strike the colon and insert a period.

On page 19, line 23, strike “Provided further, That from” and insert in lieu thereof “From” as the first word in a new paragraph beginning on line 24.

On page 21, line 13 insert after “in”, the following “title II,”.

On page 23, line 3, insert after “agencies: the following: “, Indian Tribes and their”.

On page 28, beginning on line 5, strike “and community” and all that follows through “porations” on line 6 and insert in lieu thereof “, community development corporations and Indian tribes”.

On page 28, line 9, insert after “for” the following: “Indian tribes and”.

On page 28, line 13, insert after “1999 to” the following: “Indian tribes and”.

On page 31, beginning on line 16, strike “such Act” and insert in lieu thereof “the United States Housing Act of 1937”.

On page 32, beginning on line 21, strike “this proviso shall not apply” and insert in lieu thereof the following: “funds under this proviso shall not be used”.

On page 33, line 5, strike “. Local” and insert in lieu thereof the following: “: Provided That, local”.

On page 34, line 7, strike “. In addition,” and insert in lieu thereof the following: “: Provided further, That in addition to the other amounts appropriated under this heading,”

On page 34, line 16, strike “projects” and insert in lieu thereof: “any project”.

On page 36, beginning on line 11, strike “under” and all that follows through “1437)” on line 13.

On page 41, beginning on line 16, strike “where” and all that follows through “request” on line 18 and insert in lieu thereof the following “subject to reprogramming”.

On page 42, line 20 insert after “vided” the following: “by transfer”.

On page 42, line 21, after “provided” insert the following: “by transfer”.

On page 43, line 7, strike “and $10,000,000 shall be transferred” and insert in lieu thereof the following: “: Provided, That $10,000,000 shall also be transferred to this account”.

On page 44, line 4, strike “1997” and insert in lieu thereof the following “1998”.

On page 44, line 5, strike “1998” and insert in lieu thereof the following “1999”.

On page 49, line 6, strike “236(g)” and insert in lieu thereof the following “236”.

On page 49, line 7, strike “read” and insert in lieu thereof the following “add a subsection in the appropriate place”.

On page 50, beginning on line 21, strike “originated and endorsed” and insert in lieu thereof the following: “executed”.

On page 53, line 7, insert after “associated with” the following: “senior”.

On page 53, line 8, insert before the period the following: “except that the Secretary may fund education and training programs associated with the Community Development Block Grant program, the Community First Leadership program and the Junior Community Builders program, subject to the Secretary submitting to the Committees on Appropriations an action plan identifying all funding to be used and the education and training programs for which the funding will be provided.”.

On page 54, line 7, strike “year” and insert in lieu thereof the following: “years”.

Campbell/Stevens/Mack/Bond: On page 55, insert after line 13 the following new section and renumber, accordingly:

SEC. PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT.

The Public and Assisted Housing Drug Elimination Act of 1990 is amended—

(1) in section 5123, by inserting “Indian tribes” before “and private”;

(2) in section 5124(a)(7), by inserting “, an Indian tribe,” before “or tribally designated”;

(3) in section 5125, by inserting “an Indian tribe” before “or tribally designated”; and

(4) by adding at the end the following new paragraph:

“(6) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in 25 U.S.C. 4103(12).”.

On line 55, insert after line 13 the following new sections and renumber, accordingly:

“SEC. . MULTIFAMILY HOUSING INSTITUTE.

Notwithstanding any other provision of law, the Secretary may, from time to time, as determined necessary to assist the Department in managing its multifamily assets including analyzing, tracking and evaluating its portfolio of FHA-insured and other mortgages and properties and assisting the Department in understanding and reducing the risk involved in its mortgage restructuring, insuring and guaranteeing activities, provide data to, 'and purchase data from, any nonprofit, industry supported, on-line provider of nationwide, multifamily housing loan and property data services.”.

“SEC. . MULTIFAMILY MORTGAGE AUCTIONS.

Section 221(g)(4)(C) of the National Housing Act is amended—

(1) in the first sentence of clause (viii), by striking “September 30, 1996” and inserting “December 31, 2002”; and

(2) by adding at the end the following:

“(ix) The authority of the Secretary to conduct multifamily auctions under this paragraph shall be effective for any fiscal year only to the extent and in such amounts as are approved in appropriations Acts for the costs of loan guarantees (as defined in section 502 of the Congressional Budget Act of 1974), including the cost of modifying loans.”.

On page 93, after line 21, insert the following new subsection.

“SEC. .

None of the funds provided in this Act may be obligated after February 15, 1999, unless each department, agency, corporation, and commission that receives funds herein provides detailed justifications to the Committees on Appropriations for all salary and expense activities for Fiscal Years 1999 through 2003, including personnel compensation and benefits, consulting costs, professional services or technical service contracts regardless of the dollar amount, contracting out costs, travel and other standard object classifications for all headquarters offices, regional offices, or field installations and laboratories, including the number of full-time equivalents per office, and the personnel compensation, benefits and travel costs for each Secretary, assistant secretary or administrator.

At the appropriate place, insert the following:

SEC. ___. Notwithstanding any other provision of law, of the $1,250,000 made available pursuant to Public Law 102–389 for economic revitalization and infrastructure repair in Montpelier, Vermont, $250,000 is available for the Central Vermont Revolving Loan Fund administered by the Central Vermont Community Action Council.

At the appropriate place, insert the following:

SEC. ___. ANNUAL REPORT ON MANAGEMENT DEFICIENCIES.

(a) IN GENERAL.—Section 203 of the National Housing Act (12 U.S.C. 1709) is amended by adding at the end the following:

“(w) MANAGEMENT DEFICIENCIES REPORT.—

“(1) IN GENERAL.—Not later than 60 days after the date of enactment of this subsection, and annually thereafter, the Secretary shall submit to Congress a report on the plan of the Secretary to address each material weakness, reportable condition, and noncompliance with an applicable law or regulation (as defined by the Director of the Office of Management and Budget) identified in the most recent audited financial statement of the Federal Housing Administration submitted under section 3515 of title 31, United States Code.

“(2) CONTENTS OF ANNUAL REPORT.—Each report submitted under paragraph (1) shall include—

“(A) an estimate of the resources, including staff, information systems, and contract assistance, required to address each material weakness, reportable condition, and noncompliance with an applicable law or regulation described in paragraph (1), and the costs associated with those resources;

“(B) an estimated timetable for addressing each material weakness, reportable condition, and noncompliance with an applicable law or regulation described in paragraph (1); and

“(C) the progress of the Secretary in implementing the plan of the Secretary included in the report submitted under paragraph (1) for the preceding year, except that this subparagraph does not apply to the initial report submitted under paragraph (1).”.

(b) EFFECT ON OTHER AUTHORITY.—The Secretary of Housing and Urban Development may not implement section 219 of this Act before the date on which the Secretary submits the initial report required under section 203(w) of the National Housing Act (12 U.S.C. 1709(w)), as added by subsection (a) of this section.

On page 85, after line 11, add the following:

ADMINISTRATIVE PROVISION

SEC. 301. COMPREHENSIVE ACCOUNTABILITY STUDY FOR FEDERALLY-FUNDED RESEARCH.

(A) STUDY.—The Director of the Office of Science and Technology Policy, in consultation with the Director of the Office of Management and Budget, may enter into an agreement with the National Academy of Sciences for the Academy to conduct a comprehensive study to develop methods for evaluating Federally-funded research and development programs. This study shall—

(1) recommend processes to determine an acceptable level of success for Federally-funded research and development programs by—

(A) describing the research process in the various scientific and engineering disciplines;

(B) describing in the different sciences what measures and what criteria each community uses to evaluate the success or failure of a program, and on what time scales these measure are considered reliable—both for exploratory long-range work and for short-range goals; and

(C) recommending how these measures may be adapted for use by the Federal government to evaluate Federally-funded research and development programs;

(2) assess the extent to which agencies incorporate independent merit-based evaluation into the formulation of the strategic plans of funding agencies and if the quantity

or quality of this type of input is unsatisfactory;

(3) recommend mechanisms for identifying Federally-funded research and development programs which are unsuccessful or unproductive;

(4) evaluate the extent to which independent, merit-based evaluation of Federally-funded research and development programs and projects achieves the goal of eliminating unsuccessful or unproductive programs and projects; and

(5) investigate and report on the validity of using quantitative performance goals for aspects of programs which relate to administrative management of the program and for which such goals would be appropriate, including aspects related to—

(A) administrative burden on contractors and recipients of financial assistance awards;

(B) administrative burdens on external participants in independent, merit-based evaluations;

(C) cost and schedule control for construction projects funded by the program;

(D) the ratio of overhead costs of the program relative to the amounts expended through the program for equipment and direct funding of research; and

(E) the timeliness of program responses to requests for funding, participation, or equipment use.

(b) Independent Merit-Based Evaluation Defined.—The term "independent merit-based evaluation" means review of the scientific or technical quality of research or development, conducted by experts who are chosen for their knowledge of scientific and technical fields relevant to the evaluation and who—

(1) in the case of the review of a program activity, do not derive long-term support from the program activity; or

(2) in the case of the review of a project proposal, are not seeking funds in competition with the proposal.

Insert at the appropriate place.

SEC. . INFORMED CONSUMER CHOICE.

(a) Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by adding at the end the following:

"Notwithstanding subparagraph (A) of this paragraph, the Secretary may not insure a mortgage unless the original lender making the loan secured by that mortgage provided to the prospective mortgagor a written notice that included (i) a generic analysis comparing the note rate (and associated interest payments), insurance premiums, and other costs and fees that would be due over the life of the loan for a loan insured by the Secretary under this subsection with the note rates, insurance premiums (if applicable), and other costs and fees that would be expected to be due if the mortgagor obtained instead any of the mortgagor's 3 most frequently employed structures for mortgage loans with a similar loan-to-value ratio in connection with a conventional mortgage (as that term is used in section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) or section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)), as applicable), assuming prevailing interest rates; and (ii) a statement regarding when the mortgagor's requirement to pay the mortgage insurance premiums for a mortgage insured under this section would terminate or a statement that the requirement will terminate only if the mortgage is refinanced, paid off, or otherwise terminated.".

(b) Annual Study by Comptroller General.—Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by adding at the end the following:

"Not later than the expiration of a 1-year period beginning on the effective date of this undesignated paragraph and annually thereafter, the Comptroller General of the United States shall conduct and submit to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a study regarding the extent, and cost to consumers, of steering by lenders to loans insured by the Secretary under this subsection and the degree to which lenders have complied with the requirements of this subsection.".

(c) Effective Date.—The amendments made by this section shall take effect immediately.

At the appropriate place in title IV, insert the following:

SEC. 4. LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP.

(a) Notice of Prepayment or Termination.—

(1) In general.—Notwithstanding section 212(b) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4102) or any other provision of law, during fiscal year 1998 and each fiscal year thereafter, an owner of eligible low-income housing (as defined in section 229 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4119) that intends to take any action described in section 212(a) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4102(a)) shall, not less than 1 year before the date on which the action is taken—

(A) file a notice indicating that intent with the chief executive officer of the appropriate State or local government for the jurisdiction within which the housing is located; and

(B) provide each tenant of the housing with a copy of that notice.

(2) Exception.—The requirements of this subsection do not apply in any case in which the prepayment or termination at issue is necessary to effect conversion to ownership by a priority purchaser (as defined in section 231(a) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4120(a)). The requirements of this subsection do not apply where owners have provided, legal notice of prepayment of termination as of July 7, 1998, under the terms of current law.

CONCURRENT RESOLUTION RELATIVE TO PHOTOGRAPHIC FILM AND PAPER AND MARKET ACCESS TO JAPAN

D'AMATO AMENDMENT NO. 3210

Mr. BOND (for Mr. D'Amato) proposed an amendment to the concurrent resolution (S. Con. Res. 88) calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barrier in Japan; as follows:

On page 3, line 7, strike "implement" and insert "support".

On page 3, line 13, insert "paper and wood products," after "glass,".

On page 3, line 21, strike "July 15, 1998" and insert "December 15, 1998".

On page 4, strike lines 1 and 2 and insert: "access to Japanese markets for consumer photographic film and paper.".

In the preamble—

(1) strike the ninth whereas clause; and

(2) in the 11th whereas clause strike "is committed to promote" and insert "promotes".

Amend the title so as to read: "A concurrent resolution calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.".

UNITED STATES ENRICHMENT CORPORATION PRIVATIZATION ACT AMENDMENTS

FORD AMENDMENT NO. 3211

Mr. BOND (for Mr. Ford) proposed an amendment to the bill (S. 2316) to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride; as follows:

On Page 2, line 3, strike all after "hexafluoride" and insert the following: consistent with the National Environmental Policy Act.

(b) Limitation.—Notwithstanding the privatization of the United States Enrichment Corporation and notwithstanding any other provision of law (including the repeal of chapters 22 through 26 of the Atomic Energy Act of 1954 (42 U.S.C. 2297 et seq.) made by section 3116(a)(1) of the USEC Privatization Act (104 Stat. 1321–349)), no amounts described in subsection (a) shall be withdrawn from the United States Enrichment Corporation Fund established by section 1308 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–7) or the Working Capital Account established under section 1316 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–15) until the date that is 1 year after the date on which the President submits to Congress the budget request for fiscal year 2000.

(c) Sense of the Senate.—It is the Sense of the Senate that Congress should authorize appropriations during fiscal year 2000 in an amount sufficient to fully fund the plan described in subsection (a).

NOTICE OF HEARING

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Ms. COLLINS. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold a hearing entitled "Cramming: An Emerging Telephone Billing Fraud." This hearing will examine the emerging problem of telephone cramming—the billing of unauthorized charges on a consumer's telephone bill. Specifically, the hearing will highlight the scope and nature of cramming, educate consumers about cramming, and determine what is being done to control the practice.

This hearing will take place on Thursday, July 23, 1998, at 9:30 a.m., in Room 342 of the Dirksen Senate Office Building. For further information, please contact Timothy J. Shea of the Subcommittee staff at 224-3721.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday July 16, 1998, at 9:30 a.m. in open session, to consider the nomination of Daryl Jones to be Secretary of the Air Force.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, July 16, 1998, at 9:30 am on Universal Service: Schools and Libraries Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. ROBERTS. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Thursday, July 16, 1998 beginning at 10:00 a.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 16, 1998 at 10:00 am., 2:00 pm and 4:00 pm to hold three hearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold an executive business meeting during the session of the Senate on Thursday July 16, 1998, at 9:30 a.m., in Room 226, of the Senate Dirksen Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, July 16, 1998 at 2:00 p.m., in Room 226 of the Senate Dirksen Office Building, to hold a hearing on: "Judicial Nominations."

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Special Committee on Aging be permitted to meet on July 16, 1998 at 10:30 a.m. to 2:00 p.m. in Dirksen G50 for the purpose of conducting a forum.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. ROBERTS. Mr. President, I ask unanimous consent that the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, July 16, for purposes of conducting a subcommittee hearing which is scheduled to begin at 2:00 p.m. The purpose of this hearing is to receive testimony on S. 155, a bill to redesignate General Grant National Memorial Monument as Grant's Tomb National Monument, and for other purposes, S. 1408, a bill to established the Lower East Side Tenement National Historic Site, and for other purposes; S. 1718, a bill to amend the Weir Farm National Historic Site Establishment Act of 1990 to authorize the acquisition of additional acreage for the historic site to permit the development of visitor and administrative facilities and to authorize the appropriation of additional amounts for the acquisition of real and personal property; and S. 1990, to authorize expansion of Fort Davis National Historic Sit in Fort Davis, Texas.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REMARKS OF SENATOR BENNETT ON THE YEAR 2000 TECHNOLOGY PROBLEM

• Mr. MOYNIHAN. Mr. President, I would like to bring to the Senate's attention the excellent speech on the Year 2000 (Y2K) technology problem given by Senator BENNETT at the National Press Club on Wednesday, July 15, 1998. The insightful and informative speech by the Chairman of the Senate's Special Committee on the Year 2000 further advances the work of our committee in bringing this time-sensitive issue to the fore. The speech accurately emphasized the urgent nature of Y2K, and candidly surmised the dire consequences if left uncorrected. I commend Senator BENNETT on his efforts to bring increased awareness of the millennium bug to the public and private sectors.

I ask that Senator BENNETT's address to the National Press Club be printed in the RECORD.

The speech follows:

NATIONAL PRESS CLUB LUNCHEON
SPEAKER, SENATOR ROBERT BENNETT (R–UTAH),
Washington, DC, July 15, 1998.

Senator BENNETT. Thank you very much. I'm delighted to be here. And I have to introduce myself as "the other BOB BENNETT." I know that name has been prominent in the Press Club in the past. You may even have heard from him. I point out that I'm the tall, skinny, bald BOB BENNETT. He is the short, fat, hairy BOB BENNETT—(laughter)—and that's how you keep us separated —keep us apart.

I first got interested in the Year 2000 problem I suppose the way anybody did; I read about it briefly, thought that's kind of an interesting sort of thing, more of a feature story issue, but not something to get particularly worried about. Oh, two years ago, 18 months ago, whenever the first stories first started filtering out, I was chairman of the—I guess I still am—chairman of the Senate Banking Subcommittee on Technology and Financial Services. Ever since I've been on the Banking Committee, I've been saying to the chairman we need to spend more time talking about technology, smart cards, digital signatures, those kinds of things.

And finally, AL D'AMATO said we're going to create a subcommittee on technology, make you the chairman so you'll leave us alone. (Laughter.) And we started holding hearings on those various things I've described, and then said to Robert, "You know, let's hold a hearing on this Year 2000 problem. That'd be a subject that we could talk about to keep the subcommittee going.

And so we convened a hearing on the Year 2000 problem, focusing primarily on the banking system, since that's the jurisdiction of the subcommittee, and heard for the first time some real details about the Year 2000 problem. And when it was over, CHRIS DODD, who had stayed through the whole hearing—and those of you in the Washington press corps know how unusual that is—turned to me and said, "Mr. Chairman, we need another hearing. This is pretty scary stuff." And I said, you know, "You're exactly right." We've now held eight hearings in that subcommittee, and each time we've gotten a little more scared.

Finally, in the early part of this year I went to Senator LOTT and Senator DODD went to Senator DASCHLE, and we said, "This problem is serious enough it needs more than just the jurisdiction of the Banking Committee." And out of those conversations LOTT and DASCHLE got together, put through the resolution creating the Senate committee on the Year 2000. I became the chairman, CHRIS DODD became the vice chair, and in a(n) unprecedented, I think, certainly an unusual, move we picked up two ex officio members of that committee: TED STEVENS and ROBERT C. BYRD. So we have a direct pipeline into the Appropriations Committee, and we saw how that worked. Had the first meeting of the committee in which I outlined some of the problems. TED STEVENS leaned over and whispered in the ear of one of his staffers who was there, and the next day he had set aside $2¼ billion of extra money to help the federal government solve its Year 2000 problem. I'm not used to having that kind of horsepower on my committee—(laughter)—and I'm delighted to have Ted and Senator BYRD there, but also delighted that Senator DODD is the ranking Democrat and the vice chairman of the committee. He's probably going to join us a little later. But I wanted to publicly acknowledge the work that he's done on this.

We have tried to be the Paul Revere. But I tell people we're not yet Chicken Little. The British are, indeed, coming. This is a serious problem, and one that cannot be minimized. But I'm not yet ready to say that the sky is falling, as some people do on the web sites. And so we've tried to strike the balance between Paul Revere and Chicken Little. Now, in that capacity I wrote the White House and said we need some direction out of the executive branch and urged the president to appoint a Y2K czar. He didn't answer my letter, but he appointed a Y2K czar, which is even better—John Koskinen, appointed in February of this year. And when he came to see me and we chatted for a while, I said "I'm very impressed with you. I think you're just what the president needs, only I have one problem: you're not high enough profile. Nobody's ever heard of you." We do need a higher profile here.

I called Erskine Bowles. Senator DODD joined me. Erskine came to my office. We sat there, the three of us, and talked about how we could get the president involved. And I am delighted that yesterday the president made a major address on this. If you missed it, go back and get a hold of it. Much as it hurts me, as a Republican, to have to say so, it was a superb speech. He touched all of the right bases, sounded all of the right notes. And this is a very, very welcome addition to the Y2K challenge.

Then I picked up the paper this morning and saw Robert Samuelson's column on this issue. As the Paul Revere of this particular challenge, it's nice to hear some additional hoofbeats on the side while I'm riding from every Middlesex village and town. (Soft laughter.)

Now the problem, of course, that we face is time. We can do a lot of things in the United States Congress, but we cannot legislate that the year 2000 will not come. We cannot pass a law saying we will only allow the year 2000 to occur once these fixes have been made. So we have to do something very, very dramatic. We have to do it in a number-one priority state of mind, and that's why the president's statement is so welcome, because he said this should be the number-one priority of every CEO in the country. And of course, he is joining Tony Blair and other international leaders who are saying the same thing.

Unfortunately, there are not enough of them saying this in enough countries, and the problem globally is worse than it is here. I'll get to that in a minute, but I wanted to make that very clear. While I'm focusing on the United States, I do not mean to minimize the difficulties of a national—pardon me, an international challenge here.

Well, when I get out here in these speeches and hearings and other presentations, the first thing that comes up is that people say, "How did we get into this mess?" We've gotten the quick answer in the introduction; they tried to save space, and so they held it down to just two digits for the date. But it's actually more generic than that, and I'd like to spend just a minute with you on the generic side of it, so that you get an understanding of exactly how serious this really is.

Go back with me a quarter century—or, living in Washington terms, four Senate elections—(laughter)—and take a look at the economy and where we were. We were in the Industrial Age. We were perhaps at the peak of the Industrial Age, the Industrial Age that was created because somewhere, somebody had a very simple idea, and that idea was interchangeable parts.

Before we had the notion of producing things that were interchangeable, every manufacturing operation was really producing a work of art. Everything was one of a kind. And then someone got the notion of interchangeable parts, and factories began to turn out things that were alike. And mass production was possible, mass distribution was possible, mass advertising came along. The Industrial Age came, and it revolutionized everything; created enormous wealth, enormous social problems but enormous opportunities.

And we were just beginning to get comfortable with all of that when somebody had another simple little idea, as revolutionary as the idea of interchangeable parts. It was the idea that said the switch in a transistor is either on or off. And, therefore, you can write code that can be read mechanically by a series of transistors strung together that show that they are either on or off. And that was the beginning of the what we now call digital code. And we began to get serious about it roughly 25 years ago.

And just as the concept of interchangeable parts transformed the world in the Industrial Revolution, the concept of digital code transformed the world in the Information Revolution. And we are living through that revolution in ways that future historians will look back on and comment about. But it has happened to us gradually enough that we don't really understand the incredible impact of that little notion that a switch can be either on or off, that a punch in an IBM card can either be in or out, or that a pit on a laser disk can be burned to either be there or not, only a micron wide so that on a disk this size, you can put the entire Encyclopedia Britannica and read it by virtue of digital code.

Enormously significant things have happened as a result of that revolution. We have now eliminated whole portions of the hierarchy of corporate organizations. Middle management is pretty well gone. Where did it go? It was replaced by computer technology, because the purpose of middle management was to manage information. Now, an individual on the factory floor can call up on a screen more information than he could have gotten from acres and acres of Harvard MBAs in the middle management prior to the invention of the computer and digital code.

And it has become ubiquitous this digital code. It is everywhere we look. One of the things that has happened—and I am going to focus on this for just a minute out of my business background, to help you understand how difficult the Y2K challenge is—is that we have changed manufacturing fundamentally, and not just by robotics and all of the things you think of in terms of computers.

Go back 25 years ago to General Motors, and they would have warehouses filled with steel and aluminum and glass and rubber and chrome and all the other things necessary to produce a car. And usually there would be about 90 days—(audio break). (Following audio break)—in these warehouses.

Along came digital code. Toyota pioneered Edward Deming's idea of "just in time" inventory. The warehouse holding the spare parts or the component parts of a Toyota consisted of the railroad car in which those parts arrived at the plant. And the railroad car pulls up to the side of the plant, they open the doors and start off-loading the parts directly onto the assembly line until the car is empty, and it is then pulled away and another car pulled up. You can imagine the savings—money, time, effort, capital, everything else—that has occurred because of "just in time" inventory. But you must understand that "just in time" inventory cannot work without computers. You cannot have enough middle managers with Harvard MBAs figuring it out to make it work if you don't have computers.

And quite frankly—I'll make one last comment on this and then move on. We Republicans will tell you that the good economy we're enjoying is because we won control of the Congress in 1994. The Democrats will say no, it's because Bill Clinton won control of the presidency in 1992. And then some of us will say no, it's because President Bush appointed Alan Greenspan chairman of the Fed back in the 1980s. I think that, of the three, has the most validity to it. (Laughter.)

But we have to recognize that one of the major reasons we have a good economy is because we have eliminated the old warehouses and those huge inventories.

We have made people more productive, we have smoothed out the curves of the business cycle, and we have done it all with computers. We are reaping the benefits, whether the Republicans claim credit or the Democrats claim credit, we are reaping the benefits in the economy of the introduction of the Information Age, and it is wonderful. And as I say, all of the incumbent politicians are taking credit for it, even though none of them deserve it.

That's the good news. The bad news is that that flaw that got put into the system in terms of two digits for a date instead of four, that used to be just part of a single software program and then several software programs and something that would get taken care of later, has become over the last 25 years, absolutely pervasive, and the flaw is everywhere.

Yes, it's in computer programs, software programs; it's also imbedded into those microcomputers that we call chips that are imbedded into machine tools, supertankers, valves on pipelines that control natural gas and, yes—get your attention—probably in the presses that print your magazines and newspapers. And the estimates we get on our committee are that between 2 (percent) and possibly 5 percent of those chips will fail. And you don't know which 2 (percent) to 5 percent they are, and you don't know where they are.

But if all of a sudden the pipeline that is bringing natural gas to the generating plant that is creating the electricity that's lighting these lights shuts down because an imbedded chip in one of the valves fails, it isn't just a valve in a pipeline that has failed, the whole power grid is now at risk. And if enough of them fail in enough key places, you don't have any power.

Or, if enough of them fail in enough water purification plants, you don't have any water. Or, if enough of them fail in enough medical devices in an ICU in a major hospital, some people will die. I'm beginning to sound a little like Chicken Little, but I want you to know these are very real possibilities. And the only reason I am not Chicken Little yet is that we have 17 months in which to get from here to there.

Now, the number-one problem we face is denial.

People say, "No, it can't possibly happen."

If I may take a swipe at the National Press Club—I hope this is permitted—the McLaughlin Group—I was on a program with John McLaughlin. We talked about this. And then he played a few clips of our program to the McLaughlin Group and took a vote. And by three to one, they decided it was not a major problem. (Laughter.)

Awareness: Understanding of how serious the problem is, in fact, our biggest challenge. And that's why the president's statement is so welcome, because we can hold all the hearings we want, I can give all the speeches on the floor of the Senate I want, I've long since learned that if I had a secret document of highest national importance that I wanted to put someplace where no one ever would find it—(laughter)—I would put it in the Congressional RECORD. (Laughter.)

So we can't do this without a much higher level of awareness to get everybody involved and get everybody going. That's why, as I say, the president's speech was so welcome and so well done.

But the other thing that I get after I get the first question of how did we get into this mess and how pervasive it is—and I hope I've helped you understand how pervasive it is—I say again, as I said at the outset, what I have described in the United States applies in spades abroad. The only countries that I think are moving aggressively in this area so far, besides the United States, in no particular order: Canada, the United Kingdom, Australia, and Singapore. Now the Netherlands have just appointed a former CEO of Phillips (sp) to head their effort, and I think they will soon join that group. There may be some other countries that belong there. But specifically not in that top tier are Japan, Germany, France, and many of our other allies.

This is a global problem, pervasive in robotics, pervasive in embedded chips, pervasive in connections.

To give you a quick anecdote about that, I was at the Defense Department talking about this to Secretary Cohen and Deputy Secretary Hamre. And I—they said, "Yeah, we're—you know, we're working very hard on this."

And I said, "It'll be real embarrassing if the screen goes blank on the year 2000."

And Secretary Hamre said, "Well, actually, Senator, that's not our biggest problem." He said, "That's kind of good news. If the screen goes blank, we know we've got a problem. Our problem is if the screen stays up and we are receiving data that is wrong and we don't know it, and the whole database then becomes suspect."

So those are the three areas. You've got the software problem that people can quickly understand, you've got the embedded chip problem that they probably haven't thought about, and then you have the connections problem that can ultimately kill you.

Well, back to the "McLaughlin Group" for just a minute. This is the question I get: Are we going to win or lose? Okay, is it going to be a catastrophe or are we going to get by? Give me an answer so I can cut to a commercial. (Laughter.)

All right. Let me leave you with this analogy. I think the president's statement yesterday was a stirring call to arms. And if I may say so without overdramatizing it, it's a little like announcing that we are at war. Now, this is a different war in that it has a set time period. But if you had asked Franklin Roosevelt on the 8th of December, 1941—Are we going to win or lose"—he would have said, "We're going to win"—just the way Bill Clinton said yesterday, "We're going to win. We're going to solve this problem." But would you in the press corps say, "Oh, good. The president has told us we are going to win, so we can now ignore this story." And yet too many in the press are saying that: "Oh, we've got a three-to-one vote on the 'McLaughlin Group' that says it's not going to be a big deal, so we can ignore this story."

I believe we're going to win; that is I think that civilization as we know it is not going to come to an end. It's a possibility. Possibility, if Y2K were this weekend instead of 76 weekends from now, it would. But we have 76 weeks in which to try to get this under control. But we are, in a sense, at war against this problem. And you would not have said in the Second World War, "Oh, because the president assures us we're going to eventually prevail, we do not need to cover Guadalcanal, Iwo Jima, Normandy, the Battle of the Bulge, or any of the rest of it."

And so my plea to you here in the Press Club is: Do not ignore this story just because someone is reassuring you that it's going to work out all right. There are all kinds of stories out there that need to be covered and, most importantly, need to be exposed.

This is the ideal story for the Washington press corps. In covering it, you can affect the outcome. Isn't that what you're always trying to do? (Laughter.) Here's an opportunity! (Applause.)

Well, as you know, I've told you I've been immersed in this. It has become my obsession. I said that to the president yesterday as I congratulated him on his speech. And he said, "Good. Somebody has to be obsessed."

But I think I will quit at this point and respond to whatever questions you might have. Thank you very much. (Applause.) ●

CAMPUS CRIME REPORTING

● Mr. ABRAHAM. Mr. President, I rise to praise my colleagues for making Senator SPECTER's legislation on campus crime reporting a part of the higher education bill. This amendment to the higher education legislation, of which I was a cosponsor, will improve the safety and security of college students and employees across the United States.

Mr. President, when young people go to college they expect to face many challenges—academically, professionally and personally. But neither they nor their parents expect college kids to face high rates of crime, including violent crime. Unfortunately, on too many of our campuses this is exactly what they face. And the situation is made worse by the fact that many colleges and universities fail to accurately and fully report crimes committed on their campuses.

This amendment will close significant loopholes in current law that keep parents and prospective college students from getting the information they need to make a fully informed decision regarding where they should go to college. Thanks to this amendment, the Department of Education will be directed to require colleges to report criminal offenses that occur on sidewalks, streets, and other public lands on or adjacent to the campus, as well as offenses that occur in buildings that are owned by the college but used for commercial purposes, such as student food courts. Colleges that fail to compile accurate crime reports in accordance with these new requirements will suffer civil penalties.

Mr. President, a crime is a crime, whether it occurs in a college classroom, in the campus food court or on the sidewalk. A young man who is mugged, a young woman who is raped, any student who is accosted, beaten or murdered, suffers the same pain and loss regardless of which part of campus it is on which they are victimized.

Through this amendment we can see to it that students and their parents have the fullest possible information available to them regarding the safety of the campuses they are considering. This amendment also will provide colleges and universities with the extra incentive some of them may need to improve the safety and security of their students and employees. In 1994 alone, Mr. President, over 9,500 violent crimes were reported on our college campuses. And that figure does not include crimes colleges have not been required to report. We must do better. College is challenging enough, Mr. President, without adding to its challenges the unknown risk of crime.

Again, I congratulate my colleagues on including this important amendment in the higher education bill and look forward to the swift and efficient implementation of its language.●

THE BLACK SHIPS FESTIVAL OF RHODE ISLAND

● Mr. REED. Mr. President, I rise to pay tribute to the Japan-America Society of Rhode Island for its efforts in organizing this weekend's 15th annual Black Ships Festival of Rhode Island.

The Black Ships Festival takes its name from the Japanese word Kurofuné (Black Ships) which the residents of Shimoda, Japan used to describe the tar covered American ships which sailed into Shimoda harbor under the command of Rhode Island native Commodore Matthew Perry in 1854. As you know, Commodore Perry and officials in the Edo Period Shogunate negotiated the Treaty of Kanagawa, the first treaty between United States and Japan, which opened Japan to trade with the West and marked the beginning of the relationship between our two great countries.

Each summer, Newport, Rhode Island and Shimoda, her sister city, hold Black Ships Festivals to celebrate the friendship which began in 1854. Since its inception 15 years ago, the Black Ships Festival of Rhode Island has grown bigger and better every year, becoming a fixture on Newport's summer schedule and an event that the entire state eagerly awaits.

The Festival truly is one of Rhode Island's treasures. It provides residents and visitors to the Ocean State a unique and inexpensive opportunity to learn about and celebrate Japan's traditions and culture. As a result, I can honestly say that our state has gained a better awareness than most of Japanese culture.

The success of the Black Ships Festival of Rhode Island is now recognized far beyond the borders of the Ocean State. On July 1, the Japan-America Society of Rhode Island was selected to receive the prestigious Japanese "Minister of Foreign Affairs' Citation", which recognizes individuals and organizations that have contributed to friendship and understanding between Japan and other countries. Of the 9 organizations receiving this award in 1998, the Japan-America Society is the only one that is not Japanese.

Mr. President, as the Co-Chair of this year's Black Ships Festival of Rhode Island, I ask my colleagues to join me in recognizing the Japan America Society of Rhode Island for its tremendous efforts in organizing the Festival and strengthening the bond friendship between the United States and Japan.●

DETROIT LADY ROAD RUNNERS BASKETBALL TEAM

● Mr. ABRAHAM. Mr. President, I rise today to congratulate a very special group of girls in the metro Detroit area. The Detroit Lady Road Runners basketball team came in second place in the girls 12 and under division of the Police Athletic League. The girls are the only basketball team in the city that won second place in the state of Michigan in the girls 10 and under Amateur Athletic Union. They are now on their way to competing in the 1998 AAU National Championship in Orlando, Florida July 31–August 8th.

The Lady Road Runners, led by Coach Jeffery Cruse, have not only put forth a great effort toward sharpening their basketball skills, practicing four days a week, but also in raising funds by washing cars, selling hot dogs and holding raffles and walk-a-thons. These girls also work very hard in school and for their churches.

I want to wish this team the best of success in their effort to win a National Championship. I am confident that they will do an excellent job representing Detroit and the great State of Michigan.●

SAVING MEMORY

● Mr. ROBB. Mr. President, one of my constituents, Rabbi Israel Zoberman of congregation Beth Chaverim in Virginia Beach, VA, has recently published some thoughts arising from the release of a Vatican document. I would like to bring them to the attention of my colleagues, and ask that they appear in the CONGRESSIONAL RECORD at the appropriate juncture.

The article follows:

[From the Southern Virginia Jewish News, May 22, 1998]

SAVING MEMORY: A RABBI'S: RESPONSE TO THE VATICAN

(By Rabbi Israel Zoberman)

The recent release of the long awaited Vatican document on the connection between the Holocaust and the Catholic Church almost coincides with the annual observance this season of the Shoah's tragedy, the enormity of which has turned it into the most defining event of the soon concluding 20th century, the bloodiest of all times.

While the document acknowledges a measure of Christian culpability for Jewish suffering, it falls short of a full apology, for the over-a-decade study of the trying theme is fraught with painful and embarrassing confrontations for the church, touching upon the historical rejectionist attitude by Christianity of Judaism and the Jewish people. No wonder that there were high expectations that the reached conclusions would fully reflect and respect the record of a troubling past reality in light of the subject's magnitude, as well as the breakthrough conciliatory accomplishments of the Second Vatican Council in the 60s and the unparalleled contribution of Pope John II, building upon the foundation laid by his great predecessor Pope John XXIII in dismissing Jewish responsibility for Jesus' execution and honoring Abraham's descendants. At stake was also the church's own need to come to grips with a burden weighing upon its conscience in a way demanding absolution from sins of both commission and omission, allowing for a renewed sense of integrity and reconciliation in an era of an unprecedented ecumenical spirit, where no longer can any faith claim an imperialistic role.

It seems that the controversial document could not escape internal political pressure and compromise along with vestiges of pre-Second Vatican thinking. Perhaps some of us within both the Jewish and Christian communities got a bit carried away in believing that the significant victories of the past several decades were free from roadblocks and unforeseen detours. How else explain the skirting of two central issues that the authors were surely aware of their persistent presence, that now more than ever will beg an unequivocal response. The fact that traditional anti-Semitism has its origins in two millennia of the church's anti-Jewish teachings, demonstrates contempt in word and deed for both the spiritual heritage from which ironically Christianity emerged, and the people who bore witness to the covenant they refused to abandon when threatened with expulsion, forced conversion and death itself. Is there any doubt that the Holocaust and anti-Semitism are intimately interwoven?

The second bone of contention is the role of Pope Pius XII whose silence during the Nazi slaughter was far louder than his intervention in saving individual lives. While there is no surprise that the church would want to defend her "infallible' 'leaders, it is the failure to exercise the vast moral authority invested in the Pope's high office which should serve as a cardinal yardstick in evaluating the legacy of any Holy Father, particularly under critical circumstances testing and mantle of true spiritual greatness. The related concern of the Vatican's alleged involvement in aiding the escape of Nazis at the war's end to South America and elsewhere, deserves an honest investigation and disclosure. Only when past ghosts are finally laid to rest, can memory be cleansed to serve the future.

I trust that the contested official statement is not in its final form, for history and our common God expect more from us and we can deliver in this generation of unfathomable lows but also dazzling heights, a gift of healing hope for those to follow. I ought to know for during 1985 to 1995 my congregation benefitted from generosity of the most gracious Church of Ascension in Virginia Beach, where we found a loving home in the only such Catholic-Jewish sharing bond in the world, a direct outcome of a radically changed climate.

The Polish Pope, John Paul II, with his unique personality and past, did more than all other pontiffs combined to bring the two faith groups closer to one another, coming as he does from the vineyard turned graveyard of European Jewry, experiencing and resisting the German occupation, and being particularly close to a surviving Jewish childhood friend. His heartfelt embrace of the Jews, beginning in an historic first visit by a Pope to a synagogue, in 1986 in Rome, addressing them as "our dearly beloved brothers" and "our elder brothers," culminated in establishing diplomatic relations with the State of Israel in 1994. Before his extraordinary papacy comes to an end, he may yet surprise us with further bold steps to reassure us all that there is no retreat from the visionary path he so compassionately bequested to a suffering and expectant humanity.●

BICENTENNIAL OF THE PUBLIC HEALTH SERVICE

● Mr. FRIST. Mr. President, I rise to commemorate the bicentennial of the Public Health Service. On July 16, 1798, the Fifth Congress passed, and President John Adams signed, an Act which established the Public Health Service. The Public Health Service was originally established to provide medical care to sick and disabled seamen. Today the scope of their service includes educational activities, the provision of medical care, and activities on the forefront of biomedical research. I commend the members of the Public Health Service not only for their commitment to public health, but also their willingness to serve, and to contribute to the prevention and eradication of diseases.

Before being elected to the Senate in 1994, I was a heart and lung transplant surgeon for many years. The question I'm most often asked is, "Why would you leave medicine for politics?" My simple answer is: I didn't "leave." I'm away only for awhile. The deeper answer is that while—on the surface—politics seems so different from medicine, the underlying motivation is exactly the same. Medicine exists to improve the life of another human being. The primacy of the patient is the central focus of all that physicians do. The same can be said of public service and public policy. They exist to serve the best interest of the citizenry. As a physician, I had the opportunity to help one person at a time. As a United States Senator, I have the chance—every day—to improve the lives of millions of Americans in Tennessee and throughout the country, as well as help secure the future of the next generation.

The Officers of the Commissioned Corps of the Public Health Service have a long history of service to the American people. For two centuries, the physicians of the Public Health Service have been on the forefront of protecting America from disease. As Fitzhugh Mullen chronicled in his book "Plagues and Politics," PHS officers have played a leading role in the control of infectious diseases—from plague control measures, to the eradication of smallpox, to the continuing response to outbreaks that threaten the public health, such as Legionnaire's disease and hantavirus.

As the leader of the Commissioned Corps, the Surgeon General has a critical role in promoting public health. I have been a strong supporter of the position of Surgeon General. I believe America needs a physician who will champion public health messages. We need a physician to focus national and international attention on public health problems. Reports from the Surgeon General have such credibility they are repeated by the media, health professionals, medical journals, and health educators. As chronic diseases such as heart disease and diabetes affect more Americans, we need a medical voice we can trust to talk to us about the need for prevention. We need a physician to educate the American people about the links between personal behavior and illness.

In Dr. David Satcher, America's new Surgeon General, we have the voice we need. I had the privilege of knowing Dr. Satcher from his time in Nashville. Because of his knowledge of population-based medicine, family medicine, and public health, he is eminently qualified to be our messenger to the American people on health issues. This past April, I had the privilege of introducing Dr. Satcher when he presented his first Surgeon General's report—a report on tobacco use among US racial and ethnic minority groups.

Surgeons General have led the fight against smoking for more than 30 years, and I'm pleased to see that the health consequences from tobacco use are also high on Dr. Satcher's agenda. Since the first report on the dangers of smoking by Surgeon General Luther Terry in 1964, there have been 24 reports on smoking, including the latest on smoking and minority populations. This most recent report notes the increasing rates of smoking among African-American and Hispanic teenagers, and cites the need for further research into prevention and cessation activities. Between 1991 and 1997, smoking among African American teenagers increased from 12.6 percent to 22.7 percent—an increase of 80 percent! Among Hispanic teenagers, smoking prevalence increased from 25 percent in 1991 to 34 percent in 1997. But teen smoking is not just a problem among minority populations. In 1997, cigarette smoking among white teenagers was nearly 40 percent—up from 31 percent in 1991. Teen smoking is a public health crisis that must be addressed.

There has been a great deal of attention given to reaching an agreement with the tobacco companies to reduce teen smoking. There is no silver bullet to stop young people from smoking. It will require a comprehensive approach that addresses three aspects: access, public health, and advertising.

Today, children and teenagers have ready access to cigarettes. Limiting that access includes everything from raising the price of a pack of cigarettes to restricting their ability to purchase cigarettes—including their access to vending machines. The cost must be high enough to discourage teenagers from smoking, but not high enough to create a black market.

The second aspect is the need for strong public health initiatives, including research, treatment, and surveillance. We must deal with the issue of nicotine addiction—through a better understanding of the physiology of addiction; through the best research programs—including basic science and behavioral research; and through effective programs that not only keep people from starting, but help them quit.

The third component is advertising. Society can no longer tolerate the specific targeting of young people by tobacco companies. This raises a Constitutional issue—the freedom to advertise versus what I regard as the wrongful targeting of children—8,9,10,12 years-old—in order to encourage them to smoke.

In the beginning of the 105th Congress, I was honored to assume the chairmanship of a newly established subcommittee on public health and safety, with jurisdiction over many agencies of the Department of Health and Human Services. In establishing the Subcommittee on Public Health and Safety, the Senate recognized the importance of public health. As Chairman, I've been able to bring public awareness to health issues facing this nation and to address the reauthorization of public health programs and agencies.

This past March, I was pleased to chair a subcommittee hearing on Global Health. We live in a global society. To paraphrase the Institute of Medicine's report, "America's Vital Interest in Global Health," we can consider no site too remote, no person too removed, and no organism too isolated to affect our citizens.

Last January, I spent a week on a medical missionary tour of Africa, specifically Kenya, South Sudan, and the Democratic Republic of the Congo. I was struck by how medical care and services varied—from sophisticated Western-style hospitals with adequate laboratory capacity to small hospitals without electricity and running water. Several of the small hospitals are in remote areas that were virtually impossible to reach, except by small plane. While in Kenya, I heard about an ongoing epidemic of Rift Valley Fever where more than 300 people had already died. I saw first-hand patients with infectious health problems common in much of the world: tuberculosis, HIV, malaria and other parasitic infections.

The United States is uniquely poised to look beyond our borders and reach out to other countries. As a world leader in medical science, biomedical research, and pharmaceutical drug development, we can play a leadership role in global health issues through our federal agencies. However, the development of an effective global disease surveillance and response network requires the involvement of all countries and a partnership between the public and private sectors.

This past year, the subcommittee has also addressed the reauthorization of the Agency for Health Care Policy and Research (AHCPR), the nation's leading agency on health services research. The current debate on health care quality has led us to reexamine the federal role in supporting innovation and promoting quality in health care. We need solutions that are not only based on sound science but also serve the interests of patients. While there are many good private sector initiatives, there is a role for the federal government in implementing biomedical research results. As we reauthorize AHCPR, we will focus on health care quality, public-private partnerships, and advancing the science of quality improvement efforts.

This past March, I introduced "The Women's Health Research and Prevention Amendments of 1998"—a bill with broad bipartisan support that addresses diseases that affect women. I'm very pleased that, since 1993, we have developed guidelines to include women and minorities in NIH-sponsored trials. However, we must continue to do more. We must continue to review the women's health research agenda as we set research priorities. We need to incorporate new scientific knowledge on women's health. The women's health bill reauthorizes NIH programs for vital research activities into the causes, prevention, and treatment for some of the major diseases affecting women—including osteoporosis, breast and ovarian cancer, heart disease, as well as research into the aging processes of women. Our bill also reauthorizes several programs at the CDC for prevention and education activities on women's health issues. CDC's programs provide critical health services in each of our States to detect, prevent, and diagnose diseases such as breast and cervical cancer. Also, CDC programs—such as those at the National Center for Health Statistics—provide data that can assist us in making informed policy decisions about health care.

In conjunction with Senators from both sides of the aisle, I introduced "The Health Professions Education Partnerships Act"—a bill that represents an opportunity to help improve the quality of, and access to, health care for millions of Americans. The Bill reauthorizes the programs funded through title VII and title VIII of the Public Health Service Act. For many years, this legislation has helped our nation's schools of health better serve the health needs of their communities, and better prepare the practitioners of the future. The Bill strives to increase the number of health practitioners, including physicians, dentists, and nurses, in underserved areas and to improve the representation of minorities and disadvantaged individuals in the health professions. These programs have often been the assistance of last resort for many disadvantaged students seeking careers in health.

Equally important is the legislation's goal to meet the need of underserved communities, often in rural or innercity areas. Programs funded through this bill support the infrastructure which facilitates the training and practice of health care providers in underserved areas. Patients in underserved areas depend on these programs for their health care. Training providers in these areas greatly increases the likelihood that they will work in these areas when they complete their education. The Bill would also allow the Secretary of HHS to make grants to certain health professions schools designated "Centers of Excellence"—to assist these schools in supporting health professions education for under represented minority individuals. To qualify, these schools would: have a significant number of underrepresented minorities enrolled in the school; been effective in assisting minorities to complete their degree programs; and have been effective in recruiting underrepresented minorities as students and as faculty. "Centers of Excellence" are currently designated at Historically Black Colleges and Universities. This bill establishes Hispanic and Native American Centers of Excellence to increase the number of Hispanic and Native American health professionals.

Mr. President, for the past two centuries, the Public Health Service has been contributing unique ideas, ethics, and skills to public service. I congratulate the Public Health Service as it celebrates 200 years of public health and science. As the Public Health Service rises to meet the challenges of the next 200 years, I know they'll be every bit as successful as they have been in the past.●

HONORING MS. JAMIE FOSTER BROWN

● Ms. MOSELEY-BRAUN. Mr. President, it is my privilege to take a few moments to join the Midwest Radio and Music Association (MRMA) in recognizing the career achievements of Ms. Jamie Foster Brown. The MRMA will host a tribute dinner in Ms. Brown's honor during their annual conference in Chicago on July 23, 1998. I want to extend my heartfelt congratulations to Jamie Foster Brown for this prestigious award.

A native Chicagoan, Jamie Foster Brown graduated from Calumet High School and subsequently attended the University of Stockholm in Stockholm, Sweden. From these beginnings, Ms. Brown has become one of the most accomplished and respected women in the field of entertainment journalism. She publishes her own magazine, is heard on radio stations around the United States and England, and makes numerous television appearances each month. Jamie Foster Brown's success is testament to her talent and determination.

Jamie Foster Brown began her career in the entertainment business in 1979 when she founded the Washington Theater Group. Ms. Brown subsequently went to work for Robert Johnson's Black Entertainment Television, and was among the pioneers at this network in creating television programming for African-American viewers written, directed, and produced by African-Americans. Ms. Brown's talents were recognized at BET, as she ascended the ranks from executive secretary to a producer of the network's top-rated programs, "Video LP" and "Video Soul."

In 1988, Jamie Foster Brown struck out on her own and founded Sister 2 Sister Magazine as a monthly trade newsletter targeted at prominent women in the entertainment and media industries. Ten years later, Sister 2 Sister has emerged as one of the most powerful and respected monthly entertainment magazines, with a special focus on African-American celebrity news. The magazine is often the first to be granted interviews with major American entertainers, and often breaks stories that are later picked up by other news organizations.

In addition to publishing and writing for Sister 2 Sister Magazine, Ms. Brown has also recently written a book in honor of the late Betty Shabazz, entitled: Betty Shabazz: A Sisterfriend's Tribute In Words and Pictures. This loving tribute to Dr. Shabazz, published by Simon & Schuster, contains the recollections and anecdotes of friends and admirers including Maya Angelou, Myrlie Evers-Williams, and Ruby Dee.

Building upon the success of her magazine, Jamie Foster Brown is a regular entertainment reporter on BET, and makes many appearances on nationally syndicated news and entertainment television shows. Additionally, Ms. Brown hosts "Sister 2 Sister Update," a syndicated, daily celebrity news feature that is carried nationwide on the Westwood One Radio Network. "Sister 2 Sister Update" is also broadcast twice a week throughout Great Britain over the British Broadcasting Company's Greater London Radio. Ms. Brown is also heard daily as a frequent celebrity guest on radio stations in Chicago, Detroit, Washington, D.C. and Los Angeles.

In a further display of her immense energy and enthusiasm for life, Ms. Brown also uses her considerable talents to better her community and our nation through volunteerism. Some of the many charitable organizations that have benefitted from Jamie Foster Brown's participation include the Duke Ellington School of Music, the Mount Sinai Parenting Institute and the Corporation Against Drug Abuse. For her professional and civic accomplishments, Ms. Brown has been honored by numerous organizations, including the Chicago League of Black Women, Anheuser Busch, Maurice Starr Productions, IMPACT and most recently, the Midwest Radio and Music Association. Along with balancing the demands of her career and charitable work, Ms. Brown remarkably finds time to remain a committed wife to Dr. Lorenzo Brown, as well as a loving and devoted mother to their two sons, Russell and Randall.

In closing, I would like to extend my most sincere congratulations to Jamie Foster Brown, a remarkable woman who is most deserving of this award. It is an important symbol of her exceptional talent, dedication, and vision, and I am pleased that she is being distinguished with this honor by the Midwest Radio and Music Association. I wish her, and her family, God's speed and much continued success in the future.●

CBO ESTIMATE ON S. 1754

● Mr. JEFFORDS. Mr. President, on June 23, 1998, I filed Report 105–220 to accompany S. 1754, the Health Professions Education Partnerships Act of 1998, a bill to consolidate and reauthorize health professions and minority and disadvantaged health education programs, and for other purposes. At the time the report was filed, an incorrect estimate was filed by the Congressional Budget Office. Since that time, the CBO has corrected its estimate. I ask that a complete copy of the revised CBO estimate be printed in the RECORD.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 24, 1998.

Hon. JAMES M. JEFFORDS,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed revised cost estimate for S. 1754, Health Professions Education Partnerships Act of 1998.

This revised estimate supersedes CBO's estimate of May 28, 1998, and corrects an error in the assumed subsidy rate for Health Education Assistance Loans.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Cyndi Dudzinski, who can be reached at 226–9010.

Sincerely,

JUNE E. O'NEILL,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

(Revised June 24, 1998)

S. 1754: HEALTH PROFESSIONS EDUCATION PARTNERSHIPS ACT OF 1998 (AS ORDERED REPORTED BY THE SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES ON APRIL 1, 1998)

SUMMARY

S. 1754 would reauthorize, amend, and consolidate programs within the Public Health Service Act. These programs provide federal funding through grants and contracts for health professions students, schools, clinics, and demonstration projects. They focus on increasing the diversity and supply of health care providers and the care they provide to shortage areas, ethnic populations, and high-risk population groups. The legislation would authorize appropriations for fiscal years beginning in 1998 and, in most instances, ending in 2002. Assuming appropriation of the authorized amounts, CBO estimates that enacting S. 1754 would result in additional discretionary outlays of $334 million in 1999 and a total of $3.5 billion over the 1998–2003 period.

Subtitle C would reauthorize the Health Education Assistance Loan (HEAL) program through 2002. This provision would increase direct spending by $1 million in fiscal year 1998 and by $21 million during the 1998–2003 period. Because the bill would affect direct spending, pay-as-you-go procedures would apply.

S. 1754 would waive any state statutes of limitations that govern the repayment of loans by nursing and other medical students. This preemption of state statutory authority would represent a mandate as defined by the Unfunded Mandates Reform Act (UMRA). However, CBO estimates that the mandate would have no impact on the budgets of state, local, or tribal governments. The legislation does not include any private-sector mandates as defined in UMRA.

This revised estimate supersedes CBO's estimate of May 28, 1998, and corrects an error in the assumed subsidy rate for Health Education Assistance Loans.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1754 is shown in the following table.

	By fiscal year, in millions of dollars—					
	1998	1999	2000	2001	2002	2003
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law:						
Budget Authority[1]	828	0	0	0	0	0
Estimated Outlays	796	522	151	39	(2)	0
WITH ADJUSTMENTS FOR INFLATION						
Proposed Changes:						
Authorization Level	24	875	898	922	944	46
Estimated Outlays	0	334	724	862	924	618
Spending Under S. 1754:						
Authorization Level	852	875	898	922	944	46
Estimated Outlays	796	856	875	901	924	618
WITHOUT ADJUSTMENTS FOR INFLATION						
Proposed Changes:						
Authorization Level	24	852	852	852	851	40
Estimated Outlays	0	326	698	813	851	561
Spending Under S. 1754:						
Authorization Level	852	852	852	852	851	40
Estimated Outlays	796	848	849	852	852	561
DIRECT SPENDING						
Spending Under Current Law:						
Estimated Budget Authority	1	0	0	0	0	0
Estimated Outlays	1	0	0	0	0	0
Proposed Changes:						
Estimated Budget Authority	1	3	4	5	5	3
Estimated Outlays	1	3	4	5	5	3
Spending Under S. 1754:						
Estimated Budget Authority	2	3	4	5	5	3
Estimated Outlays	2	3	4	5	5	3

[1] The 1998 level is the amount appropriated for the year.
[2] Less than $500,000.

The costs of this legislation fall within budget function 550 (health).

BASIS OF ESTIMATE

S. 1754 would reauthorize and consolidate several programs within the Public Health Service Act. The initial and final year of the period of authorization would vary across programs. For years in which the bill specifies the amount authorized, CBO assumed that appropriations for each program would be made in the full amount of the authorization. For years in which the bill authorizes appropriation of such sums as may be necessary, CBO assumed that the specific amount appropriated in 1998 or authorized in a subsequent year would be increased by inflation and that the amount authorized would be appropriated.

With the exception of 1998, CBO assumed that all amounts authorized by S. 1754 would be appropriated by the start of the fiscal year and that outlays would follow the historical spending patterns of the respective agencies. The estimate assumes that amounts authorized for 1998 would be appropriated late in the year and that outlays would begin in 1999.

Title I—Health Professions Education and Financial Assistance Programs

Subtitle A—Health Professionals Education Programs. S. 1754 would reauthorize, amend, and consolidate the Health Professions Education Programs administered by the Health Resources and Services Administration (HRSA) and would include funding for behavioral or mental health providers and services under the Programs. It authorizes $237 million in 1998 and such sums as necessary for 1999–2002. Assuming appropriation of the authorized amounts CBO estimates Subtitle A would result in additional discretionary outlays of $107 million in 1999 and $985 million over the 1998–2003 period.

Subtitle B—Nursing Workforce Development. S. 1754 would reauthorize, amend, and consolidate the Nursing Workforce Development programs administered by HRSA. It authorizes $65 million in 1998 and such sums as necessary over the 1999–2002 period. CBO estimates that this subtitle would result in additional discretionary spending of $28 million in 1999 and $269 million over the 1998–2003 period.

Subtitle C—Financial Assistance

Chapter 1—School-Based Revolving Loan Funds. S. 1745 would reauthorize and amend HRSA's school-based revolving loan funds. It authorizes $8 million in annual appropriations for 1998 through 2002. CBO estimates this provision would result in additional discretionary outlays of $11 million in 1999 and $39 million during the 1998–2003 period.

Chapter 2—Insured Health Education Assistance Loans to Graduate Students. S. 1754 would reauthorize the HEAL program through 2002. Currently, the program's authorization expires at the end of 1998, and it is only authorized to make loans to students who received their first HEAL loan before 1995. Section 143 of the bill would reauthorize HEAL for five years, starting in 1998. The authorized loan limits would be $350 million in 1998, $375 million in 1999, and $425 million a year for 2000 through 2002. Loans to new borrowers would not be issued after 2000, and no loans would be insured under the program after 2005. CBO assumes that loan disbursements would equal the amount authorized. CBO estimates that the average subsidy rate for these disbursements would be about 1 percent. Therefore, this provision would result in $1 million in direct spending in 1998 and a total of $21 million during the 1998–2003 period.

For lenders who fail to meet certain performance standards, the bill would also reduce federal payments from 100 percent to 98 percent of losses incurred through loan defaults. In addition, the Secretary would have the authority to collect any unpaid balances from the estate of a deceased borrower. Finally, the proposal would grant a deferment to borrowers who furnish health care services to Indians through an Indian Health Service program.

Title II—Office of Minority Health

S. 1754 would reauthorize the Office of Minority Health within the Office of the Assistance Secretary. It would also require the

Secretary to establish the Advisory Committee on Minority Health. It would authorize appropriations of $30 million for 1998 and such sums as necessary for 1999–2002.

It would also reauthorize the National Center for Health Statistics (NCHS) within the Centers for Disease Control and Prevention (CDC), providing such sums as necessary for 1999 through 2003. In addition, where current law provides a general authorization for NCHS to make grants to entities for data collection and analysis on racial and ethnic populations, S. 1754 would authorize an additional grant program. The funding under this grant program would be used for collecting data specifically on Hispanics and major Hispanic subpopulation groups and on American Indians, and for developing special area population studies on major Asian American and Pacific Islander populations. For this additional grant program, it would authorize $1 million in appropriations for fiscal year 1998 and such sums as necessary for 1999–2002.

CBO estimates the provisions under Title II would result in additional discretionary outlays of $25 million in 1999 and $242 million during the 1998–2003 period.

Title III—Selected Initiatives and Title IV—Miscellaneous Provisions

S. 1754 would amend and reauthorize several other grant programs within HRSA, CDC, the National Institutes of Health, and the Administration on Aging. Except for a few small programs where the bill specifies the authorization for one or more years, Title III and IV would provide such sums as necessary for the entire period of the authorization for these programs. In addition, it would provide a permanent authorization of $0.5 million a year for the Foundation for the National Institutes of Health.

Assuming appropriation of the authorized amounts, CBO estimates that Titles III and IV would result in additional discretionary spending of $163 million in 1999 and $1.9 billion over the 1998–2003 period.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Because section 143 of the bill would affect direct spending, pay-as-you-go procedures would apply. The impact of this provision on federal outlays is shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

SUMMARY OF PAY-AS-YOU-GO EFFECTS

	By Fiscal Year, in Millions of Dollars—									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Change in outlays	1	3	4	5	5	3	2	1	0	0
Change in receipts	Not applicable									

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 1754 would waive any state statutes of limitations that govern the repayment of loans to nursing and other medical students. This preemption of state statutory authority would be a mandate as defined by the Unfunded Mandates Reform Act. However, CBO estimates that the mandate would have no impact on the budgets of state, local, or tribal governments.

The bill would also authorize appropriations for a number of grant programs. State and local governments, as well as other public and private entities, would be eligible to receive funding from these grant programs as long as they meet certain grant conditions. Participation in these programs would be voluntary, and the overall budgetary effects to the participating governments would be favorable.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

S. 1754 does not include any private sector mandates as defined in the Unfunded Mandates Reform Act.

Estimate prepared by: Federal Costs: Cyndi Dudzinski (226-9010); Impact on State, Local, and Tribal Governments: Leo Lex (225-3220); and Impact on the Private Sector: Julia Matson (226-2674).

Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.●

150TH ANNIVERSARY OF UNUM CORPORATION

● Ms. SNOWE. Mr. President, I rise today to honor a great Maine company that this week celebrates a remarkable milestone—its 150th Anniversary.

It was thirteen years before the Civil War began that the UNUM Corporation of Maine was founded as the Union Mutual Life Insurance Corporation. Since that time, UNUM has grown to employ more than 7,400 employees worldwide, and almost 3,800 in their World Headquarters in Portland alone—and has become an industry leader in the area of long term care disability insurance.

We in Maine are proud of UNUM's growth and longevity—outstanding achievements that don't happen by accident. But what is even more impressive is UNUM's commitment to providing an outstanding environment for its employees. Indeed, UNUM has been recognized by Fortune magazine as one of the nation's top 100 employers, and named as a leading "family-friendly" company by both Business Week and Working Mother magazines—evidence that UNUM's vision and innovation is garnering accolades throughout the professional world. In fact, UNUM has been on Working Mother's list a remarkable nine years in a row.

From the standpoint of one who has consistently fought in Congress for opening up possibilities and opportunities for women in business, as well as family-friendly legislation such as the Family and Medical Leave Act, I appreciate UNUM's commitment to fostering a work environment that recognizes that the values of hard work and family are not mutually exclusive. Indeed, UNUM's philosophy shows that responding to employees' concerns is not only the right thing to do, it's also sound business practice.

In particular, I applaud UNUM's commitment to providing safe, affordable child care options to employees. UNUM was one of the first companies in America to establish an on-site child care center, and UNUM subsidizes child care costs for qualified employees. Hopefully, this will blaze a trail that others in corporate America will be eager to follow.

UNUM also exemplifies the principles of corporate citizenship, and the corporation as a partner in the community. UNUM has consistently been a responsible and integral member of the Portland community—where most of their employees live—and UNUM will be celebrating their anniversary in part with a day-long community service effort involving thousands of employees and hundreds of projects. I commend UNUM's dedication to the community and to the use of corporate resources for the betterment of others, and believe that their model is one which should be replicated throughout the country.

This tone of corporate responsibility is set at the top, and UNUM President and Chief Executive Officer Jim Orr deserves much of the credit. A recent article in Portland's Maine Sunday Telegram elaborated on Jim's many talents, saying that, "he preaches a gospel of shared goals, clear vision and intense focus". A member of UNUM's board of directors stated, simply, "The guy knows how to lead". Obviously, he has used that skill to build a company that not only knows how to satisfy the bottom line, but to set an example for others to follow.

Mr. President, in Maine we like to speak of "the way life should be", and we cherish a quality of life that is second to none. UNUM exemplifies "the way business should be" and for 150 years—that's two-thirds of this nation's existence—it has been contributing to the effort to build an even better Maine in which to live, work, and raise a family. Again, I congratulate the leadership of UNNM, and the outstanding employees who have guaranteed the company's success over the past 150 years.●

CALLING ON JAPAN TO MAINTAIN AN OPEN MARKET FOR SECTORS FACING MARKET ACCESS BARRIERS IN JAPAN

Mr. BOND. Mr. President, I ask unanimous consent that the Finance Committee be discharged from further consideration of S. Con. Res. 88, and further, that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 88) calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 3210

(Purpose: To make clarifying amendments.)

Mr. BOND. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND], for Mr. D'AMATO, proposes an amendment numbered 3210.

The amendment is as follows:

On page 3, line 7, strike "implement" and insert "support".

On page 3, line 13, insert "paper and wood products," after "glass,".

On page 3, line 21, strike "July 15, 1998" and insert "December 15, 1998".

On page 4, strike lines 1 and 2, and insert: "access to Japanese markets for consumer photographic film and paper.".

In the preamble—

(1) strike the ninth whereas clause; and

(2) in the 11th whereas clause strike "is committed to promote" and insert "promotes".

Amend the title so as to read: "A concurrent resolution calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.",

Mr. BOND. Mr. President, I ask unanimous consent that amendment to the concurrent resolution be agreed to, the resolution, as amended, be agreed to, the amendment to the preamble be agreed to and the preamble, as amended, be agreed to, the title amendment and the title, as amended, be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3210) was agreed to.

The concurrent resolution (S. Con. Res. 88), as amended, was agreed to.

The preamble, as amended, was agreed to.

The Concurrent Resolution, with its preamble, reads as follows:

S. CON. RES. 88

Whereas the current financial crisis in Asia underscores the fact that the health of the international economic system depends on open, competitive markets;

Whereas structural reform in Japan is critical to the resolution of the Asian financial crisis;

Whereas for many years the United States Trade Representative has reported to Congress in the National Trade Estimate on numerous barriers to entering and operating in the Japanese market;

Whereas Japan's restrictive policies deny opportunities to United States companies and their workers seeking access to Japanese markets;

Whereas the United States Trade Representative has engaged over the last several years in an intensive review of the Japanese distribution system;

Whereas on June 16, 1996, the United States Trade Representative found that the Government of Japan created and tolerated a market structure that impedes United States exports of consumer photographic film and paper;

Whereas the European Union has sought to remove these same barriers to distribution that restrain European exports to Japan;

Whereas it is important that United States companies and workers not be disadvantaged by other countries following Japan's model of protecting its market through a closed distribution system and other market access barriers;

Whereas the Government of Japan has consistently stated that it is committed to deregulation, transparency, nondiscrimination, and open distribution systems accompanied by vigorous enforcement of competition laws;

Whereas the Government of Japan stated in recent proceedings of the World Trade Organization on consumer photographic film that it promotes distribution policies that make the Japanese market more open to imports and to actively discourage restrictive business practices; and

Whereas fulfilling these public statements would benefit both United States trade and Japanese consumers, significantly raising the standard of living in Japan: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) calls upon the Government of Japan to live up to the standards it has set for open competitive markets;

(2) calls upon the Government of Japan to fully support the representations that it made to a dispute settlement panel of the World Trade Organization regarding deregulation, transparency, nondiscrimination, open distribution systems, and vigorous enforcement of competition laws with respect to consumer photographic film and paper as well as other sectors, such as autos and auto parts, glass, paper and wood products, and telecommunications, that face similar market access barriers in Japan;

(3) urges the President, the United States Trade Representative, and other appropriate officers of the executive branch to exercise fully existing authority to achieve these objectives; and

(4) requests the President to report to Congress, not later than December 15, 1998, and not less frequently than every six months thereafter, regarding access to Japanese markets for consumer photographic film and paper.

The title was amended so as to read: "A concurrent resolution calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan."

AUTHORIZING THE ADMINISTRATIVE ASSISTANT TO THE CHIEF JUSTICE TO ACCEPT VOLUNTARY SERVICES

Mr. BOND. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 461, S. 2143.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

A bill (S. 2143) to amend chapter 45 of Title 28, U.S. Code, to authorize the Administrative Assistant to the Chief Justice to accept voluntary services, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 2143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION FOR VOLUNTARY SERVICES.

Section 677 of title 28, United States Code, is amended by adding at the end the following:

"(c)(1) Notwithstanding section 1342 of title 31, the Administrative Assistant, with the approval of the Chief Justice, may accept voluntary personal services to assist with public and visitor programs.

"(2) No person may volunteer personal services under this subsection unless the person has first agreed, in writing, to waive any claim against the United States arising out of or in connection with such services, other than a claim under chapter 81 of title 5.

"(3) No person volunteering personal services under this subsection shall be considered an employee of the United States for any purpose other than for purposes of—

"(A) chapter 81 of title 5; or

"(B) chapter 171 of this title.

"(4) In the administration of this subsection, the Administrative Assistant shall ensure that the acceptance of personal services shall not result in the reduction of pay or displacement of any employee of the Supreme Court.".

Mr. BOND. Mr. President, I ask unanimous consent that the committee substitute amendment be agreed to, the bill be considered read the third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

The bill (S. 2143), as amended, was considered read the third time, and passed.

URANIUM HEXAFLUORIDE USED IN RECYCLING

Mr. BOND. Mr. President, I ask unanimous consent that the Senate now turn to S. 2316, introduced yesterday by Senator MCCONNELL.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2316) to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3211

Mr. BOND. Mr. President, I send an amendment to the desk on behalf of Senator FORD and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] for Mr. FORD, proposes an amendment numbered 3211.

The amendment is as follows:

On page 2, line 3 strike all after "hexafluoride" and insert the following:

consistent with the National Environmental Policy Act.

(b) LIMITATION.—Notwithstanding the privatization of the United States Enrichment Corporation and notwithstanding any other provision of law (including the repeal of chapters 22 through 26 of the Atomic Energy Act of 1954 (42 U.S.C. 2297 et seq.) made by section 3116(a)(1) of the USEC Privatization Act (104 Stat. 1321–349)), no amounts described in subsection (a) shall be withdrawn from the United States Enrichment Corporation Fund established by section 1308 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–7) or the Working Capital Account established under section 1316 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–15) until the date that is 1 year after the date on which the President submits to Congress the budget request for fiscal year 2000.

(c) SENSE OF THE SENATE—It is the Sense of the Senate that Congress should authorize appropriations during fiscal year 2000 in an amount sufficient to fully fund the plan described in subsection (a).

Mr. FORD. Mr. President, I am pleased to join in cosponsoring S. 2316, which earmarks a portion of Treasury funds obtained through the privatization of the United States Enrichment Corporation for the clean up of depleted uranium hexafluoride, or so-called uranium "tails." The legislation earmarks roughly $335 million for this cleanup, preserving authority to conduct the treatment and recycling of depleted uranium tails.

However, none of the money will be spent unless Congress appropriates such funding. I am pleased that my amendment has been added to this bill which puts the Senate on record in support of fully appropriating funds to implement a cleanup plan to be developed by the Secretary of Energy. It is a two way street, Mr. President. I agree that the Secretary of Energy should immediately develop a plan to clean up the depleted uranium tails. But I also believe Congress should respond quickly to appropriate the necessary funds.

Three weeks ago, the Administration announced that the USEC Board had approved the privatization of USEC through an initial public offering of stock in the new Corporation. This will be the largest federal privatization effort since Conrail, establishing a $2.4 billion private corporation to enrich uranium for nuclear power production and compete in world markets. I have been involved in this effort for more than a decade. It directly affects 2,200 workers in Paducah, Kentucky who work at one of the two gaseous diffusion plants operated by USEC.

As part of this transaction, a $1.7 billion "exit dividend" is to be paid to the Treasury. This legislation assures that an appropriate portion of those funds will be available for clean up at the existing USEC facilities. And it also puts the Senate on record in support of future appropriations for clean up purposes.

Among the reasons for obtaining these assurances is the employment situation at the two USEC plants. One of the great myths some are promoting is the suggestion that the privatization is causing 600 job losses at the two plants over the next two years. This is simply not the case. The job losses were apparently likely regardless of whether privatization went forward. As part of the privatization agreement, the new corporation has agreed to operate both existing plants through January, 2005. However, some job reductions will occur. The job impact was likely in the event that USEC remained as a government corporation and did not privatize. And it is equally likely in the short-term if privatization goes forward. They are a reality and we must deal with this situation. The privatization transaction provides $50 million to begin clean up efforts at the two plants. This legislation adds to that amount, earmarking an amount necessary to fully fund the estimated clean up liability for all uranium tails acquired since July 1993. Once enacted, it will be the responsibility of the Secretary of Energy to develop an adequate clean up plan. And just as importantly, it will be the responsibility of the Congress to appropriate funds which are sufficient to fully implement the clean up plan.

I believe any individuals who lose their jobs at either of the existing two facilities should be given a preference in obtaining these clean up jobs, and I will be urging the Administration to provide such a preference in the months ahead.

A second great myth associated with privatization is that there is a large pot of money laying around which could be spent on clean up. That is not the case. First of all, upon privatization, the authority to spend the so-called "exit dividend" will expire unless we pass this bill. Time is of the essence. Second, even if the authority is preserved, none of the exit dividend may be spent unless Congress appropriates the funds. That is why our Sense of the Senate language is important. When we return to this issue in the future, it is essential that Congress act expeditiously to appropriate the funds. So I think this is a timely bill and strongly support its adoption.

I also support the privatization decisions which have been made by the Administration and by the USEC Board. There is little question that the current course of action is in the best long-term interest of the employees at the Paducah facility. As a private corporation, USEC will be more efficient. It will be better suited to enter into long-term contracts and recapture its world market share for uranium enrichment. It will be better suited to implement the technology of the future, which many believe will be the Atomic Vapor Laser Isotope Separation (AVLIS) technology. And it will be better suited to provide for the long-term employment of the workers at the two current facilities.

Mr. President, I urge the passage of this bill and will continue to work with my colleagues to get this proposal to the President's desk in the days ahead.

Mr. MCCONNELL. Mr. President, this bill will ensure that the Department of Energy is not stuck with a massive unfunded mandate as a result of the privatization of the United States Enrichment Corporation. This bill will ensure that both the workers at Paducah, Kentucky and Portsmouth, Ohio as well as the environment are made a top priority.

Last month the Administration, the Department of Energy and the USEC Board came to a decision on privatization of the United States Enrichment Corporation. The deal, however, put USEC first and taxpayers, workers and the environment last.

As proposed, the USEC privatization will have a devastating effect on jobs. The Administration has stated that 600 jobs will be lost in the first two years and admits that there is a real possibility that additional job losses would occur in the following years. Something must be done to alleviate the economic impact of this legislation, and I am hopeful that a serious clean up effort will mitigate some of the job losses.

Unless we prevent this transfer of funds from USEC to the General Treasury, taxpayers will be stuck with a massive unfunded environmental liability if this funding doesn't remain dedicated to clean up. Considering the Department of Energy's track record on cleaning up its own depleted uranium tails that have been stockpiled for the past forty years, it would be a big mistake if we allowed USEC to add an additional 9,000 canisters to the tens of thousands of canisters in the Department's inventory without the funds already earmarked and allocated to cleaning up this environmental nightmare.

I am willing to accept the amendment by Senator FORD in order to secure the nearly $400 million. Senator FORD's amendment adds language to ensure that this clean up effort remains consistent with National environmental Policy Act and adds a brief Sense of the Senate that Congress should fully fund the President's request.

I want to be absolutely clear, this amendment simply restates current law. This bill like any other, is subject to NEPA standards. However, it must not be an excuse for the Administration to slow down the implementation of a clean up plan.

Mr. President, I welcome the support of Senator FORD for this legislation and I look forward to passing it in a timely fashion so the Administration does not privatize USEC until we can ensure that workers and the environment in Western Kentucky and Southeast Ohio are made a top priority.

Mr. BOND. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be considered read the third time, and passed, and the motion to reconsider be laid upon the table, all without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3211) was agreed to.

The bill (S. 2316), as amended, was considered read the third time, and passed, as follows:

S. 2316

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. UNITED STATES ENRICHMENT CORPORATION.

(a) PLAN.—The Secretary of Energy shall prepare, and the President shall include in the budget request for fiscal year 2000, a plan and proposed legislation to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to commence construction of, not later than January 31, 2004, and to operate, an onsite facility at each of the gaseous diffusion plants at Paducah, Kentucky, and Portsmouth, Ohio, to treat and recycle depleted uranium hexafluoride consistent with the National Environmental Policy Act.

(b) LIMITATION.—Notwithstanding the privatization of the United States Enrichment Corporation and notwithstanding any other provision of law (including the repeal of chapters 22 through 26 of the Atomic Energy Act of 1954 (42 U.S.C. 2297 et seq.) made by section 3116(a)(1) of the United States Enrichment Corporation Privatization Act (104 Stat. 1321–349), no amounts described in subsection (a) shall be withdrawn from the United States Enrichment Corporation Fund established by section 1308 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–7) or the Working Capital Account established under section 1316 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–15) until the date that is 1 year after the date on which the President submits to Congress the budget request for fiscal year 2000.

(c) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should authorize appropriations during fiscal year 2000 in an amount sufficient to fully fund the plan described in subsection (a).

ORDERS FOR FRIDAY, JULY 17, 1998

Mr. BOND. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9 a.m. on Friday, July 17. I further ask that when the Senate reconvenes on Friday, immediately following the prayer, the routine requests through the morning hour be granted, and the Senate then proceed to stacked votes ordered with respect to the HUD-VA appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BOND. Mr. President, for information of all Senators, there will be a series of votes beginning at 9 a.m. on Friday, with all succeeding votes in the series be limited to 10 minutes each. Hopefully, that series of votes will include passage of the HUD-VA appropriations bill. The Senate is also expected to consider the legislative appropriations bill. However, any votes ordered with respect to Legislative Branch bill will be postponed to occur on Tuesday, July 21, at a time to be determined by the two leaders.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. BOND. Mr. President, if there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 11:55 p.m., adjourned until Friday, July 17, 1998, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 16, 1998:

DEPARTMENT OF THE TREASURY

JOHN D. HAWKE, JR., OF THE DISTRICT OF COLUMBIA, TO BE COMPTROLLER OF THE CURRENCY FOR A TERM OF FIVE YEARS, VICE ALLAN LUDWIG, RESIGNED.

DEPARTMENT OF STATE

JOHN MELVIN YATES, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CAMEROON.

HOUSE OF REPRESENTATIVES—*Thursday, July 16, 1998*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. MILLER of Florida).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 16, 1998.

I hereby designate the Honorable DAN MILLER to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

Rev. Pierce Klemmt, Rector, Christ Church, Alexandria, Virginia, offered the following prayer:

Let us pray.

Almighty God, who has given us this good land for our heritage: We humbly beseech Thee that we may always prove ourselves to be a people mindful of Thy favor and glad to do Thy will. Bless our land with honorable industry and sound learning. Save us from violence, discord, and confusion; from pride and arrogance, and from every evil way. Defend our liberties, and fashion into one united people the multitudes brought hither out of many kindreds.

We beseech Thee to guide and bless these Representatives in Congress assembled, that there may be justice and peace at home, and that, through obedience to Thy law, we may show forth Thy praise among the nations and the peoples of the Earth.

All of this we ask in God's name, Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from Michigan (Ms. KILPATRICK) come forward and lead the House in the Pledge of Allegiance.

Ms. KILPATRICK led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate passed a bill of the following title, in which concurrence of the House is requested:

S. 1283. An act to award congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the "Little Rock Nine" on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 318) "An Act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes" with amendments.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair wishes to advise Members there will be 10 one-minutes per side this morning.

WELCOME TO THE REVEREND PIERCE W. KLEMMT

(Mr. RIGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIGGS. Mr. Speaker, I want to take just a moment to welcome a very special person, the Reverend Pierce Klemmt, who is our guest chaplain today and just gave our opening prayer.

Rev. Pierce Wittfield Klemmt was born in 1949 in Cincinnati. He received his undergraduate degree from Wabash College and his Master in Divinity from Yale University.

Following his ordination, Pierce served as the Associate Rector of St. Mark's Church in Evanston, Illinois, and then as Rector of Trinity Church in Troy, Ohio, and Christ Church in Springfield, Missouri. He has been the rector of Christ Church in Alexandria since 1994.

This is a very special and historic church. Throughout its history, Christ Church has played a significant role as a parish attended by General George Washington and later by General Robert E. Lee. It remains today one of the largest Episcopalian Churches in the United States, with over 3,000 parishioners, many of whom are active leaders in the government, military, and corporate world.

The church's mission is centered in serving the poor, voiceless, and those in trouble. Outreach programs and missions overseas in Russia, Africa, and Central America are amply served by this committed and talented congregation.

Again, we are delighted to welcome Reverend Klemmt today. He is married to the former Mary Tuke Gates of Louisville, Kentucky, my birthplace, and they have two daughters, one of whom, Leah, joins us here in this House of Representatives today.

REJECT QUOTA INCREASE FOR INTERNATIONAL MONETARY FUND

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, yesterday the Committee on Appropriations Subcommittee on Foreign Operations rejected an attempt to give the International Monetary Fund an additional $14.5 billion. I commend the subcommittee for saying "no" to this vast increase in IMF funds. In the coming weeks, I expect the House will soon vote or on a floor amendment to add the additional money. It is critical that we reject that amendment.

Events in Russia this week prove that the IMF is a destabilizing force in world economic affairs. The ever-present hope of an IMF bailout, reinforced by the unprecedented bailouts offered Asia last year, completely undermine the Russian Government's incentive to reform its economy. IMF, by undermining Russian discipline and underwriting irresponsible policies, played a key role in causing the Russian crash.

The problem is that the IMF creates moral hazard. When you subsidize financial mistakes, you get more financial mistakes. That is exactly what the IMF does. It causes the very panics and crashes it is intended to prevent.

Mr. Speaker, several years ago another Congress passed a hugely popular bill by enormous margins to bail out the domestic American savings and loan industry. It was a disaster. It led directly to the $150 billion S&L fiasco. I do not want the legacy of the 105th Congress to include a similar disaster on a global scale.

Mr. Speaker, let us break the bailout psychology and strengthen the world economy by rejecting a quota increase for the IMF.

HMO REFORM IS NECESSARY

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to testify to the need for HMO reform. By now we have heard the endless list of reasons why HMO reform is necessary, but none are as meaningful as the story I will share with you today.

Chicago residents Barbara and David Smith were vacationing in Hawaii when Barbara noticed that her body was badly bruised. At the hospital she was diagnosed with aplastic anemia and needed an immediate bone marrow transplant. However, her HMO refused to pay for the transplant in Hawaii, insisting instead that she return to Chicago for the operation.

Seeing that she had no other choice, Barbara boarded a flight to Chicago, but suffered a stroke in midair. As a result, Barbara Smith died 9 days later, at the age of 55.

The restrictions of Barbara Smith's HMO cost her her life. Not only did David Smith lose his wife, but he is unable to file a lawsuit against the responsible HMO.

This is a devastating situation, and unfortunately, these situations are all too common. Too many lives have already been lost. Too many families have already been broken. Too many individuals have seen their health decline.

The good news is we can stop this now. We can stop it by passing meaningful HMO reform.

PRO-PATIENT, PRO-SMALL BUSINESS REPUBLICAN HEALTH CARE PLAN

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, I agree with my friends on the other side of the aisle, we do need to ensure that patients in managed care plans are afforded basic rights and remedies, and the Republican plan does just that. But, unlike the Kennedy bill, the Dingell bill or any of the other alternatives out there, our plan also does something about the 41 million Americans who do not have health insurance today.

By providing small businesses with the ability to pool their resources to achieve economies of scale, we can help to insure millions of Americans who simply cannot afford it now, and we do it without resorting to government-run health care.

While the other plans are good news for bureaucrats, and probably for trial lawyers, too, there is only one plan that reaches out across the United States of America to the mom and pop store employees throughout our land, and that is our plan.

I urge my colleagues to support the pro-small business, pro-patient Republican health plan. It is worth taking a good close look at.

PATIENT PROTECTION ACT

(Ms. KILPATRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, I am proud to be a Democrat. Today, Democrats in the House and the Senate will join the President and announce our Patient Protection Act.

Health care is something that every American should have. Our bill and our plan, unlike the other side's, protects every American, and it protects the doctor-patient relationships that Americans want to have with their doctor. It says that the professional will determine the length of stay and the type of procedure, and not the insurance company or the accountant.

Today is a glorious day for American citizens. The Democratic Health Protection Act. Watch us as we pass it through this Congress. We are serious. We know you need it, and we will be there for you.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all persons in the gallery that they are here as guests of the House, and that any manifestation of approval or disapproval of proceedings is in violation of the rules of the House.

SESQUICENTENNIAL OF HOLY CROSS LUTHERAN CHURCH IN COLLINSVILLE, IL

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, it is an honor to announce that my home church, Holy Cross Lutheran, in Collinsville, Illinois, is celebrating its sesquicentennial, 150 years of laboring for the Lord. Our theme for the celebration is Celebrate, Reflect, Focus.

Holy Cross Lutheran will celebrate this month with a reunion of former church workers, along with sons and daughters of the congregation who have moved on to be pastors and teachers, of which I am one. We will also celebrate the Church's German heritage, using translations of the original services and a sermon preached in 1873.

In addition, Holy Cross will reflect upon its history. The church and Christian day school were founded in 1848 after Pastor Frederick Lockner began meeting with German Lutherans in Collinsville, Illinois.

Our focus will be on God, thanking Him for all the blessings He has given our Church and the gift of salvation through Jesus Christ.

I extend my deepest congratulations to Holy Cross Lutheran Church as they Celebrate, Reflect and Focus on 150 years of hard work and rich blessings.

AMERICA NEEDS REAL MANAGED HEALTH CARE REFORM

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, you were correct in saying that the people in the gallery cannot express their opinion for or against those of us who speak on the floor. They have to wait until November to give their opinion on it. That is why I am here to say that I am disappointed to see that after 6 months of debating managed health care, we now see a weak version introduced by the Republican leadership.

The proposal falls short of addressing the health care needs of the American people. It is clear that the concerns of the American people are being ignored again.

The proposal that has been introduced is a fake and (it is) a sham. Real managed care should guarantee a fast appeals process, patient access to specialists, coverage for emergency services without having to call in first, patient choice of plans at their own expense, and also make the people who make those irresponsible medical decisions accountable for those decisions.

That is why the American people in November are going to make that decision, and not necessarily in the gallery of the House today. We need real managed care reform. We need to hold insurance companies accountable for their decision-making, just like we held welfare mothers accountable during the welfare reform bill.

PRESIDENT TO SUSPEND HELMS-BURTON

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, today unfortunately, the President will once again suspend the Helms-Burton law, which passed overwhelmingly in the House and allows U.S. citizens to sue those immoral foreign investors who traffic in American confiscated properties on the island.

This decision is yet another sad example of the administration's slippery slide toward further relaxation of sanctions on the brutal dictatorship of Fidel Castro. And what has Castro done to deserve any weakening of sanctions? Nothing. Absolutely nothing. Human rights violations continue, the harassment of dissidents proceeds, and there are no signs of any democratic openings on the island.

How ironic that the President's weak decision comes as we commemorate the fourth anniversary of the massacre by Castro of 50 Cubans, mostly women and children, who attempted to flee the island on a rickety tugboat.

The President can justify his decisions with the legalisms that have now made the White House spin doctors famous, but these false justifications will not help the suffering people of Cuba rid themselves of the totalitarian regime that oppresses them day in and day out.

DEMOCRAT PATIENT PROTECTION BILL

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, today millions of Americans will visit their family physician seeking medical care, and, for thousands and thousands of those Americans, they will be told by their family physician that they will not be able to see the specialist that they need to see, they will not be able to get the medicine that the physician thinks they need, they will not be able to get the medical procedure that their physician believes they should have. They cannot do that because some HMO bureaucrat is saying, we are not going to allow you to do that. We are not going to allow you to do that because we are going to try to save money, as opposed to dealing with your real health care needs.

The Democratic patient protection bill ensures that Americans have access to specialists, that Americans have access to the medicines they need, that Americans have access to the operations that are necessary to preserve their health. It does this in the patient protection bill that the President will be coming to Capitol Hill to support today.

Yesterday the Republicans introduced their HMO protection bill. They decided that rather than protect the Americans for health care, they would protect the HMOs.

□ 1015

While they say they extend protections to Americans, they leave 100 million uninsured Americans out of these protections, 100 million Americans that will not be able to get the medicines, that will not be able to see the specialists, that will not be able to get the medical procedures necessary for their health care.

CONGRESS STANDS BY THE CUBAN PEOPLE AND AGAINST TYRANNY

(Mr. DIAZ-BALART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIAZ-BALART. Mr. Speaker, one year ago today, July 16, 1997, four of the most distinguished and respected leaders of the pro-democracy movement inside Cuba were picked up in their homes by the political police and thrown into Castro's prisons.

Economist Marta Beatriz Roque, Social Democratic Party President Vladimiro Roca, former university professor Felix Bonne, and attorney Rene Gomez Manzano have languished in Castro's prisons for 1 year without Castro even having decided what to charge them with.

Yesterday, in an open letter to the foreign press and Diplomatic Corps, Vladimiro Roca asked for "a fair and public trial" for himself and the three other dissident leaders.

The letter, distributed by his wife, states, "We wish to draw public attention to our situation, and to demand a fair and public trial in the presence of the foreign press and any diplomats accredited in Cuba who may wish to attend, in proceedings both transparent and above board."

Mr. Speaker, in what constitutes an embarrassment to mankind, there is a conspiracy of silence regarding the suffering of Cuba, but the Congress of the United States of America will continue to stand on the side of the Cuban people and against the tyranny that oppresses them until Cuba is free.

WE NEED A PATIENT PROTECTION ACT NOW

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, we need a Patient Protection Act. I know because I have heard from the people in my district. I have heard from a mother with a sick baby who had to travel 30 miles to a hospital when there was a hospital nearby. I heard from a doctor who had to fight to get coverage to treat his cancer. Mr. Speaker, too many patients are paying more and getting less. Under the present system, too many patients are getting a raw deal. They need a fair deal, a good deal, a better deal.

If insurance companies want to make decisions about medical care for our children and our families, then they must be held accountable. The Democratic bill will give us those rights. The Republican bill will deny them.

Mr. Speaker, we need a real Patient Protection Act and we need it now; not tomorrow, not next week, not next year, but now.

TAX RELIEF

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, last year Republicans passed the first tax relief bill in 16 years. Did Members know that even after that, the tax burden on American workers is still nearly 40 percent? Americans ought to be enraged over that, and I am.

Just yesterday we find out, after a fourth revision, that we now have a surplus of $580 billion over 5 years. It is only right we return some of that money back to hardworking Americans. After all, it came right out of their back pocket.

Mr. Speaker, the President and some of the Senate are balking at returning this money to its rightful owners, American citizens. As part of our balanced budget and protection of Social Security, the House voted to give $100 billion in tax relief, which equals only one penny on the dollar. Americans want, need, and deserve tax relief, and I think surely we can find one penny on the dollar to give back to hardworking citizens in this country.

BEWARE OF THE REPUBLICANS' INSURANCE BILL OF RIGHTS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think the most important message we can give Americans this morning is buyer beware, beware of the Republicans' Insurance Bill of Rights. The Democratic Congress and caucus, and I am a wishful thinker, would like to offer the Patient Bill of Rights, because we believe that we need to read between the lines and make sure that we read the fine print.

The Republican bill is for the insurance companies. It does not protect the rights of patients and doctors. It does not allow emergency room visits. It does not hold the insurance companies accountable. It does not respect the 77-year-old World War II veteran who walked the Japanese Death March, yet, when he went to pick up his prescription at a local hospital in my district, they turned him away because of some confusion with his HMO plan.

In the hot sun of Texas he had to go back home without the necessary prescription drugs that he needed. Until he called our office to get relief, a World War II veteran was turned away from our standardized HMOs. The reason? The only words they know is no, I cannot serve you.

Vote and support the Democratic Patient Bill of Rights.

THE RIGHT COMBINATION FOR SUCCESS

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. ROGAN. Mr. Speaker, I cannot help but chuckle as I listen to my friends on the other side talk about their "Patient's Bill of Rights." I chuckle because all this rhetoric is coming from the same party that tried to socialize our health care system 4 years ago when they were in the majority. Pardon my skepticism, but I hope they now are not promoting something that in nothing more than a trial lawyers Bill of Rights.

Just like in health care, we are seeing the same thing from them in education. While some of my colleagues regrettably believe that education is best run by Washington bureaucrats, a story in yesterday's New York Times echoes what Republicans have been working toward all along. We know that when we give to local schools the support and incentive to excel, our students will achieve.

Students at New York's Aviation High are part of a unique partnership between Tower Air, the FAA, and local school officials. They were given hands-on training in the field of aircraft maintenance and other areas. But their education goes beyond earning a diploma. As the Times reported, Tower Air has hired all its student interns upon graduation. What is more, more than three-fourths of them go on to earn a college diploma.

Originally a vocational and trade school, Aviation High has broadened its curriculum, offering students a world class education, while providing a fundamental background in the airline industry. This is the kind of experience no Washington bureaucracy can provide.

Mr. Speaker, to those who disdain public-private cooperation, and love increased control from Washington bureaucracies, I urge them to consider the students and faculty at Aviation High School, and work to give students across the country an opportunity like this.

Mr. Speaker, I include for the RECORD the article in the New York Times of July 15, 1998, which describes this program.

The article referred to is as follows:

[From the New York Times, July 15, 1998]

STUDENTS AT AVIATION HIGH TEND TO 747'S

(By Macarena Hernández)

Oscar Mendez would sit on his porch and admire the small cropdusters. They flew low to the ground fumigating the rice fields near his home in the Dominican Republic.

"One day that will be me flying," he would say, pointing at the small planes. He was only 6 years old.

Friends laughed. But two years later, Oscar took his first plane ride, to the United States. And today, at 19, Mr. Mendez has graduated from Aviation High School and is working at Kennedy International Airport as an aviation mechanic for Tower Air.

Mr. Mendez's easy move from school to a job just days after graduation last month is a prime model of one of the nation's most unusual school-to-work programs. While many schools are forging stronger links with businesses, Aviation is still the nation's only high school whose students service commercial aircraft, educators say.

For three years, Tower Air and Aviation High have worked together. About 40 seniors are interns there during a fifth year at the high school, spending 20 hours a week at Kennedy instead of in shop classes. Tower Air has hired all its student interns after graduation either full time or part time.

"It is a unique school," said Jim Peters, a spokesman for the Federal Aviation Administration's eastern region. "It has been doing it for the longest time and has been among the most successful programs in the country."

Lest the thought of teen-age interns fixing planes generate fear of flying, the airline and the high school both point out that trainees start work with baby steps. They observe for the first five weeks, then they perform more elementary tasks like changing light bulbs in the cabin, fixing seats or lubricating the flap controls on the wings. Eventually, students are allowed to replace faulty circuit breakers and remove and replace aircraft engines, under the supervision of an experienced mechanic.

"It's hard to believe a 19-year-old is working with Tower," said Mr. Mendez, who plans to continue working next fall when he enters the College of Aeronautics, in East Elmhurst, Queens. "It's kind of crazy. Here we are fixing airplanes that actually fly."

Aviation High School opened in 1925 as the Central Building Trades School, a vocational training program with three instructors teaching woodworking, plumbing and electrical installation. In 1936, the school took aviation technology as its focus and 21 years later, it moved to Long Island City, Queens.

After four years of shop classes, including hydraulics, welding and sheet metal, students qualify for an F.A.A. exam that licenses them to work on either an aircraft frame or engine maintenance. Students who, like Mr. Mendez, stay a fifth year can obtain a second license from the agency and qualify for an internship with Tower Air—and usually, a job offer. Tower gets the chance to evaluate potential workers while the school's students get the chance to work on real aircraft. "We have the equipment, but it is not the same thing," said an assistant principal, Mario Cotumaccio. "We don't have a 747 in our back yard."

Mr. Cotumaccio started the program because Aviation graduates faced a familiar teen-age Catch 22: they had trouble finding their first jobs because they lacked airline experience, which they could not get until they had a job. Tower Air, a low-cost airline based in New York, decided to give the internship a try. Morris K. Nachtomi, chairman and chief executive of Tower Air, said the company has been pleased.

Before the internship program, training programs were confided to the small hangar behind the school, which holds about 16 aircraft, 4 from World War II.

The school now faces a series of new academic hurdles as the state tightens its academic requirements. All public school students—including those at vocational schools—are being required to take Regents exams, which test a student's preparation for college work. It comes during a national effort to raise standards for vocational schools.

"We are seeing a need for well-rounded education," said John Decaire, president of the National Center for Manufacturing Sciences, a consortium of industrial companies based in Ann Arbor, Mich. "Companies don't operate sort of autonomously anymore."

While some Aviation graduates stay in aircraft maintenance, about 77 percent go on to college. Yvonne Franco plans to go to Jacksonville University in Florida after she completes her fifth year in June of 1999, paying for school by working in aviation maintenance. "It is a backbone for me," Yvonne said. "I know it assures my future."

Her mother, Marleny Franco, said, "When the children come out of there, they come out with a career in their hands so that they don't have to go fry potatoes at McDonald's."

TIME FOR CONGRESS TO ACT ON A PATIENT PROTECTION ACT

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, it is time for Congress to act now on a Patient Protection Act for managed care plans. With more people moving into managed care plans like HMOs, doctors and sound health care decisions are being replaced by insurance companies and their economic decisions.

With managed care plans, patients who are giving up some choices need protections. That is why I support a Patient Protection Act, a Patient Protection Act that gives a clear right of appeal, that guarantees access to specialists and OB-GYNs, that provides reimbursement for needed emergency room visits, that holds insurance companies accountable for their bad decisions that they make doctors and other providers carry out.

Mr. Speaker, the horror stories are growing about managed care across the country. No, West Virginia does not have yet the same penetration of managed care in our population that other States do, but we are getting there. We are growing rapidly. So I want to make sure that we avoid those horror stories.

Managed care plans can bring some benefits, but we must act now to make sure that all patients have a Patient Protection Act.

THE EDUCATION SAVINGS ACCOUNT CONFERENCE REPORT MERITS THE PRESIDENT'S SIGNATURE

(Mr. JONES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES. Mr. Speaker, today the Education Savings Account conference report is on the President's desk. I urge him to sign this important legislation that would give parents increased opportunities to provide our children with the tools they need to learn.

For years, out-of-touch bureaucrats have made decisions about our children's education. This abuse has seized control from local officials and stifled parental choice and involvement on decisions that affect our children.

During the 105th Congress the Republican majority has made a commitment to our Nation's children, and is taking steps to return power to those who know best about our children, not the Washington bureaucrats, but the parents, teachers, and communities who, together, hold the key to strengthening our schools.

This year alone we have passed education tax credits and the education savings account bill to increase parental choice and involvement in the education process. These are steps in the right decision.

On behalf of the parents of the Third District of North Carolina, which I serve, I urge the President to sign education savings accounts for our children's future.

FORUM ON THE FUTURE OF MANAGED CARE REFORM

(Ms. SANCHEZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SANCHEZ. Mr. Speaker, I rise today to tell my colleagues about a forum that I am hosting this weekend in my district on the future of managed care reform.

Managed care is the focus of intense public interest. It is also here in Congress, as we have noticed this morning. We have seen the polls, we have heard the horror stories, but do we have all the facts? More than half of the United States population and over 85 percent of employed residents in Orange County receive health care from managed care organizations. The statistics show that any changes to managed health care should dramatically impact the lives of millions of Americans and thousands of Orange County residents.

Pressure for reform is mounting, and we in Congress need to listen to all sides and discuss all the options. By listening to the people of America, we can make the kinds of changes that are needed to make managed health care systems work.

I encourage my colleagues to host similar forums in their districts. It is time to given the people a voice. Let them help Congress decide the future of managed care.

A FEW QUESTIONS FOR THE LIBERALS, BUT NO ANSWERS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, this morning I have a few questions for the liberals on the other side. As usual, we will receive no answers, but it is our duty to the American people to ask them, just the same.

Please tell us, my liberal defenders of the President's conduct, why was Senator Bob Packwood run out of town for his conduct? Why did liberal Democrat after liberal Democrat, including the current Vice President, denounce Senator John Tower as, and I quote, "unfit for office" because of allegations of womanizing?

Will we receive answers to these questions? I doubt it. Why the double standard? Why one standard for Republicans and other for Democrats?

Why was Justice Clarence Thomas absolutely vilified by feminist groups and liberals of every stripe for questionable allegations, while the current leader of the free world is given every possible excuse, justification, and defense for his conduct for a myriad of abuses, for numerous women providing evidence in a vast cover-up orchestration?

Yes, questions for liberals, but no answers.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MILLER of Florida). Members should avoid personal references to the President of the United States.

THE PATIENT'S PROTECTION ACT WILL HOLD HMO'S ACCOUNTABLE FOR PATIENTS' HEALTH CARE DECISIONS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, last week I met with a constituent of mine, Barbara Salinger, from New Haven, Connecticut. Barbara's husband passed away from colon cancer shortly after their HMO forced him out of the hospital, only days after his surgery. Barbara fought to get him readmitted when he came down with a fever and started vomiting the next day, but he died shortly thereafter.

Under the Democratic Patient's Protection Act, HMOs will be held accountable when they deny patients like Mr. Salinger the care that they need. Meanwhile, Republicans have created a sham proposal that has no enforcement mechanism. The GOP bill protects the health insurance companies, not the health of average Americans.

There is only one bill that holds the managed care plans responsible for denying care with real, reliable, and enforceable remedies. The Republican leadership should abandon their sham proposal and respond to what the American people are very concerned about. They want to be able to have good health care coverage, to not be denied, to make sure that their medical decisions are being made by themselves and by their doctors, not by insurance company bureaucrats.

PORKER OF THE WEEK AWARD

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, even as angry U.S. taxpayers cry out for overhaul of a tax system that many believe is unfair, oppressive, and unworkable, the Federal Government is spending millions of dollars annually exporting the idiotic system to other countries.

That is right, the United States Agency for International Development, USAID, is spending $15.3 million over a period of 3 years to "help the Russian government in the reformation and reorganization of its tax code."

As if Russia's government is not in enough disarray already, we have decided to make it even worse. The $15 million grant, which is being administered through Georgia State University, is in addition to the already active $30 million in grants the university has received from USAID for Russia.

□ 1030

I think the money would be better spent on scrapping our own Tax Code. Words of wisdom to the officials in Moscow, and especially to the Russian citizens: Whatever these guys suggest, do the opposite.

The U.S. Agency for International Development gets my porker of the week award.

MANAGED CARE REFORM

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, Republican leaders in both Chambers are now pushing managed care reform plans that will not provide enforcement of patient protections because they deny patients the right to sue their HMO when their health suffers because they are denied the care that they need. Federal judges around the country are increasingly frustrated by the current law which prohibits patients from holding their HMOs accountable.

Take the case, for example, in Denver, where Judge John C. Porfillo of the United States Court of Appeals for the Tenth Circuit noted that current law gives the courts no choice in such cases. Judge Porfillo told the New York Times he was deeply moved by the tragic circumstances of a woman who died of leukemia after her HMO denied her care.

The right to sue, Mr. Speaker, is the enforcement mechanism for all the patient protections that we are advocating as Democrats. President Clinton summed it up best when he said a right without a remedy is not a right. The Democrats' Patients' Bill of Rights would hold HMOs accountable and give patients the right to sue when they are denied the care that they need. The Republican leadership should abandon its charade and stop pushing its sham proposal and get behind the Patients' Bill of Rights.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The SPEAKER pro tempore (Mr. COLLINS) laid before the House the following communication from the chairman of the Committee on Transportation and Infrastructure, which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE,
Washington, DC, July 2, 1998.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
Washington, DC.

DEAR NEWT: Enclosed please find copies of resolutions approved by the Committee on Transportation and Infrastructure on June 25, 1998, in accordance with 40 U.S.C. Sec. 606.

With warm regards, I remain
Sincerely,
BUD SHUSTER,
Chairman.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 4194, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 501 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 501

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 306 of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The amendment printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. Points of order against provisions in the bill, as amended, for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: page 88, line 16, through page 91, line 3. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. The amendment printed in the Congressional Record and numbered 12 pursuant to clause 6 of rule XXIII may be offered only by Representative Leach of Iowa or his designee, shall be considered as read, shall be debatable for 40 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against that amendment are waived. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 501 is an open rule providing for consideration of H.R. 4194, the VA, HUD and Independent Agencies Appropriations bill for fiscal year 1999. The rule also includes a customary waiver of section 306 of the Budget Act relating to the prohibition on including matters within the jurisdiction of the Committee on the Budget in a measure not reported by it.

H. Res. 501 provides for one hour of general debate divided equally between the chairman and ranking minority member of the Committee on Appropriations. The rule provides that the amendment printed in the Committee on Rules report accompanying the resolution shall be considered as adopted.

This amendment, offered by the gentleman from Mississippi (Mr. WICKER) will require studies on issues related to flame resistant standards and fire-related deaths.

The rule waives points of order against provisions in the bill for failure to comply with clause 2 and clause 6 of rule XXI, except as specified in the rule.

The rule also makes in order the amendment printed in the CONGRESSIONAL RECORD numbered 12 which may be offered only by the gentleman from Iowa (Mr. LEACH) or a designee, shall be considered as read, shall be debatable for 40 minutes equally divided and controlled by a proponent and an opponent, shall not be subject to amendment and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendment.

The rule also accords priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD and allows the chairman to postpone recorded votes and reduce to 5 minutes the voting time on any postponed question, provided voting time on any first in a series of questions is not less than 15 minutes.

These provisions will facilitate consideration of amendments and guarantee the timely completion of the appropriation bills.

House Resolution 501 also provides for one motion to recommit with or without instructions.

Mr. Speaker, House Resolution 501 is an open rule providing Members with every opportunity to amend this appropriations bill. As I stated earlier, the Committee on Rules has made in order an amendment to be offered by the gentleman from Iowa (Mr. LEACH) consisting of the text of H.R. 2, the United States Housing Act, which passed the House by an overwhelming 293 to 132 vote last year. This bill will reform failing public housing authorities, impose professional management standards on projects receiving Federal money, and impose a rational housing policy reforms.

While this legislation passed the House last year, we have allowed it to be offered on this bill because it is necessary to advance this important housing reform legislation before the end of the legislative session.

H.R. 4194 appropriates a total of $70.89 billion for fiscal 1999. I want to mention a number of important provisions in this bill.

First, as I mentioned, the House will have the opportunity to consider a comprehensive housing reform amendment. However, in addition to these critical reforms, the appropriations bill amply funds housing programs for the Nation's elderly and the disabled, homeless assistance grants, Native American housing, the HOME program, and increases funding for severely distressed housing.

Regarding appropriations for our veterans, this country has a commitment to our men and women in uniform and we, as Americans, owe these dedicated men and women a debt of gratitude. Under this bill, medical care for our Nation's veterans is funded at $17.1 billion, an increase of $39 million over the President's request, and veterans medical research is funded at $310 million, $10 million over the President's request. Overall, the Department of Veterans Affairs discretionary programs are funded at $19 billion, $168 million above the President's request.

Finally, H.R. 4194 also continues this Congress' efforts to protect America's environmental resources. This bill provides needed funds for Safe Drinking Water State Revolving Funds, Clean Water State Revolving Funds, State Air Grants, and a number of programs that will ensure clean water for our citizens. We do not often get credit for our efforts on environmental protection, but this bill is yet another example of the strong environmental protection efforts we have made.

The Committee on Appropriations has balanced a wide array of interests and has ensured that all funding is spent efficiently and where it is needed most.

I commend the gentleman from California (Mr. LEWIS), chairman, and the ranking minority member, the gentleman from Ohio (Mr. STOKES) for the bipartisan manner in which they constructed this appropriations bill.

H.R. 4194 was favorably reported out of the Committee on Appropriations, as was the open rule by the Committee on Rules.

I urge my colleagues to support the rule so that we may proceed with general debate and consideration of the merits of this important bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman from Georgia (Mr. LINDER) for yielding me the time.

This rule will allow for consideration of H.R. 4194, which is a bill that makes appropriations in fiscal year 1999 for the Departments of Veterans Affairs, Housing and Urban Development, Environmental Protection Agency and other independent agencies.

As my colleague from Georgia described, this rule provides one hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

The rule also makes in order an amendment containing the text of H.R. 2, as passed by the House, May 14, 1997, which makes reforms in Federal public housing programs. Under the rule, no amendments may be offered to H.R. 2. It is inappropriate to consider H.R. 2 in this fashion, and it threatens the progress of the underlying appropriation bill. Therefore, I will oppose this rule.

The VA, HUD appropriations bill is a very important measure. It provides $94.4 billion to fund critical programs such as veterans care and cash benefits, housing assistance for working families, disaster victims, emergency relief, and environmental protection.

This bill is too important to serve merely as the vehicle for moving a public housing bill. Because the administration has threatened a veto of H.R. 2, the appropriations bill containing H.R. 2 would face a veto threat, and it will get bogged down in a hopelessly complex House-Senate conference.

Normal legislative procedure requires that the House and Senate appoint conferees to reconcile the differences between the House and Senate bills. Yet House conferees have never been selected. During the Committee on Rules hearing on the appropriations bill, both the chairman of the subcommittee, the gentleman from California (Mr. LEWIS), and the ranking member, the gentleman from Ohio (Mr. STOKES) indicated they did not want H.R. 2 to be added to their bill. Unfortunately, their wishes were ignored.

Both the gentleman from New York (Mr. LAFALCE), ranking member of the Committee on Banking and Financial Services, and the gentleman from Massachusetts (Mr. KENNEDY), ranking member of the Subcommittee on Housing and Community Opportunity, strongly object to this action.

The rule contains other inconsistencies. While the 364 pages of legislation contained in H.R. 2 will be protected from points of order against legislating on an appropriation bill, other legislative provisions were not protected. A provision to reduce the flammability of children's sleepwear was left unprotected. Also left to be stripped out of the bill was a provision to increase the Federal housing administration single family loan limit. A large bipartisan coalition in the House supports this increase. It is difficult to understand such inconsistency in the rule.

The underlying appropriations bill that we are taking up does a fair job of balancing competing interests, given the constraints of the 302(b) allocation. Still, I do not agree with all the choices that the subcommittee made, such as eliminating AmeriCorps. This program has made valuable contributions to needy Americans, including raising student literacy rates.

Mr. Speaker, this is a bad rule. It circumvents the normal process of the House. It will increase the risk that important veterans, housing and environmental programs will be delayed. It will interfere with the progress that has already been made between the House and Senate on public housing reform.

For these reasons, I would ask my colleagues to vote against this rule.

Mr. Speaker, I reserve the balance of my time.

□ 1045

Mr. LINDER. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in opposition to this rule.

As a member of the subcommittee which produced the underlying VA-HUD appropriations bill, I do so with no small amount of frustration. The gentleman from California (Mr. LEWIS) and all members of our subcommittee labored long and hard to produce this bill and, as we produced it, this bill is worthy of support. But this rule is not.

This rule fails to protect an important amendment that I offered, along with the gentleman from Wisconsin (Mr. NEUMANN), that was approved by the full Committee on Appropriations. Specifically, our amendment would raise the FHA loan limit to increase opportunities for home ownership as well as increase important science and research programs at the National Science Foundation and for veterans' medical research by $80 million.

By passing this rule, Members need to understand that we take away the opportunity for at least 25,000 Americans every year to purchase their first home. Members also need to understand this rule will reduce funding for the National Science Foundation by $70 million and veterans' medical research by $10 million.

What I find even more egregious is at the same time this rule circumvents the work of the Committee on Appropriations, it fully protects the rights of the authorizing committee, namely the Committee on Banking and Financial Services, to add the entire text, some 365 pages, of their housing authorization bill to this appropriations bill. Something is terribly wrong with this picture.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I very much appreciate my colleague yielding to me, and I must say that I do so only to say that I very much appreciate the remarks of my colleague and I want the House to note my grave reservations about this rule.

Mr. FRELINGHUYSEN. Reclaiming my time, Mr. Speaker, I thank the gentleman for his comments.

In summary, Mr. Speaker, the work of the Committee on Appropriations is badly undermined by the rule and, most important, it shortchanges important national priorities of home ownership and investment in science and research. This rule deserves to be defeated.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking minority member on the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, first of all, I wish to congratulate the previous speaker, the gentleman from New Jersey (Mr. FRELINGHUYSEN), who has done a lot of very hard good work on this and a number of other appropriation bills. I appreciate his excellent statement here this morning.

Let me simply say that this rule should be defeated for a number of reasons. First of all because it adds, against the opposition of the committee that is supposed to handle the bill, it adds a 300-page nongermane housing authorization bill, which is highly controversial, to legislation which had been fairly well worked out with respect to other issues.

Secondly, it does not protect from being stricken on a point of order a very important provision that was added by the committee which would strengthen people's ability to buy homes in this country. Because of the strange nature of this rule, there will be cuts in the amounts that homeowners can borrow from FHA to finance a home purchase from $109,000 to $86,000. That will have the effect of knocking 30,000 families out of the ability to buy a home with FHA help this year. And we simply should not be doing that.

There are lobby groups around town who might think that is a good thing to do. I do not think homeowners will agree with them. I do not think that realtors, who have to work to put people in homes, will agree with them. I do not think home builders will agree with them either.

I would also say that at the same time that the committee provided this huge nongermane attachment to the bill, it prevented us from offering a bill which would correct the fact that this bill cuts $276 million below last year in terms of actual delivered health care to veterans in this country. They prevented us from offering an amendment that would have allowed us to increase funding for veterans' health care by an additional $1.7 billion. As far as I am concerned, those are all the reasons that we need to oppose this rule.

I would simply say that I do not understand why on appropriation bill after appropriation bill the Committee on Rules seems to intervene to make those bills more partisan and more controversial than they were when they emerged from the committee. It just seems to me that is not a way to build a constructive relationship which is going to be needed to conduct the rest of this session. It is not a way to defend the public interest of people in this country. And I would urge a vote against the rule.

Mr. LINDER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. LAZIO).

Mr. LAZIO of New York. Mr. Speaker, I thank the gentleman for yielding me this time and for bringing this rule to the floor, which I think is a fair rule and speaks to one of the most important issues that this Congress and last Congress, quite frankly, have taken up, and that is reform of our failed public housing system.

This is a bill that we have had fully vetted before. We have been working on this for 3 years. There are no surprises in this bill. We have had this bill marked up in committee. We have had this predecessor bill passed with a vote of about 315 to 107 in the last Congress. In this Congress it passed by a vote of 293 to 132, with over one-third of the Democratic conference voting in support of this bill.

This is a bill that our Members understand, have voted for and believe deeply in. This is a message of empowerment. This is a message of accountability. What we are saying with public housing reform is that it is time to stop wasting money, throwing money at the public housing authorities that have failed year after year.

Mr. Speaker, in one housing authority in New Orleans, which HUD scores itself, they score it from 1 being the lowest to 100 being the highest, do my colleagues know what that housing authority scores year after year? Not 70 or 80, but 25 and 27. Imagine if our children came home year after year with a scorecard of 27. We would do something about it pretty quickly. But in this Congress we have failed to act, to get the job done to stop wasting money and stop forcing people to live in government-subsidized slums.

We want to help people out. We want to give people vouchers. We want to help people get the mobility to move to get better education. We want to give them the choice to have improvement for their families. We want to give people the ability to take a rental voucher and use it to buy a home.

In many areas families have a rental voucher that is worth $800 or $900 or $1,000. And because of the work that we have done on balancing the budget and bringing costs down and bringing interest rates down, home ownership now is within the reach of many folks, by not people who rent; not people who are in public housing. We want to change that. We want to empower them. We want to give them the ability to actually own their own home by using these rental vouchers that do not build up equity, that do not give them hope, that do not give them opportunity, and transform that to a choice-based system that allows poor folks living in public housing to own their own home, to build up equity, to have a sense of hope, and to give their kids a sense of opportunity.

This bill is important for so many different reasons. It is important because we want to devolve control of decision-making from Washington, D.C. to local communities. Now, why is that important? Is that just rhetoric? It is not just rhetoric. It is important because we want to build leadership in local communities, because we know that we cannot possibly know what goes on in every community throughout the country. We cannot possibly know what the housing demands are in every possible area of the country.

What we do say with this statement of public housing reform is that we are going to provide more incentives for local leadership and more resident management. We are going to let residents manage their own building. What a novel idea. Let people run their own building so they have control over their own lives, so they can make choices for themselves, so they can have more peace of mind.

And, increasingly, in cities throughout the country, including the city closest to me in New York City, we are finding leading law enforcement officials that are saying a key strategy and a key building block for safe streets and better law enforcement and better crime control are housing programs; to decentralize decision-making authority, which allows people to live in better conditions. Empower people, give people an investment, a sense of being a part of the community, a sense of place, not just being warehoused in an area, which is, frankly, what has happened in too many places because of the Federal housing programs that we have had for decades.

We are warehousing people where we have super concentrations of poverty. And the result of that is exceptionally high crime rates that children have to live with, no services in the area because no businesses can afford to stay around there, no working class in the area, so there is no role models, and so what we have is hopelessness and despair.

In this chamber, in this building we feel maybe sanitized from that. But if we were to go out to America and go to some of the poorest areas in the country, we would be ashamed of the fact that we have not made the changes that need to be made; ashamed of the fact that we know the solutions are out there. We know what to do. We know we need to get the mixed income. We know we need to give more responsibility to individuals and to communities.

We know what we have to do, but every month and every year that we put off making a decision because of some procedural hodgepodge complaint, we are forcing more kids, more adults, and more families to live in despair, in hopelessness, lacking opportunity.

Now, we can go back to our districts and thump our fists and say, oh, yeah, we stood up for this, we stood up for that procedural principle, but I tell my colleagues right now, our choice now is to get the job done. Get the job done. We know what needs to be done. The House has passed this bill twice. Now, let us move this vehicle and send it to the Senate and get it properly done and get it signed by the White House. This is not about procedure, this is about people. This is about caring for folks, for making the changes.

Now, I have heard some people say that they do not want this to happen because they do not want to deny an accomplishment to this Congress. And I cannot believe a single person who takes the oath of office in this chamber would actually vote in accordance with that. I know there are 71 Democrats, one-third of the Democratic conference, who stood up and stood tall and took this vote for empowerment and for change and for hope and for opportunity; for helping people to have control over their lives, to build equity, to use vouchers for home ownership, to do all these great things; to stop pouring money down a rat hole, to say that we can use that money to help empower people, to give them a better life, to make sure they can clear out what has formerly been an area where crack dealers hang out, and to plant those fields so that the kids can play outside with playgrounds because we have given tenants the responsibility to control their own back yard, to manage their own development, to use their voucher for home ownership.

This level of choice and empowerment is exactly what the most innovative people, both Republicans and Democrats that are out there in urban areas and poor areas and suburban areas, are doing right now. They need this bill. Do not raise another procedural obstacle just to say that we can be denied this opportunity to try to change lives for the better.

Mr. WISE. Mr. Speaker, will the gentleman yield?

Mr. LAZIO of New York. I yield to the gentleman from West Virginia.

Mr. WISE. Just a question of the gentleman, Mr. Speaker. I am one of the one-third of the Democrats that voted for the bill, but it seems to me it is the Republican leadership that is responsible for appointing conferees and moving it to conference. Why has that not happened?

Mr. LAZIO of New York. I would say to the gentleman that this is considered the best possible, most effective vehicle to get it done. The substance the gentleman voted for has not changed one iota. It is the very same bill that the gentleman voted for earlier.

Mr. WISE. If the gentleman will continue to yield, why has it not it gone to conference? The Republican leadership had the ability to appoint the conferees and move it to conference. I voted on that a few months ago.

Mr. LAZIO of New York. Reclaiming my time, Mr. Speaker, as the gentleman knows, it takes two houses, both the other body and this body, to get the job done. And it is the opinion of both bodies that this is the best vehicle to move it along, on the leadership on both sides. So I would ask that my colleagues not put up artificial procedural obstacles in the way of getting the job done, of doing the right thing.

I would also mention, for those people who have said, oh, this is a lot of work that is on an appropriations bill, but in the last appropriations bill that was done there were a lot of folks who stood for the so-called mark-to-market section (8) authorizing language, with over 100 pages of authorizing language on an appropriation vehicle. I see the gentleman from Massachusetts, who supported that, using that appropriations vehicle to authorize. Now, I was not, quite frankly, in support of that, but that was the precedent that was set in the last Congress.

My message now is, let us get the job done. Let us not leave people behind. We know what to do. Let us not play games. Let us get the job done for America.

□ 1100

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the very distinguished gentleman from Ohio (Mr. STOKES).

Mr. STOKES. Mr. Speaker, I rise in strong opposition to this rule. It makes a mockery of the legislative procedures that have governed the debate on appropriations bills for decades.

It used to be the case that the Committee on Appropriations went to the Committee on Rules primarily to get their bills protected from points of order due to lack of authorizing legislation. In this rule, however, we have provisions left unprotected for which waivers were sought by the Committee on Appropriations.

Incredibly, reams of authorizing legislation that have no business in an appropriations measure are being included, over the objections of the Committee on Appropriations. I suppose, looking at the track record of the Committee on Banking and Financial Services during the past two Congresses, it is not surprising that they should adopt this approach.

Virtually every significant housing legislation provision passed during the past 3½ years have been contained in an appropriations bill. They have not been able to do their job. This year, they seem to be admitting defeat earlier than usual. It is one thing to include major legislative provisions in appropriations conference reports near the end of a session when time is running short. To do so at this stage of the process is a major admission of failure.

I agree that there is a real need for enactment of housing authorizations. However, I and a number of other Members of the House and Senate and, perhaps most significantly, the President have a serious disagreement with certain provisions of the House-passed bill that the rules seek to attach to this appropriations bill.

The only way these issues can be resolved and a housing bill signed into law is through negotiation and compromise. I am told by my counterparts on the authorizing committee that such negotiations had been proceeding in a serious and constructive way, at least until this maneuver. Passing essentially the same bill through the House a second time does nothing to advance the process. About all it does is poison the well of good will.

Perhaps the backers of this negotiation think they can use the appropriations process to cram an unacceptable bill down the throats of the President and congressional opponents. In the end, I doubt that they will succeed in doing so. But I fear that they may drag down our appropriations bill in the attempt.

A second major problem is that the rule selectively picks just a couple of provisions in the committee-reported bill to leave unprotected against points of order. One of these is the provision raising the limits on FHA-insured mortgages. I believe that what the Committee on Appropriations did was a constructive step towards expanding home ownership. Some may disagree.

But if the rule had simply provided protection against points of order, anyone who disagreed with that provision would have a chance to offer an amendment to strike it and the House would have a debate and a vote. I suspect our position would prevail, since the majority of the membership of the House has written to the Committee on Appropriations asking that an FHA loan limit provision be included in the bill.

But, in any event, the House should have had a chance to work its will on this issue. This rule denies the House that opportunity by allowing any individual Member to remove the provision from the bill simply by raising a point of order.

In summary, the bill reported by our committee is a reasonable bill, though not without its own flaws. On balance, the appropriations bill is worthy of support. Unfortunately, the rule is basically a mechanism for turning our bill into something less reasonable and less worthy of support.

I urge a no vote on the rule.

Mr. LINDER. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. KNOLLENBERG).

Mr. KNOLLENBERG. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of the rule for the VA-HUD appropriations bill for fiscal year 1999. Regardless of what we might hear, it is an open and fair rule. This rule does nothing to stop an open debate on a very important issue, and that is the Kyoto Protocol. Let me repeat that. The rule does nothing to stop an open debate on a very important issue, the Kyoto Protocol. I am pleased that the we can have an open debate on this issue as the rule provides.

There are those who want to circumvent the U.S. Constitution by implementing a treaty before it is ratified by the Senate. The VA-HUD appropriations bill limits funding to implement the Kyoto treaty until the Senate ratification, period.

We need this funding limitation. The Kyoto Protocol would have a devastating impact on this economy of ours. It would kill millions of jobs. And I think everybody realizes that it will kill jobs. Even the administration realizes that. That will result in higher prices and significantly a lower standard of living for Americans.

As a result, there is strong opposition to this agreement in Congress. And the President simply does not have the votes to win ratification in the Senate. Faced with this dilemma, the Clinton administration is attempting to circumvent the will of Congress by implementing the Kyoto treaty bit by bit, piece by piece, through a series of regulatory actions.

Now, it is important to note, what does the Kyoto funding limitation do? It prohibits only certain categories of regulatory activities that have the purpose of implementing the Kyoto Protocol without Senate ratification. It applies only to the development, proposal, and finalization of rules, regulations, orders, and decrees that implement the unratified Protocol or that are designed for such implementation.

What does the Kyoto funding limitation not do? Contrary to some claims, it is important to note that this language does not affect existing programs and ongoing activities to carry out the United States' voluntary commitments under the 1992 Climate Change Convention. It does not hinder legitimate climate science research activities or studies or existing funding for research and development. In fact, all other EPA actions and programs funded by this bill for environmental and other purposes, including climate change, are not affected by this limitation.

So I would urge my colleagues on both sides, please oppose any attempts to strike the Kyoto funding limitation and support the rule for consideration of VA-HUD.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I wish to commend the chairman and distinguished ranking member of the Subcommittee on VA, HUD and Independent Agencies, the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES), for the excellent job that they have done in reporting out a very good appropriations bill, an appropriations bill that if it were the bill that was reported out of subcommittee, we probably all would be able to support in both a bipartisan and perhaps even a unanimous fashion today. Unfortunately, that is not the bill that has come to the floor of the House of Representatives.

The Committee on Rules has not only blurred the distinction between the appropriations and the authorizing process, they have obliterated it. The fact of the matter is the authorizing committees in both the House and the Senate have acted. The House authorizing committee acted in May of 1997. The Senate authorizing committee acted on a public housing bill in June of 1997, the full Senate and the full House that is; and conferees still have not been appointed.

The gentleman from Georgia (Mr. GINGRICH) and Senate Majority Leader LOTT have not appointed conferees to bills that were passed in the spring of 1997. And now the Committee on Rules, in an obliteration of the authorizing process, is attempting to foist upon us in the appropriations process a very controversial bill, a bill that is controversial not only within this House, a bill that is controversial within the Senate, a bill on which Republicans in the Senate and Republicans in the House have serious disagreement over.

I ask this body to preserve the integrity of the authorizing process. Both bodies, the House and the Senate, have acted. Let the leaders appoint conferees and let the conferees from the authorizing committee resolve our differences and then let us pass an appropriations bill that does what an appropriations bill is supposed to do, appropriate.

I rise today to join the distinguished ranking member of the Rules Committee, Representative MOAKLEY, in opposition to the rule for consideration of H.R. 4194, the fiscal year 1999 Appropriations bill for the Veterans Administration, the Department of Housing and Urban Development and Independent Agencies. While I believe H.R. 4194 is a good bill and could garner strong bipartisan support, I am opposed to the rule's treatment of Chairman LEACH's amendment to include H.R. 2, the draconian reform to our Federal housing programs, in this funding bill.

The Rule before us violates the principles of this House. The House is divided into committees. As I see it, the work of those committees is divided into two categories: Appropriating and authorizing. Authorizers, such as myself, are charged with considering programmatic policy questions, while appropriators are charged with making difficult funding decisions within the constraints of the budget resolution. These are two very distinct roles. In recognition of that fact, the Rules of the House permit Members to strike authorizing provisions included in—or offered as an amendment to—appropriations bills by raising points of order against such provisions.

Nonetheless, it appears that the Rule before us applies that longstanding policy only when it is convenient to the majority party. For instance, the Rule waives points of order against Chairman LEACH's amendment to incorporate H.R. 2, the draconian public and assisted housing reform bill into the HUD–VA bill. Despite the fact that the House and Senate Democrats, along with the Administration, have been negotiating to resolve the contentious policy issues raised in H.R. 2 and its Senate counterpart, S. 462, the Rule facilitates efforts to circumvent negotiations even at the risk of frustrating progress on this important funding bill. Today, we should be focusing our attention on the important bill at hand, H.R. 4194, leaving contentious public housing issues to be debated and resolved separately.

While consideration of H.R. 2 is protected, the rule fails to waive points of order against provisions included in the bill raising the loan limits for the Federal Housing Administration's single family loan program. The FHA amendment, another authorizing provision, was unanimously approved by the Appropriations Committee and pays for an increase of $80 million for veterans research and the National Science Foundation. It is a priority of the Administration and reflects a good compromise between the Administration's request and private sector interests. Nevertheless, the Rule fails to waive points of order against that authorizing provision.

The Rule's treatment of H.R. 2 and the amendment to the FHA loan limit defies logic. Under H.R. 2, 709,000 fewer low-income households would be provided Federal housing assistance in 10 years. Striking the increase in FHA loan limits would put at risk the dream of homeownership for many potential homeowners. As I see it, the real result we will have in proceeding in this manner is to ensure that the rich get richer and the poor get poorer.

Again, I urge my colleagues to join me in firm opposition to this rule on H.R. 4194.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Speaker, I thank the gentleman for yielding me the time.

I do rise in support of this rule, particularly that portion of it which provides for the consideration of the amendment by the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAZIO) to replace the 1937, 1937, United States Housing Act with a House-passed, already-passed version of H.R. 2.

H.R. 2 contains many important provisions that would significantly decentralize the public housing system and require greater community involvement from public housing residents.

Under the measure, local housing agencies could give residents a choice of paying either 30 percent of their income in rent or paying a flat rent agreed to by the tenant and the housing officials. This would benefit tenants because the rent would not necessarily increase with their income, as occurs now.

The bill would also require most unemployed residents of public housing or subsidized rental units to perform at least 8 hours of community service.

Additionally, in order to infuse more of the working poor into public housing, the bill would require that no more than 35 percent of new tenants be people who earn 30 percent or less of an area's median income.

I would also urge support for three measures I authored which were included in the final version of H.R. 2.

First, the bill would reward housing authorities, like those in Delaware, that are innovative and efficient.

Secondly, the bill would allow housing authorities to screen out sex offenders who might endanger children living in public housing.

And, finally, it allows high-performing housing authorities like the Dover and Delaware State Housing Authorities to use funds from disposition housing, that is, when housing is torn down, to purchase replacement scattered site dwellings.

As my colleagues may recall, H.R. 2 passed this Chamber overwhelmingly 293–132 on May 14, 1997. So I have every confidence that this bill will not weigh down the VA–HUD appropriations bill.

Furthermore, when Congress has a clear picture of what final reforms will be made to the public housing system, it can make better informed decisions of how much money to appropriate to that program.

For all the Members who share the goal of transforming public housing from a way of life into a better life for low-income children and their families, I urge them to support this amendment.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY of Massachusetts. Mr. Speaker, first of all, I wanted to thank both the chairman, the gentleman from California (Mr. LEWIS), as well as the ranking member, the gentleman from Ohio (Mr. STOKES), for the very hard work that they have done on attempting to bring to the House floor the bill that I had hoped to support, a bill that would have put $100 million into new vouchers under the section 8 program, a bill that would have put $150 million new money into the homelessness, a bill that would have put $500 million into the public housing modernization program, and a bill that would have put $10 million into the Fair Housing Enforcement Program.

Unfortunately, despite the fact that that attempt was made, there was sort of a sneak attack that took place yesterday morning in the Committee on Rules. It was a sneak attack done by the chairman of the Committee on Housing who attempted to circumvent the process, without any pride of his own authorship, of being able to get a bill out of our committee and onto the House floor in proper manner. But instead, because he cannot work out a compromise with the House and Senate and the administration on a bill that he has put forth that is far too radical for people to be able to accept in terms of the number of poor people that are going to be thrown out on the street, the fact that hundreds and hundreds of thousands, our estimate at HUD is over 700,000, very, very poor people will be put out on the street. And that is what is going on here.

We are doing nothing more than saying to the poorest of the poor that they do not count, they do not matter, that what we care about is making sure that the buildings look good.

Well, listen, folks, this is not about whether or not everybody can walk around and go back home and say, gosh, public housing looks terrific because now we have moderate-income people in public housing. We have got to make sure that we do not abandon the poor, and that is what this bill will do.

Do not turn our back on the poor. It is a terrible thing to do. Please reach into our conscience and recognize, yes, we can go back and get all sorts of kudos for cleaning it up, but if the price of cleaning it up is throwing out the people that live there, we have not accomplished anything. They might look good to their constituents, but in their heart, they know what they have done is wrong. Vote against this bill. It is wrong-headed, and it is wrong-hearted.

□ 1115

I would also like to point out, Mr. Speaker, that in another attack on the legislation that had been, I think, evenhanded and worked out by both the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES), there were provisions to raise the loan limits on the FHA program. Those are critically important so that we do not continue to keep the FHA program totally targeted towards very, very poor people and not allow some people that live in more moderate-income neighborhoods to be able to participate.

That provision, which 230 Members of this House, both Democrat and Republican, supported, has now been stripped out of the bill. A point of order is going to be made against it, and we will lose it. As a result of that we are going to see FHA weakened, we are going to see the ability of our country to be able to put forth meaningful housing programs hurt, and I just think that if we are going to do this, we had a process of negotiation that we were all participating in, we were close to an agreement; if we could have allowed that to continue to go forward, we could have avoided the mess that is going to occur on the House floor for the rest of the day today.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, the VA HUD appropriations bill contains bipartisan legislation that I introduced with the gentleman from New Jersey (Mr. ANDREWS) and the gentleman from Pennsylvania (Mr. WELDON), two of this Congress' experts on fire safety. It would direct the Consumer Product Safety Commission to reinstate fire standards which governed children's sleepwear, kept our children, kept our kids, safe for more than 25 years.

A coalition of health and safety groups, including the American Burn Association, the National Fire Protection Association, the Coalition for American Trauma Care, the American College of Surgeons, the American Public Health Association, the Emergency Nurses Association, all of them support the return to the previous fire safety standards because they know how important it is to protect our children from devastating burn injuries.

During the committee consideration of the bill, the chairman of the committee agreed and promised to ensure that this legislation would be protected in this bill, that our kids would be protected. Unfortunately, unfortunately, the Republican leadership in this House broke that agreement made by one of their own committee chairs.

Mr. Speaker, I strongly oppose this rule because it breaks that agreement which has protected an amendment to save children in this country from fire burns and from death. For 25 years children's sleepwear was held to a higher standards of flammability than other kinds of clothing. It made it so that they would self-extinguish after exposure to a small flame. Manufacturers were required to test every part of the garments, the seams, and trim and everything else, in terms of ensuring that high standard for our kids' safety. The National Fire Protection Agency estimates that there would have been 10 times more deaths associated with children's sleepwear without this standard.

And when the Consumer Product Safety Commission eliminated those, a coalition of groups came together. People in the House came together to say let us reinstate those regulations so that our kids are safe.

We had this piece of legislation, we agreed on this piece of legislation, and the Republican leadership in this House says, no, let us leave our kids unprotected and not make sure that this bill cannot be struck down in this effort.

Where are we? Who are we committed to? Are we committed to special interests around this country, or are we committed to kids and to families in this country?

This is a simple piece of legislation. It requires no money. It just says let us have the will to make sure our kids are safe and reinstate those regulations as it has to do with their sleepwear.

Mr. Speaker, I oppose this rule, and my colleagues should vote against it.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentlewoman from Connecticut points up the flammability language in this bill, and there was a technical error in drafting it, and the money provided for the Consumer Product Safety Commission says $5 billion in the report. It was meant to be $5 million, and I ask unanimous consent that that technical correction be agreed to.

The SPEAKER pro tempore (Mr. COLLINS). Is there objection to the request of the gentleman from Georgia?

Mr. HALL of Ohio. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I thank my friend from Ohio for yielding this time to me.

I oppose this rule, Mr. Speaker, because of its outrageous assault on the consumers of this country. For 24 years it was a law of this country that when a shopper went into a store and thought about buying clothing for an infant, if the clothing was not treated in such a way that it would not burn, if it was not treated for flammability, we knew it, because there was a label on it, and we knew enough not to put a 3-month-old or a 4-month-old down for the night in a crib with clothing that might catch on fire and burn the child to death. For 24 years emergency room nurses and arson experts and firefighters across this country said it worked.

In 1996, for reasons that are beyond any of us that have any common sense, the Consumer Product Safety Committee changed that rule. It was a rule change that was opposed by the fire community, by the medical community, by the children's advocates of this country.

This Congress decided to do something to fix it. The gentlewoman from Connecticut (Ms. DELAURO), the gentleman from Pennsylvania (Mr. WELDON) and I introduced legislation to put the old law back to where it was. Thanks to the efforts of the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) and the members of this committee, we are moving forward that law.

We thought today that we would have a chance to talk about it on this floor and vote on it, but for reasons that are mysterious and unbeknownst to me, we are not going to get that chance because later on, Mr. Speaker, here is what is going to happen. We get to the point of this bill where this consumer protection standard is presented. One Member, one, will have the chance to stand up and object to it, and it will be stripped out of the bill with no vote.

Mr. Speaker, if there are Members who disagree with this law, and I understand in good faith that there could be, let them come to this floor, let them take this well, and let them argue their point, and let us put it up for a vote. The fair and reasonable thing to have done would have been to permit an amendment that would have stripped this provision from the bill and put it up for a vote. But the people who oppose this provision do not want their fingerprints on the opposition to this provision because they could not go home, they could not look their constituents in the eye and say, "I just voted to weaken consumer standards for your children."

If my colleagues believe that is the right thing to do, then vote on it. My colleagues should have the courage to come to this floor and put their name on it.

Mr. Speaker, this is wrong, and I believe the Republican leadership of this House, failing the defeat of this rule, which I urge, ought to have the courage to bring to the floor this bill on a stand-alone vote so all 435 of us can go on the record and explain to our constituents where we stand.

If my colleagues ever wanted an argument as to why we need campaign finance reform, this is it.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Speaker, I rise to salute my good friends, the gentleman from Ohio (Mr. STOKES) and the gentleman from California (Mr. LEWIS), who I have the utmost respect for, but I also rise to oppose this rule and to plead with my colleagues for a fairer and more just allocation of the resources in this bill.

Now we came to a historic bipartisan balanced budget agreement last year, and that makes many of our decisions in this Congress even more difficult, because while we have a balanced budget, now it is our obligation to fairly and justly spend the money within the budget. And I argue with my colleagues that spending on a space station, not the space program which I strongly support, the $13 billion, but a space station, is not just, right and fair to the rest of America.

The space station started in 1984. It was going to be completed in 1992 with a crew size of eight for a total cost of $8 billion. Today our international space station is going to be completed maybe in 2006 with a crew size of maybe 6 to 8 people for a total cost of $98 billion; from 8 billion to 98 billion plus.

Now at the same time, and we will get into this debate when I offer an amendment, at the same time we look at this bill, AmeriCorps for our working people to go, with responsibility to go earn their money for school, is zero funded; $428 million is gone. The community development block grants for poor inner-city people, 80 million less than 1998. Veterans facility, major construction, cut by 20 percent.

Do we want to fund the space station that is a hundred billion dollars in cost, or are we going to justly and fairly fund programs for the rest of America?

Defeat the rule, and let us get a fair allocation of this bill.

Mr. LINDER. Mr. Speaker, I reluctantly yield 2 minutes to the gentlewoman from Washington (Mrs. SMITH), who is going to speak against the rule.

Mrs. LINDA SMITH of Washington. Mr. Speaker, I do reluctantly speak against the rule, but I found out late last night that an amendment that I think helps us keep our word was ruled out of order, and, had I had enough time and understood what was happening this morning, I certainly would have talked to our leadership about it. I do not like to speak against rules because I know it is so hard to come up with a bill that is good, and there is a lot of good things in this bill.

But a couple of months ago we started a process that was very disturbing, and we started it on the transportation budget. What we decided to do was use an excuse to cut veterans' health care.

Now this was a bipartisan decision. It started with the President, and he decided we take a big cut into veterans' health care benefits and say, if someone ever started smoking when they were in the military, that they would not be covered. Well, that really was not the issue. They just wanted an excuse to cut veterans' health care.

Well, Mr. Speaker, they did such a poor job when they hung it into the transportation bill, see, because they wanted the $10 billion plus to spend on their transportation projects, that it was done so poorly they had to redraft it and hang it on the IRS reform bill to make sure that they got these veterans' health care cuts in.

Now everybody went home on the Fourth and promised if they could fix it, they would fix it, but it was in a bigger bill, and that bigger bill they just needed to vote for; transportation was so important. So, if they had been able to, they certainly would fix it.

Now today we are after another vote, the IRS reform vote. Not only did they not fix it, as many people said they would do as they traveled around the Nation, but they confirmed it in, again, a rider, something put on in a conference that they are not real proud about doing out front, and, yes, this was bipartisan; conferences are bipartisan. Both the Democrats and Republicans went behind closed doors and negotiated and decided that they were going to again confirm a cut in veterans' health care.

Now some say, well, it is just fair. If someone started smoking in the military, they should not get health care later in life. Now that is a different issue, if that were the only issue, but it is not the only issue. The real issue is it went to the bottom line of the veterans budget, and they cut money out.

Now the veterans of the Vietnam war is growing, and Democrats and Republicans alike, and the President, can deny that people that fought in the Vietnam war are aging. Second World War. We can pretend their health care goes away, but it does not, and we made a commitment in this country to those men and women that fought for our country.

Now today we stand here again, and this bill could have fixed it, and this bill does not fix it. So vote against the rule.

☐ 1130

Mr. HALL of Ohio. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, it is a travesty when this Congress puts the interests of an industry over the interests of our citizens. I am ashamed that this is what is happening today.

This rule not only subjects fire retardant standards for children's sleepwear to a point of order, but includes a special interest provision by the gentleman from Mississippi (Mr. WICKER) which would delay flammability standards for upholstered furniture.

Mr. Speaker, this provision is not a good faith compromise. This is a provision which was drafted by the special interests, with no input from the Consumer Product Safety Commission or the National Association of State Fire Marshals. Yet, the staff of the gentleman from Mississippi (Mr. Wicker) felt they could tell other staffs that the fire marshals had accepted this compromise.

Untrue. This is a serious problem here, just another example of misrepresenting this issue. We cannot put the upholstered furniture industry's interest above the public interest.

I strongly urge my colleagues to oppose this rule and demand that the Consumer Product Safety Commission be allowed to continue their work on flammability standards and children's sleepwear. Say "no" to the $16 billion upholstery furniture industry. Say "yes" to saving lives and preventing fires.

Mr. LINDER. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Speaker, I had not intended to speak on this rule, although I do support it, but my name was called, and I want to explain what the gentleman from New Jersey (Mr. PASCRELL) was talking about.

Mr. Speaker, there is a provision in this bill not to stop a rule on flammability, but to let scientists decide what the exact effect is, not only on consumers, but also on the people who work around these flame retardants. There can be very harmful effects to the workers and also to the consumers, and we need to let the scientists look at this. This provision provides for outside peer review.

I never authorized my staff to say that the fire marshals supported this provision. What is true is that I have worked as member of the Committee on Appropriations with members of the Committee on Commerce, and they are now satisfied. So if someone said the fire marshals have signed off on it, that is inaccurate. What is true is that the Committee on Commerce does now support the provision.

Mr. HALL of Ohio. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Michigan (Ms. KILPATRICK).

Ms. KILPATRICK. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I want to first commend the gentleman from California (Mr. LEWIS), as well as our ranking member, the gentleman from Ohio (Mr. STOKES), for the work they have done in a bipartisan effort on a very good VA-HUD bill that I had intended to vote for.

It is unfortunate that the Committee on Rules now saw fit to put H.R. 2, our housing bill, into the HUD bill. I am a member of Committee on Banking and Financial Services, where H.R. 2 came out of. It is very controversial. The Senate passed it last year, as well as us, in the early part of the year. They have not been able to come to a conclusion, although they have been negotiating. It is a tough bill that should be debated on its own.

The process that the Committee on Rules used to put H.R. 2, the housing bill, into VA-HUD is unfortunate. It is unfortunate because it circumvents the process. There has been a lot of work and effort put into the bill. It is a very important bill and has many things that need to be worked out.

I urge my colleagues to oppose the rule. Let us support the chairman and our ranking member in their efforts. VA-HUD should go on its own merits. H.R. 2 should be debated. Let us oppose this rule.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. NETHERCUTT).

Mr. NETHERCUTT. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I had a chance to listen for a few minutes to the comments of the gentleman from Indiana (Mr. ROEMER) about the space station, and came over to the floor just to address that for a minute.

I was in Huntsville, Alabama, a couple of weeks ago and had a chance to go to Marshall Space Center and look at literally the construction of the space station, the American portion of the space station, that is ongoing there as we speak. It has been a terrific project, and it has great application, I would submit, to medical research.

There is high morale among the space station personnel who are employed by Boeing, the prime contractor, and others, but, more importantly, I see some great benefits in the future that will be derived from the use of this international space station for purposes of medical research.

While I have the highest respect for the judgment of the gentleman from Indiana, I disagree with the gentleman on this one. This Space Station is going to lead the way in medical research, which is going to help cure diseases for those of us on Earth because of the kind of research that deals with microgravity. Microgravity offers a unique opportunity to study medical research and study diseases and cure diseases in our country.

I got a good briefing. I encourage my colleague, the gentleman from Indiana (Mr. ROEMER), to go to Huntsville, if he has not already had a chance to listen to the great presentations that are being made there and the great progress being made there, not just in medical research, but in technology.

So I wanted the remarks of the gentleman from Indiana (Mr. ROEMER) not to go unnoticed, because I see some great value in the space station.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. NETHERCUTT. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Speaker, I thank the gentleman from Washington State for yielding.

While we often agree on some issues, we certainly disagree on this one. We had a press conference yesterday with two very, very eminent and qualified scientists, Dr. Park from Maryland and a Dr. Brown from Johns Hopkins, and both said, and we will talk more about this in the debate on the space station itself, both said that the space station, with its delays and its costs, are cannibalizing other very, very worthwhile science projects.

Mr. NETHERCUTT. Mr. Speaker, reclaiming my time, that is 2 out of the about 10,000 that support this station.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, it is sad to see how this Congress has hardened its heart toward America's veterans. The latest expression of that is contained within this bill and the rule that controls it.

The bill, first of all, makes inadequate provision for a growing problem in America with regard to veterans health care. It may be the result of so few Members of this House having had the opportunity to have the experience of serving their country in uniform.

Whatever the reason, this bill deals inadequately with the problems of veterans health care, it funds veterans health care inadequately, and, furthermore, it makes provisions to transfer inadequate funds inappropriately and discriminately against the interests of veterans.

There are many reasons why this bill should be defeated, but particularly, today, as our veterans from World War II, from Korea, and even Vietnam are aging, and the illnesses, physical and psychological, which they suffered as a result of those conflicts are expressing themselves more deeply, it is time that we pay attention to the needs of America's veterans and fund health care adequately.

Defeat this rule if you care about the veterans of America.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to my friend the gentleman from New York (Mr. SOLOMON), the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, as one who has also worn the uniform of the Armed Forces of this country, I take exception to what the gentleman just said. I suggest the gentleman go to the White House and meet with the President of the United States, whose budget inadequately funded veterans benefits, not only in veterans benefits, but in the medical care delivery system in this country.

This bill, and I want to commend the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES), who we are going to miss desperately in his retirement because of the job he has done, but Mr. Speaker, what we are doing is we are restoring the cuts that the President had recommended. Not only that, but in the Senate bill there is an additional $200 million added to the veterans medical care delivery system. That is why we need to vote for this rule and we need to vote for this bill today.

Mr. Speaker, a number of years ago I sponsored the legislation which created the Department of Veterans Affairs. Before that it was an agency, and before that we had nobody sitting at the cabinet level negotiating for the veterans of this country.

Back in those days we had, unfortunately, a Subcommittee of Housing and Veterans Administration and other agencies. I had legislation pending in the Congress which would separate out and create a new Subcommittee on Appropriations for the Department of Veterans Affairs, which is the second biggest department in the Federal Government beyond Defense.

That is really what we ought to be doing, because now the veterans of this country have to negotiate with HUD and with all the other agencies, and with the space station and NASA in order for their fair share, and it just is not working out.

But this bill before us today helps the veterans of this Nation, and it helps us get to the Senate where we will have a chance to come in with at least $100 million, if not $200 million, more than what the President had recommended in cutting, for our veterans in this country.

So I urge Members to support the veterans by voting for this bill. Again I commend the gentleman from California (Mr. LEWIS), standing over there in the corner, a great American who does a great job for the veterans, and the gentleman from Ohio (Mr. STOKES) over here.

Vote for the rule and vote for the bill.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have no further requests for time. I would simply say that I will ask for a "no" vote on the rule, as many of us over here and many of us on both sides consider this rule unfair in many ways.

Mr. Speaker, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. LINDER

Mr. LINDER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LINDER:

Page 2, line 15, strike "The amendment" and all that follows through "line 3." on line 21 and insert the following: "The amendment printed in the report of the Committee on Rules accompanying this resolution, as modified by striking '$5,000,000,000' in the proposed section 425(g) and inserting '$5,000,000', shall be considered as adopted in the House and in the Committee of the Whole. Points of order against provisions in the bill, as amended, for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: page 88, line 16, through page 89, line 22."

The SPEAKER pro tempore. Under the rule, the gentleman from Georgia is recognized for the remaining 1½ minutes to explain his amendment.

Mr. LINDER. Mr. Speaker, this amendment merely makes a technical correction in the last line of the report from the Committee on Rules that erroneously, by a typo, has put a $5 billion figure in there. It was meant to be $5 million. I tried to move this by unanimous consent, and it was objected to.

The amendment further protects the language in the bill from a point of order that allows the FHA loan ceiling to go up.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. LINDER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, as the Members know, the language on the FHA increase was protected. We were hoping we were going to be able to have a negotiating position with the Senate where we could get some meaningful reform in the public housing of this country. We now are going to accede to the wishes of some on this side of the aisle and that side of the aisle and further protect that language so it would not be subject to a point of order and be knocked out of the bill.

Mr. LINDER. Mr. Speaker, I move the previous question on the amendment and the resolution.

PARLIAMENTARY INQUIRIES

Mr. BARRETT of Wisconsin. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BARRETT of Wisconsin. Mr. Speaker, if you would be kind enough to explain the procedure, we have an amendment here and we have an underlying rule. Is it permissible under the rules to move the previous question on both the amendment and the underlying rule?

The SPEAKER pro tempore. That is a permissible motion.

Mr. BARRETT of Wisconsin. Mr. Speaker, further parliamentary inquiry. Is the amendment that has just been offered included in the votes? Will we have one vote on both the amendment and the rule?

The SPEAKER pro tempore. The amendment will be subject to a separate vote.

Mr. BARRETT of Wisconsin. And when will that take place?

The SPEAKER pro tempore. Right after the vote on ordering the previous question.

Mr. LAFALCE. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LAFALCE. Mr. Speaker, I believe there is going to be a separate vote on the amendment offered by the gentleman from Georgia (Mr. LINDER) which will be separate from the vote on the previous question on the rule, as amended, is that correct?

The SPEAKER pro tempore. The gentleman is correct.

□ 1145

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Georgia (Mr. LINDER).

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HALL of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Without objection, the vote by the yeas and nays on H.R. 3731 will be a 5-minute vote immediately following this vote.

There was no objection.

The vote was taken by electronic device, and there were—yeas 227, nays 195, not voting 12, as follows:

[Roll No. 285]

YEAS—227

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Towns
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—195

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Reyes
Rivers
Roemer
Rothman
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Smith, Adam
Smith, Linda
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—12

Blunt
Crapo
Gonzalez
Hill
Kennelly
McNulty
Moakley
Norwood
Rangel
Rodriguez
Roybal-Allard
Slaughter

☐ 1207

Mrs. LINDA SMITH of Washington changed her vote from "aye" to "no."

Mrs. CAPPS and Mr. STEARNS changed their vote from "no" to "aye."

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RODRIGUEZ. Mr. Speaker, on rollcall No. 285 for H. Res. 501, I was inadvertently detained. Had I been present, I would have voted "no."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. COLLINS). The unfinished business on H.R. 3731 will be further postponed until later today.

GENERAL LEAVE

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the further consideration of H.R. 4104, and that I may include tabular and extraneous materials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Pursuant to House Resolution 498 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4104.

☐ 1208

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, with Mr. DREIER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, July 15, 1998, all time for general debate had expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

Mr. KOLBE. Mr. Chairman, at this point in the RECORD I will insert a table showing the details of this bill.

The material referred to is as follows:

TREASURY, POSTAL, GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999 (H.R. 4104)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - DEPARTMENT OF THE TREASURY					
Departmental Offices	114,771,000	123,846,000	122,889,000	+8,118,000	-957,000
Automation Enhancement	61,389,000	33,952,000	31,190,000	-30,199,000	-2,762,000
Transfer to Customs Service		(-8,000,000)			(+8,000,000)
Transfer to ATF		(-3,700,000)			(+3,700,000)
Office of Inspector General	29,719,000	30,678,000	30,678,000	+959,000	
Office of Professional Responsibility	1,250,000	1,654,000	1,250,000		-404,000
Treasury Buildings and Annex Repair and Restoration	10,484,000	27,000,000	27,000,000	+16,516,000	
(Delay in obligation)			(-27,000,000)	(-27,000,000)	(-27,000,000)
Financial Crimes Enforcement Network	22,835,000	24,000,000	24,000,000	+1,165,000	
Violent Crime Reduction Programs:					
Bureau of Alcohol, Tobacco and Firearms	19,421,000		3,000,000	-16,421,000	+3,000,000
Financial Crimes Enforcement Network	1,000,000	1,000,000		-1,000,000	-1,000,000
Interagency crime and drug enforcement		45,000,000	24,000,000	+24,000,000	-21,000,000
United States Secret Service	15,731,000	11,700,000	14,528,000	-1,203,000	+2,828,000
(Delay in obligation)			(-828,000)	(-828,000)	(-828,000)
ONDCP Counterdrug Technology Assessment Center	23,200,000		14,000,000	-9,200,000	+14,000,000
Gang Resistance Education and Training: Grants	10,000,000	10,000,000	10,000,000		
Federal Law Enforcement Training Center	1,000,000			-1,000,000	
United States Customs Service	60,648,000	64,472,000	66,472,000	+5,824,000	+2,000,000
Total, Violent Crime Reduction Programs	131,000,000	132,172,000	132,000,000	+1,000,000	-172,000
Federal Law Enforcement Training Center:					
Salaries and Expenses	64,663,000	71,923,000	71,923,000	+7,260,000	
Acquisition, Construction, Improvements, and Related Expenses	32,548,000	28,360,000	28,360,000	-4,188,000	
Total, Federal Law Enforcement Training Center	97,211,000	100,283,000	100,283,000	+3,072,000	
Interagency Law Enforcement:					
Interagency crime and drug enforcement	73,794,000	30,900,000	51,900,000	-21,894,000	+21,000,000
Financial Management Service	207,790,000	202,510,000	198,510,000	-9,280,000	-4,000,000
Debt collection improvement account		3,000,000			-3,000,000
Bureau of Alcohol, Tobacco and Firearms:					
Salaries and Expenses	478,934,000	544,324,000	530,624,000	+51,690,000	-13,700,000
(Delay in obligation)			(-2,206,000)	(-2,206,000)	(-2,206,000)
Transfer from Automation Enhancement		(3,700,000)			(-3,700,000)
Laboratory facilities and headquarters	55,022,000	32,000,000		-55,022,000	-32,000,000
Total, Bureau of Alcohol, Tobacco and Firearms	533,956,000	576,324,000	530,624,000	-3,332,000	-45,700,000
United States Customs Service:					
Salaries and Expenses	1,522,165,000	1,638,065,000	1,638,065,000	+115,900,000	
(Delay in obligation)			(-7,000,000)	(-7,000,000)	(-7,000,000)
Transfer from Automation Enhancement		(8,000,000)			(-8,000,000)
Rescission	-6,000,000			+6,000,000	
Subtotal	1,516,165,000	1,638,065,000	1,638,065,000	+121,900,000	
Operation and Maintenance, Air and Marine Interdiction Programs	92,758,000	98,488,000	100,688,000	+7,930,000	+2,200,000
Rescission	-4,470,000			+4,470,000	
Subtotal	88,288,000	98,488,000	100,688,000	+12,400,000	+2,200,000
Customs Services at Small Airports (to be derived from fees collected)	2,406,000	2,000,000	2,000,000	-406,000	
Harbor Maintenance Fee Collection	3,000,000	3,000,000	3,000,000		
Total, United States Customs Service	1,609,859,000	1,741,553,000	1,743,753,000	+133,894,000	+2,200,000
Bureau of the Public Debt	169,426,000	173,100,000	172,100,000	+2,674,000	-1,000,000
Internal Revenue Service:					
Processing, Assistance, and Management	2,925,874,000	3,162,430,000	3,025,013,000	+99,139,000	-137,417,000
Tax Law Enforcement	3,142,822,000	3,169,539,000	3,164,189,000	+21,367,000	-5,350,000
Rescission	-32,000,000			+32,000,000	
Subtotal	3,110,822,000	3,169,539,000	3,164,189,000	+53,367,000	-5,350,000
Earned Income Tax Credit Compliance Initiative	138,000,000	143,000,000	143,000,000	+5,000,000	
Information Systems	1,272,487,000	1,540,884,000	1,224,032,000	-48,455,000	-316,852,000
Information technology investments	325,000,000	323,000,000	210,000,000	-115,000,000	-113,000,000
Rescission	-30,330,000			+30,330,000	
Subtotal	294,670,000	323,000,000	210,000,000	-84,670,000	-113,000,000
Net total, Internal Revenue Service	7,741,853,000	8,338,853,000	7,766,234,000	+24,381,000	-572,619,000
United States Secret Service:					
Salaries and Expenses	564,348,000	594,657,000	594,657,000	+30,309,000	
Acquisition, Construction, Improvement, and Related Expenses	8,799,000	6,445,000	6,445,000	-2,354,000	
Total, United States Secret Service	573,147,000	601,102,000	601,102,000	+27,955,000	

TREASURY, POSTAL, GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999 (H.R. 4104)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Payment for the joint financial management improvement program	....	3,000,000	....	....	-3,000,000
Net total, title I, Department of the Treasury	11,378,484,000	12,143,927,000	11,533,513,000	+155,029,000	-610,414,000
TITLE II - POSTAL SERVICE					
Payments to the Postal Service					
Payment to the Postal Service Fund	86,274,000	100,195,000	71,195,000	-15,079,000	-29,000,000
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT					
Compensation of the President and the White House Office:					
Compensation of the President	250,000	250,000	250,000	....	....
Salaries and Expenses	51,199,000	52,344,000	52,344,000	+1,145,000	....
Executive Residence at the White House:					
Operating Expenses	8,045,000	8,691,000	8,691,000	+646,000	....
White House Repair and Restoration	200,000	....	....	-200,000	....
Special Assistance to the President and the Official Residence of the Vice President:					
Salaries and Expenses	3,378,000	3,512,000	3,512,000	+134,000	....
Operating expenses	334,000	334,000	334,000	....	....
Council of Economic Advisers	3,542,000	3,666,000	3,666,000	+124,000	....
Office of Policy Development	3,983,000	4,032,000	4,032,000	+49,000	....
National Security Council	6,648,000	6,806,000	6,806,000	+158,000	....
Office of Administration	28,883,000	40,550,000	28,350,000	-533,000	-12,200,000
Office of Management and Budget	57,440,000	60,617,000	59,017,000	+1,577,000	-1,600,000
Office of National Drug Control Policy	35,016,000	36,442,000	36,442,000	+1,426,000	....
Unanticipated Needs	....	1,000,000	1,000,000	+1,000,000	....
Federal Drug Control Programs: High Intensity Drug Trafficking Areas Program	159,007,000	162,007,000	162,007,000	+3,000,000	....
Special forfeiture fund	211,000,000	251,000,000	215,000,000	+4,000,000	-36,000,000
Information technology systems and related expenses (contingent emergency funding)	....	....	2,250,000,000	+2,250,000,000	+2,250,000,000
Total, title III, Executive Office of the President and Funds Appropriated to the President	568,925,000	631,251,000	581,451,000	+12,526,000	-49,800,000
Emergency funding	....	....	2,250,000,000	+2,250,000,000	+2,250,000,000
TITLE IV - INDEPENDENT AGENCIES					
Committee for Purchase from People Who Are Blind or Severely Disabled	1,940,000	2,464,000	2,464,000	+524,000	....
Federal Election Commission	31,650,000	36,504,000	33,700,000	+2,050,000	-2,804,000
Federal Labor Relations Authority	22,039,000	22,586,000	22,586,000	+547,000	....
General Services Administration:					
Federal Buildings Fund:					
Appropriation	....	....	482,100,000	+482,100,000	+482,100,000
Limitations on availability of revenue:					
Construction & acquisition of facilities	....	(44,005,000)	(527,100,000)	(+527,100,000)	(+483,095,000)
Repairs and alterations	(300,000,000)	(668,031,000)	(655,031,000)	(+355,031,000)	(-13,000,000)
(Delay in obligation)	....	....	(-19,000,000)	(-19,000,000)	(-19,000,000)
Installment acquisition payments	(142,542,000)	(215,764,000)	(215,764,000)	(+73,222,000)	....
Rental of space	(2,275,340,000)	(2,583,261,000)	(2,583,261,000)	(+307,921,000)	....
Building Operations	(1,331,789,000)	(1,554,772,000)	(1,554,772,000)	(+222,983,000)	....
(Delay in obligation)	....	....	(-223,000,000)	(-223,000,000)	(-223,000,000)
Repayment of Debt	(105,720,000)	(91,000,000)	(91,000,000)	(-14,720,000)	....
Previously appropriated activities	(680,543,000)	....	....	(-680,543,000)	....
Total, Federal Buildings Fund	....	....	482,100,000	+482,100,000	+482,100,000
(Limitations)	(4,835,934,000)	(5,156,833,000)	(5,626,928,000)	(+790,994,000)	(+470,095,000)
Policy and Operations	107,487,000	106,494,000	108,494,000	+1,007,000	+2,000,000
Office of Inspector General	33,870,000	32,000,000	32,000,000	-1,870,000	....
Allowances and Office Staff for Former Presidents	2,208,000	2,241,000	2,241,000	+33,000	....
Total, General Services Administration	143,565,000	140,735,000	624,835,000	+481,270,000	+484,100,000
John F. Kennedy Assassination Record Review Board	1,600,000	....	....	-1,600,000	....
Merit Systems Protection Board:					
Salaries and Expenses	25,290,000	25,805,000	25,805,000	+515,000	....
(Limitation on administrative expenses)	(2,430,000)	(2,430,000)	(2,430,000)	....	....
Morris K. Udall scholarship and excellence in national environmental policy foundation	1,750,000	2,000,000	....	-1,750,000	-2,000,000
U.S. Institute for Environmental Conflict Resolution	....	4,250,000	4,250,000	+4,250,000	....
National Archives and Records Administration:					
Operating expenses	205,166,500	230,025,000	216,753,000	+11,586,500	-13,272,000
Reduction of debt	-4,012,000	-4,012,000	-4,012,000	....	....
Repairs and Restoration	14,650,000	10,450,000	10,450,000	-4,200,000	....
National Historical Publications and Records Commission: Grants program	5,500,000	6,000,000	6,000,000	+500,000	....
Total, National Archives and Records Administration	221,304,500	242,463,000	229,191,000	+7,886,500	-13,272,000

TREASURY, POSTAL, GENERAL GOVERNMENT APPROPRIATIONS BILL, 1999 (H.R. 4104)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Office of Government Ethics	8,265,000	8,492,000	8,492,000	+227,000	
Office of Personnel Management:					
Salaries and Expenses	85,350,000	85,350,000	85,350,000		
(Limitation on administrative expenses)	(91,236,000)	(91,236,000)	(91,236,000)		
Office of Inspector General	960,000	960,000	960,000		
(Limitation on administrative expenses)	(8,645,000)	(9,145,000)	(9,145,000)	(+500,000)	
Government Payment for Annuitants, Employees Health Benefits	4,336,000,000	4,632,000,000	4,632,000,000	+294,000,000	
Government Payment for Annuitants, Employee Life Insurance	32,000,000	35,000,000	35,000,000	+3,000,000	
Payment to Civil Service Retirement and Disability Fund	8,336,000,000	8,682,297,000	8,682,297,000	+346,297,000	
Total, Office of Personnel Management	12,792,310,000	13,435,607,000	13,435,607,000	+643,297,000	
Office of Special Counsel	8,450,000	8,720,000	8,720,000	+270,000	
United States Tax Court	33,921,000	34,490,000	34,490,000	+569,000	
Total, title IV, Independent Agencies	13,292,084,500	13,964,116,000	14,430,140,000	+1,138,055,500	+466,024,000
(Limitation on administrative expenses)	(4,938,245,000)	(5,259,644,000)	(5,729,739,000)	(+791,494,000)	(+470,095,000)
Net grand total	25,325,767,500	26,839,489,000	28,866,299,000	+3,540,531,500	+2,026,810,000
Appropriations	(25,398,567,500)	(26,839,489,000)	(26,616,299,000)	(+1,217,731,500)	(-223,190,000)
Rescissions	(-72,800,000)			(+72,800,000)	
Emergency funding			(2,250,000,000)	(+2,250,000,000)	(+2,250,000,000)
(Limitations)	(4,938,245,000)	(5,259,644,000)	(5,729,739,000)	(+791,494,000)	(+470,095,000)
Scorekeeping adjustments:					
Bureau of The Public Debt (Permanent)	144,000,000	138,000,000	138,000,000	-6,000,000	
Federal Reserve Bank reimbursement fund		126,000,000	126,000,000	+126,000,000	
Federal Savings & Loan Insurance Corp. (Sec. 638)	34,000,000			-34,000,000	
Trust fund budget authority	102,311,000	102,000,000	102,000,000	-311,000	
US Mint revolving fund	30,000,000	15,000,000	15,000,000	-15,000,000	
Sallie Mae	1,000,000	1,000,000	1,000,000		
Federal buildings fund	-50,000,000	-28,000,000	-40,000,000	+10,000,000	-12,000,000
Retirement open season (sec. 642)	-2,000,000			+2,000,000	
Ethics Reform Act adjustment			-2,000,000	-2,000,000	-2,000,000
Total, scorekeeping adjustments	259,311,000	354,000,000	340,000,000	+80,689,000	-14,000,000
Total mandatory and discretionary	25,585,078,500	27,193,489,000	29,206,299,000	+3,621,220,500	+2,012,810,000
Mandatory	12,850,250,000	13,613,547,000	13,613,547,000	+763,297,000	
Discretionary:					
Crime trust fund	131,000,000	132,172,000	132,000,000	+1,000,000	-172,000
General purposes	12,603,828,500	13,447,770,000	15,460,752,000	+2,856,923,500	+2,012,982,000
Total, Discretionary	12,734,828,500	13,579,942,000	15,592,752,000	+2,857,923,500	+2,012,810,000

Mr. KOLBE. Mr. Chairman, I ask unanimous consent that the bill, through page 26, line 10, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

Mr. HOYER. Reserving the right to object, Mr. Chairman, I just want to make sure, the gentleman from New York (Mr. SCHUMER) has an amendment on page 23, line 22, title I.

Under my reservation, I yield to the chairman, the gentleman from Arizona (Mr. KOLBE) simply to explain the consequences of his request.

Mr. KOLBE. Mr. Chairman, to explain, our intention here is to try to proceed in as orderly a fashion as possible with the rule that we adopted last night. Obviously, large sections of our bill are subject to points of order.

What I would like to do is to try, rather than reading paragraph by paragraph, to do it one title at a time, in this case, because title II is only 2 pages, titles 1 and 2, Treasury and Post Office. It does not preclude any amendment from being offered at any time, I would add.

Mr. HOYER. Reclaiming my time, Mr. Chairman, under my reservation, I appreciate the gentleman's explanation. I would simply inform him, obviously, I will not object, but will inform him that if we can have discussions about after title II, subsequent to title II, starting with title II, if we can have a different procedure.

Mr. KOLBE. Correct. We can have that discussion again.

Mr. HOYER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. Without objection, the bill is open to page 26, line 10.

The text of the bill through page 26, line 10, is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE TREASURY

Departmental Offices

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Buildings and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,900,000 for official travel expenses; not to exceed $150,000 for official reception and representation expenses; not to exceed $258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; $122,889,000: *Provided*, That the Office of Foreign Assets Control shall be funded at no less than $5,517,000: *Provided further*, That of the funds provided under this heading, $2,000,000 shall be available only for the provision of compensation for losses incurred due to the denial of entry into the United States of any firearms as defined in section 921(a)(3) of title 18, United States Code that (1) as of the date of the enactment of this Act, could lawfully be manufactured and sold in the United States; (2) that is of a type that was determined by the Secretary of the Treasury on April 6, 1998, to be not importable into the United States; and (3) as of February 10, 1998, was conditionally released under bond to the importer by the United States Customs Service. The losses compensated under the preceding sentence shall be only for the cost of the weapons and any shipping, transportation, duty, and storage costs incurred by the importer, as determined by the Secretary of the Treasury.

Office of Professional Responsibility

SALARIES AND EXPENSES

For necessary expenses of the Office of Professional Responsibility, including the purchase and hire of passenger motor vehicles, $1,250,000.

Automation Enhancement

(INCLUDING TRANSFER OF FUNDS)

For the development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, $31,190,000: *Provided*, That these funds shall remain available until September 30, 2000: *Provided further*, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That none of the funds appropriated shall be used to support or supplement Internal Revenue Service appropriations for Information Systems: *Provided further*, That no funds may be obligated for the Automated Commercial Environment project until the Commissioner of Customs has submitted to the Committees on Appropriations an enterprise information systems architecture plan for the U.S. Customs Service consistent with the Treasury Information Systems Architecture Framework and approved by the Treasury Investment Review Board.

Office of Inspector General

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, not to exceed $2,000,000 for official travel expenses; including hire of passenger motor vehicles; and not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; $30,678,000.

Treasury Building and Annex Repair and Restoration

For the repair, alteration, and improvement of the Treasury Building and Annex, $27,000,000, to remain available until expended: *Provided*, That these funds shall not be available for obligation until September 30, 1999.

Financial Crimes Enforcement Network

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed $14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement; $24,000,000: *Provided*, That funds appropriated in this account may be used to procure personal services contracts.

Violent Crime Reduction Programs

(INCLUDING TRANSFER OF FUNDS)

For activities authorized by Public Law 103–322, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as follows:

(1) As authorized by section 190001(e), $122,000,000; of which $3,000,000 shall be available to the Bureau of Alcohol, Tobacco and Firearms for administering the Gang Resistance Education and Training program; of which $14,528,000 shall be available to the United States Secret Service, including $6,700,000 for vehicle replacement, $5,000,000 for investigations of counterfeiting, and $2,828,000 for forensic and related support of investigations of missing and exploited children, of which $828,000 shall be available not earlier than September 30, 1999, as a grant for activities related to the investigations of exploited children and shall remain available until expended; of which $66,472,000 shall be available for the United States Customs Service, including $54,000,000 for narcotics detection technology, $9,500,000 for the passenger processing initiative, $972,000 for construction of canopies for inspection of outbound vehicles along the Southwest border, and $2,000,000 for the Customs Cyber-Smuggling Center in support of the anti-child pornography program; of which $14,000,000 shall be available to the Office of National Drug Control Policy, including $13,000,000 to the Counterdrug Technology Assessment Center to continue the program to transfer technology to State and local law enforcement agencies, and $1,000,000 for Model State Drug Law Conferences; and of which $24,000,000 shall be available for Interagency Crime and Drug Enforcement.

(2) As authorized by section 32401, $10,000,000 to the Bureau of Alcohol, Tobacco and Firearms for disbursement through grants, cooperative agreements, or contracts to local governments for Gang Resistance Education and Training: *Provided*, That notwithstanding sections 32401 and 310001, such funds shall be allocated to State and local law enforcement and prevention organizations.

Federal Law Enforcement Training Center

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $9,500 for official reception and representation expenses; and services as authorized by 5 U.S.C. 3109; $71,923,000, of which up to $13,843,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2001: *Provided*, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: *Provided further*, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further*, That funds appropriated in this account shall be available, at the discretion of the Director, for the following: training United States Postal Service law enforcement personnel and Postal police officers; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation, except that reimbursement may be waived by the Secretary for law enforcement training activities in foreign countries undertaken pursuant to section 801 of the Antiterrorism and Effective Death Penalty Act of 1996, Public Law 104–32; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend course development meetings and training at the Center; for expenses for student athletic and related activities; and room and board for student interns: *Provided further*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training at the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide short-term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, $28,360,000, to remain available until expended.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For expenses necessary for the detection and investigation of individuals involved in organized crime drug trafficking, including cooperative efforts with State and local law enforcement, $51,900,000, of which $7,827,000 shall remain available until expended.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $198,510,000, of which not to exceed $13,235,000 shall remain available until September 30, 2001 for information systems modernization initiatives.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed 812 vehicles for police-type use, of which 650 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where a major investigative assignment requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed $20,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; and provision of laboratory assistance to State and local agencies, with or without reimbursement; $530,624,000; of which $2,206,000 shall not be available until September 30, 1999; of which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which $1,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries, travel, fuel, training, equipment, supplies, and other similar costs of State and local law enforcement personnel, including sworn officers and support personnel, that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms: *Provided*, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in fiscal year 1999: *Provided further*, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: *Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of "Curios or relics" in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: *Provided further*, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c): *Provided further*, That no funds in this Act may be used to provide ballistics imaging equipment to any State or local authority who has obtained similar equipment through a Federal grant or subsidy unless the State or local authority agrees to return that equipment or to repay that grant or subsidy to the Federal Government: *Provided further*, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase and lease of up to 1,050 motor vehicles of which 550 are for replacement only and of which 1,030 are for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed $30,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; $1,638,065,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations, not to exceed $4,000,000 shall be available until expended for research, not to exceed $5,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081, and up to $8,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That notwithstanding any other provision of law, the fiscal year aggregate overtime limitation prescribed in subsection 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 261 and 267) shall be $30,000: *Provided further*, That $7,000,000 of these funds shall not be available for obligation until September 30, 1999.

OPERATION AND MAINTENANCE, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts; $100,688,000, which shall remain available until expended: *Provided*, That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of the Treasury, during fiscal year 1999 without the prior approval of the Committees on Appropriations.

HARBOR MAINTENANCE FEE COLLECTION

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103–182, $3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs "Salaries and Expenses" account for such purposes.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, $176,500,000, of which not to exceed $2,500 shall be available for official reception and representation expenses, and of which not to exceed $2,000,000 shall remain available until September 30, 2001 for information systems modernization initiatives: *Provided*, That the sum appropriated herein from the General Fund for fiscal year 1999 shall be reduced by not more than $4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 1999 appropriation from the General Fund estimated at $172,100,000, and in addition, $20,000, to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 102 of Public Law 101–380: *Provided further*, That notwithstanding any other provisions of law, effective upon enactment and thereafter, the Bureau of the Public Debt shall be fully and directly reimbursed by the funds described in section 104 of Public Law 101–136 (103 Stat. 789) for costs and services performed by the Bureau in the administration of such funds.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for tax return processing; revenue accounting; tax law and account assistance to taxpayers by telephone and correspondence; programs to match information returns and tax returns; management services; rent and utilities; and inspection; including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $3,025,013,000, of which up to $3,700,000 shall be for the Tax Counseling for the Elderly Program, and of which not to exceed $25,000 shall be for official reception and representation expenses.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; issuing technical rulings; examining employee plans and exempt organizations; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; compiling statistics of income; and conducting compliance research; including purchase (for police-type use, not to exceed 850) and hire of passenger motor vehicles (31 U.S.C. 1343(b)), and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $3,164,189,000.

EARNED INCOME TAX CREDIT COMPLIANCE INITIATIVE

For funding essential earned income tax credit compliance and error reduction initiatives pursuant to section 5702 of the Balanced Budget Act of 1997 (Public Law 105–33), $143,000,000, of which not to exceed $10,000,000 may be used to reimburse the Social Security Administration for the costs of implementing section 1090 of the Taxpayer Relief Act of 1997.

INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $1,224,032,000, which shall be available until September 30, 2000, and of which $125,000,000 shall be available only for improvements to customer service and restructuring and reform of the Internal Revenue Service.

INFORMATION TECHNOLOGY INVESTMENTS

For necessary expenses of the Internal Revenue Service, $210,000,000, to remain available until expended, for the capital asset acquisition of information technology systems, including management and related contractual costs of such acquisition, and including contractual costs associated with operations authorized by 5 U.S.C. 3109: *Provided*, That none of these funds is available for obligation until September 30, 1999: *Provided further*, That none of these funds shall be obligated until the Internal Revenue Service and the Department of the Treasury submit to Congress for approval, a plan for expenditure that (1) implements the Internal Revenue Service's Modernization Blueprint submitted to Congress on May 15, 1997; (2) meets the information systems investment guidelines established by the Office of Management and Budget and in the fiscal year 1998 budget; (3) is reviewed and approved by the Office of Management and Budget, the Department of the Treasury's IRS Management Board, and is reviewed by the General Accounting Office; (4) meets the requirements of the May 15, 1997 Internal Revenue Service's Systems Life Cycle program; and (5) is in compliance with acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SECTION 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the House and Senate Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

SEC. 103. The funds provided in this Act for the Internal Revenue Service shall be used to provide, as a minimum, the fiscal year 1995 level of service, staffing, and funding for Taxpayer Services.

SEC. 104. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1986 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection, including any private sector employees under contract to the Internal Revenue Service, complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 105. The Internal Revenue Service shall institute and enforce policies and procedures which will safeguard the confidentiality of taxpayer information.

SEC. 106. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 help line for taxpayers. The Commissioner shall continue to make the improvement of the Internal Revenue Service 1–800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1–800 help line service.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 739 vehicles for police-type use, of which 675 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $20,000 for official reception and representation expenses; not to exceed $50,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year; $594,657,000.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For necessary expenses of construction, repair, alteration, and improvement of facilities, $6,445,000, to remain available until expended.

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 110. Any obligation or expenditure by the Secretary of the Treasury in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 1998, shall be made in compliance with reprogramming guidelines.

SEC. 111. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

Sec. 112. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year 1999 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

Sec. 113. Not to exceed 2 percent of any appropriations in this Act made available to the Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, and United States Secret Service may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

Sec. 114. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices, Office of Inspector General, Financial Management Service, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

Sec. 115. The Secretary is authorized to promote the benefits of and encourage the use of electronic tax administration programs, as they become available, through the use of mass communications and other means. Additionally, the Secretary may implement procedures to pay appropriate incentives to commercial concerns for electronic filing services: *Provided*, That such payment may not be made unless the electronic filing service is provided without charge to the taxpayer whose return is so filed: *Provided further*, That the Internal Revenue Service shall assure the security of all electronic transmissions and the full protection of the privacy of taxpayer data.

Sec. 116. (a) The Bureau of Engraving and Printing and the Department of the Treasury shall not award a contract for Solicitation No. BEP–97–13 (TN) until such time as the Committee on Banking and Financial Services and the Committee on Appropriations of the House of Representatives authorize the Bureau of Engraving and Printing, in writing, to proceed with the award of Solicitation No. BEP–97–13 (TN).

(b) The Bureau of Engraving and Printing may extend the distinctive currency paper "bridge" contract (TEP–97–10) up to 6 (six) months beginning on the date the contract expires, if, by such date, the Congress has not authorized the awarding of a new contract or if the Congress takes action based on the report submitted by the General Accounting Office pursuant to section 9003(a) of Public Law 105–18. The Bureau of Engraving and Printing must notify Congress prior to taking any action with respect to the extension of TEP–97–10.

TITLE II—POSTAL SERVICE

Payment to the Postal Service Fund

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $71,195,000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1999.

The CHAIRMAN. Are there points of order against that portion of the bill?

If not, are there any amendments?

AMENDMENT OFFERED BY MR. SCHUMER

Mr. SCHUMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Schumer:

Page 2, line 20, insert "(reduced by $2,000,000)" after "$122,889,000".

Page 2, line 23, insert "(reduced by $2,000,000)" after "$2,000,000".

Page 11, line 7, insert "(increased by $2,000,000)" after "$530,624,000".

□ 1215

Mr. SCHUMER. Mr. Chairman, I thank the subcommittee chair and ranking member for their courtesy in helping us bring this amendment forward.

My amendment is simple, Mr. Chairman. Two million dollars was put into this bill for gun dealers who tried and failed to bring foreign-made assault weapons into this country. My amendment gives that $2 million to the Bureau of Alcohol, Tobacco, and Firearms for more law enforcement.

Just so everyone understands, in April the President signed an executive order banning the import of thousands of semiautomatic copycat assault weapons, weapons banned already here, made overseas, that the President said should not be allowed to be imported. These weapons are pictured right here. The President did the right thing. The President stood up to the gun lobby and kept thousands of the most lethal weapons off our streets. I saluted him then, and I salute him now.

But buried in an en bloc amendment, an amendment considered noncontroversial, was a $2 million payoff to a handful of gun importers for 1,700 guns stopped at the border. That is a payoff, Mr. Chairman, of $1,000 a gun for guns that are advertised in a catalog for $250.

Let us not quibble about the price, because, in my view, $1 is too much. Instead, let us talk about the gun dealers who we are bailing out. Let us talk about the gun dealers who skated on the edge of the law to get these copycat assault weapons into the country.

Read this. Our last shipment of Bulgarian stock kits arrived just before the ban direct from Bulgaria. What are they trying to do? Skirt the ban.

Now we are bailing them out. It is unbelievable. They knew what they were doing. They tested the assault weapons law. They tested the regulations. They imported the weapons that look and perform like AK–47s but with minor cosmetic changes to try and skirt the ban. Very clever, very, very clever. But they were caught, and there was an outcry. And the President had the courage to act, and all of us were pleased. Except the NRA and some gun dealers who got stuck with some bad merchandise at the border.

Now, unbelievably, Mr. Chairman, this Congress wants to pay them for their gamble. So many business people have made gambles on far more legitimate enterprises. We are not giving them more money, more money than they paid for these guns, but we are giving these gun dealers it. Shame, shame.

I know what Members will say. They will say, well, the administration signed off on this. Well, I know the real story. Some in this body, the Republican leadership, have the President over a barrel. They threaten to overturn his executive order and flood our streets with assault weapons. Well, I say, let us call the bluff. I say, go ahead, offer an amendment to bring AK–47s into this country. I do not think anyone will do it.

I do not think we want to let the secret out about how this Congress begs and grovels and appeases the gun lobby every chance they get.

They may have the administration over a barrel, but they do not have us, the Members of this Congress, over a barrel. This is a gift. This is a welfare check. Do they want to do welfare reform? Start with the gun dealers.

It is a payoff to those who intentionally, knowingly play to the fringes of the law. They do not deserve a taxpayer bailout. Reject this deal. If we have $2 million to spare, give it to our brave ATF officials who try to get the guns off the streets, instead of to the gun dealers who are trying to import these malicious weapons into our country.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment.

I urge in the strongest possible terms this body to reject this amendment. The compensation provision that is included, the gentleman from New York referred to it as a stealth amendment and an en bloc amendment, it was hardly stealthy. It was worked on at great length by members of the subcommittee and the full committee with the administration.

Let me quote from the administration's Statement of Administration Policy: The administration supports an amendment agreed to in committee that would provide up to $2 million of in-transit relief as compensation for actual losses incurred due to denial of entry of certain assault weapons affected by the determination of the Treasury Department on April 6, 1998.

So let us make no mistake about this. This was agreed to as a compromise with the administration. The question here is not one of gun control. It is not one of gun safety. Those are not in dispute. There is no risk of flooding the United States with so-called assault weapons. The weapons that we are talking about are very few in number, and they are in the custody of the Treasury Department.

For that matter, I think it is important to note that the weapons in question, every one of these weapons could be manufactured and sold domestically. If it is manufactured here in the United States, it can be manufactured and sold legally. We are talking about guns that are being brought in that were being imported, the same guns, and because of a change in the administration policy, they were en route, and now they cannot be sold in the United States.

If anything ever comes to a more clear taking of property at the last moment, this is really about it. These were being imported legally into the United States and were blocked from being sold because they were en route. All that is being dealt with is those that are in transit. Let me just give my colleagues the facts here.

On November 14 of last year, the President announced a temporary ban on the import of certain categories of rifles that were and they remain legal to possess and to manufacture here in the United States. There were a small number of American businesses who complied with all the relevant laws and were fully entitled to import their goods, and they were left in the lurch. They could neither recover their goods, nor could they reexport them. Even had they done so, there is no foreign market for these specialized collectors' items.

When, following the study announced by the President in November, the Treasury Department determined to make the ban permanent, these businesses were faced with, in some cases, a complete, a total financial loss. The committee believes that such action deprives citizens of their property without just compensation and this measure is designed to rectify that oversight. It is supported by the administration because it deals only with the compensation issue for these people who were legally bringing these guns in this country.

This action does not present any risk of illegal weapons in the United States. It is only a few thousand weapons that are included in this provision. It is strictly limited to those weapons that are legal to manufacture and own here in the United States.

It is specifically limited to those that are affected by the permanent ban. It is specifically limited to those that, as of February 10, 1998, had been conditionally released under bond, under bond to the importers by the Customs Service. And all of these guns are going to remain in the possession of the Treasury Department, of the Customs Bureau.

Third point I would like to make is, this provision does not affect the April 6 determination that this, that the ban on these weapons would indeed be permanent. I would note that there is a precedent for this kind of in-transit relief. In 1994, a previous embargo was placed on a larger quantity of imports of sporting arms from China, and they were compensated. It also would not repeal the April 6 executive order, as I have said, that makes the ban permanent.

Mr. Chairman, this executive order by the President has caused hardship to U.S. importers who possess valid imported permits for legally importable categories of firearms. This would simply undo that action.

It is supported by the administration. It would rectify that, and it is a simple matter of fairness. I urge my colleagues in the strongest possible terms to defeat this very, very unfair amendment.

Mr. NADLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment. I think it is outrageous that this Congress is actually considering paying gun manufacturers millions of dollars because they were caught trying to evade the law and because the Treasury Department has seized the merchandise as contraband.

I know we were told a few moments ago by the honorable gentleman that the poor gun makers, these merchants of death, they are not able to sell these deadly weapons in the country because the administration unfairly seized them without giving them proper notice so we have to compensate them.

We should be punishing them for trying to sell these weapons in this country in the first place, for trying to evade the law. This Republican Congress cannot find a few million dollars for low income heating assistance in the Northeast, but it can find a few million dollars to pay these gun manufacturers.

Now we are told that these gun manufacturers are innocent victims of the administration which put out this executive order and they did not know about it. Well, maybe. Let them sue in court. Is it our normal practice, is it our normal practice in this House that when the Treasury Department seizes contraband at the border and the owner of that contraband claims that he had a legal right to bring it in that we compensate them? Is that what we do?

Or do we say to those people, go to court and make your case in front of a judge, an impartial magistrate? We have a system of justice in this country and if you can convince the judge that you were wronged, then there is compensation or the return of the contraband.

No, it is not good enough for these gun makers. The NRA owns this House, so we have to pay them for it. We have to pay them for it instead of letting them go to court.

I wish the administration had not been so cowardly in making this deal, because they were over a barrel and were threatened that this Congress would overturn the ban on the imports of copycat assault weapons. If I were in the administration, my advice would have been, let them try, make my day. I would love to see what the American people think in November of a Congress that overturns, that passes a special law to say, let the foreign gun makers import their merchandise that they cannot sell in their own countries here. Let them import the copycat assault weapons. But, unfortunately, they did not have that confidence in the judgment of the American people.

Assault weapons are not for sport. They are not necessary to hunt deer or pheasants. They are killing machines. They kill police officers. They kill our young people. They kill our family members. They serve no legitimate purpose in our society, and they should not be permitted here.

The administration should be commended for its executive order. And the authors of this provision ought to think again, what precedent do we want to set when someone tries to import something that our law enforcement agencies say is against the law to import and they disagree? They did not have adequate notice, they say. The law enforcement agency is misinterpreting the law, they think. Should Congress compensate them, or should they go to court and let the courts decide?

I submit that this is a terrible precedent, this provision. The Schumer-McDermott amendment ought to pass. We should not be paying $1,000 a gun to people whose guns have been seized as contraband because they tried to evade the law as it is. If they think the law was unfair or they were not properly notified, let them go to court. Why should we bail them out? The only reason we would even think of bailing them out is because this Congress apparently is a wholly-owned subsidiary of the National Rifle Association.

Mr. SCHUMER. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from New York.

□ 1230

Mr. SCHUMER. Mr. Chairman, I thank the gentleman for yielding to me, and I would just make another point. The $2 million in this bill only goes to 3 or 4 gun importers for approximately 1700 guns. They will be getting, again, $1,000, over $1,000 for each gun that retails for $250. If there was ever a giveaway, on any fiscal basis, this is it.

Mr. NADLER. Reclaiming my time, Mr. Chairman, we hear a lot of rhetoric in this House about cracking down on crime. In 1994, a Democratic Congress cracked down on crime. It passed a bill to put 100,000 new cops on the beat, to crack down on violence against women, and to enact the assault weapons ban. Now we see what the Republican leadership is trying to do: Let us take back those steps one by one and let us make sure that these three companies, who tried to evade the law, get paid without a court date.

Mr. COBURN. Mr. Chairman, I move to strike the requisite number of words.

First of all, we just heard some significant misstatements of fact. These companies did not violate the law. In fact, the law was changed in the midst of them carrying out their right to carry on a business. And the fact that the administration, who changed the law, concurs that this is a fair and proper thing to do, would also counter the argument that this is something that they did not agree with when, in fact, it was carried out.

So although I can understand the gentleman's lack of understanding of firearms and understand their feelings on firearms, which I respect totally, we should stay with the facts. These are not bad Americans. They are Americans doing things totally within the limits of the law. And to characterize them as someone other than that is unfair.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. COBURN. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding, and will give the time back if he wants to followup. The gentleman from Oklahoma makes one point very well, and that is the previous speaker, the gentleman from New York, referred to these people as people who were evading the law. They were not evading the law. They were complying with the law. The administration changed the law through its Executive Order.

The second misstatement. He referred to them as manufacturers. They are not manufacturers. These are people that import goods. Whether they import guns or they import television sets or they import dolls or they import shirts, they are importers. They are not manufacturers of these guns.

And the third point I would make is the gentleman referred to the fact that we should not sanction these people getting around the rule of law. Well, if we are going to talk about the rule of law, how about the Gun Control Act of 1968? That is where Congress established which the last I heard Congress was the law making body of this country, the definitions of permissible guns in the United States that could be sold and manufactured in this country.

So I would suggest that it is the administration who was evading the law with this Executive Order. Nonetheless, that is the reality. And even the administration, a little bit embarrassed by what they have done, recognizes there should be compensation for these people who were acting lawfully when they brought these guns to the United States.

The last point I would make, in response to what the other gentleman from New York, from Brooklyn, said, when he referred to this being a $2 million boondoggle for all of these importers. It does not mean all this money is going to go to them. It is only going to go to them as these guns are purchased. It is up to $2 million. And if it is not used for that purpose, then, fine, it will be reprogrammed for other purposes.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I share the chairman's position on this but not his passion.

A, not only should the President of the United States not be embarrassed, every American ought to thank the President of the United States for standing up to make our streets safer, for taking on some very powerful interest groups to try to save children, save police officers, save our fellow neighbors. That is what the President of the United States is trying to do, and he ought not to be embarrassed, and is not embarrassed for one second, in his efforts to try to do that.

I supported that ban. I supported the assault weapons ban when we passed it in the House and sent it over to the Senate, and I support it today. The administration not only ought not to be embarrassed but ought to be congratulated because they are bending over backwards to be fair. Some think they are bending over too far. I do not agree with my friends who think that. Because what the administration is really saying is our effort is to make streets safe, not to hurt American businessmen, even when they tried to beat the ban. That is what the gentleman from New York was pointing out; that the ads were, "Get in before you can't get in; before they stop this, because there is a time frame."

So I say to my friends on both sides of this issue, both sides are right. They were doing something legal and, therefore, I disagree with my friend from New York. They knew, however, as both of my friends from New York indicate, that it was not going to be able to be done pretty soon and that they needed to get in before the deadline. So, yes, there was a little bit of wrongdoing on their part trying to beat the ban.

The fact of the matter, however, and what the administration has said, and why I oppose the amendment and support the chairman's position, is that, look, we understand that the import was legal and we understand when it got here we stopped it. And by the way, it is in the importer's warehouse at this point in time, at their expense. But there are some who wanted to let those guns go on the street. That was the alternative, the amendment that was going to be offered. Let them go. Let 1700 AK-47s and assault weapons on the street.

The administration said we are not for that. We are not going to support that. We will fight that. So we made an accommodation. But the administration said, on the other hand, we understand these have been paid for, so we will purchase these guns and we are going to melt them down so they will never be used to assault anybody.

Now, I want to reiterate, however, for my friends from New York, the chairman's point. It is "up to $2 million". And, in fact, the administration, as I understand it, believes that we are going to be talking about, perhaps, for 1900 rifles and 100 receivers, $237,432. I do not know that, and they do not know that. So this sum that was put in here is a sum that is "up to" available for this purchase.

So, in closing, I want to make a number of points. One, the administration stood up courageously on behalf of the safety of our streets and communities and said this is not the kind of weapon we want imported into the United States and we are going to stop it. And they have.

Secondly, they have now said, but those who were caught in the transition, for whatever reason, we are not going to make that judgment, but if they were caught in the transition, we will not penalize them financially. And so we will agree to, reluctantly, this was not their initiative, this was not their action, reluctantly agreed to by the administration, to provide for funds to purchase these weapons and, frankly, to destroy these weapons.

So I, frankly, think that under those circumstances, while I certainly appreciate the gentleman from New York (Mr. SCHUMER), there has been nobody in this Congress who has been any more committed, focused, and hard working on the issue of making America's streets safer than the gentleman from New York, and we can all applaud and thank him for that effort, on the other hand, the administration is saying we are not against businessmen, we are against guns. We are for the safety of our streets.

I will, therefore, oppose the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. SCHUMER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SCHUMER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on this amendment are postponed.

Are there further amendments?

PARLIAMENTARY INQUIRY

Mr. SCHUMER. Point of order, Mr. Chairman.

The CHAIRMAN. Yes.

Mr. SCHUMER. Are we going to get a recorded vote on this? I do not mind if they roll it.

The CHAIRMAN. The demand for a recorded vote has been postponed.

Mr. SCHUMER. What does that mean?

The CHAIRMAN. Under the rule, the Chair will postpone the request for the vote and that will come up at a later point.

Mr. SCHUMER. Parliamentary inquiry again.

The CHAIRMAN. The gentleman will state it.

Mr. SCHUMER. Under the rule, then, that means that the counting for a quorum would be done at a later time, even though the call for the vote was right now?

The CHAIRMAN. A Member could invoke that point of order at the later proceedings, at what is considered a later point.

Mr. SCHUMER. Just another point of parliamentary inquiry. Have we ever done that before? I know we roll votes routinely.

The CHAIRMAN. Yes.

Mr. SCHUMER. Okay.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

I want to tell the gentleman from New York, and I want to tell the Members, that I know the gentleman is worried that he may not be on the floor when it comes up. I will protect the gentleman from New York on this and we will have a vote on it, because I will protect him if, per chance, he is not on the floor to make the point of order at that time.

Mr. SCHUMER. Mr. Chairman, I thank the gentleman. As always, he is fair, judicious and a great American.

Mr. HOYER. Well, there is obviously unanimous agreement on that issue, I suppose.

The CHAIRMAN. Are there further amendments?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

Compensation of the President and the White House Office

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); and not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; $52,344,000: *Provided*, That $10,100,000 of the funds appropriated shall be available for reimbursements to the White House Communications Agency.

Executive Residence at the White House

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, $8,061,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109, 110, and 112–114: *Provided*, That such amount shall not be available for expenses for domestic staff overtime.

In addition, for necessary expenses for domestic staff overtime, $630,000: *Provided*, That such amount shall not become available for obligation until the Comptroller General of the United States submits to the Committees on Appropriations a final report on (1) the audit of fiscal year 1996 unvouchered expenditures of appropriated funds of the Executive Office of the President; (2) the review of processes and procedures relating to reimbursable activities and obligations of the Executive Residence; and (3) the number and costs, including domestic staff overtime, of overnight stays in the Executive Residence.

PARLIAMENTARY INQUIRY

Mr. HOYER. Mr. Chairman, parliamentary inquiry. Are we reading by paragraph?

The CHAIRMAN. The Clerk is resuming the reading of the bill by paragraph on page 26.

POINT OF ORDER

Mr. HOYER. Mr. Chairman, I understand we are now at page 28, and I rise to make a point of order against a proviso beginning on page 28, line 2 through line 11, because it constitutes legislation in an appropriation bill and, therefore, violates clause 2 of rule XXI.

I ask for a ruling by the Chair.

The CHAIRMAN. For the record, the Clerk will report that paragraph.

The Clerk read as follows:

In addition, for necessary expenses for domestic staff overtime, $630,000.

The CHAIRMAN. Does the gentleman from Arizona desire to be heard on the point of order?

Mr. KOLBE. Yes, Mr. Chairman, on the point of order.

Mr. Chairman, the gentleman from Maryland made a point of order, I believe, against line 2 beginning with "Provided".

Mr. HOYER. The gentleman is correct.

Mr. KOLBE. I would insist the point of order lie against the entire paragraph, Mr. Chairman.

The CHAIRMAN. So does the gentleman concede the point of order?

Mr. KOLBE. Mr. Chairman, I insist that the point of order must be against the entire paragraph, not just the proviso portion.

The CHAIRMAN. The gentleman from Maryland.

Mr. HOYER. Mr. Chairman, the money is authorized. The point of order does not lie against the first sentence. In fact, I have raised the point of order as to the proviso that is added, starting with page 28, line 2 through line 11. I would oppose the point of order as it relates to the first part of that provision because a point of order does not lie against it.

The CHAIRMAN. The gentleman from Arizona is entitled to expand the point of order to the entire paragraph.

POINT OF ORDER

Mr. KOLBE. Mr. Chairman, to do it from a correct parliamentary standpoint I would make the additional point of order against lines 1 and 2 on page 28, through line 11 on page 28.

The CHAIRMAN. Does the gentleman from Arizona concede the point of order?

Mr. KOLBE. I make the point of order. I concede the point of order, but I make the point of order against lines 1 through 11.

Mr. HOYER. Mr. Chairman, I believe that a point of order is pending before the Chair. That point of order was made by me, and that point of order relates to line 2, starting with "Provided" and ending on line 11, concluding with "Residence."

The CHAIRMAN. The Chair will state to the gentleman from Maryland that any Member can raise a point of order against the entire paragraph.

Mr. KOLBE. That is what I am doing, Mr. Chairman.

The CHAIRMAN. That is what the gentleman from Arizona is doing at this time.

Mr. HOYER. Mr. Chairman, I rise in opposition to the point of order as it relates to the first sentence.

The CHAIRMAN. Does the gentleman wish to argue further on the point of order that has been raised by the gentleman from Arizona?

Mr. HOYER. Yes, Mr. Chairman, absolutely.

The CHAIRMAN. The gentleman is recognized.

Mr. HOYER. Mr. Chairman, the point of order that I raised said that line 2, starting with "Provided", down to line 11, concluding with "Residence", is legislation on an appropriation bill and it is, therefore, subject to a point of order because it violates clause 2 of rule XXI.

However, the chairman now seeks to expand upon the point of order I have made by including in the ambit of that point of order the first sentence. The first sentence reads, "In addition, for necessary expenses for domestic staff overtime, $630,000."

I would suggest to the Chair that a point of order does not lie against that inclusion because it is, in fact, authorized.

□ 1245

And it is not legislation on an appropriation bill, it is an appropriation to an objective which is consistent with the rules providing for the Committee on Appropriations report to make such appropriations as it deems appropriate for such objectives as it provides.

My point being that I raised a proper point of order and the Chairman seeks to add something thereto which is not subject to a point of order.

Mr. KOLBE. Mr. Chairman, may I be heard on my point of order?

The CHAIRMAN (Mr. DREIER). The gentleman from Arizona (Mr. KOLBE) is recognized.

Mr. KOLBE. Mr. Chairman, I would make the point, as the Chair correctly said, a Member may expand a point of order. It is correct that an individual may make a point of order against certain provisions of a paragraph. But if a Member chooses to make the point of order and believes that there is something in that paragraph which is not permissible, under the Rules of the House, the point of order lies against the entire paragraph. And I make the point of order against the entire paragraph and would ask for a ruling.

The CHAIRMAN. The Chair is prepared to rule.

Where a point of order lies on the basis of the proviso, it may be applied against the entire paragraph at the insistence of any Member; and, therefore, the Chair has concluded that the entire paragraph will be stricken from the bill.

PARLIAMENTARY INQUIRY

Mr. HOYER. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. HOYER. Mr. Chairman, I would appreciate it for future reference, as we go through the rest of this bill paragraph by paragraph, and there may be other expansions, can the Chairman focus me on where I ought to look at the rules and/or the precedence for that ruling?

The CHAIRMAN. Page 661 of the House Rules and Manual, clause 2 of rule XXI.

Are there further amendments?

If not, the Clerk will read.

The Clerk read as follows:

REIMBURSABLE EXPENSES

For the reimbursable expenses of the Executive Residence at the White House, such sums as may be necessary: *Provided*, That all reimbursable operating expenses of the Executive Residence shall be made in accordance with the provisions of this paragraph: *Provided further*, That, notwithstanding any other provision of law, such amount for reimbursable operating expenses shall be the exclusive authority of the Executive Residence to incur obligations and to receive offsetting collections, for such expenses: *Provided further*, That the Executive Residence shall require each person sponsoring a reimbursable political event to pay in advance an amount equal to the estimated cost of the event, and all such advance payments shall be credited to this account and remain available until expended: *Provided further*, That the Executive Residence shall require the national committee of the political party of the President to maintain on deposit $25,000, to be separately accounted for and available for expenses relating to reimbursable political events sponsored by such committee during such fiscal year: *Provided further*, That the Executive Residence shall ensure that a written notice of any amount owed for a reimbursable operating expense under this paragraph is submitted to the person owing such amount within 60 days after such expense is incurred, and that such amount is collected within 30 days after the submission of such notice: *Provided further*, That the Executive Residence shall charge interest and assess penalties and other charges on any such amount that is not reimbursed within such 30 days, in accordance with the interest and penalty provisions applicable to an outstanding debt on a United States Government claim under section 3717 of title 31, United States Code: *Provided further*, That each such amount that is reimbursed, and any accompanying interest and charges, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That the Executive Residence shall prepare and submit to the Committees on Appropriations, by not later than 90 days after the end of the fiscal year covered by this Act, a report setting forth the reimbursable operating expenses of the Executive Residence during the preceding fiscal year, including the total amount of such expenses, the amount of such total that consists of reimbursable official and ceremonial events, the amount of such total that consists of reimbursable political events, and the portion of each such amount that has been reimbursed as of the date of the report: *Provided further*, That the Executive Residence shall maintain a system for the tracking of expenses related to reimbursable events within the Executive Residence that includes a standard for the classification of any such expense as political or nonpolitical: *Provided further*, That no provision of this paragraph may be construed to exempt the Executive Residence from any other applicable requirement of subchapter I or II of chapter 37 of title 31, United States Code.

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions; services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; $3,512,000.

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For the care, operation, refurnishing, improvement, heating, and lighting, including electric power and fixtures, of the official residence of the Vice President; the hire of passenger motor vehicles; and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $334,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021 et seq.), $3,666,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, $4,032,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, $6,806,000.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles, $28,350,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $59,017,000, of which not to exceed $5,000,000 shall be available to carry out the provisions of chapter 35 of title 44, United States Code: *Provided*, That, of the amounts appropriated, not to exceed $5,229,000 shall be available to the Office of Information and Regulatory Affairs, of which $1,200,000 shall not be obligated until the Office of Management and Budget submits a report to the House Committee on Appropriations and the House Committee on Government Reform and Oversight that: (1) identifies annual five percent reductions in paperwork expected in fiscal year 1999 and fiscal year 2000; and (2) issues guidance on the requirements of 5 U.S.C. §801(a) (1) and (3); sections 804(3), and 808(2), including a standard new rule reporting form for use under section 801(a)(1)(A)–(B): *Provided further*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the House and Senate Committees on Appropriations or the House and Senate Committees on Veterans' Affairs or their subcommittees: *Provided further*, That the preceeding shall not apply to printed hearings released by the House and Senate Committees on Appropriations or the House and Senate Committees on Veterans' Affairs.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100-690; not to exceed $20,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $36,442,000, of which $17,000,000 shall remain available until expended, consisting of $1,000,000 for policy research and evaluation and $16,000,000 for the Counterdrug Technology Assessment Center for counternarcotics research and development projects: *Provided*, That the $16,000,000 for the Counterdrug Technology Assessment Center shall be available for transfer to other Federal departments or agencies: *Provided further*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $162,007,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which no less than $81,007,000 shall be transferred to State and local entities for drug control activities, which shall be obligated within 120 days of the date of enactment of this Act and up to $81,000,000 may be transferred to Federal agencies and departments at a rate to be determined by the Director: *Provided*, That funding shall be provided at no less than the fiscal year 1998 level for those High Intensity Drug Trafficking Areas that had been designated by the Director of the Office of National Drug Control Policy on or before February 2, 1994: *Provided further*, That any new High Intensity Drug Trafficking Areas to be designated shall be funded from within the existing appropriation for this account.

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities to support a national anti-drug campaign for youth, and other purposes, authorized by Public Law 100-690, as amended, $215,000,000, to remain available until expended: *Provided*, That such funds may be transferred to other Federal departments and agencies to carry out such activities: *Provided further*, That, of the funds provided in this paragraph, $195,000,000 shall be to support a national media campaign to reduce and prevent drug use among young Americans: *Provided further*, That none of the funds provided for the support of a national media campaign may be obligated for the following purposes: to supplant current anti-drug community based coalitions; to supplant current pro bono public service time donated by national and local broadcasting networks; for partisan political purposes; or to fund media campaigns that feature any elected officials, persons seeking elected office, cabinet-level officials, or other Federal officials employed pursuant to Schedule C of title 5, Code of Federal Regulations, section 213, absent advance notice to the Committees on Appropriations and the Senate Judiciary Committee: *Provided further*, That funds provided for the support of a national media campaign may be used to fund the purchase of media time and space, talent reuse payments, reimbursement of out of pocket advertising production costs for agencies that provide all creative development on a pro bono basis, and the negotiated fee for the contract buying agency: *Provided further*, That the Director of the Office of National Drug Control Policy shall report to Congress quarterly on the obligation of funds as well as on the specific parameters of the national media campaign, and shall report to Congress within one year on the effectiveness of the national media campaign based upon the measurable outcomes provided to Congress previously: *Provided further*, That, of the funds provided in this paragraph, $20,000,000 shall be to continue a program of matching grants to drug-free communities, as authorized in the Drug-Free Communities Act of 1997.

PARLIAMENTARY INQUIRY

Mr. NEUMANN. Mr. Chairman, it is my understanding that we are now on page 37 and 38?

Mr. HOYER. Point of order, Mr. Chairman.

Mr. NEUMANN. I would like to raise a point of order against the $2.25 billion for Year 2000.

The CHAIRMAN. The gentleman from Wisconsin (Mr. NEUMANN) will suspend.

The Clerk will resume reading.

Mr. HOYER. Reserving the right to object.

The CHAIRMAN. If the gentleman will suspend, the Chair wishes to resume reading on page 37 of the bill.

Mr. HOYER. No, sir. The Clerk has read "unanticipated needs." The Clerk read, and I will ask the RECORD be read back if necessary, but the Clerk has read "unanticipated needs." We have passed the paragraph to which the gentleman from Wisconsin (Mr. NEUMANN) seeks to address.

The CHAIRMAN. The Chair believes that inadvertently a paragraph on page 37 was not read. So the Chair wishes to have the Reading Clerk proceed with the reading of that paragraph.

Mr. HOYER. Reserving the right to object or state a parliamentary inquiry, Mr. Chairman.

I have been following pretty closely. I do not know what paragraph was inadvertently not read. And perhaps, we have the RECORD here, and I am sure we can review it again paragraph by paragraph.

The CHAIRMAN. The Chair has been advised by both the Reading Clerk and the Parliamentarian that that paragraph was inadvertently not read.

Mr. HOYER. Which one?

The CHAIRMAN. On page 37, beginning on line 10.

The Chair will call on the Reading Clerk to proceed with the reading of that paragraph.

Mr. HOYER. Mr. Chairman, I withdraw the objection. My staff advises me that the Chair is correct, and I will withdraw.

The CHAIRMAN. If the gentleman would suspend until the Reading Clerk proceeds with the reading on page 37.

The Clerk read as follows:

INFORMATION TECHNOLOGY SYSTEMS AND RELATED EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For emergency expenses related to Year 2000 conversion of Federal information technology systems, and related expenses, $2,250,000,000, to remain available until expended: *Provided*, That these funds may be transferred to any other accounts, except within the Department of Defense, to carry out Federal governmental activities necessary to meet the requirements of such systems and expenses: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further*, That the President's request shall specifically identify agencies, accounts, programs, projects and activities to be funded and no funds shall be available until 15 days after the submission of the request: *Provided further*, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided further*, That such transfer authority shall be in addition to any other transfer authority available.

POINT OF ORDER

Mr. NEUMANN. Mr. Chairman, I would like to make a point of order against the portion of the bill beginning on page 37 line 10 and continuing through page 38 line 14.

The CHAIRMAN. The gentleman will state his point of order.

Mr. NEUMANN. I do not believe this is authorized; and, therefore, it should be subject to a point of order and should be stricken from the bill.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mr. HOYER. Mr. Chairman, on the point of order, this was included in the bill at the insistence of the chairman of the subcommittee and the chairman of the committee for the purposes of providing for the emergency that they foresaw with respect to effecting a solution to the problem of our computers working after January 1, 2000.

In that context, it was judged to be an emergency and critically important to be included in this bill so that the objectives of this bill and every other bill other than the defense bill could be ensured to be carried out in the next millennium.

I would hope that the Chair, realizing the critical nature of this provision, therefore, might find that in fact it was in order.

The CHAIRMAN. The Chair is unaware of any statutory authorization for the funds in the paragraph and, therefore, sustains the point of order of the gentleman from Wisconsin (Mr. NEUMANN). The paragraph is stricken from the bill.

Are there further amendments?

If not, the Clerk will read.

The Clerk read as follows:

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year, $1,000,000.

POINT OF ORDER

Mr. COBURN. Mr. Chairman, I make a point of order against the portion of the bill beginning on page 38 line 15 and continuing through line 21 of the same.

The CHAIRMAN. The gentleman will state his point of order.

Mr. COBURN. This is, I believe, to be unauthorized and legislating on an appropriations bill.

The CHAIRMAN. Does any Member wish to be heard in opposition to the point of order raised by the gentleman from Oklahoma (Mr. COBURN)?

Mr. KOLBE. Yes, Mr. Chairman, just simply to say that I would concede that this is not authorized and, therefore, is subject to being stricken on a point of order under the rule that we have adopted, much to my regret.

Mr. HOYER. Mr. Chairman, I would join my friend the gentleman from Arizona, the chairman, in saying that the gentleman from Oklahoma (Mr. COBURN) raises correctly a point that can be raised against about 70 percent of the bill that remains.

The CHAIRMAN. The Chair wishes to inquire of the gentleman from Oklahoma (Mr. COBURN) if he simply wanted to include lines 15 through 19 or if in his point of order he also wanted to include lines 20 and 21?

Mr. COBURN. Mr. Chairman, I stand corrected. It is 15 through 19.

The CHAIRMAN. The point of order is conceded and sustained, and that paragraph is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

This title may be cited as the "Executive Office Appropriations Act, 1999".

TITLE IV—INDEPENDENT AGENCIES

Committee for Purchase From People Who Are Blind or Severely Disabled

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by the Act of June 23, 1971, Public Law 92-28, $2,464,000.

Federal Election Commission

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, $33,700,000, of which no less than $4,402,500 shall be available for internal automated data processing systems, and of which not to exceed $5,000 shall be available for reception and representation expenses: *Provided*, That of the amounts appropriated for salaries and expenses, $1,120,000 may not be obligated until the Federal Election Commission submits a plan for approval to the House Committee on Appropriations for the expenditure of such funds.

AMENDMENT OFFERED BY MRS. MALONEY OF NEW YORK

Mrs. MALONEY of New York. Mr. Chairman, I offer an amendment.

Mr. KOLBE. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The point of order is reserved.

The Clerk read as follows:

Amendment offered by Mrs. MALONEY of New York:

Page 39, line 13, insert after "$33,700,000" the following: "(increased by $2,800,000 to be used for enforcement activities)".

Page 40, line 25, insert after "$482,100,000" the following: "(reduced by $2,800,000)".

Page 41, line 22, insert after "$5,626,928,000" the following: "(reduced by $2,800,000)".

Page 46, line 21, insert after "$2,583,261,000" the following: "(reduced by $2,800,000)".

Page 48, line 23, insert after "$5,626,928,000" the following: "(reduced by $2,800,000)".

Mrs. MALONEY of New York. Mr. Chairman, I rise in support of this amendment which will give the Federal Election Commission an additional $2.8 million, bringing its total budget to $36.5 million. This is the full amount requested in the President's budget. This amendment is sensible. It is a proposal that simply gives the Federal Election Commission the resources it needs to do the job to efficiently enforce the laws that we create.

All throughout the campaign finance reform debate we have heard opponents of reform argue that we do not need any new laws, we just need to enforce the laws that are on the books. But those same opponents of reform are reform refuse to fully fund the Federal Election Commission. The FEC is the only bipartisan agency empowered to enforce our campaign finance laws. It is the watchdog which polices our elections.

□ 1300

It is the only government center that compiles information on campaign contributions and expenditures.

But many Members of this House would like to see the FEC become a toothless tiger incapable of enforcing any laws. There was even an effort to change the whole structure in the FEC of how they hire and fire personnel.

Mr. Chairman, I serve on the Committee on Government Reform and Oversight which, along with the Senate Governmental Affairs Committee, has spent over $7 million on a partisan investigation of the Clinton administration. By contrast, during the last year the Federal Election's General Counsel's Office spent only 6 and a half million dollars enforcing the law, and the FEC is responsible of investigating all elections in this country, not just the presidential race. So we see this body empowering committees to spend more than the entire FEC on investigating President Clinton, but they will not fund it to the level that they say they need to do an appropriate job.

Opponents of the FEC like to argue that since 1990 funding for the agency has increased. This statement is only partially true. On paper, funding for the FEC has increased, but in recent years Congress has fenced off large portions of their budget for use of modernization of computers. Congress has specifically told them that they cannot use the money for investigations. When we consider the fact that the total amount of money available to the FEC for enforcement and disclosure has more or less remained constant over the last 4 years, yet the work load has increased dramatically and the total number of staff that the FEC has been able to hire has actually gone down, and while the FEC resources have stayed constant or decreased, campaign spending has increased astronomically. In fact, since 1990 campaign spending has gone up 146 percent, cases in which the FEC has determined that there is a sufficient evidence of wrongdoing to conduct an audit have gone up 110 percent, and total itemized transactions, and here I mean the total number of contributions which the FEC records in its data base, have gone up by 157 percent. So, even if the FEC's budget has gone up, it has clearly not gone up enough to keep pace with the explosion in campaign spending and alleged abuses. So the argument that the FEC's resources have kept pace with the work load is simply not supported by the facts.

Mr. Chairman, in conclusion I would like to really thank the gentleman from Kansas for his work on this issue and for offering this amendment, and I hope that all Members will support it. If we are serious about campaign finance reform, then all Members in this body should join us in this effort to fund the FEC at the level that they feel is necessary to enforce the laws that are on the book.

Mr. SNOWBARGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, just very briefly; I do not want to go through all of the arguments that my colleague from New York (Mrs. MALONEY) has already gone through, but I do think it is important, as we are in the current debate on campaign finance, as we go through the debate on campaign finance throughout this year, I think one point that has not been made in any of the bills that had been talked about very widely in the press, and that is the issue of enforcement.

Now I know there are a lot of complaints about the FEC and the way they do their job. Those may be very valid points. The issue here is though we only have one law enforcement agency in the area of campaign finance, and that is the Federal Election Commission. Right now one stands a 7-

in-10 chance of not having any action taken good against them if the FEC has a report against them. It seems to me that enforcement of campaign finance laws is as important, enforcement of the current laws is as important, as trying to change the law which will have no better enforcement.

If we truly have concerns about the FEC, if we have concerns about the way they do their job, if we do not think they can do the job any more, let us deal with that, and let us replace them. But right now they are the only law enforcement agency, and I think that they need to have the proper funding as well as the proper personnel to do the job.

Mr. KOLBE. Mr. Chairman, I continue to reserve my point of order.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that in the words of the gentleman that just preceded me to give the enforcers the right to enforce and the wherewithal to enforce is a great proposition if there were adequate, competent and reasonable enforcers; or certainly if they were fair enforcers. But, unfortunately, I do not think any of that is the case when we are talking about the Federal Election Commission.

The Federal Election Commission has not done an adequate job since I have followed their activities over the last 10 or 15 years.

I can remember when it used to allow its General Counsel into the deliberations, and the court ruled that the commissioners should stop that, and then they did not stop it. I can remember when one former senator, who was a former Member of this House as well, who had a case before this commission, and somehow he got an appointment as an ex officio member of the Federal Election Commission and sat in on the deliberations even though he had a case pending. I can remember when Federal Election Commission officers and maybe Commissioners traveled to the Democrat National Convention in August of 1996, presumably on taxpayers' dollars.

Year after year they hire a press office of about five people to turn out press releases complaining that we are holding down their budget, and yet since 1991 we have increased their budget by 85 percent. Funding for the Office of General Counsel has increased by 88 percent. Before 1998, the staff had grown by roughly 30 percent. Salaries and benefits, up 57 percent. Cash awards, up 191 percent. Travel, up 75 percent. Audit divisions, up 100 percent. And yet while the money is still coming in for these great enforcers, they drop backlog cases.

In fact, just a month or two ago we saw where they dropped well over a hundred cases because they did not, could not, get around to them. In 1993, they dropped 130 backlogged cases, and I think since then there have been a couple other instances where they have just not gotten around to enforcement.

What I worry about when we talk about the Federal Election Commission is, A, they are not fair, but, B, they micromanage the campaigns of the people who are genuinely trying to follow the law and discourage good people from running for office and, at the same time, ignoring the infractions of the people that deserve investigations.

In fact, as recently as July 13, 1998, about three or four days ago, the lead editorial in the Wall Street Journal, Mr. Chairman, talks about how the Federal Election Commission simply did not do their job in an investigation of the Democrat National Committee. So the Federal judge had to weigh in and virtually condemn them for not having done the job. I quote: "U.S. District Judge Stanley Sporkin ruled the FEC had inexplicably waited 15 months to dismiss a request to investigate whether the Democrat National Committee and the Clinton-Gore campaign sold seats on the Commerce Department trade missions in exchange for contributions." It goes on: "The FEC responded to Judicial Watch, a civic inquiry group, in December 1977 by closing the case in light of the information on the record, the relative significance of the case and the amount of time that has elapsed. Judicial Watch challenged the FEC's dismissal, and the judge slammed the FEC for attempting to thwart a review of these charges."

And they want more money. We gave them $2 million more in funds, taxpayers' dollars, than they had last year, and yet they have the audacity to prevail on Members to come to the floor and say that is not enough. And this amendment would take money out of the GAO, General Accounting Office, that is guarding the taxpayers' funds to put money into this wasteful and inefficient and, I dare say, improper organization.

The fact is this organization has been in place since 1974. The commissioners, many of the commissioners were never replaced.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. LIVINGSTON) has expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 2 additional minutes.)

Mr. LIVINGSTON. Mr. Chairman, some of the Commissioners have never been replaced. Even though their terms were renewable, they have been on the commission for some 20 years. We, finally, last year put a term limit on the Commissioners and this year thought it was a good idea to put a term on the General Counsel who apparently has, I only found out subsequently to my filing of the amendment, been in the position for nearly 11 years without interruption.

Now it seems to me that if term limits are good for, according to some people, Members of Congress, and I disagree with that because I think the ballot box is a great term limit for elected officials. But, if it is good for committee chairmen and subcommittee chairmen, as appointed officials within this House of Representatives, and it is good for various other executive agencies, then it is good for the Federal Election Commission. And maybe that person who has made life tenure out of serving in that position, I say albeit not altogether fairly, should be up for review as to whether or not he should continue to hold his office. These are legitimate questions I have.

We tried to fence money for years to compel the Federal Election Commission to upgrade its computers. They were using equipment that went back 25 years, ancient technology. And they wouldn't do it. Finally, we just made them do it, and they were forced to upgrade their technology.

They are beginning to come into the new technological world, but they have not demonstrated a need for additional moneys. They have not demonstrated that they will utilize those funds fairly and appropriately, and until they do I am not prepared to vote an extra $2.8 million for them. In fact, I urge Members to reject this amendment soundly and send the FEC back to improve the job that they should be doing.

The CHAIRMAN. Does the gentleman from Arizona continue to reserve his point of order?

Mr. KOLBE. Mr. Chairman, I withdraw my point of order, but I do seek to speak against it.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I really think this amendment is big spending at its very worst. As the distinguished chairman of the full committee has pointed out, the FEC's budget has grown by 85 percent since 1991. The President is requesting an additional 15 percent for the forthcoming year, 1 year, and that is what this amendment would provide.

We have recommended in our bill, we have $33.7 million for the FEC in fiscal year 1999. That is an increase of 9 percent, more than $2 million over the amount that is available in the current fiscal year. So we gave the President a good more than half of what he thought that this agency should have.

Let us be honest. If we look at any of the spending bills, a 9 percent increase in any spending bill, even those that have as much popular support such as the National Institutes of Health is a large, substantial increase, especially given the budgetary constraints that we are under right now. But to talk of giving an agency and this agency of which against I think there lies serious questions of its management, to talk about giving them a 15 percent increase when we have not really seen the reforms that we think need to be made to this agency, I think it is just unthinkable.

The sponsors of the amendment say they are concerned about the enforcement part of FEC. But I am sure they are aware the committee includes an increase of $1.12 million for enhanced enforcement by the Federal Elections Commission.

□ 1315

So this would add another $2.8 million to the increase that is already in there.

While I certainly agree that enforcement ought to be a top priority of the FEC, and there are clearly some problems as it relates to enforcing our campaign finance laws, and that most lay here at the foot of Congress itself, I do not agree that simply throwing more money at the FEC is the way to fix it.

The fact of the matter is, funding for the Office of General Counsel, which is the enforcement arm of the FEC, has increased even more than the rest of the FEC, slightly more, by 88 percent. Its staffing has increased by more than 28 percent. Surely, given the problems that exist there, I do not think that additional revenue is really going to resolve the problem.

We initiated an independent audit of the Federal Elections Commission, and of its operations and management. The purpose of the audit is to address the issue of resources as it relates to their ability to meet its statutory responsibility. This audit is under way, and we anticipate the results in January of 1999. It will include a thorough review of all of their enforcement activities, including the Office of General Counsel, and I am optimistic that, based on what we find in this audit, we will be in a position to address from an appropriations viewpoint, if the authorizing committees do not, the issues raised by this audit and the issues that have been raised, I think correctly, on this floor for and against additional funding for the Federal Elections Commission. But I do not think we should go with this money, on top of the money we are already increasing their budget by, until we at least are able to see how these concerns bear out in that audit.

Mr. Chairman, I would urge my colleagues to defeat this amendment. We have done the best we can, given the resources we have. This additional increase will take severely from some other areas that I know are important to other Members, including maintenance and rehabilitation of buildings. So I would urge the defeat of the amendment.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank the gentleman and would rise in support of this amendment. I thank the gentlewoman from New York, who has been such a tenacious spokesperson on behalf of monitoring and ensuring fair elections in America. Her leadership on this issue has been outstanding, and all of America owes her a debt of gratitude.

Mr. Chairman, first of all, let me say that we ought to clarify what this amendment does. The chairman of the committee indicated it took it from the General Accounting Office. That was incorrect. The chairman made a mistake. It is out of the General Services Administration. I am not for reducing those accounts, but this particular account that is being reduced is over, I think, $2.3 billion, and this takes $2 million out of it. So it is a minor nick at best on the particular accounting question.

Having said that, the gentleman from Kansas, who is the cosponsor of this amendment, observes that we obviously feel in this country there are substantial problems with elections. Over $1 million was spent, not just by the committee, but by the parties involved, on one congressional election during this Congress, $1 million, 1/34th of the dollars in this bill for FEC. That did not include the President or any of the other Federal races, United States Senate or House Members, other than that one race.

This Congress has spent, and you can get all sorts of estimates and I will not say which one is precise or not, but anywhere between $10 million and $40 million, a pretty broad spectrum, looking at the Presidential race alone. Just one race. We ask the FEC to look at essentially thousands of candidates to ensure that they are complying with the laws this Congress adopted to ensure that Americans have fair elections.

Now, the gentlewoman's amendment and the gentleman from Kansas's amendment takes the FEC from the $34 million-plus that we have incorporated in this bill to the $36 million-plus that was the request of the administration. Some would argue pretty strenuously that that was insufficient in and of itself. Why? Because the dollars involved in campaigns has escalated geometrically. We all know that. Just taking House races alone, where the average expenditures have gone in the last 20 years from probably less than $300,000 to, for the most part, close to $1 million, that is three-and-a-half times in 20 years.

The number of candidates is rising. I am not sure that is true this year on House races off the top of my head, but we know over the last 6 years, the number of candidates has escalated very substantially.

The FEC has had to dismiss cases. They have had to dismiss cases because they did not have the resources to handle them. So unless they are very serious cases, they have not been able to deal with them. The proposition raised by the gentlewoman from New York and the gentleman from Kansas is that ought not to be, because, if that happens, we cannot ensure fair elections.

Now, I understand the chairman of the committee feels strongly that the FEC does not do its job properly. I understand his premise. I also understand his premise when he talks about the length of service by some Commissioners. I think he makes a good point. I am not for term limits, as the chairman is not for term limits, but we did not raise a whole lot of stuff about his provision last year.

But I would hope that every Member of the House on either side of the aisle would look at this amendment in the context of what we are trying to do in America to ensure that funds are raised properly, spent properly, and administered properly.

I hear in one-minutes, in special orders and in debate on this bill and other bills many, many members of the majority party getting up and saying how awful it is that we do not know exactly what happened in the elections in terms of raising money from foreigners, from domestic people, soft money, hard money, whatever. Well, my friends, if you really want to get at it, this is where we have set up in law to do it. And to say on the one hand you want to get at fair elections and on the other hand undercut the resources of the agencies that Congress has established to accomplish that objective I think is problematic at best. So I would urge my friends to adopt this amendment, and congratulate my colleagues for offering it, and hope that the House will adopt it.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my friend from Arizona earlier described this amendment as "big spending at its worst." This amendment adds a couple of million dollars to the Federal Elections Commission budget for the purpose of increasing their capacity to protect the integrity of what is left of our campaign finance laws.

I would suggest that that is not quite the case. I think big spending at its worst is the rampant cancerous use of soft money to obliterate intelligent debate in political campaigns. I think the big spending at its worst is the use of phony so-called issue advocacy ads or phony independent expenditures, whether it be by labor or by big business or by single interest groups, to influence elections, all the while pretending that they are not involved in elections at all. I think that is what is big spending at its worst, and this money is just a tiny effort to control that big spending at its worst.

I would also say that it is, at least to me, apparent what the agenda of the majority party is in this case. They have been engaged in a year-long defense of the status quo on campaign finance laws, and they have been systematically attacking the agency which is trying to preserve the integrity of what is left of the existing campaign laws. They 2 years ago term-limited the FEC so that there is no institutional memory or in the future will be no institutional memory at that body.

They are now trying to make certain that the Federal Elections Commission looks more like a pussycat than a tiger, and what they want to do is make certain that they can intimidate the executive director into not antagonizing anybody in order to assure that he can be reappointed.

It is clear to me that there is great resentment on the other side of the aisle because the Federal Elections Commission has the temerity to dig into the activities of the use of the Republican Party of GOPAC, which contains, in my view, some of the most socially irresponsible and, at the same time, richest people in America, to influence the economic agenda of this Congress. They are unhappy because the FEC is having the temerity to examine those linkages.

It just seems to me that the choice is clear: If you want to continue the status quo, if you want to continue to have a crippled FEC, vote against the amendment. If you want to cast a vote in favor of the public interest, if you want to cast a vote in favor of giving the Federal Elections Commission the additional tools it needs to see to it that everyone is policed more adequately, then vote for the amendment.

The issue is clear, and no rhetoric to the contrary will confuse the public on this question.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mrs. MALONEY of New York. Mr. Chairman, will the gentleman yield?

Mrs. LOWEY. I yield to the gentlewoman from New York.

Mrs. MALONEY of New York. Mr. Chairman, I would like to thank the gentlemen from the Committee on Appropriations from the minority side for their very strong statements and really to rise in support of their statements and respond to some of the words on the other side of the aisle, where one of my colleagues on the other side of the aisle accused the FEC of being partisan. Yet a study by the Conservative Fair Government Foundation found that "partisan favoritism is absent" at the Federal Election Commission. In fact, in this study, and I would be glad to give it to my colleagues, it showed that they had, in fact, investigated more Democrats than Republicans. Yet there is no doubt that the need for more spending at the FEC is needed because of the spending in campaigns and the allegations that have come to them.

Campaign spending, as my colleagues have pointed out, has gone up 146 percent, referrals of audits have gone up 110 percent and itemized transactions to be processed have gone up 157 percent, so they need this money.

As my distinguished colleague, the gentleman from Maryland (Mr. HOYER) pointed out, whether it is the $6 million that has been spent in the Committee on Government Reform and Oversight investigating President Clinton, or the monies that have been spent in others, I have seen everything from $30 to $50 million in investigations in committees in this body, some of which only subpoena Democrats, only investigate Democrats, at least at the FEC they investigate both parties, all people who run, Democrat, Independent, Republican.

There have been some concerns that the majority party has been trying to destroy the FEC, and I will at this point put in the RECORD editorials that have appeared across this country.

[From Roll Call, June 11, 1998]

MICRO-MUZZLING

Congress is at it again, trying to throttle the Federal Election Commission, the weak watchdog it created to regulate campaign finance. As spending and contribution levels soar and crafty political operatives invent new loopholes to skirt finance laws, Congress regularly keeps the FEC on a bare-subsistence diet, unable to keep up with the action. Now, in a simultaneous act of micro-management and muzzling, House Republicans seem bent on firing the commission's general counsel, Lawrence Noble.

Under current law, it would take a four-member majority of the six-member FEC to oust Noble. The commission is evenly divided, with three Republicans and three Democrats. But last month, the House Oversight Committee approved a bill to require that both the FEC's staff director and general counsel be reconfirmed in office every four years, beginning next January, with a four-vote majority. The bill won't become law, but the Noble ouster may be adopted today as a rider to the Treasury, Postal Service and general government appropriations bill. Disingenuously, backers of the provision say it's not aimed at Noble, just at administratively tidying up the FEC. But everyone knows what's really going on.

Noble, who's in charge of FEC enforcement, has angered Republicans by claiming that the agency, having opened the loophole that allows for unlimited soft-money donations to political parties, has the power to close it. Noble takes an expansive view of FEC posers to regulate issue ads. And he led the way in investigating the 1996 Dole campaign's management of Republican party advertising, which led to a hefty fine. To his credit, he also is reliably reported to be investigating the even more blatant and extensive White House use of Democratic National Committee funds to run ads boosting President Clinton.

For Congress to be deciding who serves as general counsel of the FEC would be like allowing the AFL–CIO to name (and fire) the chairman of the National labor Relations Board or for the Chemical Manufacturers Association to pick the head of the Environmental Protection Agency. Already, politicians appoint the members of the commission. The equal partisan division of the commission ensures that it can't be wildly aggressive or overly partisan. Having created the commission, Congress ought to let it pick—and keep—its own general counsel.

In addition, it's time for Congress to quit hog-tying the agency with limited funds and then complaining it has to perform triage on the cases it investigates. Last year, the FEC dismissed 55 percent of its cases as "low rated" or "stale" in order to concentrate on higher priorities and to clear its backlog. Fundraising by House and Senate candidates during the first 15 months of the 1997–98 election cycle was up by 14 percent over the same period in 1996, yet House Oversight cut the FEC's budget authorization from a requested $36.5 million to $33.7 million.

It's time for Congress to strengthen federal campaign laws and the FEC, not sneakily undermine them.

[From The New York Times, June 11, 1998]

PUNISHING COMPETENCE AT THE F.E.C.

At a time when Congress should be moving aggressively to strengthen the Federal Election Commission's ability to enforce the nation's campaign finance laws, House Republicans are racing headlong in the opposite direction.

The F.E.C. remains hampered by an inadequate budget, and by a commission structure (three members from each party) that tends toward gridlock. Now a move is afoot to get rid of the agency's evenhanded general counsel, Lawrence Noble, in retaliation for his attempts to enforce the law as written. He is pressing the commission to use its existing powers to bar the huge "soft-money" contributions that have corrupted Federal campaigns. He has pursued lawsuits against groups like Gopac and the Christian Coalition for alleged rules violations. The Republican leadership is not happy.

Last month the House Oversight Committee approved a measure proposed by its chairman, Bill Thomas of California, taking aim at Mr. Noble without mentioning his name. Currently, it takes a vote by four members of the commission to appoint or remove a general counsel or staff director. Mr. Thomas's bill would require reappointment to these posts every four years, beginning next year, thereby setting the stage for a Republican coup ousting Mr. Noble. The change is nothing more than an attempt to install a do-nothing enforcement staff. Given Attorney General Janet Reno's lax approach to campaign law, a crippled F.E.C. would guarantee an open field for influence-peddlers and influence-buyers.

A House Appropriations subcommittee is expected to take up this mischievous measure today, with an eye toward adding it as a rider to the Treasury appropriations bill. Reform-minded members from both parties have a duty to oppose this vendetta. President Clinton, meanwhile, who could stand a better image on soft money, needs to make clear that he considers it veto bait.

Mr. Chairman, one of them called it a vendetta by the Republican Party to not fund, to fence the money they have, and to change the whole procedure of firing people at the FEC.

I really want to say that it is the only body that is bipartisan, and, in order to investigate, there must be a majority of all of the commissioners who vote to do so, so it takes the vote of three Republicans and three Democrats to do so. So when they voted to investigate GOPAC, it was not the decision of Democrats, it was a vote by the Republicans and the Democrats on that committee. So there has been much rhetoric on this floor talking about campaign finance reform and the need to ban soft money and to regulate independent expenditures.

□ 1330

The FEC has come forward and made these recommendations. They have recommended to ban soft money and to regulate the independent expenditures, which is the heart of the Shays-Meehan bill that many of us support in this body and are hopeful that we will pass eventually.

But if one is serious about campaign finance reform, then it is important that we fund at a level that they can do their job, the one body that is bipartisan, that is actually empowered to keep records and to investigate, not just one party, but both parties. It is an important body. There have been problems with it.

The chairman mentioned the investigation that was stopped, but that was a criminal investigation. They are not supposed to do criminal investigations. They are only supposed to do civil investigations.

So, again, I would refer to the items I mentioned earlier that show their bipartisan decisions, how they are made by Republicans and Democrats to investigate. There is in this bill, and later on today I will move to strike it, a whole effort, and talk about a toothless tiger, to remove the teeth, to skin it, and make it totally ineffective by making the staff able to be fired by just one party. Now it has to be bipartisan. That would mean that the staff would never investigate anyone again unless they were an independent or in a primary, because they would probably be fired. They would totally declaw the Federal Elections Commission.

So, Mr. Chairman, if we are serious about campaign finance reform, then I hope my colleagues will join us in this bipartisan amendment.

Mr. TIAHRT. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from Louisiana (Mr. LIVINGSTON), chairman of the full Committee on Appropriations.

Mr. LIVINGSTON. Mr. Chairman, I wanted to comment on the points that the gentlewoman that preceded me made. In fact, she said that the Commission has been bipartisan. Well, I do not totally share that view, but that view is shared by one of the experienced attorneys who used to do election law, and in fact, probably still practices election law. One is quoted in the Washington Times on July 14, only a couple of days ago, and his quote is precisely my experience and that is that the Commission tramples on legal and constitutional rights in a bipartisan fashion.

So if they are bipartisan, then they are uniformly in error and in conflict with the Constitution.

But going back to the editorial that I mentioned in my earlier comments in the Wall Street Journal of July 13, I would like to comment on what the gentlewoman said about the fact that the Commission is not supposed to take criminal cases. Let me just read these paragraphs, because I think they are very, very important to understand. The Commission does not treat evidence of those criminal activities in an appropriate fashion.

The editorial says, "Judge Sporkin has had other tangles with the FEC, including the one in 1986 in which he ruled that the GOP Commissioners had acted contrary to law in closing down a probe of a Republican committee. His current decision goes to the heart of the fears many have about giving the FEC even more power to referee elections. Larry Noble, the FEC's General Counsel, has had great power to decide which political players will be investigated and to push his view that political speech should be regulated. Mr. Noble has been General Counsel since 1987 and keeps his job indefinitely unless a majority of the six highly partisan FEC Commissioners oust him. That means Mr. Noble remains, but since a majority of Commissioners seldom approve his request for prosecution, a kind of permanent gridlock has set in. That means many of the cases the FEC brings are exercises in 'trivial pursuit.' At the same time, the agency's lawyers actually argued," and this is the part that gets me, Mr. Chairman, "the agency's lawyers actually argued before Judge Sporkin that the bribery allegations" referred to in this editorial "involving the Commission trade mission are 'not under the Commission's jurisdiction.' Judge Sporkin was skeptical of that, but indicated that even if that were true, the FEC should have referred the case to the Justice Department. They did not."

Mr. Chairman, this is a toothless tiger. It is a wasteful agency. It is an agency that takes money from the taxpayer and does not perform the real service that it is intended to perform.

I know my friend, one of the sponsors of the amendment, the gentleman from Kansas (Mr. SNOWBARGER), feels very strongly that we ought to give the enforcers the opportunity to enforce, but I would simply analogize this to saying, well, a policeman is an enforcer, but if he is a bad policeman, we do not give him more money to do a bad job. These people are not doing the job they should. We have already given them a raise. That should be sufficient, and this amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Mrs. MALONEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mrs. MALONEY of New York. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House resolution 498, further proceedings on the amendment offered by the gentlewoman from New York will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 498, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: the amendment offered by the gentleman from New York (Mr. SCHUMER); and the amendment offered by the gentlewoman from New York (Mrs. MALONEY).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. SCHUMER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. SCHUMER), on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 122, noes 301, not voting 11, as follows:

[Roll No. 286]

AYES—122

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barrett (WI)
Becerra
Berman
Berry
Bilbray
Blumenauer
Bonior
Borski
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clyburn
Conyers
Coyne
Cummings
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dixon
Doggett
Dooley
Engel
Eshoo
Evans
Farr
Fattah
Filner
Frank (MA)
Furse
Gejdenson
Gutierrez
Hall (OH)
Hastings (FL)
Hinojosa
Hooley
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Kennedy (MA)
Kildee
Kilpatrick
Kucinich
LaFalce
Lantos
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
Meehan
Meek (FL)
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Moran (VA)
Morella
Nadler
Neal
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Poshard
Price (NC)
Rangel
Reyes
Rodriguez
Rothman
Rush

Sabo
Schumer
Scott
Serrano
Sherman
Stabenow
Stark
Stokes
Tauscher
Thompson
Tierney
Torres
Towns
Velázquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wynn

NOES—301

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (CA)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeLay
Diaz-Balart
Dickey
Dicks
Dingell
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fawell
Fazio
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martinez
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Minge
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Riley
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Yates
Young (AK)
Young (FL)

NOT VOTING—11

Gonzalez
Hefner
Hill
Kennedy (RI)
Kennelly
McDade
McNulty
Meeks (NY)
Pickering
Roybal-Allard
Slaughter

□ 1357

Messrs. BILIRAKIS, EWING, PORTER, HORN, and Ms. SANCHEZ changed their vote from "aye" to "no."

Mr. DIXON and Mr. DAVIS of Illinois changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PICKERING. Mr. Chairman, on rollcall No. 286, I was inadvertently detained. Had I been present, I would have voted "no".

PERSONAL EXPLANATION

Mr. KENNEDY of Rhode Island. Mr. Chairman, during rollcall vote No. 286, I was unavoidably detained. Had I been present, I would have voted "yea".

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 498, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken.

AMENDMENT OFFERED BY MRS. MALONEY OF NEW YORK

The CHAIRMAN. The pending business is a demand for a recorded vote on the amendment offered by the gentlewoman from New York (Mrs. MALONEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 214, noes 210, not voting 10, as follows:

[Roll No. 287]

AYES—214

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Camp
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Ford
Frank (MA)
Franks (NJ)
Frost
Furse
Ganske
Gejdenson
Gephardt
Gilman
Gordon
Green
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Horn
Hoyer
Hulshof
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Obey
Olver
Ortiz
Owens
Pallone
Pappas
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Porter
Poshard
Price (NC)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Rush
Sabo
Sánchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Skelton
Smith (MI)
Smith, Adam
Snowbarger
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Upton
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weller
Wexler
Weygand
Wise
Woolsey
Yates

NOES—210

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bliley
Blunt
Boehner
Bonilla
Bono
Boucher
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeFazio
DeLay
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Foley
Forbes
Fossella
Fowler
Fox
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hunter
Hutchinson
Hyde

Inglis
Istook
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Manton
Manzullo
Martinez
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Oxley
Packard
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—10

Barton
Gonzalez
Hill
Jenkins
Kennelly
McDade
McNulty
Roybal-Allard
Sisisky
Slaughter

☐ 1409

Messrs. FOLEY, MORAN of Kansas, and FOX of Pennsylvania changed their vote from "aye" to "no."

Ms. MCKINNEY, and Messrs. KANJORSKI, HOLDEN, DOYLE, MASCARA, LEWIS of Georgia, MURTHA, and MOLLOHAN changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia and elsewhere; $22,586,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFER OF FUNDS)

For additional expenses necessary to carry out the purpose of the Federal Buildings Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)), $482,100,000, to be deposited into the Fund. The revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation, and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings, including grounds, approaches, and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $5,626,928,000, of which (1) $527,100,000 shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses and associated design and construction services) as follows:

New Construction:
Arkansas:
Little Rock, Courthouse, $3,436,000
California:
San Diego, Courthouse, $15,400,000
San Jose, Courthouse, $10,800,000
Colorado:
Denver, Rogers Federal Building—Courthouse Expansion, $78,173,000
District of Columbia:
Southeast Federal Center Site Remediation, $5,000,000
Florida:
Jacksonville, Courthouse, $86,010,000
Orlando, Courthouse Annex, $1,930,000
Georgia:
Savannah, Courthouse Annex, $46,462,000
Massachusetts:
Springfield, Courthouse, $5,563,000
Michigan:
Sault Sainte Marie, Border Station, $572,000
Missouri:
Cape Girardeau, Courthouse, $2,196,000
Mississippi:
Biloxi—Gulfport, Courthouse, $7,543,000
Montana:
Babb, Piegan Border Station, $6,165,000
New York:
Brooklyn, Courthouse, $152,626,000
New York, U.S. Mission to the United Nations, $3,163,000
Oregon:
Eugene, Courthouse, $7,190,000
Tennessee:
Greenville, Courthouse, $26,517,000
Texas:
Laredo, Courthouse, $28,105,000
West Virginia:
Wheeling, Courthouse, $29,303,000
Nationwide:
Non-prospectus construction projects, $10,946,000:

Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent unless advance approval is obtained from the House and Senate Committees on Appropriations of a greater amount: *Provided further*, That all funds for direct construction projects shall expire on September 30, 2000, and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That of the funds provided for non-prospectus construction projects, $2,100,000 shall be available until expended for acquisition, lease, construction, and equipping of flexiplace telecommuting centers; (2) $655,031,000, of which $19,000,000 shall be available for obligation on September 30, 1999, shall remain available until expended for repairs and alterations, which includes associated design and construction services, for the following projects and activities:

Repairs and alterations:
California:
San Francisco, Appraisers Building
District of Columbia:
Federal Office Building, 10B
Interstate Commerce Commission, Connecting Wing Complex, Customs Buildings, Phase 3/3
Old Executive Office Building
State Department Building, Phase I
Colorado:
Lakewood, Denver Federal Center, Building 25
New York:
Brookhaven, Internal Revenue Service, Service Center
New York, U.S. Courthouse, 40 Foley Square
Pennsylvania:
Philadelphia, Byrne-Green, Federal Building-U.S. Courthouse
Virginia:
Reston, J.W. Powell Building
Nationwide:
Chlorofluorocarbons Program
Energy Program
Design Program
Basic Repairs and Alterations:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations: *Provided further*, That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings: *Provided further*, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further*, That all funds for repairs and alterations prospectus projects shall expire on September 30, 2000, and remain in the Federal Buildings Fund, except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That $5,700,000 of the funds provided under this heading in Public Law 103-

329 for the Holtsville, New York, IRS Service Center shall remain available until September 30, 1999: *Provided further*, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects; (3) $215,764,000 for installment acquisition payments including payments on purchase contracts, which shall remain available until expended; (4) $2,583,261,000 for rental of space, which shall remain available until expended; and (5) $1,554,772,000 for building operations, of which $223,000,000 shall be available for obligation on September 30, 1999, which shall remain available until expended: *Provided further*, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959 (40 U.S.C. 601 et seq.), has not been approved, except that necessary funds may be expended for each project for required expenses of the development of a proposed prospectus: *Provided further*, That for the purposes of this authorization, and hereafter, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further*, That the remaining balances and associated assets and liabilities of the Pennsylvania Avenue Activities account are hereby transferred to the Federal Buildings Fund to be effective October 1, 1998, and all income earned after that effective date that would otherwise have been deposited to the Pennsylvania Avenue Activities account shall thereafter be deposited to the Fund, to be available for the purposes authorized by Public Laws 104–134 and 104–208, notwithstanding subsection 210(f)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(2)): *Provided further*, That revenues and collections and any other sums accruing to the Federal Buildings Fund during fiscal year 1999, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), in excess of $5,626,928,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

POINT OF ORDER

Mr. COBURN. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. COBURN. Mr. Chairman, I make a point of order against the portion of the bill beginning on page 42, line 3 and continuing through page 44, line 9 on the basis that these are unauthorized, and they are legislating on an appropriations bill.

The CHAIRMAN. The Chair would appreciate if the gentleman from Oklahoma would restate the point of order.

Mr. COBURN. Mr. Chairman, I make a point of order against the portion of the bill beginning on page 42, line 3, and continuing through page 44, line 10 ending with the semicolon.

The CHAIRMAN. If the gentleman would proceed with a statement of his point of order.

Mr. COBURN. Mr. Chairman, this point of order is raised on the basis that these are unauthorized projects. They have never been authorized.

Number two, they are legislating on an appropriations bill.

I would further State that it is difficult for us to be building $600 million worth of buildings when our children owe $6 billion and that perhaps a better use of this money might be in paying the interest on the national debt.

The CHAIRMAN. Does any other Member desire to be heard on the point of order?

Mr. KOLBE. Mr. Chairman, I would concede the gentleman's point of order but would make the following observation.

I would concede it based on the rule which we adopted that these projects are at the same time unauthorized. I would, however, note that in every case we simply follow the priorities the Judicial Conference and so we are not substituting our own judgment, but the gentleman's point of order would be correct on this. I regret very much saying that, that that would be the case.

The CHAIRMAN. Does the gentleman from Maryland (Mr. HOYER) wish to be heard on the point of order?

Mr. HOYER. Mr. Chairman, on the point of order, this rule, which I opposed precisely because it did not, as it does in most instances, protect provisions that are absolutely essential, the gentleman from Oklahoma makes the point about our kids' debts.

Very frankly, the chairman took all of these as priorities from the Judicial Conference and GSA. These are not political priorities. These are the judgments of those around the country in the justice system who know the facilities that are needed to carry out justice in this country.

The CHAIRMAN. The Chair wishes to inform the Members that the debate should center around the point of order. The gentleman was straying beyond the point of order question.

Mr. HOYER. I thank the Chair. The Chair is correct. I was simply responding to the rhetoric of the point of order that was made.

The CHAIRMAN. The gentleman from Oklahoma also proceeded beyond that, but as it has proceeded, we have decided to rein it in.

Mr. HOYER. I thank the Chair. The gentleman from California is very fair.

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I would join the chairman of the committee in lamenting the fact that the gentleman from Oklahoma is technically correct, notwithstanding the fact I think he is substantively wrong.

The CHAIRMAN. The point of order, as stated by the gentleman from Oklahoma, is conceded and sustained, and that portion of the bill will be stricken from the RECORD.

The Clerk will read.

The Clerk read as follows:

POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation; procurement and supply; Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses; $108,494,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $32,000,000: *Provided*, That not to exceed $10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

(INCLUDING TRANSFER OF FUNDS)

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95–138, $2,241,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make the point of order this is in violation of clause 2, rule XXI of the House, because it proposes to change existing law and constitutes legislation on an appropriation bill.

The CHAIRMAN. Has the gentleman stated exactly what section?

Mr. OBEY. It is section 401.

The CHAIRMAN. Does any other Member desire to be heard on the point of order?

If not, according to the precedent of June 18, 1991, the point of order is sustained. Section 401 will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against section 402 because it proposes to change existing law and again constitutes legislation on an appropriation bill in violation of House rules.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order?

If not, for the reason just stated, according to the precedent of June 18, 1991, the point of order is sustained and that section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 1999 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: *Provided*, That any proposed transfers shall be approved in advance by the Committees on Appropriations.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against section 403 for the same reason as the previous two sections.

The CHAIRMAN. For the same stated reasons, the point of order is sustained and that section, 403, will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 404. No funds made available by this Act shall be used to transmit a fiscal year 2000 request for United States Courthouse construction that (1) does not meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; and (2) does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: *Provided*, That the fiscal year 2000 request shall be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against this section for the same reason.

The CHAIRMAN. Any other Member wishing to be heard on the point of order against section 404 of the bill?

The Chair finds that section 404 is explicitly legislation in an appropriation bill and is, therefore, stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 405. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency which does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92-313).

POINT OF ORDER

Mr. OBEY. Mr. Chairman, again, on section 405, I make a point of order against this provision because it also constitutes legislation on an appropriation bill.

The CHAIRMAN. Any other Members wishing to be heard on the point of order raised by the gentleman from Wisconsin?

If not, the Chair is prepared to rule. The Chair finds that section 405 contains legislative language. The point of order is sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 406. Funds provided to other Government agencies by the Information Technology Fund, General Services Administration, under 40 U.S.C. 757 and sections 5124(b) and 5128 of Public Law 104-106, Information Technology Management Reform Act of 1996, for performance of pilot information technology projects which have potential for Government-wide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, again, the same point of order on section 406 for the same reason.

The CHAIRMAN. Any other Member desiring to be heard on the point of order?

Section 406 constitutes legislation. The point of order is sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 407. From funds made available under the heading "Federal Buildings Fund Limitations on Availability of Revenue", claims against the Government of less than $250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, again, point of order. I make the point of order against section 407 for the same reason. It violates the same clause of the same rule.

The CHAIRMAN. Any other Member wishing to be heard?

If not, for the same reason, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 408. Notwithstanding any other provision of law, the requirement under section 407 of Public Law 104-208 (110 Stat. 3009-337-38), that the Administrator of General Services charge user fees for flexiplace telecommuting centers that approximate commercial charges for comparable space and services but in no instance less than the amount necessary to pay the cost of establishing and operating such centers, shall not apply to the user fees charged for the period beginning October 1, 1996, and ending September 30, 1998, for the telecommuting centers established as part of a pilot telecommuting demonstration program in the Washington, D.C. metropolitan area by Public Laws 102-393, 103-123, 103-329, 104-52, and 104-298: *Provided*, That for these centers in the pilot demonstration program for the period beginning October 1, 1998, and ending September 30, 2000, the Administrator shall charge fees for Federal agency use of a telecenter based on 50 percent of the Administrator's annual costs of operating the center, including the reasonable cost of replacement for furniture, fixtures, and equipment: *Provided further*, That effective October 1, 2000, the Administrator shall charge fees for Federal agency use of the demonstration telecommuting centers based on 100 percent of the annual operating costs, including the reasonable cost of replacement for furniture, fixtures, and equipment: *Provided further*, That, to the extent such user charges do not cover the Administrator's costs in operating these centers, appropriations to the General Service Administration are authorized to reimburse the Federal Buildings Fund for any loss of revenue.

LAND CONVEYANCE, UNITED STATES NAVAL OBSERVATORY/ALTERNATE TIME SERVICE LABORATORY

SEC. 409. (a) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—Not withstanding any other provision of law, the Administrator of General Services shall convey to the University of Miami, by negotiated sale and by not later than September 30, 1999, all right, title, and interest of the United States in and to the property described in paragraph (2).

(2) PROPERTY DESCRIBED.—The property referred to in paragraph (1) is real property in Miami-Dade County, Florida, including improvements thereon, comprising the Federal facility known as the United States Naval Observatory/Alternate Time Service Laboratory, consisting of approximately 76 acres. The exact acreage and legal description of the property shall be determined by a survey that is satisfactory to the Administrator.

(b) CONDITION REGARDING USE.—Any conveyance under subsection (a) shall be subject to the condition that during the 10-year period beginning on the date of the conveyance, the University shall use the property, or provide for use of the property, only for—

(1) a research, education, and training facility complementary to longstanding national research missions, subject to such incidental exceptions as may be approved by the Administrator;

(2) research-related purposes other than the use specified in paragraph (1), under an agreement entered into by the Administrator and the University; or

(3) a combination of uses described in paragraph (1) and paragraph (2), respectively.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions with respect to the conveyance under subsection (a) as the

Administrator considers appropriate to protect the interests of the United States.

(d) REVERSION.—If the Administrator determines at any time that the property conveyed under subsection (a) is not being used in accordance with this section, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

POINT OF ORDER

Mr. HEFLEY. Mr. Chairman, I rise to make a point of order on section 409 of the bill because it violates clause 2 of rule XXI and constitutes legislation on an appropriation bill.

The CHAIRMAN. Are there any Members wishing to be heard on the point of order?

If not, section 409 expressly supersedes existing law with explicitly prescriptive language. As such, it constitutes legislation in violation of clause 2 of rule XXI. The point of order is sustained and that section of the bill is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 410. (a) LAND CONVEYANCE, ARMY RESERVE PROPERTY, RACINE, WISCONSIN.—The Administrator of General Services shall convey, by negotiated sale, to the city of Racine, Wisconsin (in this section referred to as the "City"), all right, title, and interest of the United States in and to the vacant Army Reserve property (including improvements thereon) located at the intersection of 24th and Center Streets in Racine, Wisconsin, for the purpose of permitting the City to use the property as the site of water and wastewater utilities.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Administrator. The cost of any such survey shall be borne by the City.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 410 because it proposes to change existing law, constitutes legislation on an appropriation bill, and violates clause 2 of rule XXI.

The CHAIRMAN. Section 410 does, in fact, as the gentleman has stated, constitute legislation in an appropriation bill. The point of order is sustained and that section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 411. The Administrator of General Services is directed to reincorporate the elements of the original proposed design for the facade of the United States Courthouse, London, Kentucky project into the revised design of the building in order to ensure compatibility of this new facility with the historic U.S. Courthouse in London, Kentucky to maintain the stateliness of the building. Construction or design of the London, Kentucky project should not be diminished in anyway to achieve this goal.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against section 411 for the same reasons as I did for the previous section.

The CHAIRMAN. And for the same reasons the Chair ruled in the previous section, the gentleman is correct and the point of order is sustained and the section 411 will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

ENVIRONMENTAL DISPUTE RESOLUTION FUND

For payment to the Environmental Dispute Resolution Fund to carry out activities authorized in the Environmental Policy and Conflict Resolution Act of 1997, $4,250,000, to remain available until expended, of which $3,000,000 will be for capitalization of the Fund, and $1,250,000 will be for annual operating expenses.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, $25,805,000, together with not to exceed $2,430,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $216,753,000: *Provided*, That the Archivist of the United States is authorized to use any excess funds available, from the amount borrowed for construction of the National Archives facility, for expenses necessary to provide adequate storage for holdings.

AMENDMENT NO. 13 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer amendment No. 13, printed in the July 14, 1998 CONGRESSIONAL RECORD.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. SANDERS: Page 58, line 1, after the dollar amount, insert the following: "(reduced by $2,000,000) (increased by $2,000,000)".

Mr. SANDERS. Mr. Chairman, the purpose of my amendment is to earmark $2 million of the funds appropriated to the National Archives and Records Administration for fiscal year 1999 for the National Personnel Records Center. The funds will enable the records center to modernize its records management system, allowing it to respond to 90 percent of all veterans' records inquiries received from the Veterans Administration within 10 days or less.

This amendment has the endorsement of all of the major national veterans organizations in the United States who recognize the severity of this problem. And the groups that are supporting the Sanders amendment include the Veterans of Foreign Wars, the American Legion, the Disabled American Veterans, the Vietnam Veterans of America, AMVETS, the Reserve Officer's Association of the United States, and the National Officer's Association.

Mr. Chairman, through my work with veterans in the State of Vermont, I have learned that there are frequently very long delays in simply obtaining a veteran's personnel records, which are essential for the Department of Veterans Affairs to offer effective medical assistance or provide benefits. In Vermont, a request for medical records or any detailed request generally takes 4 to 6 months to complete.

And this is not just a Vermont problem, it is a national problem. A veteran comes in and wants his medical records, in order to get health treatment, and he waits 2, 3, 4, 6 months. A veteran comes in to get his medical records, in order to get the benefits that he or she is entitled to, and waits 2, 4, 6 months. This is not the way that we should be treating America's veterans.

Mr. Chairman, America has a commitment to provide our veterans with adequate health care. Reliable access to veterans' personnel records is essential to meeting this commitment. During the wait of 4 to 6 months, in some cases up to a year, little or nothing can be done to assist the veteran, as the personnel records, which are the very basis for any medical or administrative decision, cannot be assessed. A similar situation exists for benefits, as it is impossible for the veteran to make his or her request without this information.

My staff has made calls to many of my colleagues' offices and we have tried to find out if this problem is existing all over this country, and we find that it is. Let me very briefly read from some of the comments made by the service organizations.

The Retired Officer's Association states, and I quote, "Our association frequently assists uniformed services retirees and survivors with disability and other entitlement issues requiring documentation available only at the records center. Sadly, needed compensation is often delayed for months because of the center's antiquated and overwhelmed records management systems. Particularly for survivors and older veterans, unfamiliar with specific personnel documents issued many years ago, this is far too often an extremely frustrating exercise that reflects very poorly on the government."

That is from the Retired Officer's Association. Let me read to my colleagues from the Reserve Officer's Association of the United States.

"We here at the ROA are keenly aware of the difficulties veterans frequently encounter when attempting to obtain copies of documents and their official military records in order to establish their entitlement to veterans benefits. Anything that can be done to expedite the processing time involving these requests will be deeply appreciated by the veterans and their families. The sheer magnitude of the NPRC's operations in St. Louis must be seen to be comprehended."

Let me read from the Military Order of the Purple Heart. "The majority of veterans seeking assistance from the VA has to endure long waiting times for the VA to locate their records, then they have to tolerate further delays if they require additional documentation from the NPRC. In many instances, time is a critical factor, particularly for our older veterans."

Let me read from the National Officer's Association. "We are fully supportive of this effort and, in consideration of the aggravation and additional cost incurred by the Department of Veterans Affairs in addressing problems arising because of the delayed actions in support of veterans' claims, are of the opinion that the modest outlay of $6 million", and, actually, we are only asking for $2 million now for the first year, "would be very helpful."

Veterans of Foreign Wars: Sympathetic to the Sanders amendment. The American Legion: Sympathetic. The Disabled American Veterans: Sympathetic. In other words, the veterans organizations know that it is an outrage that when a veteran asks for help and medical records he or she is delayed 4 to 6 months. I ask for support of this important amendment.

Mr. KOLBE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, if one was inclined to be opposed to this amendment after the impassioned plea of the gentleman from Vermont (Mr. SANDERS), it would be very hard to oppose him.

Mr. Chairman, let me just state for the record that our committee, our subcommittee, has recognized the problem. We have been talking with and working with the Archives. This has been, for a long time, an ongoing problem we have had with the National Personnel Records Center, going back more than 25, almost 30, years, since the great fire took place there and destroyed so many records.

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The Archives is very much committed to changing the way it does its work at the Personnel Records Center, and the key part of that change is going to be the infusion of information technology in the receipt, control, and response to the 1.75 million requests for information it receives on an annual basis. That is going to take place over the next 5 years at a cost of about $6 million. The goal is to be able to have retrieval of information, case retrieval time, in less than 10 days for every individual.

Mr. Chairman, I am not sure that this amendment is required for this coming fiscal year, but I would like to accept the amendment and work with the author and with the ranking member of the minority side and others to try to achieve in conference what we all agree is the goal that we want to achieve.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the chairman and I have discussed this. I am pleased that the chairman is going to accept this amendment.

I want to congratulate the gentleman from Vermont (Mr. SANDERS) who has talked to both the chairman and myself, worked very closely with us. This obviously is a problem. We need to ensure that the records of veterans which are critical for health care purposes, retirement purposes, all sorts of other purposes, are in fact retrieved in a timely fashion. That is not now happening.

The good news is not only that the gentleman from Vermont (Mr. SANDERS) has brought this to our attention, obviously communicated with the veterans' organizations throughout this country and energized them and focused them on how we can solve this problem, but also that Governor Carlin, who is the administrator, relatively new, recognizes that the gentleman from Vermont (Mr. SANDERS) is absolutely correct. This is a problem that needs to be solved, and they are initiating and pursuing that objective.

So I want to congratulate the gentleman from Vermont (Mr. SANDERS) for this initiative. It is a positive one, and I am pleased to join the chairman in supporting it.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Vermont.

Mr. SANDERS. I want to thank the gentleman from Arizona (Mr. KOLBE) and the gentleman from Maryland (Mr. HOYER) for their support for this amendment. We have worked together, and I know they are cognizant of the problems.

The sad fact is that this problem has existed for many, many, many years. The reason that I want the $2 million appropriated right now is that I want to see action take place immediately. As a member of the Committee on Government Reform, we will be watching how well they proceed in getting these records updated and automated and computerized.

So I look forward to working with both gentlemen so that our veterans get a fair shake and we end this bureaucratic nightmare.

Mr. HOYER. Mr. Chairman, I know the gentleman from Vermont (Mr. SANDERS) will be pursuing this. The gentleman is one of the most tenacious and energetic Members of the House, and I know he will be following this very closely to ensure that this objective is accomplished.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not plan on taking 5 minutes. But maybe I can appeal to my colleague. The cause and effect of veterans, not only their records, but the real problem is with their medical care in the first place. I think the gentleman agrees with that. It is a cause and effect. He may not agree with trickle-down economics, but he think he believes in trickle-down problems that come down to the lowest level.

I would ask the gentleman that we have had the Moran and Watts bill help with FEHBP. That is just a Band-Aid right now as it is. The Tricare system is a Band-Aid. Subvention is a Band-Aid. And the veterans are looking for the same benefits that the employees have that if a secretary works over in the Pentagon, when she goes under Medicare, she has got a follow-on program called BEHBP. A military person does not. A veteran does not. And that is wrong.

My bill solved that, and it got rid of all the Band-Aids, but they could not find the funds for it. I think in the future we have need to look at that.

The records are a problem not only with veterans but active duty military, and we are working on that. But I would appeal to my friends, we have less than 24 percent retention in our military today. Most of those people are going to get out and be veterans that are getting out of the service right now.

The OPTEMPO is 300 percent above what it was in Vietnam in Cold War. And our families in the military, people are saying, hey, I cannot handle this with my family and have it, too. If we want to solve both and live under the caps in defense budget and this budget, then we have got to reduce the OPTEMPO of our overseas commitment and we have got to bring our people home. And then we can have the dollars, instead of Haiti and Somalia and Bosnia and all the others, we will have some more dollars to do what we really need not only for our active duty but for our veterans.

I thank the gentleman for his amendment. I think it is very thoughtful, and I support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities and Presidential Libraries, and to provide adequate storage for holdings, $10,450,000, to remain available until expended, of which $2,000,000 is for an architectural and engineering study for the renovation of the Archives I facility and of which $4,000,000 is for encasement of the Charters of Freedom.

National Historical Publications and Records Commission

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, $6,000,000, to remain available until expended.

Office of Government Ethics

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, and the Ethics Reform Act of 1989, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses; $8,492,000.

Office of Personnel Management

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty; $85,350,000; and in addition $91,236,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, United States Code: *Provided further*, That, except as may be consistent with 5 U.S.C. 8902a(f)(1) and (i), no payment may be made from the Employees Health Benefits Fund to any physician, hospital, or other provider of health care services or supplies who is, at the time such services or supplies are provided to an individual covered under chapter 89 of title 5, United States Code, excluded, pursuant to section 1128 or 1128A of the Social Security Act (42 U.S.C. 1320a–7 through 1320a–7a), from participation in any program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.): *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 1999, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $960,000; and in addition, not to exceed $9,145,000 for administrative expenses to audit the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771–775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

Office of Special Counsel

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12), Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles, $8,720,000.

United States Tax Court

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $34,490,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 1999".

TITLE V—GENERAL PROVISIONS

This Act

Sec. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Sec. 503. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

Sec. 504. None of the funds made available by this Act shall be available in fiscal year 1999 for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Department of the Treasury.

Sec. 505. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service, and has, within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year, made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to make a point of order against section 505 because it proposes to change existing law, constitutes legislation in an appropriation bill, and violates clause 2 of rule XXI.

The CHAIRMAN. Do any other Members wish to be heard on the point of order raised by the gentleman from Wisconsin (Mr. Obey)?

If not, the Chair is prepared to rule.

As was stated earlier, under the precedent established June 18 of 1991, this section constitutes legislation in an appropriation bill; and section 505, therefore, will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

Sec. 506. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Buy American Act (41 U.S.C. 10a–10c).

Sec. 507. (a) Purchase of American-Made Equipment and Products.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 508. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 509. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 1999 from appropriations made available for salaries and expenses for fiscal year 1999 in this Act, shall remain available through September 30, 2000, for each such account, and may be transferred to any other Department account, for the purposes authorized: *Provided*, That a request shall be submitted to the Committees on Appropriations for approval prior to the expenditure of such funds: *Provided further*, That these requests shall be made in compliance with reprogramming guidelines.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to make a point of order against section 509 for the same reason as I cited previously.

The CHAIRMAN. The Chair rules that this is considering legislation in an appropriations bill; and, for that reason, the point of order is sustained, and section 509 will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 510. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, unless—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to make the same point of order against section 510.

The CHAIRMAN. The Chair's response is the same as on the last section and the point of order is sustained; and section 510 will, therefore, be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 511. (a) APPOINTMENT AND TERM OF SERVICE OF STAFF DIRECTOR AND GENERAL COUNSEL OF FEDERAL ELECTION COMMISSION.—

(1) IN GENERAL.—The first sentence of section 306(f)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)(1)) is amended by striking "by the Commission" and inserting the following: "by an affirmative vote of not less than 4 members of the Commission and may not serve for a term of more than 4 consecutive years without reappointment in accordance with this paragraph".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to any individual serving as the staff director or general counsel of the Federal Election Commission on or after January 1, 1999, without regard to whether or not the individual served as staff director or general counsel prior to such date.

(b) TREATMENT OF INDIVIDUALS FILLING VACANCIES; TERMINATION OF AUTHORITY UPON EXPIRATION OF TERM.—Section 306(f)(1) of such Act (2 U.S.C. 437c(f)(1)) is amended by inserting after the first sentence the following new sentences: "An individual appointed as a staff director or general counsel to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the individual he or she succeeds. An individual serving as staff director or general counsel may not serve in such position after the expiration of the individual's term unless reappointed in accordance with this paragraph.".

(c) RULE OF CONSTRUCTION REGARDING AUTHORITY OF ACTING GENERAL COUNSEL.—Section 306(f) of such Act (2 U.S.C. 437c(f)) is amended by adding at the end the following new paragraph:

"(5) Nothing in this Act may be construed to prohibit any individual serving as an acting general counsel of the Commission from performing any functions of the general counsel of the Commission.".

POINT OF ORDER

Mrs. MALONEY of New York. Mr. Chairman, I rise to make a point of order against section 511 on page 67, lines 5 through page 68, line 17, on the grounds that it violates clause 2 of rule XXI constituting legislation on a general appropriations bill.

The CHAIRMAN. Do any other Members wish to be heard on the point of order?

If not, the Chair is prepared to rule.

This is direct legislation in the appropriation bill; and, therefore, the point of order is sustained and section 511 will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 512. Hereafter, any payment of attorneys fees, costs, and sanctions required to be made by the Federal Government pursuant to the order of the district court in the case *Association of American Physicians and Surgeons, Inc. v. Clinton*, 989 F. Supp. 8 (1997), or any appeal of such case, shall be derived by transfer from amounts made available in this or any other Act for any fiscal year for "Compensation of the President and the White House Office—Salaries and Expenses".

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to make a point of order against section 512 for the same reasons as I cited previously.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order being raised by the gentleman from Wisconsin (Mr. OBEY)?

If not, for the aforestated reasons, legislation in an appropriation bill, the point of order is sustained; and section 512 will, therefore, be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 513. (a) AUDITS BY THE POSTMASTER GENERAL.—Subsection (e) of section 2008 of title 39, United States Code, is amended to read as follows:

"(e)(1) At least once each year beginning with the fiscal year commencing after the date of enactment of this Act, the financial statements of the Postal Service (including those used in determining and establishing postal rates) shall be audited by the Inspector General or by an independent external auditor, as determined by the Inspector General.

"(2) Audits under this section shall be conducted in accordance with applicable generally accepted government auditing standards.

"(3) Upon completion of the audit required by this subsection, the person who audits the statement shall submit a report on the audit to the Board".

(b) RESULTS OF INSPECTOR GENERAL'S AUDIT TO BE INCLUDED IN ANNUAL REPORT.—Section 2402 of title 39, United States Code, is amended by inserting after the first sentence the following: "Each report under this section shall include, for the most recent fiscal year for which a report under section 2008(e) is available (unless previously transmitted under the following sentence), a copy of such report.".

(c) COORDINATION PROVISIONS.—Subsection (d) of section 2008 of title 39, United States Code, is amended—

(1) by striking "(d) Nothing" and inserting "(d)(1) Except as provided in paragraph (2), nothing"; and

(2) by adding at the end the following:

"(2)(A) Before obtaining any audit or report under paragraph (1), the Postal Service shall give the Inspector General advance written notice of that intention.

"(B) Any exercise of power under paragraph (1) shall be subject to any authority available to the Inspector General in carrying out section 4(a) of the Inspector General Act of 1978.".

(d) EFFECTIVE DATE.—This subsection shall take effect on the date of enactment of this Act.

POINT OF ORDER

Mr. TORRES. Mr. Chairman, I rise to make a point of order against section 513, and I do so because it proposes to change existing laws and constitutes legislation in an appropriations bill and, therefore, violates clause 2 of rule XXI. And I ask for a ruling from the chair.

The CHAIRMAN. Is there any other member wishing to be heard on the point of order being raised by the gentleman from California (Mr. TORRES)?

If not, the Chair is prepared to rule.

The gentleman is correct. This is direct legislation on an appropriations bill. The point of order is sustained, and that provision will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 514. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

AMENDMENT OFFERED BY MS. DELAURO

Ms. DELAURO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. DELAURO:

Strike section 514 (relating to prohibition of FEHB plan coverage for abortions).

Ms. DELAURO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Connecticut?

Mr. SMITH of New Jersey. Reserving the right to object, Mr. Chairman, I inquire of the gentlewoman from Connecticut (Ms. DELAURO), is this a straight-strike amendment?

Ms. DELAURO. Mr. Chairman, if the gentleman will yield, yes, it is.

Mr. SMITH of New Jersey. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentlwoman from Connecticut?

There was no objection.

Ms. DELAURO. Mr. Chairman, this bill provides funding for Federal Employees Health Benefits Program. In the network of health insurance plans for Federal employees, there are approximately 1.2 million women of reproductive age who rely on the FEHBP for their medical care.

Until November, 1995, Federal employees, just like private-sector workers, could choose a health care plan which covered a full range of reproductive health services, including abortion. Approximately one-third of private fee-for-service plans, 30 percent of HMOs do not provide abortion coverage, two-thirds are fee-for-coverage, and 70 percent of HMOs did.

In 1993 and 1994, Congress voted to permit Federal employees to choose a health care plan which covered abortion or to choose one that did not cover abortion. The choice was in the hands of the individual.

According to the American Medical Association, funding restrictions, such as the ones in this bill, make it more likely that women will continue a potentially health-threatening pregnancy to term or undergo abortion procedures that will endanger their health.

Let me take a moment to address a concern raised by some of my colleagues that this amendment will use taxpayer dollars to subsidize abortion. This simply is not the case. Coverage of abortion services in Federal-held plans does not mean that Government or the taxpayer is subsidizing abortion.

Just like private-sector employees negotiating a compensation package, Federal employees agree to work for the Federal Government in return for a salary and a benefits package. That salary and those benefits belong to the employee and not to the Government.

The Federal employee, not Government, chooses the health care plan that best fits the person and that person's family's needs. As an employer, the Federal Government makes a contribution to help pay the premium on that health insurance. The rest of the premium is paid by the employee. The payment that the Government makes is part of that Federal employee's compensation package. It belongs to the Federal employee just as much as the paycheck that is deposited in the bank does.

We would never claim that the paycheck paid to Federal employees is taxpayer money; and, therefore, no Federal employee should be allowed to spend his or her salary to pay for an abortion. Just like the salary, the benefit package belongs to the employee, not the employer. And employees who do not wish to choose a plan with abortion coverage are not required to.

My colleagues on the other side of the aisle speak at length about individual choice and the value of taking decisions out of the hands of Government and returning the power of choice to individuals. Why, then, do they oppose allowing those who serve the public from making their choice of health care plans? Why do we deny these individuals their right to choose?

□ 1445

Mr. Chairman, the antichoice movement in this country has failed to make abortion illegal; therefore, activists are trying to make it more difficult and more dangerous. Singling out abortion for exclusion from health care plans that cover other reproductive health care is harmful to a woman's health. Why not trust the individual rather than mandate a particular point of view of some Members of Congress? This amendment discriminates against women in public service who are denied access to a legal health procedure simply because of who they work for. It has real consequences for real people.

Mr. Chairman, I would like to quickly read a letter written by one of those families.

I have been a Federal employee for 13 years. My husband and I were elated this summer when I became pregnant. I was scheduled for a sonogram at 14 weeks. My husband, mother and sister accompanied me to the ultrasound waiting room because seeing this baby was a big event. The radiologist detected abnormalities and recommended that only my husband be allowed to see the sonogram. The radiologist termed it severe hydrocephalus. We saw an empty skull, termed it incompatible with life. The doctors I saw agreed there was no hope for the fetus, recommended terminating as soon as possible. We were devastated. To compound the tragedy came the news that companies insuring Federal workers are prohibited from covering abortions. In the end we paid a very high fee to have the abortion because the fetal anomaly made the procedure more complicated. My husband and I question whether Congress was implying we were immoral for aborting this fetus in hoping to get pregnant with a healthy child. Our decision was not wanton or frivolous. It was heartbreaking.

My Chairman, talk about giving individuals choices, I urge my colleagues to please give our public servants back this choice. I urge them to support this amendment.

Mr. COBURN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just like to make one medical technical comment: Intrauterine hydrocephalus today is treated, it is treated effectively in all the centers throughout the country. Abortion is not the answer to intrauterine hydrocephalus; a shunt is. We are very successful, we do it routinely, and, in fact, what it sounds like is this Federal employee got terrible advice because, in fact, when I am encountering that same situation, my patients have a shunt placed in their baby while they are still in their mother's womb and do not have hydrocephalus at birth, and, in fact, that, therefore, is not a good example of why we should be doing that.

Mr. SMITH of New Jersey. Mr. Chairman I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the DeLauro amendment. The underlying language I would just say to my colleagues that is in this bill that the DeLauro amendment would gut has been in effect every year except two since the early 1980s and can best be described as the Hyde amendment for the Federal Employees Health Benefits Program. The prolife language in the bill ensures that taxpayers and premium payers do not subsidize abortion on demand, and that very simply is the issue that is before us.

Today we vote on whether the taxpayers will indeed subsidize. That is what it is all about.

As Members probably know, the taxpayers pay more than 73 percent of the total funding of the Federal Employees Health Benefits Program. My colleagues and I, those of us who are part of that program, pay the remaining 27 percent. So the same rationale holds here as in the Hyde amendment. Americans should not be forced to underwrite the cost of destroying unborn babies.

Despite, Mr. Chairman, and I just say this with all due respect to my colleagues on the other side, despite the years of propaganda, despite all of the efforts to sanitize, and the euphemisms, and the masking of abortion, the partial-birth abortion debate has finally stripped the veil off the sordid business of what abortion is all about. Abortion, Mr. Chairman, is violence against children, it is the ultimate human rights abuse, and it tries to purport to be a right, and yet it is violence.

Abortion methods are acts of violence that usually kill the victim, although we are seeing in growing numbers of cases, the most recently the doctor in Phoenix that was trying to destroy a child using partial-birth abortion, and, after slashing and lacerating the child's face, realized the kid, the baby, was so old that he could not continue with it. That is what the defenders of partial-birth abortion have to defend because that is what happens each and every day. Normally they just result in killing the baby with their violent methods.

Some of those methods, as I have said on this floor, and I think it bears repeating until it hopefully gets across to a growing number of people, include dismemberment of an unborn child. Loop-shaped knives called curettes are used to literally hack off the arms, and the legs, and the head, leaving a torso, and the ribs are ripped apart. That is the ugly reality stripped of all the euphemisms of what abortion is all about. It is done routinely, and then the suction machine that is 20 to 30 times more powerful than the average vacuum cleaner takes that bloody pulp of what used to be a baby and puts that baby into a bottle. I do not know how people can defend that.

Chemical abortions, salt abortions, saline salting out, high concentrated salt solutions pumped into the amniotic sac. The baby breaths in that fluid because the organs of respiration are being developed, and it is the amniotic fluid that goes in and out until the actual birth occurs, and swallows and digests, if my colleagues will, through, or absorbs through the lungs that high-concentrated salt; kills the baby usually in about 2 hours, and when the baby emerges after delivery, a very chemically-burned, often very red child emerges, and this is commonplace. This is called the right to choose.

And, of course, as we all know, again very soon when we debate the partial-birth abortion ban, which would be covered if the DeLauro amendment passes, there is nothing whatsoever that would preclude payment under the Federal Employees Health Benefits Program for the partial-birth abortions. And we all remember the big lie that was used to minimize and trivialize the number of those later-term abortions that are done in this country. When that was unmasked, in my own State of New Jersey one clinic was found to be doing 1,500 of those grisly child killings per year, all of a sudden the 500 figure, which Planned Parenthood and the Guttmacher Institute and ZPG and all the other groups were bandying about in letters to my colleagues and to I and to everyone else, and I have copies of the letters, they said that is what the number was. Well, 500 would be a massacre as well, but it is many, many thousands more than that. That could be subsidized and paid for if the DeLauro amendment were to prevail.

The amendment that we have crafted, and I first offered it, JOHN ASHCROFT offered it, did not prevail in the early 1980s. I offered it back, I believe it was in 1983. It has been in effect except for 2 years, and it has said very simply we do not want to be part of subsidizing either through the 70 to 73 percent of our taxpayer portion or as premium payers, those of us who buy our insurance, HMOs, whatever, we do not want to be subsidizing abortion. That is what this is simply all about.

Let me remind Members that in virtually every poll, and I have a whole list of them here, when people are asked do they want to subsidize or have the government pay for abortions, the answer is clearly and unambiguously no.

So I ask Members, and let me remind them there are three exceptions in this amendment: rape, incest and life of the mother. That has been the law for the last couple of years, so I do hope that Members will support the Hyde amendment of the Federal Employees Health Benefits Program. Defeat the DeLauro amendment.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, before I address this particular amendment, I would like to ask the gentleman from New Jersey whether, in fact, in addition to opposing abortion he opposes all kinds of contraception.

I have been working very hard with colleagues on both sides of the aisle, Democrat and Republican, prochoice, prolife, to prevent unintended pregnancies. We have been working with the national campaign on preventing teenage pregnancy to try and promote abstinence, to encourage abstinence upon our young people, to encourage responsibility.

Now I believe the gentleman and the Republican party, in fact, by disallowing my amendment, which would make the Federal employee health plans which are disallowing coverage of abortion also disallowing coverage of contraception, I believe the gentleman also does not believe that the majority of the American people who would like to be able to purchase contraceptives should be able to have contraceptives.

So I think we are mixing up the debate here. The gentleman is talking about the debate next week on so-called partial-birth abortion, but, in fact, in this bill the gentleman does not feel we should cover contraception. So we are telling to all the Federal employees, "No, we are not going to cover abortion, we are not going to pay for abortion, but you know what? We are not going to cover contraception either."

Now I wonder if the gentleman from New Jersey would like to tell that to all the constituents in his district who work for the Federal Government, that, no, we are not going to cover abortion, but we are not going to cover contraception either.

Now it seems to me that there are five established methods of contraception that have been approved by the FDA. Now what we are saying and what we said in our amendment was that the Federal employee should be entitled to have those expenses covered. Now the cost of health care to women is 68 percent higher for women than that of a man, and in fact only 10 percent of the plans cover all of the forms of abortion, and, excuse me, cover all forms of contraception that have been approved. In fact, 81 percent of the plans do not cover the five methods of contraception.

So, my colleagues, I am trying to figure this out. The Republican majority does not want to cover payment for abortion for these women even though the women's health care costs are 68 percent higher, but they do not want to pay for contraception.

I would hope, my colleagues, we could work together to really reduce unintended pregnancies. Let us encourage abstinence, let us encourage responsibility, but it is hard to believe, and I am saying this to the American people, all the women out there, this party does not want to give us a vote on covering of contraception. Does this make any sense?

So I speak in support of my colleague, the gentlewoman from Connecticut (Ms. DELAURO's) amendment because I think that Federal employees with their own money that they have earned should be able to have abortion covered, but I also believe that Federal employees should be able to have the costs of contraception covered. That is only fair.

Mr. TIAHRT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not sure where the gentlewoman got her information from about how the Federal Government health care plans are not covering contraceptives. I had my office contact the Office of Personnel Management, and every health care provider for Federal employees currently provides full prescription coverage for the pill, the predominant method of choice of child-bearing age in this country.

Furthermore, according to the Office of Personnel Management, over 75 percent of all Federal employees currently have coverage which includes all FDA-approved methods. Now those FDA-approved methods or drugs and devices include the pill, the diaphragm, IUDs, Norplant, Depo-Provera and the morning-after abortion pill, and under the proposed amendment, as soon as the FDA would approve the abortion pill, the French abortion pill RU-486, it would also be covered. But currently 75 percent of all Federal employees do have coverage, so to say that they do not have access to contraceptives is misleading to the American public because they do have that opportunity now.

Now I do agree with the gentlewoman that we should encourage abstinence in sexual activity, certainly for minors. Once they are age of adult it is a different thing, but for minors we ought to teach kids abstinence, but when it comes to Federal employees, they have this access to this coverage now.

So I think that we should keep clear from the issue that is in this current amendment by the gentlewoman from Connecticut (Ms. DELAURO). She is striking the area of section 514 which says no funds appropriated by this act shall be available to pay for abortions.

Now there was a reference where she said that this was not about tax dollars paying for abortions, but if I read this again on page 70, section 514, lines 18 and 19, it says no funds approved by this act shall be available to pay for abortions. Well, if it is not funds, not tax dollars, then there is no reason for the amendment because the amendment says that no Federal funds will pay for abortions. So I think there is kind of a disconnect in what was presented in the idea of this amendment and what the reality of the language in the legislation.

Now there was also reference, Mr. Chairman, that the benefit package belongs to the employee and not the employer. Well, I think if my colleagues talk to every small businessman around America who is paying the bill for these health care packages, they believe they have something at stake, and if we talk to any large corporations in the Fortune 500, I believe that they would tell us that their benefit packages, that they have a stake in their benefit packages.

□ 1500

The employer has a stake in the benefit packages. So what you have then in the case of a Federal employee, and I think this is a case that is too often forgotten, Federal employees work for the people of the United States of America, the taxpayers. That is who employ these people. That is who ultimately they have to answer to. They work for the people of the United States of America.

This is a democracy. We are governed by the consent of the governed. Our government exists according to our Declaration of Independence, our Nation's birthright. So I think what we should do is take the temperature from the employer.

What does the employer say about using Federal tax dollars to pay for abortions? In overwhelming numbers, they say do not use tax dollars to fund abortions. Do not use tax dollars to fund abortions. Yet that is what the intent of this legislation is, is to legislate that we would use Federal tax dollars to provide someone else's abortion. I think it is unfortunate that that is what is going on. It goes against the employer, against the will of the American taxpayer. So I think that we ought to defeat this amendment and allow the American taxpayer to be free.

Mr. HEFNER. Mr. Chairman, I move to strike the requisite number of words.

Mrs. LOWEY. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentlewoman from New York.

Mrs. LOWEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to clarify this with the facts. Ten percent of the Federal employee health benefit plans currently do not cover any method of contraception, ten percent. Eighty-one percent of the plans cover some of the methods.

I do not know when the gentleman last had to deal with that issue, but for some women the pill is better than other procedures such as the IUD or diaphragm. It is not up to us to tell that woman which method is better.

So I think it is important to know that 81 percent of the plans do not cover all five of the established methods. Only 1 percent of the plans, I think this is important, do not cover sterilization. I think we owe it to women to give them a broader range of options. I think it is also important to know that when we are talking about contraception we are not talking about RU-486.

So what we are trying to say here with regard to contraception is that the Federal Government should be the model employer. When it comes to private insurance plans, only 50 percent currently cover all five methods of contraception.

So, in conclusion, I think it is very unreasonable, if we are saying to the American people that we are really trying to reduce unintended pregnancies, not to cover the cost of contraception, when women's costs are 68 percent higher than males', and, in fact, contraception is basic health care for women. In this bill, to vote not to cover abortion is your right, but then it seems to me the height of hypocrisy not to cover contraception.

Ms. DELAURO. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Chairman, I just wanted to make a comment to my colleague from Kansas. The Federal Government pays Federal employees' salaries, as well as provides the opportunity for a benefit package. They pay our salary, they pay benefit packages. That is all taxpayer dollars. We often get into that in debate, about "taxpayer dollars."

The fact of the matter is, I do not know that we are assuming that what we would intend to do here is to dictate to people what they could do with their own salaries. That is taxpayer money, as well as taxpayer dollars that may be involved in benefits packages.

The gentleman helped me to make my point, which is you negotiate a package, salary and benefits, and we are now putting ourselves in the position of dictating what people do with their benefits. Not only that, it is not saying that. What we are only saying here is allow the service to be offered in a benefits package. Some offer it, some do not.

My colleague, I know we have had these commentaries over a long period of time, would say to those of us on this side of the aisle, give people the choice. Allow them to select the schools they want their kids to go to, allow them to do what they need to do in their own lives. The Federal Government should stay out of their lives in choice.

They have a range of health packages. They can then make an individual selection, not based on what you think, not based on what I think, but what, in fact, meets the needs of themselves and of their families.

That is essentially what we are talking about here. Allow Federal workers to have that choice. Do not distinguish their benefits from their salary.

Mr. TIAHRT. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman from Kansas.

Mr. TIAHRT. Mr. Chairman, I would just like to say there are large parts of the benefit package, the retirement package, and even some portions of the salary that are outside the control of the employee. It is under the guise of the employer, the taxes that are withdrawn, the way the retirement is invested and the health care provided. So, once again, they have to be subject to the employer.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

PARLIAMENTARY INQUIRY

Mr. MANZULLO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANZULLO. It is the Republican side.

The CHAIRMAN. The ranking minority member of the subcommittee sought recognition.

Mr. MANZULLO. Mr. Chairman, I spoke out of order. I intended to speak on the last amendment, to strike the last word. I would withdraw my comments.

The CHAIRMAN. The gentleman from Maryland (Mr. HOYER) is recognized for 5 minutes.

Mr. HOYER. Mr. Chairman, we confuse salary and Federal employee benefits, health benefits and retirement benefits.

Let me bring this back to what this debate, from my perspective, is all about. First of all, I will tell my friend from Kansas that I presume he means that our employees are self-employed. He references that they work for the taxpayers, apparently not conceiving that they themselves are taxpayers. To that extent, I suppose they work for themselves. My point being that they are taxpayers, they are citizens of this country, and they are due equal consideration, as every other working American is due. It so happens, yes, they are our employees, but they deserve no less respect, no less integrity in their decisions, than any other employee.

Now, let me tell my friend, every employee in America essentially has a compensation package. They may not refer to it as fancifully as that, but they have a compensation package. Most employees, not all, most have at least two components of that compensation package, salary and health benefits.

We know there are a large number of employees that only have one; that is, the salary component. Other employees have, in addition to the salary and the health benefits, a retirement benefit, making it a three-component compensation package. But the fact of the matter is it is all their money, not the employer's, whether the employer be a public sector or private sector employer.

For instance, General Motors. General Motors makes a contract with their employees, and they go and negotiate back and forth. Some employers used to want to have more health benefits in their package and less salary because they pay FICA tax on salary, and it was cheaper to do health costs. As health costs have escalated, they have gone to salary. Because health benefits are too expensive and they are going to HMOs, we are causing the problem we are discussing.

The fact of the matter is that compensation package is the employee's. They made a deal, and they said, "I will spend X number of hours using my talent and effort to accomplish the objectives you, the employer, want to accomplish, and in consideration for my talent and effort, you will compensate me with X number of dollars. Part of those dollars will be paid in salary. I get my check."

Now, if the gentleman from Kansas and the gentleman from New Jersey perceive those as Federal dollars, if those are Federal dollars, those salaries, because they are paid out of exactly the same pot that compensation and retirement are paid out, exactly, there is no distinction, if you perceive that to be Federal dollars, then the Federal employee, unlike every other employee, can only spend their dollars when they go home that they earn in salary as we tell them, as Big Brother, as dictator employer tells them to spend it.

But you make an interesting distinction and say oh, well, they can spend their salary money, which, of course, comes out of the taxpayers' pocket, the way they want; but the part of their compensation package that we pay directly to the insurance, because we have a joint system in which we directly pay the insurer, which makes it cheaper for the employee and cheaper for the employer, so the taxpayer gets a benefit because we put it together, as opposed to giving it directly to the employee and having them purchase it discretely, individually, which would be a lot less efficient and therefore a lot more costly.

I do not know why we look at Federal employees as some second-rate employees in America.

Mr. KENNEDY of Rhode Island. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Rhode Island.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I would like to thank my friend from Maryland for yielding to me. I think this is the crucial point. Are we going to treat Federal employees, public servants of this country, any differently than we treat other American citizens?

As the gentleman will recall, we played this same game with American servicewomen, women who are serving our country in the military, and this majority stripped them of the power to be able to get a safe, legal abortion in overseas medical clinics.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 3 additional minutes.)

Mr. HOYER. Mr. Chairman, I yield to the gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Chairman, the point I want to make is, here these women are serving our country, and, guess what? There is something called the Supreme Court, and it gives us our constitutional rights, and in those constitutional rights is the right to a legal and safe abortion. It is a constitutional right.

These women are defending this country's Constitution, standing on the line defending the right of this country to express itself in freedom. Yet they themselves are being denied their constitutional rights. Just as that happened with the defense bill, now the majority is going after Federal employees.

So it seems to me the only people in this country who are going to be truly denied their constitutional rights are the women who are serving in our Nation's military and our women who happen to be Federal employees.

I would dare say, just to make this one last point, it is interesting here in this Congress, I enjoy seeing my colleagues snicker over here, because 95 percent of the women Members of this United States Congress support the DeLauro amendment, and we are going to say, the men in this House are going to decide whether women have a certain type of reproductive freedom or not.

To me that sounds awfully like gender domination here. If it does not sound like that to you, it would be interesting if men were able to get pregnant and they would have the right, see whether they were going to stand up here and not vote for the DeLauro amendment. When you think about reproductive rights and you think if men had to pay this, and they were denied the same coverage in here, the same outrage we are hearing, but from the women.

Mr. HOYER. Reclaiming my time, I understand what the gentleman is saying. What I am trying to focus us on is abortion is a wrenching question for America. It is a wrenching question for Americans. It is a wrenching, traumatic issue for the individuals involved. It is a wrenching issue for me as a legislator. I will tell you that. I cannot believe I am any different than any other legislator in this body.

□ 1515

What I am saying is, that is not what this is about. It is not about this because Federal employees, like every American, have been guaranteed by the Constitution to choose something that many people believe ought not to be an available choice. I understand that. But they ought not to be treated differently because they are Federal employees, and that is what this is about; not about whether abortion is legal or illegal, not about the wrenching issues brought up by the gentleman from New Jersey, for whom I have a great deal of respect. It is about whether Federal employees will be treated differently than every other employee in America.

Mr. TIAHRT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Kansas.

Mr. TIAHRT. Mr. Chairman, I would like to say, first of all, that no one is questioning the integrity.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 1 additional minute.)

Mr. HOYER. Mr. Chairman, I yield to the gentleman from Kansas, Mr. TIAHRT.

Mr. TIAHRT. Mr. Chairman, I just want to say that no one is criticizing the integrity of Federal employees. We believe that they are people who want to serve this country in that capacity, are good, wonderful people. That is not the issue here. Nor is the issue whether abortion is available to them.

We have a ruling of the Supreme Court that we all live with, and abortions are available to Americans today, and there are health care plans outside the Federal Government that do not pay for abortion services. This is not, we are not treating them separately from other parts of America.

Mr. HOYER. Mr. Chairman, reclaiming my time, I understand the gentleman's perspective, but my point is, no other employees have that prescription on the purchase of their health insurance. Now, employers, the gentleman is correct, may choose a limited policy, I understand that, and the employee may have the choice of only one policy; I understand that. That is the compensation package available to them. Fortunately, in my opinion, for Federal employees, their compensation package is broader as it relates to Federal employee health benefits.

The gentleman is making a distinction between all other employees and Federal employees and, inevitably, because of the gentleman's premise that the premium is being paid by taxpayer dollars as opposed to Federal employee dollars.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the DeLauro-Morella-Moran-Greenwood-Hoyer amendment.

The bottom line in our discussion today is simply that this amendment is going to prevent discrimination against Federal employees and their health care coverage.

It was 3 years ago when Congress voted to deny Federal employees coverage for abortions that were already provided to most of the country's workforce through their health insurance plans. This decision was discriminatory then, and it was another example of Congress chipping away at the benefits of Federal employees and their right to choose an insurance plan that best meets their health care needs.

The coverage of abortion services in Federal health plans would not mean that abortions would be subsidized by the Federal Government, which has been part of this discussion here. Currently, the government simply contributes to the premiums of Federal employees, and in order to allow them to purchase private health insurance, and this contribution, I want to reiterate, is part of the employee benefit package, just like an employee's salary or retirement benefits.

Mr. Chairman, right now, if somebody chose to buy a plan through the Federal employee health benefit plan program, they could not buy it if it covered any abortion services. When one has this amendment in order, someone could choose to buy a plan that does not pay for abortion services. They have their choice. And this is what we are saying. We should not deny Federal employees from having the same choice that most people have in the private sector, because, currently, approximately two-thirds of private fee-for-service health insurance plans and 70 percent, 70 percent of HMOs provide this coverage.

When the ban was reinstated 3 years ago, 178 FEHBP plans, Federal employee health benefit plans, out of 345, offered abortion coverage. Women had the choice to decide whether or not to participate in the plan with it or without it. Thus, an employee who did not choose to have that kind of plan with abortion coverage could do just that. I want to emphasize that. But, unfortunately, Congress denied Federal employees their access to abortion coverage, thereby discriminating against them, treating them differently than the vast majority of private sector employees. Frankly, it is insulting to Federal employees that they are being told that part of their own compensation package is not under their control.

Thousands of Federal employees struggle to make ends meet. Many Federal employees are single parents or the sole wage earners in their families and for them the cost of an abortion would be a significant hardship, interfering with a woman's constitutionally protected right to choose. For these women, the lack of this health coverage could result in delayed abortions occurring later in pregnancy, an outcome that nobody here wants to see.

Mr. Chairman, approximately 1.2 million women of reproductive age rely on the FEHB program for their health coverage; 1.2 million women without access to abortion coverage. Without access, the right to choose is effectively denied.

So I urge my colleagues to support the DeLauro-Morella-Moran-Greenwood-Hoyer amendment to ensure that Federal employees are once again provided their legal right to choose.

Mr. MANZULLO. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I just want to make it very clear to the Members that this is a clear-cut vote on the Hyde amendment for the Federal Employees Health Benefits Program. It is identical in terms of its wording, in terms of its effect, the rape, incest and the life of the mother exceptions are included.

Let me point out that the gentleman from Rhode Island (Mr. KENNEDY) was saying, this is another gift, or not precisely his words, from the Republican majority. Well, I am very glad that my colleagues on the Republican side respect the value and dignity of unborn life and want to protect it in a tangible way, but many of our colleagues on the Democrat side likewise feel the unborn are worthy of respect and that the subsidization of their killing by way of abortion is not something that we can countenance.

When we contribute, as we do, in excess of 70 percent, 73 percent of the money for the Federal Employees Health Benefits Program comes right from the taxpayers. Less than a quarter of it comes from, or a little over a quarter comes from the premium payer. So we are talking about a taxpayer-funded abortion scheme.

The Supreme Court made it very clear in upholding the Hyde amendment that there is a fundamental difference between abortion and all other types of surgeries. Surgeries and health interventions normally are designed to cure and to mitigate disease, to excise a cyst, unless one construes an unborn cyst to be a tumor or a wart to be done away with at will; and, again, the court that actually gave us Roe versus Wade when it upheld the Hyde amendment said there is a fundamental difference between the two.

Let me also remind my colleagues that the Federal service labor management relation statute makes it very clear that there is no collective bargaining over health benefits. It is not permitted in this Federal sector, and whether we like that or not, that is the law. We can prescribe or proscribe certain limitations on what is permitted and what is not under the health benefits program. Those of us who believe that the unborn are worthy of respect, that chemical poisoning and dismemberment is an abuse of that child, it is child abuse in the extreme, and it exploits women, those of us who have that view I believe have every right to stand here and say, do not use my taxpayer dollars, or my premium dollars, to pay for the destruction of that unborn child.

As I said earlier in the debate, there is not a single method employed by the abortionists that is precluded if the DeLauro amendment were to pass. So even partial birth abortions could be subsidized, as well as the suction and all of the other methods that do grotesque things to unborn children.

So I urge Members to realize that, as legislators and lawmakers, I believe we have an affirmative obligation to the weakest and the most vulnerable among us, even when it is inconvenient, even when people stand up and say, oh, you are antiwoman or, you do not care about women's rights. I care about women's rights. I care for women deeply. But I believe that killing unborn baby girls and boys is an act of violence, I say that with all due respect to my friends on the other side, and that birth is an event that happens to all of us. It is not the beginning of life. And that child is deserving of respect and that, at the minimal, we should not be subsidizing the demise of those children.

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, since 1995, 1.2 million federally employed women of childbearing age have been denied coverage of abortion services by their own Federal health insurance plans. And that means that all over the United States these Federal employees have been denied a constitutional right to make the critical choices about their own health. More than half of the Federal health insurance plans offered coverage of abortion services before the 1995 ban; and, currently, two-thirds of private health insurance plans provide abortion coverage to their subscribers.

The gentleman from Kansas (Mr. TIAHRT) and the gentleman from New Jersey (Mr. SMITH) and other proponents of this provision argue that the Federal Government is using tax dollars to pay for Federal health insurance plans. We would argue that that is too much of a stretch, because the Federal health insurance plan is one-third of a benefit package that every Federal employee receives in exchange for their employment, for their work. The three benefits that they get are salary, health insurance and retirement benefits.

Restricting health care on the basis that it is paid for with taxpayer dollars is the same as specifying how a Federal employee can use their paycheck or their retirement savings. To mandate how they can use that money is like telling them what they can buy when they go shopping. This is money that is their money. They earned it. We have no right to tell them after they have earned it how they can spend it.

I heard a while ago from a constituent of mine, I will not reveal her name, but she was forced through an ordeal that none of us would ever want to face. To think that she faces this situation only because she chose a career as a Federal employee is unconscionable, and it should make us ashamed as the people charged with making decisions about the terms of her employment.

After being elated to learn she was pregnant at the age of 36, my constituent was devastated by the information that the fetus she had carried had severe fetal anomalies, anomalies that her doctor termed "incompatible with life." Her physician recommended that she terminate the pregnancy as soon as possible. This procedure is covered by her insurance plan, when medically necessary, for non-Federal employees. Her insurance plan covers it if she was not a Federal employee, but only because she was a Federal employee, only because of the ban we imposed in 1995, she had to pay for this expensive procedure out of her own pocket.

To quote from a letter, "My husband and I question whether Congress is implying that we were immoral for aborting this fetus that had no brain and was virtually a vegetable. I was hoping to get pregnant with a healthy child. We were doing nothing wrong. Our decision was not wanton or frivolous, it was heartbreaking."

For some couples, this cost can be prohibitive, further endangering the future chances of having a healthy pregnancy by delaying it even further until they can get enough money together. What right do we have to intervene in these lives and these kinds of heartbreaking decisions, making these kinds of difficult, moral choices for people we do not know in situations that we do not understand? We have no right.

They earned this money. They have the right to make these kinds of decisions. We cannot predict what complicated, heartbreaking, tragic circumstances these women and families confront. Who are we to make these kinds of moral decisions for them? It is an arrogant abuse of congressional power to do this kind of thing to Federal employees or to anyone.

Mr. Chairman, I urge my colleagues to end this discriminatory practice of denying coverage of necessary health care on the basis of the fact that these people are employed by the Federal Government. Please vote in favor of this amendment.

□ 1530

Mr. WYNN. I move to strike the requisite number of words, Mr. Chairman.

Mr. Chairman, I rise in support of the DeLauro amendment, and cite my objections to the bill as written. On its face, this bill is discriminatory, and worse, it is arbitrary, because it singles out Federal employees for the simple reason that the majority can do it. They can get away with it because they control the Federal employee benefit package. But it is in fact discriminatory against Federal employees.

What the Republicans are trying to say or what the proponents of this bill have tried to say is essentially this, that this is some sort of Federal subsidy of abortion. I respect their opinions on abortion, I respect the fact that they oppose abortion, but this is in no form or fashion a Federal subsidy. What we are talking about here is the right of Federal employees to use their compensation as they see fit to address their own health care needs in a private way.

If these Federal employees were not employed by the Federal Government, if they were in the private sector, they could get insurance, and if they so choose, use that health insurance for an abortion. But because they work in the Federal sector and because folks on the other side of the aisle have the ability to control their health benefits, they are denied this right.

Make no mistake, benefits, health benefits, are part of compensation, just like your salary, your wages. It is compensation for the labor you provide for the United States of America. In that context, when you are compensated for your labor, that compensation belongs to you. It is no longer the taxpayers', any more than your paycheck is the taxpayers'. The paycheck belongs to the Federal employee, the health benefits belong to the Federal employee, and on that basis the Federal employee ought to be able to use them to purchase the health care plan that they so desire.

There are 1.2 million women of reproductive age under the Federal Employees Health Benefit Plan. They ought to have the right to purchase the health care that they want to. That was the case prior to 1995, when my colleagues on that side of the aisle chose to change the law.

I am not here to debate the merits of abortion. That has been resolved by the courts. The courts have said it is a legal procedure. On that basis, 70 percent of private insurers offer this benefit. Because of that, I believe Federal employees ought to have the right to take advantage of that benefit as part of their compensation.

We should not exercise the . . ., as my colleague referred to it, and arbitrary power to inhibit the choices of these women of childbearing age simply because we can. That is really all it amounts to.

They cannot do it for the workers in the Fortune 500 companies who have private insurance. They cannot do it for the workers in any other company in this country that offer private insurance. They do it to Federal employees because they can do it to Federal employees. That is not a matter of a moral judgment on their part, that is a matter of discrimination. . . . It is being done because they can do it to Federal employees.

Mr. SMITH of New Jersey. Mr. Chairman, if the gentleman will yield, I would ask that he rephrase that. There is absolutely no arrogance. Rather, we are trying to manifest our——

Mr. WYNN. Mr. Chairman, I believe I control the time, and I have not yielded.

Mr. SMITH of New Jersey. Mr. Chairman, I ask that the gentleman's words be taken down.

Mr. WYNN. I control the time.

Mr. SMITH of New Jersey. It is not an act of arrogance. I would ask that the gentleman's words be taken down.

Mr. WYNN. I think the gentleman is making a very subjective argument.

The CHAIRMAN. The gentleman will suspend.

The gentleman from New Jersey (Mr. SMITH) has requested that the words of the gentleman from Maryland (Mr. WYNN) be taken down.

The Clerk will report the words.

Mr. WYNN. Mr. Chairman, in the interests of time and in comity, I withdraw the statement regarding arrogance.

The CHAIRMAN. Without objection, the gentleman from Maryland (Mr. WYNN) withdraws that statement.

There was no objection.

Mr. WYNN. Let me conclude, Mr. Chairman, by saying this. It may not be arrogant, but it is certainly capricious, and it is certainly arbitrary to single out Federal employees for different treatment than we could give to any segment of society that happens to receive health insurance.

I hope we would correct this injustice by supporting the DeLauro amendment.

Ms. FURSE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of this bipartisan amendment. This amendment would improve basic health care for women and their families by providing health plans that cover abortion services.

Women serving the Federal Government deserve just the same civil rights as all other American women. The vast majority of American women have private insurance plans that cover the full range of reproductive health services. Men, men who work for the Federal Government, are able to get all the medical services that they need. But unfortunately, this Congress has sought to treat American women who work for the Federal Government as sort of second-class citizens. That is just wrong.

We have heard today about value and dignity. I will say to the Members today and to my colleagues that women's lives have value and dignity. Let us respect them. Let us respect those women, and let us respect the decisions that they make about their health care.

What we need to do is make abortion less necessary, not more difficult and more dangerous for Federal employees. Federal employees do a good day's work. They deserve to be treated as all American women deserve to be treated, with value, with dignity. I urge my colleagues to support the DeLauro-Morella-Moran-Greenwood-Hoyer amendment.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the DeLauro amendment. Several things are clear, or ought to be clear, as we debate this amendment.

First, there is a division in this House, as there is in the country, over the question of the morality of abortions between the people who believe in choice and the people who believe that choice should not be permitted to American women on this question.

Second, it is clear that the Supreme Court has declared that the right of choice for women to have abortions if they wish is a constitutional mandate. We live with that.

Third, it is clear that this bill, without the DeLauro amendment, arrogates to itself the power to tell Federal employees who are women that they cannot choose the abortions if they wish, that they do not have the choice that all other women in America have.

The Federal Employee Health Benefits Program is a negotiated benefit that is part of the compensation package. To say that we will not permit women who are covered by that health benefit package to use their health benefits to pay for abortions, the government will not pay for it, and neither can they, through their health insurance, is the exact equivalent of saying that because the taxpayers pay the salaries of women who work for the Federal Government, we have the right, and the power to exercise it, to say that women who work for the Federal Government may not use their own salaries to pay for abortions. It is the same thing.

As the gentleman from Maryland said, we are doing it because we have the power to do it, whereas we do not have the power under the Constitution, as interpreted by the Supreme Court, to say in other respects that women may not have the right of choice. We should not arrogate this power to ourselves. Someone referred to this as arrogance. I do not know that I would call it arrogance on the part of the authors of the bill, but it would be arrogance on the part of the United States Government if the bill passes in the form it is in.

Let me say one other thing. The Committee on Rules protected every other amendment, but it did not protect from a point of order the provision adopted by the Committee on Appropriations, authored by the gentlewoman from New York (Mrs. LOWEY) that said that Federal employee health benefits must give women the choice of abortions; that a woman must have the ability, Federal employees, to purchase plans that will cover contraception.

So now we would be saying the Federal Employee Health Benefits Program cannot pay for abortions because it is immoral, or we think it is immoral, or some people think it is immoral, and we will not permit it to pay for contraception to reduce the need for abortions.

This is somewhat inconsistent. Some might even say it is little hypocritical. I will not say that, but some might say that. It is certainly inconsistent. It is certainly inconsistent. What is the reason for this? Again, because we can.

Why should it not pay for contraception? Because it is immoral? Does this House think that birth control is immoral, because some religious groups think that it is against their religion? Let those adherents to religious groups refrain from contraception.

Why on God's green Earth should the House of Representatives say that contraception should not be permitted to be paid for by the Federal Employee Health Benefit Program? Because Members want more abortions? Because we want to impose religious doctrines on the American people?

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, I thank my good friend from New York for yielding.

Is the gentleman aware that under the Federal Employees Health Benefits Program, contraception is provided? It is just is not mandated. It is totally permissible. An HMO, a Kaiser Permanente, you name it, if they want to provide contraception, they can.

Mr. NADLER. Reclaiming my time, the point, of course, is that the choice of contraception ought to be the employee's, not the health benefit corporation's. Most health benefit corporations, most health plans in this country, cover contraception. Most Federal employee health benefit plans do not. The choice, obviously, ought to be the purchasers, the women who are the Federal employees who need to use the contraception, not the HMOs or the corporation.

Why would we not say to the corporation, if you are going to provide health benefits for employees, you must have a full range of health benefits, which normally includes contraception? Why did the Committee on Rules say that the provision in the bill that said so is the only provision in this bill not protected from a point of order because of lack of authorization?

Again, I submit, it is because, well, I am not sure why people oppose contraception. It makes no sense. If you want fewer abortions and if you want women to have their rights in this country, then we should protect that right. So I urge the adoption of the DeLauro amendment. I would hope the Lowey provision can get into this bill, too.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the DeLauro amendment. This weekend marks the 150th anniversary of the first women's rights convention in this country. One hundred and fifty years ago on this weekend, women gathered in Seneca Falls, New York, and created a document called the Women's Bill of Rights. Since then, we have worked hard to gain more freedoms and to be sure that our rights are not run over.

We have come a long way since Seneca Falls, but now, in this Congress, I feel that we can no longer make progress. We can only fight to hold onto the hard-earned rights we won in prior Congresses, and in fact, we are losing ground for women. This Congress has acted again and again and again toward the gradual elimination of a woman's right to choose.

Let us put this vote today in perspective. This is the 88th vote either to protect choice or to restore choice that we have taken in this body since the beginning of the 104th Congress. Two years ago Federal employees were prevented from getting health insurance that covers abortions. That was one of the first in a series of setbacks, and it needs to be corrected.

This amendment gives back the right of choice to Federal employees. It does not require anyone to provide coverage or choose coverage for abortions. It simply allows an insurance company to cover abortions, and it allows women to choose those companies. They may still select a company which does not cover abortions. It is all about choice. It is about choice in health care, legal, safe health care. I urge my colleagues to support this amendment to give back to women, Federal employees, their right to choose.

I want to just end by saying that I remember when I received my notice, after the Republican majority passed the law barring a woman's access or right to purchase abortion coverage. It was a chilling moment to see in writing a specific act of this Congress rolling back choice piece by piece for women.

Let us restore choice. Let us vote for the DeLauro amendment.

Mr. OBEY. Mr. Chairman, in hopes that we can end the debate on this issue, I move to strike the requisite number of words.

Ms. DELAURO. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentlewoman from Connecticut.

□ 1545

Ms. DELAURO. Mr. Chairman, we have heard a number of arguments in this debate today. I would just like to briefly remind my colleagues of a few points.

If the language in the bill is allowed to remain, hard-working public servants will be unable to choose health insurance which covers legal, doctor-recommended abortions which are necessary to preserve a woman's health. If this amendment passes, no health plan will be required to offer abortion coverage, no one, no one will be required to choose a health plan which covers abortion. It will be an individual decision.

This is not a question of taxpayer money being used to subsidize abortion. That is not the issue here. The health insurance premiums are earned by the employees of our government every single bit as much as their paycheck. Those premiums, just like the paycheck, belong to the employee, not to the Government and not to the taxpayer.

The American Medical Association tells us that making it more difficult, more expensive for women to access needed abortion leads to more health complications for mothers. This is a question of allowing women to choose a health insurance plan which covers an important aspect of women's health. Under the language in the bill, health insurance plans are not permitted to cover an abortion when the doctor tells the patient that an abortion is needed to preserve the mother's health. This is unacceptable. I urge my colleagues, do not impose your own particular point of view on these good, hard-working public servants. Allow these women to choose for themselves.

Vote to strike this provision and preserve the right of these women to choose.

One final point, this is a bipartisan amendment. I thank my colleagues on both sides of the aisle for participating in this effort.

Mr. SCHUMER. Mr. Chairman, I rise in support of the DeLauro motion to strike. Last night, the House Republican leadership passed a rule that effectively blocked the Lowey provision on contraceptive coverage for federal employees. Today, Ms. DELAURO is attempting to strike the restriction on abortion coverage for those same employees.

This is simple logic. Federal employees should have access to a range of the most common methods of birth control. If we deny them access to contraception—the very means to preventing abortion—then the alternative is to provide access to abortion services.

Nearly 50 percent of pregnancies in this country are unintended—about 30 percent of those occur in marriages—and many of those unintended pregnancies will end in abortion.

To my colleagues who are opposed to abortion, I must ask you: Why prevent Federal employees from having coverage of a range of contraceptive methods? Why not work with us, as Americans want us to do, to be responsible? We should have protected the contraceptive coverage provision in the bill—not kowtowed to the National Right to Life Committee and other groups that equate contraception with abortion. They are extreme, and Americans are tired of their extremism. They, like many of us, are tired of this debate.

Americans want us to work together on solutions. Contraception works. It prevents the need for abortion. We failed the American people last night—let's not repeat that mistake today. Support the DeLauro motion to strike the abortion coverage restrictions. It's the responsible thing to do.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. DELAURO. Mr. Chairman, I demand a recorded vote and, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 498, further proceedings on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO) will be postponed.

The point of no quorum is considered withdrawn.

The Clerk will read.

The Clerk read as follows:

SEC. 515. The provision of section 514 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 515 on the grounds that it constitutes legislation on an appropriations bill.

The CHAIRMAN. Does any other Member wish to be heard on the point of order the gentleman is raising?

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman, I want to remind Members that this is the rape, incest, life of the mother exception that the distinguished gentleman is striking with the point of order.

Mr. OBEY. Mr. Chairman, are we taking editorials on points of order?

The CHAIRMAN. Section 515 has, in fact, been held to constitute legislation on an appropriations bill, and for that reason the point of order is sustained. Section 515 stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 516. (a) None of the funds appropriated by this Act may be expended by the Office of Personnel Management to enter into or renew any contract under section 8902 of title 5, United States Code, for a health benefits plan—

(1) which provides coverage for prescription drugs, unless such plan also provides equivalent coverage for all prescription contraceptive drugs or devices approved by the Food and Drug Administration, or generic equivalents approved as substitutable by the Food and Drug Administration; or

(2) which provides benefits for outpatient services provided by a health care professional, unless such plan also provides equivalent benefits for outpatient contraceptive services.

(b) For purposes of this section—

(1) the term "contraceptive drug or device" means a drug or device intended for preventing pregnancy; and

(2) the term "outpatient contraceptive services" means consultations, examinations, procedures, and medical services, provided on an outpatient basis and related to the use of contraceptive methods (including natural family planning) to prevent pregnancy.

POINT OF ORDER

Mr. TIAHRT. Mr. Chairman, I rise to a point of order against section 516 of the bill.

The CHAIRMAN. The gentleman will state his point of order.

Mr. TIAHRT. Mr. Chairman, this provision violates clause 2 of House rule XXI which prohibits of authorization on an appropriations bill, and I ask that the provision be stricken from the bill.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

The Chair recognizes the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, it is shameful and outrageous that this provision is being removed from the bill. It is shameful and outrageous that the Republican leadership will not allow an open and honest debate on the issue.

The CHAIRMAN. If the gentlewoman from New York (Mrs. LOWEY) would confine her remarks to the point of order being raised, the Chair would be appreciative.

Mrs. LOWEY. Mr. Chairman, it is shameful and outrageous that over a million women covered by the Federal Employee Health Benefit Program will not be covered for the payment of contraception.

The CHAIRMAN. Any other Member wishing to the heard on the point of order?

The Chair is prepared to rule.

The gentleman from Kansas (Mr. TIAHRT) makes a point of order that section 516 of the bill proposes to change existing law in violation of clause 2 of rule XXI. The provision is in the form of a limitation; that is, it proposes a negative restriction on funds in the bill for a specified object. That object is the entry or renewal of a contract lacking specified terms.

One such term is for the provision of benefits for outpatient contraceptive services that are equivalent to any benefits provided for outpatient services provided by a health care professional. As recorded in Deschler's Precedents, volume 8, chapter 26, section 52, even though an amendment in the form of a negative restriction on funds in the bill might refrain from explicitly assigning new duties to officers of the government, if the putative limitation "implicitly requires them to make investigations, compile evidence, or make judgments and determinations not otherwise required other than by law," then it assumes the character of legislation and is subject to a point of order under clause 2 of rule XXI.

The proponent of a limitation, in this instance, the bill originated by the Committee on Appropriations, assumes the burden of proving that any duties imposed by the provision are merely ministerial or are already required by law. The Chair, in this instance, must focus on the implicit requirement in section 516 that the officials who administer the contracts in question must judge the "equivalence" of benefits between specified classes of outpatient services. Absent a showing that those officials are already charged with that responsibility or possessed of that information under current law, the Chair is constrained to conclude that section 516 proposes to change existing law by imposing a new duty or requiring a new determination in violation of clause 2 of rule XXI.

Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1999 shall obligate or expend any such funds, unless such department, agencies, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 602 for the same reason that I cited earlier.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

If not, section 602 applies to funds appropriated in other acts and imposes additional duties on Federal officials in violation of clause 2 of rule XXI. Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 603. Notwithstanding 31 U.S.C. 1345, any agency, department, or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may, in fiscal year 1999 and thereafter, reimburse any Federal employee or any person employed to provide such services for travel, transportation, and subsistence expenses incurred for training classes, conferences, or other meetings in connection with the provision of such services: *Provided*, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 604. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station wagons for which the maximum shall be $9,100: *Provided*, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101-549 over the cost of comparable conventionally fueled vehicles.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 604 for the same reasons cited previously.

The CHAIRMAN. Is there any other Member wishing to be heard on the point of order being raised by the gentleman from Wisconsin? If not, the Chair is prepared to rule.

As the Chair ruled on June 18, 1991, this provision constitutes legislation on an appropriation bill in violation of clause 2 of rule XXI. Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 605. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel, or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-5924.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I raise a point of order against section 605 for the same reason.

The CHAIRMAN. As the Chair ruled on June 18, 1991, this provision constitutes legislation on an appropriation bill in violation of clause 2 of rule XXI. Accordingly, the point of order is sustained. The section is stricken.

The Clerk will read.

The Clerk read as follows:

SEC. 606. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States; (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States; (3) is a person who owes allegiance to the United States; (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence; (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975; or (6) is a national of the People's Republic of China who qualifies for adjustment of status pursuant to the Chinese Student Protection Act of 1992: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in a current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 607. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 608. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order No. 12873 (October 20, 1993), including any such programs adopted prior to the effective date of the Executive order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 608 for the same reason cited before.

The CHAIRMAN. For the same reasons and, accordingly, as has been stated repeatedly, under the precedent that was established on June 18, 1991, the provision does constitute legislation on an appropriation bill. Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 609. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against this section on the same grounds as cited earlier.

The CHAIRMAN. Once again, a June 18, 1991 precedent has been established on this language and this constitutes legislation on an appropriation bill.

Accordingly, the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 610. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 610 for the same reason.

The CHAIRMAN. As has been stated, June 18, 1991, the precedent has been established. Accordingly, the point of order is sustained, and this section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 611. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 611 for the same reason as previously cited.

The CHAIRMAN. According to a precedent of June 18, 1991, the point of order is sustained, and this section of the bill will be stricken from the RECORD.

The Clerk will read.

The Clerk read as follows:

SEC. 612. Funds made available by this or any other Act to the Postal Service Fund (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a and 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 613. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 614. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for fiscal year 1999 by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 614 of the Treasury, Postal Service and General Government Appropriations Act, 1998, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 1999, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 614; and

(2) during the period consisting of the remainder of fiscal year 1999, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 1999 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 1999 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 1998 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 1998, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1998, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 1998.

(f) For the purpose of administering any provision of law (including section 8431 of title 5, United States Code, and any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 615. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations. For the purposes of this section, the term "office" includes the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 615 for reasons previously cited.

The CHAIRMAN. As the Chair has ruled on June 18, 1991, the precedent has been established and this constitutes legislation on an appropriation bill. Accordingly, the point of order is sustained, and this section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 616. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 616 for reasons previously cited.

The CHAIRMAN. Any other Member wishing to be heard on the point of order raised by the gentleman from Wisconsin? If not, the Chair is prepared to rule.

This section waives existing law and constitutes legislation on an appropriation bill. Accordingly, the point of order is sustained and this section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 617. Notwithstanding section 1346 of title 31, United States Code, or section 611 of this Act, funds made available for fiscal year 1999 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order No. 12472 (April 3, 1984).

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 617 for reasons previously cited.

The CHAIRMAN. According to the precedent set on June 18, 1991, the point of order is sustained. This section will be, therefore, stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 618. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 618 for the same reasons.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Section 618 applies to funds appropriated in other acts and imposes additional duties on Federal officials in violation of clause 2 of rule XXI. Therefore, the point of order is sustained, and that section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 619. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1999 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 620. No part of any appropriation contained in this Act may be used to pay for the expenses of travel of employees, including employees of the Executive Office of the President, not directly responsible for the discharge of official governmental tasks and duties: *Provided*, That this restriction shall not apply to the family of the President, Members of Congress or their spouses, Heads of State of a foreign country or their designees, persons providing assistance to the President for official purposes, or other individuals so designated by the President.

SEC. 621. Notwithstanding any provision of law, the President, or his designee, shall certify to Congress, annually, that no person or persons with direct or indirect responsibility for administering the Executive Office of the President's Drug-Free Workplace Plan are themselves subject to a program of individual random drug testing.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 621 for reasons previously cited.

The CHAIRMAN. Any other Member wishing to be heard on the point of order?

If not, the Chair finds that section 621 explicitly supersedes other law. Section 621, therefore, constitutes legislation. The point of order is sustained, and that section is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 622. No funds appropriated in this or any other Act for fiscal year 1999 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: "These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12356; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive order and listed statutes are incorporated into this agreement and are controlling.": *Provided*, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I again make a point of order against section 622 on grounds that it, indeed, constitutes legislation on an appropriation bill and violates clause 2 of rule XXI.

The CHAIRMAN. Does any other Member wish to be heard on the point of order? If not, the Chair is prepared to rule.

The Chair finds that section 622 addresses funds in other acts. Section 622, therefore, does, as the gentleman has stated, constitute legislation. The point of order is sustained, and this section will be stricken from the bill.

The Clerk will read.

□ 1600

The Clerk read as follows:

SEC. 623. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 623 for reasons previously cited.

The CHAIRMAN. As was just stated, the Chair rules that this addresses funds in other acts, and section 623, therefore, does constitute legislation. The point of order is sustained and this portion will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 624. (a) IN GENERAL.—No later than September 30, 1999, the Director of the Office of Management and Budget shall submit to the Congress a report that provides—

(1) estimates of the total annual costs and benefits of Federal regulatory programs, including quantitative and nonquantitative measures of regulatory costs and benefits;

(2) estimates of the costs and benefits (including quantitative and nonquantitative measures) of each rule that is likely to have a gross annual effect on the economy of $100,000,000 or more in increased costs;

(3) an assessment of the direct and indirect impacts of Federal rules on the private sector, State and local government, and the Federal Government; and

(4) recommendations from the Director and a description of significant public comments to reform or eliminate any Federal regulatory program or program element that is inefficient, ineffective, or is not a sound use of the Nation's resources.

(b) NOTICE.—The Director shall provide public notice and an opportunity to comment on the report under subsection (a) before the report is issued in final form.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 624 for the same reasons.

The CHAIRMAN. Any other Members wishing to be heard on the point of order?

If not, the Chair finds that section 624 includes language imparting direction. Section 624, therefore, constitutes legislation. The point of order is sustained and the provision will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 625. None of the funds appropriated by this or any other Act, may be used by an agency to provide a Federal employee's home address to any labor organization, unless the employee has authorized such disclosure or such disclosure has been ordered by a court of competent jurisdiction.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 625 for reasons previously cited.

The CHAIRMAN. Any other Members wishing to be heard?

If not, the Chair finds that section 625 addresses funds in other acts. Section 625, therefore, constitutes legislation. The point of order is sustained and this portion will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 626. The Secretary of the Treasury is authorized to establish scientific certification standards for explosives detection canines, and shall provide, on a reimbursable basis, for the certification of explosives detection canines employed by Federal agencies, or other agencies providing explosives detection services at airports in the United States.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 626 for the same reasons.

The CHAIRMAN. Any other Members wishing to be heard?

If not, the Chair finds that section 626 includes language conferring authority. Section 626, therefore, constitutes legislation. The point of order is sustained. The provision is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 627. None of the funds made available in this or any other Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the Committees on Appropriations.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I make a point of order against section 627 for reasons previously cited.

The CHAIRMAN. Any Members wishing to be heard on the point of order?

If not, the Chair finds that section 627 addresses funds in other acts and, therefore, section 627 constitutes legislation. The point of order is sustained and that provision will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 628. For purposes of each provision of law amended by section 704(a)(2) of the Ethics Reform Act of 1989 (5 U.S.C. 5318 note), no adjustment under section 5303 of title 5, United States Code, shall be considered to have taken effect in fiscal year 1999 in the rates of basic pay for the statutory pay systems.

AMENDMENT OFFERED BY MR. HEFNER

Mr. HEFNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEFNER:

On page 89, beginning on line 12, strike Section 628 in its entirety.

Mr. HEFNER. Mr. Chairman, last evening we had a very contentious debate on the previous question and on the rule on this legislation. It was pretty much of a stretch, but we had something that was passed out to Members from the National Republican Congressional Committee, the gentleman from Georgia (Mr. LINDER), to Democrats, saying:

"We will be watching whether you vote to increase your own pay. National Republican Congressional Committee chairman John Linder issued a strong warning to House Democrats: We will be watching how you vote tonight on the Treasury, Postal Service appropriation rule. Linder said anyone voting against a procedural motion is unequivocally voting to give themselves a pay raise. A raise, Linder noted, would not be taken well by constituents, too many of whom are juggling two jobs trying to make ends meet. If Democrats want to block this motion so they can get a raise, so be it, but tomorrow I guarantee every newspaper in their district will know about it."

Now, I understand politics pretty good. I have been here some 24 years, and pay has always been a contentious issue in this body. We thought we had solved the problem a few years ago when we set in place a procedure that says we would get a cost of living like every other Federal employee. And when we had the last substantial pay raise, the gentleman from Georgia (Mr. NEWT GINGRICH) and Mr. Bob Michel stood in this well before the Democratic caucus and said, look, if everyone will all support this pay raise, it will not be a political issue; we will not bring it up in the elections. And guess what? Two weeks later, in my district, they were accusing me of being a big spender. But that is another story.

If we can make the stretch that voting for a procedural motion could be perceived as voting for a pay raise, I think it is only fair and fitting that Members in this House have a chance to express themselves as to whether they want to accept the raise, a cost of living raise that is in the bill, and take this section out of the bill. Then we will have the same stretch that we can make from the handout of the gentleman from Georgia (Mr. LINDER) that we had voted against a pay raise.

It is unfortunate that these kind of things take place in political campaigns. This, I would not say was hypocritical, but I would say that it is absolutely intellectually dishonest.

Mr. Chairman, I would like to point out another couple of things here. Last year the gentleman from Georgia (Mr. LINDER) voted for the conference report, which contained, incidentally, our cost of living last year. But he voted against the original bill. So he could have it both ways: He could be for it and against it.

So I think the Members should be entitled to have a vote on taking this portion out of this bill, where they can let people know where they stand on a pay raise. It is unfortunate that this has to be, with all the things that we are confronted with, that people have to apologize for what they are paid by the American people when we preside over the biggest corporation in the world. And we get paid far less than rock-and-roll performers, baseball players, or soccer players.

It is unfortunate that this has to be a political football but, Mr. Chairman, I would urge Members to vote for my amendment.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I understand the sentiments expressed by the gentleman from North Carolina. The gentleman from Maryland and I and others on both sides of the aisle in this body have worked very hard over the last couple of years to try to depoliticize the issue of Members' pay. This body did that, as a matter of fact, several years ago when we established a procedure whereby the increases, the cost of living adjustments in the salaries received by Members of this body, would be tied to that of other Federal employees, but with half a percent less than they would get. So we would never get the same amount as another Federal employee was getting.

The idea was to take it out of the process of forcing us to have votes on this one at a time, to have the gut-wrenching vote as to whether or not we should receive a pay increase. That process was established in law and we had, I believe, every hope that that process would work. Unfortunately, Members have realized that the rules of this House permit other ways of getting at a vote on the Members' pay raise, even when there is not really an increase in the pay; that we are talking simply about a cost of living adjustment.

So we have had this process, unfortunately, on this bill for too many years. It does not really belong at all on this legislation. We have had this provision added in on several years which would prevent Members from receiving the cost of living adjustment that other Federal employees have gotten.

In the strongest possible terms I deplore the use of this issue by anybody on either side of the aisle. Members ought to be allowed to consider this in the least politically obtrusive way possible. We ought to be able to consider this on its merits. Unfortunately, when we have Members and it has happened, I would remind the gentleman from North Carolina, on both sides of the aisle in the past who have attacked the cost of living adjustment for Members, it becomes, especially in an election year, a very difficult issue for Members to withstand what they perceive to be the heat that they will receive at home on this issue.

Therefore, this year, it was very clear from the statements that had been made in both the House and the Senate that there was going to be an effort made to make sure that Members did not get a cost of living adjustment. It was the decision of the subcommittee that we simply put that decision into the bill before it got to the floor of the House. And that is why we see this provision in the legislation, and that is why the rule, which was adopted last night, protects this particular provision.

I wish that we did not have to go through this debate. I wish we did not have to have this kind of provision in the legislation but, nonetheless, it is there. It is, I think, the decision of the leadership on both sides of the aisle that we will not subject the Members to a vote on a cost of living adjustment, and I would certainly urge my colleagues to vote against the gentleman's amendment and leave this provision intact in the legislation when it leaves the House of Representatives.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I share the disdain of the gentleman from North Carolina for the scurrilous press release, the totally misleading press release which was issued last night by the Republican Congressional Campaign Committee. Everyone knows that the issue on the rule had nothing whatsoever to do with the congressional cost of living. It had everything to do with our disagreement about the abandoning of the effort to treat as an emergency the Year 2000 computer problems faced by virtually every agency of government, and it had everything to do with the decision of the Committee on Rules to, in effect, knock out the Lowey amendment on family planning.

I make no apology for the fact that the law provides that under normal circumstances, Members of Congress are entitled to a cost of living adjustment in their pay on an annual basis, minus one-half percent below the amount that has been given to other workers in this society in the previous year. That is what the formula provides. That formula provides that Members' salaries will be whatever private sector workers have received in the previous year minus one-half percent. That is simply a short COLA. I make no apology for that. I think that is a rational approach.

But to make clear how phony that press release was, I would urge Members to vote against the amendment offered by the gentleman from North Carolina. I appreciate the fact that he has given us the opportunity to make clear that that press release last night was totally off base and totally scurrilous, but I would simply say that those Members who are truly concerned about trying to prevent a COLA from taking place for Members, now is their chance; they can vote against this amendment and they will accomplish that fact.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I wish to say that the gentleman from Arizona (Mr. KOLBE) is one of the fairest in this Congress. I want to go on record saying that. But when he says the leadership made an agreement, the leadership went back on their agreement when they put out this press release threatening people that they are going to go to their local newspapers and say they voted for a pay raise when the pay raise was in the entire bill.

Let me urge my colleagues, if they want to vote against a pay raise, they should vote against my amendment. But if they think they are worth the money, and they think they are doing the business for their constituents, they should vote for my amendment. Those that we are talking about, that want to be on record as voting against a pay raise, they should vote against my amendment.

☐ 1615

Mr. OBEY. Mr. Chairman, I simply want to say, this reminds me of an event that occurred a number of years ago when we were asked by the Reagan administration to vote for the IMF increase on this side of the aisle; and when we did, the Republican Congressional Campaign Committee then demagogued us and put out press releases attacking us for doing what the leader of their party asked us to do. I think the press release last night was just as unfair.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, to correct one thing that the gentleman from North Carolina (Mr. HEFNER) said I think in interpreting my remarks, my comment about the leadership agreement applied to the agreement that we reached last year.

There was an attempt made to reach an agreement this year on the issue of the COLA. Since it was not reached, we agreed to put in the prohibition. There was no other agreement beyond that about what would or would not be said this year by anybody on the other side.

Mr. OBEY. Mr. Chairman, reclaiming my time, I would simply again urge Members to make the situation and to make the facts as opposed to the propaganda perfectly clear, that we vote against the Hefner amendment. I thank the gentleman for offering it, and I thank the chairman of the subcommittee for accurately stating the situation.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank the gentleman from North Carolina (Mr. HEFNER) for offering this amendment. My experience has been, in the some 30-plus years that I have been in public office, that the constituents with whom I deal hate most hypocrisy. They can disagree with me from time to time, and they do, but it is when they know, and hopefully it does not happen very often, hopefully never, that I am saying something that I do not believe, that I am voting a way I do not act.

In 1989, this body, in a bipartisan way, with the leadership of the present Speaker, the then Speaker Tom Foley, the gentleman from Wisconsin (Mr. OBEY), the gentleman from California (Mr. FAZIO), many others, Mr. Michel in particular, I think even the presiding officer presently came together and said that we need to have a system that we believe is fair and the public will believe is fair.

We, at that point in time, for those Members who are new and do not recall, could take 30 percent of our salary from private-sector interests to enhance our salary. It was called honoraria.

I did not think that was right. This body did not think it was right and good policy. And we changed that. And in changing that, we said, we are going to set in place a system that will attempt to fairly reflect a salary that will, in effect, stay level. Because that is what cost of living is, of course, staying level, staying even. So that costs increase and salaries increase across the board, we escalate Social Security by a cost-of-living adjustment so that the value of the receipt of Social Security is approximately the same.

And so we did that. But as the gentleman from Wisconsin (Mr. OBEY) has correctly pointed out, we said that we are going to take the economic cost index, ECI, the private-sector wage information, determine what that average salary increase is, and we will then deduct half a point from that so that we will be getting less than that average in the private sector and adjust our salaries by that number.

Now, is it a raise? Yes, of course it is an increase. But is it a real raise? No, it is not. It is a staying even with the economy. That was, in my opinion, an honest, rational, common-sense approach. Members voted on that reform on this floor in public on the record at 4 in the afternoon, full light of day. And we did it before an election. And we said that that would not go into effect until we were reelected. In other words, we did not take it at that point in time.

And, in fact, I believe that every Member who sought re-election that was reelected, or even defeated, was not done so because of that provision. That is to say, citizens understood that. They thought it was fair. In fact, they thought it was reform and common cause, and many other citizens organizations endorsed it.

Now, for a number of years after passing that, we did in fact follow without debates; and if Federal employees and if private sector got a cost-of-living adjustment, we got a cost-of-living adjustment. It was not a controversial item among the citizens in America. They understand that that is what, for the most part, they would like in their jobs and, for the most part, they get in their jobs.

We have, however, always been inclined to demagogue the institution and demagogue one another on institutional issues. That is a shame. It is a shame because it brings disrespect on this institution and disrespect on the individual Members.

Now, is that bad for the individuals? Of course. But, much worse, it is bad for America to lose faith and trust in its Members, who somehow give the impression that they are taking something that is either undeserved or unearned.

I would hope that every Member on the majority side, as I will tell my colleagues on my side, will tell the gentleman from Georgia (Mr. LINDER), this is not good policy. It may be good politics. It may adopt the premise of the Speaker that politics is war. But it is lousy public policy. It is demagoguery of the worst type.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 2 additional minutes.)

Mr. HOYER. Mr. Chairman, in point of fact, it was also dishonest. Because, as the gentleman from Wisconsin (Mr. OBEY) has pointed out, the vote yesterday was not on this issue; it was, in fact, on issues of import which we have debated on this floor at some length and was on the issue of whether or not we were going to fund in this bill the fixing of computers in the Federal Government so that they would be compatible with the change of the century.

Those were substantive issues. They have both been struck on this floor today by one Member because of the rule we adopted. I regret that it appears that the rule was specifically fashioned to facilitate this kind of demagoguery, this kind of threat, this kind of intimidation on the Members of this House.

Now, as every Member knows, I have been for this process and have been sometimes among 20 people, 30 people voting for the cost-of-living adjustment because I thought the American public deserved an honest response. The American public is not surprised that when we vote on this, sometimes half, maybe sometimes two-thirds, vote against the cost-of-living. And the American public is not surprised when, guess what, almost every Member who voted no on the ECI takes the money, takes the money, leading to further disrespect for this institution and the individual Members who they thereby perceive as dishonest with them.

I love this institution and respect it. It is in fact the people's House. But if we do not respect ourselves, if we do not respect this institution, we cannot expect the American public to respect us or this institution.

I am going to vote no on this amendment, which will probably be the first time since I have served in this body that I have voted against the cost-of-living adjustment. The reason I am going to vote against it is because I do not want to flimflam the public. We reported this out because it was the perception of the chairman and mine that this issue had been so politicized and would be so politicized that it would lead to further undermining of this institution's credibility.

But I want everyone to know that I am for the ECI. I think it ought to go into effect. Because I believe that was a reform that was good for America and this institution and was fair and honest.

I thank the gentleman for offering this amendment so that no one will be confused by the gentleman from Georgia (Mr. LINDER) or anybody else.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. And I realize that very few other people will support this amendment today, but I think it is important that some do.

I want to first commend the author of the amendment, and I want to commend the gentleman from Maryland (Mr. HOYER) for the very elegant statement that he just made. This issue has called forth much lack of candor over the years. And it is easy in a campaign to go say, "my opponent voted for a pay increase for himself."

As the chairman of the subcommittee and the ranking member both said, back in 1989, with support from all groups in this House, from both parties, from the leadership, from the present Speaker, a decision was made to take this issue out of politics and to serve it in a responsible way so that Members of the House and the Senate would get paid responsibly so that future increases would only be cost-of-living increases; and then, in return for foregoing the opportunity of earning money outside the salary of the Members of the House, they would be guaranteed a cost-of-living increase like other Federal employees, like most employees of major corporations in this country, with one difference, a half a percent less than the actual cost-of-living increase that everybody else gets. And this would be done automatically so we would not have the demagogic attacks on votes every year.

For those last few years, we have had those demagogic attacks because people have figured out ways of getting votes to the floor.

Now, in the absence of this amendment, there would not be a vote on the floor. Yet we have a demagogic attack on a different vote as if it were a vote on this. The fact is, with every election cycle, a greater proportion of the membership of this House are millionaires.

If we want ordinary men and women to continue to serve in this House, we have to allow the salary to increase with the cost of living, as all other Federal salaries do, as most government salaries do, as we should certainly want all salaries in the private sector to do.

So I do not expect or ask that many people vote for this amendment today. Because the real purpose of this amendment is to undo the political mischief that was done by that dishonest and demagogic press release that was talked about a few minutes ago.

The real purpose of this amendment is to enable a straight up-or-down vote on this cost-of-living increase in which most Members, because the judgment has been made that the political atmosphere is too poisoned to permit it this year, most Members will vote no.

Mr. DELAY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Texas.

Mr. DELAY. Mr. Chairman, I appreciate the gentleman yielding.

I was down in my office meeting with some constituents and I noticed that the gentleman from Maryland (Mr. HOYER) got up and spoke, and so I turned on my television.

I have got to tell my colleagues, I came down to the floor to associate myself with the comments of the gentleman from Maryland in many ways, maybe not all of them. But I do love this institution, as the gentleman from Maryland does.

I think that there is too much attack on this institution and its Members. It greatly disturbs me when Members and the media and otherwise claim that there is corruption in this Chamber. I have many times come down to this floor and challenged people that said there is corruption in this Chamber to show me and name the corruption that is in this Chamber.

And I, too, have voted for cost-of-living increases, and I am for them, and I think it is very important. In order to maintain the integrity of this body and making sure that Members can take care of their families in a reasonable way that reflects their abilities, we should be very, very careful when we attack this institution in this regard.

So I appreciate the gentleman from New York (Mr. NADLER), and I appreciate the gentleman from Maryland (Mr. HOYER).

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I simply would ask the gentleman from Texas (Mr. DELAY) who just spoke, I am happy to hear he loves this institution. My question is, does he love it enough to tell the chairman of his campaign committee that he ought to quit issuing misleading press releases about this issue?

□ 1630

Mr. NADLER. Reclaiming my time, Mr. Chairman, I would simply say that I would hope in the future, and, as I said, I plan to vote for this amendment, I do not expect to urge many others to do so, but I think some of us should. But I hope in the future, whoever is in charge of the committee and the leadership of this House, that when this bill comes to the floor next year and the year after and the year after, and it provides for the cost of living increase.

The CHAIRMAN. The time of the gentleman from New York (Mr. NADLER) has expired.

(By unanimous consent, Mr. NADLER was allowed to proceed for 1 additional minute.)

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I want to make it clear the gentleman said "this bill." This bill does not provide for any pay raise or cost of living adjustment for Members, with or without this provision. This provision prohibits what is provided for in the law that was passed in 1989 from going into effect so that when the bill comes those who demagogue the bill for being a pay raise are absolutely incorrect.

I know what the gentleman meant; I just wanted to clarify that.

Mr. NADLER. Mr. Chairman, I appreciate the clarification.

Let me simply express the hope that next year and the year after the cost of living increase is permitted to go into effect in the way it was intended without a specific piece of legislation or a vote and that the rule provides that an amendment that would come on the floor should not be permitted because otherwise the entire purpose of the 1989 law is nullified, and if we want this House gradually to become the House of millionaires that ordinary men and women do not run for, that is a good way to do it, and we should not permit that.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words for just a moment.

Mr. Chairman, I must say that as I sat in my office watching this discussion on television, I could not help but be moved to come and at least have my voice be heard in connection with the proposal being made by my colleague, the gentleman from North Carolina (Mr. HEFNER).

I must say that in the years that I have been in this body, I have seen on more than one occasion on both sides of the aisle a propensity to demagogue both salary adjustments as well as benefits for the Members of this House. It is most disconcerting to me that people would, on either side of the aisle, ever play politics for the sake of politics on issues such as this.

I am particularly disconcerted by this pattern because it has dramatically impacted over the years a number of younger Members who are serving very well in this body, who, because upon arriving here with young children, otherwise unaware of the incredible cost of living in this region and maintaining residence at home, et cetera, found themselves leaving the body long before their service was well completed.

It does not serve the body well or the American public well to simply demagogue an issue like this because somebody thinks it may be votes at home for someone that they might choose. I have never seen this issue make a difference in a significant congressional race, but people love to demagogue it.

Mr. Chairman, I not only applaud my colleague, the gentleman from North Carolina (Mr. HEFNER), I intend to support his position. I would urge as many Members in the House on both sides of the aisle who can stand the heat to do so as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. HEFNER).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. KOLBE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 498, further proceedings on the amendment offered by the gentleman from North Carolina (Mr. HEFNER) will be postponed.

The Clerk will read.

The Clerk read as follows:

SEC. 629. No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, back to the old business, I make a point of order against section 629 for reasons previously cited, ad nauseam ad nauseam.

The CHAIRMAN. Does any Member wish to be heard on the point of order that has just been raised by the gentleman from Wisconsin (Mr. OBEY)?

If not, the Chair finds that section 629 addresses funds in other acts, and section 629, therefore, constitutes legislation.

The point of order is sustained, and section 629 will, therefore, be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 630. None of the funds appropriated in this or any other Act shall be used to acquire information technologies which do not comply with part 39.106 (Year 2000 compliance) of the Federal Acquisition Regulation, unless an agency's Chief Information Officer determines that noncompliance with part 39.106 is necessary to the function and operation of the requesting agency or the acquisition is required by a signed contract with the agency in effect before the date of enactment of this Act. Any waiver granted by the Chief Information Officer shall be reported to the Office of Management and Budget, and copies shall be provided to Congress.

SEC. 631. None of the funds made available in this Act for the United States Customs Service may be used to allow the importation into the United States of any good, ware, article, or merchandise mined, produced, or manufactured by forced or indentured child labor, as determined pursuant to section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

SEC. 632. Notwithstanding any other provision of law, no part of any funds provided by this Act or any other Act beginning in fiscal year 1999 and thereafter shall be available for paying Sunday premium pay to any employee unless such employee actually performed work during the time corresponding to such premium pay.

SEC. 633. No part of any appropriation contained in this or any other Act shall be available for the payment of the salary of any officer or employee of the Federal Government, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any other officer or employee of the Federal Government from having any direct oral or written communication or contact with any Member, committee, or subcommittee of the Congress in connection with any matter pertaining to the employment of such other officer or employee or pertaining to the department or agency of such other officer or employee in any way, irrespective of whether such communication or contact is at the initiative of such other officer or employee or in response to the request or inquiry of such Member, committee, or subcommittee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any other officer or employee of the Federal Government, or attempts or threatens to commit any of the foregoing actions with respect to such other officer or employee, by reason of any communication or contact of such other officer or employee with any Member, committee, or subcommittee of the Congress as described in paragraph (1).

SEC. 634. Section 404(a) of the Government Management Reform Act of 1994 is amended by striking the period at the end of paragraph (2) and inserting "; and", and by adding at the end the following paragraph:

"(3) the Inspector General Act of 1978 (5 U.S.C. App.).".

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point or order.

Mr. OBEY. Mr. Chairman, I make a point of order against section 634 for reasons previously cited.

The CHAIRMAN. Is there any other Member wishing to be heard on the point of order that is being put forward by the gentleman from Wisconsin (Mr. OBEY)?

If not, the Chair finds that section 634 directly amends other law. Section 634, therefore, constitutes legislation, and the point of order is sustained, and section 634 will, therefore, be stricken from the bill.

Mr. CALLAHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rose a few weeks ago before we went on recess to give indication that I had a very serious problem with the Customs Department regarding a ruling that had to do with soft lumber from Canada. I told the Customs Department that unless some action were taken, either yes or no, that I intended to offer an amendment reducing their appropriation.

Mr. Chairman, I am happy to tell those of my colleagues, especially the members of the Forestry 2000, who incidentally very generously had agreed each to give me 5 minutes to talk about the demerits of this bill unless Customs did something, so I was intending to speak for 8 hours on this bill, and thanks to the wisdom of the Customs Department who issued the ruling that very same day, no longer will my colleagues be subjected to that misfortune of having to listen to me for 8 hours.

So, as a result of Customs' brilliance and as a result of their decision, I am happy to tell my colleagues that I now support the bill, and I would urge my colleagues at the appropriate time to vote in favor of this bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 635. Notwithstanding section 611 of this Act and notwithstanding section 1346 of title 31, United States Code, funds made available for fiscal year 1999, by this or any other Act shall be available for the interagency funding of specific projects, workshops, studies, and similar efforts to carry out the purposes of the National Science and Technology Council (authorized by Executive Order No. 12881), which benefit multiple Federal departments, agencies, or entities.

POINT OF ORDER

Mr. SMITH of New Jersey. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point or order.

Mr. SMITH of New Jersey. Mr. Chairman, I make a point of order against section 635 of the bill. It violates clause 2 of rule XXI.

The CHAIRMAN. Does any other Member wish to be heard on section 635?

If not the Chair is prepared to rule.

Section 635 explicitly supersedes other law and applies to funds in other acts. The point of order is sustained, and the section is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 636. Section 626(b) of the Treasury, Postal Service, and General Government Appropriations Act, 1997, as contained in section 101(f) of Public Law 104–208 (110 Stat. 3009–360), the Omnibus Consolidated Appropriations Act, 1997, is amended to read as follows:

"(b) Until the end of the current FTS 2000 contracts, or September 30, 1999, whichever is sooner, subsection (a) shall continue to apply to the use of the funds appropriated by this or any other Act.".

SEC. 637. (a) DEFINITIONS.—In this section—

(1) the term "crime of violence" has the meaning given that term in section 16 of title 18, United States Code; and

(2) the term "law enforcement officer" means any employee described in subparagraph (A), (B), or (C) of section 8401(17) of title 5, United States Code; and any special agent in the Diplomatic Security Service of the Department of State.

(b) RULE OF CONSTRUCTION.—Notwithstanding any other provision of law, for purposes of chapter 171 of title 28, United States Code, or any other provision of law relating to tort liability, a law enforcement officer shall be construed to be acting within the scope of his or her office or employment, if the officer takes any action, including the use of force, that is determined by the officer to be necessary to—

(1) protect an individual in the presence of the officer from a crime of violence;

(2) provide immediate assistance to an individual who has suffered or who is threatened with bodily harm; or

(3) prevent the escape of any individual who the officer reasonably believes to have committed in the presence of the officer a crime of violence.

SEC. 638. The Administrator of General Services may provide, from government-wide credit card rebates, up to $3,000,000 in support of the Joint Financial Management Improvement Program as approved by the Chief Financial Officer's Council.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, I make a point of order against section 638 for reasons previously cited.

The CHAIRMAN. Does any other Member wish to be heard on the point of order being raised by the distinguished gentleman from Wisconsin?

If not, the Chair is prepared to rule.

The Chair finds that section 638 includes language conferring authority. Therefore it constitutes legislation. The point of order is sustained, and section 638 is, therefore, stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 639. FEDERAL FIREFIGHTERS OVERTIME PAY REFORM ACT OF 1998.—(a) Subchapter V of chapter 55 of title 5, United States Code, is amended—

(1) in section 5542 by adding the following new subsection at the end thereof:

"(f) In applying subsection (a) of this section with respect to a firefighter who is subject to section 5545b—

"(1) such subsection (a) shall be deemed to apply to hours of work officially ordered or approved in excess of 106 hours in a biweekly pay period, or, if the agency establishes a weekly basis for overtime pay computation, in excess of 53 hours in an administrative workweek; and

"(2) the overtime hourly rate of pay is an amount equal to one and one-half times the hourly rate of basic pay under section 5545b (b)(1)(A) or (c)(1)(B), as applicable, and such overtime hourly rate of pay may not be less than such hourly rate of basic pay in applying the limitation on the overtime rate provided in paragraph (2) of such subsection (a)."; and

(2) by inserting after section 5545a the following new section:

"§ 5545b. Pay for firefighters

"(a) This section applies to an employee whose position is classified in the firefighter occupation in conformance with the GS–081 standard published by the Office of Personnel Management, and whose normal work schedule, as in effect throughout the year, consists of regular tours of duty which average at least 106 hours per biweekly pay period.

"(b)(1) If the regular tour of duty of a firefighter subject to this section generally consists of 24-hour shifts, rather than a basic 40-hour workweek (as determined under regulations prescribed by the Office of Personnel Management), section 5504(b) shall be applied as follows in computing pay—

"(A) paragraph (1) of such section shall be deemed to require that the annual rate be divided by 2756 to derive the hourly rate; and

"(B) the computation of such firefighter's daily, weekly, or biweekly rate shall be based on the hourly rate under subparagraph (A).

"(2) For the purpose of sections 5595(c), 5941, 8331(3), and 8704(c), and for such other purposes as may be expressly provided for by law or as the Office of Personnel Management may by regulation prescribe, the basic pay of a firefighter subject to this subsection shall include an amount equal to the firefighter's basic hourly rate (as computed under paragraph (1)(A)) for all hours in such firefighter's regular tour of duty (including overtime hours).

"(c)(1) If the regular tour of duty of a firefighter subject to this section includes a basic 40-hour workweek (as determined under regulations prescribed by the Office of Personnel Management), section 5504(b) shall be applied as follows in computing pay—

"(A) the provisions of such section shall apply to the hours within the basic 40-hour workweek;

"(B) for hours outside the basic 40-hour workweek, such section shall be deemed to require that the hourly rate be derived by dividing the annual rate by 2756; and

"(C) the computation of such firefighter's daily, weekly, or biweekly rate shall be based on subparagraphs (A) and (B), as each applies to the hours involved.

"(2) For purposes of sections 5595(c), 5941, 8331(3), and 8704(c), and for such other purposes as may be expressly provided for by law or as the Office of Personnel Management may by regulation prescribe, the basic pay of a firefighter subject to this subsection shall include—

"(A) an amount computed under paragraph (1)(A) for the hours within the basic 40-hour workweek; and

"(B) an amount equal to the firefighter's basic hourly rate (as computed under paragraph (1)(B)) for all hours outside the basic 40-hour workweek that are within such firefighter's regular tour of duty (including overtime hours).

"(d)(1) A firefighter who is subject to this section shall receive overtime pay in accordance with section 5542, but shall not receive premium pay provided by other provisions of this subchapter.

"(2) For the purpose of applying section 7(k) of the Fair Labor Standards Act of 1938 to a firefighter who is subject to this section, no violation referred to in such section 7(k) shall be deemed to have occurred if the requirements of section 5542(a) are met, applying section 5542(a) as provided in subsection (f) of that section: *Provided*, That the overtime hourly rate of pay for such firefighter shall in all cases be an amount equal to one and one-half times the firefighter's hourly rate of basic pay under subsection (b)(1)(A) or (c)(1)(B) of this section, as applicable.

"(3) The Office of Personnel Management may prescribe regulations, with respect to firefighters subject to this section, that would permit an agency to reduce or eliminate the variation in the amount of firefighters' biweekly pay caused by work scheduling cycles that result in varying hours in the regular tours of duty from pay period to pay period. Under such regulations, the pay that a firefighter would otherwise receive for regular tours of duty over the work scheduling cycle shall, to the extent practicable, remain unaffected.".

(b) The analysis for chapter 55 of title 5, United States Code, is amended by inserting at the appropriate place the following new item:

"5545b. Pay for firefighters.".

(c) Section 4109 of title 5, United States Code, is amended by adding the following new subsection at the end thereof:

"(d) Notwithstanding subsection (a)(1), a firefighter who is subject to section 5545b of this title shall be paid basic pay and overtime pay for the firefighter's regular tour of duty while attending agency sanctioned training.".

(d) section 8331(3) of title 5, United States Code, is amended—

(1) by striking "and" after subparagraph (D);

(2) by redesignating subparagraph (E) as subparagraph (G);

(3) by inserting the following:

"(E) with respect to a criminal investigator, availability pay under section 5545a of this title;

"(F) pay as provided in section 5545b (b)(2) and (c)(2); and "; and

(4) by striking "subparagraphs (B), (C), (D), and (E)" and inserting "subparagraphs (B)–(G)".

(e) The amendments made by this section shall take effect on the first day of the first applicable pay period which begins on or after the later of October 1, 1998, or the 180th day following the date of enactment of this section.

(f) Under regulations prescribed by the Office of Personnel Management, a firefighter subject to section 5545b of title 5, United States Code, as added by this section, whose regular tours of duty average 60 hours or less per workweek and do not include a basic 40-hour workweek, shall, upon implementation of this section, be granted an increase in basic pay equal to 2 step-increases of the applicable General Schedule grade, and such increase shall not be an equivalent increase in pay. If such increase results in a change to a longer waiting period for the firefighter's next step increase, the firefighter shall be credited with an additional year of service for the purpose of such waiting period. If such increase results in a rate of basic pay which is above the maximum rate of the applicable grade, such resulting pay rate shall be treated as a retained rate of basic pay in accordance with section 5363 of title 5, United States Code.

(g) Under regulations prescribed by the Office of Personnel Management, the regular pay (over the established work scheduling cycle) of a firefighter subject to section 5545b of title 5, United States Code, as added by this section, shall not be reduced as a result of the implementation of this section.

COORDINATION OF SOUTHWEST BORDER COUNTERDRUG ACTIVITIES

SEC. 640.—(1) Not later than 180 days after the date of enactment of this Act, the Director of the Office of National Drug Control Policy shall conduct a review of Federal efforts and submit to the appropriate congressional committees, including the Committees on Appropriations, a plan to improve coordination among the Federal agencies with responsibility to protect the borders against drug trafficking. The review shall also include consideration of Federal agencies' coordination with State and local law enforcement agencies. The plan shall include an assessment and action plan, including the activities of the following departments and agencies:

(A) Department of the Treasury;

(B) Department of Justice;

(C) United States Coast Guard;

(D) Department of Defense;

(E) Department of Transportation;

(F) Department of State; and

(G) Department of Interior.

(2) The purpose of the plan under paragraph (1) is to maximize the effectiveness of the border control efforts in achieving the objectives of the national drug control strategy in a manner that is also consistent with the goal of facilitating trade. In order to maximize the effectiveness, the plan shall:

(A) specify the methods used to enhance cooperation, planning and accountability among the Federal, State, and local agencies with responsibilities along the Southwest border;

(B) specify mechanisms to ensure cooperation among the agencies, including State and local agencies, with responsibilities along the Southwest border;

(C) identify new technologies that will be used in protecting the borders including conclusions regarding appropriate deployment of technology;

(D) identify new initiatives for infrastructure improvements;

(E) recommend reinforcements in terms of resources, technology and personnel necessary to ensure capacity to maintain appropriate inspections;

(F) integrate findings of the White House Intelligence Architecture Review into the plan; and

(G) make recommendations for strengthening the HIDTA program along the Southwest border.

SEC. 641. (a) FLEXIPLACE WORK TELECOMMUTING PROGRAMS.—For fiscal year 1999 and each fiscal year thereafter, of the funds made available to each Executive agency for salaries and expenses, at a minimum $50,000 shall be available only for the necessary expenses of the Executive agency to carry out a flexiplace work telecommuting program.

(b) DEFINITIONS.—For purposes of this section:

(1) EXECUTIVE AGENCY.—The term "Executive agency" means the following list of departments and agencies: Department of State, Treasury, Defense, Justice, Interior, Labor, Health and Human Services, Agriculture, Commerce, Housing and Urban Development, Transportation, Energy, Education, Veterans' Affairs, General Service Administration, Office of Personnel Management, Small Business Administration, Smithsonian, Social Security Administration, Environmental Protection Agency, U.S. Postal Service.

(2) FLEXIPLACE WORK TELECOMMUTING PROGRAM.—The term "flexiplace work telecommuting program" means a program under which employees of an Executive agency are permitted to perform all or a portion of their duties at a flexiplace work telecommuting center established under section 210(l) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(l)) or other Federal law.

SEC. 642. (a) MERITORIOUS EXECUTIVE.—Section 4507(e)(1) of title 5, United States Code, is amended by striking "$10,000" and inserting "an amount equal to 20 percent of annual basic pay".

(b) DISTINGUISHED EXECUTIVE.—Section 4507(e)(2) of title 5, United States Code, is amended by striking "$20,000" and inserting "an amount equal to 35 percent of annual basic pay".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998, or the date of enactment of this Act, whichever is later.

SEC. 643. (a) CAREER SES PERFORMANCE AWARDS.—Section 5384(b)(3) of title 5, United States Code, is amended—

(1) by striking "3 percent" and inserting "10 percent"; and

(2) by striking "15 percent" and inserting "20 percent".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998, or the date of enactment of this Act, whichever is later.

SEC. 644. (a)(1) Paragraph (1) of section 5303(b) of title 5, United States Code, is amended by striking "If, because of national emergency or serious economic conditions affecting the general welfare," and inserting "If, because of a declared state of war or severe economic conditions,".

(2) Section 5303(b) of title 5, United States Code, is amended by adding at the end the following:

"(4) For purposes of applying this subsection with respect to any pay adjustment that is to take effect in any calendar year, 'severe economic conditions' shall be considered to exist if, during the 12-month period ending 2 calendar quarters before the date as of which such adjustment is scheduled to take effect (as determined under subsection (a)), there occur 2 consecutive quarters of negative growth in the real Gross Domestic Product.".

(3) Paragraph (2) of section 5303(b) of title 5, United States Code, is amended by striking "an economic condition affecting the general welfare under this subsection," and inserting "economic conditions for purposes of this subsection,".

(b)(1) Subsection (a) of section 5304a of title 5, United States Code, is amended by striking "If, because of national emergency or serious economic conditions affecting the general welfare," and inserting "If, because of a declared state of war or severe economic conditions,".

(2) Section 5304a of title 5, United States Code, is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following:

"(b) For purposes of applying this section with respect to any comparability payments that are to become payable in any calendar year, 'severe economic conditions' shall be considered to exist if, during the 12-month period ending 2 calendar quarters before the date as of which such payments are scheduled to take effect (as determined under section 5304(d)(2)), there occur 2 consecutive quarters of negative growth in the real Gross Domestic Product.".

(c) The amendments made by this section shall apply with respect to any alternative pay adjustments under section 5303(b) of title 5, United States Code, and any alternative level of comparability payments under section 5304a of such title 5, scheduled to take effect after 1999.

(d) The adjustment in rates of basic pay for the statutory pay systems that takes effect in fiscal year 1999 under section 5303 of title 5, United States Code, shall be an increase of 3.1 percent, unless otherwise provided for under such section.

POINT OF ORDER

Mr. LARGENT. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. LARGENT. Mr. Chairman, I make a point of order that section 644 violates clause 2 of rule XXI.

The CHAIRMAN. Does any other Member wish to be heard on the point of order being raised by the gentleman from Oklahoma (Mr. LARGENT)?

Mrs. MORELLA. Mr. Chairman, I object to the substance of the point of order. Federal employees deserve to be paid according to the Federal Employees Pay Comparability Act which we passed, signed into law. Striking this section would deny Federal employees their just pay.

The CHAIRMAN. Does the gentleman wish to be further heard on this? Anyone else wishing to be heard on the point of order being raised by the gentleman from Oklahoma?

Mr. DAVIS of Virginia. Mr. Chairman, let me just ask my friend from Oklahoma who has raised this objection, Federal employees, as my colleague knows, have been on some very difficult times through the years, and the Federal Employee Pay Comparability Act which was signed into law by President Bush has called for annual cost of living allowances that can be waived by the administration under severe economic circumstances, and we find ourselves this year with a stock market at an all-time high, unemployment at a generation low.

The CHAIRMAN. The Chair requests the gentleman from Virginia (Mr. DAVIS) to address his remarks to the Chair and to the point of order that is being raised by the gentleman from Oklahoma.

Mr. DAVIS of Virginia. Mr. Chairman, it would seem under these circumstances that, if the gentleman could reconsider and allow perhaps this to move through to the conference where it could be more fully debated at this point, I think he would be doing all Federal employees a great service.

The CHAIRMAN. Is there any other Member wishing to be heard on the point of order being propounded by the gentleman from Oklahoma (Mr. LARGENT)?

Mr. HOYER. Mr. Chairman, I would hope, too, that the gentleman would withdraw his point of order, not because, as he knows, his point of order is not well taken, because the Committee on Rules failed, as it did on so many other instances amenably to protect items that were important but were technically not consistent with existing the rules.

The CHAIRMAN. Again the Chair would ask the gentleman to confine his remarks to the point of order that has been propounded by the gentleman from Oklahoma (Mr. LARGENT).

Mr. HOYER. Again I would reiterate I would hope that the gentleman would withdraw his point of order. This is, as the gentleman from Virginia said, an important effort that ought to be there for conference so that we can discuss it further.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order offered by the gentleman from Oklahoma (Mr. LARGENT)?

If not, the Chair is prepared to rule.

The Chair finds that section 644 directly amends existing law. It, therefore, constitutes legislation, and the point of order is sustained, and the section will be stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 645. (a) None of the funds made available in this or any other Act may be obligated or expended for any employee training that—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or "new age" belief systems as defined in Equal Employment Opportunity Commission Notice N-915.022, dated September 2, 1988;

(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or

(6) includes content related to human immunodeficiency virus-acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, I make a point of order against section 645 for reasons previously cited.

The CHAIRMAN. Does any other Member wish to be heard on the point of order that is being put forward by the gentleman from Wisconsin?

If not, the Chair is prepared to rule. The Chair finds that section 645 addresses funds in other acts, and, therefore, it constitutes legislation, and the point of order is sustained, and that section 645 will, therefore, be stricken from the bill.

□ 1645

The Clerk will read.

The Clerk read as follows:

SEC. 646. (a) INTERNATIONAL POSTAL ARRANGEMENTS.—Section 407 of title 39, United States Code, is amended to read as follows:

"§ 407. International postal arrangements

"(a) The United States Trade Representative shall be responsible for the formulation, coordination, and oversight of foreign policy related to international postal services and international delivery services, except that the Trade Representative may not negotiate or conclude any treaty, convention, or other international agreement (including those regulating international postal service) if such treaty, convention, or agreement would, with respect to any class of mail or type of mail service, grant an undue or unreasonable preference to the Postal Service, a private provider of international postal services, or any other person.

"(b) In carrying out the responsibilities set forth in subsection (a), the Trade Representative—

"(1) shall coordinate with and give full consideration to the authority vested by law or Executive order in the Postal Rate Commission and the Department of Commerce; and

"(2) shall consult with the Postal Service, private providers of international postal services, users of international postal services, the general public, and such other persons as the Trade Representative considers appropriate.

"(c) The Postal Service may enter into such commercial and operational contracts relating to international postal services as it considers necessary, except that the Postal Service may not enter into any contract with an agency of a foreign government (whether under authority of this subsection or otherwise) if it would grant an undue or unreasonable preference to the Postal Service with respect to any class of mail or type of mail service.".

(b) TRADE-IN-SERVICES PROGRAM.—The second sentence of paragraph (5) of section 306(a) of the Trade and Tariff Act of 1984 (19 U.S.C. 2114b(5)) is amended by inserting "postal and delivery services," after "transportation,".

POINT OF ORDER

Mr. TORRES. Mr. Chairman, I make a point of order against section 646. I do so because it proposes to change existing law and constitutes legislation in an appropriations bill, and, therefore, violates clause 2 of rule XXI.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order being offered by the gentleman from California (Mr. TORRES)?

The Chair recognizes the gentlewoman from Kentucky (Mrs. NORTHUP).

Mrs. NORTHUP. Mr. Chairman, I wish to be heard on the point of order. In fact, I want to urge my colleague to withdraw his point of order.

The provision the gentleman wants to strike is a step towards fairness. I want to just follow up by saying if the point of order is not withdrawn, I have an amendment at the desk that I am prepared to offer that will contain the language that was negotiated to try to create fairness. It will strictly prohibit the use of funds by the Post Office at the Universal Postal Union convention next year.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order of the gentleman from California (Mr. TORRES)?

If not, the Chair is prepared to rule. The Chair finds that section 646 directly amends existing law. It therefore constitutes legislation.

The point of order is sustained, and the provision is therefore stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 647. (a) LIMITATION.—No funds appropriated for the United States Postal Service under this or any other Act may be expended by the Postal Service to initiate new nonpostal commercial activities or pack and send services.

(b) DEFINITION.—For purposes of this section, the term "nonpostal commercial activities" includes services such as volume retail photocopying, notary public services, and the sale of office supplies or novelty items.

(c) RULES OF CONSTRUCTION.—Nothing in this section shall be considered—

(1) to affect any governmental function or any services in support of a governmental function;

(2) to be applicable to the extent contrary to statute or any treaty or international agreement; or

(3) to have any force or effect before October 1, 1998, or after September 30, 1999.

POINT OF ORDER

Mr. TORRES. Mr. Chairman, I make a point of order against section 647. Again, I do so because it proposes to change existing law and constitutes legislation in an appropriations bill. Therefore, it violates clause 2 of rule XXI.

The CHAIRMAN. Are there any Members wishing to be heard on the point of order of the gentleman from California (Mr. TORRES)?

If not, the Chair is prepared to rule. The Chair finds that section 647 addresses funds in other acts. The gentleman is correct, it therefore constitutes legislation. The point of order is sustained and that section of the bill will be stricken.

AMENDMENT OFFERED BY MRS. NORTHUP

Mrs. NORTHUP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. NORTHUP:

On Page 109, after line 24, insert the following:

SEC. 648. None of the funds appropriated by this or any other Act may be used to fund United States Postal Service participation in the Universal Postal Union.

Mr. KOLBE. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentlewoman from Kentucky (Mrs. NORTHUP) is recognized for 5 minutes.

Mrs. NORTHUP. Mr. Chairman, I am offering this amendment mostly as a placeholder in order to allow the conference to reinsert the language that was stripped as a result of a point of order. The fact is that every 5 years the Universal Postal Union meets to negotiate international mail processes.

The United States Postal Service is right now in control of all of these negotiations. We all know what they want. They would want what any business wants, and that is special arrangements that would help them assume a monopoly in the services they wish to offer.

The problem is, these services are not a monopoly. They offer the same services that private carriers offer. Right now, because of these special arrangements that have been negotiated, Japan has 60 percent of the current package market. The fact is that this coming February there will be a new negotiation in which the Universal Postal Union will negotiate the next 5 years' mail processes. For that reason, I hope to reinsert the language that was stripped on a point of order.

Some people will try to claim that the Post Office should continue to have this role and use these services as a way to offset the cost of universal mail. Nothing could be further from the truth. The fact is that universal mail is a monopoly, and it is covered by all of first, second and third class rates. There is not 1 cent that is gotten in the competitive market that the Postal Service contributes to offset Americans' cost of stamps. In fact, there is more evidence that they use the revenues they get from the cost of stamps to offset the cost of their package delivery service in Japan.

The point is that in today's world, we may lose on a point of order what was just stricken, but what we will not lose is the fact that the American people believe in fairness, and they do not believe that the United States Government should be able to use a quasi-government organization to go and provide for them certain services that the competitive market, the private carriers, cannot provide.

In my district, Mr. Chairman, the UPS and the Teamsters work very hard. They pay taxes, they pay property taxes, they pay workers' compensation, they comply with OSHA requirements, and they are competing with the Post Office that has none of those things. Plus they donate millions of dollars into our schools and schools all across this country. All this amendment would have done, all the language in the bill would have done, was to make sure that when we go into this international organization to negotiation, that we have fairness.

Since that was stripped out, I ask that we pass an amendment that says that the Post Office cannot spend any money at this organization next year. I think then what we will find is in conference people will agree to the fair restrictions and the fair negotiating authority and will give everybody equality.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTHUP. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate of the gentlewoman yielding. I asked her to yield simply to say it was my intention to give support to the gentlewoman's position regarding the language subject to a point of order.

Indeed, there is little question that the Postal Service currently is in a very unusual position of paying no sales taxes, no income taxes, no property taxes, and, ofttimes, find themselves competing with that advantage against the private sector.

I appreciate the gentlewoman's work in this connection, and look forward to continuing to work with her.

Mrs. NORTHUP. Mr. Chairman, reclaiming my time, I thank the gentleman from California.

I would conclude, Mr. Chairman, by saying that this is the only way in which we can ensure that we will have this negotiation in the conference committee. I have no intention to take away from anybody the ability for fairness, particularly not the postal employees in my district nor the postmasters. But I do believe that we can all find fair ground here so that every carrier that wishes to deliver packages overseas will all deal with the same fair rules. I think that the American people eventually will resent terribly if the Post Office is not held to the same rules.

POINT OF ORDER

Mr. KOLBE. Mr. Chairman, now that I have had a chance to see the amendment, I do make a point of order against the amendment, because it does, Mr. Chairman, propose to change existing law and constitutes legislation in an appropriation bill, and, therefore, violates clause 2 of rule XXI. The pertinent part of that rule says, "No amendment to a general appropriation bill shall be in order if changing existing law."

This amendment goes beyond funds in this act. It has the words "none of the funds appropriated by this or any other act may be used to appropriate." Therefore, it violates clause 2 of rule XXI, and I would make the point of order.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mrs. NORTHUP. Mr. Chairman, I would like to point out that the current law of the U.S. Code, section 2401, provides a permanent appropriation to the U.S. Postal Service, and, as such, this amendment is within the jurisdiction of the appropriations bill. The fact is that every dollar that the Postal Service collects for stamps comes into the U.S. Treasury and then is appropriated out by us.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order raised by the gentleman from Arizona?

If not, the Chair is prepared to rule.

The Chair finds that the amendment addresses funds in other acts, and it therefore does constitute legislation, and, therefore, the point of order is sustained, and the amendment is therefore out of order.

AMENDMENT OFFERED BY MRS. LOWEY

Mrs. LOWEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. LOWEY:

Page 109, after line 24, add the following:

SEC. 648. (a) None of the funds appropriated by this Act may be used to enter into or renew a contract which includes a provision providing prescription drug coverage, except where the contract also includes a provision for contraceptive coverage.

(b) Nothing in this section shall apply to a contract with any of the following religious plans:

(1) SelectCare.
(2) PersonalCaresHMO.
(3) Care Choices.
(4) OSF Health Plans, Inc.
(5) Yellowstone Community Health Plan.

Mr. KOLBE. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentlewoman from New York (Mrs. LOWEY) is recognized for 5 minutes in support of her amendment.

Mrs. LOWEY. Mr. Chairman, as my colleagues know, the Treasury-Postal bill originally contained the Lowey contraceptive coverage language providing Federal employees with contraceptive coverage. I offer now an amendment that allows this House a fair and open debate on contraceptives.

This amendment, if passed, will restore language providing contraceptive coverage for Federal employees. My amendment also respects the rights of religious plans that as a matter of conscience choose not to cover contraceptives. The amendment clearly exempts those plans.

Although all but one of the FEHBP plans covers sterilization, only 10 percent cover the five most basic, most widely used forms of contraception, and 81 percent only cover some of the five methods. Contraception, Mr. Chairman, is basic health care for women. It allows couples to plan families, have healthier babies when they choose to conceive, and it makes abortion less necessary.

Currently women of reproductive age spend 68 percent more in out-of-pocket costs than men, partly because of the cost of contraceptives. Plans refuse to cover contraceptives because they know that, if forced to, women will pay for it themselves. On average, women using the pill pay $25 a month. That is $300 a year for their prescriptions.

It is important to understand what we are talking about when we talk about contraceptive methods. We are not talking about abortion. We are not talking about RU-486 or any other abortion method. No abortions will be covered by this amendment. We are talking about the range of contraceptive options that women need.

It is crucial that plans cover the range of choices, because some methods do not work for some women. For example, many women cannot use any of the hormone-based methods, such as the oral contraceptive pill, because it causes migraines or because they have been advised not to by their physician because it may increase the risk of stroke or breast cancer. Let us be clear, my colleagues. This is not a mandate on private plans. What we are discussing here is what the United States as an employer should provide to its employees. The United States Government should be a model for other employers.

A myriad of health groups support the provision, including the American Medical Association, the American Academy of Family Physicians, the American Academy of Pediatrics. It is also supported by the AFL-CIO and the American Federation of Government Employees.

Finally, my colleagues, a recent Congressional Budget Office analysis determined that this improved coverage for Federal employees would not have any impact, no impact on the budget totals for fiscal year 1999.

I want to repeat that again. This will have no impact for fiscal year 1999 on the budget.

This issue is absolutely essential to millions of American women, Democrat and Republican, pro-life, prochoice. I truly hope, my colleagues, that after many of the debates that are very difficult for all of us, we can come together now to support contraceptive coverage and prevent abortions. I would ask my colleagues to vote for the Lowey amendment.

Mr. KOLBE. Mr. Chairman, I reserve a point of order.

POINT OF ORDER

Mr. SMITH of New Jersey. Mr. Chairman, I would like to make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriations bill, and therefore, violates clause 2 of rule XXI.

The rule states, in pertinent part, that "No amendment to a general appropriations bill shall be in order, if changing existing law."

Let me make it very clear that this gives affirmative direction, in effect, and very importantly, it does impose additional duties. Whether it be the OMB director or whoever makes the final decision, additional duties will be imposed as a result of this amendment.

So I hope the ruling of the Chair, as consistent with the other amendments, will rule this out of order.

Mr. KOLBE. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

The gentlewoman from New York (Mrs. LOWEY) is recognized.

Mrs. LOWEY. Mr. Chairman, the point of order raised by the gentleman is not well-founded. The amendment is a limitation on funds contained in the bill and does not place any duties upon Federal officials. The amendment merely limits the types of Federal Health Benefit Programs that can be funded in the bill to those that contain certain benefits. The programs exempted from the requirements under the limitation are currently known, and again, do not place additional affirmative duties on Federal officials.

The CHAIRMAN. Are there other Members wishing to be heard on the point of order raised by the gentleman from New Jersey (Mr. SMITH).

Mr. OBEY. Mr. Chairman, I would simply like to reiterate the last statement made by the gentlewoman from New York (Mrs. LOWEY), that all of the plans specified in this amendment are already known to the administration. There are no additional duties involved whatsoever in identifying them, and I think the amendment is clearly in order, under the rule.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order?

Mrs. MORELLA. Mr. Chairman, I just want to point out that I think that this amendment makes a great deal of sense. If we are, in fact, united in trying to reduce abortions, this is the way to do it, and the Federal Government should lead the way.

The CHAIRMAN. The Chair will state that that had nothing to do with the point of order; the Chair is now hearing arguments on the point of order.

Mrs. JOHNSON of Connecticut. Mr. Chairman, on the point of order, this amendment has been modeled precisely on the passage of the bill that says no funds basically shall be expended to cover abortions. This is no funds; none of the funds appropriated by this act may be used, and basically to pay for a health care plan that does not provide contraceptives.

So this is modeled exactly on the underlying bill, the language in the bill that has been acceptable, and so I would hope that the Chair would rule favorably.

Mr. SMITH of New Jersey. Mr. Chairman, just to point out that this would mandate, this would require, and as a precondition of receiving funds from the Federal Government, one would have to be provided services. Right now, this is permissible, this would make it mandatory. That certainly imposes a duty.

The CHAIRMAN. The Chair is prepared to rule.

The Chair finds that the amendment is in the form of a limitation on the use of funds in the bill to pay for Federal health plans which do not cover contraceptive prescription drugs with certain exceptions for specified plans. The amendment does not affirmatively mandate coverage or require new determinations by the FDA of equivalency or of outpatient availability. This amendment is a proper negative limitation denying funding for contracts without specified terms.

The point of order is overruled on the amendment.

Are there any Members wishing to be heard on the Lowey amendment?

Mrs. TAUSCHER. Mr. Chairman, I rise in support of the Lowey amendment to this bill.

This language would require that Federal Employee Health Benefit Plans cover prescription contraception, just as they cover other prescription drugs.

Prescription contraception is like any other prescription medication or device that is now covered by Federal plans. It is taken or used under the guidance of a physician with the clear purpose of protecting and promoting women's health.

Contraception is absolutely essential if a woman wants to prevent unintended pregnancies, and if this Congress is truly committed to reducing the number of abortions in the United States, then the use of and affordable access to contraception is imperative in achieving that goal.

Prescription contraception methods have health benefits that go beyond preventing pregnancy. Birth control pills, for example, have been shown to be effective in reducing the risks of disease such as uterine cancer. Yet, despite the clear advantages that prescription contraception offers, women covered under Federal plans are not guaranteed affordable access to them.

Mr. Chairman, 81 percent of Federal employee plans do not cover all 5 of the widely used and effective methods of reversible contraception. Ten percent of FEHB plans do not cover any type of contraception. The undue financial burden of preventing pregnancy through contraception is placed on women who now spend 68 percent more in out-of-pocket health care costs than men. This is largely due to the cost of purchasing prescription contraception, because most health insurance companies will not cover the 5 most effective methods of birth control.

The Federal Government health plan is a model for all other health plans. Because of the poor example set by this plan, less than 20 percent of traditional indemnity plans and PPOs cover all types of prescription contraception. Less than 40 percent of HMOs cover all types of contraception.

Recently, the administration ordered the Medicaid programs in all 50 States to cover the cost of Viagra. This drug has been hailed as the medical miracle for men who have suffered from impotency for years. But if we are going to cover the cost of medication that helps the reproductive functions of men, then it seems ironic that we are not willing to offer the same protection to women. By not requiring FEHB plans to cover prescription contraception, we are essentially placing it in the same category as a drug which has only cosmetic purposes.

Women should not be forced to assume total financial responsibility for contraception outside of these plans. We must support the Lowey amendment to this bill and require that all Federal health benefit plans cover the contraceptive methods that women need for their health and well-being.

Mr. SMITH of New Jersey. Mr. Chairman, I rise in very strong opposition to this amendment.

I hope Members pay close attention in reading the amendment. This amendment does not define the term "contraceptive."

Now, one might think that the meaning of the term is self-evident, but this is not so. The term "contraceptive" is not defined in Federal law. Moreover, the debates on this very issue on the floor of this very body in recent times demonstrates that there is clearly a sharp disagreement, even among Members of this body and among groups promoting this type of amendment, regarding what the term actually means.

For example, the abortion pill RU46 is used to chemically induce abortions between 5 and 7 weeks into pregnancy, yet some groups refer to it as a contraceptive in their literature. The original Lowey amendment contained a definition which, in my view, is flawed, but this version contains no definition at all. Therefore, it imposes a complex and perhaps impossible new duty on the FDA officials, and so we have a situation where it will be in the eyes of the beholder.

Let me also point out to my colleagues that this is a mandate. Mr. Chairman, if we read the language of this legislation or of this amendment, an HMO or a provider of services under the Federal Employees Health Benefits Program would not even get reimbursed for an antibiotic that they wanted to write as a prescription, penicillin or any other kind of prescription, unless they provided a provision of contraceptive coverage, and again, that is not defined.

So I believe this does open up a Pandora's box. It leaves open the possibility of abortifacients, those chemicals that kill and destroy a newly formed human life, and will indeed be mandated if this legislation or this amendment becomes law.

So I hope that Members will vote "no." It is certainly ambiguous; it does not define what the word "contraceptive" means, and while indeed a way has been found to get this offered today, there is not really a nickel's worth of difference between this and the other, except that it gained muster in terms of parliamentary procedure.

I urge Members to vote "no." This mandates right now in the Federal Employees Health Benefits Program contraception, however one may define it, is permissible. It is up to the individual HMOs, and many of them provide it, but it is not mandated. If I as an HMO want to provide, or a provider of services, these kinds of things, one can do it, but one is not told that they have to do it, and they do not risk losing everything else in the prescription area as a result of not being willing to provide these methods of birth control, which also will include abortifacients.

So I hope Members will vote "no" on the amendment.

Ms. MILLENDER-McDONALD. Mr. Chairman, I rise in strong support of the Lowey provision within the Treasury-Postal Appropriations bill. The vast majority of FEHB plans do not cover the full range of prescription contraceptives which prevent unintended pregnancies and 10 percent of the FEHB plans do not even cover any of the five major contraceptives.

We all know that the FEHB program serves as a model for the nation's private health insurance plans. If we do not even cover such basic and essential prescription drugs that can decrease the number of abortions in this country, then what kinds of message are we sending the American people?

Eighty-one percent of FEHB plans do not cover all five leading reversible methods of contraception. (Oral contraceptives, diaphragm, IUD's, Norplant, and Depo-Provera). Many women have medical conditions that prevent them from even having the option to use certain forms of contraception. Women deserve to be able to choose from all 5 of the major forms of contraception not only for their specific medical needs, but because she and her mate should be able to determine the form of birth control that is right for them. This should not and cannot be based on the lack of funds, which far too often results in unwanted pregnancies.

Currently, women of reproductive age spend 68% more in out-of-pocket health costs than men. We need to narrow the gender gap in insurance coverage—not widen the disparities between those who have and those who have not, and further expand the chasm that has hurt far too many women and families throughout the country already.

The Lowey provision is a critical, yet basic necessity that has a "negligible" cost according to the Congressional Budget Office. I urge my colleagues to join me in making sure that we do all that we can to reduce the likelihood of abortion in this country, do all that we can to help women obtain the prescription drugs they need, and do all that we can to make this health care system more equal for women and men.

Ms. JACKSON-LEE of Texas. Mr. Chairman, thank you for the opportunity to speak today. I rise to strongly support the Lowey Amendment to the FY 1999 Treasury Postal Service general government appropriations bill. The Rules Committee voted not to protect Representative LOWEY's language on H.R. 4104.

Representative LOWEY's amendment required Federal employee health benefits to cover contraceptive drugs and related services to individuals and their families. However, with her amendment on the floor, I believe we cannot deny American women to select their own contraceptive methods.

Currently the Federal employee health benefit plan uniformly offers prescription drug coverage, but the majority of such health plans discriminate against women by failing to include coverage for the full range of prescription contraceptives. Such Federal health insurance must cover these FDA approved contraceptives.

In fact, 10% of Federal employee health plans fail to cover reversible contraceptives.

In some cases, plans only cover one method of prescription contraception. Overall, 81% of Federal employee health benefit plans do not cover all five leading reversible methods of contraception, which of course, prevent unintended pregnancy and reduce the need for abortion.

The Federal program should be a model for private plans, and as an employer, it is shocking that the Federal Government does not provide this basic health benefit for women and their families insured through FEHB.

Women of reproductive age spend 68% more of their own money for health care than men, with contraception and related health services accounting for much of the difference. If their Congress can include Medicaid coverage for Viagra—why should women be denied needed health coverage.

Making the full range of contraceptive options available to our Federal employees is not only an issue of fairness, but is an issue of women's health and reproductive choice.

We must remember that increased access to contraceptives is critical to the effort of reducing the number of unintended pregnancies. Contraceptive use is an appropriate family planning method.

Increasing access to contraceptives through insurance coverage will help Federal employees obtain the methods and services they need to plan their families. Polls show that 90% of the American voting public supports family planning.

I hope that my colleagues will take this opportunity to support family planning. Let's make sure every child is a wanted and cared for child.

I urge my colleagues to support Ms. LOWEY's amendment.

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of the Lowey amendment to include contraceptive coverage under all Federal Employee Health Benefit plans, allowing, of course, exceptions based on religious beliefs.

It seems like the beginning of the appropriations process signals the beginning of hunting season on a woman's reproductive rights.

Figure it out—contraception means prevention of pregnancy—rubbers, gels, pills, IUDs.

Unwanted pregnancy and abortion rates drop when women have access to the preventive reproductive health care they want and need.

Voluntary family planning gives mothers and families new choices and new hope, increasing child survival and safe motherhood by offering choice in their method of birth control and providing choice of contraceptive options.

Prohibiting Federal workers from using their health care coverage for prescription contraceptive coverage as they see fit discriminates against women just because they work for the Federal Government!

This is a disgrace!

Mr. Chairman, I urge a no vote on the rule.

Mr. FAZIO of California. Mr. Chairman, I rise today to set the record straight.

It's time for an open and honest dialogue regarding government's message to a couple's right to exercise choice.

My colleagues from the other side of the aisle argue that contraception shouldn't be included in the Federal Employees Healthcare Benefit Plan.

Why? It's time that government takes responsibility about what we tell the American people.

On one hand you say no abortion and then hypocritically turn the cheek and say no contraception.

Well, we can't have it both ways.

Come on. Let's level with the American people.

To refuse to provide basic medical service to a woman, what we are really saying is that we don't trust her to make a responsible choice.

The FEHB program should be a model for private plans.

We need to narrow the gender inequity with regard to women's health.

Abortion makes us all uneasy.

Voting to strike the Lowey language guarantees an increase in the practice of abortion—period.

Ensuring that the Lowey language stands reiterates Congress's commitment to make abortion less common and less necessary.

I urge my colleagues from both sides of the aisle to respect a woman's decision and maintain the FEHBP plans provide contraception.

Mr. POSHARD. Mr. Chairman, I rise today in support of Representative LOWEY's amendment, which would require Federal Employee Health Benefit Plans to cover prescription contraceptives as they cover other prescription drugs. This amendment will guarantee contraceptive coverage to more than a million women and will help bridge the unfortunate gap between the out-of-pocket health care expenses of women and men.

As I have stated on many occasions, it is my personal view that the miracle of procreation is the greatest gift we are given, and it should be accorded the utmost respect and protection. Although I am deeply committed to this belief, I have always recognized that certain exceptions exist where compassion and morality dictate that abortion is the only humane choice. For this reason, I have consistently favored an exception to abortion restrictions where it is necessary to save the life of the mother, and I have voted to allow states to use Medicaid funding to perform abortions in cases of rape or incest.

Furthermore, I have always believed that women should have access to contraception. I recognize that this is a critical component of comprehensive women's health care and is an important means of preventing unintended pregnancies. Perhaps most importantly, increasing the availability of contraceptives can reduce the need for abortion, a goal which I believe all of my colleagues join me in supporting. It would indeed be hypocritical to condemn abortion while simultaneously denying women access to methods of contraception which can help make this tragic practice a less common occurrence.

Mr. Chairman, I urge my colleagues on both sides of the abortion debate to join me in supporting the Lowey amendment. Despite the controversy surrounding this issue, I would hope that we might come together in support of improving women's health while reducing the need for abortions.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Mrs. LOWEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mrs. LOWEY. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House resolution 498, further proceedings on the amendment offered by the gentlewoman from New York (Mrs. LOWEY) will be postponed.

Are there further amendments?

AMENDMENT OFFERED BY MRS. NORTHUP

Mrs. NORTHUP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. NORTHUP:

Page 109, after line 24, insert the following:

SEC. 648. None of the funds appropriated by this Act may be used to fund United States Postal Service participation in the Universal Postal Union.

Mrs. NORTHUP. Mr. Chairman, I again rise to talk about the importance of fairness.

In this country we have given the United States Postal Service a monopoly on delivery of mail and universal mail service. None of us disagree with that. In fact, all of us appreciate the wonderful gains that have been made over the past years in terms of customer friendliness and in terms of efficiency, and we are not here to jeopardize that today.

But, in fact, the United States Postal Service has decided that they are going to expand their operations and get into services and provide services in which the private market already exists. As they do that, they have used, in the international forum, special prerogatives that they have to negotiate sweetheart deals with other countries in order to bypass Customs, both saving time and money.

What does that mean? That means that our hard-working Americans here in this country, members of the teamsters, that deliver the packages around this country and that depend on the solvency and the growth and the opportunities that our private carriers are providing, that their jobs are in jeopardy.

So as the Postal Service gets into competitive services, we ought to make sure that whoever negotiates the arrangements between this country and other countries, that all of those arrangements are the same, regardless of whether one is a private carrier bringing that package, or the United States Post Office.

□ 1715

All we ask is that the trade negotiator have an opportunity to be in that room and ensure that the same arrangements that are available to the postal service are available to the private carriers.

That is what the language was that was in the bill. It was struck on a point of order. So now I bring an amendment on which I have checked with the parliamentarian, and understand is not authorizing on appropriations. It is meant to hold a place so in the conference committee we can restore the very popular language that is supported by so many Members of this body to ensure that we have fairness.

It would be great if we could do it another year, but the fact is, these negotiations are going to go on this February, before we have another chance to pass a bill to bring this fairness. So if we do not put this in this bill, then all the Americans who have jobs in this country, all the union jobs for companies that provide package delivery service, all of those jobs and their ability for their companies to compete internationally will be in jeopardy.

It is important that we pass this amendment so that we have the fairness that all American employees deserve.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTHUP. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the gentlewoman yielding. I certainly will repeat the exhilarating speech I gave earlier.

There is a possibility that when the gentlewoman's former amendment was stricken, our language might have been stricken, I would like to make sure that the world does not miss the opportunity of reading these wonderful remarks.

Mrs. NORTHUP. Those were remarks we would not want anybody to miss. They were very helpful. I thank the gentleman from California.

Mr. KOLBE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentlewoman is quite correct. As drafted, this amendment is quite germane, because it is simply a funds limitation to this act, as I think she knows, and as is suggested by her comments that she is looking for a placeholder.

There are no funds appropriated in this act for the Postal Service for this purpose, or virtually any other purpose, for that matter, except for a very small appropriation that we give for the overseas mail and for mail for the blind.

Therefore, it does not have any real effect on the bill, but would certainly sustain or keep her position in the conference committee.

Mr. Chairman, I have no objection to the amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not favor this amendment because I do not believe that the United States ought to be involved in this agency on terms that enable us to less effectively defend our national interests than we are under the present circumstances.

In substance, I think the amendment is wrong. I would say, however, that this amendment does absolutely "nothing to nobody," as my friends in the old neighborhood used to say. It has no real effect.

It reminds me what Congress does on foreign policy sanctions. This Congress passes item after item which places sanctions on some foreign country on something that the Congress does not like, and then it gives the President a waiver so the President can waive the sanction limitations. That means Congress as an institution gets to pose for political holy pictures. We get to pretend that we have done something. Then the President has to wrestle with the real world.

That is sort of, in mini scale, what this amendment does. This amendment is simply an institutional press release which says that we want Federal Express and United Parcel Service to be cut in on the deal, rather than having the U.S. post office.

Because, as the chairman indicates, this bill carries no funds for that purpose, and because the post office has plenty of funds it gets elsewhere, the practical effect of this amendment is nil. So Members can pass this if they want, they can pretend they have done something if they want, but it has no real effect.

If it did have an effect, it would be negative, in my view, so I, for whatever good it will do, would oppose this amendment, but I recognize what is going to happen here.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Kentucky (Mrs. NORTHUP).

The amendment was agreed to.

AMENDMENT NO. 16 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

Mr. OBEY. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment No. 16 offered by Mr. SANDERS:
>
> At the end of the bill, insert after the last section (preceding the short title) the following new section:
>
> SEC. 648. None of the funds made available in this Act may be used to make any loan or credit in excess of $250,000,000 to a foreign entity or government of a foreign country through the exchange stabilization fund under section 5302 of title 31, United States Code.

Mr. SANDERS. Mr. Chairman, this amendment aims to stop the Exchange Stabilization Fund from making loans to foreign countries without the approval of Congress.

This amendment has wide tripartisan support, and is being cosponsored by the gentleman from Alabama (Mr. BACHUS), the gentleman from Oregon (Mr. DEFAZIO), the gentleman from Florida (Mr. STEARNS), the gentlewoman from Ohio (Ms. KAPTUR), the gentleman from Indiana (Mr. BURTON), the gentleman from California (Mr. GEORGE MILLER), the gentleman from California (Mr. ROHRABACHER), the gentleman from Ohio (Mr. KUCINICH), the gentleman from Texas (Mr. PAUL), the gentleman from California (Mr. STARK), and the gentleman from New York (Mr. OWENS).

Mr. Chairman, the Exchange Stabilization Fund was created in 1934 to allow the government to buy and sell currency in order to stabilize the dollar. Unfortunately, it has become, in recent years, a slush fund for anything the Secretary of the Treasury considers necessary. This is wrong. It must be changed. That is what this tripartisan amendment is all about.

Mr. Chairman, in 1995 the House passed a very similar amendment to what I am offering today by a very strong vote of 245 to 183. It passed that amendment then for the same reason that I hope and believe the amendment today will pass. That is that Members of Congress do not believe that the President of the United States, any President, no matter what his or her politics might be, should unilaterally be able to commit billions of taxpayer dollars without congressional approval. That is the major issue that we are discussing today.

As a result of compromise within the conference committee in 1995, a diluted version of this original amendment was eventually passed into law prohibiting more than $1 billion for any future bailouts for longer than 6 months without congressional approval. That was the law up until a few months ago. Unfortunately, this provision expired after 2 years, which is why we are here today.

I should add that days after this legislation expired, President Clinton committed at least $3 billion to Indonesia and $5 billion to South Korea through the Exchange Stabilization Fund as part of the East Asian financial bailouts. These billions of dollars of taxpayers' money were, once again, placed at risk without any debate or any vote in the United States Congress.

My amendment will simply restore some limited and modest restraints on the ESF similar to restraints that have won congressional approval in the past, and have worked out well in practice.

Mr. Chairman, let me explain exactly what this amendment does, because there has been some confusion about this. This amendment will limit the use of the Exchange Stabilization Fund for loans and credits in excess of $250 million to foreign governments, banks, or investors unless authorized and approved by Congress. Our amendment will not, underlined, not, stop the Treasury Department from using the ESF for its original purpose, which is stabilizing U.S. currency.

For example, the recent $2 billion yen purchase would not be blocked by our amendment. This amendment will not affect over 90 percent of ESF loans, credit, and currency purchases.

What this amendment does address are the relatively rare but highly controversial multibillion dollar loans which put billions of dollars of taxpayer money at risk without one minute of debate on the floor of the Congress. Not until 1995 was this fund ever used for loans in excess of $1 billion to any one country, or for longer than 6 months.

Mr. Chairman, if the President of the United States wants to come before the Congress and propose a bailout of a foreign country, that is fine. Let him come. If the Congress wants to approve that appropriation, that is fine. But what this amendment says, very straightforwardly, is that the President of the United States may not unilaterally place at risk billions of taxpayer dollars without the approval of the Congress.

That is the right way to deal with these issues, and in fact, that is the constitutional way to address these issues, consistent with article 1 of the U.S. Constitution, which invests Congress with the power of the purse. The Exchange Stabilization Fund is a classic example of how powers granted to the executive for one purpose are perverted to other uses.

The CHAIRMAN. The time of the gentleman from Vermont (Mr. SANDERS) has expired.

(By unanimous consent, Mr. SANDERS was allowed to proceed for 2 additional minutes.)

Mr. SANDERS. Mr. Chairman, it is wrong and it was wrong for the President of the United States to put at risk $20 billion in the Mexican bailout, to put at risk $3 billion providing credit to Indonesia, and $5 billion to South Korea, without discussion, debate, or approval of the Congress.

Now, there are some Members here who thought that was a good idea. That is fine. But if we are here to represent the taxpayers of this country on major foreign policy and financial issues, we cannot simply sit back and allow a slush fund which is estimated to have $30 billion to be used whenever the President of the United States, any President, wants to do that.

I personally, for example, would have fought vigorously against the bailout to Indonesia, which went to General Suharto, a well-known dictator, who has the blood of hundreds of thousands of people on his hands. Should we have sat back and said, no problem, let Suharto have that money, or do we have a right to debate that issue?

In terms of Mexico, we have a letter that I will submit for the RECORD signed by the leader of the 126-member bloc in the congress of Mexico which says that the Exchange Stabilization Fund, plus the IMF, resulted in disastrous policies for Mexico, higher unemployment, lower wages, the collapse of small business.

Should that issue be discussed on the floor of the Congress? Of course it should. Some may say it was a good idea. That is fine. Some may have opposed it. That is fine. But we cannot abdicate our responsibility and sit back.

To conclude, Mr. Chairman, this amendment in many ways is similar to the amendment that was overwhelmingly passed several years ago, and I would urge my colleagues to support this concept once again.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I withdraw my point of order.

Mr. KOLBE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment. I am not sure, quite frankly, in trying to read this amendment, whether it really has any impact at all, since it states that no funds in the act shall be made available or shall be used to make any loan or credit in excess of $250 million.

□ 1730

Since we do not appropriate money for the loans or credit in this act, it is not clear to me at all, without a further limitation on salaries of the personnel of the Department, whether or not this really has any impact. But on the assumption that it will indeed have an impact, let me just say that I am very opposed to putting such a sweeping and substantive amendment on this legislation.

If the gentleman's intent is correct and it is worded correctly, he would prevent them from administering funds for the Economic Stabilization Fund but it does not spell out any conditions for turning the funding back on. So it is just nothing in excess of $250 million which, as we know, in modern day times is not a lot of money when you are looking at trying to stabilize the currency of a country.

This is an overreaction, Mr. Chairman. It is an overreaction to the concerns about legislative oversight of the ESF, which is considerable, but it should not be a part of this bill.

The primary purpose of the fund is to give the Department of Treasury, which has the expertise, the training and the institutional knowledge to deal with an economic crisis, the ability to respond to unforeseen shifts in currency markets.

Now, this is not new. The ESF has been around for over 60 years as a vital tool for defending the American dollar and protecting U.S. economic and security issues. It was critical in stopping the dollar turbulence from 1987 to 1990, and the fund continues to be the Department of Treasury's main currency stabilizing force. It has been used again, as was mentioned by the gentleman from Vermont, in Mexico. It has been used again in the crisis in Asia.

While it is important that Congress continue its oversight function to ensure that taxpayer dollars are being properly administered, it is completely unrealistic and unworkable for the U.S. Congress to preapprove each and every use of this fund. Let me just give you an example of this.

At this time, we have 37,000 troops stationed in South Korea. The border area between the North and South is constantly on the verge of conflict. The North Koreans certainly want to take advantage of any weakness that they would see in South Korea, and that would include economic weaknesses. Our troops, our men and women who are stationed in Korea, would be in jeopardy from a national security standpoint if there was a complete financial breakdown, an economic breakdown in South Korea.

There is no way that Congress can convene to determine whether or not to stabilize that economic situation on the spur of the moment. Given the current economic crisis that we are seeing in Southeast Asia and the recent saber rattling between Pakistan and India, this is not the time to take away this important economic tool that the administration has.

I cannot think of anything that we would be more ill-advised to do on an appropriations bill, something as sweeping as this, as far-reaching as this, and one which would have such an enormous economic impact. I would hope this body would reject firmly and decisively the Sanders amendment.

Mr. OBEY. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I want to thank my friend, the subcommittee chairman, for his very sober and realistic comments on this amendment.

Let me start by saying that I have a very high regard for the gentleman from Vermont. I am very fond of him personally. I think he is one of the few Members in this institution who really cares about poor people and working people. And if everybody had his heart in putting them first, this country would be a far better place.

But I have to say I think he is profoundly wrong on this amendment. I opposed NAFTA. I opposed GATT. Because I thought the way that they were structured made workers of this country cannon fodder in the way this country dealt with the pressures of globalization. But I have to say that to require the Congress to have to preapprove every single action taken by any executive before they could use the Exchange Stabilization Fund would be a profound recipe for disaster.

Let me explain why. All you have to do is take a look at this morning's newspaper, the first page of the business section, and you will see that our economy in the last quarter has slowed almost to zero. The reason for that is not because of anything that has happened in this country. The reason for that is because of something that has happened in a faraway place called Asia. And what we had there is a series of currency collapses which have resulted in our inability to export our goods to that market because they are in such a panic they cannot buy things. And it will also result in the future in underpriced goods coming into this country from those same countries, taking away American jobs.

The best way to deal with that is to try to stabilize currencies.

Now, when the administration did that a number of years ago with respect to Mexico, I had great doubts about it. At one point I even cast a vote on this floor expressing those doubts. But I was wrong. The fact is that even though I would have done it differently, we wound up making money on that transaction.

I would point out that there would have been no way that we could have responded to the emergency in South Korea if we had had to have the prior approval of Congress before we did that. And the Asian collapse and its effect on the U.S. economy today would have been far, far worse.

The gentleman mentioned Indonesia. I, for years, have wanted the United States to get rid of its relationship with the previous dictator in that country. I supported amendments on both the Republican and Democratic side of the aisle to eliminate military aid to Indonesia, because I thought that that army was nothing but a butcher's dream. But I would say that it is not wrong to try to stabilize the economy in that country before their instability washes over our workers and causes American workers to lose jobs.

I would make one further observation. I think anybody knows that if we had to preapprove every executive action on this issue, that decisions about the use of the Exchange Stabilization Fund would be made primarily on the basis of politics and not economics. I do not think that that would be a very great credit to this Congress or a very great contribution to the country.

The Great Depression was caused not by the collapse of the American stock market but by the fact that you had a successive collapse of banks and currencies around the world, and the result was that our Federal Reserve itself was frozen, as FDR said, in the ice of its own indifference. And the result was a mess for years in this economy and the world economy.

I think the amendment is well meaning, but I think the amendment would be highly destructive if it were ever put into place. I would urge the rejection of the amendment so that our Treasury Department retains the capacity to move quickly to contain currency problems before they become major crises.

Mr. LAFALCE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I know this amendment is well intentioned, but I think if it were to become the law of the land it would truly be disastrous. The only thing that gives me some consolation is that it would not become the law of the land because the President would veto any bill that would contain such a limiting amendment. So I stand with the chairman of the Committee on Banking and Financial Services, the gentleman from Iowa (Mr. LEACH), in the strongest possible opposition to this amendment.

Rather than simply give my own words, what I would like to do is read from a recent letter from the Secretary of the Treasury, Robert Rubin. Secretary Rubin wrote to the Chairman of the Appropriations Committee with specific reference to this amendment.

He said,

> Such an amendment would constitute an unacceptable limitation on the Executive Branch's ability to protect critical United States economic interests, and I would be forced to recommend a presidential veto if the final bill contains such restrictions.

□ 1745

The original Economic Stabilization Fund statute deliberately provided the executive branch with the flexibility needed to respond expeditiously and effectively when justified by important national economic interests. Because the nature of financial crises sometimes requires urgent action to stabilize markets and protect the United States' economy, it is necessary to act more quickly than is permitted by the deliberative procedures of the legislative branch. This is particularly true in today's large, fast-moving financial markets.

To take just one recent example, the Economic Stabilization Fund permitted the United States, with broad international cooperation, to participate in a critical, highly time-sensitive Christmas Eve effort to forestall financial default in Korea, where 37,000 American troops are stationed. The economic and national security consequences of a Korean default were clearly unacceptable risks for the United States, and the availability and flexibility of Exchange Stabilization Fund resources were indispensable to our stabilization efforts.

Let me make clear that we fully accept our responsibility to account to Congress for our actions under the ESF statute. Treasury submits detailed monthly reports on ESF transactions to the banking committees, and the President submits an annual report to the Congress. We believe strongly that our past use of the ESF, as well as any potential use as intended in the Asian crisis, is prudent and consistent with the spirit and letter of the law.

He urges then the Congress to preserve the ESF statute and reject this amendment.

My colleagues, this is not only the position of this Secretary of the Treasury, this is the position of every single past Secretary of the Treasury, regardless whether conservative, Republican, or liberal Democrat, and every single President.

We are not talking about the IMF now, we are talking about the Exchange Stabilization Fund. This is an essential tool. We would no more send our troops into combat saying that they could not expend more than $250 million in a military action without congressional approval than we would say, when it comes to an economic crisis, the administration is prevented from acting unless there is prior congressional approval. That simply would not work. We would be the laughing stock of the world. But more than being the laughing stock of the world, we could precipitate an even worse international crisis than anything we have ever encountered.

We are the world's not only military superpower, we are the world's only economic superpower right now and we need the weaponry of the ESF, the Exchange Stabilization Fund, to fulfill this important role. Please reject this amendment.

Mr. STEARNS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

My good friend, the gentleman from New York (Mr. LAFALCE), should read the amendment. The amendment says that we cannot give $250 million in a giveaway or a loan. We can still go out and prop up the currency. So I do not know if the gentleman perhaps did not read the amendment, but what we are talking about is should our government have a slush fund and go out and give away money; make loans. That is what we are talking about. So I rise on behalf of the amendment, an enthusiastic cosponsor.

Basically, let us take this analogy. Let us say that tonight we decided to form a limited partnership or a corporation. We all sat down and we each put up $100. We elected a president and a secretary. And for tonight, that case would be President Clinton, would be our President, and our secretary would be Rubin. We would put all our money in a pot.

Well, after about 10 years we find that the President and the secretary have a slush fund beyond the money that was reported to us, and they want to use this money as a giveaway. Not only do we have the President and the Secretary of Treasury doing this, in terms of just giving the money as a loan, or giving it away as foreign aid without approval from us or Congress, they now have a slush fund which he accumulated to a point when it is $38 billion.

So the question we are talking about tonight, do we want our Congress, that represents the people, to control giving away more than $250 million? Do we want our Congress to control loans of more than $250 million? I submit the answer is yes.

That is all we are asking tonight. We are not saying that the Exchange Stabilization Fund cannot prop up currencies. Good Lord, the President has the IMF; he has the World Bank. Is it not proper for representatives of Congress, who are elected by the people, to control money as foreign aid; and as loans? Should we not, before we give away $300 million, a billion dollars, have the approval of the taxpayers; or in this case this little group of people that meets tonight to form this limited partnership or this corporation?

So I rise in strong support of this amendment. Our colleague here on our side offered this amendment in 1995. It passed overwhelmingly, and then, of course, it expired. So what we are asking tonight is not a big deal. We are just asking to reinforce our past policy and to extend this policy. This is what this amendment does.

I think it was mentioned earlier that the ESF was established in 1934. Let us go back to what its purpose was: to give the U.S. adequate financial resources to counteract the activities of the European fund. Now, the fund was established with $2 billion appropriated from profits realized from the revaluation of U.S. gold holdings. But slowly, through history, this limited partnership, this corporation, this country in this case, was successful, and they have more and more money, and they have perverted the original idea of just using it for stabilizing funds. They are now the supreme power today and now just give away our money. They have their own foreign aid slush fund. Their own bank which operates without U.S. citizens consent.

All we are saying is, listen, if we are going to give away money to a sovereign nation, or we are going to make a loan, just come back and ask the taxpayers for approval. Because this little group that meets, or these 260 million Americans, would like to know what you are doing. It is constitutional in fact. The Exchange Stabilization Fund, when it gets this big, $38 billion, its mission is going to change. It will be all over the park. It will be doing all kinds of things that are not in the original mission. We are just going to ask for a little control here tonight. It is an important principle.

And if the gentleman from New York (Mr. LAFALCE), and others, are really, really worried, what Mr. Rubin is able to do, he can still loan $250 million today, then a month later he can do another $250 million, and he can keep doing this without coming back to Congress. Now, that is not the intent of this amendment, but he can skirt the process.

Now, the proponents will counter and they will say no nation has ever defaulted on such loans. Well, do we bail out nations in order to pay us back? Is that what we are trying to do tonight? Those nations go to other sources and borrow more money. Is this an effective means to help nations? The use of the ESF in this manner is truly unproductive and repetitive. Not only is there IMF funds to help nations, there is also the World Bank and, as I mentioned, the private sector. Most of us believe in the free market. Why can't the private sector make the loans and provide credits? Why does Secretary Rubin have to bail out nations with an illegal slush fund?

Tonight, I believe we have an opportunity to change this habitual practice, and I ask all my colleagues to support this amendment because, in so doing, they are going to put a little control in this slush fund so that no longer will the administration have their own foreign aid program where they give away money. They will have to come back to Congress. They can continue to balance the exchange rate in case of emergencies, like the gentleman from New York mentioned in

Korea on Christmas Eve, but they cannot go out and just give money gratuitously hoping to influence policy.

So I urge my colleagues to support the amendment.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I strongly oppose this amendment. Many of my colleagues have pointed out in the process that the Economic Stabilization Fund has changed since 1934, and I think that that is true. The world has changed, and the role of the United States today, as the leading economic power in the global marketplace, is very important.

I would think that my colleagues would be looking at the global economy and looking at our mixed economy and the free enterprise system and marketplace values that we have advocated, and the success that they are having on a global basis, and have a very great interest in maintaining them. To adopt this amendment would be the military equivalent of a unilateral disarmament.

The fact is I understand that many of my colleagues would advocate such a free market situation that we would leave some of the countries that are experiencing these economic downturns and turmoil to proceed to economic ground zero. The fact is that almost anyplace we look at the utilization of the Economic Stabilization Fund, as exercised authority by the Treasury, with the approval of the President and past Presidents and past Secretaries of the Treasury, anyplace we look at that we find a lot of pain, economically, as is the case that has been pointed out with regards to Mexico and the bankruptcy and problems that have occurred. The ESF isn't loaning funds where it isn't needed.

But the question that one must ask themselves is what would it have been like if we had let the hand of sort of an Adam Smith level the entire country of Mexico and then start over. I am certain that none of my colleagues are so duty bound to the ideological proposition or theories of a free market that they want to see that type of suffering occur in Mexico.

The fact of the matter is we are not just doing this to help the Mexicans or the Korean government, as many of my colleagues talked about the U.S. and IMF intervention since last December, but, in fact, we are doing it to help ourselves that is the U.S.A. too. In other words, this is the evolution in terms of how the U.S.A. intervenes and how to assist a global economy and help our own exchange rates and help other economies that has also evolved since 1934. We have a better understanding of the global economy. And, of course, this Economic Stabilization Fund plays a key role, along with other multinational financial institutions that exist, which, of course, we are debating broadly.

And, of course, there is great debate over whether or not the IMF ought to receive the type of funding that has been requested by the President. But this amendment of ESF is not just a new funding. This attempt in this particular amendment is to renege, is to renege on the existing powers and the existing authority and the existing tools that the Secretary of the Treasury and that this President have in terms of trying to deal with a tumultuous economic circumstance that basically surrounds us in four different directions. That is what the effect of this amendment is to deny and frustrate the ability of the U.S.A. to play a vital economic role.

And, of course, to portray that we could deal with those particular problems in $250 million increments is, of course, not a serious effort. The fact of the matter is that countries right today, right this week, as we pick up the paper and read about the type of loans and the type of financial structure that had to be dealt with to prevent the default of the entire country of Russia, I would think would bring a little bit to reality; would bring us down to a little bit of terra firma, right down to the ground, to where we can feel and experience what is going on rather than being up here where we would pull the tools away and let the chips fall where they may.

Is this a perfect tool? Is the IMF a perfect tool? I think the answer is no. But the gentleman is offering to take this away and to substantially reduce it to the point of being ineffectual and not putting anything in its place. And, of course, I think one can point out that some employees used this for dinners or did other things that this money was not to be used for, but we get monthly reports on this now. There has been an accounting and is an accounting that needs to be the subject of our oversight committees.

But to pull this ESF down is to, in fact, set a course for an economic spiral, a downturn, that would greatly hurt this Nation. So the gentleman's amendment is not offering improvement, it is offering pulling the plug out. Stop the world, I want to get off. I want to stop this U.S. economy. We have to accept more responsibility than that, and we ought to exercise good judgment by resisting and soundly defeating this amendment.

□ 1800

This amendment deserves to be defeated. We should not let them unilaterally disarm our economic capacity. We ought to leave those tools in place. We ought to be debating the IMF and trying to improve on what the programs do and how they operate.

Yes, there is a lot of pain where the IMF is involved or where the economic stabilization fund is involved, but not because of it. These programs are the solutions to the economic difficulties, not the problem.

Mr. BACHUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all, and this has been said several times but let us say it one more time, this Exchange Stabilization Fund was created by this Congress, by an appropriation by this Congress in 1934. And our Nation, our Treasury, our taxpayer, that is taxpayer money, that is money that belongs to the citizens of the United States. It is not the Treasury's money. It is not the Congress's money. It is not the President's money. It is the people's money. And presently it is $38 billion.

What this amendment says to this money which we can oversee, it says that we will not loan more than $250 million of this money at any one time to a foreign country. It does not place any limitations on us using this fund for currency transactions. In fact, we had a currency transaction 2 weeks ago by the Treasury. This fund is a fund to strengthen the U.S. dollar.

And what did we use this fund for 2 weeks ago? We used it to drive down the U.S. dollar and drive up the yen to enable Japan to be able to export cheaper to the United States. That is what we used it for 2 weeks ago. We used it to help the Japanese economy and to help people that compete against our businesses.

I was told, in opposing this amendment, the chairman of the subcommittee said $250 million is not a lot of money. Well, let me say this about the economy. Let me say this about protecting our economy. And when the gentleman has time, I will let him yield to me and we will debate. Let me say this about our economy.

Senator E.B. McLean came to my office today. He and I served in the Alabama legislature. He told me that a company that had been in Birmingham for over 100 years, employed 400 people, had gone out of business 3 months ago, a coke plant. There were no Federal funds available to help this coke plant. Had it been in Korea, we could have taken money out of this fund I guess and propped it up because it would have helped the Korean economy and that would have helped our economy perhaps. But it failed. And he said it failed because of cheap coke coming into our country from the Pacific Basin.

So I am not saying that we should not use all this money to go around the country. And the President said we want to use $5 billion to loan to South Korea; we want to loan $3 billion of this money to Indonesia. I am simply saying, I do not think we ought to continue to loan this money. It is not strengthening the U.S. dollar. It is strengthening those economies. It strengthens their economies. And, yes, there is a residual of benefit for us. But what if we had gone to Birmingham, Alabama, and used some of that money to have assisted that coke plant with 400 people that worked there? Would that not have helped our economy? Would that not be a more direct way?

We can turn our backs on all this and we can say this is not under our control and this $38 billion can be loaned all over the world. Or, as representatives of the people, we can vote for this amendment and say, if they are going to loan this money to foreign countries, which was not the original intent of the Exchange Stabilization Fund, at least vote yes or no.

They are giving away money, billions of dollars. They are proposing it. If this amendment does not go on, the President has already announced $8 billion worth of loans out of the Treasury.

Somebody talked about the Constitution, what is appropriate and what is not. Let me quote section 9 of Article I of the Constitution. "No money shall be drawn from the Treasury but by appropriation made by law by this Congress."

What happened to the Constitution when we gave $20 billion to Mexico? I do not care whether it was paid back or not. It was given to Mexico. Did it help Mexico? No. Their GNP is worse than it was before the loan. They owe $160 billion today. They owed $40 billion then.

We can continue to loan money to every country around this world, Russia, China, Japan; and one day we are not going to have a fund to bail out our own dollar.

Mr. Chairman, let me say this in conclusion. I am saying let us vote on this. If we want to loan money to these foreign countries, take a stand, vote on it. Do not turn our backs and let the President do it without consent.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Sanders amendment. I do so for many of the reasons that have already been articulated by some of our colleagues; and that is, simply, we are being told that this stabilization fund cannot do business if it has to get engaged in a little bit of democratic process. And that is that we have a fund here with $38 billion that was originally designed for the stabilization of currency. We have had interventions time and again, many of which have not been certainly questioned by the Congress, many of which have been unsuccessful, some of which have been successful when they are coordinated on a multilateral basis. But the fact of the matter is now what we have is we have a means by which we circumvent whether or not some of the activities that the IMF is able to do or not able to do or willing to do or not willing to do and we are now making investments of substantial amounts of the American taxpayer dollars. And we ought to have disclosure of that, we ought to have debate of that, and we ought to have approval of that.

Because we have moved out of the minor leagues in this day and age. We are moving into now the movement and the quick movement of billions of dollars. And depending upon the timing of that movement, sometimes it is wise and sometimes it is not. And sometimes, as we see, the early decisions about the commitment of those monies have turned out to be the wrong decision. I think that it is time that this Congress have some ability to have some say in this process.

This money is getting moved further and further away from the people that provide this money, the taxpayers of this country. It is getting moved further and further away from the decision-making process within the Congress of the United States, who should be making the decisions about the utilization of these funds.

That is what the Sanders amendment requests. This is not a unilateral economic disarmament. It is nothing of the sort. This is not surrendering. This is not recognizing that we do not have problems around the world in various economies, whether it is in Asia or Russia or elsewhere. All of that is still on the table.

What this suggests is that we ask people to come and be accountable to the Congress for the decisions they make about the commitments of these resources. Why do we do that? Why do we do that? Because if we do not do this properly, even as we look at Asia and as we look at Russia, if we do not look at this properly, what we become, we become the enablers, we become the enablers of the flow of capital for people who now go beyond reasonable risk, go beyond a reasonable return, go beyond speculation. They head deep into greed. They head deep into greed with the commitment of money by private sources; and then when it goes wrong, they come back to the IMF, they come back to the Economic Stabilization Fund, and they say they have got to bail them out. They have to take our private decisions, many of which in the late stages of these games in Indonesia or Malaysia or Korea or Russia were driven by greed. They were not driven by economics. They were not driven by cost-benefit studies. They were not driven by determination of market or cash flow. They were driven by greed.

Now they want to make those debts, those private decisions, public. But in order to do that, they need a partner, and that partner becomes the U.S. taxpayer. I think the U.S. taxpayer has a right to ask us, as though sitting on the board of directors, what the hell is going on and what do you know about this.

Now, there is private meetings. The Secretary of Treasury and others move through the corridors of Congress and they talk to this group and that group and they say this is what they are going to do. But what they do not do is they do not come out here and debate it on the floor.

Now maybe we are going to have that debate when the IMF comes up in the next appropriations. But the Economic Stabilization is part of that debate, because this fund has become something for which it was not originally intended.

I appreciate we can put a very expansive decision on currency stabilization. But most people understood that to be the kind of traditional interventions. We are going way beyond that at this stage. We are talking about loans being made to stabilize countries, many of which I appreciate money has not been lost, but there is also a great prospect that it will not be recovered on a timely basis for a considerable period of time.

And it is about our job as Members of Congress, as elected delegates of the people to have some say, to have some review, not just in reports submitted to us months afterwards, but up front and before the determinations are made about the commitment of money.

Maybe this fund should be reduced. Maybe there is another use for the billions of dollars here. That is part of the debate, too. Because this is about priorities. I think we all understand that we are going to have to have commitments around the world to help stabilize the world economy. But the size of that commitment, the timing of that commitment and whether or not that is a wise plan, we should be able to exercise some judgment, too.

That is part of democracy. That is part of democracy. They are going to have the debate in the Russian Duma whether or not they want to accept this plan and whether or not they think this is good for Russia or is not. But we are already going to commit the money. We already are going to commit the money. If we meet with enough people from the Russian Duma, we wonder if any of this would be possible.

So the Sanders amendment is about democratization of this process.

Mr. PAUL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support this amendment. I would have to say this amendment is a very modest approach to a serious problem. I see no reason for the Exchange Stabilization Fund to exist. There is no constitutional authority for it. There is no economic benefit for it. It is detrimental to the people.

The reason why we have to support this amendment is it is a modest, just a small step in the direction of openness in government, a little bit of accountability, a little bit of oversight.

The idea that we can create a fund in 1934 and have essentially no oversight for all these years, I just wonder how many billions, probably hundreds of billions, of dollars that have come and gone in and out and all the mischief it has caused. It was originally set up to stabilize the dollar. And what does it do, as the gentleman from Alabama mentioned earlier, stabilizes the yen.

Where did the money come from? It came from confiscation, not through taxation, but confiscating gold from the American people, revaluing the gold, taking the net profits, putting it into the Exchange Stabilization Fund, as well as the initial financing of the IMF.

They tried to reassure us and say, well, this is not an injury to our appropriations process. We do not appropriate money. We do not lose money. Well, that is precisely the problem. We are supposed to have responsibility. It is not the kind of amendment I want.

We should be talking about this in terms of a free society. Certainly, if we had a sound currency, under a sound currency we do not have all this kind of mischief going on. And certainly, if we had a lot of respect for the Constitution and actually knew something about the Doctrine of Enumerated Powers, we would say, where do we get this authority to prop up other countries and other currencies at the expense of the American taxpayers?

This amendment, if we want to give a lot of foreign aid away, this does not preclude it, it just slows us up a little bit and makes us think about it.

Yes, we can get into the currency markets to the tune of billions of dollars. They say, well, there is only 38; they might not be able to do any mischief. But my strong suspicion is that the line of credit to the Federal Reserve is endless in the time of crisis.

This is why we need more openness. Because, ultimately, this is a threat to the dollar. The dollar, when it is devalued, it hurts the American taxpayer. It is a hidden tax. When we devalue the dollar, we are spending money indirectly. We take away wealth and purchasing power from the American people. And it is a sinister tax. It is the most sinister of all taxes.

That is why the Exchange Stabilization Fund should either be abolished or put on the appropriations process. If we cannot do that or will not do that, we have to at least pass this amendment. Pass this amendment and say, yes.

If we are going to give away $250 million per country for propping up a foreign currency or foreign country or propping up some banks that made loans overseas or propping up our competitors to our own industries, we have to at least know about it.

I do not think this is much of an amendment. The fact that the President threatens to veto this bill just because we are acting responsibly, this is just a small step in the right direction. I see no reason why we cannot pass this amendment.

We talk a lot about supporting the currency. On a day-to-day basis, $1.6 trillion are transferred over the wire service. There is not one reputable economist in this country that I know of that really defends currency intervention as being productive and being able to change the course of events. Because although $38 billion is a lot of money and intervention does cause sudden shocks, causes some bond traders, currency traders to lose money quickly, it has no long-term effect.

□ 1815

So the original purpose under fixed exchange rate no longer exists. There is no need to prop up a dollar under floating currencies. This is used precisely to bail out special privileged people who have made loans overseas, special corporations around the country, special countries that are our competitors,' and it is a way of getting around the Congress, it is a way of devaluing the dollar, putting more pressure on the dollar and hurting the American people.

If for no other reason, if my colleagues disagree with all the economic arguments, there should be nobody that should disagree with the fact that we have a responsibility for open government. That is what this issue is all about, and that is what this amendment makes an attempt to do is try to at least get it back to where we will be responsible for our acts.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment and would like to try to get the debate back on the facts.

Let us remember for a moment that the original ESF statute deliberately provided the executive branch with the flexibility needed to respond expeditiously and effectively when justified by important national economic interests. That was done in 1934 for a very real purpose; it is just as valid today.

Two nights ago we in this body in 40 minutes time deliberated a bill that was critical to making a multi-million-dollar sale of benefit to American agriculture, wheat-producer-specific, yesterday. Forty minutes we debated it. Thank goodness we did. We expeditiously handled it. That is something that is getting overlooked now.

Many times, as we have heard the explanation of the international currency market, we do not have the time to respond. We can talk about our philosophical differences, which we are doing today, and I respect those. But since the law's enactment in 1934, this flexibility given to the President has served the United States well by enabling it to respond to emergencies.

Consistent with this original purpose there is no need to amend the statute because the nature of financial crisis sometimes requires urgent action to stabilize markets and protect the United States economy. It is almost always necessary to act more quickly than is permitted by a deliberative procedure of this legislative branch.

Now the slush fund language a moment ago, I wish we would not use terms like that unless colleagues are willing to say that the detailed monthly reports on ESF transactions which are submitted to our Committee on Banking and Financial Services monthly and the President's submission of an annual report to the Congress constitutes a slush fund. Do not use that kind of language unless searching for sound bites for 20-second commercials. It is not a slush fund. The appropriate committees are responsible for that. Mr. Chairman, I am not on the Committee on Banking and Financial Services, but I trust those on both sides who are.

U.S. pledges of second line of financial support during the Asian financial crisis have been an integral part of the international response to the region's financial instability. It mobilized billions of dollars in multilateral support, spreading the burden among many nations, not just us. Japan has committed well over twice what we have committed, for example, as the use of this ESF funding.

As in all such emergencies, the U.S. must be ready to act quickly and nimbly to protect our interests.

We have talked about Mexico for a moment. Let us talk again about Mexico. The use of the ESF during the Mexican financial crisis served critical U.S. national interests by containing a rapidly escalating financial meltdown that directly threatened the U.S. economy and the stability of international financial systems. The use of the ESF was not only instrumental in the ending of the crisis, but it resulted in a profit of $580 million for U.S. taxpayers.

Now U.S. agriculture has benefited from the recovery in Mexico, and I am here speaking primarily on behalf of U.S. agriculture, but it affects all of our national interest. In the wake of the recent peso devaluation and its aftermath, U.S. agricultural exports dropped by only 11 percent, and they surged back with a 34 percent gain. And we have heard all the anti-NAFTA et cetera, et cetera, but from the standpoint of the facts, from fiscal year 1995 to 1996, U.S. farm and food exports to Mexico climbed by $1.3 billion.

So to characterize ESF as somehow being a slush fund, a boondoggle, as a benefit to everybody but the United States, I say to my colleagues who are making this argument they are not dealing with the facts.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Vermont.

Mr. SANDERS. What I would say to the gentleman from Texas (Mr. STENHOLM), Mr. Chairman, is that in terms of Mexico between 1995 and 1997, after the so-called bailout, more than a third of Mexico's businesses declared bankruptcy. We have one-third of the work force is unemployed or in imminent danger of unemployment, nearly 2 million peasants have been forced to migrate in search of work, real wages have fallen almost 25 percent. If my colleague went to the Mexican Congress today, they would not tell him that it has been a successful bailout. They would tell him it was a disaster.

Mr. STENHOLM. Mr. Chairman, I am happy for the point the gentleman makes. I am here on behalf of American interests. What he is saying is what Mexico should or should not be doing. That was a question for their legislative body to, in fact, address. I am talking about what we ought to be doing, and I am making the argument it is in our best interests to provide the President of the United States with the flexibility needed whenever crises are involved and need to be addressed; that is all that I am saying today. And I believe the facts, as they have pertained to Southeast Asia, to Mexico and to Korea last December all bear out the wisdom of the original congressional act of 1934, and I hope we continue that.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe the amendment is a mistake. Yes, we have the power to do this, but it is not sensible to exercise indirectly every ounce of power we have. There are times when we may decide to get our purposes accomplished better by some delegation.

One of the problems we have is we are talking here about emergency situations. In emergency situations it is useful for this government to have the power to react.

Now it could come to Congress, but let us be clear about one of the major principles of legislation. The ankle bone is connected to the shoulder bone. There is a pattern here of an important bill coming to this body, and even more to the other body, and remember, this amendment does not say the House will decide, it says Congress will decide. So this means that nothing will happen unless it has gone through this body and the other body. The fact is that it can then become tied up with all matter of other issues. If, in fact, we think there ought to be a capacity to act on the merits or not in the particular financial situation, then saying there has to be an issue-by-issue vote in both the House and the Senate makes that very unlikely.

Now we have heard all kinds of terrible things that could happen from this fund, but the opponents of the fund, the advocates of the amendment, have said noticeably we have had this since 1934. Well, where are the horror stories? Where are all the terrible things that happened? We have had people say, well, billions could have been taken, this could have happened. We got a lot of "couldas" and a lot of "mightas" and a lot of possibles, but we have no horror stories. And one thing that body is good at is giving the horror stories. If there had been abuses, we would have heard about them.

Now my friend from Texas, who is intellectually honest and coherent, says that he is against the whole fund, he is a supporter of the gold standard, he does not like this whole notion of currency. He is a logical proponent of the amendment. But I would suggest that others less fiercely devoted to the gold standard than he probably are not as on solid logical ground.

I will say my friend from Texas was, I thought, uncharacteristically a little inconsistent when he said on the one hand it is a terrible idea because it propped up other currencies, but then he also noted that according to him it is impossible to do that. So it may be guilty of trying to do the impossible, but it could not be guilty of having done the impossible.

The gentleman from Alabama complained because we use it to prop up the yen. We propped up the yen because we wanted to stop the drain on American exports. The yen was reaching such a dangerously low level that it was threatening American jobs and jobs elsewhere.

Yes, it was very much in America's interest to prop up the yen. Using the funds to prop up the yen was a very pro-American thing to do. And does anyone think that we could have done that by saying, oh, we have to have this emergency deal, and we are going to try and foil the speculators; I know what we will do, let us have a Senate hearing, and by the time we are through with this Senate hearing we will have foiled the speculators. Of course it would not work. We cannot do that.

And then we have the gentleman from Florida, and he gave what I thought was the strangest argument for an amendment I have ever heard: Vote for it because it will be meaningless. Remember the gentleman from Florida said, well, he can lend 250 today, and 250 next week, and 250 the week after. So that is a pretty odd argument for an amendment: Vote for this amendment, it will not mean anything. It will just be more game playing.

We are in a difficult world. I agree with my friend who pointed out that the aftermath in Mexico was bad. But, as my colleagues know, what we are forgetting when we deal particularly in the international world, the most important principle of a great philosopher, Henny Youngman:

"Whenever you are measuring the effect of any particular policy in this area, you have to remember the key question: Compared to what?"

Yes, there were terrible problems in Mexico after that problem when we responded, but would they have been worse or better without this? Is Kim Dae Jung and Boris Yeltzin, two men, and in one case there is some imperfections, but two men who I believe are great devotees of democracy, are they better off if we have to go through a Senate filibuster before we get through?

Mr. Chairman, I will yield if the gentleman from Vermont (Mr. SANDERS) is asking me to yield, or is he just going to look puzzled?.

Mr. SANDERS. Mr. Chairman, the gentleman from Massachusetts (Mr. FRANK) took the words out of my mouth. I appreciate his yielding.

Here is the point: The gentleman asks what might have happened. He does not know what might have happened, I do not know what might have happened. But this I do know; that the so-called global economy, of which the ESF is an integral part, has helped lower the standard of living of workers in the United States, lowered the standard of living of Mexican workers, lowered the standard of living of the people in Canada, has been disastrous.

Mr. FRANK of Massachusetts. Mr. Chairman, I take back my time. The gentleman was not responding to my question, and I have to say the gentleman is articulate and thoughtful, and I take his nonresponse as an example of the fact that no response is possible because my question was the gentleman cited the problems in Mexico. My question was would it have been worse or better? Yes, I am very critical of aspects of the global economy, but the question is does the existence of ESF make it worse or better, and I believe it helps.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Sanders amendment. This amendment prevents the President of the United States from using the Exchange Stabilization Fund to bail out corrupt and incompetent regimes throughout the world without so much as a vote of Congress.

We engage in this body in heated debates, heated debates, and we have votes that put us on the record as the elected representatives of the people of the United States on expenditures that just are in the millions of dollars, just in the millions. We expect that each and every one of us, because we are the elected representatives of the people, must accept the responsibility of where those millions of dollars are being spent, and we will call for a vote to make sure that our colleagues are on the record and so that the American people can make their judgment about the job that we are doing in overseeing their resources, the American resources, the use of Federal resources. Those are the resources the American people.

That is the way it is supposed to be, that is what our Founding Fathers expected, that is what representative government is all about.

Those who oppose the Sanders amendment want the President of the United States to have, yes, a slush fund which he will be able to spend up to $38 billion, as much as he wants, to send that overseas to whatever regimes, whether they are corrupt or incompetent, whether they are friend or foe, whether we believe it is in the best interests of the United States or not, without so much as a vote in Congress by the elected representatives of the people. This is absurd. I am shocked, I think the American people should be shocked, to learn that we have given the President of the United States that power in the past.

This is the most antidemocratic element that I have discovered among the current procedures of our government, and I commend the gentleman from Vermont (Mr. SANDERS) for trying to do something to put accountability back in this democratic system and make it a democratic system.

□ 1830

What we have now with this stabilization fund is an invitation to corruption and sculduggery. No, I cannot give you specific examples, but I am sure they are there. But, often enough, we can rest assured that this bailout money that is going to foreign regimes does not even help the people of the countries who are in crisis.

Instead, like in Mexico, where billions of dollars were being spent to supposedly get them out of a crisis, instead it got them further and deeper in debt. And who was helped by that bailout? Much of that money went to very powerful financial interests in this country, perhaps a few powerful financial interests in Mexico as well. The victims are the Mexican people and the people of the United States, who are put on the hook without so much as a vote of the Members of Congress.

In recent years we have seen the stabilization fund, this stabilization fund that was meant to protect our currency, used to bail out Mexico to the tune of $12 to 20 billion, Indonesia, $3 billion, South Korea, $5 billion, and, now, how many billions of dollars will they want to take to bail out Russia? And where does this money go?

I am a member of the Committee on International Relations, and I can tell you in Russia alone, not to mention Indonesia, we are not talking about honest people over there. We are talking about people that would have a tough time getting elected and reelected here, with freedom of speech and freedom of press and some scrutiny. But, instead, we want to grant the President of the United States the ability to send billions of dollars over to those people, without so much as a vote in Congress? This is absurd.

This is a fund, as I say, that is supposed to protect the American dollar. It is not and was never intended to be a slush fund for the whims of the President, so he can send it to people across this world at his discretion.

This amendment makes sense. If the President is going to spend more than $250 million of our money, we should have to approve it. I hope the American people who are listening to this debate will take note of who in this body is suggesting that they do not want to have the responsibility to have a vote up and down on where billions of dollars of our money is being spent. And when it goes overseas, these billions of dollars, what does it do and who does it help? We are being told for the stabilization of the world, this global economy requires us to grant this power to the President, this power to give away billions of dollars and to loan billions of dollars without the approval of Congress. Who does it help? It does not help the American people.

I agree with the gentleman from Vermont (Mr. SANDERS). In the end, it has helped people who compete with the United States for jobs. This is a total violation and betrayal of the American people. Vote for the Sanders amendment.

Ms. KAPTUR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Sanders-Bachus-Miller-Stearns-Kaptur-Burton-DeFazio-Rohrabacher Kucinich-Paul-Stark-Owens amendment, and I do so for several reasons.

First of all, the amendment restores proper Congressional constitutional prerogatives over the spending of U.S. taxpayer dollars. These are our people's dollars. We have a legitimate role here to play in the Congress.

This is an eminently reasonable amendment, because it basically says the administration has latitude up to $250 million, not small change by anyone's measure, but when you go over that limit, then you have to come and seek approval by this Congress, simply because those dollars are then used in order to assist foreign governments, banks, investors, many who have no role in electing the Members here. There are serious issues that we may have with those who would benefit from this type of wealth exchanging hands.

Let me mention that this particular fund, the Economic Stabilization Fund, was established by law in 1934, and its purpose, its legislative purpose as written by Congress, is to buy or sell currency in order to stabilize our dollar in current short-term crises. The fund was never meant to be used for medium-term loans or long-term loans or to prop up foreign governments, which is what it has been doing of late, to the magnitude that is currently being used just in the last couple of years, $20 billion, into the billions. It was never, ever intended for that purpose. We have back-doored our way into this practice.

This amendment basically prohibits any administration from putting billions of taxpayer dollars at risk in loans to other countries without the explicit approval of this Congress. And we well know what has been going on, whether we are talking about Korea or Russia or Mexico. We are talking about speculative investment that has fueled export-led development in those nations that cannot be sustained over time.

I think the gentleman from Minnesota (Mr. VENTO) talked about the need for IMF reform. I completely agree, because we end up getting in these currency crises because the fundamental development policy is wrong. It is unsustainable internally in these countries, and it cannot be maintained.

We fight always to get a vote here on declarations of war, and it has been hard for the legislative branch over the decades to maintain its prerogatives under the Constitution. But that is not to say we should not do it. The same is true with economic policy. Yes, we may have to fight for our day in the sun, but, under our Constitution, we have that constitutional responsibility.

This amendment passed before in 1995 by a wide margin. Two hundred forty-five Members voted in favor of it. In fact, since that time it has not blocked any kind of assistance where it was essentially needed. So we are not trying to reinvent the wheel here.

I always wanted to say that it is very, very important that Members think about where these dollars go, and is it not as important for us to have oversight over billions of dollars that goes beyond our borders in the same way as we have oversight of millions that flow within these borders? We have GAO studies, and we have Congressional oversight committees, and we have all kinds of staff studies to take a look at where every single dollar goes in our health care financing programs and so forth, our food stamps, our defense spending. Why should we be any less rigorous when the money goes for foreign purposes?

We have received letters from leaders in the Parliament, for example, in Mexico City, talking about the serious financial problems Mexico currently faces because of the fact that the fundamental development policy was never changed. But we end up trying to bail out the speculators that prop up the real estate market and make investments that are not creditworthy. We then end up using the ESF fund to try to prop up a house of cards that cannot stands on its own.

In closing, I just want to read a couple lines from the letter that came from this particular Secretary of Treasury.

The CHAIRMAN. The time of the gentlewoman from Ohio (Ms. KAPTUR) has expired.

(By unanimous consent, Ms. KAPTUR was allowed to proceed for 1 additional minute.)

Ms. KAPTUR. Mr. Chairman, I just wanted to say one of the arguments that the Secretary of Treasury uses in the materials he sent to us today say, "The administration and any President needs these dollars because of today's large, fast-moving financial markets."

I want to say that that is exactly the reason that this Congress should have oversight; that because in fact so many powerful global financial interests have an impact on this marketplace, we in Congress have got to be in tandem with those movements. We cannot absent ourself from that process, and, in fact, we have to gain some leverage over these major financial decisions that end up being political decisions in the end, when we end up supporting certain financial interests in other places.

The Secretary says, "Treasury fully accepts its responsibility to account to Congress." I would say Congress ought to accept its responsibility to account to the American people. I urge the Members to support the Sanders-Bachus amendment.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we arm wrestle every day back and forth across the aisle on domestic spending. We have got budget caps, and we have some serious problems in this country. Even though the economics are supposed to be good, as many of you believe, and I do, too, there is a big difference between Wall Street and Main Street. There is probably not a handful of times in the past 8 years that I have agreed with the gentleman from Vermont (Mr. SANDERS). Two times in one day, I am starting to question my own rationalization.

Mr. SANDERS. Mr. Chairman, if the gentleman will yield, me, too. We will not tell anybody.

Mr. CUNNINGHAM. We will not tell anybody outside of this.

But the gentleman's idea is good. I also agree with the gentlewoman on the fact concerning declaring war, there ought to be a limit, and this Congress needs to have its position based on the Constitution, and this is a good constitutional issue.

I thank the gentleman from Vermont. I think it is a very good amendment.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Chairman, I will not talk about the merits of it, but earlier today we talked about a pay raise, and it gets so political. If you think that it is political for the pay raise and demagoguery, this amendment is tailor-made for demagoguery.

The gentleman from California just a moment ago said we are going to be looking at how people vote on this amendment. So there is room for a lot of mischief. I am not speaking to the merits of it, but this is something that could take forever if you had to go through the House and the Senate. It is just a cautionary observation.

Mr. CUNNINGHAM. Mr. Chairman, reclaiming my time, I understand what the gentleman is saying. To me this is not demagoguery. This is good economic sense and good policy, as the gentlewoman from Ohio (Ms. KAPTUR) just said. I ask for support of the Sanders amendment.

Mr. LEVIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this proposed amendment, proposed proposition, puts its finger on the pulse of a problem, but it is at this juncture very much the wrong prescription.

We have a new set of problems in this world economically. Fifteen years ago globalization meant our trade with Europe and Japan. In the last decade it has meant our trade relations with developing economies, and that is increasingly so since we voted on this 3 years ago.

It has created all kinds of new issues. We do need new rules of competition. We are dealing with economies that are very different from our economy, and they have all kinds of subsidies, and they have all kinds of different labor market rules. They have all different kinds of rules, period. We need to face up to this, and we have not fully. But a piecemeal or potshot approach to these serious problems is not the answer.

We need a comprehensive set of policies, and we do not need slogans like "slush funds" or "giveaways" or "loans" thrown all together. The proposition with Mexico was not a slush fund or a giveaway, it was a loan, under certain strict conditions, and the loans were repaid. We made money on them.

We need to take a serious look at this. Three years ago we passed this, but a lot has changed since then. We have lots of currency problems with developing economies, a lot of them. Now Mexico is cited.

Look, we need more than just a few minutes of discussion here. I am not sure history is going to judge the Mexico loan one way or another, but I will tell you, I think there is a good chance it is going to be judged as having been a good move by the United States. This is coming from someone who feels deeply about the problems in terms of competition with Mexico and what was their rigged economy and rigged labor market conditions.

But to simply say we should not allow use of a stabilization fund when the currency of another country threatens to go whacky and undermine jobs in this country and because their currency becomes so weak it is tempting to export even more their way out of their problems, that is not the way to handle this. Contrary to some of the debate here, we acted on the yen to strengthen the value of the yen, not to weaken it; to make sure that they were less tempted to export their way and flood the American market with cars and other products.

One gentleman from Florida said, well, the Secretary of Treasury can skirt this by $200 million every week. What kind of an amendment is this that can be skirted by the Secretary doing the $250 million a week?

☐ 1845

Now, we in Congress need to look at this seriously. This amendment is totally a piecemeal approach. It would handicap us when we need to act. Currency problems are serious problems, and this would handicap us.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, does my friend understand that this amendment has nothing to do and does not change in any way our ability to deal with stabilizing U.S. currency?

Mr. LEVIN. Mr. Chairman, reclaiming my time, that is not true. It does not limit all of our interventions in terms of the currency, but it does limit us. It would have limited us in terms of action on Mexico where there was a tremendous peso problem and there was a danger of such weakening of the peso that it was going to have major ramifications not only for the investors in Mexico, and I do not want them to come out without some pain, but people in America who were producing goods in competition with Mexico and did not want the peso to drop so much in value it would be impossible to compete.

We need new rules of competition, not amendments that are piecemeal, that are potshots, that may be good populist rhetoric, and I love the gentleman's motives, the gentleman is serious about this. This is not the way to attack the problem. I oppose this amendment.

Mr. DEFAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would agree with the previous speaker in the well that we do need a comprehensive approach, but we are always told, this is not the time.

The IMF fund has been languishing without replenishment from this Congress because many of us have genuine concerns about the activities of the IMF, and now we are being told we are in a crisis, we have to fund it. We have been told that for months now. We are in a crisis, we must fund it, but do not worry, we will reform it after we give them another $18 billion when they do not need us for another couple of years. Well, we know what will happen. Nothing will happen. This has gone on time and time again.

The same thing here with the Economic Stabilization Fund. It is always the wrong time to deal with this issue, we are being told. The Secretary of the Treasury said, we are confronted with large, fast-moving financial markets. He is right, and we need to do something about hot money going around the globe, attacking everybody's currency and destroying economies so a few people on Wall Street or in London or some other financial center can get filthy, stinking rich. But we are not dealing with that. It is not time to deal with that. Just pump some more money into the existing system so that they can continue to become incredibly wealthy, but do not worry, some day we will deal with it.

There are things we could do immediately. The U.S. could take steps through the World Bank with conditions upon additional money to the IMF to deal with hot money, requiring other nations around the world to put in place steps to deal with hot money. The Tobin tax, a tiny tax on this hot money moving in and out of countries, billions of dollars in a single day, just putting a tiny tax on that could fund all of the activities of the IMF, all of the activities of the World Bank, dampen speculation, and stop tapping the taxpayers of the United States to pay for all of the bailouts of all of these wealthy people, these speculators around the world.

That is what this debate is about here on the floor. It is not about the stability of the United States dollar.

This amendment leaves the President total authority to use that $29 billion any way he wishes to support the United States dollar or to devalue the United States dollar, as was done recently by an intervention by the United States Treasury. That is still here. Although we have had people rise here on the floor and say, this would impinge upon the capability; it would not. All it says is one cannot lend the money directly, one cannot go around the Congress.

How did we get into this debate? Because the President was going to come to the Congress for $8 billion for Mexico, they counted heads and found out under those conditions there were not a majority of Members in the House of Representatives who wanted to use $8 billion of taxpayer money to bail out the Mexican speculators, both Mexican and U.S. speculators who were in there getting incredible rates of return; 50, 100 percent rate of return on short-term investments, and they wanted all of their capital back, too. They had already made 100 percent profit, but they wanted the capital back.

When Congress was a little reluctant to do that, concerned that we ask the speculators to take a hit, not just the people of Mexico and not just the taxpayers of the United States, the Secretary of the Treasury went and took the money out of the Economic Stabilization Fund, without the authority of the Congress. They say that they can do that.

We are just trying to say now that we want to renew the provisions we put in effect 3 years ago that says, if they are going to take more than $250 million out of the Economic Stabilization Fund, our money as United States citizens, that if it is going to be for purposes other than defending or supporting or weakening the United States dollar, as is seen fit by the Secretary of the Treasury and the President, that they get prior authorization from Congress. That is not going to threaten our troops in Korea. It is not going to threaten the stability of Israel in the case of a war. It is not going to cause all of this economic calamity. What it would do is begin to force people to reform this system.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I would pick up on a point my friend made. Does my friend know what the interest rates in Russia right now are when people are buying Russian bonds?

Mr. DEFAZIO. Mr. Chairman, they went to 150. I do not know what they are now.

Mr. SANDERS. Mr. Chairman, they are over 100 percent. These people who are lending the money are running to the Congress and saying, fund the IMF. Give the money to Russia so that we can make sure we get back our money at 100, 125 percent. The gentleman is absolutely right.

Mr. DEFAZIO. Mr. Chairman, reclaiming my time, I thank the gentleman.

I also have a letter from a member of the PRD party in Mexico, and he goes on at great length about the conditions that came out of the Mexican bailout and the disaster it has been for the people of Mexico; the fact that it did only bail out a few very wealthy people in Mexico and banking interests and wealthy people in the United States and yet has caused 20,000 small businesses to collapse and, I am told, economic calamity.

We need to change these policies. If we do not adopt this amendment tonight, we will never get them changed.

Mr. KUCINICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. The Exchange Stabilization Fund is being misused by Treasury to bail out foreign investment failures. When some aspect of corporate foreign investment policy fails, Treasury taps the ESF to cover over the failure.

Here is a recent example. In Indonesia, the International Monetary Fund caused a run on Indonesian banks when it directed the closure of 16 banks there. A confidential internal IMF memo even acknowledged the failure. The IMF caused the panic by making a bad situation worse.

So what does the ESF, Foreign Investment Failure Fund, do? Without congressional approval, Treasury dispatched a credit line of $3 billion to cover the mistake; $3 billion, without a vote of the Congress, and we have long debates here over $2 million, $2 million as opposed to $3 billion, and this is just one example.

NAFTA caused a flood of U.S. investors to abandon their investments in the U.S. for higher rates of return in Mexico. Then, the already overvalued Mexican currency collapsed. Guess what? The ESF's Foreign Investment Failure Fund was used again without congressional approval to cover the multibillion dollar failure. Indeed, the ESF was used in this way because Congress refused to pass a $20 billion package to benefit the Mexican few at the expense of the Mexican people. The use of the ESF by Treasury thwarted the will of the Congress.

What is this House all about, except being the government of the people? The Constitution puts the legislative power in our hands. The Constitution puts the power of the purse in our hands. The Founders could not have envisioned a condition where the Congress of the many would forfeit its constitutional power, its financial prerogatives to an elite few. We are the government of the people, and we have a constitutional responsibility to take control over a fund which is out of control, and the ESF billions are way out of control.

The ESF's Foreign Investment Failure Fund is used to accomplish policy changes that often make international financial conditions worse. In Korea, important consumer and labor standards and regulations were overturned as conditions for $5 billion in Exchange Stabilization Fund monies from the U.S.

Koreans now talk about IMF suicides to characterize the wave of suicide among jobless and hopeless Koreans. Korean labor unions are conducting massive protests and strikes. Without Congress's approval or involvement, global economic policy is being forged for the benefit of the few, with the funds of the American people as leverage.

This amendment, the Sanders amendment, will correct abuses, but it will not tie Treasury's hands. If Treasury needs to stabilize another country's currency, it will be able to use the ESF to do so, unilaterally and without Congress's approval. The amendment allows Treasury to do currency swaps and other currency stabilization aids without congressional approval, but if Treasury is making a large loan to another country, they will have to come to Congress, which is the only appropriate process, given the American system of checks and balances.

This amendment is nearly identical to one that Congress passed in 1995. Many of my fellow Democrats voted for that amendment then. Unfortunately, the authority of that provision lapsed in October, 1997. Today, we need to repeat the corrective action.

So long as the ESF is used to extend credit or to give loans to foreign nations without Congress's approval, these foreign investment failures will get larger, and they will become more frequent. More of the U.S. Treasury will be exposed to paper over them, benefit foreign elites, bail out global banks and underwrite austerity, joblessness and hopelessness for a majority of ordinary people around the globe.

Congress, take back your authority. Vote "yes" on the Sanders amendment.

Mr. BENTSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the opportunity to sit and listen to all of the debate this afternoon on this issue.

This has been a debate dealing with really two issues. One is process and the other is policy.

With respect to the process, it is really unworkable, but if we are going to apply it to this, we should apply it across the board. We should apply it to the Federal Reserve, which my colleague may actually support, and what they do to enter the market to support the dollar and to effect interest rates, and the excess funds of the Federal Reserve, which is an entity of the U.S. Government and thus the taxpayers. So perhaps we should do it with that.

Perhaps we should look at every loan guarantee made by OPIC and the Eximbank and have every single loan guarantee approved by Congress; every action taken by the commodity credit corporation approved by Congress.

The fact is, it would be unworkable; and the fact is that we already have the process in place. As a member of the authorizing committee, along with the sponsor of the amendment, we have the opportunity to review what the Exchange Stabilization Fund is doing, or what the Treasury Department is doing, what the ESF, just as the appropriators do, just as we do with every other type of function that we have.

With respect to policy, this was a bad idea in 1995, and it is a bad idea today.

I think we need to also clear up some of the rhetoric that has been said on the floor. Some of it has bordered on xenophobia, but I think that the sponsor of the amendment is very sincere in his approach, and while we disagree on this, I think that his is a question of policy over global economics and where we are going, some of which is in our control and some of which is not.

□ 1900

Let me address some of the rhetoric that was said. Our colleague, one of our colleagues from California, talked about corruption in the ESF program. Here is a report dated July 1, 1998, from the Congressional Research Service. That is part of our operation here.

It says that there is no evidence to suggest that the Economic Stabilization Fund has abused its authority. Previous ESF loans to foreign governments were all repaid in a timely way, which goes to a second piece of rhetoric that was stated about slush fund and giveaways. It is very clear that always the process that has been used, particularly in terms of loans, it has been loans. There have been no giveaways to any countries, and in fact, if anything, the loans have been above market.

There is a complaint as to why the interest rates are so high on some of these loans. It is because these countries cannot get loans in the private market because they have no liquidity, because there is no confidence in their currency. That is why their loans are above market, because it is the lender of last resort.

Then the question comes, why should we be doing this in the first place? Why should we not be more concerned about a coke factory in Alabama? I think we are concerned about the coke factory in Alabama, because we are concerned about whether or not that factory is going to be able to sell our product overseas.

Right now we have a situation in Asia which represents more than a quarter of our exports. The fact that the GDP for the second quarter is probably around zero, and potentially a contraction, is because we have had a dropoff in our export business, and we have seen an increase in our trade imbalance. So the last thing we want to do is to cut our clients off.

If there is a currency crisis anywhere in the world, it affects the value of the dollar. What is done with the ESF fund through the loans that are made is part of exchange stabilization. It either directly, through market intervention in supporting the dollar, or indirectly, through market intervention in supporting the world economy and how that affects of the dollar, moves in helping the American worker.

So this is really a bad idea. I think that it will probably pass because it sounds good. It makes good politics, and the closer we get to November, good politics tends to be more important than good policy. But if the House was wise, it would reject this amendment, because imposing this type of policy on the administration, the only thing that we would be doing is saying that we are going to erect a mercantilist policy in the United States at the expense of the American work force.

Mr. DOOLEY of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to bring this debate down to one which I think is very simple. The reason we need to oppose the Sanders amendment and maintain the flexibility with the Exchange Stabilization Fund is because it is important to protect U.S. working men and women.

It is without contention that in our economy, so many more of our jobs in this country are becoming more dependent on international market opportunities. We only have 4 percent of the world's population in the United States. Ninety-six percent live outside our borders. Yet, we produce 26 percent of the world's gross domestic product. It is very clear that we are becoming increasingly dependent on the ability to export our products, export the labor of the working men and women of this country.

The Exchange Stabilization Fund plays a very important and critical role there, because it can move rapidly to respond to financial crises, which can restore confidence in those international markets, which can restore confidence to those currencies and maintain their values.

That is important, because when we see the decline in the value of the yen, that has the potential to make their exports more competitive with U.S. exports. If we do not find ways to stabilize the yen and other currencies, we are in fact jeopardizing the ability of the product of the labors of U.S. men and women to be competitive in the international marketplace.

I would also state that here we have a program that has played a critical role, again, in protecting jobs in this country. It is one that has not cost taxpayers one dime. We have not lost money on utilization of the Exchange Stabilization Fund. In fact, when it responded to the crisis in Mexico, it contributed to our budget by adding $500 million that we derived from interest on those loans.

I ask Members to please oppose this amendment, in the interests of the U.S. working men and women.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. DOOLEY of California. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I would just like to take this opportunity to thank all of those people who have supported this amendment, and show my respect for those people who have been in opposition. It has been a good debate. It has been an important debate. We need more debates like this.

It seems to me, Mr. Chairman, there are three basic points that I would like to make. Number one, I hope everybody understands that this amendment does not stop the Treasury Department from stabilizing U.S. currency. That remains, absolutely, as has been the case for so many years.

Number two, I think there is an important constitutional issue. That is, should we sit back and allow tens and tens of billions of dollars from U.S. taxpayers being placed at risk without debate, without discussion?

The third point that I would make is that if we pass this amendment, it allows the Congress to become more involved in debates over the global economy that my friend, the gentleman from California (Mr. DOOLEY) has touched on.

I would simply suggest that if we look at the global economy, the standard of living of American workers has declined over the last 20 years. People are working longer hours for lower wages. We have lost millions of decent jobs.

Mr. DOOLEY of California. Reclaiming my time, Mr. Chairman, just to bring my comments to a close on my own time, it is clear that this amendment would work against the interests of the working men and women of this country.

When people talk about the standard of the working men and women in this country declining, that is wrong. When we start evaluating in terms of how many hours an average worker has to spend in order to afford a house, to afford a car, to afford a college education, it is much less today than it has ever been in the history of this country. In part it is because of our ability to access international markets.

This measure, if it is successful in passing, will reduce our ability to ensure that U.S. workers have the ability to be as competitive as possible in the international marketplace, because it will allow this country the tools to maintain currency values, which is absolutely critical to our economic interest.

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in listening to the proponents of this amendment, Members would think that we were a self-sufficient economy; that it does not really matter what happens to other economies around the world, whether it be Asia or Latin America or even Europe, and that, in fact, our leadership role, such as it is, is dispensable, not necessary.

Nothing could be further from the truth. We are all enjoying the benefits of a booming economy, an unparalleled level of prosperity. But how many people understand that at least a third of the economic growth that we are benefiting from is due to international trade, and that international trade is dependent upon the confidence of capital investors in our global economy?

If they are not confident in the economies of other nations, they are not going to invest, they are not going to put their money into those economies in such a way that those economies will be strong and stable. If those economies are not strong and stable, they will not be able to buy our products. In fact, they could fall into such a desperate situation that they will be forced to dump their products on our marketplace.

If there is anything that could jeopardize the strength of our current prosperity, it is an international currency crisis. If that happens, it will be because we did not sufficiently respect and appreciate the role that the United States is currently playing in the global economy.

We are the leaders of the global economy. One of the reasons that we are the leaders of the global economy is precisely because we have these kinds of stabilization funds. Investors all over the world understand that before an economy is allowed to collapse, the United States is going to take the lead to stabilize their currency, to build up their economy, to ensure that the rest of the international economy does not collapse, because we understand our own vested interest.

I hope they are not giving us too much credit. I would hope that the Congress of these United States fully understands what is at stake; how important, how dependent the welfare of our constituents is on a healthy global economy. If we vote for this amendment, it will reflect a lack of understanding, truly an ignorance, of the role the United States must play as the leaders of this global economy.

This is a terribly important amendment, not just because of the specifics of the amendment itself, but because of the signal it sends to the rest of the world. We have to send that signal. We have to be the leaders of the global economy. We have to assume our responsibility.

Not only have we the strongest military, a military greater than all the other militaries in the world combined, but the principal reason we are the global leader is because of the strength of our economy, and the fact that we are prepared to do what is necessary to ensure the sustained prosperity of the rest of the world, which is the marketplace for our products today and whose economic stability will be the source of our security tomorrow.

Ms. STABENOW. Mr. Chairman, I rise in favor of the Sanders' amendment to earmark $6 million of the appropriation in this bill for the National Archives and Records Administration for the National Personnel Records Center.

I am particularly pleased that this amendment is going to address an issue that has been brought to my attention by the county Veterans Affairs offices in my district. The issue relates to the timely processing of medal requests which are critically dependent upon documentation for military service. The National Personnel Records Center is part of the National Archives and Records Administration and houses all veterans records.

My office has been contacted by several veterans requesting an original or a replacement set of medals, who have had to wait in excess of two years for their request to be answered. The county offices have had similar experiences. While my office advocates on behalf of individual veterans and their families, and is happy to do so, there appears to be a general pattern of problems in this area. Those providing direct services to veterans on a daily basis in my district are very frustrated and feel very strongly about the need to address this unacceptable delay.

Let me give you three examples: (1) Wells E. Elston has been waiting 3 years for assistance from the National Records Center. (2) Edward Hendy has been waiting for 4 years for assistance from the Records Center. He is a World War II Veteran in poor health, and is entitled to a Good Conduct Medal, an American Theatre Service Medal, and a European-African-Middle East Service Medal with 5 bronze stars. (3) Randy Marwede, Director of Ingham County Veterans Affairs, sent in a request for a copy of his DD 214 and has yet to hear back—the request was dated July 1996.

Our veterans gave us far better service than this—and risked their lives to do it. They deserve far better from this country and the government agencies who serve them. I urge my colleagues to join me in supporting this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 498, further proceedings on the amendment offered by the gentleman from Vermont will be postponed.

AMENDMENT OFFERED BY MR. WICKER

Mr. WICKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WICKER:

At the appropriate place in the bill, insert the following:

SEC. ___. LIMITATION.

No funds appropriated for the United States Postal Service under this Act may be expended by the Postal Service to initiate new nonpostal commercial activities or pack and send services.

Mr. WICKER. Mr. Chairman, I will be brief. The chairman of the subcommittee has advised me that he will accept the amendment if I am brief, and I intend to comply with that request.

Mr. Chairman, this amendment deals with competition by the Postal Service in nonpostal commercial activities, such as the pack and send activities. The gentlewoman from Kentucky (Mrs. NORTHUP) had an amendment that was closely related to it that was accepted by the Committee of the Whole a few hours ago now. It dealt with fairness globally.

This amendment, Mr. Chairman, deals with fairness as it relates between the Postal Service and small business, where, for example, a small business has taken out a loan, it is a mom and pop operation, they are raising their kids, paying their taxes, and here comes the big behemoth Postal Service coming in to compete with them.

This certainly is not as strong as the committee language which was stricken by a point of order, but it does send a message. It does say that no funds under this act shall be used to initiate new commercial non-postal services. I urge the adoption of the amendment.

Mr. KOLBE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will be very, very brief on this. The gentleman is correct, I do accept this. As he knows, and he and I have had considerable discussions, I have considerable concerns about the substance of his amendment, which was adopted in Committee. He did win that fair and square.

This amendment has no real effect because it only effects funds in this bill dealing with the Postal Service. It simply maintains its place for the conference. But I do have real concerns about the substance of the amendment, and the gentleman knows that. But I accept this amendment.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a proponent of the United States Postal Service it would be, I think, unseemly to oppose sending a message, and I will not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. WICKER).

The amendment was agreed to.

AMENDMENT NO. 18 OFFERED BY MR. SAXTON

Mr. SAXTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 18 offered by Mr. SAXTON: Page 109, after line 24, add the following:

SEC. 648. (a) EXCEPTION TO IMMUNITY FROM ATTACHMENT OR EXECUTION.—Section 1610 of title 28, United States Code, is amended by adding at the end of the following new subsection:

"(f)(1)(A) Notwithstanding any other provision of law, including but not limited to section 208(f) of the State Department Basic Authorities Act (22 U.S.C. 4308(f), and except as provided in subparagraph (B), any property with respect to which financial transactions are prohibited or regulated pursuant to section 5(b) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)), section 620(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(a)), sections 202 and 203 of the International Emergency Economic Powers Act (50 U.S.C. 1701–1702), or any other proclamation, order, regulation, or license issued pursuant thereto, shall be subject to execution or attachment in aid of execution of any judgment relating to a claim for which a foreign state (including any agency or instrumentality of such State) is not immune under section 1605(a)(7).

"(B) Subparagraph (A) shall not apply if, at the time the property is expropriated or seized by the foreign state, the property has been held in title by a natural person or, if held in trust, has been held for the benefit of a natural person or persons.

"(2)(A) At the request of any party in whose favor a judgment has been issued with respect to a claim for which the foreign state is not immune under section 1605(a)(7), the Secretary of the Treasury and the Secretary of State shall fully, promptly, and effectively assist any judgment creditor or any court that has issued any such judgment in identifying, locating, and executing against the property of that foreign state or any agency or instrumentality of such State.

"(B) In providing such assistance, the Secretaries—

"(i) may provide such information to the court under seal; and

"(ii) shall provide the information in a manner sufficient to allow the court to direct the United States Marshall's office to promptly and effectively execute against that property.".

(b) CONFORMING AMENDMENT.—Section 1606 of title 28, United States Code, is amended by inserting after "punitive damages" the following: ", except in any action under section 1605(a)(7) or 1610(f)".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to any claim for which a foreign state is not immune under section 1605(a)(7) of title 28, United States Code, arising before, on, or after the date of enactment of this Act.

□ 1915

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I rise to a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OBEY. Mr. Chairman, the amendment is clearly legislation on an appropriation bill. It violates the same rule that I referred to so many times today. While this may be a meritorious issue, it needs to be dealt with in conference by Members who understand it, and it does not fit the rule under which we are operating today.

The CHAIRMAN. Are there any other Members who wish to be heard on the point of order?

Mr. SAXTON. Mr. Chairman, would it be in order for me to request the gentleman to reserve a point of order in order that the gentleman from New Jersey (Mr. PASCRELL) and I, who offer this amendment together, might at least have the opportunity to explain the provisions of the amendment?

Mr. OBEY. Mr. Chairman, with all due respect, under ordinary circumstances I would agree with that, but we have gone on this bill for most of the day. We still have another bill tonight. Many Members are going to be home. We are still going to be here dealing with legislation until the wee hours. Under the circumstances, I feel constrained to insist on my point of order.

Mr. SAXTON. Mr. Chairman, we can deal with it in a very short order tonight or, having talked to leadership about this, we can go into a series of hearings on this measure to try and determine why it is that the administration is taking a position against the American people and in favor of the government Iran.

Mr. OBEY. Regular order, Mr. Chairman.

The CHAIRMAN. Are there any other Members who wish to be heard on the point of order? If not, the Chair is prepared to rule.

The amendment offered by the gentleman from New Jersey directly amends existing law. As such, the amendment constitutes legislation in violation of clause 2 of rule XXI.

Accordingly, the point of order is sustained.

Are there further amendments to the bill?

Mr. SAXTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the amendment that I would have offered, which I would have done in a more substantive way, is an amendment which is intended to correct a grave injustice that is being carried out by this administration.

Mr. Chairman, on April 9, 1995, a terrorist act took place against an American family in which an American lady died in Israel. Her name was Alisa Flatow. She was an American student studying in Israel. She was riding in a bus on a holiday in Israel. This wonderful lady is no longer with us.

This is the vehicle in which she road. Hardly recognizable as a vehicle of mass transit today.

The Flatow family came to me and to the gentleman from New Jersey (Mr. PASCRELL) and to the gentleman from New York (Mr. ENGEL) and to others and asked for help, because the American statute that governs the activities of the Federal courts did not permit the latitude for them to seek redress in court.

Due to the great cooperation of the chairman of the Committee on the Judiciary and the chairman of the Committee on International Affairs, we changed the statute to give the Flatow family the ability to sue. Subsequently they did, and subsequently the Federal district court here in Washington granted them a judgment in the amount of $247 million against the Islamic Republic of Iran.

That was step one. It was important, but it was step one. And it said to the Islamic Republic of Iran, if you commit acts of terrorism, there is a price to pay. The Flatow family went back to court to perfect their judgment, identified three Iranian-owned properties in Washington, D.C. owned by the Iranian government, began to perfect the judgment and get liens against the properties. And along came our own State Department and our own Treasury and said to the judge, stop. You cannot perfect this judgment in the form of liens against those properties because there is another statute that gives us the ability to stop you and we will.

And so this administration, in acting against the Flatow family and for the government of Iran, is standing in the way of the will of this body, which just a year or so ago amended the statute to give the Flatow family the ability to sue, and is protecting the assets of the State sponsor, proven in court to be the State sponsor of the death of Alisa Flatow.

Now, the amendment, Mr. Chairman, that I would have offered would have quietly taken care of this whole deal. As a matter of fact, the Senate has already made it part of their Treasury, Postal appropriations bill. And for the life of me, I cannot imagine why the minority ranking member of the Committee on Appropriations would want to side with the administration on the side of Iran against the Flatow family in complete and utter defiance of the law that this body passed and the President of the United States signed known as the Effective Death Penalty and Anti-terrorism Act.

If it seems as though I am unappreciative of the treatment that we have received here tonight, it is so. I believe this administration is creating a grave injustice, and to some extent, at least by the actions of the minority member, that injustice has been carried through here in this body tonight.

I will have more to say on this in the days ahead.

Mr. PASCRELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when I looked at the government's response to this particular case in July of 1998, where lawyers for the Department of State and the Treasury advised the court that the government would file motions to quash each of the writs of attachment, we must rise against the injustice.

In April of 1995, Alisa Flatow, who was then a student at Brandeis University, from my district of West Orange, New Jersey took a semester off to study at Jerusalem Seminary. She was driving on a bus, riding on a bus in the Gaza strip when a militant suicide bomber drove a van loaded with explosives into the side of the crowded vehicle. Sadly, Alisa and eight other innocent people were killed by this act of terrorism.

Alisa was a woman of great character, both in life and in death. And those who received her organs can attest to the kind of generous woman she was. Her heart was transplanted to a 56-year-old man who had been waiting more than a year for one. Her liver was donated to a 23-year-old man. Her lungs, her pancreas, her kidneys to four different patients. Her corneas were donated to an eye bank.

We will not forget Alisa Flatow or the struggle and trauma her family have gone through as a result of this heinous act. State-sponsored terrorism cannot be tolerated. Not just in words we speak, but in action. That is what the gentleman from New Jersey (Mr. SAXTON) was talking about. It simply requires that the Secretary of the Treasury help victims locate assets of the Nation that sponsored the terrorist act, whomever they are. It entitles victims to seize property so that they can be liquidated in order to pay any judgments issued by a U.S. court, and we have a judgment here, do we not? We have a judgment.

The measure is a good first step we took in 1996. We need to build upon it so we can wage a real war on terrorism, not just of words.

In 1997, we passed another law that allowed victims of terrorism or their families to sue for punitive damages, another step, another action taken; not just words.

We heard the gentleman from New Jersey (Mr. SAXTON) speak about the rule that Iran must pay $247.5 million. Frankly, I would say to the gentleman from New Jersey (Mr. SAXTON) I am not interested on this side of the aisle in kowtowing and boot licking those people who we think some day will be our friends while they tolerate acts of terrorism and do not do anything about it. Frankly, I am not interested in that. I am interested in now, to send a clear message to the administration, to the courts, to our friends and those who are not our friends, that we mean business.

These are our citizens. These are our brothers and sisters. These are our relatives we are talking about here.

This amendment, whatever form it takes, and it will take form, will allow the Flatows to seize Iranian property, as the courts have decided.

Those nations who sponsor terrorism must know that if they are found guilty in a U.S. court, their assets will be liquidated in order to serve justice.

Mr. Chairman, let justice be served today.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, since the proponents of an amendment that is not even before us choose to discuss why they want to offer it, I want to explain with all due respect why I objected to their offering it in violation of House rules.

The story that they tell is a very disconcerting one, and there is not a member of this body who would not like to do something about it, but the fact is that this proposal has already been added to the Senate bill. That means the opportunity to deal with this issue will be fully present in conference and that means that there is no need to have it added to this bill in the House in order to have this problem considered.

There is a serious problem, however, if we had chosen to add it in the House. It would have then been in both bills. It would not have been subject to conference, and the problem is that there are significant national security problems associated with providing this amendment.

I would point out, for instance, that in a letter from the administration, the letter indicates that this amendment would substantially undermine the President's ability to use such assets as leverage when economic sanctions are being used to modify the behavior of a foreign state or in negotiations with that state. It said, for instance, that if private claims were allowed to execute judgments ahead of these assets, the President would be deprived of their use as leverage to gain concessions from the North Koreans in the negotiating process, because in their judgment this amendment does not just apply to Iran. It applies to all kinds of other countries, including Cuba.

The administration also points out that the Supreme Court has recognized the importance of the administration retaining this authority in states. Quote, "Such blocking orders permit the President to maintain the foreign assets at his disposal for use in negotiating the resolution of a declared national emergency."

□ 1930

They also point out that with respect to Cuba there are 5,911 claims totaling $1.9 billion, but there are only $148.3 million in Cuban government assets available to justify those claims. This proposal would contribute to a first-come, first-serve approach, which would not be equitable to those people who are left out.

So I would say that despite the distressing story that these gentlemen are telling tonight, the responsible thing to do, since this is already in the Senate bill, is to simply deal with it in conference, when we will have an opportunity to measure whether or not the administration's claims are in the national interest or not, and whether or not it is wise to proceed to do what the gentlemen want to do or whether we ought to do something else.

That is why I objected, because I think that is the most responsible way to deal with it. I defy any other Member of this House to tell me whether they have sufficient information to deal with all of the legal questions involved in this issue. Obviously, they do not. And given that fact, this is the time-honored way that we have to make certain that if we make a foreign policy decision, we make it in a considered way.

Besides that, I would simply point out that if the gentleman did have an urgent request, he could have gone to the Committee on Rules and asked the Committee on Rules to make this amendment in order under House rules. It is not in order under House rules, and I did not vote for the rule today, which made a lot of other legitimate issues beyond the ability of this House to deal with at this point.

So for those reasons, I did the responsible thing and I make no apology for it.

Mr. ENGEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thank my friend and colleague for deferring to me, and I just wanted to rise in support of what the gentleman from New Jersey (Mr. SAXTON) was attempting to do. I very much regret that we will not have an opportunity to have his amendment on the floor.

I listened intently to my friend from Wisconsin saying that it is in the Senate bill and, therefore, we will have ample opportunity in the conference to debate that. I would hope that in the conference we would have ample opportunity and that we would adopt the Senate version and bring it back to this floor with the Senate version so that the Flatows can get what is rightfully due to them.

I am, frankly, not impressed with the language that this would undermine the President's ability to use the assets as leverage. This is the same sort of gobbledygook we hear all the time from many different administrations or from the State Department whenever they want to throw cold water on an idea. They always say it somehow undermines the ability to have the President do this or that, or undermines the ability of anybody to do anything.

We are the United States Congress and we make policy. We decide what is right. And I certainly think that it is right that the Flatows, who have gotten a judgment, I mean absolutely they have gotten a judgment, this is not some theoretical thing that has happened, they have gotten a judgment, and it is a disgrace that somebody would prevent them from getting the judgment fulfilled.

As was pointed out by the gentleman from New Jersey (Mr. SAXTON), we changed the law so that the Flatows would have the right to sue. We did that. They sued and they won. There are three Iranian owned properties in D.C. And I do not want to hear State Department gobbledygook or any kind of gobbledygook. I want to deal in the real world. The real world is that there was a terrible injustice that happened.

We say we are against state-sponsored terrorism. This is a chance to put our money where our mouths are. It is all very nice to talk about platitudes and just say things, but here is where we can make a concrete difference. So I do support my colleague, the gentleman from New Jersey (Mr. SAXTON), in his amendment and what he is trying to do. And I want to commend him for doing it, because it takes a lot of courage to do this, and he is doing the right thing.

I would hope that when we sit down with the Senate at the conference and iron this out, that on both sides of the aisle, Democrats and Republicans, we will agree that that Senate language ought to be in so that the Flatows can go after that judgment and go after the Iranian owned properties. We should not be protecting the Iranians. This Congress has spoken a number of times in terms of Iranian assets and the types of things that the Iranians have been doing, and there is no way that we should condone this kind of nonsense.

So, again, I do not want to hear gobbledygook, I do not want to hear nonsense, I do not want to hear about undermining the President's ability. We are the Congress. We have the ability to pass laws and say what is right, and we are not undermining anyone if we are saying simply that a judgment has been declared and these people have the right to exercise that judgment, which they won based on the right to sue, which we in the Congress gave them.

So, again, I hope that on both sides of the aisle we can agree that the gentleman from New Jersey (Mr. SAXTON), and what he is trying to do, should prevail if the Senate language is in, and I hope we will all agree to it.

Legislating on an appropriation bill. We hear that all the time, and all of us know, on both sides of the aisle, that there is a lot of legislating on appropriation bills. Sometimes we look the other way and everyone is quiet and nobody says anything, and other times, when we want to use that to get legislation out, to get language out, we use it. It is very, very selective. It is not very uniform. And as far as I am concerned, it is a bunch of nonsense. So we ought to put it back in after we negotiate with the Senate so that the Flatows can get their justice. And I want to commend my friend New Jersey for bringing this to the floor.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

I want to say to the gentleman from New Jersey (Mr. SAXTON), and the gentleman from New Jersey (Mr. PASCRELL), and the gentleman from New York (Mr. ENGEL), and others who have worked on this case, that this is a compelling case. There is no doubt about it. And I have spent substantial time talking about it. I have in turned talked with the Treasury Department about it tonight very briefly, and not fully, but I want to say that we are all agreed that this is a compelling case. And although the language is not finally in the Senate yet, it is in the committee reported bill.

There are some other issues involved. However, I am hopeful, and I have talked to the chairman about this, I am hopeful that we can, as the gentleman from New York said, and the gentleman from New Jersey (Mr. PASCRELL) said, and the gentleman from New Jersey (Mr. SAXTON) said, resolve this so that the family, who has been grievously injured, will have redress of that grievance. And I look forward to working with the gentlemen from New Jersey over the next few weeks and the gentleman from New York and the chairman toward that end.

Mr. FOX of Pennsylvania. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I also rise with my colleagues to again discuss the fact that we are unified in our bipartisan support in opposition to state-sponsored terrorism. It is consistent with the Anti-terrorism and Effective Death Penalty Act of 1996, as amended by the Foreign Service Immunities Act, that we move ahead and make sure the verdict in favor of the Flatow family moves forward.

Mr. SAXTON. Mr. Chairman, will the gentleman yield?

Mr. FOX of Pennsylvania. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, I would just take a minute to say that the arguments brought forward by the ranking member relative to negotiations and relative to equity to perhaps other future litigants are nice to talk about but have very little real meaning in this situation.

With regard to negotiations by the administration, the administration never was negotiating for these families. The negotiations that have been taking place may have some other broader meaning, but they have nothing whatsoever to do with the law we passed nor with the families that have been affected by terrorist actions.

With regard to equity, unfortunately, in our system of jurisprudence, as various types of cases come forward, whether they be bankruptcy or other types of liability cases, there are people who choose to enter into litigation early and there are people who do not. And those who enter into litigation early, in our court system, are granted awards. And perhaps assets are used up and are, therefore, not available to others. So there is nothing unusual about this.

I would just like to conclude by saying this issue is not going to go away.

And I am speaking, yes, in terms of the Flatow case, but I am also speaking in terms of the statute we passed which this State Department is not enforcing and, in fact, is standing in the way of the courts who wish to enforce it.

At the earliest opportunity, I intend to introduce a freestanding bill to take care of this problem. I obviously intend to work with Senator LAUTENBERG from the other body and Senator STEVENS, who agree with our position and have included it in their appropriation bill. And I intend to take whatever other actions we may deem as necessary and appropriate to affect the action that is just and due the Flatow family.

In addition to that, I would just conclude by making one final point. Terrorists operate around this world, and there is seldom a price to pay. I thought in 1996, when we passed this law, we took a step in the right direction in creating a price to pay. Whether it is the Khobar Towers, explosions that occur in England or France or in the Middle East or in this country, terrorists walk away scot-free in most instances. This is a tool for us to use as a civilized society to prevent acts of terrorism by letting would-be terrorists know that there is a price to pay.

I regret deeply that the administration is standing in the way of the law we passed and not permitting it to work. And I regret just as deeply that we have not been able to affect a step in the direction of correcting that inequity here tonight.

AMENDMENT NO. 6 OFFERED BY MRS. MORELLA

Mrs. MORELLA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mrs. MORELLA:

At the appropriate place in the bill, insert the following:

SEC. __. (a) An Executive agency which provides or proposes to provide child care services for Federal employees may use appropriated funds (otherwise available to such agency for salaries) to provide child care, in a Federal or leased facility, or through contract, for civilian employees of such agency.

(b) Amounts so provided with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by such facility or contractor.

(c) The Office of Personnel Management shall, within 180 days after the date of enactment of this Act, issue regulations necessary to carry out this section.

(d) For purposes of this section, the term "Executive agency" has the meaning given such term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

Mr. OBEY. Mr. Chairman, reserving the right to object, this amendment is clearly, again, legislating on an appropriation bill, and I am reluctant to do so, but I do not feel that I have any choice under the same rule I cited many times today on legislating on an appropriation bill.

The CHAIRMAN. Does the gentleman insist on making his point of order at this time?

Mr. OBEY. Mr. Chairman, I will reserve the point of order, but, again, we are going to be a long time tonight. And if we are going to spend hours debating amendments that the majority has helped make nongermane in the first place, I do not see much sense in it. So I would reserve for 5 minutes a point of order.

The CHAIRMAN. The point of order is reserved.

The gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes in support of her amendment.

Mrs. MORELLA. Mr. Chairman, I respectfully note that when we talk about debating issues, I have waited 6 hours because I think this is important, this particular amendment, which is at the desk. It is very simple and I would like to explain it. It would allow agencies to use their own salary, their own expense accounts, to help Federal employees pay for child care.

I have worked with the Office of Personnel Management to develop this legislation, and I have been requested to do that because several agencies, including the Social Security Administration, the Department of Justice, the Department of Defense and the Office of Personnel Management, have requested such authority from OPM. OPM cannot grant this authority so we must legislate this very simple change.

Now, this amendment does not require any additional appropriation. It would be up to individual agencies to determine whether or not to use funds from their salary and expense appropriations to help to provide child care. Agencies, and not the employees, would make payments to child care providers to help lower-income Federal employees pay for their child care.

□ 1945

Such child care benefits are already being provided to military employees with a separate line item, which is more than what my amendment would provide.

The Department of Defense, one of the agencies seeking such authority to help its employees with child care costs, has pointed out that they can provide child care benefits to their military employees but not the civil servant working side by side with them.

Many Federal employees are caught in a serious child care crunch. A recent study showed that one-quarter of all Federal workers had children under the age of 6 that need care at some time during the workday. And during a recent hearing in the subcommittee of the gentleman from California (Mr. HORN), testimony revealed that some Federal child care facilities charge up to $10,000 or more per child per year. Many Federal employees just cannot afford that kind of quality child care, and yet the demands we make on them are enormous.

So by giving the agencies simply the flexibility to help their workers meet their child care needs, we will be encouraging family-friendly workplaces and higher productivity. I hope that that will not be ruled out or order.

This is an amendment that has been approved by the chairman of the Subcommittee on Civil Service as well as the chairman of the Committee on Government Reform and Oversight. I went to both of them. They both feel that this is an appropriate opportunity to simply put in an authority that is so important.

Decisions have been made today about what is in order and what is not in order. To me this is a very simple, noncontroversial amendment that is very important, that really is going to help in this country with the productivity of our Federal employees. I hope that we not rule it out of order.

Mr. GILMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I rise in support of the Morella amendment. I think it is a worthy cause to give our Federal employees the opportunity to use funds that have not been depleted in our Federal budgets, to use it for tuition, for day-care, for our Federal employees who find it very difficult on many occasions to find credible day-care facilities. And I think that this is an outstanding method for helping our Federal employees, and I want to urge my colleagues to support it. I hope the chair will not rule it out of order.

Mr. Chairman, I rise today in support of the amendment proposed by my colleague, the gentlelady from Maryland, Mrs. MORELLA. This amendment allows funds appropriated to executive, legislative, or judicial agencies which provide child care, to establish a tuition subsidy program for Federal employees whose dependents are enrolled in child care.

I have been working on a legislation that would require Federal child care centers to at least meet the standards of the State in which they are located. Representative MORELLA's amendment is a significant step in the positive direction toward increasing the availability of quality child care for Federal employees.

If the already appropriated funds are not fully depleted, there is no better way to use the excess money than in assistance for Federal employees. Many Federal employees find themselves in a difficult situation when it comes to finding affordable day care, especially when some Federal child care centers charge up to $10,000 or more per child per year. Many categories of workers simply cannot afford to send their children to an accredited center and this puts their children at serious risk.

There have been too many incidents of injury and death due to inadequate child care. A subsidy program would allow the dependents of Federal employees to be in a safe, affordable environment in accredited centers, while staying within the financial parameters established by the already appropriated funds.

The Department of Defense already has a similar program. Military employees are provided child care benefits, but the civil employees working beside them cannot receive these same benefits. We should provide a model for private industry by enabling our Federal agencies to assist their employees with the evergrowing costs of child care. This amendment will send a clear message to families, businesses, and day care providers across the country that we are committed to protecting our children and providing them with safe, affordable, and quality day care. Accordingly, I urge my colleagues to support the Morella amendment.

Mrs. MORELLA. Mr. Chairman, I would like to comment, the gentleman from New York (Mr. GILMAN) has been here all afternoon also because he feels this is such an important amendment.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I continue to reserve my point of order.

Mr. MORAN of Virginia. Mr. Chairman, I move to strike the requisite number of words.

I am sure that there are some people who are being hoisted on their own petard when they insist on points of order only to subsequently realize that there are some things that they really want added to an appropriation bill and are not able to add due to the same point of order problem.

The gentlewoman from Maryland (Mrs. MORELLA), however, voted against the restrictive rule on this bill and I know has consistently supported child care, I doubt she has ever voted to cut child care. And I strongly agree with the intent of this amendment. I think we should allow Federal agencies the discretion to use their administrative expense money to provide child care for their employees.

Between 1975 and 1994, over the last 20 years, the number of women in the labor force with children under the age of 6 increased from 39 percent to 60 percent. And more than half of all the children in this country under 1 year of age and more than 12 million children under the age of 5 are regularly in the care of someone other than their parents. Think about that. Most of the children in this country under 1 year of age do not have their parent at home because their parents need to be in the workforce.

A recent study shows that one out of every four Federal employees needs child care daily. Access to quality, affordable child care has become a number one issue for many parents across the country, including Federal employees. As a responsible employer, the Federal Government should be working to improve access to, and the affordability of, child care for its employees.

In Congress, we have been working to find ways to encourage private businesses to do just that. If we look at our own record, we are doing a pretty good job. There are 1,400 private-employer-provided child care centers throughout the United States. But, by comparison, the Department of Defense has 850 centers for its enlisted employees, another 200 more for DOD civilian employees. But we can do much better by allowing all Federal agencies to provide child care assistance to all their employees.

In exchange for being a responsible employer, we have the added bonus of increased productivity because available child care will decrease the number of missed work hours that are lost due to child care crises. We also have the lure of quality, affordable child care that we can use in acquiring and retaining the best possible employees to work for our Federal Government.

DOD has been successful in providing sliding-scale fee care on location to parent employees. But other Federal agencies have been strictly prohibited from funding such a program even by simply providing an on-site facility with electricity and furnishings. They are prohibited.

That is the reason for this amendment. The Morella amendment would not force agencies to provide child care but would allow agencies to use their own administrative funds at their own discretion to provide care or tuition assistance. Because the amendment does not require an additional appropriation, it does not impact the budget at all.

In addition, any profits that a facility might be able to acquire could be used to make child care more affordable for lower-income employees. Over the past several years, we have made tough choices, along with great progress, in cutting Federal expenditures and achieving fiscal responsibility in the budget. But along with this responsibility, we have asked the private sector to do their part in being responsible citizens, particularly as employers, by providing benefits such as health care and child care to their employees.

It is time for the Federal Government to step up to our responsibility as employers by allowing Federal agencies the discretion to provide child care to their employees. And, for that reason, this is a good amendment, and I would hope that we could find a way to make it in order to allow Federal agencies to exercise their discretion for the benefit not only of their employees but for all the people who will be better served by their Federal employees.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I continue to reserve my point of order, and I move to strike the requisite number of words.

Mr. Chairman, I would very much like to support this amendment. I happen to agree with the substance of it. And I very much would like to have had a rule on this bill today which would have allowed us to consider many issues that were in the interest of the country to consider.

The rule that was adopted today on this bill eliminated our ability to deal with one of the most serious emergencies we have had domestically in a long time, the computer problem in the year 2000, which threatens the ability of the Government to deliver Social Security checks, Medicare checks, veterans checks to millions of deserving and entitled Americans.

The rule that was adopted by the majority today is a lousy way to do business. It meant that 80 percent of the dollars in this bill were made vulnerable to points of order. It meant that we could not consider in a fair way the amendment that the committee had adopted on a bipartisan basis on family planning.

Every Member has an amendment which they think is so important it ought to be an exception to the rule. But I would simply say to my friends on the majority side of the aisle, when you live by the sword, you die by the sword.

It just seems to me that it is not fair, after the majority has imposed on this House a rule which has precluded us from dealing with many serious issues that should have been dealt with today, it is not fair for Members to then get up and say, oh, but I have one that should be made an exception.

Now, I wish I could support this amendment, but the fact is that, under the rule adopted by the majority, this amendment violates the rules of the House. And I would say that at the same time that this offers token support for expanded child care, the majority has largely ignored the President's entire child care initiative, which would have greatly expanded the affordability and the quality of child care for all working families, not just Federal employees.

The Subcommittee on Labor, Health and Human Services, and Education, the majority in that subcommittee, did not provide any of the President's funds requested to improve child care quality under the child care block grant program. They funded only one-quarter of the Head Start slots of the President's requested program. And they level-funded the child care development block grant, despite the fact that only one in eight eligible children are served.

So, I take a back seat to no one in my concern about child care. But if I am to be consistent, I have to apply the rules to all Members. I did not make this rule. I asked the House not to adopt it. But they did, and now it seems to me they have no choice but to live with the consequences.

Even in the United States Congress, people need to occasionally have to live with the consequences of their own actions. And while I recognize that the gentlewoman from Maryland (Mrs. MORELLA) did not vote for that ill-advised rule, it was imposed on us by her party.

And under those circumstances, Mr. Chairman, I do make a point of order against this amendment. I continue to reserve the point of order momentarily.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment is a good amendment. I wish that it were in order, and I would vote for it. And I wish perhaps that we were not going to object. But we are. And I understand the ranking member's position. I, too, was adamantly opposed to this rule.

I am concerned, as I know the gentlewoman from Maryland (Mrs. MORELLA) is concerned, that we are designating salaries as the funding source here because we are squeezing salaries. And the gentlewoman from Maryland and I regretted that we lost a very important part of this bill as a result of an objection from one of the Members, over her objection and mine.

But we need to pursue this issue. We need to make sure that the Federal Government, as the gentleman from Virginia and the gentlewoman from Maryland have pointed out, is in fact a model employer.

My district is, I do not know the most but one of the most child-care-dependent districts in America because we have a lot of parents with a number of children who are either a single mother working or a single dad working or both parents working, so that child care is a necessity. And, of course, the Federal Government is the largest employer in our area.

So this is a critical necessity, not a luxury, not an optional requirement for families not just in this area but around the country. So that I congratulate the initiative that has been shown here, regret that I cannot vote for it at this point in time and hope that we will be able to support it and have it on the floor as soon as possible, and certainly we will support it at that time.

Mr. OBEY. Mr. Chairman, I regrettably, but nonetheless, continue to reserve my point of order.

Ms. LEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support this amendment. Let me just say that one of the most important parts of raising my two sons to become productive young men was the ability to find affordable and quality child care. But let me tell my colleagues, it was very, very difficult to find such services. The waiting lists were too long. The child care facilities were so far away from school or work, and the costs were barely affordable.

□ 2000

Now this was in the 1960s and in the 1970s. Here we are in 1998, and rather than improving the availability of child care, it has become very, very difficult because, of course, wages have not kept up with inflation. We still have not figured out a way to ensure good and affordable child care for our Nation's children.

It is a truism and a cliche, but nevertheless it is an universal truth, that our children are our future. Treat them well, treat them with love, attention and respect, and they have an excellent chance to become solid citizens of tomorrow.

When we abandon our children to inadequate and substandard child care because we cannot obtain or pay for the appropriate care, we disadvantage and even incapacitate young people. We also run the high probable risk that we raise adults who have little commitment to their parents and to their society.

It is a persistent national problem that continuing low wages, especially for child-bearing-age women, coupled with understandably high cost of child care, quality child care, produces a terrible dilemma within which mothers and fathers are too often caught. In 1996, 62 percent of mothers with young children were in the work force; in 1990 it was 58 percent; in 1980 it was 47 percent; in 1970 it was 32 percent, and these numbers will continue to grow. But reliable professional teachers and nurturers of young children are not available for the substandard wages that we pay our child care providers, nor should they be.

So this amendment is a significant step that we can take to really help begin to alleviate this pressing need. It is an all-around winner. It matches the willingness of the Social Security Administration, the Department of Justice, the Department of Defense and the Office of Personnel Management to use their salary and expense accounts to help Federal employees to pay for child care. It is very simple.

So I ask my colleagues, Mr. Chairman, to vote yes on this amendment.

Mr. Chairman, I rise in support of the Morella amendment to the FY 99 Treasury-Postal appropriations bill. I commend the gentlewoman from Maryland, Representative MORELLA, for her efforts here today in assisting our Nation's Federal employees with the high cost of quality child care. Although the amendment has been stripped on a point of order I hope that the final version of the bill will contain the childcare provisions.

Currently, child care costs for the average family can range between $4,000 and $10,000 a year—the same amount as college tuition at some public universities. In fact, some Federal child care facilities charge up to $10,000 or more per child per year. Most Federal employees simply cannot afford child care at these high prices.

The Morella amendment would allow Federal agencies to make payments to child care providers to help lower income Federal employees meet their child care needs. Since it is the decision of the individual agency to determine whether to use funds from their salary and expense accounts, this amendment does not require any additional appropriation. These same child care benefits are already being provided to military employees.

While finding affordable, quality daycare is a basic concern and serious dilemma for most working families, it is of special concern to Federal employees, who often work in service to the public for low pay and long or unusual hours. I urge my colleagues to vote "Yes" on the Morella amendment.

Ms. DEGETTE. Mr. Chairman, the Denver Federal Center is situated comfortably at the foot of the Rocky Mountains, about one-half hour away from downtown Denver, Colorado. Roughly 5,500 federal employees are employed at this facility, many of whom are raising small children. The Morella amendment would make a simple but profound change in the lives of these individuals—it would make quality child care for their children more affordable.

The amendment before us today would permit the Office of Personnel Management to redraw its regulations so that all federal agencies could use existing funds to subsidize child care costs for federal employees. In the case of this amendment, a little would truly go a long way. Lower-income employees all around the country could get the necessary assistance to seek out and pay for local area child care programs. At a time when child care costs often exceed $10,000 per child per year, and at a time when employers are fast becoming aware that good child care means higher productivity on the job, this amendment is good government. By passing this measure, we not only recognize the importance of quality child care to the positive development of our children, but we also encourage productive, family-friendly government.

This amendment does not legislate new child care programs or require new appropriations. It is simply an opportunity for Congress to make a straight-forward, administrative change to government practice. It's a small, but important change.

POINT OF ORDER

Mr. OBEY. Mr. Chairman, for the fifth time, I think, now, I regrettably renew my objection and simply make the point of order against this provision on the same grounds that I have raised all day, that it is legislation on an appropriation bill, it is not in order under House rules and, therefore, should not be before us.

The CHAIRMAN. Are there any other Members wishing to be heard on the point of order?

If not, the Chair will rule.

The amendment offered by the gentlewoman from Maryland (Mrs. MORELLA) places new duties on the Office of Personnel Management that are not contemplated in existing law. As such, the amendment does constitute legislating in violation of clause 2 of rule XXI.

Accordingly, the point of order is sustained.

AMENDMENT OFFERED BY MR. MANZULLO

Mr. MANZULLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MANZULLO:

Page 109, after line 24, insert the following new section:

SEC. 648. INFORMATION REPORTING REQUIREMENTS RELATING TO HOPE SCHOLARSHIP AND LIFETIME LEARNING TAX CREDITS.

(a) PROHIBITION ON USE OF FUNDS.—None of the funds appropriated or otherwise made available under this Act may be used to enforce section 6050S of the Internal Revenue Code of 1986 (relating to returns relating to higher education tuition and related expenses).

(b) WAIVER OF LIABILITY.—

(1) IN GENERAL.—No person shall be liable under part II of subchapter B of chapter 68 of such Code (relating to failure to comply with certain information reporting requirements) for failing to file an information return or payee statement required by section 6050S of such Code.

(2) PERIOD OF APPLICABILITY.—Paragraph (1) shall apply only with respect to information returns and payee statements required to be filed after September 30, 1998, and before October 1, 1999.

Mr. MANZULLO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. OBEY. Mr. Chairman, I reserve a point of order against the amendment.

Mr. MANZULLO. Mr. Chairman, I will take my 5 minutes and then withdraw the amendment.

Mr. Chairman, I rise today to offer an amendment to the Treasury appropriations bill that would simply delay for 1 year the implementation of the reporting requirements related to the HOPE Scholarship and lifetime learning credits. There is a strong need to pass this amendment.

As part of last year's Taxpayers Relief Act, Congress rightfully included the HOPE Scholarship and lifetime learning tax credits. These credits represent an opportunity to expand much needed access to higher education. By helping make college more affordable for eligible students, the tax credits lower the burden on families sending children to school. But while students apply to receive this tuition assistance, the new law unfortunately imposes costly reporting requirements on colleges and universities.

What do these reporting requirements entail? Colleges and universities and trade schools, 7,000 in number across this country, must collect the name, address, Social Security number of the student. However, under the new reporting requirements colleges and universities must now collect and report to the IRS for each student, regardless of whether the student takes advantage of the credit, the name, address and Social Security numbers of anyone claiming the student as a dependent for tax purposes; the name, address and employer identification number of the educational institution; contact name and phone number; whether the student was in attendance at least half the time for any academic period beginning in 1998; the gross amount of tuition the student is expected to cover in a calendar year from any other source except tuition remission; and whether the student has completed 2 years of schooling prior to January 1 of 1998.

This is very disheartening. This is a very costly unfunded mandate that has been placed upon our 7,000 trade colleges, community colleges and universities in this country.

We have stipulated that schools must collect all sorts of very personal information, not only for students that want the credit, but on all students. We have been working with six national organizations that represent these 7,000 higher learning institutions, and it is expected that this unfunded mandate by Congress will cost these higher institutions upwards of $150 million to implement alone. Public and private higher education institution in Illinois will have to spend $18 million. Northern Illinois University will pay 200,000. The college community system of California has 107 schools and 2½ million students, and their unfunded mandate share is $20 million a year.

Now the Senate passed a form of relief, holding back many of the reporting requirements for at least a year. However, Mr. Chairman, the reporting requirements are still going to require a tremendous amount of money to be spend by the universities in this country. These institutions enroll 23 million students with expenditures that exceed $200 billion a year.

Mr. Chairman, what we are trying to do here is to simply make available to the IRS a form similar to the child dependent care expense form for 1040 filers. It is called Schedule 2 that is formed on 1040 A, and what this does, it says the taxpayer that claims the credit has the onus of responsibility to fill in the documentation necessary as opposed to this horrible mandate that is placed upon our 7,000 schools.

I have a letter here from the Eastern Connecticut State University talking about how much it is going to cost; from the Allegany College of Maryland; and the letter I have also, Northern Arizona University; McHenry County College; and a letter from John LaTourette of Northern Illinois University where he says, "Let the schools be in the business of educating students as opposed to being in the business of furnishing IRS different types of information."

Mr. HOYER. Mr. Chairman, would the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I want to thank the gentleman. I know he is going to withdraw this amendment, and I know it is subject, as well as he knows, to a point of order.

But I know he has done a lot of work on that. He and I have discussed the concerns that University of Maryland system has with respect to this matter, and I thank the gentleman for all the work he has done on this and look forward to looking at this with him. I am sure that the distinguished gentlewoman from Connecticut who chairs the committee, I suppose, that has jurisdiction over this will also be looking at this closely, and I look forward to working with the gentleman on that.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the requisite number of words. I, too, would like to comment on the gentleman's proposal.

It is appropriate that it be struck at this time, but I appreciate the seriousness of his concern, the amount of research he has done on this issue and the significant problems that our universities could face if this legislation is implemented poorly. However, it is also true that this Congress is going to inject $40 billion through the HOPE Scholarship credit and the lifetime learning credit into our universities and colleges and other educational institutions, and indeed we do have to be sure that that money does go for the cost of education.

I have had a number of discussions with the gentleman now about this, and, as chairman of the Subcommittee on Oversight of the Committee on Ways and Means, which has jurisdiction over the Tax Code and works closely with the IRS on many issues, we will look forward to working closely with him and the universities to straighten out these problems. I believe we can do it without legislation.

We did put some clear direction in the conference report on the IRS reform bill, but we will be tracking it very carefully with the gentleman and using the input and the ideas that he has had to make sure that the process is as simple as it can be and yet assure the accountability for the expenditure of what is going to be billions and billions of dollars in support of an educated America.

Mr. MANZULLO. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from Illinois (Mr. MANZULLO) is withdrawn.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 498, proceedings will not resume on those amendments on which further proceedings were postponed in the following order: the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO), the amendment offered by the gentleman from North Carolina (Mr. HEFNER), the amendment offered by the gentlewoman from New York (Mrs. LOWEY), the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MS. DELAURO

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 17-minute vote followed by three 5-minute votes.

The vote was taken by electronic device, and there were—ayes 183, noes 239, not voting 12, as follows:

[Roll No. 288]

AYES—183

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonilla
Boswell
Boucher
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Clay
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Foley
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Gilchrest
Gilman
Gordon
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kind (WI)
Kolbe
Lantos
Lazio
Lee
Levin
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moran (VA)
Morella
Nadler
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roukema
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
White
Wise
Woolsey
Wynn
Yates

NOES—239

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonior
Bono
Borski
Boyd
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Ensign
Everett
Ewing
Forbes
Fossella
Fowler
Fox
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kim
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kucinich
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manton
Manzullo
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Oxley
Packard
Pappas
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Poshard
Quinn
Radanovich
Rahall
Redmond
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—12

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McNulty
Ortiz
Parker
Roybal-Allard

☐ 2032

The Clerk announced the following pairs:

On this vote:

Mr. Filner for, with Mr. Ortiz against.

Mrs. Kennelly of Connecticut for, with Mr. Hill against.

Messrs. QUINN, OBERSTAR and McDADE changed their vote from "aye" to "no."

Mr. THOMAS and Mr. POMEROY changed their vote from "no" to "aye."

So the amendment was rejected.

the result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 498, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

PARLIAMENTARY INQUIRY

Mr. OBEY. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. OBEY. Mr. Chairman, I state a parliamentary inquiry so that no Member is mousetrapped on the next vote.

Is the next vote the vote on the Hefner amendment, and would a vote for the Hefner amendment eliminate the cap on congressional pay, and would a vote against the Hefner amendment prevent the congressional COLA from proceeding?

The CHAIRMAN. That is not a parliamentary inquiry, but the Chair will state that the Hefner amendment strikes section 628.

AMENDMENT OFFERED BY MR. HEFNER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from North Carolina (Mr. HEFNER), on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 79, noes 342, not voting 13, as follows:

[Roll No. 289]

AYES—79

Ackerman
Berman
Boehlert
Burton
Campbell
Cannon
Clay
Conyers
Cubin
Delahunt
DeLay
Dingell
Dixon
Doolittle
Engel
Fattah
Fawell
Fazio
Fowler
Frank (MA)
Furse
Harman
Hastings (FL)
Hefner
Hilliard
Hunter
Hyde
Jackson (IL)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kennedy (MA)
Kim
King (NY)
Knollenberg
Kolbe
Lee
Lewis (CA)
Livingston
Manton
Martinez
McCollum
McCrery
McDade
McDermott
McHale
McKeon
Meek (FL)
Meeks (NY)
Miller (CA)
Mollohan
Moran (VA)
Murtha
Nadler
Owens
Packard
Paxon
Payne
Pelosi
Porter
Rahall
Rangel
Riggs
Ros-Lehtinen
Sabo
Schaefer, Dan
Scott
Serrano
Skaggs
Stark
Stokes
Thomas
Towns
Waters
Watt (NC)
Waxman
Wexler
Wynn
Yates

NOES—342

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Canady
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Foley
Forbes
Fossella
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Jones
Kaptur
Kasich
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
Klug
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKinney
Meehan
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Moran (KS)
Morella
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Oxley
Pallone
Pappas
Pascrell
Pastor
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Rush
Ryun
Salmon
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer, Bob
Schumer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Young (AK)
Young (FL)

NOT VOTING—13

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McNulty
Myrick
Ortiz
Parker
Roybal-Allard

□ 2042

Mr. MCINTYRE and Mr. DICKEY changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MRS. LOWEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York [Mrs. LOWEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 224, noes 198, not voting 12, as follows:

[Roll No. 290]

AYES—224

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Calvert
Campbell
Capps
Cardin
Carson
Castle
Clay
Clement
Clyburn
Condit
Conyers
Cook
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dunn
Edwards
Ehrlich
Engel
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Foley
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gordon
Granger
Green
Greenwood
Gutierrez
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hobson
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Klug
Kolbe
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Nadler
Neal
Nethercutt
Oberstar
Obey
Olver
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rothman
Roukema
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shaw
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Torres
Towns
Turner
Upton
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wilson
Wise
Woolsey
Wynn
Yates

NOES—198

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham

Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Ehlers
Emerson
English
Everett
Ewing
Forbes
Fossella
Gekas
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kasich
Kildee
Kim
King (NY)
Kingston
Klink
Knollenberg
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Myrick
Neumann
Ney
Northup
Norwood
Nussle
Packard
Pappas
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Quinn
Radanovich
Rahall
Redmond
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thune
Tiahrt
Traficant
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—12

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McNulty
Ortiz
Parker
Roybal-Allard

□ 2052

The Clerk announced the following pair:

On this vote:

Mr. Filner for, with Mr. Ortiz against.

Messrs. MOAKLEY, GALLEGLY, and EHRLICH changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 16 OFFERED BY MR. SANDERS

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 16 offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a five-minute vote.

The vote was taken by electronic device, and there were—ayes 195, noes 226, not voting 13, as follows:

[Roll No. 291]

AYES—195

Aderholt
Andrews
Armey
Bachus
Baesler
Barcia
Barr
Bartlett
Bass
Bilbray
Bilirakis
Bishop
Blunt
Bono
Brown (OH)
Bryant
Bunning
Burr
Burton
Campbell
Canady
Cannon
Carson
Chabot
Chambliss
Chenoweth.
Christensen
Coble
Collins
Condit
Conyers
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (IL)
Deal
DeFazio
Delahunt
Diaz-Balart
Doolittle
Doyle
Duncan
Emerson
English
Ensign
Evans
Everett
Foley
Forbes
Fossella
Fowler
Fox
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Gutierrez
Gutknecht
Hall (TX)
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Inglis
Istook
Johnson, Sam
Jones
Kaptur
Kennedy (RI)
Kingston
Klink
Klug
Kucinich
LaHood
Largent
Lee
Lewis (KY)
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McGovern
McIntosh
McIntyre
McKinney
Metcalf
Mica
Miller (CA)
Mink
Mollohan
Moran (KS)
Myrick
Nadler
Nethercutt
Neumann
Ney
Norwood
Owens
Pappas
Pascrell
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Poshard
Quinn
Radanovich
Rangel
Regula
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Rush
Ryun
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Serrano
Sessions
Shadegg
Shimkus
Shuster
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stark
Stearns
Strickland
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Thornberry
Tiahrt
Traficant
Turner
Upton
Velázquez
Visclosky
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wolf
Woolsey
Young (AK)
Young (FL)

NOES—226

Abercrombie
Ackerman
Allen
Archer
Baker
Baldacci
Ballenger
Barrett (NE)
Barrett (WI)
Barton
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Blagojevich
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Buyer
Callahan
Calvert
Camp
Capps
Cardin
Castle
Clay
Clement
Clyburn
Coburn
Combest
Coyne
Davis (FL)
Davis (VA)
DeGette
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Engel
Eshoo
Etheridge
Ewing
Farr
Fattah
Fawell
Fazio
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gephardt
Gilchrest
Gilman
Gordon
Granger
Green
Greenwood
Hall (OH)
Hamilton
Hansen
Harman
Hastings (FL)
Hefner
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E.B.
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Knollenberg
Kolbe
LaFalce
Lampson
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Linder
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Minge
Moakley
Moran (VA)
Morella
Murtha
Neal
Northup
Nussle
Oberstar
Obey
Olver
Oxley
Packard
Pallone
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Rahall
Ramstad
Redmond
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rothman
Roukema
Sabo
Sánchez
Sandlin
Sawyer
Schumer
Scott
Shaw
Shays
Sherman
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (OR)
Smith, Adam
Snyder
Spratt
Stabenow
Stenholm
Stokes
Stump
Tanner
Tauscher
Taylor (NC)
Thomas
Thompson
Thune
Thurman
Tierney
Torres
Towns
Vento
Walsh
Watt (NC)
Waxman
Wexler
Weygand
White
Wicker
Wilson
Wise
Wynn
Yates

NOT VOTING—13

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McNulty
Ortiz
Parker
Roybal-Allard
Waters

□ 2101

Messrs. MOLLOHAN, WELLER, YOUNG of Alaska, and CHRISTENSEN, Mrs. LINDA SMITH of Washington, Mr. HOBSON, and Ms. LEE changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey:

Add at the end of the bill:

Notwithstanding any provision of this Act, no funds in this Act may be used to require any contract to include a term for coverage of abortifacients.

Mr. OBEY. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Wisconsin (Mr. OBEY) reserves a point of order.

Mr. SMITH of New Jersey. Mr. Chairman, due to the lateness of the hour, I do not intend on taking the full 5 minutes.

Let me make it very clear that part of the problem with the Lowey amendment was that it did not define contraception. Many of us have been concerned that the pro-abortion lobby and the pro-abortion organizations over the years have tried to fudge the line of demarcation between fertilization post- and pre-fertilization. Many of the chemicals, many of the devices that are now employed that are permitted under the Federal Employees Health Benefits Program do indeed result in many abortions, newly created human lives that are not permitted to implant in their mother's womb.

In a nutshell, my amendment is designed to clarify that if we are indeed going to force all of the Federal providers of medical care, the HMOs and all the providers as a condition of receiving reimbursement for all of their prescriptions, whether it be for penicillin or any other drug, that they have, to provide "a provision for contraceptive coverage", let us at least make it clear that the gentlelady's language excludes abortion-inducing chemicals. That is what my amendment very simply seeks to do.

Earlier in the day we pointed out during the debate, that while RU–486 isn't legal and, hopefully, never will be there are officials of Planned Parenthood who are already talking about it as a morning after pill. RU486 is baby pesticide and destroys life, the newly created life, somewhere along the line up to the 7th week. This is a Federal funding of early abortion but many Members of Congress remain uninformed of that fact. I say with regret, that safe abortifacients like IUDs can be provided by the health care providers under the Federal Employees Health Benefits Program. The question is should they be forced to. This says no one is going to be forced to do it. It is a conscience type amendment. Still the plain language of Mrs. LOWEY's amendment only stipulates "a provision for contraceptive coverage"—a much, much, weaker version than the amendment she offered in her Appropriations Committee. Clearly, under her amendment, if a plan merely provided condoms or birth control pills, that would satisfy the obligation created by the amendment.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, can the gentleman clarify for me and for others, when he says to include "a term for coverage," what does that phrase mean?

Mr. SMITH of New Jersey. I thank the gentleman for asking the question. It says very simply that a health care plan would not have to include those devices and chemicals that may have the effect of an abortifacient. Under my amendment it will not be mandatory. it will not be forced upon the HMOs and upon the health care providers even though the language of Mrs. LOWEY's amendment require only "a provision for contraceptive coverage" to satisfy the requirement.

Mr. HOYER. Am I correct then that the amendment means, "a term for coverage" would mean the term that refers to the abortifacients?

Mr. SMITH of New Jersey. If I understand the gentleman's question that is correct.

Mr. HOYER. I thank the gentleman for his clarification.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I withdraw the point of order.

Mrs. LOWEY. Mr. Chairman, I move to strike the last word, and I rise to engage the gentleman from New Jersey in a colloquy.

I would like to ask the gentleman to define further his amendment. Based upon the information that we have, the FDA has approved five methods of contraception. This is the established definition of contraception. It has nothing to do with RU–486 although, unfortunately, there were some letters sent out saying it did. RU–486 is not included among the five methods of contraception. It has nothing to do with abortion. There have been debates that have been going on among us, in the country, about when does life begin.

This takes some serious discussion, and I am sure that we can have some serious debates about this issue, but today what we are talking about very simply is the five established methods of contraception that have been improved by the FDA, nothing to do with abortion, nothing to do with RU–486.

Mr. SMITH of New Jersey. If the gentlewoman would yield, let me just ask the gentlewoman, because this will help me in responding, her definition of contraception. Is it before fertilization occurs or is it before implantation in the uterus?

Mrs. LOWEY. I am sorry. Will the gentleman repeat?

Mr. SMITH of New Jersey. Part of the problem we have with the gentlewoman's first amendment, as well as the amendment that was offered and just passed, is a definitional one. How do you define contraception? How do define pregnancy?

For some, it is implantation. For some, it is fertilization.

Mrs. LOWEY. Reclaiming my time.

Mr. SMITH of New Jersey. Contraception by definition should mean before a new life has come into being. There are many who want to blue that line and say that chemicals affect the implementation or even after that.

Mrs. LOWEY. If I may reclaim my time, could the gentleman explain whether this includes the pill?

Mr. SMITH of New Jersey. This will have to be determined. There is a body of evidence suggesting that IUDs, for example, may have the impact, and many women are unaware of this, may have the impact of preventing implantation.

What my amendment says, that is still permissible under Federal Employees Health Benefit Program but not mandated.

Mrs. LOWEY. Reclaiming my time, if I might ask the gentleman, I believe in response to my question as to whether the pill would be included, since the pill is one of the five methods of approving contraception from the FDA, you seem to be questioning this and I would ask the gentleman, if you are not sure whether the pill is an established method of contraception, what would the plans determine?

Mr. SMITH of New Jersey. Let me just respond that there are several schools of thought as to what the operation is as to what actually occurs.

Mrs. LOWEY. Reclaiming my time, would the gentleman consider the IUD a form of contraception? This is and approved method of contraception. Or would you consider the IUD as abortifacient?

Mr. SMITH of New Jersey. Let me make it very clear there has to be a determination made, and maybe it is about time, with all of the resources at our disposal, we really came to a firm conclusion as to how some of these chemicals and how the IUD actually works, because, again, even Planned Parenthood and others will say on their web page that one of the consequences of the IUD may indeed be preventative of implantation .

Mrs. LOWEY. Reclaiming my time, does the gentleman include the diaphragm as a form of contraception?

Mr. SMITH of New Jersey. No. As far as I know, that is not included.

Mrs. LOWEY. I seems to me the gentleman has questions about the pill, questions about the diaphragm, questions abut the IUD, and I assume the gentleman has questions about Depo—Provera and Norplant.

Let me say this, there are five established methods of contraception. If the gentleman supports the amendment to not cover abortion, then you are saying that contraception cannot be covered; no method of contraception can be covered.

□ 2115

Mr. SMITH of New Jersey. Not at all. Right now the HMOs, and all of the health care providers under the Federal Employees Health Benefits program, if they choose, can provide any of those methods that you mentioned, from IUDs to Depo-Provera. What your amendment, or what the thrust of your original amendment was to force them to do it.

Mrs. LOWEY. Reclaiming my time, I just want to make it clear to my colleague that the gentleman from New Jersey, it appears to me from your statement, is trying to make every method of contraception an abortifacient; is that correct?

Mr. SMITH of New Jersey. Not at all, and that is putting words in my mouth, and I think that is unfortunate.

The CHAIRMAN. The time of the gentlewoman from New York (Mrs. LOWEY) has expired.

(By unanimous consent, Mrs. LOWEY was allowed to proceed for 2 additional minutes.)

Mrs. LOWEY. Mr. Chairman, if I can make it clear, I think it is very important, my colleagues, that we realize what the gentleman is attempting to achieve with this amendment. He is stating that there is no form of contraception that may not be considered an abortifacient and, therefore, the American women have to understand——

Mr. SMITH of New Jersey. If the gentlewoman will yield, I did not say that at all.

Mrs. LOWEY. No, I will not yield. I will not yield. That the American people who are listening to this debate have to understand that this Congress wants to tell women that all forms of contraception are abortifacients and they cannot be considered.

I would like to make that point again. The majority of American women do support the use of contraceptives. These are very personal decisions, we understand that, and each person has to make it for themselves. But the majority of American women understands that.

Now, it seems to me from this discussion, that the gentleman from New Jersey is saying to every woman who may take a birth control pill or use another one of the five accepted methods of contraception that they are abortionists.

Mr. SMITH of New Jersey. Not at all.

Mrs. LOWEY. I think it is important to clarify what we are talking about because the FDA has approved five methods of contraception.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise in support of the amendment of the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from New Jersey to explain his amendment and to answer any questions he may have.

Mr. SMITH of New Jersey. Mr. Chairman, I want to make it clear to my colleagues that birth control pills and diaphragms are not abortifacients. IUDs and post-coital pills have the capability of that. That is where there has been very little conversation, especially with women, as to what might be happening when they think they are preventing fertilization when, indeed, implantation is what is being prevented.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I understand that there is confusion about this issue, and if I may, from my experience, please lend some of that to our body, one; and, number two, also relay that I had a conversation with the gentlewoman from New York, and I do understand what her intention is and I do understand the intention of the gentleman from New Jersey (Mr. SMITH). She has an honorable request. She won that in her committee, and it should be honored in that way.

But let me clarify for this body that, in fact, the diaphragm is not an abortifacient; that oral contraceptives are not an abortifacient; that morning-after pills, in fact, are; that IUDs are, in fact, abortifacients.

Now, there is not a medical question about how they work, and there is not a medical question about how oral contraceptives work. Their intention is to prevent ovulation or to prevent penetration of a sperm. That is not an abortifacient. And there is no question in the medical community about how they work.

So I would ask this body that if, in fact, we feel we want to make a decision based on what the request of gentlewoman from New York really is, that we supply oral contraceptives to women in this country, that we accept the Smith amendment to that, and we can qualify and solve this problem and this will go through. If, in fact, not, then we will see we will have an extended debate on whether or not the bill will make it.

An honorable amendment was brought forth in the committee. An honorable amendment to the gentlewoman's amendment is now offered. The clarity cannot be any clearer than what I have stated. The Smith amendment does not limit oral contraceptives, it only limits those things that are considered abortifacients.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose this amendment, and I think that Members have to be very sensitive to what my colleague from New Jersey is attempting to do here today.

Is there no limit to my colleague's willingness to impose his concept of when life begins on others? Conception is a process. Fertilization of the egg is part of that process. But if that fertilized egg does not get implanted, it does not grow. And so on throughout the course of pregnancy.

For those who do not believe that life begins upon fertilization, but believes, in fact, that that fertilized egg has to be implanted, the gentleman is imposing his judgment as to when life begins on that person and, in so doing, denying them what might be the safest means of contraception available to them.

Some women cannot take the pill. It is too disruptive to them. Some women depend on intrauterine devices and other such contracptives. When we get to the point where we have the courage to do more research in contraception, we will have many other options to offer women so that they can have safe contraception.

For us to make the decision that that woman must choose a means of contraception that reflects any one individual's determination as to when in that process of conception life actually begins is a level of intrusion into conscience, into independence, into freedom that, frankly, I have never witnessed. Even the issue of being for or against abortion is a different issue than we debate here tonight. We have never, ever intruded to this depth.

When I talk to my friends who are obstetricians, because all my colleagues know my husband is a retired obstetrician, how the pills work is not simple. In some women they have one effect, and they may have first effects and secondary effects. They prevent ovulation in general but not absolutely. And if there is a fertilization while on the pill, the pill prevents implantation.

So this is a complex process. And for us to imagine here tonight that it is either right or proper or possible for the gentleman to impose his determination on others at this level is extraordinary. As a Republican who believes that government should stay out of our lives, I oppose this amendment with everything in me. And I would ask my colleagues, those who are pro life—and I honor that position. And I would say that the pro-life members of our Nation have changed the issue of abortion over these years. People take it far more seriously. It is not as casual. They have made an enormous difference for the good in our Nation. But that does not make it right for them to step, then, into this level and try to make definitions that, frankly, are not nearly so simple as my friend and respected colleague, the gentleman from Oklahoma (Mr. COBURN), implies.

The lines are not clear. They are not simple. I would ask my colleague to respect that we are a Nation founded on the belief that we should have freedom of conscience and freedom of religion, and this amendment deeply, deeply compromises those liberties.

The CHAIRMAN. The question is on the amendment of the gentleman from New Jersey (Mr. SMITH).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 222, not voting 14, as follows:

[Roll No. 292]

AYES—198

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Ensign
Everett
Forbes
Fossella
Gekas
Gillmor
Goode
Goodlatte
Goodling
Graham
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kildee
King (NY)
Kingston
Klink
Knollenberg
Kucinich
LaFalce
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McCrery
McHale
McHugh
McKeon
Metcalf
Mica
Mollohan
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Packard
Pappas
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Quinn
Radanovich
Rahall
Redmond
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thune
Tiahrt
Traficant
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—222

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Calvert
Campbell
Capps
Cardin
Carson
Castle
Clay
Clement
Clyburn
Condit
Conyers
Cook
Cooksey
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Foley
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gordon
Goss
Granger
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hobson
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kim
Kind (WI)
Kleczka
Klug
Kolbe
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McInnis
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Nadler
Neal
Obey
Olver
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Ramstad
Rangel
Regula
Reyes
Rivers
Rodriguez
Rothman
Roukema
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shaw
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Torres
Towns
Turner
Upton
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weller
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—14

Clayton
Filner
Ford
Gonzalez
Hill
John
Kennelly
Lewis (GA)
McDade
McIntosh
McNulty
Ortiz
Parker
Roybal-Allard

☐ 2145

The Clerk announced the following pair:

On this vote:

Mr. Ortiz for, with Mr. Filner against.

Mr. THOMAS changed his vote from "aye" to "no."

Mr. BALLENGER and Mr. COBURN changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to the bill?

If not, the Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Treasury and General Government Appropriations Act, 1999".

Mr. MORAN of Virginia. Mr. Chairman, in the last four years I can't count the number of times I have been here on the House floor voting on bills, amendments, appropriations riders, and every possible vehicle for so-called anti-abortion legislation. The reality is, every member of Congress is anti-abortion. Every member of Congress wants to make abortion less necessary and eventually unnecessary. By improving access to affordable contraception, the Lowey amendment is an excellent way to achieve this goal.

As a founding co-chair of the Congressional Prevention Caucus, I am a strong proponent of using preventive methods to improve the length and quality of human life and also to reduce the skyrocketing costs of health care. On average, women spend 68% more on health care costs than men. Much of these additional costs can be attributed to reproductive health care costs. The use of contraception can help to reduce these costs for women by preventing unplanned pregnancy, an expensive and potentially life threatening condition.

Opponents of this amendment argue that 81% of FEHB plans already cover at least one form of contraception and that women federal employees already have a choice of plans. The one form is generally oral hormonal contraception known as "the pill." Oral contraceptives are one of the five most common forms of contraception but it is not always recommended to some women who experience negative side effects or may be a higher risk of breast cancer or stroke. Alternatives should be accessible to women who decide in consultation with their doctor that it is a safer option. Ten percent of plans cover no forms of contraception at all.

Regardless of the percentage of plans that cover this option and don't cover that option, contraception should be considered basic health care for women of reproductive age. As employers, we have a responsibility to choose what kind of health care we want to provide for our employees. We should be providing this basic preventive care and not forcing our employees to choose a plan that may not be the best plan for them because none of the other plans provide contraceptive coverage.

Furthermore, if we are denying federal employees coverage of abortion services in their health plans, as we have since 1995, it would be hypocritical not to make methods to prevent the necessity of abortion as accessible as possible to federal employees. Contraception is a proven method in reducing the number of abortions. A recent study of the use of contraception in the former Soviet republics shows that preventing pregnancy with contraception reduces the number of abortions. In Kazakstan for example, abortion rates have fallen by more than 40% since the change in contraception policy by the government and widespread access to contraception was implemented.

As adversaries of the "abortion issue" continue to disagree over pro-choice, pro-life semantics, we should be working together on policies that we can agree reduce the necessity of abortion. I urge my colleagues to work together where we can on this terribly divisive issue by supporting the Lowey amendment to provide comprehensive contraceptive health care coverage for federal employees.

Ms. BROWN of Florida. Mr. Chairman, I rise in strong support of this Treasury Postal Appropriations bill. In this bill, there is funding for courthouse projects across the country, and I thank Chairman KOLBE and Ranking Member, Congressman HOYER, for their great leadership in this issue.

The situation of aging courthouses across this nation must not be tolerated any longer. We must ensure a safe and fair judicial process for all Americans. I am very familiar with older courthouses, particularly the ones in Jacksonville and Orlando, which I represent. In addition to not having the space to properly handle the increasing judicial caseload, these older courthouses have serious security risks for judges, juries, and litigants. Oftentimes judges must pass through corridors with prisoners and defendants lined up along the walls. Additionally, these older courthouses do not have the necessary security measures that they should have in this day and age.

This is a very serious situation, and I am glad that we have the leadership here to recognize it and address it.

We must keep the judicial branch of government viable, particularly, as we task it with more federal laws and caseloads. I thank my colleagues from Maryland and Arizona for their commitment to this issue, and urge all of my colleagues to support this legislation.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. DREIER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes, pursuant to House Resolution 498, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

PARLIAMENTARY INQUIRY

Mr. UPTON. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. UPTON. Mr. Speaker, is this the appropriate time to offer a tobacco amendment?

The SPEAKER pro tempore. The gentleman is definitely out of order.

The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

Without objection, there will be a vote on H.R. 3731 immediately following this vote.

There was no objection.

The SPEAKER pro tempore. This will be a 17-minute vote followed by a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 218, nays 203, not voting 14, as follows:

[Roll No. 293]

YEAS—218

Archer
Armey
Bachus
Baesler
Ballenger
Barrett (NE)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crapo
Cubin
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Graham
Granger
Greenwood
Hall (TX)
Hansen
Harman
Hastert
Hastings (WA)
Hobson
Hoekstra
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lowey
Lucas
Maloney (NY)
Manzullo
McCollum
McCrery
McHale
McHugh
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Morella
Myrick
Nethercutt
Northup
Norwood
Nussle
Oxley
Packard
Pastor
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin
Saxton
Scarborough
Schaefer, Dan
Schumer
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Snowbarger
Solomon
Souder
Spence
Stearns
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—203

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baker
Baldacci
Barcia
Barr
Barrett (WI)
Barton
Becerra
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Bunning
Campbell
Capps
Cardin
Carson
Clay
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Crane
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Dixon
Doyle
Duncan
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Goodlatte
Gordon
Green
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Hastings (FL)
Hayworth
Hefley
Hefner
Herger
Hilleary
Hilliard
Hinchey
Hinojosa
Holden
Hostettler
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lantos
LaTourette
Lee
Levin
Lipinski
Lofgren
Luther
Maloney (CT)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McInnis
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Murtha
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Poshard
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Rush
Sabo
Sánchez
Sanders
Sanford
Sawyer
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Sherman
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith, Adam
Smith, Linda
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stump
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Velázquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—14

Clayton
Filner
Ford
Gonzales
Hill
John
Kennelly
Lewis (GA)
McDade
McNulty
Ortiz
Parker
Roybal-Allard
Yates

☐ 2216

The Clerk announced the following pair:

On this vote:

Mr. ORTIZ for, with Mr. FILNER against.

Messrs. EVANS, LEVIN, McINTYRE, GEPHARDT, HINOJOSA, Mrs. MEEK of Florida, Ms. FURSE, Messrs. CUMMINGS, STRICKLAND, MORAN of Virginia, Ms. BROWN of Florida, Messrs. TANNER, HEFNER, SPRATT, CLEMENT, CARDIN and WYNN changed their vote from "yea" to "nay."

Messrs. PITTS, SAM JOHNSON of Texas, BACHUS, CUNNINGHAM, COLLINS, HYDE, SOLOMON, SOUDER, EVERETT, REDMOND, BURTON of Indiana, KING, HOEKSTRA, CHRISTENSEN, ENSIGN, BILIRAKIS, METCALF, LAHOOD, BUYER, FOSSELLA, HUNTER, PORTMAN, HALL of Texas, Mrs. CHENOWETH, Messrs. RYUN, LEWIS of Kentucky, CHABOT, WELDON of Pennsylvania, DAN SCHAEFER of Colorado, SCARBOROUGH, ROGAN, SHADEGG, CRAPO, STEARNS, CANNON, RILEY, McINTOSH and Mr. CANADY of Florida changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4104, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that in the engrossment of H.R. 4104, the Clerk be authorized to correct section numbers, punctuation, cross-references, and make other conforming changes as may be necessary to reflect the actions of the House today.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Arizona?

There was no objection.

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall votes 283 through 287 yesterday and today. Had I been present, I would have voted "aye" on rollcall votes 286 and 287, and voted "nay" on rollcall votes 283, 284 and 285.

□ 2215

STEVE SCHIFF AUDITORIUM

The SPEAKER pro tempore (Mr. LAHOOD). The unfinished business is the question of passage of the bill, H.R. 3731 on which further proceedings were postponed on Wednesday, July 15, 1998.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the passage of the bill on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 0, not voting 26, as follows:

[Roll No 294]

YEAS—409

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Owens
Oxley
Packard
Pallone
Pappas
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—26

Bateman
Berman
Clayton
Dooley
Filner
Ford
Gonzalez
Harman
Hill
John
Johnson (CT)
Kennelly
Klink
Lewis (GA)
Martinez
McDade
McNulty
Ortiz
Parker
Regula
Roybal-Allard
Salmon
Shuster
Smith (NJ)
Smith (OR)
Yates

□ 2224

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 629, TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT CONSENT ACT

Mr. BLILEY submitted the following conference report and statement on the bill (H.R. 629) to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact:

CONFERENCE REPORT (H. REPT. 105–630)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 629), to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Texas Low-Level Radioactive Waste Disposal Compact Consent Act".

SEC. 2. CONGRESSIONAL FINDING.

The Congress finds that the compact set forth in section 5 is in furtherance of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b et seq.).

SEC. 3. CONDITIONS OF CONSENT TO COMPACT.

The consent of the Congress to the compact set forth in section 5—

(1) shall become effective on the date of the enactment of this Act;

(2) is granted subject to the provisions of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b et seq.); and

(3) is granted only for so long as the regional commission established in the compact complies with all of the provisions of such Act.

SEC. 4. CONGRESSIONAL REVIEW.

The Congress may alter, amend, or repeal this Act with respect to the compact set forth in section 5 after the expiration of the 10-year period following the date of the enactment of this Act, and at such intervals thereafter as may be provided in such compact.

SEC. 5. TEXAS LOW-LEVEL RADIOACTIVE WASTE COMPACT.

(a) CONSENT OF CONGRESS.—In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(2)), the consent of Congress is given to the States of Texas, Maine, and Vermont to enter into the compact set forth in subsection (b).

(b) TEXT OF COMPACT.—The compact reads substantially as follows:

"TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT

"ARTICLE I. POLICY AND PURPOSE

"SEC. 1.01. The party states recognize a responsibility for each state to seek to manage low-level radioactive waste generated within its boundaries, pursuant to the Low-Level Radioactive Waste Policy Act, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. 2021b–2021j). They also recognize that the United States Congress, by enacting the Act, has authorized and encouraged states to enter into compacts for the efficient management and disposal of low-level radioactive waste. It is the policy of the party states to cooperate in the protection of the health, safety, and welfare of their citizens and the environment and to provide for and encourage the economical management and disposal of low-level radioactive waste. It is the purpose of this compact to provide the framework for such a cooperative effort; to promote the health, safety, and welfare of the citizens and the environment of the party states; to limit the number of facilities needed to effectively, efficiently, and economically manage low-level radioactive waste and to encourage the reduction of the generation thereof; and to distribute the costs, benefits, and obligations among the party states; all in accordance with the terms of this compact.

"ARTICLE II. DEFINITIONS

"SEC. 2.01. As used in this compact, unless the context clearly indicates otherwise, the following definitions apply:

"(1) 'Act' means the Low-Level Radioactive Waste Policy Act, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. 2021b–2021j).

"(2) 'Commission' means the Texas Low-Level Radioactive Waste Disposal Compact Commission established in Article III of this compact.

"(3) 'Compact facility' or 'facility' means any site, location, structure, or property located in and provided by the host state for the purpose of management or disposal of low-level radioactive waste for which the party states are responsible.

"(4) 'Disposal' means the permanent isolation of low-level radioactive waste pursuant to requirements established by the United States Nuclear Regulatory Commission and the United States Environmental Protection Agency under applicable laws, or by the host state.means to produce low-level radioactive waste.

"(6) 'Generator' means a person who produces or processes low-level radioactive waste in the course of its activities, excluding persons who arrange for the collection, transportation, management, treatment, storage, or disposal of waste generated outside the party states, unless approved by the commission.

"(7) 'Host county' means a county in the host state in which a disposal facility is located or is being developed.

"(8) 'Host state' means a party state in which a compact facility is located or is being developed. The State of Texas is the host state under this compact.

"(9) 'Institutional control period' means that period of time following closure of the facility and transfer of the facility license from the operator to the custodial agency in compliance with the appropriate regulations for long-term observation and maintenance.

"(10) 'Low-level radioactive waste' has the same meaning as that term is defined in Section 2(9) of the Act (42 U.S.C. 2021b(9)), or in the host state statute so long as the waste is not incompatible with management and disposal at the compact facility.

"(11) 'Management' means collection, consolidation, storage, packaging, or treatment.

"(12) 'Operator' means a person who operates a disposal facility.

"(13) 'Party state' means any state that has become a party in accordance with Article VII of this compact. Texas, Maine, and Vermont are initial party states under this compact.

"(14) 'Person' means an individual, corporation, partnership or other legal entity, whether public or private.

"(15) 'Transporter' means a person who transports low-level radioactive waste.

"ARTICLE III. THE COMMISSION

"SEC. 3.01. There is hereby established the Texas Low-Level Radioactive Waste Disposal Compact Commission. The commission shall consist of one voting member from each party state except that the host state shall be entitled to six voting members. Commission members shall be appointed by the party state governors, as provided by the laws of each party state. Each party state may provide alternates for each appointed member.

"SEC. 3.02. A quorum of the commission consists of a majority of the members. Except as otherwise provided in this compact, an official act of the commission must receive the affirmative vote of a majority of its members.

"SEC. 3.03. The commission is a legal entity separate and distinct from the party states and has governmental immunity to the same extent as an entity created under the authority of Article XVI, Section 59, of the Texas Constitution. Members of the commission shall not be personally liable for actions taken in their official capacity. The liabilities of the commission shall not be deemed liabilities of the party states.

"SEC. 3.04. The commission shall:

"(1) Compensate its members according to the host state's law.

"(2) Conduct its business, hold meetings, and maintain public records pursuant to laws of the host state, except that notice of public meetings shall be given in the non-host party states in accordance with their respective statutes.

"(3) Be located in the capital city of the host state.

"(4) Meet at least once a year and upon the call of the chair, or any member. The governor of the host state shall appoint a chair and vice-chair.

"(5) Keep an accurate account of all receipts and disbursements. An annual audit of the books of the commission shall be conducted by an independent certified public accountant, and the audit report shall be made a part of the annual report of the commission.

"(6) Approve a budget each year and establish a fiscal year that conforms to the fiscal year of the host state.

"(7) Prepare, adopt, and implement contingency plans for the disposal and management of low-level radioactive waste in the event that the compact facility should be closed. Any plan which requires the host state to store or otherwise manage the low-level radioactive waste from all the party states must be approved by at least four host state members of the commission. The commission, in a contingency plan or otherwise, may not require a non-host party state to store low-level radioactive waste generated outside of the state.

"(8) Submit communications to the governors and to the presiding officers of the legislatures of the party states regarding the activities of the commission, including an annual report to be submitted on or before January 31 of each year.

"(9) Assemble and make available to the party states, and to the public, information concerning low-level radioactive waste management needs, technologies, and problems.

"(10) Keep a current inventory of all generators within the party states, based upon information provided by the party states.

"(11) By no later than 180 days after all members of the commission are appointed under Section 3.01 of this article, establish by rule the total volume of low-level radioactive waste that the host state will dispose of in the compact facility in the years 1995–2045, including decommissioning waste. The shipments of low-level radioactive waste from all non-host party states shall not exceed 20 percent of the volume estimated to be disposed of by the host state during the 50-year period. When averaged over such 50-year period, the total of all shipments from non-host party states shall not exceed 20,000 cubic feet a year. The commission shall coordinate the volumes, timing, and frequency of shipments from generators in the non-host party states in order to assure that over the life of this agreement shipments from the non-host party states do not exceed 20 percent of the volume projected by the commission under this paragraph.

"SEC. 3.05. The commission may:

"(1) Employ staff necessary to carry out its duties and functions. The commission is authorized to use to the extent practicable the services of existing employees of the party states. Compensation shall be as determined by the commission.

"(2) Accept any grants, equipment, supplies, materials, or services, conditional or otherwise, from the federal or state government. The nature, amount and condition, if any, of any donation, grant or other resources accepted pursuant to this paragraph and the identity of the donor or grantor shall be detailed in the annual report of the commission.

"(3) Enter into contracts to carry out its duties and authority, subject to projected resources. No contract made by the commission shall bind a party state.

"(4) Adopt, by a majority vote, bylaws and rules necessary to carry out the terms of this compact. Any rules promulgated by the commission shall be adopted in accordance with the Administrative Procedure and Texas Register Act (Article 6252–13a, Vernon's Texas Civil Statutes).

"(5) Sue and be sued and, when authorized by a majority vote of the members, seek to intervene in administrative or judicial proceedings related to this compact.

"(6) Enter into an agreement with any person, state, regional body, or group of states for the importation of low-level radioactive waste into

the compact for management or disposal, provided that the agreement receives a majority vote of the commission. The commission may adopt such conditions and restrictions in the agreement as it deems advisable.

"(7) Upon petition, allow an individual generator, a group of generators, or the host state of the compact, to export low-level waste to a low-level radioactive waste disposal facility located outside the party states. The commission may approve the petition only by a majority vote of its members. The permission to export low-level radioactive waste shall be effective for that period of time and for the specified amount of low-level radioactive waste, and subject to any other term or condition, as is determined by the commission.

"(8) Monitor the exportation outside of the party states of material, which otherwise meets the criteria of low-level radioactive waste, where the sole purpose of the exportation is to manage or process the material for recycling or waste reduction and return it to the party states for disposal in the compact facility.

"SEC. 3.06. Jurisdiction and venue of any action contesting any action of the commission shall be in the United States District Court in the district where the commission maintains its office.

"ARTICLE IV. RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS OF PARTY STATES

"SEC. 4.01. The host state shall develop and have full administrative control over the development, management and operation of a facility for the disposal of low-level radioactive waste generated within the party states. The host state shall be entitled to unlimited use of the facility over its operating life. Use of the facility by the non-host party states for disposal of low-level radioactive waste, including such waste resulting from decommissioning of any nuclear electric generation facilities located in the party states, is limited to the volume requirements of Section 3.04(11) of Article III.

"SEC. 4.02. Low-level radioactive waste generated within the party states shall be disposed of only at the compact facility, except as provided in Section 3.05(7) of Article III.

"SEC. 4.03. The initial states of this compact cannot be members of another low-level radioactive waste compact entered into pursuant to the Act.

"SEC. 4.04. The host state shall do the following:

"(1) Cause a facility to be developed in a timely manner and operated and maintained through the institutional control period.

"(2) Ensure, consistent with any applicable federal and host state laws, the protection and preservation of the environment and the public health and safety in the siting, design, development, licensing, regulation, operation, closure, decommissioning, and long-term care of the disposal facilities within the host state.

"(3) Close the facility when reasonably necessary to protect the public health and safety of its citizens or to protect its natural resources from harm. However, the host state shall notify the commission of the closure within three days of its action and shall, within 30 working days of its action, provide a written explanation to the commission of the closure, and implement any adopted contingency plan.

"(4) Establish reasonable fees for disposal at the facility of low-level radioactive waste generated in the party states based on disposal fee criteria set out in Sections 402.272 and 402.273, Texas Health and Safety Code. The same fees shall be charged for the disposal of low-level radioactive waste that was generated in the host state and in the non-host party states. Fees shall also be sufficient to reasonably support the activities of the Commission.

"(5) Submit an annual report to the commission on the status of the facility, including projections of the facility's anticipated future capacity, and on the related funds.

"(6) Notify the Commission immediately upon the occurrence of any event which could cause a possible temporary or permanent closure of the facility and identify all reasonable options for the disposal of low-level radioactive waste at alternate compact facilities or, by arrangement and Commission vote, at noncompact facilities.

"(7) Promptly notify the other party states of any legal action involving the facility.

"(8) Identify and regulate, in accordance with federal and host state law, the means and routes of transportation of low-level radioactive waste in the host state.

"SEC. 4.05. Each party state shall do the following:

"(1) Develop and enforce procedures requiring low-level radioactive waste shipments originating within its borders and destined for the facility to conform to packaging, processing, and waste form specifications of the host state.

"(2) Maintain a registry of all generators within the state that may have low-level radioactive waste to be disposed of at a facility, including, but not limited to, the amount of low-level radioactive waste and the class of low-level radioactive waste generated by each generator.

"(3) Develop and enforce procedures requiring generators within its borders to minimize the volume of low-level radioactive waste requiring disposal. Nothing in this compact shall prohibit the storage, treatment, or management of waste by a generator.

"(4) Provide the commission with any data and information necessary for the implementation of the commission's responsibilities, including taking those actions necessary to obtain this data or information.

"(5) Pay for community assistance projects designated by the host county in an amount for each non-host party state equal to 10 percent of the payment provided for in Article V for each such state. One-half of the payment shall be due and payable to the host county on the first day of the month following ratification of this compact agreement by Congress and one-half of the payment shall be due and payable on the first day of the month following the approval of a facility operating license by the host state's regulatory body.

"(6) Provide financial support for the commission's activities prior to the date of facility operation and subsequent to the date of congressional ratification of this compact under Section 7.07 of Article VII. Each party state will be responsible for annual payments equalling its pro-rata share of the commission's expenses, incurred for administrative, legal, and other purposes of the commission.

"(7) If agreed by all parties to a dispute, submit the dispute to arbitration or other alternate dispute resolution process. If arbitration is agreed upon, the governor of each party state shall appoint an arbitrator. If the number of party states is an even number, the arbitrators so chosen shall appoint an additional arbitrator. The determination of a majority of the arbitrators shall be binding on the party states. Arbitration proceedings shall be conducted in accordance with the provisions of 9 U.S.C. Sections 1 to 16. If all parties to a dispute do not agree to arbitration or alternate dispute resolution process, the United States District Court in the district where the commission maintains its office shall have original jurisdiction over any action between or among parties to this compact.

"(8) Provide on a regular basis to the commission and host state—

"(A) an accounting of waste shipped and proposed to be shipped to the compact facility, by volume and curies;

"(B) proposed transportation methods and routes; and

"(C) proposed shipment schedules.

"(9) Seek to join in any legal action by or against the host state to prevent nonparty states or generators from disposing of low-level radioactive waste at the facility.

"SEC. 4.06. Each party state shall act in good faith and may rely on the good faith performance of the other party states regarding requirements of this compact.

"ARTICLE V. PARTY STATE CONTRIBUTIONS

"SEC. 5.01. Each party state, except the host state, shall contribute a total of $25 million to the host state. Payments shall be deposited in the host state treasury to the credit of the low-level waste fund in the following manner except as otherwise provided. Not later than the 60th day after the date of congressional ratification of this compact, each non-host party state shall pay to the host state $12.5 million. Not later than the 60th day after the date of the opening of the compact facility, each non-host party state shall pay to the host state an additional $12.5 million.

"SEC. 5.02. As an alternative, the host state and the non-host states may provide for payments in the same total amount as stated above to be made to meet the principal and interest expense associated with the bond indebtedness or other form of indebtedness issued by the appropriate agency of the host state for purposes associated with the development, operation, and post-closure monitoring of the compact facility. In the event the member states proceed in this manner, the payment schedule shall be determined in accordance with the schedule of debt repayment. This schedule shall replace the payment schedule described in Section 5.01 of this article.

"ARTICLE VI. PROHIBITED ACTS AND PENALTIES

"SEC. 6.01. No person shall dispose of low-level radioactive waste generated within the party states unless the disposal is at the compact facility, except as otherwise provided in Section 3.05(7) of Article III.

"SEC. 6.02. No person shall manage or dispose of any low-level radioactive waste within the party states unless the low-level radioactive waste was generated within the party states, except as provided in Section 3.05(6) of Article III. Nothing herein shall be construed to prohibit the storage or management of low-level radioactive waste by a generator, nor its disposal pursuant to 10 C.F.R. Part 20.302.

"SEC. 6.03. Violations of this article may result in prohibiting the violator from disposing of low-level radioactive waste in the compact facility, or in the imposition of penalty surcharges on shipments to the facility, as determined by the commission.

"ARTICLE VII. ELIGIBILITY, ENTRY INTO EFFECT; CONGRESSIONAL CONSENT; WITHDRAWAL; EXCLUSION

"SEC. 7.01. The states of Texas, Maine, and Vermont are party states to this compact. Any other state may be made eligible for party status by a majority vote of the commission and ratification by the legislature of the host state, subject to fulfillment of the rights of the initial non-host party states under Section 3.04(11) of Article III and Section 4.01 of Article IV, and upon compliance with those terms and conditions for eligibility that the host state may establish. The host state may establish all terms and conditions for the entry of any state, other than the states named in this section, as a member of this compact; provided, however, the specific provisions of this compact, except for those pertaining to the composition of the commission and those pertaining to Section 7.09 of this article, may not be changed except upon ratification by the legislatures of the party states.

"SEC. 7.02. Upon compliance with the other provisions of this compact, a state made eligible under Section 7.01 of this article may become a

party state by legislative enactment of this compact or by executive order of the governor of the state adopting this compact. A state becoming a party state by executive order shall cease to be a party state upon adjournment of the first general session of its legislature convened after the executive order is issued, unless before the adjournment, the legislature enacts this compact.

"SEC. 7.03. Any party state may withdraw from this compact by repealing enactment of this compact subject to the provisions herein. In the event the host state allows an additional state or additional states to join the compact, the host state's legislature, without the consent of the non-host party states, shall have the right to modify the composition of the commission so that the host state shall have a voting majority on the commission, provided, however, that any modification maintains the right of each initial party state to retain one voting member on the commission.

"SEC. 7.04. If the host state withdraws from the compact, the withdrawal shall not become effective until five years after enactment of the repealing legislation and the non-host party states may continue to use the facility during that time. The financial obligation of the non-host party states under Article V shall cease immediately upon enactment of the repealing legislation. If the host state withdraws from the compact or abandons plans to operate a facility prior to the date of any non-host party state payment under Sections 4.05(5) and (6) of Article IV or Article V, the non-host party states are relieved of any obligations to make the contributions. This section sets out the exclusive remedies for the non-host party states if the host state withdraws from the compact or is unable to develop and operate a compact facility.

"SEC. 7.05. A party state, other than the host state, may withdraw from the compact by repealing the enactment of this compact, but this withdrawal shall not become effective until two years after the effective date of the repealing legislation. During this two-year period the party state will continue to have access to the facility. The withdrawing party shall remain liable for any payments under Sections 4.05(5) and (6) of Article IV that were due during the two-year period, and shall not be entitled to any refund of payments previously made.

"SEC. 7.06. Any party state that substantially fails to comply with the terms of the compact or to fulfill its obligations hereunder may have its membership in the compact revoked by a seven-eighths vote of the commission following notice that a hearing will be scheduled not less than six months from the date of the notice. In all other respects, revocation proceedings undertaken by the commission will be subject to the Administrative Procedure and Texas Register Act (Article 6252–13a, Vernon's Texas Civil Statutes), except that a party state may appeal the commission's revocation decision to the United States District Court in accordance with Section 3.06 of Article III. Revocation shall take effect one year from the date such party state receives written notice from the commission of a final action. Written notice of revocation shall be transmitted immediately following the vote of the commission, by the chair, to the governor of the affected party state, all other governors of party states, and to the United States Congress.

"SEC. 7.07. This compact shall take effect following its enactment under the laws of the host state and any other party state and thereafter upon the consent of the United States Congress and shall remain in effect until otherwise provided by federal law. If Texas and either Maine or Vermont ratify this compact, the compact shall be in full force and effect as to Texas and the other ratifying state, and this compact shall be interpreted as follows:

"(1) Texas and the other ratifying state are the initial party states.

"(2) The commission shall consist of two voting members from the other ratifying state and six from Texas.

"(3) Each party state is responsible for its pro-rata share of the commission's expenses.

"SEC. 7.08. This compact is subject to review by the United States Congress and the withdrawal of the consent of Congress every five years after its effective date, pursuant to federal law.

"SEC. 7.09. The host state legislature, with the approval of the governor, shall have the right and authority, without the consent of the non-host party states, to modify the provisions contained in Section 3.04(11) of Article III to comply with Section 402.219(c)(1), Texas Health & Safety Code, as long as the modification does not impair the rights of the initial non-host party states.

"ARTICLE VIII. CONSTRUCTION AND SEVERABILITY

"SEC. 8.01. The provisions of this compact shall be broadly construed to carry out the purposes of the compact, but the sovereign powers of a party shall not be infringed upon unnecessarily.

"SEC. 8.02. This compact does not affect any judicial proceeding pending on the effective date of this compact.

"SEC. 8.03. No party state acquires any liability, by joining this compact, resulting from the siting, operation, maintenance, long-term care or any other activity relating to the compact facility. No non-host party state shall be liable for any harm or damage from the siting, operation, maintenance, or long-term care relating to the compact facility. Except as otherwise expressly provided in this compact, nothing in this compact shall be construed to alter the incidence of liability of any kind for any act or failure to act. Generators, transporters, owners and operators of the facility shall be liable for their acts, omissions, conduct or relationships in accordance with applicable law. By entering into this compact and securing the ratification by Congress of its terms, no party state acquires a potential liability under section 5(d)(2)(C) of the Act (42 U.S.C. Sec. 2021e(d)(2)(C)) that did not exist prior to entering into this compact.

"SEC. 8.04. If a party state withdraws from the compact pursuant to Section 7.03 of Article VII or has its membership in this compact revoked pursuant to section 7.06 of Article VII, the withdrawal or revocation shall not affect any liability already incurred by or chargeable to the affected state under Section 8.03 of this article.

"SEC. 8.05. The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is declared by a court of competent jurisdiction to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstances is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby to the extent the remainder can in all fairness be given effect. If any provision of this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the state affected as to all severable matters.

"SEC. 8.06. Nothing in this compact diminishes or otherwise impairs the jurisdiction, authority, or discretion of either of the following:

"(1) The United States Nuclear Regulatory Commission pursuant to the Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2011 et seq.).

"(2) An agreement state under section 274 of the Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2021).

"SEC. 8.07. Nothing in this compact confers any new authority on the states or commission to do any of the following:

"(1) Regulate the packaging or transportation of low-level radioactive waste in a manner inconsistent with the regulations of the United States Nuclear Regulatory Commission or the United States Department of Transportation.

"(2) Regulate health, safety, or environmental hazards from source, by-product, or special nuclear material.

"(3) Inspect the activities of licensees of the agreement states or of the United States Nuclear Regulatory Commission.".

And the Senate agree to the same.

For consideration of the House bill and Senate amendment, and modifications committed to conference:

TOM BLILEY,
DAN SCHAEFER,
JOE BARTON,
JOHN D. DINGELL,
RALPH M. HALL,
Managers on the Part of the House.

STROM THURMOND,
ORRIN HATCH,
PATRICK LEAHY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 629, to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

SEC. 1. SHORT TITLE

House bill

The House bill cites this Act as the Texas Low-Level Radioactive Waste Disposal Compact Consent Act.

Senate amendment

The Senate amendment contains an identical provision.

Conference agreement

The Senate recedes.

SEC. 2. CONGRESSIONAL FINDING

House bill

The House bill makes a finding that the low-level radioactive waste disposal Compact between the States of Texas, Maine, and Vermont is in furtherance of the Low-Level Radioactive Waste Policy Act.

Senate amendment

The Senate amendment contains a similar provision.

Conference agreement

The Senate recedes.

SEC. 3. CONDITIONS OF CONSENT TO COMPACT

House bill

The House bill establishes the following conditions on the consent of the Congress to the Compact: (1) that the Compact shall become effective on the date of enactment of this Act; (2) that consent is granted under the authority provided by the Low-Level Radioactive Waste Policy Act; (3) that consent is conditioned by the Compact Commission's compliance with all requirements of the Low-Level Radioactive Waste Policy Act; and (4) that consent is granted only for so long as no low-level radioactive waste is brought into Texas from any State other than Maine or Vermont.

Senate amendment

The Senate amendment contains a similar provision. In addition, the amendment requires the party States and Commission to consent to civil suits by the Attorney General of the United States or by a member of an affected community if evidence is obtained that the party States or Commission have failed to comply with the conditions.

Conference agreement

The Senate recedes, with a modification. The conference agreement does not include the condition on consent which restricts the Compact from accepting low-level radioactive waste at the Texas facility from any State other than Maine or Vermont.

SEC. 4. CONGRESSIONAL REVIEW

House bill

The House bill provides that the Congress may alter, amend, or repeal this Act after the expiration of the ten year period following the date of enactment of this Act, and at such intervals thereafter as provided in the Texas Compact.

Senate amendment

The Senate amendment contains a similar provision.

Conference agreement

The Senate recedes.

SEC. 5. ADDITIONAL CONDITION ON CONSENT TO COMPACT

House bill

No provision.

Senate amendment

The Senate amendment establishes a condition of Congressional consent that the compact not be implemented in any way that discriminates against any community (through disparate treatment or disparate impact) by reason of the composition of the community in terms of race, color, national origin or income level. In addition, the amendment requires the party States and Commission to consent to civil suits by the Attorney General of the United States or by a member of an affected community if evidence is obtained that the party States or Commission have failed to comply with this condition.

Conference agreement

The Senate recedes.

SEC. 6. TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT

House bill

The House bill provides the consent of the Congress to the Texas Compact and contains the text of the law passed by the States of Texas, Maine, and Vermont establishing the Compact.

Senate amendment

The Senate amendment contains a similar provision.

Conference agreement

The House recedes.

For consideration of the House bill and Senate amendment, and modifications committed to conference:

TOM BLILEY,
DAN SCHAEFER,
JOE BARTON,
JOHN D. DINGELL,
RALPH M. HALL,
Managers on the Part of the House.

STROM THURMOND,
ORRIN HATCH,
PATRICK LEAHY,
Managers on the Part of the Senate.

HOMEOWNERS PROTECTION ACT OF 1997

Mr. LEACH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 318) to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes, with the Senate amendments to the House amendments thereto, and concur in the Senate amendments to the House amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments to the House amendments, as follows:

Senate amendments to House amendments:

Page 5, after line 4, of the House engrossed amendment, insert:

SEC. 12. AMENDMENT TO HIGHER EDUCATION ACT OF 1965.

Section 481(a)(4) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(4)) is amended by—

(1) inserting the subparagraph designation "(A)" immediately after the paragraph designation "(4)";

(2) redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively; and

(3) adding at the end thereof the following new subparagraph:

"(B) Subparagraph (A)(i) shall not apply to a nonprofit institution whose primary function is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under chapter 11 of title 11 of the United States Code between July 1, and December 31, 1998.".

Page 28, line 1, of the Senate engrossed bill, strike out "SEC. 12" and insert "SEC. 13".

Page 28, line 2, of the Senate engrossed bill, strike out "13" and insert "14".

Page 28, line 4, of the Senate engrossed bill, strike out "SEC. 13" and insert "SEC. 14".

Mr. LEACH (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments to the House amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Iowa?

There was no objection.

A motion to reconsider was laid on the table.

☐ 2230

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. LAHOOD). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

RETINAL DEGENERATIVE DISEASES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, I rise to address an issue of great importance to so many Americans. These are Americans that are suffering with retinal degenerative diseases. They number over 6 million and come from all ages and all ethnic groups. An additional 9 million Americans have presymptomatic signs that may lead to loss of sight. It is a problem that affects an epidemic number of people across this country, and one that certainly merits our attention, and, indeed, our support.

Several weeks ago I held a briefing where several of my colleagues and I had an opportunity to hear from a panel of experts and research scientists about all of the wonderful progress that organizations like the Foundation Fighting Blindness have made in the fight to find a treatment and to cure this debilitating disease.

We also had a chance to hear from several young people who have been affected. One of these young people we heard from was Isaac Lidsky, a young man from my Congressional District. For Carlos and Betty Lidsky, Isaac's parents, the fight for a cure is one they struggle with on a day-to-day basis. Of their four wonderful children, Izaac, Ronit, Daria, and Ilana, three are stricken with this devastating disease.

At our briefing, their youngest, Isaac, talked to us about how the disease has affected his life, and although he has an unwavering optimism that one day soon a cure will be found, he also expressed frustration from knowing that the possibility for a cure is out there waiting, but because of lack of sufficient funding for research, he is slowly losing his sight.

Promoting important research efforts and wonderful, nonprofit organizations like Foundation Fighting Blindness, which are on the cutting edge of new procedures, and which have dedicated scientists working tirelessly to eradicate these diseases, is crucial at this juncture.

The National Eye Institute, which is a division of the National Institutes of

Health, is a critical player in the fight to save the loss of sight caused by retinal degenerative diseases. Their role, however, has been impaired to a certain extent because of the lack of sufficient funding for continued research. Over the last 13 years, funding at NEI has grown at less than one-fourth of the rate of the National Institutes of Health.

There has been a considerable effort to double the funding provided to NIH, but this effort needs our help. Research has made excellent progress. Groups like the National Eye Institute and the Foundation Fighting Blindness have conducted terrific research in this field. Their scientists have made incredible progress in understanding the biological processes of these diseases. They have been able to identify and isolate many of the genes that cause retinal degenerative disease.

There have been significant discoveries also in the area of molecular engineering and gene therapy. Tremendous advances have been made in the lab with vectors, which are modified viruses that transport normal replacement genes into cells to help them function. This past year also there was significant improvement in the new generation of vectors which have the potential of being safer and more effective.

Science is now, Mr. Speaker, at a critical turning point. Researchers are ready to take the knowledge that they have gained from basic research and transfer it to clinical research that will create the foundation for future treatment and therapies.

Let us make a difference in the lives of these 6 million Americans that are already affected, and those many millions who are yet undiagnosed. Let us support the wonderful research efforts through increased funding for these agencies, these agencies that are making remarkable steps, and that continue to give us hope and renew our energies toward finding a cure; for a cure, Mr. Speaker, will come.

Let us work together to plan for a future where funding will not be the obstacle to curing the vision loss of people like Isaac and his sisters. Now is the time to take advantage of these scientific advances, and with adequate funding, Mr. Speaker, there is, indeed, a cure in sight.

A TRIBUTE TO LOUIS GOLDSTEIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOYER) is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, with the death of Louis Goldstein on July 3, Maryland, as well as the entire country, lost a great patriot, dutiful public servant, and loving individual.

Louis Lazarus Goldstein died at the age of 85, having spent all of his adult life in the service of his fellow citizens. He was in some ways a simple, unassuming man, and in other ways, an extremely complicated one. He loved people, his family, history, the United States marines, the state of Maryland, the Democratic Party, and America. He served all of them in turn, and served them with enthusiasm and faithfulness.

Louis was larger than life when he lived, and he will become even larger in a his death. The Louis stories that are legend now will geometrically multiply in years to come. Hopefully, however, we will not lose the reality along the way: his genuine, heartfelt prayer that God would bless each of us real good; his observation that our gift to God was service to others, and his shining example of such service; his brilliance in the administration of his office; and his fidelity to Maryland's citizens and the stewardship of their money.

He was, Mr. Speaker, an unforgettable character who made everyone feel that they were his close friend and objects of his genuine concern, as, indeed, they were. Some thought him hokey, but they saw only the facade. To know Louis was to know how deeply he cared about democracy and individual freedom and civil liberties, and how committed he was to ensuring that every American young person had an opportunity to excel to the limit of his or her talent, and their willingness to expend effort and energy in the pursuit of their goals; how much of his own time and extraordinary political skills he spent ensuring that Washington College and the University of Maryland were places where excellence was encouraged and facilitated; how much he valued the principles of his party, and how strongly he fought for its candidates.

Mr. Speaker, I do not know whether Members have ever met Louis Goldstein, how many of our colleagues have met him. I suspect many. He lit up a room and a podium, a campaign trail and another candidate's events, or certainly his own. He brought common sense and uncommon intellect and integrity to the business of politics.

God granted to Louis and to us 85 vigorous years which Louis used to the utmost. God indeed blessed us real good through the force of nature we knew for the past 40 years as our comptroller; arguably, the most popular tax collector in the history of the world.

Louis Goldstein was a wonderful servant to Maryland and America, and his death is a tragic loss for all. But the happy note is that his life was not a tragedy at all. It was a victory, a celebration, a joy. Louis Goldstein loved life and he gave it his all. He served as a public official for 51 out of his 85 years, not out of a need for power or money or even attention, but out of his earnest desire to help those less fortunate and make a difference in the lives of others. His legacy will no doubt live on, and serve as a much needed model for future leaders of our State, for future leaders of our country.

All of us would do well to emulate his charity towards all and malice towards none. Louis Lazarus Goldstein will be missed.

Louis Lazarus Goldstein first came into my life in 1962, 36 years ago. He was my friend, he was my mentor, he was an adviser and counselor. He was an extraordinary human being. He ended every speech, as I have alluded to, with, "May God bless you all real good." God blessed us through Louis Goldstein.

THE LAURIE BEECHMAN MEMORIAL ACT, BIPARTISAN LEGISLATION TO HELP DEFEAT OVARIAN CANCER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FOX) is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise tonight to discuss important legislation which I filed this week which really makes a difference in the lives of women across the country. I speak of the Laurie Beechman Memorial Act. Together with legislation I have worked on with the gentlewoman from Hawaii (Mrs. PATSY MINK), our legislation is a brave, new, ambitious attempt to eradicate ovarian cancer in our lifetime.

Together with the gentlewoman from Hawaii (Mrs. MINK) and others, we have introduced legislation to increase by $90 million per year money for a cure for ovarian cancer.

Up until this point, Mr. Speaker, ovarian cancer is not detected in any early stages, and of course, therefore, it makes it more difficult for us to keep the patient alive and to have a cure.

The Laurie Beechman Memorial Act will have two facets, in addition to the research. It will have an Information and Education Act, which will increase funding for educational and outreach programs, including those which provide information to both the person with the illness as well as their family, and will provide $10 million annually from 1999 through 2003 for the purpose of this outreach program.

Mr. Speaker, ovarian cancer is the fifth leading cause of cancer death among U.S. women. It is treatable when detected early, but the vast majority of cases, as I said, are not diagnosed until it is too late. Raising public awareness of ovarian cancer by educating doctors and women about the disease can save lives and will save lives. More ovarian cancer research is needed to develop reliable diagnostics, better therapies, and to learn how to prevent the disease.

We named the act after someone in my district who was famous all over this country. Laurie Hope Beechman died on March 8, 1998, after a 9-year struggle with ovarian cancer. Her parents and sisters reside in my district.

She grew up in the Delaware Valley in Pennsylvania, and moved on to a brilliant career on the Broadway stage in New York, in productions including Annie and the Pirates of Penzance and Les Miserables. She was nominated for a Tony award as the first female narrator in Andrew Lloyd Webber's Joseph and the Technicolor Dreamcoat.

Besides all her outstanding work in the theater and acting, she was a great human being and a wonderful wife, sister and daughter, someone who really made a difference in this world. She approached with dignity and grace her career, her life work here on earth, and her disease, with the kind of special sensitivity and courage that she faced all of life.

So this legislation we have filed is in dedication to Laurie Beechman, in hopes that we will find a cure, and we will save more women's live in the United States because of passage of this important legislation.

TRIBUTE TO LOUIE GOLDSTEIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CARDIN) is recognized for 5 minutes.

Mr. CARDIN. Mr. Speaker, I want to join my colleague, the gentleman from Maryland (Mr. HOYER) in paying tribute to Louie Goldstein, who died on July 3rd. Louie Goldstein was Mr. Maryland, Mr. Public servant, Mr. Integrity. He loved public service, and the people loved Louis Goldstein.

In 1966, when I was first elected to the Maryland General Assembly, Louie Goldstein had already completed his eighth year as comptroller of Maryland. He had been comptroller for 40 years. First and foremost, he did an outstanding job as the comptroller of our State. Maryland enjoys a AAA bond rating, one of the few States in the Nation, thanks to Louie Goldstein. He watched over our State Treasury like no one else did.

I had the opportunity, and I know that the gentleman from Maryland (Mr. HOYER) did also, to travel with Louie Goldstein to New York, to Wall Street, and watch him as he explained the intricacies of Maryland finance to the bond rating firms in New York. Maryland maintained its AAA bond rating because of the confidence Wall Street had in Maryland and Louie Goldstein. He saved the people of Maryland millions and millions of dollars.

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Louie was an extraordinary campaigner. Those that had the privilege of watching him and his campaign activities marveled at his love for our system. He attended Democratic conventions from before I was born. The zip trips that were organized in Maryland where we traveled all over the State in order to campaign for State wide office Louie organized. And there are so many stories, I see the gentlewoman from Maryland (Mrs. MORELLA) also on the floor, many interesting stories. One time Louie was campaigning in western Maryland. Someone told him that he accidentally had gone across the State line in West Virginia. He did not know it. Two hours later, Louie was still campaigning in West Virginia because, he said, you never know when you are going to find someone who has a relative in Maryland.

Then there was the time that we were going from one town to another. Everyone on the bus sort of relaxed a little while, got something to drink. But Louie was still at the window waving at a field. We asked, why are you there at the window waving? He said, maybe there is someone in that barn over there looking out at us. He did not want to miss or offend a single person in our State.

The comptroller serves on the Board of Public Works, one of three, along with the governor and the treasurer, that is responsible for many of the decisions of government on what leases should be approved or what land can be bought or sold. Louie Goldstein knew just about every piece of land in our State personally from having visited that area.

When decisions had to be made as to what was in the best interest of our State, Louie could always be counted on to do what was right for the people of Maryland, saving our taxpayers, again, millions and millions of dollars. That is just the way he was. He understood people. He was a good friend. He gave hope to all people that you could accomplish anything you wanted to.

The gentleman from Maryland (Mr. HOYER) pointed out his service at Washington College and at the University of Maryland. He was their number one cheerleader, whether it was at a basketball game or whether it was the academic program, lobbying in Annapolis.

First and foremost, he was a southern Marylander, coming from the district now represented by the gentleman from Maryland (Mr. HOYER). The people of southern Maryland he understood. He was part of the culture of that great, great part of our State, and he will always be remembered for everything that he has done.

Mr. Speaker, he died on July 3 after attending a 4th of July parade, one of many that he had planned during the 4th of July holiday. He had just read with his family the Declaration of Independence, which was a tradition that he observed on every 4th of July because that was important to him as a great patriot of our country. He lived a great life of 85 years, and I know that all of us send our sincere condolences to his family.

May God bless Louie Goldstein real good. We are all blessed for having known him.

FURTHER REMEMBRANCE OF LOUIS GOLDSTEIN

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, it is nice to follow my colleagues from Maryland in tribute to a man that we all loved who was indeed Mr. Maryland. Whoever thought you could love a tax collector, but that was Louie Goldstein. He was our tax collector, and everybody did loved him. Whether they were Independents, whether they were Republicans, whether they were Democrats, they were all citizens of Maryland and all good folk, as far as Louie was concerned.

I first met Louie Goldstein when I was in the State legislature serving with the gentleman from Maryland (Mr. CARDIN) when BEN was speaker. I was on the Appropriations Committee and, indeed, Louie would come in and he would give us his estimate about what was happening with regard to the finances of the State. It was interesting how he could point to any one of the members of that committee, and he could remember and he could reveal anecdotes about their background, about their lives, about the district that they represented, an incredible memory, the kind of memory that we in public service only wish that we had, where we could remember everything about all of the people with whom we work.

He did serve on that very powerful Board of Public Works. He, with the governor and with the treasurer, had a tremendous amount of power. And as has been mentioned, he used it exceeding well. He was a very prudent man, came off as kind of corn pone in terms of the folksy humor, but had a brilliant intellect and a sense of good investment. And yes, indeed, he did love southern Maryland, Calvert County, which our colleague, the gentleman from Maryland (Mr. HOYER), represents and where I have a little log cabin. I drive on that highway which says, dedicated to Louie Goldstein.

That is not all that was dedicated to him. The people of that area are indebted to him for the fact that he believed very much in green spaces. He believed very much in land investment.

I think there is some land that he may well be giving to that particular area, because he did agree with Shakespeare, to nature none more bound, and he did all he could to preserve nature. He had many, many yarns. It was interesting that the gentleman from

Maryland (Mr. CARDIN), my good colleague, mentioned the fact that he died on the 3rd of July.

I was at that parade that he was at, because it was in my district in Montgomery County, Maryland, and it was in Germantown, Maryland where he was in the parade and he rode in the car with Senator SARBANES, which was behind our car. And he had his little gold coins, the phony gold coins which everybody collected because they represented the fact that friendship is golden, and that is exactly what he demonstrated.

So we will miss this 85-year-old man who gave so much of his life to public service and who loved people and who loved life and who made Maryland all the better and, for all of us in public service, was a role model, an inspiration for all of us. And truly, he believed that attitude is altitude and, indeed, if that is the case, as I believe it is, too, he is way up there in terms of altitude.

And so our very best wishes and condolences to his family. I am proud to be here in tribute with my colleagues to Louie Goldstein.

MANAGED CARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for half the time until midnight as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight, once again, I would like to take up the issue of managed care reform and particularly to draw a contrast which I think is very important between the Democratic bill, the Patient's Bill of Rights introduced by the gentleman from Michigan (Mr. DINGELL) and the proposal that has been put forward by the Republican task force both here in the House and another one in the Senate.

The Republican health care task force here in the House is supposed to release the language for their so-called managed care reform bill tonight or possibly tomorrow. We know from what the task force has already released publicly that this bill is essentially a response to polling that the Republicans have asked for and requested that shows that they will lose the majority in November if they do not address the issue of managed care reform.

But their proposal is essentially a cosmetic fix, a farce, that lacks some of the most important patient protections that are included in the Democratic Patient's Bill of Rights.

I also would mention that in the Senate, the Senate Republicans have responded to this overwhelming outcry by the American people for managed care reform, but they have responded with, again, with a rhetoric-laced, partisan proposal that places the interests of insurers far above the needs of patients.

I think that the American people simply do not want a bill that does not measure up on the issue of managed care reform. They want an approach that is endorsed by not only most Americans but by the health care professionals, the doctors, the nurses, the Democratic proposal, the Patient's Bill of Rights that takes health care decisions away from insurance company bureaucrats and gives them back to doctors and patients where they belong.

Let me just mention some of the faults in the Republican proposal and then give you some idea, if I can, of what is in the Democratic Patient's Bill of Rights.

The Republican plan that has been announced, and we have not seen the language yet, but it lacks an enforcement mechanism. It denies patients the right to sue an HMO when they are denied needed care and actually expands the ERISA liability that does not allow those who are now in self-insured plans to sue the HMO.

It expands this liability exemption to health insurance pools, private health insurance, that will now have the same basic liability exemption that now exists for self-insured organizations under ERISA.

In addition, the Republican plan does not provide access to specialists. It allows insurance companies, not doctors and patients, to make medical decisions. And the Republican proposals contain several poison pills. In other words, these are added provisions unrelated to managed care reform but which are included because the Republican leadership knows that if they are included, a managed care reform bill will never pass and never get to the President's desk.

These poison pills include medical malpractice damage caps and also an expansion of the medical savings accounts, two issues that are very controversial and could very easily lead to a situation where we do not get a bill, a managed care reform bill passed this session of Congress.

Let me just mention some of the valuable patients protections that are in our Democratic Patient's Bill of Rights. This will apply to the majority of Americans, everyone who has health insurance, who has any kind of health insurance.

The patient protections include the return of medical decisionmaking to patients and health care professionals, not insurance company bureaucrats. That would be, for example, the length of stay in the hospital or whether or not you would have access to certain procedures. Those decisions would be made by the patient and the doctor, not by the insurance company.

The Democratic bill also includes access to specialists including access to pediatric specialists for children, includes coverage for emergency room care so that you can go to any emergency room when the need arises. It also eliminates the gag rule by saying that doctors and nurses can talk freely about every medical option. And it also includes an appeals process and real legal accountability for insurance company decisions.

In other words, the Democrats would allow you to sue the HMO. They would allow a procedure where you could appeal your decision to an unbiased arbiter. It also, the Democratic proposal puts an end to financial incentives for doctors and nurses to limit the care that they provide. Today the CBO, the Congressional Budget Office, put out a study which I thought was very interesting, because many of my colleagues, I should say the Republican leadership and my colleagues on the Republican side that oppose the Democratic Patient's Bill of Rights, have talked about the cost and suggested that somehow patient protections are going to be very costly.

The Congressional Budget Office released a report today or an analysis that says that the Democratic bill, the Patient's Bill of Rights, would have only a minimal effect on premiums with most individuals paying only $2 per month. In actuality, the cost would be even less than $2 per month for the many fortunate Americans enrolled in a responsible health plan that has already provided most of the patient protections. Again, cost is not a factor here. Even if it is as much as $2 a month, most Americans would not find that objectionable in order to have the valuable patient protections that increasingly they are demanding.

I just wanted to mention, and then I would like to yield to my colleague from Texas who has joined me many times on this issue on the floor and talked about our own States where we have already enacted some of the Patient's Bill of Rights, yesterday we had a very important hearing of our House democratic task force on health care reform. And I would stress that the reason that we have to have Democratic hearings is because the Republican leadership that controls the process in the House has refused to have hearings on managed care reform, refused to have a bill brought up and marked up or considered in committee and refused so far to bring any bill to the floor. So the only way that we can hear the horror stories and the abuses from the American people and from some of our constituents is if we have our own hearings and hear from some of the people that have had problems.

I will not mention too many of the witnesses that we had yesterday, but there were a couple that I think that were particularly important, I thought.

I will just mention two of the witnesses who were physicians. One was a doctor, Tom Self, who is a pediatric gastroenterologist from San Diego, California. He won a lawsuit against a managed care group that fired him for refusing to curtail patient visits, for limiting diagnostic tests.

They fired him because he refused to do these things, refused to curtail patient visits, refused to limit diagnostic tests, and required him to abide by a gag rule whereby he would not disclose recommended treatments to his patients.

□ 2300

But despite more than 28 years of experience and excellent credentials, the medical group attacked Dr. Self's reputation by fabricating charges of poor medical practice. Employees for the medical group told Dr. Self's patients he had left town and was no longer practicing, when in fact he had set up his own practice across the street. This is after they had fired him. Well, he won his lawsuit and he is now practicing again. But that is an example of the kinds of things HMOs do for practicing physicians.

One other physician, Dr. Boyle, a trained emergency room physician from San Antonio, Texas, the home state of my colleague. He currently serves as the attending staff physician for Texas Trauma Rehabilitation Associates. He was treating a 49-year-old auto mechanic with a strong history of hypertension who had been rushed to the emergency room.

After lengthy unsuccessful arguing with the HMO's utilization review physician, Dr. Boyle informed his patient that his HMO would not authorize his admission into the hospital. And despite his extreme condition, the patient left after hearing his care would not be covered. He then suffered a stroke on his way home that resulted in permanent paralysis and medical costs totaling more than $75,000 that the HMO had to later pay. But the patient can no longer work and survive on Social Security payments.

Mr. Speaker, we can give endless stories and we already have about people that had been negatively impacted and abuses that many HMOs have actually committed on individuals as well. But I have to say that my concern tonight is that the Republicans will bring their sham managed care reform proposals to the floor next week.

In fact, even though we do not have the language to the House bill, the Republican House bill, they have already noticed the bill to come to the floor at the end ever next week. And by noticing it and not allowing hearings, not allowing committee markups, not allowing really the American public to speak out on this legislation, what they are trying to do is simply railroad and bring up this cosmetic sham proposals for so-called managed care reform to the House and have this vote on it and be done with it.

And what we have to do as Democrats, and we have some Republicans also who have joined us, is we have to demand that the Democratic proposal, which is really a bipartisan proposal now, the Patients' Bill of Rights, be considered on the floor of the House of Representatives next week at the same time as the Republican alternative.

We have asked and we have I think well over maybe close to 200 Members now who have agreed to sign a discharge petition next week that would allow the Patients' Bill of Rights to come to the floor when the Republican proposal alternative also comes to the floor. And I would simply urge my colleagues over the next few days and once this discharge petition is available this coming Monday to sign the discharge petition. Because we must allow a real managed care reform bill, the Patients' Bill of Rights, to be considered by the House of Representatives. The American people deserve no less.

Let me yield now to my colleague the gentlewoman from Texas (Ms. JACKSON-LEE) who has done such a wonderful job in bringing this issue to the attention of the American people.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE) for yielding.

And, likewise, I think that it is very important to explain to the American people that the health task force, which I have worked with him on, to be one of the key elements to being able to draw these real issues and concerns about patients' rights and a Patients' Bill of Rights. We would have wanted to have had a process that went through the normal committee channels where hearings were open and that issues were addressed seriously.

I think it is important the tone that we raise this issue so that it becomes what the American people want to hear and that is a nonpartisan debate but one that is full of passion. And I believe rightly the willingness to fight. Because we will have a fight on our hands, not for political purposes but because so many of us have gone into our districts and have heard some of the crises that our constituents are facing.

One of the important points I think that was made this morning and this afternoon and I was delighted to join my colleague and join the gentleman from Michigan (Mr. DINGELL) and to join the gentleman from Iowa (Mr. GANSKE) and Steve Forbes, the president, so many representatives from the health profession.

One of the points that was made was that this is not an attempt to indict all HMOs, that in fact when we began to assess this problem in 1993, I had not come to Congress then, we knew that we had a system that was broken, that needed repair on many fronts.

One of the reasons even earlier than that that the HMOs rose to prominence, of course, was everyone collectively said, let us try to bring health care costs into reality. We all joined on that issue. At least all of us, including consumers, said that we thought we needed to work on the question of health care costs hospitals physicians.

But what happened was that all of a sudden the route that was being taken got misdirected. It either got accelerated on a high-speed chase, with HMOs way out front, and the consumers chasing after some good health care. The HMOs started to dominate. And the question was not making sure that we were responsibly economically or containing the cost. It began to be, we are going to make a huge, huge profit. We have no other concerns but a huge, huge profit. So the consumer got left behind.

And I hope that, as we have this discussion, albeit soon but not in the context where we want it, I hope some HMOs will stand up and be counted and be recognized that as a parent tells a child, you brought this on yourself. Because the American public was not anti-HMOs to the extent that just because they were. They were for it. They were supporting it.

But just like a good friend of mine who was a prominent member of my community rushed to an emergency room with a massive heart attack of which that person did not realize they were having, because there are times, as I understand, you can walk of your own abilities, what happened at the emergency room? They were checked at the door while they were checking for their HMO and their insurance.

I need not say the great tragedy that occurred to that dear soul. When rather than taking care of his immediate emergency need, the question was, where is your card? And primarily because hospitals themselves find that they are under enormous pressure not to keep people in, not to take people in because of the fact of cost.

So we have a situation that the American public has told us we need to fix this. And now we come to a point when we could have done this in a bipartisan manner we could have answered the American public's concern. But what do we have to do now? Rather than move in that direction, we have got to put the American people on notice buyer beware of the Republican plan.

Read between the lines and read the fine print. For with, I understand, some grouping of HMOs that have now risen to the occasion of supporting the Republican bill, all with scenes from the same page and verse, singing beautiful music, would it not be great if they were singing the music that the American people could likewise join in?

But, unfortunately, we have to sound the chord of not only confusion but opposition. And the reason being is the

Republican plan does not answer the question. And what was most noteworthy of the idea of what we are planning and proposing. And someone offered to my friend from New Jersey (Mr. PALLONE) offered a question and said, "well, you were presenting," when I say "you," the Democrats and the President of the United States presented their proposal today, "well, the Republicans will be in front of a hospital tomorrow."

Well, let me tell my colleagues who was joining Democrats today. Nurses and medical professionals and physicians, the American Medical Association were the ones that we were standing with. So standing in front of hospitals is not the answer the American people want.

In fact, unfortunately, as I said earlier, many of those doors are closed. What the American people would like is a reemphasis of the physician-patient relationship, and that is what the Democratic bill ensures. They want to reemphasize of the right of women to select as their primary caretaker their OB/GYN. They want the right for physicians to tell the truth about their medical condition and to provide them with the opportunity to seek care from specialists.

The Republican bill does not do any of that. And frankly, no, most of us do not want to be in the courthouse. And when it comes to a loved one, I can assure my colleagues that anyone would more apt to or let me just say they would choose the life and love of that loved one than to be in a courthouse for some faulting, some finding of fault and that loved one not be with them.

For anyone to even dare suggest that our bill's anchor is something about lawsuits, it is something about enforceability and accountability. Because when the tragedy of that individual that my colleague mentioned that we all heard present their presentation from one illness to a stroke because they were denied, when the woman who was flying in or had to fly in from Hawaii that the gentleman from Iowa (Mr. GANSKE) so eloquently and passionately discusses when she could have been cared for in Hawaii but was required by her HMO to fly all the way to Chicago and then because of that tragedy lost her life. Or when, as the doctor explained to us about the cleft palate and all of us viewed that tragedy of that kind of birth that so many American children and of course children across the world are born with. And do my colleagues believe that an HMO would then tell that poor baby, who deserves the right to have a full and happy life, that that subsequent surgery on that cleft palate is cosmetic?

□ 2310

The terminations being made by individuals who, as someone described, and would green eye shades. Again, this is not an overall attack or get-you on HMOs.

I would simply say to them: Come go with us, come stand on the side of physicians and nurses, health care providers, health technicians, visiting nurses, home health care providers.

You full well know that we had a problem and we re-did the Medicare provisions that venipuncture, of going home, on home care was being eliminated. All of that comes from the managed care problems, that they thought it was not necessary to provide that kind of home-care testing. It was the over burden, if you will, on some of the in putting into Medicare that you are not able to have all of this managed care, these HMO over hang. It is clouding what we should be about in this country, and that is good health care.

And I have asked the gentleman this question because I think it is extremely important to emphasize. The Republicans say that they have a health care bill. I really do not understand how you can have a health care bill with all of the huge cry that we have heard from across America, and the figures suggest that the Republican plan that they will unveil tomorrow and that they have alluded to will only cover 50 million people when right now we are looking at 140 million plus that our bill takes care of. And so there is already a 90 million plus gap.

And I ask the gentleman because I think it is important to bring the facts to the table.

Mr. PALLONE. Well, the gentlewoman has brought up and highlighted, I think, the biggest gimmick of all with regard to this Republican bill.

Essentially my understanding is that at least on the Senate side, if not on the House side, that the Republican bill only applies to ERISA plans, and of course ERISA plans are those that are preempted by the Federal Government because they are self-insured essentially, and these are the very ones that we discussed earlier where there is no enforcement because the patient cannot sue the HMO if they have denied care.

So what you have here is hollow patient protections. Not only does the Republican bill limit the patient protections and not include some of the most important ones that the Democrats have talked about, like access to specialty care, for example, but, in addition, by limiting the patient protections to ERISA plans they guaranteed that the patient protections would never be enforced, because if you are in ERISA, you will have the patient protections, albeit limited, but you will not be able to sue so there will be no guarantee of the patient protections. If you are outside of ERISA, you can theoretically sue, but you do not have the patient protections.

So they have essentially guaranteed that the whole thing is a fraud by narrowing it, the patient protections, to ERISA where this is no effective enforcer mechanism.

The other things that you brought up and spoke so well about:

You mentioned the emergency room situation. Again there the democratic proposal uses what we call in legal terms a prudent lay person standard. In other words, the HMO cannot say that you can only use an emergency room at a particular hospital or that you have to have prior authorization to use the emergency room, which of course that, as you point out, is absurd. How can it be an emergency? I think most people would not believe that that is the case, and they are probably shocked if they go to an emergency room to think they need prior authorization.

Our bill says that you can have access to emergency care, any emergency room, without authorization if a reasonable person would assume that it is an emergency. Even if it is not, if you can assume that based on your injury or whatever.

The other thing that you mentioned with regard to the cost and how so many HMOs are simply prioritized cost savings without any reference to quality of health care, that was brought out so vividly in one of the other witnesses that I did not mention tonight but who testified yesterday before our Health Care Task Force hearing, and this was one of two individuals who had to disguise their voice. We just saw them over the TV monitor with their words sort of disrupted, if you will, so they could not be recognized because the HMO would retaliate against them if they knew that they were testifying.

And this one woman, if I could just mention her, was announced as Case Manager X, and she is a mental health therapist for the mid-Atlantic region, my region, with more than 10 years experience. In her role as a case manager she was forced to deny approval for mental therapy even though she knew it was medically necessary.

Basically the document, the contract, for the HMO said that you would have 10 to 26 visits for a patient who needed some kind of mental health therapy, but they told her, the higher-ups in the insurance company, that she should not authorize any more than 3 to 5 visits. Sometimes they said 3, sometimes they said 5. And I asked her the question. I said:

Well, you know, theoretically, because maybe I am being naive, but theoretically, you know, they must have some sort of theory as to why they are giving you only 3 to 5 visits, even though the contract requires 10 to 26. I mean how do they justify that?

And she said:

Oh, they came up with a model for mental health treatment known as ultrabrief therapy and told the case managers they should resign if they did not agree with this treatment policy.

So because they wanted to save money, they came up with a new mental health therapy theory called ultrabrief therapy, and the theory was that that is all you needed was the 3 or 5 days because, if we did it this way, you would still have the same amount of therapy or the same impact on your mental health.

Of course there is no clinical evidence to support the theory of ultrabrief therapy. It was just made up.

And she said that the reason why the HMO was really totally getting out of hand was because for the last 6 months they knew that there was a possibility of being bought out by a larger HMO, and so they wanted to prove that, you know, they were really cost-conscience and they were really cutting costs so that the larger HMO would buy them out.

So you talk about cost cutting, that was the only thing that was motivating this agent.

Ms. JACKSON-LEE of Texas. If the gentleman would yield, these are the kinds of ludicrous, everyday examples that everyday people experience, and I think that is the distinction between the Republican bill which plays, if you will, at patients bill of rights and plays more with the HMOs and insuring their rights than what the Democrats have offered, and let me say this, what in a bipartisan way we have offered I am very proud of and very pleased with the bipartisan support that this legislation has garnered and, I expect, will garner even more because one key element that the President made very clear today: this is an American issue. And for your example you add to that insult, if you will, the whole idea that mental health has suffered in terms of parity issues anyhow, and for those who suffer from mental illness, mental dysfunctions, you tell those families that they can get the necessary care and that concept of abbreviated care of 3 days or free treatment time frame, and you have them tell you the truth.

☐ 2320

Just have them look at you in outrage or complete amazement. But the fact that it is utilized shows in greater evidence than we could ever manage to show that clearly it is a question of cost.

I have another example of a gentleman I have mentioned, a veteran who I had the pleasure of providing him assistance and helping to secure, along with our United States military, one of his lost medals.

He was a participant, a fighter in World War II. He marched the Japanese death walk, the episode of a march when they had captured the Americans and they were held in Japanese prison camps. So he was recently awarded one of his medals.

He was involved, in a plan, in a health system. He is an elderly gentleman. Because of some paperwork snafu, when he left his house on a hot, hot, hot Texas day to go and pick his prescription up at the place where he needed to pick it up, he did not get a positive response such as, "Let's go find your medication." It was, "You don't have the right paperwork."

"Well, I sent the paperwork in."

"Well, you don't have the right paperwork."

Everyone operates in such fear. I would think that a very logical response would have been, he is 77, he has been documented for the eight years preceding in this particular plan with his paperwork, "because care is more important to us than cost right now, we will work on the cost element. We will allow him to get his prescription that he needs to survive."

Well, that constituent of mine was sent home, and not in a very friendly manner. He went home to suffer alone, and by some means that it came to our office's attention. But it was the intervention of an office that has nothing to do with HMOs or health care, but working on it from a constituent perspective, where this gentleman was restored his prescriptive rights, if you will, or the right to get the prescription, and it was acknowledged that a mistake had been made.

This is an isolated incident that is reflective of incidents happening all over the country, where, many circumstances like this, there is no intervention, none, no intervention, and you have cited some of those where they have resulted in someone's death.

Mr. PALLONE. I just wanted to mention again, because the gentlewoman brings up these cases, and you stated it, these are not isolated incidents. When we had the hearing yesterday, again, we asked each of the health care professionals who testified, whether they were the case managers or the physicians, the kinds of stories you tell us, how often do they happen?

Generally they would say at least once a week. Once a week each of these individuals, whether they were a doctor or a caseworker who was detailing, working for the HMO, had to face a situation where they felt there was clear abuse and the patient was going to suffer.

So we are not talking about a few horror stories, we are talking about things that occur on a regular basis throughout the country, and that is the reason I think why so many people now all over the country are demanding the kind of reform that the Democrats are putting forward.

I agree with the gentlewoman, it is bipartisan. I do not mean to suggest that we do not have Republicans with us. We have the gentleman from Iowa (Mr. GANSKE), and we have quite few people with us on the other side. But it is the Republican leadership that refuses to bring a good bill it to the floor, actually refused to bring any bill to the floor.

Now we hear they are willing to bring up their sham bill and have that voted on as possibly as early as next week. But it is their control of this house and their unwillingness, if you will, to bring up the Democratic proposal, the Patient Bill of Rights, that I think we have to continue to speak out against, because I believe, I am optimistic, and I know the gentlewoman is, if we keep demanding that the Patient Bill of Rights come to the floor, and if we get enough people to sign the discharge petition, we will have the opportunity to vote on that bill.

I just want to say one last thing, because I think we are almost out of time. The gentlewoman mentioned the enforcement again. Again, I do not want people to think the distinction between these two approaches, Democrat versus Republican, is based on litigation and the ability to sue, because it is not.

There are many differences, important differences. But the ability to sue is an important part of the ability to enforce your rights, and if you have patient protections, but you do not have ultimately the right to bring suit for damages, then you know that the HMOs are not going to be held accountable. They will say that is fine that these rights exist, but what do we care if you cannot enforce them ultimately in a court of law?

So, again, we are not trying to be litigious or whatever, but we have to demand that ultimately there is some way for the people to enforce these patients' protections. Otherwise they are false, they do not exist, and are not real.

Ms. JACKSON-LEE of Texas. Mr. Speaker, the gentleman has aptly brought us to a close this evening, and I appreciate very much the long, arduous journey I think that we have traveled on to bring this issue to a head.

The devastation of what we see in the landscape of health care is so overwhelming that something has to be done. As we were deliberating over this legislation, I really felt we were moving to a point where we would have the entire House embracing this one issue as a bipartisan issue, because the stories are not respecting whether you are a Democrat or a Republican.

So I would simply say the gentleman is so right, we should emphasize this idea of enforcement. But it is not the anchor of this bill. The anchor of this bill is patient protection.

The last point that I think is extremely important, as our Chairman of the American Medical Association said, Dr. Smoke, doctors were rising up around the Nation, in State capitals all over the Nation, arguing for the Patient Bill of Rights on the patient-doctor relationship. I think that should be a signal as to which direction this house should go in voting for a real bill that protects those who cannot speak for themselves.

Mr. PALLONE. Mr. Speaker, I thank the gentlewoman for her participation in this special order.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. CLAYTON (at the request of Mr. GEPHARDT) for today after 4 p.m. on account of personal reasons.

Mr. FORD (at the request of Mr. GEPHARDT) for today, after 5:30 p.m., and the balance of the week on account of personal business.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for Thursday, July 16, after 5 p.m., and for the balance of the week on account of official business.

Ms. SLAUGHTER (at the request of Mr. GEPHARDT) for today before 5 p.m. on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HOYER) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, today, for 5 minutes.

Mr. HOYER, today, for 5 minutes.

Mr. CARDIN, today, for 5 minutes.

(The following Members (at the request of Ms. ROS-LEHTINEN) to revise and extend their remarks and include extraneous material:)

Mr. RIGGS, today, for 5 minutes.

Ms. ROS-LEHTINEN, July 20 and 23, for 5 minutes.

Mrs. MORELLA, today, for 5 minutes.

Mr. MORAN of Kansas, July 20, for 5 minutes.

Mr. FOLEY, July 17, for 5 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HOYER) and to include extraneous material:)

Mr. NEAL of Massachusetts.
Mr. KIND.
Mr. KANJORSKI.
Mr. MILLER of California.
Mr. STARK.
Mr. SERRANO.
Mr. KENNEDY of Rhode Island.
Mr. CONYERS.
Mr. RAHALL.
Mr. PAYNE.
Ms. NORTON.
Mr. FORD.
Mr. GEJDENSON.

(The following Members (at the request of Ms. ROS-LEHTINEN) and to include extraneous material:)

Mr. GIBBONS.
Mr. WELLER.
Mr. SHAW.
Mr. RADANOVICH.
Mr. HAYWORTH.
Mr. CUNNINGHAM.
Mr. FORBES.
Mr. RAMSTAD.
Mr. RIGGS.
Mr. WAMP.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1283. An act to award congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the "Little Rock Nine" on the occasion of the 40th anniversary of the integration of the Central High School, in Little Rock, Arkansas; to the Committee on Banking and Financial Services.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1273. An act to authorize appropriations for fiscal years 1998 and 1999 for the National Science Foundation, and for other purposes.

H.R. 2870. An act to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

H.R. 3156. An act to present a congressional gold medal to Nelson Rolihlahla Mandela.

ADJOURNMENT

Mr. PALLONE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 26 minutes p.m.), the House adjourned until tomorrow, Friday, July 17, 1998, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

10001. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Tart Cherries Grown in the States of Michigan, et al.; Establishment of Rules and Regulations for Grower Diversion and a Compensation Rate for the Cherry Industry Administrative Board Public Member and Alternate Public Member [Docket No. FV97–930–2 FR] received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10002. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Removal of U.S. Grade Standards and Other Selected Regulations [Docket Number FV–95–303] received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10003. A letter from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting notification that the Commander of Pacific Air Forces is initiating a multi-function cost comparison of the Supply and Transportation functions at Andersen Air Force Base (AFB), Guam, pursuant to 10 U.S.C. 2304 nt.; to the Committee on National Security.

10004. A letter from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting notification that the Commander of the United States Air Force Personnel Center is initiating a single-function cost comparison of the Master Personnel Records function at the Air Force Personnel Center, Randolph Air Force Base (AFB), San Antonio, Texas, pursuant to 10 U.S.C. 2304 nt.; to the Committee on National Security.

10005. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Mexico, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

10006. A letter from the Acting Director, Office of Management and Budget, transmitting a report to Congress on direct spending or receipts legislation, pursuant to Public Law 105—178; to the Committee on the Budget.

10007. A letter from the Acting Director, Office of Management and Budget, transmitting a report to Congress on direct spending or receipts legislation, pursuant to Public Law 105—180; to the Committee on the Budget.

10008. A letter from the Acting Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—Systems-Change Projects to Expand Employment Opportunities for Individuals With Mental or Physical Disabilities, or Both, Who Receive Public Support (RIN: 1820–ZA11) received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10009. A letter from the Assistant Secretary, Office of Special Education and Rehabilitative Services, Department of Education, transmitting the Department's final rule—Systems-Change Projects to Expand Employment Opportunities for Individuals With Mental or Physical Disabilities, or Both, Who Receive Public Support (RIN: 1820–ZA11) received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10010. A letter from the Acting Director, Regulations Policy and Management Staff, Office of Policy, Department of Health and Human Services, transmitting the Department's final rule—Drug Products Containing Quinine for the Treatment and/or Prevention of Malaria for Over-the-Counter Human Use [Docket No. 94N–0355] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10011. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Department of Health and Human Services, transmitting the Department's final rule—Food Labeling: Health Claims; Chromium and the Risk in Adults of Hyperglycemia and the Effects of Glucose Intolerance [Docket No. 98N–0424) received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10012. A letter from the AMD—Performace Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.207(b) of the Commission's Rules Regarding Minimum Distance Separations To Mexican Broadcast Stations— received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10013. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Antioxidant Vitamin A and Beta-Carotene and the Risk in Adults of Atherosclerosis, Coronary Heart Disease, and Certain Cancers [Docket No. 98N–0428] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10014. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administraion's final rule—Food Labeling: Health Claims; Antioxidant Vitamins C and E and the Risk in Adults of Atherosclerosis, Coronary Heart Disease, Certain Cancers, and Cataracts [Docket No. 98N–0426] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10015. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Zinc and the Body's Ability to Fight Infection and Heal Wounds in Adults [Docket No. 98N–0421] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10016. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Garlic, Reduction of Serum Cholesterol, and the Risk of Cardiovascular Disease in Adults [Docket No. 98N–0422] received June 26, 1998, pursuant to U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10017. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Omega 3 Fatty Acids and the Risk in Adults of Cardiovascular Disease [Docket No. 98N–0419] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10018. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Calcium Consumption by Adolescents and Adults, Bone Density and The Risk of Fractures [Docket No. 98N–0423] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10019. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers [Docket No. 97F–0440] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10020. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; B-Complex Vitamins, Lowered Homocysteine Levels, and the Risk in Adults of Cardiovascular Disease [Docket No. 98N–0427] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10021. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Health and Human Services, transmitting the Administration's final rule—Food Labeling: Health Claims; Vitamin K and Promotion of Proper Blood Clotting and Improvement in Bone Health in Adults [Docket No. 98N–0420] received June 26, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10022. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Year 2000 Readiness Reports to be made by certain transfer agents [Release No. 34–40163; File No. S7–8–98] (RIN: 3235–AH42) received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10023. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Reports to be Made by Certain Brokers and Dealers [Release No. 34–40162; File No. S7–7–98] (RIN: 3235–AH36) received July 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10024. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Israel (Transmittal No. DTC–77–98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

10025. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to the Government of Japan (Transmittal No. DTC–83–98), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

10026. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

10027. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 98–25, reporting that Pakistan, a non-nuclear-weapon state, detonated a nuclear explosive device on May 28, 1998, pursuant to AECA section 102(b); to the Committee on International Relations.

10028. A letter from the Inspector General, General Services Administration, transmitting Activities of the Inspector General, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

10029. A letter from the Interim Auditor, District of Columbia, transmitting Results of investigations of the District of Columbia Auditor, pursuant to D.C. Code section 47—117(d); to the Committee on Government Reform and Oversight.

10030. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued or released in May 1998, pursuant to 31 U.S.C. 719(h); to the Committee on Government Reform and Oversight.

10031. A letter from the Chairman, Federal Housing Finance Board, transmitting Management reports of Government Corporations, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform and Oversight.

10032. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Employment In The Senior Executive Service Promotion And Internal Placement (RIN: 3206–AH92) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

10033. A letter from the Director, Office of Surface Mining Reclamation and Enforcement, transmitting the Office's final rule—West Virginia Regulatory Program [WV–078–FOR] received July 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10034. A letter from the Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, Department of Commerce, transmitting the Department's final rule—Changes to Continued Prosecution Application Practice [Docket No. 98108007–8131–02] (RIN: 0651–AA97) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

10035. A letter from the Administrator, Federal Aviation Administration, transmitting a report to Congress entitled, "Child Pilot Safety Manipulation of Flight Controls," pursuant to Public Law 104—264, section 602; to the Committee on Transportation and Infrastructure.

10036. A letter from the National Director of Appeals, Internal Revenue Service, transmitting the Service's final rule—Salvage Value On Vessels Placed In Service Prior To January 1, 1981—received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10037. A letter from the National Director, Tax Forms and Publications Division, Internal Revenue Service, transmitting the Service's final rule— General Rules for Filing and Specifications for the Private Printing of Substitute Forms W–2 and W–3 [Rev. Proc. 98–33] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McCOLLUM: Committee on the Judiciary. H.R. 3633. A bill to amend the Controlled Substances Import and Export Act to place limitations on controlled substances brought into the United States from Mexico (Rept. 105–629, Pt. 1). Ordered to be printed.

Mr. BLILEY: Committee of Conference. Conference report on H.R. 629. A bill to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact (Rept. 105–630). Ordered to be printed.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Commerce discharged from further consideration. H.R. 3633 referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. SMITH of Oregon: Committee on Agriculture. H.R. 3654. A bill to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo on agricultural commodities, to provide a termination date for the embargo, to provide greater assurances for contract sanctity, and for other purposes; with an amendment; referred to the Committee on International Relations for a period ending not later than August 7, 1998, for a period ending not later than August 7, 1998 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(i), rule X (Rept. 105–631, Pt. 1).

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 3633. Referral to the Committee on Commerce extended for a period ending not later than July 16, 1998.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. JOHN (for himself, Mr. Baldacci, Mr. Gilchrest, Mr. Cardin, Mr. Etheridge, and Mr. Tauzin):

H.R. 4235. A bill to authorize appropriations for the National Oceanic and Atmospheric Administration to conduct research, monitoring, education, and management activities for the prevention, reduction, and control of harmful algal blooms, including blooms of Pfiesteria piscicida and other aquatic toxins, hypoxia, and for other purposes; to the Committee on Science, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of Michigan (for himself, Mr. Stenholm, Mr. Bob Schaffer, and Mr. McIntosh):

H.R. 4236. A bill to amend the Merchant Marine Act, 1920 to limit the restriction on carriage of certain noncontainerized agricultural and bulk cargoes in coastwise trade by foreign-built freight vessels; to the Committee on National Security, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. NORTON (for herself, Mr. Davis of Virginia, Mrs. Morella, Mr. Moran of Virginia, and Mr. Wynn):

H.R. 4237. A bill to amend the District of Columbia Convention Center and Sports Arena Authorization Act of 1995 to revise the revenues and activities covered under such Act, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GEJDENSON (for himself, Ms. DeLauro, Mrs. Kennelly of Connecticut, Mrs. Johnson of Connecticut, Mr. Shays, and Mr. Maloney of Connecticut):

H.R. 4238. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to establish requirements in the case of pension plans covering less than 100 participants relating to entities that hold plan assets and annual asset statements regarding such assets; to the Committee on Education and the Workforce.

By Mr. LEACH (for himself, Mr. LaFalce, Mr. McCollum, and Mrs. Roukema):

H.R. 4239. A bill to revise the banking and bankruptcy insolvency laws with respect to the termination and netting of financial contracts, and for other purposes; to the Committee on Banking and Financial Services, and in addition to the Committees on the Judiciary, and Commerce, for a period to be subsequently determined by the Speaker, in each cáse for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DREIER (for himself and Mr. Cox of California):

H.R. 4240. A bill to provide that an action, including one to recover damages, resulting from a computer date failure shall be deemed to be based solely in contract when certain conditions have been met, and for other purposes; to the Committee on the Judiciary.

By Mr. RIGGS (for himself, Mr. Goodling, Mr. Barrett of Nebraska, Mr. Greenwood, Mr. Graham, and Mr. Souder):

H.R. 4241. A bill to amend the Head Start Act, and for other purposes; to the Committee on Education and the Workforce.

By Mr. BARCIA of Michigan (for himself, Mr. Ney, Mr. Frank of Massachusetts, Mr. Scott, Mr. Christensen, Mr. Baldacci, and Mr. Allen):

H.R. 4242. A bill to amend the Federal Water Pollution Control Act to require that discharges from combined storm and sanitary sewers conform to the Combined Sewer Overflow Control Policy of the Environmental Protection Agency, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. HORN (for himself, Mrs. Maloney of New York, Mr. Sessions, Mr. Sununu, and Mr. Kanjorski):

H.R. 4243. A bill to reduce waste, fraud, and error in Government programs by making improvements with respect to Federal management and debt collection practices, Federal payment systems, and Federal benefit programs, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committees on the Judiciary, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HORN (for himself, Mrs. Maloney of New York, Mr. Davis of Virginia, Mr. Sessions, and Mr. Kanjorski):

H.R. 4244. A bill to amend the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) to provide for measurement of the performance of the Federal procurement system, to enhance the training of the acquisition workforce, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHADEGG (for himself, Mr. Coburn, Mr. Bryant, and Mr. Hyde):

H.R. 4245. A bill to amend section 1964 of title 18, United States Code, to provide protection for nonviolent advocacy; to the Committee on the Judiciary.

By Mr. COMBEST (for himself, Mr. Dooley of California, Mr. Smith of Oregon, Mr. Stenholm, Mr. Barrett of Nebraska, Mrs. Clayton, Mr. Pombo, Mr. Minge, Mr. Everett, Mr. Bishop, Mr. Lewis of Kentucky, Mr. Thompson, Mr. Chambliss, Mr. Baldacci, Mr. LaHood, Ms. Stabenow, Mrs. Emerson, Mr. Etheridge, Mr. Moran of Kansas, Mr. John, Mr. Pickering, Mr. Thune, and Mr. Jenkins):

H.R. 4246. A bill to improve the provision of agricultural credit to farmers and ranchers under the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. COSTELLO (for himself and Mr. Poshard):

H.R. 4247. A bill to allow a credit against income tax for contributions used for the construction and renovation of public schools in certain high school districts; to the Committee on Ways and Means.

By Mr. CUNNINGHAM (for himself, Mr. Tanner, Mr. Dingell, and Mr. Weldon of Pennsylvania):

H.R. 4248. A bill to authorize the use of receipts from the sale of the Migratory Bird Hunting and Conservation Stamps to promote additional stamp purchases; to the Committee on Resources.

By Mr. DEAL of Georgia (for himself and Mr. Chambliss):

H.R. 4249. A bill to amend title XIX of the Social Security Act to make optional the requirement that a State seek adjustment or recovery from an individual's estate of any medical assistance correctly paid on behalf of the individual under the State plan under such title; to the Committee on Commerce.

By Mr. GINGRICH (for himself, Mr. Hastert, Mr. Archer, Mr. Bliley, Mr. Goodling, Mr. Bilirakis, Mr. Fawell, Mr. Norwood, Mr. McCrery, Mr. Hobson, Mr. Goss, Ms. Pryce of Ohio, Mrs. Kelly, Mr. Talent, Ms. Granger, Mr. Chambliss, Mr. Gilchrest, Mr. Weldon of Florida, Mr. Metcalf, Mr. Peterson of Pennsylvania, Mr. Tiahrt, Mr. Bartlett of Maryland, Mr. Bunning of Kentucky, Mrs. Northup, Mr. Hutchinson, Mr. Gibbons, Mr. Chabot, Mr. Boehner, Mr. Greenwood, Mrs. Fowler, Mr. Spence, Mr. Duncan, Mr. Skeen, Mr. Herger, Mrs. Cubin, Mr. Dreier, Mr. Upton, Mr. Collins, Mr. Sessions, Mr. Foley, Mr. Gillmor, Mr. English of Pennsylvania, Mr. Redmond, Mr. Rogers, Mr. Smith of Michigan, Mr. Mica, Mr. Aderholt, Mr. Latham, Mr. Fox of Pennsylvania, Mr. McKeon, Mr. Gallegly, Mr. Tauzin, Mr. Ney, Mr. Hilleary, Mr. Paxon, Mr. Ballenger, Mr. Kasich, and Mr. Regula):

H.R. 4250. A bill to provide new patient protections under group health plans; to the

Committee on Commerce, and in addition to the Committees on Education and the Workforce, Ways and Means, the Judiciary, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DEAL of Georgia (for himself, Mr. Rohrabacher, Mr. Cunningham, Mr. Bilbray, Mr. Stump, Mr. Traficant, Mr. Norwood, Mr. Bliley, Mr. Riley, and Mr. Gallegly):

H.R. 4251. A bill to provide for the assessment of civil penalties for aliens who illegally enter the United States and for persons smuggling aliens within the United States; to the Committee on the Judiciary.

By Mr. ENGLISH of Pennsylvania (for himself and Mr. Neal of Massachusetts):

H.R. 4252. A bill to amend title XVIII of the Social Security Act to revise the interim payment system for home health care furnished to Medicare beneficiaries; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GUTIERREZ:

H.R. 4253. A bill to amend the Electronic Fund Transfer Act to establish a maximum amount limitation on the exchange rates used in international wire transfers originating in the United States; to the Committee on Banking and Financial Services.

By Mr. HALL of Ohio (for himself and Mr. Kasich):

H.R. 4254. A bill to amend the Community Services Block Grant to provide for the establishment of demonstration projects designed to determine the social, civic, psychological, and economic effects of providing to individuals and families with limited means an incentive to accumulate assets and to determine the extent to which an asset-based policy may be used to enable individuals and families with limited means to increase their economic self-sufficiency; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KASICH (for himself, Mr. Souder, Mr. English of Pennsylvania, Mr. Knollenberg, Mr. Kolbe, Mr. McIntosh, Mr. Packard, Mr. Pitts, Mr. Talent, Mr. Wamp, and Mr. Watts of Oklahoma):

H.R. 4255. A bill to assist States in providing individuals a credit against State income taxes or a comparable benefit for contributions to charitable organizations working to prevent or reduce poverty and to protect and encourage donations to charitable organizations; to the Committee on Ways and Means, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KOLBE (for himself, Mr. Stenholm, Mr. Campbell, Mr. Smith of Michigan, and Mr. Sanford):

H.R. 4256. A bill to amend title II of the Social Security Act to provide for individual security accounts funded by employee and employer Social Security payroll deductions, to extend the solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PITTS (for himself, Mr. Martinez, Mr. Goodling, Mr. Peterson of Pennsylvania, Mr. Souder, Mr. McIntosh, Mr. Gekas, Mr. Coburn, and Mr. English of Pennsylvania):

H.R. 4257. A bill to amend the Fair Labor Standards Act of 1938 to permit certain youth to perform certain work with wood products; to the Committee on Education and the Workforce.

By Mr. SALMON (for himself, Mr. Scarborough, Mr. Livingston, Mr. Gilman, Mr. Traficant, Mr. English of Pennsylvania, Mr. Smith of New Jersey, Mr. Riley, Mr. Weldon of Pennsylvania, Mr. Pappas, Mr. Hilleary, Mr. Hayworth, Mr. LoBiondo, Mr. Saxton, Mr. Bob Schaffer, Mr. Pitts, Mr. Bartlett of Maryland, Mr. Neumann, Mr. King of New York, Mr. Ensign, Mr. Fox of Pennsylvania, Mr. Foley, Mr. McHale, Mr. Christensen, Mr. Weller, Mr. Cunningham, and Mrs. Fowler):

H.R. 4258. A bill to penalize States that release individuals convicted of murder, rape, or a dangerous sexual offense involving a child under the age of 14; to the Committee on the Judiciary.

By Mr. SNOWBARGER:

H.R. 4259. A bill to allow Haskell Indian Nations University and the Southwestern Indian Polytechnic Institute each to conduct a demonstration project to test the feasibility and desirability of new personnel management policies and procedures, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SNOWBARGER:

H.R. 4260. A bill to amend title 5, United States Code, to limit the number of years a Member of Congress may participate in the Civil Service Retirement System or the Federal Employees' Retirement System, to deny Federal retirement benefits to any Member convicted of a felony, and for other purposes; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska:

H.R. 4261. A bill to designate the Federal building located at 709 West 9th Street in Juneau, Alaska, as the "Hurff A. Saunders Federal Building"; to the Committee on Transportation and Infrastructure.

By Ms. BROWN of Florida (for herself, Mr. Weldon of Pennsylvania, Mrs. Meek of Florida, Mr. Wexler, Mr. Miller of Florida, Mr. Foley, Mr. Canady of Florida, Mrs. Fowler, Mr. Boyd, Mr. Hastings of Florida, Mrs. Thurman, Mr. Deutsch, Mr. McCollum, Mr. Bilirakis, Mr. Davis of Florida, Mr. Diaz-Balart, Mr. Stearns, Mr. Young of Florida, Mr. Mica, Mr. Goss, Mr. Shaw, Mr. Scarborough, Mr. Gallegly, Ms. Ros-Lehtinen, and Mr. Weldon of Florida):

H. Con. Res. 298. Concurrent resolution expressing deepest condolences to the State and people of Florida for the losses suffered as a result of the wild land fires occurring in June and July 1998, expressing support to the State and people of Florida as they overcome the effects of the fires, and commending the heroic efforts of firefighters from across the Nation in battling the fires; to the Committee on Transportation and Infrastructure.

By Mr. COLLINS (for himself, Mr. Paul, Mrs. Chenoweth, Mr. Istook, Mr. Skeen, Mr. Hutchinson, Mr. Ensign, Mr. Deal of Georgia, Mr. Norwood, Mr. Goode, Mr. Pombo, Mr. Doolittle, Mr. McIntosh, Mr. Wamp, Mr. Blunt, Mr. Callahan, Mr. Rohrabacher, Mr. Bob Schaffer, Mrs. Linda Smith of Washington, and Mr. LaTourette):

H. Con. Res. 299. Concurrent resolution expressing the sense of Congress that executive departments and agencies must maintain the division of governmental responsibilities between the national government and the States that was intended by the framers of the Constitution, and must ensure that the principles of federalism established by the framers guide the executive departments and agencies in the formulation and implementation of policies; to the Committee on the Judiciary, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SOLOMON:

H. Con. Res. 300. Concurrent resolution affirming United States commitments under the Taiwan Relations Act; to the Committee on International Relations.

By Mr. BARTON of Texas (for himself, Mr. Solomon, and Mr. Hastert):

H. Res. 503. A resolution amending the Rules of the House of Representatives to provide for mandatory drug testing of Members, officers, and employees of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Florida introduced a bill (H.R. 4262) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Orca*; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mrs. Capps.

H.R. 145: Ms. Lee and Mr. Gephardt.

H.R. 158: Mr. Pallone and Mr. Deal of Georgia.

H.R. 162: Mr. Sam Johnson.

H.R. 465: Mr. Sandlin and Mr. Snyder.

H.R. 884: Mr. Payne.

H.R. 979: Mr. Paxon and Mr. Gilchrest.

H.R. 1063: Mr. Cannon and Mr. Hansen.

H.R. 1173: Mr. Sanders, Mr. Forbes, and Ms. Velázquez.

H.R. 1234: Ms. Lee and Mr. Martinez.

H.R. 1283: Mr. Pitts, Ms. Kilpatrick, and Mr. Doyle.

H.R. 1320: Mr. Oberstar.

H.R. 1813: Mr. Miller of California.

H.R. 1850: Mr. Blumenauer.

H.R. 2009: Mr. Faleomavaega, Mrs. Clayton, Ms. Furse, Mr. Cook, Ms. Kilpatrick, and Mrs. Meek of Florida.

H.R. 2397: Mr. Frelinghuysen, Mr. Lewis of Georgia, Mr. Frank of Massachusetts, and Mr. Olver.

H.R. 2504: Mr. Diaz-Balart.

H.R. 2509: Mr. Skeen.

H.R. 2537: Mr. Stearns.

H.R. 2541: Mr. Cummings.

H.R. 2547: Mr. Shaw.

H.R. 2560: Mr. Meeks of New York, Mr. Tierney, Mr. Markey, Mr. Boehlert, Ms. Pelosi, Mr. Leach, and Mr. Costello.

H.R. 2609: Mrs. Bono.

H.R. 2701: Mr. Frost and Mr. Brown of California.

H.R. 2720: Mr. Barton of Texas.

H.R. 2733: Mr. Walsh, Mr. Collins, Mr. Clay, Mr. Weller, Mrs. Bono, Mr. Kind of Wisconsin, and Mr. Young of Alaska.

H.R. 2802: Mr. Waxman.

H.R. 2908: Mr. Fattah.

H.R. 2946: Ms. Lee.

H.R. 3053: Ms. Lee.

H.R. 3066: Mr. Filner.

H.R. 3067: Ms. Kilpatrick.

H.R. 3081: Mr. Berman and Ms. McKinney.

H.R. 3240: Mr. Thompson.

H.R. 3248: Mrs. Cubin, Mr. Jones, and Mr. Mica.

H.R. 3318: Mr. Coyne.

H.R. 3341: Mr. Hinchey.

H.R. 3396: Mr. Tiahrt, Mr. Peterson, of Minnesota, Mr. Bartlett of Maryland, Mrs. McCarthy, of New York, Mr. Moran of Kansas, Ms. Stabenow, Mr. McInnis, Ms. Kilpatrick, Mrs. Emerson, Mr. Everett, Mrs. Cubin, Mr. Petri, Mr. Blunt, Mr. Sawyer, and Mr. Shadegg.

H.R. 3400: Ms. Lee and Mr. Lampson.

H.R. 3496: Mr. Conyers, Ms. Jackson-Lee, Mr. Owens, Ms. Carson, Mr. Frost, Mr. Underwood, Mr. Thompson, Mr. Brown of California, Ms. Norton, Mr. Meeks of New York, Mr. Wynn, Mr. Clay, Mr. Reyes, Mr. Clyburn, Ms. Christian-Green, Mr. Stokes, Mrs. Meek of Florida, Ms. Waters, Mr. Fattah, Mr. Davis of Illinois, and Ms. Kilpatrick.

H.R. 3567: Mr. Goodling and Mr. Poshard.

H.R. 3615: Mr. Martinez, Ms. Lee, and Mr. Fattah.

H.R. 3622: Mr. Frost, Mr. Neal of Massachusetts, Mr. Jefferson, Mr. Dixon, and Mr. Rodriguez.

H.R. 3629: Mr. Doolittle, Mr. Manzullo, and Mr. Miller of Florida.

H.R. 3636: Mr. Chabot, Mr. Bentsen, and Mr. Lantos.

H.R. 3637: Mr. Ackerman and Mr. Meeks of New York.

H.R. 3726: Mr. Vento.

H.R. 3731: Mr. Blagojevich and Mr. Traficant.

H.R. 3795: Mr. Oberstar, Mr. Towns, Mr. Stark, Mr. Frost, Mr. Torres, Mr. Leach, Mr. Andrews, and Mr. Wynn.

H.R. 3807: Mr. Chambliss, Mr. LaTourette, Mr. Burr of North Carolina, and Mr. Thornberry.

H.R. 3843: Mr. Lewis of California, Mr. Bentsen, Mr. Condit, Mr. Underwood, Mrs. Linda Smith of Washington, Mr. Towns, Mr. Dooley of California, Mr. Pastor, Ms. Christian-Green, Ms. Eddie Bernice Johnson of Texas, Mr. Lampson, Mr. Lantos, Ms. Harman, and Ms. Woolsey.

H.R. 3879: Mr. Radanovich, Mr. Shaw, and Mr. Shadegg.

H.R. 3885: Mr. Evans.

H.R. 3925: Mr. Sanders, Mr. LaFalce, Ms. Slaughter, Mr. Olver, and Mr. Wamp.

H.R. 3933: Mr. Bateman and Mr. Costello.

H.R. 3942: Mr. McKeon, Mr. Towns, Mr. Sessions, and Mr. Hall of Ohio.

H.R. 3946: Mr. McGovern, Mr. Torres, Mr. Neal of Massachusetts, Mr. Goss, and Mr. Deutsch.

H.R. 3949: Mr. Smith of Oregon, Mr. Gibbons, Mr. LaTourette, Mr. Combest, Mr. Coburn, and Mr. Hefley.

H.R. 3961: Mr. Boehlert, Mr. Castle, Ms. DeLauro, Mr. Doyle, Mr. Goodlatte, Mr. Poshard, Mr. Souder, Mr. Wolf, and Mr. Davis of Illinois.

H.R. 3990: Mr. Brown of Ohio.

H.R. 3991: Mr. Nussle and Mr. Manzullo.

H.R. 4031: Mr. Frost.

H.R. 4032: Mr. Goss.

H.R. 4062: Mr. Kanjorski.

H.R. 4071: Mr. Canady of Florida.

H.R. 4075: Mr. Goodlatte, Mr. Paul, and Mr. Rahall.

H.R. 4092: Mr. Thompson.

H.R. 4118: Mr. Strickland.

H.R. 4121: Mr. Green.

H.R. 4152: Mr. Poshard.

H.R. 4154: Mr. Hilleary, Mr. Jones, Mr. Lewis of Kentucky, and Mr. Coburn.

H.R. 4160: Mr. Gonzalez, Mr. Ensign, Mr. Bishop, and Mr. Goode.

H.R. 4188: Ms. Woolsey.

H.R. 4196: Mr. Pombo and Mr. Royce.

H.R. 4217: Mr. Hinchey.

H.R. 4219: Mr. Kleczka and Mr. Frost.

H.R. 4220: Mr. Filner.

H.R. 4228: Mr. Oberstar, Mr. Hostettler, and Mr. Sessions.

H.R. 4232: Mr. Royce, Mr. McIntosh, and Mr. Callahan.

H.J. Res. 123: Mr. Frost, Mr. Murtha, Mr. Jenkins, and Mr. Goodling.

H. Con. Res. 27: Ms. Lee and Mr. Gejdenson.

H. Con. Res. 154: Ms. Lofgren and Mr. Sanders.

H. Con. Res. 239: Mr. Lantos.

H. Con. Res. 249: Mr. Hinchey.

H. Con. Res. 274: Mr. Shays, Mrs. Clayton, Mr. Towns, Mr. Kildee, Ms. Rivers, and Mr. Schumer.

H. Res. 212: Mrs. Clayton and Mr. Gutierrez.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2183

Offered By: Mr. Smith of Michigan

(To the Amendment Offered By Mr. Shays or Mr. Meehan)

Amendment No. 165: Add at the end of title V the following new sections (and conform the table of contents accordingly):

SEC. 510. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) In General.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b)(1) Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be less than 5 years or more than 20 years, fined in an amount not to exceed $1,000,000, or both.

"(2) Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act).".

(b) Effective Date.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 511. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section:

"TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

"Sec. 326. (a) Transfer to Commission.—

"(1) In general.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

"(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

"(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

"(2) Information included with transferred contribution or donation.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

"(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

"(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

"(3) Establishment of escrow account.—

"(A) In general.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

"(B) Disposition of amounts received.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

"(i) deposit the amount in the escrow account established under subparagraph (A); and

"(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

"(C) Use of interest.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

"(4) Treatment of returned contribution or donation as a complaint.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

"(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

"(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

"(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

"(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

"(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

"(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

"(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.".

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

"(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.".

(c) DONATION DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by sections 201(b) and 307(b), is further amended by adding at the end the following:

"(22) DONATION.—The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).".

(d) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.".

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

H.R. 4194

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 20: Page 91, after line 3, insert the following:

SEC. 425. None of the funds made available by this Act may be used by the Administrator of the Environmental Protection Agency to implement or enforce any national primary drinking water regulation for copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

H.R. 4194

OFFERED BY: MR. BEREUTER

AMENDMENT NO. 21: Page 91, after line 3, insert the following:

SEC. 425. No part of any funds made available by this Act may be used to pay salaries and expenses of any officer or employee of the Environmental Protection Agency to propose, promulgate, or implement any rule under the Safe Drinking Water Act requiring public water systems to use disinfection for public water systems which rely on ground water.

H.R. 4194

OFFERED BY: MR. HINCHEY

AMENDMENT NO. 22: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 425. None of the funds made available in this Act may be used by the Department of Veterans Affairs to implement or administer the Veterans Equitable Resource Allocation system.

H.R. 4194

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 23: Page 17, line 25, insert "(increased by $183,000,000)" after "$10,240,542,030".

Page 20, line 22, insert "(increased by $183,000,000)" after "$100,000,000".

Page 24, line 2, insert "(decreased by $183,000,000)" after "$3,000,000,000".

H.R. 4194

OFFERED BY: MR. RIGGS

AMENDMENT NO. 24: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds appropriated by title II may be provided to any locality that requires as a condition for an organization to contract with, or receive a grant from, the locality, that the organization provide health care benefits for unmarried, domestic partners of individuals who are provided such benefits on the basis of their employment by or other relationship with the organization.

H.R. 4194

OFFERED BY: MR. RIGGS

AMENDMENT NO. 25: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds appropriated by title II may be provided to the political entity known as the City and County of San Francisco, California.

H.R. 4194

INTRODUCED BY: MR. SANFORD

AMENDMENT NO. 26: page 76, line 24 strike "2,745,000,000" and insert "2,545,700,000."

Page 90, line 18 strike ", and $70,000,000 is appropriated to the National Science Foundation, 'Research and related activities'." and insert "."

H.R. 4194

OFFERED BY: MR. STEARNS

AMENDMENT NO. 27: Page 91, after line 3, insert the following:

SEC. 425. No part of any funds made available by this Act may be used to pay salaries and expenses of any officer or employee of the Council on Environmental Quality to carry out any activity regarding the American Heritage River Initiative.

EXTENSIONS OF REMARKS

MIGRATORY BIRD HUNTING AND CONSERVATION STAMP PROMOTION ACT

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. CUNNINGHAM. Mr. Speaker, I rise today to introduce the Migratory Bird Hunting and Conservation Stamp Promotion Act. I am proud to be joined by my fellow Sportsmen's Caucus co-chairman Representative JOHN TANNER and the distinguished members of the Migratory Bird Conservation Committee, Representative JOHN DINGELL and Representative CURT WELDON. This legislation will enable the Federal Duck Stamp office to use the Migratory Bird Conservation Funds (MBCF) to create a promotional program that will increase the sales of the duck stamps, just as the Postal Service uses its postage revenues to promote stamp sales and stamp collecting.

Since the Federal Duck Stamp was created on March 16, 1934, it has been one of America's most successful conservation initiatives. Since 1934, more than $500 million has been raised through the purchase of Federal Duck Stamps. Indeed, 98 percent of the program's revenue has been dedicated to the purchase of prime wildlife habitat. It has made possible the purchase of more than 500 million acres of wildlife habitat benefiting waterfowl, other migratory birds, and wildlife in general.

Unfortunately, duck stamp sales have leveled off in recent years due to the absence of additional markets for the duck stamp. This act will permit a broader promotion of the stamp, increasing stamp revenues, that will allow more habitat to be purchased and protected.

This legislation is supported by the U.S. Federal Wildlife Service and the Federal Duck Stamp Office. I encourage all of my colleagues to join me by cosponsoring this legislation.

RECOGNIZING SCOTT ELARTON

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to recognize the exemplary achievements of Scott Elarton who was recently called to pitch for the Houston Astros, a National League Baseball club. Elarton is the 22 year old son of L.D. and Mary Elarton of Lamar, Colorado.

Elarton, who was Valedictorian of the Lamar High School class of 1994 and forfeited a full-ride scholarship to Stanford in order to play professional baseball, has enjoyed success in the National Baseball League. He was 9–4 with a 4.01 ERA in 14 starts for the Class–AAA Pacific Coast League in New Orleans. In his first four minor-League seasons, Elarton went 44–23 with a 3.50 ERA in 96 starts. His best season was 1996, when he was 12–7 with a 2.92 ERA at Kissimmee in the Class–A Florida State League. Last year in 20 starts at Jackson in the Double–A Texas League, Elarton was 7–4 with a 3.24 ERA and leading the league in strikeouts. Elarton also made headlines when, pitching in Puerto Rico during the winter, he threw the league's first no-hitter in 15 years against a lineup that featured eight major-league players.

Elarton pitched his first major-league game in Houston against the Cincinnati Reds on June 20. However, the Colorado native soon found himself back at home pitching against the Colorado Rockies in front of a crowd including three hundreds fans who traveled from Lamar to see their favorite player.

As a Member of Congress representing the Fourth District in Colorado, I am proud to recognize this fine young man for the excellence he has achieved in every aspect of his life. He is a tremendous example of the success found when hard work and dedication are coupled with integrity. He is an asset to his community as he serves as a role model for young men and women. I feel privileged to represent Scott Elarton and his family and congratulate them on this milestone.

TAX CUT OPPORTUNITY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GINGRICH. Mr. Speaker, I would like to commend to the attention of my colleagues the following article, "Tax Cut Opportunity," written by Pete Du Pont for the June 18, 1998, edition of the Washington Times. This article notes the opportunity before us to reduce the tax burden on American citizens at this time of peace and prosperity.

[From the Washington Times, June 18, 1998]

TAX CUT OPPORTUNITY

(By Pete Du Pont)

As any healthy liberal will tell you, in times of war, pestilence, recession or social disorder, government spending must increase to meet the challenge. And so taxes must increase as well to pay the costs of government intervention.

But what of good times? In times of peace, prosperity, growth and harmony, should government spending and taxes still increase?

Surely the answer is no. In good times the rate of government should shrink. And so it is time for a significant tax cut.

There are many ways to cut taxes: end the marriage penalty, reduce the capital gains tax rate, or eliminate death taxes, for example.

But the best way is to cut income tax rates across the board by 23 percent. Why that amount? Because that would bring tax revenues as a share of gross domestic product (GDP) back to what they were when President Clinton took office. But since government tax receipts have increased 35 percent since 1993, the 23 percent tax cut is far less than the five-year increase in revenues.

Recall that when Mr. Clinton took office in 1993, one of his first legislative acts was to increase taxes. Revenues have increased by approximately a tenth of a percent of GDP every single quarter since Bill Clinton became president.

Revenues were 19 percent of GDP in the first quarter of 1993 when he took office. They have risen almost continuously each quarter since then, and federal revenue now stands at 21.5 percent of GDP as of fourth-quarter 1997. With the GDP at $8 trillion, this is equivalent to a tax increase of $8 billion every three months for the last five years.

But suppose instead the fiscal policy of the Congress had been to hold the percentage of GDP consumed by taxes constant. Government revenues would have increased over the five years by $292 billion (24 percent), and the taxpayers would have received a tax cut of $419 billion, which is $1,558 per person or $6,230 for a family of four. We could have cut federal taxes by $172 billion last year, and taxes as a share of GDP would have been no lower than they were before Mr. Clinton became president.

Despite the small tax cut enacted by Congress in 1997, forecasts indicate revenues as a share of GDP will remain at historically high levels for the foreseeable future. Last month, the Congressional Budget Office reported that revenues will be at least 21 percent of GDP until at least the year 2000, and are expected to be at least 20 percent of GDP until the year 2050. To borrow a phrase, rapidly increasing revenues stretch as far as the eye can see.

We are living in the best of times, in peace and prosperity. Our budget is balanced, our revenues are in surplus. Yet our tax burden is as high as it has ever been—in times of peace and war, in good times or bad. Now is the time to restore some balance in our fiscal policies. Now is the time to reduce the percentage of GDP taken by taxes back to its 1992 level.

Congress could do many things with the tax code to reduce its burden on us. But the best thing, the fairest thing, is to enact a 23 percent cut in federal income taxes. By reducing federal income tax rates by 23 percent, we would effectively restore the tax burden to its pre-Clinton level.

The United States is experiencing an unprecedented economic boom, and an unprecedented period of peace. Our current federal tax levels reflect neither of these realities. When the world is at peace, the budget is balanced and the economy the strongest in decades, tax policy should reflect the times in which we now live: peace and prosperity.

The time for a tax cut is today.

TROPICAL FOREST CONSERVATION ACT OF 1998

SPEECH OF

HON. KEVIN BRADY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. BRADY of Texas. Mr. Speaker, while I appreciate the efforts of the gentleman from Ohio, Mr. PORTMAN, and his desire to protect tropical rainforests worldwide, I wish to again go on record in strong opposition to H.R. 2870, the Tropical Forest Conservation Act.

As you know, I voiced my opposition to this when it passed the House International Relations Committee by voice vote, and voted "no" again when the House approved it by a vote of 356–61 on March 19, 1998.

Mr. Speaker, my concerns are simple. Foremost is the cost of this legislation. Specifically, the bill wastes more than $300 million in existing resources over three years to facilitate "debt-for-nature" swaps with foreign countries.

This measure in effect forgives U.S. debts which are unlikely to be repaid fully by less developed countries. In exchange, these countries promise to protect their tropical forests. Common sense tells us a country that claims to lack the financial resources to repay its debts is unlikely to have the financial resources to restore and preserve their rain forests. More importantly, why should America pay another sovereign nation to do what is clearly their responsibility and in their own best interest? This "pay me or I'll shoot myself" scheme makes little sense.

As a businessman who survived the Texas recession in the 1980's and watched our local banks address the difficulty of non-performing loans, my other concern is a basic one: Is this the best and highest return for American loans financed by the hard-earned tax dollars of working families who struggle to make ends meet each month? The answer is no.

Loans made in good faith by United States taxpayers should be repaid in full, or in unique situations worked out for the highest and best return for the dollar. H.R. 2870, while well intentioned, is "feel good" legislation that leaves American taxpayers holding an empty bag and, I predict, will do little to preserve the world's rain forests.

SHARING SOLUTIONS

HON. JIM GIBBONS

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GIBBONS. Mr. Speaker, last week, the President invited people to the White House so he could share his concerns on school violence.

Once again, however, I'm afraid the President is headed in the wrong direction.

He has called for a federal manual on school violence—to be created here in Washington, D.C.—and directed at our local teachers, parents, and communities.

Well, Mr. Speaker, Nevadans have a better idea. Recently, we held a "Town Summit on School Violence" in Reno Nevada to gather local input on possible solutions. Local solutions that we would then send back here to Washington, telling the President how we want to solve our own problems.

Like most states, Nevadans are tired of the Washington borne, "Washington knows best," "The Washington way or the highway," attitudes here.

Local problems require local solutions and I commend all Nevadans who supported and participated in this important event.

I would encourage all members to hold similar events throughout their districts and to share their solutions with us—the safety and future of our children demand no less.

PERSONAL EXPLANATION

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. CLEMENT. Mr. Speaker, on rollcall vote No. 284, I was unavoidable detained on official business. Had I been present, I would have voted "nay."

RECOGNIZING VICTOR WALTERS

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to recognize the achievements of 8-year-old Victor Walters of Limon, Colorado who was recently named National Second-Grade Handwriting Champion. This is the second consecutive year he has received this national honor. The contest was sponsored by Zaner-Bloster, a manufacturer of pens and publisher of educational handwriting texts. Victor is the son of Ronald and Roberta Walters.

Walters, who received his award and a $500 savings bond in a surprise ceremony at Limon Elementary School, was able to dash off the winning entry with a handicap. Victor's mother reported that the morning of the contest, his finger felt sore, but he decided to carry a Band-Aid in his backpack rather than wearing it on his hand for fear that it might hinder his writing style.

The penmanship awards won by Limon Elementary School Students have prompted the University of Colorado at Denver to conduct a research project at Limon to look at the link between good penmanship and overall academic performance.

As a Member of Congress representing the Fourth District of Colorado, I am proud of the accomplishments of this young man. Victor Walters has demonstrated his commitment to excellence and I congratulate him on his success.

Mr. Speaker, I hereby submit for the RECORD a copy of an article about Victor which recently appeared in the Denver Post.

BOY HANGS TOUGH, NAILS DOWN 2ND HANDWRITING WIN

(By Nancy Lofholm)

Not even a hangnail can stop a national handwriting champ.

Victor Walters, an 8-year-old from Limon, once again topped 125,000 other penmanship pupils across the country and was named National Second-Grade Handwriting Champion today. The contest was sponsored by Zaner-Bloser, a manufacturer of pens and publisher of educational handwriting texts.

Walters, who will receive his award and a $500 savings bond in a surprise ceremony at Limon Elementary School this morning, was able to dash off the winning entry with a handicap.

His mother, Roberta Walters, said he had a sore finger the morning of the competition and was afraid he wouldn't be able to write well. He opted to carry a Band-Aid in his backpack rather than putting it on his finger, where it might hinder his writing style.

"He was worried, but when he came home he was real excited. He knew he did real well that day," said Walters. "He didn't have to erase very often."

What he didn't know until this morning was that he had won the award for the second year in a row. His parents and teachers in the Eastern Plains town of 2,500 wanted to keep the award under wraps until Victor could be honored in front of his 350 fellow students.

"He's been real antsy waiting to hear," said his dad, Ronald Walters.

Ronald, a case manager at the state correctional facility in Limon, said his son's talent—one he doesn't believe was inherited—has affected his own on-the-job script.

"My writing's not too good," Ronald said. "I find myself scribbling, and I think of my son and try to bring myself back into line again."

Victor's back-to-back achievements, as well as Limon student Bethany Head's win at the state level in her first-grade class three years ago, have also affected the school.

Principal Valerie Bass said the University of Colorado at Denver will be doing a research project at Limon to look at the link between good penmanship and overall academic performance. "We're very proud. A lot of our students have good penmanship," Bass said.

Someday, Victor may be doing his bit to carry on that tradition. He wants to be a teacher. His parents said he plays school every day with his 5-year-old sister, Ashley, and penmanship is one of the favorite play-school subjects.

Zaner-Bloser gives out the penmanship awards annually to promote good penmanship and also to publicize the pitfalls of messy writing. The company has compiled statistics showing that 38 million letters go undelivered annually because of illegible addresses, 58 percent of information on hospital charts is illegible and 66 percent of teachers say schools should place a higher priority on handwriting.

PATIENT PROTECTION ACT

HON. DAVID L. HOBSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. HOBSON. Mr. Speaker, I rise today in strong support of the House Republican

Health Care Proposal, the Patient Protection Act. I believe this bill strikes a good balance between protecting patient rights without the heavy hand of big government. I am excited about many of the large protections in this bill, like giving patients a better and quicker appeal process when the HMO denies their claim, lifting any gag orders on physicians to ensure that patients are better informed, and providing greater access to specialists for women and children. I am equally excited about how this bill addresses the frustrating problems that upset so many people about their HMOs.

I am sure that many of you are like me in that every week I get a letter or call from someone upset because the HMO decides that the plan will no longer cover a specific prescription drug. Our bill will require HMOs to give at least 30 days notice before the HMO can remove a drug from the coverage list. These 30 days are essential in the care of the patient, and for the physician-patient relationship. With the 30 day notice a physician can work with the patient and the local pharmacist to determine which drugs are suitable alternatives. It will also give the physician the opportunity to educate the HMO plan when he has a patient that has shown little or no progress with any of the alternatives on the plan's approved drug list.

I want you all to understand that this can be a life saving decision. Just last week I learned of a cancer patient that was experiencing great success with a drug that shrinks tumors. After paying for three treatments, the HMO arbitrarily removed the drug from their coverage list without any warning to the patient or physician. Because traditional treatments had not worked, by the time the appeal process was completed the patient was dead. Let's not allow this tragedy to repeat itself—support the Patient Protection Act.

TRIBUTE TO THE CITY OF CHOWCHILLA

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to The City of Chowchilla. This year marks the 75th Anniversary of the founding of Chowchilla, a thriving community in the County of Madera. Chowchilla is a productive and progressive community leading the way into the 21st Century.

In 1912, Chowchilla began to emerge from a cattle ranch of 108,000 acres to what would become a busy community rich in agriculture and commerce. In 1913, the conversion of the vast cattle ranch to diversified farming began. It was at this time when the first bank was started, the first school building was erected, and the first church was organized. A community newspaper was established and water was brought forth from 33 artesian wells.

The year 1914 brought further growth to the city and its facilities when the Chowchilla Pacific Railroad was completed. Electroliers were installed on two streets for a distance of a mile. Shortly there after, the community held its first fair, founded the Woman's Improvement Club and organized the first baseball team.

Today, The City of Chowchilla has grown to a population of 4,500 people and is a thriving agriculture and manufacturing community whose grain, cotton and dairy products make the city a vital element of California's economy.

Mr. Speaker, it is with great honor that I pay tribute to the City of Chowchilla on its 75th Anniversary. Chowchilla is a flourishing agricultural and commercial community leading the way into the 21st Century. I ask my colleagues to join me in wishing the City of Chowchilla many more years of success.

RECOGNIZING ROBERT "BUDDY" LOCHRIE UPON HIS RETIREMENT

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. SHAW. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the distinguished career of a friend, fellow Floridian and outstanding community leader. I am speaking of Robert "Buddy" Lochrie, Jr., who will retire from his position as Vice Chairman of Sun Trust, South Florida, N.A., at the end of the month.

Buddy is the third generation of a prominent family in Broward County, Florida. His grandfather, John Lochrie, began annual visits in 1917, built a home in 1923 and developed several citrus groves west of Fort Lauderdale and Fort Pierce. In 1928 he joined the group which organized the Broward Bank and Trust Company and became its first president, a position he held until his death in 1937.

Buddy's father, Robert B. Lochrie, was a director of the bank for forty-two years, and a founder and director of each affiliate bank. He was one of the founders of Broward Banchares, Inc., of which he served as chairman from 1970 to 1976. Both John Lochrie and Robert B. Lochrie served as officers without compensation, other than regular directors' fees.

Buddy was elected to the boards of three affiliated banks in the Broward group in 1968, while serving as assistant to U.S. Congressman Paul G. Rogers in Washington, DC. In 1970, he was asked to join the company to handle regulatory, governmental and community affairs. Subsequently, he served as Executive Vice President, Treasurer and as a member of the board. After the merger with Sun Banks of Florida in 1983, he became Chairman and CEO of SunBank, South Florida and Vice Chairman when this bank and the Palm Beach SunBank merged.

During his career, Buddy has served as Chairman of the Florida Bankers Association Federal Legislative Committee and a director of the American Bankers Association Political Action Committee, as well as chairman of the Banking Division of the state association.

Statewide activities have included serving on the boards of the Florida Trust for Historic Preservation, the Judicial Nominating Commission and the Florida Christopher Columbus Commission, as a Trustee of the Florida State Ringling Museum of Art.

From 1993 to 1996, Buddy served on the Board of Community Health Purchasing Alliance (CHIPA), District 10, at the request of the Governor of Florida. CHIPA was set up by the State Agency for Health Care Administration to expand health insurance coverage to small business owners and their employees.

Buddy has been Chairman of the Broward Center Performing Arts Foundation since its inception more than twelve years ago. During his tenure, the Foundation has raised more than twenty-three million dollars to support the Center and its programming. This achievement set a new milestone in the amount of money raised for a single purpose building campaign in Broward County.

Buddy's local community involvement also includes: Chairman of Fort Lauderdale Downtown Development Authority, Chairman of the Broward Chapter of the National Conference of Christian and Jews, Vice Chairman of the South Florida Community Television Foundation (Channel 2), Broward Chair of the Archbishop's Charities Drive, Vice Chairman of the Broward Workshop, Board Member of the Urban League of Broward, Board Member of the United Way of Broward County, Board Member of Fort Lauderdale Chamber of Commerce, Board Member Florida Philharmonic Orchestra, Board Member of South Florida Sports Authority, Board Member of Museum of Art, Member of the Opera Guild, Member of the Port Everglades Association.

Buddy is married to Susan Fry of Fort Lauderdale, and this year they celebrated their thirty-first wedding anniversary. They have three children. Two sons, Robert and Glenn, were born in Washington, DC, and a daughter, Katherine (Kate), was born in Fort Lauderdale. All three children have made Broward County their permanent home. Susan and Buddy share many of the same civic interests. Susan is a guidance counselor at Central Park Elementary and was recognized in 1997–1998 as guidance Counselor of the Year for Broward County.

This is indeed a record of outstanding achievement and community involvement. I wish Buddy and his family much happiness and success in the future.

UNFAIRNESS IN TAX CODE: MARRIAGE TAX PENALTY

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. WELLER. Mr. Speaker, I rise today to highlight what is arguably the most unfair provision in the U.S. Tax code: the marriage tax penalty. I want to thank you for your long term interest in bringing parity to the tax burden imposed on working married couples compared to a couple living together outside of marriage.

I would also like to commend the leadership of House budget Chairman Kasich for including elimination of the marriage tax penalty as a top priority in his budget resolution. The Republican House Budget Resoluiton will save a penny on every dollar and use those savings to relieve families of the marriage penalty and restore a sense of justice to every man and woman who decides to get married.

Many may recall in January, President Clinton gave his State of the Union Address outlining many of the things he wants to do with the budget surplus.

A surplus provided by the bipartisan budget agreement which: cut waste; put America's fiscal house in order; and held Washington's feet to the fire to balance the budget.

While President Clinton paraded a long list of new spending totaling at least $46–$48 billion in new programs—we believe that a top priority should be returning the budget surplus to America's families as additional middle-class tax relief.

This Congress has given more tax relief to the middle class and working poor than any Congress of the last half century.

I think the issue of the marriage penalty can best be framed by asking these questions: Do Americans feel its fair that our tax code imposes a higher tax penalty on marriage? Do Americans feel its fair that the average married working couple pays almost $1,400 more in taxes than a couple with almost identical income living together outside of marriage? Is it right that our tax code provides an incentive to get divorced?

In fact, today the only form one can file to avoid the marriage tax penalty is paperwork for divorce. And that is just wrong!

Since 1969, our tax laws have punished married couples when both spouses work. For no other reason than the decison to be joined in holy matrimony, more than 21 million couples a year are penalized. They pay more in taxes than they would if they were single. Not only is the marriage penalty unfair, it's wrong that our tax code punishes society's most basic institution. The marriage tax penalty exacts a disproportionate toll on working women and lower income couples with children. In many cases it is a working women's issue.

Let me give you an example of how the marriage tax penalty unfairly affects middle class married working couples.

For example, a machinist, at a Caterpillar manufacturing plant in my home district of Joliet, makes $30,500 a year in salary. His wife is a tenured elementary school teacher, also bringing home $30,500 a year in salary. If ythey would both file their taxes as singles, as individuals, they would pay 15%.

MARRIAGE PENALTY EXAMPLE IN THE SOUTH SUBURBS

	Machinist	School teacher	Couple	Weller/McIntosh II
Adjusted gross income	$30,500	$30,500	$61,000	$61,000
Less personal exemption and standard deduction	6,550	6,550	11,800	13,100 (Singles X 2)
Taxable income	23,950 (X .15)	23,950 (X .15)	49,200 (Partial X .28)	47,900 (X .15)
Tax liability	3592.5	3592.5	8563	7,185

Notes: Marriage penalty: $1,378.
Weller-McIntosh II Eliminates the Marriage Tax Penalty—Relief: $1,378.

But if they chose to live their lives in holy matrimony, and now file jointly, their combined income of $61,000 pushes them into a higher tax bracket of 28 percent, producing a tax penalty of $1,400 in higher taxes.

On average, America's married working couples pay $1,400 more a year in taxes than individuals with the same incomes. That's serious money. Millions of married couples are still stinging from April 15th's tax bite and more married couples are realizing that they are suffering the marriage tax penalty.

Particularly if you think of it in terms of: a down payment on a house or a car; one years tuition at a local community college; or several months worth of quality child care at a local day care center.

To that end, Congressman DAVID MCINTOSH and I have authored the Marriage Tax Penalty Elimination Act.

The Marriage Tax Penalty Elimination Act will increase the tax brackets (currently at 15% for the first $24,650 for singles, whereas married couples filing jointly pay 15% on the first $41,200 of their taxable income) to twice that enjoyed by singles; the Weller-McIntosh proposal would extend a married couple's 15% tax bracket to $49,300. Thus, married couples would enjoy an additional $8,100 in taxable income subject to the low 15% tax rate as opposed to the current 28% tax rate and would result in up to $1,053 in tax relief.

Additionally the bill will increase the standard deduction for married couples (currently $6,900) to twice that of single (currently at $4,150). Under the Weller-McIntosh legislation the standard deduction of married couples filing jointly would be increased to $8,300.

Our new legislation builds on the momentum of their popular H.R. 2456 which enjoyed the support of 238 cosponsors and numerous family, women and tax advocacy organizations. Current law punishes many married couples who file jointly by pushing them into higher tax brackets. It taxes the income of the families' second wage earner—often the women's salary–at a much higher rate than if that salary was taxed only as an individual. Our bill already has broad bipartisan cosponsorship by Members of the House and a similar bill in the Senate also enjoys widespread support.

It isn't enough for President Clinton to suggest tax breaks for child care. The President's child care proposal would help a working couple afford, on average, three weeks of day care. Elimination of the marriage tax penalty would give the same couple the choice of paying for three months of child care—or addressing other family priorities. After all, parents know better than Washington what their family needs.

We fondly remember the 1996 State of the Union address when the President declared emphatically that, quote "the era of big government is over."

We must stick to our guns, and stay the course.

There never was an American appetite for big government.

But there certainly is for reforming the existing government does business.

And what better way to show the American people that our government will continue along the path to reform and prosperity than by eliminating the marriage tax penalty.

Ladies and Gentleman, we are on the verge of running a surplus. It's basic math.

It means Americans are already paying more than is needed for government to do the job we expect of it.

What better way to give back than to begin with mom and dad and the American family—the backbone of our society.

We ask that President Clinton join with Congress and make elimination of the marriage tax penalty . . . a bipartisan priority.

Of all the challenges married couples face in providing home and hearth to America's children, the U.S. tax code should not be one of them.

Lets eliminate The Marriage Tax Penalty and do it now!

WHICH IS BETTER?

NOTE: The President's Proposal to expand the child care tax credit will pay for only 2 to 3 weeks of child care. The Weller-McIntosh Marriage Tax Elimination Act HR 2456, will allow married couples to pay for 3 months of child care.

Which is better, 3 weeks or 3 months?

CHILD CARE OPTIONS UNDER THE MARRIAGE TAX ELIMINATION ACT

	Average tax relief	Average weekly day care cost	Weeks day care
Marriage tax elimination act	$1,400	$127	11
President's child care tax credit	358	127	2.8

PERSONAL EXPLANATION

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. CLEMENT. Mr. Speaker, on rollcall vote No. 283, I was unavoidably detained on official business. Had I been present, I would have voted "nay."

RECOGNIZING BRYCE WEAVER

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to recognize 6-year-old Bryce Weaver of Fort Collins, Colorado who recently won second place in the fourth-annual Reading Rainbow Young Writers and Illustrators Contest. "The Colors of the Rainbow" by Weaver was chosen from more than 340 entries. The Contest was sponsored by the

Rocky Mountain Public Broadcasting Network Inc., which airs the Reading Rainbow children's series on KRMA-TV.

Weaver, a kindergartner at Krause Elementary School in Fort Collins, enjoys story telling and is excited to learn to read books on his own. Weaver's mom, Laura helped by writing down the story her son told her. Weaver used crayons for the illustrations. I commend to the Members of the 105th Congress, Bryce's creative story.

"THE COLORS OF THE RAINBOW"

(By Bryce Weaver)

"Once there was a rainbow who was sad because he didn't have any colors. So he went on a journey to find some colors and make himself beautiful.

"He spotted some orange trees, and he ate the oranges. YUM! Now he had the color orange.

"The rainbow went off on his journey again. He saw some red apple trees, and ate them. He got the color red.

"Next, the rainbow found some nice green grass, and he ate it. A green strip showed up next to the others

"At night, the rainbow looked up and saw the yellow moon. He thought, "There is a color I don't have" and he took a bite.

"He was off on his journey again and saw some sparkles. It was fresh clean water. He took a sip and got the color blue.

"The rainbow turned around and saw a picnic blanket with some purple grapes on it. He ate them and got a purple stripe.

"Some children came back to the park and saw the rainbow. They were so surprised, they shouted 'WOW, what a beautiful rainbow!' The rainbow was happy.

"The end."

As a Member of Congress representing the Fourth District of Colorado, I am proud to present Bryce Weaver and his family, I believe that Bryce is an inspiration to others through his creativity and I congratulate him on this great success.

A TRIBUTE TO JACK BERKLEY

HON. JERRY MORAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. MORAN of Kansas. Mr. Speaker, I rise today to reflect on the passing of an outstanding man and great Kansan, Jack Belmont Berkley of Stockton, KS, who died last month at the age of 73.

Mr. Berkley was born June 25, 1923, in Hill City and was a resident of Stockton since 1956. A veteran of World War II, Jack served proudly as a member of the Army Air Corps and later was a member of both the local VFW post and the American Legion.

As a pillar of the community, Jack was involved in the banking industry for most of his life. Banking in small towns like Tescott and Stockton, business growth is often the result of risks taken together by a small town banker and a local business owner. At the Stockton National Bank, Jack was the bank president from 1961, and served for over 35 years in that capacity. In addition, Jack was also a leader in his community as an active member of the First Congregation Church and several local civic clubs and organizations.

Mr. Speaker, it is humble, dedicated men such as Jack Berkley that have helped shape our communities and this nation. As soldiers in war or stewards in peace, such men have defined our national heritage and have served as powerful examples for future generations. He will be missed by his family, friends, neighbors and associates throughout Kansas. I ask you to join me in paying tribute to Jack Belmont Berkley and his lifetime of service to his nation and state.

HONORING THE ILLINOIS & MICHIGAN CANAL: A PRECIOUS PIECE OF OUR NATION'S HISTORY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. LIPINSKI. Mr. Speaker, 150 years ago, the Illinois & Michigan Canal was completed. Built from 1836 to 1848, the I&M Canal was the catalyst for the evolution of Chicago from a backwards settlement on the shore of Lake Michigan into the hustling metropolis referred to as the gateway to the American West. Followed later by the railroads and the Sanitary and Ship Canal, which played critical roles in the continued development of Chicago and the Midwest, the I&M Canal was the catalyst. It was the one of the first and certainly one of the most notable infrastructure projects that changed the landscape of Chicago and the American heartland forever, and it made an indelible mark in America's psyche as Chicago became one of the nation's largest transportation hubs.

The canal linked Lake Michigan with the Illinois River in LaSalle/Peru and made it possible to ship cargo from the Atlantic Ocean through the Great Lakes to the Mississippi River and down to the Gulf of Mexico. The canal was 60 feet wide and 6 feet deep along its entire length, and cargo was carried on barges pulled by mules. The I&M Canal stimulated economic development along its path, and particularly in Chicago.

Recognizing the rich heritage and recreational opportunities of the I&M Canal, Congress designated it as the first National Heritage Corridor in 1984, the first "partnership park" of its kind, which is now a model for such parks throughout the nation. Presently, over 10 such parks exist in the U.S., and it was the I&M Corridor that started it all. Along with the designation, Congress also created a Commission to coordinate the efforts and resources of federal, state, and local agencies.

My esteemed colleagues from the Illinois congressional delegation recognize the importance of the canal, too. Last year, I introduced legislation that would extend the I&M Canal National Heritage Corridor Commission for another five years to 2004. Nearly the entire delegation from my home state have cosponsored my legislation. They placed their bipartisan support behind the legislation, because we all recognize the historical importance of the I&M Canal, and we all want to see its preservation for our children and our children's children.

Mr. Speaker, this is why it is an honor for me to rise today to honor the 150th birthday of the Illinois & Michigan Canal. Its historical significance in the development of the Midwest has made an indelible mark in this nation's history. We should do our part to protect our national heritage by continuing to work for its preservation for the future generations to enjoy and cherish. As we look with boundless optimism towards the future, we must also be wise enough keep our feet planted and learn about and remember our roots—where we came from—for that is the tie that binds us as a people and as a nation.

HONORING MERITOR AUTOMOTIVE, INC. FOR CONTINUED JOB GROWTH

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GORDON. Mr. Speaker, I rise today to honor the continued success of the hard-working men and women of Meritor Automotive, Inc. Today, the 552 employees of Meritor Automotive, Inc., along with local and state officials, will gather in Gordonsville, Tennessee to celebrate yet another milestone in the company's history. This milestone marks the revitalization of a factory—providing needed jobs to this growing community.

Meritor is a true success story. On April 1, 1995 Meritor purchased the business from Dura Automotive Systems. At the time many people felt Dura Systems' decision to discontinue production signaled the closure of this facility. However, the Meritor team changed that perception and was able to turn the business into a preferred supplier of Ford parts and receive numerous awards of excellence.

Since Meritor assumed control of the facility, the plant in Gordonsville has added 280 jobs to the local community; invested over $15 million to refurbish the facility; pumped over $50 million into the local economy; and invested over $250,000 in environmental protections.

These are not small tasks. While the company continues to grow, they are also helping make Gordonsville, Smith County and the surrounding area a better place to live and raise a family. The list of community service projects include: providing on-site GED training at no cost; allowing college courses to be taught in their training rooms; working with local charities and civic groups, like the Lion's club to provide free eye examinations to the children of Smith County.

Middle Tennessee is one of the fastest growing areas in the country—with over 110,000 new jobs created since 1984. Meritor is committed to improving the quality of life in the Gordonsville community. They have worked to see that our children receive a good, quality education and allowed our young people to find a good job close to home. All of these contributions help build on my dream of a vibrant, growing economy in Middle Tennessee for the 21st Century.

I want to personally thank Meritor and all its employees for its continued commitment to this community and congratulate them on being awarded the Ford Q1/QS 9000 distinction.

SONNY BONO MEMORIAL SALTON SEA RECLAMATION ACT

SPEECH OF

HON. MARY BONO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mrs. BONO. Mr. Speaker, in addition to my staff, who have worked long and hard on this bill, I would like to thank Matt Simmons of DUNCAN HUNTER's staff, Jeff Shockey from JERRY LEWIS' staff, Catherine Johnson of KEN CALVERT's office and the staff on the Resources Committee, Bob Faber and Ken Fisher. Without their tireless efforts on this bill, I do not know where we would be today.

I would also like to extend my gratitude to the Salton Sea Authority for their informed input in crafting this bill. Their efforts have been commendable, and I appreciate their assistance.

IN MEMORY OF COL. (R) WILLIAM S. STARKE, JR.

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. SKELTON. Mr. Speaker, let me take this opportunity to say a few words in tribute to the late Col. (R) William S. Starke, Jr. Col. Starke, a loyal and dedicated soldier and a good friend of mine through the years, recently passed away at the age of 80.

Col. Starke, a native of Lexington, MO, entered the United States Army as a private in 1942. He served until 1970, when he retired as a colonel. During his distinguished career, William Starke fought as a tank commander during World War II in France, Germany, and Austria and saw combat in Korea. His other military tours included Turkey, Alaska, and Iran.

William Starke was one of three brothers who served in the Army. He married Heidi Maria Bauer of Vienna, Austria, in 1947, and they had five children.

After retirement, William Starke worked for Boatmen's Bank and in real estate development in Dixon, Missouri, He was a member of the Elks Club and several military service organizations including the Heartland Chapter of the 11th Armored Division.

Col. Starke is survived by his wife, Heidi, four children, 14 grandchildren, five great-grandchildren, a brother and a sister.

Mr. Speaker, William Starke was a dedicated soldier and a true friend throughout his military career and beyond. I am certain that the Members of the House will join me in paying tribute to this fine Missourian.

CELEBRATING THE 70TH BIRTHDAY OF LENA C. PRETSCH

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. HAYWORTH. Mr. Speaker, on July 27, 1998, Lena C. Pretsch, a constituent of mine from Payson, Arizona, will be celebrating her seventieth birthday with her family and friends. Lena is dedicated to serving her family, her community, and her country.

Lena grew up in Bloominglen, Pennsylvania where she met her husband, Joe, when he returned from World War II. She left Pennsylvania behind and joined her husband traveling around the world with the Army for twenty years. During those years, she also raised two sons, Roger and Richard, and a daughter, Kathy.

While patriotism runs in the family, Roger has stated that few Americans embrace their patriotic duties as passionately as his mother did in times of need. During World War II as a teenager, Lena volunteered to read to blind soldiers recovering from wounds received in battle. Her voice soothed and comforted many young men in their time of need. Many years later, as she saw her own son off to the Persian Gulf during Operation Desert Shield and Desert Storm, she helped send 15,000 Christmas cards to the paratroopers of the 82nd Airborne Division. Her son and the soldiers will never forget the Christmas cards they received in the desert.

Every Veterans Day, Memorial Day, and Fourth of July, Lena organizes a volunteer group that places 500 to 600 flags around the town of Payson. She also had a giant flag pole built along Highway 87 so visitors coming into town would see the American flag. She even convinced Governor Symington to declare Payson the Flag Capital of Arizona because of the group's efforts.

Along with her flag activities, Lena chairs the Governor's committee for the Americans with Disabilities Act. She helps plan events throughout the state to increase awareness of the contributions disabled people make to our society. She also remains active with the city council and her church.

As an ordinary citizen, Lena may not have made headlines with her contributions, but she has made an impact on the lives around her. Congratulations on your seventieth birthday, Lena. And thank you for your service.

FREEMASONRY'S LASTING TRIBUTE

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Ms. NORTON. Mr. Speaker, I rise to recognize and celebrate the Grand Lodge of Free and Accepted Masons of the District of Columbia, and the Freemasons of this nation who gather for the Sesquicentennial Celebration of the laying of the cornerstone of the Washington Monument.

Mr. Speaker, this monument to our first President, himself a Mason, retains the distinction of being the tallest freestanding masonry structure in the world. It is my privilege to enter into the RECORD information from the Grand Lodge of Free and Accepted Masons of the District of Columbia.

> The Masons of the United States, having played a major role in the funding and erection of the Washington Monument, also have a major role in the current restoration effort. The cornerstone of the structure honoring the Father of our country was laid on July 4, 1848, by the Freemasons of America, with our own Past Grand Master, Benjamin B. French presiding. In these duties, he was assisted by the Grand Masters of the Grand Lodges of Pennsylvania and Maryland. Other Masons in attendance included representatives and members of Grand Lodges of Massachusetts, Rhode Island, Delaware, Virginia, South Carolina, Georgia, and Texas, and of the Grand Royal Arch Masons of Maryland.
>
> Records of the occasion inform us that the procession to the site consisted of the President and Vice President of the United States, and of the Heads of Departments, the Senate and the House of Representatives; Foreign Ministers, distinguished strangers, and of the civil and military services. Also in the group were representatives of the Independent Order of the Oddfellows, the Order of the Red Men, Rechabites, and other Temperance and Benevolent Societies. But it was a Masonic day, and it was the Freemasons of the District of Columbia who were responsible for seeing that the ceremonies were in accord with Masonic custom and protocol.
>
> At the conclusion of the ceremony Grand Master French presented the architect, Robert Mills (also a Mason), the working tools of his profession with these words: "I now present you, my Brother, the square, level, and plumb, which are the working tools you are to use in the erection of this monument. You, as a Freemason, know to what they morally allude: the plumb admonishes us to walk uprightly in our several stations before God and man, squaring our actions by the square of virtue, and remembering that we are traveling upon the level of time to that undiscovered country from whose bourne no traveler returns. Never forgetting this sublime moral lesson, you are here to use them practically in your profession. Look well to the erection of this national monument; see that every stone is squared, and that it is placed in its position both level and plumb, that the noble offering of a nation to commemorate greatness, patriotism, and virtue, may stand until the end of time."

Mr. Speaker, I invite the Members in this hallowed chamber to join me in remembering the Masonic stones at the monument and the ongoing support provided by Grand Lodges and Lodges of Freemasons across America.

HONORING DORIS WEATHERFORD AND THE 150TH ANNIVERSARY OF THE SUFFRAGIST MOVEMENT

HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. DAVIS of Florida. Mr. Speaker, it is with great pleasure that I announce the publication of Doris Weatherford's book, A History of the

American Suffragist Movement. Doris Weatherford, who is a constituent of mine from Tampa, is a professor at the University of South Florida and is known for her accomplishments in the area of women's history.

The summer of 1998 marks the 150th anniversary of the Seneca Fall's Convention. At this convention, Elizabeth Cady Stanton authored the Declaration of Sentiments. The Declaration became the primary agenda for women's activism. Weatherford's book discusses women's history as one of the most dramatic political battles ever fought. Beginning with Anne Hutchinson and ending with the final ratification of the Nineteenth Amendment, her book is a complete depiction of the struggle for women's equality in the United States. The women's suffrage movement was a multi-century struggle that extended freedom to half of our nation. Strength, courage, and passion are the reasons why these women battled for what they so rightfully deserved, freedom.

Her other publications include the following: Milestones: A Chronology of American Women's History, American Women's History: An A–Z of People, Organization, Issues, and Events, American Women in World War II, and Foreign and Female: Immigrant Women in America, 1840–1920. In 1994, she received the National Order of Women Legislators Hall of Fame Award. Also, in 1995 during Florida's Annual Civil Rights Conference, she received one of five awards commissioned by the Florida Commission on Human Relations.

I would like to ask all of my colleagues to join me in celebrating Doris Weatherford's contribution to the continuing legacy of women's history.

STEVE SCHIFF AUDITORIUM

SPEECH OF

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mrs. MORELLA. Mr. Speaker, I had the pleasure of serving with Steve Schiff on the Science Committee ever since Steve was elected to Congress.

As the Chairman of the Basic Research Subcommittee, Steve worked to ensure that our national investments in research and development were properly spent to maintain our nation's scientific and technological preeminence. Steve's stewardship of the Basic Research Subcommittee served our nation and his home district of Albuquerque well—especially the Sandia National Laboratory. Steve knew that Federal laboratories, such as Sandia, are one of our greatest assets and he did all he could to protect the important role they play in our nation's scientific research and development enterprise, such as leading the fight to stop a national laboratory closure commission. So, it is only fitting that today we honor Steve's memory by designating the auditorium at the Sandia Technology Transfer Center as the "Steve Schiff Auditorium."

Steve was committed not just to Albuquerque, Sandia, and scientific basic research development, but also committed to fairness and equity. He displayed his character in his many years as a prosecutor in New Mexico, but also as the Chair of the House Ethics Committee. Steve was the sort of man who was guided not by the politics of an issue, but went where his sense of right and wrong took him.

As a result of our actions today, generations will be able to go to Sandia and remember everything that Steve stood for, so that his memory and his example will continue to live on even after his passing.

A TRIBUTE TO THOMAS AND CATHERINE LAWLER OF SMITHTOWN ON THEIR 57TH WEDDING ANNIVERSARY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. FORBES. Mr. Speaker, I rise today in this historic chamber to ask my colleagues in the U.S. House of Representatives to join me in paying tribute to Catherine and Thomas Lawler, of Smithtown, Long Island, as they celebrate their blessed 57th wedding anniversary today.

I believe, as many Members of this esteemed body do, that marriage is the bedrock of our society, the foundation on which all of our values, beliefs and hopes for the future stand. So it is altogether fitting that we, as National leaders, should take a moment to honor Catherine and Thomas Lawler for the love, devotion and faith that they have given each other and their marriage for 57 years.

From that blessed moment when they first met outside Morris Egan's store in Greenpoint, Brooklyn in August of 1940, Catherine and Thomas have been committed to each other. That devotion was sanctified by God on July 16, 1941 at St. Anthony's Roman Catholic Church in Brooklyn. Their love for each other and their faith in God has been returned to them many times over in the form of nine beautiful children—Thomas, Catherine, George, Anne, John, Mary, Theresa, Ellen and Michael.

Their abundant blessings necessitated several moves to bigger homes, in order to accommodate their growing family. At one point, Thomas and Catherine invested in an acre of land in Smithtown, Long island, the place they referred to as their "summer home." By 1953, they moved the entire Lawler family to the new house on Ledgewood Drive, which they have called home since.

Wherever the Lawlers called home, their faith in God and family have remained firm, sustaining them in hard times—such as the tragic death of their daughter Mary at six months—or the many good times that visited this wonderful family. In the good Lord's own way, the blessings bestowed upon Catherine and Thomas have multiplied many times, not the least of these blessings being their 40 grandchildren.

All of this demonstrates the values, caring and commitment that Thomas and Catherine offer their community, attributes that have served their marriage and have made our Long Island community an even better place by their example. The foundation of the Smithtown community, indeed all of Long Island, has been strengthened for the past 57 years by the love, commitment and, yes, hard work that Thomas and Catherine have demonstrated.

As a community, we witness and even enjoy the many blessings and gifts bestowed upon the Lawlers, who give so much of themselves to others. It is through their example that all of us can truly understand the meaning of family values. Mr. Speaker, I ask that this entire chamber join me in offering our praise and heartiest congratulations to Catherine and Thomas Lawler on this blessed anniversary. A union as blessed as theirs will surely endure forever.

HOUSE OF REPRESENTATIVES—*Friday, July 17, 1998*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. SHAW).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 17, 1998.

I hereby designate the Honorable E. CLAY SHAW, Jr., to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Our hearts and thoughts and minds praise You, O God, for You have created a world of infinite possibilities and You have created us with hearts with which to love, thoughts with which to create, and minds with which to reason. Yet, may we ever be aware that our thoughts are not Your thoughts and our ideas are not Your ideas and our love not Yours.

Give us wisdom so that we do not equate our limited faith with Your boundless blessings, nor our efforts at justice with Your perfect word. So with humility we pray that Your spirit will lift our spirits and guide us in the way of righteousness and goodwill.

This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Virginia (Mr. BLILEY) come forward and lead the House in the Pledge of Allegiance.

Mr. BLILEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate passed bills and a concurrent resolution of the following titles, in which concurrence of the House is requested:

S. 2143. An act to amend chapter 45 of title 28, United States Code, to authorize the Administrative Assistant to the Chief Justice to accept voluntary services, and for other purposes.

S. 2316. An act to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

S. Con. Res. 88. Concurrent resolution calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain seven 1 minutes from each side.

PRESIDENT'S TRIP TO CHINA

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, yes, President Clinton is back from his 9-day, $50 million, taxpayer-financed road trip to China. I have to give it to him, however; most Americans never get a chance to have an overseas vacation, let alone one where they take 1,200 of their closest friends.

While they did not accomplish much on the road, I think they probably set a record for the cost and size of a presidential delegation traveling abroad. The President's press secretary explained that "this wasn't just the President going to China, but this was the United States Government, and we brought a lot of government with us."

Mr. Speaker, I cannot think of anyone they did not take. But, when questioned, McCurry spilled the beans; "there might be people we shouldn't have included." Well, no kidding.

Now, I do not want to sound too critical. After all, they did cut corners where they could. I am told with only 600 rooms available at the Shanghai Ritz Carlton, our intrepid travelers bit the bullet and doubled up. Thank you, Mr. President, for that, saving what you could where you could.

I yield back the remainder of any pocket change this country may have.

PROTECT AMERICA'S BORDERS FROM DRUG SMUGGLERS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the Drug Czar opposes it, the White House opposes it, Immigration opposes it, the Pentagon opposes it. They all oppose the Traficant program that authorizes but not mandates the use of troops to straighten out our border. But they also have some interesting company. The Colombian drug cartel is now reported opposing it. The Mexican drug lords oppose it and fear it. The Golden Triangle heroin bosses for the first time are worried about getting heroin into America.

The unusual thing about this program is, the only support I have is a number of Members of Congress and the American people, in growing numbers.

Mr. Speaker, the White House will not get it until there is a six-foot syringe full of heroin shoved up the asset of some bureaucrat at the White House.

Beam me up. What about our children? What about addiction? How many years do we lament the use of narcotics, and we allow it to come across our border?

Only one of every three trucks are searched. I say on the House floor today, a nuclear warhead could cross our border and we would not know it.

I yield back any common sense left in the government of our country.

COMMEMORATION OF 150TH ANNIVERSARY OF FIRST WOMEN'S RIGHTS CONVENTION

(Ms. DUNN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DUNN. Mr. Speaker, I rise today to commemorate the 150th anniversary of an event that dramatically changed the course of history and led to the fundamental right of a woman to elect the people who represent them in this very Chamber, the first Women's Rights Convention.

This celebration gives us the opportunity to recognize outstanding achievements of women who have contributed to the development and the strength of our Nation. Because of the leadership, the tireless efforts and the perseverance of our foremothers, women today are able to soar to greater heights each and every day.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

While this is a time to celebrate and express our gratitude to those who came before us, it is also a time to reflect and remind ourselves that each one of us has an enormous responsibility not only to the women of tomorrow but to every single woman who helped pave the way for the rights, the freedom and the boundless opportunities we all now cherish.

As we honor women leaders such as Elizabeth Cady Stanton, Lucretia Mott and Susan B. Anthony, let their work serve as an inspiration to women, young and old, across this great land that we can make a powerful difference when we truly believe in a cause and in ourselves.

MANAGED CARE REFORM

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, I am pleased to join with my colleagues today to underscore the need and the importance for real managed care reform. Today in America, insurance companies are making life-threatening decisions regarding patient care. Those same insurance companies that denied medical procedures and treatment are immune from suit.

The horror stories are all too familiar: John, a middle-aged man in need of a liver transplant, his doctor contacts the HMO, and the bureaucrats decline coverage. John appeals, and by the time he works his way through a time-consuming process and the HMO agrees to pay, he is too sick to receive the transplant and dies.

The health care choices must be made by patients and their physicians, not the insurance companies. The Democratic Patient's Bill of Rights is a plan that puts people ahead of politics. It holds managed care corporations and companies responsible.

Let us do real reform. Let us do the Democratic reform.

TIME TO PASS A MIDDLE CLASS TAX CUT

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, it is time to remind the American people what the Republican agenda is for the remainder of the 105th Congress.

First, let us recall that last summer this Congress passed an historic balanced budget agreement that contained tax cuts for millions of middle-class taxpayers and middle-class savers. Last summer, Republicans vowed to pass more tax cuts in the year ahead.

So, here we are, back in Washington and on track to pass more tax cuts for the middle class, the middle-class backbone of America that pays the taxes, plays by the rules, and gets up every morning to engage in productive labor.

The tax burden on the middle class is simply too large. The cost of government is too high. It is simply not right that the Federal Government should take between one-fourth and one-third of what a middle-class family earns.

Liberals may disagree, but most Americans do not believe that the middle-class families should work until the month of May before getting to keep what they earn. It is time for this Congress to pass a middle-class tax cut.

THE DIFFERENCE BETWEEN REPUBLICAN AND DEMOCRAT HEALTH CARE PLANS

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, it is very important for the American public to understand the difference between the Democrat's managed care reform proposal, the Patient's Bill of Rights, as opposed to the Republican sham managed care reform proposal which we will be considering most likely next week.

First, we need a national remedy for a national problem. No State has passed legislation which deals with all the major areas of managed care consumer protection.

Second, the Republican Senate proposal does not apply to most Americans. Many of its provisions will only cover individuals involved in self-insured, employer-sponsored plans.

Third, the Congressional Budget Office has shown that the costs of the Democratic plan are minimal, only $2 per month for the average person.

In addition, the Republican plans do not prohibit HMOs from offering bonuses to doctors for denying necessary care; the Republican proposals do not guarantee the right of patients to use specialists as their primary care providers; and, most important, the Republican plans do not provide for the enforcement of patient protections. They continue to protect health insurance companies' special interest exemption from legal responsibility; and, as the President said, a right without a remedy is worthless.

CONTINUE IN DIRECTION OF TAX CUTS

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, in the remaining months of the 105th Congress, business will be conducted in one of two ways: We will conduct business in the old way it was done for 40 years of Democrat rule, or we can conduct business in a new way, the way business began being conducted in the beginning of January, 1995.

Under the old way, Congress did not hold the line on spending. New goodies were added in the closing days of the session and serious attempts at reform were blocked by the usual special interests.

Under the new way, Congress considers the impact of spending on the family budget first. Instead of asking Washington if Washington can afford new spending, we now ask whether the family can afford it.

It is entirely a new way of thinking. Under the old way, Washington acted like it was doing you a favor by letting you keep more of your own money. Under the new philosophy, the Republicans are pushing to cut taxes as much as possible, because we think middle-class families are paying too much in taxes to a government that is not careful with their money. It is time to continue in this new direction.

AMERICA NEEDS PATIENT'S BILL OF RIGHTS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, yesterday Families USA released a report about State-managed care reform laws around the country. The report is entitled "Hit and Miss," because, as the report clearly states, "Unfortunately, for consumers who are in need of protection, State laws are more misses than hits: managed care consumers still cannot count on basic protections."

This report is only the latest in a growing body of evidence that proves what the American people already know, that we need a national Patients Protection Act. We need to ensure that doctors and patients, and not insurance company bureaucrats, are making the critical health care decisions, that patients have the right to go to the emergency room, that women can gain direct access to an obstetrician or gynecologist, and that health plans are held accountable when they deny patients care.

The only plan that ensures these basic protections is the Democratic Patient's Bill of Rights.

I urge the Republican leadership, schedule a vote today on the Dingell-Kennedy Patients Protection Act.

"HEALTHMARTS" AND THE QUEST FOR QUALITY

(Mr. BLILEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, the health care debate has been full of surprises.

One of my favorites was the statement that there is no true marketplace today to drive health care equality. The surprise is not what was said, but who said it: Ron Pollack of Families USA, a leading supporter of President Clinton's efforts to nationalize health care.

Well, he and a lot of other health experts are right, we do not have a real health care market, and that is the problem.

Think about it: The last time you bought a car, you did not go to your bank, your credit union or GMAC first. You went to a dealership, talked to the salespeople and took a test drive. Then you arranged your financing. The car you bought was determined by your personal needs and preferences, not by the bank or credit union that financed it.

Why cannot health care operate the same way?

The legislation developed by the Speaker's Working Group on Health Care Quality includes a provision creating HealthMarts. HealthMarts are private, voluntary and competitive health insurance supermarkets. They will transfer choice within the current market from small employers to their employees and dependents.

HealthMarts would give millions of consumers the freedom to choose their health coverage from a menu of options. These options could include managed care and fee-for-service plans, coverage offered by provider-sponsored organizations, and medical savings accounts.

REPUBLICAN HEALTH CARE PROPOSALS LACKING

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, 4 years ago, the Republicans defeated President Clinton's health care bill, claiming it would allow the Federal Government to interfere with doctor-patient relationships.

Well, now the Republicans are offering legislation that does nothing to protect the choices made by doctors and their patients. Their legislation, for example, does not ensure that patients have the right to see a specialist, nor does it prevent insurance companies from continuing to send women home early immediately following a mastectomy.

□ 0915

What our health care system needs, Mr. Speaker, is the Dingell-Daschle bill, a patient protection bill that ensures doctors and patients are able to make the decisions about the patient's health care, not insurance company bureaucrats and clerks.

A patient protection bill must ensure that patients have the right to choose their doctor, see a specialist, and seek a court remedy when claims have been unfairly denied. It is time to put doctors and patients back in charge of health care.

I urge my colleagues to support the Dingell-Daschle patient protection bill.

U.S. SHOULD WAKE UP TO NUCLEAR ATTACK VULNERABILITY

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, it is a shame that it has taken nuclear blasts in India and Pakistan to convince American leaders that it is time to put an end to our policy of mutually assured vulnerability. What I mean by that is that the United States is vulnerable to a missile attack.

Many Americans are unaware of this, but if a missile were to be fired at American cities, the United States would be defenseless to stop it.

Not only that, but this is the deliberate policy of the United States to remain defenseless in the face of nuclear attack. The faith of liberals in arms control, in a piece of paper, is boundless.

But recent events in Pakistan and India should serve to force us to reconsider our position of vulnerability in the face of a missile attack.

I hope that recent reports that Communist China has 13 nuclear missiles aimed at the United States will finally cause our leaders here in Washington to wake up. The liberals and our President are always saying we must do this for the children, we must do that for the children. Well, let us make sure that our Nation is protected from nuclear attack for the children.

TERRIFYING HUMAN RIGHTS ABUSES IN INDONESIA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, reports of the riots in Indonesia last month tell of mass rapes targeted at the Chinese and non-Muslim women. There are several reports that some military leaders helped to organize the terrorizing of the ethnic and religious minorities. One 18-year-old woman reports that the apartment complex where she lived was invaded by an angry Muslim mob. The mob found this woman and her family, tied them up with bed sheets, knocked the father unconscious, and proceeded to brutally rape all the women. This woman's sister was raped by five men who all said, "Allahu Akbar" before they raped her.

The young woman's sister tried to fight against the rapists. In the end, one of her rapists sliced open her stomach and brutally killed her. There are many reports detailing the same situation for other women in Indonesia.

Mr. Speaker, the horrors done to the Chinese and the Christian communities must not be allowed to continue under any government whatsoever. The Indonesian Government should use its power to stop these terrifying human rights abuses and investigate the allegation of any military involvement in these atrocities.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill, H.R. 4194, and that I be permitted to include tables and charts and other extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore (Mr. SHAW). Pursuant to House Resolution 501 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4194.

□ 0919

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, with Mr. COMBEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, I want to at the outset mention to my colleagues that beyond the substance of this bill, which is considerable, during the day today I expect that we will have a good deal of discussion of the reality that there is another piece of substance that indeed deserves our recognition, for as many people know, and I would like the Members who are on their way over time here today to know, that this is the last bill that I will have the privilege of working with my colleague, the gentleman from Ohio (Mr. STOKES) on, on the floor. I think everybody knows of our friendship, and I think as this debate goes forward, people will be reminded of the incredible contribution that the gentleman has made, not just to this legislation, not just to our committee, but to the House as a whole.

Before we perhaps discuss that in a little different environment than the one we have on the floor presently, I would like to spend a few moments with a brief overview of the fiscal year 1999 VA-HUD bill.

Due to the delayed budget process and upcoming election cycle, we find ourselves working under a very compressed schedule. This is evidenced by the fact that our Senate VA-HUD counterparts have already moved their bill through the full committee, and last evening they completed their debate on the bill. This morning they will begin simply the voting process. So they really are ahead of us in that cycle, a most unusual circumstance.

The gentleman from Ohio (Mr. STOKES) and I are hopeful that we can have a conference report completed before the August recess. That is a goal that may be a bit optimistic, but we both are committed to pushing the process forward and getting a bill that can be signed to the President's desk.

The bill before us today is within our allocation in both budget authority and outlays. Our proposal provides $70.894 billion, including $10.2 billion for Section 8 rental assistance. Hidden gimmicks in the President's request, which includes items like receipts from the tobacco settlement, which of course is a fiction, those items make our total $70,894 billion in discretionary spending. They appear to be over the budget request. We are, in fact, if we take out those gimmicks, some $2 billion in real spending below the administration's request.

The VA-HUD subcommittee, by cutting over $25 billion over the last several years, has demonstrated that we can, in a bipartisan way, reduce the rate of growth of government without putting those who rely upon these programs for assistance, including veterans and residents of public housing, for example, without putting those citizens in jeopardy.

With regard to veterans' programs, this bill provides $17.057 billion for veterans' medical care, an increase of $29 million over the administration's request. VA medical research is funded at $320 million, an increase of $20 million over the President's request, and $48 million over last year's bill.

Within HUD's budget, we have funded the Section 8 rental assistance program at $10.2 billion. The CDBG program and drug elimination grant programs have been funded at the budget request of $4.725 billion, and $290 million respectively.

We have also provided $100 million in vouchers designed to implement welfare reform. The section 202 elderly housing program has been funded at $645 million, $109 million over the President's request.

Section 811 disabled housing program has been funded at $194 million, which is an increase of $20 million over the request. Accounts within HUD which have demonstrated positive results have been increased. Those that either are without measurable results, or which have not worked well at all, have been treated differently under this measure.

With regard to the Environmental Protection Agency, we have slightly increased the Agency's budget over the current fiscal year to $7.422 billion. This included level funding of $1.5 billion for the Superfund, a program that has been described as being broken by the administrator. We have been waiting now for several years to receive that promised fix for the Superfund program. We have also funded the President's request for Safe Drinking Water State Revolving Funds, SRF, at $775 million, a $50 million increase over fiscal year 1998, and a Clean Water SRF at $1.250 billion, an increase of $175 million over the President's request. Finally, we have fully funded the President's clean water action plan.

Moving to the National Science Foundation, this bill has increased funding over last year's level for research by $269 million, for major equipment, by $16 million and educational programs by $10 million. As a result of the Frelinghuysen-Neumann amendment, which was adopted in the full committee, the funding for important research programs has been increased by approximately 10 percent over the current fiscal year.

With regard to the National Aeronautics and Space Administration, NASA, we have provided $13.328 billion, a $138 million figure below the administration's request. In part, this reduction represents the fact that due to the space station assembly delays, we may be reducing planned space shuttle launches from eight to six in fiscal year 1999. NASA's science and aeronautics technical account is below the 1998 level, but is $89 million above the President's request.

We plan to continue our positive working relationship with NASA's Administrator, Dan Goldin, to ensure that our final bill reflects our mutual priorities involving science, research, manned space flight, as well as space station assembly.

Moving into AmeriCorps, we have decided that instead of entering into an extended floor fight involving the funding for the Corporation of National and Community Service, the committee intends to first work very closely with our colleagues in the other body. This bill zeroes that program. It is pretty apparent, though, to the Members of the House that in the past when such discussions and actions have taken place, we finally come to a resolution in conference that reflected that broad will of both bodies, and I anticipate that that will be the case in this instance.

Finally, I would like to express my deep reservations to the President of attaching H.R. 2, the public housing reform bill, to this important funding bill in which HUD is just one important component of a much broader and difficult package. While I certainly understand the reasons that we are once again being asked to carry this heavy load that essentially is an authorizing load, it is my fervent hope that authorizing committees of jurisdiction will work to find an acceptable compromise with all parties so that this measure does not unfairly; that is, the authorizing side does not unfairly bring down an appropriations bill that otherwise should be signed into law. I trust that the leadership will work with us to assure that the overall VA-HUD bill, which currently strikes a delicate balance, will not ultimately be placed in jeopardy.

In closing, my colleagues, in terms of this portion of any formal remarks I might have, outside of expressing the pleasure that I have had working with my colleague, the gentleman from Ohio (Mr. STOKES), and the reality that we think this bill, that is the appropriations bill, indeed does, once again, reflect the best of nonpartisan effort in dealing with very complex programs. That product is the result of the hard work of the gentleman from Ohio (Mr. STOKES), first and foremost.

I want to further acknowledge the hard work and dedication of Del Davis and David Reich, and Fredette West from the minority staff, as well as Paul Thomson, who is serving as my clerk today; Tim Peterson, Valerie Baldwin, and Dena Baron; from my own staff, David LesStrang, Alex Heslop and Jeff Schockey.

☐ 0930

I want to take a moment to pay special tribute and attention to my committee staff director, Frank Cushing, who, unfortunately, could not be with us today due to the death of Alan Tack Hammer, his wife Amy's father.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4194)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I					
Veterans Benefits Administration					
Compensation and pensions	20,482,997,000	21,857,058,000	21,857,058,000	+1,374,061,000	
Readjustment benefits	1,366,000,000	1,175,000,000	1,175,000,000	-191,000,000	
Veterans insurance and indemnities	51,360,000	46,450,000	46,450,000	-4,910,000	
Veterans housing benefit program fund program account (indefinite)	166,370,000	263,587,000	263,587,000	+97,217,000	
(Limitation on direct loans)	(300,000)	(300,000)	(300,000)		
Administrative expenses	160,437,000	159,121,000	159,121,000	-1,316,000	
Education loan fund program account	1,000	1,000	1,000		
(Limitation on direct loans)	(3,000)	(3,000)	(3,000)		
Administrative expenses	200,000	206,000	206,000	+6,000	
Vocational rehabilitation loans program account	44,000	55,000	55,000	+11,000	
(Limitation on direct loans)	(2,278,000)	(2,401,000)	(2,401,000)	(+123,000)	
Administrative expenses	388,000	400,000	400,000	+12,000	
Native American Veteran Housing Loan Program Account	515,000	515,000	515,000		
Total, Veterans Benefits Administration	22,228,312,000	23,502,393,000	23,502,393,000	+1,274,081,000	
Veterans Health Administration					
Medical care	16,487,396,000	16,392,975,000	16,211,396,000	-276,000,000	-181,579,000
Delayed equipment obligation	570,000,000	635,000,000	846,000,000	+276,000,000	+211,000,000
Total	17,057,396,000	17,027,975,000	17,057,396,000		+29,421,000
(Transfer to general operations)			(-23,000,000)	(-23,000,000)	(-23,000,000)
Medical collections guarantee	15,000,000			-15,000,000	
Medical care cost recovery collections:					
Offsetting receipts	-543,000,000	-558,000,000	-558,000,000	-15,000,000	
Appropriations (indefinite)	543,000,000	558,000,000	558,000,000	+15,000,000	
Total available	(17,600,396,000)	(17,585,975,000)	(17,615,396,000)	(+15,000,000)	(+29,421,000)
Medical and prosthetic research	272,000,000	300,000,000	310,000,000	+38,000,000	+10,000,000
Medical administration and miscellaneous operating expenses	59,860,000	60,000,000	60,000,000	+140,000	
General Post Fund, National Homes:					
Loan program account (by transfer)	(7,000)	(7,000)	(7,000)		
Administrative expenses (by transfer)	(54,000)	(54,000)	(54,000)		
(Limitation on direct loans)	(70,000)	(70,000)	(70,000)		
General post fund (transfer out)	(-61,000)	(-61,000)	(-61,000)		
Total, Veterans Health Administration	17,404,256,000	17,387,975,000	17,427,396,000	+23,140,000	+39,421,000
Departmental Administration					
General operating expenses	786,135,000	849,661,000	855,661,000	+69,526,000	+6,000,000
Offsetting receipts	(35,760,000)	(38,960,000)	(38,960,000)	(+3,200,000)	
Total, Program Level	(821,895,000)	(888,621,000)	(894,621,000)	(+72,726,000)	(+6,000,000)
(Transfer from medical care)			(23,000,000)	(+23,000,000)	(+23,000,000)
(Transfer from national cemetary)			(86,000)	(+86,000)	(+86,000)
National Cemetery System	84,183,000	92,006,000	92,006,000	+7,823,000	
(Transfer to general operations)			(-86,000)	(-86,000)	(-86,000)
Office of Inspector General	31,013,000	32,702,000	32,702,000	+1,689,000	
Construction, major projects	177,900,000	97,000,000	143,000,000	-34,900,000	+46,000,000
Construction, minor projects	175,000,000	141,000,000	175,000,000		+34,000,000
Grants for construction of State extended care facilities	80,000,000	37,000,000	80,000,000		+43,000,000
Grants for the construction of State veterans cemeteries	10,000,000	10,000,000	10,000,000		
Total, Departmental Administration	1,344,231,000	1,259,369,000	1,388,369,000	+44,138,000	+129,000,000
Total, title I, Department of Veterans Affairs	40,976,799,000	42,149,737,000	42,318,158,000	+1,341,359,000	+168,421,000
(By transfer)	(61,000)	(61,000)	(61,000)		
(Limitation on direct loans)	(2,651,000)-	(2,774,000)	(2,774,000)	(+123,000)	
Consisting of:					
Mandatory	(22,066,727,000)	(23,342,095,000)	(23,342,095,000)	(+1,275,368,000)	
Discretionary	(18,910,072,000)	(18,807,642,000)	(18,976,063,000)	(+65,991,000)	(+168,421,000)
TITLE II					
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Public and Indian Housing					
Housing Certificate Fund	9,373,000,000	8,981,187,705	10,240,542,030	+867,542,030	+1,259,354,325
Sec 8 reserve preservation account (rescission)	-2,347,190,000			+2,347,190,000	
Expiring section 8 contracts	(8,180,000,000)	(7,190,645,675)	(9,600,000,000)	(+1,420,000,000)	(+2,409,354,325)
Section 8 amendments	(850,000,000)	(1,337,000,000)	(97,000,000)	(-753,000,000)	(-1,240,000,000)
Section 8 relocation assistance	(343,000,000)	(433,542,030)	(433,542,030)	(+90,542,030)	
Regional opportunity counseling		(20,000,000)	(10,000,000)	(+10,000,000)	(-10,000,000)
Welfare to work housing vouchers			(100,000,000)	(+100,000,000)	(+100,000,000)
Subtotal	(7,025,810,000)	(8,981,187,705)	(10,240,542,030)	(+3,214,732,030)	(+1,259,354,325)
Welfare to work housing vouchers		283,000,000			-283,000,000
Annual contributions (rescission)	-550,000,000			+550,000,000	

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4194)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Public housing capital fund	2,500,000,000	2,550,000,000	3,000,000,000	+500,000,000	+450,000,000
Public housing operating fund	2,900,000,000	2,818,000,000	2,818,000,000	-82,000,000	....
Subtotal	5,400,000,000	5,368,000,000	5,818,000,000	+418,000,000	+450,000,000
Drug elimination grants for low-income housing	310,000,000	310,000,000	290,000,000	-20,000,000	-20,000,000
Revitalization of severely distressed public housing (HOPE VI)	550,000,000	550,000,000	600,000,000	+50,000,000	+50,000,000
Indian housing block grants	600,000,000	600,000,000	620,000,000	+20,000,000	+20,000,000
Title VI Indian federal guarantees program account	....	5,000,000	....	....	-5,000,000
Indian housing loan guarantee fund program account	5,000,000	6,000,000	6,000,000	+1,000,000	....
(Limitation on guaranteed loans)	(73,800,000)	(68,881,000)	(68,881,000)	(-4,919,000)	....
Capital Grants/Capital Loans Preservation Account					
Capital grants/Capital loans preservation account	10,000,000	....	....	-10,000,000	....
Community Planning and Development					
Housing opportunities for persons with AIDS	204,000,000	225,000,000	225,000,000	+21,000,000	....
Community development block grants	4,805,000,000	4,725,000,000	4,725,000,000	-80,000,000	....
Economic development initiative	....	400,000,000	....	....	-400,000,000
Section 108 loan guarantees:					
(Limitation on guaranteed loans)	(1,261,000,000)	....	(1,261,000,000)	....	(+1,261,000,000)
Credit subsidy	29,000,000	29,000,000	29,000,000	....	....
Administrative expenses	1,000,000	1,000,000	1,000,000	....	....
Brownfields redevelopment	25,000,000	50,000,000	....	-25,000,000	-50,000,000
Empowerment Zones and Enterprise Communities	5,000,000	....	....	-5,000,000	....
HOME investment partnerships program	1,500,000,000	1,883,000,000	1,600,000,000	+100,000,000	-283,000,000
Supportive housing program (rescission)	-6,000,000	....	....	+6,000,000	....
Shelter plus care (rescission)	-4,000,000	....	....	+4,000,000	....
Homeless assistance grants	823,000,000	1,150,000,000	975,000,000	+152,000,000	-175,000,000
Youthbuild program	....	45,000,000	....	....	-45,000,000
Total, Public and Indian Housing (net)	20,732,810,000	24,611,187,705	25,129,542,030	+4,396,732,030	+518,354,325
Housing Programs					
Housing for special populations	839,000,000	....	839,000,000	....	+839,000,000
Housing for the elderly	(645,000,000)	....	....	(-645,000,000)	....
Housing for the disabled	(194,000,000)	....	....	(-194,000,000)	....
Rental housing assistance:					
Rescission of budget authority, indefinite	-125,000,000	....	....	+125,000,000	....
Flexible Subsidy Fund	....	....	....	....	....
Federal Housing Administration					
FHA - Mutual mortgage insurance program account:					
(Limitation on guaranteed loans)	(110,000,000,000)	(110,000,000,000)	(110,000,000,000)	....	....
(Limitation on direct loans)	(200,000,000)	(50,000,000)	(50,000,000)	(-150,000,000)	....
Administrative expenses	338,421,000	328,888,000	328,888,000	-9,533,000	....
Offsetting receipts	-333,421,000	-529,000,000	-529,000,000	-195,579,000	....
Non-overhead administrative expenses	....	200,000,000	200,000,000	+200,000,000	....
FHA - General and special risk program account:					
Program costs	81,000,000	81,000,000	81,000,000	....	....
(Limitation on guaranteed loans)	(17,400,000,000)	(18,100,000,000)	(18,100,000,000)	(+700,000,000)	....
(Limitation on direct loans)	(120,000,000)	(50,000,000)	(50,000,000)	(-70,000,000)	....
Administrative expenses	222,305,000	211,455,000	211,455,000	-10,850,000	....
Non-overhead administrative expenses	....	104,000,000	104,000,000	+104,000,000	....
Subsidy - multifamily	-18,000,000	....	....	+18,000,000	....
Subsidy - single family	-64,000,000	....	....	+64,000,000	....
Subsidy - Title I	-25,000,000	....	....	+25,000,000	....
Subsidies for FY 1999	....	-125,000,000	-125,000,000	-125,000,000	....
Total, Federal Housing Administration	201,305,000	271,343,000	271,343,000	+70,038,000	....
Government National Mortgage Association					
Guarantees of mortgage-backed securities loan guarantee program account:					
(Limitation on guaranteed loans)	(130,000,000,000)	(150,000,000,000)	(150,000,000,000)	(+20,000,000,000)	....
Administrative expenses	9,383,000	9,383,000	9,383,000	....	....
Offsetting receipts	-204,000,000	-370,000,000	-370,000,000	-166,000,000	....
Policy Development and Research					
Research and technology	36,500,000	50,000,000	47,500,000	+11,000,000	-2,500,000
Fair Housing and Equal Opportunity					
Fair housing activities	30,000,000	52,000,000	40,000,000	+10,000,000	-12,000,000
Office of Lead Hazard Control					
Office of lead hazard control	....	85,000,000	80,000,000	+80,000,000	-5,000,000
Management and Administration					
Salaries and expenses	446,000,000	471,843,000	456,843,000	+10,843,000	-15,000,000
(By transfer, limitation on FHA corporate funds)	(544,443,000)	(518,000,000)	(518,000,000)	(-26,443,000)	....
(By transfer, GNMA)	(9,383,000)	(9,383,000)	(9,383,000)	....	....
(By transfer, Community Planning and Development)	(1,000,000)	(1,000,000)	(1,000,000)	....	....
(By transfer, Title VI)	....	(200,000)	(200,000)	(+200,000)	....
(By transfer, Indian Housing)	....	(400,000)	(400,000)	(+400,000)	....
Total, Salaries and expenses	(1,000,826,000)	(1,000,826,000)	(985,826,000)	(-15,000,000)	(-15,000,000)

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4194)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Office of Inspector General	40,567,000	34,507,000	49,567,000	+9,000,000	+15,060,000
(By transfer, limitation on FHA corporate funds)	(16,283,000)	(22,343,000)	(22,343,000)	(+6,060,000)	
(By transfer from Drug Elimination Grants)	(10,000,000)	(10,000,000)	(10,000,000)		
Total, Office of Inspector General	(66,850,000)	(66,850,000)	(81,910,000)	(+15,060,000)	(+15,060,000)
Office of federal housing enterprise oversight	16,000,000	16,551,000	16,551,000	+551,000	
Offsetting receipts	-16,000,000	-16,551,000	-16,551,000	-551,000	
Administrative Provisions					
Sec 8 Portfolio Reengineering	-562,000,000			+562,000,000	
Single Family Property Disposition		-400,000,000			+400,000,000
Total, title II, Department of Housing & Urban Development (net)	21,444,565,000	24,815,263,705	26,553,178,030	+5,108,613,030	+1,737,914,325
Appropriations	(24,476,755,000)	(24,815,263,705)	(26,553,178,030)	(+2,076,423,030)	(+1,737,914,325)
Rescissions	(-3,032,190,000)			(+3,032,190,000)	
(Limitation on guaranteed loans)	(258,661,000,000)	(278,100,000,000)	(279,361,000,000)	(+20,700,000,000)	(+1,261,000,000)
(Limitation on corporate funds)	(581,109,000)	(561,326,000)	(561,326,000)	(-19,783,000)	
TITLE III					
INDEPENDENT AGENCIES					
Department of Defense - Civil					
American Battle Monuments Commission					
Salaries and expenses	26,897,000	23,931,000	26,431,000	-466,000	+2,500,000
Chemical Safety and Hazard Investigation Board					
Salaries and expenses	4,000,000	7,000,000	6,500,000	+2,500,000	-500,000
Department of the Treasury					
Community Development Financial Institutions					
Community development financial institutions fund program account	80,000,000	125,000,000	80,000,000		-45,000,000
Consumer Product Safety Commission					
Salaries and expenses	45,000,000	46,500,000	46,000,000	+1,000,000	-500,000
Corporation for National and Community Service					
National and community service programs operating expenses	425,500,000	499,316,000		-425,500,000	-499,316,000
Office of Inspector General	3,000,000	3,000,000		-3,000,000	-3,000,000
Total	428,500,000	502,316,000		-428,500,000	-502,316,000
Court of Veterans Appeals					
Salaries and expenses	9,319,000	10,195,000	10,195,000	+876,000	
Department of Defense - Civil					
Cemeterial Expenses, Army					
Salaries and expenses	11,815,000	11,666,000	11,666,000	-149,000	
Environmental Protection Agency					
Science and Technology	631,000,000	632,090,000	656,505,000	+25,505,000	+24,415,000
Transfer from Hazardous Substance Superfund	35,000,000	40,200,800	40,000,000	+5,000,000	-200,800
Subtotal, Science and Technology	666,000,000	672,290,800	696,505,000	+30,505,000	+24,214,200
Environmental Programs and Management	1,801,000,000	1,990,150,000	1,856,000,000	+55,000,000	-134,150,000
Office of Inspector General	28,501,000	31,154,000	31,154,000	+2,653,000	
Transfer from Hazardous Substance Superfund	11,641,000	12,237,300	12,237,000	+596,000	-300
Subtotal, OIG	40,142,000	43,391,300	43,391,000	+3,249,000	-300
Buildings and facilities	109,420,000	52,948,000	60,948,000	-48,472,000	+8,000,000
Advance appropriation, FY 2000		40,700,000			-40,700,000
Subtotal	109,420,000	93,648,000	60,948,000	-48,472,000	-32,700,000
Hazardous Substance Superfund	1,400,000,000	2,092,745,000	1,400,000,000		-692,745,000
Delay of obligation	100,000,000		100,000,000		+100,000,000
Transfer to Office of Inspector General	-11,641,000	-12,237,300	-12,237,000	-596,000	+300
Transfer to Science and Technology	-35,000,000	-40,200,800	-40,000,000	-5,000,000	+200,800
Subtotal, Hazardous Substance Superfund	1,453,359,000	2,040,306,900	1,447,763,000	-5,596,000	-592,543,900
Leaking Underground Storage Tank Trust Fund	65,000,000	71,210,000	70,000,000	+5,000,000	-1,210,000
(Limitation on administrative expenses)	(7,500,000)			(-7,500,000)	
Oil spill response	15,000,000	17,321,400	15,000,000		-2,321,400
(Limitation on administrative expenses)	(9,000,000)			(-9,000,000)	
State and Tribal Assistance Grants	2,468,125,000	2,028,000,000	2,348,475,000	-119,650,000	+320,475,000
Categorical grants	745,000,000	874,657,000	884,657,000	+139,657,000	+10,000,000
Subtotal, STAG	3,213,125,000	2,902,657,000	3,233,132,000	+20,007,000	+330,475,000
Working capital fund	(101,000,000)			(-101,000,000)	
Total, EPA for FY 1998/1999	7,363,046,000	7,790,275,400	7,422,739,000	+59,693,000	-367,536,400
Advance appropriations, FY 2000		40,700,000			-40,700,000

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4194)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Executive Office of the President					
Office of Science and Technology Policy	4,932,000	5,026,000	5,026,000	+94,000	
Council on Environmental Quality and Office of Environmental Quality	2,500,000	3,020,000	2,675,000	+175,000	-345,000
Unanticipated needs	1,000,000			-1,000,000	
Total	8,432,000	8,046,000	7,701,000	-731,000	-345,000
Federal Deposit Insurance Corporation					
Office of Inspector General (transfer)	(34,365,000)	(34,666,000)	(34,666,000)	(+301,000)	
Federal Emergency Management Agency					
Disaster relief	320,000,000	307,745,000	307,745,000	-12,255,000	
Contingent emergency funding	1,600,000,000	626,298,000		-1,600,000,000	-626,398,000
Pre-disaster mitigation		50,000,000			-50,000,000
Disaster assistance direct loan program account:					
State share loan	1,495,000	1,355,000	1,355,000	-140,000	
(Limitation on direct loans)	(25,000,000)	(25,000,000)	(25,000,000)		
Administrative expenses	341,000	440,000	440,000	+99,000	
Salaries and expenses	171,773,000	172,438,000	171,138,000	-635,000	-1,300,000
Office of Inspector General	4,803,000	4,930,000	4,930,000	+127,000	
Emergency management planning and assistance	243,546,000	206,674,000	231,674,000	-11,872,000	+25,000,000
Radiological emergency preparedness fund		12,849,000	12,849,000	+12,849,000	
Collection of fees		-12,849,000	-12,849,000	-12,849,000	
Emergency food and shelter program	100,000,000	100,000,000	100,000,000		
National Flood Insurance Fund (limitation on admin expenses):					
Salaries and expenses	(21,610,000)	(22,685,000)	(22,685,000)	(+1,075,000)	
Flood mitigation	(78,464,000)	(78,464,000)	(78,464,000)		
Administrative provision: REP savings	-12,000,000			+12,000,000	
Total, Federal Emergency Management Agency	829,958,000	843,582,000	817,282,000	-12,676,000	-26,300,000
Emergency funding	1,600,000,000	626,298,000		-1,600,000,000	-626,298,000
Total	2,429,958,000	1,469,878,000	817,282,000	-1,612,676,000	-652,596,000
General Services Administration					
Consumer Information Center Fund	2,419,000	2,419,000	2,619,000	+200,000	+200,000
National Aeronautics and Space Administration					
Human space flight	5,506,500,000	5,511,000,000	5,309,000,000	-197,500,000	-202,000,000
(By transfer)	(53,000,000)			(-53,000,000)	
Advance appropriation, FY 2000		2,134,000,000			-2,134,000,000
Advance appropriation, FY 2001		1,933,000,000			-1,933,000,000
Advance appropriation, FY 2002		1,766,000,000			-1,766,000,000
Advance appropriation, FY 2003		1,546,000,000			-1,546,000,000
Advance appropriation, FY 2004		350,000,000			-350,000,000
Science, aeronautics and technology	5,690,000,000	5,457,400,000	5,541,600,000	-148,400,000	+84,200,000
Mission support	2,433,200,000	2,476,600,000	2,458,600,000	+25,400,000	-18,000,000
Office of Inspector General	18,300,000	20,000,000	19,000,000	+700,000	-1,000,000
Total, NASA for FY 1998/1999	13,648,000,000	13,465,000,000	13,328,200,000	-319,800,000	-136,800,000
Advance appropriation, FY 2000		2,134,000,000			-2,134,000,000
Advance appropriation, FY 2001 - 2004		5,595,000,000			-5,595,000,000
National Credit Union Administration					
Central liquidity facility:					
(Limitation on direct loans)	(600,000,000)	(600,000,000)	(600,000,000)		
(Limitation on administrative expenses, corporate funds)	(203,000)	(176,000)	(176,000)	(-27,000)	
Revolving loan program	1,000,000		2,000,000	+1,000,000	+2,000,000
National Science Foundation					
Research and related activities	2,545,700,000	2,846,800,000	2,745,000,000	+199,300,000	-101,800,000
Major research equipment	74,000,000	94,000,000	90,000,000	+16,000,000	-4,000,000
Delay of obligation	35,000,000			-35,000,000	
Large Hadron Collider, advance approp, FY 2000		15,900,000			-15,900,000
Advance appropriation, FY 2001		16,370,000			-16,370,000
Advance appropriation, FY 2002		16,860,000			-16,860,000
Advance appropriation, FY 2003		9,720,000			-9,720,000
South Pole Station, advance approp, FY 2000		22,400,000			-22,400,000
Advance appropriation, FY 2001		13,500,000			-13,500,000
Education and human resources	632,500,000	683,000,000	642,500,000	+10,000,000	-40,500,000
Salaries and expenses	136,950,000	144,000,000	144,000,000	+7,050,000	
Office of Inspector General	4,850,000	5,200,000	5,200,000	+350,000	
Total, NSF for FY 1998/1999	3,429,000,000	3,773,000,000	3,626,700,000	+197,700,000	-146,300,000
Advance appropriation, FY 2000		38,300,000			-38,300,000
Advance appropriation, FY 2001 - 2004		56,450,000			-56,450,000
Neighborhood Reinvestment Corporation					
Payment to the Neighborhood Reinvestment Corporation	60,000,000	90,000,000	90,000,000	+30,000,000	

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4194)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Department of Defense - Civil					
Selective Service System					
Salaries and expenses	23,413,000	24,940,000	24,176,000	+763,000	-764,000
Total, title III, Independent agencies, FY 98/99	25,970,799,000	26,723,870,400	25,502,209,000	-468,590,000	-1,221,661,400
Emergency funding	1,600,000,000	626,296,000		-1,600,000,000	-626,296,000
Total	25,570,799,000	27,350,166,400	25,502,209,000	-2,068,590,000	-1,847,957,400
Advance appropriation, FY 2000		2,213,000,000			-2,213,000,000
Advance appropriation, FY 2001 - 2004		5,651,450,000			-5,651,450,000
(Limitation on administrative expenses)	(116,574,000)	(101,149,000)	(101,149,000)	(-15,425,000)	
(Limitation on direct loans)	(625,000,000)	(625,000,000)	(625,000,000)		
(Limitation on corporate funds)	(203,000)	(176,000)	(176,000)	(-27,000)	
TITLE IV - GENERAL PROVISIONS					
FHA loan limits (sec 424)			-83,000,000	-83,000,000	-83,000,000
VA - Medical and prosthetic research (sec 424)			10,000,000	+10,000,000	+10,000,000
NSF - Research and related activities (sec 424)			70,000,000	+70,000,000	+70,000,000
Total, title IV, General provisions			-3,000,000	-3,000,000	-3,000,000
Grand total for FY 1998/1999	88,392,163,000	93,688,871,105	94,370,545,030	+5,978,382,030	+681,673,925
Emergency funding	1,600,000,000	626,296,000		-1,600,000,000	-626,296,000
Total	89,992,163,000	94,315,167,105	94,370,545,030	+4,378,382,030	+55,377,925
Advance appropriation, FY 2000		2,213,000,000			-2,213,000,000
Advance appropriation, FY 2001 - 2004		5,651,450,000			-5,651,450,000
(By transfer)	(87,426,000)	(34,727,000)	(34,727,000)	(-52,699,000)	
(Limitation on administrative expenses)	(116,574,000)	(101,149,000)	(101,149,000)	(-15,425,000)	
(Limitation on direct loans)	(1,021,451,000)	(796,655,000)	(796,655,000)	(-224,796,000)	
(Limitation on guaranteed loans)	(258,661,000,000)	(278,100,000,000)	(279,361,000,000)	(+20,700,000,000)	(+1,261,000,000)
(Limitation on corporate funds)	(581,312,000)	(561,502,000)	(561,502,000)	(-19,810,000)	
Total amounts in this bill	89,992,163,000	102,179,617,105	94,370,545,030	+4,378,382,030	-7,809,072,075
Scorekeeping adjustments	32,100,000	-8,934,450,000	-1,070,000,000	-1,102,100,000	+7,864,450,000
Total mandatory and discretionary	90,024,263,000	93,245,167,105	93,300,545,030	+3,276,282,030	+55,377,925
Mandatory	22,066,727,000	22,276,095,000	22,276,095,000	+209,368,000	
Discretionary:					
Defense	128,413,000	130,940,000	130,176,000	+1,763,000	-764,000
Nondefense	67,829,123,000	70,838,132,105	70,894,274,030	+3,065,151,030	+56,141,925
Total, Discretionary	67,957,536,000	70,969,072,105	71,024,450,030	+3,066,914,030	+55,377,925

Mr. LEWIS of California. Mr. Chairman, I reserve the balance of my time.

Mr. STOKES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before making my formal remarks, I want to take just a moment to express to the gentleman from California (Mr. LEWIS), the chairman, the extreme pleasure and honor I deem it to have been able to work with him on the VA-HUD subcommittee for so many years. During that period of time he and I have been able to establish a very personal friendship, and I think it is important for all my colleagues to know and understand that the bill that we bring before the House today is one that he and I have crafted together, under circumstances where he has at all times been extremely fair to me. He has been cooperative in every respect, in terms of all of my concerns relative to this legislation, and serving with the gentleman has been one of the great honors of my career. I want him to know that, as we take this bill through the House, that all the courtesies, all the professional consideration that he has afforded me is deeply appreciated.

Mr. Chairman, this is a bittersweet moment, bringing to the floor with my chairman the last VA-HUD spending measure that I will have the privilege to handle. In many ways, this 1999 bill resembles all the earlier bills of this subcommittee that I have worked on. It does much to provide for veterans, for housing, community development, for environmental protection and emergency management, and for science and education throughout the Nation. Unfortunately, it also falls short in satisfying many of the legitimate needs in some of these areas.

There is much in this legislation that I am proud of and I support without hesitation. There are also provisions and funding levels that I hope will be changed as we move through the process.

The gentleman from California has detailed the important aspects of the bill and I will not repeat them. I would like to take a moment or two, though, to address a few areas of the bill.

In the housing area I am pleased to say that we have been able to provide badly needed increases in some programs, including public housing capital funds, the Hope VI program for modernization of distressed public housing, and homeless assistance grants. I am also glad to report that the bill provides an increase for fair housing programs, and I appreciate the efforts of both the gentleman from California (Mr. LEWIS), the chairman, and also our colleague, the gentleman from Michigan (Mr. KNOLLENBERG), in working out a mutually satisfactory arrangement in this area.

Another positive development in the bill is the 17,000 new housing assistance vouchers that are provided to help families make the transition from welfare to work. However, I note the number provided is considerably less than the number requested by the administration, which was 50,000 vouchers for welfare to work and another 34,000 vouchers to help provide permanent homes for the homeless. These are areas where the need is great, and I intend to offer an amendment to increase the number of new vouchers provided.

The administration is very concerned that the committee's bill includes no funding for the corporation for national and community service, the AmeriCorps program. I think everyone in the chamber knows that there will be no signed VA-HUD bill without adequate AmeriCorps funding. Apparently, a majority of the House believe some measure of victory can be claimed if the bill, as passed by the House, contains no funding for this initiative, even if the conference agreement does. At any rate, I am sure that the bill presented to the President will contain funding for AmeriCorps.

Another provision that causes the administration much concern is that dealing with the Kyoto protocol. The administration has repeatedly stated that there will be no implementation of the Kyoto protocol unless and until the Senate ratifies a treaty. Thus, the provision is unnecessary and the accompanying report language is so broad and vague as to be nearly meaningless. But the signal it might send to some, that even working for educational and outreach purposes is not to be permitted, is, to me, just plain short-sighted.

Funding for EPA's Superfund program has been capped at last year's level of $1.5 billion, $650 million below the request. In addition, brownfields funding has been reduced $15 million below the 1998 level, and the bill contains a provision limiting those funds to assessments only, no money for brownfields cleanups.

Most of the Nation's mayors strongly support the brownfields program and regard the lack of funds for cleanup as the number one impediment in realizing the full potential of the program. At the appropriate time, I will offer an amendment, along with the gentlewoman from Colorado (Ms. DEGETTE), to strike the provision limiting the brownfields program.

The bill, as reported from committee, contained a troubling provision for the Consumer Product Safety Commission that has the effect of delaying possible rulemaking regarding fire-retardant chemicals in upholstered furniture. The provision was a triumph of the special interests over the national good of saving lives and money currently lost through fires involving furniture that does not have fire-retardant aspects. The rule we adopted included a self-executing provision that modified the original language. While the new provisions are a modest improvement, they still would have the effect desired by industry of delaying CPSC's rulemaking.

The National Science Foundation fared pretty well in the committee's recommendations, receiving about two-thirds of the requested increase for research activities. Still, I wish we could have done more, and especially in the area of education and human resources. For NASA's science programs, we were able to provide an increase above the budget, but the recommended amount is still nearly $150 million below the 1998 level. And the problems with the International Space Station continue. I am afraid our recommended cut of $170 million would have to be restored at some point.

If the estimates of the independent Chabrow report on the station are correct, chances are very good that even more funds than those requested in the budget will be required. I will do my best to ensure that the agency's science programs are not the source from which we make up the inevitable shortfalls in the space station.

In closing, let me say once again that it has been a true pleasure to work with the gentleman from California (Mr. LEWIS), the chairman, on this bill. We do not always agree completely on every measure, but we have been able to resolve our differences always in an amicable manner.

I want to thank him and his staff for all the courtesies and consideration that they have extended to me. I particularly want to say a word of thanks to Frank Cushing, the subcommittee's staff director, and along with the chairman I want to extend my condolences to Frank and Amy over the passing of her father.

I also want to express my appreciation of Paul Thompson, Tim Peterson, Valerie Baldwin, Dena Baron, who is a detailee to our subcommittee, along with Jeff Shockey and Alex Heslop on the Chairman's personal staff. And my special thanks also to two of the members of the minority staff who have been invaluable to me, Del Davis and David Reich, along with Fredette West of my own congressional staff.

Mr. Chairman, I just want to say again that no matter what our differences are relative to this bill, I believe that the chairman and I, in taking this bill to conference, will be able to work out those differences and bring back to this House the kind of a bill that we can all support.

Mr. Chairman, I reserve the balance of my time.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. JOE KNOLLENBERG), my colleague from the committee.

Mr. KNOLLENBERG. Mr. Chairman, I thank the chairman for yielding me this time, and I rise today in strong support of this bill.

Mr. Chairman, I particularly want to thank the chairman of the subcommittee, the gentleman from California (Mr. LEWIS), and I also want to extend thanks to the ranking member, the gentleman from Ohio (Mr. LOUIS STOKES). As everybody knows, he is retiring this year. And while he has received a number of accolades, we continue to add to those, and I want to express mine again today. I want to join my colleagues in wishing him a fond farewell. He served the body well, he served his constituents well, and he will be missed.

I would also like to thank, in particular, the staff. Frank Cushing, who, as has been mentioned, could not be here today because of his loss. We extend our thoughts and prayers to Frank and his family. I want to, in particular, though, thank this staff, all of them, who have been remarkably and extraordinarily helpful in a whole lot of things, so they deserve a lot of credit for helping us craft this bill.

This appropriation bill is unique in that it covers an array of diverse agencies, ranging from the VA to NASA to the EPA. And it is not easy to bring this wide range of interests together into a single bill. However, the chairman, along with the ranking member, have done, I think, a great job by forging a relationship that makes this all possible.

H.R. 4194 is a good bill. However, there is one issue I would like to stress. We have reiterated in report language our intent and expectation that HUD will adhere to our guidance and award no funds for insurance-related purposes, even as part of awards to groups that may use their FHIP funds for a variety of enforcement activities. FHIP, as everyone must know, should know, is the Fair Housing Initiatives Program.

I further want to emphasize that the report allocates a portion of FHIP appropriations to a nationwide audit of discrimination in housing rentals and sales in 20 communities. Because this proposed audit is part of the FHIP, and because its purpose is to investigate discrimination in housing rentals and sales, there should be no question that any of the funds allocated for it can be used to investigate practices of property insurers. However, because HUD has, in the past, interpreted the Fair Housing Act very liberally, I believe it is necessary to underscore this point.

The committee report can only be understood to mean that absolutely no funds, no FHIP funds, including those for the nationwide audit and any awards for packages of activities by private groups, are to be spent on activities focused on practices of property insurers or their agents.

Mr. STOKES. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY), the distinguished ranking member of the full Committee on Appropriations.

Mr. OBEY. Mr. Chairman, I would like to say that as much as I would like to support this bill, I cannot, for a number of reasons.

First of all, the Committee on Rules, in the action of this House yesterday, made in order a totally illegitimate amendment to this bill by adding the 300-page housing bill and authorization bill. And I want to read my colleagues something that I just picked up on the press out of U.S. News today.

It said that the legislation would raise the income levels of people eligible for public housing. The bill would give greater priority to people making as much as $40,000 to be admitted to public housing, allowing them to gain housing before lower-income families. Since no new public housing is being built, and existing waiting lists are years long, these lower-income families will have no option whatsoever. A total of 3 million low-income people would be denied access to public and federally assisted housing, including 1.8 million seniors and children.

It went on to quote Secretary Cuomo, HUD Secretary Cuomo, as saying it is inexcusable that we would take the few units of affordable housing this Congress has allowed to remain and remove it from the grasp of the most vulnerable Americans. This means no housing for America's most vulnerable.

I think that this Congress has no business attaching a proposal like that to this bill.

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Secondly, I would point out that there are a number of funding level problems with this bill. The brownfields program is reduced 18 percent below the President's request. There is very broad and vague language in the report language which relates to the Kyoto Protocol on climate change.

I agree with those who say that we should not be taking actions to implement any treaty before that treaty is ratified, and I would not vote for that treaty under existing circumstances because of what it does not require other countries, such as China, to do. It is simply not strong enough.

But I, nonetheless, believe that the committee language is far too broad. It even presents educational information about the issue. And I think that that is clearly simply a favor to special interests and it is a long-term detriment to America's public health and to the stability of the world's economy and its climate.

I would say that this also, in my view, underfunds what we ought to be doing with veterans' health care. And in my judgment, the reason that we are underfunding veterans' health care, underfunding housing, underfunding EPA, Superfund and a variety of other programs is because we have in this bill some $3½ billion of veterans' health care costs which are related to the treatment of tobacco-related diseases. And it seems to me that the taxpayer should not be paying for the treatment of those diseases, the tobacco companies should.

Since the Committee on Rules determined it was going to make in order an irrelevant authorization bill, I asked the Committee on Rules to make in order a relevant authorization amendment; and that amendment would have simply said that instead of the taxpayers being stuck with that $3½ billion worth of tobacco-related health treatment cost that the tobacco companies be assessed to pay for those costs. That would have enabled us to increase health care for veterans in this bill by $1.7 billion and to do some other things about some of these drastic shortfalls that will only get worse as the problems are compounded.

The Committee on Rules did not choose to do that. That means, in my view, that this bill is essentially an inadequate bill. And until it is, I have no intention whatsoever of voting for that.

I do not make these statements to in any way criticize the gentleman from Ohio (Mr. STOKES) or the gentleman from California (Mr. LEWIS). They have done the best they can within the allocation given them. But the fact is that the allocation is stupid and the fact is that the Congress is stupid if it does not find a way to require tobacco companies to meet health care costs that the taxpayers should not be saddled with. And until we do that, we are not going to have the resources to meet the other needs facing this country.

It is about time that big tobacco does not have the ear of this Congress. It is about time that big business loses the ear of this Congress. It is about time that the public interest once again prevails.

And, in my view, with the priorities that have been set at a higher level than the subcommittee has the authority to do anything about, until those priorities are changed, we should not be supporting the outcome of those priorities.

Mr. LEWIS of California. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the VA-HUD Appropriations Bill. And as a member of the committee, I would like to thank the chairman the gentleman from California (Mr. LEWIS) and the ranking member the gentleman from Ohio (Mr. STOKES) and their staffs for their hard work and guidance throughout this year on a whole host of issues, and most particularly the gentleman from California (Mr. LEWIS) for his extra efforts working with me to improve the

Superfund program, which is so important to New Jersey, and the special attention of the gentleman and our staff to issues affecting housing for people with disabilities. Were it not for their hard work and diligence, those two issues, to my mind, would not be adequately addressed.

And I would be remiss, Mr. Chairman, if I did not commend and recognize the years of service of the ranking member the gentleman from Ohio (Mr. STOKES).

My colleague served with my father in Congress when he was in Congress and was one of the first people to welcome me to this body. His presence in Congress, as well as his service on this committee, will be greatly missed. I have been able to count on his expertise any number of times. His institutional memory is amazing. And his retirement will, without doubt, affect the committee in countless ways. I thank the gentleman for his friendship and advice.

Mr. Chairman, I would also like to briefly call to my colleagues' attention page 11 of the committee's report and thank both the ranking member and the chair for their agreeing to include this language.

This language highlights the problems with the Veterans Administration's new National Formulary for drugs and medical devices. This is a potentially explosive issue, and Members of Congress better have it on their radar screens.

Simply put, the new VA policy is hindering proper medical treatment of veterans by drastically limiting physicians' in the VA choice of medicine from a list, or a formulary, that they can prescribe to treat our veterans.

As this new policy is gradually being put into effect, doctors, residents of our VA hospitals, and veterans organizations familiar with the system have relayed some disturbing results. The stories I have heard from our veterans strike right at the quality of life and care issues, including one veteran who was forced to switch his Parkinson's medication and, as a result, is having a recurrence of his Parkinson's symptoms.

By putting overly restrictive limitations on which type of a medicine a VA doctor can choose, we are severely restricting access to the newest and most effective medications available. Unfortunately, bureaucrats at the VA are assuming that "one size fits all" when it comes to medicine. Well, one medicine does not fit all.

I urge all of my colleagues to review this language and listen to what our veterans and the National Alliance for the Mentally Ill are saying about this issue. This is a critical issue. I support this bill. This particular issue is one that we should be concentrating on.

Mr. STOKES. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Virginia (Mr. MOLLOHAN) the very hard working and highly respected member of the subcommittee.

Mr. MOLLOHAN. Mr. Chairman, I appreciate the time that the ranking member has given me to make a few comments on this bill, and I rise to generally express my satisfaction for the bill in the main.

First let me compliment our chairman the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) for the quality of their contribution to this bill. Year in and year out, through the process of marking up this bill putting it together, these two gentlemen, real gentleman, work extremely hard applying their very formidable talents to coming forth with an extraordinary piece of legislation under the circumstances that they find themselves and under the allocations that they are given.

This is I will note, and I will have more to say on it later, the last bill of the gentleman from Ohio (Mr. STOKES) the last time he will be bringing this bill before the full House. And we are terribly appreciative of his wonderful service over many, many years.

Every year, the Subcommittee on VA, HUD and Independent Agencies works to strike the right balance in funding what is really an eclectic mission of vital services and programs to our people. I hope that every Member of this House appreciates not only the difficulty of that task but also the sense of fairness that the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) bring to it. Their conscientious approach is certainly evident in the bill that is before us now.

And in review of it, I am especially pleased with the increased funding for Veterans Affairs regarding medical and prosthetic research that we are committing major resources to HUD, funding the important Community Development Block Grant and Public Housing Operating grants, that we are increasing money to the EPA for science and technology research, including research on particulate matter, and that we are giving greater resources for water assistance grants, which are so critical to the health of our local communities.

Of course, no appropriation bill can be all things to all people. Everyone here accepts that fact. But today we have been asked to accept something more, and it is very unfortunate that extraneous legislation has been made in order by the rule. Our appropriations bill is not the place for it, and that is why I join so many of my colleagues in opposing the rule.

But this appropriations bill is a good bill, and I look forward to working with the chairman and ranking member in making it better by increasing funding to underfunded programs as we move the bill through the process.

Mr. LEWIS of California. Mr. Chairman, it is my pleasure to yield 2¼ minutes to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, I certainly thank the chairman for yielding.

Mr. Chairman, I want to commend the committee for the work that they have done on this well-rounded bill. I have a few problems with the environmental riders, but let us put that aside for now and speak about the positives in this bill.

First let me indicate that I want to support and identify myself with the comments of my colleague the gentleman from New Jersey (Mr. FRELINGHUYSEN) particularly on the issue he outlined with respect to the Veterans Administration.

I certainly say we must accept the fact that this bill contains language concerning a time credit of $20 million to the Veterans' Integrated Service network. And that is what is needed, particularly in New Jersey and for the northeast.

There are certifiable needs throughout New Jersey, from East Orange and the Lyon's facility and throughout other veterans hospitals in the region. And I certainly call upon the Secretary of the VA to act immediately on the committee's direction after this bill is signed into law.

But let me give a little more time to the subject of the FHA single-family mortgage issue. I want to rise in strong support of this subject. It is strongly needed. The increase in the FHA loan limit is an issue that we have long supported on the Committee on Banking and Financial Services.

The gentleman from Florida (Mr. MCCOLLUM) and I have worked together to urge attention of the committee to this issue. And certainly, there is nothing that is more representative of the American dream than the 64-year history of the FHA single-family insurance program.

And particularly, as a representative from New Jersey, I want to point out that in states like New Jersey, but not exclusively New Jersey, where loan prices are traditionally higher than in other parts of the country, the increase is fundamental if the FHA loan program is to be a viable one. We need this increase urgently, it is overdue. And I thank the committee for their intelligent and far-reaching, far-searching work on this issue.

I want to commend the Committee for its work on what I consider to be a well-rounded bill. While I do have reservations on several of the so-called "environmental riders" included in this legislation, I want to rise in strong support of the provisions to increase the FHA single-family mortgage insurance limit. In addition to it being good public policy, the revenues raised by this measure are being put toward necessary programs—$10 million in needed medical research for disabled veterans, and

$70 million to the National Science Foundation which will be used by colleges and universities, like Rutgers and Princeton in my own state of New Jersey, to help educate our next generation of scientists.

The increase in the FHA loan limit is an issue that I have long supported. For a state like New Jersey this increase is key. I worked with Congressman McCOLLUM to gather signatures on a letter to Chairman LEWIS and Ranking Minority Member LOUIS STOKES urging that this provision be included in the VA/HUD bill.

Throughout its 64-year history, the FHA single family insurance has enabled millions of American families to achieve the dream of home ownership—The American Dream—at no cost to taxpayers. It has provided countless home ownership opportunities to millions of deserving families who were denied or deprived of owning a home through the conventional market. The FHA program has also generated significant revenue benefiting the U.S. Treasury and helped stimulate our nation's economy through housing and neighborhood development.

Yet, FHA's effectiveness is limited because its loan limits have not been allowed to keep pace with market development and changes. Many families have been denied home ownership opportunities because the arbitrary constraints on the maximum mortgage amount prevent FHA from reaching many moderate-income families. In States like New Jersey where home prices are traditionally higher than in other parts of the country, the increase is fundamental if the FHA loan program is to be viable.

Under the measure included in the committee-reported bill, the general limit on FHA loans would be increased from $86,317 to $109,032 (i.e. from 38% to 48% of the Fannie Mae and Freddie Mac "conforming" loan limit), while the limit on FHA loans in high-cost areas would be increased from $170,362 to $197,620 (i.e. from 75% to 87% of conforming loan limit). The Administration had requested that FHA loan limits be raised to a nationwide ceiling of $227,150. The provisions included in this bill represent a fair common sense compromise that will provide a measure of fairness to American consumers residing in under served markets, and generate $80 million in additional revenues.

Home ownership is the cornerstone of the American Dream. This FHA loan-limit increase proposal included in the bill helps to further that dream for many hard-working Americans who reside in those markets that are currently under served.

Mr. Chairman, I rise today to speak on an issue that is vital to the veterans of New Jersey and the Northeast.

This bill contains language that urges the Veterans Administration to provide for a one time credit of $20 million to the Veterans Integrated Service Network (VISN) Three, which serves veterans of New Jersey and the Northeast. This language is right and fair.

The General Accounting Office (GAO) revealed that the Network 3 Director, James Farsetta, returned $20 million for the Fiscal Year 1997 budget to the Veterans Administration national offices in Washington. According to the GAO, the Network 3 Director found "no prudent use" for these funds. Frankly, with all the funding cutbacks already negatively impacting the justifiable health care needs of the veterans of Network 3, I strongly believe that there are many prudent ways this money could be spent.

At the same time this money was returned to Washington, my office had numerous certifiable complaints from the East Orange and Lyons facilities. Most recently, a patient at Lyons Veterans Affairs Medical Center, which mainly serves psychiatric patients, was found dead after wandering off site unsupervised. He was missing for three days and found only 150 feet from the Hospital's administration building. It is interesting to note that due to funding restraints, New Jersey's VA hospitals have eliminated over 240 jobs. It is obvious to me that the $20 million could have been spent in many prudent ways.

The implementation of the VA's new funding formula known as Veterans Equitable Resource Allocation (VERA) has negatively impacted funding of veterans' health care in New Jersey and the northeastern United States. New Jersey and the Northeast will lose millions of dollars over the next three years.

To save money, the VA has cut back on numerous services for veterans and instituted various managed care procedures that have the impact of destroying the quality of care the veterans receive. For instance, the VA has reduced the amount of treatment offered to those who suffer from Post Traumatic Stress Disorder (PTSD) and reduced the number of medical personnel at various health centers.

As a result of these cutbacks on top of the $20 million giveaway, there has been an erosion of confidence between veterans and the VA. This erosion threatens to destroy the solemn commitment that this Nation made to its veterans when they were called to duty.

I call on the Secretary of the VA to act immediately on the Committee's direction after this bill is signed into law.

The CHAIRMAN. The gentleman from California (Mr. LEWIS) has 11¾ minutes remaining, and the gentleman from Ohio (Mr. STOKES) has 13½ minutes remaining.

Mr. STOKES. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from Florida (Mrs. MEEK) another very distinguished member of our subcommittee and an extremely hard-working lady.

Mrs. MEEK of Florida. Mr. Chairman, I want to thank my colleague and admired member and leader the gentleman from Ohio (Mr. STOKES) and I want to thank my chairman, who has been both fair and efficient in this bill. And I am urging being the Congress to pass this VA-HUD bill.

It was the gentleman from Wisconsin (Mr. OBEY) who said that Congress is to define problems and differences and to devise solutions to these problems. I think that is the way the Subcommittee on VA, HUD and Independent Agencies worked to do this. They were not able in many instances to solve all the problems, but they did try to find solutions to many of them. And I want to commend our committee for that.

There are some things in the bill that I would like to go have seen to have appropriated more money to do the good things that we started some time ago, and one of them was the Corporation for National and Community Services. Another one is housing. And I think the committee addressed housing in a good way. But of course, the more housing vouchers we can receive in poor communities, the better it will be.

So I appreciate the committee addressing the housing voucher situation and raising that level. And I repeat, I would have liked to have seen more.

I would also like to see our committee continue in its direction to improve the environment, not to cut back with drastic reduction, but to continue to provide those assistance that we so desperately need.

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One of my other major concerns to the committee is that the Economic Development Initiative, which has helped so many of us in cities where we have so many poor people being helped by government, providing jobs, doing the kinds of things that good job creation can do, I want to commend the committee for looking at that, but we did not go far enough in providing enough money for the economic development initiative to take care of the cities.

Mr. LEWIS of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. HOBSON), a member of the committee, for a colloquy.

Mr. HOBSON. Mr. Chairman, I would like to ask the chairman of the subcommittee, my good friend, the gentleman from California (Mr. LEWIS) to enter into a colloquy to clarify report language in this bill pertaining to a rulemaking being considered by the EPA.

As my colleague knows, report language in this bill addresses the security risks associated with making risk management plan data available on the Internet under an EPA rulemaking according to section 112(r) of the Clean Air Act. Members of our committee have heard from many members of their community who expressed concern that making this information available to the public via the Internet could have grave consequences. This type of data, which is already available to relevant businesses and public safety and law enforcement officers, could result in mass destruction in the hands of those intent on doing harm. These security concerns have been echoed by law enforcement and national intelligence representatives in discussions with the EPA. However, the EPA has been unable to adequately address the national security concerns that have been raised.

Mr. Chairman, it is my understanding that discussions between representative law enforcement, the intelligence community and the EPA are ongoing and that a resolution of this issue will occur by the end of this year.

Would the gentleman agree that this is an accurate statement?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. HOBSON. I yield to the gentleman from California.

Mr. LEWIS of California. Yes, the EPA has been working closely with FBI and other law enforcement and security experts to develop a system limiting inappropriate access to such information. That system is expected to be completed by the end of 1998 as the committee expects to be updated on a monthly basis on the progress and development of security protocol.

Mr. HOBSON. Mr. Chairman, when will the agency actually implement the protocol?

Mr. LEWIS of California. The agency must include a formal protocol proposal as part of their fiscal year 1999 operations plan before implementing any security protocol.

Mr. HOBSON. I thank the gentleman from California for his clarification. I think we both agree that this issue is one of vital importance to our communities and law enforcement officials, and I appreciate the gentleman's assistance in this matter.

Mr. Chairman, before I conclude, I would just like to take this moment to thank a member of my staff who has worked on this. She has been with me for 7 years. Jennifer Cutcher is leaving to get married and move to Florida, and we are sorry to lose her in our office.

Mr. LEWIS of California. Mr. Chairman, I yield whatever time she might consume, within limits, to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY of New York. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to call attention to an item that is contained in the other body's VA-HUD appropriations bill. It is my understanding that the other body has allowed $7 million for the water systems improvement project in the village of Hempstead, New York. I say to the gentleman from California (Mr. LEWIS) this program is very important to a large number of my constituents. I would be interested in knowing if the gentleman will give consideration in conference to accepting this project?

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. MCCARTHY of New York. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I say to the gentlewoman from New York (Mrs. MCCARTHY), as we have discussed personally and in many a way she has attempted to bring this item to my attention, it indeed is our intention to address this question in the conference. We are going to do everything we can to not only recognize the importance but to assist the gentlewoman and her district as well.

Mrs. MCCARTHY of New York. Mr. Chairman, I thank the gentleman from California (Mr. LEWIS).

Mr. STOKES. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I want to, at the onset, recognize the service of our distinguished colleague from Ohio (Mr. STOKES) who has so ably led this subcommittee as initially chairman, first as a Member, of course, and finally now as ranking member. I think that his steady hand and intellect, keen intellect, and efforts have really done a remarkable job in terms of trying to deal with some of the neediest in our Nation. I am most familiar, of course, with his work on housing and our mutual interest in homelessness and other issues.

But, Mr. Chairman, just speaking to the merits of this briefly, I wanted to express my concerns about some of the fundamental problems with the bill that we have before us. Regrettably, we have serious problems, but it seems as though, notwithstanding positive revenue projections that continue to buoy our economy, that none of the benefit of that positive economy are translating into some of the essential programs that we should have, and this bill even falls short of the budget agreement that was written just last year with regards to some of the agreements on environmental expenditures.

I am very concerned about the attacks on the environment and the riders in this bill. I am concerned about the political game that is going on with regards to providing zero funding for AmeriCorps. I am concerned about the continued expenditure of billions of dollars on the space station, notwithstanding the fact that commitments year after year are not met. I am concerned about the fact that it is written in such a way as to cause these problems. And the fact is, if this were not enough, now we are going to pile onto this bill unrelated riders on bills such as the abolishment of some of the public housing responsibilities that the national government has committed to for the past fifty years.

Therefore, I rise to express my concerns and point out some fundamental problems in the VA–HUD Appropriations bill for FY 1999. Once again, the Republican led Appropriations Committee has provided an uneven product within sufficient resources to meet the needs identified by the Administration, the Congress and the American people. This bill has several serious flaws: it underfunds veterans medical care; attacks our natural resources and environment; abandons the Administration's AmeriCorps program and includes continued funding for a budget busting international space station that will cost American taxpayers more than $100 billion in the final form. In its current state as written, this bill has ensured a collision course with the Senate, House Democrats and the President, but the intended amendment and design crafted by the rule will further warp the measure beyond reason, taking on more controversy and a further blow to this measure's unbalance.

The VA–HUD bill appropriates a total of $42.3 billion for VA programs and benefits. Unfortunately, this bill underfunds veterans medical care. The report language states that the Committee has provided an increase for medical care to maintain the 1998 level. While technically true at the amount level, this is accomplished only by reducing funding for VA construction activities and projects by 20% less than current funding levels. Discounting this artifice, the total amount provided for veterans medical care is $276 million less than the 1998 level. According to the Independent Budget issued by major veteran service organizations, the Committee's recommendation is $525 million below the 1999 current service level, and nearly $1.8 billion below their recommended 1999 funding amount.

The funding levels for the housing and community development programs in the VA–HUD bill are satisfactory compared to 1998. The bill allocates $26.5 billion for HUD programs, an increase from FY 1998. The measure increases funding for the McKinney Homeless Assistance Act programs and with the inclusion of $100 million in new funds for incremental vouchers. Frankly, given the tremendous need for housing assistance that exists across this country, we could have used the entire Administration's request in incremental, or new, section 8 assistance. Given the fact the we have not received incremental funding for many years, however, this is a positive first step in recognizing the severity of the need. This urgent need would argue for the elimination of the provision in this measure which requires a three-month delay in re-issuance of section 8 housing vouchers and certificates. There is no public policy reason and only budget cost scoring behind this 3 month delay provision. It hopefully will be dropped before it becomes law and we will provide dollars without shift.

I am also very supportive of the changes to the FHA loan limit, an authorization matter with little to do with the appropriation, no doubt bouyed by the positive CBO scoring. Increases in the floor and the ceiling of the FHA loan limit will make a more viable FHA program because it will achieve market relevance. The increase in the ceiling to 87% of the conforming loan limit will help middle income home buyers in the high cost areas purchase homes. The 48% of the conforming loan limit for the FHA floor is approximately what the level was in an amendment I offered in the 1994 Housing Reauthorization bill. It's been too long a wait for action on FHA modernization. These changes are critically important to many, many areas of the country because the current floor, which serves as the minimum has not been high enough to cover the real costs of building a new home in most regions of the nation for a long time. The bill also makes a positive change that should help deal with disparities in limits in geographically contiguous areas.

I strongly oppose the amendment that will be offered by Mr. LAZIO to this bill later today.

His amendment would attach a reworked public housing measure, H.R. 2, to the appropriations bill. This remains a faulty policy and is potentially quite harmful to most communities. Attachment to the appropriations bill is shortsighted simply and an end run of a controversial bill around the process which could potentially stall the important HUD appropriations bill for FY99. This fundamental change being superimposed upon this bill should be considered upon its merits rather than placed upon a must enact funding measure.

In offering this amendment, and indeed protecting it under the rule from points of order, this House majority will be disrupting ongoing, bi-partisan negotiations to resolve major differences between H.R. 2 and its Senate counterpart, S. 462 attempting to gloss over legitimate policy differences on income targeting, "home rule" deregulations, minimum rents and other issues. While that process has not been in an actual House/Senate Conference, as it well should be, at least there have been ongoing discussions. This appropriations slam dunk will completely undermine that process. I urge opposition to the Lazio amendment, which will undercut the role of the authorizing committee and which could effectively jeopardize, for no legitimate reason, the progress being made by the positive HUD funding in this bill. I would suggest that the inclusion of the public housing controversy into the VA–HUD bill could be the last straw on the camel's back for many members trying to decide whether to support this appropriations bill.

I also want to note that I have filed several amendments to the HUD–VA bill. Two amendments would provide an additional $30 million to the highly successful, yet consistently under funded Federal Emergency Management Agency's (FEMA) Emergency Food and Shelter program. I don't intend to offer both but intend to discuss one. The charities that work in partnership with the FEMA program continue to be overloaded. Demand for food and shelter is rising and the funding level of EFS has, to say the least, not kept pace with the need.

The other amendment that I have filed would set in law a requirement that owners who intend to prepay their mortgage on low-income multifamily housing properties would have to provide one year notice to the local jurisdictions and to the tenants of those buildings, whose lives are being totally disrupted by such action. It is a reasonable amendment and one I hope this body will see fit to accept.

I note that the Community Development Financial Institutions (CDFI) fund has been allocated $80 million. I am working with my Chairwoman, Mrs. ROUKEMA, in the Banking Committee in the Financial Institutions Subcommittee on reauthorizing this program. We are making improvements, as the CDFI management has, in response to some of the concerns brought out over the last year or so. I think we will have a stronger, more viable CDFI as a result of those actions and that this program which can have such a positive impact in communities, indeed justifies a solid appropriation.

Disappointingly, this bill lacks adequate funding for much needed environmental cleanup and natural resources conservation. Specifically, $1.5 billion is included for the Environmental Protection Agency's (EPA) Superfund program. This amount is $650 million below the budget request and the level agreed to in last year's balanced budget agreement. As a result, numerous contaminated toxic waste sites throughout the country, including specific sites in my district in Minnesota, will remain hazardous to people's health. In addition, the popular and successful Brownfields program is reduced 18 percent below the Administration's request. For the second straight year, the Committee has limited the Brownfields program to assessments; no funding is available for toxic waste site cleanup. According to a report issued by the U.S. Conference of Mayors earlier this year: "Cities participating in the study identified several major obstacles to the redevelopment of Brownfields. Cities ranked the lack of cleanup funds as the number one impediment." This is certainly not the time to turn our backs on cleaning up toxic waste in our local communities who desperately need Federal assistance.

The Committee funded the Administration's Climate Change Technology Initiative at $99 million. This amount is less than one-half of the $205 million requested. Furthermore, the Leadership included vague language that limits the use of funds regarding activities related to the Kyoto Protocol on climate change. Specifically, this bill attempts to prohibit the use of funds in the act to "develop, propose, or issue rules, regulations, decrees, or orders for the purpose of implementing, or in contemplation of implementation, of the Kyoto Protocol. Under existing statutory authorities, the EPA has ongoing activities to develop and issue regulations that would be affected by the Kyoto provisions. Proponents of the provisions argue that this language prohibits the implementation of the Kyoto Protocol until ratification of a treaty by the Senate. However, I disagree. These provisions could well restrict the United States from playing a leadership role in the reduction of greenhouse gas emissions as they at least undercut the EPA moral leadership. Furthermore, the Committee report also balks at EPA's efforts to promote educational outreach and further research on the policies underlying the Kyoto Protocol until or unless the Protocol is ratified by the Senate. This clearly illustrates that the congressional leadership is indifferent to our environmental stewardship responsibilities in this Nation.

As reported, the bill contains no funding for the Corporation for National and Community Service, or AmeriCorps. This lack of language will terminate the programs. This continued effort by the House Republican Majority to eliminate the Administration's national service program will ensure confrontation with the Senate, who supports the program firmly, and the Administration. The Administration had made its support of AmeriCorps abundantly clear. Despite this, the Republican leaders once again have elected to support a charade of cutting or eliminating AmeriCorps funds in the House knowing the conference agreement with the Senate will restore them.

Furthermore, this bill appropriates $2.1 billion for continued development of the international space station. According to some of the most qualified scientists in America, the international space station has little or no scientific value and the American people will gain almost nothing except for the experience of wasting billions on building a space station in orbit. Congress should not invest another penny in this immensely overbudget and overdue program. This is money that can be used to strengthen our National Parks, reinvest in our children's education, provide adequate health care to our Nation's veterans and restore pre-1995 rescission level funding for the Federal Emergency Management Agency's (FEMA) Emergency Food and Shelter Program.

Overall, this legislation meets some of the needs of our Nation's veterans and makes a good first step in the right direction for low-income housing programs. However, I agree with the Administration that this legislation is highly flawed in its attacks upon environmental cleanup, elimination of the successful AmeriCorps program and a budget busting international space station. I urge all Members to vote no on this measure.

Mr. LEWIS of California. Mr. Chairman, I have no additional requests for time, so I reserve the balance of my time.

Mr. STOKES. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, I want to commend both the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) for putting together a very reasonable piece of legislation. However, I have one concern which I want to bring to the floor.

The $16 billion upholstery manufacture industry will receive an early Christmas present this year, Mr. Chairman. The industry is laughing its way to the bank. Thousands of Americans might die in house fires. They will be burnt to death because the industry spent thousands of dollars lobbying against a national upholstery flammability standard. This absolves the industry from responsibility and preventing their products from literally going up in smoke.

Thirty-seven hundred people a year are killed by house fires. One thousand of them are children, twice as likely to die in a fire than adults. An additional 1,700 youngsters are injured due to residential fires. This bill blocks the progress that the Consumer Product Safety Commission has made in the development of an upholstered furniture flammability standard. This provision not only delays the project but is totally redundant, provides no further benefit to the American public.

Upholstered furniture fires are the number one fire hazard in this country, yet we are still waiting for flammability standards, and while we wait over 25,000 men, women and children have died as a result of burning furniture. The Consumer Product Safety Commission calculates that an upholstery flammability standards will have an annual net savings of $300 million. This $300 million will go directly to American taxpayers because their local fire departments will not be called to extinguish as many residential fires.

Prevention of fires is not just a noteworthy goal. Flammability standards are attainable, they are cost effective, and they make sense. We already require institutions such as hospitals and prisons to purchase flame-retardant furniture. Are we saying that we are more interested in protecting prisoners from upholstery fires than our children?

Mr. STOKES. Mr. Chairman I yield 2 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I thank our ranking member for all the work he has done over so many years on important issues, particularly on his pro-environmental stance.

Mr. Chairman, I rise today because of my concerns over the anti-environmental riders in this bill. As in years past, the Republican majority has once again inserted a number of anti-environmental riders into the bill and its accompanying report. As I am sure we all remember, similar efforts in years past came to no good, eventually resulting in a government shutdown in 1995. Many of these provisions are a waste of taxpayer dollars, calling for duplicative studies and other wasteful delay tactics that will block the implementation of important environmental protection measures, measures that the EPA has determined are in the best interests of protecting human health and the environment.

Just as an example, one provision prohibits the EPA from taking any action to remove contaminated sediments from rivers, lakes and streams until a new National Academy of Science study has been completed and distributed and analyzed by all parties including Congress or, in other words, indefinitely. The need for this new study is questionable since the NAS just released a report last year entitled: Contaminated Sediments in Ports and Waterways Clean-up Strategies and Technologies.

But the need to remove these contaminated sediments from America's waterways is not in question. Nowhere more than in New Jersey are people sensitive to the issue of contaminated sediments. In New Jersey we have witnessed firsthand the impact that contaminated sediments can have on our commercial and recreational fishing industries.

This remedial dredging rider, I should say this dredging rider, is just one example of the numerous special interest riders in this bill. Others include restrictions on brownfields funding, limitations on the number of toxicological profiles that the Agency for Toxic Substances and Disease Registry can perform, delaying reductions of hazardous mercury emissions from utilities, lowering the bar for clean-ups of NRC-licensed facilities, and the list goes on.

Mr. Chairman, my colleague, the gentleman from California (Mr. WAXMAN) will be offering an amendment to eliminate the anti-environmental riders later today, and I would urge my colleagues on a bipartisan basis to support the Waxman amendment.

Mr. STOKES. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I thank the gentleman for yielding this time to me, and I rise to support the appropriations made in this bill for NASA.

This year marks the 40th anniversary of NASA. These 40 years have been filled with remarkable achievements such as placing the first man on the moon. Let me list for my colleagues only just a few of the spin-offs that have been spawned by this program:

The engine powering the Boeing 777 uses a NASA design high bypass turbo fan engine;

A laminar airflow technique used in NASA clean rooms for contamination-free assembly of space equipment is used as an air purification system;

NASA-developed micro-miniaturization is used in a pacemaker which can be programmed from outside the body; and

NASA-developed solar technologies used to provide power through solar energy.

NASA technology has also been developed to strip paint and also to provide thermal protection from the shuttle solid rocket boosters.

Mr. Chairman, later there will be an amendment on the floor to cancel the space station program. By cancelling the space station we would end the benefits our society can gain from it.

Mr. LEWIS of California. Mr. Chairman, I yield 1 minute to the gentleman from Kansas (Mr. RYUN) for purposes of a colloquy.

Mr. RYUN. Mr. Chairman, I recently received a letter from the mayor of Topeka, Kansas, regarding a serious issue facing the city. According to the mayor, during the floods that ravaged Topeka area in 1993 salt from upstream rivers washed into the city's water infrastructure, causing excessive rust in nearly a hundred miles of unlined cast iron water pipe.

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This resulted in a severe "red water" and sediment problem for the city. In some parts of the city, residents are unable to drink the water, even to use their washing machines. Every human being needs water daily in order to live. The people of Topeka, Kansas, need clean water to live.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. RYUN. I yield to the gentleman from California.

Mr. LEWIS of California. In our discussions, it has been my distinct impression that the City of Topeka has taken steps to correct this problem, is that correct?

Mr. RYUN. Yes, the city has replaced 20 miles of pipe at a cost of $2.5 million, and has appropriated $5.1 million of city revenue this year to replace another 40 miles. However, according to the mayor, this is insufficient to complete the repairs, and the city is seeking Federal assistance to replace the remaining 40 miles of pipe.

I understand that this is late in the legislative process. However, in light of the urgency of the problem, I am exploring any legislative options available. I would appreciate your assistance in providing funds that we could use to improve this project.

Mr. LEWIS of California. We look forward to working with the gentleman, and appreciate his concerns.

Mr. STOKES. Mr. Chairman, I am pleased to yield two minutes to the gentleman from Michigan (Mr. DINGELL) the distinguished ranking member of the Committee on Commerce.

Mr. DINGELL. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Ohio (Mr. STOKES) and the distinguished gentlewoman from Colorado (Ms. DeGETTE) on title 3 of the bill that will strike language placing limitations on the brownfields program. This is one of the most successful programs we have. It is a program desperately needed by our cities.

A bipartisan report from the mayors of our cities say that brownfields sites represent pockets of disinvestment, neglect, and missed opportunities. They are often found in poorer communities and neighborhoods that are desperately in need of economic investment and job creation. The brownfields grant program protects human health by helping to assess and remove environmental poisons from our neighborhood, and, at the same time, encourages redevelopment of abandoned or underutilized property. It also tends to halt urban sprawl, something which is a massive problem.

The Nation's mayors recently surveyed their Members and found that lack of cleanup funds is the number one impediment to brownfields redevelopment. Yet the members of the majority party, by limiting funding and prohibiting revolving loan funds, would go in exactly the opposite and wrong direction. Limitations currently contained in this bill would cripple one of the most successful urban programs we have.

I do not understand the hostility of my colleagues on the Republican side, but let me cite what it is the Inspector General of EPA had to say about this program.

He said, "EPA has been instrumental in bringing together numerous Federal agencies to work cooperatively towards removing barriers to the redevelopment of brownfields. Our review showed that the cities have been able to leverage millions in private brownfields investment. The agency has accomplished a great deal in a relatively short time."

One of the remarkable things is this amendment and the prohibition on these expenditures would make a massive step backwards in terms of local efforts in this area. It would even impinge in a very severe and unfortunate way on the efforts of banks to increase lending in these areas.

I urge the adoption of the amendment.

Mr. LEWIS of California. Mr. Chairman, I yield two minutes to the gentleman from Illinois (Mr. WELLER), for purposes of a colloquy.

Mr. WELLER. Mr. Chairman, I thank the gentleman for the opportunity to engage in a colloquy with him.

As you know, there are over 13 hundred sites on the Superfund National Priority List that are still in need of remediation. Of course, we would like to see comprehensive Superfund reform enacted this year that will help get these sites cleaned up faster. However, today I wanted to specify to you about one site in particular and ask that this site be given special priority by the Environmental Protection Agency.

The City of Ottawa in my Congressional district is home to 14 NPL sites contaminated with radioactive waste from factories that used radium-based paints from 1918 to 1978 to make glow in the dark clock dials. Ten of the sites have been remediated. However, due to the complex nature of disposing of radioactive waste, the cost rose over $30 million, and there are four large sites yet to be cleaned. The remediation of the first ten sites involved shipping about 40,000 tons of contaminated soil to Utah.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. WELLER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I understand that there is a very high rate of cancer in areas surrounding these Superfund sites.

Mr. WELLER. This is true. According to a report prepared by the Illinois Department of Public Health, certain areas surrounding Ottawa Radiation Sites contain very high cancer rates. The study compared the incidence of cancer rates with another city in northern Illinois, and found that Ottawa has nearly 30 percent more cancer. The study also indicated a concentration of those incidences along the north side of the city, where the radiation sites are located.

Mr. LEWIS of California. Mr. Chairman, if the gentleman will yield further, the picture the gentleman has drawn for me is most disturbing, and I want you to know I will be urging the EPA to take this into consideration and expedite the remediation of the remaining Ottawa sites as soon as able possible, consistent with the agency's priority listings.

Mr. WELLER. Mr. Chairman, reclaiming my time, I appreciate the gentleman's concern, and, along with the residents of Ottawa, Illinois, we can look forward to clean up being completed at these sites.

Mr. STOKES. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from New York (Mr. MANTON).

Mr. MANTON. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise to express my deep reservations about several provisions of the bill before us, and, of particular concern, the accompanying report language.

The provisions in question may have the result of significantly weakening a number of important environmental programs. These so-called environmental riders contained in the fiscal year 1999 VA-HUD appropriations bill and report are ill-conceived and represent a retreat from a sensible national environmental policy designated or designed to keep our water safe, our air clean and breathable and our lands free of toxic waste.

Mr. Chairman, these are unnecessary provisions which do a great disservice to this House. At a time when our nation's economy is booming with historically low levels of unemployment and inflation well under control, we find ourselves back to fighting the same old battles over how even the most reasonable of environmental protection measures supposedly undermine our economy.

Well, I would say to my colleagues, this old song does not play true any more. The budget is balanced, with a surplus envisioned for the first time in a generation. The stock market is going through the roof, and we have accomplished all this as a country with a strong Clean Air Act, a strong Clean Water Act, and a strong Superfund program.

Mr. Chairman, I ask my colleagues who believe we need to weaken our environmental programs: What is their justification for such drastic steps? And, if they believe their cause is just, let us debate them in an open and fair fashion, and not try to sneak through far-reaching changes in funding bills and hidden in report language. Let us address our differences through the normal legislative process.

You may be surprised to find that we might be in agreement on some matters. Or, we may be able to develop reasonable compromise language on others.

After all, the art of compromise has served our Nation well for over two hundred years.

Mr. Chairman, one amendment which will seek to correct some of the flaws in this legislation will be offered by my friend and colleague, the gentlewoman from Colorado, Ms. DEGETTE. She will be joined in her effort by the distinguished Ranking Member of the VA-HUD Subcommittee, Mr. STOKES, and the gentleman from New Jersey, Mr. FRELINGHUYSEN.

I believe this amendment deserves to receive wide, bipartisan support.

Mr. Chairman. While we may differ on the advisability of pursuing any one particular environmental policy over another, we should not sacrifice the regular order in doing so.

If we have problems with the Superfund program, let us move forward to develop a reasonable reauthorization which takes into account the program as it stands today, not ten years ago.

And, if we are truly concerned about cleaning up old industrial sites and revitalizing our cities, now is not the time to unnecessarily limit funding or erect hurdles to the implementation of this successful program.

Mr. LEWIS of California. Mr. Chairman, I yield two minutes to the gentleman from Iowa (Mr. LATHAM) for a colloquy.

Mr. LATHAM. Mr. Chairman, as the chairman knows, my district in northwest Iowa, like many areas throughout rural America, finds itself underserved when it comes to health care. This is particularly true concerning area veterans.

My district, which covers one-third of Iowa's geographic area, is served by VISN No. 13 in Sioux Falls, South Dakota, and VISN No. 14 in Omaha, Nebraska, and Des Moines, Iowa. Yet there are no VA medical facilities in the district to serve area veterans. Therefore, most veterans must travel anywhere from an hour-and-a-half to three hours each way to find VA medical care.

The placement of a VA community-based outpatient clinic in Sioux City and Fort Dodge would greatly increase the accessibility of VA health care for my constituents. Would the chairman agree to work with me in urging the VA to work towards this end?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. LATHAM. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I am very happy to work with the gentleman from Iowa. I might mention to the gentleman that his district and mine have this identical problem, for our territories involves open spaces where people have to travel many, many miles for this kind of service.

As the gentleman is aware, the VA's community-based outpatient clinics were established expressly to address this problem and have been a great success. Moreover, the decision to establish outpatient clinics are made not in Washington, but at the VISN level with local input to address regional and local veterans needs.

That being said, I would be happy to work with the gentleman in communicating his very real concerns to the VA.

Mr. STOKES. Mr. Chairman, I yield 1½ minutes the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Chairman, I rise in support today of the amendment offered by the gentleman from Ohio (Mr.

STOKES) and myself to strike the anti-Brownfields environmental rider to this bill. This bill jeopardizes the EPA's brownfields program which we heard the gentleman from Michigan (Mr. DINGELL) so eloquently refer to in three ways: First of all, it prohibits any of these funds from being used by localities to set up revolving loan programs. Secondly, this bill provides only $75 million in funding, which is 17.4 percent below the President's budget request. Finally, this bill prohibits the funds from being used for research and community outreach, a vital component of the program, which furthers understanding of brownfields and gives communities the tools to further redevelopment.

Our amendment remediates these three problems with the bill. It restores the important brownfields component of the legislation, which is so critical towards cleaning up environmental contamination in our inner-cities throughout this country and revitalizing these areas so that they can be economically beneficial to the entire community.

Mr. Chairman, I thank the ranking member for working with me on this amendment.

Mr. HOYER. Mr. Chairman, I rise today because I have some genuine concerns about the funding levels of specific accounts within H.R. 4194, the Veterans Affairs and Housing and Urban Development and Independent Agencies appropriations bill for fiscal year 1999. I understand the difficulty that the chairman and the ranking member faced in crafting this legislation within the tight fiscal constraints that the Appropriations Committee had this year. However, I am concerned that certain initiatives, which have been priorities of the committee and the Congress in the past, will not receive the necessary level of funding in fiscal year 1999.

First, the bill proposes a $59 million reduction to NASA's Earth Science Program. This important program can help predict weather and climate changes up to a year in advance, will yield tremendous benefits for argricultural and natural resources productivity, will save money and lives by allowing natural disasters to be predicted earlier, and involves partnerships with Japan, the United Kingdom, Brazil, and France. Goddard Space Flight Center, located in Greenbelt, Maryland, is NASA's lead center for these efforts and has an extraordinary reputation for Earth Science studies.

I have visited with the scientists working on this program and I can tell you that their work is amazing. Funding for Earth Science will produce both practical benefits and a long term understanding of the environment. This reduction would be disruptive to the program at a time when the need for programmatic flexibility is at its greatest due to technical challenges in the development of various missions, and could lead to either significant delays or even cancellation of project elements.

I also want to express my concern about the bill's elimination of the AmeriCorps National Service Program. AmeriCorps' members are estimated to leverage an average of about 16 stipended volunteers per member. AmeriCorps teaches its volunteers responsibility and opportunity. The organization has also had a positive effect on traditional volunteer activity. If we are going to make children and youth our top priority, we need the assistance of volunteer service organizations such as AmeriCorps. AmeriCorps plays an important role in advancing the goals of the summit for America's future. We cannot fight to make the future better for our nation's children without AmeriCorps' help.

Finally, the bill increases the limits on the sizes of home mortgage loans that may be insured by the Federal Housing Administration (FHA) under its single-family loan program. Raising these loan limits poses little or no risk to the FHA fund. It is a fund with a value of about $11 billion. Auditors give it a clean bill of health and say that loans at the higher end pose less risk than do low balance loans. Raising the FHA loan limit is critically important and will expand home ownership opportunities to families all too often shut out of the conventional mortgage markets—first time home buyers, minorities, families in inner cities and rural families.

Mr. Chairman, as a member of the Appropriations Committee, I fully understand the budget constraints which we are under, but I am concerned that we are not properly funding the Nation's priorities in this bill. I would hope that we can work towards remedying this imbalance.

Mr. MARKEY. Mr. Chairman, I rise in strong opposition to the VA-HUD and Independent Agencies Appropriations bill. This bill contains a wide array of assaults against the public interest and good sense, which I intend to discuss further during the course of the debate. I am rising now, however, to talk about one particularly obnoxious provision of this bill that affects the Consumer Products Safety Commission.

Under the version of the bill reported out of the Appropriations Committee, a legislative rider was attached which would prevent the CPSC from adopting a rule regarding flammability standards for upholstered furniture until an outside panel was convened to examine the toxicity of fire retardants that would be used to treat such furniture. The Rule providing for consideration of this bill deleted this rider with an equally objectionable self-executing provision which made in order an amendment by the Gentleman from Mississippi (Mr. WICKER).

This amendment was developed behind closed doors, without any meaningful Democratic participation. No mention of the amendment was made during the Rules Committee hearing on the bill, and the gentleman from Mississippi did not even testify on his amendment. Instead, the amendment appeared magically before the Members during the Rules Committee markup. And under the Rule which the Rules Committee approved and the House adopted earlier today, the amendment was attached to the bill—notwithstanding the fact that it violates Clause 2 of Rule XXI of the House Rules by legislating on an appropriations bill. Of course, the Rule took care of that problem as well by granting the amendment a waiver against all points of order.

In light of surreptitious origins of this amendment, and the great haste with which it was adopted, is it any wonder that it contains serious flaws? Earlier today, during consideration of the Rule for this bill, we discovered that the authors of the amendment had mistakenly appropriated $5 billion for the amendment's execution, when they had actually intended to appropriate $5 million. By comparison, the entire CPSC budget is only $46 million. The Republican Majority actually had to offer a motion to correct the unintended financial windfall they almost provided to the CPSC. Despite this correction, however, the underlying amendment remains fatally flawed.

During House debate on the Rule, one of the supporters of this amendment claimed that the proposal had the support of the Commerce Committee. As the Ranking Democrat on the Commerce Committee's Subcommittee on Telecommunications, Trade and Consumer Protection—which has jurisdiction over the CPSC—I can assure the Members that this was not the case. The Commerce Committee has never considered this matter addressed by this amendment. We have never had a single hearing on this subject. We have never heard a word from any of the affected industries and reportedly pressed for adoption of this amendment. We have never had a Committee or Subcommittee markup or cast a vote on this matter. So, while the Chairman and some of the Members of the Majority Side on the Commerce Committee may have agreed to this language, it is not accurate to characterize this provision as having had the support of the Commerce Committee.

So, let's just take a look at what the issue is that this amendment addresses. Currently the CPSC is considering a flammability standard for upholstered furniture. They are doing so pursuant to a petition from the National Association of State Fire Marshals, who asked the CPSC more than four years ago to develop a mandatory safety standard for upholstered furniture to address the risk of fires started from open flames—such as lighters, matches, and candles. The Fire Marshals called for such a rule because the U.S. has one of the highest fire death rates in the world. Nearly 4,000 people died in 1995 because of fires that started in their homes, of which nearly 1,000 were children under the age of 15.

Over the last four years the CPSC has been going through the process of taking public comments, conducting laboratory tests, and evaluating all the technical and economic issues relating to adoption of a safety standard in this area, including requirements relating to use of flame resistant chemicals to treat upholstered furniture. The CPSC staff has been working with scientists from other agencies, such as the National Institute of Environmental Health Sciences and the EPA to assure that all of the significant public health and safety issues associated with adoption of such a rule would be studied.

Now, the bill before us today contains a provision that would, in the words of CPSC Chairwoman Ann Brown, "completely halt work currently underway . . . on a safety regulation to address the risk of fire from upholstered furniture. According to Chairwoman Brown, "more fire deaths result from upholstered furniture than any other product under the

CPSC's jurisdiction." The proposed rules in this area could save hundreds of lives and hundreds of millions in societal costs every year, according to CPSC staff estimates. And yet, instead of allowing the CPSC to proceed with its process, the legislative rider that has been attached to this bill would add at least a year's delay by requiring unnecessary and costly technical review and halting Commission work.

This anti-consumer rider will add additional costs and delays to an ongoing rulemaking process at the CPSC. It will micromanage the cost-benefit analysis that the CPSC is already required to undertake before it adopts a final rule. And it does so why? Well, according to last Friday's Washington Post, this provision is in the bill to benefit the narrow economic interest of a few upholstered furniture manufacturers in Mississippi who are opposed to a mandatory furniture flammability standard. As CPSC Chairwoman Brown has noted, the furniture industry's "lobbyists are bringing the proper work of government to a halt."

I think this is wrong. We should oppose this bill today and allow the CPSC to move forward in conjunction with the EPA to adopt a flammability standard for upholstered furniture that fully protects the public from harm. The Clinton Administration has indicated in its Statement of Administration policy that it is opposed to this provision and warned that "efforts to block the development of a new safety standard represent a threat to public health." I agree, and I hope that if this bill is approved in the House, this provision will either be deleted in conference or vetoed by the President. I urge a no vote on the bill.

Mr. EVANS. Mr. Chairman, I rise today to express my support for the VA-HUD Appropriations Act of 1999. Like the Administration's FY 1999 budget request, I do not believe this bill does enough to honor the sacrifices our veterans have made for our country. However, I do believe this bill is the best we can do for our veterans in this Congress, which is why I will vote for the bill.

In a perfect world, veterans health care funding would be at higher levels than provided for in this legislation. As health care costs continue to rise, there is simply no way the VA can provide consistently high quality care to veterans at the present funding levels. An unfortunate result of such shortfalls has been to force VA's specialized care programs to take a back seat to other spending priorities. In the process, important veteran-oriented initiatives such as spinal cord injury centers, blind rehabilitation programs and programs for homeless and mentally ill veterans are not receiving the emphasis they deserve within VA. We cannot allow VA's special program and our commitment to our nation's veterans to unravel.

I also believe that funding levels for the VA Inspector General's office should be sufficient to allow the IG to conduct more of its extremely important work. At a minimum, the IG's budget should be increased by $3.298 million over the House level to enable the IG to perform critical follow up work in response to serious patient care issues raised by veterans and VA employees during the past year. I am pleased with Chairman LEWIS' willingness to consider increased funding levels for the VA Inspector General's office during conference with the other body, and I thank the Oversight Subcommittee Chairman, TERRY EVERETT, for working with me on a bi-partisan basis to pursue this needed additional funding.

Despite its deficiencies, this legislation represents a modest improvement over last year's appropriation. Given the short time left in this congressional session, I believe we can ill afford to revert to last year's funding levels as part of a continuing resolution in the eleventh hour of this Congress. I urge members to support this bill with the hope that the next Congress can do more to honor the sacrifices made by our veterans.

Mr. LEWIS of California. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired. Pursuant to the rule, the amendment printed in House Report 105–628 is adopted and the bill is considered for amendment under the 5 minute rule.

Amendment number 12 printed in the CONGRESSIONAL RECORD may be offered only by the gentleman from Iowa (Mr. LEACH) or his designee, shall be considered read, shall be considered for 40 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

During consideration of the bill for amendment, the chair may accord priority in recognition to a Member offering an amendment that he has printed in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, providing that the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations and offices for the fiscal year ending September 30, 1999, and for other purposes, namely:

TITLE I

DEPARTMENT OF VETERANS AFFAIRS

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to offer a few comments on the bill from the perspective of the authorizing committee on which I serve, the Committee on Science. This bill, of course, appropriates about $20 billion or more for programs within the purview of that committee.

I am happy to say that I am rising here to praise and not to condemn the work of the chairman and the ranking member, although there are some difficult choices that had to be made in this bill.

Benjamin Franklin once observed that necessity never made a good bargain, and yet it is necessity that drives the painful choices that go into this most challenging appropriation bill.

Evaluating this bill is always difficult for me. I believe deeply that this Nation has failed to do an adequate job of investing in our future by letting funding levels for civilian science programs decline over the last decade. Yet, this bill forces us to make painful trade-offs among disparate deserving domestic programs.

In this one bill, we have to fund housing, support our veterans, provide for emergency disaster relief and invest in our future at NASA, the National Science Foundation and EPA. Worse, we have no objective criteria for guiding us in waiving the respective benefits of spending among these programs.

I believe there is insufficient funding to meet all our legitimate civilian science needs, but I also know there are insufficient funds to meet the other needs captured in this bill.

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Acknowledging this situation that our needs outpace our funds and that we seem to lack either the creative vision or will to do anything about that, I want to congratulate the chairman, the gentleman from California (Mr. LEWIS), and the ranking member of the subcommittee, my good friend, the gentleman from Ohio (Mr. STOKES), for doing a good job in a difficult year.

The funding levels for NASA, NSF and EPA are generally consistent with the President's budget request, and given the pressures on the subcommittee's allocation, that is a remarkable achievement. I have some specific areas of concern or congratulations. I am particularly pleased with the subcommittee action on funding the U.S.-Mexico Science Foundation, funding certain research related to the Salton Sea, and funding a number of FEMA programs which I think are critically important.

However, with the limited time that I have this morning, I want to draw the Members' attention just to two areas of concern. I am very worried about the continuing decline in funding for NASA. Our space agency is among the most efficient and best-managed agencies in the Federal Government, and it has been among the leaders in reinventing itself to do more with less. However, year after year, we ask NASA to keep the Nation at the forefront of civilian aeronautics technologies, satellite technologies, space exploration and space science, and year after year we give them not quite enough money to actually carry out those tasks.

Just as an example of the costs of underfunding NASA, I would point to the Near Earth Object detection and cataloging effort at NASA. The threat posed by Earth-orbit-crossing asteroids and comets has long been a concern of mine and of the committee. The Committee on Science has proposed augmenting funding for this important effort, and I am gratified that the Committee on Appropriations has increased fiscal year 1999 funding by $1.6 million. Nevertheless, I believe the Near Earth Object detection program, the cost of which represents just a fraction of the weekly receipts from current asteroid-disaster-themed Hollywood movies, could be considerably increased.

This is an example of a good program that could be great for very little additional money, and I hope we can do better for it coming out of conference, and I know that the chairman of the subcommittee shares my concern in that regard.

I might note that I saw the current asteroid disaster movie last Sunday, and it is going to stimulate a lot of public concern about whether Congress should be doing something about this important problem.

I am also distressed about language in the bill and report relating to EPA and the Kyoto Protocols. The gentleman from Ohio (Mr. STOKES) and others have commented on this matter. As presented to the House, the bill would place such sweeping limits so EPA that basically we are legislating their thought processes. We also appear to be barring useful work that predates Kyoto, and we would undermine efforts to improve public health. I will be supporting a series of amendments offered by my friend, the gentleman from California (Mr. WAXMAN) that would attempt to mitigate the excesses on the current language on this issue.

I look forward to continuing a very productive relationship with the chairman and ranking member of the subcommittee as we move toward conference, and I would be happy to provide any services I can to help them in their important work.

Mr. TIAHRT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have 2 amendments at the desk, but I do not intend to offer them today. Both amendments were designed to earmark money for Federal research and treatment for the Gulf War illness.

Now, in 1991, about 700,000 American men and women served in the Gulf War. All of us appreciate their courage and their service and thank each and every one of them. More than 228,000 of these veterans have sought medical care. Over 100,000 of them have indicated they may be suffering from Gulf War illness. Their symptoms include sleeplessness, chronic diarrhea, nausea, memory loss, miscarriages, and even birth defects of their newborn children.

Some veterans' organizations have estimated that several thousand of our soldiers have died, and their deaths, in some part, are related to their service in the Gulf War.

This is a very real problem, but the Department of Defense and the Veterans Administration have been very reluctant to acknowledge this problem. At first the Department of Defense said that this was not a problem. Then they told us it was stress-related. It was only until the last few years that the Department of Defense and the Veterans Administration have begun to search for solutions for those who are suffering from these diseases or illnesses that veterans are living with every day of their lives.

In February of this year, in a report by the Government Accounting Office, the GAO, it was stated, "Our government was not proactive in researching Gulf War illness."

As a government, we sat on our hands, and this was wrong. Now there is research in the Department of Defense; however, I am convinced that this research is not about the veterans; it is more about protecting soldiers in future conflicts, and I see no fault in it. I think that is very good research, but that places the burden on the Veterans Administration.

Mr. Chairman, I have a great deal of respect for the gentleman from California (Mr. LEWIS), the distinguished chairman of the Subcommittee on VA, HUD and Independent Agencies, and I want to encourage Mr. LEWIS to pursue language that would emphasize to the Veterans Administration the high priority of research and treatment of Gulf War illness.

Let me close by quoting from the February 1998 GAO report. They said in the report, "The vast majority of research was not initiated until 1994 or later, and much of that was due to pressure by legislative requirements. These requirements were imposed by us here in Congress. Establishing Gulf War research and treatment as a high priority is the right thing to do, and that is why I make this request."

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. TIAHRT. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I must say to the body that our colleague, the gentleman from Kansas (Mr. TIAHRT) has played a very significant role in dealing with this problem, for there is money in the pipeline now pushing forward that research on the part of the Veterans Administration that is taking place as a direct result of his own work with our committee as well as the entire Congress. I very much appreciate that, and we intend to continue to work with the gentleman, and as we go to conference, I want to make sure that there is emphasis one more time.

Mr. TIAHRT. Mr. Chairman, reclaiming my time, I thank the subcommittee chairman, the gentleman from California (Mr. LEWIS), and I appreciate his efforts. He has been instrumental in putting this pressure on to make sure that we maintain this high priority.

Mr. ROEMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all, I want to rise in my admiration for the chairman of the subcommittee who has some of the quickest wit and sparkling sense of humor of any Member in the body. While we agree on many things, including working together on providing quality homes for people in this country and manufactured housing, we disagree on the funding for the space station, where I will offer an amendment later today to strike the funding for the space station; not the space program, but the space station. That disagreement does not diminish my respect for our chairman, the gentleman from California (Mr. LEWIS).

I also have a great deal of respect for a Member from Ohio that is retiring and serving in his last year in this body, who has served not only this body and this institution, but has been a champion for the people in many big cities that have a very difficult time getting their fair share of the budget, getting their fair share of rights, getting their fair share of opportunities.

The gentleman from Ohio (Mr. STOKES) comes from a family of public servants. His brother served for many, many years not only as a mayor, not only as a member of the Ohio community, but served this country so ably, and the gentleman has followed in those footsteps and exceeded those footsteps, I think. So I want to thank him and associate myself with the many tributes that will take place to him.

The gentleman from Michigan (Mr. CAMP), a Republican, and I will offer an amendment later today to strike the funding for the space station, and we will do it, or I will do it for two reasons. One is because of the lack of merit in the space station itself as a program. It has not performed up to the capabilities that it should have; secondly, because we have such a difficult time now under a balanced budget agreement allocating the resources in a fair and just manner.

De Tocqueville said many years ago, "America is a great country because America is a good country. It will cease to be great when it ceases to be good." I think that quote is very appropriate here today. If we do not allocate the resources in a fair, just and good manner to all in society, then we cease to be a great country.

Now, what about the merits of the space station? First of all, I support roughly the $11 billion to $12 billion in the NASA budget, but the $2.1 billion for the space station is not a good expenditure for science, it is not a good expenditure for NASA, and it is not a fair expenditure to the rest of the budget.

Right here, according to this graph, and I think the General Accounting Office put this out in their latest study, we will spend $98 billion over the course of building, developing, researching and maintaining the space station.

Now, we have spent about $20 billion so far, so my colleagues that say, well, we have already spent $20 billion, we will now throw another $80 billion toward this project, I want my colleagues to be very aware of that under the budgetary environment that we face. We have spent $20 billion on research and development; we will spend another $80 billion in the total cost of this.

Now, that is according to the General Accounting Office, and that is if everything goes perfectly. We just had a private sector report, the Cost Assessment and Validation Task Force, that now says that we probably will have cost overruns on the space station of $120 million to $250 million every single month. The $98 billion cost estimate is if everything goes perfectly from now on.

Well, we know it is not going perfectly. The prime contractor is having problems; we have just announced $5 billion in cost overruns, the Russians are not coming through with their fair share of expenditures, we are picking up the tab as taxpayers and transferring money out of NASA to the Russian account to pay for their services. So now the Chabrow report, with their estimation, is saying that, in fact, the space station that was supposed to be completed in 1994 may not be done until somewhere around 2005 or 2006 or 2007. And the development cost is going to be $24 billion instead of $17 billion.

So I think the gentleman from Michigan (Mr. CAMP) and other supporters of cancelling the space station, not the space program, but the space station program, will have this debate later today, and I urge Members' support.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFERS OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198); $21,857,058,000, to remain available until expended: *Provided*, That not to exceed $24,534,000 of the amount appropriated shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by 38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61, $1,175,000,000, to remain available until expended: *Provided*, That funds shall be available to pay any court order, court award or any compromise settlement arising from litigation involving the vocational training program authorized by section 18 of Public Law 98–77, as amended.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, $46,450,000, to remain available until expended.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That during fiscal year 1999, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans: *Provided further*, That during 1999 any moneys that would be otherwise deposited into or paid from the Loan Guaranty Revolving Fund, the Guaranty and Indemnity Fund, or the Direct Loan Revolving Fund shall be deposited into or paid from the Veterans Housing Benefit Program Fund: *Provided further*, That any balances in the Loan Guaranty Revolving Fund, the Guaranty and Indemnity Fund, or the Direct Loan Revolving Fund on the effective date of this Act may be transferred to and merged with the Veterans Housing Benefit Program Fund.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $159,121,000, which may be transferred to and merged with the appropriation for "General operating expenses".

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3698, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $206,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $55,000, as authorized by 38 U.S.C. chapter 31, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $2,401,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $400,000, which may be transferred to and merged with the appropriation for "General operating expenses".

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, $515,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the Department; and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the Department; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; aid to State homes as authorized by 38 U.S.C. 1741; administrative and legal expenses of the Department for collecting and recovering amounts owed the Department as authorized under 38 U.S.C. chapter 17, and the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq.; and not to exceed $8,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 8110(a)(5); $17,057,396,000, plus reimbursements: *Provided*, That of the funds made available under this heading, $846,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 1999, and shall remain available until September 30, 2000: *Provided further*, That of the funds made available under this heading, $6,000,000 is for the Musculoskeletal Disease Center, which amount shall remain available for obligation until expended: *Provided further*, That of the funds made available under this heading, not to exceed $22,633,000 may be transferred to and merged with the appropriation for "General operating expenses".

In addition, in conformance with Public Law 105–33 establishing the Department of Veterans Affairs Medical Care Collections Fund, such sums as may be deposited to such Fund pursuant to 38 U.S.C. 1729A may be transferred to this account, to remain available until expended for the purposes of this account.

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 2000, $310,000,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of planning, design, project management, architectural, engineering, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs, including site acquisition; engineering and architectural activities not charged to project cost; and research and development in building construction technology; $60,000,000, plus reimbursements.

GENERAL POST FUND, NATIONAL HOMES

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $7,000, as authorized by Public Law 102–54, section 8, which shall be transferred from the "General post fund": *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $70,000.

In addition, for administrative expenses to carry out the direct loan programs, $54,000, which shall be transferred from the "General post fund", as authorized by Public Law 102–54, section 8.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; $855,661,000: *Provided*, That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act.

NATIONAL CEMETERY SYSTEM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of the National Cemetery System, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of six passenger motor vehicles for use in cemeterial operations; and hire of passenger motor vehicles, $92,006,000: *Provided*, That of the amount made available under this heading, not to exceed $86,000 may be transferred to and merged with the appropriation for "General operating expenses".

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $32,702,000.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of 38 U.S.C., including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is $4,000,000 or more or where funds for a project were made available in a previous major project appropriation, $143,000,000, to remain available until expended: *Provided*, That except for advance planning of projects funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: *Provided further*, That funds provided in this appropriation for fiscal year 1999, for each approved project shall be obligated: (1) by the awarding of a construction documents contract by September 30, 1999; and (2) by the awarding of a construction contract by September 30, 2000: *Provided further*, That the Secretary shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: *Provided further*, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of 38 U.S.C., where the estimated cost of a project is less than $4,000,000; $175,000,000 to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than $4,000,000: *Provided*, That funds in this account shall be available for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected, to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from "Medical care".

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131–8137, $80,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by 38 U.S.C. 2408, $10,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for fiscal year 1999 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 1999 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reimbursement of cost is made to the "Medical care" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 1999 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 1998.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 1999 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100–86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, during fiscal year 1999, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 1999, that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further,* That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further,* That the Secretary shall determine the cost of administration for fiscal year 1999, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

SEC. 108. In accordance with section 1557 of title 31, United States Code, the following obligated balances shall be exempt from subchapter IV of chapter 15 of such title and shall remain available for expenditure without fiscal year limitation: (1) funds obligated by the Department of Veterans Affairs for lease numbers 084B–05–94, 084B–07–94, and 084B–027–94 from funds made available in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1994 (Public Law 103–124) under the heading "Medical care"; and (2) funds obligated by the Department of Veterans Affairs for lease number 084B–002–96 from funds made available in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995 (Public Law 103–327) under the heading "Medical care".

SEC. 109. (a) The Department of Veterans Affairs medical center in Salisbury, North Carolina, is hereby designated as the "W.G. (Bill) Hefner Salisbury Department of Veterans Affairs Medical Center". Any reference to such center in any law, regulation, map, document, record or other paper of the United States shall be considered to be a reference to the "W.G. (Bill) Hefner Salisbury Department of Veterans Affairs Medical Center".

(b) EFFECTIVE DATE.—The provisions of subsection (a) are effective on the latter of the first day of the 106th Congress or January 3, 1999.

TITLE II

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(INCLUDING TRANSFERS OF FUNDS)

For activities and assistance to prevent the involuntary displacement of low-income families, the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under another heading in this Act) or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, $10,240,542,030, to remain available until expended: *Provided,* That of the total amount provided under this heading, $9,600,000,000 shall be for assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts, for enhanced vouchers as provided under the "Preserving Existing Housing Investment" account in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Public Law 104–204), and contracts entered into pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act: *Provided further,* That the Secretary may determine not to apply section 8(o)(6)(B) of the Act to housing vouchers during fiscal year 1999: *Provided further,* That of the total amount provided under this heading, $97,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the Housing Act of 1959, as amended: *Provided further,* That of the total amount provided under this heading, $433,542,030 shall be for section 8 rental assistance under the United States Housing Act of 1937 including assistance to relocate residents of properties: (1) that are owned by the Secretary and being disposed of; or (2) that are discontinuing section 8 project-based assistance; for relocation and replacement housing for units that are demolished or disposed of from the public housing inventory (in addition to amounts that may be available for such purposes under this and other headings); for the conversion of section 23 projects to assistance under section 8; for funds to carry out the family unification program; and for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency: *Provided further,* That of the total amount made available in the preceding proviso, $40,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of such Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 13611), or the restriction of occupancy to elderly families in accordance with section 658 of such Act, and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, to other nonelderly disabled families: *Provided further,* That the amount made available under the fifth proviso under the heading "Prevention of Resident Displacement" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, Public Law 104–204, shall also be made available to nonelderly disabled families affected by the restriction of occupancy to elderly families in accordance with section 658 of the Housing and Community Development Act of 1992: *Provided further,* That to the extent the Secretary determines that the amount made available under the fifth proviso under the heading "Prevention of Resident Displacement" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, Public Law 104–204, is not needed to fund applications for affected families described in the fifth proviso, or in the preceding proviso under this heading in this Act, the amount not needed shall be made available to other nonelderly disabled families: *Provided further,* That of the total amount provided under this heading, $10,000,000 shall be for Regional Opportunity Counseling: *Provided further,* That all balances, as of September 30, 1998, remaining in the "Prevention of Resident Displacement" account shall be transferred to and merged with the amounts provided for those purposes under this heading.

□ 1045

AMENDMENTS NUMBERED 18 OFFERED BY MR. STOKES

Mr. STOKES. Mr. Chairman, I offer amendment No. 18, which I offer on behalf of myself and the gentleman from Massachusetts (Mr. KENNEDY), and I ask unanimous consent that it be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendments numbered 18 offered by Mr. STOKES:

Page 18, line 14, after the dollar amount, insert the following: "(reduced by $97,000,000)".

Page 20, line 22, after the dollar amount, insert the following: "(increased by $97,000,000)".

Mr. STOKES. Mr. Chairman, the purpose of the amendment that I am offering, along with my friend, the gentleman from Massachusetts (Mr. KENNEDY) from the authorizing committee, is to provide additional Section 8 housing assistance vouchers targeted specifically to helping low income families make the transition from welfare to work.

The bill, as reported, provides $100 million for this purpose, and our amendment adds another $97 million. This will increase the number of new housing assistance vouchers provided for the bill from 17,600 to 34,800. This is still a bit short of the 50,000 new vouchers requested by the administration, but it is at least a good start.

The budgetary offset for the increase comes from $97 million that the bill appropriates for so-called Section 8 amendments, the term which HUD uses to refer to the process of adding funds to existing Section 8 housing assistance contracts that are running short.

The latest data from HUD and the GAO indicates that this $97 million would not be needed for Section 8 amendments in fiscal year 1999, as they have sufficient money on hand from other sources. Accordingly, what our amendment does is simply shift this $97 million within the Section 8 program and use it instead for welfare-to-work vouchers.

The context for our amendment is the very real crisis in affordable housing that is facing all too many people in this country. According to the latest statistics, there are 5.3 million low income households with what the experts call worst-case housing needs. These are people with incomes below 50 percent of the local median who receive no Federal housing assistance and who either pay more than half their income for rent or live in severely substandard housing.

This is not just an intercity housing problem. One-third of these 5.3 million households with worst-case needs live in the suburbs. It is not just a problem for people who do not have jobs. Indeed, the latest growth in worst-case housing needs has been among working families. The fact is, there is just not enough affordable housing to go around for people who earn low wages.

Despite the tremendous need, the Federal Government has been stepping back from its traditional role in helping to provide affordable housing. We are actually losing public housing units, not gaining. And there has not been funding since 1995 to expand the number of families helped by the Section 8 program, which is a program that provides financial assistance to help people rent housing on the private market.

The committee's bill takes a small step towards reversing this trend by providing funds for 17,800 new Section 8 housing vouchers, and our amendment makes that small step a little bigger by raising the number of new vouchers to 34,600.

Further, like the bill, our amendment targets those new housing vouchers to meeting a very high-priority need, helping people make the transition from welfare to work. Currently, about two-thirds of new jobs are being created in the suburbs, but three of every four welfare recipients live in central cities or rural areas. The basic purpose of the program, expanded by our amendment, is to help eliminate housing needs as an obstacle to getting and keeping jobs.

For example, families would be able to use the vouchers to move to areas where more job opportunities exist or to reduce excessively long and expensive commutes. The additional vouchers would be awarded on a competitive basis to local housing authorities. In other words, the vouchers would go to the localities who put together the best programs for using them, and HUD will be required to implement a system for tracking the use of these vouchers in evaluating the program's performance and in furthering the welfare-to-work objective.

In short, Mr. Chairman, our amendment provides a modest increase in a vital and well-structured program. I urge a yes vote on this Stokes Kennedy amendment.

Mr. LEWIS of California. Mr. Chairman, reluctantly, I rise in opposition to the amendment of my colleague.

Mr. Chairman, I believe the body knows that we have not had any significant funding for this program since 1995. The reason for that is that the voucher program essentially has been in serious disarray. It has not delivered service or money in a way that really made sense to those of us who know that we have challenges here in terms of serving poor people, but at the same time, as we try to meet those challenges, we would like to have the programs involved to work effectively.

This current year is the first year for some time we have provided significant dollars. There is some $100 million in the current fiscal year. That involves some 17,600 vouchers.

We are really taking a hard look at the way HUD is implementing this program. We want to measure whether or not they will get the job done this time. What this amendment suggests is that before that measurement actually takes place we ought to kind of double the program. We would go from 17,600 vouchers to 34,800. We would go from $100 million to $197 million.

Now while I have a good deal of empathy for what we are attempting to do here, frankly, I think we ought to deal as much as we can in the real world. The other body is more skeptical than we. They are providing some $40 million in their proposal this year, frankly, in no small part because they have some of those questions from the past still remaining.

So I would urge the body to realize that we have only got so many dollars to go around. We ought to be conservative in connection with this in the most positive way. We want to make sure the dollars that are a part of the bill for serving people are being used well, and so let us go one step at a time here.

With that reservation in mind, thereby, I urge the body to vote no on this amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the Stokes-Kennedy amendment. I also want to just take this opportunity to thank the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) for their hard work on looking out for the housing needs of our country.

Both of these gentlemen have worked together since I have been in the Congress in a way that has been, I think, very admirable.

I want to just say, as I look upon a fellow who was chairman of this subcommittee for many, many years and who is perhaps offering, if the chairman of the committee could just listen for 1 quick second here, it is perhaps the last housing amendment of the gentleman from Ohio (Mr. STOKES) that we are dealing with here. I know of the close relationship that the gentleman from California (Mr. LEWIS) and the gentleman from Ohio (Mr. STOKES) have. I would hope that maybe the opposition of the gentleman from California (Mr. LEWIS), while having been voiced, will not be too strong.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the gentleman is attempting to soften my heart relative to my colleague here. I would prefer that he come back just a little later when we will discuss this matter much more extensively.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would be happy. We will be back later on when another amendment comes up.

But the fact is that this is an amendment that is important, and it is important for us to recognize the tremendous housing needs of this country. Of the 15 million families that are eligible for housing assistance in America today, only 3 million of them get it. That means there are 12 million families, almost 40 million people that are walking around our country, many of whom are living in cars, many of whom are living in shelters, that have no place to go.

Nobody is going to defend every housing program or every voucher program. But the truth of the matter is that when we look at the severe housing needs and the severe housing shortages of this country, it is a crying shame. Over 5 million families, almost 15 million people in our country today have what are determined to be severe housing shortages. They are paying over 50 percent of their income in rent and living in inadequate housing.

This voucher program is different than public housing. This voucher program is different than the project-based housing program. This is a voucher which you can take to any part of our country, take to any home in America and be able to rent an apartment. It is a program that works.

There is money in this bill, make no mistake about it. There is a gap in the funding levels of this bill that allows us to pay for this program. And when we look at the tremendous shortages of so many of our families, we have put a very tough welfare bill in place.

If we talk to the mayor of Philadelphia, he will tell us that with the lowering of the unemployment rate, the fact of the matter is, he has to find 47,000 new jobs for welfare recipients in the next several months. We have got to find over 2,000 jobs a week in the city of Boston. The mayor of Chicago will tell us he has got to find 164,000 jobs between now and December. The jobs simply do not exist.

If we take away the welfare benefit and we do not even provide housing, what we will be doing is sending people into homeless shelters. The homeless shelters that I have visited are at new records of participation. More and more people, in the midst of summer, at a time when traditionally people do not use homeless shelters, they are now full to the brim.

This is a crisis in America. Certainly we can study problems, but there is money in this appropriations bill that can be used to assist 100,000 more children, 100,000 more kids who are in trouble in America, who need a place to have and call a home, who need a shelter in their lives, who need a place that they can feel provides them respite from all of the ills that the rest of the world is foisting upon them.

I ask Members to reach into their conscience and to support this legislation. There is money to be able to spend on this bill and to get it done within the budgetary constraints within which the committee has found itself.

I believe that if we look at the housing shortage, if we look at a well-run housing program, there is not a better-run housing program than the voucher program. This voucher program is designed to get people from welfare to work and to give them some housing needs as that occurs. Please support this amendment.

The gentleman from Ohio (Mr. STOKES) has asked for this support. I ask for this support. I think if we get it, the gentleman from California (Mr. LEWIS) will end up going along with it.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio (Mr. STOKES).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 501, further proceedings on the amendments offered by the gentleman from Ohio (Mr. STOKES) will be postponed.

Mrs. LINDA SMITH of Washington. Mr. Chairman, I move to strike the last word.

Mr. Chairman, when I came to the floor today, I had originally intended to introduce an amendment to this bill, but it is becoming very clear that there is great opposition from the leadership of Congress.

□ 1100

And it was ruled out of order in the Committee on Rules because leadership did not want this debate. I do not think it is a debate, however, that we should shirk from.

What the debate is about is just a few weeks ago, and then confirmed in the last week, we decided that we would take a big cut in veterans' health care because there was a big transportation budget coming down the tracks that needed more money. So on the end of the transportation bill, and then confirmed again at the end of the IRS bill, in the last few days, few hours, we said if a veteran ever started smoking while they were in the military, we would break our commitment to them to give them health care later in life, in their later years.

For far too long veterans have been given table scraps in Congress while we pass pork barrel bills of things not nearly as important, not nearly as honorable as funding veterans' health care or the benefits we promised. I think some Members need to think, as they look at this bill today before final passage, about what we told veterans when we went home on the Fourth of July. Many members were approached by a veteran at one of the celebrations of our freedom or one of the memorials of those lost in war or those wounded in war that we all went to, and at those we would have a veteran approach us and say, "It was so terrible to read that veterans had a big health care cut. What will you do about it?"

And without exception, or very few I am sure, the Member of Congress would say, "Well, it was a part of a bigger bill. The bigger bill was so important that we just had to vote for this veterans' health care cut. But when we go back, if we get a chance, we will fix this. Because it is really not very fair, is it?" And we would apologize and then come back to Congress and, at the end of another bill, the IRS reform bill, right at the last minute, they found out the veterans' cuts were not done right in the transportation bill.

See, when we do things at the last minute, in a kind of way that is not aboveboard, that cannot be debated, we hang it on another bill. Sometimes it does not get done very clean. And so what happens is the language was so messy, and, by the way, the President proposed the original language, so this is a bipartisan problem, that they had to bring it back up and put it on the IRS reform bill. It is called a must-pass bill. And we are told we are going to get in deep trouble if we do not vote for the IRS reform bill. So guess what? We will put it on this bill. Nothing related to veterans' health care, but they did have to reconfirm the writing and the drafting. So they put it on a must-pass bill.

Today, we have a third chance to keep our word. This is the veterans' bill. It is not just any other bill that we are hanging something on. This bill can say we made a mistake, and I am going to keep my word. If we vote for this bill, we are confirming the cut, $15 billion over 5 years.

Now, the health care portion of the V.A. budget is $17 billion a year for veterans. If we take this much money out, it is a real reduction; or, if it is not a reduction, where are we going to get the money? Are we going to take it out of housing? Are we going to go to veterans' outreach? Where will it come from? Where will it come from?

One thing we know is the veterans' population is increasing. And those about my age are the Vietnam vets. And guess what? They are getting to where things hurt. And the things we could have worked through in our 20's and 30's we cannot now necessarily do that. So they are needing to come forward and saying to us, "I need you to keep your commitment to me; the one that you made when I served the country; the one that you made when I went back in and the recruiter said give us 2 more years. If you just come 2 more years, you will get health care." And what are we saying to them? We are saying to them, no, we are not going to honor that commitment ever.

When veterans got their S.P.'s in Vietnam, they got cigarettes. In the Second World War and Korea, when they were issued their provisions, they were given cigarettes. They were encouraged to smoke to release the tension. But if they did that, we are going to tell them now that we are going to break our word to them.

What I tell my colleagues is that this is the time you can keep our word to veterans. Every major veterans' group in the Nation came forward, from the littlest group to the Vietnam veterans. The Vietnam veterans are even calling our offices saying do not vote for this bill. If we are going to do the honorable thing, this is the only train this year that we can correct and put back on track. Do not vote for this bill.

The CHAIRMAN. The time of the gentlewoman from Washington (Mrs. LINDA SMITH) has expired.

(On request of Mr. OBEY, and by unanimous consent, Mrs. LINDA SMITH of Washington was allowed to proceed for 1 additional minute.)

Mr. OBEY. Mr. Chairman, will the gentlewoman yield?

Mrs. LINDA SMITH of Washington. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I simply want to say that I agree with the gentlewoman's observations, and that is one of the reasons that I think Members ought to vote against this bill.

Again, it is not because of anything that has been done by the subcommittee, but because of what has been done by this institution previously that has put this subcommittee in this box today. And I do not think we ought to be ratifying those decisions.

Mrs. LINDA SMITH of Washington. Reclaiming my time, Mr. Chairman, in conclusion, I think this is a hard issue for a lot of people. It is hard to know how to keep our commitment. But one thing we can be sure of, if we take $15 billion out of veterans' health care over 5 years, and the VA health care budget is only $17 billion a year, we cannot keep our commitment.

This is a Democrat-Republican problem. The President started it. He even recommended we do it. They got to the days of the transportation budget and just did not have enough money for all those roads that go nowhere. So, all of a sudden, both parties and the President made a decision that veterans do not have a loud enough voice.

Today, let us think about the veterans. Let us say it is not honorable to go forward with this and let us take it back, fix it, and bring it forward. There is a lot of good things and a lot of good effort in this bill, but let us defeat it, bring it back next week, and take the veterans' health care cut out of it.

Mr. Chairman, I am submitting for the RECORD an urgent appeal from the Vietnam Veterans of America regarding this bill.

VIETNAM VETERANS OF AMERICA, INC.,
Washington, DC, July 15, 1998.

URGENT APPEAL TO ALL U.S. REPRESENTATIVES

Don't break your promise to veterans again.

You hurt veterans twice already this year with majority votes in the House and Senate to loot $15 plus billion from disabled veterans and their widows and orphans for pork barrel projects in the transportation bill. Then just last week you dishonored veterans again by voting to finalize the transfer of funds for transportation in the IRS Reform bill.

Most if not all of you promised when you marched in Independence Day parades with your veterans this July 4th that you would correct this immoral act and restore the dollars taken for disabled veterans health care and benefits.

Well, you have a third chance now, vote no on final passage of H.R. 4194, the VA/HUD Fiscal Year 1999 appropriations bill. Representative Linda Smith tried to keep your promises to veterans, but was denied even a chance to vote to restore funds for veterans in this bill.

A vote for the VA–HUD bill is a vote against veterans. Vote no on final passage.

AMENDMENT NO. 23 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer amendment No. 23.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 23 offered by Ms. JACKSON-LEE of Texas:

Page 17, line 25, insert "(increased by $183,000,000)" after "$10,250,542,030".

Page 20, line 22, insert "(increased by $183,000,000)" after "$100,000,000".

Page 24, line 2, insert "(decreased by $183,000,000)" after "$3,000,000,000".

Ms. JACKSON-LEE of Texas. Mr. Chairman, I ask unanimous consent that the amendment be considered en bloc?

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

Mr. LEWIS of California. Mr. Chairman, I must reserve a point of order against the amendment because it would increase the level of budget authority outlays in the bill in violation of clause 2 of rule XXI.

This rule states that it shall be in order to consider en bloc amendments proposed only to transfer appropriations among objects in the bill without increasing the levels of budget authority or outlays in the bill. The amendment would increase the level of budget authority outlays in the bill and, therefore, I make a point of order.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I would say to the chairman that I intend to withdraw this amendment and would like to support the Kennedy-Stokes amendment.

The CHAIRMAN. The Chair understands the gentleman from California to be reservng a point of order.

Ms. JACKSON-LEE of Texas. It is difficult in this process to, in many instances, help our constituents who are in great need because of the various procedures that are necessary. And I do realize that in the order of the House these are important, but since my main concern is to ensure that those who need public housing and affordable housing in America are taken care of, I offered an amendment that would have added more monies to the Section 8 incremental assistance restoration program.

That program provides the opportunity for families whose incomes do not meet the Section 8 standards. Section 8 certificates allow for housing throughout the community and for it to be integrated in the community separate and apart from public housing. My interest is to ensure that those particular families have a greater opportunity.

In fact, under the current version of the bill, only 14,000 new families will be able to receive incremental assistance under Section 8, and that is 36,000 families short of the administration's proposals. In dollars and cents terms, there is a difference of $183 million between H.R. 4194 and the administration's request.

I am delighted, however, to do two things this morning: One, to pay tribute to the gentleman from Ohio (Mr. LOUIS STOKES) for his long and dedicated service in this area of public housing and service to veterans. The gentleman from Ohio has chaired and been the ranking member of this subcommittee for many, many years, and I appreciate his dedication to the spirit and the intent of my amendment, which is to find families who are struggling in America.

In particular, my district in Houston, the City of Houston, was cited as one of the cities with the lowest number of affordable housing units. We are desperately in need of housing families who struggle every day. With that in mind, I have viewed Section 8 housing as a very important mechanism for families looking to solidify their futures.

I would offer to withdraw my amendment and support the Kennedy-Stokes amendment, which answers the question of providing vouchers to low-income families living in housing owned by private landlords. Each of these families in the program, the vouchers pay the difference between the fair market value of their accommodations and 30 percent of their income. Therefore, this program not only ensures that private landlords get their fair share in rental income, but it also phases out the federal assistance as a qualifying family's income rises. Section 8 vouchers and certificates are vitally important to the minority community. The latest figures indicate that well over half of all Section 8 assistance goes to African American and Hispanic families.

Mr. Chairman, I would simply say that we are long behind helping to house the families who are in need of Section 8. Over half of Section 8 families are headed by a single parent. With the Kennedy-Stokes amendment, I believe that we are making great headway in this legislation to assure that those families who are asking not for a hand-out, but a hand-up and a step-up, that those families in my district and in the Houston area, in particular, which has been designated, as I said earlier, as a city without a lot of affordable housing, I believe the Stokes-Kennedy amendment does answer the question.

I am very pleased to rise to support this particular amendment. If I might inquire of the gentleman from Ohio, before my time ends and before withdrawing my amendment, to make sure that my understanding is correct, is it correct that the gentleman's amendment will provide additional monies for those families, incremental monies, to help them qualify for the Section 8? Is my understanding correct regarding the provisions of the gentleman's amendment that it will add more families to the Section 8 opportunities?

Mr. STOKES. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, what precisely my amendment would do is to add additional vouchers up to the amount of $97 million, which is the requested amount by the administration, which would automatically provide additional vouchers, additional opportunities, for welfare to work for those persons who are residents of public housing.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I appreciate very much the gentleman's leadership on that issue. As he well knows, I had an additional concern about helping families raise their incomes to be eligible for Section 8. I do believe it is extremely important to answer the many waiting lists that are around the Nation where families are waiting for Section 8, and I applaud the gentleman's leadership.

I am delighted to withdraw my amendment in support of the Stokes-Kennedy amendment and thank the gentleman for his very fine leadership and thank the chairman as well for his fine leadership on this issue.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For tenant-based assistance under the United States Housing Act of 1937 to help eligible families make the transition from welfare to work, $100,000,000 from the total amount provided under this heading, to be administered by public housing agencies (including Indian housing authorities, as defined by the Secretary of Housing and Urban

Development), and to remain available until expended: *Provided*, That families initially selected to receive assistance under this paragraph (1) shall be eligible to receive, shall be currently receiving, or shall have received within the preceding year, assistance or services funded under the Temporary Assistance for Needy Families (TANF) program under part A of title IV of the Social Security Act or as part of a State's qualified State expenditure under section 409(a)(7)(B)(i) of such Act; (2) shall be determined by the agency to be families for which tenant-based housing assistance is critical to successfully obtaining or retaining employment; and (3) shall not already be receiving tenant-based assistance: *Provided further*, That each application shall (1) describe the proposed program, which shall be developed by the public housing agency in consultation with the State, local or Tribal entity administering the TANF program and the entity, if any, administering the Welfare-to-Work grants allocated by the United States Department of Labor pursuant to section 403(a)(5)(A) of the Social Security Act, and which shall take into account the particular circumstances of the community; (2) demonstrate that tenant-based housing assistance is critical to the success of assisting eligible families to obtain or retain employment; (3) specify the criteria for selecting among eligible families to receive housing assistance under this paragraph; (4) describe the proposed strategy for tenant counseling and housing search assistance and landlord outreach; (5) include any requests for waivers of any administrative requirements or any provisions of the United States Housing Act of 1937, with a demonstration of how approval of the waivers would substantially further the objective of this paragraph; (6) include certifications from the State, local, or Tribal entity administering assistance under the TANF program and from the entity, if any, administering the Welfare-to-Work grants allocated by the United States Department of Labor, that the entity supports the proposed program and will cooperate with the public housing agency that administers the housing assistance to assure that such assistance is coordinated with other welfare reform and welfare to work initiatives; however, if either does not respond to the public housing agency within a reasonable time period, its concurrence shall be assumed, and if either objects to the application, its concerns shall accompany the application to the Secretary, who shall take them into account in this funding decision; and (7) include such other information as the Secretary may require and meet such other requirements as the Secretary may establish: *Provided further*, That the Secretary, after consultation with the Secretary of Health and Human Services and the Secretary of Labor, shall select public housing agencies to receive assistance under this paragraph on a competitive basis, taking into account the need for and quality of the proposed program (including innovative approaches), the extent to which the assistance will be coordinated with welfare reform and welfare to work initiatives, the extent to which the application demonstrates that tenant-based assistance is critical to the success of assisting eligible families to obtain or retain employment; and other appropriate criteria established by the Secretary: *Provided further*, That the Secretary may waive any administrative requirement or any provision of the United States Housing Act of 1937 if the Secretary determines that the waiver would substantially further the objective of the assistance under this paragraph, and in the event of any waiver, may make provision for alternative conditions or terms where appropriate: *Provided further*, That the Secretary may use up to one percent of the amount available under this paragraph, directly or indirectly, to conduct detailed evaluations of the effect of providing assistance under this paragraph.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFERS OF FUNDS)

For the Public Housing Capital Fund Program for modernization of existing public housing projects as authorized under section 14 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437), $3,000,000,000, to remain available until expended: *Provided*, That of the total amount, up to $100,000,000 shall be for carrying out activities under section 6(j) of such Act and technical assistance for the inspection of public housing units, contract expertise, and training and technical assistance directly or indirectly, under grants, contracts, or cooperative agreements, to assist in the oversight and management of public housing (whether or not the housing is being modernized with assistance under this proviso) or tenant-based assistance, including, but not limited to, an annual resident survey, data collection and analysis, training and technical assistance by or to officials and employees of the Department and of public housing agencies and to residents in connection with the public housing programs and for lease adjustments to section 23 projects: *Provided further*, That of the amount available under this heading, up to $5,000,000 shall be for the Tenant Opportunity Program: *Provided further*, That all balances, as of September 30, 1998, of funds heretofore provided for section 673 public housing service coordinators shall be transferred to and merged with amounts made available under this heading.

PUBLIC HOUSING OPERATING FUND

For payments to public housing agencies for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $2,818,000,000, to remain available until expended.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

(INCLUDING TRANSFER OF FUNDS)

For grants to public housing agencies and tribally designated housing entities for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, and for drug information clearinghouse services authorized by 42 U.S.C. 11921–11925, $290,000,000, to remain available until expended, of which $10,000,000 shall be for grants, technical assistance, contracts and other assistance, training, and program assessment and execution for or on behalf of public housing agencies, resident organizations, and Indian tribes and their tribally designated housing entities (including the cost of necessary travel for participants in such training); $10,000,000 shall be used in connection with efforts to combat violent crime in public and assisted housing under the Operation Safe Home program administered by the Inspector General of the Department of Housing and Urban Development; and $10,000,000 shall be provided to the Office of Inspector General for Operation Safe Home: *Provided further*, That the term "drug-related crime", as defined in 42 U.S.C. 11905(2), shall also include other types of crime as determined by the Secretary: *Provided further*, That notwithstanding section 5130(c) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909(c)), the Secretary may determine not to use any such funds to provide public housing youth sports grants.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for assisting in the demolition of obsolete public housing projects or portions thereof, the revitalization (where appropriate) of sites (including remaining public housing units) on which such projects are located, replacement housing which will avoid or lessen concentrations of very low-income families, and tenant-based assistance in accordance with section 8 of the United States Housing Act of 1937; and for providing replacement housing and assisting tenants displaced by the demolition (including appropriate homeownership down payment assistance for displaced tenants), $600,000,000, to remain available until expended, of which the Secretary may use up to $10,000,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies and to residents: *Provided*, That no funds appropriated under this heading shall be used for any purpose that is not provided for herein, in the United States Housing Act of 1937, in the Appropriations Acts for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies, for the fiscal years 1993, 1994, 1995, 1997, and 1998, and the Omnibus Consolidated Rescissions and Appropriations Act of 1996: *Provided further*, That for purposes of environmental review pursuant to the National Environmental Policy Act of 1969, a grant under this head or under prior appropriations Acts for use for the purposes under this head shall be treated as assistance under title I of the United States Housing Act of 1937 and shall be subject to the regulations issued by the Secretary to implement section 26 of such Act: *Provided further*, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.

NATIVE AMERICAN HOUSING BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (Public Law 104–330), $620,000,000, to remain available until expended, of which $6,000,000 shall be used to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the oversight and management of Indian housing and tenant-based assistance, including up to $200,000 for related travel: *Provided*, That of the amount provided under this heading, $6,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of the Native American Housing Assistance and Self-Determination Act of 1996: *Provided, further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided, further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed $54,600,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $200,000, which shall be transferred to and merged with the appropriation for departmental salaries and expenses, to be used only for the administrative costs of these guarantees: *Provided*, That the funds made available in the first proviso in the preceding paragraph are for a demonstration on ways to enhance economic growth, to increase access to private capital, and to encourage the investment and participation of traditional financial institutions in tribal and other Native American areas.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739), $6,000,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $68,881,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $400,000, which shall be transferred to and merged with the appropriation for departmental salaries and expenses, to be used only for the administrative costs of these guarantees.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), $225,000,000, to remain available until expended: *Provided*, That up to 1 percent of such funds shall be available to the Secretary for technical assistance.

COMMUNITY DEVELOPMENT BLOCK GRANTS

(INCLUDING TRANSFER OF FUNDS)

For grants to States and units of general local government and for related expenses, not otherwise provided for, to carry out a community development grants program as authorized by title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301), $4,725,000,000, to remain available until September 30, 2001: *Provided*, That $67,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act; $3,000,000 shall be available as a grant to the Housing Assistance Council; $1,800,000 shall be available as a grant to the National American Indian Housing Council; $50,000,000 shall be for grants pursuant to section 107 of the Act; $20,000,000 shall be for grants pursuant to the Self Help Housing Opportunity program, subject to authorization: *Provided further*, That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available under the preceding proviso to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Housing and Community Development Act of 1974, as amended) shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the Department.

Of the amount made available under this heading, $20,000,000 shall be available for Economic Development Grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects: *Provided*, That the Secretary of Housing and Urban Development shall make these grants available on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

Of the amount made available under this heading, $30,000,000 shall be made available for "capacity building for community development and affordable housing", as authorized by section 4 of the HUD Demonstration Act of 1993 (Public Law 103–120), with not less than $10,000,000 of the funding to be used in rural areas, including tribal areas, to be divided equally among four entities, as specified in the report of the Appropriations Committee accompanying this Act.

Of the amount provided under this heading, the Secretary of Housing and Urban Development may use up to $50,000,000 for a public and assisted housing self-sufficiency program, of which up to $5,000,000 may be used for the Moving to Work Demonstration, and at least $20,000,000 shall be used for grants for service coordinators and congregate services for the elderly and disabled: *Provided*, That for self-sufficiency activities, the Secretary may make grants to public housing agencies (including Indian tribes and their tribally designated housing entities), nonprofit corporations, and other appropriate entities for a supportive services program to assist residents of public and assisted housing, former residents of such housing receiving tenant-based assistance under section 8 of such Act (42 U.S.C. 1437f), and other low-income families and individuals: *Provided further*, That the program shall provide supportive services, principally for the benefit of public housing residents, to the elderly and the disabled, and to families with children where the head of household would benefit from the receipt of supportive services and is working, seeking work, or is preparing for work by participating in job training or educational programs: *Provided further*, That the supportive services may include congregate services for the elderly and disabled, service coordinators, and coordinated education, training, and other supportive services, including case management skills training, job search assistance, assistance related to retaining employment, vocational and entrepreneurship development and support programs, such as transportation, and child care: *Provided further*, That the Secretary shall require applications to demonstrate firm commitments of funding or services from other sources: *Provided further*, That the Secretary shall select public and Indian housing agencies to receive assistance under this heading on a competitive basis, taking into account the quality of the proposed program, including any innovative approaches, the extent of the proposed coordination of supportive services, the extent of commitments of funding or services from other sources, the extent to which the proposed program includes reasonably achievable, quantifiable goals for measuring performance under the program over a three-year period, the extent of success an agency has had in carrying out other comparable initiatives, and other appropriate criteria established by the Secretary (except that this proviso shall not apply to renewal of grants for service coordinators and congregate services for the elderly and disabled).

Of the amount made available under this heading, notwithstanding any other provision of law, $35,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: *Provided*, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding.

Of the amount made available under this heading, $50,000,000 shall be available for the Economic Development Initiative (EDI).

Of the amount made available under this heading, $25,000,000 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, and to determine whether housing benefits can be integrated more effectively with welfare reform initiatives.

For the cost of guaranteed loans, $29,000,000, as authorized by section 108 of the Housing and Community Development Act of 1974: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,261,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974: *Provided further*, That in addition, for administrative expenses to carry out the guaranteed loan program, $1,000,000, which shall be transferred to and merged with the appropriation for departmental salaries and expenses.

HOME INVESTMENT PARTNERSHIPS PROGRAM

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), as amended, $1,600,000,000, to remain available until expended: *Provided*, That up to $7,000,000 of these funds shall be available for the development and operation of integrated community development management information systems: *Provided further*, That up to $10,000,000 of these funds shall be available for Housing Counseling under section 106 of the Housing and Urban Development Act of 1968.

HOMELESS ASSISTANCE GRANTS

For the emergency shelter grants program (as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act, as amended); the supportive housing program (as authorized under subtitle C of title IV of such Act); the section 8 moderate rehabilitation single room occupancy program (as authorized under the United States Housing Act of 1937, as amended) to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act; and the shelter plus care program (as authorized under subtitle F of title IV of such Act), $975,000,000, to remain available until expended: *Provided*, That permanent housing assisted under the supportive housing program with amounts provided under this heading in this Act shall be given to chronically homeless individuals and families who have, or who include members who have, chronic disabilities, including substance and alcohol abuse, and mental illness and other chronic health conditions: *Provided further*, That any permanent housing assisted under this heading shall be provided only if supportive services are linked to the individuals living in the housing: *Provided further*, That the Secretary of Housing and Urban Development shall conduct a review of any balances of amounts provided under this heading in this or any previous appropriation Act that have been obligated but remain unexpended and shall deobligate any such amounts that the Secretary determines were obligated for contracts that are unlikely to be performed: *Provided further*, That up to 1% of the funds appropriated under this heading may be used for technical assistance and tracking systems needed to carry out the directive provided in the Committee Report.

HOUSING FOR SPECIAL POPULATIONS

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low-income families under the United States Housing Act of 1937, as amended (42 U.S.C 1437), not otherwise provided for, $839,000,000, to remain available until expended: *Provided*, That of the total amount provided under this heading, $645,000,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for the elderly under section 202(c)(2) of the Housing Act of 1959, and for supportive services associated with the housing; and $194,000,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance, for amendments to contracts for project rental assistance, and supportive services associated with the housing for persons with disabilities as authorized by section 811 of such Act: *Provided further*, That the Secretary may designate up to 25 percent of the amounts for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance shall be for five years in duration: *Provided further*, That the Secretary may waive any provision of section 202 of the Housing Act of 1959 or section 811 of the Cranston-Gonzalez National Affordable Housing Act (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the respective objectives of these programs, or that otherwise impedes the ability to develop, operate or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 1998, and any collections made during fiscal year 1999, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 1999, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $110,000,000,000.

During fiscal year 1999, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $50,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, $328,888,000, to be derived from the FHA-mutual mortgage insurance guaranteed loans receipt account, of which not to exceed $324,866,000 shall be transferred to the appropriation for departmental salaries and expenses; and of which not to exceed $4,022,000 shall be transferred to the appropriation for the Office of Inspector General.

In addition, for non-overhead administrative expenses necessary to carry out the Mutual Mortgage Insurance guarantee and direct loan program, $200,000,000, to be derived from the FHA-mutual mortgage insurance guaranteed loan receipt account.

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of loan guarantee modifications (as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended), $81,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to $18,100,000,000.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed $50,000,000; of which not to exceed $30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, $211,455,000, of which $193,134,000, shall be transferred to the appropriation for departmental salaries and expenses; and of which $18,321,000 shall be transferred to the appropriation for the Office of Inspector General.

In addition, for non-overhead administrative expenses necessary to carry out the guaranteed and direct loan programs, $104,000,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 1999, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $150,000,000,000.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $9,383,000, to be derived from the GNMA-guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $9,383,000 shall be transferred to the appropriation for departmental salaries and expenses.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $47,500,000, to remain available until September 30, 2000, of which $10,000,000 shall be for activities to support the Partnership for Advanced Technologies in Housing.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, $40,000,000, to remain available until September 30, 2000, of which $23,500,000 shall be to carry out activities pursuant to such section 561: *Provided*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

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Mr. STOKES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to speak briefly about the Fair Housing Initiatives Program and particularly about my understanding of the committee's intent with respect to use of funds for this program.

The Fair Housing Initiatives Program, known as FHIP, provides grants to nonprofit organizations and local government agencies to aid in the promotion of fair housing. These grants are used for education, for outreach efforts, for investigation of possible violations, for conciliation of complaints and other similar purposes.

FHIP guarantees to address the full range of prohibited discrimination in sale and rental of housing and provision of housing-related services, including discrimination based on race, discrimination based on sex, discrimination against people with disabilities, and discrimination against families with children.

Unfortunately, this kind of housing discrimination still exists in our Nation. And, for this reason, I am pleased to report that our committee has been able to provide a portion of the funding increase requested by the administration for the FHIP program.

In funding this program, our subcommittee has taken note of a controversy surrounding the application of our Federal Fair Housing laws to discrimination in the provision of property insurance. Now, I and many others believe that there should be no doubt that the Fair Housing Act prohibits that kind of discrimination. Without access to insurance, they are not going to get a mortgage and they are not going to be able to buy a home. This position has been consistently taken by HUD and the Justice Department throughout both Republican and Democratic administrations and has been reaffirmed by the courts.

However, some still raise doubts and maintain that FHIP funds should not be available to address discrimination in the provision of property insurance. In the spirit of compromise, we worked out an agreement on this issue last year. That agreement proved workable in fiscal year 1998 and is repeated in the committee's report language on this bill.

In essence, the committee agreed that FHIP grants should not be awarded for any single-purpose enforcement initiatives. In other words, funds should not be used to make grants for enforcement efforts targeted to any narrow category of discrimination, whether that category is discrimination in provision of insurance or any other particular form of discrimination. Rather, FHIP funds are to be used for activities addressing a broad range of conduct prohibited by the Fair Housing Act.

In the view of HUD, the Justice Department and the courts, that broad range of prohibited conduct includes discrimination in the provision of insurance. And FHIP grantees are free to use their funds to address such discrimination as long as they do so in the context of a broadly based fair housing enforcement program.

Mrs. CHENOWETH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, one of the oldest tactics of argument is the shotgun approach. In debate, they bombard their opposition with a flurry of arguments in the hopes that somewhere along the line one of their points will ring true.

In football, an all-out blitz gives the defense the very best odds that somebody will sack the quarterback. But, Mr. Chairman, the appropriations process in the Congress is not a high school debate, and it is not a football game. Instead, it should be a solemn responsibility of the elected representatives of this great Nation to determine the just allocation of the hard-earned money of our Nation's taxpayers.

We do not have a fair and honest debate on individual departments or programs. Instead, in the VA-HUD appropriations bill, we will have alphabet soup, an approach to government.

Let me just read to my colleagues some of the names of the agencies that we are dealing with: HUD, EPA, CEQ, OEQ, FDIC, FEMA, NASA, NSF, ABMC, CSHIB. Mr. Chairman, I am sure my colleagues get my point. It goes on and on and on. Why are we forced to vote in favor of increased funding for agencies like HUD in order to just get funding for our veterans and complete our promises?

Let me demonstrate my point. I asked for a seat on the Committee on Veterans' Affairs in the 105th Congress in order to be in a position of advocacy for these great Americans. Less than a month ago, two chairmen of the Committee on Veterans' Affairs joined with me to hold a field hearing in my district to determine the methods of improving veterans' health care. Both chairmen and I came out of that hearing with a clear idea about the steps that Congress and the VA needs to take to ensure that we keep our promises as a Nation to the veterans to provide the health care we promised.

So, in theory, all I would have to do is look at the recommendations from the Subcommittee on VA, HUD and Independent Agencies to ensure that the necessary programs are funded at the appropriate levels. Well, instead, I have to vote to fund the VA in conjunction with some 20 other programs in order to guarantee the VA is funded. This is offensive, Mr. Chairman.

But I also have other concerns about the VA-HUD appropriation bill. This bill appropriates $94.4 billion in new budget authority, $94.4 billion. It increases spending by $4.4 billion over 1998. But what concerns me most about this increase in spending is that not one penny of the increases will go to the veterans' medical care. Over $4 billion of new spending and we are not going to spend one new dime to provide the necessary medical care. Yes, we spent new money for administrative care, but not new money for the kind of medical care we need for our veterans.

This bill also makes no provision for the mandatory cost-of-living adjustment for our veterans' benefits. We provided for everyone else, but what about our veterans? Again, there is an increase of more than $4 billion in spending from last year, but that does not include the necessary COLA for our veterans.

Earlier this year, we voted to take billions of dollars from veterans' programs and use them to fund transportation projects. Instead of trying to right the wrong, we are increasing spending for HUD and EPA and CEQ and not for the veterans' medical care.

Additionally, this bill cuts funding for the maintenance of war memorials, our national cemeteries, and Arlington National Cemetery, our finest symbol of honor and valor in this country.

Mr. Chairman, I recognize the need for fiscal responsibility. However, this is not being responsible, increasing HUD by the degree that we are and forgetting our veterans. We should not balance the budget on the back of our veterans. They should be a priority because we made that promise, not an afterthought.

I urge a no vote on H.R. 4194.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last requisite number of words.

Mr. Chairman, I must say to my colleagues in the House that the description made of our bill a moment ago is so far from being a reflection of the work of this committee that I cannot help but respond.

This committee has been a part of that significant effort to reduce patterns of growth in the Government across the board. We have reduced patterns of growth in every category except the veterans' category. This subcommittee has consistently adjusted funding for veterans in a positive way. In a bipartisan way, we have expressed our concern about veterans and indeed have made significant strides in the direction of improving the quality of care delivered to veterans across the country.

The CHAIRMAN (Mr. COMBEST). The Clerk will read.

The Clerk read as follows:

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992, $80,000,000 to remain available until expended, of which $2,500,000 shall be for CLEARCorps and $20,000,000 shall be for a Healthy Homes Initiative, which shall be a program pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related environmental diseases and hazards.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development not otherwise provided for, including not to exceed $7,000 for official reception and representation expenses, $985,826,000, of which $518,000,000 shall be provided from the various funds of the Federal Housing Administration, $9,383,000 shall be provided from funds of the Government National Mortgage Association, $1,000,000 shall be provided from the "Community Development Grants Program" account, $200,000 shall be provided from the "Native American Housing Block Grants" account, and $400,000 shall be provided from the "Indian Housing Loan Guarantee Fund Program Account".

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $81,910,000, of which $22,343,000 shall be provided from the various funds of the Federal Housing Administration and $10,000,000 shall be provided from the amount earmarked for Operation Safe Home in the "Drug Elimination Grants for Low-Income Housing" account.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, $16,551,000, to remain available until expended, to be derived from the Federal Housing Enterprise Oversight Fund: *Provided*, That not to exceed such amount shall be available from the General Fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: *Provided further*, That the General Fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the General Fund estimated at not more than $0.

Mrs. KELLY. Mr. Chairman, I move to strike the last word.

I would like to join the gentleman from California (Mr. LEWIS) in a colloquy.

Chairman LEWIS, I apologize for not being here during the time that you were discussing title I of this bill. Other business kept me from the House floor.

But, as you know, I and a number of my colleagues in New York and New Jersey have been very concerned over reports of substandard care amount our veterans' hospitals with Veterans Integrated Service Network 3.

An investigation by the VA's Office of Medical Inspector confirmed over 158 separate health and safety violations at the VISN 3 facilities. Of added concern was the fact that these problems coincided with the funding cuts required by the implementation of the Veterans Equitable Resource system, or VERA.

While the Office of Medical Inspector was identifying so many problems related to the care and services of our veterans, the VISN 3 director transferred an additional $20 million over and above what was required by VERA back to Washington. This action may have satisfied a budgetary goal, but it is completely inconsistent with the goal of quality veterans care, which should be the core mission of the VA.

With your leadership, Mr. Chairman, the committee included report language to accompany the Fiscal Year 1999 VA–HUD appropriations bill to urge the VA Secretary to provide VISN 3 with a one-time credit of $20 million, ensuring that this funding remains in the Network to address the problems noted in the OMI's report. Unfortunately, public statements by the VA have suggested that the agency may not carry out the committee's wishes as set forth by the report.

Mr. Chairman, is it your intention that the VA will carry out the will of the committee as dictated by the report language?

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman from California.

Mr. LEWIS of California. The gentlewoman from New York (Mrs. KELLY) correctly characterizes the nature of the problems in VISN 3, and I would like to assure her that it is my intention that the VA comply with the directive included in the report to provide VISN 3 with a one-time credit of $20 million.

To further address her concerns, I have a letter from VA Deputy Secretary Gober which clarifies that it is his agency's policy to honor appropriations report language.

Mr. GILMAN. Mr. Chairman, I rise today in support of the colloquy taking place between subcommittee Chairman LEWIS and my colleague from New York, Representative KELLY.

Earlier this year, a General Accounting Office study, which had been requested by the New York delegation, revealed that the director of VISN–3 had returned $20 million from his FY '97 budget to Washington at a time when the VA Office of the Medical Inspector was finding more than 156 separate health and safety violations at two of the VISN's eight hospitals.

No other VISN, Mr. Speaker, returned any money from their FY '97 budget to Washington. Leaving the timing of the decision aside, central VA authorities, at the very least, should have credited VISN–3 with making additional contributions to VERA requirements ahead of time. Regrettably, this was not the case, and essentially, VISN–3 received absolutely nothing for returning these funds.

VISN–3 has been the one network hardest hit by the VERA realignment. While we in Congress are awaiting the final report of the GAO on the effects of VERA on the quality of care being delivered in VISN–3, it is safe to conclude that VERA has not improved matters.

Furthermore, while it may have been inappropriate for the VISN director to send back such a large sum of money at a time when so many infra-structural and staffing problems were surfacing, the fact remains that the VISN should have benefited from its director's "thriftiness." That it did not is a gross injustice, one which the VA should now correct to assure quality care for our Veterans.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to add to the comments made in the colloquy between the gentleman from California (Mr. LEWIS) and the gentlewoman from New York (Mrs. KELLY).

First of all, let me thank the gentlewoman from New York (Mrs. KELLY) and the gentlewoman from my own State of New Jersey (Mrs. ROUKEMA) for their leadership relative to getting back from Washington the money that was sent back by the VISN 3 director, Jim Farsetta, from the New York and New Jersey region.

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Their leadership has been wonderful and entirely appropriate.

Only 2 weeks ago, Mr. Chairman, I learned in my district office in New Jersey from the top brass of that VISN, that Veterans Integrated Service Network, from the lips of James Farsetta, who is the director, as well as Kim Mizarch, who heads up the combined veterans hospitals in New Jersey, that the VA, if that money comes back to New York and New Jersey, that $20 million that was inappropriately sent back to Washington, that the VISN leadership would use that to pay the retirement packages for employees that will be retiring from hospitals in the New York and New Jersey region.

That is entirely inappropriate. If, in fact, that money comes back to New York and New Jersey, it ought to be used to increase the health care access and programs, as the gentlewoman from New Jersey (Mrs. ROUKEMA), the gentlewoman from New York (Mrs. KELLY) and myself and other members of the delegation, both Democrats and Republicans, would seek. The thought of using that money for retirement packages flies in the face of everything we have learned about the way our system is run and, quite honestly, quality of care issues are definitely in effect in that that money ought to be used for medical care for the veterans, not for retirement packages.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I want to express my appreciation for gentleman's leadership on this subject; of course, for the gentlewoman from New York (Mrs. KELLY). We all share the same needs in the New York-New Jersey area for veterans.

I also want to enter into this colloquy because it is most essential, what the gentleman has just said and what I stated earlier in the general debate, that the committee has got to force the compliance with the VA under the conditions of this legislation and the conditions under which the $20 million is being allocated. And I am happy to hear, I had not known until just recently, about this conversation or discussion the gentleman had with Farsetta.

Mr. FRELINGHUYSEN. Director Farsetta.

Mrs. ROUKEMA. The director, but I am very pleased to learn of the letter that the gentleman from California (Mr. LEWIS) has just identified and the stated intentions. This colloquy and the language in the appropriations bill should be ample evidence that they have to comply with the intentions of Congress,, and I really commend the gentleman for his leadership.

I want to continue to working with the gentleman, Mr. Chairman. We will be the watchdogs on this issue.

Mr. FRELINGHUYSEN. Reclaiming my time, I yield to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Chairman, I simply want to concur in what the gentleman said, and I want to emphasize that the money should go, as we all expected it to go, into high-quality medical care for the veterans. They deserve nothing less.

Mrs. ROUKEMA. Precisely.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield to the gentleman from New York (Mr. SOLOMON), chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Chairman, I will make it very fast.

I just want to commend the gentleman from New Jersey (Mr. FRELINGHUYSEN), and certainly the gentlewoman from New Jersey (Mrs. ROUKEMA), particularly the gentlewoman from New York (Mrs. KELLY), my neighbor.

As a former ranking member of the Committee on Veterans Affairs, the money ought to go to medical care delivery. That is where the shortage is. And I appreciate, believe me, the support of the gentleman from California (Mr. LEWIS) because he has always been a great supporter of the veterans, and with this help now we will see that it happens.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ADMINISTRATIVE PROVISIONS

PUBLIC AND ASSISTED HOUSING RENTS, PREFERENCES, AND FLEXIBILITY

SEC. 201. (a) Section 402(a) of The Balanced Budget Downpayment Act, I (Public Law 104–99; (110 Stat. 40)) is amended by striking "fiscal years 1997 and 1998" and inserting "fiscal years 1997, 1998, and 1999".

(b) Section 402(f) of The Balanced Budget Downpayment Act, I (42 U.S.C. 1437aa note) is amended by inserting before the period at the end the following: ", except that subsection (d) and the amendments made by such subsection shall also be effective for fiscal year 1999".

(c) PUBLIC HOUSING FUNDING FLEXIBILITY.—Section 201(a)(2) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437l note), is amended to read as follows:

"(2) APPLICABILITY.—Section 14(q) of the United States Housing Act of 1937 shall be effective only with respect to assistance provided from funds made available for fiscal year 1999 or any preceding fiscal year, except that the authority in the first sentence of section 14(q)(1) to use up to 10 percent of the allocation of certain funds for any operating subsidy purpose shall not apply to amounts made available for fiscal years 1998 and 1999."

DELAY REISSUANCE OF VOUCHERS AND CERTIFICATES

SEC. 202. Section 403(c) of The Balanced Budget Downpayment Act, I (Public Law 104–99; (110 Stat. 44)) is amended—

(1) by striking "fiscal years 1996, 1997, and 1998" and inserting "fiscal years 1996, 1997, 1998, and 1999";

(2) by striking "1997 and October" and inserting "1997, October"; and

(3) by inserting before the semicolon the following: ", and October 1, 1999 for assistance made available during fiscal year 1999".

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS GRANTS

SEC. 203. (a) ELIGIBILITY.—Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 1999 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year 1999 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 1999 do not have the number of cases of acquired immunodeficiency syndrome required under such clause.

(b) AMOUNT.—The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year 1999 in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

(c) ENVIRONMENTAL REVIEW.—For purposes of environmental review, pursuant to the National Environmental Policy Act of 1969 and other provisions of law that further the purposes of such Act, a grant under the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.) from amounts provided under this or prior Acts shall be treated as assistance for a special project that is subject to section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994 (42 U.S.C. 3547), and shall be subject to the regulations issued by the Secretary to implement such section. Where the grantee under the AIDS Housing Opportunity Act is a nonprofit organization and the activity is proposed to be carried out within the jurisdiction of an Indian tribe or the community of an Alaska native village, the role of the State or unit of general local government under sections 305(c)(1)–(3) of such Act may be carried out by the Indian tribe or Alaska native village instead.

DRAWDOWN OF FUNDS

SEC. 204. Section 14(q)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437l(q)(1)) is amended by inserting after the first sentence the following sentence: "Such assistance may involve the drawdown of funds on a schedule commensurate with construction draws for deposit into an interest earning escrow account to serve as collateral or credit enhancement for bonds issued by a public agency for the construction or rehabilitation of the development.".

ISSUANCE OF CERTIFICATES AND VOUCHERS TO SINGLE PERSONS

SEC. 205. (a) CERTIFICATE PROGRAM.—Section 8(c)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)(1)) is amended by inserting after the third sentence the following new sentence: "The maximum monthly rent for a single person (other than an elderly person or person with disabilities, if such elderly person or person with disabilities is living with one or more persons determined under the regulations of the Secretary to be essential to such person's care or well-being) receiving tenant-based rental assistance in the certificate program under subsection (b)(1) shall not exceed by more than the amount permitted under the second sentence of this paragraph the fair market rental for an efficiency unit, except that the Secretary, or the public housing agency in accordance with guidelines established by the Secretary, may determine not to apply the limitation in this sentence if there is an insufficient supply of efficiency units in the market area or if necessary to meet the needs of persons with disabilities.".

(b) VOUCHER PROGRAM.—Section 8(o) of such Act (42 U.S.C. 1437f(o)) is amended by inserting the following at the end of paragraph (1): "The payment standard for a single person (other than an elderly person or person with disabilities, if such elderly person or person with disabilities is living with one or more persons determined under the regulations of the Secretary to be essential to such person's care or well-being) shall be based on the fair market rental for an efficiency unit, except that the Secretary, or the public housing agency in accordance with guidelines established by the Secretary, may determine not to apply the limitation in this sentence if there is an insufficient supply of efficiency units in the market area or if necessary to meet the needs of persons with disabilities.".

(c) APPLICABILITY.—This section shall take effect 60 days after the later of October 1, 1998 or the date of enactment of this Act.

ELIMINATION OF SHOPPING INCENTIVE FOR VOUCHER FAMILIES WHO REMAIN IN SAME UNIT UPON INITIAL RECEIPT OF ASSISTANCE

SEC. 206. (a) Section 8(o)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(2)) is amended by inserting the following new sentence at the end: "Notwithstanding the preceding sentence, for families being admitted to the voucher program who remain in the same unit or complex, where the rent (including the amount allowed for utilities) does not exceed the payment standard, the monthly assistance payment for any family shall be the amount by which such rent exceeds the greater of 30 percent of the family's monthly adjusted income or 10 percent of the family's monthly income.".

(b) This section shall take effect 60 days after the later of October 1, 1998 or the date of enactment of this Act.

RENEGOTIATION OF PERFORMANCE FUNDING SYSTEM

SEC. 207. Section 9(a)(3)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437g(a)(3)(A)) is amended—

(1) by inserting after the third sentence the following new sentence to read as follows: "Notwithstanding the preceding sentences, the Secretary may revise the performance funding system in a manner that takes into account equity among public housing agencies and that includes appropriate incentives for sound management."; and

(2) in the last sentence, by inserting after "vacant public housing units" the following: ", or any substantial change under the preceding sentence,".

CDBG AND HOME EXEMPTION

SEC. 208. The City of Oxnard, California may use amounts available to the City under title I of the Housing and Community Development Act of 1974 and under subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act to reimburse the City for its cost in purchasing 19.89 acres of land, more or less, located at the northwest corner of Lombard Street and Camino del Sol in the City, on the north side of the 2100 block of Camino del Sol, for the purpose of providing affordable housing. The procedures set forth in sections 104(g) (2) and (3) of the Housing and Community Development Act of 1974 and sections 288 (b) and (c) of the Cranston-Gonzalez National Affordable Housing Act shall not apply to any release of funds for such reimbursement.

CDBG PUBLIC SERVICES CAP

SEC. 209. Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking "1998" and inserting "1999".

AMENDMENT NO. 9 OFFERED BY MR. VENTO

Mr. VENTO. Mr. Chairman, I offer an amendment that was printed in the RECORD.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. VENTO:

Page 52, after line 2, insert the following new section:

LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP

SEC. 210. (a) NOTICE OF PREPAYMENT OR TERMINATION.—Notwithstanding section 212(b) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4102(b)) or any other provision of law, during fiscal year 1999 and each fiscal year thereafter, an owner of eligible low-income housing (as defined in section 229 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4119)) that intends to take any action described in section 212(a) of such Act (12 U.S.C. 4102(a)) shall, not less than 1 year before the date on which the action is taken—

(1) file a notice indicating that intent with the chief executive officer of the appropriate State or local government for the jurisdiction within which the housing is located; and

(2) provide each tenant of the housing with a copy of that notice.

(b) Exception.—The requirements of this section do not apply—

(1) in any case in which the prepayment or termination at issue is necessary to effect conversion to ownership by a priority purchaser (as defined in section 231(a) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4120(a)); or

(2) in the case of any owner who has provided notice of an intended prepayment or termination on or before July 7, 1998, in accordance wit the requirements of section 212(b) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4102(b)).

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order on the amendment.

Mr. VENTO. Mr. Chairman, I appreciate the gentleman reserving his point of order.

There is a similar amendment that has been passed to mine which provides 1 year notice for persons residing in assisted housing where there is an exercised option by the owner to, in fact, terminate the assisted or Section 8 type of support to such housing. This is a problem of immediate concern that is causing a crisis across the Nation.

The fact is that in 1989 in the LIHPRA legislation that was enacted, there was a provision for prenotification of the option to exercise termination of such contract. But that has not been implemented, and, as my colleagues are aware and I am very concerned about, there is not funding for the Low-income Housing Preservation Resident Ownership Program in this legislation, and what we hope to do is at least try to provide this notice so that individuals who are receiving only, in some cases only 30 days and others 60 days notice, are not receiving much notification, that they, in fact, would have that. I suppose optimally, if they have a year, they would have a chance to really restructure this and to do something to, in fact, maintain this low-income housing.

While it is important nationwide with hundreds of thousands of units of low-income housing being converted, it is especially important in our State of Minnesota where nearly 10 percent of the low-income housing is affected by this provision.

So this prepayment notice provision has been added to the Senate bill by our senior Senator, and we hope that that will be looked at in conference. At the very least we would like the option to offer it at this time, but the rule obviously, while making great provisions for other measures to be offered on the floor that have, I think, much less relevance and relationship to the appropriation process, has decided not to do so for us.

Mr. Chairman, I yield to the gentleman from Minnesota (Mr. SABO), my colleague and a member of this subcommittee.

Mr. SABO. Mr. Chairman, I congratulate the gentleman from Minnesota (Mr. VENTO) on an excellent amendment.

As I understand the gentleman's amendment, it requires notice to both the residents and the local governments.

Mr. VENTO. Yes, it does, and I continue to yield to the gentleman.

Mr. SABO. That is very crucial for 2 reasons: one, so that the residents have some advance knowledge that their status may change, and also so the local governments may know that the status of buildings are going to change so that there is some potential for negotiating, maybe even negotiating change of ownership. And I had one big project where they were able to work out a nonprofit ownership of a building where the owner wanted to refinance so they could continue as low-income housing.

And so I just think this is a very important amendment, and let me add that it is one part of dealing with what is a growing problem in our country, and that is the lack of affordable housing. Clearly the expansion of vouchers helps, and I strongly support the Stokes amendment to add more vouchers. But we have a problem that goes beyond that in our area in Minnesota, and that is that we have very, very low vacancy rates, and the problem is that people lose their vouchers, and there is no place to go. We desperately in this country need to build more housing that is available for low-income people. The vouchers are good, but, if there is no housing to use them with, they fail their purpose.

And so we really need to be fair to local governments, to residents, to have the kind of notice that my friend, the gentleman from Minnesota (Mr. VENTO), is suggesting, but we also need more vouchers for people who have low income, but we also need to get serious about producing more housing that is available for low-income families in this country. It is a problem that exists not only in our urban area, but in most rural parts of our State.

So I thank the gentleman for his very good amendment. I understand the procedural problems we have today, but I would urge the subcommittee to look kindly on such a proposal in conference.

Mr. VENTO. Mr. Chairman, I thank the gentleman for his comments and would just point out that this problem that with the notification of local governments with the State can, in fact, have a very salutary effect because our State, as an example, has appropriated $10 million to, in fact, try to respond to the inadequate Federal funding.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. VENTO) has expired.

(On request of Mr. SABO, and by unanimous consent, Mr. VENTO was allowed to proceed for 2 additional minutes.)

Mr. VENTO. Mr. Chairman, I thank the gentleman for the additional time, and I will be brief, but I was going to point out that the State had provided dollars in the cities and communities in which they lie. Minnesota was very quick to pick up on the assisted housing program that was enacted and put in place in the early 1970s. The consequence is that we have a significant concentration of assisted housing, and this assisted housing program worked very well in Minnesota, like a lot of other public programs and other initiatives that not always have an even affect across the country, but things seem to work very well there in terms of what we are doing.

And the State has made this commitment, I think the various cities and communities, and what is happening is some of the best low-income housing that has a market approach without a certain contract with regards to Section 8, my colleagues, and those contracts for 1 year are somewhat uncertain, and without the type of notice requirements and the implementation of LIHPRA, we are losing it. So we basically have a crisis.

Mr. Chairman, I further yield to the gentleman from Minnesota (Mr. SABO), my colleague from the Fifth District in Minneapolis.

Mr. SABO. Mr. Chairman, I think our history has been that whatever problems exist nationally have not existed in most of these projects and programs in our State, and they worked very well. They provided very good housing, and are widely used, and people who live there like them and would like to be able to stay.

At some point I would like to ask the chairman of the subcommittee a question, and I am not sure if it is appropriate.

Mr. VENTO. Mr. Chairman, I yield to the gentleman from California (Mr. LEWIS) for that particular purpose and response.

Mr. SABO. Mr. Chairman, if the gentleman would yield, my understanding is that one of the things that helps remedy the situation are the so-called sticky vouchers which can be used where these projects are converted.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. VENTO) has again expired.

(By unanimous consent, Mr. VENTO was allowed to proceed for 2 additional minutes.)

Mr. VENTO. Mr. Chairman, I yield to the gentleman from Minnesota (Mr. SABO).

Mr. SABO. My understanding is that under this bill sticky vouchers can be used for renewal after the first year.

Mr. VENTO. Mr. Chairman, I yield to the gentleman from California (Mr. LEWIS), chairman of the subcommittee.

Mr. LEWIS of California. The gentleman is correct.

Mr. VENTO. Mr. Chairman, this amendment would provide tenants and state or local officials with fair notice that the federally insured mortgages for buildings in which they live or that are in their communities, are going to be prepaid. In being prepaid, the building will no longer be a part of the subsidized housing stock and the tenants will likely have to move or pay large increases in rent.

In the late 80's and 90's as the threat of prepayment began to loom large on the horizon, we worked and enacted laws that would help preserve as many units as possible as subsidized or affordable housing. We attempted to create incentives for owners to remain in programs or for them to sell to noprofits or others who would maintain the affordable housing mission.

We enacted the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA). However, funds have not been allocated for LIHPRHA since FY 1997 and the provisions of LIHPRHA which provide fair notice, plans of action and tenant displacement assistance appear not to be being enforced by HUD when owners prepay.

Significantly, this has very negatively affected the jurisdictions in which those housing units exist and especially the tenants of the buildings.

This has been devastating for tenants who are often elderly or disabled persons living on fixed incomes. They are receiving 60 or sometimes only 30 days notice that their entire lives are going to be disrupted, supportive neighbors and friends lost, and possibly their proximity to doctors or services that they need eliminated. Worse still, in many markets, including the Twin Cities of St. Paul and Minneapolis, there is nowhere to go. Vouchers if any help but, our vacancy rate is very low. There is not enough affordable housing to go around there or other parts of the country as the 5.3 million American households in substandard housing or paying over 50 percent of their incomes can tell you.

This amendment can help real people deal with traumatic changes in their lives in an orderly and reasonable fashion. It will only require a little extra notice. That could make some difference for people for whom the very thought of a search for a new home could overwhelm them.

Mr. Chairman, in my state of Minnesota, they were able to come up with a new law this year that would provide $10 million for each of the next two years to help preserve some of these buildings at risk of prepayment. I intend to introduce very soon legislation that would provide a federal match to state programs that step up to the plate and try to save federally assisted affordable housing in their borders.

My amendment today will help responsible governments and tenants with timely notice that could help them preserve some of the housing in Minnesota and elsewhere. In Minnesota, the Minnesota State Housing Agency is estimated that 10 percent of that low income housing stock, some 5,000 units are at risk. We have a national housing crisis on our hands and Congress must face it, fairly and squarely now and in the future. Support my amendment as a first step back into dealing with the housing crisis and do what Congress can do to make certain that residents of assisted housing have adequate notice and time to respond to the eviction from their homes.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California press his point of order?

Mr. LEWIS of California. Mr. Chairman, I make a point of order against the Vento amendment because it proposes to change existing law and constitutes legislation in an appropriation bill, and therefore violates clause 2 of rule XXI.

The rule states in pertinent part that no amendment to a general appropriations bill shall be in order if changing existing law. This amendment, by requiring owners of Preservation-eligible properties to provide 1 year notice of prepayment to tenants and State and local governments, imposes additional duties and constitutes, therefore, legislation in an appropriation bill.

I ask for a ruling of the Chair.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mr. VENTO. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I know we are all eager to conclude, but I did feel the need to speak. We have had a number of amendments today, and I find myself in the unusual position, as someone who has been on the Subcommittee on Housing for 18 years, of not really being able to enthusiastically get involved in the amendment process because some things are beyond repair, and this bill is one of them. It is no reflection on either the chairman or the ranking member. They have, in my experience, done in the past and continue to do an excellent job with what they are given to work with.

□ 1145

The gentleman from California and the gentleman from Ohio I think have been sensitive and thoughtful in their responsibilities as leaders of the appropriations subcommittee. But what they have been given to work with in this bill is a disgrace. There is hardly an aspect of this important appropriations bill which comes close to being adequately funded, and we ought to be clear that this is a reflection of the outrageous, crabbed, insensitive, socially-destructive priorities that are now governing this Congress.

What is particularly interesting, I think, is that there are probably 80 percent of the Members who have told some group that, yes, they wish we could have given them more money in veterans' health, in Section 8 housing, in brownfields, in the cleanup of Superfund sites. Everybody here, close to everybody, is for more money. But, in fact, we will be disappointing interest after interest, legitimate interests, because of a crabbed and insensitive set of priorities.

There simply is no way to improve this bill. The gentlemen who run the committee have done as good a job as they can with the extraordinarily meager resources they are given, so as we amend here, we are reduced to not even robbing Peter to pay Paul, we are reduced to mugging Peter to pay Paul's burial expenses, because this bill systematically degrades and destroys and diminishes valuable government programs.

Let us be very clear, this is a bill inadequate to help with our housing crisis. This is a bill which will leave people in need of housing, hard-working families, people who are being told to get off welfare and get jobs, it will leave them in a worse crisis, because they will, in many parts of this country, not be able to afford housing. It will leave the environmental problems of the country worse off. It will deprive veterans of this country of health care they need to have.

What are we being told we will then do? We are going to cut taxes. We have a surplus, and we are told, particularly on the other side, that we should rejoice because there is this great surplus.

I do rejoice that we are generating more money, but is not a nickel to go to the veterans who have already lost health care? Is nothing to go alleviate a housing crisis which this bill will make worse? Is nothing out of that even worth considering to deal with environmental problems which go undone?

Members here, I guess I would at least ask for this, Members who have said this is the best we can do for the environment, for housing and for veterans, and we have to cut taxes, please have the decency not to tell people how much you wish you could have helped them. Please have the decency not to tell people, that, oh, yes, you were for more housing, and you were for more help for the veterans, and you were for more help for the brownfields, but somehow you could not do it.

Do you know what we have? What I have called the reverse Houdini. Harry Houdini became famous, as Ragtime remembers, because other people would tie him in knots, and his trick was to get out of the knots.

What we have here is a House that has done the reverse Houdini by voting a crabbed and inadequate budget that underfunds valuable social programs, and then says, if we have additional revenue, let us put all of it into tax cuts for people that are already pretty wealthy. And then people will come to us and say we need help with veterans. Veterans are going without health care. We need help with housing. We need help with the environment.

What do we say to them? We cannot help you. Why can we not help you? Because we have tied our own hands. That is the reverse Houdini. The Houdini is when somebody else ties you up and you get out of it. The reverse Houdini is when you tie yourself up, and then people come and say please help me with these terrible social problems, and you say, I am sorry, I cannot do that, I am all tied up. But it a self-inflicted restraint.

So I am not participating in this debate on the amendment process. Many of my friends are trying very hard, but they are trying to square the circle. Despite the good intentions of the gentleman from California, and I apologize to him for praising him in this context, I will do him no good, I am afraid, by doing so, but I know he tries. The gentleman from Ohio tries. But they have been given such a desperately inadequate amount of money to deal with some of the gravest social problems in America, not because the money is not there, but because this House chooses to misallocate the money in a reflection of terrible priorities.

Mr. Chairman, that is why I took the 5 minutes right now. That is why I am so disappointed that we are so ill-serving the American people.

AMENDMENT NO. 12 OFFERED BY MR. LAZIO OF NEW YORK

Mr. LAZIO of New York. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. LAZIO of New York:

Page 2, after line 6, insert the following:

DIVISION A—APPROPRIATIONS

Page 91, line 4, strike "This Act" and insert "Titles I, II, III, and IV of this Act".

At the end of the bill (after the short title), insert the following:

DIVISION B—HOUSING OPPORTUNITY AND RESPONSIBILITY

SEC. 1001. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the "Housing Opportunity and Responsibility Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents for this division is as follows:

DIVISION B—HOUSING OPPORTUNITY AND RESPONSIBILITY

Sec. 1001. Short title and table of contents.
Sec. 1002. Permanent applicability.
Sec. 1003. Declaration of policy to renew American neighborhoods.

TITLE XI—GENERAL PROVISIONS

Sec. 1101. Statement of purpose.
Sec. 1102. Definitions.
Sec. 1103. Organization of public housing agencies.
Sec. 1104. Determination of adjusted income and median income.
Sec. 1105. Community work and family self-sufficiency requirements.
Sec. 1106. Local housing management plans.
Sec. 1107. Review of plans.
Sec. 1108. Reporting requirements.
Sec. 1109. Pet ownership.
Sec. 1110. Administrative grievance procedure.
Sec. 1111. Headquarters reserve fund.
Sec. 1112. Labor standards.
Sec. 1113. Nondiscrimination.
Sec. 1114. Prohibition on use of funds.
Sec. 1115. Inapplicability to Indian housing.
Sec. 1116. Regulations.

TITLE XII—PUBLIC HOUSING

Subtitle A—Block Grants

Sec. 1201. Block grant contracts.
Sec. 1202. Grant authority, amount, and eligibility.
Sec. 1203. Eligible and required activities.
Sec. 1204. Determination of grant allocation.
Sec. 1205. Sanctions for improper use of amounts.

Subtitle B—Admissions and Occupancy Requirements

Sec. 1221. Low-income housing requirement.
Sec. 1222. Family eligibility.
Sec. 1223. Preferences for occupancy.
Sec. 1224. Admission procedures.
Sec. 1225. Family choice of rental payment.
Sec. 1226. Lease requirements.
Sec. 1227. Designated housing for elderly and disabled families.

Subtitle C—Management

Sec. 1231. Management procedures.
Sec. 1232. Housing quality requirements.
Sec. 1233. Employment of residents.
Sec. 1234. Resident councils and resident management corporations.
Sec. 1235. Management by resident management corporation.
Sec. 1236. Transfer of management of certain housing to independent manager at request of residents.
Sec. 1237. Resident opportunity program.

Subtitle D—Homeownership

Sec. 1251. Resident homeownership programs.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

Sec. 1261. Requirements for demolition and disposition of developments.
Sec. 1262. Demolition, site revitalization, replacement housing, and choice-based assistance grants for developments.
Sec. 1263. Voluntary voucher system for public housing.

Subtitle F—Mixed-Finance Public Housing

Sec. 1271. Authority.
Sec. 1272. Mixed-finance housing developments.
Sec. 1273. Mixed-finance housing plan.
Sec. 1274. Rent levels for housing financed with low-income housing tax credit.
Sec. 1275. Carry-over of assistance for replaced housing.

Subtitle G—General Provisions

Sec. 1281. Payment of non-Federal share.
Sec. 1282. Authorization of appropriations for block grants.
Sec. 1283. Funding for operation safe home.
Sec. 1284. Funding for relocation of victims of domestic violence.

TITLE XIII—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

Sec. 1301. Authority to provide housing assistance amounts.
Sec. 1302. Contracts with PHA's.
Sec. 1303. Eligibility of PHA's for assistance amounts.
Sec. 1304. Allocation of amounts.
Sec. 1305. Administrative fees.
Sec. 1306. Authorizations of appropriations.
Sec. 1307. Conversion of section 8 assistance.
Sec. 1308. Recapture and reuse of annual contract project reserves under choice-based housing assistance and section 8 tenant-based assistance programs.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

Sec. 1321. Eligible families and preferences for assistance.
Sec. 1322. Resident contribution.
Sec. 1323. Rental indicators.
Sec. 1324. Lease terms.
Sec. 1325. Termination of tenancy.
Sec. 1326. Eligible owners.
Sec. 1327. Selection of dwelling units.
Sec. 1328. Eligible dwelling units.
Sec. 1329. Homeownership option.
Sec. 1330. Assistance for rental of manufactured homes.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

Sec. 1351. Housing assistance payments contracts.
Sec. 1352. Amount of monthly assistance payment.
Sec. 1353. Payment standards.
Sec. 1354. Reasonable rents.
Sec. 1355. Prohibition of assistance for vacant rental units.

Subtitle D—General and Miscellaneous Provisions

Sec. 1371. Definitions.
Sec. 1372. Rental assistance fraud recoveries.
Sec. 1373. Study regarding geographic concentration of assisted families.
Sec. 1374. Study regarding rental assistance.

TITLE XIV—HOME RULE FLEXIBLE GRANT OPTION

Sec. 1401. Purpose.
Sec. 1402. Flexible grant program.
Sec. 1403. Covered housing assistance.
Sec. 1404. Program requirements.
Sec. 1405. Applicability of certain provisions.
Sec. 1406. Application.
Sec. 1407. Training.
Sec. 1408. Accountability.
Sec. 1409. Definitions.

TITLE XV—ACCOUNTABILITY AND OVERSIGHT OF PUBLIC HOUSING AGENCIES

Subtitle A—Study of Alternative Methods for Evaluating Public Housing Agencies

Sec. 1501. In general.

Sec. 1502. Purposes.
Sec. 1503. Evaluation of various performance evaluation systems.
Sec. 1504. Consultation.
Sec. 1505. Contract to conduct study.
Sec. 1506. Report.
Sec. 1507. Funding.
Sec. 1508. Effective date.

Subtitle B—Housing Evaluation and Accreditation Board

Sec. 1521. Establishment.
Sec. 1522. Membership.
Sec. 1523. Functions.
Sec. 1524. Powers.
Sec. 1525. Fees.
Sec. 1526. GAO audit.

Subtitle C—Interim Applicability of Public Housing Management Assessment Program

Sec. 1531. Interim applicability.
Sec. 1532. Management assessment indicators.
Sec. 1533. Designation of PHA's.
Sec. 1534. On-site inspection of troubled PHA's.
Sec. 1535. Administration.

Subtitle D—Accountability and Oversight Standards and Procedures

Sec. 1541. Audits.
Sec. 1542. Performance agreements for authorities at risk of becoming troubled.
Sec. 1543. Performance agreements and CDBG sanctions for troubled PHA's.
Sec. 1544. Option to demand conveyance of title to or possession of public housing.
Sec. 1545. Removal of ineffective PHA's.
Sec. 1546. Mandatory takeover of chronically troubled PHA's.
Sec. 1547. Treatment of troubled PHA's.
Sec. 1548. Maintenance of records.
Sec. 1549. Annual reports regarding troubled PHA's.
Sec. 1550. Applicability to resident management corporations.
Sec. 1551. Advisory council for Housing Authority of New Orleans.

TITLE XVI—REPEALS AND RELATED AMENDMENTS

Subtitle A—Repeals, Effective Date, and Savings Provisions

Sec. 1601. Effective date and repeal of United States Housing Act of 1937.
Sec. 1602. Other repeals.

Subtitle B—Other Provisions Relating to Public Housing and Rental Assistance Programs

Sec. 1621. Allocation of elderly housing amounts.
Sec. 1622. Pet ownership.
Sec. 1623. Review of drug elimination program contracts.
Sec. 1624. Amendments to Public and Assisted Housing Drug Elimination Act of 1990.

Subtitle C—Limitations Relating to Occupancy in Federally Assisted Housing

Sec. 1641. Screening of applicants.
Sec. 1642. Termination of tenancy and assistance for illegal drug users and alcohol abusers.
Sec. 1643. Lease requirements.
Sec. 1644. Availability of criminal records for tenant screening and eviction.
Sec. 1645. Definitions.

TITLE XVII—AFFORDABLE HOUSING AND MISCELLANEOUS PROVISIONS

Sec. 1701. Rural housing assistance.
Sec. 1702. Treatment of occupancy standards.
Sec. 1703. Implementation of plan.
Sec. 1704. Income eligibility for HOME and CDBG programs.
Sec. 1705. Prohibition of use of CDBG grants for employment relocation activities.
Sec. 1706. Regional cooperation under CDBG economic development initiative.
Sec. 1707. Use of American products.
Sec. 1708. Consultation with affected areas in settlement of litigation.
Sec. 1709. Treatment of PHA repayment agreement.
Sec. 1710. Use of assisted housing by aliens.
Sec. 1711. Protection of senior homeowners under reverse mortgage program.
Sec. 1712. Conversion of section 8 tenant-based assistance to project-based assistance in the Borough of Tamaqua.
Sec. 1713. Housing counseling.
Sec. 1714. Transfer of surplus real property for providing housing for low- and moderate-income families.
Sec. 1715. Effective date.

SEC. 1002. PERMANENT APPLICABILITY.

Upon effectiveness pursuant to section 1601(a), the provisions of this division and the amendments made by this division shall apply thereafter, except to the extent otherwise specifically provided in this division or the amendments made by this division.

SEC. 1003. DECLARATION OF POLICY TO RENEW AMERICAN NEIGHBORHOODS.

The Congress hereby declares that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) the Federal Government cannot through its direct action alone provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;

(3) the Federal Government should act where there is a serious need that private citizens or groups cannot or are not addressing responsibly;

(4) housing is a fundamental and necessary component of bringing true opportunity to people and communities in need, but providing physical structures to house low-income families will not by itself pull generations up from poverty;

(5) it is a goal of our Nation that all citizens have decent and affordable housing; and

(6) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by the independent and collective actions of private citizens, organizations, and the private sector.

TITLE XI—GENERAL PROVISIONS

SEC. 1101. STATEMENT OF PURPOSE.

The purpose of this division is to promote safe, clean, and healthy housing that is affordable to low-income families, and thereby contribute to the supply of affordable housing, by—

(1) deregulating and decontrolling public housing agencies, thereby enabling them to perform as property and asset managers;

(2) providing for more flexible use of Federal assistance to public housing agencies, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

(3) facilitating mixed income communities;

(4) increasing accountability and rewarding effective management of public housing agencies;

(5) creating incentives and economic opportunities for residents of dwelling units assisted by public housing agencies to work, become self-sufficient, and transition out of public housing and federally assisted dwelling units;

(6) recreating the existing rental assistance voucher program so that the use of vouchers and relationships between landlords and tenants under the program operate in a manner that more closely resembles the private housing market; and

(7) remedying troubled public housing agencies and replacing or revitalizing severely distressed public housing developments.

SEC. 1102. DEFINITIONS.

For purposes of this division, the following definitions shall apply:

(1) ACQUISITION COST.—When used in reference to public housing, the term "acquisition cost" means the amount prudently expended by a public housing agency in acquiring property for a public housing development.

(2) DEVELOPMENT.—The terms "public housing development" and "development" (when used in reference to public housing) mean—

(A) public housing; and

(B) the improvement of any such housing.

(3) DISABLED FAMILY.—The term "disabled family" means a family whose head (or his or her spouse), or whose sole member, is a person with disabilities. Such term includes 2 or more persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(4) DRUG-RELATED CRIMINAL ACTIVITY.—The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(5) EFFECTIVE DATE.—The term "effective date", when used in reference to this division, means the effective date determined under section 1601(a).

(6) ELDERLY FAMILIES AND NEAR ELDERLY FAMILIES.—The terms "elderly family" and "near-elderly family" mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(7) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(8) Eligible public housing agency.—The term "eligible public housing agency" means, with respect to a fiscal year, a public housing agency that is eligible under section 1202(d) for a grant under this title.

(9) Family.—The term "family" includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(10) Group home and independent living facility.—The terms "group home" and "independent living facility" have the meanings given such terms in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.

(11) Income.—The term "income" means, with respect to a family, income from all sources of each member of the household, as determined in accordance with criteria prescribed by the applicable public housing agency and the Secretary, except that the following amounts shall be excluded:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(12) Local housing management plan.—The term "local housing management plan" means, with respect to any fiscal year, the plan under section 1106 of a public housing agency for such fiscal year.

(13) Low-income family.—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the public housing agency's findings that such variations are necessary because of unusually high or low family incomes.

(14) Low-income housing.—The term "low-income housing" means dwellings that comply with the requirements—

(A) under title XII for assistance under such title for the dwellings; or

(B) under title XIII for rental assistance payments under such title for the dwellings.

(15) Near-elderly person.—The term "near-elderly person" means a person who is at least 55 years of age.

(16) Operation.—When used in reference to public housing, the term "operation" means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a public housing development, including the financing of resident programs and services.

(17) Person with disabilities.—The term "person with disabilities" means a person who—

(A) has a disability as defined in section 223 of the Social Security Act,

(B) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (i) is expected to be of long-continued and indefinite duration, (ii) substantially impedes his or her ability to live independently, and (iii) is of such a nature that such ability could be improved by more suitable housing conditions, or

(C) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for public housing under title XII of this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(18) Production.—When used in reference to public housing, the term "production" means any or all undertakings necessary for planning, land acquisition, financing, demolition, construction, or equipment, in connection with the construction, acquisition, or rehabilitation of a property for use as a public housing development, including activity in connection with a public housing development that is confined to the reconstruction, remodeling, or repair of existing buildings.

(19) Production cost.—When used in reference to public housing, the term "production cost" means the costs incurred by a public housing agency for production of public housing and the necessary financing for production (including the payment of carrying charges and acquisition costs).

(20) Public housing.—The term "public housing" means housing, and all necessary appurtenances thereto, that—

(A) is low-income housing, low-income dwelling units in mixed-finance housing (as provided in subtitle F of title XII), or low-income dwelling units in mixed income housing (as provided in section 1221(c)(2)); and

(B)(i) is subject to an annual block grant contract under title XII; or

(ii) was subject to an annual block grant contract under title XII (or an annual contributions contract under the United States Housing Act of 1937) which is not in effect, but for which occupancy is limited in accordance with the requirements under section 1222(a).

(21) Public housing agency.—The term "public housing agency" is defined in section 1103.

(22) Resident council.—The term "resident council" means an organization or association that meets the requirements of section 1234(a).

(23) Resident management corporation.—The term "resident management corporation" means a corporation that meets the requirements of section 1234(b)(2).

(24) Resident program.—The term "resident programs and services" means programs and services for families residing in public housing developments. Such term may include (A) the development and maintenance of resident organizations which participate in the management of public housing developments, (B) the training of residents to manage and operate the public housing development and the utilization of their services in management and operation of the development, (C) counseling on household management, housekeeping, budgeting, money management, homeownership issues, child care, and similar matters, (D) advice regarding resources for job training and placement, education, welfare, health, and other community services, (E) services that are directly related to meeting resident needs and providing a wholesome living environment; and (F) referral to appropriate agencies in the community when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

(25) Secretary.—The term "Secretary" means the Secretary of Housing and Urban Development.

(26) State.—The term "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States and Indian tribes.

(27) Very low-income family.—The term "very low-income family" means a low-income family whose income does not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the public housing agency's findings that such variations are necessary because of unusually high or low family incomes.

SEC. 1103. ORGANIZATION OF PUBLIC HOUSING AGENCIES.

(a) Requirements.—For purposes of this division, the terms "public housing agency" and "agency" mean any entity that—

(1) is—

(A) a public housing agency that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

(B) authorized under this division to engage in or assist in the development or operation of low-income housing by any State, county, municipality, or other governmental body or public entity;

(C) an entity authorized by State law to administer choice-based housing assistance under title XIII; or

(D) an entity selected by the Secretary, pursuant to subtitle D of title XV, to manage housing; and

(2) complies with the requirements under subsection (b).

The term does not include any entity that is an Indian housing authority for purposes of the United States Housing Act of 1937 (as in effect before the effectiveness of the Native American Housing Assistance and Self-Determination Act of 1996) or a tribally designated housing entity, as such term is defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996.

(b) Governance.—

(1) Board of directors.—Each public housing agency shall have a board of directors or other form of governance as prescribed in State or local law. No person may be barred from serving on such board or body because of such person's residency in a public housing development or status as an assisted family under title XIII.

(2) Resident membership.—

(A) In general.—Except as provided in subparagraph (B), in localities in which a public housing agency is governed by a board of directors or other similar body, the board or body shall include not less than 1 member who is an elected public housing resident member (as such term is defined in paragraph (5)).

(B) Exceptions.—The requirement in subparagraph (A) with respect to elected public housing resident members shall not apply to—

(i) any State or local governing body that serves as a public housing agency for purposes of this division and whose responsibilities include substantial activities other than acting as the public housing agency, except that such requirement shall apply to any advisory committee or organization that is established by such governing body and whose responsibilities relate only to the governing body's functions as a public housing agency for purposes of this division;

(ii) any public housing agency that owns or operates less than 250 public housing dwelling units (including any agency that does not own or operate public housing); or

(iii) any public housing agency in a State that requires the members of the board of directors or other similar body of a public housing agency to be salaried and to serve on a full-time basis.

(3) Full participation.—No public housing agency may limit or restrict the capacity or offices in which a member of such board or body may serve on such board or body solely because of the member's status as a resident member.

(4) Conflicts of interest.—The Secretary shall establish guidelines to prevent conflicts of interest on the part of members of the board or directors or governing body of a public housing agency.

(5) Definitions.—For purposes of this subsection, the following definitions shall apply:

(A) Elected public housing resident member.—The term "elected public housing resident member" means, with respect to the public housing agency involved, an individual who is a resident member of the board of directors (or other similar governing body of the agency) by reason of election to such position pursuant to an election—

(i) in which eligibility for candidacy in such election is limited to individuals who—

(I) maintain their principal residence in a dwelling unit of public housing administered or assisted by the agency; and

(II) have not been convicted of a felony;

(ii) in which only residents of dwelling units of public housing administered by the agency may vote; and

(iii) that is conducted in accordance with standards and procedures for such election, which shall be established by the Secretary.

(B) Resident member.—The term "resident member" means a member of the board of directors or other similar governing body of a public housing agency who is a resident of a public housing dwelling unit owned, administered, or assisted by the agency or is a member of an assisted family (as such term is defined in section 1371) assisted by the agency.

(c) Establishment of Policies.—Any rules, regulations, policies, standards, and procedures necessary to implement policies required under section 1106 to be included in the local housing management plan for a public housing agency shall be approved by the board of directors or similar governing body of the agency and shall be publicly available for review upon request.

SEC. 1104. DETERMINATION OF ADJUSTED INCOME AND MEDIAN INCOME.

(a) Adjusted Income.—For purposes of this division, the term "adjusted income" means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit or the persons on a lease and the amount of any income exclusions for the family under subsections (b) and (c), as determined by the public housing agency.

(b) Mandatory Exclusions From Income.—In determining adjusted income, a public housing agency shall exclude from the annual income of a family the following amounts:

(1) Elderly and disabled families.—$400 for any elderly or disabled family.

(2) Medical expenses.—The amount by which 3 percent of the annual family income is exceeded by the sum of—

(A) unreimbursed medical expenses of any elderly family;

(B) unreimbursed medical expenses of any nonelderly family, except that this subparagraph shall apply only to the extent approved in appropriation Acts; and

(C) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

(3) Child care expenses.—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(4) Minors, students, and persons with disabilities.—$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is less than 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

(5) Child support payments.—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this paragraph may not exceed $480 for each child for whom such payment is made.

(6) Earned income of minors.—The amount of any earned income of a member of the family who is not—

(A) 18 years of age or older; and

(B) the head of the household (or the spouse of the head of the household).

(c) Permissive Exclusions From Income.—In determining adjusted income, a public housing agency may, in the discretion of the agency, establish exclusions from the annual income of a family. Such exclusions may include the following amounts:

(1) Excessive travel expenses.—Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

(2) Earned income.—An amount of any earned income of the family, established at the discretion of the public housing agency, which may be based on—

(A) all earned income of the family,

(B) the amount earned by particular members of the family;

(C) the amount earned by families having certain characteristics; or

(D) the amount earned by families or members during certain periods or from certain sources.

(3) Others.—Such other amounts for other purposes, as the public housing agency may establish.

(d) Median Income.—In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this division, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties.

(e) Availability of Income Matching Information.—

(1) Disclosure to pha.—A public housing agency shall require any family described in paragraph (2) who receives information regarding income, earnings, wages, or unemployment compensation from the Department of Housing and Urban Development pursuant to income verification procedures of the Department to disclose such information, upon receipt of the information, to the public housing agency that owns or operates the public housing dwelling unit in which such family resides or that provides the housing assistance on behalf of such family, as applicable.

(2) Applicability to families receiving public housing or choice-based housing assistance.—A family described in this paragraph is a family that resides in a dwelling unit—

(A) that is a public housing dwelling unit; or

(B) for which housing assistance is provided under title XIII (or under the program for tenant-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act)).

(3) Protection of applicants and participants.—Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544) is amended—

(A) in subsection (b)—

(i) in paragraph (2), by striking "and" at the end;

(iii) in paragraph (3), by striking the period at the end and inserting "; and"; and

(ii) by adding at the end the following new paragraph:

"(4) only in the case of an applicant or participant that is a member of a family described in section 1104(e)(2) of the Housing Opportunity and Responsibility Act of 1997, sign an agreement under which the applicant or participant agrees to provide to the appropriate public housing agency the information required under such section 1104(e)(1) of the Housing Opportunity and Responsibility Act of 1997 for the sole purpose of the public housing agency verifying income information pertinent to the applicant's or participant's eligibility or level of benefits, and comply with such agreement."; and

(B) in subsection (c)—

(i) in paragraph (2)(A), in the matter preceding clause (I)—

(I) by inserting before "or" the first place it appears the following: ", pursuant to section 1104(e)(1) of the Housing Opportunity and Responsibility Act of 1997 from the applicant or participant,"; and

(II) by inserting "or 104(e)(1)" after "such section 303(i)"; and

(ii) in paragraph (3)—

(I) in subparagraph (A), by inserting ", section 1104(e)(1) of the Housing Opportunity and Responsibility Act of 1997," after "Social Security Act"; and

(II) in subparagraph (A), by inserting "or agreement, as applicable," after "consent";

(III) in subparagraph (B), by inserting "section 1104(e)(1) of the Housing Opportunity and Responsibility Act of 1997," after "Social Security Act,"; and

(IV) in subparagraph (B), by inserting " such section 1104(e)(1)," after "such section 303(i)," each place it appears.

SEC. 1105. COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY REQUIREMENTS.

(a) Community Work Requirement.—

(1) In general.—Except as provided in paragraph (3), each public housing agency shall require, as a condition of occupancy of

a public housing dwelling unit by a family and of providing housing assistance under title XIII on behalf of a family, that each adult member of the family shall contribute not less than 8 hours of work per month (not including political activities) within the community in which the family resides, which may include work performed on locations not owned by the public housing agency.

(2) Employment status and liability.—The requirement under paragraph (1) may not be construed to establish any employment relationship between the public housing agency and the member of the family subject to the work requirement under such paragraph or to create any responsibility, duty, or liability on the part of the public housing agency for actions arising out of the work done by the member of the family to comply with the requirement, except to the extent that the member of the family is fulfilling the requirement by working directly for such public housing agency.

(3) Exemptions.—A public housing agency shall provide for the exemption, from the applicability of the requirement under paragraph (1), of each individual who is—

(A) an elderly person;

(B) a person with disabilities;

(C) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs (as determined by the agencies or organizations responsible for administering such programs); or

(D) otherwise physically impaired to the extent that they are unable to comply with the requirement, as certified by a doctor.

(b) Requirement Regarding Target Date for Transition Out of Assisted Housing.—

(1) In general.—Each public housing agency shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title XIII on behalf of a family, that the family and the agency enter into an agreement (included, pursuant to subsection (d)(2)(C), as a term of an agreement under subsection (d)) establishing a target date by which the family intends to graduate from, terminate tenancy in, or no longer receive public housing or housing assistance under title XIII.

(2) Rights of occupancy.—This subsection may not be construed (nor may any provision of subsection (d) or (e)) to create a right on the part of any public housing agency to evict or terminate assistance for a family solely on the basis of any failure of the family to comply with the target date established pursuant to paragraph (1).

(3) Factors.—In establishing a target date pursuant to paragraph (1) for a family that receives benefits for welfare or public assistance from a State or other public agency under a program that limits the duration during which such benefits may be received, the public housing agency and the family may take into consideration such time limit. This section may not be construed to require any public housing agency to adopt any such time limit on the duration of welfare or public assistance benefits as the target date pursuant to paragraph (1) for a resident.

(4) Exemptions.—A public housing agency shall provide for the exemption, from the applicability of the requirements under paragraph (1), of each individual who is—

(A) an elderly person;

(B) a person with disabilities;

(C) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs (as determined by the agencies or organizations responsible for administering such programs); or

(D) otherwise physically impaired to the extent that they are unable to comply with the requirement, as certified by a doctor.

(c) Treatment of Income Changes Resulting From Welfare Program Requirements.—

(1) Covered family.—For purposes of this subsection, the term "covered family" means a family that (A) receives benefits for welfare or public assistance from a State or other public agency under a program for which the Federal, State, or local law relating to the program requires, as a condition of eligibility for assistance under the program, participation of a member of the family in an economic self-sufficiency program, and (B) resides in a public housing dwelling unit or is provided housing assistance under title XIII.

(2) Decreases in income for failure to comply.—Notwithstanding the provisions of sections 1225 and 1322 (relating to family rental contributions), if the welfare or public assistance benefits of a covered family are reduced under a Federal, State, or local law regarding such an assistance program because of any failure of any member of the family to comply with the conditions under the assistance program requiring participation in an economic self-sufficiency program, the amount required to be paid by the family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction).

(3) Effect of fraud.—Notwithstanding the provisions of sections 1225 and 1322 (relating to family rental contributions), if the welfare or public assistance benefits of a covered family are reduced because of an act of fraud by a member of the family under the law or program, the amount required to be paid by the covered family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction).

(4) Notice.—Paragraphs (2) and (3) shall not apply to any covered family before the public housing agency providing assistance under this division on behalf of the family obtains written notification from the relevant welfare or public assistance agency specifying that the family's benefits have been reduced because of noncompliance with economic self-sufficiency program requirements or fraud and the level of such reduction.

(5) Occupancy rights.—This subsection may not be construed to authorize any public housing agency to establish any time limit on tenancy in a public housing dwelling unit or on receipt of housing assistance under title XIII.

(6) Review.—Any covered family residing in public housing that is affected by the operation of this subsection shall have the right to review the determination under this subsection through the administrative grievance procedure established pursuant to section 1110 for the public housing agency.

(7) Cooperation agreements for economic self-sufficiency activities.—

(A) Requirement.—A public housing agency providing public housing dwelling units or housing assistance under title XIII for covered families shall make its best efforts to enter into such cooperation agreements, with State, local, and other agencies providing assistance to covered families under welfare or public assistance programs, as may be necessary, to provide for such agencies to transfer information to facilitate administration of subsection (a) and paragraphs (2), (3), and (4) of this subsection, and other information regarding rents, income, and assistance that may assist a public housing agency or welfare or public assistance agency in carrying out its functions.

(B) Contents.—A public housing agency shall seek to include in a cooperation agreement under this paragraph requirements and provisions designed to target assistance under welfare and public assistance programs to families residing in public housing developments and receiving choice-based assistance under title XIII, which may include providing for self-sufficiency services within such housing, providing for services designed to meet the unique employment-related needs of residents of such housing and recipients of such assistance, providing for placement of workfare positions on-site in such housing, and such other elements as may be appropriate.

(C) Confidentiality.—This paragraph may not be construed to authorize any release of information that is prohibited by, or in contravention of, any other provision of Federal, State, or local law.

(d) Community Work and Family Self-Sufficiency Agreements.—

(1) In general.—A public housing agency shall enter into a community work and family self-sufficiency agreement under this subsection with each adult member and head of household of each family who is to reside in a dwelling unit in public housing of the agency and each family on behalf of whom the agency will provide housing assistance under title XIII. Under the agreement the family shall agree that, as a condition of occupancy of the public housing dwelling unit or of receiving such housing assistance, the family will comply with the terms of the agreement.

(2) Terms.—An agreement under this subsection shall include the following:

(A) Terms designed to encourage and facilitate the economic self-sufficiency of the assisted family entering into the agreement and the graduation of the family from assisted housing to unassisted housing.

(B) Notice of the requirements under subsection (a) (relating to community work) and the conditions imposed by, and exemptions from, such requirement.

(C) The target date agreed upon by the family pursuant to subsection (b) for graduation from, termination of tenancy in, or termination of receipt of public housing or housing assistance under title XIII.

(D) Terms providing for any resources, services, and assistance relating to self-sufficiency that will be made available to the family, including any assistance to be made available pursuant to subsection (c)(7)(B) under a cooperation agreement entered into under subsection (c)(7).

(E) Notice of the provisions of paragraphs (2) through (7) of subsection (c) (relating to effect of changes in income on rent and assisted families rights under such circumstances).

(e) Lease Provisions.—A public housing agency shall incorporate into leases under section 1226, and into any agreements for the provision of choice-based assistance under title XIII on behalf of a family—

(1) a provision requiring compliance with the requirement under subsection (a); and

(2) provisions incorporating the conditions under subsection (c).

(f) Treatment of Income.—Notwithstanding any other provision of this section, in determining the income or tenancy of a family who resides in public housing or receives housing assistance under title XIII, a public housing agency shall consider any decrease in the income of a family that results from the reduction of any welfare or public assistance benefits received by the family under any Federal, State, or local law regarding a program for such assistance if the family (or a member thereof, as applicable) has complied with the conditions for receiving such assistance and is unable to obtain employment notwithstanding such compliance.

(g) Definition.—For purposes of this section, the term "economic self-sufficiency program" means any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, education, workfare, financial or household management, apprenticeship, or other activities as the Secretary may provide.

SEC. 1106. LOCAL HOUSING MANAGEMENT PLANS.

(a) 5-Year Plan.—The Secretary shall provide for each public housing agency to submit to the Secretary, once every 5 years, a plan under this subsection for the agency covering a period consisting of 5 fiscal years. Each such plan shall contain, with respect to the 5-year period covered by the plan, the following information:

(1) Statement of mission.—A statement of the mission of the agency for serving the needs of low-income families in the jurisdiction of the agency during such period.

(2) Goals and objectives.—A statement of the goals and objectives of the agency that will enable the agency to serve the needs identified pursuant to paragraph (1) during such period.

(3) Capital improvement overview.—If the agency will provide capital improvements for public housing developments during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the agency to meet its goals, objectives, and mission.

The first 5-year plan under this subsection for a public housing agency shall be submitted for the 5-year period beginning with the first fiscal year for which the agency receives assistance under this division.

(b) Annual Plan.—The Secretary shall provide for each public housing agency to submit to the Secretary a local housing management plan under this section for each fiscal year that contains the information required under subsection (d). For each fiscal year after the initial submission of a plan under this section by a public housing agency, the agency may comply with requirements for submission of a plan under this subsection by submitting an update of the plan for the fiscal year.

(c) Procedures.—The Secretary shall establish requirements and procedures for submission and review of plans, including requirements for timing and form of submission, and for the contents of such plans. Such procedures shall provide that a public housing agency—

(1) shall, in conjunction with the relevant State or unit of general local government, establish procedures to ensure that the plan under this section is consistent with the applicable comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the jurisdiction in which the public housing agency is located, in accordance with title I of the Cranston-Gonzalez National Affordable Housing Act; and

(2) may, at the option of the agency, submit a plan under this section together with, or as part of, the comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the relevant jurisdiction, and for concomitant review of such plans submitted together.

(d) Contents.—An annual local housing management plan under this section for a public housing agency shall contain the following information relating to the upcoming fiscal year for which the assistance under this division is to be made available:

(1) Needs.—A statement of the housing needs of low-income and very low-income families residing in the community served by the agency, and of other low-income families on the waiting list of the agency (including the housing needs of elderly families and disabled families), and the means by which the agency intends, to the maximum extent practicable, to address such needs.

(2) Financial resources.—A statement of financial resources available for the agency the planned uses of such resources that includes—

(A) a description of the financial resources available to the agency;

(B) the uses to which such resources will be committed, including all proposed eligible and required activities under section 1203 and housing assistance to be provided under title XIII;

(C) an estimate of the costs of operation and the market rental value of each public housing development; and

(D) a specific description, based on population and demographic data, of the unmet affordable housing needs of families in the community served by the agency having incomes not exceeding 30 percent of the area median income and a statement of how the agency will expend grant amounts received under this division to meet the housing needs of such families.

(3) Population served.—A statement of the policies of the agency governing eligibility, admissions, and occupancy of families with respect to public housing dwelling units and housing assistance under title XIII, including—

(A) the requirements for eligibility for such units and assistance and the method and procedures by which eligibility and income will be determined and verified;

(B) the requirements for selection and admissions of eligible families for such units and assistance, including any preferences and procedures established by the agency and any outreach efforts;

(C) the procedures for assignment of families admitted to dwelling units owned, leased, managed, operated, or assisted by the agency;

(D) any standards and requirements for occupancy of public housing dwelling units and units assisted under title XIII, including resident screening policies, standard lease provisions, conditions for continued occupancy, termination of tenancy, eviction, and conditions for termination of housing assistance;

(E) the procedures for maintaining waiting lists for admissions to public housing developments of the agency, which may include a system of site-based waiting lists under section 1224(c);

(F) the criteria for providing and denying housing assistance under title XIII to families moving into the jurisdiction of the agency;

(G) the procedures for coordination with entities providing assistance to homeless families in the jurisdiction of the agency; and

(H) the fair housing policy of the agency.

(4) Rent determination.—A statement of the policies of the agency governing rents charged for public housing dwelling units and rental contributions of assisted families under title XIII and the system used by the agency to ensure that such rents comply with the requirements of this division.

(5) Operation and management.—A statement of the rules, standards, and policies of the public housing agency governing maintenance and management of housing owned and operated by the agency, and management of the public housing agency and programs of the agency, including—

(A) a description of the manner in which the agency is organized (including any consortia or joint ventures) and staffed to perform the duties and functions of the public housing agency and to administer the operating fund distributions of the agency;

(B) policies relating to the rental of dwelling units, including policies designed to reduce vacancies;

(C) housing quality standards in effect pursuant to sections 1232 and 1328 and any certifications required under such sections;

(D) emergency and disaster plans for public housing;

(E) priorities and improvements for management of public housing, including initiatives to control costs; and

(F) policies of the agency requiring the loss or termination of housing assistance and tenancy under sections 1641 and 1642 (relating to occupancy standards for federally assisted housing).

(6) Grievance procedure.—A statement of the grievance procedures of the agency under section 1110.

(7) Capital improvements.—With respect to public housing developments owned or operated by the agency, a plan describing the capital improvements necessary to ensure long-term physical and social viability of the developments.

(8) Demolition and disposition.—With respect to public housing developments owned or operated by the agency—

(A) a description of any such housing to be demolished or disposed of under subtitle E of title XII; and

(B) a timetable for such demolition or disposition.

(9) Designation of housing for elderly and disabled families.—With respect to public housing developments owned or operated by the agency, a description of any developments (or portions thereof) that the agency has designated or will designate for occupancy by elderly and disabled families in accordance with section 1227 and any information required under section 1227(d) for such designated developments.

(10) Conversion of public housing.—With respect to public housing owned or operated by the agency, a description of any building or buildings that the agency is required, under section 1203(b), to convert to housing assistance under title XIII or that the agency voluntarily converts, an analysis of such buildings required under such section for conversion, and a statement of the amount of grant amounts under title XII to be used for rental assistance or other housing assistance.

(11) Homeownership activities.—A description of—

(A) any homeownership programs of the agency under subtitle D of title XII or section 1329 for the agency;

(B) the requirements and assistance available under the programs described pursuant to subparagraph (A); and

(C) the annual goals of the agency for additional availability of homeownership units.

(12) Economic self-sufficiency and coordination with welfare and other appropriate agencies.—A description of—

(A) policies relating to services and amenities provided or offered to assisted families, including the provision of service coordinators and services designed for certain populations (such as the elderly and disabled);

(B) how the agency will coordinate with State, local, and other agencies providing assistance to families participating in welfare or public assistance programs;

(C) how the agency will implement and administer section 1105; and

(D) any policies, programs, plans, and activities of the agency for the enhancement of the economic and social self-sufficiency of residents assisted by the programs of the agency, including rent structures to encourage self-sufficiency.

(13) Safety and crime prevention.—A plan established by the public housing agency, which shall be subject to the following requirements:

(A) Safety measures.—The plan shall provide, on a development-by-development basis, for measures to ensure the safety of public housing residents.

(B) Establishment.—The plan shall be established, with respect to each development, in consultation with the police officer or officers in command for the precinct in which the development is located.

(C) Content.—The plan shall describe the need for measures to ensure the safety of public housing residents and for crime prevention measures, describe any such activities conducted, or to be conducted, by the agency, and provide for coordination between the public housing agency and the appropriate police precincts for carrying out such measures and activities.

(D) Secretarial action.—If the Secretary determines, at any time, that the security needs of a development are not being adequately addressed by the plan, or that the local police precinct is not complying with the plan, the Secretary may mediate between the public housing agency and the local precinct to resolve any issues of conflict. If after such mediation has occurred and the Secretary determines that the security needs of the development are not adequately addressed, the Secretary may require the public housing agency to submit an amended plan.

(14) Annual audit.—The results of the most recent fiscal year audit of the agency required under section 1541(b).

(15) Troubled agencies.—Such other additional information as the Secretary may determine to be appropriate for each public housing agency that is designated—

(A) under section 1533(c) as at risk of becoming troubled; or

(B) under section 1533(a) as troubled.

(16) Asset management.—A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

(e) Citizen Participation.—

(1) Publication of notice.—Not later than 45 days before the date of a hearing conducted under paragraph (2) by the governing body of a public housing agency, the agency shall—

(A) publish a notice informing the public that the proposed local housing management plan or amendment is available for inspection at the principal office of the public housing agency during normal business hours and make the plan or amendment so available for inspection during such period; and

(B) publish a notice informing the public that a public hearing will be conducted to discuss the local housing management plan and to invite public comment regarding that plan.

(2) Public hearing.—Before submitting a plan under this section or a significant amendment under section 1107(f) to a plan, a public housing agency shall, at a location that is convenient to residents, conduct a public hearing, as provided in the notice published under paragraph (1), regarding the public housing plan or the amendment of the agency.

(3) Consideration of comments.—A public housing agency shall consider any comments or views made available pursuant to paragraphs (1) and (2) in preparing a final plan or amendment for submission to the Secretary. A summary of such comments or views shall be attached to the plan, amendment, or report submitted.

(4) Adoption of plan.—After conducting the public hearing under paragraph (2) and considering public comments in accordance with paragraph (3), the public housing agency shall make any appropriate changes to the local housing management plan or amendment and shall—

(A) adopt the local housing management plan;

(B) submit the plan to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the public housing agency for review and approval under subsection (f);

(C) submit the plan to the Secretary in accordance with this section; and

(D) make the submitted plan or amendment publicly available.

(f) Local Review.—The public housing agency shall submit a plan under this subsection to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the public housing agency for review and approval for a 45-day period beginning on the date that the plan is submitted to such local official or officials (which period may run concurrently with any period under subsection (e) for public comment). If the local official or officials responsible under this subsection do not act within 45 days of submission of the plan, the plan shall be considered approved. If the local official or officials responsible under this subsection reject the public housing agency's plan, they shall return the plan with their recommended changes to the agency within 5 days of their disapproval. The agency shall resubmit an updated plan to the local official or officials within 30 days of receiving the objections. If the local official or officials again reject the plan, the resubmitted plan, together with the local official's objections, shall be submitted to the Secretary for approval.

(g) Plans for Small PHA's and PHA's Administering Only Rental Assistance.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to public housing agencies that own or operate less than 250 public housing dwelling units and shall establish requirements for such submission and information applicable to agencies that only administer housing assistance under title XIII (and do not own or operate public housing). Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such agencies.

SEC. 1107. REVIEW OF PLANS.

(a) Review and Notice.—

(1) Review.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary to ensure that the plan is complete and complies with the requirements of section 1106. The Secretary shall have the discretion to review a plan to the extent that the Secretary considers review is necessary.

(2) Notice.—The Secretary shall notify each public housing agency submitting a plan whether the plan complies with such requirements not later than 75 days after receiving the plan. If the Secretary does not notify the public housing agency, as required under this subsection and subsection (b), the Secretary shall be considered, for purposes of this division, to have made a determination that the plan complies with the requirements under section 1106 and the agency shall be considered to have been notified of compliance upon the expiration of such 75-day period. The preceding sentence shall not preclude judicial review regarding such compliance pursuant to chapter 7 of title 5, United States Code, or an action regarding such compliance under section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983).

(b) Notice of Reasons for Determination of Noncompliance.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 1106, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 1106.

(c) Standards for Determination of Noncompliance.—The Secretary may determine that a plan does not comply with the requirements under section 1106 only if—

(1) the plan is incomplete in significant matters required under such section;

(2) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(3) the Secretary determines that the plan does not comply with Federal law or violates the purposes of this division because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) the plan plainly fails to adequately identify the needs of low-income families for housing assistance in the jurisdiction of the agency;

(5) the plan plainly fails to adequately identify the capital improvement needs for public housing developments in the jurisdiction of the agency;

(6) the activities identified in the plan are plainly inappropriate to address the needs identified in the plan; or

(7) the plan is inconsistent with the requirements of this division.

The Secretary shall determine that a plan does not comply with the requirements under section 1106 if the plan does not include the information required under section 1106(d)(2)(D).

(d) Treatment of Existing Plans.—Notwithstanding any other provision of this title, a public housing agency shall be considered to have submitted a plan under this section if the agency has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1997. The Secretary shall provide specific procedures and requirements for such authorities to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 1106.

(e) ACTIONS TO CHANGE PLAN.—A public housing agency that has submitted a plan under section 1106 may change actions or policies described in the plan before submission and review of the plan of the agency for the next fiscal year only if—

(1) in the case of costly or nonroutine changes, the agency submits to the Secretary an amendment to the plan under subsection (f) which is reviewed in accordance with such subsection; or

(2) in the case of inexpensive or routine changes, the agency describes such changes in such local housing management plan for the next fiscal year.

(f) AMENDMENTS TO PLAN.—

(1) IN GENERAL.—During the annual or 5-year period covered by the plan for a public housing agency, the agency may submit to the Secretary any amendments to the plan.

(2) REVIEW.—The Secretary shall conduct a limited review of each proposed amendment submitted under this subsection to determine whether the plan, as amended by the amendment, complies with the requirements of section 1106 and notify each public housing agency submitting the amendment whether the plan, as amended, complies with such requirements not later than 30 days after receiving the amendment. If the Secretary determines that a plan, as amended, does not comply with the requirements under section 1106, such notice shall indicate the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 1106. If the Secretary does not notify the public housing agency as required under this paragraph, the plan, as amended, shall be considered, for purposes of this section, to comply with the requirements under section 1106.

(3) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan, as amended by a proposed amendment, does not comply with the requirements under section 1106 only if—

(A) the plan, as amended, would be subject to a determination of noncompliance in accordance with the provisions of subsection (c);

(B) the Secretary determines that—

(i) the proposed amendment is plainly inconsistent with the activities specified in the plan; or

(ii) there is evidence that challenges, in a substantial manner, any information contained in the amendment; or

(C) the Secretary determines that the plan, as amended, violates the purposes of this division because it fails to provide housing that will be viable on a long-term basis at a reasonable cost.

(4) AMENDMENTS TO EXTEND TIME OF PERFORMANCE.—Notwithstanding any other provision of this subsection, the Secretary may not determine that any amendment to the plan of a public housing agency that extends the time for performance of activities assisted with amounts provided under this title fails to comply with the requirements under section 1106 if the Secretary has not provided the amount of assistance set forth in the plan or has not provided the assistance in a timely manner.

SEC. 1108. REPORTING REQUIREMENTS.

(a) PERFORMANCE AND EVALUATION REPORT.—Each public housing agency shall annually submit to the Secretary, on a date determined by the Secretary, a performance and evaluation report concerning the use of funds made available under this division. The report of the public housing agency shall include an assessment by the agency of the relationship of such use of funds made available under this division, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this division. The public housing agency shall certify that the report was available for review and comment by affected tenants prior to its submission to the Secretary.

(b) REVIEW OF PHA'S.—The Secretary shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each public housing agency receiving assistance under this section—

(1) has carried out its activities under this division in a timely manner and in accordance with its local housing management plan; and

(2) has a continuing capacity to carry out its local housing management plan in a timely manner.

(c) RECORDS.—Each public housing agency shall collect, maintain, and submit to the Secretary such data and other program records as the Secretary may require, in such form and in accordance with such schedule as the Secretary may establish.

SEC. 1109. PET OWNERSHIP.

Pet ownership in housing assisted under this division that is federally assisted rental housing (as such term is defined in section 227 of the Housing and Urban-Rural Recovery Act of 1983) shall be governed by the provisions of section 227 of such Act.

SEC. 1110. ADMINISTRATIVE GRIEVANCE PROCEDURE.

(a) REQUIREMENTS.—Each public housing agency receiving assistance under this division shall establish and implement an administrative grievance procedure under which residents of public housing will—

(1) be advised of the specific grounds of any proposed adverse public housing agency action;

(2) have an opportunity for a hearing before an impartial party (including appropriate employees of the public housing agency) upon timely request within a reasonable period of time;

(3) have an opportunity to examine any documents or records or regulations related to the proposed action;

(4) be entitled to be represented by another person of their choice at any hearing;

(5) be entitled to ask questions of witnesses and have others make statements on their behalf; and

(6) be entitled to receive a written decision by the public housing agency on the proposed action.

(b) EXCLUSION FROM ADMINISTRATIVE PROCEDURE OF GRIEVANCES CONCERNING EVICTIONS FROM PUBLIC HOUSING INVOLVING HEALTH, SAFETY, OR PEACEFUL ENJOYMENT.—A public housing agency may exclude from its procedure established under subsection (a) any grievance, in any jurisdiction which requires that prior to eviction, a tenant be given a hearing in court, which the Secretary determines provides the basic elements of due process (which the Secretary shall establish by rule under section 553 of title 5, United States Code), concerning an eviction from or termination of tenancy in public housing that involves any activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other tenants or employees of the public housing agency or any drug-related criminal activity on or off such premises. In the case of any eviction from or termination of tenancy in public housing not described in the preceding sentence, each of the following provisions shall apply:

(1) Such eviction or termination shall be subject to an administrative grievance procedure if the tenant so evicted or terminated requests a hearing under such procedure not later than five days after service of notice of such eviction or termination.

(2) The public housing agency shall take final action regarding a grievance under paragraph (1) not later than thirty days after such notice is served.

(3) If the public housing agency fails to provide a hearing under the grievance procedure pursuant to a request under paragraph (1) and take final action regarding the grievance before the expiration of the 30-day period under paragraph (2), the notice of eviction or termination shall be considered void and shall not be given any force or effect.

(4) If a public housing authority takes final action on a grievance for any eviction or termination, the tenant and any member of the tenant's household shall not have any right in connection with any subsequent eviction or termination notice to request or be afforded any administrative grievance hearing during the 1-year period beginning upon the date of the final action.

(c) INAPPLICABILITY TO CHOICE-BASED RENTAL HOUSING ASSISTANCE.—This section may not be construed to require any public housing agency to establish or implement an administrative grievance procedure with respect to assisted families under title XIII.

SEC. 1111. HEADQUARTERS RESERVE FUND.

(a) ANNUAL RESERVATION OF AMOUNTS.—Notwithstanding any other provision of law, the Secretary may retain not more than 2 percent of the amounts appropriated to carry out title XII for any fiscal year for use in accordance with this section.

(b) USE OF AMOUNTS.—Any amounts that are retained under subsection (a) or appropriated for use under this section shall be available for subsequent allocation to specific areas and communities, and may only be used for the Department of Housing and Urban Development and—

(1) for unforeseen housing needs resulting from natural and other disasters;

(2) for housing needs resulting from emergencies, as determined by the Secretary, other than such disasters;

(3) for housing needs related to a settlement of litigation, including settlement of fair housing litigation; and

(4) for needs related to the Secretary's actions under this division regarding troubled and at-risk public housing agencies.

Housing needs under this subsection may be met through the provision of assistance in accordance with title XII or title XIII, or both.

SEC. 1112. LABOR STANDARDS.

(a) IN GENERAL.—Any contract for grants, sale, or lease pursuant to this division relating to public housing shall contain the following provisions:

(1) OPERATION.—A provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all contractors and persons employed in the operation of the low-income housing development involved.

(2) PRODUCTION.—A provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a—276a-5), shall be paid to all laborers and mechanics employed in the production of the development involved.

The Secretary shall require certification as to compliance with the provisions of this section before making any payment under such contract.

(b) EXCEPTIONS.—Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for grants, sale, or lease pursuant to this division relating to public housing, shall not apply to any individual who—

(1) performs services for which the individual volunteered;

(2)(A) does not receive compensation for such services; or

(B) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(3) is not otherwise employed at any time in the construction work.

SEC. 1113. NONDISCRIMINATION.

(a) IN GENERAL.—No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with amounts made available under this division. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) CIVIL RIGHTS COMPLIANCE.—Each public housing agency that receives grant amounts under this division shall use such amounts and carry out its local housing management plan approved under section 1107 in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans With Disabilities Act of 1990, and shall affirmatively further fair housing.

SEC. 1114. PROHIBITION ON USE OF FUNDS.

None of the funds made available to the Department of Housing and Urban Development to carry out this division, which are obligated to State or local governments, public housing agencies, housing finance agencies, or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

SEC. 1115. INAPPLICABILITY TO INDIAN HOUSING.

Except as specifically provided by law, the provisions of this title, and titles XII, XIII, XIV, and XV shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority under the United States Housing Act of 1937 or to housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996.

SEC. 1116. REGULATIONS.

(a) IN GENERAL.—The Secretary may issue any regulations necessary to carry out this division. This subsection shall take effect on the date of the enactment of this Act.

(b) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations authorized under subsection (a) shall not affect the effectiveness of any provision of this division or any amendment made by this division.

TITLE XII—PUBLIC HOUSING

Subtitle A—Block Grants

SEC. 1201. BLOCK GRANT CONTRACTS.

(a) IN GENERAL.—The Secretary shall enter into contracts with public housing agencies under which—

(1) the Secretary agrees to make a block grant under this title, in the amount provided under section 1202(c), for assistance for low-income housing to the public housing agency for each fiscal year covered by the contract; and

(2) the agency agrees—

(A) to provide safe, clean, and healthy housing that is affordable to low-income families and services for families in such housing;

(B) to operate, or provide for the operation, of such housing in a financially sound manner;

(C) to use the block grant amounts in accordance with this title and the local housing management plan for the agency that complies with the requirements of section 1106;

(D) to involve residents of housing assisted with block grant amounts in functions and decisions relating to management and the quality of life in such housing;

(E) that the management of the public housing of the agency shall be subject to actions authorized under subtitle D of title XV;

(F) that the Secretary may take actions under section 1205 with respect to improper use of grant amounts provided under the contract; and

(G) to otherwise comply with the requirements under this title.

(b) SMALL PUBLIC HOUSING AGENCY CAPITAL GRANT OPTION.—For any fiscal year, upon the request of the Governor of the State, the Secretary shall make available directly to the State, from the amounts otherwise included in the block grants for all public housing agencies in such State which own or operate less than 100 dwelling units, ½ of that portion of such amounts that is derived from the capital improvement allocations for such agencies pursuant to section 1203(c)(1) or 1203(d)(2), as applicable. The Governor of the State will have the responsibility to distribute all of such funds, in amounts determined by the Governor, only to meet the exceptional capital improvement requirements for the various public housing agencies in the State which operate less than 100 dwelling units: *Provided*, however, that for States where Federal funds provided to the State are subject to appropriation action by the State legislature, the capital funds made available to the Governor under this subsection shall be subject to such appropriation by the State legislature.

(c) MODIFICATION.—Contracts and agreements between the Secretary and a public housing agency may not be amended in a manner which would—

(1) impair the rights of—

(A) leaseholders for units assisted pursuant to a contract or agreement; or

(B) the holders of any outstanding obligations of the public housing agency involved for which annual contributions have been pledged; or

(2) provide for payment of block grant amounts under this title in an amount exceeding the allocation for the agency determined under section 1204.

Any rule of law contrary to this subsection shall be deemed inapplicable.

SEC. 1202. GRANT AUTHORITY, AMOUNT, AND ELIGIBILITY.

(a) AUTHORITY.—The Secretary shall make block grants under this title to eligible public housing agencies in accordance with block grant contracts under section 1201.

(b) PERFORMANCE FUNDS.—

(1) IN GENERAL.—The Secretary shall establish 2 funds for the provision of grants to eligible public housing agencies under this title, as follows:

(A) CAPITAL FUND.—A capital fund to provide capital and management improvements to public housing developments.

(B) OPERATING FUND.—An operating fund for public housing operations.

(2) FLEXIBILITY OF FUNDING.—

(A) IN GENERAL.—A public housing agency may use up to 20 percent of the amounts from a grant under this title that are allocated and provided from the capital fund for activities that are eligible under section 1203(a)(2) to be funded with amounts from the operating fund.

(B) FULL FLEXIBILITY FOR SMALL PHA'S.—In the case of a public housing agency that owns or operates less than 250 public housing dwelling units and is (in the determination of the Secretary) operating and maintaining its public housing in a safe, clean, and healthy condition, the agency may use amounts from a grant under this title for any eligible activities under section 1203(a), regardless of the fund from which the amounts were allocated and provided.

(c) AMOUNT OF GRANTS.—The amount of the grant under this title for a public housing agency for a fiscal year shall be the amount of the allocation for the agency determined under section 1204, except as otherwise provided in this title and title XV.

(d) ELIGIBILITY.—A public housing agency shall be an eligible public housing agency with respect to a fiscal year for purposes of this title only if—

(1) the Secretary has entered into a block grant contract with the agency;

(2) the agency has submitted a local housing management plan to the Secretary for such fiscal year;

(3) the plan has been determined to comply with the requirements under section 1106 and the Secretary has not notified the agency that the plan fails to comply with such requirements;

(4) the agency is exempt from local taxes, as provided under subsection (e), or receives a contribution, as provided under such subsection;

(5) no member of the board of directors or other governing body of the agency, or the executive director, has been convicted of a felony;

(6) the agency has entered into an agreement providing for local cooperation in accordance with subsection (f); and

(7) the agency has not been disqualified for a grant pursuant to section 1205(a) or title XV.

(e) PAYMENTS IN LIEU OF STATE AND LOCAL TAXATION OF PUBLIC HOUSING DEVELOPMENTS.—

(1) EXEMPTION FROM TAXATION.—A public housing agency may receive a block grant under this title only if—

(A)(i) the developments of the agency (exclusive of any portions not assisted with amounts provided under this title) are exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and

(ii) the public housing agency makes payments in lieu of taxes to such taxing authority equal to 10 percent of the sum, for units charged in the developments of the agency, of the difference between the gross rent and the utility cost, or such lesser amount as is—

(I) prescribed by State law;

(II) agreed to by the local governing body in its agreement under subsection (f) for local cooperation with the public housing agency or under a waiver by the local governing body; or

(III) due to failure of a local public body or bodies other than the public housing agency to perform any obligation under such agreement; or

(B) the agency complies with the requirements under subparagraph (A) with respect to public housing developments (including public housing units in mixed-income developments), but the agency agrees that the units other than public housing units in any mixed-income developments (as such term is defined in section 1221(c)(2)) shall be subject to any otherwise applicable real property taxes imposed by the State, city, county or other political subdivision.

(2) Effect of Failure to Exempt From Taxation.—Notwithstanding paragraph (1), a public housing agency that does not comply with the requirements under such paragraph may receive a block grant under this title, but only if the State, city, county, or other political subdivision in which the development is situated contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed 10 percent of the gross rent and utility cost charged in the development.

(f) Local Cooperation.—In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise, the Secretary may not make any grant under this title to a public housing agency unless the governing body of the locality involved has entered into an agreement with the agency providing for the local cooperation required by the Secretary pursuant to this title. The Secretary shall require that each such agreement for local cooperation shall provide that, notwithstanding any order, judgment, or decree of any court (including any settlement order), before making any amounts provided under a grant under this title available for use for the production of any housing or other property not previously used as public housing, the public housing agency shall—

(1) notify the chief executive officer (or other appropriate official) of the unit of general local government in which the public housing for which such amounts are to be so used is located (or to be located) of such use; and

(2) pursuant to the request of such unit of general local government, provide such information as may reasonably be requested by such unit of general local government regarding the public housing to be so assisted (except to the extent otherwise prohibited by law) and consult with representatives of such local government regarding the public housing.

(g) Exception.—Notwithstanding subsection (a), the Secretary may make a grant under this title for a public housing agency that is not an eligible public housing agency but only for the period necessary to secure, in accordance with this title, an alternative public housing agency for the public housing of the ineligible agency.

(h) Recapture of Capital Assistance Amounts.—The Secretary may recapture, from any grant amounts made available to a public housing agency from the capital fund, any portion of such amounts that are not used or obligated by the public housing agency for use for eligible activities under section 1203(a)(1) (or dedicated for use pursuant to section 1202(b)(2)(A)) before the expiration of the 24-month period beginning upon the award of such grant to the agency.

SEC. 1203. ELIGIBLE AND REQUIRED ACTIVITIES.

(a) Eligible Activities.—Except as provided in subsection (b) and in section 1202(b)(2), grant amounts allocated and provided from the capital fund and grant amounts allocated and provided from the operating fund may be used for the following activities:

(1) Capital Fund Activities.—Grant amounts from the capital fund may be used for—

(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

(D) planned code compliance;

(E) management improvements;

(F) demolition and replacement under section 1261;

(G) tenant relocation;

(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

(I) capital expenditures to improve the security and safety of residents.

(2) Operating Fund Activities.—Grant amounts from the operating fund may be used for—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

(B) activities to ensure a program of routine preventative maintenance;

(C) anti-crime and anti-drug activities, including the costs of providing adequate security for public housing tenants;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities and including child care services for public housing residents;

(E) activities to provide for management and participation in the management of public housing by public housing tenants;

(F) the costs associated with the operation and management of mixed-income developments;

(G) the costs of insurance;

(H) the energy costs associated with public housing units, with an emphasis on energy conservation;

(I) the costs of administering a public housing community work program under section 1105, including the costs of any related insurance needs; and

(J) activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

(b) Required Conversion of Assistance for Public Housing to Rental Housing Assistance.—

(1) Requirement.—A public housing agency that receives grant amounts under this title shall provide assistance in the form of rental housing assistance under title XIII, or appropriate site revitalization or other appropriate capital improvements approved by the Secretary, in lieu of assisting the operation and modernization of any building or buildings of public housing, if the agency provides sufficient evidence to the Secretary that the building or buildings—

(A) are on the same or contiguous sites;

(B) consist of more than 300 dwelling units;

(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, onschedule modernization programs;

(D) are identified as distressed housing for which the public housing agency cannot assure the long-term viability as public housing through reasonable revitalization, density reduction, or achievement of a broader range of household income; and

(E) have an estimated cost of continued operation and modernization as public housing that exceeds the cost of providing choice-based rental assistance under title XIII for all families in occupancy, based on appropriate indicators of cost (such as the percentage of the total development cost required for modernization).

Public housing agencies shall identify properties that meet the definition of subparagraphs (A) through (E) and shall consult with the appropriate public housing residents and the appropriate unit of general local government in identifying such properties.

(2) Use of Other Amounts.—In addition to grant amounts under this title attributable (pursuant to the formulas under section 1204) to the building or buildings identified under paragraph (1), the Secretary may use amounts provided in appropriation Acts for choice-based housing assistance under title XIII for families residing in such building or buildings or for appropriate site revitalization or other appropriate capital improvements approved by the Secretary.

(3) Enforcement.—The Secretary shall take appropriate action to ensure conversion of any building or buildings identified under paragraph (1) and any other appropriate action under this subsection, if the public housing agency fails to take appropriate action under this subsection.

(4) Failure of PHA's to Comply With Conversion Requirement.—If the Secretary determines that—

(A) a public housing agency has failed under paragraph (1) to identify a building or buildings in a timely manner,

(B) a public housing agency has failed to identify one or more buildings which the Secretary determines should have been identified under paragraph (1), or

(C) one or more of the buildings identified by the public housing agency pursuant to paragraph (1) should not, in the determination of the Secretary, have been identified under that paragraph,

the Secretary may identify a building or buildings for conversion and take other appropriate action pursuant to this subsection.

(5) Cessation of Unnecessary Spending.—Notwithstanding any other provision of law, if, in the determination of the Secretary, a building or buildings meets or is likely to meet the criteria set forth in paragraph (1), the Secretary may direct the public housing agency to cease additional spending in connection with such building or buildings, except to the extent that additional spending is necessary to ensure safe, clean, and healthy housing until the Secretary determines or approves an appropriate course of action with respect to such building or buildings under this subsection.

(6) USE OF BUDGET AUTHORITY.—Notwithstanding any other provision of law, if a building or buildings are identified pursuant to paragraph (1), the Secretary may authorize or direct the transfer, to the choice-based or tenant-based assistance program of such agency or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(A) in the case of an agency receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such building or buildings pursuant to section 14 of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b));

(B) in the case of an agency receiving public housing modernization assistance by formula pursuant to such section 14, any amounts provided to the agency which are attributable pursuant to the formula for allocating such assistance to such building or buildings;

(C) in the case of an agency receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such building or buildings pursuant to section 5(j)(2) of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b); and

(D) in the case of an agency receiving assistance pursuant to the formulas under section 1204, any amounts provided to the agency which are attributable pursuant to the formulas for allocating such assistance to such building or buildings.

(7) RELOCATION REQUIREMENTS.—Any public housing agency carrying out conversion of public housing under this subsection shall—

(A) notify the families residing in the public housing development subject to the conversion, in accordance with any guidelines issued by the Secretary governing such notifications, that—

(i) the development will be removed from the inventory of the public housing agency; and

(ii) the families displaced by such action will receive choice-based housing assistance or occupancy in a unit operated or assisted by the public housing agency;

(B) ensure that each family that is a resident of the development is relocated to other safe, clean, and healthy affordable housing, which is, to the maximum extent practicable, housing of the family's choice, including choice-based assistance under title XIII (provided that with respect to choice-based assistance, the preceding requirement shall be fulfilled only upon the relocation of such family into such housing);

(C) provide any necessary counseling for families displaced by such action to facilitate relocation; and

(D) provide any reasonable relocation expenses for families displaced by such action.

(8) TRANSITION.—Any amounts made available to a public housing agency to carry out section 202 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (enacted as section 101(e) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134; 110 Stat. 1321–279)) may be used, to the extent or in such amounts as are or have been provided in advance in appropriation Acts, to carry out this section. The Secretary shall provide for public housing agencies to conform and continue actions taken under such section 202 in accordance with the requirements under this section.

(c) EXTENSION OF DEADLINES.—The Secretary may, for a public housing agency, extend any deadline established pursuant to this section or a local housing management plan for up to an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

(d) COMPLIANCE WITH PLAN.—The local housing management plan submitted by a public housing agency (including any amendments to the plan), unless determined under section 1107 not to comply with the requirements under section 1106, shall be binding upon the Secretary and the public housing agency and the agency shall use any grant amounts provided under this title for eligible activities under subsection (a) in accordance with the plan. This subsection may not be construed to preclude changes or amendments to the plan, as authorized under section 1107 or any actions authorized by this division to be taken without regard to a local housing management plan.

(e) ELIGIBLE ACTIVITIES FOR INCREASED INCOME.—Any public housing agency that derives increased nonrental or rental income, as referred to in subsection (c)(2)(B) or (d)(1)(D) of section 1204 or pursuant to provision of mixed-income developments under section 1221(c)(2), may use such amounts for any eligible activity under paragraph (1) or (2) of subsection (a) of this section or for providing choice-based housing assistance under title XIII.

SEC. 1204. DETERMINATION OF GRANT ALLOCATION.

(a) IN GENERAL.—For each fiscal year, after reserving amounts under section 1111 from the aggregate amount made available for the fiscal year for carrying out this title, the Secretary shall allocate any remaining amounts among eligible public housing agencies in accordance with this section, so that the sum of all of the allocations for all eligible authorities is equal to such remaining amount.

(b) ALLOCATION AMOUNT.—The Secretary shall determine the amount of the allocation for each eligible public housing agency, which shall be—

(1) for any fiscal year beginning after the enactment of a law containing the formulas described in paragraphs (1) and (2) of subsection (c), the sum of the amounts determined for the agency under each such formula; or

(2) for any fiscal year beginning before the expiration of such period, the sum of—

(A) the operating allocation determined under subsection (d)(1) for the agency; and

(B) the capital improvement allocation determined under subsection (d)(2) for the agency.

(c) PERMANENT ALLOCATION FORMULAS FOR CAPITAL AND OPERATING FUNDS.—

(1) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the public housing agency, the characteristics and locations of the developments, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the public housing agency to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the public housing agency, including backlog and projected future needs of the agency;

(C) the cost of constructing and rehabilitating property in the area; and

(D) the need of the public housing agency to carry out activities that provide a safe and secure environment in public housing units owned or operated by the public housing agency.

(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—

(A) IN GENERAL.—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(i) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing developments and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;

(ii) the number of public housing dwelling units owned or operated by the public housing agency;

(iii) the need of the public housing agency to carry out anti-crime and anti-drug activities, including providing adequate security for public housing residents; and

(iv) any record by the public housing agency of exemplary performance in the operation of public housing.

(B) INCENTIVE TO INCREASE INCOME.—The formula shall provide an incentive to encourage public housing agencies to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families whose incomes have increase while in occupancy and newly admitted families. Any such incentive shall provide that the agency shall derive the full benefit of any increase in nonrental or rental income, and such increase shall not result in a decrease in amounts provided to the agency under this title. In addition, an agency shall be permitted to retain, from each fiscal year, the full benefit of such an increase in nonrental or rental income, except to the extent that such benefit exceeds (i) 100 percent of the total amount of the operating allocation for which the agency is eligible under this section, and (ii) the maximum balance permitted for the agency's operating reserve under this section and any regulations issued under this section.

(C) TREATMENT OF UTILITY RATES.—The formula shall not take into account the amount of any cost reductions for a public housing agency due to the difference between projected and actual utility rates attributable to actions that are taken by the agency which lead to such reductions, as determined by the Secretary. In the case of any public housing agency that receives financing from any person or entity other than the Secretary or enters into a performance contract to undertake energy conservation improvements in a public housing development, under which the payment does not exceed the cost of the energy saved as a result of the improvements during a reasonable negotiated contract period, the formula shall not take into account the amount of any cost reductions for the agency due to the differences between projected and actual utility consumption attributable to actions that are taken by the agency which lead to such reductions, as determined by the Secretary.

Notwithstanding the preceding 2 sentences, after the expiration of the 10-year period beginning upon the savings initially taking effect, the Secretary may reduce the amount allocated to the agency under the formula by up to 50 percent of such differences.

(3) CONSIDERATION OF PERFORMANCE, COSTS, AND OTHER FACTORS.—The formulas under paragraphs (1) and (2) should each reward performance and may each consider appropriate factors that reflect the different characteristics and sizes of public housing agencies, the relative needs, revenues, costs, and capital improvements of agencies, and the relative costs to agencies of operating a well-managed agency that meets the performance targets for the agency established in the local housing management plan for the agency.

(4) DEVELOPMENT UNDER NEGOTIATED RULEMAKING PROCEDURE.—The formulas under this subsection shall be developed according to procedures for issuance of regulations under the negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code, except that the formulas shall not be contained in a regulation.

(5) REPORT.—Not later than the expiration of the 12-month period beginning upon the enactment of this Act, the Secretary shall submit a report to the Congress containing the proposed formulas established pursuant to paragraph (4) that meets the requirements of this subsection.

(d) INTERIM ALLOCATION REQUIREMENTS.—

(1) OPERATING ALLOCATION.—

(A) APPLICABILITY TO APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, an amount shall be used only to provide amounts for operating allocations under this paragraph for eligible public housing agencies that bears the same ratio to such total amount available for allocation that the amount appropriated for fiscal year 1997 for operating subsidies under section 9 of the United States Housing Act of 1937 bears to the sum of such operating subsidy amounts plus the amounts appropriated for such fiscal year for modernization under section 14 of such Act.

(B) DETERMINATION.—The operating allocation under this paragraph for a public housing agency for a fiscal year shall be an amount determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of operating subsidies for fiscal year 1997 to public housing agencies (as modified under subparagraphs (C) and (D)) under section 9 of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b).

(C) TREATMENT OF CHRONICALLY VACANT UNITS.—The Secretary shall revise the formula referred to in subparagraph (B) so that the formula does not provide any amounts, other than utility costs and other necessary costs (such as costs necessary for the protection of persons and property), attributable to any dwelling unit of a public housing agency that has been vacant continuously for 6 or more months. A unit shall not be considered vacant for purposes of this paragraph if the unit is unoccupied because of rehabilitation or renovation that is on schedule.

(D) TREATMENT OF INCREASES IN INCOME.—The Secretary shall revise the formula referred to in subparagraph (B) to provide an incentive to encourage public housing agencies to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the agency shall derive the full benefit of any increase in nonrental or rental income, and such increase shall not result in a decrease in amounts provided to the agency under this title. In addition, an agency shall be permitted to retain, from each fiscal year, the full benefit of such an increase in nonrental or rental income, except that such benefit may not be retained if—

(i) the agency's operating allocation equals 100 percent of the amount for which it is eligible under section 9 of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b) of this Act; and

(ii) the agency's operating reserve balance is equal to the maximum amount permitted under section 9 of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b) of this Act.

(2) CAPITAL IMPROVEMENT ALLOCATION.—

(A) APPLICABILITY TO APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, an amount shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible public housing agencies that bears the same ratio to such total amount available for allocation that the amount appropriated for fiscal year 1997 for modernization under section 14 of the United States Housing Act of 1937 bears to the sum of such modernization amounts plus the amounts appropriated for such fiscal year for operating subsidies under section 9 of such Act.

(B) DETERMINATION.—The capital improvement allocation under this paragraph for an eligible public housing agency for a fiscal year shall be determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of modernization assistance for fiscal year 1997 to public housing agencies under section 14 of the United States Housing Act of 1937, as in effect immediately before the effective date of the repeal under section 1601(b), except that the Secretary shall establish a method for taking into consideration allocation of amounts under the comprehensive improvement assistance program.

(e) ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.—If a public housing agency uses proceeds from the sale of units under a homeownership program in accordance with section 1251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the agency under this section until sale by the agency, but in any case no longer than 5 years.

SEC. 1205. SANCTIONS FOR IMPROPER USE OF AMOUNTS.

(a) IN GENERAL.—In addition to any other actions authorized under this title, if the Secretary finds pursuant to an audit under section 1541 that a public housing agency receiving grant amounts under this title has failed to comply substantially with any provision of this title, the Secretary may—

(1) terminate payments under this title to the agency;

(2) withhold from the agency amounts from the total allocation for the agency pursuant to section 1204;

(3) reduce the amount of future grant payments under this title to the agency by an amount equal to the amount of such payments that were not expended in accordance with this title;

(4) limit the availability of grant amounts provided to the agency under this title to programs, projects, or activities not affected by such failure to comply;

(5) withhold from the agency amounts allocated for the agency under title XIII; or

(6) order other corrective action with respect to the agency.

(b) TERMINATION OF COMPLIANCE ACTION.—If the Secretary takes action under subsection (a) with respect to a public housing agency, the Secretary shall—

(1) in the case of action under subsection (a)(1), resume payments of grant amounts under this title to the agency in the full amount of the total allocation under section 1204 for the agency at the time that the Secretary first determines that the agency will comply with the provisions of this title;

(2) in the case of action under paragraph (2), (5), or (6) of subsection (a), make withheld amounts available as the Secretary considers appropriate to ensure that the agency complies with the provisions of this title; or

(3) in the case of action under subsection (a)(4), release such restrictions at the time that the Secretary first determines that the agency will comply with the provisions of this title.

Subtitle B—Admissions and Occupancy Requirements

SEC. 1221. LOW-INCOME HOUSING REQUIREMENT.

(a) PRODUCTION ASSISTANCE.—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 shall be operated as public housing for the 40-year period beginning upon such production.

(b) OPERATING ASSISTANCE.—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this Act.

(c) CAPITAL IMPROVEMENTS ASSISTANCE.—Amounts may be used for eligible activities under section 1203(a)(1) only for the following housing developments:

(1) LOW-INCOME DEVELOPMENTS.—Amounts may be used for a low-income housing development that—

(A) is owned by public housing agencies;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 1203(a)(1) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the receipt of such grant. Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained and used as public housing for the 20-year period beginning upon receipt of such amounts.

(2) MIXED INCOME DEVELOPMENTS.—Amounts may be used for eligible activities under section 1203(a)(1) for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families;

(B) contains a number of dwelling units—

(i) which units are made available (by master contract or individual lease) for occupancy only by low- and very low-income families identified by the public housing agency;

(ii) which number is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the agency compared to the total investment (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements if reductions in funding or other changes to the program make continued application of such requirements impracticable;

(iv) which units are specially designated as dwelling units under this subparagraph, except the equivalent units in the development may be substituted for designated units during the period the units are subject to the requirements of the public housing program; and

(v) which units shall be eligible for assistance under this title; and

(C) is owned by the public housing agency, an affiliate controlled by it, or another appropriate entity.

Notwithstanding any other provision of this title, to facilitate the establishment of socioeconomically mixed communities, a public housing agency that uses grant amounts under this title for a mixed income development under this paragraph may, to the extent that income from such a development reduces the amount of grant amounts used for operating or other costs relating to public housing, use such resulting savings to rent privately developed dwelling units in the neighborhood of the mixed income development. Such units shall be made available for occupancy only by low-income families eligible for residency in public housing.

SEC. 1222. FAMILY ELIGIBILITY.

(a) In General.—Dwelling units in public housing may be rented only to families who are low-income families at the time of their initial occupancy of such units.

(b) Income Mix Within Developments.—A public housing agency may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing developments that limit admission to a development by selecting applicants having incomes appropriate so that the mix of incomes of families occupying the development at any time is proportional to the income mix in the eligible population of the jurisdiction of the agency at such time, as adjusted to take into consideration the severity of housing need. Any criteria established under this subsection shall be subject to the provisions of subsection (c).

(c) Income Mix.—

(1) PHA income mix.—Of the public housing dwelling units of a public housing agency made available for occupancy by eligible families, not less than 35 percent shall be occupied by families whose incomes at the time of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary, may for purposes of this subsection, establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. This paragraph may not be construed to create any authority on the part of any public housing agency to evict any family residing in public housing solely because of the income of the family or because of any noncompliance or overcompliance with the requirement of this paragraph.

(2) Prohibition of concentration of low-income families.—A public housing agency may not, in complying with the requirements under paragraph (1), concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments. The Secretary may review the income and occupancy characteristics of the public housing developments, and the buildings of such developments, of public housing agencies to ensure compliance with the provisions of this paragraph.

(3) Fungibility with choice-based assistance.—If, during a fiscal year, a public housing agency provides choice-based housing assistance under title XIII for a number of low-income families, who are initially assisted by the agency in such year and have incomes described in section 1321(b) (relating to income targeting), which exceeds the number of families that is required for the agency to comply with the percentage requirement under such section 1321(b) for such fiscal year, notwithstanding paragraph (1) of this subsection, the number of public housing dwelling units that the agency must otherwise make available in accordance with such paragraph to comply with the percentage requirement under such paragraph shall be reduced by such excess number of families for such fiscal year.

(d) Waiver of Eligibility Requirements for Occupancy by Police Officers.—

(1) Authority and waiver.—To the extent necessary to provide occupancy in public housing dwelling units to police officers and other law enforcement or security personnel (who are not otherwise eligible for residence in public housing) and to increase security for other public housing residents in developments where crime has been a problem, a public housing agency may, with respect to such units and subject to paragraph (2)—

(A) waive—

(i) the provisions of subsection (a) of this section and section 1225(a); and

(ii) the applicability of—

(I) any preferences for occupancy established under section 1223;

(II) the minimum rental amount established pursuant to section 1225(c) and any maximum monthly rental amount established pursuant to section 1225(b);

(III) any criteria relating to income mix within developments established under subsection (b);

(IV) the income mix requirements under subsection (c); and

(V) any other occupancy limitations or requirements; and

(B) establish special rent requirements and other terms and conditions of occupancy.

(2) Conditions of waiver.—A public housing agency may take the actions authorized in paragraph (1) only if agency determines that such actions will increase security in the public housing developments involved and will not result in a significant reduction of units available for residence by low-income families.

SEC. 1223. PREFERENCES FOR OCCUPANCY.

(a) Authority To Establish.—Each public housing agency may establish a system for making dwelling units in public housing available for occupancy that provides preference for such occupancy to families having certain characteristics.

(b) Content.—Each system of preferences established pursuant to this section shall be based upon local housing needs and priorities, as determined by the public housing agency using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 1106(e) and under the requirements applicable to the comprehensive housing affordability strategy for the relevant jurisdiction.

(c) Sense of the Congress.—It is the sense of the Congress that, to the greatest extent practicable, public housing agencies involved in the selection of tenants under the provisions of this title should adopt preferences for individuals who are victims of domestic violence.

SEC. 1224. ADMISSION PROCEDURES.

(a) Admission Requirements.—A public housing agency shall ensure that each family residing in a public housing development owned or administered by the agency is admitted in accordance with the procedures established under this title by the agency and the income limits under section 1222.

(b) Notification of Application Decisions.—A public housing agency shall establish procedures designed to provide for notification to an applicant for admission to public housing of the determination with respect to such application, the basis for the determination, and, if the applicant is determined to be eligible for admission, the projected date of occupancy (to the extent such date can reasonably be determined). If an agency denies an applicant admission to public housing, the agency shall notify the applicant that the applicant may request an informal hearing on the denial within a reasonable time of such notification.

(c) Site-Based Waiting Lists.—A public housing agency may establish procedures for maintaining waiting lists for admissions to public housing developments of the agency, which may include (notwithstanding any other law, regulation, handbook, or notice to the contrary) a system of site-based waiting lists whereby applicants may apply directly at or otherwise designate the development or developments in which they seek to reside. All such procedures shall comply with all provisions of title VI of the Civil Rights Act of 1964, the Fair Housing Act, and other applicable civil rights laws.

(d) Confidentiality for Victims of Domestic Violence.—A public housing agency shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family in public housing that was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The agency shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(e) Transfers.—A public housing agency may apply, to each public housing resident seeking to transfer from one development to another development owned or operated by the agency, the screening procedures applicable at such time to new applicants for public housing.

SEC. 1225. FAMILY CHOICE OF RENTAL PAYMENT.

(a) Rental Contribution by Resident.—A family residing in a public housing dwelling shall pay as monthly rent for the unit the amount determined under paragraph (1) or

(2) of subsection (b), subject to the requirement under subsection (c). Each public housing agency shall provide for each family residing in a public housing dwelling unit owned or administered by the agency to elect annually whether the rent paid by such family shall be determined under paragraph (1) or (2) of subsection (b).

(b) ALLOWABLE RENT STRUCTURES.—

(1) FLAT RENTS.—Each public housing agency shall establish, for each dwelling unit in public housing owned or administered by the agency, a flat rental amount for the dwelling unit, which shall—

(A) be based on the rental value of the unit, as determined by the public housing agency; and

(B) be designed in accordance with subsection (e) so that the rent structures do not create a disincentive for continued residency in public housing by families who are attempting to become economically self-sufficient through employment or who have attained a level of self-sufficiency through their own efforts.

The rental amount for a dwelling unit shall be considered to comply with the requirements of this paragraph if such amount does not exceed the actual monthly costs to the public housing agency attributable to providing and operating the dwelling unit. The preceding sentence may not be construed to require establishment of rental amounts equal to or based on operating costs or to prevent public housing agencies from developing flat rents required under this paragraph in any other manner that may comply with this paragraph.

(2) INCOME-BASED RENTS.—The monthly rental amount determined under this paragraph for a family shall be an amount, determined by the public housing agency, that does not exceed the greatest of the following amounts (rounded to the nearest dollar):

(A) 30 percent of the monthly adjusted income of the family.

(B) 10 percent of the monthly income of the family.

(C) If the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by such agency to meet the housing costs of the family, the portion of such payments that is so designated.

Nothing in this paragraph may be construed to require a public housing agency to charge a monthly rent in the maximum amount permitted under this paragraph.

(c) MINIMUM RENTAL AMOUNT.—Notwithstanding the method for rent determination elected by a family pursuant to subsection (a), each public housing agency shall require that the monthly rent for each dwelling unit in public housing owned or administered by the agency shall not be less than a minimum amount (which amount shall include any amount allowed for utilities), which shall be an amount determined by the agency that is not less than $25 nor more than $50.

(d) HARDSHIP PROVISIONS.—

(1) MINIMUM RENTAL.—

(A) IN GENERAL.—Notwithstanding subsection (c), a public housing agency shall grant an exemption from application of the minimum monthly rental under such subsection to any family unable to pay such amount because of financial hardship, which shall include situations in which (i) the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996; (ii) the family would be evicted as a result of the imposition of the minimum rent requirement under subsection (c); (iii) the income of the family has decreased because of changed circumstance, including loss of employment; and (iv) a death in the family has occurred; and other situations as may be determined by the agency.

(B) WAITING PERIOD.—If a resident requests a hardship exemption under this paragraph and the public housing agency reasonably determines the hardship to be of a temporary nature, an exemption shall not be granted during the 90-day period beginning upon the making of a request for the exemption. A resident may not be evicted during such 90-day period for nonpayment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long-term basis, the agency shall retroactively exempt the resident from the applicability of the minimum rent requirement for such 90-day period.

(2) SWITCHING RENT DETERMINATION METHODS.—Notwithstanding subsection (a), in the case of a family that has elected to pay rent in the amount determined under subsection (b)(1), a public housing agency shall provide for the family to pay rent in the amount determined under subsection (b)(2) during the period for which such election was made if the family is unable to pay the amount determined under subsection (b)(1) because of financial hardship, including—

(A) situations in which the income of the family has decreased because of changed circumstances, loss of reduction of employment, death in the family, and reduction in or loss of income or other assistance;

(B) an increase, because of changed circumstances, in the family's expenses for—

(i) medical costs;

(ii) child care;

(iii) transportation;

(iv) education; or

(v) similar items; and

(C) such other situations as may be determined by the agency.

(e) ENCOURAGEMENT OF SELF-SUFFICIENCY.—The rental policy developed by each public housing agency shall encourage and reward employment and economic self-sufficiency.

(f) INCOME REVIEWS.—Each public housing agency shall review the income of each family occupying a dwelling unit in public housing owned or administered by the agency not less than annually, except that, in the case of families that are paying rent in the amount determined under subsection (b)(1), the agency shall review the income of such family not less than once every 3 years.

(g) DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the rent payable under this section by a family whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years (including a family whose income increases as a result of the participation of a family member in any family self-sufficiency or other job training program) may not be increased as a result of the increased income due to such employment during the 18-month period beginning on the date on which the employment is commenced.

(2) PHASE-IN OF RENT INCREASES.—After the expiration of the 18-month period referred to in paragraph (1), rent increases due to the continued employment of the family member described in paragraph (1) shall be phased in over a subsequent 3-year period.

(3) TRANSITION.—Notwithstanding the provisions of paragraphs (1) and (2), any resident of public housing participating in the program under the authority contained in the undesignated paragraph at the end of section 3(c)(3) of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) shall be governed by such authority after such date.

(h) PHASE-IN OF RENT CONTRIBUTION INCREASES AFTER EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family residing in a dwelling unit in public housing upon the effective date of this division, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon initial applicability of this title is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rental amount under subsection (c) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 1226. LEASE REQUIREMENTS.

In renting dwelling units in a public housing development, each public housing agency shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) obligate the public housing agency to maintain the development in compliance with the housing quality requirements under section 1232;

(3) require the public housing agency to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or public housing agency employees is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) contain the provisions required under sections 1642 and 1643 (relating to limitations on occupancy in federally assisted housing); and

(5) specify that, with respect to any notice of eviction or termination, notwithstanding any State law, a public housing resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records or regulations directly related to the eviction or termination.

SEC. 1227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES.

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a public housing agency for which the information required under subsection (d) is in effect may provide

public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) Priority for occupancy.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the public housing agency may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) Eligibility of near-elderly families.—If a public housing agency determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the agency may provide that near-elderly families may occupy dwelling units in the development (or portion).

(b) Standards Regarding Evictions.—Except as provided in subtitle C of title XVI, any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any public housing agency pursuant to this section.

(c) Relocation Assistance.—A public housing agency that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the agency and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include choice-based rental housing assistance under title XIII, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) Required Inclusions in Local Housing Management Plan.—A public housing agency may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the agency, as part of the agency's local housing management plan—

(1) establishes that the designation of the development is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; or

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the development (or portion of a development) to be designated;

(B) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the development were not restricted pursuant to this section.

For purposes of this subsection, the term "supportive services" means services designed to meet the special needs of residents. Notwithstanding section 1107, the Secretary may approve a local housing management plan without approving the portion of the plan covering designation of a development pursuant to this section.

(e) Effectiveness.—

(1) Initial 5-year effectiveness.—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 1107(a) of the public housing agency that the information complies with the requirements under section 1106 and this section.

(2) Renewal.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an agency may extend the effectiveness of the designation and information for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the information. The Secretary may not limit the number of times a public housing agency extends the effectiveness of a designation and information under this paragraph.

(3) Treatment of existing plans.—Notwithstanding any other provision of this section, a public housing agency shall be considered to have submitted the information required under this section if the agency has submitted to the Secretary an application and allocation plan under section 7 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) that has not been approved or disapproved before such effective date.

(4) Transition provision.—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) before such effective date shall be considered to be the information required to be submitted under this section and that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(f) Inapplicability of Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970.—No resident of a public housing development shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

(g) Use of Amounts.—Any amounts appropriated pursuant to section 10(b) of the Housing Opportunity Program Extension Act of 1996 (Public Law 104-120) may also be used, to the extent or in such amounts as are or have been provided in advance in appropriation Acts, for choice-based rental housing assistance under title XIII for public housing agencies to implement this section.

Subtitle C—Management

SEC. 1231. MANAGEMENT PROCEDURES.

(a) Sound Management.—A public housing agency that receives grant amounts under this title shall establish and comply with procedures and practices sufficient to ensure that the public housing developments owned or administered by the agency are operated in a sound manner.

(b) Accounting System for Rental Collections and Costs.—

(1) Establishment.—Each public housing agency that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) Access to records.—Each public housing agency shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

(3) Exemption.—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an agency-wide basis.

(c) Management by Other Entities.—Except as otherwise provided under this division, a public housing agency may contract with any other entity to perform any of the management functions for public housing owned or operated by the public housing agency.

SEC. 1232. HOUSING QUALITY REQUIREMENTS.

(a) In General.—Each public housing agency that receives grant amounts under this division shall maintain its public housing in a condition that complies—

(1) in the case of public housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(2) in the case of public housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in paragraph (1), with the housing quality standards established under subsection (b).

(b) Federal Housing Quality Standards.—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 1328(c). The Secretary shall differentiate between major and minor violations of such standards.

(c) Determinations.—Each public housing agency providing housing assistance shall identify, in the local housing management plan of the agency, whether the agency is utilizing the standard under paragraph (1) or (2) of subsection (a).

(d) Annual Inspections.—Each public housing agency that owns or operates public housing shall make an annual inspection of each public housing development to determine whether units in the development are maintained in accordance with the requirements under subsection (a). The agency shall retain the results of such inspections and, upon the request of the Secretary, the Inspector General for the Department of Housing and Urban Development, or any auditor conducting an audit under section 1541, shall make such results available.

SEC. 1233. EMPLOYMENT OF RESIDENTS.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "public housing agencies and recipients of grants under the

Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through the end and inserting "assistance provided under title XII of the Housing Opportunity and Responsibility Act of 1997 and used for the housing production, operation, or capital needs."; and

(B) in subparagraph (B)(ii), by striking "managed by the public or Indian housing agency" and inserting "assisted by the public housing agency or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996";

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "public housing agencies and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through "section 14 of that Act" and inserting "assistance provided under title XII of the Housing Opportunity and Responsibility Act of 1997 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "operated by the public or Indian housing agency" and inserting "assisted by the public housing agency or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996";

(3) in subsections (c)(1)(A) and (d)(1)(A), by striking "make their best efforts," each place it appears and inserting "to the maximum extent that is possible and";

(4) in subsection (c)(1)(A), by striking "to give" and inserting "give"; and

(5) in subsection (d)(1)(A), by striking "to award" and inserting "award".

SEC. 1234. RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.

(a) Resident Councils.—The residents of a public housing development may establish a resident council for the development for purposes of consideration of issues relating to residents, representation of resident interests, and coordination and consultation with a public housing agency. A resident council shall be an organization or association that—

(1) is nonprofit in character;

(2) is representative of the residents of the eligible housing;

(3) adopts written procedures providing for the election of officers on a regular basis; and

(4) has a democratically elected governing board, which is elected by the residents of the eligible housing on a regular basis.

(b) Resident Management Corporations.—

(1) Establishment.—The residents of a public housing development may establish a resident management corporation for the purpose of assuming the responsibility for the management of the development under section 1235 or purchasing a development.

(2) Requirements.—A resident management corporation shall be a corporation that—

(A) is nonprofit in character;

(B) is organized under the laws of the State in which the development is located;

(C) has as its sole voting members the residents of the development; and

(D) is established by the resident council for the development or, if there is not a resident council, by a majority of the households of the development.

SEC. 1235. MANAGEMENT BY RESIDENT MANAGEMENT CORPORATION.

(a) Authority.—A public housing agency may enter into a contract under this section with a resident management corporation to provide for the management of public housing developments by the corporation.

(b) Contract.—A contract under this section for management of public housing developments by a resident management corporation shall establish the respective management rights and responsibilities of the corporation and the public housing agency. The contract shall be consistent with the requirements of this division applicable to public housing development and may include specific terms governing management personnel and compensation, access to public housing records, submission of and adherence to budgets, rent collection procedures, resident income verification, resident eligibility determinations, resident eviction, the acquisition of supplies and materials and such other matters as may be appropriate. The contract shall be treated as a contracting out of services.

(c) Bonding and Insurance.—Before assuming any management responsibility for a public housing development, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(d) Block Grant Assistance and Income.—A contract under this section shall provide for—

(1) the public housing agency to provide a portion of the block grant assistance under this title to the resident management corporation for purposes of operating the public housing development covered by the contract and performing such other eligible activities with respect to the development as may be provided under the contract;

(2) the amount of income expected to be derived from the development itself (from sources such as rents and charges);

(3) the amount of income to be provided to the development from the other sources of income of the public housing agency (such as interest income, administrative fees, and rents); and

(4) any income generated by a resident management corporation of a public housing development that exceeds the income estimated under the contract shall be used for eligible activities under section 1203(a).

(e) Calculation of Total Income.—

(1) Maintenance of support.—Subject to paragraph (2), the amount of assistance provided by a public housing agency to a public housing development managed by a resident management corporation may not be reduced during the 3-year period beginning on the date on which the resident management corporation is first established for the development.

(2) Reductions and increases in support.—If the total income of a public housing agency is reduced or increased, the income provided by the public housing agency to a public housing development managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the agency, except that any reduction in block grant amounts under this title to the agency that occurs as a result of fraud, waste, or mismanagement by the agency shall not affect the amount provided to the resident management corporation.

SEC. 1236. TRANSFER OF MANAGEMENT OF CERTAIN HOUSING TO INDEPENDENT MANAGER AT REQUEST OF RESIDENTS.

(a) Authority.—The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a public housing agency to an eligible management entity, in accordance with the requirements of this section, if—

(1) such housing is owned or operated by a public housing agency that is designated as a troubled agency under section 1533(a); and

(2) the Secretary determines that—

(A) such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is occupied predominantly by families with children who are in a severe state of distress, characterized by such factors as high rates of unemployment, teenage pregnancy, single-parent households, long-term dependency on public assistance and minimal educational achievement;

(C) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(D) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) through (C) can be remedied by an entity that has a demonstrated capacity to manage, with reasonable expenses for modernization.

Such a transfer may be made only as provided in this section, pursuant to the approval by the Secretary of a request for the transfer made by a majority vote of the residents for the specified housing, after consultation with the public housing agency for the specified housing.

(b) Block Grant Assistance.—Pursuant to a contract under subsection (c), the Secretary shall require the public housing agency for specified housing to provide to the manager for the housing, from any block grant amounts under this title for the agency, fair and reasonable amounts for operating costs for the housing. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the total block grant amounts for the public housing agency transferring the housing, taking into consideration the operating and capital improvement needs of the specified housing, the operating and capital improvement needs of the remaining public housing units managed by the public housing agency, and the local housing management plan of such agency.

(c) Contract Between Secretary and Manager.—

(1) Requirements.—Pursuant to the approval of a request under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) Terms.— A contract under this subsection shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this division applicable to public housing developments.

(d) Compliance With Local Housing Management Plan.—A manager of specified housing under this section shall comply with the approved local housing management plan applicable to the housing and shall submit such information to the public housing agency from which management was transferred as may be necessary for such agency to prepare and update its local housing management plan.

(e) Demolition and Disposition by Manager.—A manager under this section may demolish or dispose of specified housing only if, and in the manner, provided for in the local housing management plan for the agency transferring management of the housing.

(f) Limitation on PHA Liability.—A public housing agency that is not a manager for specified housing shall not be liable for any act or failure to act by a manager or resident council for the specified housing.

(g) Treatment of Manager.—To the extent not inconsistent with this section and to the extent the Secretary determines not inconsistent with the purposes of this division, a manager of specified housing under this section shall be considered to be a public housing agency for purposes of this title.

(h) Definitions.—For purposes of this section, the following definitions shall apply:

(1) Eligible management entity.—The term "eligible management entity" means, with respect to any public housing development, any of the following entities:

(A) Nonprofit organization.—A public or private nonprofit organization, which shall—

(i) include a resident management corporation or resident management organization and, as determined by the Secretary, a public or private nonprofit organization sponsored by the public housing agency that owns the development; and

(ii) not include the public housing agency that owns the development.

(B) For-profit entity.—A for-profit entity that has demonstrated experience in providing low-income housing.

(C) State or local government.—A State or local government, including an agency or instrumentality thereof.

(D) Public housing agency.—A public housing agency (other than the public housing agency that owns the development).

The term does not include a resident council.

(2) Manager.—The term "manager" means any eligible management entity that has entered into a contract under this section with the Secretary for the management of specified housing.

(3) Nonprofit.—The term "nonprofit" means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(4) Private nonprofit organization.—The term "private nonprofit organization" means any private organization (including a State or locally chartered organization) that—

(A) is incorporated under State or local law;

(B) is nonprofit in character;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.

(5) Public housing agency.—The term "public housing agency" has the meaning given such term in section 1103(a).

(6) Public nonprofit organization.—The term "public nonprofit organization" means any public entity that is nonprofit in character.

(7) Specified housing.—The term "specified housing" means a public housing development or developments, or a portion of a development or developments, for which the transfer of management is requested under this section. The term includes one or more contiguous buildings and an area of contiguous row houses, but in the case of a single building, the building shall be sufficiently separable from the remainder of the development of which it is part to make transfer of the management of the building feasible for purposes of this section.

SEC. 1237. RESIDENT OPPORTUNITY PROGRAM.

(a) Purpose.—The purpose of this section is to encourage increased resident management of public housing developments, as a means of improving existing living conditions in public housing developments, by providing increased flexibility for public housing developments that are managed by residents by—

(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For purposes of this section, the term "public housing development" includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

(b) Program Requirements.—

(1) Resident council.—As a condition of entering into a resident opportunity program, the elected resident council of a public housing development shall approve the establishment of a resident management corporation that complies with the requirements of section 1234(b)(2). When such approval is made by the elected resident council of a building or row house area, the resident opportunity program shall not interfere with the rights of other families residing in the development or harm the efficient operation of the development. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council.

(2) Public housing management specialist.—The resident council of a public housing development, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(3) Management responsibilities.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, shall enter into a contract with the agency establishing the respective management rights and responsibilities of the corporation and the agency. The contract shall be treated as a contracting out of services and shall be subject to the requirements under section 1235 for such contracts.

(4) Annual audit.—The books and records of a resident management corporation operating a public housing development shall be audited annually by a certified public accountant. A written report of each such audit shall be forwarded to the public housing agency and the Secretary.

(c) Comprehensive Improvement Assistance.—Public housing developments managed by resident management corporations may be provided with modernization assistance from grant amounts under this title for purposes of renovating such developments. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the public housing agency involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

(d) Waiver of Federal Requirements.—

(1) Waiver of regulatory requirements.—Upon the request of any resident management corporation and public housing agency, and after notice and an opportunity to comment is afforded to the affected residents, the Secretary may waive (for both the resident management corporation and the public housing agency) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing development.

(2) Waiver to permit employment.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such development to volunteer a portion of their labor.

(3) Exceptions.—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 1222, family rental payments under section 1225, tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

(e) Operating Assistance and Development Income.—

(1) Calculation of operating subsidy.—The grant amounts received under this title by a public housing agency used for operating fund activities under section 1203(a)(2) that are allocated to a public housing development managed by a resident management corporation shall not be less than per unit monthly amount of such assistance used by the public housing agency in the previous year, as determined on an individual development basis.

(2) Contract requirements.—Any contract for management of a public housing development entered into by a public housing agency and a resident management corporation shall specify the amount of income expected to be derived from the development itself (from sources such as rents and charges) and the amount of income funds to be provided to the development from the other sources of income of the agency (such as assistance for operating activities under section 1203(a)(2), interest income, administrative fees, and rents).

(f) Resident Management Technical Assistance and Training.—

(1) Financial assistance.—To the extent budget authority is available under this title, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing developments, and the securing of such support. In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities

sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize public housing agencies or other qualified organizations as contract administrators with respect to financial assistance provided under this paragraph.

(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing development may not exceed $100,000.

(3) PROHIBITION.—A resident management corporation or resident council may not, before the award to the corporation or council of a grant amount under this subsection, enter into any contract or other agreement with any entity to provide such entity with amounts from the grant for providing technical assistance or carrying out other activities eligible for assistance with amounts under this subsection. Any such agreement entered into in violation of this paragraph shall be void and unenforceable.

(4) FUNDING.—Of any amounts made available under section 1282(1) for use under the capital fund, the Secretary may use to carry out this subsection $15,000,000 for fiscal year 1998.

(5) LIMITATION REGARDING ASSISTANCE UNDER HOPE GRANT PROGRAM.—The Secretary may not provide financial assistance under this subsection to any resident management corporation or resident council with respect to which assistance for the development or formation of such entity is provided under title III of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act).

(6) TECHNICAL ASSISTANCE AND CLEARINGHOUSE.—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (4)—

(A) to provide technical assistance, directly or by grant or contract, and

(B) to receive, collect, process, assemble, and disseminate information,

in connection with activities under this subsection.

(g) ASSESSMENT AND REPORT BY SECRETARY.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall—

(1) conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing; and

(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.

(h) APPLICABILITY.—Any management contract between a public housing agency and a resident management corporation that is entered into after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 shall be subject to this section and any regulations issued to carry out this section.

Subtitle D—Homeownership

SEC. 1251. RESIDENT HOMEOWNERSHIP PROGRAMS.

(a) IN GENERAL.—A public housing agency may carry out a homeownership program in accordance with this section and the local housing management plan of the agency to make public housing dwelling units, public housing developments, and other housing projects available for purchase by low-income families. An agency may transfer a unit only pursuant to a homeownership program approved by the Secretary. Notwithstanding section 1107, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeownership program pursuant to this section. In the case of the portion of a plan regarding the homeownership program that is submitted separately pursuant to the preceding sentence, the Secretary shall approve or disapprove such portion not later than 60 days after the submission of such portion.

(b) PARTICIPATING UNITS.—A program under this section may cover any existing public housing dwelling units or projects, and may include other dwelling units and housing owned, operated, or assisted, or otherwise acquired for use under such program, by the public housing agency.

(c) ELIGIBLE PURCHASERS.—

(1) LOW-INCOME REQUIREMENT.—Only low-income families assisted by a public housing agency, other low-income families, and entities formed to facilitate such sales by purchasing units for resale to low-income families shall be eligible to purchase housing under a homeownership program under this section.

(2) OTHER REQUIREMENTS.—A public housing agency may establish other requirements or limitations for families to purchase housing under a homeownership program under this section, including requirements or limitations regarding employment or participation in employment counseling or training activities, criminal activity, participation in homeownership counseling programs, evidence of regular income, and other requirements. In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

(d) FINANCING AND ASSISTANCE.—A homeownership program under this section may provide financing for acquisition of housing by families purchasing under the program or by the public housing agency for sale under this program in any manner considered appropriate by the agency (including sale to a resident management corporation).

(e) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—Each family purchasing housing under a homeownership program under this section shall be required to provide from its own resources a downpayment in connection with any loan for acquisition of the housing, in an amount determined by the public housing agency. Except as provided in paragraph (2), the agency shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase,

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(f) OWNERSHIP INTERESTS.—A homeownership program under this section may provide for sale to the purchasing family of any ownership interest that the public housing agency considers appropriate under the program, including ownership in fee simple, a condominium interest, an interest in a limited dividend cooperative, a shared appreciation interest with a public housing agency providing financing.

(g) RESALE.—

(1) AUTHORITY AND LIMITATION.—A homeownership program under this section shall permit the resale of a dwelling unit purchased under the program by an eligible family, but shall provide such limitations on resale as the agency considers appropriate (whether the family purchases directly from the agency or from another entity) for the agency to recapture—

(A) from any economic gain derived from any such resale occurring during the 5-year period beginning upon purchase of the dwelling unit by the eligible family, a portion of the amount of any financial assistance provided under the program by the agency to the eligible family; and

(B) after the expiration of such 5-year period, only such amounts as are equivalent to the assistance provided under this section by the agency to the purchaser.

(2) CONSIDERATIONS.—The limitations referred to in paragraph (1) may provide for consideration of the aggregate amount of assistance provided under the program to the family, the contribution to equity provided by the purchasing eligible family, the period of time elapsed between purchase under the homeownership program and resale, the reason for resale, any improvements to the property made by the eligible family, any appreciation in the value of the property, and any other factors that the agency considers appropriate.

(h) SALE OF CERTAIN SCATTERED-SITE HOUSING.—A public housing agency that the Secretary has determined to be a high-performing agency may use the proceeds from the disposition of scattered-site public housing under a homeownership program under this section to purchase replacement scattered-site dwelling units, to the extent such use is provided for in the local housing management plan for the agency approved under section 1107. Any such replacement dwelling units shall be considered public housing for purposes of this division.

(i) INAPPLICABILITY OF DISPOSITION REQUIREMENTS.—The provisions of section 1261 shall not apply to disposition of public housing dwelling units under a homeownership program under this section, except that any dwelling units sold under such a program shall be treated as public housing dwelling units for purposes of subsections (e) and (f) of section 1261.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

SEC. 1261. REQUIREMENTS FOR DEMOLITION AND DISPOSITION OF DEVELOPMENTS.

(a) AUTHORITY AND FLEXIBILITY.—A public housing agency may demolish, dispose of, or demolish and dispose of nonviable or nonmarketable public housing developments of the agency in accordance with this section.

(b) LOCAL HOUSING MANAGEMENT PLAN REQUIREMENT.—A public housing agency may take any action to demolish or dispose of a public housing development (or a portion of a development) only if such demolition or disposition complies with the provisions of this section and is in accordance with the local housing management plan for the agency. Notwithstanding section 1107, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

(c) PURPOSE OF DEMOLITION OR DISPOSITION.—A public housing agency may demolish or dispose of a public housing development (or portion of a development) only if the agency provides sufficient evidence to the Secretary that—

(1) the development (or portion thereof) is severely distressed or obsolete;

(2) the development (or portion thereof) is in a location making it unsuitable for housing purposes;

(3) the development (or portion thereof) has design or construction deficiencies that make cost-effective rehabilitation infeasible;

(4) assuming that reasonable rehabilitation and management intervention for the development has been completed and paid for, the anticipated revenue that would be derived from charging market-based rents for units in the development (or portion thereof) would not cover the anticipated operating costs and replacement reserves of the development (or portion) at full occupancy and the development (or portion) would constitute a substantial burden on the resources of the public housing agency;

(5) retention of the development (or portion thereof) is not in the best interests of the residents of the public housing agency because—

(A) developmental changes in the area surrounding the development adversely affect the health or safety of the residents or the feasible operation of the development by the public housing agency;

(B) demolition or disposition will allow the acquisition, development, or rehabilitation of other properties which will be more efficiently or effectively operated as low-income housing; or

(C) other factors exist that the agency determines are consistent with the best interests of the residents and the agency and not inconsistent with other provisions of this division;

(6) in the case only of demolition or disposition of a portion of a development, the demolition or disposition will help to ensure the remaining useful life of the remainder of the development; or

(7) in the case only of property other than dwelling units—

(A) the property is excess to the needs of a development; or

(B) the demolition or disposition is incidental to, or does not interfere with, continued operation of a development.

The evidence required under this subsection shall include, as a condition of demolishing or disposing of a public housing development (or portion of a development) estimated to have a value of $100,000 or more, a statement of the market value of the development (or portion), which has been determined by a party not having any interest in the housing or the public housing agency and pursuant to not less than 2 professional, independent appraisals of the development (or portion).

(d) CONSULTATION.—A public housing agency may demolish or dispose of a public housing development (or portion of a development) only if the agency notifies and confers regarding the demolition or disposition with—

(1) the residents of the development (or portion); and

(2) appropriate local government officials.

(e) COUNSELING.—A public housing agency may demolish or dispose of a public housing development (or a portion of a development) only if the agency provides any necessary counseling for families displaced by such action to facilitate relocation.

(f) USE OF PROCEEDS.—Any net proceeds from the disposition of a public housing development (or portion of a development) shall be used for—

(1) housing assistance for low-income families that is consistent with the low-income housing needs of the community, through acquisition, development, or rehabilitation of, or homeownership programs for, other low-income housing or the provision of choice-based assistance under title XIII for such families;

(2) supportive services relating to job training or child care for residents of a development or developments; or

(3) leveraging amounts for securing commercial enterprises, on-site in public housing developments of the public housing agency, appropriate to serve the needs of the residents.

(g) RELOCATION.—A public housing agency that demolishes or disposes of a public housing development (or portion of a development thereof) shall ensure that—

(1) each family that is a resident of the development (or portion) that is demolished or disposed of is relocated to other safe, clean, healthy, and affordable housing, which is, to the maximum extent practicable, housing of the family's choice, including choice-based assistance under title XIII (provided that with respect to choice-based assistance, the preceding requirement shall be fulfilled only upon the relocation of the such family into such housing);

(2) the public housing agency does not take any action to dispose of any unit until any resident to be displaced is relocated in accordance with paragraph (1); and

(3) each resident family to be displaced is paid relocation expenses, and the rent to be paid initially by the resident following relocation does not exceed the amount permitted under section 1225(a).

(h) RIGHT OF FIRST REFUSAL FOR RESIDENT ORGANIZATIONS AND RESIDENT MANAGEMENT CORPORATIONS.—

(1) IN GENERAL.—A public housing agency may not dispose of a public housing development (or portion of a development) unless the agency has, before such disposition, offered to sell the property, as provided in this subsection, to each resident organization and resident management corporation operating at the development for continued use as low-income housing, and no such organization or corporation purchases the property pursuant to such offer. A resident organization may act, for purposes of this subsection, through an entity formed to facilitate homeownership under subtitle D.

(2) TIMING.—Disposition of a development (or portion thereof) under this section may not take place—

(A) before the expiration of the period during which any such organization or corporation may notify the agency of interest in purchasing the property, which shall be the 30-day period beginning on the date that the agency first provides notice of the proposed disposition of the property to such resident organizations and resident management corporations;

(B) if an organization or corporation submits notice of interest in accordance with subparagraph (A), before the expiration of the period during which such organization or corporation may obtain a commitment for financing to purchase the property, which shall be the 60-day period beginning upon the submission to the agency of the notice of interest; or

(C) if, during the period under subparagraph (B), an organization or corporation obtains such financing commitment and makes a bona fide offer to the agency to purchase the property for a price equal to or exceeding the applicable offer price under paragraph (3).

The agency shall sell the property pursuant to any purchase offer described in subparagraph (C).

(3) TERMS OF OFFER.—An offer by a public housing agency to sell a property in accordance with this subsection shall involve a purchase price that reflects the market value of the property, the reason for the sale, the impact of the sale on the surrounding community, and any other factors that the agency considers appropriate.

(i) INFORMATION FOR LOCAL HOUSING MANAGEMENT PLAN.—A public housing agency may demolish or dispose of a public housing development (or portion thereof) only if it includes in the applicable local housing management plan information sufficient to describe—

(1) the housing to be demolished or disposed of;

(2) the purpose of the demolition or disposition under subsection (c) and why the demolition or disposition complies with the requirements under subsection (c), and includes evidence of the market value of the development (or portion) required under subsection (c);

(3) how the consultations required under subsection (d) will be made;

(4) how the net proceeds of the disposition will be used in accordance with subsection (f);

(5) how the agency will relocate residents, if necessary, as required under subsection (g); and

(6) that the agency has offered the property for acquisition by resident organizations and resident management corporations in accordance with subsection (h).

(j) SITE AND NEIGHBORHOOD STANDARDS EXEMPTION.—Notwithstanding any other provision of law, a public housing agency may provide for development of public housing dwelling units on the same site or in the same neighborhood as any dwelling units demolished, pursuant to a plan under this section, but only if such development provides for significantly fewer dwelling units.

(k) TREATMENT OF REPLACEMENT UNITS.—

(1) PROVISION OF OTHER HOUSING ASSISTANCE.—In connection with any demolition or disposition of public housing under this section, a public housing agency may provide for other housing assistance for low-income families that is consistent with the low-income housing needs of the community, including—

(A) the provision of choice-based assistance under title XIII; and

(B) the development, acquisition, or lease by the agency of dwelling units, which dwelling units shall—

(i) be eligible to receive assistance with grant amounts provided under this title; and

(ii) be made available for occupancy, operated, and managed in the manner required for public housing, and subject to the other requirements applicable to public housing dwelling units.

(2) TREATMENT OF INDIVIDUALS.—For purposes of this subsection, an individual between the ages of 18 and 21, inclusive, shall, at the discretion of the individual, be considered a family.

(l) USE OF NEW DWELLING UNITS.—A public housing agency demolishing or disposing of a public housing development (or portion thereof) under this section shall seek, where practical, to ensure that, if housing units are provided on any property that was previously used for the public housing demolished or disposed of, not less than 25 percent of such dwelling units shall be dwelling units reserved for occupancy during the remaining useful life of the housing by low-income families.

(m) PERMISSIBLE RELOCATION WITHOUT PLAN.—If a public housing agency determines that because of an emergency situation public housing dwelling units are severely uninhabitable, the public housing agency may relocate residents of such dwelling units before the submission of a local housing management plan providing for demolition or disposition of such units.

(n) CONSOLIDATION OF OCCUPANCY WITHIN OR AMONG BUILDINGS.—Nothing in this section may be construed to prevent a public housing agency from consolidating occupancy within or among buildings of a public housing development, or among developments, or with other housing for the purpose of improving living conditions of, or providing more efficient services to, residents.

(o) DE MINIMIS EXCEPTION TO DEMOLITION REQUIREMENTS.—Notwithstanding any other provision of this section, in any 5-year period a public housing agency may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned and operated by the public housing agency, without providing for such demolition in a local housing management plan, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents or the demolished unit was beyond repair.

SEC. 1262. DEMOLITION, SITE REVITALIZATION, REPLACEMENT HOUSING, AND CHOICE-BASED ASSISTANCE GRANTS FOR DEVELOPMENTS.

(a) PURPOSES.—The purpose of this section is to provide assistance to public housing agencies for the purposes of—

(1) reducing the density and improving the living environment for public housing residents of severely distressed public housing developments through the demolition of obsolete public housing developments (or portions thereof);

(2) revitalizing sites (including remaining public housing dwelling units) on which such public housing developments are located and contributing to the improvement of the surrounding neighborhood;

(3) providing housing that will avoid or decrease the concentration of very low-income families; and

(4) providing choice-based assistance in accordance with title XIII for the purpose of providing replacement housing and assisting residents to be displaced by the demolition.

(b) GRANT AUTHORITY.—The Secretary may make grants available to public housing agencies as provided in this section.

(c) CONTRIBUTION REQUIREMENT.—The Secretary may not make any grant under this section to any applicant unless the applicant certifies to the Secretary that the applicant will supplement the amount of assistance provided under this section with an amount of funds from sources other than this section equal to not less than 5 percent of the amount provided under this section, including amounts from other Federal sources, any State or local government sources, any private contributions, and the value of any in-kind services or administrative costs provided.

(d) ELIGIBLE ACTIVITIES.—Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—

(1) architectural and engineering work, including the redesign, reconstruction, or redevelopment of a severely distressed public housing development, including the site on which the development is located;

(2) the demolition, sale, or lease of the site, in whole or in part;

(3) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;

(4) payment of reasonable legal fees;

(5) providing reasonable moving expenses for residents displaced as a result of the revitalization of the development;

(6) economic development activities that promote the economic self-sufficiency of residents under the revitalization program;

(7) necessary management improvements;

(8) leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the development that will benefit future residents of the site;

(9) replacement housing and housing assistance under title XIII;

(10) transitional security activities; and

(11) necessary supportive services, except that not more than 10 percent of the amount of any grant may be used for activities under this paragraph.

(e) APPLICATION AND SELECTION.—

(1) APPLICATION.—An application for a grant under this section shall contain such information and shall be submitted at such time and in accordance with such procedures, as the Secretary shall prescribe.

(2) SELECTION CRITERIA.—The Secretary shall establish selection criteria for the award of grants under this section, which shall include—

(A) the relationship of the grant to the local housing management plan for the public housing agency and how the grant will result in a revitalized site that will enhance the neighborhood in which the development is located;

(B) the capability and record of the applicant public housing agency, or any alternative management agency for the agency, for managing large-scale redevelopment or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;

(C) the extent to which the public housing agency could undertake such activities without a grant under this section;

(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development of a revitalization program for the development; and

(E) the amount of funds and other resources to be leveraged by the grant.

The Secretary shall give preference in selection to any public housing agency that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act).

(f) COST LIMITS.—Subject to the provisions of this section, the Secretary—

(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and

(2) may establish other cost limits on eligible activities under this section.

(g) DEMOLITION AND REPLACEMENT.—Any severely distressed public housing demolished or disposed of pursuant to a revitalization plan and any public housing produced in lieu of such severely distressed housing, shall be subject to the provisions of section 1261.

(h) ADMINISTRATION BY OTHER ENTITIES.—The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the public housing agency to carry out activities assisted under the revitalization plan, if the Secretary determines that such action will help to effectuate the purposes of this section.

(i) WITHDRAWAL OF FUNDING.—If a grantee under this section does not proceed expeditiously, in the determination of the Secretary, the Secretary shall withdraw any grant amounts under this section that have not been obligated by the public housing agency. The Secretary shall redistribute any withdrawn amounts to one or more public housing agencies eligible for assistance under this section or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee.

(j) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPLICANT.—The term "applicant" means—

(A) any public housing agency that is not designated as troubled pursuant to section 1533(a);

(B) any public housing agency or private housing management agent selected, or receiver appointed pursuant, to section 1545; and

(C) any public housing agency that is designated as troubled pursuant to section 1533(a) that—

(i) is so designated principally for reasons that will not affect the capacity of the agency to carry out a revitalization program;

(ii) is making substantial progress toward eliminating the deficiencies of the agency; or

(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(2) PRIVATE NONPROFIT CORPORATION.—The term "private nonprofit organization" means any private nonprofit organization (including a State or locally chartered nonprofit organization) that—

(A) is incorporated under State or local law;

(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income families.

(3) SEVERELY DISTRESSED PUBLIC HOUSING.—The term "severely distressed public housing" means a public housing development (or building in a development) that—

(A) requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the development;

(B) is a significant contributing factor to the physical decline of and disinvestment by public and private entities in the surrounding neighborhood;

(C)(i) is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance; and

(ii) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(D) cannot be revitalized through assistance under other programs, such as the public housing block grant program under this title, or the programs under sections 9 and 14 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), because of cost constraints and inadequacy of available amounts; and

(E) in the case of individual buildings, is, in the Secretary's determination, sufficiently separable from the remainder of the development of which the building is part to make use of the building feasible for purposes of this section.

(4) Supportive services.—The term "supportive services" includes all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing development involved, including literacy training, job training, day care, and economic development activities.

(k) Annual Report.—The Secretary shall submit to the Congress an annual report setting forth—

(1) the number, type, and cost of public housing units revitalized pursuant to this section;

(2) the status of developments identified as severely distressed public housing;

(3) the amount and type of financial assistance provided under and in conjunction with this section; and

(4) the recommendations of the Secretary for statutory and regulatory improvements to the program established by this section.

(l) Funding.—

(1) Authorization of appropriations.—There are authorized to be appropriated for grants under this section $500,000,000 for each of fiscal years 1998, 1999, and 2000.

(2) Technical assistance.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use not more than 0.50 percent for technical assistance. Such assistance may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of public housing agencies, and of residents.

(m) Sunset.—No assistance may be provided under this section after September 30, 2000.

(n) Treatment of Previous Selections.—A public housing agency that has been selected to receive amounts under the notice of funding availability for fiscal year 1996 amounts for the HOPE VI program (provided under the heading "PUBLIC HOUSING DEMOLITION, SITE REVITALIZATION, AND REPLACEMENT HOUSING GRANTS" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 14371 note) (enacted as section 101(e) of Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134; 110 Stat. 1321–269)) may apply to the Secretary of Housing and Urban Development for a waiver of the total development cost rehabilitation requirement otherwise applicable under such program, and the Secretary may waive such requirement, but only (1) to the extent that a designated site for use of such amounts does not have dwelling units that are considered to be obsolete under Department of Housing and Urban Development regulations in effect upon the date of the enactment of this Act, and (2) if the Secretary determines that the public housing agency will continue to comply with the purposes of the program notwithstanding such waiver.

SEC. 1263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) In General.—A public housing agency may convert any public housing development (or portion thereof) owned and operated by the agency to a system of choice-based rental housing assistance under title XIII, in accordance with this section.

(b) Assessment and Plan Requirement.—In converting under this section to a choice-based rental housing assistance system, the public housing agency shall develop a conversion assessment and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development (or portion thereof), which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the agency;

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community;

(3) include a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing choice-based rental housing assistance under title XIII for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development;

(4) identify the actions, if any, that the public housing agency will take with regard to converting any public housing development or developments (or portions thereof) of the agency to a system of choice-based rental housing assistance under title XIII;

(5) require the public housing agency to—

(A) notify the families residing in the public housing development subject to the conversion, in accordance with any guidelines issued by the Secretary governing such notifications, that—

(i) the development will be removed from the inventory of the public housing agency; and

(ii) the families displaced by such action will receive choice-based housing assistance;

(B) provide any necessary counseling for families displaced by such action to facilitate relocation; and

(C) provide any reasonable relocation expenses for families displaced by such action; and

(6) ensure that each family that is a resident of the development is relocated to other safe, clean, and healthy affordable housing, which is, to the maximum extent practicable, housing of the family's choice, including choice-based assistance under title XIII (provided that with respect to choice-based assistance, the preceding requirement shall be fulfilled only upon the relocation of such family into such housing).

(c) Streamlined Assessment and Plan.—At the discretion of the Secretary or at the request of a public housing agency, the Secretary may waive any or all of the requirements of subsection (b) or otherwise require a streamlined assessment with respect to any public housing development or class of public housing developments.

(d) Implementation of Conversion Plan.—

(1) In general.—A public housing agency may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

(A) will not be more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(B) will principally benefit the residents of the public housing development (or portion thereof) to be converted, the public housing agency, and the community.

(2) Disapproval.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) Other Requirements.—To the extent approved by the Secretary, the funds used by the public housing agency to provide choice-based rental housing assistance under title XIII shall be added to the housing assistance payment contract administered by the public housing agency or any entity administering the contract on behalf of the public housing agency.

(f) Savings Provision.—This section does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937 (as such section existed before the effective date of the repeal under section 1601(b) of this Act).

Subtitle F—Mixed-Finance Public Housing

SEC. 1271. AUTHORITY.

Notwithstanding sections 1203 and 1262, the Secretary may, upon such terms and conditions as the Secretary may prescribe, authorize a public housing agency to provide for the use of grant amounts allocated and provided from the capital fund or from a grant under section 1262, to produce mixed-finance housing developments, or replace or revitalize existing public housing dwelling units with mixed-finance housing developments, but only if the agency submits to the Secretary a plan for such housing that is approved pursuant to section 1273 by the Secretary.

SEC. 1272. MIXED-FINANCE HOUSING DEVELOPMENTS.

(a) In General.—For purposes of this subtitle, the term "mixed-finance housing" means low-income housing or mixed-income housing (as described in section 1221(c)(2)) for which the financing for production or revitalization is provided, in part, from entities other than the public housing agency.

(b) Production.—A mixed-finance housing development shall be produced or revitalized, and owned—

(1) by a public housing agency or by an entity affiliated with a public housing agency;

(2) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity affiliated with a public housing agency) is a general partner, is a managing member, or otherwise participates in the activities of the entity;

(3) by any entity that grants to the public housing agency the option to purchase the public housing project during the 20-year period beginning on the date of initial occupancy of the public housing project in accordance with section 42(l)(7) of the Internal Revenue Code of 1986; or

(4) in accordance with such other terms and conditions as the Secretary may prescribe by regulation.

This subsection may not be construed to require production or revitalization, and ownership, by the same entity.

SEC. 1273. MIXED-FINANCE HOUSING PLAN.

The Secretary may approve a plan for production or revitalization of mixed-finance housing under this subtitle only if the Secretary determines that—

(1) the public housing agency has the ability, or has provided for an entity under section 1272(b) that has the ability, to use the amounts provided for use under the plan for such housing, effectively, either directly or through contract management;

(2) the plan provides permanent financing commitments from a sufficient number of sources other than the public housing agency, which may include banks and other conventional lenders, States, units of general local government, State housing finance agencies, secondary market entities, and other financial institutions;

(3) the plan provides for use of amounts provided under section 1271 by the public housing agency for financing the mixed-income housing in the form of grants, loans, advances, or other debt or equity investments, including collateral or credit enhancement of bonds issued by the agency or any State or local governmental agency for production or revitalization of the development; and

(4) the plan complies with any other criteria that the Secretary may establish.

SEC. 1274. RENT LEVELS FOR HOUSING FINANCED WITH LOW-INCOME HOUSING TAX CREDIT.

With respect to any dwelling unit in a mixed-finance housing development that is a low-income dwelling unit for which amounts from a block grant under this title are used and that is assisted pursuant to the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986, the rents charged to the residents of the unit shall be determined in accordance with this title, but shall not in any case exceed the amounts allowable under such section 42.

SEC. 1275. CARRY-OVER OF ASSISTANCE FOR REPLACED HOUSING.

In the case of a mixed-finance housing development that is replacement housing for public housing demolished or disposed of, or is the result of the revitalization of existing public housing, the share of assistance received from the capital fund and the operating fund by the public housing agency that owned or operated the housing demolished, disposed of, or revitalized shall not be reduced because of such demolition, disposition, or revitalization after the commencement of such demolition, disposition, or revitalization, unless—

(1) upon the expiration of the 18-month period beginning upon the approval of the plan under section 1273 for the mixed-finance housing development, the agency does not have binding commitments for production or revitalization, or a construction contract, for such development;

(2) upon the expiration of the 4-year period beginning upon the approval of the plan, the mixed-finance housing development is not substantially ready for occupancy and is placed under the block grant contract for the agency under section 1201; or

(3) the number of dwelling units in the mixed-finance housing development that are made available for occupancy only by low-income families is substantially less than the number of such dwelling units in the public housing demolished, disposed of, or revitalized.

The Secretary may extend the period under paragraph (1) or (2) for a public housing agency if the Secretary determines that circumstances beyond the control of the agency caused the agency to fail to meet the deadline under such paragraph.

Subtitle G—General Provisions

SEC. 1281. PAYMENT OF NON-FEDERAL SHARE.

Rental or use-value of buildings or facilities paid for, in whole or in part, from production, modernization, or operation costs financed under this title may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the residents in a project assisted under this title.

SEC. 1282. AUTHORIZATION OF APPROPRIATIONS FOR BLOCK GRANTS.

There are authorized to be appropriated for grants under this title, the following amounts:

(1) Capital fund.—For the allocations from the capital fund for grants, $2,500,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002.

(2) Operating fund.—For the allocations from the operating fund for grants, $2,900,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002.

SEC. 1283. FUNDING FOR OPERATION SAFE HOME.

Of any amounts made available for fiscal years 1998 and 1999 for carrying out the Community Partnerships Against Crime Act of 1997 (as so designated pursuant to section 1624(a) of this Act), not more than $20,000,000 shall be available in each such fiscal year, for use under the Operation Safe Home program administered by the Office of the Inspector General of the Department of Housing and Urban Development, for law enforcement efforts to combat violent crime on or near the premises of public and federally assisted housing.

SEC. 1284. FUNDING FOR RELOCATION OF VICTIMS OF DOMESTIC VIOLENCE.

Of any amounts made available for fiscal years 1998, 1999, 2000, 2001, and 2002 for choice-based housing assistance under title XIII of this Act, not more than $700,000 shall be available in each such fiscal year for relocating residents of public housing (including providing assistance for costs of relocation and housing assistance under title XIII of this Act) who are residing in public housing, who have been subject to domestic violence, and for whom provision of assistance is likely to reduce or eliminate the threat of subsequent violence to the members of the family. The Secretary shall establish procedures for eligibility and administration of assistance under this section.

TITLE XIII—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

SEC. 1301. AUTHORITY TO PROVIDE HOUSING ASSISTANCE AMOUNTS.

To the extent that amounts to carry out this title are made available, the Secretary may enter into contracts with public housing agencies for each fiscal year to provide housing assistance under this title.

SEC. 1302. CONTRACTS WITH PHA'S.

(a) Condition of Assistance.—The Secretary may provide amounts under this title to a public housing agency for a fiscal year only if the Secretary has entered into a contract under this section with the public housing agency, under which the Secretary shall provide such agency with amounts (in the amount of the allocation for the agency determined pursuant to section 1304) for housing assistance under this title for low-income families.

(b) Use for Housing Assistance.—A contract under this section shall require a public housing agency to use amounts provided under this title to provide housing assistance in any manner authorized under this title.

(c) Annual Obligation of Authority.—A contract under this title shall provide amounts for housing assistance for 1 fiscal year covered by the contract.

(d) Enforcement of Housing Quality Requirements.—Each contract under this section shall require the public housing agency administering assistance provided under the contract—

(1) to ensure compliance, under each housing assistance payments contract entered into pursuant to the contract under this section, with the provisions of the housing assistance payments contract included pursuant to section 1351(c)(4); and

(2) to establish procedures for assisted families to notify the agency of any noncompliance with such provisions.

SEC. 1303. ELIGIBILITY OF PHA'S FOR ASSISTANCE AMOUNTS.

The Secretary may provide amounts available for housing assistance under this title pursuant to the formula established under section 1304(a) to a public housing agency only if—

(1) the agency has submitted a local housing management plan to the Secretary for such fiscal year and applied to the Secretary for such assistance;

(2) the plan has been determined to comply with the requirements under section 1106 and the Secretary has not notified the agency that the plan fails to comply with such requirements;

(3) no member of the board of directors or other governing body of the agency, or the executive director, has been convicted of a felony; and

(4) the agency has not been disqualified for assistance pursuant to title XV.

SEC. 1304. ALLOCATION OF AMOUNTS.

(a) Formula Allocation.—

(1) In general.—When amounts for assistance under this title are first made available for reservation, after reserving amounts in accordance with subsections (b)(3) and (c), the Secretary shall allocate such amounts, only among public housing agencies meeting the requirements under this title to receive such assistance, on the basis of a formula that is established in accordance with paragraph (2) and based upon appropriate criteria to reflect the needs of different States, areas, and communities, using the most recent data available from the Bureau of the Census of the Department of Commerce and the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction. The Secretary may establish a minimum allocation amount, in which case only the public housing agencies that, pursuant to the formula, are provided an amount equal to or greater than the minimum allocation amount, shall receive an allocation.

(2) Regulations.—The formula under this subsection shall be established by regulation issued by the Secretary. Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, any proposed regulation containing such formula shall be issued pursuant to a negotiated rulemaking procedure under subchapter III of chapter 5 of such title and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

(b) Allocation Considerations.—

(1) Limitation on reallocation for another state.—Any amounts allocated for a State or areas or communities within a State that are not likely to be used within the fiscal year for which the amounts are provided shall not be reallocated for use in

another State, unless the Secretary determines that other areas or communities within the same State (that are eligible for amounts under this title) cannot use the amounts within the same fiscal year.

(2) EFFECT OF RECEIPT OF TENANT-BASED ASSISTANCE FOR DISABLED FAMILIES.—The Secretary may not consider the receipt by a public housing agency of assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, or the amount received, in approving amounts under this title for the agency or in determining the amount of such assistance to be provided to the agency.

(3) EXEMPTION FROM FORMULA ALLOCATION.—The formula allocation requirements of subsection (a) shall not apply to any assistance under this title that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including amendments of existing housing assistance payments contracts, renewal of such contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the housing assistance payments contract, assistance to prevent displacement from public or assisted housing or to provide replacement housing in connection with the demolition or disposition of public housing, assistance for relocation from public housing, assistance in connection with protection of crime witnesses, assistance for conversion from leased housing contracts under section 23 of the United States Housing Act of 1937 (as in effect before the enactment of the Housing and Community Development Act of 1974), and assistance in support of the property disposition and portfolio management functions of the Secretary.

(c) RECAPTURE OF AMOUNTS.—

(1) AUTHORITY.—In each fiscal year, from any budget authority made available for assistance under this title or section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) that is obligated to a public housing agency but remains unobligated by the agency upon the expiration of the 8-month period beginning upon the initial availability of such amounts for obligation by the agency, the Secretary may deobligate an amount, as determined by the Secretary, not exceeding 50 percent of such unobligated amount.

(2) USE.—The Secretary may reallocate and transfer any amounts deobligated under paragraph (1) only to public housing agencies in areas that the Secretary determines have received less funding than other areas, based on the relative needs of all areas.

SEC. 1305. ADMINISTRATIVE FEES.

(a) FEE FOR ONGOING COSTS OF ADMINISTRATION.—

(1) IN GENERAL.—The Secretary shall establish fees for the costs of administering the choice-based housing assistance program under this title.

(2) FISCAL YEAR 1998.—

(A) CALCULATION.—For fiscal year 1998, the fee for each month for which a dwelling unit is covered by a contract for assistance under this title shall be—

(i) in the case of a public housing agency that, on an annual basis, is administering a program for not more than 600 dwelling units, 7.65 percent of the base amount; and

(ii) in the case of an agency that, on an annual basis, is administering a program for more than 600 dwelling units—

(I) for the first 600 units, 7.65 percent of the base amount; and

(II) for any additional dwelling units under the program, 7.0 percent of the base amount.

(B) BASE AMOUNT.—For purposes of this paragraph, the base amount shall be the higher of—

(i) the fair market rental established under section 8(c) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the agency, and

(ii) the amount that is the lesser of (I) such fair market rental for fiscal year 1994 or (II) 103.5 percent of the amount determined under clause (i),

adjusted based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary. The Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(3) SUBSEQUENT FISCAL YEARS.—For subsequent fiscal years, the Secretary shall publish a notice in the Federal Register, for each geographic area, establishing the amount of the fee that would apply for public housing agencies administering the program, based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary.

(4) INCREASE.—The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

(b) FEE FOR PRELIMINARY EXPENSES.—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of $500, for a public housing agency, but only in the first year that the agency administers a choice-based housing assistance program under this title, and only if, immediately before the effective date of this division, the agency was not administering a tenant-based rental assistance program under the United States Housing Act of 1937 (as in effect immediately before such effective date), in connection with its initial increment of assistance received;

(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

(3) extraordinary costs approved by the Secretary.

(c) TRANSFER OF FEES IN CASES OF CONCURRENT GEOGRAPHICAL JURISDICTION.—In each fiscal year, if any public housing agency provides tenant-based rental assistance under section 8 of the United States Housing Act of 1937 or housing assistance under this title on behalf of a family who uses such assistance for a dwelling unit that is located within the jurisdiction of such agency but is also within the jurisdiction of another public housing agency, the Secretary shall take such steps as may be necessary to ensure that the public housing agency that provides the services for a family receives all or part of the administrative fee under this section (as appropriate).

SEC. 1306. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated for providing public housing agencies with housing assistance under this title, such sums as may be necessary for each of fiscal years 1998, 1999, 2000, 2001, and 2002 to provide amounts for incremental assistance under this title, for renewal of expiring contracts under section 1302 of this Act and renewal under this title of expiring contracts for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), and for replacement needs for public housing under title XII.

(b) ASSISTANCE FOR DISABLED FAMILIES.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, for choice-based housing assistance under this title to be used in accordance with paragraph (2), $50,000,000 for fiscal year 1998, and such sums as may be necessary for each subsequent fiscal year.

(2) USE.—The Secretary shall provide amounts made available under paragraph (1) to public housing agencies only for use to provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 1227 or the establishment of occupancy restrictions in accordance with section 658 of the Housing and Community Development Act of 1992 and other nonelderly disabled families who have applied to the agency for housing assistance under this title).

(3) ALLOCATION OF AMOUNTS.—The Secretary shall allocate and provide amounts made available under paragraph (1) to public housing agencies as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in paragraph (1).

(c) ASSISTANCE FOR WITNESS RELOCATION.—Of the amounts made available for choice-based housing assistance under this title for each fiscal year, the Secretary, in consultation with the Inspector General, shall make available such sums as may be necessary for such housing assistance for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to requests from law enforcement and prosecutive agencies.

SEC. 1307. CONVERSION OF SECTION 8 ASSISTANCE.

(a) IN GENERAL.—Any amounts made available to a public housing agency under a contract for annual contributions for assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) that have not been obligated for such assistance by such agency before such effective date shall be used to provide assistance under this title, except to the extent the Secretary determines such use is inconsistent with existing commitments.

(b) EXCEPTION.—Subsection (a) shall not apply to any amounts made available under a contract for housing constructed or substantially rehabilitated pursuant to section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983.

SEC. 1308. RECAPTURE AND REUSE OF ANNUAL CONTRACT PROJECT RESERVES UNDER CHOICE-BASED HOUSING ASSISTANCE AND SECTION 8 TENANT-BASED ASSISTANCE PROGRAMS.

To the extent that the Secretary determines that the amount in the reserve account for annual contributions contracts (for housing assistance under this title or tenant-based assistance under section 8 of the United States Housing Act of 1937) that is under contract with a public housing agency for such assistance is in excess of the amounts needed by the agency, the Secretary shall recapture such excess amount. The Secretary may hold recaptured amounts in reserve until needed to enter into, amend, or renew contracts under this title or to amend or renew contracts under section 8 of such Act for tenant-based assistance with any agency.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

SEC. 1321. ELIGIBLE FAMILIES AND PREFERENCES FOR ASSISTANCE.

(a) Low-Income Requirement.—Housing assistance under this title may be provided only on behalf of a family that—

(1) at the time that such assistance is initially provided on behalf of the family, is determined by the public housing agency to be a low-income family; or

(2) qualifies to receive such assistance under any other provision of Federal law.

(b) Income Targeting.—Of the families initially assisted under this title by a public housing agency in any year, not less than 40 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(c) Reviews of Family Incomes.—

(1) In general.—Reviews of family incomes for purposes of this title shall be subject to the provisions of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 and shall be conducted upon the initial provision of housing assistance for the family and thereafter not less than annually.

(2) Procedures.—Each public housing agency administering housing assistance under this title shall establish procedures that are appropriate and necessary to ensure that income data provided to the agency and owners by families applying for or receiving housing assistance from the agency is complete and accurate.

(d) Preferences for Assistance.—

(1) Authority to establish.—Any public housing agency that receives amounts under this title may establish a system for making housing assistance available on behalf of eligible families that provides preference for such assistance to eligible families having certain characteristics.

(2) Content.—Each system of preferences established pursuant to this subsection shall be based upon local housing needs and priorities, as determined by the public housing agency using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 1106(e) and under the requirements applicable to the comprehensive housing affordability strategy for the relevant jurisdiction.

(3) Sense of the congress.—It is the sense of the Congress that, to the greatest extent practicable, public housing agencies involved in the selection of tenants under the provisions of this title should adopt preferences for individuals who are victims of domestic violence.

(e) Portability of Housing Assistance.—

(1) National portability.—An eligible family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a public housing agency may require that any family not living within the jurisdiction of the public housing agency at the time the family applies for assistance from the agency shall, during the 12-month period beginning on the date of initial receipt of housing assistance made available on behalf of the family from such agency, lease and occupy an eligible dwelling unit located within the jurisdiction served by the agency. The agency for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) Source of funding for a family that moves.—For a family that has moved into the jurisdiction of a public housing agency and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another agency, the agency for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary or through reimbursement from the other agency under that agency's contract.

(3) Authority to deny assistance to certain families who move.—A family may not receive housing assistance as provided under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

(4) Funding allocations.—In providing assistance amounts under this title for public housing agencies for any fiscal year, the Secretary may give consideration to any reduction or increase in the number of resident families under the program of an agency in the preceding fiscal year as a result of this subsection.

(f) Confidentiality for Victims of Domestic Violence.—A public housing agency shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family receiving housing assistance who was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The agency shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

SEC. 1322. RESIDENT CONTRIBUTION.

(a) Amount.—

(1) Monthly rent contribution.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the public housing agency determines is appropriate with respect to the family and the unit, but which—

(A) shall not be less than the minimum monthly rental contribution determined under subsection (b); and

(B) shall not exceed the greatest of—

(i) 30 percent of the monthly adjusted income of the family;

(ii) 10 percent of the monthly income of the family; and

(iii) if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the actual housing costs of the family, is specifically designated by such agency to meet the housing costs of the family, the portion of such payments that is so designated.

(2) Excess rental amount.—In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the applicable payment standard (established under section 1353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under paragraph (1) for such family) such entire excess rental amount.

(b) Minimum Monthly Rental Contribution.—

(1) In general.—The public housing agency shall determine the amount of the minimum monthly rental contribution of an assisted family (which rent shall include any amount allowed for utilities), which—

(A) shall be based upon factors including the adjusted income of the family and any other factors that the agency considers appropriate;

(B) shall be not less than $25, nor more than $50; and

(C) may be increased annually by the agency, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

(2) Hardship provisions.—

(A) In general.—Notwithstanding paragraph (1), a public housing agency shall grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any assisted family unable to pay such amount because of financial hardship, which shall include situations in which (i) the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996; (ii) the family would be evicted as a result of imposition of the minimum rent; (iii) the income of the family has decreased because of changed circumstance, including loss of employment; and (iv) a death in the family has occurred; and other situations as may be determined by the agency.

(B) Waiting period.—If an assisted family requests a hardship exemption under this paragraph and the public housing agency reasonably determines the hardship to be of a temporary nature, an exemption shall not be granted during the 90-day period beginning upon the making of a request for the exemption. An assisted family may not be evicted during such 90-day period for nonpayment of rent. In such a case, if the assisted family thereafter demonstrates that the financial hardship is of a long-term basis, the agency shall retroactively exempt the family from the applicability of the minimum rent requirement for such 90-day period.

(c) Treatment of Changes in Rental Contribution.—

(1) Notification of changes.—A public housing agency shall promptly notify the owner of an assisted dwelling unit of any change in the resident contribution by the assisted family residing in the unit that takes effect immediately or at a later date.

(2) Collection of retroactive changes.—In the case of any change in the rental contribution of an assisted family that affects rental payments previously made, the public housing agency shall collect any additional amounts required to be paid by the family under such change directly from the family and shall refund any excess rental contribution paid by the family directly to the family.

(d) Phase-In of Rent Contribution Increases.—

(1) In general.—Except as provided in paragraph (2), for any family that is receiving tenant-based rental assistance under section 8 of the United States Housing Act of 1937 upon the initial applicability of the provisions of this title to such family, if the

monthly contribution for rental of an assisted dwelling unit to be paid by the family upon such initial applicability is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (b)(1) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 1323. RENTAL INDICATORS.

(a) IN GENERAL.—The Secretary shall establish and issue rental indicators under this section periodically, but not less than annually, for existing rental dwelling units that are eligible dwelling units. The Secretary shall establish and issue the rental indicators by housing market area (as the Secretary shall establish) for various sizes and types of dwelling units.

(b) AMOUNT.—For a market area, the rental indicator established under subsection (a) for a dwelling unit of a particular size and type in the market area shall be a dollar amount that reflects the rental amount for a standard quality rental unit of such size and type in the market area that is an eligible dwelling unit.

(c) EFFECTIVE DATE.—The Secretary shall cause the proposed rental indicators established under subsection (a) for each market area to be published in the Federal Register with reasonable time for public comment, and such rental indicators shall become effective upon the date of publication in final form in the Federal Register.

(d) ANNUAL ADJUSTMENT.—Each rental indicator in effect under this section shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so that the indicators will be current for the year to which they apply, in rents for existing rental dwelling units of various sizes and types in the market area suitable for occupancy by families assisted under this title.

SEC. 1324. LEASE TERMS.

Rental assistance may be provided for an eligible dwelling unit only if the assisted family and the owner of the dwelling unit enter into a lease for the unit that—

(1) provides for a single lease term of 12 months and continued tenancy after such term under a periodic tenancy on a month-to-month basis;

(2) contains terms and conditions specifying that termination of tenancy during the term of a lease shall be subject to the provisions set forth in sections 1642 and 1643; and

(3) is set forth in the standard form, which is used in the local housing market area by the owner and applies generally to any other tenants in the property who are not assisted families, together with any addendum necessary to include the many terms required under this section.

A lease may include any addenda appropriate to set forth the provisions under this title.

SEC. 1325. TERMINATION OF TENANCY.

Each housing assistance payments contract shall provide that the owner shall conduct the termination of tenancy of any tenant of an assisted dwelling unit under the contract in accordance with applicable State or local laws, including providing any notice of termination required under such laws.

SEC. 1326. ELIGIBLE OWNERS.

(a) OWNERSHIP ENTITY.—Rental assistance under this title may be provided for any eligible dwelling unit for which the owner is any public agency, private person or entity (including a cooperative), nonprofit organization, agency of the Federal Government, or public housing agency.

(b) INELIGIBLE OWNERS.—

(1) IN GENERAL.—Notwithstanding subsection (a), a public housing agency—

(A) may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations;

(B) may prohibit, or authorize the termination or suspension of, payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

If the public housing agency takes action under subparagraph (B), the agency shall take such actions as may be necessary to protect assisted families who are affected by the action, which may include the provision of additional assistance under this title to such families.

(2) PROHIBITION OF SALE OR RENTAL TO RELATED PARTIES.—The Secretary shall establish guidelines to prevent housing assistance payments for a dwelling unit that is owned by any spouse, child, or other party who allows an owner described in paragraph (1) to maintain control of the unit.

SEC. 1327. SELECTION OF DWELLING UNITS.

(a) FAMILY CHOICE.—The determination of the dwelling unit in which an assisted family resides and for which housing assistance is provided under this title shall be made solely by the assisted family, subject to the provisions of this title and any applicable law.

(b) DEED RESTRICTIONS.—Housing assistance may not be used in any manner that abrogates any local deed restriction that applies to any housing consisting of 1 to 4 dwelling units. Nothing in this section may be construed to affect the provisions or applicability of the Fair Housing Act.

SEC. 1328. ELIGIBLE DWELLING UNITS.

(a) IN GENERAL.—A dwelling unit shall be an eligible dwelling unit for purposes of this title only if the public housing agency to provide housing assistance for the dwelling unit determines that the dwelling unit—

(1) is an existing dwelling unit that is not located within a nursing home or the grounds of any penal, reformatory, medical, mental, or similar public or private institution; and

(2) complies—

(A) in the case of a dwelling unit located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(B) in the case of a dwelling unit located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), with the housing quality standards established under subsection (c).

Each public housing agency providing housing assistance shall identify, in the local housing management plan for the agency, whether the agency is utilizing the standard under subparagraph (A) or (B) of paragraph (2).

(b) DETERMINATIONS.—

(1) IN GENERAL.—A public housing agency shall make the determinations required under subsection (a) pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit.

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the public housing agency. The performance of the agency in meeting the 15-day inspection deadline shall be taken into account in assessing the performance of the agency.

(c) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that assisted dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 1232(b). The Secretary shall differentiate between major and minor violations of such standards.

(d) ANNUAL INSPECTIONS.—Each public housing agency providing housing assistance shall make an annual inspection of each assisted dwelling unit during the term of the housing assistance payments contracts for the unit to determine whether the unit is maintained in accordance with the requirements under subsection (a)(2). The agency shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary, the Inspector General for the Department of Housing and Urban Development, and any auditor conducting an audit under section 1541.

(e) INSPECTION GUIDELINES.—The Secretary shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of public housing agencies and shall provide flexibility to authorities appropriate to facilitate efficient provision of assistance under this title.

(f) RULE OF CONSTRUCTION.—This section may not be construed to prevent the provision of housing assistance in connection with supportive services for elderly or disabled families.

SEC. 1329. HOMEOWNERSHIP OPTION.

(a) IN GENERAL.—A public housing agency providing housing assistance under this title may provide homeownership assistance to assist eligible families to purchase a dwelling unit (including purchase under lease-purchase homeownership plans).

(b) REQUIREMENTS.—A public housing agency providing homeownership assistance under this section shall, as a condition of an eligible family receiving such assistance, require the family to—

(1) demonstrate that the family has sufficient income from employment or other sources (other than public assistance), as determined in accordance with requirements established by the agency; and

(2) meet any other initial or continuing requirements established by the public housing agency.

(c) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—A public housing agency may establish minimum downpayment requirements, if appropriate, in connection with loans made for the purchase of dwelling

units for which homeownership assistance is provided under this section. If the agency establishes a minimum downpayment requirement, the agency shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase, subject to the requirements of paragraph (2).

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section subject to a downpayment requirement, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(d) INELIGIBILITY UNDER OTHER PROGRAMS.—A family may not receive homeownership assistance pursuant to this section during any period when assistance is being provided for the family under other Federal homeownership assistance programs, as determined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1987, and section 502 of the Housing Act of 1949.

SEC. 1330. ASSISTANCE FOR RENTAL OF MANUFACTURED HOMES.

(a) AUTHORITY.—Nothing in this title may be construed to prevent a public housing agency from providing housing assistance under this title on behalf of a low-income family for the rental of—

(1) a manufactured home that is the principal residence of the family and the real property on which the home is located; or

(2) the real property on which is located a manufactured home, which is owned by the family and is the principal residence of the family.

(b) ASSISTANCE FOR CERTAIN FAMILIES OWNING MANUFACTURED HOMES.—

(1) AUTHORITY.—Notwithstanding section 1351 or any other provision of this title, a public housing agency that receives amounts under a contract under section 1302 may enter into a housing assistance payment contract to make assistance payments under this title to a family that owns a manufactured home, but only as provided in paragraph (2).

(2) LIMITATIONS.—In the case only of a low-income family that owns a manufactured home, rents the real property on which it is located, and to whom housing assistance under this title has been made available for the rental of such property, the public housing agency making such assistance available shall enter into a contract to make housing assistance payments under this title directly to the family (rather than to the owner of such real property) if—

(A) the owner of the real property refuses to enter into a contract to receive housing assistance payments pursuant to section 1351(a);

(B) the family was residing in such manufactured home on such real property at the time such housing assistance was initially made available on behalf of the family;

(C) the family provides such assurances to the agency, as the Secretary may require, to ensure that amounts from the housing assistance payments are used for rental of the real property; and

(D) the rental of the real property otherwise complies with the requirements for assistance under this title.

A contract pursuant to this subsection shall be subject to the provisions of section 1351 and any other provisions applicable to housing assistance payments contracts under this title, except that the Secretary may provide such exceptions as the Secretary considers appropriate to facilitate the provision of assistance under this subsection.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

SEC. 1351. HOUSING ASSISTANCE PAYMENTS CONTRACTS.

(a) IN GENERAL.—Each public housing agency that receives amounts under a contract under section 1302 may enter into housing assistance payments contracts with owners of existing dwelling units to make housing assistance payments to such owners in accordance with this title.

(b) PHA ACTING AS OWNER.—A public housing agency may enter into a housing assistance payments contract to make housing assistance payments under this title to itself (or any agency or instrumentality thereof) as the owner of dwelling units (other than public housing), and the agency shall be subject to the same requirements that are applicable to other owners, except that the determinations under sections 1328(a) and 1354(b) shall be made by a competent party not affiliated with the agency, and the agency shall be responsible for any expenses of such determinations.

(c) PROVISIONS.—Each housing assistance payments contract shall—

(1) have a term of not more than 12 months;

(2) require that the assisted dwelling unit may be rented only pursuant to a lease that complies with the requirements of section 1324;

(3) comply with the requirements of sections 1325, 1642, and 1643 (relating to termination of tenancy);

(4) require the owner to maintain the dwelling unit in accordance with the applicable standards under section 1328(a)(2); and

(5) provide that the screening and selection of eligible families for assisted dwelling units shall be the function of the owner.

SEC. 1352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 1353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 1322(a)(1).

(b) SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard established under section 1353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) ESCROW OF SHOPPING INCENTIVE SAVINGS.—An amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an interest bearing escrow account on behalf of such family on a monthly basis by the public housing agency. Amounts in the escrow account shall be made available to the assisted family on an annual basis.

(3) DEFICIT REDUCTION.—The public housing agency making housing assistance payments on behalf of such assisted family in a fiscal year shall reserve from amounts made available to the agency for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the Secretary shall recapture any such amounts reserved by public housing agencies and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family receiving homeownership assistance under section 1329, the term "gross rent" shall mean the homeownership costs to the family as determined in accordance with guidelines of the Secretary.

SEC. 1353. PAYMENT STANDARDS.

(a) ESTABLISHMENT.—Each public housing agency providing housing assistance under this title shall establish payment standards under this section for various areas, and sizes and types of dwelling units, for use in determining the amount of monthly housing assistance payment to be provided on behalf of assisted families.

(b) USE OF RENTAL INDICATORS.—The payment standard for each size and type of housing for each market area shall be an amount that is not less than 80 percent, and not greater than 120 percent, of the rental indicator established under section 1323 for such size and type for such area.

(c) REVIEW.—If the Secretary determines, at any time, that a significant percentage of the assisted families who are assisted by a public housing agency and are occupying dwelling units of a particular size are paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the payment standard established by the agency for such size dwellings. If, pursuant to the review, the Secretary determines that such payment standard is not appropriate to serve the needs of the low-income population of the jurisdiction served by the agency (taking into consideration rental costs in the area), as identified in the approved community improvement plan of the agency, the Secretary may require the public housing agency to modify the payment standard.

SEC. 1354. REASONABLE RENTS.

(a) ESTABLISHMENT.—The rent charged for a dwelling unit for which rental assistance is provided under this title shall be established pursuant to negotiation and agreement between the assisted family and the owner of the dwelling unit.

(b) REASONABLENESS.—

(1) DETERMINATION.—A public housing agency providing rental assistance under this title for a dwelling unit shall, before commencing assistance payments for a unit (with respect to initial contract rents and any rent revisions), determine whether the rent charged for the unit exceeds the rents charged for comparable units in the applicable private unassisted market.

(2) UNREASONABLE RENTS.—If the agency determines that the rent charged for a dwelling unit exceeds such comparable rents, the agency shall—

(A) inform the assisted family renting the unit that such rent exceeds the rents for comparable unassisted units in the market; and

(B) refuse to provide housing assistance payments for such unit.

SEC. 1355. PROHIBITION OF ASSISTANCE FOR VACANT RENTAL UNITS.

If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance payments contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

Subtitle D—General and Miscellaneous Provisions

SEC. 1371. DEFINITIONS.

For purposes of this title:

(1) ASSISTED DWELLING UNIT.—The term "assisted dwelling unit" means a dwelling unit in which an assisted family resides and for which housing assistance payments are made under this title.

(2) ASSISTED FAMILY.—The term "assisted family" means an eligible family on whose behalf housing assistance payments are made under this title or who has been selected and approved for housing assistance.

(3) CHOICE-BASED.—The term "choice-based" means, with respect to housing assistance, that the assistance is not attached to a dwelling unit but can be used for any eligible dwelling unit selected by the eligible family.

(4) ELIGIBLE DWELLING UNIT.—The term "eligible dwelling unit" means a dwelling unit that complies with the requirements under section 1328 for consideration as an eligible dwelling unit.

(5) ELIGIBLE FAMILY.—The term "eligible family" means a family that meets the requirements under section 1321(a) for assistance under this title.

(6) HOMEOWNERSHIP ASSISTANCE.—The term "homeownership assistance" means housing assistance provided under section 1329 for the ownership of a dwelling unit.

(7) HOUSING ASSISTANCE.—The term "housing assistance" means choice-based assistance provided under this title on behalf of low-income families for the rental or ownership of an eligible dwelling unit.

(8) HOUSING ASSISTANCE PAYMENTS CONTRACT.—The term "housing assistance payments contract" means a contract under section 1351 between a public housing agency (or the Secretary) and an owner to make housing assistance payments under this title to the owner on behalf of an assisted family.

(9) PUBLIC HOUSING AGENCY.—The terms "public housing agency" and "agency" have the meaning given such terms in section 1103, except that the terms include—

(A) a consortia of public housing agencies that the Secretary determines has the capacity and capability to administer a program for housing assistance under this title in an efficient manner;

(B) any other entity that, upon the effective date of this division, was administering any program for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), pursuant to a contract with the Secretary or a public housing agency; and

(C) with respect to any area in which no public housing agency has been organized or where the Secretary determines that a public housing agency is unwilling or unable to implement this title, or is not performing effectively—

(i) the Secretary or another entity that by contract agrees to receive assistance amounts under this title and enter into housing assistance payments contracts with owners and perform the other functions of public housing agency under this title; or

(ii) notwithstanding any provision of State or local law, a public housing agency for another area that contracts with the Secretary to administer a program for housing assistance under this title, without regard to any otherwise applicable limitations on its area of operation.

(10) OWNER.—The term "owner" means the person or entity having the legal right to lease or sublease dwelling units. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project, as well as the entity itself.

(11) RENT.—The terms "rent" and "rental" include, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

(12) RENTAL ASSISTANCE.—The term "rental assistance" means housing assistance provided under this title for the rental of a dwelling unit.

SEC. 1372. RENTAL ASSISTANCE FRAUD RECOVERIES.

(a) AUTHORITY TO RETAIN RECOVERED AMOUNTS.—The Secretary shall permit public housing agencies administering housing assistance under this title to retain, out of amounts obtained by the authorities from tenants that are due as a result of fraud and abuse, an amount (determined in accordance with regulations issued by the Secretary) equal to the greater of—

(1) 50 percent of the amount actually collected; or

(2) the actual, reasonable, and necessary expenses related to the collection, including costs of investigation, legal fees, and collection agency fees.

(b) USE.—Amounts retained by an agency shall be made available for use in support of the affected program or project, in accordance with regulations issued by the Secretary. If the Secretary is the principal party initiating or sustaining an action to recover amounts from families or owners, the provisions of this section shall not apply.

(c) RECOVERY.—Amounts may be recovered under this section—

(1) by an agency through a lawsuit (including settlement of the lawsuit) brought by the agency or through court-ordered restitution pursuant to a criminal proceeding resulting from an agency's investigation where the agency seeks prosecution of a family or where an agency seeks prosecution of an owner;

(2) through administrative repayment agreements with a family or owner entered into as a result of an administrative grievance procedure conducted by an impartial decisionmaker in accordance with section 1110; or

(3) through an agreement between the parties.

SEC. 1373. STUDY REGARDING GEOGRAPHIC CONCENTRATION OF ASSISTED FAMILIES.

(a) IN GENERAL.—The Secretary shall conduct a study of the geographic areas in the State of Illinois served by the Housing Authority of Cook County and the Chicago Housing Authority and submit to the Congress a report and a specific proposal, which addresses and resolves the issues of—

(1) the adverse impact on local communities due to geographic concentration of assisted households under the tenant-based housing programs under section 8 of the United States Housing Act of 1937 (as in effect upon the enactment of this Act) and under this title; and

(2) facilitating the deconcentration of such assisted households by providing broader housing choices to such households.

The study shall be completed, and the report shall be submitted, not later than 90 days after the date of the enactment of this Act.

(b) CONCENTRATION.—For purposes of this section, the term "concentration" means, with respect to any area within a census tract, that—

(1) 15 percent or more of the households residing within such area have incomes which do not exceed the poverty level; or

(2) 15 percent or more of the total affordable housing stock located within such area is assisted housing.

(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 1374. STUDY REGARDING RENTAL ASSISTANCE.

The Secretary shall conduct a nationwide study of the choice-based housing assistance program under this title and the tenant-based rental assistance program under section 8 of the United States Housing Act of 1937 (as in effect pursuant to sections 1601(c) and 1602(b)). The study shall, for various localities—

(1) determine who are the providers of the housing in which families assisted under such programs reside;

(2) describe and analyze the physical and demographic characteristics of the housing in which such assistance is used, including, for housing in which at least one such assisted family resides, the total number of units in the housing and the number of units in the housing for which such assistance is provided;

(3) determine the total number of units for which such assistance is provided;

(4) describe the durations that families remain on waiting lists before being provided such housing assistance; and

(5) assess the extent and quality of participation of housing owners in such assistance programs in relation to the local housing market, including comparing—

(A) the quality of the housing assisted to the housing generally available in the same market; and

(B) the extent to which housing is available to be occupied using such assistance to the extent to which housing is generally available in the same market.

The Secretary shall submit a report describing the results of the study to the Congress not later than the expiration of the 2-year period beginning on the date of the enactment of this Act.

TITLE XIV—HOME RULE FLEXIBLE GRANT OPTION

SEC. 1401. PURPOSE.

The purpose of this title is to give local governments and municipalities the flexibility to design creative approaches for providing and administering Federal housing assistance based on the particular needs of the communities that—

(1) give incentives to low-income families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient;

(2) reduce cost and achieve greater cost-effectiveness in Federal housing assistance expenditures;

(3) increase housing choices for low-income families; and

(4) reduce excessive geographic concentration of assisted families.

SEC. 1402. FLEXIBLE GRANT PROGRAM.

(a) Authority and Use.—The Secretary shall carry out a program under which a jurisdiction may, upon the application of the jurisdiction and the review and approval of the Secretary, receive, combine, and enter into performance-based contracts for the use of amounts of covered housing assistance in a period consisting of not less than 1 nor more than 5 fiscal years in the manner determined appropriate by the participating jurisdiction—

(1) to provide housing assistance and services for low-income families in a manner that facilitates the transition of such families to work;

(2) to reduce homelessness;

(3) to increase homeownership among low-income families; and

(4) for other housing purposes for low-income families determined by the participating jurisdiction.

(b) Inapplicability of Categorical Program Requirements.—

(1) In general.—Except as provided in paragraph (2) and section 1405, the provisions of this division regarding use of amounts made available under each of the programs included as covered housing assistance and the program requirements applicable to each such program shall not apply to amounts received by a jurisdiction pursuant to this title.

(2) Applicability of certain laws.—This title may not be construed to exempt assistance under this division from, or make inapplicable any provision of this division or of any other law that requires that assistance under this division be provided in compliance with—

(A) title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.);

(B) the Fair Housing Act (42 U.S.C. 3601 et seq.);

(C) section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

(D) title IX of the Education Amendments of 1972 (86 Stat. 373 et seq.);

(E) the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.);

(F) the Americans with Disabilities Act of 1990; or

(G) the National Environmental Policy Act of 1969 and other provisions of law that further protection of the environment (as specified in regulations that shall be issued by the Secretary).

(c) Effect on Program Allocations for Covered Housing Assistance.—The amount of assistance received pursuant to this title by a participating jurisdiction shall not be decreased, because of participation in the program under this title, from the sum of the amounts that otherwise would be made available for or within the participating jurisdiction under the programs included as covered housing assistance.

SEC. 1403. COVERED HOUSING ASSISTANCE.

For purposes of this title, the term "covered housing assistance" means—

(1) operating assistance provided under section 9 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act);

(2) modernization assistance provided under section 14 of such Act;

(3) assistance provided under section 8 of such Act for the certificate and voucher programs;

(4) assistance for public housing provided under title XII of this Act; and

(5) choice-based rental assistance provided under title XIII of this Act.

Such term does not include any amounts obligated for assistance under existing contracts for project-based assistance under section 8 of the United States Housing Act of 1937 or section 1601(f) of this Act.

SEC. 1404. PROGRAM REQUIREMENTS.

(a) Eligible Families.—Each family on behalf of whom assistance is provided for rental or homeownership of a dwelling unit using amounts made available pursuant to this title shall be a low-income family. Each dwelling unit assisted using amounts made available pursuant to this title shall be available for occupancy only by families that are low-income families at the time of their initial occupancy of the unit.

(b) Compliance With Assistance Plan.—A participating jurisdiction shall provide assistance using amounts received pursuant to this title in the manner set forth in the plan of the jurisdiction approved by the Secretary under section 1406(a)(2).

(c) Rent Policy.—A participating jurisdiction shall ensure that the rental contributions charged to families assisted with amounts received pursuant to this title—

(1) do not exceed the amount that would be chargeable under title XII to such families were such families residing in public housing assisted under such title; or

(2) are established, pursuant to approval by the Secretary of a proposed rent structure included in the application under section 1406, at levels that are reasonable and designed to eliminate any disincentives for members of the family to obtain employment and attain economic self-sufficiency.

(d) Housing Quality Standards.—

(1) Compliance.—A participating jurisdiction shall ensure that housing assisted with amounts received pursuant to this title is maintained in a condition that complies—

(A) in the case of housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(B) in the case of housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in paragraph (1), with the housing quality standards established under paragraph (2).

(2) Federal housing quality standards.—The Secretary shall establish housing quality standards under this paragraph that ensure that dwelling units assisted under this title are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under sections 1232(b) and 1328(c). The Secretary shall differentiate between major and minor violations of such standards.

(e) Number of Families Assisted.—A participating jurisdiction shall ensure that, in providing assistance with amounts received pursuant to this title in each fiscal year, not less than substantially the same total number of eligible low-income families are assisted as would have been assisted had the amounts of covered housing assistance not been combined for use under this title.

(f) Consistency With Welfare Program.—A participating jurisdiction shall ensure that assistance provided with amounts received pursuant to this title is provided in a manner that is consistent with the welfare, public assistance, or other economic self-sufficiency programs operating in the jurisdiction by facilitating the transition of assisted families to work, which may include requiring compliance with the requirements under such welfare, public assistance, or self-sufficiency programs as a condition of receiving housing assistance with amounts provided under this title.

(g) Treatment of Currently Assisted Families.—

(1) Continuation of assistance.—A participating jurisdiction shall ensure that each family that was receiving housing assistance or residing in an assisted dwelling unit pursuant to any of the programs included as covered housing assistance immediately before the jurisdiction initially provides assistance pursuant to this title shall be offered assistance or an assisted dwelling unit under the program of the jurisdiction under this title.

(2) Phase-in of rent contribution increases.—For any family that was receiving housing assistance pursuant to any of the programs included as covered housing assistance immediately before the jurisdiction initially provides assistance pursuant to this title, if the monthly contribution for rental of a dwelling unit assisted under this title to be paid by the family upon initial applicability of this title is greater than the amount paid by the family immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(h) Amount of Assistance.—In providing housing assistance using amounts received pursuant to this title, the amount of assistance provided by a participating jurisdiction on behalf of each assisted low-income family shall be sufficient so that if the family used such assistance to rent a dwelling unit having a rent equal to the 40th percentile of rents for standard quality rental units of the same size and type in the same market area, the contribution toward rental paid by the family would be affordable (as such term is defined by the jurisdiction) to the family.

(i) Portability.—A participating jurisdiction shall ensure that financial assistance for housing provided with amounts received pursuant to this title may be used by a family moving from an assisted dwelling unit located within the jurisdiction to obtain a dwelling unit located outside of the jurisdiction.

(j) Preferences.—In providing housing assistance using amounts received pursuant to this title, a participating jurisdiction may establish a system for making housing assistance available that provides preference for assistance to families having certain characteristics. A system of preferences established pursuant to this subsection shall be based on local housing needs and priorities, as determined by the jurisdiction using generally accepted data sources.

(k) Community Work Requirement.—

(1) Applicability of requirements for PHA's.—Except as provided in paragraph (2), participating jurisdictions, families assisted with amounts received pursuant to this title, and dwelling units assisted with amounts received pursuant to this title, shall be subject to the provisions of section 1105 to the same extent that such provisions apply with respect to public housing agencies, families residing in public housing dwelling units and families assisted under title XIII, and public housing dwelling units and dwelling units assisted under title XIII.

(2) LOCAL COMMUNITY SERVICE ALTERNATIVE.—Paragraph (1) shall not apply to a participating jurisdiction that, pursuant to approval by the Secretary of a proposal included in the application under section 1406, is carrying out a local program that is designed to foster community service by families assisted with amounts received pursuant to this title.

(l) INCOME TARGETING.—In providing housing assistance using amounts received pursuant to this title in any fiscal year, a participating jurisdiction shall ensure that the number of families having incomes that do not exceed 30 percent of the area median income that are initially assisted under this title during such fiscal year is not less than substantially the same number of families having such incomes that would be initially assisted in such jurisdiction during such fiscal year under titles XII and XIII pursuant to sections 1222(c) and 1321(b)).

SEC. 1405. APPLICABILITY OF CERTAIN PROVISIONS.

(a) PUBLIC HOUSING DEMOLITION AND DISPOSITION REQUIREMENTS.—section 1261 shall continue to apply to public housing notwithstanding any use of the housing under this title.

(b) LABOR STANDARDS.—section 1112 shall apply to housing assisted with amounts provided pursuant to this title, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

SEC. 1406. APPLICATION.

(a) IN GENERAL.—The Secretary shall provide for jurisdictions to submit applications to receive and use covered housing assistance amounts as authorized in this title for periods of not less than 1 and not more than 5 fiscal years. An application—

(1) shall be submitted only after the jurisdiction provides for citizen participation through a public hearing and, if appropriate, other means;

(2) shall include a plan developed by the jurisdiction for the provision of housing assistance with amounts received pursuant to this title that takes into consideration comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for meeting each of the requirements under section 1404 and this title;

(3) shall describe how the plan for use of amounts will assist in meeting the goals set forth in section 1401;

(4) shall propose standards for measuring performance in using assistance provided pursuant to this title based on the performance standards under subsection (b)(2);

(5) shall propose the length of the period for which the jurisdiction is applying for assistance under this title;

(6) may include a request assistance for training and technical assistance to assist with design of the program and to participate in a detailed evaluation;

(7) shall—

(A) in the case of the application of any jurisdiction within whose boundaries are areas subject to any other unit of general local government, include the signed consent of the appropriate executive official of such unit to the application; and

(B) in the case of the application of a consortia of units of general local government (as provided under section 1409(1)(B)), include the signed consent of the appropriate executive officials of each unit included in the consortia;

(8) shall include information sufficient, in the determination of the Secretary—

(A) to demonstrate that the jurisdiction has or will have management and administrative capacity sufficient to carry out the plan under paragraph (2);

(B) to demonstrate that carrying out the plan will not result in excessive duplication of administrative efforts and costs, particularly with respect to activities performed by public housing agencies operating within the boundaries of the jurisdiction;

(C) to describe the function and activities to be carried out by such public housing agencies affected by the plan; and

(D) to demonstrate that the amounts received by the jurisdiction will be maintained separate from other funds available to the jurisdiction and will be used only to carry out the plan; and

(9) shall include information describing how the jurisdiction will make decisions regarding asset management of housing for low-income families under programs for covered housing assistance or assisted with grant amounts under this title.

A plan required under paragraph (2) to be included in the application may be contained in a memorandum of agreement or other document executed by a jurisdiction and public housing agency, if such document is submitted together with the application.

(b) REVIEW, APPROVAL, AND PERFORMANCE STANDARDS.—

(1) REVIEW.—The Secretary shall review applications for assistance pursuant to this title and shall approve or disapprove such applications within 60 days after their submission. The Secretary shall provide affected public housing agencies an opportunity to review an application submitted under this subsection and to provide written comments on the application, which shall be a period of not less than 30 days ending before the Secretary approves or disapproves the application. If the Secretary determines that the application complies with the requirements of this title, the Secretary shall offer to enter into an agreement with jurisdiction providing for assistance pursuant to this title and incorporating a requirement that the jurisdiction achieve a particular level of performance in each of the areas for which performance standards are established under paragraph (2). If the Secretary determines that an application does not comply with the requirements of this title, the Secretary shall notify the jurisdiction submitting the application of the reasons for such disapproval and actions that may be taken to make the application approvable. Upon approving or disapproving an application under this paragraph, the Secretary shall make such determination publicly available in writing together with a written statement of the reasons for such determination.

(2) PERFORMANCE STANDARDS.—The Secretary shall establish standards for measuring performance of jurisdictions in the following areas:

(A) Success in moving dependent low-income families to economic self-sufficiency.

(B) Success in reducing the numbers of long-term homeless families.

(C) Decrease in the per-family cost of providing assistance.

(D) Reduction of excessive geographic concentration of assisted families.

(E) Any other performance goals that the Secretary may prescribe.

(3) APPROVAL.—If the Secretary and a jurisdiction that the Secretary determines has submitted an application meeting the requirements of this title enter into an agreement referred to in paragraph (1), the Secretary shall approve the application and provide covered housing assistance for the jurisdiction in the manner authorized under this title. The Secretary may not approve any application for assistance pursuant to this title unless the Secretary and jurisdiction enter into an agreement referred to in paragraph (1). The Secretary shall establish requirements for the approval of applications under this section submitted by public housing agencies designated under section 1533(a) as troubled, which may include additional or different criteria determined by the Secretary to be more appropriate for such agencies.

(c) STATUS OF PHA'S.—Nothing in this section or title may be construed to require any change in the legal status of any public housing agency or in any legal relationship between a jurisdiction and a public housing agency as a condition of participation in the program under this title.

SEC. 1407. TRAINING.

The Secretary, in consultation with representatives of public and assisted housing interests, shall provide training and technical assistance relating to providing assistance under this title and conduct detailed evaluations of up to 30 jurisdictions for the purpose of identifying replicable program models that are successful at carrying out the purposes of this title.

SEC. 1408. ACCOUNTABILITY.

(a) PERFORMANCE GOALS.—The Secretary shall monitor the performance of participating jurisdictions in providing assistance pursuant to this title based on the performance standards contained in the agreements entered into pursuant to section 1406(b)(1).

(b) KEEPING RECORDS.—Each participating jurisdiction shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts provided pursuant to this title, to ensure compliance with the requirements of this title and to measure performance against the performance goals under subsection (a).

(c) REPORTS.—Each participating jurisdiction agency shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. The reports shall—

(1) document the use of funds made available under this title;

(2) provide such information as the Secretary may request to assist the Secretary in assessing the program under this title; and

(3) describe and analyze the effect of assisted activities in addressing the purposes of this title.

(d) ACCESS TO DOCUMENTS BY SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this title.

(e) ACCESS TO DOCUMENTS BY COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this title.

SEC. 1409. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) JURISDICTION.—The term "jurisdiction" means—

(A) a unit of general local government (as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act) that has boundaries, for purposes of carrying out this title, that—

(i) wholly contain the area within which a public housing agency is authorized to operate; and

(ii) do not contain any areas contained within the boundaries of any other participating jurisdiction; and

(B) a consortia of such units of general local government, organized for purposes of this title.

(2) PARTICIPATING JURISDICTION.—The term "participating jurisdiction" means, with respect to a period for which such approval is made, a jurisdiction that has been approved under section 1406(b)(3) to receive assistance pursuant to this title for such fiscal year.

TITLE XV—ACCOUNTABILITY AND OVERSIGHT OF PUBLIC HOUSING AGENCIES

Subtitle A—Study of Alternative Methods for Evaluating Public Housing Agencies

SEC. 1501. IN GENERAL.

The Secretary of Housing and Urban Development shall provide under section 1505 for a study to be conducted to determine the effectiveness of various alternative methods of evaluating the performance of public housing agencies and other providers of federally assisted housing.

SEC. 1502. PURPOSES.

The purposes of the study under this subtitle shall be—

(1) to identify and examine various methods of evaluating and improving the performance of public housing agencies in administering public housing and tenant-based rental assistance programs and of other providers of federally assisted housing, which are alternatives to oversight by the Department of Housing and Urban Development; and

(2) to identify specific monitoring and oversight activities currently conducted by the Department of Housing and Urban Development that are insufficient or ineffective in accurately and efficiently assessing the performance of public housing agencies and other providers of federally assisted housing, and to evaluate whether such activities should be eliminated, modified, or transferred to other entities (including government and private entities) to increase accuracy and effectiveness and improve monitoring.

SEC. 1503. EVALUATION OF VARIOUS PERFORMANCE EVALUATION SYSTEMS.

To carry out the purpose under section 1502(1), the study under this subtitle shall identify, and analyze and assess the costs and benefits of, the following methods of regulating and evaluating the performance of public housing agencies and other providers of federally assisted housing:

(1) CURRENT SYSTEM.—The system pursuant to the United States Housing Act of 1937 (as in effect upon the enactment of this Act), including the methods and requirements under such system for reporting, auditing, reviewing, sanctioning, and monitoring of such agencies and housing providers and the public housing management assessment program pursuant to subtitle C of this title (and section 6(j) of the United States Housing Act of 1937 (as in effect upon the enactment of this Act)).

(2) ACCREDITATION MODELS.—Various models that are based upon accreditation of such agencies and housing providers, subject to the following requirements:

(A) The study shall identify and analyze various models used in other industries and professions for accreditation and determine the extent of their applicability to the programs for public housing and federally assisted housing.

(B) If any accreditation models are determined to be applicable to the public and federally assisted housing programs, the study shall identify appropriate goals, objectives, and procedures for an accreditation program for such agencies housing providers.

(C) The study shall evaluate the effectiveness of establishing an independent accreditation and evaluation entity to assist, supplement, or replace the role of the Department of Housing and Urban Development in assessing and monitoring the performance of such agencies and housing providers.

(D) The study shall identify the necessary and appropriate roles and responsibilities of various entities that would be involved in an accreditation program, including the Department of Housing and Urban Development, the Inspector General of the Department, an accreditation entity, independent auditors and examiners, local entities, and public housing agencies.

(E) The study shall determine the costs involved in developing and maintaining such an independent accreditation program.

(F) The study shall analyze the need for technical assistance to assist public housing agencies in improving performance and identify the most effective methods to provide such assistance.

(3) PERFORMANCE BASED MODELS.—Various performance-based models, including systems that establish performance goals or targets, assess the compliance with such goals or targets, and provide for incentives or sanctions based on performance relative to such goals or targets.

(4) LOCAL REVIEW AND MONITORING MODELS.—Various models providing for local, resident, and community review and monitoring of such agencies and housing providers, including systems for review and monitoring by local and State governmental bodies and agencies.

(5) PRIVATE MODELS.—Various models using private contractors for review and monitoring of such agencies and housing providers.

(6) OTHER MODELS.—Various models of any other systems that may be more effective and efficient in regulating and evaluating such agencies and housing providers.

SEC. 1504. CONSULTATION.

The entity that, pursuant to section 1505, carries out the study under this subtitle shall, in carrying out the study, consult with individuals and organization experienced in managing public housing, private real estate managers, representatives from State and local governments, residents of public housing, families and individuals receiving choice- or tenant-based assistance, the Secretary of Housing and Urban Development, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States.

SEC. 1505. CONTRACT TO CONDUCT STUDY.

(a) IN GENERAL.—Subject to subsection (b), the Secretary shall enter into a contract with a public or nonprofit private entity to conduct the study under this subtitle, using amounts made available pursuant to section 1507.

(b) NATIONAL ACADEMY OF PUBLIC ADMINISTRATION.—The Secretary shall request the National Academy of Public Administration to enter into the contract under subsection (a) to conduct the study under this subtitle. If such Academy declines to conduct the study, the Secretary shall carry out such subsection through other public or nonprofit private entities.

SEC. 1506. REPORT.

(a) INTERIM REPORT.—The Secretary shall ensure that not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the entity conducting the study under this subtitle submits to the Congress an interim report describing the actions taken to carry out the study, the actions to be taken to complete the study, and any findings and recommendations available at the time.

(b) FINAL REPORT.—The Secretary shall ensure that—

(1) not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the study required under this subtitle is completed and a report describing the findings and recommendations as a result of the study is submitted to the Congress; and

(2) before submitting the report under this subsection to the Congress, the report is submitted to the Secretary and national organizations for public housing agencies at such time to provide the Secretary and such agencies an opportunity to review the report and provide written comments on the report, which shall be included together with the report upon submission to the Congress under paragraph (1).

SEC. 1507. FUNDING.

Of any amounts made available under title V of the Housing and Urban Development Act of 1970 for policy development and research for fiscal year 1998, $500,000 shall be available to carry out this subtitle.

SEC. 1508. EFFECTIVE DATE.

This subtitle shall take effect on the date of the enactment of this Act.

Subtitle B—Housing Evaluation and Accreditation Board

SEC. 1521. ESTABLISHMENT.

(a) IN GENERAL.—There is established an independent agency in the executive branch of the Government to be known as the Housing Foundation and Accreditation Board (in this title referred to as the "Board").

(b) REQUIREMENT FOR CONGRESSIONAL REVIEW OF STUDY.—Notwithstanding any other provision of this division, sections 1523, 1524, and 1525 shall not take effect and the Board shall not have any authority to take any action under such sections (or otherwise) unless there is enacted a law specifically providing for the repeal of this subsection. This subsection may not be construed to prevent the appointment of the Board under section 1522.

(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 1522. MEMBERSHIP.

(a) IN GENERAL.—The Board shall be composed of 12 members appointed by the President not later than 180 days after the date of the final report regarding the study required under subtitle A is submitted to the Congress pursuant to section 1506(b), as follows:

(1) 4 members shall be appointed from among 10 individuals recommended by the Secretary of Housing and Urban Development.

(2) 4 members shall be appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) 4 members appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives.

(b) QUALIFICATIONS.—

(1) REQUIRED REPRESENTATION.—The Board shall at all times have the following members:

(A) 2 members who are residents of public housing or dwelling units assisted under title XIII of this Act or the provisions of section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act).

(B) At least 2, but not more than 4 members who are executive directors of public housing agencies.

(C) 1 member who is a member of the Institute of Real Estate Managers.

(D) 1 member who is the owner of a multifamily housing project assisted under a program administered by the Secretary of Housing and Urban Development.

(2) Required experience.—The Board shall at all times have as members individuals with the following experience:

(A) At least 1 individual who has extensive experience in the residential real estate finance business.

(B) At least 1 individual who has extensive experience in operating a nonprofit organization that provides affordable housing.

(C) At least 1 individual who has extensive experience in construction of multifamily housing.

(D) At least 1 individual who has extensive experience in the management of a community development corporation.

(E) At least 1 individual who has extensive experience in auditing participants in government programs.

A single member of the board with the appropriate experience may satisfy the requirements of more than 1 subparagraph of this paragraph. A single member of the board with the appropriate qualifications and experience may satisfy the requirements of a subparagraph of paragraph (1) and a subparagraph of this paragraph.

(c) Political Affiliation.—Not more than 6 members of the Board may be of the same political party.

(d) Terms.—

(1) In general.—Each member of the Board shall be appointed for a term of 4 years, except as provided in paragraphs (2) and (3).

(2) Terms of initial appointees.—As designated by the President at the time of appointment, of the members first appointed—

(A) 3 shall be appointed for terms of 1 year;

(B) 3 shall be appointed for terms of 2 years;

(C) 3 shall be appointed for terms of 3 years; and

(D) 3 shall be appointed for terms of 4 years.

(3) Vacancies.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(e) Chairperson.—The Board shall elect a chairperson from among members of the Board.

(f) Quorum.—A majority of the members of the Board shall constitute a quorum for the transaction of business.

(g) Voting.—Each member of the Board shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Board.

(h) Prohibition on Additional Pay.—Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

SEC. 1523. FUNCTIONS.

The purpose of this subtitle is to establish the Board as a nonpolitical entity to carry out, not later than the expiration of the 12-month period beginning upon the appointment under section 1522 of all of the initial members of the Board (or such other date as may be provided by law), the following functions:

(1) Establishment of performance benchmarks.—The Board shall establish standards and guidelines for use by the Board in measuring the performance and efficiency of public housing agencies and other owners and providers of federally assisted housing in carrying out operational and financial functions. The standards and guidelines shall be designed to replace the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 (as in effect before the enactment of this Act) and improve the evaluation of the performance of housing providers relative to such program. In establishing such standards and guidelines, the Board shall consult with the Secretary, the Inspector General of the Department of Housing and Urban Development, and such other persons and entities as the Board considers appropriate.

(2) Establishment of accreditation procedure and accreditation.—The Board shall—

(A) establish a procedure for the Board to accredit public housing agencies to receive block grants under title XII for the operation, maintenance, and production of public housing and amounts for housing assistance under title XIII, based on the performance of agencies, as measured by the performance benchmarks established under paragraph (1) and any audits and reviews of agencies; and

(B) commence the review and accreditation of public housing agencies under the procedures established under subparagraph (A).

In carrying out the functions under this section, the Board shall take into consideration the findings and recommendations contained in the report issued under section 1506(b).

SEC. 1524. POWERS.

(a) Hearings.—The Board may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places as the Board determines appropriate.

(b) Rules and Regulations.—The Board may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) Assistance From Federal Agencies.—

(1) Information.—The Board may secure directly from any department or agency of the Federal Government such information as the Board may require for carrying out its functions, including public housing agency plans submitted to the Secretary by public housing agencies under title XI. Upon request of the Board, any such department or agency shall furnish such information.

(2) General services administration.—The Administrator of General Services shall provide to the Board, on a reimbursable basis, such administrative support services as the Board may request.

(3) Department of housing and urban development.—Upon the request of the chairperson of the Board, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary, detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Board in carrying out its functions under this subtitle.

(4) HUD inspector general.—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to all aspects of audits of public housing agencies. The Inspector General may advise the Board with respect to other activities and functions of the Board.

(d) Mails.—The Board may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) Contracting.—The Board may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with private firms, institutions, and individuals for the purpose of conducting evaluations of public housing agencies, audits of public housing agencies, and research and surveys necessary to enable the Board to discharge its functions under this subtitle.

(f) Staff.—

(1) Executive director.—The Board shall appoint an executive director of the Board, who shall be compensated at a rate fixed by the Board, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) Other personnel.—In addition to the executive director, the Board may appoint and fix the compensation of such personnel as the Board considers necessary, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(g) Access to Documents.—The Board shall have access for the purposes of carrying out its functions under this subtitle to any books, documents, papers, and records of a public housing agency to which the Secretary has access under this division.

SEC. 1525. FEES.

(a) Accreditation Fees.—The Board may establish and charge reasonable fees for the accreditation of public housing agencies as the Board considers necessary to cover the costs of the operations of the Board relating to its functions under section 1523.

(b) Fund.—Any fees collected under this section shall be deposited in an operations fund for the Board, which is hereby established in the Treasury of the United States. Amounts in such fund shall be available, to the extent provided in appropriation Acts, for the expenses of the Board in carrying out its functions under this subtitle.

SEC. 1526. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Subtitle C—Interim Applicability of Public Housing Management Assessment Program

SEC. 1531. INTERIM APPLICABILITY.

This subtitle shall be effective only during the period that begins on the effective date of this division and ends upon the date of the effectiveness of the standards and procedures required under section 1523.

SEC. 1532. MANAGEMENT ASSESSMENT INDICATORS.

(a) Establishment.—The Secretary shall develop and publish in the Federal Register indicators to assess the management performance of public housing agencies and other entities managing public housing (including resident management corporations, independent managers pursuant to section 1236, and management entities pursuant to subtitle D). The indicators shall be established by rule under section 553 of title 5, United States Code. Such indicators shall enable the Secretary to evaluate the performance of public housing agencies and such other managers of public housing in all major areas of management operations.

(b) CONTENT.—The management assessment indicators shall include the following indicators:

(1) The number and percentage of vacancies within an agency's or manager's inventory, including the progress that an agency or manager has made within the previous 3 years to reduce such vacancies.

(2) The amount and percentage of funds obligated to the public housing agency or manager from the capital fund or under section 14 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), which remain unexpended after 3 years.

(3) The percentage of rents uncollected.

(4) The energy consumption (with appropriate adjustments to reflect different regions and unit sizes).

(5) The average period of time that an agency or manager requires to repair and turn-around vacant dwelling units.

(6) The proportion of maintenance work orders outstanding, including any progress that an agency or manager has made during the preceding 3 years to reduce the period of time required to complete maintenance work orders.

(7) The percentage of dwelling units that an agency or manager fails to inspect to ascertain maintenance or modernization needs within such period of time as the Secretary deems appropriate (with appropriate adjustments, if any, for large and small agencies or managers).

(8) The extent to which the rent policies of any public housing agency establishing rental amounts in accordance with section 1225(b) comply with the requirement under section 1225(c).

(9) Whether the agency is providing acceptable basic housing conditions, as determined by the Secretary.

(10) Whether the agency has conducted and regularly updated an assessment to identify any pest control problems in the public housing owned or operated by the agency and the extent to which the agency is effective in carrying out a strategy to eradicate or control such problems, which assessment and strategy shall be included in the local housing management plan for the agency under section 1106.

(11) Any other factors as the Secretary deems appropriate.

(c) CONSIDERATIONS IN EVALUATION.—The Secretary shall—

(1) administer the system of evaluating public housing agencies and managers flexibly to ensure that agencies and managers are not penalized as result of circumstances beyond their control;

(2) reflect in the weights assigned to the various management assessment indicators the differences in the difficulty of managing individual developments that result from their physical condition and their neighborhood environment; and

(3) determine a public housing agency's or manager's status as "troubled with respect to modernization" under section 1533(b) based upon factors solely related to its ability to carry out modernization activities.

SEC. 1533. DESIGNATION OF PHA'S.

(a) TROUBLED PHA'S.—The Secretary shall, under the rulemaking procedures under section 553 of title 5, United States Code, establish procedures for designating troubled public housing agencies and managers, which procedures shall include identification of serious and substantial failure to perform as measured by (1) the performance indicators specified under section 1532 and such other factors as the Secretary may deem to be appropriate; or (2) such other evaluation system as is determined by the Secretary to assess the condition of the public housing agency or other entity managing public housing, which system may be in addition to or in lieu of the performance indicators established under section 1532. Such procedures shall provide that an agency that does not provide acceptable basic housing conditions shall be designated a troubled public housing agency.

(b) AGENCIES TROUBLED WITH RESPECT TO CAPITAL ACTIVITIES.—The Secretary shall designate, by rule under section 553 of title 5, United States Code, agencies and managers that are troubled with respect to capital activities.

(c) AGENCIES AT RISK OF BECOMING TROUBLED.—The Secretary shall designate, by rule under section 553 of title 5, United States Code, agencies and managers that are at risk of becoming troubled.

(d) EXEMPLARY AGENCIES.—The Secretary may also, in consultation with national organizations representing public housing agencies and managers and public officials (as the Secretary determines appropriate), identify and commend public housing agencies and managers that meet the performance standards established under section 1532 in an exemplary manner.

(e) APPEAL OF DESIGNATION.—The Secretary shall establish procedures for public housing agencies and managers to appeal designation as a troubled agency or manager (including designation as a troubled agency or manager for purposes of capital activities), to petition for removal of such designation, and to appeal any refusal to remove such designation.

SEC. 1534. ON-SITE INSPECTION OF TROUBLED PHA'S.

(a) IN GENERAL.—Upon designating a public housing agency or manager as troubled pursuant to section 1533 and determining that an assessment under this section will not duplicate any other review previously conducted or required to be conducted of the agency or manager, the Secretary shall provide for an on-site, independent assessment of the management of the agency or manager.

(b) CONTENT.—To the extent the Secretary deems appropriate (taking into consideration an agency's or manager's performance under the indicators specified under section 1532, the assessment team shall also consider issues relating to the agency's or manager's resident population and physical inventory, including the extent to which—

(1) the public housing agency plan for the agency or manager adequately and appropriately addresses the rehabilitation needs of the public housing inventory;

(2) residents of the agency or manager are involved in and informed of significant management decisions; and

(3) any developments in the agency's or manager's inventory are severely distressed (as such term is defined under section 1262.

(c) INDEPENDENT ASSESSMENT TEAM.—An independent assessment under this section shall be carried out by a team of knowledgeable individuals selected by the Secretary (referred to in this title as the "assessment team") with expertise in public housing and real estate management. In conducting an assessment, the assessment team shall consult with the residents and with public and private entities in the jurisdiction in which the public housing is located. The assessment team shall provide to the Secretary and the public housing agency or manager a written report, which shall contain, at a minimum, recommendations for such management improvements as are necessary to eliminate or substantially remedy existing deficiencies.

SEC. 1535. ADMINISTRATION.

(a) PHA'S.—The Secretary shall carry out this subtitle with respect to public housing agencies substantially in the same manner as the public housing management assessment system under section 6(j) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) was required to be carried out with respect to public housing agencies. The Secretary may comply with the requirements under this subtitle by using any regulations issued to carry out such system and issuing any additional regulations necessary to make such system comply with the requirements under this subtitle.

(b) OTHER MANAGERS.—The Secretary shall establish specific standards and procedures for carrying out this subtitle with respect to managers of public housing that are not public housing agencies. Such standards and procedures shall take in consideration special circumstances relating to entities hired, directed, or appointed to manage public housing.

Subtitle D—Accountability and Oversight Standards and Procedures

SEC. 1541. AUDITS.

(a) BY SECRETARY AND COMPTROLLER GENERAL.—Each block grant contract under section 1201 and each contract for housing assistance amounts under section 1302 shall provide that the Secretary, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the public housing agency (or other entity) entering into such contract that are pertinent to this division and to its operations with respect to financial assistance under this division.

(b) BY PHA.—

(1) REQUIREMENT.—Each public housing agency that owns or operates 250 or more public housing dwelling units and receives assistance under this division shall have an audit made in accordance with chapter 75 of title 31, United States Code. The Secretary, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States shall have access to all books, documents, papers, or other records that are pertinent to the activities carried out under this division in order to make audit examinations, excerpts, and transcripts.

(2) WITHHOLDING OF AMOUNTS.—The Secretary may, in the sole discretion of the Secretary, arrange for, and pay the costs of, an audit required under paragraph (1). In such circumstances, the Secretary may withhold, from assistance otherwise payable to the agency under this division, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit, including, when appropriate, the reasonable costs of accounting services necessary to place the agency's books and records in auditable condition.

SEC. 1542. PERFORMANCE AGREEMENTS FOR AUTHORITIES AT RISK OF BECOMING TROUBLED.

(a) IN GENERAL.—Upon designation of a public housing agency as at risk of becoming troubled under section 1533(c), the Secretary shall seek to enter into an agreement with the agency providing for improvement of the elements of the agency that have been identified. An agreement under this section shall contain such terms and conditions as the Secretary determines are appropriate for addressing the elements identified, which may include an on-site, independent assessment of the management of the agency.

(b) POWERS OF SECRETARY.—If the Secretary determines that such action is necessary to prevent the public housing agency from becoming a troubled agency, the Secretary may—

(1) solicit competitive proposals from other public housing agencies and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary), for any case in which such agents may be needed for managing all, or part, of the housing or functions administered by the agency; or

(2) solicit competitive proposals from other public housing agencies and private entities with experience in construction management, for any case in which such authorities or firms may be needed to oversee implementation of assistance made available for capital improvement for public housing of the agency.

SEC. 1543. PERFORMANCE AGREEMENTS AND CDBG SANCTIONS FOR TROUBLED PHA'S.

(a) IN GENERAL.—Upon designation of a public housing agency as a troubled agency under section 1533(a) and after reviewing the report submitted pursuant to section 1534(c) and consulting with the assessment team for the agency under section 1534, the Secretary shall seek to enter into an agreement with the agency providing for improving the management performance of the agency.

(b) CONTENTS.—An agreement under this section between the Secretary and a public housing agency shall set forth—

(1) targets for improving performance, as measured by the guidelines and standards established under section 1532 and other requirements within a specified period of time, which shall include targets to be met upon the expiration of the 12-month period beginning upon entering into the agreement;

(2) strategies for meeting such targets;

(3) sanctions for failure to implement such strategies; and

(4) to the extent the Secretary deems appropriate, a plan for enhancing resident involvement in the management of the public housing agency.

(c) LOCAL ASSISTANCE IN IMPLEMENTATION.—The Secretary and the public housing agency shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out an agreement under this section.

(d) DEFAULT UNDER PERFORMANCE AGREEMENT.—Upon the expiration of the 12-month period beginning upon entering into an agreement under this section with a public housing agency, the Secretary shall review the performance of the agency in relation to the performance targets and strategies under the agreement. If the Secretary determines that the agency has failed to comply with the performance targets established for such period, the Secretary shall take the action authorized under subsection (b)(2) or (b)(5) of section 1545.

(e) CDBG SANCTION AGAINST LOCAL GOVERNMENT CONTRIBUTING TO TROUBLED STATUS OF PHA.—If the Secretary determines that the actions or inaction of any unit of general local government within which any portion of the jurisdiction of a public housing agency is located has substantially contributed to the conditions resulting in the agency being designated under section 1533(a) as a troubled agency, the Secretary may redirect or withhold, from such unit of general local government any amounts allocated for such unit under section 106 of the Housing and Community Development Act of 1974.

SEC. 1544. OPTION TO DEMAND CONVEYANCE OF TITLE TO OR POSSESSION OF PUBLIC HOUSING.

(a) AUTHORITY FOR CONVEYANCE.—A contract under section 1201 for block grants under title XII (including contracts which amend or supersede contracts previously made (including contracts for contributions)) may provide that upon the occurrence of a substantial default with respect to the covenants or conditions to which the public housing agency is subject (as such substantial default shall be defined in such contract), the public housing agency shall be obligated, at the option of the Secretary, to—

(1) convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this division; or

(2) deliver to the Secretary possession of the development, as then constituted, to which such contract relates.

(b) OBLIGATION TO RECONVEY.—Any block grant contract under title XII containing the provisions authorized in subsection (a) shall also provide that the Secretary shall be obligated to reconvey or redeliver possession of the development, as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable after—

(1) the Secretary is satisfied that all defaults with respect to the development have been cured, and that the development will, in order to fulfill the purposes of this division, thereafter be operated in accordance with the terms of such contract; or

(2) the termination of the obligation to make annual block grants to the agency, unless there are any obligations or covenants of the agency to the Secretary which are then in default.

Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the development to the Secretary pursuant to subsection (a) upon the subsequent occurrence of a substantial default.

(c) CONTINUED GRANTS FOR REPAYMENT OF BONDS AND NOTES UNDER 1937 ACT.—If—

(1) a contract for block grants under title XII for an agency includes provisions that expressly state that the provisions are included pursuant to this subsection, and

(2) the portion of the block grant payable for debt service requirements pursuant to the contract has been pledged by the public housing agency as security for the payment of the principal and interest on any of its obligations, then—

(A) the Secretary shall (notwithstanding any other provisions of this division), continue to make the block grant payments for the agency so long as any of such obligations remain outstanding; and

(B) the Secretary may covenant in such a contract that in any event such block grant amounts shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the development for the purpose at the time such block grant payments are made, will suffice for the payment of all installments of principal and interest on the obligations for which the amounts provided for in the contract shall have been pledged as security that fall due within the next succeeding 12 months.

In no case shall such block grant amounts be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

SEC. 1545. REMOVAL OF INEFFECTIVE PHA'S.

(a) CONDITIONS OF REMOVAL.—The actions specified in subsection (b) may be taken only upon—

(1) the occurrence of events or conditions that constitute a substantial default by a public housing agency with respect to (A) the covenants or conditions to which the public housing agency is subject, or (B) an agreement entered into under section 1543; or

(2) submission to the Secretary of a petition by the residents of the public housing owned or operated by a public housing agency that is designated as troubled pursuant to section 1533(a).

(b) REMOVAL ACTIONS.—Notwithstanding any other provision of law or of any block grant contract under title XII or any grant agreement under title XIII, in accordance with subsection (a), the Secretary may—

(1) solicit competitive proposals from other public housing agencies and private housing management agents (which, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary) and, if appropriate, provide for such agents to manage all, or part, of the housing administered by the public housing agency or all or part of the other functions of the agency;

(2) take possession of the public housing agency, including any developments or functions of the agency under any section of this division;

(3) solicit competitive proposals from other public housing agencies and private entities with experience in construction management and, if appropriate, provide for such authorities or firms to oversee implementation of assistance made available for capital improvements for public housing;

(4) require the agency to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and assisted families under title XIII for managing all, or part of, the public housing administered by the agency or the functions of the agency; or

(5) petition for the appointment of a receiver for the public housing agency to any district court of the United States or to any court of the State in which any portion of the jurisdiction of the public housing agency is located, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this section.

(c) EMERGENCY ASSISTANCE.—The Secretary may make available to receivers and other entities selected or appointed pursuant to this section such assistance as is fair and reasonable to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety and welfare of public housing residents or assisted families under title XIII.

(d) POWERS OF SECRETARY.—If the Secretary takes possession of an agency, or any developments or functions of an agency, pursuant to subsection (b)(2), the Secretary—

(1) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification, but only after efforts to renegotiate such contracts have failed and the Secretary has made a written determination regarding such abrogation, which shall be available to the public upon request, identify such contracts, and explain the determination that such contracts may be abrogated;

(2) may demolish and dispose of assets of the agency in accordance with section 1261;

(3) where determined appropriate by the Secretary, may require the establishment of one or more new public housing agencies;

(4) may consolidate the agency into other well-managed public housing agencies with the consent of such well-managed authorities;

(5) shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impede correction of the substantial default or improvement of the classification, but only if the Secretary has made a written determination regarding such inapplicability, which shall be available to the public upon request, identify such inapplicable laws, and explain the determination that such laws impede such correction; and

(6) shall have such additional authority as a district court of the United States has the authority to confer under like circumstances upon a receiver to achieve the purposes of the receivership.

The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the Secretary's responsibility under this paragraph for the administration of a public housing agency. The Secretary may delegate to the administrative receiver any or all of the powers of the Secretary under this subsection. Regardless of any delegation under this subsection, an administrative receiver may not require the establishment of one or more new public housing agencies pursuant to paragraph (3) unless the Secretary first approves such establishment. For purposes of this subsection, the term "public housing agency" includes any developments or functions of a public housing agency under any section of this title.

(e) Receivership.—

(1) Required appointment.—In any proceeding under subsection (b)(5), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the public housing agency in a manner consistent with this division and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another public housing agency, a private management corporation, the Secretary, or any other appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

(2) Powers of receiver.—If a receiver is appointed for a public housing agency pursuant to subsection (b)(5), in addition to the powers accorded by the court appointing the receiver, the receiver—

(A) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification, but only after bona fide efforts to renegotiate such contracts have failed and the receiver has made a written determination regarding such abrogation, which shall be available to the public upon request, identify such contracts, and explain the determination that such contracts may be abrogated;

(B) may demolish and dispose of assets of the agency in accordance with section 1261;

(C) where determined appropriate by the Secretary, may require the establishment of one or more new public housing agencies, to the extent permitted by State and local law; and

(D) except as provided in subparagraph (C), shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impede correction of the substantial default or improvement of the classification, but only if the receiver has made a written determination regarding such inapplicability, which shall be available to the public upon request, identify such inapplicable laws, and explain the determination that such laws impede such correction.

For purposes of this paragraph, the term "public housing agency" includes any developments or functions of a public housing agency under any section of this title.

(3) Termination.—The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the public housing agency will be able to make the same amount of progress in correcting the management of the housing as the receiver.

(f) Liability.—If the Secretary takes possession of an agency pursuant to subsection (b)(2) or a receiver is appointed pursuant to subsection (b)(5) for a public housing agency, the Secretary or the receiver shall be deemed to be acting in the capacity of the public housing agency (and not in the official capacity as Secretary or other official) and any liability incurred shall be a liability of the public housing agency.

(g) Effectiveness.—The provisions of this section shall apply with respect to actions taken before, on, or after the effective date of this division and shall apply to any receivers appointed for a public housing agency before the effective date of this division.

SEC. 1546. MANDATORY TAKEOVER OF CHRONICALLY TROUBLED PHA'S.

(a) Removal of Agency.—Notwithstanding any other provision of this division, not later than the expiration of the 180-day period beginning on the effective date of this division, the Secretary shall take one of the following actions with respect to each chronically troubled public housing agency:

(1) Contracting for management.—Solicit competitive proposals for the management of the agency pursuant to section 1545(b)(1) and replace the management of the agency pursuant to selection of such a proposal.

(2) Takeover.—Take possession of the agency pursuant to section 1545(b)(2).

(3) Petition for receiver.—Petition for the appointment of a receiver for the agency pursuant to section 1545(b)(5).

(b) Definition.—For purposes of this section, the term "chronically troubled public housing agency" means a public housing agency that, as of the effective date of this division, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) as a troubled public housing agency and has been so designated continuously for the 3-year period ending upon the effective date of this division; except that such term does not include any agency that owns or operates less than 1250 public housing dwelling units and that the Secretary determines can, with a reasonable amount of effort, make such improvements or remedies as may be necessary to remove its designation as troubled within 12 months.

SEC. 1547. TREATMENT OF TROUBLED PHA'S.

(a) Effect of Troubled Status on CHAS.—The comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the State or unit of general local government in which any troubled public housing agency is located shall not be considered to comply with the requirements under section 105 of the Cranston-Gonzalez National Affordable Housing Act unless such plan includes a description of the manner in which the State or unit will assist such troubled agency in improving its operations to remove such designation.

(b) Definition.—For purposes of this section, the term "troubled public housing agency" means a public housing agency that—

(1) upon the effective date of this division, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the effective date of the repeal under section 1601(b) of this Act) as a troubled public housing agency; and

(2) is not a chronically troubled public housing agency, as such term is defined in section 1546(b) of this Act.

SEC. 1548. MAINTENANCE OF RECORDS.

Each public housing agency shall keep such records as may be reasonably necessary to disclose the amount and the disposition by the agency of the proceeds of assistance received pursuant to this division and to ensure compliance with the requirements of this division.

SEC. 1549. ANNUAL REPORTS REGARDING TROUBLED PHA'S.

The Secretary shall submit a report to the Congress annually, as a part of the report of the Secretary under section 8 of the Department of Housing and Urban Development Act, that—

(1) identifies the public housing agencies that are designated under section 1533 as troubled or at-risk of becoming troubled and the reasons for such designation; and

(2) describes any actions that have been taken in accordance with sections 1542, 1543, 1544, and 1545.

SEC. 1550. APPLICABILITY TO RESIDENT MANAGEMENT CORPORATIONS.

The Secretary shall apply the provisions of this subtitle to resident management corporations in the same manner as applied to public housing agencies.

SEC. 1551. ADVISORY COUNCIL FOR HOUSING AUTHORITY OF NEW ORLEANS.

(a) Establishment.—The Secretary and the Housing Authority of New Orleans (in this section referred to as the "Housing Authority") shall, pursuant to the cooperative endeavor agreement in effect between the Secretary and the Housing Authority, establish an advisory council for the Housing Authority of New Orleans (in this section referred to as the "advisory council") that complies with the requirements of this section.

(b) Membership.—

(1) In general.—The advisory council shall be appointed by the Secretary, not later than 90 days after the date of the enactment of this Act, and shall be composed of the following members:

(A) The Inspector General of the Department of Housing and Urban Development (or the Inspector General's designee).

(B) Not more than 7 other members, who shall be selected for appointment based on their experience in successfully reforming troubled public housing agencies or in providing affordable housing in coordination with State and local governments, the private sector, affordable housing residents, or local nonprofit organizations.

(2) Prohibition on additional pay.—Members of the advisory council shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board using amounts from the Headquarters Reserve fund pursuant to section 1111(b)(4).

(c) Functions.—The advisory council shall—

(1) establish standards and guidelines for assessing the performance of the Housing Authority in carrying out operational, asset management, and financial functions for purposes of the reports and finding under subsections (d) and (e), respectively;

(2) provide advice, expertise, and recommendations to the Housing Authority regarding the management, operation, repair, redevelopment, revitalization, demolition, and disposition of public housing developments of the Housing Authority;

(3) report to the Congress under subsection (d) regarding any progress of the Housing Authority in improving the performance of its functions; and

(4) make a final finding to the Congress under subsection (e) regarding the future of the Housing Authority.

(d) Quarterly Reports.—The advisory council shall report to the Congress and the Secretary not less than every 3 months regarding the performance of the Housing Authority and any progress of the authority in improving its performance and carrying out its functions.

(e) Final Finding.—Upon the expiration of the 18-month period that begins upon the appointment under subsection (b)(1) of all members of the advisory council, the council shall make and submit to the Congress and the Secretary a finding of whether the Housing Authority has substantially improved its performance, the performance of its functions, and the overall condition of the Authority such that the Authority should be allowed to continue to operate as the manager of the public housing of the Authority. In making the finding under this subsection, the advisory council shall consider whether the Housing Authority has made sufficient progress in the demolition and revitalization of the Desire Homes development, the revitalization of the St. Thomas Homes development, the appropriate allocation of operating subsidy amounts, and the appropriate expending of modernization amounts.

(f) Receivership.—If the advisory council finds under subsection (e) that the Housing Authority has not substantially improved its performance such that the Authority should be allowed to continue to operate as the manager of the public housing of the Authority, the Secretary shall (notwithstanding section 1545(a)) petition under section 1545(b) for the appointment of a receiver for the Housing Authority, which receivership shall be subject to the provisions of section 1545.

(g) Exemption.—The provisions of section 1546 shall not apply to the Housing Authority.

TITLE XVI—REPEALS AND RELATED AMENDMENTS

Subtitle A—Repeals, Effective Date, and Savings Provisions

SEC. 1601. EFFECTIVE DATE AND REPEAL OF UNITED STATES HOUSING ACT OF 1937.

(a) Effective Date.—

(1) In general.—This division and the amendments made by this division shall take effect on October 1, 1999, except as otherwise provided in this section.

(2) Specific effective dates.—Any provision of this division that specifically provides for the effective date of such provision shall take effect in accordance with the terms of the provision.

(b) Repeal of United States Housing Act of 1937.—Effective upon the effective date under subsection (a)(1), the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is repealed, subject to the conditions under subsection (c).

(c) Savings Provisions.—

(1) Obligations under 1937 act.—Any obligation of the Secretary made under authority of the United States Housing Act of 1937 shall continue to be governed by the provisions of such Act, except that—

(A) notwithstanding the repeal of such Act, the Secretary may make a new obligation under such Act upon finding that such obligation is required—

(i) to protect the financial interests of the United States or the Department of Housing and Urban Development; or

(ii) for the amendment, extension, or renewal of existing obligations; and

(B) notwithstanding the repeal of such Act, the Secretary may, in accordance with subsection (d), issue regulations and other guidance and directives as if such Act were in effect if the Secretary finds that such action is necessary to facilitate the administration of obligations under such Act.

(2) Transition of funding.—Amounts appropriated under the United States Housing Act of 1937 shall, upon repeal of such Act, remain available for obligation under such Act in accordance with the terms under which amounts were made available.

(3) Cross references.—The provisions of the United States Housing Act of 1937 shall remain in effect for purposes of the validity of any reference to a provision of such Act in any statute (other than such Act) until such reference is modified by law or repealed.

(d) Publication and Effective Date of Savings Provisions.—

(1) Submission to congress.—The Secretary shall submit to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a copy of any proposed regulation, guidance, or directive under subsection (c)(1)(B).

(2) Opportunity to review.—Such a regulation, guidance, or directive may not be published for comment or for final effectiveness before or during the 15-calendar day period beginning on the day after the date on which such regulation, guidance, or directive was submitted to the Congress.

(3) Effective date.—No regulation, guideline, or directive may become effective until after the expiration of the 30-calendar day period beginning on the day after the day on which such rule or regulation is published as final.

(4) Waiver.—The provisions of paragraphs (2) and (3) may be waived upon the written request of the Secretary, if agreed to by the Chairmen and Ranking Minority Members of both Committees.

(e) Modifications.—Notwithstanding any provision of this division or any annual contributions contract or other agreement entered into by the Secretary and a public housing agency pursuant to the provisions of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), the Secretary and the agency may by mutual consent amend, supersede, or modify any such agreement as appropriate to provide for assistance under this division, except that the Secretary and the agency may not consent to any such amendment, supersession, or modification that substantially alters any outstanding obligations requiring continued maintenance of the low-income character of any public housing development and any such amendment, supersession, or modification shall not be given effect.

(f) Section 8 Project-Based Assistance.—

(1) In general.—The provisions of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) shall remain in effect after the effectiveness of the repeal under subsection (b) with respect to all section 8 project-based assistance, pursuant to existing and future contracts, except as otherwise provided by this section.

(2) Tenant selection preferences.—An owner of housing assisted with section 8 project-based assistance shall give preference, in the selection of tenants for units of such projects that become available, according to any system of local preferences established pursuant to section 1223 by the public housing agency having jurisdiction for the area in which such projects are located.

(3) 1-year notification.—Paragraphs (9) and (10) of section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)) shall not be applicable to section 8 project-based assistance.

(4) Lease terms.—Leases for dwelling units assisted with section 8 project-based assistance shall comply with the provisions of paragraphs (1) and (3) of section 1324 of this Act and shall not be subject to the provisions of 8(d)(1)(B) of the United States Housing Act of 1937.

(5) Termination of tenancy.—Any termination of tenancy of a resident of a dwelling unit assisted with section 8 project-based assistance shall comply with the provisions of section 1324(2) and section 1325 of this Act and shall not be subject to the provisions of section 8(d)(1)(B) of the United States Housing Act of 1937.

(6) Treatment of common areas.—The Secretary may not provide any assistance amounts pursuant to an existing contract for section 8 project-based assistance for a housing project and may not enter into a new or renewal contract for such assistance for a project unless the owner of the project provides consent, to such local law enforcement agencies as the Secretary determines appropriate, for law enforcement officers of such agencies to enter common areas of the project at any time and without advance notice upon a determination of probable cause by such officers that criminal activity is taking place in such areas.

(7) Definition.—For purposes of this subsection, the term "section 8 project-based assistance" means assistance under any of the following programs:

(A) The new construction or substantial rehabilitation program under section 8(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983).

(B) The property disposition program under section 8(b) of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act).

(C) The loan management set-aside program under subsections (b) and (v) of section 8 of such Act.

(D) The project-based certificate program under section 8(d)(2) of such Act.

(E) The moderate rehabilitation program under section 8(e)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1991).

(F) The low-income housing preservation program under Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect before November 28, 1990).

(G) Section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act), following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965 or section 236(f)(2) of the National Housing Act.

(g) Effective Date.—This section shall take effect on the date of the enactment of this Act.

SEC. 1602. OTHER REPEALS.

(a) In General.—The following provisions of law are hereby repealed:

(1) Assisted housing allocation.—Section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439).

(2) Public housing rent waivers for police.—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437a–1).

(3) Treatment of certificate and voucher holders.—Subsection (c) of section 183 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(4) Excessive rent burden data.—Subsection (b) of section 550 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(5) Moving to opportunity for fair housing.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(6) Report regarding fair housing objectives.—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(7) Special projects for elderly or handicapped families.—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(8) Access to PHA books.—Section 816 of the Housing Act of 1954 (42 U.S.C. 1435).

(9) Miscellaneous provisions.—Subsections (b)(1) and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97–35, 95 Stat. 406; 42 U.S.C. 1437f note).

(10) Payment for development managers.—Section 329A of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437j–1).

(11) Procurement of insurance by PHA's.—In the item relating to "Administrative provisions" under the heading "Management and Administration" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991, the penultimate undesignated paragraph of such item (Public Law 101–507; 104 Stat. 1369).

(12) Public housing childhood development.—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z–6 note).

(13) Indian housing childhood development.—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note).

(14) Public housing comprehensive transition demonstration.—Section 126 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(15) Public housing one-stop perinatal services demonstration.—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(16) Public housing mincs demonstration.—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(17) Public housing energy efficiency demonstration.—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(18) Omaha homeownership demonstration.—Section 132 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 Stat. 3712).

(19) Public and assisted housing youth sports programs.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

(20) Frost-Leland provisions.—Section 415 of the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (Public Law 100–202; 101 Stat. 1329–213); except that, notwithstanding any other provision of law, beginning on the date of enactment of this Act, the public housing projects described in section 415 of such appropriations Act (as such section existed immediately before the date of enactment of this Act) shall be eligible for demolition—

(A) under section 14 of the United States Housing Act of 1937 (as such section existed upon the enactment of this Act); and

(B) under section 9 of the United States Housing Act of 1937.

(21) Multifamily financing.—The penultimate sentence of section 302(b)(2) of the National Housing Act (12 U.S.C. 1717(b)(2)) and the penultimate sentence of section 305(a)(2) of the Emergency Home Finance Act of 1970 (12 U.S.C. 1454(a)(2)).

(22) Conflicts of interest.—Subsection (c) of section 326 of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437f note).

(23) Conversion of public housing.—Section 202 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437l note) (enacted as section 101(e) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134; 110 Stat. 1321–279)).

(b) Savings Provision.—Except to the extent otherwise provided in this division—

(1) the repeals made by subsection (a) shall not affect any legally binding obligations entered into before the effective date of this division; and

(2) any funds or activities subject to a provision of law repealed by subsection (a) shall continue to be governed by the provision as in effect immediately before such repeal.

Subtitle B—Other Provisions Relating to Public Housing and Rental Assistance Programs

SEC. 1621. ALLOCATION OF ELDERLY HOUSING AMOUNTS.

Section 202(l) of the Housing Act of 1959 (12 U.S.C. 1701q(l)) is amended by adding at the end the following new paragraph:

"(4) Consideration in allocating assistance.—Assistance under this section shall be allocated in a manner that ensures that the awards of the assistance are made for projects of sufficient size to accommodate facilities for supportive services appropriate to the needs of frail elderly residents.".

SEC. 1622. PET OWNERSHIP.

Section 227 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r–1) is amended to read as follows:

"SEC. 227. PET OWNERSHIP IN FEDERALLY ASSISTED RENTAL HOUSING.

"(a) Right of Ownership.—A resident of a dwelling unit in federally assisted rental housing may own common household pets or have common household pets present in the dwelling unit of such resident, subject to the reasonable requirements of the owner of the federally assisted rental housing and providing that the resident maintains the animals responsibly and in compliance with applicable local and State public health, animal control, and anticruelty laws. Such reasonable requirements may include requiring payment of a nominal fee and pet deposit by residents owning or having pets present, to cover the operating costs to the project relating to the presence of pets and to establish an escrow account for additional such costs not otherwise covered, respectively. Notwithstanding section 1225(d) of the Housing Opportunity and Responsibility Act of 1997, a public housing agency may not grant any exemption under such section from payment, in whole or in part, of any fee or deposit required pursuant to the preceding sentence.

"(b) Prohibition Against Discrimination.—No owner of federally assisted rental housing may restrict or discriminate against any person in connection with admission to, or continued occupancy of, such housing by reason of the ownership of common household pets by, or the presence of such pets in the dwelling unit of, such person.

"(c) Definitions.—For purposes of this section, the following definitions shall apply:

"(1) Federally assisted rental housing.—The term 'federally assisted rental housing' means any multifamily rental housing project that is—

"(A) public housing (as such term is defined in section 1103 of the Housing Opportunity and Responsibility Act of 1997);

"(B) assisted with project-based assistance pursuant to section 1601(f) of the Housing Opportunity and Responsibility Act of 1997 or under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of the Housing Opportunity and Responsibility Act of 1997);

"(C) assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

"(D) assisted under section 202 of the Housing Act of 1959 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act);

"(E) assisted under title V of the Housing Act of 1949; or

"(F) insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act.

"(2) Owner.—The term 'owner' means, with respect to federally assisted rental housing, the entity or private person, including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing (including a manager of such housing having such right).

"(d) Regulations.—This section shall take effect upon the date of the effectiveness of regulations issued by the Secretary to carry out this section. Such regulations shall be issued not later than the expiration of the 1-year period beginning on the date of the enactment of the Housing Opportunity and Responsibility Act of 1997 and after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).".

SEC. 1623. REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.

(a) REQUIREMENT.—The Secretary of Housing and Urban Development shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(1) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(2) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(3) to determine how many such contracts were awarded under emergency contracting procedures;

(4) to evaluate the effectiveness of the contracts; and

(5) to provide a full accounting of all expenses under the contracts.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under subsection (a) and submit a report to the Congress regarding the findings under the investigation. With respect to each such contract, the report shall (1) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations, and (2) for each contract that the Secretary determines is in such compliance issue a personal certification of such compliance by the Secretary of Housing and Urban Development.

(c) ACTIONS.—For each contract that is described in the report under subsection (b) as not made or not operating in full compliance with applicable laws and regulations, the Secretary of Housing and Urban Development shall promptly take any actions available under law or regulation that are necessary—

(1) to bring such contract into compliance; or

(2) to terminate the contract.

(d) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 1624. AMENDMENTS TO PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

(a) SHORT TITLE, PURPOSES, AND AUTHORITY TO MAKE GRANTS.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et seq.) is amended by striking the chapter heading and all that follows through section 5123 and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME

"SEC. 5121. SHORT TITLE.

"This chapter may be cited as the 'Community Partnerships Against Crime Act of 1997'.

"SEC. 5122. PURPOSES.

"The purposes of this chapter are to—

"(1) improve the quality of life for the vast majority of law-abiding public housing residents by reducing the levels of fear, violence, and crime in their communities;

"(2) broaden the scope of the Public and Assisted Housing Drug Elimination Act of 1990 to apply to all types of crime, and not simply crime that is drug-related; and

"(3) reduce crime and disorder in and around public housing through the expansion of community-oriented policing activities and problem solving.

"SEC. 5123. AUTHORITY TO MAKE GRANTS.

"The Secretary of Housing and Urban Development may make grants in accordance with the provisions of this chapter for use in eliminating crime in and around public housing and other federally assisted low-income housing projects to (1) public housing agencies, and (2) private, for-profit and nonprofit owners of federally assisted low-income housing.".

(b) ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Section 5124(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(a)) is amended—

(A) in the matter preceding paragraph (1), by inserting "and around" after "used in";

(B) in paragraph (3), by inserting before the semicolon the following: ", including fencing, lighting, locking, and surveillance systems";

(C) in paragraph (4), by striking subparagraph (A) and inserting the following new subparagraph:

"(A) to investigate crime; and";

(D) in paragraph (6)—

(i) by striking "in and around public or other federally assisted low-income housing projects"; and

(ii) by striking "and" after the semicolon; and

(E) by striking paragraph (7) and inserting the following new paragraphs:

"(7) providing funding to nonprofit public housing resident management corporations and resident councils to develop security and crime prevention programs involving site residents;

"(8) the employment or utilization of one or more individuals, including law enforcement officers, made available by contract or other cooperative arrangement with State or local law enforcement agencies, to engage in community- and problem-oriented policing involving interaction with members of the community in proactive crime control and prevention activities;

"(9) programs and activities for or involving youth, including training, education, recreation and sports, career planning, and entrepreneurship and employment activities and after school and cultural programs; and

"(10) service programs for residents that address the contributing factors of crime, including programs for job training, education, drug and alcohol treatment, and other appropriate social services.".

(2) OTHER PHA-OWNED HOUSING.—Section 5124(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(b)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking "drug-related crime in" and inserting "crime in and around"; and

(ii) by striking "paragraphs (1) through (7)" and inserting "paragraphs (1) through (10)"; and

(B) in paragraph (2), by striking "drug-related" and inserting "criminal".

(c) GRANT PROCEDURES.—Section 5125 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11904) is amended to read as follows:

"SEC. 5125. GRANT PROCEDURES.

"(a) PHA'S WITH 250 OR MORE UNITS.—

"(1) GRANTS.—In each fiscal year, the Secretary shall make a grant under this chapter from any amounts available under section 5131(b)(1) for the fiscal year to each of the following public housing agencies:

"(A) NEW APPLICANTS.—Each public housing agency that owns or operates 250 or more public housing dwelling units and has—

"(i) submitted an application to the Secretary for a grant for such fiscal year, which includes a 5-year crime deterrence and reduction plan under paragraph (2); and

"(ii) had such application and plan approved by the Secretary.

"(B) RENEWALS.—Each public housing agency that owns or operates 250 or more public housing dwelling units and for which—

"(i) a grant was made under this chapter for the preceding Federal fiscal year;

"(ii) the term of the 5-year crime deterrence and reduction plan applicable to such grant includes the fiscal year for which the grant under this subsection is to be made; and

"(iii) the Secretary has determined, pursuant to a performance review under paragraph (4), that during the preceding fiscal year the agency has substantially fulfilled the requirements under subparagraphs (A) and (B) of paragraph (4).

Notwithstanding subparagraphs (A) and (B), the Secretary may make a grant under this chapter to a public housing agency that owns or operates 250 or more public housing dwelling units only if the agency includes in the application for the grant information that demonstrates, to the satisfaction of the Secretary, that the agency has a need for the grant amounts based on generally recognized crime statistics showing that (I) the crime rate for the public housing developments of the agency (or the immediate neighborhoods in which such developments are located) is higher than the crime rate for the jurisdiction in which the agency operates, (II) the crime rate for the developments (or such neighborhoods) is increasing over a period of sufficient duration to indicate a general trend, or (III) the operation of the program under this chapter substantially contributes to the reduction of crime.

"(2) 5-YEAR CRIME DETERRENCE AND REDUCTION PLAN.—Each application for a grant under this subsection shall contain a 5-year crime deterrence and reduction plan. The plan shall be developed with the participation of residents and appropriate law enforcement officials. The plan shall describe, for the public housing agency submitting the plan—

"(A) the nature of the crime problem in public housing owned or operated by the public housing agency;

"(B) the building or buildings of the public housing agency affected by the crime problem;

"(C) the impact of the crime problem on residents of such building or buildings; and

"(D) the actions to be taken during the term of the plan to reduce and deter such crime, which shall include actions involving residents, law enforcement, and service providers.

The term of a plan shall be the period consisting of 5 consecutive fiscal years, which begins with the first fiscal year for which funding under this chapter is provided to carry out the plan.

"(3) AMOUNT.—In any fiscal year, the amount of the grant for a public housing agency receiving a grant pursuant to paragraph (1) shall be the amount that bears the same ratio to the total amount made available under section 5131(b)(1) as the total number of public dwelling units owned or operated by such agency bears to the total number of dwelling units owned or operated by all public housing agencies that own or operate 250 or more public housing dwelling units that are approved for such fiscal year.

"(4) PERFORMANCE REVIEW.—For each fiscal year, the Secretary shall conduct a performance review of the activities carried out by each public housing agency receiving a grant pursuant to this subsection to determine whether the agency—

"(A) has carried out such activities in a timely manner and in accordance with its 5-year crime deterrence and reduction plan; and

"(B) has a continuing capacity to carry out such plan in a timely manner.

"(5) SUBMISSION OF APPLICATIONS.—The Secretary shall establish such deadlines and requirements for submission of applications under this subsection.

"(6) REVIEW AND DETERMINATION.—The Secretary shall review each application submitted under this subsection upon submission and shall approve the application unless the application and the 5-year crime deterrence and reduction plan are inconsistent with the purposes of this chapter or any requirements established by the Secretary or the information in the application or plan is not substantially complete. Upon approving or determining not to approve an application and plan submitted under this subsection, the Secretary shall notify the public housing agency submitting the application and plan of such approval or disapproval.

"(7) DISAPPROVAL OF APPLICATIONS.—If the Secretary notifies an agency that the application and plan of the agency is not approved, not later than the expiration of the 15-day period beginning upon such notice of disapproval, the Secretary shall also notify the agency, in writing, of the reasons for the disapproval, the actions that the agency could take to comply with the criteria for approval, and the deadlines for such actions.

"(8) FAILURE TO APPROVE OR DISAPPROVE.—If the Secretary fails to notify an agency of approval or disapproval of an application and plan submitted under this subsection before the expiration of the 60-day period beginning upon the submission of the plan or fails to provide notice under paragraph (7) within the 15-day period under such paragraph to an agency whose application has been disapproved, the application and plan shall be considered to have been approved for purposes of this section.

"(b) PHA'S WITH FEWER THAN 250 UNITS AND OWNERS OF FEDERALLY ASSISTED LOW-INCOME HOUSING.—

"(1) APPLICATIONS AND PLANS.—To be eligible to receive a grant under this chapter, a public housing agency that owns or operates fewer than 250 public housing dwelling units or an owner of federally assisted low-income housing shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require. The application shall include a plan for addressing the problem of crime in and around the housing for which the application is submitted, describing in detail activities to be conducted during the fiscal year for which the grant is requested.

"(2) GRANTS FOR PHA'S WITH FEWER THAN 250 UNITS.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(2), make grants under this chapter to public housing agencies that own or operate fewer than 250 public housing dwelling units and have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraph (4).

"(3) GRANTS FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(3), make grants under this chapter to owners of federally assisted low-income housing that have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraphs (4) and (5).

"(4) CRITERIA FOR APPROVAL OF APPLICATIONS.—The Secretary shall determine whether to approve each application under this subsection on the basis of—

"(A) the extent of the crime problem in and around the housing for which the application is made;

"(B) the quality of the plan to address the crime problem in the housing for which the application is made;

"(C) the capability of the applicant to carry out the plan; and

"(D) the extent to which the tenants of the housing, the local government, local community-based nonprofit organizations, local tenant organizations representing residents of neighboring projects that are owned or assisted by the Secretary, and the local community support and participate in the design and implementation of the activities proposed to be funded under the application.

In each fiscal year, the Secretary may give preference to applications under this subsection for housing made by applicants who received a grant for such housing for the preceding fiscal year under this subsection or under the provisions of this chapter as in effect immediately before the date of the enactment of the Housing Opportunity and Responsibility Act of 1997.

"(5) ADDITIONAL CRITERIA FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In addition to the selection criteria under paragraph (4), the Secretary may establish other criteria for evaluating applications submitted by owners of federally assisted low-income housing, except that such additional criteria shall be designed only to reflect—

"(A) relevant differences between the financial resources and other characteristics of public housing agencies and owners of federally assisted low-income housing; or

"(B) relevant differences between the problem of crime in public housing administered by such authorities and the problem of crime in federally assisted low-income housing.".

(d) DEFINITIONS.—Section 5126 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11905) is amended—

(1) by striking paragraphs (1) and (2);

(2) in paragraph (4)(A), by striking "section" before "221(d)(4)";

(3) by redesignating paragraphs (3) and (4) (as so amended) as paragraphs (1) and (2), respectively; and

(4) by adding at the end the following new paragraph:

"(3) PUBLIC HOUSING AGENCY.—The term 'public housing agency' has the meaning given the term in section 1103 of the Housing Opportunity and Responsibility Act of 1997.".

(e) IMPLEMENTATION.—Section 5127 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11906) is amended by striking "Cranston-Gonzalez National Affordable Housing Act" and inserting "Housing Opportunity and Responsibility Act of 1997".

(f) REPORTS.—Section 5128 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11907) is amended—

(1) by striking "drug-related crime in" and inserting "crime in and around"; and

(2) by striking "described in section 5125(a)" and inserting "for the grantee submitted under subsection (a) or (b) of section 5125, as applicable".

(g) FUNDING AND PROGRAM SUNSET.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 is amended by striking section 5130 (42 U.S.C. 11909) and inserting the following new section:

"SEC. 5130. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this chapter $290,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002.

"(b) ALLOCATION.—Of any amounts available, or that the Secretary is authorized to use, to carry out this chapter in any fiscal year—

"(1) 85 percent shall be available only for assistance pursuant to section 5125(a) to public housing agencies that own or operate 250 or more public housing dwelling units;

"(2) 10 percent shall be available only for assistance pursuant to section 5125(b)(2) to public housing agencies that own or operate fewer than 250 public housing dwelling units; and

"(3) 5 percent shall be available only for assistance to federally assisted low-income housing pursuant to section 5125(b)(3).

"(c) RETENTION OF PROCEEDS OF ASSET FORFEITURES BY INSPECTOR GENERAL.—Notwithstanding section 3302 of title 31, United States Code, or any other provision of law affecting the crediting of collections, the proceeds of forfeiture proceedings and funds transferred to the Office of Inspector General of the Department of Housing and Urban Development, as a participating agency, from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as an equitable share from the forfeiture of property in investigations in which the Office of Inspector General participates, shall be deposited to the credit of the Office of Inspector General for Operation Safe Home activities authorized under the Inspector General Act of 1978, as amended, to remain available until expended.".

(h) CONFORMING AMENDMENTS.—The table of contents in section 5001 of the Anti-Drug Abuse Act of 1988 (Public Law 100-690; 102 Stat. 4295) is amended—

(1) by striking the item relating to the heading for chapter 2 of subtitle C of title V and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS
AGAINST CRIME";

(2) by striking the item relating to section 5122 and inserting the following new item:

"Sec. 5122. Purposes.";

(3) by striking the item relating to section 5125 and inserting the following new item:

"Sec. 5125. Grant procedures.";

and

(4) by striking the item relating to section 5130 and inserting the following new item:

"Sec. 5130. Funding.".

(i) TREATMENT OF NOFA.—The cap limiting assistance under the Notice of Funding Availability issued by the Department of Housing and Urban Development in the Federal Register of April 8, 1996, shall not apply to a public housing agency within an area designated as a high intensity drug trafficking area under section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c)).

(j) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date of the enactment of this Act.

Subtitle C—Limitations Relating to Occupancy in Federally Assisted Housing

SEC. 1641. SCREENING OF APPLICANTS.

(a) INELIGIBILITY BECAUSE OF EVICTION.—Any household or member of a household evicted from federally assisted housing (as such term is defined in section 1645) shall not be eligible for federally assisted housing—

(1) in the case of eviction by reason of drug-related criminal activity, for a period of not less than 3 years that begins on the date of such eviction, unless the evicted member of the household successfully completes a rehabilitation program; and

(2) in the case of an eviction for other serious violations of the terms or conditions of the lease, for a reasonable period of time, as determined by the public housing agency or owner of the federally assisted housing, as applicable.

The requirements of paragraphs (1) and (2) may be waived if the circumstances leading to eviction no longer exist.

(b) Ineligibility of Illegal Drug Users and Alcohol Users.—

(1) In general.—Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing, or both, as determined by the Secretary, shall establish standards that prohibit admission to the program or admission to federally assisted housing for any household with a member—

(A) who the public housing agency or owner determines is engaging in the illegal use of a controlled substance; or

(B) with respect to whom the public housing agency or owner determines that it has reasonable cause to believe that such household member's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, would interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(2) Consideration of rehabilitation.—In determining whether, pursuant to paragraph (1)(B), to deny admission to the program or to federally assisted housing to any household based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, a public housing agency or an owner may consider whether such household member—

(A) has successfully completed an accredited drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in an accredited drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) Ineligibility of Sexually Violent Predators For Admission to Public Housing.—

(1) In general.—Notwithstanding any other provision of law, a public housing agency shall prohibit admission to public housing for any household that includes any individual who is a sexually violent predator.

(2) Sexually violent predator.—For purposes of this subsection, the term "sexually violent predator" means an individual who—

(A) is a sexually violent predator (as such term is defined in section 170101(a)(3) of such Act); and

(B) is subject to a registration requirement under section 170101(a)(1)(B) or 170102(c) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(a)(1)(B), 14072(c)), as provided under section 170101(b)(6)(B) or 170102(d)(2), respectively, of such Act.

(d) Authority To Deny Admission to Criminal Offenders.—Except as provided in subsections (a), (b), and (c) and in addition to any other authority to screen applicants, in selecting among applicants for admission to the program or to federally assisted housing, if the public housing agency or owner of such housing (as applicable) determines that an applicant or any member of the applicant's household is or was, during a reasonable time preceding the date when the applicant household would otherwise be selected for admission, engaged in any criminal activity (including drug-related criminal activity), the public housing agency or owner may—

(1) deny such applicant admission to the program or to federally assisted housing;

(2) consider the applicant (for purposes of any waiting list) as not having applied for the program or such housing; and

(3) after the expiration of the reasonable period beginning upon such activity, require the applicant, as a condition of admission to the program or to federally assisted housing, to submit to the public housing agency or owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant's household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such reasonable period.

(e) Authority To Require Access to Criminal Records.—A public housing agency and an owner of federally assisted housing may require, as a condition of providing admission to the program or admission to or occupancy in federally assisted housing, that each adult member of the household provide a signed, written authorization for the public housing agency to obtain the records described in section 1644(a) regarding such member of the household from the National Crime Information Center, police departments, other law enforcement agencies, and State registration agencies referred to in such section. In the case of an owner of federally assisted housing that is not a public housing agency, the owner shall request the public housing agency having jurisdiction over the area within which the housing is located to obtain the records pursuant to section 1644.

(f) Admission Based on Disability.—

(1) In general.—Notwithstanding any other provision of law, for purposes of determining eligibility for admission to federally assisted housing, a person shall not be considered to have a disability or a handicap solely because of the prior or current illegal use of a controlled substance (as defined in section 102 of the Controlled Substances Act) or solely by reason of the prior or current use of alcohol.

(2) Continued occupancy.—This subsection may not be construed to prohibit the continued occupancy of any person who is a resident in assisted housing on the effective date of this division.

SEC. 1642. TERMINATION OF TENANCY AND ASSISTANCE FOR ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.

Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing (as applicable), shall establish standards or lease provisions for continued assistance or occupancy in federally assisted housing that allow the agency or owner (as applicable) to terminate the tenancy or assistance for any household with a member—

(1) who the public housing agency or owner determines is engaging in the illegal use of a controlled substance; or

(2) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency or owner to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

SEC. 1643. LEASE REQUIREMENTS.

In addition to any other applicable lease requirements, each lease for a dwelling unit in federally assisted housing shall provide that—

(1) the owner may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause; and

(2) grounds for termination of tenancy shall include any criminal or other activity, engaged in by the tenant, any member of the tenant's household, any guest, or any other person under the control of the household, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenant or employees of the owner or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) with respect only to activity engaged in by the tenant or any member of the tenant's household, is criminal activity on or off the premises.

SEC. 1644. AVAILABILITY OF CRIMINAL RECORDS FOR TENANT SCREENING AND EVICTION.

(a) In General.—

(1) Criminal conviction information.—Notwithstanding any other provision of law other than paragraphs (3) and (4), upon the request of a public housing agency, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the public housing agency information regarding the criminal conviction records of an adult applicant for, or tenants of, federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the public housing agency requests such information and presents to such Center, department, or agency a written authorization, signed by such applicant, for the release of such information to the public housing agency or other owner of the federally assisted housing.

(2) Information regarding crimes against children and sexually violent predators.—Notwithstanding any other provision of law other than paragraphs (3) and (4), upon the request of a public housing agency, the Federal Bureau of Investigation, a State law enforcement agency designated as a registration agency under a State registration program under subtitle A of title XVII of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071), and any local law enforcement agency authorized by the State agency shall provide to a public housing agency the information collected under the national database established pursuant to section 170102 of such Act or such State registration program, as applicable, regarding an adult applicant for, or tenant of, federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the public housing agency requests such information and presents to such State registration agency or other local law enforcement agency a written authorization, signed by such applicant, for the release of such information to the public housing agency or other owner of the federally assisted housing.

(3) DELAYED EFFECTIVE DATE FOR OWNERS OTHER THAN PHA'S.—The provisions of paragraphs (1) and (2) authorizing obtaining information for owners of federally assisted housing other than public housing agencies shall not take effect before—

(A) the expiration of the 1-year period beginning on the date of enactment of this Act; and

(B) the Secretary and the Attorney General of the United States have determined that access to such information is feasible for such owners and have provided for the terms of release of such information to owners.

(4) EXCEPTION.—The information provided under paragraphs (1), (2), and (3) shall include information regarding any criminal conviction of a juvenile only to the extent that the release of such information is authorized under the law of the applicable State, tribe, or locality.

(b) CONFIDENTIALITY.—A public housing agency or owner receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer, employee, or authorized representative of the agency or owner and who has a job-related need to have access to the information in connection with admission of applicants, eviction of tenants, or termination of assistance. For judicial eviction proceedings, disclosures may be made to the extent necessary. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to a public housing agency or owner is used, and confidentiality of such information is maintained, as required under this section.

(c) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance for federally assisted housing on the basis of a criminal record (including on the basis that an individual is a sexually violent predator, pursuant to section 1641(c)), the public housing agency or owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

(d) FEE.—A public housing agency may be charged a reasonable fee for information provided under subsection (a). A public housing agency may require an owner of federally assisted housing (that is not a public housing agency) to pay such fee for any information that the agency acquires for the owner pursuant to section 1641(e) and subsection (a) of this section.

(e) RECORDS MANAGEMENT.—Each public housing agency and owner of federally assisted housing that receives criminal record information pursuant to this section shall establish and implement a system of records management that ensures that any criminal record received by the agency or owner is—

(1) maintained confidentially;

(2) not misused or improperly disseminated; and

(3) destroyed in a timely fashion, once the purpose for which the record was requested has been accomplished.

(f) PENALTY.—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or tenant of, federally assisted housing pursuant to the authority under this section under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term "person" as used in this subsection shall include an officer, employee, or authorized representative of any public housing agency or owner.

(g) CIVIL ACTION.—Any applicant for, or tenant of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about such person by an officer, employee, or authorized representative of any public housing agency or owner of federally assisted housing, which disclosure is not authorized by this section, or (2) any other negligent or knowing action that is inconsistent with this section, may bring a civil action for damages and such other relief as may be appropriate against any public housing agency or owner responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or tenant resides, in which such unauthorized action occurred, or in which the officer, employee, or representative alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

(h) DEFINITION.—For purposes of this section, the term "adult" means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

SEC. 1645. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) FEDERALLY ASSISTED HOUSING.—The term "federally assisted housing" means a dwelling unit—

(A) in public housing (as such term is defined in section 1102);

(B) assisted with choice-based housing assistance under title XIII;

(C) in housing that is provided project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the effective date of the repeal under section 1601(b) of this Act) or pursuant to section 1601(f) of this Act, including new construction and substantial rehabilitation projects;

(D) in housing that is assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

(E) in housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the Cranston-Gonzalez National Affordable Housing Act;

(F) in housing that is assisted under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(G) in housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(H) in housing insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act;

(I) in housing assisted under section 515 of the Housing Act of 1949.

(2) OWNER.—The term "owner" means, with respect to federally assisted housing, the entity or private person (including a cooperative or public housing agency) that has the legal right to lease or sublease dwelling units in such housing.

TITLE XVII—AFFORDABLE HOUSING AND MISCELLANEOUS PROVISIONS

SEC. 1701. RURAL HOUSING ASSISTANCE.

The last sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by inserting before the period the following: ", and the city of Altus, Oklahoma, shall be considered a rural area for purposes of this title until the receipt of data from the decennial census in the year 2000".

SEC. 1702. TREATMENT OF OCCUPANCY STANDARDS.

The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.

SEC. 1703. IMPLEMENTATION OF PLAN.

(a) IMPLEMENTATION.—

(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall implement the Ida Barbour Revitalization Plan of the City of Portsmouth, Virginia, in a manner consistent with existing limitations under law.

(2) WAIVERS.—In carrying out paragraph (1), the Secretary shall consider and make any waivers to existing regulations and other requirements consistent with the plan described in paragraph (1) to enable timely implementation of such plan, except that generally applicable regulations and other requirements governing the award of funding under programs for which assistance is applied for in connection with such plan shall apply.

(b) REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act and annually thereafter through the year 2000, the city described in subsection (a)(1) shall submit a report to the Secretary on progress in implementing the plan described in that subsection.

(2) CONTENTS.—Each report submitted under this subsection shall include—

(A) quantifiable measures revealing the increase in homeowners, employment, tax base, voucher allocation, leverage ratio of funds, impact on and compliance with the consolidated plan of the city;

(B) identification of regulatory and statutory obstacles that—

(i) have caused or are causing unnecessary delays in the successful implementation of the consolidated plan; or

(ii) are contributing to unnecessary costs associated with the revitalization; and

(C) any other information that the Secretary considers to be appropriate.

SEC. 1704. INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS.

(a) HOME INVESTMENT PARTNERSHIPS.—The Cranston-Gonzalez National Affordable Housing Act is amended as follows:

(1) DEFINITIONS.—In section 104(10) (42 U.S.C. 12704(10))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(2) INCOME TARGETING.—In section 214(1)(A) (42 U.S.C. 12744(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(3) RENT LIMITS.—In section 215(a)(1)(A) (42 U.S.C. 12745(a)(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(b) CDBG.—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(20)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

"(B) The Secretary may—

"(i) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish percentages of median income for any area that are higher or lower than 50 percent if the Secretary finds such variations to be necessary because of unusually high or low family incomes in such area; and

"(ii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher than 80 percent if the Secretary finds such variation to be necessary because of unusually low family incomes in such area.".

SEC. 1705. PROHIBITION OF USE OF CDBG GRANTS FOR EMPLOYMENT RELOCATION ACTIVITIES.

Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305) is amended by adding at the end the following new subsection:

"(h) Prohibition of Use of Assistance for Employment Relocation Activities.—Notwithstanding any other provision of law, no amount from a grant under section 106 made in fiscal year 1997 or any succeeding fiscal year may be used for any activity (including any infrastructure improvement) that is intended, or is likely, to facilitate the relocation or expansion of any industrial or commercial plant, facility, or operation, from one area to another area, if the relocation or expansion will result in a loss of employment in the area from which the relocation or expansion occurs.".

SEC. 1706. REGIONAL COOPERATION UNDER CDBG ECONOMIC DEVELOPMENT INITIATIVE.

Section 108(q)(4) (42 U.S.C. 5308(q)(4)) of the Housing and Community Development Act of 1974 is amended—

(1) by striking "and" after the semicolon in subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following:

"(D) when applicable as determined by the Secretary, the extent of regional cooperation demonstrated by the proposed plan; and".

SEC. 1707. USE OF AMERICAN PRODUCTS.

(a) Purchase of American-Made Equipment and Products.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this division should be American made.

(b) Notice Requirement.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this division, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 1708. CONSULTATION WITH AFFECTED AREAS IN SETTLEMENT OF LITIGATION.

In negotiating any settlement of, or consent decree for, any litigation regarding public housing or rental assistance (under title XIII of this Act or the United States Housing Act of 1937, as in effect before the effective date of the repeal under section 1601(b) of this Act) that involves the Secretary and any public housing agency or any unit of general local government, the Secretary shall consult with any units of general local government and public housing agencies having jurisdictions that are adjacent to the jurisdiction of the public housing agency involved.

SEC. 1709. TREATMENT OF PHA REPAYMENT AGREEMENT.

(a) Limitation on Secretary.—During the 2-year period beginning on the date of the enactment of this Act, if the Housing Authority of the City of Las Vegas, Nevada, is otherwise in compliance with the Repayment Lien Agreement and Repayment Plan approved by the Secretary on February 12, 1997, the Secretary of Housing and Urban Development shall not take any action that has the effect of reducing the inventory of senior citizen housing owned by such housing authority that does not receive assistance from the Department of Housing and Urban Development.

(b) Alternative Repayment Options.—During the period referred to in subsection (a), the Secretary shall assist the housing authority referred to in such subsection to identify alternative repayment options to the plan referred to in such subsection and to execute an amended repayment plan that will not adversely affect the housing referred to in such subsection.

(c) Rule of Construction.—This section may not be construed to alter—

(1) any lien held by the Secretary pursuant to the agreement referred to in subsection (a); or

(2) the obligation of the housing authority referred to in subsection (a) to close all remaining items contained in the Inspector General audits numbered 89 SF 1004 (issued January 20, 1989), 93 SF 1801 (issued October 30, 1993), and 96 SF 1002 (issued February 23, 1996).

SEC. 1710. USE OF ASSISTED HOUSING BY ALIENS.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) in subsection (b)(2), by striking "Secretary of Housing and Urban Development" and inserting "applicable Secretary";

(2) in subsection (c)(1)(B), by moving clauses (ii) and (iii) 2 ems to the left;

(3) in subsection (d)—

(A) in paragraph (1)(A)—

(i) by striking "Secretary of Housing and Urban Development" and inserting "applicable Secretary"; and

(ii) by striking "the Secretary" and inserting "the applicable Secretary";

(B) in paragraph (2), in the matter following subparagraph (B)—

(i) by inserting "applicable" before "Secretary"; and

(ii) by moving such matter (as so amended by clause (i)) 2 ems to the right;

(C) in paragraph (4)(B)(ii), by inserting "applicable" before "Secretary";

(D) in paragraph (5), by striking "the Secretary" and inserting "the applicable Secretary"; and

(E) in paragraph (6), by inserting "applicable" before "Secretary";

(4) in subsection (h) (as added by section 576 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208))—

(A) in paragraph (1)—

(i) by striking "Except in the case of an election under paragraph (2)(A), no" and inserting "No";

(ii) by striking "this section" and inserting "subsection (d)"; and

(iii) by inserting "applicable" before "Secretary"; and

(B) in paragraph (2)—

(i) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) may, notwithstanding paragraph (1) of this subsection, elect not to affirmatively establish and verify eligibility before providing financial assistance"; and

(ii) in subparagraph (B), by striking "in complying with this section" and inserting "in carrying out subsection (d)"; and

(5) by redesignating subsection (h) (as amended by paragraph (4)) as subsection (i).

SEC. 1711. PROTECTION OF SENIOR HOMEOWNERS UNDER REVERSE MORTGAGE PROGRAM.

(a) Disclosure Requirements; Prohibition of Funding of Unnecessary or Excessive Costs.—Section 255(d) of the National Housing Act (12 U.S.C. 1715z–20(d)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B), by striking "and" at the end;

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following:

"(C) has received full disclosure of all costs to the mortgagor for obtaining the mortgage, including any costs of estate planning, financial advice, or other related services; and";

(2) in paragraph (9)(F), by striking "and";

(3) in paragraph (10), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(11) have been made with such restrictions as the Secretary determines to be appropriate to ensure that the mortgagor does not fund any unnecessary or excessive costs for obtaining the mortgage, including any costs of estate planning, financial advice, or other related services; such restrictions shall include a requirement that the mortgagee ask the mortgagor about any fees that the mortgagor has incurred in connection with obtaining the mortgage and a requirement that the mortgagee be responsible for ensuring that the disclosures required by subsection (d)(2)(C) are made.".

(b) Implementation.—

(1) Notice.—The Secretary of Housing and Urban Development shall, by interim notice, implement the amendments made by subsection (a) in an expeditious manner, as determined by the Secretary. Such notice shall not be effective after the date of the effectiveness of the final regulations issued under paragraph (2) of this subsection.

(2) Regulations.—The Secretary shall, not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, issue final regulations to implement the amendments made by subsection (a). Such regulations shall be issued only after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2) and (b)(B) of such section).

SEC. 1712. CONVERSION OF SECTION 8 TENANT-BASED ASSISTANCE TO PROJECT-BASED ASSISTANCE IN THE BOROUGH OF TAMAQUA.

For the Tamaqua Highrise project in the Borough of Tamaqua, Pennsylvania, the Secretary of Housing and Urban Development may require the public housing agency to convert the tenant-based assistance under section 8 of the United States Housing Act of 1937 to project-based rental assistance under section 8(d)(2) of such Act, notwithstanding the requirement for rehabilitation or the percentage limitations under section 8(d)(2).

The tenant-based assistance covered by the preceding sentance shall be the assistance for families who are residing in the project on the date of enactment of this Act and who initially received their assistance in connection with the conversion of the section 23 leased housing contract for the project to tenant-based assistance under section 8 of such Act. The Secretary may not take action under this section before the expiration of the 30-day period beginning upon the submission of a report to the Congress regarding the proposed action under this section.

SEC. 1713. HOUSING COUNSELING.

(a) EXTENSION OF EMERGENCY HOMEOWNERSHIP COUNSELING.—Section 106(c)(9) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(9)) is amended by striking "September 30, 1994" and inserting "September 30, 1999".

(b) EXTENSION OF PREPURCHASE AND FORECLOSURE PREVENTION COUNSELING DEMONSTRATION.—Section 106(d)(13) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(d)(12)) is amended by striking "fiscal year 1994" and inserting "fiscal year 1999".

(c) NOTIFICATION OF DELINQUENCY ON VETERANS HOME LOANS.—

Subparagraph (C) of section 106(c)(5) of the Housing and Urban Development Act of 1968 is amended to read as follows:

"(C) NOTIFICATION.—Notification under subparagraph (A) shall not be required with respect to any loan for which the eligible homeowner pays the amount overdue before the expiration of the 45-day period under subparagraph (B)(ii).".

SEC. 1714. TRANSFER OF SURPLUS REAL PROPERTY FOR PROVIDING HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES.

(a) IN GENERAL.—Notwithstanding any other provision of law (including the Federal Property and Administrative Services Act of 1949), the property known as 252 Seventh Avenue in New York County, New York is authorized to be conveyed in its existing condition under a public benefit discount to a nonprofit organization that has among its purposes providing housing for low-income individuals or families provided, that such property is determined by the Administrator of General Services to be surplus to the needs of the Government and provided it is determined by the Secretary of Housing and Urban Development that such property will be used by such non-profit organization to provide housing for low- and moderate-income families or individuals.

(b)(1) PUBLIC BENEFIT DISCOUNT.—The amount of the public benefit discount available under this section shall be 75 percent of the estimated fair market value of the property, except that the Secretary may discount by a greater percentage if the Secretary, in consultation with the Administrator, determines that a higher percentage is justified due to any benefit which will accrue to the United States from the use of such property for the public purpose of providing low- and moderate-income housing.

(2) REVERTER.—The Administrator shall require that the property be used for at least 30 years for the public purpose for which it was originally conveyed, or such longer period of time as the Administrator feels necessary, to protect the Federal interest and to promote the public purpose. If this condition is not met, the property shall revert to the United States.

(3) DETERMINATION OF FAIR MARKET VALUE.—The Administrator shall determine estimated fair market value in accordance with Federal appraisal standards and procedures.

(4) DEPOSIT OF PROCEEDS.—The Administrator of General Services shall deposit any proceeds received under this subsection in the special account established pursuant to section 204(h)(2) of the Federal Property and Administrative Services Act of 1949.

(5) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Administrator considers appropriate to protect the interests of the United States and to accomplish a public purpose.

SEC. 1715. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on the date of the enactment of this Act.

Page 90, line 18 strike ", and $70,000,000 is appropriated to the National Science Foundation, 'Research and related activities'." and insert "."

Page 61, line 13, strike the colon and all that follows through "expenses" on line 20.

The CHAIRMAN. Pursuant to House Resolution 501, the gentleman from New York (Mr. LAZIO) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. LAZIO).

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise for purposes of offering an amendment to the VA, HUD and Independent Agencies appropriations bill. This amendment would add H.R. 2, the Housing Opportunity and Responsibility Act, which was passed by this Congress last year on May 14, 1997, by a vote of 293 to 132 to the bill, with one minor modification to address any possible scoring concerns.

Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa (Mr. LEACH), the chairman of the Committee on Banking and Financial Services, who I have enormous respect for and who is largely responsible for us having gotten to the point we are right now.

Mr. LEACH. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, let me stress at this point that I think, while awkward, this is particularly appropriate to add this bill to this bill. Let me thank the distinguished gentleman from New York, who has led the housing movement in the House so ably.

But in making this suggestion, let me make some clarification. The distinguished ranking member of the committee, the gentleman from New York, made some critical comments on process during prior debate on the rule, and, to some degree, as chairman of the committee, let me suggest that the gentleman is absolutely correct.

The regular order should have been a Committee on Banking and Financial Services conference. For various reasons, this proved difficult to institute. On the other hand, the present situation is not quite the procedural umbrage that is hinted at, in that the bill before us, unlike most authorizing parts of appropriations bills, has passed the House, in fact by a large margin, and a conference can be expected of authorizers in the context of an appropriations conference. What we are thus simply doing is attaching legislation that has previously been agreed to by the House to facilitate movement on that critical subject.

In this regard, public housing reform is clearly an important national interest and national objective. Both those of liberal and conservative perspectives have concluded that there are serious problems in our present system that demand resolution. This is precisely what the Committee on Banking and Financial Services has done in a straightforward way in a bill that exceeds, and let me stress, based on the statement of the last Member, exceeds the administration's request in funding levels for housing. Indeed, the bill substantially exceeds the administration's request for senior and disabled housing.

To the extent that politics is the art of the possible, the reason we are proceeding in this fashion is simply to use a vehicle that has the greatest chance of achieving consensus and support, both from the other body as well as, hopefully, from the administration.

Included in this bill is authorization on an appropriation pushed by the minority, an increase in FHA mortgage insurance limits as advocated by the administration. The Committee on Banking and Financial Services is willing, in the context of public housing reform, to consider this change, even though it represents a modest increase in the governmentalization of credit in the United States.

Finally, let me say that it has been represented to this Member that in the background there are the concerns of some that, if adopted, these reforms might be perceived as a success of this Congress, and, therefore, opposed because some would oppose any institutional successes.

I have spent the vast majority of my time in Congress in the minority. I never paid heed to those who wanted to subvert good policy for political reasons. I hope in the end the minority in this body and in the administration will make a judgment based on the national interests and not whether it will be perceived as something Congress can take credit for.

The fact is, good governance implies that, more often than not, administrations have initiatives that deserve serious consideration by the Congress and, if meritorious, accepted; likewise, that initiatives put forward by the Congress in a divided government deserve serious consideration by the Executive Branch, and, if meritorious, accepted.

Finally, let me stress again that if this amendment is adopted it would be the intention of the leadership to designate sub-conferees from the authorizing committee of jurisdictions from both sides of the aisle to resolve outstanding issues of public housing. I am optimistic and hopeful that such can be done in short order and that this Congress will do what is best for the American people and pass permanent public housing reform.

The CHAIRMAN. Does any Member seek control of the time in opposition?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I rise in opposition.

The CHAIRMAN. The gentleman from Massachusetts (Mr. KENNEDY) is recognized for 20 minutes.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2½ minutes to my good friend, the gentleman from New York (Mr. LAFALCE), the ranking member of the Committee on Banking and Financial Services.

Mr. LAFALCE. Mr. Chairman, why are we here today? The House already passed H.R. 2. The Senate passed their public housing bill. We passed ours in May, they passed theirs in September, and yet neither body has appointed conferees.

There is no reason to attach this bill to an appropriations bill. Let us go to the table. Let us go to conference. Why are we not going to conference in the regular order? Why are there not conference committees?

Because the Members on the majority side are afraid that the minority on the House side will join forces with both the majority and minority on the Senate side and overwhelmingly approve a bill that is not to their personal, individual tastes. That is the reason and the only reason. So now they try to use legislative extortion, attach it to something they really need, attach it to the FHA, attach it to the appropriations process. That is what they are attempting to do here. Let nobody be fooled by it.

Let us now go to substance. I refer to a statement put out by the Department of Housing and Urban Development yesterday, and I will insert this, with a list of all those vulnerable people in America that will be adversely affected by this on a state-by-state basis.

According to HUD, this particular amendment would raise the income levels of people eligible for public housing. It would give greater priority to people making as much as $40,000 to be admitted to public housing, allowing them to gain housing before low income families. Since no new public housing is being built and existing waiting lists are years long, these lower income families will have no option whatsoever.

I have always believed we should have a preferential option for the poor. What this amendment does is eliminate any option. A total, according to HUD, of 3 million low income people would be denied access to public and federally assisted housing, including 1.8 million seniors and children.

I want to quote Secretary of Housing Andrew Cuomo. He said,

The inclusion of this repugnant public housing bill in the HUD appropriations bill violates the good faith and cooperative efforts we have been working toward and is tantamount to legislative extortion.

That is why, if this amendment passes, there will be a veto of this bill.

Mr. Chairman, I include the following news release from the Department of Housing and Urban Development for the RECORD.

AMERICA'S MOST VULNERABLE LIST: 1.8 MILLION POOR SENIORS AND CHILDREN LOCKED OUT OF NATION'S HOUSING

WASHINGTON.—Today, the House is considering an amendment to legislation (H.R. 4194) that would raise the income levels of people eligible for public housing. This bill would give greater priority to people making as much as **$40,000** to be admitted to public housing, allowing them to gain housing before lower income families. Since no new public housing is being built and existing waiting lists are years long, these lower income families will have no option whatsoever. A total of 3 million low-income people would be denied access to public and federally-assisted housing, including 1.8 million seniors and children.

In response to this bill, Housing Secretary Andrew Cuomo said:

"It is inexcusable that we would take the few units of affordable housing this Congress has allowed to remain and remove it from the grasp of the most vulnerable Americans. This means no housing for America's most vulnerable. In an apparent effort to 'mix income' in public housing the House bill would make 1.8 million seniors and children virtually homeless. For them, the House bill would be the equivalent of a housing death sentence: no housing for life.

"The Administration's position is an intelligent balance which would allow mixed income in public housing and provide for the most vulnerable with Section 8 vouchers for every lower-income family displaced from the waiting list.

"The inclusion of this repugnant public housing bill in the HUD appropriations bill violates the good faith and cooperative efforts we have been working towards and is tantamount to legislative extortion."

AMERICA'S MOST VULNERABLE [1] LIST

	Total households	Elderly individuals	Children
Alaska	2,000	1,000	2,000
Alabama	28,000	11,000	27,000
Arkansas	17,000	7,000	15,000
Arizona	11,000	5,000	11,000
California	135,000	65,000	113,000
Colorado	17,000	7,000	14,000
Connecticut	26,000	13,000	20,000
District of Columbia	10,000	4,000	4,000
Delaware	4,000	1,000	3,000
Florida	58,000	29,000	51,000
Georgia	41,000	15,000	40,000
Hawaii	7,000	3,000	6,000
Iowa	13,000	7,000	9,000
Idaho	4,000	1,000	3,000
Illinois	67,000	35,000	51,000
Indiana	31,000	14,000	26,000
Kansas	11,000	6,000	7,000
Kentucky	26,000	10,000	22,000
Louisiana	28,000	9,000	29,000
Massachusetts	53,000	29,000	36,000
Maryland	31,000	14,000	26,000
Maine	8,000	2,000	5,000
Michigan	45,000	24,000	31,000
Minnesota	29,000	17,000	18,000
Missouri	31,000	14,000	26,000
Mississippi	16,000	6,000	17,000
Montana	4,000	2,000	3,000
North Carolina	39,000	14,000	37,000
North Dakota	4,000	2,000	3,000
Nebraska	9,000	5,000	7,000
New Hampshire	6,000	4,000	3,000
New Jersey	50,000	32,000	33,000
New Mexico	8,000	2,000	8,000
Nevada	5,000	2,000	5,000
New York	164,000	83,000	99,000
Ohio	68,000	29,000	56,000
Oklahoma	17,000	6,000	16,000
Oregon	14,000	6,000	11,000
Pennsylvania	68,000	38,000	49,000
Rhode Island	11,000	8,000	6,000
South Carolina	19,000	6,000	20,000
South Dakota	4,000	2,000	3,000
Tennessee	34,000	14,000	29,000
Texas	79,000	28,000	84,000
Utah	5,000	2,000	4,000
Virginia	32,000	12,000	30,000
Vermont	3,000	2,000	2,000
Washington	21,000	10,000	15,000
Wisconsin	24,000	15,000	15,000
West Virginia	11,000	4,000	9,000
Wyoming	2,000	1,000	1,000
Total	1,450,000	679,000	1,160,000

[1] Extremely low income Households who could be skipped under H.R. 2

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. STOKES), the ranking member of the subcommittee.

Mr. STOKES. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to this amendment.

First, I do not understand what legitimate purpose can possibly be served by adding this measure to the VA-HUD appropriations bill. The same bill has already been passed by the House and a companion bill has been passed by the Senate. Obviously, what needs to happen next is serious, good-faith negotiations leading to a conference report that will pass the House and Senate and be signed into law by the President.

Bringing this bill up for a vote again in the House does nothing to further this process. Absent serious negotiations and compromises, this measure is not going to become law, no matter how many times it is passed by the House.

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Both the House and Senate passed their versions of the bill over a year ago, yet conferees have not even been appointed. I think the Banking Committee majority would do far better to get a real conference process underway, rather than offering this amendment.

I want to leave the details of this detail and the substance of this proposal to my colleagues on the authorizing committee since our appropriations subcommittee has never held any hearings on this legislation. However, let me mention the most serious concern I had about this version of the housing authorization bill when it passed the House last year, a concern which has only grown stronger over time. In short, the measure goes much too far in allowing scarce housing funds to be diverted away from people who are most in need of assistance.

For example, the Lazio bill requires only 35 percent of newly vacant housing units to go to families with incomes below 30 percent of area medium income, a level as roughly equal to the poverty line in many areas and a level earned by many families that are working at minimum wages. I understand these targeting rules could divert up to 270,000 Federal housing subsidies per year away from poor families. With so many unmet needs for housing, we need to ensure that a substantial part of our scarce housing assistance dollars go to those with the greatest need, and I urge defeat of this amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, we have largely stated our case earlier in debate on the rule which passed. This is a bill that has been fully vetted over 3 years. This is a bill that has twice seen consideration, not just in committee, but on the floor of the House.

Just last May, as I mentioned earlier, this bill passed with over 293 Members of the House voting in favor of it, including one-third of the Democratic conference. Mr. Chairman, 71 Democrats supported making these essential changes to a failed public housing system.

I do not understand, Mr. Chairman, for many folks that did not create this system of failure, why they feel the need to defend it. Who can be against individual choice, empowerment, more local control? But to urge defeat of this amendment is to do just that.

This is a bill that stands for the individual, stands for individual choice, allows individuals who receive rental vouchers to achieve homeownership, which we say is the American dream. Let us stand for it. Let us not be hypocritical. We say we are for local control; we say the communities and neighborhoods should be able to control their own destiny. Let us do it. This bill does it.

We say we are for safer streets, for healthier housing, for better education. Let us give poor people the tools to achieve those things by giving them vouchers, by allowing them to achieve homeownership, by allowing them to build up equity in a home, by permitting them to start businesses.

On the other side we have an argument for the defense of the status quo, for the defense of a system that concentrates poverty, that drives out the working poor, that undermines schools, that drives out the businesses that keep working folks in areas.

Under the system that is supported by the administration and by the Kennedy amendment, for example, in terms of vouchers, in the overwhelming majority of areas throughout the country, over 80 percent of the areas, and I will get into this later, for a mother and father who both have work and have minimum wage jobs, they have no chance of getting a voucher. Now, what is the statement that we provide here? What statement are we making?

We are saying that if one works, one loses. If one gets married, one loses. If one takes the chance of taking an entry-level position and moving into the culture of work and socializing in that direction, one loses; one will not get access to a rental voucher. But if one does not work, one will get the help.

We are saying with this bill, give communities more control. We are not saying how many poor people they can have. They can have, if a community desires, this bill allows absolute flexibility for local communities to target all of its resources on the very poor. But we are also saying, do not shut out folks who are trying to move up the economic ladder. Do not shut out folks who are getting an entry-level position. Do not tell folks they have to get a divorce to qualify for a voucher. Do not tell folks that if they get a rental unit through HUD, that because of the so-called Brooke amendment, that the minute that they work overtime or get married, or get a better job, or go to work, that their rent goes up by another 30 percent. That is the disincentive that we have built into the system that punishes work and punishes families.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, there are some pretty good aspects of being an United States Congressman, one of which is that every once in a while one gets to bring an amendment on the House floor, and one actually gets to win it. I want to congratulate the chairman of the housing committee, Mr. LAZIO, on the fact that he has won this amendment, and he won it pretty big. That is terrific.

But one would think at some point one would want to be able to go beyond winning an amendment to actually being able to enact law, and one would think that at some point, the pride that one would have in being the chairman of a committee would drive one towards trying to find a way to actually see what one has tried to accomplish become law.

This is not an attempt to create law; this is an attempt to have a press conference. That is all this is about. This is not going before the House and Senate and calling for a conference to create compromise with the administration about new direction for housing policy. We have not had a new housing bill in this Congress since 1992, because people are not willing to compromise.

Now, there is a very simple, easy process. What happens is, the House passes a bill, the Senate passes a bill, and we go to conference. The House passed a bill 9 months ago. The Senate passed a bill 10 months ago. We have yet to go to conference, because the Republicans have been fighting amongst themselves.

Finally, 2 or 3 weeks ago my staff gets a call and says, we would like you to come and discuss the housing bill. We go to the discussion, not a conference, to the discussion. We begin good faith negotiations. Secretary Cuomo from HUD participates in these negotiations. And yet, lo and behold, yesterday morning I get a call from the Committee on Rules saying that, oh, no, we are not going to go with the compromise that we are all trying to work out in these back-room negotiations, not a conference, but we are going to go back to the original House bill, which we are going to attach without any hearings in the appropriations process, as the gentleman from Ohio, Mr. STOKES has pointed out, and we are going to attach the initial House-passed bill to the appropriations bill and try to jam it down the throat of the administration, try to jam it down the throat of the American people, in a way that is completely abusive to the basic fundamental process of how things work around here.

I cannot believe the chairman of the Subcommittee on VA, HUD and Independent Agencies of the Committee on Appropriations, the gentleman from California (Mr. LEWIS), would allow such a process to fully take place and to circumvent the basic fundamental rules of the road about how legislation gets passed, and I doubt very much that he will allow that to occur in the end.

I would hope that we will reach compromise. I do not think that it is right that we say to the poorest people, and yet, maybe a lot of this country is not eligible for these public housing programs. Do we know why? Because we do not put enough money into public housing programs.

So we are forced with decisions, decisions about whether or not to take care of the very, very poor, the people who are on the edge of homelessness, or whether or not to take care of people who earn $30,000 or $40,000 a year. I will tell my colleagues something. If one earns $30,000 or $40,000 a year, there are all sorts of banks, Fannie Mae and Freddie Mac that can get one into homeownership. If we are going to provide direct tax subsidies to the poor people of this country, let us at least try to target those subsidies to the people that need them the most. Is that such an outrageous proposal or outrageous moral thought that we are going to try to make sure that the poorest of the poor are served? That is the Democratic position.

So maybe somebody says, well, listen, I think a few more less-poor people ought to be served. That is a compromise. We are willing to work that out. That is not the worst idea in the world, but let us go to a conference and try to come up with a compromise. Let us not try to say, so, listen, we are totally, morally right, everybody else is wrong, and we are going to find a way to jam it down your throat. That is what this is.

Let us defeat this Leach amendment and stand up for the poor of this country.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. BOEHNER), the distinguished conference chairman.

Mr. BOEHNER. Mr. Chairman, 2 years ago, Congress delivered real welfare reform legislation for the first time in our Nation's history. Today those reforms are moving people from welfare to work in unprecedented numbers, reducing caseloads by 75 percent in some States. In my own county in Ohio, Butler County, we have reduced taxpayer costs for welfare 50 percent in 1 year alone. Today we are set to build on that success by taking the next step in welfare reform by passing legislation that transforms public housing from a way of life into a better life for low-income American families.

The amendment offered by the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAZIO) truly represents a new era in Federal housing policy. America's Federal housing framework has been essentially unchanged since 1937, when Washington adopted the United States Housing Act, the basis for all Federal housing programs.

The structure has remained relatively unchanged and in place for more than two generations. Unfortunately, it is not one of those things that gets better with age. It is time we acted responsibly to bring our Nation's housing laws into the 21st century.

The amendment before us would replace our Nation's Depression-era housing laws with a new structure that empowers people, not government. It expands homeownership opportunities and gives residents a say in planning and management decisions that affect their quality of life.

It reflects our strong belief that families deserve the opportunity to become homeowners and to make more decisions about where they live and, more importantly even, how they live.

Current Federal housing policy results in warehousing of poor people. Decades of well-intentioned but flawed Washington policies have built a cold Federal wall between working Americans and our lowest-income Americans. It is, frankly, a national outrage.

The measure that we have before us today helps put an end to this practice by providing broad flexibility. I urge my colleagues to vote in favor of this amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to my good friend, the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, I must rise today and voice my very strong opposition to this amendment. It is outrageous that this authorizing bill would be considered as part of this appropriations bill.

Democrats and Republicans in both the House and the Senate have been working to come to agreement on public housing legislation. To use this last-minute maneuver to undercut this process is the worst form of lawmaking.

As a member of the Committee on Banking and Financial Services that considered this legislation, I know the significance of this bill for millions of low-income persons that live in public housing across this country. The amendment includes provisions that will undermine the basic mission of public housing, the provision of decent, safe and affordable housing for those who would not otherwise be able to secure it.

The income-targeting provision will mean that 709,000 poor families over the next 10 years will not have access to public housing and the Section 8 certificate program. In an effort to diversify the income mix of public housing, we cannot allow a wholesale abdication of our responsibility to the poor. Provisions that would turn over control of the Federal public housing dollars to local municipalities would jeopardize the welfare of poor families.

The requirement that residents of poor public housing work as a condition of residency is another of the punitive provisions of this legislation. Why do we feel that we can impose this requirement on poor people when we do not impose the same kind of requirement on other beneficiaries of Federal support?

For these reasons, I urge a no vote on this amendment.

Let me just say, I am really surprised that my chairman, the gentleman from Iowa (Mr. LEACH), would support this. He has a reputation for being fair. He has a reputation for respecting the legislative process. This is legislating on an appropriation. I would ask my colleagues to vote against this amendment

The CHAIRMAN. The Chair would advise the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) that each side has 9 minutes remaining.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Louisiana (Mr. BAKER), a member of the Committee on Banking and Financial Services.

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Mr. BAKER. Mr. Chairman, this debate has been rather unclear, unfortunately. I think one must first look at the condition of public housing in this Nation today to understand what we are really about with this amendment.

Unfortunately, many of our public housing facilities are crime-ridden, filled with single moms with kids, without role models of dads going to work. What we know for a certainty is what we have is simply not working.

Should we come here and take taxpayer money and pour more and more and more into proven failure, or should we try perhaps to do something slightly different?

What Mr. LAZIO is proposing with this amendment is really very simple, to encourage people to go get a job and work, so if dad is working and mom wants to get the second job in the family or dad wants to take two jobs, not to tell mom or dad, if you go out and earn more, we are going to take more in rent. If mom goes to work, she has to have child care. She has to have transportation. She has to pay the increase in rent under the current rules. When she sits down and does the math, she has got to be crazy to go out and work 40 hours a week for a net of $25 or $50 dollar gain.

We are encouraging people not to try with the current system. The end result is not just taking away a person's ability to earn money. We are taking away their hope, their hope that life for their kids and their family can be better tomorrow if they simply try harder.

I do believe that if we give this one option a chance, we will be giving more than taxpayers a good return for their investment. We will be giving the working poor of this country an opportunity move up the ladder and not be warehoused like they have been for the past 40 years in deteriorating conditions with no opportunity to improve their lot in life.

This is serious legislation which desperately needs to be adopted.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself 10 seconds to respond to the gentleman from Louisiana to point out that, in the compromise we were working out, almost every provision that he just articulated had been accepted by the minority provision.

Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I rise in opposition to this. This is wrong on process.

The reason that we are taking this particular tack is that this bill cannot make it on its merits through the entire process. So what we are trying to do is, what is going on here is we have a must-pass funding bill, and we are trying to superimpose this particular policy change.

This is no small policy change. What this really represents to me is, it represents our Nation giving up on trying to help house the poor. That is what this really represents. We are dumping this back on the local governments. That is what is going on. We are giving up. That is what is going on here. That is why everyone is so concerned about it, because the local governments, when we talk about the problems with public housing, are where the problems are.

I come from the number one public housing authority in the Nation, St. Paul, Minnesota. We stole Minneapolis's director. Otherwise, they might have it. Public housing works in my area. Our housing is not without problems, but where we have problems, they usually occur in some of the private multifamily housing.

One of the big problems, we just have too big buildings in most instances. We did the wrong thing. We did not provide the resources. We are providing less and less. Is it any wonder that there is a problem? This is wrong in terms of, in other words, taking the low income people, we have more of them, as we know. We have got this great disparity going on in terms of the best times of our economy. Many people have a lot more income and a lot have a lot less income, even though both parents or single parent families are all working. It tries to put the veneer of welfare reform over this. They are part of welfare reform.

A part of welfare reform is to fund the vouchers amendment that the gentleman from Ohio (Mr. STOKES) and the gentleman from Massachusetts (Mr. KENNEDY) offered. That is welfare reform. We do not need a duplicate welfare system superimposed on the one that we passed. I voted for it. I wanted it to work. Let us fund it. Let us quit creating more promises.

All this is is a paper promise in term of welfare reform. That is what is wrong with this place. We get one good idea going, then we have to have three things similar and nothing gets funded.

Let us fund it. Let us vote up the Kennedy-Stokes amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. KELLY), a member of the Committee on Banking and Financial Services.

Mrs. KELLY. Mr. Chairman, I rise today to call on all of my colleagues from both sides of the aisle to join me in strong support for the Leach-Lazio amendment to add H.R. 2, the Housing Opportunity and Responsibility Act of 1997, to the VA-HUD appropriations bill.

I would like to thank the gentleman from New York (Mr. LAZIO) and all of the members of the House Committee on Banking and Financial Services for their hard work on H.R. 2, which we passed with a bipartisan vote last year. H.R. 2 is a piece of well-thought-out, comprehensive legislation that will make a real difference in public housing in America.

We have based this legislation on simple goals that will move our public housing programs in a strong new direction to empower the residents. The goals are, one, personal responsibility that extends to a mutual obligation between the provider and the recipient. One of the ways we accomplish this is through 8 hours a month work requirements for residents, exempting the elderly, the disabled, the employed, those who are in school or are receiving training, and those who are already involved in a welfare program.

Two, retention of protections for residents. One way this is accomplished is through the exclusion of income for the first few months of a new job and the income of minors from the determination of a resident's income level.

Another thing I would hope this bill would accomplish is improving thoughtful consideration of others for those who live in public housing. For instance, I have heard that some of the residents in one public housing building in my district butchered a cow in their bathtub. No one should have to live with neighbors who care so little for their other neighbors that they would do this, let alone the poor cow.

Number three, removal of disincentives to work and empowerment of the individual and family tenant through choices that I believe will lead them to economic independence. One of the ways we do this is by giving residents a choice between a flat rent or a percentage of their income.

I would like to emphasize that everyone has the same shared objective: clean, safe, affordable housing that empowers the have-nots in our society to become people who can realize their own American dream.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Chairman, I obviously object to the process that is being followed, but there is something that is behind that process that I object to that I want to call our attention to.

We had a debate about it on this floor. This bill allows housing authorities to evict tenants for failure to perform community service. That is unprecedented. Think of it, we give veterans benefits. We give all kinds of benefits, even welfare benefits. We provide to people, we might require them to work but at least we pay them.

This is a provision that says, we are going to evict you from public housing unless you perform free community service, no guidelines for it, no question about whether you are an employee. What happens if you get hurt out there doing this stuff? Nothing about guidelines under this provision. We debated this ad infinitum. Here it comes back again on an appropriations bill. Put it on an appropriations bill, maybe we can sneak it through and it will be all right.

This is unprecedented. It should not be in an appropriations bill. There ought to be discussions about it back and forth between the committees of jurisdiction in the House and Senate, and we ought to refine it. We ought not just put a provision out there that has no guidelines about it. This is unforgivable. It is out of the process. We should not allow it to happen in this body. Processwise or contentwise, it is unforgivable. We should vote against this amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Ms. VELÁZQUEZ), who probably has more public housing in her district than any other Member of Congress.

Ms. VELÁZQUEZ. Mr. Chairman, I rise in opposition to this amendment, and I just would like to say that the process in which this legislation has been brought to the floor is a sham and you should be ashamed of yourselves.

At a time when America's economy is the strongest in generations, it is disturbing that some in this Chamber continue the war on the poor. Yet, once again, we are being asked to vote on an attack on our national commitment to public housing and our neediest families.

America has the distinction of being one of the wealthiest countries in the world. Yet just last month HUD reported that more than 5 million poor families living in the worst housing are not being helped. Instead of helping these families become self-sufficient, the Lazio amendment pushes them deeper into poverty. I urge anyone with compassion to vote no. If we are going to reform public housing, it must be fair and reasonable. Safe, affordable housing must remain available to those in need.

We must provide real economic opportunities, not community service, so that public housing can help families become self-sufficient.

My colleagues, public housing has been a right, not just a privilege, for 60 years. Vote no on this legislation.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Delaware (Mr. CASTLE), former governor, member of the Committee on Banking and Financial Services, chairman of the Subcommittee on Domestic and International Monetary Policy.

Mr. CASTLE. Mr. Chairman, I do rise in support of this amendment and of this program in general. I have given a lot of thought to this. I would like to discuss sort of the indomitability of the human spirit. I will be the first to say, who knows who is right or wrong in this argument? It has been called the war on the poor. I look at it as an opportunity for the poor, and I do go back to the welfare reform legislation.

A lot of the same arguments were made when we discussed welfare reform, that this was going to be a disaster for the poor. It was going to be a failure. I am not here today to say it is an absolute success, but clearly the welfare rolls are down. More importantly is what I have seen personally. What I have seen personally in Delaware are people who have been afforded an opportunity that they never had before.

I have been to the classes, I have seen the individuals who are now working, who have a sense of taking care of themselves and their families, and it has worked extraordinarily well.

I have done the same thing in housing. I have been in Wilmington, Delaware, in our public housing, and I have been in Rehoboth Beach. We do have public housing there in Delaware, and I have seen what they have done there. Indeed, they have a community service program, exactly the same as we are talking about in this particular piece of legislation, and it has worked. People are helping each other.

I have seen in Dover, Delaware, the recognition that we have one of the best housing authorities in the country; and they have encouraged people to become involved with their community and do many of the things that we are talking about here.

I do not think it is a wholesale selling out of people in poverty. I think, indeed, it is affording them an opportunity to live in a better housing situation. Who can really defend the housing circumstance we have today which, by the way, goes back to 1937 in terms of what has happened, and not say that we need change?

We came together some time ago, about two-thirds of us voted for legislation to make housing better in America. Indeed, it has not gone forward the way I would like to see it go forward. We can question the process. We always seem to question the process. But the bottom line is, it seems to me that today is an opportunity to give this legislation, which I think is so well founded, an opportunity to move forward.

My judgment is, we should do this. I think it is in our best interest, and I encourage all Members to support it.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. JACKSON).

Mr. JACKSON of Illinois. Mr. Chairman, I rise in opposition to this amendment.

The chairman argues that no one can be against local flexibility and control. The reason for the 1937 housing law was because local communities were not addressing the scope of the housing dilemma in this country.

H.R. 2 is a very unique bill. Franklin Delano Roosevelt, in 1937, looked at housing law and treated it as a human right. H.R. 2 treats housing as a privilege in exchange for community work.

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The problem with this bill is it treats poor people differently than others. There is no mandate of community work for homeowners who have a mortgage tax deduction, who receive farm subsidies, food stamps, Social Security, Medicare, Medicaid, LIHEAP, corporate welfare, Fannie Mae, or loan guarantees. No, not since the Civil War have we imposed upon a group of Americans that in exchange for their Federal benefit they must volunteer without compensation.

What is the government doing making a law about volunteerism? The government of the United States is under no obligation to force its citizens, in exchange for their Federal benefits, to volunteer. Mandating volunteerism is an oxymoron, and we should vote against this bill because it is simply wrong.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan (Ms. CAROLYN KILPATRICK), a new and very active member of the committee.

Ms. KILPATRICK. Mr. Chairman, I thank the ranking member for yielding to me, and I wish to say to him that we appreciate his leadership in the committee and we are going to miss him.

What will we do with regard to public housing in this country; shelter for the poorest? It is unfortunate that this Congress is taking a step backwards. Not a single line in this amendment will provide funding for new housing for the poorest of Americans. There is not a single line in this legislation that will provide for demolition of unsafe housing in this legislation. What it will do, though, is to put more than 3 million people, the poorest of Americans, into the streets and into homelessness.

Someone mentioned earlier, is it really working? Should we have a new program? Yes, we should have a new program. But what has happened with public housing is under the 12 years of a Republican Presidency in this country there was a disinvestment in public housing. And over the last 10 years in this country over 600 tons of drugs have come into America and, at the same time, our people have not been employed.

Can we fix it? Yes, we can. Vote "no" on this amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Chairman, I thank the gentleman for yielding me this time.

There are some good public housing projects that work well and there are some bad public housing projects that work terrible. What is the difference under the present regime? It is good management. It is not the people that live there that cause the problems of crime or drugs or rundown buildings. It is 100 percent of the responsibility of the management.

If we have good management, we will have a good public housing project. If there is poor management, there will be rundown buildings, crime-ridden streets and people that live in despair and hopelessness. Accountability goes a long way, almost the whole way, in providing service, housing, safe housing, for people.

What is the mystery of human initiative? Responsibility and dignity. The amendment the gentleman from New York (Mr. LAZIO) offers us today provides a better opportunity and better quality housing than anything we have done up to this point. I urge my colleagues to vote for the amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida (Mrs. CARRIE MEEK).

Mrs. MEEK of Florida. Mr. Chairman, I am happy to say I was one of the Members of the House that voted against H.R. 2 when it came up last year. Now it is back again and it is time for us to give it a very timely demise this time.

There are many reasons why we should. Number one, it deletes the amount of assistance that can be given to public housing. Now, many of my colleagues do not really understand what public housing is all about, but I live in those communities, I serve those constituents, and when one job is offered in that community, 500 people line up for that one job hoping that they get that one job that will get them into housing. That does not happen. Most of them are poor.

The poor people need housing. They need it. They need help from the Federal Government. They do not need a block grant that comes down. They do not need local housing authorities that have been demeaned in such a way that we have taken away their power. So it weakens local government.

We do not need this amendment. We do not need it on this good VA–HUD bill, and I urge my colleagues to vote against H.R. 2.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, here we are again, same old wine, new bottle; same lemon, new twist; same target, new weapon; same poor people of America being attacked again, taking away opportunities for the very poor to their demise.

What people really want and need in public housing are jobs and the opportunity to work. If we give them jobs, they do not need to volunteer. Five thousand families in Chicago working; 108 new businesses; $52 million generated last year; 2,000 in a program. Give them jobs. They do not need to volunteer.

Same wrong premise, same conclusion, we need to teach people in public housing the value of work. Wrong premise, wrong conclusion. Let's further attack the poor. For some irrational and incoherent reason there seems to be serious preoccupation with fostering attacks upon the poor, the disadvantaged, the unemployed, the disavowed and the disconnected.

Those citizens who receive a form of public subsidy and live in public housing are continually being harassed. Sounds logical, sounds rational, sounds corrective; but in actuality it is discriminatory, oppressive and regressive. It is tantamount to slavery or at the very least, involuntary servitude.

Let's look at what is being proposed, let's take a hard look at what we are being asked to do. Of all the subsidies which are given out in this country, farmers, developers, manufacturers, private colleges and universities, other institutionally based activities and corporations, ranches—big business programs, we are being asked to single out public housing recipients and say that you must, if you live in public housing, volunteer some services as recognition of the public largesse of which you have become the beneficiary. If this is the case, then those who receive the 150 billion dollars in corporate welfare should be providing some serious volunteer services. H.R. 2 demands public service from public housing residents. But let's also demand public services from those receiving corporate welfare. We've been down this road before, I voted against the Housing Opportunity and Responsibility Act then and I shall vote against it now. H.R. 2 targets an inadequate number of housing units for people with the least financial means and unfairly imposes duties on public housing residents that other Americans do not have to perform. I believe that we should not endeavor to create zones and pockets of poverty within our society and that public housing sites should consist of residents who have diverse and mixed income levels. However, we must not set our target income level quotas in a manner that does not sufficiently accommodate the needs of those who can least afford housing in the private market.

Moreover, in light of cuts in welfare benefits and social security payments to beneficiaries, it is imperative that the rent payments required of public housing residents be reduced in a manner that reflects this loss of income.

H.R. 2 requires that public housing residents, who are not on welfare or working must perform eight hours of community service. While I believe in community service, I do not believe that residents should be evicted, as this provision would permit, for failing to perform a job for which they are uncompensated, volunteerism simply cannot be compelled. Moreover, no other individuals or groups must volunteer because they receive a subsidy from the government. Current law targets 75–85% of housing units for those with income at 50% of median, while H.R. 2 targets only 35% of units for those at 30% of median income, with the remainder being allocable to those making no more than 80% of median income. This will push a lot of low-income families into homelessness.

In Chicago, there is a viable work program for residents of the Chicago housing authority.

1. Approximately 5000 families participate in the Resident Employment Program.

2. There are approximately 108 resident owned businesses.

3. Resident owned businesses grossed approximately $52 million in business last year.

4. Resident owned businesses employ approximately 2000 people and resident owned businesses include:

1. Custodial Services
2. Landscaping Services
3. Childcare Services
4. Laundry Services
5. Extermination Services

People in public housing need and want jobs. When we provide the opportunities, they will do the work.

Mr. LAZIO of New York. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, in my capacity as chairman of the Subcommittee on Human Resources of the Committee on Government Reform and Oversight I oversee HUD, and I believe strongly in what the Lazio amendment does. It removes us from a caretaking society to a caring society where we give people back control of their lives.

Welfare reform must work. It is going to work if we provide better job training, better child care, transportation to work, and better housing. This bill will give us better housing because it will give people control of their own housing conditions.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, once again, let us just get back to the basics about what this bill is about and what it is not about. This bill is not about the substance of what is contained in H.R. 2. This bill is about the fact that there was a compromise situation between the House, the Senate, and the administration that was on the table and being negotiated. Rather than allowing that process to take place, there was a jump that was taken, a jump by the chairman of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services, who jumped into the Committee on Rules and created a situation which forced the chairman of the Committee on Appropriations to accept this bill, which he does not like, he does not support; which I do not like, I do not support; and which the gentleman from Ohio (Mr. STOKES) does not like and does not support.

There are provisions that are good in this bill, make no mistake about it. But there are provisions that are bad. It needs compromise. If we are not going to turn our back on the poorest of the poor, then we have got to find a way of creating a ramp which does not turn our back and create homelessness. This bill will create homelessness. It is not just about opportunity, it is about the abusive process that the chairman of the committee brought upon us. We should vote against the Lazio amendment.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let us get the job done. All we have heard are arguments about process and rules. Let us get the job done. That argument about process does not help one person save themselves. It does not help one family. It does not help one community.

We have debated this bill for 3 years. We have twice passed this on the floor of the House, the last time with 71 independent-minded, reform-minded Democrats voting for this. This is the exact same bill that has come before the House earlier.

This is the bill that prizes individual choice over Washington mandates. It values local community control over more Washington mandates. It celebrates individual empowerment by rewarding work and not punishing families. It helps to build local leadership by building capacity through control over communities and control over individuals. It rewards work by removing the system that punishes work. It rewards work by ensuring that people who take minimum wage jobs are not shut out of vouchers, which is the administration's position. It eliminates rules that are antifamily and replaces them with pro-family rules and rules that are pro work.

This is a debate over accountability, responsibility, hope and opportunity; about building for the future versus defending the status quo. Vote for this amendment. Vote for the future of America. Help our poor working Americans.

Mrs. ROUKEMA. Mr. Chairman, I rise in strong support of the Leach-Lazio amendment adding H.R. 2, the Housing Opportunity and Responsibility Act to the VA/HUD appropriations bill. Reforming our public housing system is long overdue. Our public housing programs have been a failure. For years I served as the Ranking Minority Member on the Banking Housing Subcommittee. While we made repeated attempts to address the waste, fraud and abuse inherent in our public housing system, this is the first time we have had a comprehensive plan offering effective solutions. This provision is the same legislation passed by this House by a significant margin earlier this year.

H.R. 2 will give public housing families the tools they need to help themselves achieve decent housing at a affordable price, in safer neighborhoods, with significant resident management and local control.

We have made great strides in reforming our welfare system in an effort to give people the hand up they need rather than a hand out. But the job of reforming our welfare system will not be complete until we make fundamental changes to and reform of our public housing system.

H.R. 2 is based on several simple principles: A shared objective to provide clean, safe, affordable housing for our lower-income families in America; personal responsibility; protection for the residents of public housing; removal of disincentives to work; and empowerment of the individual and family tenant by offering them choices.

H.R. 2 represents a bold step forward, and Chairman LEACH and Subcommittee Chairman LAZIO are to be commended for their steadfast commitment to seeing that these reforms become a reality. I urge my colleagues to support this amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York (Mr. LAZIO).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LAZIO. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 501, further proceedings on the amendment offered by the gentleman from New York (Mr. LAZIO) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 501, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendments numbered 18 offered by the gentleman from Ohio (Mr. STOKES) and amendment No. 12 offered by the gentleman from New York (Mr. LAZIO).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENTS NUMBERED 18 OFFERED BY MR. STOKES

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendments offered by the gentleman from Ohio (Mr. STOKES) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendments.

The Clerk redesignated the amendments.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 201, noes 215, not voting 18, as follows:

[Roll No 295]

AYES—201

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
English
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Fox
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilman
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Morella
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Rothman
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith, Adam
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOES—215

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Deal
DeLay
Dickey
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Manzullo
McCollum
McCrery
McDade
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Stupak
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—18

Barton
Doolittle
Filner
Ford
Gonzalez
Harman
Hill
John
Kennelly
Lewis (GA)
McNulty
Millender-McDonald
Moakley
Ortiz
Parker
Roybal-Allard
Snyder
Tanner

□ 1301

Messrs. PACKARD, WELLER and SHAYS changed their vote from "aye" to "no."

Mr. QUINN changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 12 OFFERED BY MR. LAZIO OF NEW YORK

The CHAIRMAN pro tempore (Mr. LAHOOD). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. LAZIO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 230, noes 181, not voting 23, as follows:

[Roll No. 296]

AYES—230

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doggett
Dreier
Duncan
Ehlers
Ehrlich
Emerson
English

Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Luther
Manzullo
McCollum
McCrery
McDade
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Miller (FL)
Moran (KS)
Morella
Myrick
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—181

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lipinski
Lofgren
Lowey
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McHugh
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Nethercutt
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Spratt
Stabenow
Stark
Stokes
Stupak
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—23

Barton
Callahan
Doolittle
Dunn
Filner
Ford
Gonzalez
Harman
Hill
Jefferson
John
Kennelly
Lewis (GA)
Livingston
McNulty
Mica
Millender-McDonald
Moakley
Ortiz
Parker
Roybal-Allard
Snyder
Tanner

☐ 1308

Mr. SPRATT changed his vote from "aye" to "no."

Mr. McINTYRE changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. MICA. Mr. Chairman, on rollcall No. 296, the Leach and Lazio amendment to H.R. 4194, I was unavoidly detained. Had I been present, I would have voted "Yes."

The CHAIRMAN. The committee will rise informally.

The SPEAKER pro tempore (Mr. PEASE) assumed the chair.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

The Committee resumed its sitting.

(By unanimous consent, Mr. BONIOR was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. BONIOR. Mr. Chairman, I have asked to speak out of turn for the purposes of engaging the gentleman from Texas (Mr. ARMEY), the distinguished majority leader, in a colloquy for the purposes of learning the schedule for today, the rest of the week and the following week.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I would like to get through this as quickly as possible. I know that the gentleman from California (Mr. LEWIS) and others have some time that they want to spend with respect to our friend and colleague, the gentleman from Ohio (Mr. STOKES), and we certainly want to make sure that they have a good opportunity for that time.

So, Mr. Chairman, I am pleased to announce that we have concluded legislative business for the week.

The House will next meet on Monday, July 20, at 12:30 p.m. for morning hour and at 2 o'clock p.m. for legislative business. We do not expect any recorded votes before 5 o'clock p.m. on Monday, July 20.

On Monday, July 20, we will consider a number of bills under suspension of the rules, a list of which will be distributed to Members' offices this afternoon.

After suspensions, the House will continue consideration of H.R. 2108, the Bipartisan Campaign Integrity Act of 1997.

On Tuesday, July 21, the House will meet at 9 o'clock a.m. for morning hour and at 10 a.m. to consider the following legislation:

H.R. 4193, the Department of Interior and Related Agencies Appropriations Act, and H.R. 4194, the Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act.

On Wednesday, July 22, and the balance of the week, the House will consider H.J.Res. 121, a resolution disapproving of the extension of nondiscriminatory treatment to the products of the People's Republic of China, the Departments of Commerce, Justice, State and Judiciary Appropriations Act, and H.R. 4250, Patient Protection Act.

Mr. Chairman, we also expect to deal with the President's veto of H.R. 1122, the Partial-Birth Abortion Ban Act of 1997, and, Mr. Chairman, we hope to conclude legislative business for the week by 2 o'clock p.m. on Friday, July 24.

Mr. BONIOR. Mr. Chairman, I thank my colleague, and I would just make the following comment, that we obviously have a very full and interesting and to some extent controversial schedule next week.

I would note that from the schedule that my friend from Texas read that the discussion on bipartisan campaign finance reform seems to be relegated to 1 day.

☐ 1315

The concern that I have, and I think is shared by some on your side of the aisle as well as those of us on this side of the aisle, is we are not going to finish this bill by the next recess. As I understood it, there was a pledge to do that. We have had these pledges in the past. We are concerned, by only devoting one day next week to this bill, that we are not going to finish.

I would like to have some assurances from my colleague from Texas that indeed that is the intention, that we will devote the time that is necessary to finish this bill and move it forward, so we could get a bill that will reform our system by the end of this Congress.

Mr. ARMEY. Mr. Chairman, if the gentleman will yield further, I thank the gentleman for his expression of concern and interest. I share the gentleman's commitment to completing this work before we leave for the August recess. That is a commitment that will, in fact, be met.

In that regard, let me say we do hope for and will be looking for opportunities in addition to those announced to bring that work back on the floor.

I might further and finally express with respect to this important legislation my appreciation for the floor managers and the other interested parties in this body for the congenial way in which they are managing to work out agreements by which we can better manage these works. It is through their congeniality and inventiveness that I remain confident that we will in fact have a satisfactory completion of this work, where everyone will know and appreciate they are being treated fairly by their own common agreements.

Mr. BONIOR. Mr. Chairman, I thank my colleague.

If I might just anticipate the remarks of my friend from California (Mr. LEWIS) that will be made shortly, let me say in advance I join him in more fuller remarks that he will be making Tuesday. However, I will withhold my remarks so I can more fully express my appreciation for someone that we have a joint warm feeling for in this institution.

Mr. LEWIS of California. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. LAHOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, had come to no resolution thereon.

MAKING IN ORDER AT ANY TIME ON WEDNESDAY, JULY 22, 1999, CONSIDERATION OF H.J. RES. 121, DISAPPROVING MOST-FAVORED-NATION TREATMENT TO PRODUCTS OF PEOPLE'S REPUBLIC OF CHINA

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that it be in order at any time on Wednesday, July 22, 1998 to consider in the House the joint resolution (H.J. Res. 121) disapproving the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China;

that the joint resolution be considered as read for amendment;

that all points of order against the joint resolution and against its consideration be waived;

that the joint resolution be debatable for 4 hours, equally divided and controlled by the chairman of the Committee on Ways and Means in opposition to the resolution and a Member in support of the joint resolution;

that pursuant to sections 152 and 153 of the Trade Act of 1974, the previous question be considered as ordered on the joint resolution to final passage without intervening motion; and

that the provisions of sections 152 and 153 of the Trade Act of 1994 shall not otherwise apply to any joint resolution disapproving the extension of most-favored-nation treatment to the People's Republic of China for the remainder of the second session of the 105th Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Ms. PELOSI. Mr. Speaker, reserving the right to object, I understand that there is an agreement on all sides about the division of debate time on this resolution, and I would like to ask the gentleman from New York (Mr. SOLOMON), the distinguished chairman of the Committee on Rules, his understanding of that agreement.

The unanimous consent request provides, I understand, 4 hours of debate, equally divided between supporters and opponents of the Solomon resolution. It is my understanding the 2 hours of the debate in support of the resolution will be controlled by a member of the Committee on Ways and Means, the gentleman from California (Mr. STARK), with the understanding that he will yield half of that time to a majority member of the committee, the gentleman from Nebraska (Mr. CHRISTENSEN); and the 2 hours of debate in opposition to the resolution will be controlled by a member of the Committee on Ways and Means, the gentleman from Illinois (Mr. CRANE), with the understanding he will yield half of his time to the gentleman from California (Mr. MATSUI).

I would ask the gentleman, is that the intent of this unanimous consent request?

Mr. SOLOMON. Mr. Speaker, I would say to the gentlewoman, if she would continue to yield, that, yes, it is. We have 4 hours of debate. We would like to make sure half of that time on each side of the aisle is divided equally among those opponents and proponents of the legislation. The gentlewoman has explained it exactly right.

Ms. PELOSI. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Pursuant to House Resolution 501 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4194.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, with Mr. HULSHOF (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole House rose earlier today, the bill had been read through page 52, line 2.

The Clerk will read.

The Clerk read as follows:

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries; $26,431,000, to remain available until expended: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the Armed Forces serving as members or as Secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further*, That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it.

Chemical Safety and Hazard Investigation Board

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, as amended, including hire of passenger vehicles, and for services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $6,500,000: *Provided*, That the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service positions.

Department of the Treasury

Community Development Financial Institutions

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

FUND PROGRAM ACCOUNT

For grants, loans, and technical assistance to qualifying community development lenders, and administrative expenses of the Fund, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES–3, $80,000,000, to remain available until September 30, 2000, of which $12,000,000 may be used for the cost of direct loans, and up to $1,000,000 may be used for administrative expenses to carry out the direct loan program: *Provided*, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $32,000,000: *Provided further*, That not more than $25,000,000 of the funds made available under this heading may be used for programs and activities authorized in section 114 of the Community Development Banking and Financial Institutions Act of 1994.

Consumer Product Safety Commission

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $46,000,000. No funds shall be expended in promulgating a Notice of Proposed Rulemaking or Final Rule under the Flammable Fabrics Act, which could directly or indirectly lead to increased chemical treatment of upholstery fabrics, unless the published Notice of Proposed Rulemaking or Final Rule includes the final recommendations of the Chronic Hazard Advisory Panel.

Corporation for National and Community Service

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

Of the funds appropriated under this heading in Public Law 105–65, the Corporation for National and Community Service shall use such amounts of such funds as may be necessary to carry out the orderly termination of (1) the programs, activities, and initiatives under the National and Community Service Act of 1990 (Public Law 103–82); the Corporation; and (3) the Corporation's Office of Inspector General: *Provided*, That such sums shall be utilized to resolve all responsibilities and obligations in connection with said Corporation and the Corporation's Office of Inspector General.

Court of Veterans Appeals

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Veterans Appeals as authorized by 38 U.S.C. sections 7251–7298, $10,195,000, of which $865,000, shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set forth, under this heading in Public Law 102–229.

Department of Defense—Civil

Cemeterial Expenses, Army

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of one passenger motor vehicle for replacement only, and not to exceed $1,000 for official reception and representation expenses, $11,666,000, to remain available until expended.

Environmental Protection Agency

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $656,505,000, which shall remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $1,856,000,000, which shall remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000: *Provided further*, That none of the funds appropriated by this Act shall be used to develop, propose, or issue rules, regulations, decrees, or orders for the purpose of implementation, or in contemplation of implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of such Protocol: *Provided further*, That none of the funds made available in this Act may be used to implement or administer the interim guidance issued on February 5, 1998 by the Environmental Protection Agency relating to title VI of the Civil Rights Act of 1964 and designated as the "Interim Guidance for Investigating Title VI Administrative Complaints Challenging Permits" with respect to complaints filed under such title after the date of enactment of this Act and until guidance is finalized. Nothing in the above proviso may be construed to restrict the Environmental Protection Agency from developing or issuing final guidance relating to title VI of the Civil Rights Act of 1964.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $31,154,000, to remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $60,948,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; not to exceed $1,500,000,000, consisting of $650,000,000 as appropriated under this heading in Public Law 105–65, notwithstanding the second proviso under this heading of said Act, and not to exceed $850,000,000 (of which $100,000,000 shall not become available until September 1, 1999), all of which is to remain available until expended, consisting of $1,175,000,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $325,000,000 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended by Public

Law 101–508: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That $12,237,000 of the funds appropriated under this heading shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2000: *Provided further*, That notwithstanding section 111(m) of CERCLA or any other provision of law, $74,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of SARA: *Provided further*, That $40,000,000 of the funds appropriated under this heading shall be transferred to the "Science and Technology" appropriation to remain available until September 30, 2000: *Provided further*, That $75,000,000 of the funds appropriated under this heading shall be available only for grants to State, local, and tribal governments for "Brownfields" site assessment projects; grants to State, local, and tribal governments for the development of State, local, and tribal cleanup programs; and related Environmental Protection Agency personnel and administrative expenses: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1999.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $70,000,000, to remain available until expended: *Provided*, That hereafter, the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as the Administrator deems appropriate for the same purposes as are set forth in section 9003(h)(7) of the Resource Conservation and Recovery Act.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, and to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,233,132,000, to remain available until expended, of which $1,250,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended, and $775,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended; $55,000,000 for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico border, after consultation with the appropriate border commission; $15,000,000 for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages as provided by section 303 of Public Law 104–182; $253,475,000 for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the report accompanying this Act (H.R.); and $884,657,000 for grants, including associated program support costs, to States, Federally recognized tribes, interstate agencies, Tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities: *Provided*, That, consistent with section 1452(g) of the Safe Drinking Water Act (42 U.S.C. 300j–12(g)), section 302 of the Safe Drinking Water Act Amendments of 1996 (Public Law 104–182) and the accompanying joint explanatory statement of the committee on conference (H. Rept. No. 104–741 to accompany S. 1316, the Safe Drinking Water Act Amendments of 1996), and notwithstanding any other provision of law, beginning in fiscal year 1999 and thereafter, States may combine the assets of State Revolving Funds (SRFs) established under section 1452 of the Safe Drinking Water Act, as amended, and title VI of the Federal Water Pollution Control Act, as amended, as security for bond issues to enhance the lending capacity of one or both SRFs, but not to acquire the State match for either program, provided that revenues from the bonds are allocated to the purposes of the Safe Drinking Water Act and the Federal Water Pollution Control Act in the same portion as the funds are used as security for the bonds: *Provided further*, That hereafter, the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as the Administrator deems appropriate for the development and implementation of programs to manage hazardous waste, and underground storage tanks: *Provided further*, That beginning in fiscal year 1999 and thereafter, pesticide program implementation grants under section 23(a)(1) of the Federal Insecticide, Fungicide and Rodenticide Act, as amended, shall be available for pesticide program development and implementation, including enforcement and compliance activities: *Provided further*, That, notwithstanding the matching requirement in Public Law 104–204 for funds appropriated under this heading for grants to the State of Texas for improving wastewater treatment for the Colonias, such funds that remain unobligated may also be used for improving water treatment for the Colonias, and shall be matched by the State funds from State resources equal to 20 percent of such unobligated funds.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent that the remainder of title III through page 65, line 16, be considered as read, printed in the RECORD and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. Are there any amendments to that portion of the bill?

AMENDMENT NO. 19 OFFERED BY MR. STOKES

Mr. STOKES. Mr. Chairman, I offer an amendment on behalf of myself and the gentlewoman from Colorado (Ms. DEGETTE).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment No. 19 offered by Mr. STOKES: Page 61, line 13, strike the colon and all that follows through "expenses" on line 20.

Mr. STOKES. Mr. Chairman, I am sorry it is necessary to offer this amendment. I wish the committee had not included the language limiting the amount and usage of the Environmental Protection Agency's brownfields money.

I think the provision included in the reported bill that reduces brownfields funds from the administration's request of $91 million to $75 million is misguided; and I think the language restricting the brownfields money to assessments, prohibiting the capitalization of local government and revolving fund loan funds for cleanup, is also misguided.

My amendment is very simple: By deleting the brownfields limitation, it would allow the EPA to spend up to the budget request of $91 million for the program. This is approximately the same amount as was made available for the program in each of the last 2 years. It would also allow brownfields funds to be used for revolving fund capitalization. That is to say, the funds could be used not only for assessments but also for cleanups.

This past January, the United States Conference of Mayors issued a report entitled "Recycling America's land: A National Report on Brownfields Redevelopment." I am going to read three statements from the executive summary of the report.

First, the report shows that a failure to address brownfields redevelopment will result in a wasted opportunity for America to recycle its land, create jobs, increase local tax bases and revitalize neighborhoods.

Second, the report also finds that the proliferation of brownfields is a problem that affects communities of all sizes. Fifty-three cities, or 36 percent of respondents, were communities with populations of less than 50,000. Eighty-eight cities, or 56 percent of respondents, were communities with less than 100,000 population. These responses confirm that brownfields are not an isolated problem and can be found in communities of various sizes and locations.

Finally, cities participating in the study identified several major obstacles to the redevelopment of brownfields. Cities noted the lack of cleanup funds as the number one impediment.

Ms. DEGETTE. Mr. Chairman, will the gentleman yield?

Mr. STOKES. I yield to the gentlewoman from Colorado.

Ms. DEGETTE. Mr. Chairman, before I make the rest of my statement, I would like to thank our distinguished ranking member for working so closely with me and my office on this brownfields amendment. I would also like to thank the chairman of the subcommittee for assisting in this matter.

As written, the bill prohibits the EPA from giving much-needed, much-sought-after assistance to localities and jeopardizing the cleanup of sites. Our amendment gives local communities the tools they need to clean up decaying and sterile brownfield sites, creating jobs and revitalizing our neighborhoods.

Brownfields are abandoned and often contaminated properties that can be found in urban, suburban and rural areas across the United States. We all have brownfields in our communities; the abandoned gas station on the corner, the dormant steel plant in the valley, the old mill by the river.

The GAO has estimated there are approximately 450,000 brownfields sites around the country. Cleaning up these sites and returning them to productive use will not only benefit the public health and the environment, but it will create jobs and economic opportunities. In urban areas like Denver, redevelopment of brownfields can also prevent urban sprawl and development of pristine areas called greenfields.

The EPA's brownfields initiative has been tremendously successful. It has awarded 2-year brownfields pilots intended to bring together public and private efforts at all levels of government. In fact, the EPA has awarded more than 228 project grants, including 71 new pilots that the Vice President just announced this week.

However, this bill has three problems. First of all, it prevents any of these funds from being used by localities to set up revolving loan programs.

Secondly, it provides only $75 million in funding, $16.3 million below the administration's request, and, frankly, well below the real needs in this country for brownfields redevelopment.

Thirdly, the legislation prohibits the funds from being used for research and community outreach, a vital component of the program which furthers understanding of brownfields and gives community tools to redevelopment.

Many communities in the country have benefitted from brownfields redevelopment, and we need to make sure that we do not limit them by the language in this legislation.

I have received numerous letters from mayors across the country, including Denver, Commerce City, Colorado, and Salt Lake City, expressing the need for full funding for the studies and for the money to be used for redevelopment.

This is a widely supported bill by communities across the country. I urge adoption of our amendment so that it can be used to its fullest potential.

Mr. STOKES. Mr. Chairman, I yield back the balance of my time.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Stokes amendment and would associate myself with the gentleman's remarks.

Many of us who represent the northeast have come to value the importance of the brownfields program at the Environmental Protection Agency. The program funded in this bill will give communities with abandoned industrial sites the opportunity to assess these problems more closely and to find alternatives to clean up these sites.

Brownfields need to be redeveloped, whether they are in urban centers or elsewhere, and this program goes a long way towards addressing this national problem. Unfortunately, the language contained in this bill would have the unintended consequences of prohibiting any use of the funds for education, outreach or technical assistance.

I believe that the National Conference of Mayors, who strongly supports the brownfields program, put it best when they said, "This provision would take brownfields redevelopment efforts in the wrong direction."

It is imperative that our communities have access to these funds in order to educate themselves about how to best achieve the goal of rebuilding their communities and putting these sites back into productive commercial use.

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe the brownfields program is a good program and the committee supports efforts to turn abandoned and possibly contaminated properties into thriving commercial areas. On the other hand, both the GAO and the Inspector General have issued reports questioning some past EPA grants to nongovernmental organizations, where scarce dollars have gone for case studies, conferences and workshops.

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The committee's intent is to ensure that brownfields funds are used appropriately within the boundaries of the law that my colleague, the gentleman from Ohio (Mr. STOKES), has done so much to develop in the first place.

In that spirit, but with those reservations, I reluctantly support the amendment.

Mrs. KENNELLY of Connecticut. Mr. Chairman, I rise in strong support of the Stokes-DeGette Amendment, which would remove restrictive anti-environmental language in the bill which would prevent the cleanup of contaminated brownfield sites. The Committee has reduced President Clinton's request for Brownfields by more than ninety million dollars, a sixteen percent cut from last year. Additionally, the bill would prevent EPA from providing brownfields program support for brownfields site cleanup, research, and job training.

In January 1998, the U.S. Conference of Mayors stated that cities ranked the lack of cleanup funds as the number one impediment to the redevelopment of brownfields. My home state of Connecticut is one of the oldest industrialized states in the union, and unfortunately the caretaker of many of these contaminated sites. We in the state have been working over the last several years to identify, clean and recapture these sites for public use. However, the language in this bill would work to prevent us from carrying on this important work.

With the inability of this Congress to reach a compromise on a bipartisan Superfund reform and reauthorization bill, continued funding for the Brownfields Initiative is imperative to the health and safety of America. I urge my colleagues to support this amendment.

The CHAIRMAN. Does any other Member wish to be heard on the amendment number 19 of the gentleman from Ohio (Mr. STOKES)?

If not, the question is on the amendment offered by the gentleman from Ohio (Mr. STOKES).

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to this title?

Mr. OXLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wonder if the distinguished chairman of the Subcommittee on VA, HUD and Independent Agencies is willing to engage in a colloquy with me regarding the amendment just passed.

Mr. LEWIS of California. Mr. Chairman, if the gentleman will yield, I guess I will have a colloquy with my friend.

Mr. OXLEY. Mr. Chairman, I want to be clear in the legislative history, I would say to the gentleman from California (Mr. LEWIS) that the enactment of that amendment that just passed does not give EPA any new or additional statutory authority to conduct its brownfields programs.

As chairman of the Subcommittee on Finance and Hazardous Materials, which has primary jurisdiction over the Superfund law in the House, I do not want the EPA or anyone else to think that the current Superfund law authorizes the Agency to use brownfields money to capitalize revolving loan funds. Moreover, brownfields money may be used pursuant to section 311(c) of CERCLA to fund only, and I quote, "Research with respect to the detection, assessment and evaluation of the effects on and risks to human health of hazardous substances and detection of hazardous substances in the environment."

The language of section 311(c) does not, I emphasize, does not, authorize the Agency to use brownfields money to fund conferences, seminars, meetings, workshops, or other activities that have nothing to do with actual research.

Mr. LEWIS of California. Mr. Chairman, if the gentleman will yield, I concur with the gentleman's view that the current text of the bill before us does not authorize activities not currently authorized under CERCLA.

Mr. OXLEY. Mr. Chairman, reclaiming my time, that being the case, I hope that the gentleman will make the permissible scope of the activities clear in his work in conference.

Mr. LEWIS of California. Mr. Chairman, if the gentleman will yield further, we will do everything we can to ensure that EPA is not permitted to exceed the scope of its current authorized activities.

I might add that we have made serious effort to put pressure on EPA in a number of other areas, and they are not always as responsive as I might like.

Mr. OXLEY. Mr. Chairman, I thank the gentleman.

Ms. DEGETTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just like to be clear that the use of the EPA funding that is contemplated in the brownfields program, we have no objection to it being used for the purposes which the statute was intended, but I think it is a little inaccurate to say that there has been legal authority saying that it is not intended to be used for revolving funds and other purposes.

First of all, the Inspector General audited pilot programs issued by the EPA and in March 1998 issued a report that said there was not any misuse of funds. In fact, the Inspector General's report concluded that the activities reviewed were authorized under CERCLA.

The Inspector General's only recommendations were administrative in nature, such as the recommendation to revise the EPA's ranking criteria. None of the recommendations implied, as I understand it, that the grant should be terminated, or that the grant program itself was at all questionable. In fact, the Inspector General praised the program.

The EPA has agreed, I would like to stress, to all of the Inspector General's recommendations and states, "We believe the corrective actions underway and planned by the agency address the report's recommendations. Therefore, we are closing this report upon recommendation."

The gentleman from Virginia (Mr. BLILEY), our Chairman, asked the GAO to review grants and agreements awarded by the EPA since 1993, the first year the Agency began the brownfields efforts. The GAO found during its 1998 on-site audit of financial records that overall, the recipients were spending the funds in accordance with guidance of OMB.

So I guess I would just like to state for the record that I agree that EPA should not be able to use these funds for any illegal purpose beyond its legal authority, but I think that to state that they have been using them for illegal purposes goes beyond what the Inspector General and GAO have, in fact, said.

Mr. OXLEY. Mr. Chairman, will the gentlewoman yield?

Ms. DEGETTE. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, I thank the gentlewoman for yielding and would concur in what she said, pointed out that she was not referring to any case to revolving loan funds and the money therein, because obviously, they could not be conducted under the current law, and as long as we clarify that, I think that is important to put in the RECORD.

Ms. DEGETTE. Mr. Chairman, reclaiming my time, in 1997, EPA issued 24 grants to States and local governments to establish revolving loan funds, and on October 2, 1997, the general counsel issued a legal memorandum identifying the EPA's legal authority to set up the brownfields cleanup revolving loan request programs.

The EPA legal authority for these revolving loan funds has never been independently evaluated or challenged by the GAO or the Inspector General.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. DEGETTE. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I must say we welcome the authorizers presence when we have our bill on the floor any time. I know authorizers often like to use appropriations bills to effectively implement their work, especially when these kinds of disagreements occur from time to time.

Ms. DEGETTE. Mr. Chairman, reclaiming my time again, I would like to thank the distinguished chairman for working with us on these issues.

Mr. LEWIS of California. Mr. Chairman, I think it is important for the Members who are present to know that our bill will be taken up one more time on Tuesday of the coming week. Further discussion regarding matters that relate to the bill will be taking place at that time in case there are those present who might have been expecting some further activity on the part of the committee this afternoon.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. HULSHOF, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, had come to no resolution thereon.

LIMITING FURTHER AMENDMENTS TO SHAYS AMENDMENT DURING FURTHER CONSIDERATION OF H.R. 2183, BIPARTISAN CAMPAIGN INTEGRITY ACT OF 1997

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that during further consideration of H.R. 2183, pursuant to H. Res. 442 and H. Res. 458, no other amendment to the amendment in the nature of a substitute by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) shall be in order, except the amendments that have been placed at the desk.

Each amendment may be considered only in the order listed, may be offered only by the Member designated or his designee, shall be considered as read, shall be debatable for the time specified, equally divided and controlled by the proponent and opponent, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

The amendments that have been placed at the desk are in a particular order and consist of 55 amendments with times ranging from 40 minutes to 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. MEEHAN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from California (Mr. THOMAS) a question, and I appreciate the gentleman's work in trying to come to an accommodation on this.

I am looking at the schedule for next week, and I only see campaign finance reform scheduled for 1 day, which is Monday. Is that correct?

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. MEEHAN. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, that is correct, on the current calendar. I would tell the gentleman, though, that as usual, Mondays are not a heavily scheduled day, and it is entirely possible that we could begin the campaign reform debate once again at approximately 5 o'clock, and we could then continue into the evening as long as Members are willing.

I would not at this time say that we would then continue into the morning, depending upon whether the Members are willing, but my guess is that we could put together continuously, which I think is the best use of time in the debate, for perhaps 4 or 5, maybe even

6 hours, and that would constitute a full one-third of what we have available to us under this unanimous consent request.

Mr. MEEHAN. Mr. Speaker, reclaiming my time, obviously I am not thrilled about 55 amendments to the Shays-Meehan bill to begin with, but as I add it up, it looks certainly like we could get through this in a shorter period of time, but I look at the schedule and I see that really we only have 3 weeks left to the session, and I would hope that assuming we come in on Monday and debate campaign finance reform for some period until 11 o'clock or so, if we did not deal with it the rest of the week, I would be concerned because the following week we start the 27th, and then the final week would be the last week.

In addition to that, as the gentleman knows, we have a very aggressive schedule in a number of appropriations bills that we need to pass. We have tobacco legislation, Commerce-Justice appropriations, D.C. appropriations, foreign appropriations, VA–HUD appropriations, Transportation.

So I am concerned about when we are ultimately going to get our vote on this, on the Shays-Meehan proposal, and then as the gentleman knows, we have another nine or so substitutes which presumably are open to amendments as well.

Given the fact that the clock is ticking, and given the fact that I know the gentleman and the leadership has indicated we would finish campaign finance reform by August 7, I would hope that we could get through this quickly, maybe work out some kind of an additional agreement to at some point stop the debate and get an up or down vote on the significant proposals before us.

Mr. SHAYS. Mr. Speaker, will the gentleman yield?

Mr. MEEHAN. Further reserving the right to object, I yield to my colleague, the gentleman from Connecticut.

Mr. SHAYS. I thank the gentleman from Massachusetts for yielding.

Mr. Speaker, the purpose in my participating in this dialogue is to thank the gentleman from California (Mr. THOMAS) for his participation. I know that the gentleman from New York (Mr. SOLOMON) has played a major role in terms of the rule, and we do know that time is becoming tighter and tighter. I think the gentleman from California (Mr. THOMAS) would acknowledge that if we are able to have a schedule that includes more than just Monday, other unanimous consents may not be necessary, but working together, I hope that we can continue this process, but, again, to thank the gentleman from California (Mr. THOMAS) for his work and his commitment that will get the job done with cooperation.

Mr. THOMAS. Mr. Speaker, will the gentleman from Massachusetts yield?

Mr. MEEHAN. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, my commitment may be useful, but it is not sufficient. Obviously, it is the leadership that has made the commitment. So when I tell the gentleman from Massachusetts that we are going to get it done during this period, it is from the leadership of the majority party in the House of Representatives. I am a conveyer of that, and I feel comfortable that that will be honored.

I understand the gentleman's concern, and this is not to reflect on where we have been, but we have already lost a full day that could have been devoted to campaign finance reform because we did not have an orderly process in place. For a while, we were working day by day. What we have here now is a clear plan to deal with one of the major substitutes that we have to deal with.

I know the gentleman from Massachusetts, and I thank him for making sure that as his mother watches the program she feels comfortable, because it was only out of ignorance that I did not know that I should not use the "H" in the gentleman from Massachusetts' name and, in fact, that it is silent.

I would tell the gentleman from Massachusetts, I know he is anxious and concerned. This to me is a significant step forward in dealing with one of the major substitutes.

What happens to this substitute fairly clearly will dictate what occurs with other bills, whether it passes or it does not, but to try to get a commitment now locked in time, because of the very appropriations bills that the gentleman from Massachusetts mentioned are coming up, and obviously funding the Federal Government is of paramount importance, to try to lock the whole process in, in essence, returns us to square one where we have been.

What I am trying to do is to create as much order in as large a segment as I can.

Clearly, the flow of those appropriations bills to the floor probably will not be in a clear, automatic, understood pattern. We will do everything we can to create blocks of time, as close to Monday as we can, to accomplish the purposes of this unanimous consent, because the gentleman from Massachusetts is absolutely correct, accomplishing this unanimous consent only gets us on the way to finalizing campaign reform debate in votes.

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It is an important segment, but it is not all the way there. If I could give the gentleman greater assurances than that, I would. What he has is my commitment, evidenced by this UC, to work closely with leadership and both sides of the aisle to accomplish what has been committed, and that is finalizing debate and voting on the measure before we leave for the August recess.

Mr. MEEHAN. Reclaiming my time, first of all, both my mother and I thank the gentleman for his work on the UC and also for his pronunciation of her name. Also, let me just mention the fact that I think it is clear from the votes that have been taken that there probably is a majority of the Members of this House that are ready, willing and able to vote for passage of the Shays-Meehan substitute.

I would hope that we would do everything in our power to get that up-or-down vote and to get through with this debate. The majority of the Members of this House, I think, want to pass this bill and get it over to the other body and get it over there in enough time to get a bill to the President's desk. So I would ask the Speaker and the Republican leadership to keep that in mind.

Mr. THOMAS. Mr. Speaker, if the gentleman will continue to yield, just to say that, frankly, given the pivotal role of this particular amendment, whether it passes or fails will dictate clearly what is done with the rest of the campaign reform rule package in terms of the other amendments. So regardless of whether it passes or fails, getting to the vote will be a significant assistance in allowing us to examine how we might be able to package the rest of the time in a meaningful way.

Just let me, in responding to the gentleman, add that, from this side of the aisle, I do think this is a good-faith effort in terms of trying to create a reasonable time frame. It would be extremely disappointing if from our side of the aisle, for example, on Monday, where we have devoted a significant time for campaign reform, that it would be consumed in part by procedural motions of limiting debate and that sort.

If the gentleman examines the list, which I know he has, there are a significant number of amendments that have only been given 10 minutes time. That is far less than is ordinarily given for the number of amendments. What we have tried to do is limit the time. No amendment has an hour. The greatest amount of time is 40 minutes. And if there were procedural motions, that would be extremely disappointing and make the ability to create an orderly process for the entire package extremely difficult.

I thank the gentleman for yielding to me.

Mr. MEEHAN. Mr. Speaker, I agree to the unanimous consent request, and I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. PEASE). Without objection, the list of amendments designated is at the desk under the request and the amendments themselves will be printed in the RECORD at this point.

There was no objection.

The text of the list of amendments and the amendments are as follows:

(1) the amendment by Representative PICKERING of Mississippi for 10 minutes;

(2) the first amendment by Representative SMITH of Michigan for 10 minutes;

(3) the first amendment by Representative DELAY of Texas for 10 minutes;

(4) the amendment by Representative MCINNIS of Colorado for 10 minutes;

(5) the amendment by Representative PAXON of New York for 10 minutes;

(6) the amendment by Representative HEFLEY of Colorado for 10 minutes;

(7) the second amendment by Representative HEFLEY of Colorado for 10 minutes;

(8) the amendment by Representative NORTHUP of Kentucky for 10 minutes;

(9) the amendment by Representative GOODLATTE of Virginia for 40 minutes;

(10) the amendment by Representative WICKER of Mississippi for 40 minutes;

(11) the amendment by Representative SNOWBARGER of Kansas for 10 minutes;

(12) the first amendment by Representative WHITFIELD of Kentucky for 10 minutes;

(13) the amendment by Representative CALVERT of California for 40 minutes;

(14) the amendment by Representative SALMON of Arizona for 10 minutes;

(15) the first amendment by Representative STEARNS of Florida for 10 minutes;

(16) the amendment by Representative ROHRABACHER of California for 10 minutes;

(17) the first amendment by Representative PAUL of Texas for 10 minutes;

(18) the second amendment by Representative PAUL of Texas for 40 minutes;

(19) the second amendment by Representative DELAY of Texas for 40 minutes;

(20) the third amendment by Representative DELAY of Texas for 40 minutes;

(21) the amendment by Representative PETERSON of Pennsylvania for 40 minutes

(22) the first amendment by Representative BARR of Georgia for 40 minutes

(23) the second amendment by Representative BARR of Georgia for 10 minutes

(24) the amendment by Representative TRAFICANT of Ohio for 10 minutes

(25) the fourth amendment by Representative DELAY of Texas for 10 minutes

(26) the fifth amendment by Representative DELAY of Texas for 10 minutes

(27) the sixth amendment by Representative DELAY of Texas for 10 minutes

(28) the seventh amendment by Representative DELAY of Texas for 10 minutes

(29) the eighth amendment by Representative DELAY of Texas for 10 minutes

(30) the amendment by Representative GUTKNECHT of Minnesota for 10 minutes

(31) the amendment by Representative SCHAFFER of Colorado for 10 minutes

(32) the amendment by Representative HORN of California for 10 minutes

(33) the amendment by Representative UPTON of Michigan for 10 minutes

(34) the second amendment by Representative SMITH of Michigan for 10 minutes

(35) the amendment by Representative SHADEGG of Arizona for 10 minutes

(36) the ninth amendment by Representative DELAY of Texas for 40 minutes

(37) the amendment by Representative SHAW of Florida for 10 minutes

(38) the first amendment by Representative KAPTUR of Ohio for 10 minutes

(39) the second amendment by Representative KAPTUR of Ohio for 10 minutes

(40) the first amendment by Representative SMITH of Washington for 10 minutes

(41) the second amendment by Representative SMITH of Washington for 10 minutes

(42) the third amendment by Representative SMITH of Washington for 10 minutes

(43) the fourth amendment by Representative SMITH of Washington for 10 minutes

(44) the fifth amendment by Representative SMITH of Washington for 10 minutes

(45) the sixth amendment by Representative SMITH of Washington for 10 minutes

(46) the second amendment by Representative SMITH of Washington for 10 minutes

(47) the third amendment by Representative STEARNS of Florida for 10 minutes

(48) the third amendment by Representative STEARNS of Florida for 10 minutes

(49) the fourth amendment by Representative STEARNS of Florida for 10 minutes

(50) the second amendment by Representative WHITFIELD of Kentucky for 10 minutes

(51) the third amendment by Representative WHITFIELD of Kentucky for 10 minutes

(52) the amendment by Representative ENGLISH of Pennsylvania for 10 minutes

(53) the amendment by Representative GEKAS of Pennsylvania for 10 minutes

(54) the amendment by Representative MILLER of Florida for 10 minutes

(55) the amendment by Representative DOOLITTLE of California for 10 minutes

(Prohibiting certain defenses to violation of foreign contribution ban)

AMENDMENT OFFERED BY MR. PICKERING OF MISSISSIPPI TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

In section 506, strike "Section 319" and insert "(a) IN GENERAL.—Section 319", and add at the end the following:

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FOREIGN CONTRIBUTION BAN.—

(1) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection:

"(b) It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant was aware of a high probability that the contribution originated from a foreign national.".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(Modification of Pickering amendment on defenses to foreign money ban)

MODIFICATION TO THE AMENDMENT OFFERED BY MR. PICKERING OF MISSISSIPPI

The amendment is modified as follows:

In section 319(b) of the Federal Election Campaign Act of 1971, as proposed to be inserted by the amendment—

(1) strike "was aware of a high probability" and insert "should have known"; and

(2) strike the period at the end and insert the following: ", except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.".

(Penalty for violation of foreign contribution ban)

AMENDMENT OFFERED BY MR. SMITH OF MICHIGAN TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —PENALTY FOR VIOLATION OF FOREIGN CONTRIBUTION BAN

SEC. 01. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) Any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be less than 5 years or more than 20 years, fined in an amount not to exceed $1,000,000, or both.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(Controlling legal authority)

AMENDMENT OFFERED BY MR. DELAY OF TEXAS TO THE AMENDMENTS OFFERED BY SHAYS/MEEHAN

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—SENSE OF CONGRESS REGARDING FUNDRAISING ON FEDERAL PROPERTY

SEC. ___01. SENSE OF CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL PROPERTY.

(a) FINDINGS.—Congress finds the following:

(1) On March 2, 1997, the Washington Post reported that Vice President Gore "played the central role in soliciting millions of dollars in campaign money for the Democratic Party during the 1996 election" and that he was known as the administration's "solicitor-in-chief".

(2) The next day, Vice President Gore held a nationally televised press conference in which he admitted making numerous calls from the White House in which he solicited campaign contributions.

(3) The Vice President said that there was "no controlling legal authority" regarding the use of government telephones and properties for the use of campaign fundraising.

(4) Documents that the White House released reveal that Vice President Gore made 86 fundraising calls from his White House office, and these new records reveal that Vice President Gore made 20 of these calls at taxpayer expense.

(5) Section 641 of title 18, United States Code, (prohibiting the conversion of government property to personal use) clearly prohibits the use of government property to raise campaign funds.

(6) On its face, the conduct to which Vice President Gore admitted appears to be a clear violation of section 607 of title 18, United States Code, which makes it unlawful for "any person to solicit . . . any (campaign) contribution...in any room or building occupied in the discharge of official (government) duties".

(b) SENSE OF CONGRESS.—It is the sense of Congress that Federal law clearly demonstrates that "controlling legal authority" prohibits the use of Federal property to raise campaign funds.

(Prohibition against acceptance or solicitation to obtain access to certain government property)

AMENDMENT OFFERED BY MR. MCINNIS OF COLORADO TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN GOVERNMENT PROPERTY

SEC. ___01. PROHIBITION AGAINST ACCEPTANCE OR SOLICITATION TO OBTAIN ACCESS TO CERTAIN GOVERNMENT PROPERTY.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 226. Acceptance or solicitation to obtain access to certain government property

"Whoever solicits or receives anything of value in consideration of providing a person with access to Air Force One, Marine One, Air Force Two, Marine Two, the White House, or the Vice President's residence, shall be fined under this title, or imprisoned not more than one year, or both.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 11 of title 18, United States Code, is amended by adding at the end the following new item:

"226. Acceptance or solicitation to obtain access to certain government property.".

(Disclosure of spending by unions)

AMENDMENT OFFERED BY MR. PAXON OF NEW YORK TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—UNION DISCLOSURE

SEC. _01. UNION DISCLOSURE.

(a) IN GENERAL.—Section 201(b) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 431(b)) is amended—

(1) by striking "and" at the end of paragraph (5); and

(2) by adding at the end the following:

"(7) an itemization of amounts spend by the labor organization for—

"(A) contract negotiation and administration;

"(B) organizing activities;

"(C) strike activities;

"(D) political activities;

"(E) lobbying and promotional activities; and

"(F) market recovery and job targeting programs; and

"(8) all transactions involving a single source or payee for each of the activities described in subparagraphs (A) through (F) of paragraph (7) in which the aggregate cost exceeds $10,000.".

(b) COMPUTER NETWORK ACCESS.—Section 201(c) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 431(c)) is amended by inserting "including availability of such reports via a public Internet site or another publicly accessible computer network," after "its members,".

(c) REPORTING BY SECRETARY.—Section 205(a) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 435(a)) is amended by inserting after "and the Secretary" the following: "shall make the reports and documents filed pursuant to section 201(b) available via a public Internet site or another public accessible computer network. The Secretary".

(Reimbursement by national parties for use of Air Force One for fundraising trips)

AMENDMENT OFFERED BY MR. HEFLEY OF COLORADO TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—REIMBURSEMENT FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

SEC. ___01. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

"SEC. 323. (a) IN GENERAL.—If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the actual costs incurred as a result of the use of Air Force One for the transportation of the individual involved.

"(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.".

(Air Force One)

AMENDMENT OFFERED BY MR. HEFLEY OF COLORADO TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —PROHIBITING USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

SEC. 01. PROHIBITING USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"PROHIBITING USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

"SEC. 323. (a) IN GENERAL.—It shall be unlawful for any person to provide or offer to provide transportation on Air Force One in exchange for any money or other thing of value in support of any political party or the campaign for electoral office of any candidate, without regard to whether or not the money or thing of value involved is otherwise treated as a contribution under this title.

"(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.".

(Prohibiting use of "walking around money" by campaigns)

AMENDMENT OFFERED BY MRS. NORTHUP OF KENTUCKY TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE—PROHIBITING USE OF WALKING AROUND MONEY

SEC.—01. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

"SEC. 323. It shall be unlawful for any political committee to provide currency to any person for purposes of carrying out activities on the date of an election to encourage or assist individuals to appear at the polling place for the election.".

(Reform of Motor Voter law)

AMENDMENT OFFERED BY MR. GOODLATTE OF VIRGINIA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—VOTER REGISTRATION REFORM

SEC. ___01. REPEAL OF REQUIREMENT FOR STATES TO PROVIDE FOR VOTER REGISTRATION BY MAIL.

(a) IN GENERAL.—Section 4(a) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-2) is amended—

(1) in paragraph (1), by adding "and" at the end;

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(b) Conforming Amendments Relating to Uniform Mail Voter Registration Form.—(1) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.) is amended by striking section 9.

(2) Section 7(a)(6)(A) of such Act (42 U.S.C. 1973gg-5(a)(6)(A)) is amended by striking "assistance—" and all that follows and inserting the following: "assistance a voter registration application form which meets the requirements described in section 5(c)(2) (other than subparagraph (A)), unless the applicant, in writing, declines to register to vote;".

(c) Other Conforming Amendments.—(1) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.) is amended by striking section 6.

(2) Section 8(a)(5) of such Act (42 U.S.C. 1973gg-6(a)(5)) is amended by striking "5, 6, and 7" and inserting "5 and 7".

SEC. 02. REQUIRING APPLICANTS REGISTERING TO VOTE TO PROVIDE CERTAIN ADDITIONAL INFORMATION.

(a) Social Security Number.—

(1) In general.—Section 5(c)(2) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-3(c)(2)) is amended—

(A) by striking "and" at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(F) shall require the applicant to provide the applicant's Social Security number.".

(2) Conforming amendment.—Section 5(c)(2)(A) of such Act (42 U.S.C. 1973gg-3(c)(2)(A)) is amended by inserting after "subparagraph (C)" the following: ", or the information described in subparagraph (F)".

(3) Effective date.—The amendments made by this section shall take effect January 1, 1999, and shall apply with respect to applicants registering to vote in elections for Federal office on or after such date.

(b) Actual Proof of Citizenship.—

(1) Registration with application for driver's license.—Section 5(c) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-3(c)) is amended by adding at the end the following new paragraph:

"(3) The voter registration portion of an application for a State motor vehicle driver's license shall not be considered to be completed unless the applicant provides to the appropriate State motor vehicle authority proof that the applicant is a citizen of the United States.".

(2) Registration with voter registration agencies.—Section 7(a) of such Act (42 U.S.C. 1973gg-5(a)) is amended by adding at the end the following new paragraph:

"(8) A voter registration application received by a voter registration agency shall not be considered to be completed unless the applicant provides to the agency proof that the applicant is a citizen of the United States.".

(3) Conforming amendment.—Section 8(a)(5)(A) of such Act (42 U.S.C. 1973gg-6(a)(5)(A)) is amended by striking the semicolon and inserting the following: ", including the requirement that the applicant provide proof of citizenship;".

(4) No effect on absent uniformed services and overseas voters.—Nothing in the National Voter Registration Act of 1993 (as amended by this subsection) may be construed to require any absent uniformed services voter or overseas voter under the Uniformed and Overseas Citizens Absentee Voting Act to provide any evidence of citizenship in order to register to vote (other than any evidence which may otherwise be required under such Act).

SEC. 03. REMOVAL OF CERTAIN REGISTRANTS FROM OFFICIAL LIST OF ELIGIBLE VOTERS.

(a) In General.—Section 8(d) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-6(d)) is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3)(A) At the option of the State, a State may remove the name of a registrant from the official list of eligible voters in elections for Federal office on the ground that the registrant has changed residence if—

"(i) the registrant has not voted or appeared to vote (and, if necessary, correct the registrar's record of the registrant's address) in an election during the period beginning on the day after the date of the second previous general election for Federal office held prior to the date the confirmation notice described in subparagraph (B) is sent and ending on the date of such notice;

"(ii) the registrant has not voted or appeared to vote (and, if necessary, correct the registrar's record of the registrant's address) in any of the first two general elections for Federal office held after the confirmation notice described in subparagraph (B) is sent; and

"(iii) during the period beginning on the date the confirmation notice described in subparagraph (B) is sent and ending on the date of the second general election for Federal office held after the date such notice is sent, the registrant has failed to notify the State in response to the notice that the registrant did not change his or her residence, or changed residence but remained in the registrar's jurisdiction.

"(B) A confirmation notice described in this subparagraph is a postage prepaid and pre-addressed return card, sent by forwardable mail, on which a registrant may state his or her current address, together with information concerning how the registrant can continue to be eligible to vote if the registrant has changed residence to a place outside the registrar's jurisdiction and a statement that the registrant may be removed from the official list of eligible voters if the registrant does not respond to the notice (during the period described in subparagraph (A)(iii)) by stating that the registrant did not change his or her residence, or changed residence but remained in the registrar's jurisdiction.".

(b) Conforming Amendment.—Section 8(i)(2) of such Act (42 U.S.C. 1973gg-6(d)) is amended by inserting "or subsection (d)(3)" after "subsection (d)(2)".

SEC. 04. PERMITTING STATE TO REQUIRE VOTERS TO PRODUCE ADDITIONAL INFORMATION PRIOR TO VOTING.

(a) Photographic Identification.—Section 8 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-6) is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection:

"(j) Permitting States To Require Voters To Produce Photo Identification.—A State may require an individual to produce a valid photographic identification before receiving a ballot (other than an absentee ballot) for voting in an election for Federal office.".

(b) Signature.—Section 8 of such Act (42 U.S.C. 1973gg-6), as amended by subsection (a), is further amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following new subsection:

"(k) Permitting States To Require Voters To Provide Signature.—A State may require an individual to provide the individual's signature (in the presence of an election official at the polling place) before receiving a ballot for voting in an election for Federal office, other than an individual who is unable to provide a signature because of illiteracy or disability.".

SEC. 05. REPEAL OF REQUIREMENT THAT STATES PERMIT REGISTRANTS CHANGING RESIDENCE TO VOTE AT POLLING PLACE FOR FORMER ADDRESS.

Section 8(e)(2) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-6(e)(2)) is amended—

(1) by striking "(2)(A)" and inserting "(2)"; and

(2) by striking "election, at the option of the registrant—" and all that follows and inserting the following: "election shall be permitted to correct the voting records for purposes of voting in future elections at the appropriate polling place for the current address and, if permitted by State law, shall be permitted to vote in the present election, upon confirmation by the registrant of the new address by such means as are required by law.".

SEC. 06. EFFECTIVE DATE.

The amendments made by this title shall apply with respect to elections for Federal office occurring after December 1999.

(Photo ID requirement for voting)

AMENDMENT OFFERED BY MR. WICKER OF MISSISSIPPI TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —PHOTO IDENTIFICATION REQUIREMENT FOR VOTERS

SEC. 01. PERMITTING STATE TO REQUIRE VOTERS TO PRODUCE PHOTOGRAPHIC IDENTIFICATION.

Section 8 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-6) is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection:

"(i) Permitting States to Require Voters to Produce Photo Identification.—A State may require an individual to produce a valid photographic identification before receiving a ballot for voting in an election for Federal office.".

(Enhancing enforcement of campaign finance law)

AMENDMENT OFFERED BY MR. SNOWBARGER OF KANSAS TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 01. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) Mandatory Imprisonment for Criminal Conduct.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking "shall be fined, or imprisoned for not more than one year, or both" and inserting "shall be

imprisoned for not fewer than 1 year and not more than 10 years''; and

(2) by striking the second sentence.

(b) Concurrent Authority of Attorney General to Bring Criminal Actions.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

''(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.''.

(c) Effective Date.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 1999.

(Ban on party coordination of soft money for issue advocacy by candidates receiving presidential campaign funds)

AMENDMENT OFFERED BY MR. WHITFIELD OF KENTUCKY TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

SEC. ___01. BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY BY PRESIDENTIAL CANDIDATES RECEIVING PUBLIC FINANCING.

(a) In General.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection:

''(f) Ban on Coordination of Soft Money for Issue Advocacy.—

''(1) In general.—No candidate for election to the office of President or Vice President who is certified to receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 may coordinate the expenditure of any funds for issue advocacy with any political party unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.

''(2) Issue advocacy defined.—In this section, the term 'issue advocacy' means any activity carried out for the purpose of influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations (without regard to whether the activity is carried out for the purpose of influencing any election for Federal office).''.

(b) Effective Date.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

(Requiring 50 percent of contributions to come from local individual residents)

AMENDMENT OFFERED BY MR. CALVERT OF CALIFORNIA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—RESTRICTIONS ON NONRESIDENT FUNDRAISING

SEC. ___01. LIMITING AMOUNT OF CONGRESSIONAL CANDIDATE CONTRIBUTIONS FROM INDIVIDUALS NOT RESIDING IN DISTRICT OR STATE INVOLVED.

(a) In General.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

''(i)(1) A candidate for the office of Senator or the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not accept contributions with respect to an election from persons other than local individual residents totaling in excess of the aggregate amount of contributions accepted from local individual residents (as determined on the basis of the information reported under section 304(d)).

''(2) In determining the amount of contributions accepted by a candidate for purposes of this subsection, the amounts of any contributions made by a political committee of a political party shall be allocated as follows:

''(A) 50 percent of such amounts shall be deemed to be a contributions from local individual residents.

''(B) 50 percent of such amounts shall be deemed to be contributions from persons other than local individual residents.

''(3) As used in this subsection, the term 'local individual resident' means—

''(A) with respect to an election for the office of Senator, an individual who resides in the State involved; and

''(B) with respect to an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, an individual who resides in the congressional district involved.''.

(b) Reporting Requirements.—Section 304 of such Act (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) Each principal campaign committee of a candidate for the Senate or the House of Representatives shall include the following information in the first report filed under subsection (a)(2) which covers the period which begins 19 days before an election and ends 20 days after the election:

''(1) The total contributions received by the committee with respect to the election involved from local individual residents (as defined in section 315(i)(3)), as of the last day of the period covered by the report.

''(2) The total contributions received by the committee with respect to the election involved from all persons, as of the last day of the period covered by the report.''.

(c) Penalty for Violation of Limits.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

''(4)(A) Any candidate who knowingly and willfully accepts contributions in excess of any limitation provided under section 315(i) shall be fined an amount equal to the greater of 200 percent of the amount accepted in excess of the applicable limitation or (if applicable) the amount provided in paragraph (1)(A).

''(B) Interest shall be assessed against any portion of a fine imposed under subparagraph (A) which remains unpaid after the expiration of the 30-day period which begins on the date the fine is imposed.''.

(Posting names of certain Air Force One passengers on Internet)

AMENDMENT OFFERED BY MR. SALMON OF ARIZONA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET

SEC. ___01. REQUIREMENT THAT NAMES OF PASSENGERS ON AIR FORCE ONE AND AIR FORCE TWO BE MADE AVAILABLE THROUGH THE INTERNET.

(a) In General.—The President shall make available through the Internet the name of any non-Government person who is a passenger on an aircraft designated as Air Force One or Air Force Two not later than 30 days after the date that the person is a passenger on such aircraft.

(b) Exception.—Subsection (a) shall not apply in a case in which the President determines that compliance with such subsection would be contrary to the national security interests of the United States. In any such case, not later than 30 days after the date that the person whose name will not be made available through the Internet was a passenger on the aircraft, the President shall submit to the chairman and ranking member of the Permanent Select Committee on Intelligence of the House of Representatives and of the Select Committee on Intelligence of the Senate—

(1) the name of the person; and

(2) the justification for not making such name available through the Internet.

(c) Definition of Person.—As used in this Act, the term ''non-Government person'' means a person who is not an officer or employee of the United States, a member of the Armed Forces, or a Member of Congress.

(Ban on disbursements of soft money by foreign nationals)

AMENDMENT OFFERED BY MR. STEARNS OF FLORIDA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—BAN ON SOFT MONEY OF FOREIGN NATIONALS

SEC. ___01. BAN ON DISBURSEMENTS OF SOFT MONEY BY FOREIGN NATIONALS.

(a) Prohibition on Disbursements by Foreign Nationals for Political Parties and Independent Expenditures.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) in the heading, by striking ''CONTRIBUTIONS'' and inserting ''DISBURSEMENTS'';

(2) in subsection (a), by striking ''contribution'' each place it appears and inserting ''disbursement''; and

(3) in subsection (a), by striking the semicolon and inserting the following: '', including any disbursement to a political committee of a political party and any disbursement for an independent expenditure;''.

(b) Effective Date.—The amendments made by this section shall apply with respect to disbursements made on or after the date of the enactment of this Act.

(Partial removal of contribution limits for candidates with opponents making large amounts of personal expenditures)

AMENDMENT OFFERED BY MR. ROHRABACHER OF CALIFORNIA TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. PARTIAL REMOVAL OF LIMITATIONS ON CONTRIBUTIONS TO CANDIDATES WHOSE OPPONENTS USE LARGE AMOUNTS OF PERSONAL FUNDS.

(a) In General.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i)(1) If a candidate for Federal office makes contributions or expenditures from the personal funds of the candidate totaling more than $1,000 with respect to an election, the candidate shall so notify the Commission and each other candidate in the election. The notification shall be made in writing within 48 hours after the contribution or expenditure involved is made.

"(2) In any case described in paragraph (1), any person who is otherwise permitted under this Act to make contributions to such other candidate may make contributions in excess of any otherwise applicable limitation on such contributions, to the extent that the total of such excess contributions accepted by such other candidate does not exceed the total of contributions or expenditures from personal funds referred to in paragraph (1).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after January 1999.

(Ballot access rights)

AMENDMENT OFFERED BY MR. PAUL OF TEXAS TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —BALLOT ACCESS RIGHTS

SEC. 01. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) Voting participation in the United States is lower than in any other advanced industrialized democracy.

(2) The rights of eligible citizens to seek election to office, vote for candidates of their choice and associate for the purpose of taking part in elections, including the right to create and develop new political parties, are fundamental in a democracy. The rights of citizens to participate in the election process, provided in and derived from the first and fourteenth amendments to the Constitution, have consistently been promoted and protected by the Federal Government. These rights include the right to cast an effective vote and the right to associate for the advancement of political beliefs, which includes the "constitutional right . . . to create and develop new political parties." Norman v. Reed, 502 U.S. 279, 112 S.Ct. 699 (1992). It is the duty of the Federal Government to see that these rights are not impaired in elections for Federal office.

(3) Certain restrictions on access to the ballot impair the ability of citizens to exercise these rights and have a direct and damaging effect on citizens' participation in the electoral process.

(4) Many States unduly restrict access to the ballot by nonmajor party candidates and nonmajor political parties by means of such devices as excessive petition signature requirements, insufficient petitioning periods, unconstitutionally early petition filing deadlines, petition signature distribution criteria, and limitations on eligibility to circulate and sign petitions.

(5) Many States require political parties to poll an unduly high number of votes or to register an unduly high number of voters as a precondition for remaining on the ballot.

(6) In 1983, the Supreme Court ruled unconstitutional an Ohio law requiring a nonmajor party candidate for President to qualify for the general election ballot earlier than major party candidates. This Supreme Court decision, Anderson v. Celebrezze, 460 U.S. 780 (1983) has been followed by many lower courts in challenges by nonmajor parties and candidates to early petition filing deadlines. See, e.g., Stoddard v. Quinn, 593 F. Supp. 300 (D.Me. 1984); Cripps v. Seneca County Board of Elections, 629 F. Supp. 1335 (N.D.Oh. 1985); Libertarian Party of Nevada v. Swackhamer, 638 F. Supp. 565 (D. Nev. 1986); Cromer v. State of South Carolina, 917 F.2d 819 (4th Cir. 1990); New Alliance Party of Alabama v. Hand, 933 F. 2d 1568 (11th Cir. 1991).

(7) In 1996, 34 States required nonmajor party candidates for President to qualify for the ballot before the second major party national convention (Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, and Wyoming). Twenty-six of these States required nonmajor party candidates to qualify before the first major party national convention (Arizona, California, Colorado, Connecticut Florida, Georgia, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, North Carolina, Oklahoma, Pennsylvania, South Carolina, South Dakota, Texas, Washington, and West Virginia).

(8) Under present law, in 1996, nonmajor party candidates for President were required to obtain at least 701,089 petition signatures to be listed on the ballots of all 50 States and the District of Columbia—28 times more signatures than the 25,500 required of Democratic Party candidates and 13 times more signatures than the 54,250 required of Republican Party candidates. To be listed on the ballot in all 50 States and the District of Columbia with a party label, nonmajor party candidates for President were required to obtain approximately 651,475 petition signatures and 89,186 registrants. Thirty-two of the 41 States that hold Presidential primaries required no signatures of major party candidates for President (Arkansas, California, Colorado, Connecticut, Florida, Georgia, Idaho, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin). Only three States required no signatures of nonmajor party candidates for President (Arkansas, Colorado, and Louisiana; Colorado and Louisiana, however, required a $500 filing fee).

(9) Under present law, the number of petition signatures required by the States to list a major party candidate for Senate on the ballot in 1996 ranged from zero to 15,000. The number of petition signatures required to list a nonmajor party candidate for Senate ranged from zero to 196,788. Thirty-one States required no signatures of major party candidates for Senate (Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, West Virginia, Wyoming). Only one State required no signatures of nonmajor party candidates for Senate, provided they were willing to be listed on the ballot without a party label (Louisiana, although a $600 filing fee was required, and to run with a party label, a candidate was required to register 111,121 voters into his or her party).

(10) Under present law, the number of petition signatures required by the States to list a major party candidate for Congress on the ballot in 1996 ranged from zero to 2,000. The number of petition signatures required to list a nonmajor party candidate for Congress ranged from zero to 13,653. Thirty-one States required no signatures of major party candidates for Congress (Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, West Virginia, Wyoming). Only one State required no signatures of nonmajor party candidates for Congress, provided they are willing to be listed on the ballot without a party label (Louisiana, although a $600 filing fee was required).

(11) Under present law, in 1996, eight States required additional signatures to list a nonmajor party candidate for President on the ballot with a party label (Alabama, Arizona, Idaho, Kansas, Nebraska, North Dakota, Ohio, Tennessee). Thirteen States required additional signatures to list a nonmajor party candidate for Senate or Congress on the ballot with a party label (Alabama, Arizona, Arkansas, California, Idaho, Hawaii, Kansas, Louisiana, North Dakota, Nebraska, Ohio, Oregon, Tennessee). Two of these States (Ohio and Tennessee) required 5,000 signatures and 25 signatures, respectively, to list a nonmajor party candidate for President or Senate on the ballot in 1996, but required 33,463 signatures and 37,179 signatures, respectively, to list the candidate on the ballot with her or his party label. One State (California) required a nonmajor party to have 89,006 registrants in order to have its candidate for President listed on the ballot with a party label.

(12) Under present law, in 1996 one State (California) required nonmajor party candidates for President or Senate to obtain 147,238 signatures in 105 days, but required major party candidates for Senate to obtain only 65 signatures in 105 days, and required no signatures of major party candidates for President. Another State (Texas) required nonmajor party candidates for President or Senate to obtain 43,963 signatures in 75 days, and required no signatures of major party candidates for President or Senate.

(13) Under present law, in 1996, seven States required nonmajor party candidates for President or Senate to collect a certain number or percentage of their petition signatures in each congressional district or in a specified number of congressional districts (Michigan, Missouri, Nebraska, New Hampshire, New York, North Carolina, Virginia). Only three of these States impose a like requirement on major party candidates for President or Senate (Michigan, New York, Virginia).

(14) Under present law, in 1996, 20 States restricted the circulation of petitions for nonmajor party candidates to residents of those States (California, Colorado, Connecticut, District of Columbia, Idaho, Illinois, Kansas, Michigan, Missouri, Nebraska, Nevada, New Jersey, New York, Ohio, Pennsylvania, South Dakota, Texas, Virginia, West Virginia, Wisconsin). Two States restricted the circulation of petitions for nonmajor party candidates to the county or congressional district where the circulator lives (Kansas and Virginia).

(15) Under present law, in 1996, three States prohibited people who voted in a primary election from signing petitions for nonmajor party candidates (Nebraska, New York, Texas, West Virginia). Twelve States restricted the signing of petitions to people who indicate intent to support or vote for the candidate or party (California, Delaware, Hawaii, Illinois, Indiana, Maryland, New Jersey, New York, North Carolina, Ohio, Oregon, Utah). Five of these 12 States required no petitions of major party candidates (Delaware, Maryland, North Carolina, Oregon, Utah), and only one of the six remaining States restricted the signing of petitions for major party candidates to people who indicate intent to support or vote for the candidate or party (New Jersey).

(16) In two States (Louisiana and Maryland), no nonmajor party candidate for Senate has qualified for the ballot since those States' ballot access laws have been in effect.

(17) In two States (Georgia and Louisiana), no nonmajor party candidate for the United States House of Representatives has qualified for the ballot since those States' ballot access laws have been in effect.

(18) Restrictions on the ability of citizens to exercise the rights identified in this subsection have disproportionately impaired participation in the electoral process by various groups, including racial minorities.

(19) The establishment of fair and uniform national standards for access to the ballot in elections for Federal office would remove barriers to the participation of citizens in the electoral process and thereby facilitate such participation and maximize the rights identified in this subsection.

(20) The Congress has authority, under the provisions of the Constitution of the United States in sections 4 and 8 of article I, section 1 of article II, article VI, the thirteenth, fourteenth, and fifteenth amendments, and other provisions of the Constitution of the United States, to protect and promote the exercise of the rights identified in this subsection.

(b) PURPOSES.—The purposes of this title are—

(1) to establish fair and uniform standards regulating access to the ballot by eligible citizens who desire to seek election to Federal office and political parties, bodies, and groups which desire to take part in elections for Federal office; and

(2) to maximize the participation of eligible citizens in elections for Federal office.

SEC. ___02. BALLOT ACCESS RIGHTS.

(a) IN GENERAL.—An individual shall have the right to be placed as a candidate on, and to have such individual's political party, body, or group affiliation in connection with such candidacy placed on, a ballot or similar voting materials to be used in a Federal election, if—

(1) such individual presents a petition stating in substance that its signers desire such individual's name and political party, body or group affiliation, if any, to be placed on the ballot or other similar voting materials to be used in the Federal election with respect to which such rights are to be exercised;

(2) with respect to a Federal election for the office of President, Vice President, or Senator, such petition has a number of signatures of persons qualified to vote for such office equal to one-tenth of one percent of the number of persons who voted in the most recent previous Federal election for such office in the State, or 1,000 signatures, whichever is greater;

(3) with respect to a Federal election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, such petition has a number of signatures of persons qualified to vote for such office equal to one-half of one percent of the number of persons who voted in the most recent previous Federal election for such office, or, if there was no previous Federal election for such office, 1,000 signatures;

(4) with respect to a Federal election the date of which was fixed 345 or more days in advance, such petition was circulated during a period beginning on the 345th day and ending on the 75th day before the date of the election; and

(5) with respect to a Federal election the date of which was fixed less than 345 days in advance, such petition was circulated during a period established by the State holding the election, or, if no such period was established, during a period beginning on the day after the date the election was scheduled and ending on the tenth day before the date of the election, provided, however, that the number of signatures required under paragraph (2) or (3) shall be reduced by $1/270$ for each day less than 270 in such period.

(b) SPECIAL RULE.—An individual shall have the right to be placed as a candidate on, and to have such individual's political party, body, or group affiliation in connection with such candidacy placed on, a ballot or similar voting materials to be used in a Federal election, without having to satisfy any requirement relating to a petition under subsection (a), if that or another individual, as a candidate of that political party, body, or group, received one percent of the votes cast in the most recent general Federal election for President or Senator in the State.

(c) SAVINGS PROVISION.—Subsections (a) and (b) shall not apply with respect to any State that provides by law for greater ballot access rights than the ballot access rights provided for under such subsections.

SEC. ___03. RULEMAKING.

The Attorney General shall make rules to carry out this title.

SEC. ___04. GENERAL DEFINITIONS.

As used in this title—

(1) the term "Federal election" means a general or special election for the office of—

(A) President or Vice President;

(B) Senator; or

(C) Representative in, or Delegate or Resident Commissioner to, the Congress;

(2) the term "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States;

(3) the term "individual" means an individual who has the qualifications required by law of a person who holds the office for which such individual seeks to be a candidate;

(4) the term "petition" includes a petition which conforms to section ___02(a)(1) and upon which signers' addresses and/or printed names are required to be placed;

(5) the term "signer" means a person whose signature appears on a petition and who can be identified as a person qualified to vote for an individual for whom the petition is circulated, and includes a person who requests another to sign a petition on his or her behalf at the time when, and at the place where, the request is made;

(6) the term "signature" includes the incomplete name of a signer, the name of a signer containing abbreviations such as first or middle initial, and the name of a signer preceded or followed by titles such as "Mr.", "Ms.", "Dr.", "Jr.", or "III"; and

(7) the term "address" means the address which a signer uses for purposes of registration and voting.

(Participation by presidential candidates in debates with candidates with broad-based support)

AMENDMENT OFFERED BY MR. PAUL OF TEXAS TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —DEBATE REQUIREMENTS FOR PRESIDENTIAL CANDIDATES

SEC. ___01. REQUIREMENT THAT CANDIDATES WHO RECEIVE CAMPAIGN FINANCING FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND AGREE NOT TO PARTICIPATE IN MULTICANDIDATE FORUMS THAT EXCLUDE CANDIDATES WITH BROAD-BASED PUBLIC SUPPORT.

(a) IN GENERAL.—In addition to the requirements under subtitle H of the Internal Revenue Code of 1986, in order to be eligible to receive payments from the Presidential Election Campaign Fund, a candidate shall agree in writing not to appear in any multicandidate forum with respect to the election involved unless the following individuals are invited to participate in the multicandidate forum:

(1) Each other eligible candidate under such subtitle.

(2) Each individual who is qualified in at least 40 States for the ballot for the office involved.

(b) ENFORCEMENT.—If the Federal Election Commission determines that a candidate—

(1) has received payments from the Presidential Election Campaign Fund; and

(2) has violated the agreement referred to in subsection (a);

the candidate shall pay to the Treasury an amount equal to the amount of the payments so made.

(c) DEFINITION.—As used in this title, the term "multicandidate forum" means a meeting—

(1) consisting of a moderated reciprocal discussion of issues among candidates for the same office; and

(2) to which any other person has access in person or through an electronic medium.

AMENDMENT OFFERED BY MR. DELAY OF TEXAS TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

Amendment No. 81: Add at the end of section 301(20) of the Federal Election Campaign Act of 1971, as added by section 201(b) of the substitute, the following:

(C) Exception for legislative alerts: The term "express advocacy" does not include any communication which—

(i) deals solely with an issue or legislation which is or may be the subject of a vote in the Senate or House of Representatives; and

(ii) encourages an individual to contact an elected representative in Congress in order to exercise the right protected under the first amendment of the Constitution to inform the representative of the individual's views on such issue or legislation.

AMENDMENT OFFERED BY MR. DELAY OF TEXAS TO THE AMENDMENT OFFERED BY SHAYS/MEEHAN

TITLE —SENSE OF CONGRESS REGARDING APPOINTMENT OF INDEPENDENT COUNSEL

SEC. ___01. SENSE OF CONGRESS REGARDING APPOINTMENT OF INDEPENDENT COUNSEL TO INVESTIGATE CLINTON ADMINISTRATION.

(a) FINDINGS.—Congress finds as follows:

(1) The Independent Counsel Act (chapter 40 of title 28, United States Code) was designed to avoid even the appearance of impropriety in the consideration of allegations of misconduct by high-level Executive Branch officials.

(2) Section 591(a)(1) of title 28, United States Code, requires the Attorney General of the United States to conduct a preliminary investigation whenever the Attorney General finds specific and credible evidence that a covered person "may have violated any Federal criminal law . . .".

(3) Under the statute (28 U.S.C. 591(b)), the President is a covered person.

(4) The bribery statute (chapter 11 of title 18, United States Code) prohibits Federal officials, including the President, from receiving any benefit in return for any official action.

(5) Numerous published reports describe circumstances that suggest that President Clinton may have received campaign contributions in return for official government actions he took on behalf of the contributors.

(6) Any such scheme may also violate other statutes including the following sections of title 18, United States Code: section 371 (conspiracy to defraud the United States), section 600 (promising of government benefits in return for political support), section 872 (extortion by government officials), and sections 1341, 1343, and 1346 (mail and wire fraud by defrauding the United States of honest services).

(7) On February 13, 1997, the Washington Post reported that the Department of Justice had obtained intelligence information that the government of the People's Republic of China had sought to direct contributions from foreign sources to the Democratic National Committee ("DNC") before the 1996 presidential campaign.

(8) In March 1995, Johnny Chung, a Democratic National Committee trustee and a businessman from Torrance, California, brought six officials of the government of the People's Republic of China and its state-owned companies, including Hongye Zheng, Chairman of the China Council for the Promotion of International Trade, and Yang Zanzhong, President of China Petro-Chemical Corp., to hear the President give his regular Saturday radio address.

(9) On March 8, 1995, Johnny Chung came to the First Lady's office in the White House seeking various favors for the officials, including admission to the radio address.

(10) Aides to Mrs. Clinton, Margaret Williams and Evan Ryan, suggested that Mr. Chung could get the favors if he helped Mrs. Clinton with her debts to the DNC for holiday parties.

(11) The next day, Mr. Chung gave Ms. Williams a check for $50,000, and received a lunch in the White House mess, a picture with Mrs. Clinton, and admission to the radio address for himself and the officials. Id. Records indicate that on Friday, March 17, 1995, Mr. Chung donated $50,000 to the Democratic National Committee and on April 12, 1995, he donated an additional $125,000.

(12) In commenting on the solicitation in the White House by the First Lady's aides, Mr. Chung said, "I see the White House is like a subway: You have to put in coins to open the gates."

(13) On February 6, 1996, Wang Jun attended a coffee at the White House with President Clinton. Mr. Wang is the head of the state-owned company, China International Trade and Investment Corp. ("CITIC"), a $21,000,000,000 conglomerate, and its subsidiary Poly Technologies. Poly Technologies is the primary arms dealing company for the Chinese military. Mr. Wang gained access to the coffee through Charles Yah Lin Trie, an old Arkansas friend of President Clinton and Democratic Party fund-raiser.

(14) After the Wang visit came to public attention, President Clinton said he remembered "literally nothing" about the meeting, but he conceded that it was "clearly inappropriate."

(15) Mr. Trie had a number of interesting sources of funds. Among other things, in the spring of 1996, Mr. Trie delivered suspicious donations totaling $789,000 to the President's legal defense fund.

(16) Mr. Trie made the donations on three dates: March 21, 1996, $460,000; April 24, 1996, $179,000; and May 17, 1996, $150,000. These donations have now been returned. Recent reports reveal that most of this money came from members of a Taiwan-based religious sect, Suma Ching Hai. President and Mrs. Clinton knew about these suspicious donations at the time, and they concurred in efforts to conceal them until after the election. Notwithstanding that knowledge, President Clinton continued to grant favors to Mr. Trie.

(17) On April 19, 1996, President Clinton appointed Mr. Trie to the Commission on U.S. Pacific Trade and Investment Policy. On April 26, President Clinton signed a letter to Mr. Trie relating to U.S. policy in putting carriers in the Taiwan Straits.

(18) During 1995 and 1996, Mr. Trie received a series of wire transfers in amounts of $50,000 and $100,000 from the Chinese government's state-owned bank, the Bank of China.

(19) Recent Senate testimony reveals that Mr. Trie received $1,400,000 in wire transfers from abroad from 1994 through 1996. At least $220,000 of this money has been traced into the treasury of the DNC.

(20) Of the total Mr. Trie received from overseas, $905,000 came from Ng Lap Seng, a Macao-based businessman who was Trie's partner and who was also known as Mr. Wu. Mr. Ng is an adviser to the Chinese Communist government. Although he is a foreign national who cannot legally make donations to U.S. campaigns, he gave money through two employees to attend a dinner for big contributors with President Clinton on February 16, 1995.

(21) Returning to Mr. Wang's visit to the coffee with President Clinton, just four days before the meeting, Mr. Wang's arms trading company received special permission to import 100,000 assault weapons, along with millions of bullets, into the United States despite the assault weapons ban.

(22) On the day of the coffee, Democratic fund-raiser Ernest G. Green, another Arkansas friend of the President's, delivered a $50,000 donation to the Democratic National Committee. Mr. Green, a managing director at Lehman Brothers, had never before given such a large contribution to the Democratic Party. Mr. Wang used a letter of invitation written by Mr. Green to obtain a visa for Mr. Wang's trip to the White House for coffee. After delivering the check, Mr. Green met with Mr. Wang before Mr. Wang went to the White House.

(23) Several lengthy reports in the Chicago Tribune and the Washington Post detail the depths of Mr. Wang's international arms dealing activities.

(24) Beginning in the summer of 1994, Federal agents began an undercover sting investigation of Poly's efforts to smuggle weapons into the United States. On March 8, 1996, just a month after Mr. Wang's visit with President Clinton, the President of Poly's U.S. subsidiary, Robert Ma, sold his house in Atlanta and fled the country.

(25) On March 18, 1996, Federal agents surreptitiously seized a Poly shipment of 2,000 AK-47 assault rifles in Oakland, California. These weapons had left China on February 18 aboard a vessel belonging to another state-owned company, the Chinese Ocean Shipping Company ("COSCO"). Id. In May, Federal agents hastily shut down the operation when they learned that the Chinese had been tipped to its existence. The stories indicate that the Department is currently investigating to determine the source of the leak.

(26) Smuggling the weapons into the United States has not harmed the fortunes of COSCO. In April 1996, with the support of the Clinton Administration, COSCO signed a lease with the City of Long Beach, California to rent a now defunct navy base in Long Beach, California. In addition, the Clinton Administration has allowed COSCO's ships access to our most sensitive ports with one day's notice rather than the usual four, and it has given COSCO a $138,000,000 loan guarantee to build ships in Alabama. The Administration has made all of these concessions since the coffee with Mr. Wang. That COSCO participated in the shipment of illegal arms does not appear to have dampened the Administration's enthusiasm in any of these matters.

(27) These circumstances strongly suggest that there was a quid pro quo, and that the contributions from Mr. Chung, Mr. Green, and Mr. Trie, may have come from the Chinese government in return for the various government favors described. The President met directly with the Chinese officials whom Mr. Chung and Mr. Trie brought to the White House, and he knew about the suspicious circumstances of Mr. Trie's donations. If the President knew about a quid pro quo, he may have violated section 201 of title 18, United States Code, and the other statutes cited above.

(28) Mr. Chung has admitted that a large portion of the money he raised for the Democrats originated with the People's Liberation Army in China. He has identified the conduit as a Chinese aerospace executive, based in Hong Kong, who is also the daughter of General Liu Huaqing, who was China's top military commander at the time.

(29) Closely related to the allegations concerning the government of the People's Republic of China are the allegations relating to the Lippo Group.

(30) The Lippo Group ("Lippo") is a multibillion dollar real estate and financial conglomerate based in Indonesia. The Riady family, an ethnic Chinese family living in Indonesia, owns and controls Lippo. The patriarch of the Riady family is Mochtar Riady. His son, James, has known President Clinton since the late 1970s when he interned with an investment bank in Little Rock, Arkansas. Since President Clinton began his first presidential campaign in 1991, members of the Riady family and Lippo's subsidiaries and executives have contributed more than $475,000 to the Democratic Party and its candidates. Lippo and the Riady family have numerous business interests in China and Hong Kong.

(31) In the early 1980s, John Huang, the former Commerce Department official at the center of this controversy, worked for Lippo in Little Rock at the Worthen Bank, in which Lippo had a large stake. In 1986, Mr. Huang moved to Los Angeles to help run the

Lippo Bank, which has had a number of problems with banking regulators. In that role, he became Lippo's chief representative in the United States.

(32) Mr. Huang began raising illegal contributions for the Democratic Party as early as 1992. The recent Senate Governmental Affairs Committee hearings revealed that in August 1992 Huang gave a $50,000 contribution to the DNC through Hip Hing Holdings, a U.S.-based Lippo subsidiary. He then requested and received reimbursement for the contribution from Lippo's Indonesian headquarters. Senator Lieberman said, "Here's a clear trail of foreign money coming into United States elections."

(33) Maria L. Haley, a presidential aide, recommended Mr. Huang for a job at the Commerce Department in October 1993. In January 1994 while he was still an employee of Lippo, Mr. Huang received a top-secret security clearance without a full background check.

(34) On July 18, 1994, he became principal deputy assistant secretary for international economic policy in the Department of Commerce. He received a $780,000 severance payment from Lippo. David J. Rothkopf, the deputy undersecretary of commerce, and Jeffrey Garten, the undersecretary, expressed misgivings about Mr. Huang's suitability for the job. In recent Senate testimony, Mr. Garten said that Mr. Huang was "totally unqualified" for the job and that "he should not be involved in China at all." Mr. Rothkopf has said his complaints were to no avail and that he "got the distinct impression that this was a done deal. But it was unclear to me at what level it was done." The Riadys have apparently boasted to friends that they placed Huang in the job.

(35) The Commerce Department now acknowledges that Mr. Huang attended 109 meetings at which classified information might have been discussed. Phone records show that Mr. Huang made at least 70 calls to Lippo during his tenure at the Commerce Department, many of which occurred near the time of the briefings. He had contacts with officials of the Chinese Embassy. Mr. Huang also maintained an office at a private investment firm with Arkansas and Asian ties, Stephens, Inc., where he made numerous phone calls and received faxes and packages during his Commerce tenure.

(36) Mr. Huang began to raise money illegally before he even left the Commerce Department, and the DNC attributed these donations to his wife. In mid-1995, he expressed an interest in going to the DNC to raise funds. DNC Chairman Don Fowler did not think that the move was necessary and took no action.

(37) In September 1995, the President and his closest adviser, Bruce Lindsey, met with Mr. Huang, James Riady, and C. Joseph Giroir, a former law partner of Mrs. Clinton's who was close to the Riadys, regarding Mr. Huang's desire to move to the DNC. The President has acknowledged that he had a role in recommending Mr. Huang for the DNC job, and other former Clinton aides with ties to Asia, including Mr. Giroir, apparently mounted a concerted campaign to bring about Mr. Huang's job there. In December 1995, Mr. Huang moved to the DNC with the title finance vice chairman. After Mr. Huang left, his Commerce Department position was eliminated. Id. Strangely, however, Mr. Huang kept his security clearance long after he left the Commerce Department.

(38) At the DNC, Mr. Huang embarked on an unusual fund-raising drive in which he raised $3,400,000. Of that amount, the DNC has identified $1,600,000 as being illegal, improper, or sufficiently suspect that it will be sent back to donors. Many of these donations came from fictitious donors and, in at least one case, a dead person. One of the most egregious examples is the $450,000 donated by Arief and Soraya Wiriadinata. Until December 1995 when they left the country, this couple lived in a modest townhouse in Northern Virginia. Mr. Wiriadinata was a landscape architect, and Mrs. Wiriadinata was a homemaker. Despite these modest circumstances, the couple wrote 23 separate checks to the DNC totaling $425,000 from November 9, 1995 until June 7, 1996. However, Mrs. Wiriadinata is the daughter of Hashim Ning, a partner of the Riadys in owning Lippo. Democratic Party officials had concerns about the legality of Mr. Huang's activities as early as July 1996, but they did not remove him from his job.

(39) The Wiriadinatas are not the only conduit through which Lippo money apparently benefited the Clintons. Existing Independent Counsel Kenneth Starr is reportedly investigating whether payments that Lippo made to Webster Hubbell were made to buy his silence in the Whitewater investigation. These payments reportedly included paying for a vacation the Hubbell family took to Bali in the summer of 1994.

(40) One possible quid pro quo for this Lippo money is the possibility that Lippo bought Mr. Huang's position in the Commerce Department as well as the accompanying access to classified information. In addition, during September 1996, the President announced that he was designating 1.7 million acres of Utah wilderness as a national monument. This designation abruptly halted plans to mine the world's largest deposit of clean-burning "super compliance coal." The President made this move with virtually no consultation with people in the affected area of Utah. The second largest deposit of this kind of coal lies in Indonesia, and critics suggest that the designation was made as a reward to Lippo.

(41) If there was a quid pro quo for Mr. Huang's position at the Department of Commerce, his access to classified information, the designation of the national monument, or all three, then there may have been a violation of section 201 of title 18, United States Code, and the other statutes mentioned above. The President's direct involvement includes his participation in the September 1995 meeting at which Mr. Huang expressed his desire to go to the DNC and his participation in the designation of the national monument.

(42) On February 20, 1997, the Wall Street Journal reported that a Miami computer executive with close ties to the government of Paraguay had a number of dealings with the White House.

(43) The computer executive, Mark Jimenez, is a native of the Philippines, and he is a legal resident of the United States. His company, Future Tech International, sells computer parts in Latin America, including Paraguay. He apparently has close ties to the government of Paraguay. Since 1993, Mr. Jimenez and his employees have given over $800,000 to the Democratic Party, the Clinton-Gore campaign, and other private initiatives linked to President Clinton, like the effort to restore the President's birthplace. Mr. Jimenez has visited the White House at least twelve times since April 1994, and on at least seven of these occasions, he met personally with President Clinton.

(44) The timing of some of these donations strongly suggests that there was a quid pro quo. From February through April 1996, Mr. Jimenez and various officials of the government of Paraguay met in the White House with presidential adviser and former chief of staff, Mack McLarty regarding threats to the government of Paraguay. On March 1, the State Department recommended that Paraguay no longer receive American foreign aid because it had not done enough to stop drug smuggling. President Clinton then issued a waiver allowing the continued aid despite the State Department's finding.

(45) On April 22, the military of Paraguay attempted a coup against the President of Paraguay, Carlos Wasmosy. The White House allowed President Wasmosy to take refuge in the American embassy in Asuncion and took other steps to support him. The same day, Mr. Jimenez gave $100,000 to the Democratic National Committee.

(46) In addition, during February 1996, Mr. Jimenez attended one of the now famous White House coffees. Ten days later, he gave another $50,000 to the Democratic National Committee. On September 30, 1996, Mr. Jimenez arranged for a White House tour for a number of business friends who were attending a meeting of the International Monetary Fund. The same day, he sent $75,000 to the Democratic National Committee. The close coincidence of Mr. Jimenez's contributions with the favors he received is highly suspicious. The President's direct involvement includes his calling President Wasmosy to assure him of American support with respect to the coup attempt and his direct participation in the coffee in question. If there was a quid pro quo involved, these incidents may violate section 201, of title 18, United States Code, and the other statutes cited above.

(47) In February, the Washington Post reported that on September 4, 1995, First Lady Hillary Clinton stopped over in Guam on the way to the International Women's Conference in Beijing, China. She ended her visit with a shrimp cocktail buffet hosted by Guam's governor, Carl T. Gutierrez, a Democrat. Three weeks later, a Guam Democratic Party official arrived in Washington with more than $250,000 in campaign contributions. Within six additional months, Governor Gutierrez and a small group of Guam businessmen had produced an additional $132,000 for the Clinton-Gore reelection campaign and $510,000 in soft money for the Democratic National Committee.

(48) In December 1996, the Administration circulated a memo that would have granted a long sought reversal of the Administration's position on labor and immigration issues in a way that was very favorable to businesses in Guam. The story gave the following reason for this shift: Some officials also attribute the administration's support for the reversal to the money raised for the president's reelection campaign. One senior U.S. official said "the political side" of her agency had informed her that the administration's shift was linked to campaign contributions. "We had always opposed giving Guam authority over its own immigration," the official said. "But when that $600,000 was paid, the political side switched." United States officials from three other agencies added that they too had been told that the policy shift was linked to money.

(49) Various published reports discussed below indicate that the President was intimately involved in the details of fundraising for his reelection. As President, he ultimately controls the Administration's policy. Thus, if these assertions prove true, a reasonable mind could reach the conclusion that the President knew about and condoned

a direct quid pro quo for these policy changes. If he did so, such a quid pro quo would violate section 201 of title 18, United States Code, and the other statutes.

(50) At least three criminal statutes address the use of the White House for political purposes. Section 600 of title 18, United States Code, prohibits the promising of any government benefit in return for any kind of political support or activity. Section 607 of title 18, United States Code, prohibits the solicitation or receipt of contributions for Federal campaigns in Federal buildings. Section 641 of title 18, United States Code, prohibits the conversion of government property to personal use.

(51) During January 1995, President Clinton authorized a plan under which the Democratic National Committee would hold fund-raising coffees and sleepovers in the White House. During 1995 and 1996, the White House held 103 of the coffees. To quote the New York Times, "[t]he documents [released by the White House] themselves make explicit that the coffees were fund-raising vehicles * * * [they] also make clear that the Democratic National Committee was virtually being run out of the Clinton White House despite the President's initial efforts after the election to draw a distinction between his own campaign organization and the committee." The Los Angeles Times said: "The result [of the coffees] was not only lucrative, according to some involved, but occasionally bizarre—sometimes the political equivalent of the bar scene in the film 'Star Wars.' The president and vice president were surrounded by rotating casts of rich strangers with unknown motives or backgrounds, including some from faraway places who didn't speak the same language."

(52) These reports indicate that Democratic Party fundraising staff have said in interviews that they directly sold access to the President and Vice President at the coffees. The New York Times quoted a Democratic fund-raiser's response to a White House denial that there was a requirement for a coffee participant to make a contribution as: "I don't understand why they continue to deny the obvious." The Los Angeles Times quoted a fund-raiser as saying: "I can't count the number of times I heard, 'Tell them they can come to a coffee with the President for $50,000.' It was routine. In fact, when [staffers] said, 'This is all I can raise,' they were told, 'Keep selling the coffees.'"

(53) In short, these reports make it obvious that the coffees, which President Clinton directly authorized, were nothing but fund-raising events. According to the New York Times, the Democratic National Committee raised $27,000,000 from 350 people who attended White House coffees.

(54) President Clinton also entertained 938 overnight guests in the White House during his first term. This, too, became a means of fund-raising. When the original plan to hold coffees was suggested to the President, he not only approved it, but also originated the idea of the overnight visits. On the memo suggesting the plan, he wrote, "Ready to start overnights right away * * * get other names at 100,000 or more, 50,000 or more." The New York Times reports that these guests donated $10,210,840 to the Democratic Party from 1992 through 1996. The New York Times said about the President's notation: "The memorandum to Mr. Clinton and the response from the President show Mr. Clinton's direct involvement in authorizing the fund-raising practices that are now under scrutiny by Congressional and Justice Department investigators."

(55) At least one document the White House has recently released strongly suggests that President Clinton made telephone solicitations from the White House. The document, written by Vice President Gore's deputy chief of staff, David Strauss, contained the notation, "BC made 15 to 20 calls, raised 500K." Other documents indicate that presidential adviser Harold Ickes also proposed that President Clinton make fund-raising calls. President Clinton has said that he cannot remember whether he made the calls. If President Clinton made these calls from the White House, he may have violated section 607 of title 18, United States Code.

(56) The circumstances of the coffees, the sleepovers, and the possible telephone calls strongly suggest that the President may have violated the following provisions of title 18, United States Code: (1) Section 600 (by promising government access in return for campaign contributions). (2) Section 607 (by soliciting campaign contributions in Federal buildings). (3) Section 641 (by converting Federal property, the White House, to his own private use).

(57) Under the independent counsel statute (28 U.S.C. 591(b)(1)), the Vice President is a covered person. Based on published reports, the Attorney General has sufficient grounds to investigate whether Vice President Gore may have violated Federal criminal law.

(58) On April 29, 1996, Vice President Gore attended a fund-raiser at the Hsi Lai Buddhist Temple in Hacienda Heights, California. This fund-raiser, organized by John Huang, brought in $140,000 for the Democratic National Committee. When the event first came to public attention, the Vice President claimed that the event was intended as "community outreach" and that "[i]t was not billed as a fund-raiser" and "no money was offered or collected or raised". The Vice President made this claim notwithstanding reports that checks changed hands at the event and that virtually everyone else involved thought the event was an explicit fund-raiser.

(59) In January 1997, the Vice President admitted that he knew the event was "a finance-related event." A month later, documents released by the White House revealed that the Vice President's staff had referred to the event as a fund-raiser in making inquiries to the National Security Council staff about the appropriateness of the event. The National Security Council advised that he should proceed with "great, great caution", but the Vice President proceeded to go forward with the fund-raiser. This event is apparently now under investigation by a Federal grand jury.

(60) Hsi Lai Temple, if it is like most religious organizations, is a tax-exempt organization under section 501(c) of the Internal Revenue Code. If that is so, it may not "participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office." (section 501(c)(3) of the Internal Revenue Code of 1986). By holding such an obviously political event, the Temple violated its tax exempt status, and Vice President Gore actively and enthusiastically participated in that violation. That action may violate section 371 of title 18, United States Code, as a conspiracy to defraud the United States by interfering with the functions of the Internal Revenue Service, and section 7201 of the Internal Revenue Code of 1986, as an evasion of the income tax.

(61) On March 2, 1997, the Washington Post reported that Vice President Gore "played the central role in soliciting millions of dollars in campaign money for the Democratic Party during the 1996 election" and that he was known as the administration's "solicitor-in-chief". The next day, Vice President Gore held a nationally televised press conference in which he admitted making numerous calls from the White House in which he solicited campaign contributions. He said that he made these phone calls with a DNC credit card. His spokesman later clarified that the card that he used belonged to the Clinton-Gore reelection campaign (statement of Vice Presidential Communications Director Lorraine Voles, dated March 5, 1997). The use of the Clinton-Gore credit card suggests that the solicitations were for "hard money" which goes to campaigns rather than "soft money" which goes to parties.

(62) Documents that the White House has only recently released reveal that Vice President Gore made 86 fundraising calls from his White House Office. More disturbingly, these new records reveal that Vice President Gore made twenty of these calls at taxpayer expense. This use of taxpayer resources for private political uses may violate section 641 of title 18, United States Code, (converting government property to personal use).

(63) On its face, the conduct to which Vice President Gore admitted appears to be a clear violation of section 607 of title 18, United States Code. Section 607 of such title makes it unlawful for "any person to solicit * * * any [campaign] contribution * * * in any room or building occupied in the discharge of official [government] duties * * * ".

(64) Recent reports have completely undermined these two claims with respect to the calls that Vice President Gore made. The Washington Post on September 3, 1997, reported that at least $120,000 of the money he solicited from his office was "hard money.". As the story notes, "The [hard] money came from at least eight of 46 donors the vice president telephoned from his White House office to ask for contributions to the Democratic National Committee, according to records released by Gore's office." The American people should be are deeply troubled by the length of time it took for these records, which have apparently been under Vice President Gore's control, to come to public light. With respect to the second claim, no person has made any claim that Vice President Gore made these calls from any place other than his office, an area clearly covered under section 607 of title 18, United States Code, as a "room or building occupied in the discharge of official [government] duties."

(65) The Washington Post also asserted that Vice President Gore made the telephone solicitations "with an urgency and directness that several large Democratic donors said they found heavy-handed and inappropriate." The story quoted two donors as follows: "Another donor recalled Gore phoning and saying, 'I've been tasked with raising $2,000,000 by the end of the week, and you're on my list.' The donor, a well-known business figure who declined to allow his name to be used, gave about $100,000 to the DNC. The donor said he felt pressured by the Vice President's sales pitch. 'It's revolting,' said the donor, a longtime Gore friend and supporter. Yet another major business figure and donor who was solicited by Gore, and who refused to be identified, said, 'There were elements of a shakedown in the call. It was very awkward. For a Vice President, particularly this Vice President who has real

power and is the heir apparent, to ask for money gave me no choice. I have so much business that touches on the Federal Government—the Telecommunications Act, tax policy, regulations galore.' The donor said he immediately sent a check for $100,000 to the DNC.".

(66) Although the Vice President may legally solicit campaign contributions, it is not legal to exert pressure based on government actions. The bribery statute (section 201(b)(2) of title 18, United States Code) provides that a public official may not "directly or indirectly, corruptly demand[], [or] seek[], * * * anything of value personally or for any other person or entity, in return for: (A) being influenced in the performance of any official act; * * *" In addition, section 872 of title 18, United States Code, prohibits government officials from engaging in acts of extortion. Through the use of untoward pressure, the Vice President may have violated these statutes.

(67) Sufficient specific and credible evidence exists to warrant a preliminary investigation under the independent counsel statute.

(68) The fund-raising disclosures have blown up into the biggest scandal in the United States since Watergate.

(69) This situation is paralyzing the President, preoccupying Congress and fueling public cynicism about our political system.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Attorney General Reno should apply immediately for the appointment of an independent counsel to investigate alleged criminal conduct relating to the financing of the 1996 Federal elections.

(Voter eligibility verification system; H.R. 1428)

AMENDMENT OFFERED BY MR. PETERSON OF PENNSYLVANIA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—VOTER ELIGIBILITY CONFIRMATION PROGRAM

SEC. ___01. VOTER ELIGIBILITY PILOT CONFIRMATION PROGRAM.

(a) IN GENERAL.—The Attorney General, in consultation with the Commissioner of Social Security, shall establish a pilot program to test a confirmation system through which they—

(1) respond to inquiries, made by State and local officials (including voting registrars) with responsibility for determining an individual's qualification to vote in a Federal, State, or local election, to verify the citizenship of an individual who has submitted a voter registration application, and

(2) maintain such records of the inquiries made and verifications provided as may be necessary for pilot program evaluation.

In order to make an inquiry through the pilot program with respect to an individual, an election official shall provide the name, date of birth, and social security account number of the individual.

(b) INITIAL RESPONSE.—The pilot program shall provide for a confirmation or a tentative nonconfirmation of an individual's citizenship by the Commissioner of Social Security as soon as practicable after an initial inquiry to the Commissioner.

(c) SECONDARY VERIFICATION PROCESS IN CASE OF TENTATIVE NONCONFIRMATION.—In cases of tentative nonconfirmation, the Attorney General shall specify, in consultation with the Commissioner of Social Security and the Commissioner of the Immigration and Naturalization Service, an available secondary verification process to confirm the validity of information provided and to provide a final confirmation or nonconfirmation as soon as practicable after the date of the tentative nonconfirmation.

(d) DESIGN AND OPERATION OF PILOT PROGRAM.—

(1) IN GENERAL.—The pilot program shall be designed and operated—

(A) to apply in, at a minimum, the States of California, New York, Texas, Florida, and Illinois;

(B) to be used on a voluntary basis, as a supplementary information source, by State and local election officials for the purpose of assessing, through citizenship verification, the eligibility of an individual to vote in Federal, State, or local elections;

(C) to respond to an inquiry concerning citizenship only in a case where determining whether an individual is a citizen is—

(i) necessary for determining whether the individual is eligible to vote in an election for Federal, State, or local office; and

(ii) part of a program or activity to protect the integrity of the electoral process that is uniform, nondiscriminatory, and in compliance with the Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.);

(D) to maximize its reliability and ease of use, consistent with insulating and protecting the privacy and security of the underlying information;

(E) to permit inquiries to be made to the pilot program through a toll-free telephone line or other toll-free electronic media;

(F) subject to subparagraph (I), to respond to all inquiries made by authorized persons and to register all times when the pilot program is not responding to inquiries because of a malfunction;

(G) with appropriate administrative, technical, and physical safeguards to prevent unauthorized disclosure of personal information, including violations of the requirements of section 205(c)(2)(C)(viii) of the Social Security Act;

(H) to have reasonable safeguards against the pilot program's resulting in unlawful discriminatory practices based on national origin or citizenship status, including the selective or unauthorized use of the pilot program.

(2) USE OF EMPLOYMENT ELIGIBILITY CONFIRMATION SYSTEM.—To the extent practicable, in establishing the confirmation system under this section, the Attorney General, in consultation with the Commissioner of Social Security, shall use the employment eligibility confirmation system established under section 404 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (Public Law 104–208; 110 Stat. 3009–664).

(e) RESPONSIBILITIES OF THE COMMISSIONER OF SOCIAL SECURITY.—As part of the pilot program, the Commissioner of Social Security shall establish a reliable, secure method which compares the name, date of birth, and social security account number provided in an inquiry against such information maintained by the Commissioner, in order to confirm (or not confirm) the correspondence of the name, date of birth, and number provided and whether the individual is shown as a citizen of the United States on the records maintained by the Commissioner (including whether such records show that the individual was born in the United States). The Commissioner shall not disclose or release social security information (other than such confirmation or nonconfirmation).

(f) RESPONSIBILITIES OF THE COMMISSIONER OF THE IMMIGRATION AND NATURALIZATION SERVICE.—As part of the pilot program, the Commissioner of the Immigration and Naturalization Service shall establish a reliable, secure method which compares the name and date of birth which are provided in an inquiry against information maintained by the Commissioner in order to confirm (or not confirm) the validity of the information provided, the correspondence of the name and date of birth, and whether the individual is a citizen of the United States.

(g) UPDATING INFORMATION.—The Commissioner of Social Security and the Commissioner of the Immigration and Naturalization Service shall update their information in a manner that promotes the maximum accuracy and shall provide a process for the prompt correction of erroneous information, including instances in which it is brought to their attention in the secondary verification process described in subsection (c) or in any action by an individual to use the process provided under this subsection upon receipt of notification from an election official under subsection (i).

(h) LIMITATION ON USE OF THE PILOT PROGRAM AND ANY RELATED SYSTEMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, nothing in this section shall be construed to permit or allow any department, bureau, or other agency of the United States Government to utilize any information, data base, or other records assembled under this section for any other purpose other than as provided for under this section.

(2) NO NATIONAL IDENTIFICATION CARD.—Nothing in this section shall be construed to authorize, directly or indirectly, the issuance or use of national identification cards or the establishment of a national identification card.

(3) NO NEW DATA BASES.—Nothing in this section shall be construed to authorize, directly or indirectly, the Attorney General and the Commissioner of Social Security to create any joint computer data base that is not in existence on the date of the enactment of this Act.

(i) ACTIONS BY ELECTION OFFICIALS UNABLE TO CONFIRM CITIZENSHIP.—

(1) IN GENERAL.—If an election official receives a notice of final nonconfirmation under subsection (c) with respect to an individual, the official—

(A) shall notify the individual in writing; and

(B) shall inform the individual in writing of the individual's right to use—

(i) the process provided under subsection (g) for the prompt correction of erroneous information in the pilot program; or

(ii) any other process for establishing eligibility to vote provided under State or Federal law.

(2) REGISTRATION APPLICANTS.—In the case of an individual who is an applicant for voter registration, and who receives a notice from an official under paragraph (1), the official may (subject to, and in a manner consistent with, State law) reject the application (subject to the right to reapply), but only if the following conditions have been satisfied:

(A) The 30-day period beginning on the date the notice was mailed or otherwise provided to the individual has elapsed.

(B) During such 30-day period, the official did not receive adequate confirmation of the citizenship of the individual from—

(i) a source other than the pilot program established under this section; or

(ii) such pilot program, pursuant to a new inquiry to the pilot program made by the official upon receipt of information (from the individual or through any other reliable source) that erroneous or incomplete material information previously in the pilot program has been updated, supplemented, or corrected.

(3) INELIGIBLE VOTER REMOVAL PROGRAMS.—In the case of an individual who is registered to vote, and who receives a notice from an official under paragraph (1) in connection with a program to remove the names of ineligible voters from an official list of eligible voters, the official may (subject to, and in a manner consistent with, State law) remove the name of the individual from the list (subject to the right to submit another voter registration application), but only if the following conditions have been satisfied:

(A) The 30-day period beginning on the date the notice was mailed or otherwise provided to the individual has elapsed.

(B) During such 30-day period, the official did not receive adequate confirmation of the citizenship of the individual from a source described in clause (i) or (ii) of paragraph (2)(B).

(j) AUTHORITY TO USE SOCIAL SECURITY ACCOUNT NUMBERS.—Any State (or political subdivision thereof) may, for the purpose of making inquiries under the pilot program in the administration of any voter registration law within its jurisdiction, use the social security account numbers issued by the Commissioner of Social Security, and may, for such purpose, require any individual who is or appears to be affected by a voter registration law of such State (or political subdivision thereof) to furnish to such State (or political subdivision thereof) or any agency thereof having administrative responsibility for such law, the social security account number (or numbers, if the individual has more than one such number) issued to the individual by the Commissioner.

(k) TERMINATION AND REPORT.—The pilot program shall terminate September 30, 2001. The Attorney General and the Commissioner of Social Security shall each submit to the Committee on the Judiciary and the Committee on Ways and Means of the House of Representatives and to the Committee on the Judiciary and the Committee on Finance of the Senate reports on the pilot program not later than December 31, 2001. Such reports shall—

(1) assess the degree of fraudulent attesting of United States citizenship in jurisdictions covered by the pilot program;

(2) assess the appropriate staffing and funding levels which would be required for full, permanent, and nationwide implementation of the pilot program, including the estimated total cost for national implementation per individual record;

(3) include an assessment by the Commissioner of Social Security of the advisability and ramifications of disclosure of social security account numbers to the extent provided for under the pilot program and upon full, permanent, and nationwide implementation of the pilot program;

(4) assess the degree to which the records maintained by the Commissioner of Social Security and the Commissioner of the Immigration and Naturalization Service are able to be used to reliably determine the citizenship of individuals who have submitted voter registration applications;

(5) assess the effectiveness of the pilot program's safeguards against unlawful discriminatory practices;

(6) include recommendations on whether or not the pilot program should be continued or modified; and

(7) include such other information as the Attorney General or the Commissioner of Social Security may determine to be relevant.

SEC. 02. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Department of Justice, for the Immigration and Naturalization Service, for fiscal years beginning on or after October 1, 1998, such sums as are necessary to carry out the provisions of this title.

(Citizenship verification for voters)

AMENDMENT OFFERED BY MR. BARR OF GEORGIA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —CITIZENSHIP VERIFICATION FOR VOTING

SEC. 01. REQUIRING VOTERS TO PROVIDE PROOF OF CITIZENSHIP.

Section 8 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–6) is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection:

"(j) REQUIRING VOTERS TO PROVIDE PROOF OF CITIZENSHIP.—A State may not provide any individual with a ballot for voting in an election for Federal office unless the individual provides the State election official involved with verification of the individual's status as a citizen of the United States, including—

"(1) the city, State or province (if any), and nation of the individual's birth; and

"(2) if the individual is a naturalized citizen of the United States, the date on which the individual was admitted to citizenship and the location where the admission to citizenship occurred (if applicable).".

(Prohibiting bilingual voting materials)

AMENDMENT OFFERED BY MR. BARR OF GEORGIA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —PROHIBITING BILINGUAL VOTING MATERIALS

SEC. 01. PROHIBITING USE OF BILINGUAL VOTING MATERIALS.

(a) PROHIBITION.—

(1) IN GENERAL.—No State may provide voting materials in any language other than English.

(2) VOTING MATERIALS DEFINED.—In this subsection, the term "voting materials" means registration or voting notices, forms, instructions, assistance, or other materials or information relating to the electoral process, including ballots.

(b) CONFORMING AMENDMENTS.—The Voting Rights Act of 1965 is amended—

(1) by striking section 203 (42 U.S.C. 1973aa—1a);

(2) in section 204 (42 U.S.C. 1973aa–2), by striking ", or 203"; and

(3) in section 205 (42 U.S.C. 1973aa–3), by striking ", 202, or 203" and inserting "or 202".

(Expulsion of House members convicted of receiving prohibited foreign contributions)

AMENDMENT OFFERED BY MR. TRAFICANT OF OHIO TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —EXPULSION PROCEEDINGS FOR HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS

SEC. 01. PERMITTING CONSIDERATION OF PRIVILEGED MOTION TO EXPEL HOUSE MEMBER ACCEPTING ILLEGAL FOREIGN CONTRIBUTION.

(a) IN GENERAL.—If a Member of the House of Representatives is convicted of a violation of section 319 of the Federal Election Campaign Act of 1971 (or any successor provision prohibiting the solicitation, receipt, or acceptance of a contribution from a foreign national), it shall be in order in the House at any time after the fifth legislative day following the date on which the Member is convicted to move to expel the Member from the House of Representatives. A motion to expel a Member under the authority of this subsection shall be highly privileged. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(b) EXERCISE OF RULEMAKING AUTHORITY.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House of Representatives, and it supersedes other rules only to the extent that it is inconsistent therewith; and

(2) with full recognition of the constitutional right of the House of Representatives to change the rule at any time, in the same manner and to the same extent as in the case of any other rule of the House of Representatives.

(To provide that background music shall not be taken into account in determining whether a communication constitutes express advocacy)

AMENDMENT OFFERED BY MR. DELAY TO THE AMENDMENT OFFERED BY MR. SHAYS

At the appropriate place, insert the following:

SEC. . EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301 (2 U.S.C. 431) is amended by adding at the end the following new paragraph:

"(20) In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music used in such broadcast."

AMENDMENT OFFERED BY MR. DELAY TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

Amendment No. 84 In section 301(8) of the Federal Election Campaign Act of 1971, as amended by section 205(a)(1)(B) of the substitute, add at the end the following:

(F) For purposes of subparagraph (C), no communication with a Senator or Member of the House of Representatives (including the staff of a Senator or Member) regarding any pending legislative matter, regarding the position of any Senator or Member on such manner, may be construed to establish coordination with a candidate.

AMENDMENT #27 HAS BEEN WITHDRAWN BY THE AUTHOR

AMENDMENT OFFERED BY MR. DELAY TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

Amendment No. 83. In section 301(8)(C) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute, strike clause (vi) and redesignate clauses (viii) through (x) as clauses (vi) through (ix).

AMENDMENT OFFERED BY MR. DELAY TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

Amendment No. 84. In section 301(8) of the Federal Election Campaign Act of 1971, as amended by section 205(a)(1)(B) of the substitute, add at the end the following:

(F) For purposes of subparagraph (C), no communication with a Senator or Member of the House of Representatives (including the staff of a Senator or Member) regarding any pending legislative matter, including any survey, questionnaire, or written communication soliciting or providing information regarding the position of any Senator or Member on such manner, may be construed to establish coordination with a candidate.

(Prohibition against fundraising on Federal property)

AMENDMENT OFFERED BY MR. GUTKNECHT OF MINNESOTA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—PROHIBITING FUNDRAISING ON FEDERAL PROPERTY

SEC. ___01. PROHIBITION AGAINST POLITICAL FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—It shall be unlawful for any persons to solicit or receive a donation of money or other thing of value for a political committee or a candidate for Federal, State, or local office from a person who is located in a room or building, including by not limited to the White House, occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value for a political committee or candidate for Federal, State, or local office, while in any room or building, including but not limited to the White House, occupied in the discharge of official duties by an officer or employee of the United States, from any person.".

(Replace Beck codification with paycheck protection provisions)

AMENDMENT OFFERED BY MR. BOB SCHAFFER OF COLORADO TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Strike section 501 and insert the following (and conform the table of contents accordingly):

SEC. 501. PROHIBITING INVOLUNTARY ASSESSMENT OF EMPLOYEE FUNDS FOR POLITICAL ACTIVITIES.

(a) IN GENERAL.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

"(c)(1) Except with the separate, prior, written, voluntary authorization of each individual, it shall be unlawful—

"(A) for any national bank or corporation described in this section to collect from or assess its stockholders or employees any dues, initiation fee, or other payment as a condition of employment if any part of such dues, fee, or payment will be used for political activity in which the national bank or corporation is engaged; and

"(B) for any labor organization described in this section to collect from or assess its members or nonmembers any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for political activity in which the labor organization is engaged.

"(2) An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such paragraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

"(3) For purposes of this subsection, the term 'political activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to amounts collected or assessed on or after the date of the enactment of this Act.

(Reduced postage rates for principal campaign committees)

AMENDMENT OFFERED BY MR. HORN OF CALIFORNIA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—REDUCED POSTAGE RATES

SEC. ___01. REDUCED POSTAGE RATES FOR PRINCIPAL CAMPAIGN COMMITTEES OF CONGRESSIONAL CANDIDATES.

(a) IN GENERAL.—Section 3626(e)(2)(A) of title 39, United States Code, is amended by striking "and the National Republican Congressional Committee" and inserting "the National Republican Congressional Committee, and the principal campaign committee of a candidate for election for the office of Senator or Representative in or Delegate or Resident Commissioner to the Congress".

(b) LIMITING REDUCED RATE TO TWO PIECES OF MAIL PER REGISTERED VOTER.—Section 3626(e)(1) of such title is amended by striking the period at the end and inserting the following: ", except that in the case of a committee which is a principal campaign committee such rates shall apply only with respect to the election cycle involved and only to a number of pieces equal to the product of 2 times the number (as determined by the Postmaster General) of addresses (other than business possible delivery stops) in the congressional district involved (or, in the case of a committee of a candidate for election for the office of Senator, in the State involved).".

(c) PRINCIPAL CAMPAIGN COMMITTEE DEFINED.—Section 3626(e)(2) of such title is amended—

(1) by striking "and" at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(D) the term 'principal campaign committee' has the meaning given such term in section 301(5) of the Federal Election Campaign Act of 1971.".

(Limitation on contributions from PACs and parties)

AMENDMENT OFFERED BY MR. UPTON OF MICHIGAN TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title I the following new section (and conform the table of contents accordingly):

SEC. 104. LIMITATION ON CONTRIBUTIONS FROM PERSONS OTHER THAN INDIVIDUALS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) A candidate for the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress may not accept contributions with respect to a reporting period for an election from persons other than individuals totaling in excess of the total of contributions accepted from individuals.".

(Penalty for violation of foreign contribution ban)

AMENDMENT OFFERED BY MR. NICK SMITH OF MICHIGAN TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE ___—PENALTY FOR VIOLATION OF FOREIGN CONTRIBUTION BAN

SEC. ___01. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) Any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be less than 5 years or more than 20 years, fined in an amount not to exceed $1,000,000, or both.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(Expedited review of allegations of FECA violations)

AMENDMENT OFFERED BY MR. SHADEGG OF ARIZONA TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d)(1) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

"(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

"(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

"(B) whether an expenditure is an independent expenditure under section 301(17).".

(b) Effective Date.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

AMENDMENT OFFERED BY MR. DELAY TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Strike section 301(20)(B) of the Federal Election Campaign Act of 1971, as added by section 201(b) of the substitute, and insert the following:

"(B) Nonapplication to publications on voting records.—The term 'express advocacy' shall not apply with respect to any printed communication which provides information or commentary on the voting record of, or positions on issues taken by, any individual holding Federal office or any candidate for election for Federal office, unless the communication contains explicit words expressly urging a vote for or against any identified candidate or political party.".

(Requiring majority of House candidate funds to come from in-State individual residents)

AMENDMENT OFFERED BY MR. SHAW OF FLORIDA TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. REQUIRING MAJORITY OF AMOUNT OF CONTRIBUTIONS ACCEPTED BY HOUSE CANDIDATES TO COME FROM IN-STATE RESIDENTS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i)(1) With respect to each reporting period for an election, the total of contributions accepted by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress from in-State individual residents shall be at least 50 percent of the total of contributions accepted from all sources.

"(2) As used in this subsection, the term 'in-State individual resident' means an individual who resides in the State in which the congressional district involved is located.".

(Expedited consideration of constitutional amendment)

AMENDMENT OFFERED BY MS. KAPTUR OF OHIO TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for HR 2183)

Insert after section 602 the following new section (and redesignate the succeeding provisions and conform the table of contents accordingly):

SEC. 603. EXPEDITED CONSIDERATION OF CONSTITUTIONAL AMENDMENT.

(a) In General.—If any provision of this Act or any amendment made by this Act is found unconstitutional by the Supreme Court, the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of a joint resolution described in subsection (c) in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) Special Rules.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on the Judiciary of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on the Judiciary of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the Supreme Court finds a provision of this Act or an amendment made by this Act unconstitutional.

(c) Constitutional Amendment Described.—For purposes of subsection (a), a joint resolution described in this section is a joint resolution proposing the following text as an amendment to the Constitution of the United States:

"Article —

"Section 1. Congress shall have power to set reasonable limits on expenditures made in support of or in opposition to the nomination or election of any person to Federal office.

"Sec. 2. Each State shall have power to set reasonable limits on expenditures made in support of or in opposition to the nomination or election of any person to State office.

"Sec. 3. Congress shall have power to enforce this article by appropriate legislation.".

(Restrictions on and regulation of foreign lobbying)

AMENDMENT OFFERED BY MS. KAPTUR OF OHIO TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE —ETHICS IN FOREIGN LOBBYING

SEC. 01. PROHIBITION OF CONTRIBUTIONS AND EXPENDITURES BY MULTICANDIDATE POLITICAL COMMITTEES OR SEPARATE SEGREGATED FUNDS SPONSORED BY FOREIGN-CONTROLLED CORPORATIONS AND ASSOCIATIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 441 et seq.) is amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS AND EXPENDITURES BY MULTICANDIDATE POLITICAL COMMITTEES SPONSORED BY FOREIGN-CONTROLLED CORPORATIONS AND ASSOCIATIONS

"Sec. 323. (a) In General.—Notwithstanding any other provision of law—

"(1) no multicandidate political committee or separate segregated fund of a foreign-controlled corporation may make any contribution or expenditure with respect to an election for Federal office; and

"(2) no multicandidate political committee or separate segregated fund of a trade organization, membership organization, cooperative, or corporation without capital stock may make any contribution or expenditure with respect to an election for Federal office if 50 percent or more of the operating fund of the trade organization, membership organization, cooperative, or corporation without capital stock is supplied by foreign-controlled corporations or foreign nationals.

"(b) Information Required to Be Reported.—The Commission shall—

"(1) require each multicandidate political committee or separate segregated fund of a corporation to include in the statement of organization of the multicandidate political committee or separate segregated fund a statement (to be updated annually and at any time when the percentage goes above or below 50 percent) of the percentage of ownership interest in the corporation that is controlled by persons other than citizens or nationals of the United States;

"(2) require each trade association, membership organization, cooperative, or corporation without capital stock to include in its statement of organization of the multicandidate political committee or separate segregated fund (and update annually) the percentage of its operating fund that is derived from foreign-owned corporations and foreign nationals; and

"(3) take such action as may be necessary to enforce subsection (a).

"(c) List of Entities Filing Reports.—The Commission shall maintain a list of the identity of the multicandidate political committees or separate segregated funds that file reports under subsection (b), including a statement of the amounts and percentage reported by such multicandidate political committees or separate segregated funds.

"(d) Definitions.—As used in this section—

"(1) the term 'foreign-owned corporation' means a corporation at least 50 percent of the ownership interest of which is controlled by persons other than citizens or nationals of the United States;

"(2) the term 'multicandidate political committee' has the meaning given that term in section 315(a)(4);

"(3) the term 'separate segregated fund' means a separate segregated fund referred to in section 316(b)(2)(C); and

"(4) the term 'foreign national' has the meaning given that term in section 319.".

SEC. 02. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(c) A foreign national shall not direct, dictate, control, or directly or indirectly participate in the decisionmaking process of any person, such as a corporation, labor organization, or political committee, with regard to such person's Federal or non-Federal election-related activities, such as decisions concerning the making of contributions or expenditures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.".

SEC. 03. ESTABLISHMENT OF A CLEARINGHOUSE OF POLITICAL ACTIVITIES INFORMATION WITHIN THE FEDERAL ELECTION COMMISSION.

(a) Establishment.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals.

The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—(1) The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse.

(2) The Director shall be appointed by the Federal Election Commission.

(3) The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

SEC. ___04. DUTIES AND RESPONSIBILITIES OF THE DIRECTOR OF THE CLEARINGHOUSE.

(a) IN GENERAL.—It shall be the duty of the Director of the clearinghouse established under section ___03—

(1) to develop a filing, coding, and cross-indexing system to carry out the purposes of this Act (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(2) notwithstanding any other provision of law, to make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and copying, beginning not later than 30 days after the information is first available to the public, and to permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, to furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profit-making purpose;

(3) to compile and summarize, for each calendar quarter, the information contained in such registrations, reports, and other information comprising the clearinghouse in a manner which facilitates the disclosure of political activities, including, but not limited to, information on—

(A) political activities pertaining to issues before the Congress and issues before the executive branch; and

(B) the political activities of individuals, organizations, foreign principals, and agents of foreign principals who share an economic, business, or other common interest;

(4) to make the information compiled and summarized under paragraph (3) available to the public within 30 days after the close of each calendar quarter, and to publish such information in the Federal Register at the earliest practicable opportunity;

(5) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of section ___03 and this section in the most effective and efficient manner; and

(6) at the request of any Member of the Senate or the House of Representatives, to prepare and submit to such Member a study or report relating to the political activities of any person and consisting only of the information in the registrations, reports, and other information comprising the clearinghouse.

(b) DEFINITIONS.—As used in this section—

(1) the terms "foreign principal" and "agent of a foreign principal" have the meanings given those terms in section 1 of the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611);

(2) the term "issue before the Congress" means the total of all matters, both substantive and procedural, relating to—

(A) any pending or proposed bill, resolution, report, nomination, treaty, hearing, investigation, or other similar matter in either the Senate or the House of Representatives or any committee or office of the Congress; or

(B) any pending action by a Member, officer, or employee of the Congress to affect, or attempt to affect, any action or proposed action by any officer or employee of the executive branch; and

(3) the term "issue before the executive branch" means the total of all matters, both substantive and procedural, relating to any pending action by any executive agency, or by any officer or employee of the executive branch, concerning—

(A) any pending or proposed rule, rule of practice, adjudication, regulation, determination, hearing, investigation, contract, grant, license, negotiation, or the appointment of officers and employees, other than appointments in the competitive service; or

(B) any issue before the Congress.

SEC. ___05. PENALTIES FOR DISCLOSURE.

Any person who discloses information in violation of section ___03(b), and any person who sells or uses information for the purpose of soliciting contributions or for any profit-making purpose in violation of section ___04(a)(2), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

SEC. ___06. AMENDMENTS TO THE FOREIGN AGENTS REGISTRATION ACT OF 1938, AS AMENDED.

(a) QUARTERLY REPORTS.—Section 2(b) of the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 612(b)), is amended in the first sentence by striking out ", within thirty days" and all that follows through "preceding six months' period" and inserting in lieu thereof "on January 31, April 30, July 31, and October 31 of each year, file with the Attorney General a supplement thereto on a form prescribed by the Attorney General, which shall set forth regarding the three-month periods ending the previous December 31, March 31, June 30, and September 30, respectively, or if a lesser period, the period since the initial filing,".

(b) EXEMPTION FOR LEGAL REPRESENTATION.—Section 3(g) of the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 613(g)) is amended by adding at the end the following: "A person may be exempt under this subsection only upon filing with the Attorney General a request for such exemption.".

(c) CIVIL PENALTIES.—Section 8 of the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 618), is amended by adding at the end thereof the following:

"(i)(1) Any person who is determined, after notice and opportunity for an administrative hearing—

"(A) to have failed to file a registration statement under section 2(a) or a supplement thereto under section 2(b),

"(B) to have omitted a material fact required to be stated therein, or

"(C) to have made a false statement with respect to such a material fact,

shall be required to pay a civil penalty in an amount not less than $2,000 or more than $5,000 for each violation committed. In determining the amount of the penalty, the Attorney General shall give due consideration to the nature and duration of the violation.

"(2)(A) In conducting investigations and hearings under paragraph (1), administrative law judges may, if necessary, compel by subpoena the attendance of witnesses and the production of evidence at any designated place or hearing.

"(B) In the case of contumacy or refusal to obey a subpoena lawfully issued under this paragraph and, upon application by the Attorney General, an appropriate district court of the United States may issue an order requiring compliance with such subpoena and any failure to obey such order may be punished by such court as a contempt thereof.".

(Coverage of voter guides posted on the Internet under voter guide exception)

AMENDMENT OFFERED BY MRS. SMITH OF WASHINGTON TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

In section 301(20)(B) of the Federal Election Campaign Act of 1971, as added by section 201(a) of the substitute, strike "a printed communication" and insert "a communication which is in printed form or posted on the Internet and".

(Application of voter guide exception to guides covering 1 candidate)

AMENDMENT OFFERED BY MRS. SMITH OF WASHINGTON TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

In section 301(20)(B)(i) of the Federal Election Campaign Act of 1971, as added by section 201(a) of the substitute, strike "2 or more candidates" and insert "1 or more candidates".

(Permitting clearly identified opinions of publisher to appear on voting guides)

AMENDMENT OFFERED BY MRS. SMITH OF WASHINGTON TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

In section 301(20)(B)(i) of the Federal Election Campaign Act of 1971, as added by section 201(a) of the substitute, insert before the semicolon the following: "(other than information describing the opinion of the person publishing the communication on the record or position involved, if the information is clearly identified as describing the opinion of such person)".

(Clarification that submission and collection of voter guides is not a coordinated contribution or expenditure)

AMENDMENT OFFERED BY MRS. SMITH OF WASHINGTON TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

In section 301(8) of the Federal Election Campaign Act of 1971, as amended by section 205(a)(1)(B) of the substitute, add at the end the following:

"(F) Nothing in subparagraph (A)(iii) or subparagraph (D) may be construed to treat the submission by any person of a communication described in paragraph (20)(B) to a candidate, a candidate's authorized committee, or an agent acting on behalf of a candidate or authorized committee, or the collection by any person of such a communication from a candidate, a candidate's authorized committee, or an agent acting on behalf of a candidate or authorized committee as an item of value provided in coordination with a candidate for purposes of subparagraph (A)(iii).".

(Clarification that lobbying candidates who hold elective office is not coordinated campaign activity)

AMENDMENT OFFERED BY MRS. SMITH OF WASHINGTON TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

In section 301(8)(C)(v) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute, strike "Federal office," and insert the following: "Federal office (other than any discussion consisting of a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or consisting of similar lobbying activity in the case of a candidate holding State or local elective office)".

(Repeal treatment of all shared vendor services as coordinated campaign activity)

AMENDMENT OFFERED BY MRS. SMITH OF WASHINGTON TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

In section 301(8)(C) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute, strike clause (vi) and redesignate the succeeding provisions accordingly.

In section 301(8)(C)(vi) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute (and as so redesignated), strike "clauses (i) through (vi)" in clause (vii) and insert "clauses (i) through (v)".

(Penalty for violation of foreign contribution ban)

AMENDMENT OFFERED BY MR. SMITH OF MICHIGAN TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b)(1) Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be less than 5 years or more than 20 years, fined in an amount not to exceed $1,000,000, or both.

"(2) Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(Permitting permanent resident aliens serving in the Armed Forces to make contributions)

AMENDMENT OFFERED BY MR. STEARNS OF FLORIDA TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. PERMITTING PERMANENT RESIDENT ALIENS SERVING IN ARMED FORCES TO MAKE CONTRIBUTIONS.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended by adding at the end the following new subsection:

"(c) Notwithstanding any other provision of this title, an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act) and who is a member of the Armed Forces (including a reserve component of the Armed Forces) shall not be subject to the prohibition under this section.".

(Prohibiting conspiracy to violate presidential campaign spending limits)

AMENDMENT OFFERED BY MR. STEARNS OF FLORIDA TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform .the table of contents accordingly):

SEC. 510. CONSPIRACY TO VIOLATE PRESIDENTIAL CAMPAIGN SPENDING LIMITS.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection:

"(g) PROHIBITING CONSPIRACY TO VIOLATE LIMITS.—

"(1) VIOLATION OF LIMITS DESCRIBED.—If a candidate for election to the office of President or Vice President who receives amounts from the Presidential Election Campaign Fund under chapter 95 or 96 of the Internal Revenue Code of 1986, or the agent of such a candidate, seeks to avoid the spending limits applicable to the candidate under such chapter or under the Federal Election Campaign Act of 1971 by soliciting, receiving, transferring, or directing funds from any source other than such Fund for the direct or indirect benefit of such candidate's campaign, such candidate or agent shall be fined not more than $1,000,000, or imprisoned for a term of not more than 3 years, or both.

"(2) CONSPIRACY TO VIOLATE LIMITS DEFINED.—If two or more persons conspire to violate paragraph (1), and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined not more than $1,000,000, or imprisoned for a term of not more than 3 years, or both.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

(Ban on solicitation of soft money by candidates receiving Federal presidential campaign funds)

AMENDMENT OFFERED BY MR. STEARNS OF FLORIDA TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. ENFORCEMENT OF SPENDING LIMIT ON PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATES WHO RECEIVE PUBLIC FINANCING.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection:

"(f) ILLEGAL SOLICITATION OF SOFT MONEY.—No candidate for election to the office of President or Vice President may receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 unless the candidate certifies that the candidate shall not solicit any funds for the purposes of influencing such election, including any funds used for an independent expenditure under the Federal Election Campaign Act of 1971, unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

(Raise contribution limit for contributions to candidates from $1,000 to $3,000)

AMENDMENT OFFERED BY MR. WHITFIELD OF KENTUCKY TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title I the following new section (and conform the table of contents accordingly):

SEC. 104. INCREASE IN CONTRIBUTION LIMIT FOR CONTRIBUTIONS TO CANDIDATES BY PERSONS OTHER THAN PACS.

Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended by striking "$1,000" and inserting "$3,000".

(Limiting definition of "express advocacy" to communications containing certain words or phrases)

AMENDMENT OFFERED BY MR. WHITFIELD OF KENTUCKY TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Amend section 301(20)(A) of the Federal Election Campaign Act of 1971, as added by section 201(b) of the substitute, to read as follows:

"(A) In general.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by containing a phrase such as 'vote for', 'reelect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject'."

(Prohibiting bundling of contributions)

AMENDMENT OFFERED BY MR. ENGLISH OF PENNSYLVANIA TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. PROHIBITING BUNDLING OF CONTRIBUTIONS.

Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) No person may make a contribution through an intermediary or conduit, except that a person may facilitate a contribution by providing—

"(A) advice to another person as to how the other person may make a contribution; and

"(B) addressed mailing material or similar items to another person for use by the other person in making a contribution.".

(Treatment of refunded donations)

AMENDMENT OFFERED BY MR. GEKAS OF PENNSYLVANIA TO THE AMENDMENT OFFERED BY MR. SHAYS OR MR. MEEHAN

(Substitute for H.R. 2183)

Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section:

"TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

"Sec. 326. (a) Transfer to Commission.—

"(1) In general.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

"(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

"(B) the contribution or donation was made in violation of section 315, 316, 317, 319, or 320 (other than a contribution or donation returned within 30 days of receipt by the committee).

"(2) Information included with transferred contribution or donation.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

"(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

"(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

"(3) Establishment of escrow account.—

"(A) In general.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

"(B) Disposition of amounts received.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

"(i) deposit the amount in the escrow account established under subparagraph (A); and

"(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

"(C) Use of interest.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

"(4) Treatment of returned contribution or donation as a complaint.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

"(b) Use of Amounts Placed in Escrow To Cover Fines and Penalties.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code against the person making the contribution or donation.

"(c) Return of Contribution or Donation After Deposit in Escrow.—

"(1) In general.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

"(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to believe that the making of the contribution or donation was made in violation of this Act; or

"(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

"(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

"(2) No effect on status of investigation.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.".

(b) Amounts Used to Determine Amount of Penalty for Violation.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

"(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.".

(c) Donation Defined.—Section 301 of such Act (2 U.S.C. 431), as amended by sections 201(b) and 307(b), is further amended by adding at the end the following:

"(22) Donation.—The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).".

(d) Disgorgement Authority.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.".

(e) Effective Date.—The amendments made by subsections (a), (b), and (c) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

AMENDMENT OFFERED BY MR. MILLER OF FLORIDA TO THE AMENDMENT OFFERED BY MR. SHAYS AND MR. MEEHAN

Page 39, line 3, insert "(a) In General.—" before "Section".

Page 41, after line 6, insert the following:

(b) Reporting and Disclosure.—

(1) Requirements.—Section 201(b) of the Labor Management and Disclosure Act of 1959 is amended—

(A) in paragraph (3), by striking "$10,000" and inserting "40,000";

(B) by redesignating paragraphs (5) and (6) as (7) and (8), respectively; and

(C) by inserting after paragraph (4), the following:

"(5) a functional allocation that—

"(A) aggregates the amount spent for (i) officer payments, (ii) employee payments, (iii) fees, fines, and assessments, (iv) office and administrative expense and direct taxes, (v) educational and publicity expenses, (vi) professional fees, benefits, (vii) contributions, gifts and grants, and

"(B) specifies the total amount reported for each category in subparagraph (A) and the portion of such total expended for (i) contract negotiations, (ii) organizing, (iii) strike activities, (iv) political activities, and (v) lobbying and promotional activities,;".

(2) Effective date.—The amendments made by paragraph (1) shall take effect on December 31, 2000.

(Permitting attorney's fees to be awarded against FEC)

AMENDMENT OFFERED BY MR. DOOLITTLE OF CALIFORNIA TO THE AMENDMENTS OFFERED BY MR. SHAYS

(Substitutes for H.R. 2183)

Add at the end the following new title:

TITLE PERMITTING COURTS TO REQUIRE FEC TO PAY ATTORNEY'S FEES IN CERTAIN CASES

SEC. 01. PERMITTING COURTS TO REQUIRE FEDERAL ELECTION COMMISSION TO PAY ATTORNEY'S FEES AND COSTS TO CERTAIN PREVAILING PARTIES.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) In any action or proceeding brought by the Commission against any person which is based on an alleged violation of this Act or of chapter 95 or 96 of the Internal Revenue Code of 1986, the court in its discretion may require the Commission to pay the costs incurred by the person under the action or proceeding, including a reasonable attorney's fee, if the court finds that the law, rule, or regulation upon which the action or proceeding is based is unconstitutional or that the bringing of the action or proceeding against the person is unconstitutional.".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 1853, CARL D. PERKINS VOCATIONAL-TECHNICAL EDUCATION ACT AMENDMENTS OF 1997

Mr. KNOLLENBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1853) to amend the Carl D. Perkins Vocational and Applied Technology Education Act, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The Chair will name the conferees momentarily.

REPORT CONCERNING EMIGRATION LAWS AND POLICIES OF ALBANIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105–285)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

I am submitting an updated report to the Congress concerning the emigration laws and policies of Albania. The report indicates continued Albanian compliance with U.S. and international standards in the area of emigration. In fact, Albania has imposed no emigration restrictions, including exit visa requirements, on its population since 1991.

On December 5, 1997, I determined and reported to the Congress that Albania is not in violation of the freedom of emigration criteria of sections 402 and 409 of the Trade Act of 1974. That action allowed for the continuation of most-favored-nation (MFN) status for Albania and certain other activities without the requirement of an annual waiver. This semiannual report is submitted as required by law pursuant to the determination of December 5, 1997.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1998.*

REPORT ON DEVELOPMENTS CONCERNING FEDERAL REPUBLIC OF YUGOSLAVIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105–286)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

On May 30, 1992, by Executive Order 12808, President Bush declared a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the actions and policies of the Governments of Serbia and Montenegro, blocking all property and interests in property of those Governments. President Bush took additional measures to prohibit trade and other transactions with the Federal Republic of Yugoslavia (Serbia and Montenegro) (the "FRY (S&M)"), by Executive Orders 12810 and 12831, issued on June 5, 1992, and January 15, 1993, respectively.

On April 25, 1993, I issued Executive Order 12846, blocking the property and interests in property of all commercial, industrial, or public utility undertakings or entities organized or located in the FRY (S&M), and prohibiting trade-related transactions by United States persons involving those areas of the Republic of Bosnia and Herzegovina controlled by the Bosnian Serb forces and the United Nations Protected Areas in the Republic of Croatia. On October 25, 1994, because of the actions and policies of the Bosnian Serbs, I expanded the scope of the national emergency by issuance of Executive Order 12934 to block the property of the Bosnian Serb forces and the authorities in the territory that they controlled within the Republic of Bosnia and Herzegovina, as well as the property of any entity organized or located in, or controlled by any person in, or resident in, those areas.

On November 22, 1995, the United Nations Security Council passed Resolution 1022 ("Resolution 1022"), immediately and indefinitely suspending economic sanctions against the FRY (S&M). Sanctions were subsequently lifted by the United Nations Security Council pursuant to Resolution 1074 on October 1, 1996. Resolution 1022, however, continues to provide for the release of funds and assets previously blocked pursuant to sanctions against the FRY (S&M), provided that such funds and assets that are subject to claims and encumbrances, or that are the property of persons deemed insolvent, remain blocked until "released in accordance with applicable law." This provision was implemented in the United States on December 27, 1995, by Presidential Determination No. 96–7. The determination, in conformity with Resolution 1022, directed the Secretary of the Treasury, inter alia, to suspend the application of sanctions imposed on the FRY (S&M) pursuant to the above-referenced Executive Orders and to continue to block property previously blocked until provision is made to address claims or encumbrances, including the claims of the other successor states of the former Yugoslavia. This sanctions relief was an essential factor motivating Serbia and Montenegro's acceptance of the General Framework Agreement for Peace in Bosnia and Herzegovina initialed by the parties in Dayton on November 21, 1995 (the "Peace Agreement") and signed in Paris on December 14, 1995. The sanctions imposed on the FRY (S&M) and on the United Nations Protected Areas in the Republic of Croatia were accordingly suspended prospectively, effective January 16, 1996. Sanctions imposed on the Bosnian Serb forces and authorities and on the territory that they controlled within the Republic of Bosnia and Herzegovina were subsequently suspended prospectively, effective May 10, 1996, in conformity with Resolution 1022. On October 1, 1996, the United Nations passed Resolution 1074, terminating U.N. sanctions against the FRY (S&M) and the Bosnian Serbs in light of the elections that took place in Bosnia and Herzegovina on September 14, 1996. Resolution 1074, however, reaffirms the provisions of Resolution 1022 with respect to the release of blocked assets, as set forth above.

The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c) and covers the period from November 30, 1997, through May 29, 1998. It discusses Administration actions and expenses directly related to the exercise of powers and authorities conferred by the declaration of a national emergency in Executive Order 12808 as expanded with respect to the Bosnian Serbs in Executive Order 12934, and against the FRY (S&M) contained in Executive Orders 12810, 12831, and 12846.

1. The declaration of the national emergency on May 30, 1992, was made pursuant to the authority vested in the President by the Constitution and laws of the United States, including the International Emergency Economic

Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code. The emergency declaration was reported to the Congress on May 30, 1992, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)) and the expansion of that national emergency under the same authorities was reported to the Congress on October 25, 1994. The additional sanctions set forth in related Executive orders were imposed pursuant to the authority vested in the President by the Constitution and laws of the United States, including the statutes cited above, section 1114 of the Federal Aviation Act (49 U.S.C. App. 1514), and section 5 of the United Nations Participation Act (22 U.S.C. 287c).

2. The Office of Foreign Assets Control (OFAC), acting under authority delegated by the Secretary of the Treasury, implemented the sanctions imposed under the foregoing statutes in the Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnian Serb-Controlled Areas of the Republic of Bosnia and Herzegovina Sanctions Regulations, 31 C.F.R. Part 585 (the "Regulations").

To implement Presidential Determination No. 96–7, the Regulations were amended to authorize prospectively all transactions with respect to the FRY (S&M) otherwise prohibited (61 FR 1282, January 19, 1996). Property and interests in property of the FRY (S&M) previously blocked within the jurisdiction of the United States remain blocked, in conformity with the Peace Agreement and Resolution 1022, until provision is made to address claims or encumbrances, including the claims of the other successor states of the former Yugoslavia.

On May 10, 1996, OFAC amended the Regulations to authorize prospectively all transactions with respect to the Bosnian Serbs otherwise prohibited, except with respect to property previously blocked (61 FR 24696, May 16, 1996). On December 4, 1996, OFAC amended Appendices A and B to 31 chapter V, containing the names of entities and individuals in alphabetical order and by location that are subject to the various economic sanctions programs administered by OFAC, to remove the entries for individuals and entities that were determined to be acting for or on behalf of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro). These assets were blocked on the basis of these persons' activities in support of the FRY (S&M)—activities no longer prohibited—not because the Government of the FRY (S&M) or entities located in or controlled from the FRY (S&M) had any interest in those assets (61 FR 64289, December 4, 1996).

On April 18, 1997, the Regulations were amended by adding a new Section 585.528, authorizing all transactions after 30 days with respect to the following vessels that remained blocked pursuant to the Regulations, effective at 10:00 a.m. local time in the location of the vessel on May 19, 1997: the M/V MOSLAVINA, M/V ZETA, M/V LOVCEN, M/V DURMITOR and M/V BAR a/k/a M/V INVIKEN) (62 FR 19672, April 23, 1997). During the 30-day period, United States persons were authorized to negotiate settlements of their outstanding claims with respect to the vessels with the vessels' owners or agents and were generally licensed to seek and obtain judicial warrants of maritime arrest. If claims remained unresolved 10 days prior to the vessels' unblocking (May 8, 1997), service of the warrants could be effected at that time through the United States Marshal's Office in the district where the vessel was located to ensure that U.S. creditors of a vessel had the opportunity to assert their claims. Appendix C to 31 CFR, chapter V, containing the names of vessels blocked pursuant to the various economic sanctions programs administered by OFAC (61 FR 32936, June 26, 1996), was also amended to remove these vessels from the list effective May 19, 1997. There have been no amendments to the Regulations since my report of December 3, 1997.

3. Over the past 2 years, the Departments of State and the Treasury have worked closely with European Union member states and other U.N. member nations to implement the provisions of Resolution 1022. In the United States, retention of blocking authority pursuant to the extension of a national emergency provides a framework for administration of an orderly claims settlement. This accords with past policy and practice with respect to the suspension of sanctions regimes.

4. During this reporting period, OFAC issued two specific licenses regarding transactions pertaining to the FRY (S&M) or property in which it has an interest. Specific licenses were issued (1) to authorize U.S. creditors to exchange a portion of blocked unallocated FRY (S&M) debt obligations for the share of such obligations assumed by the obligors in the Republic of Bosnia and Herzegovina; and (2) to authorize certain financial transactions with respect to blocked funds located at a foreign branch of a U.S. bank.

During the past 6 months, OFAC has continued to oversee the maintenance of blocked FRY (S&M) accounts and records with respect to: (1) liquidated tangible assets and personalty of the 15 blocked U.S. subsidiaries of entities organized in the FRY (S&M); (2) the blocked personalty, files, and records of the two Serbian banking institutions in New York previously placed in secure storage; (3) remaining blocked FRY (S&M) tangible property, including real estate; and (4) the 5 Yugoslav-owned vessels recently unblocked in the United States.

On September 29, 1997, the United States filed Statements of Interest in cases being litigated in the Southern District of New York: *Beogradska Banka A.D. Belgrade* v. *Interenergo, Inc.*, 97 Civ. 2065 (JGK); and *Jugobanka A.D. Belgrade* v. *U.C.F. International Trading, Inc. et al.*, 97 Civ. 3912, 3913 and 6748 (LAK). These cases involve actions by blocked New York Serbian bank agencies and their parent offices in Belgrade, Serbia, to collect on defaulted loans made prior to the imposition of economic sanctions and dispensed, in one case, to the U.S. subsidiary of a Bosnian firm and, in the other cases, to various foreign subsidiaries of a Slovenian firm. Because these loan receivables are a form of property that was blocked prior to December 27, 1995, any funds collected as a consequence of these actions would remain blocked and subject to United States jurisdiction. Defendants asserted that the loans had been made from the currency reserves of the central bank of the former Yugoslavia to which all successor states had contributed, and that the loan funds represent assets of the former Yugoslavia and are therefore subject to claims by all five successor states. The Department of State, in consultation with the Department of the Treasury, concluded that the collection of blocked receivables through the actions by the bank and the placement of those collected funds into a blocked account did not prejudice the claims of successor states nor compromise outstanding claims on the part of any creditor of the bank, since any monies collected would remain in a blocked status and available to satisfy obligations to United States and foreign creditors and other claimants—including possible distribution to successor states under a settlement arising from the negotiations on the division of assets and liabilities of the former Yugoslavia. On March 31, 1998, however, the Court dismissed the claims as nonjustifiable. Another case, *D.C. Precision, Inc.* v. *United States, et al.*, 97 Civ. 9123 CRLC, was filed in the Southern District of New York on December 10, 1997, alleging that the Government had improperly blocked Precision's funds held at one of the closed Serbia banking agencies in New York.

5. Despite the prospective authorization of transactions with the FRY (S&M), OFAC has continued to work closely with the U.S. Customs Service and other cooperating agencies to investigate alleged violations that occurred while sanctions were in force. On February 13, 1997, a Federal grand jury in the Southern District of Florida, Miami, returned a 13-count indictment against one U.S. citizen and two nationals of the FRY (S&M). The indictment charges that the subjects participated and conspired to purchase

three Cessna propeller aircraft, a Cessna jet aircraft, and various aircraft parts in the United States and to export them to the FRY (S&M) in violation of U.S. sanctions and the Regulations. Timely interdiction action prevented the aircraft from being exported from the United States.

Since my last report, OFAC has collected one civil monetary penalty totaling nearly $153,000 for violations of the sanctions. These violations involved prohibited payments to the Government of the FRY (S&M) by a U.S. company.

6. The expenses incurred by the Federal Government in the 6-month period from November 30, 1997, through May 29, 1998, that are directly attributable to the declaration of a national emergency with respect to the FRY (S&M) and the Bosnian Serb forces and authorities are estimated at approximately $360,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in OFAC and its Chief Counsel's Office, and the U.S. Customs Service), the Department of State, the National Security Council, and the Department of Commerce.

7. In the last 2 years, substantial progress has been achieved to bring about a settlement of the conflict in the former Yugoslavia acceptable to the parties. Resolution 1074 terminates sanctions in view of the first free and fair elections to occur in the Republic of Bosnia and Herzegovina, as provided for in the Peace Agreement. In reaffirming Resolution 1022, however, Resolution 1074 contemplates the continued blocking of assets potentially subject to conflicting claims and encumbrances until provision is made to address them under applicable law, including claims of the other successor states of the former Yugoslavia. The resolution of the crisis and conflict in the former Yugoslavia that has resulted from the actions and policies of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and of the Bosnian Serb forces and the authorities in the territory that they controlled, will not be complete until such time as the Peace Agreement is implemented and the terms of Resolution 1022 have been met. Therefore, I have continued for another year the national emergency declared on May 30, 1992, as expanded in scope on October 25, 1994, and will continue to enforce the measures adopted pursuant thereto.

I shall continue to exercise the powers at my disposal with respect to the measures against the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and the Bosnian Serb forces, civil authorities, and entities, as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1998.*

ADJOURNMENT TO MONDAY, JULY 20, 1998

Mr. HULSHOF. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. HULSHOF. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

HANNIBAL-LAGRANGE COLLEGE—140TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. HULSHOF) is recognized for 5 minutes.

Mr. HULSHOF. Mr. Speaker, I rise today to mark the anniversary of an institution of higher learning in my district which this year celebrates 140 years of service in Northeast Missouri.

Hannibal-LaGrange College has provided quality Christian education to thousands of students while facing tremendous obstacles along its journey, a journey through which God's guiding hand has been evident.

The college opened its doors on September 15 of 1858. First located 30 miles to the north of its present location in LaGrange, Missouri, the LaGrange Male and Female Seminary was founded by the Wyaconda Baptist Association to instill character-building principles and Christian ideals in its students.

At the helm of the vessel was William Ellis, who served as the college's first president. Ellis, who reached the tender age of 24 years the day before classes began that first year, served admirably in his duties until Union troops took over the college's facilities in 1862 during the War between the States.

When the institution reopened in 1866, the new President, Dr. Joshua Flood Cook, certainly faced a daunting task. Building repairs were necessary, books and equipment were needed for the classrooms, the hiring of faculty was required, and community support and confidence had to be restored.

Dr. Cook began remedying these problems immediately and over the next 30 years he served as president Dr. Cook worked as a tireless servant moving the college forward in a manner that has reached unequaled levels of success.

In late 1927, the Hannibal Chamber of Commerce began an effort to bring the LaGrange College to Hannibal, Missouri. The following year, the institution moved south and has for 70 years been carrying out its place in history. The college's new move was mixed with a salute to our Nation's history as well. In 1932, to mark the 200th anniversary of George Washington's birth, the daughters of the American Revolution secured a number of trees from Mount Vernon, Virginia, the home of our Nation's first president. Mr. Speaker, I was recently on campus and can assure you, these trees are still standing tall among the college's entrance drive today.

All continued well for the college until 1973, when inflation and other factors put the college's future in jeopardy. When the campus was threatened with an imminent closing, community leaders, area residents, and Hannibal-LaGrange personnel reacted quickly and decisively, raising $85,000 to keep the college doors open. Again, faced with possible closure, Hannibal-LaGrange received a tremendous blessing in order to remain open.

However, the most challenging obstacle was yet to come. In the summer of 1989, a small fire in the college's cafeteria soon engulfed the campus' main facilities, including the administration building, auditorium, and gymnasium. As the fire blazed through the night and the early morning hours, doubts about the college's future began to surface in even the heartiest of souls. By daylight only charred remains of the structures existed.

Encouraged by his faith in God, then-President Dr. Paul Brown, as well as college personnel and supporters, began a massive effort to rebuild what was temporarily destroyed. As classes and assemblies were held that fall in tents and in trailers and dormitory basements, the campus began to take shape.

In 1992, following the construction of a new sports complex, cafeteria and computer center, the new administration building was dedicated under the leadership of Dr. Brown and current President, Dr. Woodrow Burt. Hannibal-LaGrange has certainly become "a crown of beauty instead of ashes."

This quote from Isaiah, chapter 61, verse 3, was placed on the cornerstone of the administration building, and today the college is continuing its vision as Dr. Burt and development officials are spearheading an effort to build a performance center for the institution's fine arts program. A new dormitory will be ready for the ever-increasing student population this fall which, by the way, Mr. Speaker, last year the student population not only came from northeast Missouri but New Hampshire, Texas, California and as far away as the West Indies and the country of Slovakia.

In conclusion, Hannibal-LaGrange has persevered and has produced quality alumni. Thousands have passed through the corridors of Hannibal-LaGrange, each serving as a witness to the impact the college has had on their lives.

Mr. Speaker, I congratulate Hannibal-LaGrange College on providing 140 years of Christian education. May God continue to bless this fine institution for many years to come.

THE BALKANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

Mr. ENGEL. Mr. Speaker, I want to take this opportunity to talk about something that is happening in the Balkans, and that is, unfortunately, ethnic cleansing rearing its ugly head once again.

Just a few minutes ago, we heard the President of the United States say that he was going to maintain sanctions on Serbia because of the way they have been treating their population. I applaud that. But I think it is time for us in the Congress to speak out forcefully and also to look at this in its totality.

We went through a situation in Bosnia just a few short years ago where Slobodan Milosevic, the leader of Serbia, unleashed ethnic cleansing, Serbian nationalism, 200,000 people were dead, and it was something that the world just wrang its hands and did nothing until the United States grabbed the bull by the horns.

We were able to put an end to the carnage in Bosnia. Unfortunately, history is repeating itself in an area called Kosovo, where 2 million ethnic Albanians live. They constitute 92 percent of the population.

□ 1400

I say Kosova not Kosovo, as many people say, because the Albanians living there call it Kosova, with an "A." And if it is good enough for 92 percent of the population to speak that way and to say Kosova, that is good enough for me.

I have been to Kosova a number of times. The people there live under total oppression. They have no rights; no political rights, no human rights, no economic rights. Albanians have been summarily fired. Communities are 80 percent and higher in terms of unemployment. It is just a people under occupation.

There have been many, many talks, many, many discussions, and the United States has been meeting with a group called a contact group, which contains six countries, Britain, the United States, Italy, Germany, France and Russia. And the contact group has basically been rendered impotent because Russia is always standing behind Slobodan Milosevic, its traditional Serbian ally. So when we try to put sanctions in with teeth, they are always watered down.

NATO, just recently, underwent all kinds of flights to show Milosevic that, if need be, NATO means business. But so far it has been empty words. The stated policy for the United States and the administration and of NATO in the West has been that the Albanians in Kosova, the Kosovars, ought to have some kind of autonomy within Yugoslavia, within Serbia. Autonomy is something they had until 1989 when Slobodan Milosevic summarily threw it out the window.

The former Yugoslavia, in those days, had a lot of different components other than the Serbs. It had the Croats, the Slovenians, the Macedonians and the Bosnians, and the Albanians, in Kosova the Vojvodinas. They had all kinds of different components. Today, rump Yugoslavia is dominated by the Serbs, containing just Serbia and Montenegro, and the Albanians could never get a fair shake in an equation such as that.

So the United States' policy and the West's policy and NATO's policy that somehow the two parties should sit down and negotiate and work their way back to autonomy for Kosova, in my opinion, does not work. The only thing that will work, Mr. Speaker, and I think we should say it loudly and clearly, is self-determination for the people of Kosova. They have a right, the right that we want for ourselves, the right that our country had 222 years ago, of self-determination, and that we say we want for all peoples. The Albanians in Kosova have the same right of self-determination.

If they want to be a free and independent nation, the Republic of Kosova, they ought to be allowed to do that. I support that. If they want to have union with Albania or stay within a federation with Serbia, that is the Kosovars' way. That is what they should decide. Nobody else should decide that for them. And it is ludicrous to pretend that autonomy will continue to work. Why would people who are being oppressed want to continue in a situation where their oppressors have the upper hand? It just does not work.

There has been a disturbing trend in the past couple of weeks to somehow, in some quarters, equate the people who are being oppressed with the oppressors; to somehow say that everybody ought to lay down their arms; everybody ought to sit and talk. The only way to get rid of ethnic cleansing and the only way to end the oppression in Kosova is to get Milosevic, the Serbs, to back off; get their police and everybody else out of Kosova; impose a no-fly zone over Kosova, the way we have one over Iraq; and use air strikes, if need be, against Serbian positions who are terrorizing and killing innocent Albanian civilians.

Ethnic cleansing and genocide is rearing its head once again on the continent of Europe, and the world is standing by and wringing its hands because nobody knows what to do. The only thing Milosevic understands is tough talk, and we need to have self-determination for the people of Kosova.

SUCCESS IN LIFE REQUIRES THE HEART, THE MIND AND THE SOUL

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentleman from Kansas (Mr. TIAHRT) is recognized for 5 minutes.

Mr. TIAHRT. Mr. Speaker, I wanted to take a minute today to focus on what it takes to be successful in life, because I believe that building a great nation and maintaining its status requires at least three elements of success from its citizens. Those elements include the heart, the mind and the soul.

I believe that success, in part, is determined by what WE have in OUR heart. I know a man today who is successful. He has a promising career in developing computer programs. He has four sons, a lovely wife and he owns a couple of acres on God's green earth. He lives within the clause that is in our Declaration of Independence that says pursuit of happiness, which can be stated as living the American dream.

But his desire started early in life. He grew up the second son, in a family where his older brother got a lot of attention, sort of in his shadow, but he chose to make his own mark early in life, and he felt it in his heart. He chose football to stand in his own light, though he was not physically big. The choice was probably because his brother had some recognition in playing football.

In his senior year, as I recall, he was only about 160 pounds. But even though he was not big, he chose to play in a tough position, nose guard, right in the middle of the line, in the middle of the defensive line where all the big boys like to play. He played hard, he gave it his all. All season. He played with heart. He felt it inside, and size did not matter. He played so well that he was named to an all-State team. And I was very proud of that young man. His name is Tom Tiahrt, my younger brother.

I believe success has to come from the heart. It also has to come from the mind. In the mid-1980s, a young man from the Midwest had a good idea. It was captured in his mind, and he was working out the details, thinking of a new way, and he wanted it to escape his mind and market desktop computers. But in order to do that, he needed some money, some capital to get this idea off the ground. So he went to the bank and he was told no. But that idea just kept stirring in his mind, and he went to another bank and then to another and another. And the message was the same. No, no, no.

Finally, he was able to get some capital from those who had faith in him, his family. His grandmother had a CD that was maturing. But instead of buying another CD, she loaned him the $10,000. He obtained another $5,000 from his brother and started a company that today is a billion-dollar business. The company is called Gateway 2000, and the owner is called Ted Waite, a true success story. He had a good idea in his mind, and he made that idea successful.

I think we must temper our drive for success. If we have it in our mind and we hold it in our hearts, we still must temper it. The good book, God's holy words, say, and I will paraphrase, that if we gain the whole world, in other words, if we are successful, even tremendously successful, if we gain the whole world, and it goes on to say, and lose our own soul, then what have we achieved?

Success is not truly success if we lose our own soul. If we turn our back on God, if we forget our family, if we deny those values and virtues that built this great Nation, honesty, integrity, hard work, commitment to our faith, our family, our country, our God, then we deny true success.

Mr. Speaker, success, or pursuit of happiness, living the American dream, means not only success with our heart and our mind, but also it has to include our soul.

CIA ADMITS TIES TO CONTRA DRUG DEALERS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

Ms. WATERS. Today I renew my call on CIA Director George Tenant to immediately release the CIA Inspector General's classified report on the allegations of CIA involvement with Contra drug trafficking. I also call, once again, on the gentleman from Florida (Mr. PORTER GOSS), chairman of the House Permanent Select Committee on Intelligence, to hold prompt public hearings on the findings of these reports.

Today's New York Times, front page, put it bluntly. "CIA says it used Nicaraguan rebels accused of drug tie." The times reported that, and I quote again, "The Central Intelligence Agency continued to work with about two dozen Nicaraguan rebels and their supporters during the 1980s despite allegations that they were trafficking in drugs."

The Times finally reported the explosive truth that the Senate investigators and investigative journalists alike have been telling the American people for nearly 15 years.

This front page confirmation of CIA involvement with Contra drug traffickers evidently came from a leak of the still classified CIA review of the allegations stemming from Gary Webb's 1996 Dark Alliance series. Webb's series and his recent book details the CIA's involvement with Contra drug trafficking, including ties to south central Los Angeles' largest crack cocaine network. Until today, the CIA has vehemently denied the charges. But, apparently, even the CIA is having trouble hiding the truth from the American people.

The leaked CIA report remains classified, sitting at the House Permanent Select Committee on Intelligence, because the CIA refuses to declassify a report full of what are being described as devastating revelations of CIA involvement with known Contra drug traffickers.

I have repeatedly called for the public release of these CIA reports, and I applaud Senator KERRY in calling for the immediate public release of the CIA Inspector General's reports. Senator KERRY has worked for 15 years to bring truth, having chaired the Senate investigation that first uncovered the sordid details of Contra drug trafficking in the 1980s.

There is no conceivable reason to keep this report classified. It is tantamount to protecting drug dealers. This administration should call on the CIA to immediately release the report of the Contra drug network. The Contras were a creation of the Reagan-Bush administration and run by Reagan's CIA and Oliver North. This administration can and should reveal the truth and put an end to this terrible affair. I cannot understand why a CIA report which details the illegal efforts of Reagan-Bush administration officials to protect the involvement of top-level Contras in drug trafficking should continue to be protected.

Although today's New York Times story is somewhat confusing to follow, the story includes some explosive details. Perhaps the most amazing revelation from these leaks is the admission that the CIA knew of drug trafficking allegations against the infamous Legion of September 15 Contra organization.

This group included the key Contra military commanders, including the Contra's top military commander Enrique Bermudez, and was the core of the most famous of the Contra armies, the FDN. They were comprised of a group of violent ex-bodyguards of Nicaraguan dictator Somoza. And they had proven themselves among the worst human rights violators in the entire Contra-era war.

The Times somewhat inaccurately reported this organization was disbanded, they said, in 1982. Of course, the Legion of September 15 had, by then, been merged into the FDN. That is the Contra army. So we now know that the CIA knowingly worked with Contra rebels involved in drug dealing, including the core of the FDN.

We also know that the CIA and Attorney General had a secret Memorandum of Understanding that allowed drug trafficking by CIA assets to go unreported to law enforcement. This, of course, was confirmed in documents I submitted for the RECORD in May. And we know that CIA officials at the highest levels knew of the Contra drug trafficking activities. What we do not know yet are the many damaging details of the 500-plus-page CIA report. The American people must be able to see this report for themselves.

We forced these investigations. A lot of people said, oh, there was nothing to it. The first half of the CIA reports were unleashed, and that is when we determined the Memorandum of Understanding existed that they did not have to report drug trafficking.

FLORIDA GIVES HEARTFELT THANKS TO FIREFIGHTERS THROUGHOUT THE NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, I wanted to take a moment to share with Americans all over that for the past month and a half, as many people are aware, Florida has been besieged by wildfires, which have consumed almost half a million acres. The fires have badly strained the resources of local and State fire officials, who have had to respond to more than 2,200 individual fires throughout the State.

Given the widespread devastation, which includes the destruction or damage of more than 400 homes and businesses, firefighters from towns throughout Florida have had to travel to wherever they are needed. But even with this kind of statewide teamwork, the magnitude of the disaster has required help from beyond our borders, and the response across America has been overwhelming: 5,100 firefighters, from almost every State in the Union, as well as Puerto Rico, have uprooted themselves, leaving their families behind, to help Florida in its time of need.

On behalf of all Florida residents and the congressional delegation, I want to give my heartfelt thanks to each and every firefighter, to their family throughout the Nation, who have risked their lives to put an end to the devastation which has so profoundly affected my State.

□ 1415

Mrs. CLAYTON. Mr. Speaker, I want to share with my colleagues some of the developments in Congress that I am very pleased with.

An amendment to the Higher Education Amendment's Act of 1998 passed the Senate recently after successfully passing the House of Representatives. The amendment requires colleges to distribute voter registration forms to students while enrolled in an institution that receives financial assistance from the Federal Government.

I am excited about this legislation because it provides more opportunities for college students ages 18 through 24 to register to vote.

This group, one of the most mobile groups in this country, has the lowest voter participation rate of all Americans eligible to vote. Colleges would be required to distribute a mail voter registration form to each student enrolled in a degree or certification program. This amendment encourages students to exercise one of the most fundamental rights, the right to vote.

I also want to applaud the action by the Senate in passing an amendment as a part of the Fiscal Year 1999 agriculture appropriations to restore credit to small farmers. The 1996 Farm Bill changed the eligibility criteria for the USDA farm loans.

Anyone who had ever received any kind of debt forgiveness, including restructuring and rescheduling, is now ineligible. Many of these farmers suffered disasters due to flood or drought.

Both the Civil Rights Task Force report and the National Commission on Small Farms cited this change as unduly harsh and recommended that it be modified. In the light of those findings, I introduced the Agriculture Credit Restoration Act of 1998. It would modify the debt forgiveness limitation enacted by the 1996 Farm Bill.

The bill, H.R. 3513, would allow creditworthy USDA borrowers a second chance to receive a loan from USDA after having received debt forgiveness on a previous loan. A companion piece of legislation in the Senate, S. 1118, was introduced by Senator ROBB.

Mr. Speaker, it is important to recognize that the long-term economic health of rural America depends on a broad and diverse economic base which requires investment in agriculture, rural businesses, infrastructure, housing stock and community facilities.

The Senate amendment, like my bill, would allow farmers and ranchers to remain eligible for USDA credit through two experiences requiring debt forgiveness, including a loan write-down or net recovery buy-out.

The Senate amendment and my bill now will allow one exception to borrowers who experience financial difficulties because of a natural disaster, family medical crisis, or as a part of a settlement of a civil rights case.

The Senate has done a great service for small farmers. They deserve our applause.

Finally, the Senate yesterday inserted another very important language into the agriculture appropriation. The Senate version of the 1999 agriculture appropriation, like the House, contains provisions for lifting the statute of limitations contained in the Equal Credit Opportunity Act, thus allowing black farmers who have complained of discrimination against the Department of Agriculture to have a hearing either before the Department or before the courts.

Where relief is merited, it will now be granted. Cases back as far as 1983 can now be heard. This is indeed historic. Black farmers in America have struggled for more than 4 decades, and the very department designed to help them has over the years hurt them.

I am delighted that, after much effort, we can claim a significant victory. There has been more than a 64-percent decline in black farmers just over the last 15 years, from 6,996 farms in 1978 to 2,498 farms in 1992.

The Department of Justice ruled earlier this year that legal and technical arguments should prevent these farmers from receiving recovery from the damage done to them. The Department's position was taken even in cases where discrimination has been proven, documented and demonstrated recovery was not possible. Yet, the Department continued to receive complaints and, in fact, in its literature encouraged farmers to submit their complaints to them, knowing full well that the Reagan and Bush administrations eliminated the unit to investigate their complaints.

Black farmers' relied on this empty process to their detriment. Mr. Speaker, it is a good thing that we have now come to this point to move this dark history from the chapter.

Y2K BUG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DREIER) is recognized for 5 minutes.

Mr. DREIER. Mr. Speaker, some computers and electronic systems will have difficulty adjusting to the dates beginning in the year 2000. This is the oft-mentioned "Y2K" bug. This problem is caused by a long-time custom in electronic industries to use 2-digit dates. Thus, 1980 was simply "80", 1990 was "90", and 1998 is "98." However, that system does not work when we get to January 1, 2000. At that time, many machines will think it is January 1, 1900.

There are enormous national interests at stake as we prepare to deal with the technical challenge of the year 2000. Critical national infrastructures may be threatened, including many government services, banking and financial services, energy and power, telecommunications, transportation, and vital human services such as hospitals.

It is not surprising that Federal Government agencies include millions of computer and electronic systems. Led by the gentleman from California (Mr. HORN), the chairman of the House Committee on Government Reform's Subcommittee on Government Management, Information, and Technology, the Republican Congress has pushed long and hard to whip Federal agencies into action to address Y2K problems.

Although the Federal Government faces a major Y2K challenge, the private sector challenge from the year 2000 transition is far greater. Recent congressional testimony from the Board of Governors of the Federal Reserve System estimated costs at roughly $50 billion, and many estimates go far beyond that staggering figure. And those are U.S. costs alone. Actually, this is an international problem, and we must recognize that.

Mr. Speaker, while I am not an alarmist, I believe it is prudent for Congress to immediately consider legislation to help the private sector deal with Y2K problems. It is clear that two legislative reforms would effectively encourage computer-related companies and the private sector clients that they serve to avoid Y2K problems and reduce the impact on the public by, first, a limited modification of Federal liability law and, second, a targeted anti-trust exemption for firms working together to deal with Y2K problems. These reforms make up H.R. 4240, legislation that I introduced just yesterday called the Y2K Liability and Anti-Trust Reform Act.

The press is already reporting that some unscrupulous lawyers are planning and filing multi-billion-dollar Y2K lawsuits to reap monetary rewards from America's pain. It is clearly in the national interest to have companies focused on fixing Y2K problems rather than being frozen by the fear of lawsuits.

Earlier this week, the Clinton administration proposed a pop-gun response to this potentially immense problem. The President proposed to provide a small degree of liability protection to encourage companies to share information on how to solve Y2K problems. Mr. Speaker, far more than that is needed.

With just 17 months remaining before January 1, 2000, one of our core principles on Y2K policy must be to focus all relevant talent and energies on avoiding the problems. While the President's proposal falls short, the liability provisions in H.R. 4240 are the best way to achieve that goal.

While talk is nice, the Y2K Liability and Anti-Trust Reform Act provides a real incentive for companies to solve Y2K problems before computer systems fail and the American people suffer.

My legislation requires computer-related companies to take responsibility for products they have developed and sold. They must make fixes available to customers for their non-Y2K compatible hardware and software, and those fixes must be available cost-free for products sold after December 31, 1994. I am confident that freed from the fear of multi-billion-dollar lawsuits that the enormously creative and successful American high-technology industries can respond to this challenge.

Companies that use computer and electronic systems must also take responsibility for fixing Y2K problems before things go wrong. Remember, Mr. Speaker, it is the American people that lose when a company adopts a strategy based on the plan to simply sue someone when things go wrong.

Companies that use computer and electronic systems gain a similar degree of liability protection if they make all reasonable efforts to fix the Y2K problems in their systems, run a test by July 1, 1999, and notify all customers and the President's Y2K Commission of the prospects for their own Y2K failures by August 1, 1999.

Right now, as the clock ticks towards the year 2000, too much private-sector energy is being wasted on legal liability strategies rather than finding and fixing potential failures. The liability provisions in H.R. 4240 will create a real incentive for companies to focus on finding and fixing problems, because there will be a tangible reward, some freedom from aggressive Y2K lawsuits.

MEXICO POLLUTES BEACHES OF IMPERIAL BEACH, CALIFORNIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BILBRAY) is recognized for 5 minutes.

Mr. BILBRAY. Mr. Speaker, this weekend, the City of Imperial Beach, the most southwest lake community in the continental United States, is going to celebrate its 17th annual sand castle competition.

Now, we hear many Members of the House come here and talk about great things in their communities. But, sadly, this is not going to be a great event unless things change over night. Sadly, we are going to be confronted by the fact that Mexico is sending down 25 million gallons of untreated raw sewage that may close the beaches of Imperial Beach for this great weekend for this community.

Now, instead of being greeted by sand castles and happy children and families and blue sky and warm water and beautiful surf, the visitors of Imperial Beach may have to confront red pollution signs, not because they did not clean up their environment, not because they did not spend the money for infrastructure to make sure that they did not pollute, but because the United States allows a foreign government to violate American sovereignty and pollute American soil.

Sadly, for the last 20 years, Mr. Speaker, we have stood by and watched a foreign country pollute our wildlife preserves and our beaches in southern California. And we have talked and we have negotiated. We have spent hundreds of millions of dollars of American taxpayers' funds at trying to address this issue while negotiating with the Republic of Mexico.

Now, this problem is something that most people do not understand. The Tijuana River flows through a major metropolitan area of over a million people and flows north into San Diego. And San Diego has been impacted by this.

Now, the responsibility for cleaning up this mess, Mr. Speaker, is not a local, not a State, it is a Federal obligation, because it is crossing an international border. And if the people of Mexico do not care about what they are doing to their neighbors, and we all talk about being good neighbors, I think we can all understand, in a civilized society, being a good neighbor does not mean dumping your raw sewage into somebody else's neighborhood.

I am asking the Congress and the President and the Senate and all of America to finally stand up and say, we are willing to confront our friends and our neighbors to the south about the environmental problems that are not just HIDTA and NAFTA but predate NAFTA, but it is time to do what good neighbors should do every once in a while, tell our neighbors to clean up their act, quit polluting our waters, quit destroying our sand castle competitions, quit endangering our children and our families.

Mr. Speaker, it is time that Congress makes some firm, tough decisions about what we are willing to do to send that message across. I would ask us to consider that if Mexico is not sensitive to the fact that tourism has been destroyed in the City of Imperial Beach again and again over the last 20 years, we should consider a sensitivity lesson to the Republic of Mexico and consider if tourism going into Mexico from the United States is a guaranteed right that we want to continue as long as this pollution continues.

I am not proposing any actions today, Mr. Speaker, but I am asking us to become aware that it is time that this Congress, who talks about the environment, who gets involved in environmental issues all over this Nation, indeed the world, now be willing to stand up for the environment in our own soil that is crossing the border and start backing up our well-intentioned rhetoric with real action that will make sure that 18th sand castle competition in Imperial Beach is one that is clean, sunny and happy for both sides of the border.

□ 1430

INTRODUCTION OF THE FARM LIFE EXTENSION ACT OF 1998

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. THUNE) is recognized for 5 minutes.

Mr. THUNE. Mr. Speaker, today, earlier today, along with the gentleman from Kansas (Mr. MORAN) and the gentleman from Oklahoma (Mr. LUCAS) I introduced legislation called the Flex Act, the Farm Life Extension Act of 1998.

Many people across this country are becoming more and more aware of the very serious problem that we have in agriculture today. For those who do not live in farm States, I would urge them to take a look at some recent newspaper stories, like the one on the Sunday New York Times front page which talks about the need for assistance for South Dakota and other agricultural producers across this country. And, if one looks and drives across any of those States today, you will see a lot of for sale signs, you will see a lot of auctions, because there are a lot of people who are going out of business, and in fact, if you will listen very closely, you will hear a lot of tales about the slow death, the last gasping breath, of agriculture as prices continue to plummet and producers are asked more and more to realize their incomes from the marketplace. And when asking them to do that with the 1996 farm bill, the Freedom to Farm Act, we indicated to them that we would be more aggressive in seeking export markets and opportunities for their agricultural commodities, and in fact we have not followed through on that end of the deal, and today I want to call on the administration to further use the tools that have been provided, the Export Enhancement Program that has been authorized and funded by the Congress to help our agricultural producers compete on a level playing field with those other producers around the world.

And, in fact, the American farmer can compete with anyone, but the American farmer cannot compete on a level playing field with taxpayers in places like Germany and France and other countries around the world that subsidize their farm economies. We have to be more aggressive in terms of seeking market opportunities for our agricultural producers. That is a long term issue, and if we are going to see prices stabilize in the long run and to increase the prices that our producers derive they marketplace, we have to realize that 96 percent of the world's population in fact lives outside the United States, and that is where the future markets for agriculture are.

At the same time we have a more immediate problem in agriculture today. We have a cash flow problem. Because prices are so low, we have farmers who are in a world of hurt across this country. It is probably more pronounced in my part of the world, up in the northern plain States, but it is starting to creep out into the other States across this country, and I think one of the things that we are finding is that, if the agricultural sector of our economy is weak, our country is weak, and we have to have a healthy agricultural economy in order to have a strong America.

And so today, in introducing this legislation, we have sought to bring some badly needed capital, some cash flow assistance, to farmers across this country. Very simply what it does is takes the existing payments that they would already receive under the Freedom to Farm Act and allow them to take them in one lump sum today, and in so doing it gives them additional flexibility, allows them to make a management and a business decision about whether or not to accelerate and receive those payments today, perhaps pay down debt, perhaps even get out of the business, if that is their choice, but at least allows them to better manage the resources that we have provided under the farm policy in this country for the next 5 years. And our bill is a way of doing that.

In fact, we have come up with a mechanism whereby that can be financed. If, in fact, you put the 5-year payments, bring them back to net present value today and allow the farmers to accept that, you have an appropriation problem up front, you do not effect budget authority. But to address that what we have done is borrowed on a concept that was used in the State of South Dakota with the conservation reserve program, and that is to allow Farmer Mac in this case to bond and to take the proceeds from those bonds to purchase the contracts and then, as those contracts come due, purchase the contracts from the farmers, get the cash out there, and then as those contracts come due, USDA would reimburse Farmer Mac and thereby eliminate the immediate need for upfront assistance for appropriations.

And that is basically the way that this bill works and the concept that is embodied in it, and it is something again that I hope we can use and implement that will bring additional cash flow relief to a lot of agricultural producers in this country.

And just earlier today we announced, along with the Speaker and the chairman of the agricultural committee, Mr. BOB SMITH, a short-term assistance which would advance the payment that they will receive, the '99 Freedom to Farm payment, to October 1 this year, $5.5 billion going out to agricultural producers this year rather than next, giving them again the immediate cash flow assistance that they need to make those payments that are due at the bank and other places.

And I appreciate very much the leadership of our committee and the leadership of this House have taken to address this serious problem in rural America, and so I credit the leadership and look forward to working with them to enact not only that bill, but the Flex Act of 1998.

APPOINTMENT OF CONFEREES ON H.R. 1853, CARL D. PERKINS VOCATIONAL-TECHNICAL EDUCATION ACT AMENDMENTS OF 1997

The SPEAKER pro tempore (Mr. PEASE). Without objection the Chair appoints the following conferees on H.R. 1853, the Carl D. Perkins Vocational-Technical Education Act Amendments of 1997:

For consideration of the House bill and the Senate amendment and modifications committed to conference:

Messrs. GOODLING,
McKEON,
RIGGS,
PETERSON of Pennsylvania,
SAM JOHNSON of Texas,
CLAY,
MARTINEZ, and
KILDEE.

There was no objection.

SHARE THE PROSPERITY BY INCREASING THE MINIMUM WAGE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, the House is galloping toward recess and adjournment. The Republicans have had a very clever strategy this year. We have spent a lot of time in recess and very little time in deliberations. That is not by accident, it is a way to guarantee that important things are done rapidly, that there is a minimum of deliberation, that the party and the minority does not have an opportunity to bring issues to the public. It has worked very well. You know, we have had a lot of very extreme things accomplished in a few days using this technique of minimizing deliberations and maximizing action while we are here.

So, I suspect the process of galloping is going to continue between now and the time we go out on the August recess, and, once we return from the August recess, of course the galloping is even going to even move faster.

The Republican schedule is part of the whole strategy, and what it does is it turns our democracy into a form of distorted law making, which is not good for the country. It means that a handful of people in conference committees will be making the biggest and most important decisions while the rest of us, the other Members of the 435, are forced to just vote up or down, yes or no, on important matters. It gives maximum power to the smoke-filled room the way the Republican majority is conducting the House. It is most unfortunate, but it is important that we understand that process, that there will not be the usual deliberative process long enough for even the Members of the House to understand the issues, certainly not long enough for the members of the public to understand what we are deliberating on.

I want to speak today about one of the casualties of this process. One of the casualties is the working family.

We should share our great prosperity now with working families. You know we are enjoying unprecedented prosperity in America. Never before have we had this kind of stock market boom. At every level you feel the surge of the economy. People who are rich and who have some investments are getting richer at a faster and faster rate. It has even produced a surplus in the government. The amount of revenue being collected now greatly exceeds the planned expenditures for the coming budget year. So we are going to have a surplus; it is almost guaranteed, but we are not sharing this prosperity with working families.

And I want to make a case for sharing the prosperity with working families, and the way we begin to share the prosperity with working families is to begin with an increase in the minimum wage. We need an increase in the minimum wage. You know, the increase of the minimum wage will not cost the taxpayers one penny. An increase in the minimum wage is not a budget and appropriations item. It is a matter of public policy which takes into consideration the fact that we have a very prosperous economy, and one way to share the benefits of that economy with the working family is to increase the minimum wage.

If you want to help families, and everybody professes to want to help families, both the Republicans and the Democrats argue that they are pro-family. What is wrong with America is that there is assault on the families; we all agree. What is wrong with America is that as families are falling apart. You know it has greatly impacted on our young people. The best you can do, the first thing you can do, for families is to give them more money, more income. More income needs to go to those people out there who are making minimum wage, and it is a large number. More than one-third of our working force is making the present minimum wage.

Present minimum wage is $5.15 an hour, $5.15 is the present minimum wage. We need to take steps immediately to raise the minimum wage. It has fallen behind over the years. The cost of living has increased far faster than the minimum wage, so the minimum wage has never caught up and is still far behind the cost of living, and I am going to talk about that in more detail in a few minutes.

This 105th Session of Congress, instead of the majority consistently taking actions which are hostile toward working families should take actions which are going to help working families. You know we should share the prosperity instead of at every step limiting the amount of help that the poorest people get starting with the fact that we have a surplus. You know we are faced with an unprecedented situation. For the last three decades we have not had the kind of surplus that we have now, and the only discussion we hear about the surplus is that it should be utilized to give a tax cut to the rich.

Now I am in favor of tax cuts. I am not sure where my party stands at this point. The Democrats last year produced a very good proposal and went to the floor with an alternative to the Republican tax cut which I think is still applicable. I have not heard much talk about it lately, so I am not sure why we do not have it out front. That tax cut was skewed so that the people on the bottom, those who need the help most would get the first and the biggest tax cut. So we should have a tax cut, but it should be aimed at helping working families. The combination of a raise in the minimum wage and a tax cut to working families is a kind of action needed to share the prosperity with those who are not at this point sharing that prosperity.

The democratic message is there. We have in our platform, as we go toward the November elections, a share-the-prosperity message. We have a message that includes the raising of the minimum wage. Raising the minimum wage is one of the priorities of the democratic package at this point. The problem is it seems to fall off the radar screen with respect to media attention. Members of my party are not saying much about the raising of the minimum wage. It is there, it is part of our platform, it is part of our set of priorities, but not much is being said about it, and that is most unfortunate. We ought to talk about the minimum wage. We ought to make a drive between now and the time the Congress closes to take advantage of this great window of opportunity we have in terms of prosperity.

We have the prosperity now. We should share the prosperity by increasing the minimum wage. We should share the prosperity with working families by jointly, in a bipartisan agreement, supporting a tax cut for families who make less than $50,000. Let us have a tax cut. We have already given a tax cut to the richest Americans. Just before we went on recess for the Fourth of July holiday we passed a bill which gave benefits, capital gains benefits, to the people who were fortunate enough to have big capital items that they want to divest. You know the capital gains tax was altered in a way which allowed them to take advantage of faster movement of their capital gain assets. That is a brake for the rich. Now let us have one for the poor, maybe 1 or 2 or 3, so that the poor can catch up. We need a tax cut, I support the idea of a tax cut, and I think, if the Democratic Party in this House goes back to where we were last year, we had a proposal for an alternative tax cut which made a lot of sense and gave the help to the working families.

We need also to help working families by investing heavily in education and job training. We need to move away from the present Republican majority position that we do not want to invest any more in education except really want to invest more; that is one item. We want to take the money we have now and move it around so that instead of title I money going to the poorest schools to improve public schools, title I money should be used for vouchers to go to private school. So we are not only not willing to invest more in education for working families, we are also ready to take away from the working families a program that exists already.

□ 1445

We recognize that there is a great need for information technology workers, yet the Republican proposal on the table which already passed the other body states that we are going to solve the problem of the shortage of high-tech workers by bringing in more foreign professionals. Foreign professionals will come in and take the jobs we ought to be training our American citizens for. That is the answer of the Republican majority at this time. The President said he might veto such a bill, and I hope he definitely will, and put the emphasis on solving the shortage of workers in the area of high-tech, on the area of training the people in the country right now who need the training.

The Republicans have also proposed to cut the Summer Youth Employment Program. They have zeroed out this program in the appropriations bill that will be coming before the House next week.

The Labor-HHS appropriations bill has zero in it for the Summer Youth Employment Program. I think the program is up at about the level of $600 million. You are going to take $600 million away from the poorest young people in America, at a time when the Nation is prosperous, at a time there will be a surplus in the budget.

The Republicans are also proposing to cut LIHEAP. LIHEAP is a program which provides heat for people who do not have enough money to heat their homes in the winter. Mostly elderly people benefit from the LIHEAP program. It also provides air conditioning, by the way, in certain areas of the country where there is extreme heat and they need air conditioning for the protection of mostly elderly people or sick people. In fact, in some parts of the country now there is a great heat wave on, and public action is being taken to protect certain categories of people from the heat.

But the biggest problem is the cold in the winter. LIHEAP has been around for a long time, but the bill that will be before us next week, pushed by the Republican majority, which cuts the Summer Youth Employment Program and cuts LIHEAP.

The majority Republicans in the 105th Congress are very hostile toward working families. They say they care about families, but most of the families in America are working families. The overwhelming majority of families are working families.

I am going to make an appeal to the religious right, and I apologize, because it is putting a lot of people under the umbrella in a kind of crude way, but I want to make an appeal to those people who say they care about families and say they should join us. We could make a great caring majority. Join us in calling for a tax cut for working families. Join us in calling for an item that will not cost the government one penny, and that is an increase in the minimum wage.

The religious right, the religious left, the religious center, let us have a caring majority movement toward bringing relief to working families, because the best way you can help families, of course, is to give them more money. There is no complicated bureaucracy needed. Increase the minimum wage. The employers out there will have to pay a higher minimum wage, and the families that need it most will benefit from that increase.

There is nothing complicated involved in a tax cut for the working poor. We probably should look at Social Security payments, the payroll taxes. That is the area where taxes have gone up most for working people. The great increase has been in the payroll taxes that everybody pays, regardless of income.

There are some people that say now that the surplus is primarily a surplus generated by Social Security revenue. If you take away the amount of money generated by the extra Social Security revenue, you would have a deficit, they say.

That is a little late, that argument, because we have been calculating our budget and discussing the national budget for years now on the basis of the fact that the Social Security revenue was included in the budget. To suddenly now say, well, we really do not have a surplus because most of that money is Social Security, if you do that, then you are wiping out the possibility of using the surplus in some type of constructive way, which I will propose later on.

I think the surplus is real. It is primarily generated by Social Security revenue. So if we have a tax cut, then let us recognize the fact that the extra revenue comes from Social Security, the payroll taxes. Let us reduce first the payroll taxes of the poor when we give a tax cut.

So I want to again repeat that what I am talking about is an agenda that we ought to follow as we move toward the close of this session, right now, as we gallop forward, instead of the backroom deals being made on the Committee on Appropriations, which lately has taken to making legislation, authorizing legislation more and more, violating the rules.

The rules do not exist anymore. We had a tax package that came back from conference, the IRS reform package. It was IRS reform when it left the House, it was IRS reform when it left the Senate. Neither the House nor Senate had any item in there related to changing the capital gains tax computation. Yet it came back with that change in it, and some other changes in it, written by the conference committee.

Neither House had included certain items related to tax reform, yet they got in the IRS reform bill. We were left on the floor with no alternative: Vote for it or vote against it. Who wanted to vote against a tax cut without an alternative? So most of us voted for it, of course. We would like to have had a chance to deliberate. We would like to have had a chance to make some alternative proposals. We would like to have had a tax package not written by 10 people.

The children of America out there think that they have a democracy, that we have representatives who are elected, and those representatives have an opportunity to make the laws. We have this little booklet we give out to the classes that come to visit us that says we have a bill introduced, a bill goes through committee, the committee passes it to the floor, the floor deliberates on it and votes, the floor sends it to the other body, the floor of the House and the floor of the Senate, there is a conference committee, the conference committee deliberates, the conference committee sends it back to the floor, the floor votes. It sounds as it if it is a great democracy and we always do it that way.

More and more, the strategy in this House, the Republican-controlled House of Representatives, is that we want to do as little democracy as possible. When you have the conference committee writing the legislation, it means the rest of us are puppets, rubber stamps, or something worse than that.

I think all the Members of the House of Representatives are very talented people. You do not get here without being very talented and competent. We might disagree on policies and ideology, but I respect every member. You do not get here unless you have a lot to offer.

I think we should be utilized. We should not be a parts of a fraud or a sham with respect to our constituencies. Our constituencies want us to participate and make laws. We should not sit still and allow the rules to be violated and a handful of people to make the laws, whether you are dealing with tax cuts for the rich or education policies for public schools.

Mr. Speaker, I want to go into greater detail on the minimum wage, because I am saying in essence that at the heart of the process of sharing prosperity with working families is the increase in the minimum wage. The good news about the minimum wage and the irony of it is it will not cost the taxpayers a single penny. So can we not move to increase the minimum wage between now and the time the 105th Congress adjourns?

Let us put it on the radar screen. Democrats, I call on you to cease the silence. It is on our list, but we need more activity. We need to put it on the radar screen, we need to put it on the television screens, the radio and the press. The poor, the working families of America, need an increase in the minimum wage.

A lot of people say, who makes the minimum wage anymore? Most people are above the minimum wage. No, that is not true. More than a third of the workforce is still making the minimum wage.

The people who are working out there, the bread winners for working families, are affected by the minimum wage, even if they are making more. The minimum wage has become the starting point, the bargaining point, for many negotiated collective bargaining agreements. When the minimum wage goes up, everybody else's wage rises. All tides rise when the minimum wage rises. In terms of income, everywhere it goes up.

So we need people making more than the minimum wage at this time of prosperity. They need more money and should have more money, because the negotiated wages ought to go up as the minimum wages go up.

The minimum wage has stagnated, as I said before, for a long time. We started out in the New Deal with Franklin Roosevelt and the first enactment of the Fair Labor Standards Act. It was 25 cents an hour, 25 cents an hour in 1938. Well, that was like a godsend, because you went from zero to 25 cents an hour. That was a great increase. Before that the employers of America had the working families at their mercy. They could pay what they wanted to pay, and there was no way to make them pay more, because the labor market was full, plenty of people. If you did not like the pennies you were being paid, you just would step aside and somebody else would take the job. So we were undercutting and eroding the basis of family life.

There were people who worked all night and all day, on the weekend, kids who never saw their fathers, yet they were making very little money because the hourly wages were so small.

Twenty-five cents an hour was passed October 24, 1938. We have come a long way since 25 cents an hour was passed. By January of 1976, we had a law which raised it. We had gone step-by-step all the way to $2.30 per hour. In January 1976 we increased it to $2.30. Now it is at $5.15 an hour. You might say, what a great march forward over 25 cents. It started at 25 cents, and now we are up to $5.15 an hour.

But here is what the facts show. The working families have lost ground because the increase in prices, the cost of living, has gone so much faster than these increases in the minimum wage.

I cite a booklet here that all of us receive as Members of Congress, it is called Minimum Wage and Overtime Hours under the Fair Labor Standards Act. It is a report to the Congress required by the Fair Labor Standards Act from the Secretary of Labor.

It is a booklet that every member of Congress should scan, if not have his staff read, and understand the dynamics of the minimum wage. It is great that we have a law. It is great we have a Fair Labor Standards Act. But the facts are not good at all.

In spite of the recent minimum wage increases, the real value of the minimum wage remains below the 1960s and 1970s level. I am reading from a page of the booklet that I just cited. By the way, this booklet was issued on the occasion of the 60th anniversary of the Fair Labor Standards Act which established the minimum wage, so for 60 years we have at least had government policy involved with the hourly wage of working families.

But in spite of the recent increases and the fact it has gone to $5.15 an hour, between 1966 and 1997 the real value of the minimum wage declined by 17 percent. Between 1966 and 1997 the real value of the minimum wage went down by 17 percent. Workers ended up making 17 percent less per hour when you calculate the value of wages as computed in terms of the cost of living.

When you consider how high the cost of living has gone compared to the wages, then we have suffered a decrease, a decline of 17 percent.

The family size supportable by the minimum wage at the poverty threshold fell, went down, from close to four in 1968 to just over two in 1997. Listen carefully. The family size supportable by the minimum wage, the number of people who can be supported on a $5.15 an hour minimum wage, dropped by half. The old minimum wage could support in 1968 four people. The present minimum wage in 1998 supports only two people at the poverty level.

□ 1500

That means that they do not eat steak, I assure my colleagues. They have minimum housing, minimum clothing, minimum food. Only two people can now be supported on the minimum wage. We have gone backwards by 50 percent.

In the 1950s and the 1960s, the minimum wage averaged 51 percent of average hourly earnings. That measure fell to 46 percent in the 1970s and to an average of 40 percent thus far in the 1980s and 1990s. Average hourly earnings means that when you calculate the earnings of people that are not making minimum wage, making above that amount, and figure it in with the people that are making minimum wage, the average has gone up, and the minimum wage workers have not kept pace, a 40 percent drop in the 1990s.

With regard to the Fair Labor Standards Act's requirement to measure the ability of employers, with regard to the requirement of the Fair Labor Standards Act, which is the act of Congress which created the minimum wage, along with a number of other conditions under which the minimum wage is administered. With regard to the Fair Labor Standards Act requirement to measure the ability of employers to absorb wage increases, since 1966, annual percent gains in business sector productivity, productivity, output per hour, has outpaced increases in real hourly compensation three-fourths of the time and for each of the past 10 years. Over the entire period, the change in output per hour grew by two-thirds, while compensation grew by only one-third. In other words, we are getting two-thirds more out of a worker now than we got in terms of productivity.

It is no wonder the profits are so high, that prosperity is so good for the owners of the factories and the owners and investors in the various enterprises, because the productivity of each worker is so much greater, while the amount of money paid to the worker has gone down a little more than one-third, gone down instead of up. The ratio has only increased by one-third, which means that the pace is way off for the wage increase versus the productivity.

Real corporate profits per hours worked have recovered from a recession low in the 1980s. Profits per hour in 1997 exceeded the previous peak level recorded over the last three decades, while average profits per hour over the past 3 years is the highest such average in 30 years. Average profits for each hour worked is greater now than it has ever been in the last, than it has been in the last 30 years. This is why we have such a tremendous boom on Wall Street, great earnings by corporations, because the profit for each hour of work is so much greater than it has ever been.

Average real retail industry profits per hour worked over the past 5 years have been the highest in 25 years. In 1996, 79 million wage and salary workers were covered by the minimum wage provisions of the Fair Labor Standards Act. Overtime protections applied to 74 million workers.

Mr. Speaker, this is a great majority of our work force is covered by this act, so we are not talking about a handful of people when we talk about increase in the minimum wage and the resulting additional raise in wages that is caused by the increase in the minimum wage. The majority of workers not protected by minimum wage, and overtime provisions were classified as executive, administrative and professional.

Let me just conclude this section of the booklet by saying that the Small Business Act that Congress passed, the Small Business Job Protection Act, which was passed on August 2, 1996, under the Republican majority in the last Congress, it was signed into law by President Clinton, provided two minimum wage increases over the 2-year period. An initial increase from $4.25 an hour to $4.75 an hour, went into effect on October 1, 1996. That was the first minimum wage gain since April 1 of 1991. The second increase was effective on September 1, 1997, and that took us to the level where we are now, $5.15 an hour.

One barometer of the adequacy of the minimum wage over time is the degree to which the purchasing power, the wage law has changed. A declining real value of the minimum wage suggests that minimum wage workers are worse off, while a rising real value of the minimum wage signifies improvement in the status of these workers.

In order to gauge the relationship between prices and the minimum wage, three indices were constructed. Over the 3-year period, the minimum wage increased 312 percent, while the implicit price deflator and the Consumer Price Index, we know more about the Consumer Price Index than we do the other one, the Consumer Price Index rose 338 percent to 395 percent respectively.

Using the Consumer Price Index, the real value of the minimum wage per hour in 1997 dollars has declined from a high of $7.38 per hour; the real value of the minimum wage in 1968 was $7.38 per hour. When we compare the minimum wage with the cost of living, a worker was earning as much as $7.38 an hour, but now, with $5.15 in 1997, they are earning much less per hour in real value.

Another indicator of inadequacy of the minimum wage is the extent to which it allows workers to live above established poverty thresholds. I just mentioned that a few minutes ago. For individuals, those not supporting families, the minimum wage has consistently exceeded poverty level incomes. On the other hand, for an individual trying to support a family, the minimum wage has lost some of its ability to generate a standard of living above the poverty line. In other words, there are people that go to work every day, and there is no way they are ever going to get out of poverty earning the minimum wage.

In 1968, a full-time worker earning the minimum wage was able to support a family of four slightly below the poverty threshold. In 1968, though, they could support a family of four at the level of the threshold of poverty, which means that they at least could provide the basics, food, clothing and shelter.

However, by 1980, the falling real value of the minimum wage reduced the family size supportable at the poverty threshold to three, only three people, and then by 1984, the family size that could be maintained was reduced to two persons. I just cited that before. At present, the minimum wage will support a family of two instead of a family of four.

We need to share the prosperity that we are enjoying in America with working families. We need to share the prosperity, and the way to begin sharing the prosperity is to increase the minimum wage.

It is a simple step; that is, a simple public policy process. We do not need to raise taxes on anybody, we do not need to take away from one program to give to another; none of the problems that we find in the regular budget and appropriations process is necessary in a public policy change which says, raise the minimum wage. That is the law. We have to raise the minimum wage.

I want to congratulate my colleagues who are concerned about this. Democrats have introduced several bills this year on the raising of the minimum wage.

The gentleman from Illinois (Mr. GUTIERREZ) has introduced H.R. 182, a bill to provide a minimum wage for employees on the Federal contracts worth more than $10,000. A full-time worker would be paid either the amount of the official poverty level income for a family of four, or he would be paid $7.50 an hour, whichever is greater. This is what we call a living wage, which is different from the minimum wage, and some cities and States have enacted laws which require that living wages be paid to workers who are working for companies that have government contracts. The living wage in this case that the gentleman from Illinois (Mr. GUTIERREZ) advocates is $7.50 an hour.

The gentleman from Minnesota (Mr. VENTO) has a bill, H.R. 370, which provides for the wages paid under a Federal contract in a business that has more than 15 employees, and it requires that the wages must be greater than the local poverty line, which means that from one part of the country to the other, one would have a different minimum wage. One starts with the minimum wage, but in areas where the poverty line, the cost of living is calculated as below the poverty line, we would have differences. It would go up above the minimum wage.

The gentleman from Massachusetts (Mr. OLVER) has H.R. 685, a bill to raise the minimum wage in steps that would take it up to $6.50 an hour by July 1 of the year 2000.

The gentleman from California (Mr. DELLUMS), before he left, had a bill to establish a living wage for all jobs. The gentleman from Michigan (Mr. BONIOR) has a bill to amend the Fair Labor Standards Act to raise the minimum wage in steps to $7.25 per hour by September 1 in the year 2002.

The gentleman from Vermont (Mr. SANDERS) has a bill which would raise the minimum wage in one step, just one step. Immediately he wants to raise it to $6.50 an hour. The gentleman from Michigan (Mr. BONIOR) has another bill to raise the minimum wage in steps to $6.65 an hour, to reach $6.65 an hour, by September 1, 2000.

Many of these bills have an indexing provision, which means every year automatically, as the cost of living is going up, the wages would go up, too, and you reach these levels. Of course, we have the gentleman from Michigan's (Mr. BONIOR) bill, which is in harmony with the President's proposal, and that is a bill to increase the minimum wage by 50 cents in two steps, 50 cents in two steps would mean a dollar increase, to bring up the minimum wage level to $6.15 by January 1 in the year 2000.

All of these, by the way, would still mean that the minimum wage is behind the cost of living. We would never catch up even if any one of these generous bills were enacted.

Senator KENNEDY, in the other body, has similar legislation. The legislation that all Democrats have subscribed to as a party, of course, is the President's proposal to increase the minimum wage by 50 cents in two steps, fifty cents in two steps, to take it to $6.15 by the year 2000.

It is a simple proposition, but why is it not enacted? Because the Republican majority is hostile to working people. Working families are viewed with hostility. It is not a matter that they want to save money. Money is not the problem. Money becomes a problem in their hostility in other areas.

In the area of education, they are hostile toward working families so they do not want to improve public schools by even giving decent places for children to study.

Construction, new school construction, the wiring of schools for technology, a basic investment in the school system is not supported by the Republican majority.

They do not want to give a tax cut. They want to give a tax cut, but not to the working poor.

So we have money. The hostility of the Republicans toward the poor people is reflected in money issues, and the policies related to budgets and appropriations, but the minimum wage is not a budget appropriations issue. It is a matter of public policy which says we are in charge. We want a public policy which says that the present prosperity of America, where the Dow Jones average is above 9,000, where people who have investments are realizing 20 and 25 percent on their investments, it is unprecedented and we are all proud of it. It is wonderful.

The riches of America and the kind of empower we have economically now would make the Roman Empire look like a village. We have unprecedented wealth, and the wealth is getting greater, and probably it is going to go on for a little while longer because as the economies shrink in other parts of the world, instead of them dragging down the economy of the United States, most people have not thought about the fact that the economy of the United States will go up, because every rich person in every country that is having economic difficulty will want to invest their money in America. They will want to come to the stock market here and invest their money.

So you are going to have a boom for quite a while as the people who have capital to invest run away from the difficult problems of other nations and they run to this country. So we have prosperity that is probably going to continue for some time.

We want working families to share in that prosperity.

Mr. Speaker, I want to shift gears at this point and say that the working families should be included in the deal that is going to be made at the end of this session. I have talked about public policy first, raising the minimum wage, and public policy as reflected through the budget and appropriations process means that you invest in education, public education, because that is where working families get their education. You invest in the summer youth employment program. You invest in LIHEAP because you keep poor working families alive during the wintertime when they need money. Certain families do not have enough money to buy fuel for their homes, and we established this a long time ago, so why is Republican majority going to take heat away from elderly families in the wintertime; why at a time when we have a budget surplus that is going to be quite a significant amount of money?

□ 1515

By the way, the budget surplus, according to the latest pronouncements of the Congressional Budget Office, on July 15, 1998, a couple days ago, the Congressional Budget Office projects that the Federal budget for fiscal year 1998 will record a total surplus of $63 billion. They were very conservative at the beginning of the year, when the President made his State of the Union address. There was a conservative estimate that we may have an $8 billion surplus, there may be $8 billion more revenue than projected expenditures. Now we have gone from $8 billion to $63 billion. That is what we are looking at now.

These are still conservative estimates. As I said before, they point out that a large part of this surplus is due to the Social Security fund, that people paying into Social Security have increased that fund greatly, and that is why I said that the first tax cut ought to be a cut in payroll taxes for poor people. But this is clearly established, the Congressional Budget Office figures have to be accepted by both Democrats and Republicans. The President and the White House must accept it. The majority in the Senate and the House, the minority, we are talking about $63 billion.

Working families must be included in the coming end-of-the-session deal where they decide how they are going to handle that $63 billion. There is a lot of sham taking place right now. People are saying, well, that money should not be touched. Some people are saying it should not be touched because Social Security needs the money in the future so we should hold it as a contingency fund for Social Security. We should see what is going to happen with Social Security.

We have a lot of things to work out. There is a commission. The commission has come up with a proposal that we extend the retirement date, instead of people retiring at 67, used to retire at 65, in a few years 67 is going to go into effect, they want to extend it to 70. That is the worst thing that could happen.

A lot of poor people who work all their lives and pay into Social Security, you will not ever see your Social Security. Certainly in the African American community, the statistics show that a large percentage of our workers never reach 65. They never get a chance to enjoy their Social Security right now. If you move it to 67 and then 70, you are taking away from the people who need it the most.

I am not in favor of that proposal that I hear out there on its way to move the date, the age for which you are eligible for your Social Security back to age 70. I think it outrageous. That is more hostility toward working families.

Let us come closer to home. There is going to be a deal made before this session ends, before we leave here, there is going to be a deal made between the White House and the majority in the Congress in the House and Senate, it is a pattern now, you do not have to be a genius to figure out what is going to happen. We have a situation where now there are disagreements between the Democrats and the Republicans. The Democrats have some power because we have the White House controlled by a Democratic President. He has veto power. The Republicans, of course, control both the Senate and the House.

They are going to pass these very regressive bills which penalize working families. They have already started. I just gave some examples. We are not going to be able to stop them from passing a bill next week which cuts the summer youth employment program. We will not be able to stop the majority from passing a bill which cuts the LIHEAP program, takes away the fuel for elderly people in the winter. We will not be able to stop them from passing a bill which refuses to appropriate any money for school construction or to lower the school class sizes.

They have a hokey report that just came out which accuses schools of wasting money, and they want to consolidate it with a flat grant, a block grant. They are ignoring the public on matters of education. The Republicans have chosen just to ignore the public completely.

The public opinion polls, which we take under consideration for so many other issues, the public opinion polls clearly show that the top priority of Americans is Federal involvement in education. The Federal Government they want to set, they want to set education as a top priority. They want participation by the Federal Government.

They have these problems that they recognize in public education, private education, too, higher education, elementary, secondary education, these are problems which affect the whole Nation, and the voters are already much wiser than the Members of Congress. They are wiser than the leadership of either party, because neither party is really proposing the kind of education reform that is needed.

The education system that we ought to have is not on either agenda. Democrats have a better agenda and that is all we have at this point so let us get behind it. But we need a massive program to revamp education. Massive program to take the first step and guarantee that every child has a physical facility that is safe, free of hazards and conducive to learning. Just construction, a one-time expenditure does not mean you put a local school board on the dole and they will be always looking for the Federal Government. You make a one-time expenditure to build a new school or to enlarge a school, to modernize a school, to get rid of the asbestos that threatens the health of the kids, to take out the coal burning furnaces. We have 285 coal burning furnaces. I think they reduced it now, coal burning furnaces in the schools of New York. Those furnaces are health hazards. Let us take them out. It is a one-time expenditure.

So we need to make that expenditure, and voters out there are saying, when you take a poll, yes, the Federal Government should do this. We are not afraid of the Federal Government controlling our schools. We want more Federal participation to solve problems. They are saying this, but we are responding as Democrats, in my opinion, with a Mickey Mouse response. We are not emphasizing enough the President's $22 billion construction proposal. We are ready to settle for less. That is a fraud.

To settle for less means that you are saying we want to increase the number of teachers so that the ratio of teachers to students will be better. One teacher will not have to have so many students. We want to improve reading. We want to do a lot of things step one, two, three.

But if you do not have new construction, modernization in New York and some other big cities, you cannot decrease the teacher/student ratio. You cannot make a better ratio. There is no-where for the classes to go. In order to have smaller classes, you need classrooms. You need to build some more classrooms. Overcrowding is a major problem in the big cities and in some rural areas the schools are literally tumbling down. They are unsafe. We have problems which a one-time expenditure on the order of what President Clinton has proposed, I would like to see it be more, $22 billion, that is really a loan program.

I think we need a grant program to go along with that loan program. And between now and the time the deal is made in October, we ought to really raise the level of the voice of the voters so that they will hear us. The voters are saying it, but they are not saying it loud enough.

The voters are saying they want education assistance of great significance, but the message does not seem to be coming through our elected officials who are on this floor and the other body. We must all unite behind an effort to make certain that when the deal is made, when the President vetoes the appropriations bills that are hostile to working families, they come back to the House, they do not have enough votes to override the vetos, there will be negotiations. This pattern has taken place for the last 10 years, when President Bush was in the White House and President Reagan, you had Democrats controlling the Congress and you had a Republican President the under Bush and Reagan. Now we have Republicans controlling Congress, and you have a Democrat in the White House. The only way to resolve the differences will be negotiations where the President and the White House, leaders of the Congress, the elected minority leaders, too, but sometimes they do not, they will be there negotiating. The deal will be made about differences in the appropriations bills.

There is another deal that is going to be made at the same time. What we do with the $63 billion surplus. Here is a window of opportunity, $63 billion. Let us talk now to the President and to the leaders of Congress about how we want the deal to go down.

We do not want a deal made in a smoke-filled room at the last minute and working families end up being left out. We must all unite behind an effort to make sure that when the deal is made as to how to spend this $63 billion, and it is going to be done, the Republicans have made it quite clear, they want a tax cut. They want a large part of that to go for tax cuts. They are not saying they want it out of the surplus. They just imply it.

The President has said most of the money should go to Social Security. I agree. If you had only $8 billion, Mr. President, if you had only 8 billion, then let the $8 billion that you have projected in the State of the Union address go toward continued support for Social Security. But we have more than $8 billion. We have almost eight times that much. So if you have $63 billion, why can we not follow a formula? Why can we not have a deal in October and talk to the American people about the deal now, where one-fourth of the surplus goes toward a contingency fund for Social Security. After all, Social Security revenue is generating most of the money, one-fourth goes toward a contingency fund for Social Security, one-fourth goes toward a tax cut, and the tax cut should start with a tax cut for the people who make $50,000 or less, families that make $50,000 or less, a cut in the payroll taxes. Then one-fourth can go toward school construction and related matters like technology, wiring the schools. And one-fourth can go for other education purposes, including higher education, because in the higher education bill that we passed, there is no modernization for the infrastructure of college campuses, the E rate which we have at least come up with as a concept. It has not been implemented fully yet, but the E rate which discounts telecommunications fees for elementary and secondary schools and libraries does not apply to colleges.

Colleges need to have help in training our workers for the future in information technology. So let us unite behind a four-way split, a deal which we will call the caring majority of appropriations priorities for working families. That deal means, first, I said one part does not cost it anything, an increase in the minimum wage. The rest of the deal is a tax cut for families that are working, an insurance marker for Social Security, school construction program, an investment. School construction will help us to provide the classrooms which will enable us to have smaller class sizes, and part of that school construction program should be in grants, not just loans, $22 billion in loans. The Federal Government paying an interest rate is a good deal for localities and States, but not good enough.

Big cities, places where you have emergency situations ought to also be recipients of some grants, and those grants should be right away.

So we have a package which we can call the caring majority appropriations priorities package for working families. I call on the black caucus, I call on the Hispanic caucus, the women's caucus, the blue dogs, I call on all of the Members who care about people to take a look at this appropriations priorities package for working families.

Between now and the time the deal is made, let us push in the appropriations bills to get a high visibility for these expenditures that are needed. And when that fails and the vetoes take place and the deals are being negotiated at the White House, let us keep up a steady drumbeat with the public so that the deals are deals which help working families. When they come out of the negotiations, we will have an agenda, a set of expenditures in this year of 1998, 105th Congress, that benefits working families.

We will not have this opportunity in the future very soon. We will not have a surplus like this for a long time. We will not have our chance to make the investments now in education that are needed now. We need to jump start the education reform process by giving some real Federal aid and stop playing games with it.

Last time the Committee on Appropriations came up with $145 million for a school reform package, $145 million. Now, even if that school reform package was successful, it is still a drop in the bucket. It will not do very much in terms of reforming education. The $145 million is being accused by the Republican majority as if it was a $50 billion program. The same criticisms, the same attention has been focused on it.

So we do not need, appropriations committee members, the message to them is, we do not need another whimpish little piece, bone, crumb thrown to education. We need a significant effort to reform education, and that requires Federal dollars.

Look at the voters, look at what the voters are saying, and you will find that I am not standing here as a New York left wing radical or somebody who is way out of touch with the people. I am in touch with the voters.

□ 1530

The voters say education comes first. This year, this 105th Congress has an unprecedented window of opportunity. Before we adjourn we should act to share the prosperity with working families. We have a Dow Jones average which is above 9,000. Unprecedented. We have unprecedented money being made, returns on investments. Let us take advantage of that.

In education we can create a partnership with the States to address the crumbling and overcrowded schools. We can help communities reduce class size by hiring and training new teachers. We can help schools integrate technology into the classroom and train teachers in using that technology effectively. And we can assist high poverty, urban, and rural school districts that are serious about carrying out standards-based reform plans to improve student achievement levels.

We can also refund the summer youth employment program so that summer youth will have employment opportunities, those who need it most. This is only for low-income youth. The working families out there need some help in terms of their kids getting summer jobs.

We should refund the LIHEAP program for our poor elderly people in the wintertime, who are members of working families also and should be included in the benefits of our prosperity.

There is something called earned income versus unearned income, and we ought to take a look at that. That phrase was coined by economists a long time ago. Earned income is the income that people get from wages and salaries. So most of the working families in America, they have what we call earned income.

Do my colleagues know that earned income is taxed at a greater rate than unearned income? Again, these are not my terms. Economists have been using these terms for years. Taxes on earned income, wages, salaries and retirement pay, produce 85 percent of all personal income taxes, but only 15 percent brought in by taxes of unearned income. What is unearned income? That is the taxes on the income that we earn with our stocks and bonds, investments, especially capital gains.

Capital gains stocks have skyrocketed from $5 trillion in 1994 to $12 trillion in capital gains, and most of those capital gains, that $12 trillion, will never be taxed unless the tax laws are changed. So the unearned income out there is not being taxed, but we are still taxing earned income.

That is why I said one of the pieces in this package, the Caring Majority Appropriations Priorities Package for Working Families, has to be a tax cut for the poor. Taxes on earned income, income and Social Security is what I call earned income, brings in over 70 percent of all Federal tax revenue compared with only 9 percent for unearned income. For every dollar of tax revenue produced by earned income, unearned income, income from investments and stocks and bonds, et cetera, brings in only about 13 cents. Why? Because every dollar of earned income goes on the tax return and it is fully taxed. It goes on our returns and we cannot escape having the tax. The only exceptions, of course, are some low-income people who are given an earned income tax credit.

By contrast, there are all kinds of huge loopholes, exceptions and special provisions for unearned income, especially for huge capital gains being made in the stock market right now. If we eliminated or cut back these huge loopholes that favor unearned income, especially capital gains, then we could cut everybody else's taxes. We could cut the working families' taxes by taking a bigger bite out of the unearned income taxes.

I want to conclude, Mr. Speaker, by saying that we only have a few days left. Let me start where I began. Between now and the end of the first week in August, when we go in recess, there will be numerous appropriations bills passed. Most of those appropriations bills indicate great hostility toward working families. One item after another.

We are debating right now the HUD-VA bill. Public housing over the last 5 years under the Republican majority has suffered more than any other Federal program. Public housing has been devastated by the Republican majority. They have no mercy with respect to housing, and housing is where our family begins. If a family does not have a decent house, a decent home, they are in serious trouble.

Housing is one of the problems with education. Many of the teachers complain that the poor families are constantly moving because they are seeking better housing. They have problems with the housing that they have. So housing is bedrock to families. If we care about families, then we have to care about housing. And what we are doing right now on the floor, and we will continue next week when we come back, is to continue to devastate the supply of housing for the poor.

We will follow that with education. Next week I understand the Labor and HHS appropriation bill will be on the floor, and that is where we have the denial of the opportunity to invest in education. We must all unite now behind a Caring Majority Appropriations Priorities Package for Working Families.

Every Member of the House who cares about families, and everybody says they care about families, I hope they will open their eyes and see what helps families and what hurts families. It hurts families not to have a decent minimum wage. It hurts families not to have as much help as possible from the government to guarantee that their children get an education which would allow them to move out of poverty. It hurts families when emergency help from programs like LIHEAP, the provision of fuel for the elderly, is denied, because that means that the family somewhere else has to make some sacrifices to take care of the elderly people.

We must all unite behind the Caring Majority Appropriations Priorities Package for working families. End the hostility and let us promote working families.

LEAVE OF ABSENCE

By unanimous consent, leaves of absence were granted to:

Ms. HARMAN (at the request of Mr. GEPHARDT) for today on account of illness in the family.

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MEEHAN) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, today, for 5 minutes.
Mr. ENGEL, today, for 5 minutes.
Ms. WATERS, today, for 5 minutes.
Mrs. CLAYTON, today, for 5 minutes.

(The following Members (at the request of Mr. HULSHOF) to revise and extend their remarks and include extraneous material:)

Mr. HULSHOF, today, for 5 minutes.
Mr. TIAHRT, today, for 5 minutes.
Mr. DREIER, today, for 5 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HULSHOF) and to include extraneous material:)

Mr. LEWIS of California.
Mr. PAUL.
Mr. SMITH of Michigan.
Mr. DUNCAN.
Mr. GILMAN.
Mr. GOODLING.
Mr. RIGGS.
Mrs. ROUKEMA.

(The following Members (at the request of Mr. MEEHAN) and to include extraneous material:)

Mr. KIND.
Mr. ALLEN.
Mr. LIPINSKI.
Mr. OBERSTAR.
Mr. MILLER of California.
Mr. LANTOS.
Mr. SERRANO.
Mr. STARK.

(The following Members (at the request of Mr. OWENS) and to include extraneous material:)

Mr. LOBIONDO.
Mr. SABO.
Mr. CONYERS.
Mrs. MYRICK.
Mr. CLYBURN.
Mr. OWENS.
Mr. HALL of Texas.
Mr. BALDACCI.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following titles was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 88. Concurrent resolution calling on Japan to have an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan; to the Committee on Ways and Means.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 3156. An act to present a congressional medal to Nelson Rolihlahla Mandela.

H.R. 2870. An act to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

H.R. 1273. An act to authorize appropriations for fiscal years 1998 and 1999 for the National Science Foundation, and for other purposes.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 37 minutes p.m.), under its previous order, the House adjourned until Monday, July 20, 1998, at 12:30 p.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

10038. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; District of Columbia, Virginia, Maryland; 1990 Base Year Emission Inventory for the Metropolitan Washington, DC Ozone Nonattainment Area [DC038-2009a, MD058-3026a, VA083-5035a; FRL-6120-6] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10039. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Revised Format for Materials Being Incorporated by Reference for New Mexico and Albuquerque [NM35-1-7366; FRL-6118-4] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10040. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; District of Columbia; 15 Percent Plan for the Metropolitan Washington, D.C. Ozone Nonattainment Area [SIPTRAX No. DC-25-2010a; FRL-6120-3] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10041. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Missouri [MO 049-109a; FRL-6118-3] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10042. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Maintenance Plan Revisions; Ohio [OH115-2; FRL-6120-7] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10043. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Sodium Chlorate; Extension of Exemption from Requirement of a Tolerance for Emergency Exemptions [OPP-300673; FRL-5795-8] (RIN: 2070-AB78) received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10044. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plan; Indiana [IN84-1a; FRL-6114-8] received June 25, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10045. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the report on military expenditures for countries receiving U.S. assistance, pursuant to section 511(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993; to the Committee on International Relations.

10046. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29248; Amdt.

No. 1873] (RIN: 2120–AA65) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10047. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29249; Amdt. No. 1874] (RIN: 2120–AA65) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10048. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of VOR Federal Airway V–405; NY [Airspace Docket No. 97–AEA–30] (RIN: 2120–AA66) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10049. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of VOR Federal Airway V–605; and Withdrawal of Proposal to Establish VOR Federal Airway V–603; SC [Airspace Docket No. 95–ASO–22] (RIN: 2120–AA66) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10050. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Kotzebue, AK [Airspace Docket No. 98–AAL–5] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10051. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB–120 Series Airplanes [Docket No. 97–NM–304–AD; Amendment 39–10620; AD 98–13–29] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10052. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Gulfstream Aerospace Corporation Model G–159 (G-I) Airplanes [Docket No. 97–NM–302–AD; Amendment 39–10621; AD 98–13–30] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10053. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasileira de Aeronautica, S.A. (EMBRAER), Model EMB–145 Series Airplanes [Docket No. 98–NM–181–AD; Amendment 39–10625; AD 98–13–34] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10054. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–100, -200, -300, -400, and -500 Series Airplanes [Docket No. 98–NM–178–AD; Amendment 39–10611; AD 98–11–52] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10055. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: San Francisco Bay, San Francisco, CA [COTP San Francisco Bay; 98–011] (RIN: 2115–AA97) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10056. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: San Francisco Bay, San Francisco, CA [COTP San Francisco Bay; 98–010] (RIN: 2115–AA97) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10057. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Qualifications for Tankermen and for Persons in Charge of Transfers of Dangerous Liquids and Liquefied Gases [CGD 79–116] (RIN: 2115–AA03) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10058. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Burlington Independence Day Fireworks, Burlington Bay, Vermont [CGD01–98–058] (RIN: 2115–AA97) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10059. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Independence Day Celebration Fireworks, Wards Island, East River, New York [CGD01–98–070] (RIN: 2115–AA97) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10060. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: City of Yonkers Fireworks, New York, Hudson River [CGD01–98–044] (RIN: 2115–AA97) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10061. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Cellular One Offshore Cup; San Juan Bay and North of Old San Juan, Puerto Rico [CGD07–98–037] (RIN: 2115–AE46) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10062. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Independence Day Celebration Cumberland River miles 190–191, Nashville, TN [CGD08–98–025] (RIN: 2115–AE46) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10063. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Anchorage Area: Groton, CT [CGD01–97–014] (RIN: 2115–AA98) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10064. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Deerfield Beach Super Boat Race, Deerfield Beach, Florida [CGD07–98–024] (RIN: 2115–AE46) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 4058. A bill to amend title 49, United States Code, to extend the aviation insurance program, and for other purposes (Rept. 105–632). Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 3249. Referral to the Committee on Ways and Means extended for a period ending not later than July 20, 1998.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CANNON (for himself, Mr. Redmond, Mr. Hayworth, and Mr. McInnis):

H.R. 4263. A bill to authorize an interpretive center and related visitor facilities within the Four Corners Monument Tribal Park, and for other purposes; to the Committee on Resources.

By Mr. ROGERS:

H.R. 4264. A bill to establish the Bureau of Enforcement and Border Affairs within the Department of Justice; to the Committee on the Judiciary.

By Mr. SMITH of Oregon (for himself, Mr. Combest, Mr. Barrett of Nebraska, Mr. Ewing, Mr. Pombo, Mr. Thune, Mr. Doolittle, Mr. Lucas of Oklahoma, Mr. Lewis of Kentucky, Mr. LaHood, Mr. Bryant, Mrs. Emerson, Mr. Cooksey, Mr. Boehner, Mrs. Chenoweth, Mr. Everett, Mr. Pickering, Mr. Smith of Michigan, Mr. Moran of Kansas, Mr. Jenkins, Mr. Chambliss, Mr. Foley, Mr. Canady of Florida, Mr. Hostettler, Mr. Blunt, Mr. Bob Schaffer, Mr. Thornberry, Mr. Latham, Mr. Buyer, Mr. Jones, Mr. Watts of Oklahoma, Mr. Watkins, Mrs. Cubin, Mr. Nethercutt, Mr. Gutknecht, Mr. Skeen, Mr. Sessions, Mr. White, Mr. Hastings of Washington, Mr. Crapo, Mr. Ganske, Mr. Nussle, Mr. Thomas, Mr. Leach, Mr. Bunning of Kentucky, Mr. Stump, Mr. Brady of Texas, Mr. Paul, Mr. McCrery, and Mr. McIntosh):

H.R. 4265. A bill to amend the Agricultural Market Transition Act to provide for the advance payment, in full, of the fiscal year 1999 payments otherwise required under production flexibility contracts; to the Committee on Agriculture.

By Mr. BALDACCI (for himself, Mr. LaTourette, Mr. Klink, Mr. Doyle, Mr. Pomeroy, Mr. Farr of California, Ms. DeLauro, Mr. Ackerman, Mr. Allen, Mr. Sanders, Mr. Hinchey, Mr. Gejdenson, Mr. Coburn, Mr. Fazio of California, Ms. Kaptur, and Mr. Blumenauer):

H.R. 4266. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to provide for improved public health and food safety through enhanced enforcement; to the Committee on Agriculture.

By Mr. DeFAZIO (for himself and Ms. HOOLEY of Oregon):

H.R. 4267. A bill to modify the requirements for paying Federal timber sale receipts; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DUNCAN (for himself, Mr. SHUSTER, Mr. YOUNG of Alaska, Mr. SMITH of Oregon, Mr. HANSEN, Mr. OBERSTAR, Mr. LIPINSKI, Mr. ENSIGN, and Mr. GIBBONS):

H.R. 4268. A bill to amend title 49, United States Code, to regulate overflights of National Parks, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FORBES (for himself and Mrs. KELLY):

H.R. 4269. A bill to amend the Securities Exchange Act of 1934 to reduce fees on securities transactions; to the Committee on Commerce.

By Mr. MILLER of Florida (for himself and Mr. WHITE):

H.R. 4270. A bill to require that, as part of the 2000 decennial census of population, certain questions be asked concerning the availability of a personal computer in the home and access to the Internet; to the Committee on Government Reform and Oversight.

By Mr. RIGGS (for himself, Mr. GOODLING, Mr. BARRETT of Nebraska, Mr. GREENWOOD, and Mr. PETERSON of Pennsylvania):

H.R. 4271. A bill to amend the Community Services Block Grant Act to reauthorize and make improvements to that Act; to the Committee on Education and the Workforce.

By Mr. THUNE (for himself, Mr. LUCAS of Oklahoma, and Mr. MORAN of Kansas):

H.R. 4272. A bill to amend the Agricultural Market Transition Act to provide an alternative single payment for production flexibility contracts; to the Committee on Agriculture.

By Mr. DeLAY (for himself, Mr. SNOWBARGER, Mr. GINGRICH, Mr. ARMEY, Mr. BOEHNER, Mr. GILMAN, Mr. COX of California, Mr. SOLOMON, Mr. ROHRABACHER, Ms. DUNN of Washington, Mr. BERMAN, Mr. ACKERMAN, Mr. WATTS of Oklahoma, Mr. MILLER of Florida, Mr. KING of New York, Mr. DEUTSCH, Mr. ANDREWS, Mr. CHABOT, Mr. BOB SCHAFFER, Mr. BROWN of Ohio, Mr. HOSTETTLER, Mrs. MYRICK, Mr. TIAHRT, Mr. SUNUNU, Mr. NETHERCUTT, Mr. SCARBOROUGH, Mr. BACHUS, Mr. BLUNT, Mr. BLILEY, Mr. LATHAM, Mr. FOSSELLA, Mr. SHADEGG, Mr. COBURN, Mr. HASTINGS of Washington, Mrs. CUBIN, and Mr. JEFFERSON):

H. Con. Res. 301. Concurrent resolution affirming the United States commitment to Taiwan; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. Stupak introduced a bill (H.R. 4273) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *VIKING*; which was referred to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 7: Mr. NORWOOD and Mr. GIBBONS.

H.R. 68: Mr. FRANK of Massachusetts.

H.R. 322: Mr. FRANK of Massachusetts.

H.R. 457: Mr. MINGE.

H.R. 611: Mr. WEYGAND.

H.R. 693: Mr. TAYLOR of North Carolina.

H.R. 1126: Mr. HILLIARD, Mr. JACKSON, and Ms. WATERS.

H.R. 1231: Mr. BRADY of Pennsylvania.

H.R. 1289: Ms. CARSON and Ms. MILLENDER-McDONALD of California.

H.R. 1322: Mrs. BONO.

H.R. 1401: Mr. CAMP.

H.R. 1628: Mr. ROMERO-BARCELO, Mr. FROST, Mrs. KENNELLY of Connecticut, Mr. LANTOS, Ms. NORTON, Mr. WYNN, and Mr. SANDLIN.

H.R. 2031: Mr. WATTS of Oklahoma, Mrs. MEEK of Florida, Mr. FATTAH, Mr. TORRES, Ms. LEE, and Ms. KILPATRICK.

H.R. 2139: Ms. STABENOW.

H.R. 2478: Mr. HOBSON.

H.R. 2499: Mr. BURTON of Indiana, Mr. SHIMKUS, Mr. LoBIONDO, Mr. LEWIS of Kentucky, and Mr. HINOJOSA.

H.R. 2721: Mr. CRANE.

H.R. 2817: Mr. SUNUNU, Ms. CARSON, Mr. EHRLICH, Mr. BLAGOJEVICH, Ms. SÁNCHEZ, Mr. MANZULLO, Mr. HOSTETTLER, Mr. HILLEARY, and Mr. McKEON.

H.R. 2819: Mr. HOSTETTLER, Mr. SHERMAN, and Mr. GOODE.

H.R. 2850: Mr. LEVIN.

H.R. 2884: Mr. BOSWELL and Mr. FRANKS of New Jersey.

H.R. 2951: Mr. NETHERCUTT.

H.R. 3032: Mr. SCHUMER, Mr. DAVIS of Virginia, and Mr. SCARBOROUGH.

H.R. 3205: Mr. HINOJOSA and Mr. LUCAS of Oklahoma.

H.R. 3236: Mr. FALEOMAVAEGA, Mr. ROHRABACHER, Mr. LEACH, Mr. GRAHAM, Mr. HYDE, Mr. YOUNG of Florida, Mr. SANFORD, Mr. BLUNT, and Mr. MATSUI.

H.R. 3240: Ms. CHRISTIAN-GREEN.

H.R. 3248: Mr. HALL of Texas.

H.R. 3269: Ms. CHRISTIAN-GREEN.

H.R. 3290: Ms. SÁNCHEZ, Mr. JACKSON, and Mr. WATT of North Carolina.

H.R. 3382: Mr. WATTS of Oklahoma and Mr. BLUNT.

H.R. 3523: Mr. PITTS and Mrs. BONO.

H.R. 3541: Mrs. LOWEY and Mr. KING of New York.

H.R. 3567: Mr. HEFLEY.

H.R. 3568: Mr. KLECZKA, Mr. MALONEY of Connecticut, Mr. MILLER of California, Mr. HOLDEN, Mr. OLVER, and Mr. PAYNE.

H.R. 3783: Mr. GANSKE.

H.R. 3792: Mr. SCARBOROUGH, Mr. RILEY, and Mr. REDMOND.

H.R. 3855: Ms. McCARTHY of Missouri, Mr. RODRIGUEZ, Ms. DeLAURO, Ms. ESHOO, Mr. GREEN, Mr. BENTSEN, and Mr. ENGLISH of Pennsylvania.

H.R. 3870: Mr. BACHUS, Mr. BALLENGER, Ms. FURSE, Mr. PEASE, Mr. GORDON, Mr. JONES, Mr. HINCHEY, Mr. THUNE, Mr. CLEMENT, Mr. BRYANT, and Mrs. CUBIN.

H.R. 3991: Mrs. NORTHUP.

H.R. 4007: Mrs. MORELLA and Mr. JEFFERSON.

H.R. 4034: Ms. BROWN of Florida and Mr. SANDLIN.

H.R. 4061: Mr. DEAL of Georgia.

H.R. 4065: Mr. BURTON of Indiana and Mrs. EMERSON.

H.R. 4093: Ms. SLAUGHTER.

H.R. 4134: Mr. PETERSON of Minnesota and Mr. KUCINICH.

H.R. 4155: Mr. SHAYS and Ms. PRYCE of Ohio.

H.R. 4175: Mr. McGOVERN, Mr. UNDERWOOD, Mr. ANDREWS, Mr. DAVIS of Illinois, and Mr. BERMAN.

H.R. 4220: Mr. NEY.

H.R. 4232: Mr. SESSIONS.

H.R. 4235: Mr. McCRERY and Mr. LIVINGSTON.

H.J. Res. 71: Mrs. BONO.

H. Con. Res. 141: Ms. NORTON, Ms. LEE, and Mr. KENNEDY of Rhode Island.

H. Con. Res. 203: Mr. MANZULLO.

H. Con. Res. 208: Mr. KING of New York, Mr. SNOWBARGER, Mr. FOSSELLA, Mrs. NORTHUP, Mr. PRICE of North Carolina, Mr. PASCRELL, Mr. JOHNSON of Wisconsin, Mr. ROYCE, Mr. BAESLER, Mr. WALSH, Mr. FOLEY, Mr. COMBEST, Mr. VENTO, Mrs. KENNELLY of Connecticut, Mr. McKEON, Mr. KIND of Wisconsin, Mr. COBURN, Mr. GOODLING, Ms. ROYBAL-ALLARD, Mr. KANJORSKI, Mr. POMEROY, Mr. STOKES, Mr. NEAL of Massachusetts, Mr. DUNCAN, Mr. ENGEL, Mr. ACKERMAN, Ms. LEE, Mr. GILCHREST, Mr. HILLIARD, Mr. FRANKS of New Jersey, Mr. FATTAH, Mr. ROEMER, and Mr. GOODLATTE.

H. Con. Res. 239: Ms. CHRISTIAN-GREEN.

H. Con. Res. 283: Mr. EHLERS, Ms. RIVERS, Mr. ALLEN, Ms. ROYBAL-ALLARD, Mr. WAXMAN, Mr. SOLOMON, Mr. BROWN of Ohio, Mr. PASCRELL, Mr. KING of New York, Mr. GOODLING, and Mr. MEEHAN.

H. Con. Res. 292: Mr. BURTON of Indiana.

H. Con. Res. 295: Mr. QUINN, Mr. HORN, Mr. MENENDEZ, Mr. McNULTY, Mr. HINCHEY, Mr. KUCINICH, Mr. GUTIERREZ, Mr. BONIOR, Mr. NEAL of Massachusetts, Mrs. MEEK of Florida, Mr. McGOVERN, Mr. KLECZKA, Mr. LaTOURETTE, Ms. BROWN of Florida, Mr. COYNE, and Mr. ROHRABACHER.

H. Con. Res. 299: Mr. WATTS of Oklahoma and Mr. CRANE.

H. Res. 37: Mr. ORTIZ, Mr. YATES, Mr. JOHN, Mr. CLEMENT, Mr. HAMILTON, Mr. PICKETT, Mr. RANGEL, and Mr. TURNER.

H. Res. 313: Ms. EDDIE BERNICE JOHNSON of Texas.

H. Res. 460: Mr. KIND of Wisconsin, Ms. WOOLSEY, Mr. BOSWELL, and Mrs. CAPPS.

H. Res. 483: Mr. TORRES, Mr. SCOTT, Mr. JACKSON, and Mr. COYNE.

PETITIONS, ETC.

Under clause 1 of rule XXII,

67. The SPEAKER presented a petition of Citizens of the several States, relative to a petition from citizens of the several States entitled, "No U.S. Money for U.N. Pensions"; which was referred to the Committee on International Relations.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 1 by Mr. YATES on House Resolution 141: Debbie Stabenow.

Petition 4 by Mrs. SLAUGHTER on H.R. 306: Fortney Pete Stark.

Petition 5 by Mrs. MALONEY of New York on House Resolution 467: Zoe Lofgren and Tom Lantos.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2183

OFFERED BY: MRS. SMITH OF WASHINGTON

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 166: In section 301(8) of the Federal Election Campaign Act of 1971, as amended by section 205(a)(1)(B) of the substitute, add at the end the following:

"(F) Nothing in subparagraph (A)(iii) or subparagraph (D) may be construed to treat the submission by any person of a communication described in paragraph (20)(B) to a candidate, a candidate's authorized committee, or an agent acting on behalf of a candidate or authorized committee, or the collection by any person of such a communication from a candidate, a candidate's authorized committee, or an agent acting on behalf of a candidate or authorized committee as an item of value provided in coordination with a candidate for purposes of subparagraph (A)(iii).".

H.R. 2183

OFFERED BY: MRS. SMITH OF WASHINGTON

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 167: In section 301(8)(C) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute, strike clause (vi) and redesignate the succeeding provisions accordingly.

In section 301(8)(C)(vi) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute (and as so redesignated), strike "clauses (i) through (vi)" in clause (vii) and insert "clauses (i) through (v)".

H.R. 2183

OFFERED BY: MRS. SMITH OF WASHINGTON

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 168: In section 301(8)(C)(v) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute, strike "Federal office," and insert the following: "Federal office (other than any discussion consisting of a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or consisting of similar lobbying activity in the case of a candidate holding State or local elective office)".

H.R. 2183

OFFERED BY: MRS. SMITH OF WASHINGTON

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 169: In section 301(20)(B) of the Federal Election Campaign Act of 1971, as added by section 201(a) of the substitute, strike "a printed communication" and insert "a communication which is in printed form or posted on the Internet and".

H.R. 2183

OFFERED BY: MRS. SMITH OF WASHINGTON

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 170: In section 301(20)(B)(i) of the Federal Election Campaign Act of 1971, as added by section 201(a) of the substitute, strike "2 or more candidates" and insert "1 or more candidates".

H.R. 2183

OFFERED BY: MRS. SMITH OF WASHINGTON

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

AMENDMENT NO. 171: In section 301(20)(B)(i) of the Federal Election Campaign Act of 1971, as added by section 201(a) of the substitute, insert before the semicolon the following: "(other than information describing the opinion of the person publishing the communication on the record or position involved, if the information is clearly identified as describing the opinion of such person)".

H.R. 4193

OFFERED BY: MS. FURSE

AMENDMENT NO. 7: Page 56, line 18, insert before the period at the end the following:

: *Provided*, That, of the funds made available in this paragraph, $130,176,000 shall be for timber sales management, $67,654,000 shall be for watershed improvements, and $188,018,000 shall be for recreation management

H.R. 4193

OFFERED BY: MS. FURSE

AMENDMENT NO. 8: Page 56, line 18, insert before the period at the end the following:

: *Provided*, That, of the funds made available in this paragraph, $130,176,000 shall be for timber sales management, $87,654,000 shall be for watershed improvements, and $168,018,000 shall be for recreation management.

H.R. 4193

OFFERED BY: MS. FURSE

AMENDMENT NO. 9: Page 68, after line 23, insert the following:

Of the funds made available in this title for "Forest Service—National Forest System", $130,176,000 shall be for timber sales management, $87,654,000 shall be for watershed improvements, and $168,018,000 shall be for recreation management.

The amount specified in this title under the heading "Forest Service—Reconstruction and Construction" for planned obliteration of roads is hereby increased by $25,000,000.

H.R. 4193

OFFERED BY: MS. FURSE

AMENDMENT NO. 10: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. ____. Of the funds made available in this Act for the National Forest System—

(1) not more than $130,176,000 may be expended for timber sales management;

(2) not more than $67,654,000 may be expended for watershed improvements; and

(3) not more than $188,018,000 may be expended for recreation management.

H.R. 4193

OFFERED BY: MS. FURSE

AMENDMENT NO. 11: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. ____. Of the funds made available in this Act for the National Forest System—

(1) not more than $130,176,000 may be expended for timber sales management;

(2) not more than $87,654,000 may be expended for watershed improvements; and

(3) not more than $168,018,000 may be expended for recreation management.

H.R. 4194

OFFERED BY: MR. ENGEL

AMENDMENT NO. 28: Insert at the end of the bill before the short title:

SEC. ____. It is the sense of the Congress that—

(1) States and local municipalities whose public water systems supplied by surface water sources are required by the Administrator of the Environmental Protection Agency (in this section referred to as the "Administrator") to adopt water filtration to meet national primary drinking water standards should be permitted, after a 4-month period, to apply to the Administrator for a determination that the system is not required to use filtration, based on information, technology, or evidence not available prior to the expiration of such 4-month period;

(2) after the State or local municipality submits to the Administrator information regarding an alternative means of meeting the national primary drinking water standards, the Administrator should consider and review such information; and

(3) if after a detailed review of the State or local municipality's alternative, the Administrator finds that the alternative does not comply with national primary drinking water standards, the Administrator should report back, within 90 days of the date on which the State or local municipality submitted information under paragraph (2), to the State or local municipality the Administrator's findings and rationale as to why the alternative to filtration does not comply with such standards.

H.R. 4194

OFFERED BY: MR. SCARBOROUGH

AMENDMENT NO. 29: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. ____. None of the funds made available in this Act may be used to carry out Executive Order 13083.

SENATE—*Friday, July 17, 1998*

The Senate met at 9 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear Father, whose faithfulness is consistent, whose mercies are new every morning, and whose patience persists when we least deserve it, we praise You for bringing us through another week of work in this Senate. You have given the Senators strength and courage to battle for truth as they see it, deal with differences, and keep the bond of unity. This week has had times of conflict and contention and times of unity and oneness. Thank You for holding the Senators together with oneness as fellow patriots in spite of the wins and losses. The very nature of our system fosters party spirit and passionate debate, but You maintain the mutual esteem and trust required to continue to work together. Unseen but powerful Sovereign of all, we thank You for Your presence in this Chamber. Continue to grant us the virtue of humility that keeps us open to You and to one another. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the senior Senator from New Mexico, is recognized.

SCHEDULE

Mr. DOMENICI. Mr. President, in behalf of the majority leader, I have the following statement.

This morning the Senate will immediately proceed to a stacked series of rollcall votes with respect to the VA-HUD appropriations bill. The first vote in the series will be a 15-minute vote with all succeeding votes in the series being limited to 10 minutes each. Up to six rollcall votes can be expected. Hopefully, that series of votes will include passage of the VA-HUD appropriations bill.

Following disposition of that bill, the Senate is also expected to consider the legislative appropriations bill. However, any votes ordered with respect to the legislative branch appropriations bill will be postponed, to occur on Tuesday, July 21, the time to be determined by the two leaders.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. INHOFE). Under the previous order, leadership time is reserved.

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2168.

The legislative clerk read as follows:

A bill (S. 2168) making appropriations for the Department of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Wellstone/Murray/McCain amendment No. 3199, to restore veterans tobacco-related benefits as in effect before the enactment of the Transportation Equity Act for the 21st Century.

Murkowski amendment No. 3200, to provide land allotments for certain Native Alaskan veterans.

Nickles amendment No. 3202, to provide for an increase in FHA single family maximum mortgage amounts and GNMA guaranty fee.

Burns amendment No. 3205, to provide for insurance and indemnification with respect to the development of certain experimental aerospace vehicles.

Sessions amendment No. 3206, to increase funding for activities of the National Aeronautics and Space Administration concerning science and technology, aeronautics, space transportation, and technology by reducing funding for the AmeriCorps program.

AMENDMENT NO. 3199

The PRESIDING OFFICER. The question is on agreeing to the Wellstone amendment. There are 2 minutes of debate equally divided.

Who yields time?

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DOMENICI. Mr. President, could we have order, please.

The PRESIDING OFFICER. The Senate will come to order.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I offered this amendment on behalf of Senator MURRAY, Senator MCCAIN and myself. This amendment speaks to an injustice. This amendment would restore benefits to veterans for smoking-related diseases. We had a lot of smoke and mirrors, we did a lot of things in the budget resolution that we should not have done. We have never had an up-or-down vote.

What this amendment essentially says is we should not have used that offset for highways, taking benefits that go to veterans. It is that clear.

Mr. President, let me just be crystal clear. There have been a lot of OMB stories that I would question. I believe there will not be that much that will be required, but this funding ought to go to veterans. In fact, I would argue you will never get the $17 billion for highways, and we will ultimately have to go to surplus anyway. I have heard my colleagues talk about the surplus that we are going to have. We can at least take a little bit of that surplus and give it back to veterans. We never should have taken their benefits away. It was an injustice. This amendment by Senator MURRAY, Senator MCCAIN, and myself would restore those benefits.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. MURRAY. Mr. President, as a member of the Appropriations Committee, I do strongly support the work of Chairman BOND and Senator MIKULSKI. I do not take challenging an appropriations bill lightly. However, in this instance, I feel strongly that I must join my colleagues Senator WELLSTONE and Senator MCCAIN in seeking to repeal the veterans grab contained in the recently adopted transportation and IRS legislation.

The bill before us today is a veterans bill. It funds health care and I thank the leaders of this subcommittee for increasing health care funding by more than $200 million. This increase in health care funding is my number one veterans priority. I also strongly support the subcommittee's work on VA medical research, the national cemetery system, and homeless veterans. These are all very important programs.

However, I continue to oppose the veterans offset used to fund increases in transportation. These cuts have been attached to politically popular bills. The transportation legislation and the IRS reform bill both passed by overwhelming and bipartisan margins. Both were admirable pieces of legislation with the exception of the veterans grab hidden within those bills.

I have been fighting this veterans grab all year. It was in the President's budget and I opposed it. At the Budget Committee, I voted against Democratic and Republican proposals that included the disastrous cuts to veterans health. And on the Senate floor, I voted against the Craig/Domenici amendment to validate the $10 billion cut in

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

veterans funding and against the budget one final time in opposition to these cuts to veterans.

Just last week, I asked the Senate to sustain a point of order on the IRS reform bill to support my effort to strike the veterans cuts. That most recent effort failed by one vote. One vote.

My colleagues need to know that this issue is not going to go away. This issue has touched a nerve with America's veterans. They are deeply offended that the Congress and the Administration would divert money targeted to care for sick veterans to pay for other spending priorities. That's why Senator WELLSTONE, Senator McCAIN, Senator ROCKEFELLER, and I will keep coming back.

Our efforts to repeal the $17 billion veterans grab have been denied through procedural maneuvers. Some may think this insulates them from accountability. It does not. Veterans know that procedural moves are being used to block a straight up or down vote on this issue.

This amendment is a special opportunity for the Senate. With our votes for Wellstone-Murray-McCain, we can send a very clear message to veterans all across our country. Passage says that the United States Senate recognizes that using veterans funding for other spending priorities is wrong. Passage of this amendment says to veterans that we are moving to restore this funding to where it belongs. The $17 billion belongs at the VA.

I urge my colleagues to support the Wellstone-Murray-McCain amendment to repeal the veterans cuts associated with the transportation legislation.

Mr. CONRAD. Mr. President, I want to express my strong support for the amendment offered by the Senator from Minnesota to restore veterans' disability benefits for smoking-related illnesses. Earlier this year, the Senate made a mistake. In order to help pay for the highway bill, it reduced veterans' disability benefits. Specifically, it overturned a decision by the General Counsel at the Department of Veterans' Affairs that smoking related illnesses were service connected and could qualify a veteran for VA disability and health benefits.

As I said, the Senate made a mistake when it did this, but I want the record to show that I strenuously opposed this mistake. Throughout the budget process and deliberations on the highway bill, I consistently opposed efforts to pay for the highway bill by reducing VA disability benefits. In fact, during consideration of the Senate Budget Resolution for Fiscal Year 1999, I voted against the Domenici amendment that cleared the way for this raid on veterans' benefits. And during consideration of the tobacco bill, I cosponsored the McCain amendment to use a portion of tobacco revenues to fund veterans' health benefits.

I took those actions and I support this amendment for one very simple reason. It's the right thing to do. We all know that the U.S. military encouraged the use of tobacco products by young service members. We all know that the tobacco companies provided cigarettes to the Pentagon free of charge. In return, the military for years distributed free cigarettes in C-rations and K-rations. Military training included smoking breaks. And until very recently, cigarettes were available on military bases at vastly reduced prices.

Mr. President, it could not be more clear that the Federal government has a responsibility to our veterans to help them cope with illnesses that they acquired after the government encouraged them to get hooked on tobacco products in the first place. The Federal government should not walk away from this responsibility. It should not deny veterans' benefits for smoking related illnesses.

This amendment rights the wrong we did to veterans earlier this year. It restores benefits to those who put their lives on the line for our country. When the Senate passed the highway bill, I assured veterans in my State that I would work to correct the injustice that it contained. This amendment does exactly that. I urge my colleagues to support the amendment.

Mr. FAIRCLOTH. Mr. President, as a veteran, I rise in strong support of this amendment to restore funds for service-related medical conditions that result from tobacco use. This amendment offers a chance to reverse that cut, which the Clinton Administration proposed earlier in this process, and to reiterate our commitment to veterans.

I voted for the transportation bill that included this cut because the bill increased North Carolina highway funds by more than $1.5 billion. I put a lot of hard work into that highway bill, and, certainly, there is not a member of the Senate more committed to a safe and efficient transportation infrastructure than I. However, after further review in the relevant committees over the past several months, this cut was exposed to some sunlight and revealed as a rush to judgment and a disservice to American veterans.

Frankly, this episode illustrates that we need to be better attuned to veterans issues, and we need to be more cautious about the effects of these provisions. As a veteran of the United States Army and the junior Senator from North Carolina, a State that is home to some 700,000 former soldiers, I cherish opportunities to serve our veterans. For example, I set up small constituent services offices across North Carolina to best service their needs, because I know that not all veterans—certainly not those wounded in the line of duty—are as mobile as the general population.

I urge the Senate to fulfill our commitment to American veterans. The facts are now clear. This amendment presents a clear choice. Yes or no. We stand with veterans or we do not. I choose to stand with those who served our flag and our nation in her times of need.

Mr. ROCKEFELLER. Mr. President, I support my colleagues, Senator WELLSTONE and Senator MURRAY, in their efforts to restore the veterans benefit that was unjustly cut to pay for unprecedented increases in the highway bill.

Adoption of this amendment would restore the former state of the law, by reinstating disability rights for veterans, while still fully preserving each and every highway project that was included in the highway bill and in the corrections bill that was covertly attached to the IRS Restructuring bill.

Prior to the enactment of the highway bill, the law required the payment of disability compensation to veterans who could prove that they became addicted to tobacco use while in military service, if that addiction continued without interruption, and resulted in an illness and in disability. The conference report on the highway bill rescinded this compensation to disabled veterans, generating $17 billion in "paper savings" to fund an unprecedented increase in ISTEA.

Of course, anyone familiar with these claims for compensation for tobacco-related illnesses knows that OMB's cost estimate is just a guess. Since 1993, VA has received less than 8,000 claims, and has only granted between 200–300. In arriving at its $17 billion estimate, the Administration, for some unexplained reason, estimated that 500,000 veterans would file tobacco-related claims each year. The actual cost to VA for claims filed over the last six years has been a few million dollars, not anywhere near the $17 billion estimate.

I will again remind my fellow Senators who think that subsequent actions have discharged any further responsibility to these veterans, that so far, the Congress has done nothing to undo this wrong. An amendment was adopted to direct a portion of the proceeds from the tobacco bill to VA health care—but it was only for health care, and not for compensation, that is, monthly disability benefits for tobacco-related illnesses. But now there is no tobacco bill. So that effort is meaningless.

There were also some provisions in the highway bill that provided enhancements to some very important VA programs—the GI Bill, grants for adaptive automobile equipment, and reinstatement of benefits to surviving spouses, to name a few. But the veterans community was not bought off by the spending of only $1.6 billion on veterans programs, with the remaining

$15.4 billion going to highway increases.

Finally, the text of H.R. 3978, the highway corrections bill, was covertly attached to the IRS Restructuring Conference Report. Although this Report contains some improved language, as it strikes references to smoking being "willful misconduct," it still cut off compensation for tobacco-related illnesses for the overwhelming majority of veterans. It does not truly help veterans. Instead, it is another nail in their benefits coffin.

The amendment that Senators WELLSTONE and MURRAY put forth today is our only real opportunity thus far to right this wrong and correct the injustice done to America's veterans. The issue before the Senate now is simply whether we are going to continue to wrongly deny disabled veterans the rights they had under law. It is a simple choice—and I hope my colleagues will now choose to "do right" by veterans.

Mr. DOMENICI. Mr. President, I yield back 1 minute I have in rebuttal.

Mr. REID. Mr. President, I have a unanimous consent request.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I ask unanimous consent that the No. 3 vote, Nickles-Kohl, be the No. 2 vote—before Murkowski.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. We have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, parliamentary inquiry. With the time having expired, is a point of order in order at this time?

The PRESIDING OFFICER. Yes, a point of order is in order.

Mr. DOMENICI. Mr. President, I rise to make a point of order that the pending amendment by Senator WELLSTONE that would repeal the provisions of the Transportation Equity Act for the 21st Century, T21, that pay for the additional highway and transit spending in that bill violates section 302(f) of the Congressional Budget Act.

Everybody should understand that we have already passed and the President has signed an ISTEA bill. The moneys that are encapsulated in the amendment by Senator WELLSTONE would now have to come out of that bill, and as a matter of fact this particular VA-HUD bill before us would get charged with $500 million and thus make it break its cap because we would be spending $500 million in directed spending in this bill that does not come within the caps.

So here is the practical effect of this amendment. Should this $500 million in spending come out of the programs in this bill or any other bill that has yet to be considered by the Senate—Interior, Transportation, Commerce, Justice, Labor-HHS, Foreign Operations—if this additional spending is not ultimately offset in some fashion, the overall spending caps would be violated by $500 million and a sequester would be the end result with all nondefense programs being cut $500 million.

Finally, I must alert my colleagues that if this provision stands in the final bill, not only the fiscal year 1999 appropriations bill will be charged the cost but the nondefense discretionary spending caps will be reduced by $15 billion for the years 2000–2002. That is the amount of the mandatory spending that would occur under T21 and not be paid for by this repeal.

The issue has been fully debated. We debated it in the Chamber when we were taking up ISTEA. It has been up in its totality one additional time and partially one other time. I believe we have spoken. We have voted. I particularly urge that the Senate not open this matter at this late date. This is not a technical point of order. This is a serious point of order. If this amendment passes, essentially we will add $15 billion to the expenditures under the caps, meaning that all other programs will bear cuts related to that. And in this particular year, $500 million will have to be cut from all of the domestic programs that we have unless we raise the caps by $500 million—break the budget and raise the caps by $500 million.

Mr. President, I do not choose to debate the substance of this issue. I assume it was discussed yesterday by the distinguished prime sponsor of this amendment. But I submit that in this bill, veteran spending is going up, not down. In this bill before us, and in the ISTEA bill, the veterans of America have received substantially more money than they got last year. In addition, a $1.5 billion new add-on for the education programs for veterans occurred in the ISTEA bill.

So we are doing our job in behalf of veterans and we need not visit this once again and cut all the programs of Government by the amounts I have discussed here today.

So I raise a point of order, subject to the provisions that I have heretofore enumerated.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

MOTION TO WAIVE BUDGET ACT

Mr. WELLSTONE. If I can have but 30 seconds and then I will move on this. I say to my colleagues, this is an up-or-down vote on whether we restore the benefits. I used the same gimmick that was used with direct scoring. There is no sequestration at all in this amendment. None of what my colleague from New Mexico has just said is going to happen.

I move the Budget Act be waived. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. McCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

I further announce that if present and voting, the Senator from North Carolina (Mr. HELMS) would vote "no."

Mr. FORD. I announce that the Senator from Connecticut (Mr. DODD), the Senator from Ohio (Mr. GLENN), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The PRESIDING OFFICER (Mr. DEWINE). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—54 yeas, 40 nays, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—54

Akaka
Ashcroft
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bryan
Bumpers
Byrd
Campbell
Cleland
Collins
Conrad
Coverdell
D'Amato
Daschle
Dorgan
Durbin
Faircloth
Feingold
Feinstein
Ford
Graham
Harkin
Hollings
Hutchison
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Snowe
Specter
Thurmond
Torricelli
Wellstone
Wyden

NAYS—40

Abraham
Allard
Baucus
Brownback
Burns
Chafee
Coats
Cochran
Craig
DeWine
Domenici
Enzi
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Hutchinson
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Warner

NOT VOTING—6

Dodd
Glenn
Helms
Inouye
McCain
Roberts

The PRESIDING OFFICER. On this vote, the yeas are 54, the nays are 40. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

Mr. DOMENICI. I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3202

The PRESIDING OFFICER. The question is now on the Nickles amendment. There are 2 minutes equally divided.

Who yields time?

Mr. BOND. Mr. President, in order to facilitate the discussions on two of the remaining amendments, I ask unanimous consent that the vote to follow the vote on the Nickles amendment be the Sessions amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, the amendment that I have offered on behalf of myself, Senator COATS, Senator MACK, Senator ALLARD, Senator FAIRCLOTH, and Senator FEINGOLD, strikes the increase in the FHA guarantee that right now is—last year it was $160,000, and under present law it goes to $170,000. The committee wants to take it up to $197,000. This is a Federal guarantee, 100 percent guarantee, saying we are going to guarantee mortgages up to $197,000.

You have to have income of $75,000 or $80,000 to be able to afford that kind of mortgage. FHA is supposed to be guaranteeing loans for people with low and moderate incomes, not high incomes. I urge my colleagues to adopt this amendment.

I yield the balance of my time to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. I thank my colleague for yielding.

This program was always intended to aid low- and middle-income home buyers. It was never intended to be of assistance to the high-income home buyer. The high-income home buyer belongs in the private mortgage insurance business. This amendment recognizes that. I urge my colleagues to support this amendment.

Mr. D'AMATO. Mr. President, I rise today to join Senator BOND, Senator MIKULSKI, Senator SARBANES, and others in opposition to the amendment offered by Senator NICKLES. This amendment would strike the increase for Federal Housing Administration (FHA) loan limits in high cost areas and double the guaranty fees charged by the Government National Mortgage Association (GNMA). I strongly oppose this amendment which would unfairly deny homeownership opportunities for moderate-income families in high cost areas and could increase housing costs for all FHA and Veterans Affairs (VA) home loan borrowers.

I commend Senator BOND, Senator MIKULSKI, and the Appropriations Committee for including an increase in the FHA loan limits for both low-cost areas, including isolated rural areas, as well as for high cost areas, such as Long Island and New York City in my home state of New York. The Committee's inclusion of modest increases in the FHA loan-limits will create fairness by allowing Americans in high- and low-cost areas to also have the opportunities for homeownership which are provided by FHA to their fellow Americans.

Mr. President, the FHA program is a true American success story, having provided an opportunity for homeownership to approximately 25 million families since its inception in 1934. It has served as the predominant player in the home mortgage market for low-income and minority borrowers, first-time home buyers and borrowers with high loan-to-value ratios. It operates in all regions, regardless of economic downturns. According to a 1996 Federal Reserve Board study, FHA bears about two-thirds of he aggregate credit risk for low-income and minority borrowers.

FHA loans have made homeownership possible for many Americans who otherwise could not have qualified for mortgage credit. FHA generally differs from conventional lenders in the following ways: downpayments may be as low as 3 percent; closing costs may be financed; credit rating requirements are more flexible; monetary gifts may be used for downpayments; and a borrower may carry more debt.

Mr. President, I acknowledge there are important questions that must be answered regarding FHA's current operations, including instances of foreclosures. The General Accounting Office and the HUD Inspector General have repeatedly expressed concerns regarding material weaknesses affecting the FHA program—such as staffing deficiencies, the lack of Year 2000 compliance, improper monitoring of the single-family property inventory, and insufficient early warning and loss preventions systems.

HUD foreclosures have devastating effects on our families and our neighborhoods. Rundown properties left to stand vacant for months on end often become magnets for vandalism, crime and drug activity. These conditions decrease the marketability of the houses, increase HUD's holding costs, drive down the costs of surrounding homes, and in some cases threaten the health and safety of neighbors.

HUD must do more to reduce default risks and mitigate losses. And if foreclosure prevention efforts fail, properties must be disposed of more quickly to protect our neighborhoods.

The increases provided in this appropriations bill respond to inequities in home purchase prices that exist across our nation. Americans in high- and low-cost areas should not be denied the opportunity for homeownership simply because of the geographic regions in which they live. I strongly support Senator BOND and Senator MIKULSKI's initiative to right this wrong in high-cost urban and low-cost rural areas. The FHA loan-limit increase, for high-cost and low-cost areas, will allow more Americans equal access to median purchase homes with the needed help of FHA. FHA will still help to provide new and existing entry-level starter homes, not large or luxury homes. In fact, in the 32 high-cost areas across America where loan limits would be increased, the median price of a starter home is often twenty to thirty percent higher than the current maximum loan limit. In 1996, the average homeownership rate in these areas was approximately fifty eight percent, compared to a national rate of approximately sixty five percent. Clearly, the American Dream of homeownership is out of reach for too many hardworking moderate income families in these high cost areas.

Mr. President, FHA's current loan limits do not adequately reflect the reality of housing prices in high cost areas. Portions of 43 metropolitan areas have median home prices at or above the current $170,362 high-cost limit. In the Dutchess County area, the median home sales price in 1997 was $175,000. In the Nassau-Suffolk area, the median home sales price was $195,000. And in New York City, the median home sales price was $208,000.

Mr. President, 52.5 million people reside in high cost areas–comprising twenty one percent of the nation's population. It is inherently unfair that over 50 million Americans should not have the same opportunities through the FHA that other Americans have.

American working families would benefit from the proposal, not the wealthy. The average FHA borrower has a family income of $40,800. According to HUD, the limit increases included in this bill would barely raise the average homeowner borrower income level. However, some borrowers would need an income of $70,000 to qualify for a $197,000 mortgage. In New York City or on Long Island, a family income of $70,000 is a typical two wage-earner family. These are middle class families—schoolteachers, policemen, and civil servants—raising children and struggling to pay their bills. In Nassau and Suffolk counties the median income of a family of four is $63,400. Wages are higher in Long Island because the cost of living is higher. And home purchase prices are higher—which is why this increased adjustment is necessary. The high cost limit increase would simply grant these areas parity—not an underserved advantage.

I am very pleased that the increase in the base limit will rural Americans in low-cost counties where existing housing may be substandard, the opportunity to purchase new homes. New York also has many low-cost areas, such as Buffalo, Elmira, Glens Falls, Jamestown-Dunkirk, Syracuse and Utica-Rome, which would be helped by the low-cost increase. I urge my colleagues from the states without high-cost areas to also be sympathetic to Americans in high-cost cities and suburbs, where home prices are higher due to high land, material and labor costs.

Also, I urge my colleagues to not support doubling the guaranty fee charged by GNMA. There is no actuarial need for this proposal which would affect all regions of the country and could increase consumer costs for FHA and VA loans. This proposal is strongly opposed by numerous veterans' organizations, including AMVETS, the Disabled American Veterans, the Blinded Veterans' Association, the Paralyzed Veterans of America, and the Non Commissioned Officers' Association of the USA.

Mr. President, the modest, prudent loan limit increases contained in this bill are a compromise and do not reach the $227,150 national limit requested by the Administration.

The proposed changes will assist potential homebuyers—first time homeowners, minorities, urban dwellers and rural Americans—who are not currently served by FHA or the conventional market—but whom should rightly qualify under FHA's existing mission.

I respectfully urge the defeat of the amendment proposed by my colleague from Oklahoma, Senator NICKLES.

Mr. President, let me tell what you is happening now. We have over 50 million Americans who are being shut out of an opportunity to use FHA insurance, and they are not high income. Three million live in Long Island alone. These high cost areas include Levittown, Long Island, which saw such rapid expansion of home ownership for the first time for working middle-class families after World War II—where, today you can't buy a home with FHA because the median home price was $195,000 in 1997—well above the current FHA limit of $170,000. That is the median price for all of Long Island—where over 3 million live; in all, there are 11.5 million New Yorkers living in high cost areas, and they are not wealthy. They have incomes of $50,000 to $70,000, they are two-wage earner families, raising children, and you are shutting them out of home ownership.

We need this increase. It is not for wealthy people. It is for working middle-class families.

Mr. BOND. I yield the remaining time to the Senator from Maryland.

Ms. MIKULSKI. Mr. President, I stand in opposition to the Nickles amendment. Let me share why I support the FHA loan limit increase included in the Appropriations Committee bill.

FHA is a critical tool for first time home buyers, low and moderate income buyers, and minority buyers.

FHA will help us meet new market realities, but in a way that does not expose taxpayers and communities to a big buck liability in the event of FHA foreclosures.

Our Senate bill will raise the FHA loan limit in high cost areas from $170,000 to $197,000.

It will also raise the limit in low cost areas from $86,000 to $108,000.

Mr. President, home ownership is a critical step in a person or family's attempt to obtain assets and to becoming a more permanent fixture in a community.

Like many of my colleagues, I share the concern about the affect that foreclosures can have on individuals' credit and the stability of a community.

My own hometown of Baltimore has been a victim of foreclosures harming neighborhoods.

But in our bill we have provided a modest increase that does not raise the limit too much too quickly.

Our objective is clear, for those who FHA serves, ensure that it is a useful tool.

The objective is not to put the private mortgage insurance companies out of business or to move FHA away from providing for low and moderate income buyers.

I believe that the FHA provision included in the Senate bill before us is good for Maryland and good for the nation.

I believe that this is a positive step in rewarding investment and provides relief to working families.

I encourage my colleagues to oppose the Nickles amendment and support the Appropriations Committee's attempt to help home buyers across the country.

Mr. President, what this legislation does is provide an opportunity for first-time home ownership. It does not put private mortgage insurance companies out of business.

It is a good thing to do.

Mr. BRYAN. Mr. President, the Federal Housing Administration (FHA) has enabled millions of individuals across the country to purchase their first home and realize a piece of the American dream.

I know this firsthand because my wife and I bought our first home when we were newly married with an FHA loan.

There are many families today who would not own their home if it were not for the Federal Housing Administration's single family insurance program.

The Federal Housing Administration was created to promote home ownership and stimulate the construction of housing by encouraging financial institutions to make loans to those who did not have adequate resources for a down payment.

Since then, FHA has evolved into a program which gives first-time home buyers and under served borrowers greater access to mortgage credit.

It is a financially sound system that not only works well, but works well at no cost to the taxpayer.

The state of Nevada is the fastest growing state in the country and, as in many states, the real estate activity in Nevada is an important aspect of our economy.

As our population grows, the demand for new housing increases.

And as we all know, the cost of new homes in many cases is more expensive than existing ones.

In Nevada, for example, many first-time home buyers rely on FHA to purchase a home.

But as new homes are being built and as the cost of housing rapidly increases in my state, more and more families are unable to secure home ownership.

They simply cannot afford the cost of a home under a conventional loan.

This not only hurts the economy, but it strips away any hope of owning a home.

The loan limit which Senators BOND and MIKULSKI agreed to in the VA/HUD appropriations bill would give more first-time home buyers the opportunity to afford a home who would otherwise not be able to.

The FHA loan limit would increase the high limit from $170,362 to $197,620 and the lower limit from $86,317 to $109,032.

Although the loan limit does not go as far as the President's proposal, which I supported, I believe this proposal is a fair compromise that would benefit our society as a whole.

Let me be clear about the importance to raise both the floor and the ceiling of the FHA loan limit:

First, raising the FHA loan limit would increase home ownership opportunities.

Over the years, the new home portion of FHA's activity has diminished to roughly 6 percent, and only 5 percent of all new homes are now financed with FHA-insured mortgages.

This decrease in FHA's role in the market for new homes is clearly a result of the current mortgage loan limits.

HUD estimates that higher loan limits would enable approximately 60,000 more families—who have been cut out of the market—each year to purchase a home.

Second, FHA is critical to first-time home buyers.

Thousands of families with the ability to make the mortgage payments on a home cannot make the purchase because they lack the up front capital required. Raising the FHA loan limits would give them the chance that they do not have under current home finance options.

Third, raising the limit would enhance FHA's ability to spread risk.

The FHA insurance fund is a financially healthy program and HUD believes that the fund will become stronger when the loan limits are raised.

Both Price Waterhouse and the General Accounting Office note that higher value loans perform better than lower valued loans and that the rate of default is lower for larger loans than for smaller loans.

OMB estimates that raising the loan limits would create excess revenues of $228 million.

Finally, raising the limit would raise revenue for the Treasury and would improve the Government's finances; approximately $225 million in annual revenue would be generated.

Arguments against raising the loan limits are weak and do not live up to the true reality of what is in the best interest of the American people.

Some argue that the very group FHA was created to serve will be pushed along the wayside if loan limits are increased.

Let me remind you that raising the loan limit will increase the average FHA loan amount by 4.2 percent—from $85,500 to $89,109 and the average income by 3.8 percent—from $40,800 to $42,350.

The increase would enable more families to buy a home.

It would not take away from the underserved population.

In fact, since 1992, when the FHA loan limits increased from $124,875 to $170,362, the share of FHA mortgages to low-income borrowers increased from 15.7 percent to 20.1 percent.

Mr. President, it is my hope that my colleagues will join me today and support the increase in the FHA loan limit to $197,000 and reject any measure that threatens the opportunity for many first-time home buyers across the country to own a home.

Mr. BOND. Mr. President, I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment, No. 3202.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 27, as follows:

[Rollcall Vote No. 211 Leg.]

YEAS—69

Abraham
Akaka
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Collins
Conrad
Coverdell
D'Amato
Daschle
Dodd
Domenici
Dorgan
Durbin
Feinstein
Ford
Frist
Gorton
Graham
Grassley
Harkin
Hatch
Hollings
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Reed
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (OR)
Snowe
Specter
Stevens
Torricelli
Wellstone
Wyden

NAYS—27

Allard
Ashcroft
Brownback
Cochran
Craig
DeWine
Enzi
Faircloth
Feingold
Gramm
Grams
Gregg
Hagel
Inhofe
Kempthorne
Kohl
Kyl
Lott
Lugar
Mack
McConnell
Nickles
Smith (NH)
Thomas
Thompson
Thurmond
Warner

NOT VOTING—4

Glenn
Helms
McCain
Roberts

The motion to lay on the table the amendment (No. 3202) was agreed to.

AMENDMENT NO. 3206

The PRESIDING OFFICER. The question is on the motion to table the Sessions amendment. There are 2 minutes of debate, equally divided.

Who yields time?

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, we are a Nation of explorers, a Nation of discoverers. Our people see ourselves in that light; the world sees us in that light.

Unfortunately, for the last 5 years, the great agency of this Government that epitomizes our explorative nature—NASA—has seen a cut in its budget—for 5 straight years. They have reduced personnel by 25 percent since 1993. This is a tragic event. The President's budget this year had a cut of $180 million. The committee restores most of that, but it still represents a $33 million cut again this year.

We need to put an end to that. We need to get back into exploring our solar system and our galaxy. That is who we are as a people. We need to increase the funding. This bill would first have level funding, and then get us on the road next year to increased funding. The money as an offset would come from that portion of the AmeriCorps program that pays people to volunteer. It has been zeroed out in the House, and it is a good offset.

Mr. BOND. Mr. President, I yield 30 seconds to my colleague from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Mr. President, I oppose the amendment and support the motion to table. Yes, this subcommittee is a strong supporter of space and science and technology. We put $150 million more in the NASA budget. But we object to offsetting and cutting national service that provides the opportunity to pay for college education, in which 50,000 have earned their educational awards, a modest amount of money that could be used to help them continue their education. We have worked to improve 100,000 people who have participated in this program.

Don't cut the habits of the heart. Don't cut the habits of the heart for space.

Mr. President, I am a strong supporter of space programs and strongly support investments in science and technology. That's why I worked with Senator BOND to find a $150 million increase for NASA. But, I must strongly oppose cuts to the Corporation for National Service.

The National Service helps to promote the habits of the heart and fosters the volunteer spirit that helped make this country great. To date nearly 100,000 people have participated. They have helped to generate thousands of un-paid volunteers in communities across the country.

The National Service provides assistance to programs like the one run by the Sisters of Notre Dame in Baltimore. This is a critical tutoring service of young people.

Each year over 400,000 young children are tutored by AmeriCorps volunteers who work to help prepare our children to be literate and functional in the 21st century.

Volunteers also work with well respected organizations like the Red Cross, Habitat for Humanity and the YMCA, and provide real help to meet compeling human needs.

In addition the National Service also provides an opportunity for participants to pay for their college education. To date 50,000 have earned their educational awards. A modest amount of money is used to help our young adults.

I urge my colleagues to stand with me as I stand behind our kids. Vote to table the Sessions amendment.

Mr. BOND. Mr. President, as already indicated, we support NASA very strongly. We have added $150 million over that which the people who run the program have requested. We risk disrupting the compromise that has been made on this bill. In order to pass this bill and to get it signed, we have reached, I think, a good accommodation with the limited dollars.

If this tabling motion does not succeed, I will have to raise the Budget Act point of order because the money that is spent out under this will be above our outlay ceiling.

Therefore, I urge my colleagues to join me in voting to table the amendment.

The PRESIDING OFFICER (Mrs. HUTCHISON). All time has expired.

The question is on agreeing to the motion of the Senator from Missouri to lay on the table the amendment of the Senator from Alabama. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from Nevada (Mr. REID) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 58, nays 37, as follows:

[Rollcall Vote No. 212 Leg.]

YEAS—58

Akaka
Allard
Baucus
Biden
Bingaman
Bond
Boxer
Breaux
Bryan
Bumpers
Campbell
Chafee
Cleland
Coats
Collins
Conrad
D'Amato
Daschle
Dodd
Domenici
Dorgan
Durbin
Feingold
Feinstein
Ford
Graham
Grassley
Gregg
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Robb
Rockefeller
Santorum
Sarbanes
Snowe
Specter
Stevens
Torricelli
Warner
Wellstone
Wyden

NAYS—37

Abraham
Ashcroft
Bennett
Brownback
Burns
Byrd
Cochran
Coverdell
Craig
DeWine
Enzi
Faircloth
Frist
Gorton
Gramm
Grams
Hagel
Hatch
Hutchinson
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Roth
Sessions
Shelby
Smith (NH)
Smith (OR)
Thomas
Thompson
Thurmond

NOT VOTING—5

Glenn
Helms
McCain
Reid
Roberts

The motion to lay on the table the amendment (No. 3206) was agreed to.

Mr. BOND. Madam President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Madam President, there are only two amendments remaining. I believe we have worked out accommodations on the two——

The PRESIDING OFFICER. The Senator will suspend.

Ms. MIKULSKI. The Senate is not in order.

The PRESIDING OFFICER. The Senator is correct.

Mr. BOND. Madam President, for the information of all Senators, I do not think we are going to require any more votes. There are votes on two amendments that have been ordered. I am going to ask that we vitiate the yeas and nays on them. I do not know of any call for a vote, a recorded vote on final passage. The Senator from Alaska and the Senator from Arkansas want to engage in a colloquy before we accept that amendment.

AMENDMENT NO. 3205

Before we do that, however, I ask unanimous consent that the yeas and nays on the Burns amendment be vitiated and that we adopt the amendment by voice vote.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the Burns amendment.

Mr. BOND. Madam President, the Burns amendment is very important. There was a question whether it was going to be included in the NASA reauthorization. If the NASA reauthorization does move, if that can move, then we would drop the amendment in conference to allow it to be included in the overall NASA reauthorization, but we think it is vitally important for the development of the X-33 that the indemnification be included.

Senator MIKULSKI.

Ms. MIKULSKI. I concur with the position that we are taking here and urge the procedure recommended by the chairman.

Mr. BOND. We are ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the Burns amendment.

The amendment (No. 3205) was agreed to.

Mr. BOND. Madam President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Madam President, I now yield to the Senator from Alaska.

AMENDMENT NO. 3200

The PRESIDING OFFICER. The question is on agreeing to the Murkowski amendment.

AMENDMENT NO. 3200, AS MODIFIED

Mr. MURKOWSKI. Madam President, I ask unanimous consent to modify my amendment. I believe we have worked out the amendment. I have asked that the yeas and nays be vitiated, which has already taken place.

I submit the modification.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 3200), as modified, is as follows:

At the appropriate place in the bill insert the following:

SEC. . VIETNAM VETERANS ALLOTMENT.

The Alaskan Native Claims Settlement Act (43 U.S.C. 1600, et seq.) is amended by adding at the end the following:

OPEN SEASON FOR CERTAIN NATIVE ALASKAN VETERANS FOR ALLOTMENTS

SEC. 41. (a) IN GENERAL.—(1) During the eighteen month period following promulgation of implementing rules pursuant to paragraph (6), a person described in subsection (b) shall be eligible for an allotment of not more than 160 acres of land under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

(2) Allotments selected under this section shall not be from existing native or non-native campsites, except for campsites used primarily by the person selecting the allotment.

(3) Only federal lands shall be eligible for selection and conveyance under this Act.

(4) All conveyances shall be subject to valid existing rights, including any right of the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement.

(5) All state selected lands that have not yet been conveyed shall be ineligible for selection under this section.

(6) No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section.

(7) The Secretary of the Interior may convey alternative federal lands, including lands within a Conservation System unit, to a person entitled to an allotment located within a Conservation System Unit if—

(A) the Secretary determines that the allotment would be incompatible with the purposes for which the Conservation System Unit was established;

(B) the alternative lands are of equal acreage to the allotment.

(b) ELIGIBLE INDIVIDUALS.—(1) A person is eligible under subsection (a) if that person would have been eligible under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971, and that person is a veteran who served during the period between January 1, 1968 and December 31, 1971.

(c) STUDY AND REPORT.—The Secretary of the Interior shall—

(1) conduct a study to identify and assess the circumstances of veterans of the Vietnam era who were eligible for allotments under the Act of May 17, 1906 but who did not apply under that Act and are not eligible under this section; and

(2) within one year of enactment of this section, issue a written report with recommendations to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

(d) DEFINITIONS.—For the purposes of this section, the terms 'veteran' and "Vietnam era" have the meanings given those terms by paragraphs (2) and (29), respectively, of section 101 of title 38, United States Code.

Mr. MURKOWSKI. Madam President, we have conversed with my good friend, the Senator from Arkansas, on this amendment. It is my understanding that we have worked it out as an accommodation to rectify a situation where veterans, native Eskimo Indian Aleuts, who were on active duty during the time of the Vietnam conflict, were therefore unable to apply for their allotment. This situation should be rectified. It scores zero dollars in the first year and perhaps $1 million each year thereafter.

In view of the fact that this is a $93 billion package, I think it warrants consideration to right a wrong for those who served in active duty, served their country, and yet were unable to qualify for their 160-acre allotment because they were on active duty. We have assured all parties that none of the acreage would come out of conservation units, and Senator BUMPERS has been most accommodating. It is my understanding the minority will accept the amendment—subject to Senator BUMPERS' input.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Madam President, the administration has raised very serious objections to the Murkowski amendment.

Mr. FORD. Madam President, may we have order? I know it is tough.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Arkansas.

Mr. BUMPERS. Madam President, the administration had previously, and may still have, serious objections to the Murkowski amendment. But he and I had a conversation this morning. He has modified his amendment. The modification is at the desk.

For the edification of our membership, simply because this may come up again in conference or even later on the floor, in 1906 the Congress passed a law giving every Native Alaskan the right to claim 160 acres of land in Alaska. In 1971, under the Alaskan Native Settlement Claims Act, we repealed the old 1906 Act. What Senator MURKOWSKI seeks to do is very laudable, in my opinion. He is simply saying those Native Alaskans who would have otherwise had a right to claim 160 acres under the old 1906 law, but were in Vietnam and not physically present in Alaska so they could file such a claim—he is simply saying under this bill that they will be grandfathered in. If they were in Vietnam between 1969 and 1971, they are entitled to a claim.

Some of these claims would be in conservation areas. That was the first, primary objection by the administration. We have changed that so the administration can select nonconservation lands if a claim within a park or wilderness or wildlife refuge is inconsistent with the purposes of that conservation area. So that takes care of most of it.

They were vitally concerned about the cost which, as I say, should be mitigated greatly by this compromise we have entered into.

I simply want to say there is one other objection the administration has. They are concerned about allowing people to claim 160 acres if they were not in Vietnam. The amendment does not really say you had to have been in Vietnam, but they had to have been in the military. They think that is a little broad. But in conference, whatever their objection is I feel sure can be worked out.

I thank the Senator from Alaska. We had a hearing on this, but we had not marked the bill up.

So, with those considerations, I think it is well to go ahead and approve it. If they still object to something, I think it will be something we can work out in conference.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, the Senator from Arkansas has stated the position well. As the ranking member on this bill, I agree we should take this amendment. There is disputed information about cost, scoring, the administration's position. But I believe we have assured everyone who has a yellow flashing light about this policy that we will consult on the way to conference, and I believe we should accept the amendment today. We will resolve this in conference, consulting with all appropriate people.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I thank my colleague from Maryland for her comments. I also appreciate the efforts of the Senators from Arkansas and Alaska to work out this situation. It sounds like a very compelling need. Obviously, our only question is the means by which it is accomplished. I am delighted we can gain agreement at this stage. We do have further work to pursue.

I have advised my colleague on the other side of the aisle, if there are substantial problems with it then we can deal with those in conference. I hope we can remedy this wrong which has occurred to Native Americans who fought for their country in Vietnam.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3200), as modified, was agreed to.

Mr. MURKOWSKI. I thank my side for their accommodation, particularly the Senator from Arkansas.

Mr. BOND. Mr. President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EPA ACTIVITIES RELATED TO CO_2 EMISSIONS

Mr. MURKOWSKI. As we debate the provisions of the FY 1999 appropriations for the EPA and other agencies I would like to raise an issue of concern. During a June 4 hearing before the Committee on Energy and Natural Resources, committee members explored the concern that this Administration has no real plan in place to assure that we will meet the nation's substantial and growing energy needs. In responding to this concern, Administration representatives, including a representative of the EPA, failed to mention that in addition to failing to plan for our growing energy needs, EPA had recently taken action that could further erode our capability to fuel our economic growth by a "back-door" attempt to regulate carbon dioxide.

On June 2, only two days before this hearing, the EPA had published a notice in the Federal Register of its intent to modify a consent decree between EPA and the Natural Resources Defense Council, an organization with very strong views on global climate policy. The proposed modification would require EPA to analyze emissions reductions of CO_2 through its regulation of other emissions. While this seems innocuous enough, it is clear that this is an attempt to bring CO_2 within the meaning of "air pollutant" under the Clean Air Act.

Although EPA has apparently denied that this is an attempt to implement the Kyoto Protocol prior to its ratification, a spokesman for the Natural Resources Defense Council had a different response. In a Washinton Times article on July 8, Mr. Dan Lashoff of the Council states that the consent decree "is intended to look ahead to emissions reductions of carbon dioxide that may be required to achieve national objectives as established by the [Kyoto] treaty." As a key party to the consent decree, Mr. Lashoff understands the objectives of this modification, even if EPA does not.

My concerns about this development are several. First, this action constitutes an attempted breach of promise against the Administration's assurances to Congress that there will be no implementation of the Kyoto accord prior to Senate ratification. Under Secretary Eizenstat has gone so far as to commit that "no agency or interagency body has been given responsibility to develop potential proposals for legislation or regulation that would be intended to comply with the Kyoto Protocol if it were to become binding on the U.S." Second, the proposed modification exceeds EPA's authorities under the Clean Air Act. Third, the proposed modification is outside the scope of the original consent agreement.

Clearly, Madam President, Congress should expect both EPA and the Justice Department to withhold consent to this inappropriate modification to the consent agreement. Could you state whether you believe the actions I have described would be an appropriate use of the proposed funding for EPA in the appropriations bill under consideration?

Mr. BOND. First, I thank my colleague from Alaska for bringing this issue to the attention of this body. I agree that this is an issue of concern. There are no funds currently provided to EPA, nor any funds to be provided in this bill for fiscal year 1999 for the issuance of federal regulations designed solely for the purpose of Kyoto Protocol implementation.

Mr. BURNS. Madam President, I ask the Senator from Missouri to note the statement at page 74 of the Report regarding the Agency's sector facility indexing project. I concur with the Committee's judgment. I would like to call to the Senator's attention some further concerns regarding the Agency's use of toxicity weighting factors in relation to both the sector facility indexing project and the environmental indicators project. For example, the Agency's Science Advisory Board recently criticized EPA's use of toxicity weighting factors based on policy rather than science and raised other scientific issues as well. Does the Senator share my concern?

Mr. BOND. Yes, Senator BURNS, I do share your concern on this issue.

Mr. LEAHY. Madam President, I had intended to offer an amendment today to begin monitoring of mercury emissions from coal-fired power plants and include this information in the Toxic Release Inventory. Congress has a long track record of supporting the public's "right to know" about the nature and volume of toxic chemicals that are being released into the environment from manufacturing facilities in their neighborhoods. The "Toxics Release Inventory" has empowered citizens and communities and is helping local and state environmental agencies to identify the most pressing problems within their neighborhoods. A glaring gap in information from the Inventory is mercury emissions from coal-fired power plants. The Environmental Protection Agency estimates that at least 52 tons of mercury are being released to the environment each year, every year, from these plants. When Congress amended the Clean Air Act in 1990, we did not address mercury emissions but instead required EPA to report back to Congress on the sources, impacts and control strategies for mercury. Congress finally received that report last year and now needs to act on it. That is why I introduced the "Omnibus Mercury Emissions Reduction Act of 1998." Although I will not offer my mercury right-to-know amendment today, Congress has a responsibility to act on the EPA Mercury Report to Congress. I believe Senator CHAFEE who is one of the leading proponents of the Clean Air Act Amendments of 1990, agrees with me that steps should be taken to address mercury emissions.

Mr. CHAFEE. I agree with the senior senator from Vermont that although the EPA Mercury Report does the best job so far in quantifying mercury emissions, many believe that the report understates the actual amount of mercury being released to the environment. Along with Senator LEAHY, I voiced my concern when the release of the EPA Mercury Report was delayed. It is my understanding the EPA is taking a number of long-overdue steps to address mercury emissions. Toward the end of obtaining better data on mercury emissions from coal-fired power plants, we should begin collecting information from these facilities on the mercury that they emit. As Chairman of the Environment and Public Works Committee, I intend to hold hearings in September on the issues raised by the EPA Mercury Report and Senator LEAHY's amendment in order to foster a broader public discussion from all concerned parties about the information and findings that are contained in the EPA Mercury Report.

Mr. LEAHY. I appreciate the leadership that Senator CHAFEE is taking on this issue in light of the troubling language included in the House report on the Fiscal Year 1999 VA-HUD Appropriations bill. I have serious concerns about this language. Among other things, the report language would require that another mercury report be developed. Each of the mercury-related tasks stipulated in the report language would need to be completed before EPA would be allowed to make any regulatory determinations that pertain to mercury.

Mr. CHAFEE. I agree with Senator LEAHY. The American taxpayers have already spent over $1 million on the EPA Mercury Report. The Report does not need to be redone. I do not believe that anyone who actually reads it objectively would conclude that we need to study mercury all over again before Congress or EPA can make any decision about mercury emissions. But that is precisely what the House report language would require. This report language is an inappropriate use of the appropriations process.

Mr. LEAHY. The Senator is correct and I am glad to see that the Senate has not concurred with this language. I thank the Chairman and look forward to participating in his hearing on this important issue.

Mr. BYRD. Madam President, would the Senator from Missouri yield for a question on the appropriation of funding for the Environmental Protection Agency (EPA) and its energy and environment related programs? I note that on pages 74 and 75 of the Committee's Report that the Committee addresses the issue of the EPA's compliance with the Government Performance and Results Act and the EPA's submission of a report on activities related to these ongoing programs. Is it the Senator's understanding that the committee report reminds the EPA that it is to fully comply with the Government Performance and Results Act?

Mr. BOND. The Senator is correct. The language in the report requires full compliance with the Government Performance and Results Act.

Mr. BYRD. Is it the intent of the Senator to create additional legal requirements in this area beyond those required by the letter and spirit of the Government Performance and Results Act?

Mr. BOND. No, not at all. I would say to my friend from West Virginia that all we are asking here is for a more comprehensive explanation by the EPA of the components of its energy and environment programs, any justifications for funding increases, and a clear definition of how these programs are justified by the EPA's goals and objectives independent of the implementation of the Kyoto Protocol.

Mr. BYRD. I thank the Senator from Missouri. I would also note that the Committee Report expects the EPA to submit a report to the Committee by December 31, 1998, with a follow-up analysis by the General Accounting Office ninety days later. As the Senator may know, Senator Craig and I submitted language to the Interior Appropriations bill directing the Department of Energy (DOE) to submit a similar report, but this report is to be submitted in conjunction with DOE's Fiscal Year 2000 budget submission. Given the short period between the likely enactment of this Act and the December 31 deadline, would the Senator agree that it might be more reasonable for the EPA to also submit its report along with its Fiscal Year 2000 budget submission?

Mr. BOND. Yes. I believe that is a more appropriate time for the EPA to fulfill the reporting requirement as outlined in the Committee Report language.

Mr. BYRD. I thank the distinguished Senator. The EPA should provide a more detailed plan for better evaluating its programs, but I believe this is a more appropriate date to require such a report. It would not be wise to arbitrarily cap funding for vital energy and environment programs that encourage domestic energy efficiency, decrease costs, and promote domestic energy security. These programs should be evaluated on their own merits. The Federal Government serves a vital catalytic role in supporting and developing cutting edge research programs that the private sector can then take into the marketplace. The true benefits of these technologies and programs may not be evident for a number of years. Through these efforts, the United States has a tremendous opportunity to profit from new technologies, both at home and abroad, while at the same time reducing greenhouse gas emissions.

HUD NOTICE AND COMMENT RULEMAKING

Mr. D'AMATO. Madam President, I would like to enter into a colloquy with my colleagues, Senator KIT BOND, the Chairman of the Appropriations Subcommittee on Veterans Affairs and Housing and Urban Development, and

Senator CONNIE MACK, the Chairman of the Banking Committee's Subcommittee on Housing Opportunity and Community Development.

It is my understanding that the Department of Housing and Urban Development (HUD) issued a series of regulations on June 30, 1998 dealing with a wide variety of HUD programs affecting millions of units of affordable housing. In each of these regulations, HUD has waived the sixty-day public comment period required under HUD's notice and comment rulemaking procedures. Instead, each of these regulations has included an expedited comment and review period. I would ask my colleagues if I have stated the facts accurately.

Mr. MACK. Madam President, the Chairman of the Committee on Banking, Housing and Urban Affairs is entirely correct. On June 30, 1998, HUD issued three important regulations. For all these regulations, HUD waived the sixty-day comment period. Specifically, these rules would: first, establish requirements relating to physical conditions and inspections and would apply to a wide variety of HUD rental assistance and mortgage insurance programs; second, establish uniform financial reporting standards for HUD housing programs; and third, establish a new Public Housing Assessment System.

Despite the enormous impact of these proposed rules, HUD has waived the sixty-day public comment period as provided by HUD's own regulations (24 CFR 10.1), often referred to as "Part 10." Previously, HUD attempted to repeal, as a practical matter, its Part 10 regulations related to notice and comment rulemaking. At that time, members of the Senate joined together in a bipartisan manner to enact legislation to safeguard public notice and comment in HUD's rulemaking process.

It is essential that HUD maintain an adequate period of time for the public to review, analyze and comment upon proposed changes in HUD's policies and procedures. Congress established the notice and comment rulemaking procedure in order to allow the public to provide adequate input so as to avoid potential confusion in the development of new rules. Given the importance of the proposed rules at issue, a more extensive period of time for public review and comment is warranted.

Mr. BOND. I agree with my colleagues Senator CONNIE MACK and Senator ALFONSE D'AMATO, in urging HUD to reinstate a fair and adequate time period for public review of these important new rules. In fact, it was my amendment in 1996 which halted HUD's attempt to remove the important public notice and comment provisions of the rulemaking procedure.

On August 16, 1996, HUD issued a regulation entitled, "Rulemaking Policies and Procedures; Proposed Removal of Part 10." The Fiscal Year 1997 VA-HUD Appropriations Act included my amendment to safeguard the notice and comment procedure contained in the Part 10 regulation. Last year, the VA-HUD Appropriations Act for Fiscal Year 1998 contained a provision which in practical effect makes the notice and comment procedure part of the permanent law.

While HUD can provide for good cause waivers of the sixty-day comment period, the regulation states that such waivers should only be made when the procedure is "impracticable, unnecessary or contrary to the public interest." I do not believe that HUD has met any component of this threshold in this instance.

HUD's current public rulemaking procedure were not adopted by accident. In fact, they were adopted in an effort to respond to past program abuses and were considered an essential component of HUD reform. Given HUD's ongoing systemic management difficulties, it is incumbent upon HUD to abide by the rules of public notice and comment rulemaking. Waivers of public notice requirements will not contribute to the much-needed reform of HUD's management problems. Public participation and input are critical aspects to avoiding unintended consequences in the rulemaking process.

HUD's new proposed rules have followed soon after a series of massive "Super-NOFA's," or Notices of Funding Availability which announce the availability and competition for dozens of HUD grant programs. Many local government agencies and community-based housing organizations are still in the process of finalizing their applications for these important HUD programs. Most organizations—including local public housing authorities, community-based non-profit corporations and resident organizations—have limited capacity to wade through and analyze HUD's new proposed regulations, in addition to applying for funding. HUD's decision to unilaterally waive the sixty-day comment period compounds this problematic situation.

I therefore join my colleagues in strongly urging HUD to extend the review and comment period for the proposed rules issued on June 30, 1998.

Mr. D'AMATO. I thank my colleagues for their remarks and I join them in urging HUD to extend the time allotted for public review and comment of these three important and expansive HUD rules. HUD's notice and comment rulemaking procedures are designed to ensure an adequate period of time for public notice, review and comment.

It is essential that HUD provide an adequate timeframe in which housing organizations, residents of assisted housing and local government entities have a chance to offer meaningful input in the development of final regulations. Given the important nature of these three rules and the significant impact which they will likely have on the families assisted by HUD's programs, I believe it is essential that the public be granted an additional amount of time in which to comment.

Mr. CHAFEE. Madam President, page 71 of the committee report accompanying the fiscal year 1999 VA, HUD and Independent Agencies Appropriations bill states that, "[n]one of the funds provided to the EPA are to be used to support activities related to implementation of the Kyoto Protocol prior to its ratification." I want to try to get a clarification on this report language from the distinguished chairman of the VA, HUD and Independent Agencies Subcommittee, Senator BOND. I would agree that the EPA should not use appropriated funds for the purpose of issuing regulations to implement the Kyoto Protocol, unless and until such treaty is ratified by the United States.

I would like to point out, however, that the United States is a full participating signatory nation to the 1992 Framework Convention on Climate Change. Under the 1992 Framework Convention, which was agreed to in Rio de Janeiro by President Bush and later consented to by the U.S. Senate, the United States pledged to carry out a wide variety of voluntary initiatives aimed at reducing greenhouse gases. These initiatives, being implemented by the EPA, the Department of Energy, and other agencies, are in place today. The Congress has funded these initiatives for several years now, indeed, long before the December 1997 climate conference in Kyoto, Japan. These initiatives; the Climate Challenge program, the Program for a New Generation of Vehicles, Green Lights, Energy Star, and others, have to varying degrees reduced greenhouse gas emissions by increasing energy efficiency across a broad range of domestic industrial sectors. They make sense for other reasons, Madam President. We have found with these programs and others that our companies and American consumers benefit economically. When we conserve resources and reduce energy consumption in a sensible way, we save money. When we research, manufacture and market new energy efficient goods and services, we create export opportunities and jobs. We also increase U.S. energy security by reducing our dependence on imported oil, natural gas and coal. Finally, when we find cost effective ways to reduce greenhouse gases, we oftentimes reduce other air pollutants like mercury, nitrogen oxide, and sulfur dioxide.

So, I want to make sure that the committee report language that I cited previously does not interfere with these important and worthwhile efforts. I would ask my friend from Missouri if these ongoing energy conservation and climate-related programs and initiatives, which are not intended to directly implement actions called for under the Kyoto Protocol, would go forward under this bill?

Mr. BOND. Indeed they would, Senator CHAFEE. Our only goal here is to prevent the issuance of federal regulations designed solely for the purpose of Kyoto Protocol implementation. We have funded these EPA programs for the upcoming fiscal year and expect the agency to spend the money in an effective and appropriate manner.

Mr. CHAFEE. I thank the Senator.

UNIVERSITY OF CINCINNATI

Mr. DEWINE. Madam President, I would like to take this opportunity to extend my congratulations to Chairman BOND and Senator MIKULSKI and other members of the appropriations subcommittee on the FY 1999 appropriations bill. The committee has faced tough budget constraints this year and I would encourage my colleagues to join me in supporting this bill. I would also like to call to the Chairman's attention an important project in Ohio that I believe is deserving of funding under the Community Development Block Grant (CDBG) program, specifically, the Economic Development Initiative funding for various community development projects. A number were listed by the Committee in its report on the bill. I am very interested in a project that has been supported by both the local community and the State of Ohio—the rehabilitation of the Medical Science Building at the University of Cincinnati's Medical Center. This facility ranks among the top in the nation for biomedical research, research which benefits both the U.S. Environmental Protection Agency and the Veterans' Administration, as well as contributing to the local economy in excess of $2 billion. Would the Senator from Missouri agree that an initiative which will rehabilitate a facility dedicated to such research be a worthy candidate for funding under the Committee's EDI provision?

Mr. BOND. Madam President, I appreciate the Senator from Ohio raising this issue. I agree with him that the project he has described in Cincinnati would appear to be well-suited for the EDI program.

Mr. DEWINE. I thank the Chairman of the Subcommittee for his comments. I would ask that the Chairman of the Subcommittee take a very close look at this project as he proceeds to conference with the House on the final version of this appropriations bill. Specifically, what I am seeking is consideration for support of funds to allow for the renovation of this facility.

Mr. BOND. I understand the Senator from Ohio's concerns, and commend him for his efforts to seek a positive solution. As I am sure he well knows, this has been a difficult year for community development projects, such as the one he has discussed. Nonetheless, I am impressed by the overall project and their commitment to continuing research. I will give the Senator's request all due consideration as we go to conference on this bill. Is that satisfactory to the Senator?

Mr. DEWINE. That is satisfactory and I thank the distinguished Chairman for his willingness to work with me and the members of the Ohio Congressional Delegation as we work with the University to help them carry on this important work.

LORAIN ST. JOSEPH'S FACILITY

Mr. DEWINE. Madam President, I would like to draw the attention of the distinguished Chairman of the VA-HUD Appropriations Subcommittee, Senator BOND, to the allocation of Community Development Block Grant (CDBG) funds for Economic Development Initiative projects. As the Chairman may recall, we had numerous discussions last year about my interest in preventing the permanent closure of the St. Joseph's Hospital complex located in the heart of Downtown Lorain. Thanks in large part to the assistance provided Lorain in the FY 1998 VA-HUD Appropriations Conference Report, we were able to forestall closure and have now developed a solid group of tenants who wish to occupy the complex.

Mr. BOND. Madam President, I recall the effort of my colleague on behalf of his constituents in Lorain, and am happy that we were able to be of some assistance.

Mr. DEWINE. Madam President, while I will not detail every development at the St. Joseph's site which has occurred over the past twelve months, it is worth mentioning the highlights. Based on the expression of Congressional support, Community Health Partners agreed to transfer ownership of the facility to a community-based non-profit entity incorporated as South Shore Development Corporation. Community Health Partners has also agreed to provide 12 months of utilities and security for the facility while South Shore proceeds with its plans to convert the facility for non-hospital uses. Notwithstanding the need to attract additional funds to underwrite the conversion effort, the Veterans' Administration, the Lorain Public Schools system, the Lorain County Community College and the local Community Action Agency have all signed leases to implement community services from the 400,000 square foot facility.

As the distinguished Chairman may recall, earlier this year I had expressed my support to him for a request for an additional $2,000,000 for the conversion effort. These funds would be utilized for the establishment of the Community College's distance learning center at the St. Joseph's facility. It is through this facility and the downlink site at the Community College that area residents would be provided access to the job training programs which would be offered by the Community College for veterans, the unemployed and others struggling to make the transition to the information technology marketplace.

Inasmuch as the Committee was not able to accommodate my request in the bill reported from Committee, could my good friend the Chairman provide me with some insights on the prospects for funding when the House and Senate meet to resolve differences between their respective bills?

Mr. BOND. I appreciate the Senator's continuing efforts to keep me apprised of developments on the St. Joseph's conversion effort. I regret that our difficult funding problems prevented the subcommittee from allocating funding for this initiative, and I assure my friend that I will do all that I can to accommodate his request in the upcoming conference.

Mr. DEWINE. I thank my colleague for his comments, and stand ready to provide him and the conferees with documentation validating the merits of this request.

Mr. JEFFORDS. Madam President, in January of this year I addressed the Senate along with my colleagues from New York and Maine about the awesome ice storm that struck our area. Thanks to the help of Chairman BOND and others, our region received much needed assistance and relief. Today, I rise to inform my colleagues that Vermont has experienced yet another series of natural disasters. During the past few weeks the state of Vermont has received tremendous amounts of rain, causing severe flooding throughout the state. In fact, eleven of our fourteen counties were declared disaster areas after several days of heavy rain flooded streams and rivers.

Hardest hit was the pristine Mad River in central Vermont. The river's stream banks were overwhelmed. Heavy sediment washed down the river depleting water quality. However, in sections of the river where methods to protect the stream banks through bioengineering and vegetation planting were established, the banks held steady during the floods preventing soils and sediments from entering the water system.

Assistance is needed in the Mad River Valley of Vermont. The quality of the water in the Mad River is of great importance to the communities in the valley. Because of the recent flooding there is a need for the Environmental Protection Agency to provide assistance for maintaining that water quality. I am aware of the devastation that occurs during a long period of heavy rain and understand the impact it can have on a river's health and appearance. Protecting the water quality is important. EPA should provide assistance to the Mad River Valley

Union Municipal District to assist them in water quality improvements. Experimenting with new methods to protect our river banks will help find solutions to maintain water quality and the health of our rivers, as well as safeguard the property and lives that inhabit the river valleys.

Madam President, with help from the EPA, more creative methods could be established and tested along the Mad River helping maintain water quality and the beauty of the river.

METERED-DOSE INHALERS

Mr. GRAMS. Madam President, I wish to thank the Senator from Arkansas, Mr. HUTCHINSON and the Senator from Ohio, Mr. DEWINE for their efforts to address the issue of FDA action on Chlorofluorocarbon (CFC) metered-dose inhalers (MDIs). I share their commitment to protecting the health and safety of the millions of Americans who rely daily on MDIs to treat asthma and other pulmonary conditions.

Most of today's products rely on CFCs, which the nations of the world under the terms of the Montreal Protocol, have agreed to phase out. This phase out is due to the reported damage CFCs cause to the stratospheric ozone layer which protects us from excessive amounts of ultraviolet radiation. However, patients with asthma and other pulmonary conditions understandably are concerned about the possibility that one day they may no longer have access to their medications and whether it will come before adequate replacement medicines are available.

I believe the resolution included in the appropriations legislation appropriately balances the need to establish a framework for the transition from CFC to non-CFC products promptly, so patients and physicians will understand the process and deal with it. Immediate action is needed so patients and care givers have the opportunity to consider and appropriately manage the impact of a transition from one safe and effective medication to another. With sufficient time to make such preparations, the important transition from CFC to non-CFC MDIs will work for the people who matter most—the patients.

The resolution states the FDA shall issue a proposed rule no later than May 1, 1999. Although I would like to see the process move more quickly, I believe this is ample time for the FDA to take into account patient concerns and needs. The FDA has already been working on this issue for more than 15 months and has heard from thousand of interested individuals and groups. In March 1997, the FDA issued an advanced notice of proposed rulemaking which most parties agree was flawed, particularly in its tentative suggestion of a so-called "therapeutic class" transition from existing drugs to new products. The resolution clearly instructs FDA not to take this approach, but to consider alternatives. For example, one preferable approach would be to require an alternative be available for a particular active moiety before the agency could take a CFC-containing product off the market.

The resolution recognizes the pharmaceutical industry has made a great deal of progress toward fulfilling the expectation of the Montreal Protocol—that there will be excellent non-CFC MDIs available to patients. Clearly, this is not a situation where we will be taking good medications from the market and leaving a void. Nothing could be further from the truth, but it's important for us not to send a signal to manufacturers who are doing the right thing in developing alternatives that we do not see the urgency of beginning this transition. The resolution my good friends from Arkansas and Ohio propose corrects that mis-impression and I thank them for clarifying it.

The resolution expresses the expectation that the FDA, in consultation with the Environmental Protection Agency, will assess the impacts on the environment and patient health of a transition to CFC-free products. In doing this, the FDA must consult in the process with the many parties interested in this issue, which is as it should be. The information the FDA receives and develops from these discussions should be reflected in its proposed rule, along with information the agency has already received in the form of comments on its ANPR. I believe the intention of this resolution is clear—the FDA should continue this important dialogue after the proposed rule is issued. In this way, we can be assured a fair and balanced rule will emerge and move us away from the use of CFCs in a way which protects patients health and safety.

In short, this resolution urges the FDA to get on with the business at hand—namely, publish a proposed rule which lays out a framework for the transition from CFC to non-CFC MDIs by no later than May 1, 1999. This framework should be developed in consultation with patients, care givers and others to ensure continued patient health and safety. The urgency of this action is dictated by the need to allow patients and care givers time to consider the ramifications of the transition and prepare for it.

I want to thank the gentlemen from Arkansas and Ohio again for their leadership on this issue and their willingness to accommodate our concerns.

THE TUNNEL AND RESERVOIR PROJECT

Mr. DURBIN. As we consider the FY 1999 VA-HUD and Independent Agencies Appropriations bill, I would like to call your attention to the serious flooding problems that continue to plague the City of Chicago and its surrounding suburbs, and to urge your consideration to provide funding for a system of flood control tunnels designed to mitigate these weather-related problems.

For years, severe thunderstorms have caused extensive flooding in the Chicago area due to the antiquated storm drainage system that serves the region. The drainage system, also linked to the sewage system, is quickly filled to capacity and overwhelmed during storm events, resulting in sewage backflows into Lake Michigan and the basements of thousands of homes. This flooding creates major public health hazards, leaves neighborhoods without electrical power, and causes disruptions of major transportation thoroughfares.

These kind of flooding emergencies will continue to plague the City of Chicago and neighboring communities until the construction of an important system of tunnels and reservoirs is completed. This system is known as the Tunnel and Reservoir plan (TARP), an initiative of the Metropolitan Water Reclamation District of Greater Chicago.

Ms. MOSELEY-BRAUN. Madam President, my colleague from Illinois is exactly correct. TARP is a network of underground tunnels and reservoirs designed as an outlet for sewage and floodwaters during large thunderstorms. For almost two decades, the TARP system has slowly grown, gradually improving flood prevention system in Chicago. Without TARP, local sewage and rainwater drainage would have no where to go when large storms hit the area.

Already, TARP has greatly reduced contaminated flooding of basements, polluted backflows into Lake Michigan, and to the amazement of many, has markedly improved the water quality of the Chicago River, a feat thought to be impossible a decade ago. Although TARP is largely complete, federal funds are still needed to finish the system and complete the commitment that the federal government made to this project years ago.

Chicago desperately needs additional capacity to stop this flooding. Without TARP, homeowners and residents in the greater Chicago region will continue to experience serious economic and health hazards from flooding during severe thunderstorm events.

Mr. DURBIN. That is why we would like to ask the Chairman if he will give us his assurances that the subcommittee will give every consideration to including the House level of funding for this project during conference of this bill.

Mr. BOND. I appreciate the remarks of my colleagues from Illinois, and I understand the longtime importance of this pollution control project to you and your constituents. You can be sure I will work to include the funding for this project during conference of the VA-HUD Appropriations bill.

MERCURY EMISSIONS

Mr. LEAHY. Madam President, I have spoken previously on my concerns about the ongoing threats from mercury pollution to the lands, rivers and lakes of Vermont and the rest of the country. I sponsored a Senate Resolution that called on the Administration to release its long overdue Mercury Study Report to Congress, a report that was mandated by the Clean Air Act of 1990. Earlier this year I introduced S. 1915, the "Omnibus Mercury Emissions Reduction Act of 1998" which, if enacted, would significantly reduce the risks that this powerful neurotoxin poses to the neurological health and development of pregnant women and their fetuses, women of child bearing age, and children. Senators SNOWE, WELLSTONE and MOYNIHAN have joined me in co-sponsoring the legislation.

The Mercury Study Report to Congress states that 150 tons of mercury are released to the environment every year, year after year. The Study reports that more than one-third of the mercury that is released in the United States each year—52 tons—comes from coal-fired power plants. Mercury is contained in the coal. When coal is burned the mercury is vaporized and is released to the environment.

Once released to the environment, mercury does not behave like many pollutants. It does not biodegrade, it persists. Mercury does not become less toxic—it transforms chemically into even stronger and more toxic forms such as methyl mercury. Methyl mercury accumulates in fish, and it accumulates in the human beings that eat the fish. Once ingested, methyl mercury is rapidly absorbed and distributed throughout the body. It easily penetrates the blood-brain and placental barriers, and it stays in the body for very long periods of time. One of the ways that it is finally excreted from the body is through breast milk. A developing fetal brain and nervous system can be exposed to mercury because the placenta and the blood-brain barriers offer no protection, and once born, the exposure can continue through breast milk.

There is ample evidence that mercury levels in the environment are increasing. One of the most telling indicators is the trend in mercury fishing advisories. In 1993, 27 states had issued health advisories warning the public about consuming mercury-tainted fish. In 1997, this had grown to 39 states. We are going in the wrong direction. Before we know it we are going to have filled the whole map with these warnings. It is time to reverse this trend.

While the EPA report does the best job so far in quantifying mercury emissions, many believe that the report understates the actual amount of mercury being released to the environment. Toward the end of obtaining better data on mercury emissions from coal-fired power plants, EPA has issued notice of its intent to begin collecting information from these facilities on the mercury that they emit. I think that this is an excellent step for EPA to be taking, and I strongly urge the Office of Management and Budget to support this information collection request. It is very much in keeping with the public's "right to know" about the types and amounts of toxic pollutants that are being released, and I strongly urge EPA to disseminate the information widely, including making it available via the Internet.

Madam President, I would like to state my serious concern about mercury-related report language in the House of Representatives VA/HUD/Independent Agencies appropriations bill. Among other things, the report language would require that another mercury report be developed. Each of the mercury-related tasks stipulated in the report language would need to be completed before EPA would be allowed to make any regulatory determinations on mercury.

This report language purely and simply delays efforts to control mercury emissions at the expense of those who are most susceptible to the effects of mercury pollution—pregnant women and their fetuses, women of child bearing age, and young children.

To put this delay into perspective, the 1990 Clean Air Act Amendments required EPA to study mercury emissions and to report to Congress. EPA completed the report in 1994 and, largely due to highly effective pressure exerted by the coal-fired power industry, the Agency sat on the report for 2 years. It was finally released last December after much effort by this Senator and a number of my colleagues. It is an excellent report, and the years that it spent on the shelf gathering dust did not alter its message. In the meantime, hundreds of tons of toxic mercury emissions continued to rain down unabated on our lands, rivers, and lakes.

The mercury report does not need to be redone. I do not believe that anyone who actually reads it objectively would conclude that we need to study mercury all over again before Congress or the Executive Branch can make any decisions about controlling mercury emissions. But that is precisely what the House report language would require. If the past is any indicator of how long it will take to accomplish what is contemplated by the report language, we will be at least halfway through the first decade of the next century and buried under more than a thousand more tons of mercury before the United States can take even the most minuscule action to control this toxic pollutant. This report language is an inappropriate use of the appropriations process. Such matters of substance and impact on the health and welfare of the citizens of the United States should be debated on the floor of the Senate and House of Representatives.

SHIP SCRAPPING

Ms. MIKULSKI. Madam President, I inserted a provision in this legislation to prohibit our government from sending our great Navy ships overseas—where they are dismembered in a dangerous, irresponsible and immoral manner. The export of misery and the exploitation of workers is beneath the dignity and honor of our nation.

I'd like to give the Senate some background on this issue.

With the end of the Cold War the number of ships to be disposed of in the military arsenal is growing. There are 180 Navy and Maritime Administration ships waiting to be scrapped. These ships are difficult and dangerous to dismantle. They usually contain asbestos, PCB's and lead paint. They were built long before we understood all the environmental hazards associated with these materials.

This issue was brought to my attention by a Pulitzer Prize-winning series of articles that appeared in the Sun written by reporters Gary Cohn and Will Englund.

They conducted a thorough and rigorous investigation of the way we dispose of our Navy and maritime ships. They traveled around the country and around the world to see firsthand how our ships are dismantled, and Mr. President, I must advise that the way we do this is not being done in an honorable, environmentally sensitive, or efficient way.

I believe when we have ships that have defended the United States of America, that they were floating military bases—and they should be retired with the same care and dignity with which we close a military base.

Let me read from the Sun series:

> As the Navy sells off warships at the end of the Cold War, a little known industry has grown up. In America's depressed ports and where the ship breaking industry goes, pollution and injured workers are left in its wake.
>
> The Pentagon repeatedly deals with ship breakers with dismal records, then fails to keep watch as they leave health, environmental and legal problems in their wake.

Of the 58 ships sold for scrapping since 1991, only 28 have been finished. And oh, my God, how they have been finished. I would like to turn to my own hometown of Baltimore.

In Baltimore the dismantling of the *Coral Sea* has been a disaster. There were fires, lawsuits, delays—and injuries. The Navy inspector refused to board the *Coral Sea* because he was afraid it was too dangerous.

I am quoting now the Sun paper. "September 16, 1993, the military sent its lone inspector for the United States to the salvage yard in Baltimore. He didn't inspect it because he thought it was too dangerous."

The inspector was right to be concerned about his own safety. The next day a 23 year-old worker found out how safe it would be.

He walked on a flight deck and he dropped 30 feet from the hangar. "I felt the burning feeling inside," he said, "blood was coming out of my mouth, I didn't think I would live." He suffered a fractured spleen, pelvis, and broke his arms in several places.

At the same time we had repeated fires that were breaking out. In November of 1996, a fire broke out in the *Coral Sea*'s engine room. No one was standing fire watch. No hose nearby. The blaze burned quickly out of control and for the sixth time Baltimore City's fire department had to come in and rescue a shipyard. At the same time the owner of the shipyard had a record of environmental violations—a record for which he ultimately was sentenced to jail.

While all of this has been going on, the Navy also planned to send our ships overseas—where worker and environmental safety are virtually ignored.

In India, the Sun paper found a tidal beach where 35,000 men scrapped the world ships with little more than their bare hands. They worked under wretched conditions.

They often dismantle ships with their bare hands. They earn just a couple of dollars a day. They have no hard hats, no training. Every day, someone dies breaking these ships.

I will quote from the Sun series:

> They live in hovels built of scrap, with no showers, toilets or latrines. They have come from poor villages on the other side of India, lured by wages that start at one dollar and fifty cents a day, to work at dangerous jobs, protected only by scarves and sandals.
>
> They suffer broken ankles, severed fingers, smashed skulls, malaria fevers, dysentery and tuberculosis. Some are burned and some are drowned. Nobody keeps track of how many die here from accidents and disease. Some say a worker dies every day.

This is an international disgrace.

So I introduced legislation to prohibit the overseas sales of government owned ships to countries with poor labor and environmental records. I inserted similar language in the VA–HUD appropriations bill that we are considering today.

This is not a ban on exports. Ships could be exported to countries that can break ships responsibly.

This limitation on exports would only be in effect for one year. This would enable the Navy to come up with a more ethical, workable plan for exports. This one year pause in exports would also enable us to improve our ability to dispose of ships here in the U.S. This will provide American jobs, and will strengthen our shipbuilding industrial base.

Some say that it is cheaper to send our ships to India and other developing countries. It is cheaper. Why? Because workers earn one dollar and fifty cents a day. They work eighteen hours a day. They have no training and no protection. They die or are maimed in terrible, preventable accidents.

It is always cheaper to exploit workers—and it is always wrong.

I would like to thank the Sun paper for their outstanding service in bringing this not only to my attention but to America's attention. Now the Senate must act to end these shameful policies.

The Sun reporters won the Pulitzer prize. But I want the United States of America to be sure that we win a victory here today for workers, the environment—and especially for the Navy. Because I know our Navy wants to do the right, honorable thing.

I hope my colleagues will agree with me that the practice of exploiting foreign workers and ignoring the environment is beneath the dignity of our great Navy, and of our nation.

(At the request of Ms. MIKULSKI, the following statement was ordered to be printed in the RECORD.)

• Mr. GLENN. I want to commend Senator MIKULSKI and the other Members of the Subcommittee for incorporating elements of the Mikulski-Glenn Bill (S. 2064) to prohibit export of ships to be scrapped in countries with substandard environmental laws and practices.

Senator MIKULSKI, with me as the prime cosponsor; introduced the original bill in May upon learning that the Federal ship-owning agencies, principally MARAD and the Navy, were retaining the option to export ships to countries with weak environmental and labor protection laws. They were retaining this option even after public reports and a GAO analysis that criticized Federal agencies for allowing the export of ships laden with PCBs, asbestos and hazardous materials.

In the past, these ships were sent to developing countries to be scrapped. They would lie listing just offshore, giant metal hulks waiting to be cut up and disassembled—often by children in barefeet—with the hazardous waste from the ships' interiors unceremoniously dumped overboard.

While I can respect the sovereignty of these countries in making their own environmental and labor laws—however inadequate they may be, I don't think that as a government the Feds should be contributing to that inadequacy by sending its own ships there to be scrapped in that fashion.

The VA–HUD Appropriations Bill contains language that contains a 1 year restriction of Federal ship exports for scrapping. No exports can be made unless the EPA certifies that the destination country has environmental standards and enforcement "comparable" to the U.S. So it is not an outright ban on exports. The language supplements the other part of the Mikulski-Glenn Bill, which strengthens environmental and labor protection criteria in Federal contracts for domestic ship scrapping. Those provisions were unanimously adopted as part of the DOD Authorization Bill and $7.8 million has been provided for this effort in the DOD Appropriations Bill.

We can protect our oceans, treat harmful hazardous waste safely, and scrap ships responsibly if we're willing to make the commitment to do the right thing. The language incorporated into the VA–HUD Bill takes that approach and resides there largely because of the effort and persistence of the good Senator from Maryland. I urge my colleagues to support that language, and to oppose any efforts to weaken it or strike it.•

Mr. SARBANES. Mr. President, I rise in support of the VA–HUD Appropriations bill. I thank Chairman BOND and Senator MIKULSKI, my good friend from Maryland, for their efforts in bringing this bill to the floor so quickly. I know how difficult it is to balance the many competing needs contained in this appropriations bill. Senators BOND and MIKULSKI are to be commended for the good bill that they have produced.

As Ranking Member of the Committee on Banking, Housing and Urban Affairs, I am particularly pleased with the appropriations for HUD. S. 2168 provides an increase in appropriations to HUD over what was enacted in FY 1998. I applaud these funding increases and I believe they will go a long way toward helping our neediest citizens. However, I am concerned that they fall somewhat short of the Administration's request—and considerably short of what is needed to address the severe housing and community development needs in this country.

Today, only about one out of every 4 households in need of housing assistance receives it. This includes households living in public housing, assisted housing, and housing built with the tax credit and HOME funds. Of the roughly 12 million unassisted families, approximately five and a half million have worst-case housing needs. These families are paying more than half of their incomes every month in rent, or live in physically substandard housing, or both.

My colleagues on the Appropriations Committee recognize this need. For the first time since 1995, they have provided for additional incremental vouchers; $40 million has been appropriated to support roughly 7,000 to 8,000 welfare-to-work vouchers—vouchers that will play a crucial role in helping smooth the transition from welfare to work. Furthermore, the appropriators have deleted a provision in current law which requires housing authorities to retain vouchers and certificates for a period of three months upon their turnover. This simple change means that as many as 40,000 additional low-income families will be served by the Section 8 program each year. I commend the appropriators for implementing this change.

While I applaud the direction S. 2168 moves us, I am discouraged by the pace. I fully understand the constraints in which the Committee has to work, but these constraints are artificial. CBO tells us to expect up to $63 billion in budget surpluses for FY '98, and hundreds of billions of dollars in surpluses over the next ten years. At least some portion of these funds should be returned to the HUD budget, which has been sacrificed over the years in the name of deficit reduction.

An appropriate start would be to fully fund the Administration's request of 50,000 welfare-to-work vouchers. A recent HUD study found that the fastest growth in worst case housing needs during the 1990s has been among working families. These findings indicate that wages earned by lower income working families simply have not kept pace with the escalating cost of housing. Welfare-to-work vouchers help fill the gap between real wages and housing costs. Additionally, they help unemployed and underemployed individuals move to where jobs are available. Finally, welfare-to-work vouchers build new partnerships between housing agencies and other local agencies which promote and implement welfare reform. For all of these reasons, it is important that more welfare-to-work vouchers are available in future years.

We should also be providing funding to fulfill the President's request of 34,000 vouchers for homeless persons. Homelessness continues to be a significant problem in this country. It is estimated that as many as 2 million people will experience homelessness at some point in the next year. Some of these people have chronic disabilities that lead to chronic homelessness; others experience unanticipated problems such as job loss or a sudden illness which results in displacement from their housing.

That is why I strongly support the appropriators' decision to substantially increase funding for homeless programs, and their decision to include a recommendation that 30% of all funding be allocated to permanent housing. These gestures indicate a real commitment to attaching permanent solutions to the problem of homelessness. But make no mistake. Vouchers are an essential tool for addressing the needs of the homeless. A tenant-based voucher provides immediate assistance to families in need, and is a much better and cheaper housing alternative than a shelter. Project-based vouchers can leverage funding for supportive housing developments, which provide essential services for chronically disabled and chronically homeless individuals.

I am also pleased to see a renewed commitment to the HOPE VI program. S. 2168 would increase funding for the HOPE VI program by $50 million. This program has provided a crucial source of funding for redeveloping obsolete public housing developments and transforming entire neighborhoods. HOPE VI funds are used to leverage other public and private funds which can be used to promote resident self-sufficiency and economic independence. I have witnessed first-hand the impact that this program has had on communities in Baltimore, and I commend the appropriators for pledging more funds in support of these vital initiatives.

In order to succeed, however, public housing needs more funding. Without adequate operating subsidies, public housing authorities cannot pay for the day to day operations of their housing developments. PHAs are forced to put off routine maintenance and small capital projects. Over time, this leads to a greater demand for large scale capital improvements. It is currently estimated that PHAs would need roughly $4.5 billion of capital funds per year for 10 years just to address their backlogged capital needs. The Senate appropriation of $2.55 billion in capital funding for FY 1999 represents a $50 million increase over the level enacted in 1998, but does not come close to addressing the severe need for public housing capital improvements.

It is regrettable that S. 2168, while providing a much needed $75 million increase for Community Development Block Grants, does not adequately fund the Administration's Economic Development Initiative. The EDI supports grants and Federal loan guarantees which municipalities can use to leverage private capital for business loans, community development banks, revolving loan funds, large scale retail developments, and welfare-to-work projects. HUD requested $400 million to fund EDI in FY '99, anticipating that this would leverage $2 billion in private sector loans and create roughly 280,000 jobs in needy communities. Economic growth and jobs are the key to revitalizing urban areas, and the EDI fosters these opportunities. It is unfortunate that the EDI could only be funded at $85 million.

I am pleased that the appropriators showed a commitment to homeownership by expanding the FHA single family mortgage insurance program. This program is the best tool that the Federal government has for helping low- to moderate-income families become homeowners, and it doesn't cost the taxpayer a single dime. It is well documented that the FHA program serves a higher proportion of low-income, minority and first-time homebuyers than any of the conventional home loan products. By increasing the loan limits for this program, we should see a further expansion in homeownership throughout the country—both in high cost urban areas and lower cost rural regions.

S. 2168 also contains language which would require HUD to engage in a lengthy and resource consuming effort to redefine their fair housing mission. While I appreciate the need to have a clear mission statement, I am concerned that the process prescribed in S. 2168 will be detrimental to the Office of Fair Housing and Equal Opportunity's ability to fight housing discrimination. The Department's standard policy making procedures require that the public and Congress be notified when significant policy changes are being contemplated. Additional requirements beyond this will hamstring the Office, and take away resources which could be deployed to meet program goals.

Mr. President, I would like to thank my colleagues for all of their hard work. They are to be commended for substantially increasing the Federal commitment to housing and economic development programs in a climate of limited resources. I regret that we cannot do more at this time in the areas I have outlined, but S. 2168 is a good bill and I urge all of my colleagues to join me in supporting it.

FEMA

Mr. WELLSTONE. Mr. President, I want to acknowledge the good work of my colleagues, Senator BOND and Senator MIKULSKI, for taking on the difficult task each year of drafting the VA-HUD appropriations bill. I don't think many of us envy the job they have or the difficult choices they have had to make.

I have come to the floor today to talk about a small but very important agency that is funded in under the VA-HUD Appropriations bill—the Federal Emergency Management Agency or FEMA.

My first experience with FEMA was during the devastating floods that swept through Minnesota in the Spring of 1993. Most recently, I traveled with James Lee Witt to tour the damage caused by tornadoes this spring from Comfrey to St. Peter, Minnesota. I never thought that I would be forced to learn the intricate ins and outs of FEMA's programs and other emergency assistance programs, but I have. Since the flood of 1993, FEMA has been there on several occasions to help Minnesotans as they struggled through the early days after tornadoes and blizzards and floods to rebuild their lives and communities.

I want to thank James Lee Witt the Director of FEMA for all of his help over the years.

I really had the opportunity to get to know James Lee during last year's devastating flood of the Red River. He is one of the President's most outstanding appointments, a dedicated public servant and a great guy. Spending time with James Lee always has a catch, because it usually means that something really bad has happened in your state.

The good news is that it also means that something good is about to happen. Because FEMA comes in fast, comes in ready and works in partnership with state and local communities and authorities. FEMA is a great partner to have.

Under the direction of James Lee Witt, FEMA has undertaken a new program called Project Impact, a predisaster mitigation program. With Project Impact, FEMA joins in partnership with local communities and private sector businesses to educate residents on the steps they can take to reduce the damage disasters bring to our families and communities. This is another example of FEMA being a good partner.

FEMA and Director James Lee Witt have been there on many instances to help my state. I want to thank them for their assistance. Following our action here on the floor of the Senate, this bill will move to conference. At that time I hope that our conferees will remember the needs of a small agency with a big job—FEMA—and support the level of funding that was requested in the President's budget.

STATE REVOLVING LOAD FUNDS

Mr. BOND. Mr. President—I would like to take some time to talk about the Clean Water and Safe Drinking Water Revolving Loan Funds.

First, let me say that the Clean Water Act has been one of our most successful environmental statues. Our success is measurable and indisputable. We must ensure that the progress made continues.

Enacted in 1972—we have seen impressive gains in our water quality protection.

Most of us are familiar with the Cuyahoga River fires. We are all familiar with rivers and streams that we couldn't let our kids swim or fish in.

Here in Washington, Lyndon Johnson called the Potomac River a "national disgrace".

The Clean Water Act, and more importantly, with the cooperation and dedication of the American people and industry, the majority of our rivers, lakes, and streams are fishable and swimmable.

But, we still have a ways to go.

Why?

One reason is that statistics show that beaches, rivers, and lakes are the number one vocation choice for Americans. Whether people go to swim, boat, or one of my favorite past-times—fish, keeping our rivers, lakes, beaches, and streams clean is imperative for public health, the environment and the economy.

In addition, it has already been "shown" that improving the water quality of the Potomac, or the Lehigh in Pennsylvania, or the Shenandoah in West Virginia is not just an environmental and public health success, but an economic one as well.

According to EPA's 1999 Annual Plan Request, "Safe drinking water is the first line of defense in protecting human health." In addition, "Safe drinking water is essential to human health and contaminated drinking water can cause illness and even death, and exposure to contaminated drinking water poses a special risk to such populations as children and the elderly."

Today, we have close to 58,000 community water systems that are providing drinking water for 80 million households.

According to statistics this country has over 3.5 million miles of rivers and streams, 41 million acres of lakes, and 58,000 miles of ocean shoreline.

Cleaning up our nation's wastewater and assuring safe drinking water should be, must be, at the top of our environmental priority list.

Putting our resources to work where the risks are known and the benefits—both environmental and public health—are real and tangible! Setting priorities and making progress. Protecting public health and the environment. Investing our taxpayer dollars the right way. That is what investing in our water infrastructure is about.

Mr. President, despite the fact that the Administration has claimed clean water as a top priority, the President proposed a reduction of $275 million in the Clean Water and Drinking Water Revolving Loan Funds for fiscal year 1999.

As Chairman of this Subcommittee, I have made a priority of state revolving funds for water infrastructure financing—providing over $6 billion for SRFs since becoming chairman.

I know. Senator MIKULSKI knows. More importantly, this Congress has "shown" that the state revolving funds are critical for ensuring the nation's water is protected and safe drinking water is provided to commities across the country.

The state revolving funds stretch the federal dollar significantly through leveraging and cost-sharing features, helping to meet the very large need for water infrastructure financing.

The $14.3 billion federal investment into the clean water SRF has generated an additional $11.4 billion for wastewater projects, including $8.7 billion in net leveraged bond proceeds. This loan pool of $25 billion has resulted in almost 6,000 project loans! This is a very substantial and gratifying return on the federal investment.

According to EPA, the SRF program buys up to 4 times more environmental protection for the federal dollar than traditional one-time grants over a 20-year period.

EPA has identified the national need for infrastructure financing at over $130 billion just in the wastewater area alone. EPA has identified over $135 billion in drinking water infrastructure needs.

Mr. President, there are two glaring reasons of why investment in our water infrastructure is imperative.

First are tuberculated drinking water pipes.

Let me give you the definition of "tubercle." Tubercle is a "small, rounded prominence or process, such as a wartlike excrescence on the roots of some leguminous plants." In other words, there is something growing.

Too many drinking water pipes providing water to communities—water that comes out of your faucet in your kitchen sink and bathtub—are tuberculated. But it is rare that anyone ever thinks about it.

Too often no thought is given to the pipes until we become sick or there is an outbreak in the community.

The second reason is a sanitary sewer overflow.

A sanitary sewer overflow is a release of raw sewage often into lakes, rivers, and streams.

We still have instances of raw sewerage overflowing into our lakes. As I mentioned earlier, EPA has estimated over $130 billion in wastewater needs. Continued improvements to our wastewater infrastructure will help us conquer the problem.

For example, according to the EPA, improved sewage treatment is recognized as the single biggest factor in the Potomac River's restoration.

Our wastewater infrastructure, like our drinking water infrastructure, is out of sight. We forget that in some cases we have century-old facilities. All too often, we have facilities that have not been able to keep in step with the population growth and treatment needs.

Like our nation's highways, in many areas our water infrastructure has well exceeded its design life. Add to the expired design life, increased capacity and increased federal and state regulatory requirements and we have a potentially disastrous situation.

I was reading a brochure about clean water given to me by the National Utility Contractors and came across the following:

> Before you build homes, establish businesses, or pave the streets, a dependable wastewater treatment system must be in place.

Way too often we tend to forget this basic fact.

Mr. President, I have made, and will continue to make, a commitment in protecting our nation's water. I look forward to continuing to work with my colleagues in the House and Senate to ensure that our progress continues in protecting public health and that real environmental gains and progress are made.

KYOTO PROTOCOL

Mr. BOND. Mr. President, there has been a great deal of discussion over the past year on the Kyoto Protocol and concerns about efforts to implement its requirements prior to Senate ratification.

We may disagree about whether or not the global climate is warming—and there certainly is no scientific consensus on the matter. But regardless of the scientific uncertainties and the differing views on the issue, one thing is certain: the level of greenhouse gas reductions called for in the Kyoto Protocol have the very real potential of inflicting serious economic harm on the U.S. economy.

The agreement reached last December in Kyoto would, according to numerous studies, lead to significant job less and substantial lifestyle changes for Americans. Energy prices could rise dramatically. One study by Charles River Associates and DRI/McGraw-Hill, for example, projected that in my state, industrial electricity prices could increase 54.4 percent.

Mr. President, this kind of increase in electricity prices would be devastating to small businesses, farmers, large manufacturers who employ thousands, and individual consumers, including those with limited incomes who would be hardest hit.

From the numerous studies that have been done to determine the effects of implementing the Kyoto Protocol, we know that we could expect a serious economic disruption. What is not so clear is whether there is a global climate change problem, and if so, how significant it is and what is its cause.

Therefore, I believe we must continue the debate and try to gain a better understanding of climate change and what action might be needed. To do so, we must continue funding of research and technology development. We must continue to support the voluntary efforts that many companies have undertaken to reduce greenhouse gases. And we must continue to support energy efficiency programs.

What we should not do at this time is to begin to implement the reduction requirements called for in the Kyoto Protocol. That should not happen until there has been a full debate and until this body has given its advice and consent to ratify the Protocol.

The Administration has assured Congress that it is not their intent to implement the Kyoto requirements in the absence of Senate ratification. Those assurances are appreciated. There is evidence, however, that efforts are underway to begin to implement the Kyoto requirements prematurely.

This is a concern because, as I said earlier, there is a potential for serious economic harm if the Protocol is implemented. Until we have eliminated the uncertainties surrounding climate change, and until we have had a full, open debate on the issue and appropriate responses, we should not embark on a path that could lead us into economic disarray. Implementation before ratification is not the responsible—nor constitutional—way to go.

That is why the Senate Appropriations Committee included in the VA/HUD report language clarifying that no funds should be used to implement the Kyoto Protocol. We must continue to provide for research efforts and other important programs that make sense, such as energy efficiency and voluntary initiatives, but we should not begin to spend funds for a Protocol that has not yet been determined to be in the best interests of our country.

Mr. KERRY. Mr. President, I want to thank Senator BOND and Senator MIKULSKI for their hard work in bringing this bill to the floor so quickly and with such widespread support. It is a good bill—one which balances a number of competing demands while reinforcing the Senate's commitment to create new affordable housing and community development opportunities. This is not an easy task, and they deserve congratulations for successfully juggling many differing needs and interests.

While I wish that it could be more, I was pleased that President Clinton requested $50 million in funding for the cleanup of Boston Harbor. I am disappointed that the bill does not allocate funding for this project and other important water and sewer projects in Massachusetts. However, I am pleased that the House of Representatives has funded four important water and sewer projects in Massachusetts. I will be working to ensure that funding for Boston Harbor and other important water and sewer priorities are included in the Conference Report.

I believe that the overall budget for the Environmental Protection Agency is adequate. However, I am disappointed that bill does not include $600 million in funding to accelerate the cleanup of superfund sites which protect the public health.

I am also delighted that the bill includes a $500,000 appropriation to undertake interior restorations of Symphony Hall in Boston. For almost a century, Symphony Hall has been among the finest concert halls in the world and has been the center for classical music for the City of Boston and the New England region. These funds will be used to undertake interior renovations of Symphony Hall, including updating of the electrical, climate control, and fire protection systems.

I am pleased that the bill increases the level of funding that would be made available for medical care, benefits, pensions, and assistance programs to our nation's veterans in Fiscal Year 1999. I strongly believe that the administration's budget request for veterans—especially for VA medical care—sorely shortchanged the medical care needs of our veteran population as it is increasing in age and requiring additional health care attention. We have a moral obligation to ensure that all 25 million American veterans have adequate benefits and access to the best possible health care available.

I will continue to work diligently with my colleagues to find effective means to compensate veterans for smoking related illnesses and disabilities that directly resulted from the use of tobacco products during the veteran's active military service. Regrettably, the amendment raised by Senator WELLSTONE—that would have restored the ability of veterans to receive tobacco-related benefits eliminated with the enactment of the Transportation Equity Act for the 21st Century—did not pass. I cosponsored this amendment with the strong belief that the VA must retain this compensatory authority so that our veterans no longer are betrayed in underhanded attempts to secure funds for unrelated programs.

There is no parliamentary procedure or backdoor maneuver that can disguise the intention of the administration and many members of the Senate to deny veterans the ability to apply for these compensation benefits and the ability to receive health care treatment for them. America's veterans are painfully aware of these attempts. It is clear that our government actually contributed to the use of tobacco by service members when it supplied tobacco products free or at reduced prices. It is equally clear that our government has the responsibility to compensate them for the suffering they have incurred as a direct result. I remain committed to our nation's veterans and will do all I can to see that they receive the health care and attention they rightfully deserve.

There are many who would argue that the government no longer needs to focus its energies on housing and economic development initiatives. They say that the economy has never been stronger. They will site seven consecutive years of economic expansion. They will site growth in the GDP of 3.9% last year—the best showing in a decade. They will point to the lowest unemployment rates in 24 years and to the more than 14 million new jobs that have been created since 1993. And indeed, these are tremendous accomplishments for which the Clinton Administration is due a great deal of credit.

But to assume that all communities and individuals are benefiting from this growth would be a grave mistake. Nationwide the poverty rate in cities increased nearly 50% between 1970 and 1995. In all metro areas, central city unemployment rates are at 5.1%, a full one and a half points higher than their suburbs. It has also been estimated that only 13% of the new entry-level jobs created in the early 1990s were created in central cities. And tragically, while the nation is experiencing record levels of home ownership, there are still two million Americans who will experience homelessness in the next year.

This growing discrepancy in economic opportunity argues for a renewed commitment to funding for The Department of Housing and Urban Development programs. Unfortunately, over the past few years, the exact opposite has occurred. Since 1995, more than $11 billion has been cut from the HUD budgets. During this same period, HUD has instituted programmatic reforms that have produced savings of more than $4.4 billion. In other words, HUD has contributed more than $15 billion in savings and deficit reduction to the Federal government during a time when demand for its programs is growing. Now that the budget deficit has been eliminated, and there are projections of budget surpluses for the next decade, it is time to start reinvesting in housing, job creation and economic development for all Americans.

I believe that this bill takes a step in the right direction. On the whole, it provides additional funding for HUD above what was appropriated in FY 1998. $40 million has been appropriated to fund roughly 7,000 to 8,000 welfare-to-work vouchers. These vouchers establish a crucial link between housing and employment opportunities, while simultaneously helping those who are making a concerted effort to get off of welfare assistance. They are important tools whose significance cannot be understated given the uncertainty of welfare reform. It is unfortunate that the subcommittee was not provided enough funding to fully support the Administration's request to fund 50,000 welfare-to-work vouchers. It is also unfortunate, given these funding limitations, that the committee chose to earmark the vast majority of these vouchers for communities which may not have the greatest need.

I want to applaud the committee for striking a provision in previous appropriations bills which required housing authorities to delay the reissuance of vouchers and certificates for a three month period. The three-month delay meant that about one-fourth of all vouchers and certificates were taken out of circulation each month. As a result of the effective leadership shown by Senators BOND and MIKULSKI, repeal of the three-month delay provision means that approximately 30,000 to 40,000 more low-income families will be provided with housing assistance each year.

The committee is also to be congratulated for enhancing the commitment to fighting homelessness. This bill provides $1 billion in homeless assistance, a 22% increase over the $823 million appropriated for FY 1998. This money will be used by municipalities and non-profit organization to fund a variety of activities, locally determined, which address the needs of homeless Americans. This bill also includes a recommendation that at least 30% of these funds be used in support of permanent housing activities. Homeless providers and policy experts are nearly unanimous in their support for this set-aside. Permanent housing is the only long term solution to the homeless problem. I regret that the committee could not fund the Administration's request for 34,000 Section 8 vouchers for the homeless, but on the whole this bill reaffirms the Senate's commitment to ending homelessness.

It funds the Community Development Block Grant program at $4.75 billion, or $75 million more than was appropriated in FY 1998. These additional funds will help communities fund economic development projects in distressed neighborhoods. Included in this appropriation is a $40 million set-aside for the Youthbuild program. I am the primary author of the YouthBuild legislation in the Senate. Youthbuild provides on-site training in construction skills, as well as off-site academic and job skill lessons, to at risk youth between the ages of 16 and 24. Approximately 7,300 young people have participated in Youthbuild programs to date. By increasing funding for this program by $5 million over what was enacted in FY 1998, the Senate has demonstrated a firm commitment to this very important program. More is needed, however, to help this program grow to meet the demand for these services. I will be working to increase the funding for this worthy program to $70 million in the Conference Report.

It is unfortunate that the committee could only make $85 million available for the Economic Development Initiative, another very important set-aside under CDBG. The EDI supports grants and Federal loan guarantees which allow municipalities to leverage private capital to promote economic development. HUD requested $400 million for EDI in FY 1999. At this higher level of funding, the EDI fund could serve as a mechanism for providing incentives for standardization of economic development loan criteria. Such standards could eventually serve as the foundation for development of a private secondary market for economic development lending—a step whose significance cannot be overstated. Our mortgage markets are the envy of the world because of their depth and liquidity—neither of which would be possible without the existence of government-sponsored secondary markets. These principles should be applied to economic development lending, and an enhanced EDI fund could provide the crucial first step. I hope that this need can be better addressed in conference.

We are currently seeing record levels of home ownership in this country, and HUD should take great pride in this accomplishment. The committee recognized the importance of home ownership, and has expanded the FHA single family mortgage insurance program to better reflect today's housing prices in high cost urban and rural areas. I support this provision. The FHA program is one of the most effective tools the government has for assisting low-income, minority and first time home buyers, and the modest expansion proposed by appropriators will help more middle income Americans realize the dream of home ownership. But we need to ensure that all who qualify for home ownership, regardless of race, creed or color, are afforded an opportunity to purchase a home in the neighborhood of their choice. Discrimination, as intolerable and deplorable as it is, is still a significant problem in this country—especially in the home purchase and rental market. That is why it is important to promote HUD's Office of Fair Housing and Equal Opportunity. The programs run out of this office support investigations, training, technical assistance, lawsuits and other locally developed initiatives that target and eliminate housing discrimination. Unfortunately, this bill falls considerably short of the Administration's request to fund these programs at $52 million for FY 1999. Worse yet, it institutes an onerous policy development requirement which may actually diminish FHEO's capabilities to protect Americans against housing discrimination. I believe the Department's fair housing policy is best set through the regular notice and comment rulemaking process, which takes into account the views of the public and the Congress. Adding additional requirements beyond this process will burden FHEO and hamper their vital mission.

Mr. President, this appropriations bill is not perfect. In addition to some of the shortcomings I've already highlighted, S. 2168 contains a significant cut in the public housing operating fund and continues to starve public housing of much needed capital funds. It does not fund HOME, lead-based paint initiatives, or homeless assistance at the levels requested by the Administration. Nonetheless, the bill has managed to increase funding for a number of very important HUD programs, which is no small task in a resource-starved environment. This bill places housing and economic development issues in the forefront of public debate, and takes a step in the direction of helping those who have yet to benefit from our nation's recent economic growth. I urge all of my colleagues to join me in supporting it.

AMENDMENT NO. 3199

Mr. DODD. Mr. President, had I been present for the vote regarding waiving the Budget Act for Senator WELLSTONE's amendment, I would have voted to waive the Budget Act. Senator WELLSTONE's amendment addresses the same issue as the point of order Senator MURRAY raised earlier this week. I supported Senator MURRAY then in her effort to ensure that veterans receive the compensation they are due, and I support Senator WELLSTONE. Although the Budget Act was not waived by a vote of 54–40, Senator WELLSTONE's effort was fitting and praiseworthy.

Veterans who suffer from smoking-related illnesses must be compensated by the government that encouraged them to smoke during their military service. During World War II, the government included cigarettes in the rations it issued to troops. Long after the government stopped issuing cigarettes, a "smoke 'em if you got 'em" culture pervaded military life. That culture led troops to begin and continue smoking, so this government has an obligation to do right by the men and women who once fought this nation's enemies. Many of those men and women are now locked in a different sort of combat. They battle against life-threatening, smoking-related illnesses, and in the meantime, this government is shifting funds away from veterans to pay for roads.

Today, the addictive nature of cigarettes is well known. Many veterans now smoke because they started during their military service. The government cannot deny this fact, nor can it walk away from veterans by denying them the compensation they are due. I will continue to stand with my colleagues who support providing for our veterans' needs.

PROSTATE CANCER RESEARCH

Mrs. BOXER. Mr. President, I introduced the Prostate Testing Full Information Act in June of 1997 following a series of town hall meetings in my State of California. At these meetings, we brought together the top prostate cancer experts in the State, the head of the urology branch at the National Cancer Institute, and prostate cancer survivors. Participants at these meetings reached consensus that Congress needs to do much more to fight prostate cancer. I introduced my bill to mobilize Congress on this issue and to increase resources to help the thousands of men who suffer from prostate cancer.

Last month, President Clinton announced the release of $60 million for prostate cancer research grants in a promising new Department of Defense program. This DoD research complements research at the National Institutes of Health. It is an essential component of the national effort to find effective treatment for prostate cancer.

To institute this program at the $60 million level, the DoD had to combine two years of appropriations. Even then, the program was only able to fund 25 percent of the worthwhile research projects presented. Every meritorious grant that goes unfunded is a missed opportunity to find a cure.

To ensure the strength of the DoD program, Congress should appropriate $80 million for fiscal year 1999. This would include $60 million to continue funding peer-reviewed research projects, and $20 million to maintain other elements of the DoD prostate cancer program, such as the prostate cancer imaging project at Walter REED Medical Center and research initiatives to target minority populations. To appropriate anything less than $80 million would send a devastating message to the men living and dying from this disease, to their families, and to the scientific community that is working to find a cure.

The Senate Appropriations Committee has proposed, at a minimum, funding prostate cancer research at the same level as last year. That proposal is not good enough. We need to do more on prostate cancer—not the same as we have done in the past. The Senate proposal does not provide sufficient funds to expand prostate cancer research. We need to appropriate at least $80 million for prostate cancer research at the DoD if we are to reach our goal of funding a cure for this disease.

41,800 American men will die from prostate cancer this year. It is the most commonly diagnosed non-skin cancer among all Americans. More than 15 percent of all new cases of cancer this year in America will be prostate cancer, but less than 4 percent of total federal cancer research funds go to prostate cancer research. In the United States, prostate cancer kills about the same number of men each year as breast cancer kills women, yet prostate cancer receives only one-sixth of the research funding for breast cancer. This does not mean we should cut breast cancer research. Rather, we need to significantly increase our commitment to prostate and other cancer research.

Yesterday, 575 men were diagnosed with prostate cancer; another 575 men will be diagnosed today. 114 men died yesterday of prostate cancer and that same number will die today. We cannot make a difference for yesterday or today. But we can and must make a difference for tomorrow. I urge my colleagues to support this increase in funding for prostate cancer research at the Department of Defense so we can make true progress in the fight against devastating disease.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Mr. LEAHY. Mr. President, I would like to commend Senator BOND and Senator MIKULSKI for once again crafting a VA-HUD Appropriations bill which deals fairly with a wide variety of competing programs and interests. I know that budget constraints have made the job especially difficult in recent years, but within those constraints in general, this bill reaches a very good balance.

There are two provision in the bill which I have concerns about and which I hope can be addressed in conference. The first is funding for the Community Development Financial Institutions (CDFI) Fund. The Senate bill provides $55 million for this important program, $25 million below last year's level and $70 million below the President's request.

The CDFI Fund is an economic development initiative that was adopted with overwhelming bi-partisan support several years ago. The program is an important investment tool for economically distressed communities. CDFI leverages private investment to stretch every Federal dollar. The VA-HUD Appropriations bill reported by the House Appropriations Committee includes level funding for CDFI, still well below the level requested by the Administration. This program is working effectively in communities across the country, and I believe additional resources are needed to maximize the value of this important Federal investment. I look forward to working with Senator MIKULSKI and Senator BOND during conference to provide additional funding for this program.

The second provision I would like to address is Section 214 of the Senate bill. Section 214 specifically prohibits the Department of Housing and Urban Development (HUD) from providing any extra points or preferences to grant applications from Empowerment Zones or Enterprise Communities on the basis of their special designation. This prohibition is in direct opposition to the approach Federal Departments have taken since the creation of the Empowerment Zone program, of providing modest advantages to applications from designated communities. The grant preferences HUD offers to designated communities are indeed modest, two points out of a total score of 100. These extra points will not provide the boost needed to allow bad applications to be chosen over good ones just because the poorer application is submitted from an Empowerment Zone or Enterprise Community. What they do provide is an incentive for designated communities to continue to pursue the initiatives they set out in their application for Empowerment Zone status. I strongly oppose this provision and will work with Senator BOND and Senator MIKULSKI in conference to drop it from the VA-HUD Appropriations bill.

Mr. KENNEDY. Mr. President, despite overwhelming public opposition to weakening protections for the environment and public health, some members of Congress are attempting to do so indirectly, by including anti-environment and anti-health directives in committee reports accompanying this year's appropriations bills. Often, these policy directives flatly contradict specific laws or the statute books.

One particularly insidious example would endanger children. In the last

Congress, with broad bipartisan support, we enacted the Food Quality Protection Act to provide safeguards against exposure to dangerous pesticides. But now, the Senate committee report accompanying this VA-HUD Appropriations Bill contains language that could delay implementation of key parts of this law for years, prolonging exposure of children to pesticides used in treating high chairs, sponges, cutting boards and other products used by children.

The use of pesticides in these products is unauthorized, but unauthorized uses have become a serious problem in recent years. Some manufacturers are taking pesticides intended for other uses, and using them in connection with common household products, and advertising the products as safe. Very little research has been carried out to determine whether these household uses are safe. Until they are shown to be safe, their use in such products should be restricted. EPA has the authority to do so, and EPA is right to do so.

Under the Food Quality Protection Act, the Environmental Protection Agency has recently acted against manufacturers who use pesticides in ways not approved by EPA. Usually, the manufacturers make unproven claims that their products kill salmonella or other germs, and state or imply that the products are safer for children than other products on the market that have not had such treatment.

The Committee report on the current bill asks EPA to go through the process of promulgating a formal rule before moving forward with such enforcement actions. EPA has already given extensive opportunities to the industry to comment on the agency's rules on this issue. A formal rulemaking procedure is unnecessary and will result only in delay of needed action and needless litigation to block such protection.

Obviously, committee report language cannot change current law. I urge the Administration to ignore all policy directives in reports that are inconsistent with existing law and that would undermine the environment and public health. EPA should continue its important mission of protecting the environment and children's health.

Mr. MURKOWSKI. Mr. President, today I rise to thank my colleague, the Chairman of the VA/HUD Appropriations Committee, Senator BOND, for including in this appropriations bill an important provision—one that would unlock and open the door to many first-time home buyers.

As we are all aware, it is often the downpayment that is the largest impediment to home ownership for first-time home buyers. The Federal Housing Administration (FHA) began a pilot program two years ago to help families overcome that impediment by lowering the downpayment necessary for an FHA home mortgage.

Mr. President, I am pleased to say that the pilot program, which is located in Alaska and Hawaii, has reported great success.

This pilot program is effective because it accomplishes two feats: (1) it lowers the FHA downpayment, making it more affordable; and (2) it makes the FHA downpayment calculation easier and more understandable for all parties to the transaction. The pilot program requires—on average—only a minimum cash investment of three percent for home buyers.

Earlier in the year, I and Senators STEVENS, AKAKA and INOUYE, introduced a bill that amends the National Housing Act by simplifying the current complex downpayment formula. The simplified formula creates a lower, more affordable downpayment. Our bill would extend this lower and simplified downpayment rate to perspective home buyers across the country.

Mr. President, the pilot program is a win-win situation: affordable homes are made available to responsible buyers without any increase in mortgage default rates. Here's what mortgage lenders have reported:

> There is no indication of increase in risk. The loans we have made to date have been to borrowers with excellent credit records and stable employment, but not enough disposable income to accumulate the cash necessary for a high downpayment.—Richard E. Dolman, Manager, Seattle Mortgage, Anchorage Branch.
>
> Is the 97% program working? The answer is a resounding YES!. . .In this current day, it takes two incomes to meet basic needs. To come up with a large downpayment is increasingly difficult, especially for those just starting out. The 3% program is a good start. . .I do not believe that lowering the downpayment increased our risk. . .—Nancy A. Karriowski, Alaska Home Mortgage, Inc., Anchorage, Alaska.
>
> We have experienced nothing but positive benefits from the FHA Pilot Program Loan Calculation in Alaska and Hawaii.—Roger Aldrich, President, City Mortgage Corporation, Anchorage, Alaska.

In fact, but for the pilot program, approximately 70% of the FHA loan applications in Palmer, Alaska would be rejected, simply because the buyer could not afford the downpayment. Mr. President, thanks to this pilot program, more and more deserving Alaskans are becoming home owners.

Mr. President, our legislation has the support of the Mortgage Bankers Association of America, the National Association of Realtors, the National Association of Home Builders and the U.S. Department of Housing and Urban Development. They believe, as I do, that borrowers in all states should benefit from the simplification of the FHA downpayment calculation.

Therefore, I am pleased that the Chairman of the Subcommittee has included in this appropriation bill a provision to expand the Alaska/Hawaii demonstration program to all states. The provision only offers the program as a two-year demonstration project, whereas, my legislation would have made it permanent—but I understand the Chairman's desire to continue evaluating the costs of this program before permanent status is granted.

Mr. President, I firmly believe that helping American families realize their dream of home ownership is vital to the Nation as a whole. This important provision in the VA/HUD appropriations bill does much to assist families in owning their first home—thereby making the American dream of home ownership a reality.

Mr. HARKIN. Mr. President, with respect to the HUD Section 811 program, does the bill provide for continued funding for the "mainstream" voucher and certificates program?

Mr. BOND. The bill allows HUD to direct 25% of the funds allocated for the HUD Section 811 toward tenant-based rental assistance for people with disabilities—$48.5 million. Congress has allowed HUD to transfer these funds for "mainstream" vouchers and certificates in both FY 1997 and FY 1998. In addition, the bill grants HUD specific waiver authority with respect to existing programmatic requirements under Section 811. This limited waiver authority is intended to assist HUD in furthering the overall goals of the 811 program by increasing housing opportunities for persons with the most severe disabilities.

Mr. HARKIN. I believe that the voucher and certificate 811 program would be more beneficial to those with significant disabilities if non-profit organizations with significant experience providing such services would be fully engaged, working with housing authorities. And, I believe that HUD should give favorable treatment to applications providing for substantial assistance by non-profit organizations with experience in helping the severely disabled.

Mr. BOND. I agree. As my colleague knows, non-profit organizations that traditionally serve persons with severe mental and physical disabilities are a critical part of the success of the section 811 program. Any federal programs intended to meet the housing needs of people with mental and physical disabilities should draw in the expertise of organizations that have experience in providing supports and services to adults with severe disabilities. By contrast, the current "mainstream" voucher and certificate program does not currently consider this very important issue in the allocation of certificates and vouchers. Housing authorities should be encouraged to increase their coordination with non-profit organizations and the awarding of the vouchers and certificates should be based, in part, on that factor.

Mr. HARKIN. I appreciate the Chairman's assistance in this matter.

RECOGNITION OF OZANAM IN KANSAS CITY, MISSOURI

Mr. BOND. Mr. President, I rise today to recognize Ozanam in Kansas City, Missouri for its service to the community. For fifty years, Ozanam has been helping children and families in turmoil. Ozanam facility and staff help children reach their full potential and become productive members of society.

Ozanam began in the home of Mr. Al Allen, a Catholic Welfare Staff member, who after noticing the lack of help for emotionally disturbed adolescents, took it upon himself to bring six boys into his own home to give them long-term care, education and guidance. However, in just a year's short time, the need for a larger facility became apparent. Presently, the agency occupies 95 acres including two dormitories, a campus group home, a special education center that contains vocational training classrooms, indoor and outdoor recreation facilities and a spiritual life center.

During its existence, Ozanam has had some outstanding staff and administration to help the more than 4,000 children who have stayed there. Paul Gemeinhardt, President, Judith Hart, Senior Vice President of Development and Doug Zimmerman, Senior Vice President of Agency Operations, deserve special recognition for their undying commitment and service to Ozanam.

I commend the staff of Ozanam for their untiring dedication to helping children and their families in their time of need. I join the many in Missouri who thank Ozanam for its good work and continuing efforts to better the community. Congratulations for fifty years of service.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, I just wanted to raise an issue to my colleague from Missouri, the manager of the bill, and the distinguished Senator from Maryland. This is just as an issue to raise with you. We may want to take a look at it. I regret I didn't bring this up earlier.

Under the present system, as I understand it, nurses at VA hospitals do not receive cost-of-living adjustments. It is based on locality pay. In many areas around the country, nurses in our VA hospitals have not been getting raises. It is a bit more complicated an issue than just a simple amendment to deal with this, but for the last 3 years, in many veterans hospitals there have been no cost-of-living or locality increases during a robust economy.

Many of these, mostly women but some men, work very hard on behalf of our veterans. I know all my colleagues know and understand this. I urge, if we could, maybe enter into a colloquy in some way and look at report language in which we might examine that issue in terms of how, for nurses who work in these hospitals, we may be able to work out some better pay increase arrangement for them at these VA hospitals. I really raise that for the consideration of the two managers of the bill.

I apologize for interrupting what I know is a decision to just move to final passage on this bill.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, frankly, I am not aware of this problem, but I sincerely appreciate the Senator from Connecticut raising it because it sounds like a very serious problem. I can assure the Senator, our staffs and we will work with the Senator to try to get to the bottom of this because we want to maintain the highest caliber professional service to our veterans in the VA system.

I am not prepared to say anything about how it is occurring or why, but I assure the Senator we appreciate his bringing it up and we will look into it and work on it. Perhaps in conference we can take some action.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, I thank the Senator from Connecticut for raising this issue. It is never too late to raise the issue about the quality of care that our veterans get. That means we need to be able to retain the very best from our nurses. The Senator has brought to our attention an issue which I believe has not been raised before. As we move to conference, you have the assurance of your colleague on this side of the aisle, we will look into the matters raised and see how we can do the redress in conference, if a remedy is necessary.

But you have really brought something to our attention. It is important to the nurses who give care that they get paid and are retained, and we say thank you by adequate pay. Second, it has a direct impact on veterans' care, because the more we retain the best, the better care they get. So I thank the Senator from Connecticut.

Mr. DODD. Madam President, let me say, I thank both the distinguished Senator from Missouri and the distinguished Senator from Maryland for their comments. As I said, I think it is a complicated issue. I don't mean to suggest it is simple. But I really do appreciate—I know the nurses all across the country who work in our veterans hospitals really appreciate the attention I know our colleagues will give to this issue, to see if some mechanism can be offered to try to address this issue.

I am very grateful to both of them. I know the nurses in the hospital in West Haven, CT, are, and I am certain they are in other parts of the country as well.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

(The text of the bill (S. 2168) will be printed in a future edition of the RECORD.)

Mr. BOND. Madam President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. LOTT. Madam President, I know there may be a couple of statements by the managers of the bill. I thank them for the work they have done. They stayed here until about midnight last night.

The distinguished chairman from Missouri and ranking member, Senator MIKULSKI from Maryland, have done outstanding work. By staying here until midnight last night, they completed a bill that probably would have taken 2 full days next week, so I congratulate them for their good work. We just passed the HUD-VA appropriations bill. That is the fourth appropriations bill this year.

We will next proceed to the legislative appropriations bill. However, no further votes will occur during today's session. Because of the good progress we are making and the cooperation we are receiving, we can go to the legislative appropriations bill. Any votes with respect to the legislative appropriations bill will be postponed to occur at 9:30 a.m. on Tuesday. Therefore, there will be no recorded votes on Monday. On Monday, the Senate will begin the State-Justice-Commerce appropriations bill.

Mr. FORD. Madam President, will the distinguished majority leader yield for a quick question?

Mr. LOTT. I will be glad to yield to the Senator from Kentucky.

Mr. FORD. On the legislative appropriations bill, will there be no further amendments after today if we have to vote on them next week?

Mr. LOTT. I respond, Madam President, to the Senator from Kentucky, it is our intent to complete debate on all amendments with the possibility of one amendment where there could be some further debate on that on Monday. But all debate on all issues will be completed during today, except that one amendment. There could be 2 hours debate on Monday and hopefully complete it with a voice vote; hopefully complete legislative appropriations on Monday. If a vote or votes are required, they will not occur until Tuesday morning.

Mr. FORD. I am not particularly worried about when you have a vote on final passage. I am worrying about cutting off amendments, so that when

Monday comes and somebody thinks of another amendment, they will be cut off.

Mr. LOTT. We will propound another unanimous consent request to lock that in.

There will be no more recorded votes today and no recorded votes on Monday. The next will occur at 9:30 a.m. on Tuesday.

Mr. BOND. Madam President, I express appreciation to the leadership on both sides—the majority leader and the minority leader—for enabling us to get back on this bill and move it through. I thank all Senators for their accommodations and for working with us to get a very challenging and interesting bill finished.

I express particular appreciation to Senator MIKULSKI. She has been an absolutely invaluable ally in making accommodations and working out reasonable agreements on this bill. Last night she said her clear, cogent, and charismatic comments, which helped us move the bill forward in an expeditious fashion.

I express thanks to her very able staff, Andy Givens, David Bowers, and Bertha Lopez.

I thank my staff, John Kamarck and Carolyn Apostolou, as well as members of my personal staff who helped on the bill. We look forward to taking this measure to conference and working on it in the most efficient and effective way possible. I appreciate the assistance of all those who stayed with us last night. Their sense of humor continued into the small hours of the morning, and I am most grateful for that.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, first, I thank the leadership—the Republican leader and the Democratic leader—for giving us a window of opportunity which enabled us to move the bill. Yes, it was late at night, but we did due diligence and deliberation. I am proud to support the final passage of this bill. It is good for the Nation; it is good for my own home State.

We provide increases for veterans' medical care and veterans research. We fought to restore cuts in elderly housing, and we provided increases in the high-tech future through NASA and the National Science Foundation. We are going to get behind our kids in terms of the funding for national service and those wonderful informal science programs at the NSF.

We worked to protect our environment, as well as stand sentry to help our communities in the event of a disaster. I was particularly pleased to work on a bipartisan effort to increase antiterrorist efforts in the FEMA program and to make sure that we protect our Nation from any foe, domestic or foreign. That is our oath, and that is what we will do.

Also in this funding, we look for those important things that look out for the Chesapeake Bay and deal with important research on pfiesteria.

Madam President, this is a good bill. I was pleased to work with Senator BOND. Again, this is a partisan-free zone that we had called for. I thank him. I thank his professional staff for their very professional behavior. I thank my own staff for the hard work that they put into this bill, and I look forward to working in conference and perhaps getting our conference done before the August recess.

Madam President, that concludes my remarks on this bill. Again, thanks to John Kamarck, Carolyn Apostolou, Andy Givens, David Bowers, and Bertha Lopez.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

COEUR D'ALENE LAKE AND BASIN

Mr. CRAIG. Madam President, I chose not to offer an amendment on VA-HUD, and I thank Senator BOND and Senator MIKULSKI for the tremendous work that they have done.

For a few moments, if I can have the attention of the Senate, Madam President, I want to speak to an issue that is not unlike what the Senator from Nebraska spoke to last evening, a very real concern of mine and the Idaho congressional delegation and the citizens of our State. This is an issue that particularly affects north Idaho, the beautiful lakes and the mountains that we are so proud of in my State and that many of you have come to enjoy.

As I said, I was prepared to offer an amendment that would assure the Environmental Protection Agency would participate in the mediation process that is currently underway in my State over the issue of the Coeur d'Alene Basin.

On May 4 of 1998, U.S. News & World Report published an article dealing with supposed pollution in the Coeur d'Alene Lake and Basin. I read the article with near disbelief. For the first 2½ pages, I read of a land fouled by pollution, of poisoned fish and dying wildlife, and the Idaho congressional delegation "scrambling" to block the creation of a Superfund site of over 1,500—let me repeat—a Superfund site proposed of over 1,500 square miles in my State stretching into the State of Washington and the Pacific Northwest.

I read the article and said, could this be the land that I know and love, a land of beautiful forests, mountains, lakes, rivers, the Coeur d'Alene area, "considered to be one of the most beautiful mountain lakes in the world"? I have put this in quotes because it is a direct quote from the web site of the Coeur d'Alene Basin Indians. The Coeur d'Alene Indians talk about the beauty of the land, and yet the Coeur d'Alene Tribe has also filed a lawsuit asking for a Superfund natural resource damage settlement in the basin that could be up to $1 billion.

One would believe that another study is needed to understand the horrible pollution that is described in the beginning of that article.

But then I arrived on page 3 of the U.S. News & World Report article and read about the lake, this beautiful lake that I have just spoken of, a lake that meets Federal drinking water standards and that the sediments in the lake are not known to be causing problems. Indeed, thousands of people swim in this lake every year. They boat in its waters; they fish, they camp and recreate along its shores.

Over the Fourth of July break, just a few weeks ago, 40,000 to 100,000 people came to recreate in and around Lake Coeur d'Alene. Several communities draw their drinking water from the river below the lake. The water they consume continually meets tough Federal drinking water standards.

A recently completed statistical validation study by the State of Idaho, with assistance from the Coeur d'Alene tribe and a toxicologist at the Federal Agency for Toxic Substances and Disease Registry, with data analysis from the Federal Centers of Disease Control and Prevention, have said and found no contaminated fish in the waters of this lake.

The Environmental Protection Agency and other Federal agencies have spent millions of dollars from the public coffers to study the situation. Lawyers are litigating and making hundreds of thousands of dollars and building beautiful homes along the lake's shore from the money they make from this lawsuit as they describe the poisonous sediments of this lake. Now, remember, this is the lake that I just said meets Federal drinking water standards.

What is going on up there? Well, it is not unlike what the Senator from Nebraska talked about last night—an EPA that just keeps on running and keeps on moving and pushing the regulations when there is no basis under Federal law and tests for that. Looks like they have just got to have something to do.

Should we be looking for ways to address the problem rather than pursuing study after study that appears to lead to more studies? Well, I think the answer is yes. That is why the Idaho congressional delegation has introduced legislation to improve cleanup efforts rather than to fuel more lawsuits and spend more taxpayers' dollars studying the already well-defined problem.

This legislation has been approved by the Senate Environment and Public Works Committee. This is what we need to do in the Coeur d'Alene Basin. We need to stop EPA and work to resolve the issue instead of spreading it to a 1,500-square-mile area. It is impossible to believe that when we created the Superfund law that we were intending EPA to even reasonably think about an area of 1,500 square miles. That is bigger than some States here on the east coast.

I have not offered the amendment because EPA is now beginning to negotiate with the State of Idaho. I hope they can continue to work together to resolve this issue and not expand a Superfund site beyond the limited one we have that is now being well addressed and properly cared for.

I thank the chairman of the Appropriations Committee, Senator BOND, for being reasonable and working with us on this issue.

But EPA ought to get the message, and the Justice Department ought to get the message: Politics is one thing, but spending America's taxpayer money—millions and millions of dollars—to play the political game is yet another thing. To tie up the beautiful Lake Coeur d'Alene and the city of Coeur d'Alene, one of the No. 1 destination sites in the Nation for tourism and recreation, an area that you can walk out into the lake and swim in the lake and drink the water, and yet EPA is suggesting, and the Coeur d'Alene Indians are suggesting, that this should be a Superfund site? I would hope not.

In fact, I hope this Congress would wake up to the games that have been played in the EPW Committee not to allow Superfund reauthorization out because somehow it does not fit the politics of the current administration. It does not make a lot of sense, certainly does not make any sense in Idaho.

I hope EPA will continue to negotiate with our State to resolve this issue. If not, the Idaho congressional delegation will be forced to take quick action to resolve the issue here. I think finally we are going to get the understanding of our colleagues because of their recognizing that Superfund does not work anymore. It just means a lot of lawsuits and a lot of politics.

I yield the floor.

Mrs. MURRAY. Madam President, I would like to respond to the statement my good friend from Idaho, Senator CRAIG, made about the Environmental Protection Agency and the Coeur d'Alene Basin's pollution problems. I appreciate that he did not offer his amendment, which I would have opposed, because I believe it would have severely restricted the State of Washington's rights to protect its citizens from pollution generated in Idaho.

At least one version of the senior senator from Idaho's proposed amendment would have given the governor of Idaho veto power over the Environmental Protection Agency's ability to protect the watershed shared by Washington and Idaho citizens. The amendment would have prevented the EPA from even studying expansion of the existing Superfund site without the Idaho governor's permission.

This is a bad precedent. I know there are many times when decisions made in one state can affect the quality of the water in another state. In this case, the Governor of Washington has publicly stated his support for potential expansion of the Superfund site to ensure all polluted waterways are cleaned up. Why should the governor of Idaho be allowed to thwart efforts to protect the quality of water in Washington?

I don't think he should.

Madam President, I have written a letter to Senators CRAIG and KEMPTHORNE asking them to work with me to develop a way to ensure we cost-effectively clean up the Coeur d'Alene Basin while ensuring my state's interests aren't jeopardized in the decision making process. I firmly believe we can do this.

I am committed to protecting water quality in the State of Washington. I believe we could establish a working commission, which would include the federal government, both state governors, and tribes, that could develop a model by which the Coeur d'Alene Basin would be quickly, cost-efficiently, and rationally cleaned up. However, giving one state's governor veto power is not the way to do it.

I pledge to work with the Idaho delegation, the State of Washington, and concerned citizens to ensure our waters are as pure as they can be. There are few more precious natural resources than water and we all must work to protect it.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

ON THE VICTORY FOR FHA INSURANCE

Mr. D'AMATO. Madam President, I was tremendously heartened by the vote today on an amendment which would have set back home ownership tremendously. Indeed, by a vote of 69 to 27, the Senate voted to table the amendment offered by Senator NICKLES which would have limited FHA insurance to over 50 million Americans.

Currently, there are 52.5 million Americans who live in high-cost areas where FHA simply does not reflect the reality of the marketplace. In high cost areas, such as Nassau County, New York the current FHA limit of $170,000 is insufficient because the median cost for a home was $195,000 in 1997. It is nearly impossible for many young families starting out to achieve the American Dream of homeownership. Let me be clear, we are not talking about wealthy families; we are talking about a two-wage-earner couple, just married, a schoolteacher and a police officer—struggling to accumulate the necessary funds for that first downpayment.

In many high-cost areas, FHA no longer covers the cost for entry-level, new starter homes. In Levittown, Long Island—which epitomized post-war expansion of homeownership for working, middle-class families, especially for GIs returning home from the war—that opportunity, unfortunately, is becoming more difficult today. Even in times where we say the economy is booming and a nationwide rise in homeownership, families in high-cost areas are too often being left behind. Indeed, in many of these high-cost areas, the homeownership rate is lagging far behind the nationwide average. Young families starting out on their own have to come up with $25,000 for a downpayment—which is very, very difficult to achieve, especially in an area where the cost of living places such a tremendous strain on the family budget. We are not talking about people of affluence. Nor are we talking about magnificent estates or mansions, but simply average median-cost homes.

Indeed, in Long Island, where homeownership has been such a key ingredient to permitting people to work and live as part of a community, home ownership is becoming more difficult for these working, middle-class families. It is simply beyond their reach. Thankfully, today we have helped to bring relief to families in high-cost areas by raising the FHA limit. In Long Island, the area that I grew up in and live in, where there are nearly 3 million people, we will now be providing greater opportunities for young middle class families to own their own home. The current FHA limit, which is set at $170,000, is simply too low in an area where there are relatively very few homes that can be purchased in all of the island for $170,000 or less. By raising the limit up to $197,000, FHA will better reflect the reality of the marketplace where the median home prices in Nassau and Suffolk Counties were $195,000 in 1997. We will now be providing that opportunity to thousands of young families who will be looking to purchase that first home in Long Island.

Nationwide, about 21 percent of the Nation's population lives in high-cost areas. Again, this FHA increase in not for the benefit of the affluent—they do not need FHA insurance and will continue to be served by the private market. Indeed, they buy homes that cost much more than $197,000.

What we have done is, I believe, struck a blow for home ownership, for young families who want to get an opportunity, from one length of the country to another.

The mayor of Albany, Mayor Gerald Jennings, he called me yesterday. He was concerned because of the outlying communities in the Albany area. The county executive from Nassau, Tom Gulotta, called me because his housing experts advised him that too many young families are being denied the opportunity to purchase a home. They need to be able to get FHA insurance for young families who are starting out on their own.

I commend the Senate for overwhelmingly supporting this provision by a vote of 69-27 to raise the FHA limits in high cost areas. I believe we achieved a big victory for home ownership throughout this country today.

I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERREY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. Madam President, I ask unanimous consent I be permitted to speak as in morning business until 11 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY

Mr. KERREY. Madam President, the issue of Social Security has been given a new bit of attention this week. Senator JUDD GREGG of New Hampshire and Senator JOHN BREAUX of Louisiana announced their intent to introduce legislation that effectively takes the recommendations of a year-long study and recommends a number of changes.

I like their proposal, Madam President. Senator MOYNIHAN and I earlier introduced legislation that proceeds along similar lines. Senators GRAMM and DOMENICI are working on their own proposal. The President has suggested that we have a year-long discussion of Social Security and that sometime in the latter part of this year/first of next, he will call the congressional leadership in and we will try to solve this problem in 1999. That will be very difficult to do unless these discussions are conducted in an environment where we make a real effort to educate the American people about what Social Security is and what Social Security isn't.

There was a recent Town Hall meeting on Social Security in Providence, RI. I attended the first meeting in Kansas City, MO. Indeed, the President was at Georgetown when he kicked this whole thing off earlier this year. When he was introduced at Georgetown, a woman who is a student at Georgetown did something quite interesting and quite common in the Social Security debate. She said when she took her first job, she noted on her paycheck that there was a person called FICA. She went home to her mother and said, "Mom, who is this FICA person, and why are they taking so much money from me?" She had discovered the payroll tax, which is the largest tax burden on working Americans today.

I note that there is growing interest in using the surplus, that we have to use it to do some kind of a tax cut. I intend to argue that if taxes are going to be cut, it ought to be the payroll tax that gets cut. FICA is the largest tax for nearly 70 percent of Americans. The median family in Nebraska will pay twice as much in FICA taxes—in payroll taxes—as in income tax.

As this young Georgetown woman went on to say, her mother told her that FICA is a payment she is making into Social Security that she will get back out when she retires. And she hopes, she said to the President, that their discussion will lead to the protection of the money she has paid in over the years. Relevant to the discussion of Social Security, one of the things I hope the President and the Vice President will do when they are having a discussion of Social Security—is to allow workers to have just that—the ability to use a portion of their payroll taxes to create wealth for retirement.

You hear other people describe Social Security as a program with a poor rate of return. As I said, I did not go to the Providence discussion, but I sent staff to it and they reported back that numerous people expressed the view that Social Security is a savings program, that individuals are making a contribution into it, and all they are getting back is what they paid in.

It is not a savings program. You own nothing with Social Security. Social Security is a payroll tax, and it is a tax that is imposed upon people who are working. The proceeds of that tax come to the Federal Government, and are distributed to people who are eligible, based on virtue of meeting the test of age, disability, or survivorship of a person entitled to Social Security benefits. For retirees, there is an early eligibility age of 62, and there is a normal eligibility age of 65. There are also many people who actually choose to take a later eligibility of 70, where they can get a higher level of benefits.

This is very important. As the President goes forward with the discussion on Social Security, he is the principal leader in this regard. He has the bully pulpit. I praised him before and I praise him again for taking this issue on. It is an extremely important program and has benefited Americans enormously. It has changed the face of this country. It is a moral commitment that we make. But, it is not a rate of return program.

I urge the President and the Vice President, when they are leading these discussions, if there is any confusion, to say to Americans that this program is an intergenerational commitment. By maintaining the current program, those of us who are working allow ourselves to be taxed at a fixed rate, and to let the proceeds be transferred in a very progressive fashion. As I mentioned earlier, we let the proceeds be distributed to people who are eligible, based on virtue of meeting the test of age, disability, or survivorship of a person entitled to Social Security benefits.

If the American people don't understand that, we need to inform them—especially retirees. If people over the age of 65 believe that all they are getting back is a monthly check that is based upon what they contributed, this debate will reach a dead end. I have heard many, many elected politicians essentially pander to the audience and lead the audience to believe all they are getting back is what they paid in. They let them believe that it is their Social Security—they paid it into it all their lives. In reality, it is a tax on people who are working. That young woman who introduced the President had it half right. There is a 12.4 percent tax on wages, which is transferred to people who are eligible.

If anybody right now is struggling under the burden of Social Security, it is people who get paid by the hour, particularly low income people—people who earn their living as a consequence of their work and the wages paid to them. For example, in 1996, the median household income was $35,492. A family earning that amount and taking standard deductions and exemptions, paid $2,719 in federal income taxes, but lost $5,430 in income to the federal payroll tax. What we need to be doing is giving some of this payroll tax money back to these families so they can participate in the growth of the American economy—so that they can accumulate wealth for their retirements. Since 1983, the payroll tax has been higher than necessary to pay current benefits.

I come to the floor today to praise Senators GREGG and BREAUX for their proposal, for their courage, in introducing this piece of Social Security reform legislation. Most importantly, I come to the floor to urge President Clinton and Vice President GORE, when they are having these discussions, to describe this program honesty. Describe it as it is. Don't allow individuals, especially people over the age of 65, to presume that all they are getting is a monthly check that represents what they paid in over the course of their working lives. It is a tax, transferred in a progressive fashion, to people who are eligible.

Furthermore, don't allow the notion to lie on the table that the age of 65 is a retirement age. It is not a retirement age—people can retire at any age they choose. Sixty-five is an eligibility age. There is an early eligibility. There is a normal eligibility. There is a late eligibility.

One of the most frustrating things that I suspect Senators GREGG and BREAUX face, is people saying, "Senator, you are trying to move the retirement age." It is eligibility, not retirement. There are many people who retire early, they retire later, and as a consequence their benefit levels will be adjusted. They understand these adjustments, and as a consequence they make choices based on it.

I hope this debate will continue, but unless it continues in an honest fashion, with the program being understood for what it is, it will hit a dead end. This is a very easy program to demagogue. It is a very easy program to misrepresent. There is a large percentage of people who do not understand what this program is. Unless we increase the number of people who do understand what the program is and decrease the percentage of people who misunderstand it, it is likely this entire year's discussion will lead to nothing more than political warfare with people misrepresenting the program in order to achieve political advantage.

I yield the floor.

Mr. D'AMATO. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. D'AMATO. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SLOBODAN MILOSEVIC IS A CRIMINAL

Mr. D'AMATO. Madam President, for too long now, the world has been watching a terrible carnage take place with the changing of the former Yugoslavia, with the various factions fighting for autonomy, with the deterioration of respect for human life being so obvious, that we almost take it as a matter of fact when people are massacred, and we hear that the atrocities reach incredible levels.

It becomes commonplace to hear of tens of thousands of people who can no longer live in their homes. Indeed, estimates are that 3 million people have been forced to move. They call it "ethnic cleansing." Despite the best attempts by the United States and some of our allies, we have been unable to bring about some resolve. Tens of thousands of U.S. and NATO troops are now positioned in Bosnia to attempt to keep the conflict from again affecting the lives of the innocent—women and children, people who are held hostage, people who are abducted, women who are raped, young men who are killed because of their ethnic background. It is incredible. Muslims are killed because they are Muslims. Croats are killed because they are Croats. Serbs are killed because they are Serbs. The madness that exists in this day and age is incomprehensible.

Madam President, the situation is not getting better. The situation is deteriorating. And behind it all, the motivator, the prime mover in all of this, is one man. That doesn't mean that there aren't others who are responsible on all of the sides for having had their people undertake horrific acts against humanity. But there is one person—a hard-core Communist dictator who has been able to keep power by way of appealing to the worst prejudices of people—by the name of Slobodan Milosevic. He would like to think of himself as a duly-elected President. He is the last surviving Communist leader still in power from before the wall fell. Make no mistake about it, although he may call himself a President, but he is a criminal, he is a thug, and he has been responsible for the deaths of tens of thousands of people, including his own people. This is the man, the thug, the killer.

Indeed, the resolution that I, Senator LIEBERMAN, and a number of our colleagues, including the present Presiding Officer, have worked on is one that deals with this thug. It is one that will call for the United States and others to gather the factual information necessary to pursue a trial in the international courts that have been established just for that purpose. Indeed, the United Nations Security Council, in 1993, created the International Criminal Tribunal with the former Yugoslavia located in the Hague. The tribunal has already publicly indicted 60 people for war crimes or crimes against humanity. It is horrific.

Even at this time, today, in the New York Times, we read an account of what is taking place.

I ask unanimous consent that the full text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SERB FORCES SAID TO ABDUCT AND KILL CIVILIANS IN KOSOVO

(By Chris Hedges)

DECANI, SERBIA.—Serbian forces have been turning increasingly to the abduction and execution of small groups of civilians in their fight against ethnic Albanian separatists in Kosovo, according to human rights officials and witnesses.

Many of the executions took place moments after Serbian special police units concluded attacks on villages held by the Kosovo Liberation Army rebels, witnesses said.

"The number of disappearances are increasing each month," said Behxhet Shala, secretary of the ethnic Albanian Council for Human Rights. "There is a mathematical logic to all this. As the Kosovo Liberation Army kills more police, the police go out and hunt down civilians who live in the areas where the attacks take place. These are reprisal killings."

Some 300 ethnic Albanians are listed by human rights officials as missing since March, when the conflict intensified between the rebels and the 50,000 or so Serbian soldiers and policemen deployed here. Some of them may have fled to Albania or Montenegro and others may be living with relatives elsewhere in Kosovo. But some were seen by witnesses being led away by special police units, never to reappear.

As the war progresses, and as the rebels, who themselves have abducted at least 30 Serbs, increasingly make Serbian civilians their target, the fear is growing that the fighting could spiral into the kind of war against civilians that swept across Bosnia.

Visits to six of the sites where kidnappings and executions by Serbian forces are said to have taken place yielded accounts by witnesses and a look at the bodies of some of the victims. But the precise number of those executed is difficult to determine.

Based on the accounts of witnesses from each area, it appears that a total of about 100 ethnic Albanians, most of them men of fighting age, have been rounded up and shot, usually in groups of fewer than a dozen, in the last five months.

One man, Ndue Biblekaj, said he witnessed abductions and executions by members of the notorious Serbian, "black hat" unit, which was employed in Bosnia to kill Muslims and Croats and expel them from their homes.

"There were massacres in the village of Drenoc and Vokshit near Decani," he said in an interview in rebel-held territory. "I saw a black hat unit line up 13 civilians and shoot them. They stripped the bodies of their clothes, slashed the arms and legs with their knives and dug out their eyes. They used an excavator to dig a pit and bury the bodies."

"I will never forget this sight," he said. "There were other executions that included women, children and the elderly. You could see the bodies, including one group of 15 people, lined up by the side of road."

The detained men were often marched in single file by the black-uniformed Interior Ministry commando unit to the local water treatment plant, which was used as a command center, he said.

Biblekaj, an ethnic Albanian, served for eight years in the police force in the border village of Junik. He was part of the Serbian force that recaptured Decani from the rebels in June. The Serbs shelled the town reducing whole sections to rubble. They sent in tanks and armored personnel carriers, blasting holes in the walls of houses and driving nearly the entire population over the mountains into Albania.

Decani is now abandoned, and the Serbian police, who crouch behind sandbagged positions in the ruins, come under frequent fire from rebel units.

Biblekaj has deserted the police to join the rebel movement. He changed sides after the attack on Decani, because, he said, he was appalled by the killing there.

Repeated attempts to inspect two sites suspected of being mass graves in a wooded area near the deserted and badly damaged town, still the scene of frequent armed clashes, were thwarted by special commando police units.

The governor of Kosovo, Veljko Odalovic, a Serb in a province that is 90 percent ethnic Albanian, denied that the police had executed anyone. Serbian officials, as a matter of policy, refuse to disclose the names or location of those taken into custody.

Not every ethnic Albanian who is picked up by the police disappears permanently, but the fear of being seized has become common in these villages. Many are those picked up return after a few days, complaining of beatings and other ill treatment at the hands of the police.

According to witnesses, the largest number of killings occurred in the villages of Likosane and Cirez at the end of February, in the village of Prekaz in the first week of March, in the village of Poklek at the start of May, in Ljubenic at the end of May and in Decani in June.

On May 30, special police units entered Poklek and ordered most of the residents into a house owned by Shait Qorri.

Fazli Berisha, who was outside the village hiding behind a wall, said he saw 60 or 70 women and children ordered out of the house as Serbian forces burned neighboring homes. The women were told to walk across a field to Vasiljevo, a neighboring village, he said.

"Hajirz Hajdini and Mahmut Berisha were brought out moments later and told to walk in the opposite direction," he said, referring to two men. "As they walked away they were shot by the police. Sefer Qorri, 10 minutes later, was brought out of the house and told to walk in this direction. He was shot in about the same spot."

The villagers said they later found the body of Ardian Deliu, a 17-year-old youth, near Vasileva, about two miles away, but they said nine men remain missing.

On June 8, Fred Abrahams, a researcher at Human Rights Watch, spoke with Zahrije Podrimcaku, who witnessed the attack on Poklek. An hour after speaking with Abrahams, who is compiling a report on human rights violations, she was arrested by Serbian police officers in Pristina, the provincial capital. She was charged a week later with involvement in terrorist activity. She remains in jail.

Poklek is part of the silent no man's land that lies between the Serbs and the rebels, who control about 40 percent of the province. Broken glass litters the main street. The deserted stucco homes and small shops have been looted, with household items strewn over yards and left in broken heaps. A pack of mangy dogs snarl from behind the blackened shell of a house, and the stench of a dead farm animal rises from an untended hayfield.

Down the road in the town of Glogovac the residents seem to move in fear down the dirt streets, which are periodically the targets of Serbian snipers. A farmer, Ali Dibrani, 54, was shot dead recently as he walked home at dusk with his niece.

The Serbian authorities, who have issued a written order to block food and commercial goods to all but state-run shops in Kosovo, have effectively cut supplies to Glogovac and nearby rebel-held areas. The shortages have left people bartering for liter-size plastic bottles filled with gas. The clinic has run out of medicine, and processed food, like cooking oil, is scarce.

Here, too, abductions have left their mark. Dr. Hafir Shala, 49, an ethnic Albanian who worked in a clinic run by Mother Teresa's Sisters of Charity mission in Glogovac, was seized by the Serbian police on April 10.

Shala, who was jailed for four years for separatist activity during Yugoslavia's period of Communist rule, was pulled from a car at a police checkpoint on the road to Pristina and put in a black jeep with three plainclothes police officers. One officer got into a gray Volkswagen Passat with two of Shala's companions. The two vehicles were driven to the central police station in Pristina.

"The three of us were taken to separate rooms on the third floor," said Shaban Neziri, 49, who was traveling with the doctor, as he sat in the remains of an unfinished house in the village. "I was interrogated for six hours and then told I could leave. When I was escorted out of the room and down the hall I heard horrible screaming. It was Dr. Shala. I stopped. I asked the policeman what was happening to Dr. Shala. He pushed me forward, saying, 'Go, go, go.' "

The doctor never returned. His father, Isuf Shala, 63, went to the police headquarters the next day, but was turned away at the door.

"I saw the police after a few days and they said Hafir was not on the list of prisoners," he said, seated cross-legged in his home. "They said he had never been in police custody. The police said maybe our soldiers had taken him, perhaps I should check with them."

Mr. D'AMATO. Let me read a little excerpt:

> Serbian forces have been turning increasingly to the abduction and execution of small groups of civilians in their fight against ethnic Albanian separatists in Kosovo, according to human rights officials and witnesses.

The article goes on to interview a man by the name of Ndue Biblekaj. Biblekaj was a member of the police force for 8 years, and he eventually left in disgust after having witnessed the kinds of things that he describes. He says he has witnessed the abductions and executions by members of the Serbian "black hat" unit, which was employed in Bosnia to kill Muslims and Croats and expel them from their homes.

Imagine, they have an official unit, and their job is to get rid of—and that is the ethnic cleansing—anyone who is different, like the Muslims and Croats. He said, "I saw black hat units line up 13 civilians and shoot them. They stripped the bodies of their clothes, slashed the arms and legs with their knives and dug out their eyes.

> "I will never forget this sight," he said. "There were other executions that included women, children and the elderly. You could see the bodies, including one group of 15 people, lined up by the side of road."
>
> Biblekaj has deserted the police to join the rebel movement. He changed sides after the attack on Decani, because, he said, he was appalled by the killing there.

That is just one man who was so repulsed at what he saw that he had to do something. He joined the rebel movement.

This is a killing field once again. This is a killing field that unfortunately has been directed by Milosevic to empower himself. That is why this resolution, which is bipartisan and has the support of the chairman of the Foreign Relations Committee, Senator HELMS, and the ranking member, Senator BIDEN, and people from both sides of the aisle, is so important. It is a resolution that will send a clear and convincing signal to the entire world that the United States is sick and tired of the way the world treats war criminals and that the world community can no longer sit by idly while the Milosevic killing machine continues. Yes. Even this day as we are here that killing machine continues. And so tens of thousands of people are on the move, fleeing their homes, and fleeing the villages where they grew up and their forefathers—fleeing because of their ethnic background, and the military forces who are bound to destroy them.

Madam President, I want to commend all of my colleagues who have worked, along with Senator LIEBERMAN and I, in bringing this resolution forward, because the United States should be publicly declaring that there is no reason to continue this without seeking the collection of evidence and making it high priority—evidence that the United States already possesses—to make this evidence available to the tribunal, to that court, as soon as possible. The United States has the ability to do this, and we should discuss with our allies and other States the gathering of this evidence so that Mr. Milosevic can be indicted. And I am certain, given the numerous accounts by historical experts—one of the leading accounts on this is entitled, "War Crimes and the Issues of Responsibility," which was prepared by Norman Cigar and Paul Williams. It is an outstanding study of what is taking place, and the inescapable conclusion that Milosevic can and should be tried as a war criminal.

I ask unanimous consent to have excerpts from this report printed in the RECORD.

There being no objection, the excerpted material was ordered to be printed in the RECORD, as follows:

WAR CRIMES AND THE ISSUE OF RESPONSIBILITY: THE CASE OF SLOBODAN MILOSEVIC

(Prepared by Norman Cigar and Paul Williams)

CONCLUSION

The above review of information available in the public domain indicates that there is sufficient evidence to establish a prima facie case that Slobodan Milosevic is criminally responsible for the commission of war crimes in Croatia and Bosnia. Specifically, a compelling case may be made that Slobodan Milosevic is liable for:

Complicity in the commission of genocide.

Aiding and abetting, and in some instances directing, the commission of war crimes by Serbian paramilitary agents.

Directing Republic of Serbia forces and agencies to aid and abet the commission of war crimes by Serbian paramilitary agents.

Command responsibility for war crimes committed by Federal forces, including the Yugoslav People's Army (JNA) and the Army of Yugoslavia (VJ), and for aiding and abetting the commission of war crimes by the Bosnian Serb Army (BSA).

Command responsibility for war crimes committed by the Republic of Serbia forces, in particular forces under the control of the Serbian Ministry of Defense and Ministry of Internal Affairs, which aided and abetted the commission of war crimes by Serbian paramilitary agents.

Command responsibility for war crimes committed by Serbian paramilitary agents such as Arkan's Tigers, Vojislav Seselj's Chetniks, Mirko Jovic's White Eagles, and others.

ABOUT THE AUTHORS

Norman Cigar is Professor of National Security Studies at the United States Marine Corps School of Advanced Warfighting, Quantico, Virginia. Previously, he was a senior political-military analyst in the Pentagon, where he worked on the Army Staff. He holds a D. Phil. from Oxford. The views expressed here are those of the author and do not reflect the official policy or position of the Department of Defense, the United States Government, the United States Marine Corps, or the Marine Corps University.

Paul Williams is the Executive Director of the Public International Law and Policy Group, and a Fulbright Research Scholar at the University of Cambridge. Mr. Williams holds a J.D. from Stanford Law School, and previously served as an Attorney-Adviser in the Office of the Legal Adviser for European and Canadian Affairs at the United States Department of State. The views expressed here are those of the author and do not reflect the official policy or position of the Public International Law and Policy Group or the United States Government. The Public International Law and Policy Group is a non-profit organization formed for the purpose of providing public international legal assistance to developing states and states in transition.

Mr. D'AMATO. Madam President, I would like to speak to this issue as we go forward. But I see that there is a colleague who has been waiting patiently. We are waiting for one of our Senate colleagues to also join us before I formally call up the amendment that I have described to you.

At this time, I yield the floor so that my colleague, if he wants, can proceed, and I ask that I might be permitted to take the floor thereafter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

INTERNET PORNOGRAPHY

Mr. COATS. Madam President, shortly I hope, before the Senate adjourns for the weekend, the majority leader will be propounding some unanimous consent requests. Those requests are designed to set in place the procedures by which we will move forward next week and the legislation which we will take up.

One of those unanimous consent requests will involve two pieces of legislation, one which I have offered, and the second which has been offered by the Senator from Arizona, Senator McCAIN, which deals with the question of pornography on the Internet.

There is a history to this. In the last Congress, Senator Exon and I cosponsored legislation which introduced our colleagues for the first time to the dark side of the Internet; that side of the Internet that is not used for educational purposes, is not used for valid communication purposes, but which is designed to lure people into the practice of ordering and paying for pornographic images, words, and films, and other forms of pornography across the Internet. We know our first amendment prohibits our eliminating that and banning it. The right of free speech gives the right of adults to click into that, pay for that, subscribe to that, and to order that as long as that material is not deemed obscene. Even though it is indecent, and many of us would classify it as obscene, it has to be a standard set by the Supreme Court in upholding the first amendment. It is one of the perhaps dark sides of the first amendment.

But we all understand that battle. And that is not what this battle is about. This battle is about protecting children from access to that material, which most of us would turn our heads from, or say that is enough, were we given the opportunity to look at it. In fact, all of the noble first amendment arguments that were raised during the debate in the last Congress against the bill that was offered by Senator Exon and myself melted away as Senator Exon invited Members into the Democrat cloakroom, both Republicans and Democrats, to view images that were copied from the Internet, and said, "Did you realize this material is simply a click away on your Internet?" At that time, the Internet was pretty new. People were still discovering it. Most of us had not even signed up, or even knew what it was.

Members were shocked at what they saw, because what they saw was not the centerfold of Playboy Magazine. But what they saw was some of the most despicable, some of the most brutal, some of the most sadistic, some of the most sexually explicit material they have ever witnessed—young children being sexually exploited, bestiality, women being sexually exploited. I don't want to go into graphic detail here. But it was enough to convince the Senate that we ought to move on it and move on it right away.

So it passed, despite again the pleas for first amendment freedom. That legislation, authored by Senator Exon and myself, passed the U.S. Senate by a vote of 84 to 16. It was adopted by the House in exactly the Senate form, went to the President, the President signed it, signed it with a fair amount of publicity about the need to take action on this to protect minors, to protect children from this access.

We had a standard in there—an indecency standard that was copied in the exact language that the Supreme Court approved for the dial-a-porn bill that went through and survived the Supreme Court review, and was declared constitutional even though actions were filed against it.

We thought that since the Court approved it for telephone pornography, surely they would approve it for video pornography and pornography that came across the Internet. Picking up the phone is not a whole lot different than turning on the computer. Both are invasive. Both come into the home. Do they require some action on the part of the participant? Yes. You have to pick up the phone when it rings. You have to dial a 900 number. There is the luring of that.

Again, we are saying that first amendment prohibits us from prohibiting adults from doing that. But the Court has upheld in the past, and they did in the dial-a-porn case, reasonable restrictions in terms of children having to prove that they were adults. And, if they couldn't prove that through verification of a credit card, or other means, then the material was not allowed to be passed on to them.

The Court said the computer is not the same as the telephone. The computer isn't as invasive as the telephone. Well, the Court needs to understand the computer. I wrote that off to a generational problem—a generation of individuals. Maybe I oversimplify this. But I do not know how to better explain it, because it is the only possible explanation I could come up with as to why the Court made a distinction between a dial-a-porn standard and the computer standard. I don't think they understood exactly what the computer does and how accessible it is and what the Internet was, at least at that time. I think they know now. Maybe I underestimate the Court. Maybe there are other reasons.

In any event, as we know now, whether you are in the classroom, whether you are in the school library, whether you are in your study hall, or whether you are in your dorm room in boarding school, or whether you are at home in your bedroom, or your den, or your family room, the computer is there, and a click away is the most lurid material we have ever seen available to children and adults, simply with the warning you have to be an adult to access this material and that is it. You click here if you agree, and we send you the material.

I am going to describe as we get into the bill some of the effects this has had on our culture, on our society, and particularly on our children. My purpose here today is to plead with my Democrat colleagues to allow us to bring this bill to the floor. We have revised the bill that the Supreme Court struck down to comply with their objections, to address the question of the standard which we have changed from the indecency standard to the harmful-to-minor standard. The harmful-to-minor standard was the standard the Court laid out in the Ginsberg case, and we have taken that word for word.

Second, we have restricted this, as the Court ordered that we had to do in order to meet the constitutional test, to the World Wide Web, to the commercial selling and display of these images, rather than private conversations, e-mail, chat rooms where individuals are engaging in this kind of activity.

That is not how I wanted to draft the bill, but in order to get a court to uphold what is clearly the will of the American people as expressed by their representatives in an overwhelming vote in the Senate and unanimous acceptance in the House of Representatives and declarations by the President of the United States that the administration stands foursquare behind this, we find ourselves back here having to narrow the bill in order to survive court muster.

That is what we have done. We have worked with constitutional experts to make sure that we have done it correctly, that we comply with the Court, and we want to give them another chance. We want to give them another chance, hopefully with a better understanding of the impact of the Internet, both positive and negative. And as I said, there is a dark side to the Internet, particularly as it relates to children, and we are trying to address that.

Now, for several months I have been searching for ways to bring this legislation to the floor. It was introduced and referred to the Commerce Committee. It was debated there and passed out of that committee on a 19 to 1 vote.

Some had said, look, the solution to this problem is the software packages that are being developed by the industry that parents can buy and attach to their computer or integrate into their computer and that will solve the problem and block the images.

That is a partial solution to the problem but not a complete solution to the problem because the changing technology, the proliferation of web sites is so fast that no software can keep up with it. The ingenuity of the pornographers, the sellers of pornography is such that even the most innocent of words are now linked to a means by which pornography is pulled up. If you want to find out about Disney World or Disney movies or Disney characters, the pornographers have found a way to use the term "Disney" and click right into pornography. If you want to look up Boy Scouts, horses, dogs, cats, women, men, marriage, you name it, seemingly the most innocent of words, you are now linked directly to pornography. Why? Because the pornographers have discovered that this software is attempting to block the explicit language and they want to try to find a way in which to commercially entice people who are searching in other areas to be presented with this information so they can click into it.

So what happened there, then, was Senator McCain's software bill and my Internet pornography bill were both passed out of committee. Senator McCain and I agreed that both are necessary to address the problem and that we would agree to go forward with these together. In recognition of the work that needed to be done in the Senate, we wanted to pursue a process by which we would agree to a time limit. We would agree to others offering any amendments that they thought appropriate. We would debate those, have a vote on those, let Congress express its will and go forward.

This was not an attempt to tie up the Senate. In fact, we have been overly cooperative. I wish we had not been so cooperative. We were promised this would come forward. In defense of the majority leader, I think he has made a good-faith effort to try to bring this forward. But in each instance other circumstances have arisen, primarily the inability to get the consent of some Members of this body to allow us to proceed with this bill, debate it, amend it, vote on it, and either send it on or vote it down, whatever was the majority disposition. That is what we have been attempting to do.

We are frustrated—I am frustrated; I am terribly frustrated—in our inability to take something that I think has overwhelming support to at least bring it up and talk about it. It seems that every time we get ready to go forward with a unanimous consent request to bring the bill up, we are notified that someone has put a hold on the bill. We find out who that is. We go over and talk to them. We offer them—they say, well, we want to offer an amendment on it. Fine. We will add your amendment to the unanimous consent agreement. Take whatever time you want on it. We will lock in an amount of time. We will give you a vote. We will eliminate second degrees. We do not want to do anything to cause you not to have an up-or-down debate on your amendment. That person agrees.

We go back to the majority leader and say we are all clear; we are ready to go. Whoops, here comes another hold. Somebody else has a problem. We solve that. Now it is a problem on the McCain bill. The next one is a problem on the Coats bill. We solve both of those. The next one is a problem on the McCain bill. We solve that. We think we are ready to go. Whoops, another problem on the Coats bill.

We are running around putting out fires, and we start to wonder if we don't have some kind of rolling hold process going on here where there has been a decision to block this legislation from coming forward, and we just simply pass on the baton of objection to different people who say; "Time is on our side. If we delay long enough, we will get into the appropriations process and we will block this and we will get through the year and we won't have had to deal with it."

I don't want to ascribe that motive to the other side, and that is why I am making this statement today because I just want to offer to my Democrat colleagues: if you have a problem with this bill, offer your amendment. I am not here to block your amendment. I am not here to block debate on your amendment. I am not here to block a vote on your amendment. I am not here to modify your amendment. I am here to simply say let's discuss the issue, debate it, vote on it, and move on.

We have spent 4 weeks on the tobacco bill, and I understand, that was an important issue and that blocked a lot of other legislation. I understand that we have appropriations bills backed up, and we need to move forward on those, which is why we are willing to do a limited time agreement on this. But we cannot move forward, and are going to be forced to have to offer this to appropriations bills in order to get the Senate to consider it—offer it as an amendment, unless we can get agreement to bring this up, debate it with a time certain and move on. I do not want to do that. I do not want to interfere with Senator Stevens and the appropriators' efforts to do the business of the Congress that needs to be done. I understand things are backed up because of the tobacco bill. We heard a lot of great speeches in that tobacco bill about first amendment rights needing to be waived, why the first amendment did not apply as it involved advertising on tobacco.

But we are not getting that same kind of flexibility and understanding from some of our colleagues as it applies to pornography. I think I would challenge those Members who think the first amendment is sacrosanct, that we cannot move forward with this, to ask themselves the question: Why is it OK to waive first amendment rights and not apply the first amendment to those commercial entities who are using the symbol of Joe Camel because that is so destructive to the health and welfare of our children, but when it comes to bestiality, when it comes to some of the worst forms of pornography that is wide open on the worldwide web and available to our children with the click of a mouse, that, oh, no, the first amendment must apply here? We have to be purists on this?

I ask my colleagues to ask themselves as parents, and ask the parents they represent in their States, what those parents think is the higher priority issue. If they are given the choice, are they more worried about their children modifying their behavior and taking up smoking because they see a 5-second image of Joe Camel? Or, are they more worried about their children modifying their behavior and responding in a way because they have been able to view some of the most crass, indecent, and, in my opinion, obscene sexual images that we have ever seen? I think the resounding response is going to be: Senator, let's do first things first; let's address the problems that are real problems.

So I conclude by pleading with my colleagues to let us resolve whatever problems you have with our going forward with this. We have been trying to do this. We have hotlined this 2 weeks ago. Both sides know what we are trying to do. If people have a problem, we will resolve that problem. But I hope there will not be an objection to going forward with that today when the majority leader propounds his unanimous consent request to allow us to go forward with this bill.

If there is an objection—after 2 weeks of hotlines, after 2 weeks of going to Members saying, "If you want an amendment, have an amendment, but at least allow us to debate the bill"—I can only conclude there is some effort here to prevent us from even talking about it, even bringing the bill up. We have an opportunity to avoid all that today very shortly when that unanimous consent request is propounded. I trust we will be able to do that.

I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Utah.

ORDER OF PROCEDURE

Mr. BENNETT. Mr. President, it was my intention at this point to propound the unanimous consent request that the Senate proceed to S. 2137, with a list of the amendments to be in order. At the moment, full agreement on this has not yet been worked out between the majority and minority and negotiations are still going on to that end. It is my hope I will be able to offer such a unanimous consent request at sometime in the future.

Looking forward to that time later today when we can get unanimous consent on proceeding to the bill, I would like to outline for the Senate the highlights of the bill. Then I understand there are some others who might wish to speak on the amendments that they would offer to the bill if we were, indeed, on it, and thereby have some of the discussion that we could deal with prior to the bill.

MORNING BUSINESS

Mr. BENNETT. Mr. President, I ask unanimous consent that we now go into a period of morning business, with Senators allowed to speak up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. I further ask unanimous consent that I be allowed to exceed the 10-minute period in the discussion of the legislative branch bill that will be propounded at some point, if, indeed, my time goes beyond that.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Mr. President, reserving the right to object, I ask unanimous consent I be allowed to exceed the 10 minutes speaking as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE BRANCH APPROPRIATIONS

Mr. BENNETT. Mr. President, as I said, I was planning to ask unanimous consent that we proceed to S. 2137 and outline a series of amendments that would be in order. We are still working on that agreement between the majority leader and the minority leader who, I understand, are talking on this issue right now.

When we do go to that appropriations bill, I will make a point of thanking Senator DORGAN for his assistance as the ranking member. Since I have been chairman of the Legislative Branch Subcommittee and he has been my ranking member, we have not had, in my memory, a single point of major disagreement. Senator DORGAN has been more than diligent in attending all of the meetings of the subcommittee. His staff has been very cooperative with the majority staff in working out the difficulties, and I think it has been the kind of legislative relationship that I looked forward to, when I ran for the Senate, between members of the different parties.

The legislative branch bill will provide $1,585,021,425 in new budget authority, exclusive of the House items for fiscal year 1999. Comity between the two Houses allows the House to set its amount and the Senate to set its amount, without difficulty from each other. This is a $53,704,925 increase, or 3.5 percent above the fiscal year 1998 level. But it is $72,359,575 below the amount included in the President's budget. The majority of the increases in the bill are for cost-of-living adjustments, estimated at 3.1 percent.

The Senate portion of the bill includes a 1.8 percent increase over the fiscal year 1998 funding, which I think demonstrates some fiscal responsibility on our part. The Library of Congress and the GAO were provided funds for additional FTEs to assist the Congress in the information technology area, particularly addressing the year 2000 computer problem.

The Presiding Officer and others in the Chamber know I have made this something of an obsession. The Senate has created a special committee on the year 2000 technology problem, which I chair. We recognize that most of the expertise to provide the committee with the guidance that it needs will come from detailees to the special committee and from those experts in the Library of Congress and the GAO who already have a background in this area. So, to make sure the year 2000 problem is not exacerbated by lack of funds, these additional FTEs were included in this bill. That is part of the 3.5 percent increase over last year's level.

Approximately 21 percent of the Architect's budget is for capital projects; the balance, of course, of 79 percent is for the operating statement.

These are the outlines of the overall bill. As far as I know, and Senator DORGAN knows, the bill is noncontroversial except for those amendments that some Senators have indicated they would be willing to offer.

With that background of the bill that we have in mind, I yield the floor. I understand Senator BROWNBACK will be talking about some of the amendments that he would offer once the bill does come before us, and we can proceed then in morning business with that matrix. I see the Senator from Kentucky. I will be happy to yield.

Mr. FORD. Mr. President, may I ask Senator BROWNBACK how long he thinks he will take? We have some Senators with time problems, and I want to try to accommodate them. If I know how long he will be speaking, and others, I can probably accommodate them.

Mr. BROWNBACK. I don't know for certain who all will be interested in speaking on this.

Mr. FORD. You are asking for more than 10 minutes. I am wondering how long.

Mr. BROWNBACK. Probably around 30 minutes.

Mr. FORD. Will the Senator be willing to say no longer than 30 minutes?

Mr. BROWNBACK. Not at this point in time, but I think that will probably——

Mr. FORD. If that is the way we are going then, no one else will get more than 10 minutes.

Mr. BENNETT. I yield the floor.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). The Senator from Kansas is recognized under the previous order.

MARRIAGE PENALTY TAX

Mr. BROWNBACK. Thank you, Mr. President. I appreciate the Senator from Utah taking the time to explain what we are hoping to go to next, the legislative branch appropriations bill. I hope we can discuss as a part of that legislative branch appropriations bill something that affects 21 million American families and it increases their taxes an average of $1,400 per family. It was done to them in 1969, the last year that we balanced the budget, until this year, and we have the ability to deal with it now. That is a thing called the marriage penalty, the marriage penalty tax.

I don't know how much of the American public is aware of this tax, but in 1969, there was placed a tax, actually a change in the Tax Code to a point that married couples were taxed more for being married than if they were single. It amounts, on average, to $1,400 per family. It affects around 21 million American families, and it is wrong.

It is the wrong kind of tax. It is the wrong kind of notion. It is telling people, in the Tax Code, that we are going to penalize you for being married. This is a wrong idea when we are struggling so much in America today with the maintenance of families, with trying to keep families together, when we are trying to say that the foundational units of a civil society is the American family, and then we are saying, "Well, yeah, but we're going to tax you." We send by that signal that we think less of married families.

It is time that we go back and do what we did prior to 1969, and that is not tax married couples more than if they were just single people living together. We were, up until 1969, operating that way, and then in that year, in an attempt to get more revenues into the Federal Government, we put this tax in place, taxing married couples. It is wrong. It is the wrong idea. It is the wrong signal.

It is something that we have the ability to deal with now. The Congressional Budget Office this week stated that over the next 5 years, we will have $520 billion in surpluses over the next 5 years—$520 billion in surpluses over the next 5 years, a half a trillion dollars. I just say to my colleagues, my goodness, if we have that resource there, we have families struggling so much, if the foundational unit of a civil society is the family and we are taxing that family more, let's give them a little break.

This is the right vehicle on which to do it. We are talking about funding the legislative shop here, let's help fund the families a little bit. We have the ability to do it, and it will send the right signal. It will send a good signal. It is the time we can send a signal, and we ought to do it, and we ought to do it now.

That is what we were hoping to propose on the legislative branch appropriations bill, to deal with the elimination of the marriage tax penalty for the working families. This hits mostly families between a combined income of $20,000 per year to $75,000 per year. That is the category of families that is hit by this marriage tax penalty.

The amendment that I was going to propose and was sponsored by Senator ASHCROFT and a number of others—Senator INHOFE, Senator SMITH, and I think a lot of my colleagues would join on this amendment—the amendment I was going to put forward does a very simple thing: It just makes the standard deduction the same for married couples as it is for singles.

I don't know how many people recognize this, but currently, if you file single, under the Tax Code, the standard deduction is $4,150, while the marriage standard deduction is only $6,900. Our amendment would simply raise the standard deduction for all married couples to $8,300, precisely double what it currently is for single people, so you don't have this penalty built into the system, so you don't have this signal to the American public that we devalue this institution of marriage. In 1969, and prior to that period of time, we said you get the same if you are married, and then after 1969, we said you don't.

I guess there were a number of reasons this was put into effect in 1969. People were saying, "Well, if you are single versus if you are a couple, you have living expenses that are a little less." If there are two singles versus two people living together in the same place—there are a number, I suppose, of different reasons, but I guess actually at the end of the day, the reason was to get more tax money out of people's pockets. It was done then, and now we are saying let's correct this wrong.

When you ask the American public about this issue—and I raise it quite a bit with people—they think this is a ridiculous tax. We shouldn't be taxing couples more than we tax singles who live together. It just sends a signal that this is not the sort of thing we want to take place today, particularly when you look at what happens to our families across America.

I don't think I need to remind many people about the problems we are having with marriage and with families in this country today. We are having at any one time nearly 50 percent of our children living in a single-headed household, and many of these families struggling heroically to raise a family, but yet we are sending a signal against the family at the same time we do that.

We are also sending it to some of the hardest hit families who struggle the most in the economy today. This tax applies heaviest to families with incomes of between $20,000 a year and $75,000 a year. This is a good bracket of folks we are taxing more heavily, and we shouldn't be taxing them more heavily at this point in time.

I direct my colleagues' attention to some of the reports that have been put out on this issue as well. The Congressional Budget Office did a report about a year ago on this particular issue. They state in their report:

> Federal income tax laws generally require that a married couple file a joint tax return based on the combined income of the husband and wife. As a result, husbands and wives with similar incomes usually incur a larger combined tax liability than they would if they could file individually.

This is the opening statement of the CBO.

I ask all of my colleagues, How many of you agree with that tax policy? That is something that the Congress put in place. How many people actually agree with that tax policy? I don't know that there would be anybody who would actually agree with that tax policy, yet it is in place and we have the time, we have the wherewithal, we have the vehicle here funding the legislative branch that we can do this and fund this now. I think it is appropriate that we should do that and take care of something that in 1969—relatively recently—was put in place.

I draw my colleagues' attention to some editorials that have been written on this particular subject. The Indianapolis Star talks about the marriage penalty and that this is something from which we should get away. They have even a pretty nice cartoon about a couple and a car who are just married, and they are hooked to this big anchor, a marriage tax penalty, pulling them back the other way.

Is that the sort of signal we want to send from Congress toward the institution of marriage? I don't think it is.

The Christian Science Monitor: "Bid to Make Tax Policy Friendlier to Marriage." They are saying, "Look, this is something we ought to do."

We have a number of editorials where this was raised across the country.

We are just dealing with one aspect of this. In fact, according to the Joint Economic Committee, in a study on the marriage penalty, the Tax Code contains 66 provisions that can affect a married couple's tax liability. So it is a number of places. We are just getting at one particular feature of it which is that standard deduction. I think there are places we ought to look at overall in doing more in this area. That is the sort of thing that we want to take up—this ridiculous tax—that we want to put forward.

I am hopeful that, with the manager of the bill who has been agreeable to this, we can get the Democrat ranking member to agree that we could bring up this ridiculous tax, and that he would consent to us having a debate, a vote on this particular issue, so we can say to the American public, this is something that is pretty important, and we can do this now, particularly since the CBO said we have the wherewithal to get this done.

So I plead with my Democrat colleagues, let us bring this up. A marriage tax penalty is something important——

Mr. FORD. Will the Senator yield?

Mr. BROWNBACK. If I can regain the floor, yes.

Mr. FORD. We do have a marriage bonus that is now for the upper income. The marriage bonus, you know, is quite lucrative. I have a bill to eliminate the marriage penalty also. So I am basically agreeing with what you are trying to do. But when I started developing this, I found out we had a marriage bonus. If we eliminate the marriage bonus, eliminate the marriage penalty, we will come out with a surplus of about $4 billion over the next 5 years.

Is the Senator willing to do something along that line?

Mr. BROWNBACK. I am not interested in raising taxes at the point in time of the American public is——

Mr. FORD. We are not raising taxes.

Mr. BROWNBACK. It would be raising taxes on a certain group of people. If you are saying, let us do away with this particular bonus, I do not have any problem giving bonuses to people who are married. I think this is a good institution that we ought to be supporting. I am not interested in raising taxes on anybody, particularly people who are married.

I think that is not the way we ought to be going, particularly with the kind of money that we have flowing into the Treasury, and particularly with the American public being taxed at roughly 40 percent of their income annually. They are taxed to the max. And then we add on top of that—to working families—the marriage penalty. The tax repeal I am talking about applies to families that make a combined income between $20,000 a year and $75,000 a year. And that is the one that I want to pull off. And I hope that——

Mr. FORD. I understand where the Senator is coming from. I also agree because I have a similar bill. It is at the table. But it seems like, to me, that we want to be fair to everyone. If you are going to be fair to everyone, you ought to be paying about the same. The bonus is nice to have, I understand. But some are eligible over the $75,000 for a bonus. We ought to be trying to help those under $75,000. I think we could equalize the tax situation, do both of the things that you and I would like to do.

I thank the Senator for yielding.

Mr. BROWNBACK. I would be agreeable to my colleague bringing his bill up on this bill if it will allow us to bring this one up on this bill. I would be agreeable to him putting that forward. That would be fine with me. I will not be voting with you on it because I just am not interested in taxing marriages more. But I would——

Mr. FORD. Mr. President, I understand it is: "My way or nothing." Probably what we get is nothing.

Mr. BROWNBACK. I am just saying, if you want to bring your bill up, I would be happy to see that particular one brought up on this vehicle, as well dealing with the institution of marriage, I think, is an important thing to be able to do.

My colleague from Missouri wanted to address this topic, too. I would be willing to yield to my colleague from Missouri if he desires to talk on this particular topic—or he may want to wait until another time.

I point out, we have support from a number of groups that are interested in this moving on forward.

Mr. ASHCROFT. Will the Senator from Kansas yield for a question?

The PRESIDING OFFICER. The Senator has a right to yield for a question.

Mr. BROWNBACK. Yes.

Mr. ASHCROFT. Would the Senator from Kansas agree that a marriage penalty not only would provide a disincentive for people to get married, but it might, as a matter of fact, provide an incentive for some people who are married to get a divorce?

Mr. BROWNBACK. It is strange, but actually if you look at our tax policy, people would be paid to be able to—if they do get a divorce and live separately, they would actually have more money coming to them and less going to the Federal Treasury, which is an extraordinary, ridiculous notion that is built into the Tax Code.

Mr. ASHCROFT. Is the Senator from Kansas aware of the fact that that has actually happened? There are a number of couples that decided to get a divorce so that in the eyes of the law they are divorced so that they could get this subsidy for divorce from the Federal Government?

Mr. BROWNBACK. I appreciate the question the Senator is asking. I am told also there is a married couple, they are economists at one of the universities in the country, who each year divorce at the end of the year and get married the next day. Then they have kind of a party with the money that they earned and keep by going through this process of divorcing on December 30, or 31 and marrying again on January 1st or 2nd. They have kind of a honeymoon each year off of this signal that they are able to read from the Federal Government. And the thing about it, I do not want to suggest that more people do that. I think that would be a wrong notion. But still it is——

Mr. ASHCROFT. Would the Senator agree our tax laws literally are suggesting that people get divorced and remarried and then fritter away or otherwise use the proceeds of this anomalous provision in the code?

Mr. BROWNBACK. That is actually what happens and takes place, which is—just think about it. That is the signal that we are sending to the American public, that they actually are encouraged to do something like this by the tax policy of the U.S. Congress? That is an incredible thing.

Mr. ASHCROFT. Would the Senator from Kansas agree that when the Senator from Kentucky talks about a bonus, he is talking about a situation where one of the two marriage partners is not employed outside the home; and really what the tax law does is allow, in some respect, part of the income to be assigned to that partner, some of the cost be assigned to that partner, and for that reason there is a theoretical bonus? But would the Senator agree it is important to understand that in marriage that there are a lot of respects in which it is appropriate that the "nonemployed spouse" be understood as having contributed substantially to the proceeds of the family that result from the employed spouse's earnings?

Mr. BROWNBACK. Absolutely. I could not agree more with the notion that there are things that ought to be taken into consideration here. And the notion of a bonus in marriages is not an accurate notion here. I was willing to let my colleague from Kentucky go ahead and raise his amendment on this particular bill, if he would desire to, if he would let us be able to put this amendment forward and have a discussion, if he wants to try to refute that sort of argument taking place. But I do not think that we should be in the business, even if there is such a thing as a bonus, of removing that on married couples.

Mr. ASHCROFT. Will the Senator yield for a further question?

Mr. BROWNBACK. Yes.

Mr. ASHCROFT. Now, this week the Congressional Budget Office has forecast a surplus over the next 5 years. And that surplus has really been growing dramatically. It started out about 4 or 5 months ago that they said it might be $140-some billion. Now they have taken the surplus projection to—how much over the next 5 years?

Mr. BROWNBACK. CBO has taken their budget projections now to $520 billion over the next 5 years, over half a trillion dollars in budget surplus.

Mr. ASHCROFT. So that is money that is supposed to be in excess of what we would otherwise budget?

Mr. BROWNBACK. That money is indexed as to what we would actually already have budgeted. I point out to my colleague from Missouri, not only is that in excess of it, but we found a way to cut the taxes while we were in deficit. Now we are running a surplus, and we are saying, Can't we find a little way here to be able to cut taxes on hard-working married couples in America?

Mr. BRYAN. Will the Senator yield for a question?

Mr. ASHCROFT. I ask you—we have $520 billion in surplus—how much of the surplus would it take in order to eliminate the marriage penalty?

Mr. BROWNBACK. In order to be able to eliminate the marriage penalty, there are different ways people have configured and looked at this issue. The bill we are putting forward has a $151 billion price tag over 5 years. So you are not even talking about dealing with the entire surplus with this marriage tax penalty.

Mr. ASHCROFT. Less than one-third.

Mr. BROWNBACK. Less than one-third.

Out of every $5 surplus you have, $1.50 is going back to married families. Does that make any rational sense here, that we are getting $5 in and saying, OK, $1.50 is back. I think we ought to be doing far more. This ought to start the overall situation, but we are looking at least a start here.

This is the sort of thing we need to do. We need to move. You ought to see the groups supporting this. The National Taxpayers Union, with 300,000 members, strongly supports the Marriage Tax Elimination Act. The Marriage Tax Elimination Act would address that and dramatically widen the scope of tax relief.

This is a broad tax relief issue—21 million families, not just individuals, 21 million families, in America pay this tax penalty. Currently, laws force many married Americans to pay a higher tax bill than they would if they remained single and had the same combined income. Such a double standard is wholly at odds with the American ideal that taxes should not be a primary consideration in any individual's economic or social choices. I want to underline "social choices" because we have social problems in this country. We have social maladies in this country.

I held a forum with JOE LIEBERMAN last week about the overall issue of violence and teen violence taking place, and everyone there——

Mr. FORD. Will the Senator yield?

Mr. BROWNBACK. From the left, from the right—I want to go ahead and finish this point, if I could—from the left and from the right. We had a former Black Panther there, a former Clinton administration official saying the real problem we have here is we have a breakdown in the families taking place. We have too little density of responsible adults per children. We are saying send a signal that does not decrease the density of adults per child. I think that is a responsible social policy instead of a social choice here that is actually contrary to the issue.

Americans for Tax Reform support the Marriage Tax Elimination Act, offered in the House by Representatives WELLER and MCINTOSH. "We believe that married working couples deserve the same treatment as singles." That is their statement.

Now, isn't that pretty clear? Now is the perfect time for action because the Congressional Budget Office is anticipating an earlier-than-expected fiscal surplus. This is Americans for Tax Reform saying that this is a good way to go. For many Americans, the average marriage tax is approximately equal in value to half a year of car payments. Half a year of car payments we are talking about. With an extra $1,400 a year, a couple might be able to send a child to the school of their choice. The bottom line is, according to the Americans for Tax Reform, a marriage tax is very real to many working couples in this country.

I ask people who are watching this, if you would look and figure up your own tax and see how many of you are paying a marriage tax penalty for being married.

Mr. BRYAN. Will the Senator yield?

Mr. BROWNBACK. If I can retain the floor.

Mr. BRYAN. The Senator from Nevada would like to inquire of the Senator from Kansas, the Senator from Nevada has a bill he would like to introduce. It would take 7 or 8 minutes. Is it possible to work out some kind of time arrangement to do so? The Senator from Nevada also has a flight at 12:45 he would like to make. I am prepared to enter into a unanimous consent if my colleagues agree the floor would be immediately reclaimed by the Senator from Kansas. I am not trying to cut him off, but I do have a time constraint that poses some limitations upon the Senator from Nevada.

Mr. BROWNBACK. Mr. President, I am happy, if I retain the floor after the 7 minutes or the 8 minutes, to yield with that understanding.

Mr. BRYAN. I will propound a unanimous consent, if that is agreeable.

I ask unanimous consent to be allowed to have 8 minutes with the understanding the floor would be retained by the Senator from Kansas.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

Without objection, it is so ordered.

The Senator from Nevada is recognized.

Mr. BRYAN. I thank the Senator from Kansas for his consideration.

(The remarks of Mr. BRYAN pertaining to the introduction of S. 2326 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BROWNBACK. Mr. President, I was glad to accommodate the Senator from Nevada. I have had similar situations come up. I understand the Senator from New York may have a similar time situation, and I would be willing to accommodate him, with a unanimous consent to obtain the floor after the Senator from New York is finished. He had previously been willing to yield the floor to some other individuals.

I ask unanimous consent to yield 10 minutes to the Senator from New York, with the understanding that I retain the floor after that 10 minutes.

Mr. DORGAN. Mr. President, reserving the right to object, let me inquire of the Senator from Kansas. I understand we are in morning business. I don't object and would not object to the Senator taking substantial time in morning business. As I understand it, we are allowed 10 minutes, but the Senator has, by unanimous consent, received permission to speak for as long as he chooses. Normally, in morning business when Senators want to speak, we can increase that time of 10 minutes.

In this circumstance, we were about prepared to go to the legislative branch appropriations bill. Senator BENNETT from Utah made an opening statement in morning business. I am the ranking member on that subcommittee and I was prepared to make an opening statement. I guess I would like to get some notion of how long the Senator from Kansas intends to retain the floor in morning business before I agree to other sets of circumstances, so I can try to gauge the time and understand what might transpire on the floor of the Senate. So reserving the right to object, I inquire of the Senator from Kansas as to what are his intentions.

Mr. BROWNBACK. I thank the Senator. As I understand it, negotiations are going on now as to whether or not we will be able to bring up this particular elimination of the marriage tax penalty. We are trying to get agreement with your side of the aisle on whether or not that would be allowed to be brought up in the legislative branch appropriations bill. That is my desire. If we get that worked out, I will be yielding rapidly so that you can go forward with your items. If that is not getting worked out, I am going to talk about this for awhile, because it is an important issue.

The Legislative Calendar is short. We have spent a lot of time talking about the tobacco settlement—a month. We have spent a lot of time talking about things that don't as directly affect the American family as the marriage tax penalty does, on 21 million American families. So I think it is time that we start talking about something that gets to North Dakota families and others directly. That is why I am willing to do this and to tie things up until we get moving forward on some of that.

Mr. DORGAN. Mr. President, the Senator from Kansas certainly has that right. In fact, when the bill is brought to the floor—the bill is not yet technically on the floor, the legislative appropriations bill—when the bill is brought to the floor, the Senator certainly has a right to offer any amendments. Nothing will prevent the Senator from his right to offer an amendment.

I guess the issue is whether the Senator can offer his amendment, but other people are prevented from offering theirs. Maybe it will be worked out, but my expectation is that it won't get worked out. You used the term "tie up" the floor. I would really prefer that you not do that in morning business. I prefer that you find a way to do that the minute the bill is on the floor, if you so choose. But tying up the floor in morning business simply inconveniences others who would like to do some work here.

I am sympathetic to the notion that there is a marriage penalty. I guess I am standing here, however, with the Senate in morning business, hoping that perhaps the Senator might allow the Senator from New York to proceed, and then allow me to proceed, and others who might want to proceed, and then it doesn't matter whether somebody talks until Sunday noon. I would like, in the morning business segment, or perhaps the opening segment of the appropriations bill, to be able to dispatch that business and let whoever wants to talk, do it until they are exhausted.

You are speaking of a subject of some importance, I admit that. I am sympathetic to the issue you are raising. I hope that you perhaps would allow us to do the things we would like to do in preparation to get the bill to the floor.

Mr. BROWNBACK. Mr. President, retaining the floor, I am going to proceed on forward with a discussion of the marriage tax penalty. I withdraw my unanimous consent request if it is not going to be agreed to.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. BROWNBACK. I was proceeding earlier, before allowing the Senator from Nevada to speak before catching a plane.

A number of groups have taken notice of this issue of a marriage tax penalty and think that it is clearly time and it is important that we at this time address this particular issue.

The Independent Women's Forum has sent a letter urging Congress to "put the Tax Code where its rhetoric is."

I think that is a real interesting way they state that in the letter. "We should put the Tax Code where the Congress' rhetoric is." We talk a lot about families, values, and virtues, and those sorts of institutions that make for a civil society. We talk endlessly about those things. Yet, then we tax them; we tax them disproportionately. This group has the courage to be able to identify, well, I guess then you guys really don't mean it. You will say one thing and do another.

The Independent Women's Forum urges Congress to put the Tax Code where its rhetoric is and eliminate marriage penalties. Serious steps to reform tax laws would mean real liberation to those who work and those who may have to in the future. Marriage taxes can impose a nearly 50-percent marginal tax rate on second earners.

They are saying in their publication, most of which are spouses, obviously, this is a State-sponsored discrimination, the unintended consequence of which is to discourage—they are saying here—women from entering the labor force.

"If Congress is sincere in improving the lives of American families, it will eliminate tax loopholes that choke paychecks. Real support for the family begins with tax reform."

There is a strong letter that they are citing that we ought to change our Tax Code along that line.

Let's look at the Catholic Alliance, and what they say.

> The Catholic Alliance Endorses the Marriage Tax Elimination Act.

Their president announces support for the Marriage Tax Elimination Act and the end of the marriage tax penalty. They say this:

> Catholic Alliance promotes the primacy of the family as a matter of public policy. We support the Marriage Tax Elimination Act as one step in the right direction. The current tax code, while it still exists, should be used as a vehicle to promote social responsibility. It certainly should not be used in a punitive manner toward the preeminent institution of marriage and family.

How better could you describe it than that? "It certainly should not be used in a punitive manner toward the preeminent institution of marriage and family."

They go on to state:

> We welcome the Marriage Tax Elimination Act introduced today by representatives Dave McIntosh and Jerry Weller. This bill can be a first step in recognizing in law that the family is the first church, the first school, the first government, the first hospital, the first economy, and the first and most vital mediating institution in our culture. In order to encourage stable two-parent marriage bound households we can no longer support a tax code that penalizes them," Fournier said.

Then this is what Pope John Paul II said in a letter in a publication called "Christian Family in the Modern World." The Pope says this:

> . . . families should grow in awareness of being "protagonists" of what is known as "family politics" and assume responsibility for transforming society; otherwise families will be the first victims of the evils that they have done no more than note with indifference.

There are some pretty strong terms that they noted.

UNANIMOUS CONSENT AGREEMENT

Mr. D'AMATO. Mr. President, I wonder if my colleague will yield for a suggestion that I would propound a unanimous consent. I have legislation that I know the Senator from Kansas is supportive of, and we want the Senate to be supportive. It would take me no more than 5 minutes to ask that it be brought up under a unanimous consent agreement.

I will speak for no more than 10 minutes, and probably less, because I have had an opportunity to make my views known; then, further, that the ranking member, Senator DORGAN, on the legislative appropriations, be given up to 15 minutes so that he might make his opening remarks on the legislative appropriations. That would be no longer than 25 minutes, and thereafter the Senator would retain the floor and the floor would return to him.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Reserving the right to object, if at that point in time I would be able to retain the floor, I am willing to agree.

Mr. D'AMATO. That would be the agreement.

Mr. BROWNBACK. I can then continue with my statement and have it appear continuously in the RECORD.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New York is recognized for 10 minutes.

Mr. D'AMATO. I thank my colleague from Kansas for being gracious, and Senator DORGAN, the ranking member, for his suggestion so we can accommodate the needs of our colleagues.

SENSE OF CONGRESS REGARDING THE CULPABILITY OF SLOBODAN MILOSEVIC FOR WAR CRIMES

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Con. Res. 105, and, further, that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> A concurrent resolution (S. Con. Res. 105) expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I believe we are about to take historic action that is so important, because, to date, what we have been doing is pleading, negotiating, hoping while the world burns in front of us. When I say "the world," I am talking of technically the people in this war-torn area of Kosovo.

It is incredible that 90 percent of the population there are ethnic Albanians under withering attack. In today's New York Times, it graphically speaks about it on the front page.

As a witness to this, a former paramilitary, former police officer in the Serbian police, said he can no longer stay there and work there as he watched innocent women and children being raped, killed, tortured and savaged—3 million people on the move, ethnic cleansing, moving them out of their homes, moving them out of their communities all because of one thing—all because of their ethnicity.

What we do today is the least we should be doing; and that is calling for the United States to, yes, utilize the provisions that the United Nations set up in terms of Security Council Resolution 827 creating the International Criminal Tribunal.

This man can and should be charged as the war crime criminal that he is. The documentation has already been chronicled in one of the best reports, which I have submitted to this body. The conclusions are inescapable. It is called "War Crimes and the Issue of Responsibility," prepared by Norman Cigar and Paul Williams. It documents the systematic slaughter and use of paramilitary groups against innocent civilians. There is no doubt that not only did he know about that but that he continues to perpetuate this kind of conduct.

To summarize briefly what Resolution 105 does, it says that we, the

United States, should publicly declare its considered reasons to believe that Milosevic has committed war crimes; that we make the checks of information that can be supplied to the Tribunal as evidence to support an indictment and trial of Milosevic for war crimes against humanity and genocide; that we should undertake it as a high priority; all of the information that we collect should be provided to the Tribunal as soon as possible; and, thereafter, that we coordinate our activities with our allies, members of the North Atlantic Treaty Organization and others interested in a matter of discussion of what we can and should be doing to apprehend this war criminal and others.

Yes. Mr. President, the time has come to gather the evidence and to submit it to the Tribunal, and to see to it that this man is branded as the war criminal that he is instead of us all sitting back silently as innocent lives continue to be taken.

Mr. President, I thank all of the Members of the U.S. Senate for the relatively short period of time Senator LIEBERMAN and I began this effort in terms of gathering cosponsors and support several days ago.

It makes me proud to be a Member of this body, for people to come together in this way to see, yes, the indictment of this war criminal. And he is one of the most evil men of our period of time. Make no mistake about it.

Mr. BIDEN. Madam President, I rise today as a co-sponsor in support of S. Con. Res. 105, which expresses the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia.

Yugoslav President Milosevic is the walking definition of an unscrupulous politician. I have come to understand the stark truth that the only thing that matters to Milosevic is his own political survival. The only thing.

Since his rise to power in Serbia in the late 1980's, he has been a failure at everything he has attempted—except, I regret to say, in staying in power.

Slobodan Milosevic has been an unmitigated disaster for the Serbian people.

As a result of his insane attempt at creating a "Greater Serbia," the centuries-old Serbian culture in the Krajina and Western Slavonia in Croatia has been extinguished, the Bosnian Serb community has been decimated and impoverished, and Serbian life in Kosovo seems on the verge of eradication.

Of course, that is only half of the story, for Slobodan Milosevic has also been a curse for many of the neighboring peoples of the Serbs. His vile "ethnic cleansing" led to a quarter-million deaths and more than two million refugees and displaced persons in Bosnia and Herzegovina. Bosnian Muslims, Bosnian Croats, and Croats in Croatia were brutalized and murdered.

Most recently, Milosevic's special police storm troopers have moved their grisly activities to Kosovo where they are visiting upon the ethnic Albanian population the same horrors suffered by the Bosnians and Croats.

I would like to add a personal note. I believe that I am one of only a very few Senators who have met Milosevic, and I am certain that I am the only one who ever called him a war criminal to his face.

In April 1993, on the first of my many trips to Bosnia, I also stopped off in Belgrade to see Milosevic. In the course of a lengthy meeting that went on late into the evening, I went through the entire litany of the horrors that his Serbian troops had perpetrated and were continuing to perpetrate. Of course, Milosevic protested that he had no control over any of this.

Nonetheless, he later asked if I wanted to meet Radovan Karadzic, the Bosnian Serb leader who has subsequently been indicted as a war criminal. I said yes, and twenty minutes later Karadzic came running up the steps of Milosevic's palace, totally out of breath. Rather interesting for a guy who supposedly had no influence in Bosnia!

After all this, Milosevic looked across the table and asked, "What do you think of me?"

I answered, "I think you're a damn war criminal!"

Milosevic's reaction was like water off a duck's back. He just resumed talking as if nothing had happened. He might as well have said, "lots of luck in your sophomore year!" This is one brazen guy.

Mr. President, I said earlier that the only thing Milosevic cares about is his political survival. I believe that for the first time there is a reasonable chance that he may be failing in this arena too.

In the person of Milo Djukanovic, the dynamic, young reformist President of Montenegro, the junior partner of Serbia in the Yugoslav Federation, the democratic opposition to Milosevic has both a new leader and a constitutional means of expressing its opposition. We must continue to support Djukanovic and Montenegro in their struggle.

In the meantime, as S. Con. Res. 105 urges, the international community should speedily bring Milosevic to trial before the International Tribunal in the Hague for his criminal behavior.

There is no possibility for lasting peace in the Balkans until Serbia has a democratic government, willing to live in peace and equality with its non-Serb citizens and non-Serb neighbors. Removing Milosevic from power is the sine qua non for this to happen, and S. Con. Res. 105 charts the path.

I thank the Chair and yield the floor.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the amendments at the desk, the resolution, and the preamble be agreed to, that the resolution, as amended, be agreed to, that the preamble be agreed to, as amended, and that the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NUMBERED 3212 AND 3213, EN BLOC

The PRESIDING OFFICER. The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from New York (Mr. D'AMATO) proposes amendments numbered 3212 and 3213, en bloc.

The amendments (Nos. 3212 and 3213) en bloc are as follows:

AMENDMENT NO. 3212

(Purpose: To make a technical correction)

On page 3, line 4, strike "probable cause" and insert "reason".

AMENDMENT NO. 3213

On page 5, strike lines 24 through page 6 line 5.

The amendments (Nos. 3212 and 3213) were agreed to.

The concurrent resolution (S. Con. Res. 105), as amended, was agreed to.

The preamble was agreed to.

The concurrent resolution (S. Con. Res. 105), as amended, with its preamble, is as follows:

S. CON. RES. 105

Whereas there is reason to mark the beginning of the conflict in the former Yugoslavia with Slobodan Milosevic's rise to power beginning in 1987, when he whipped up and exploited extreme nationalism among Serbs, and specifically in Kosovo, including support for violence against non-Serbs who were labeled as threats;

Whereas there is reason to believe that as President of Serbia, Slobodan Milosevic was responsible for the conception and direction of a war of aggression, the deaths of hundreds of thousands, the torture and rape of tens of thousands and the forced displacement of nearly 3,000,000 people, and that mass rape and forced impregnation were among the tools used to wage this war;

Whereas "ethnic cleansing" has been carried out in the former Yugoslavia in such a consistent and systematic way that it had to be directed by the senior political leadership in Serbia, and Slobodan Milosevic has held such power within Serbia that he is responsible for the conception and direction of this policy;

Whereas, as President of the Federal Republic of Yugoslavia (Serbia and Montenegro), Slobodan Milosevic is responsible for the conception and direction of assaults by Yugoslavian and Serbian military, security, special police, and other forces on innocent civilians in Kosovo which have so far resulted in an estimated 300 people dead or missing and the forced displacement of tens of thousands, and such assaults continue;

Whereas on May 25, 1993, United Nations Security Council Resolution 827 created the International Criminal Tribunal for the former Yugoslavia located in The Hague, the Netherlands (hereafter in this resolution referred to as the "Tribunal"), and gave it jurisdiction over all crimes arising out of the conflict in the former Yugoslavia;

Whereas this Tribunal has publicly indicted 60 people for war crimes or crimes against humanity arising out of the conflict in the former Yugoslavia and has issued a number of secret indictments that have only been made public upon the apprehension of the indicted persons;

Whereas it is incumbent upon the United States and all other nations to support the Tribunal, and the United States has done so by providing, since 1992, funding in the amount of $54,000,000 in assessed payments and more than $11,000,000 in voluntary and in-kind contributions to the Tribunal and the War Crimes Commission which preceded it, and by supplying information collected by the United States that can aid the Tribunal's investigations, prosecutions, and adjudications;

Whereas any lasting, peaceful solution to the conflict in the former Yugoslavia must be based upon justice for all, including the most senior officials of the government or governments responsible for conceiving, organizing, initiating, directing, and sustaining the Yugoslav conflict and whose forces have committed war crimes, crimes against humanity and genocide; and

Whereas Slobodan Milosevic has been the single person who has been in the highest government offices in an aggressor state since before the inception of the conflict in the former Yugoslavia, who has had the power to decide for peace and instead decided for war, who has had the power to minimize illegal actions by subordinates and allies and hold responsible those who committed such actions, but did not, and who is once again directing a campaign of ethnic cleansing against innocent civilians in Kosovo while treating with contempt international efforts to achieve a fair and peaceful settlement to the question of the future status of Kosovo: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the United States should publicly declare that it considers that there is reason to believe that Slobodan Milosevic, President of the Federal Republic of Yugoslavia (Serbia and Montenegro), has committed war crimes, crimes against humanity and genocide;

(2) the United States should make collection of information that can be supplied to the Tribunal for use as evidence to support an indictment and trial of President Slobodan Milosevic for war crimes, crimes against humanity, and genocide a high priority;

(3) any such information concerning President Slobodan Milosevic already collected by the United States should be provided to the Tribunal as soon as possible;

(4) the United States should provide a fair share of any additional financial or personnel resources that may be required by the Tribunal in order to enable the Tribunal to adequately address preparation for, indictment of, prosecution of, and adjudication of allegations of war crimes and crimes against humanity posed against President Slobodan Milosevic and any other person arising from the conflict in the former Yugoslavia, including in Kosovo;

(5) the United States should engage with other members of the North Atlantic Treaty Organization and other interested states in a discussion of information any such state may hold relating to allegations of war crimes and crimes against humanity posed against President Slobodan Milosevic and any other person arising from the conflict in the former Yugoslavia, including in Kosovo, and press such states to promptly provide all such information to the Tribunal;

(6) the United States should engage with other members of the North Atlantic Treaty Organization and other interested states in a discussion of measures to be taken to apprehend indicted war criminals and persons indicted for crimes against humanity with the objective of concluding a plan of action that will result in these indictees' prompt delivery into the custody of the Tribunal; and

(7) the United States should urge the Tribunal to promptly review all information relating to President Slobodan Milosevic's possible criminal culpability for conceiving, directing, and sustaining a variety of actions in the former Yugoslavia, including Kosovo, that have had the effect of genocide, of other crimes against humanity, or of war crimes, with a view toward prompt issuance of a public indictment of Milosevic.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I thank this body and thank all of my colleagues for their support of what I consider to be a very important initiative. I certainly hope that the House acts quickly on this. I believe this is the least that we can and should do.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota is recognized for 15 minutes.

LEGISLATIVE APPROPRIATIONS

Mr. DORGAN. Mr. President, we are at some time going to take up the legislative branch appropriations bill formally. I wanted to make a couple of comments in response to the comments made by the chairman of the Appropriations Subcommittee on Legislative Branch.

Senator BENNETT spoke about this work of the subcommittee. I have said before and I will say again I think he is an awfully good legislator. I appreciate very much the opportunity to work with him. We have worked in a cooperative spirit, in a bipartisan way, and have brought to the floor of the Senate a bill that I think reflects the right priorities and the prudent expenditure of the taxpayers' money for the things that are important and necessary.

I especially wish to commend Senator BENNETT. For those who don't know about his work on what is called Y2K or the year 2000 problem, I must say, having sat through all of the hearings we held, in every instance with every agency and every department, Senator BENNETT has been very determined to make certain that we are on the road to addressing the problems that confront us with the turn of the century and the programming and the computer software that exists around our country, and he has, of course, since been named chairman of a panel on this issue. A lot of people don't think too much about it because it is a year and a half away, but it is a very important issue. Senator BENNETT has been a leader on that issue, and I think the Senate owes him a debt of gratitude.

Let me just for a moment mention a couple of items in the appropriations bill itself. We have in this legislation provided for a Trade Deficit Review Commission. With the announcement once again today that the trade deficit hit another record high, and the trade deficit continues to swell and balloon on us, I think it is important for our country to do a comprehensive review of what is happening and what is causing it, and what are the range of things we might do to address it.

On this issue, we have worked, in consultation with the Senate Finance Committee, to make some changes that would be satisfactory to them. These changes will be reflected in the managers' amendment, and I think this process of constructing this recommendation has been a very useful process. It has been a collaborative effort with the folks in Senate Finance and others.

As to this Trade Deficit Review Commission, the chairman of the full committee, Senator STEVENS, has been a very strong supporter and a cosponsor; the ranking member, Senator BYRD, from West Virginia, a cosponsor and a very strong supporter as well. I think, especially given the news once again today, it is timely and important, and I appreciate, again, the cooperation of the chairman of the subcommittee.

I want to mention the General Accounting Office which is funded in this bill. The GAO, which most people know it by, normally shows up in stories around the country that are written about the investigations they do. The GAO does first-rate investigative work. It is the investigative arm of Congress. It is not partisan, has never been partisan. It is a group of dedicated professionals who, at the direction of Congress, review and study, investigate, and evaluate a myriad of things we ask them to do about how the money that Congress appropriates is being spent.

The GAO is a very, very important organization. We have cut the GAO substantially over a number of years and now we have tried to stabilize it with the right kind of investments. It is a smaller organization than it was, but it is a strong and assertive organization that does wonderful work for Congress.

I am pleased that the recommendation we have in this particular appropriations bill reaches the level, albeit a much lower level of staffing at the GAO than had been there previously, a level which I think will give it the strength to do the job we expect them to do and the American people expect them to do. Anyone who has read their reports, read the news reports of the studies they have done, knows the value of the GAO.

I do want to make a point that I have made repeatedly as well. I am profoundly disappointed, with respect to the GAO, that 21 months have passed since the departure of the Comptroller General, who is the person who heads the GAO. Comptroller General Bowsher headed the GAO for many, many years, a respected professional in every quarter in this community and around the country.

Twenty-one months ago Mr. Bowsher left the GAO. That was not a surprise because he had reached the end of his rather lengthy term and had announced he was leaving. So we have had probably over 2 years' notice that position was going to be vacant. I am disappointed to tell my colleagues today that there is still not a permanent head of the GAO. We do not have a Comptroller General. We have someone who is acting. I have great respect for that person; he has done a very good job. But that is not the same as having a permanent head of an organization who is thinking in the intermediate and longer terms about what they hope to accomplish, how they want to run the organization.

I say to my colleagues, both Republicans and Democrats, all friends of mine, I am sure, if you are one of those whose responsibility it is to help select from a list of premier candidates a new Comptroller General, and you have not yet done that in consultation, I might say, with the White House, please get about your business. Get it done. It is profoundly disappointing to me and many others, and I think the American people, to know that the Comptroller General's position has been unfilled for 21 months. That is not fair to the American people, in my judgment. Those responsible ought to get to work and get this done.

One other item I might mention finally is the Congressional Budget Office. I was pleased that the committee report includes an exchange of letters that results from some items I have raised with the head of the Congressional Budget Office, Dr. June O'Neill.

The Congressional Budget Office was putting out information on a monthly and quarterly basis that talked about the surplus in the Federal budget. The law requires them to put out all the information, not just some of the information. And all of the information by law requires them to tell us not just what the so-called unified budget portrays, but what the budget looks like if you do not include the Social Security trust funds, and that is a different number. There is no budget surplus unless you take the Social Security trust funds and bring them over into the operating budget, there is no surplus. It doesn't exist. And so all of these rosy surpluses put out by CBO and used by some of my friends here in Congress to whet their taste for more tax cuts, all these surpluses are just fiction.

We finally have the CBO now putting out numbers that describe, all right, if you use the Social Security trust funds, here is the unified budget surplus. If you don't use the Social Security trust funds, here is the deficit. Every piece of information they put out, I might say, includes a notation that the Federal debt will continue to increase even as on the unified budget they claim there is a surplus. So that in itself will tell you that the American people need to have all of the information.

I think we are making progress there. I know that those who take the unified budget portion of the CBO reports will hire a band that plays fast music and will dance so fast we can hardly see them in the next couple of months to try to satisfy this appetite to construct a $50-, $100-, $200 billion tax cut bill. First of all, there is no surplus with which to construct that tax cut. And second, my judgment is that one of the first acts with any bona fide and real surplus ought to be to make some payment on that debt, just begin to ratchet that debt down. I have no idea whether the Senator from Utah agrees with that, but I do recall his presentations on the floor of the Senate, with a very interesting chart in which he looked at this fiscal policy in a way that was different from the way anyone else had looked at it.

I do think it would probably be a wonderful signal to the American people if we would take some part, of any future real surplus—not a fictional surplus but a real surplus—and say we intend, during good times, to try to reduce the actual indebtedness.

I just mention that because a lot of what we do relates to what information we have, and when the Congressional Budget Office is putting out information only about the unified budget and ignoring the section of law that requires disclosure of what the budget situation is if you do not use the Social Security trust funds, it, in my judgment, is giving information to people that is making them far more excited than they should be about a surplus that honestly, at this point, does not exist.

Let me mention, finally, we have some very dedicated people who serve this Congress—officers of the Senate and others who run the agencies and departments. I would like to say many of them have testified before our subcommittee. Many of them do outstanding work. They are not often heralded for that work. There is not a lot of information about the work they do. But I know, because we work late hours and spend a lot of time here, they put in a lot of hours. Their employees put in a lot of hours. We are well served by some people who are in public service here who provide staff assistance to the Congress. We should make mention of that.

One of the other agencies I want to mention finally is the Library of Congress. I know Senator BENNETT and I have had talks with Dr. Billington and others who run that wonderful institution. I think it is an institution that has somewhere around 14 million volumes of work. It is, I am told, the largest repository of human knowledge anywhere on Earth.

Just as an aside, I read a speech by the president of IBM. He was talking about what they are doing on storage technology. He said they are, he thinks, on the edge of research breakthroughs sufficient so that, in the not too distant future, they would be able to put all of the works in the Library of Congress—in other words, all of the largest volume of work of recorded human knowledge anywhere on Earth, on a wafer the size of a penny. Pretty remarkable, isn't it?

But the Library of Congress is a wonderful, important treasury of information for this country. We have had the pleasure of working with them on a wide range of issues. I want to especially compliment the work they are doing, digitizing a lot of their records, and the other things that are happening at the Library of Congress.

So let me conclude where I began, to say it is truly a pleasure to work with Senator BENNETT. He is, I think, an outstanding legislator. I hope at some point we can get the bill up. I hope when we get the bill up, we can get the bill passed and get on with this. But as I indicated in response to the Senator from Kansas, the issue he is talking about is not an insignificant issue, it is a real issue and an issue of some importance. As soon as we can find a way to resolve all these issues, perhaps we can get the legislative branch bill to the floor and get it resolved with some dispatch.

Let me thank the Senator from Kansas for his cooperation.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

MARRIAGE PENALTY TAX

Mr. BROWNBACK. Mr. President, I thank my colleague from North Dakota for his statement. I do want to note what is going on here. The leadership on our side is attempting to get the legislative branch bill to the floor for debate. That is appropriate and that is as it should be. I am simply saying, before we give the legislature its money, let's give some American families their money back in a small tax cut. Actually, I think we could do far better than this, but a tax cut that they should have. The leadership, TRENT LOTT, agrees with me on this and is willing to do that.

We have an objection from the other side of the aisle. The Democrat side of the aisle is not willing to let us take this bill up at this time.

The majority leader is in agreement and wants to do this, wants to have a vote on this particular bill. We cannot get agreement from our Democrat colleagues to agree to vote on this bill. The irony of that is, I think, if we were able to get it up for a vote, there would be a number of my Democrat colleagues who would agree that we should do away with the marriage tax penalty. This is a ridiculous notion, way out of step with all of our rhetoric, way out of step with the rhetoric of everybody running for public office in America, talking about the need to support family and family values.

We tax families more than we do people who are not in a family situation—not that we should penalize those either, but this should just all be level. Many of my colleagues on the Democrat side of the aisle, I am convinced, would vote for this. But we are being blocked by my Democrat colleagues from being able to take this up for a vote on a legislative branch bill, and I am just not willing to concede that we should not vote on this issue at this point in time when we are running budget surpluses—that we should just say, OK, we will fund the legislature, we will fund all the operations of these fine institutions, but we are going to keep taking more money from married couples who make between $25,000 and $75,000 a year. We are going to penalize them $1,400 a year, on average, while the legislature gets their money and while the Democrat side of the aisle objects to this being voted on.

I do not think that is right. I do not think we ought to do that, particularly in light of what we know our financial situation to be. We can do this. It should be done. We used to do it. We used to treat married couples the same as single filers up until 1969. We treated them the same at that point in time. Then, at that point in time, we created the imbalance situation, to where married couples are taxed more.

I do not know how many people recognize just how this works, because it is not even all married couples who are taxed more. The National Center for Policy Analysis, in a February 1998 policy background paper, puts it this way. They say:

> A marriage penalty results when a married couple pays more for taxes by filing jointly than each could be if each filed as a single person.

That was the feature we talked about earlier—some economists—a man and a woman, economists, who each year at the end of the year divorce, file separately, retain the extra money, have kind of a special party, honeymoon, and then marry again the first of the year. That is just each year they do this to take advantage of this situation, which is ridiculous, that the Tax Code would actually encourage that.

> A couple files the marriage penalty only [only] when both spouses have earned income.

Is that fair, that we only do this when both spouses have earned income? A large percentage of married couples, where both spouses work, work because they have to; they have to, to make ends meet, when you have a national effective tax rate—national, State, local—of 40 percent, and you have one spouse work to pay taxes and the other spouse work to pay for everything else. So we have, in this country, again because of tax policy, in many respects—we force both couples to work, whether or not they really want to, in their family arrangement. That is their choice of what they decide to do.

But this marriage tax penalty then, to add insult to injury again, only applies when both spouses have earned income—only when both of them are working. Does that make any sense for a tax policy in America? Does that make any sense for struggling families at all? I think my Democrat colleagues ought to want to vote on that sort of issue.

> Single earner couples never pay a penalty; in fact, always get a bonus from the Tax Code.
>
> Single earner couples never pay a penalty; in fact, always get a bonus from the Tax Code, paying less taxes than they would pay as singles.

This is single-earner couples. Is that good tax policy either? Is that the way we should be? I think my Democrat colleagues would want to vote on an issue like this. We are talking about returning a portion and not spending more in deficit and not hurting Social Security reform or saving Social Security. We can still save Social Security. You don't have to pick between marriage and Social Security on this. CBO says we will have $520 billion in surpluses over the next 5 years. We can help pay down the debt, we can support marriage, and stop this ridiculous tax on marriage, and we can save Social Security. Those are doable in the current situation we are in. Why on Earth would we not want to vote? Why on Earth would my Democrat colleagues be blocking us from voting on this particular issue that is so important?

And, finally, we can help match our rhetoric to our actions on how important family values are. We need to do those things. They show, in this National Center for Policy Analysis backgrounder piece, just how this issue works.

> The marriage penalty fundamentally results . . . [and they have charts in here] "Percentages of couples with marriage penalties and bonuses."

I note it only applies to two-wage-earner families that you get the marriage penalty, which I think is wrong. But what happens is, when you hit into this penalty category, this is when you have two-wage-earner families making between approximately $20,000 a year and $75,000 a year, hit this penalty category, this tax increase category.

Think about that. How many people in America would be impacted then by that? We are talking about two-wage-earner families making combined between $20,000 and $75,000 a year. That is a lot of people. It is an estimate that is affecting 21 million American families. That is just the two-wage earners. It is not the other children associated with the families who are getting this huge tax hit that on average is $1,400.

Maybe some people don't think $1,400 is very much money. It is a half-a-year car payment for some people. It is a wrong signal to everybody. Whether you agree or disagree that this is very much or very little, it is the wrong signal to send at this time of such struggle that we are having taking place in America. It just hits that category of people.

Mr. DORGAN. Mr. President, will the Senator from Kansas yield for a brief question?

Mr. BROWNBACK. Yes, I will.

Mr. DORGAN. I did not intend to interrupt the Senator from Kansas, I think, three times. He doesn't understand why the Democrats object to a vote on this. Does the Senator understand, the Democrats, as he characterized it, are not objecting to a vote on this? The objection is to a unanimous consent request that says there would be a vote on what you are proposing, but no one on this side of the aisle would be allowed to present alternatives for a vote.

We have a couple of people in the Cloakroom, I am told, who want to offer tax amendments as well, if you want to have a vote on tax amendments on the legislative branch bill.

It is not a case of Democrats objecting to a vote on your bill. I want people who might be listening to the debate to understand that. The unanimous consent request would say, let us have a vote on yours, but prevent anybody else from offering anything. Obviously, we have some folks who object to that.

Mr. BROWNBACK. And, obviously, then the reason I am not getting a vote on the tax penalty is your objection to this.

Mr. DORGAN. No, no——

Mr. BROWNBACK. My point in making that is to say we have a real situation here, well known, extraordinarily documented, and we have the ability to pay for it. And before we pay ourselves in the legislative branch bill, let's pay the American families a little something. That seems to me to make eminent sense of something we should do.

I also further note, if I can——

Mr. BENNETT. Mr. President, will the Senator yield for a question?

Mr. BROWNBACK. I will in just a moment.

We spent 4 weeks on the tobacco legislation. We spent lots of time on other things in which I know the Senator from North Dakota was deeply interested. We gave lots of folks lots of floor time. Have we voted on any tax cuts yet for the American public? We have voted on a lot of tax increases. I think it is time we start saying it is time to give the people back a little bit of money. I would like to see married couples get it back first.

I will yield for a question.

Mr. BENNETT. I want to make one quick clarification. The Senator made a comment that before we pay ourselves, and there are many people who believe that pay for Members of the Senate is included in the legislative branch appropriations bill. I want to make it clear that it is not. The legislative branch bill is pay for the staff, pay for the agencies connected with the legislative branch, but Members' pay is not here. If we do go to the legislative branch appropriations bill, it will not deal with pay for Members of Congress.

Mr. BROWNBACK. And I stand corrected on that issue. That is correct, and I did misspeak on that point.

Mr. DORGAN. Mr. President, if the Senator will yield further.

Mr. BROWNBACK. I appreciate my colleague from Utah for pointing that out. That was a misstatement on my part.

Mr. DORGAN. Mr. President, will the Senator yield further for a question?

Mr. BROWNBACK. Yes. I do want to show what is paid for in the legislative branch appropriations bill then as well.

The PRESIDING OFFICER. The Senator is recognized for a question.

Mr. DORGAN. I appreciate his courtesy. I just observe, however, I don't want him to skip over this point. The point isn't that somebody on one side of the aisle in the Senate is objecting to what you are doing. If there is intended to be a debate about tax policy on this bill, I expect the Senator from Kansas would fully understand, in the name of fairness, that it wouldn't be just his amendment that would be in order to be offered, but that there would be others, probably on both sides of the aisle, who would want to weigh in with their particular amendments.

The objection is to the unanimous consent request that would say you get to offer your amendment but no one else gets to offer their ideas on the subject of taxation. I hope that when you characterize this, it is not to characterize it as something that the Democrats are unfairly trying to do, because that is not the case. The objection is to allowing you to offer your amendment but preventing anyone else from offering their amendment on the tax issue.

In conclusion, I expect we will have a very substantial and lengthy debate on the issue of tax reform and tax changes and tax cuts perhaps in the month of September. At least that is the way it is shaping up. I want to make sure this is characterized fairly. I don't believe the Senator was being fair to us when he was saying we object to your amendment. That is not what we object to. We object to a process that says you can offer yours but no one on this side can offer their amendments on the subject of taxation. I appreciate the courtesy.

Mr. BROWNBACK. Mr. President, I appreciate the point. I still fundamentally disagree with it. If we are talking about the issue of fairness, we spent 4 weeks talking about raising taxes on tobacco and working Americans. I don't know how many people were arguing at that time, "OK, if we spent 4 weeks on that then we ought to talk 4 weeks about tax cuts."

I have only been standing here an hour or two. We spent 4 weeks talking about raising those taxes, vote after vote. Some of the things in that policy area I thought were making some legitimate points about how we should try to cut back on teen smoking—which I do not support; nobody supports teen smoking—and how we can get at it. If we are going to talk about fundamental fairness, we did spend 4 weeks on that particular topic and much of it centered around how we raise taxes.

I am talking about on this particular bill, because we are short on the Legislative Calendar, let's talk about a tax cut. We are not getting a vote on that. We are being blocked from getting a vote on a very serious tax policy problem at a very important time in our country.

There was a poll of the American public about what they are most concerned about today. Consistently, people have been getting more and more concerned about what is happening to the values of this country, what is happening to us. While I don't think this body at all can control that sort of, "Hey, here's what's happening across a civil society in America," we can send signals, and we do send signals regularly.

When we had the welfare reform bill, we said in the welfare reform bill, "OK, if you're an able-bodied person and you can work, after 2 years, you are going to have to work. If you can do that, we are going to make you do that." We sent a signal from here.

Do you know what is happening in Kansas because of that? We have a welfare roll reduction of nearly 50 percent. I met with a number of people who were on welfare for a long period of time. They said to me, "This is a wonderful change. You forced me off it. Welfare was like a drug that I was hooked to. You made me get out and work, and I feel better about it."

A 50-percent reduction, and the people who were on it feel better about where they are today. It was a signal. One can say, "Well, we didn't really change that much of welfare reform policy." I think we did change a substantial amount, and we sent the right signal.

With this, Mr. President, we are sending all the wrong signals. We are saying that if you are a two-wage-earner family, you have to pay more in taxes. If you make between $20,000 and $75,000, I am sorry, you have to pay more in taxes. It is the wrong signal. It sends a bad signal. It needs to be corrected, and it can be corrected.

We are on the legislative branch appropriations bill. As the Senator from Utah had noted, this does not include the salaries of individuals who serve in this body, and I misstated that. These are some of the things that it does fund: It funds the operations of Congress. People can see the Superintendent's shops, the various things we fund here, and directory of services we have here.

The only reason I am pointing this out is that this is basically running this institution, some of which I am wondering why we don't have contracted out or privatized myself. My point in raising this is, I think before we pay these, we ought to give more back to families to operate their budget, a mere $1,400.

I talked some about the groups who support this elimination of the marriage tax penalty. I noted, too, I hope my colleagues from both sides of the aisle, when we get a chance to vote on this, will be supportive of this.

I think it is important that people understand how this problem works and when it went in place and what we can do about it.

I have cited the Congressional Budget Office before on this particular problem where they are noting:

> The Federal income tax law generally requires married couples filing a joint tax return based on combined income of husband and wife. As a result, husbands and wives with similar incomes usually incur a larger combined tax liability than they would if they could file individually. At the same time, spouses who have markedly different incomes but file as a couple generally face smaller tax bills than they would if they were single.

Is that good tax policy? Is that right?

> Those two possibilities often referred to as "marriage penalties" and "bonuses" result from the conflicting goals of a tax system that attempts to balance fairness between married and unmarried couples among married couples and among taxpayers with differing incomes.

OK. So we have had a conscious policy here toward marriage for some period of time. My problem is, why do we penalize a certain group in here, that is, middle-income individuals, struggling greatly in this system, and we actually have this as a policy? This is according to CBO. This is a policy, and we enacted it into law in Congress in 1969—before I was here, the year of Woodstock, the year of putting a man on the Moon. I do not know if there was a signal that was sent at Woodstock that we ought to do these sorts of things, but it went into place then.

> Under the 1996 tax law, married couples could face a Federal tax bill that was more than $20,000 higher than the amounts they would pay if they were not married and could file individual tax returns, whereas, other couples may find that filing a joint tax return reduces their tax bills by more than $4,000.

Now, surely my colleagues on the other side of the aisle would want to redress this issue. And I appreciate the Senator from North Dakota saying, "Well, we're not opposed to it. We just want to raise a whole bunch of other tax bills." What we are trying to do with this is to direct and correct the very narrow wrong that applies to 21 million American families.

I would hope my colleagues on the other side of the aisle would say that is not something we need trading material for, that "We will trade you that if you will let us bring up the Patients' Bill of Rights," or some other issue. Or as the Senator from Kentucky said, he wanted to do away with the marriage bonus, which I have a problem with. I do not want to raise those taxes on individuals. I do not think that most people on the other side of the aisle would say we need to trade this back and forth.

Why couldn't we just get a consent from them that we would vote on this amendment? Yet, that is the problem I am having, not being able to get consent from Democrat colleagues on this particular issue that we would be able to get a vote on this item.

I am willing to have a vote on Senator FORD's proposal that we do away with the marriage bonus, which I do not agree with. I will not vote with the Senator, but I certainly am willing to agree that we have a vote on that particular issue. But I do not see why we would disagree. I do not see why we would have this particular problem at this particular time and in this debate.

Let me cite some other materials that people are working with about the particular problems that families are having.

CBO again:

> The various ways of defining marriage penalties and bonuses—one broad measure indicates that more than 21 million married couples—

Twenty-one million married couples; so there are families associated with those married couples—

> paid an average of nearly $1,400 in additional taxes in 1996 alone—

So $1,400 per couple—

> because they must file jointly, whereas, another 25 million found that the benefits of filing jointly decrease their tax bill an average of $1,300.

I am glad that people got the decrease on the 25 million. I see no reason why we should penalize the other 21 million.

> Marriage penalties totaled about $29 billion in 1996.

The marriage penalty—listen to this—$29 billion was the size of the marriage penalty in 1996. So $29 billion. That is a negative signal of gigantic proportion that we are sending across this Republic and across this country, if we do not deal with this issue. And it is of importance that we deal with it now while we have so few legislative days that remain.

I want to quote some people, what working Americans are saying about the marriage penalty as they grow more and more informed about the marriage penalty.

This is a gentleman from Union, KY. He said this:

> Before we set a wedding date, I calculated the tax implications.

There is a scary notion, that before you get married that a person is going to actually calculate their tax implications to it. I hope more people do not do that.

> Since we each earn in the low $30,000s, the federal marriage penalty was over $3,000.

This is a gentleman in Union, KY. The marriage penalty was over $3,000.

He notes:

> What a wonderful gift from the IRS!

What kind of gift is that? What kind of message is that? What kind of signal is that? It is money that ought to be returned. I encourage people listening and watching—why don't you figure out what your own marriage penalty is to see how you are going to be impacted if we are able to get this change and get a vote on it from our colleagues on the other side of the aisle, if they will let us vote on it?

This is Bobby and Susan from Marietta, GA, who raised this issue. They said this quote:

> When we figured out our 1996 tax return . . . we figured what our tax would be if we were just living together instead of married.

Now, that is not a very good notion either that we want to encourage with the tax policy.

They said this:

> Imagine our disgust when we discovered that, if we just lived together instead of being married, we would have saved an additional $1,000.

That is the signal we wanted to send to Bobby and Susan from Marietta, GA?

"Imagine our disgust when we discovered that, if we just lived together instead of being married, we could have saved an additional $1,000."

I am standing here thinking, now, is that the signal we wanted to send to them? How many married couples actually figure what their taxes are and say, "You know what? The Federal Government is telling us not to get married. Maybe we should not get married, then, if that is the signal that they are sending to us. And we are going to either pay a penalty of $1,000 for getting married, or we can continue to live together. Now, should we pay that penalty or should we just live together?"

Bobby and Susan said they figured it was, for them, going to be an additional $1,000 in taxes.

Listen to this quote:

> So much for the much vaunted 'family values' of our government. Our government is sending a very bad message to young adults by penalizing marriage this way.

Here are people that actually sat and figured it out. And people do figure these things out. And they do see the signals that are being sent, and they do respond. Fortunately, a lot of people know that these are wrong signals, and then they do not act accordingly. But they do respond to those things.

Here is Sharon from Indiana, what she said. This is a good one.

> I can't tell you how disgusted we both are over this tax issue. If we get married not only would I forfeit my $900 refund check, we would be writing a check to the IRS for $2,800.

So she forfeits a $900 refund check. And she would be writing a check to the IRS for $2,800.

> Darryl and I would very much like to be married . . .

"Darryl and I would very much like to be married."

> and I must say, it broke our hearts when we found out we can't afford it [when they found out they could not afford to be married because of the tax policy of this country].

Now, isn't that something we ought to deal with posthaste? Isn't it something we ought to say right now, let us have a vote on this so we can send the right sort of signal to Sharon and Darryl in Indiana and to Philip in Union, KY, and Bobby and Susan in Marietta, GA? They said: "We can't afford to get married because of the Federal tax policy."

This is a gentleman from Columbus, OH.

> I am engaged to be married [he says] and my fiancee and I have discussed the fact that we will be penalized financially. We have postponed the date of our marriage in order to save up and have a 'running start' in part because of this nasty, unfair tax structure.

"Nasty, unfair tax structure."

Those aren't quite the type of words that we use in the Senate all the time. But he has calculated, figured it up, and said, "Well, OK, I want to get married, and we want to do a lot of things as a family, but the first thing we have to do is pay more in taxes."

Is that the sort of policy that we want to send forward? Is that the sort of thing that we want the American public to look at and to hear about? Is that the sort of thing that we want to support as a policy, as a family values policy of this Congress?

Here is Christopher from Baltimore, MD:

> I am a 23-year-old and a marriage penalty victim for four years now. I am a union electrician who works hard to put food on the table to take care of my family.

Then he asked the simple question, "Why is the government punishing me just because I'm married?"

Why are we? Why aren't my Democrat colleagues willing to let me have a vote, let us have a vote, on a bill that most of them would support, as well, to do away with the marriage tax penalties? Are they just fearful we will give the American public back some of their money and will direct it to families who need it the most, young families just starting out, union electricians, who want a little bit more of their tax money back?

Two-wage-earner families is who this tax is actually targeted toward. We are actually taxing them more. Aren't we concerned about two-wage-earner families struggling heroically? This is a great direct shot at helping them build their family units.

Why won't my colleagues from the other side of the aisle let us vote on this? Let's just have a vote on this and see. I would think we would have a lot of people support it. Don't block this vote.

Scott from Palmdale, CA:

> If you want more of something reward it; if you want less punish it monetarily.

That is a basic principle that is used in the Tax Code frequently.

> If you want more family units, reward them financially. Then maybe the statistic will drop that says 70 percent of divorces are due to money challenges.

That is a pretty fundamental principle on this basis of how we run this Government.

We have places that we can send signals out there. We can send signals out through legislation, we can send signals through regulation, and we can send signals through tax policy in this country. The tax policy in this country is that if you tax something more, you will punish it; if you tax something less, you will reward it. We are actually taxing two-wage-earner families more. And do we ask them to get less of that—is that what we are asking to get less of?

This is Christopher, from Fairfield, OH:

> One of the biggest shocks my wife and I had when deciding to get married was how much more we would have to give to the government because we decided to be married rather than live together.

Here are people, figuring, calculating, looking and saying: OK, now what will we do here?

> It does not make sense that I was allowed to keep a larger portion of my pay on a Friday and less of it on a Monday with the only difference being that I was married that weekend.

That is pretty succinct, as well.

> The only difference was that I was married that weekend.

From Andrew and Connie from Alexandria, VA—real close:

> We grew up together and began dating when we were 18. After dating for three years we decided that the next natural step in our lives together would be to get married. I cannot tell you the joy this has brought us. I must tell you that the tax penalty that was inflicted on us has been the only real source of pain that our marriage has suffered.

So here is a couple that dated for 3 years, when they were 18 they started dating—much joy; the only pain that has been inflicted is the tax increases that they suffered for getting married.

Here is Andrew, from Greenville, NC:

> It is unfortunate that the government makes a policy against the noble and sacred institution of marriage. I feel it is unfortunate that it seems to hit young struggling couples the hardest.

That is great Greenville, NC.

If you look at the category of those hitting the marriage tax—and, again, I refer to the chart from the National Center for Policy Analysis—it is couples making, combined, $20,000 and $75,000 of earned income, two-wage-earner couples in that category, frequently young, married couples, starting their family. So that while this tax penalty actually hits 21 million married couples, it is hitting far more in the way of children. It is hitting young children at some of the most vulnerable times in their lives.

This is something that really was one of the most perverse signals we could possibly send. It is directed mostly at younger couples. It is when they are starting their families. It is at a time when people are deciding to get married or not to get married, and we send this perverse tax signal that you have to send more money that you are making to the Federal Government. If anything, we should be sending them a bonus at that particular point in time.

Why won't my Democratic colleagues let us vote on this? Why won't they let us do this? That just doesn't seem to make sense, why they wouldn't let us vote on this narrow issue. On the issue of fairness, they say we need to bring up other tax policy issues. We brought up a lot of tax increase issues. We are finally talking about a tax cut issue. We should be willing and able to vote on this sort of issue now.

This is Thomas, from Ohio. He writes:

> No person who legitimately supports family values could be against this bill [that is, to eliminate the marriage tax penalty].
>
> No person who legitimately supports family values could be against this bill. The marriage penalty is but another example of how in the past 40 years the federal government has enacted policies that have broken down the fundamental institutions that were the strength of this country from the start.

I don't know how any more clearly you could put that as an issue. Why would we continue to propound that? We may have somewhere around 30 or 40 legislative days left in this Congress.

My point in bringing this up at this point in time is, we aren't having a lot of chance to be able to correct wrongs on other bills other than appropriations that are moving through the legislative body. We have to move appropriations bills through. We should move appropriations bills through. We will not be getting a lot of these other issues up—tax policy, particularly dealing with this most onerous tax on married couples, marriage tax penalty. Why won't we deal with this now? We are trying to deal with it on the legislative branch appropriations bill, as well. This is a good vehicle to deal with it. It funds the institutions of the Congress here. So we are saying let's deal with this one now on this short legislative calendar that we have while we have the resources to be able to do it.

This is Sean, from Jefferson City, MO. He wrote this:

> I think the marriage penalty is a major cause of the breakdown of the family here in the U.S.

He is citing it as a major cause of the breakdown of the family here in the United States.

> [Ending it] would cut down on the incidence of cohabitation by unmarried couples and give more children two-parent families where there is a real commitment between the parents.

I am not certain about what he said earlier, but I think it is the proper signal for us to send to families, particularly the young and struggling ones.

From Houston, TX:

> If we are really interested in putting children first, why would this country penalize the very situation, marriage, where kids do best?

A lot of single parents struggle heroically to raise children, and we don't want to penalize them. The amendment I want to put forward does not penalize them. It does not penalize them. It simply says a two-wage-earner married couple, earning between $20,000 and $75,000. you shouldn't penalize either. When parents are truly committed to each other through their marriage vows, their children's outcomes are enhanced.

That is Gary and Carla from Houston, TX.

This couple from New Castle, VA:

> I am a 61-year-old grandmother, still holding down a full-time job and I remarried 3 years ago.

This is astounding.

> I had to think long and hard about marriage over staying single as I knew it would cost us several thousand dollars a year just to sign the marriage license. Marriage has become a contract between two individuals and the Federal Government.

In this lady's estimation, from New Castle, VA:

> Marriage is a contract between two individuals and the Federal Government.

She had to think long and hard about whether to stay single or get married because she couldn't afford the taxes. That is an extraordinary situation and ought to be corrected as soon as possible.

Here is from Chicago, IL:

> We read that representative Jerry Weller of Illinois is one of a group of sophomore legislators pushing for an end to the marriage penalty. We do not believe this effort should be a partisan effort and strongly feel that members of both parties should join together to right this wrong and that Congress should do it quickly.

Well, that is what we are trying to do here today, and to do this quickly. It should be done. It can be done. We need to do it. We need to do it on this vehicle. That is why we are putting this forward now.

This is from Pennsylvania:

> My wife and I have actually discussed the possibility of obtaining a divorce, something neither of us wants or believes in, especially myself, simply because my family cannot afford to pay the price.

Is that a horrendous statement to have from Jeffrey in Pennsylvania?—keeping the names somewhat anonymous.

> My wife and I have actually discussed the possibility of obtaining a divorce, something neither of us wants or believes in, especially myself, simply because my family cannot afford to pay the price.

My goodness, that is something we just have to collect. This is the Ottawa Daily Times.

According to Edward McCaffery, a law professor at the University of Southern California and California Institute of Technology and author of "Taxing Women," in an article in the University of Chicago Press:

> The marriage penalty is essentially a tax on working wives, because the joint filing system compels married couples to identify a primary earner and a secondary earner, and usually the wife falls into the latter category. Therefore, from an accountant's point of view, the wife's first dollar of income is taxed at the point where her husband's income has left her.

Or that can be reversed to the category where the wife's income exceeds the husband's.

> If the husband is making substantially more money than the wife, the couple may even conclude that it is not worth it for the wife to earn income. In fact, McCaffery's book details the plight of one woman who realized her job was actually losing money for her family.

Her job was actually losing money for her family. Now, that is a horrid situation that is taking place. This is in the book, "Taxing Women," by Edward McCaffery, a law professor at the University of Southern California and the California Institute of Technology.

This next one is from the Ottawa Daily Times:

> You try and be honest to do things straight, and you get penalized for it. That's just not right.

That was from Illinois.

I don't know how better to summarize it than how the people across America have summarized it in these particular voices from across the country. Those are pretty good summaries. It raises the point of why I am so adamant that we need to deal with this issue now. I cannot understand why my Democrat colleagues want to block this issue—even under some notion of the fairness of them having a tax bill and us having a tax bill. I can't believe they would be opposed to this tax bill, which is on two-wage-earner families. I don't see this as a Republican or Democrat issue. This is an American issue, an issue of family values, which we all support, and we have very few legislative days left to deal with it. It needs to be dealt with now.

What could couples do with this money if they had the $1,400 that the average couple currently pays? Some people would do different things. They could pay electric bills for 9 months averaging $103 a month. They could pay for 3 or 4 months of day care if they had that $1,400 back—in some places it is higher, and in some it is lower. They could pay for a 5-day vacation to Disneyland if they wanted to with that $1,400. A package rate includes a double room, a Disneyland hotel, and entry into the entertainment park for mom, dad, and two kids. I think that is a much better place to put this money, if people would just take off to Disneyland with their family in tow. I don't know if those rates still apply or not. Or they could make four or five payments on a minivan, which average $300 to $350 a month. It seems everybody needs a minivan anymore. Or they could eat out 35 times in a restaurant, with the meals averaging $40. They could buy 1,053 gallons of gasoline at $1.33 a gallon. They could purchase 1,228 loaves of bread, with an average loaf costing $1.14.

Now, ask anybody here, should these married couples spend the money on those things, or should they send it to us in penalty? I think they have better places to be able to put their own resources. So that is why I am so adamant that we not go on to this spending bill until we help American families with their spending. The ability to pay 9 months of electric bills is important.

I don't intend to just occupy my colleagues' time with this. This is an important issue that I think needs to be raised, and it needs to be seen, and it needs to be heard. There hasn't been a whole lot of discussion on this particular issue. I see other colleagues, and I would be willing to let them speak if they desire. I don't want to block them. I do want to raise this issue of consciousness across the American public on this particular issue of the marriage penalty. That is why I have been talking on this point and why I raise it on this legislative branch appropriations bill.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Minnesota.

Mr. GRAMS. Mr. President, I ask unanimous consent to speak for 20 minutes.

Mr. BROWNBACK. Reserving the right to object, and I will not object.

I ask unanimous consent that, after the Senator's 20 minutes, I retain the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Minnesota is recognized.

Mr. GRAMS. Mr. President, first, I want to take a couple of minutes, Mr. President, to compliment my colleague from Kansas on what he is doing in talking about this marriage penalty and advocating more tax relief for American families. He has done a great job. I agree with him wholeheartedly, because when you look at the marriage penalty, bottom line, this is an unfair tax that has been imposed on something like 21 million couples in this country. It penalizes them for actually being married rather than encouraging and supporting the institution of marriage. We have a Tax Code that actually penalizes couples if they get married.

A couple of months back, President Clinton was asked a question about the marriage penalty. I believe he admitted that it was unfair. Then he was asked, "Why don't we get rid of it?" The bottom line is that Government somehow cannot get along without this money. It is $29.1 billion a year, I believe. The Government can't get along without that money. Somehow families can get along without it, but the Government can't. Nobody calls up the families and says: If we have this unfair tax, are you able to get along without the money? Nobody calls the families. They just have to do more with less, or get along without it. The bottom line is that, in our Tax Code, somehow our Government is willing to collect taxes unfairly. I agree with the Senator from Kansas that families can make much better use of this money, as we have been advocating for so long, in reducing the taxes. I strongly support his efforts today in talking about the elimination of the marriage tax penalty. I just wanted to support him on that.

SOCIAL SECURITY'S COMING CRISIS

Mr. GRAMS. Mr. President, as the Senate continues its work on the spending bills for the next fiscal year, I rise today to speak about an issue that threatens the financial future of this nation: a disaster-in-the-making that jeopardizes our ability to fund any of the important discretionary spending programs we now debate, such as education or medical research. I rise to speak about the coming crisis of the Social Security program.

In my last remarks on this subject before this Chamber, I discussed the history of the Social Security program.

Specifically, I talked about how hastily Congress passed the Social Security Act, how poorly the program was designed, and how fallacious its finance mechanism was. A Social Security crisis was inevitable—and arrived in the late 1970's, when the program began running a deficit and Congress raised taxes to shore it up. President Carter claimed Social Security would remain solvent for another 50 years. Just five years later, Social Security was facing another near-term insolvency. That time, after again raising taxes, Congress claimed the system would remain viable for 75 years.

Yet, here we are again.

Mr. President, as with the previous two crises, the coming retirement crisis is real. All the socioeconomic data suggest it is approaching. Both the government and private sectors are projecting the future insolvency of the Social Security program.

However, unlike the last two crises, the coming crisis will have a profound and devastating impact on our national economy, our society, and our culture unmatched by any we have faced since the founding of this Nation.

Despite all the evidence to the contrary, some Washington politicians continue to sing the "don't worry, be happy" refrain. Social Security is not in crisis, they say—it is not broken and will not go bankrupt. All it needs are a "few minor adjustments" to fix its problems.

Therefore, many of our constituents have only heard the good news and the happy talk: that Congress has balanced the budget for the first time in nearly 30 years and that the Congressional Budget Office projects surpluses growing to $140 billion within a decade. All of this good news is complemented by the fact that the Social Security Trust Fund boasts an asset balance that tops $600 billion and is expected to run surpluses for the next 13 years. And so the Social Security Administration passionately contends that Social Security benefits will always be there for everyone.

Insisting that the Social Security crisis is not real—that we are in better financial shape today than ever before—is like telling the captain of the *Titanic* the waters are clear, with no threat of icebergs, and the ship should proceed full speed ahead.

That is "The Big Lie," Mr. President, and if we fall for that rhetoric, there is nothing but icebergs ahead for Social Security. For starters, the Social Security program's $20 trillion in unfunded liabilities have created an economic time bomb that threatens to shatter our economy. In addition, the declining rate of return of Social Security contributions means the system will be unable to meet the expectations of future retirees, who seek in retirement the same financial security they enjoyed in the workplace.

Beginning in 2008, 74 million baby-boomers will become eligible for retirement and the system will begin to collapse. From that point on, we will have more retirees than ever before, and fewer workers paying into the system. And as medical advances continue to extend life expectancy, future retirees will be receiving benefits longer than was ever anticipated when the program was created.

The problem begins with the fact that the current Social Security system is a "pay-as-you-go" entitlement program. The money a worker pays in today is used to support today's retirees—the government does not hold it for an individual worker until he or she retires—meaning there is no reserve waiting for future retirees.

To put it real simply, there is no account in Washington, DC with anybody's name on it that has one dollar for your retirement. Not one dollar in Washington has been set aside. They rely on the workers today to collect the money from them to pay those on retirement today. When the program was originally conceived in 1935, this did not pose a threat. Back then, the average life expectancy for Americans had not yet reached age 65 and there were many more workers paying into the system than were taking out.

To put this into perspective, before the "baby boom" generation was born, there were 100 workers for every retiree. But as these same baby boomers begin to retire, the funding support is projected to eventually drop to merely two workers per retiree—100 for every retiree 50 years ago and 2 workers for every retiree at the beginning of the next century. Furthermore, these future retirees are expected to live to more than 75 years of age. We have gone from a program where the average worker died before ever receiving their benefits, to a situation where retirees are living years after they have received all their contributions back from the program. In fact, the Congressional Research Service estimates today's average Social Security recipient receives back his or her lifetime contributions within the first three to five years of retirement.

By the way, Mr. President, if we ran our households the way the government operates Social Security, we would never be allowed to finance a house, we could never send our kids to college with the help of a student loan, we could not even get a car loan; in fact, we could not function in the real world at all. If we ran our companies on a pay-as-you-go basis, there is a good possibility we would have been tossed in jail long ago.

When there are fewer workers to support each retiree, it is obvious something has to give. When Congress attempted to address projected shortfalls in the past, the government's response meant either reduced benefits for retirees, higher payroll taxes on workers, or some combination of the two. For workers, that has amounted to 51 tax increases on income or income adjustments in just the last 25 to 30 years; 51 times the government has raised Social Security taxes, or adjusted the income on which those taxes were levied. So it comes as no surprise that similar proposals are finding their way into our debate again today.

Unfortunately, this comes at a time when retirees are growing increasingly dependent upon Social Security benefits as their main source of income. This is in spite of the fact that Congress never intended Social Security to become a replacement for personal savings. Social Security was to be a supplement, not the major source of an individual's retirement dollars. According to a report by the Congressional Budget Office, though, workers have come to expect that, upon retirement, Social Security will provide them with income to replace a significant portion of their previous earnings. As proof of that, in 1996, Social Security made up approximately 40 percent of the cash income of the elderly. And as the number of workers covered by pensions continues to decrease and tax rates continue to complicate the ability of workers to save for their future and ensure their retirement security, dependency will surely grow.

The Social Security Trust Fund's unfunded liability makes the long-term budgetary impact of America's changing demographics even more significant.

The government's own data shows that the Trust Funds will begin to have cash shortfalls in less than 12 years. Beginning in 2010, Social Security will have to pay about $1 billion more than it will collect in taxes.

There will be no surpluses in the Social Security fund. In the year 2015, that number will climb to $90 billion of deficits.

In 2035, it will reach $1 trillion and in 2075, the annual shortfall will explode to a staggering $7.5 trillion per year. Even after being adjusted for inflation, the total unfunded liability is still staggering—at $20 trillion.

On paper, the Trust Fund boasts more than $600 billion in assets. "On paper" is the key, however. For years, Congress has regularly raided the Trust Fund to pay for additional federal programs—a practice that continues unabated today. Unfortunately, as the baby-boomers begin to retire, the government IOUs will become due.

Washington will either have to cut government spending, raise taxes, or borrow from the public to redeem those IOUs. Obviously, being unwilling—or unable—to control its own spending, Washington routinely chooses the latter two options. And so beginning by 2013, or maybe even earlier, taxpayers will be asked, yet again, to pay up as the IOUs are cashed in to fund retiree benefits. I agree with the majority of my Minnesota constituents that the government has no business raiding the Social Security Trust Fund to pay for its pet spending projects. The taxpayers have every right to be outraged that such a blatant abuse of the system is allowed to continue.

All these factors lead to the conclusion that the Social Security Trust Fund will go broke by 2032 if we continue on our present course. If the economy takes a turn for the worse, or if the demographic assumptions are too optimistic, the Trust Fund could go bankrupt much sooner. And once the cash shortfalls begin, they quickly climb to staggering levels.

Washington's fiscal mismanagement means it not only raises taxes, it also must borrow more from the public to cover the shortfall. Without a policy change, the CBO estimates the debt held by the public will balloon to nearly $80 trillion in 2050—from under $6 trillion today to $80 trillion in 2050. According to the General Accounting Office, the estimates are much worse. They say, it could top $158 trillion in debt and consuming nearly 200 percent of our national income. A national debt at this level would shatter our economy, and shatter our children's hopes of obtaining the American dream.

Mr. President, we often hear those individuals who want to maintain the status quo argue that by increasing the payroll tax by "just" 2.2 percent—going from 12.4 to 14.6 percent—we can somehow fix the problem for another 75 years, but that is absolutely false.

Based upon the Trustee's Report, the present value of the unfunded promise of future benefits totals more than $5 trillion—this is how much money we would have to collect and invest today to pay for the future retirees. To collect this much money, the federal government would be forced to impose a tax rate in excess of 100 percent on every American. This, of course, is assuming such funds would not be spent elsewhere in the interim and replaced with more IOUs, as we have done in the past.

The Concord Coalition projects that, from now to 2040, the cost of Social Security will rise from 11 to 18 percent of workers' taxable income. Add in Medicare and Medicaid and the taxes on these three programs take 40 percent off our paychecks—not even counting our Federal or State or local taxes; just those three programs: Social Security, Medicare, and Medicaid, would be a 40 percent tax on your income.

With federal, state, and local income taxes and other taxes, the tax burden will become too high for anyone to bear. These high tax rates will erase all growth in real after-tax worker earnings over the next half-century. When this occurs, the economy will be destroyed and a tax revolt from younger workers will certainly follow.

Mr. President, the only good news is that these problems are down the road and not already upon us. Of course, it would be easier to put off these difficult decisions by waiting until the crisis has actually arrived before we begin repairing the damage. As members of Congress, however, it is our responsibility to address the situation now, before we pass this financial nightmare onto our children and grandchildren. That is why I am speaking on this issue today.

Experts tell us that delaying action would require we take even more drastic measures in the future. Not only would such delays be costly, they would leave Americans with less time to prepare themselves for any adjustments to the program. When we consider that Social Security taxes consume approximately one-eighth of an average worker's lifetime income, there is a significant amount of money at stake for every individual. And that could grow, as we said, to one-fifth of all the money that an individual makes.

While Congress cannot change future demographics or merely replace the IOUs it has left sitting in the Social Security Trust Fund, it does hold the power to offer retirement security to all Americans by improving the way the Social Security System will operate in the future. I firmly believe it can be done without breaking the government's covenant with current retirees or leaving those about to enter the program in fiscal limbo. But it will take an innovative approach that breaks from Social Security's "government-knows-best" roots.

We must look to the ingenuity and competitive spirit of the private sector to improve and rejuvenate the program if we are to give future retirees any promise of retirement benefits.

I have often heard today's workers lament they do not think Social Security will be there for them. Forty-six percent of all young people believe in UFOs, says a study by Third Millennium, while just 28 percent think they will ever see a Social Security check. So more kids believe in UFO's than Social Security. Still, it is not too late to change that course and prevent the coming Social Security crisis.

As the national debate goes forward, Congress has the ability to empower workers with the tools to control their own future. If we can learn from our past mistakes and own up to the financial nightmare waiting down the road, we can transform Social Security from a program that threatens financial ruin to one that holds the promise of improved retirement security for generations to come.

We have much work to do and no time to waste, so I urge my colleagues to join me as we begin the transformation.

IMF REPLENISHMENT

Mr. GRAMS. Mr. President, yesterday, as we were debating the best way to help our farmers overcome low prices in the Upper Midwest, the Minority Leader appropriately called the IMF "the single best tool available to provide economic stability in Asia, Russia and around the world." Unfortunately, he then went on to blame Republicans for opposition to IMF replenishment.

As one who joined many of my Republican colleagues here in the Senate to actively promote the IMF replenishment and pass the full $18 billion here as part of the Supplemental, I would take issue with that statement. It was the Republican leadership in the Senate who worked with the Administration to pass the $18 billion along with a balanced reform package designed to make the IMF work more effectively.

Yes, I have been disappointed that the House has still not acted on this matter. However, just yesterday, $3.4 billion was reported out of the Appropriations Committee's Foreign Operations Subcommittee, and there are positive statements that the full $18 billion may be included in the final Foreign Ops bill reported out of the full Committee next week. That was welcome news to those of us who strongly believe the IMF can play a positive role in addressing financial crises all over the world and restore important markets for US products. Now that new loans have been negotiated for Russia, the IMF's reserves are close to depletion. For the first time in many years, it has had to tap into its emergency fund. While I would have preferred the replenishment had been dealt with months ago, the logjam appears to have been broken.

Of course, there is one complicating factor. The funds are attached to the Foreign Operations bill—the appropriations bill that has been stymied by an inability of the House and the White House to work out the Mexico City abortion language which is annually attached to this appropriations bill.

While some may prefer not to have to fight controversial battles on appropriations bills, this is an issue that will not just go away. The sponsor is committed to bringing it up until it can be resolved to his satisfaction. Last year, a revised version, a substantial compromise, was attached to the State Department Reauthorization Conference Report and held up that report because of the veto threat of the President. That effort included a reorganization plan supported by the Administration that had been pursued for several years.

That is still being held up, and the IMF funding will likely be held up as well until the Mexico City issue is settled. The latest Mexico City compromise was a good attempt at solving this dispute. If the President really wants the IMF replenishment, he should exercise the needed leadership to work out the Mexico City language with the House as soon as possible. My colleagues in the minority can do more to help us achieve the replenishment by urging the President to pursue a resolution of Mexico City before any other alternative. I ask the Minority Leader for this assistance.

Thank you, Mr. President.

I thank the Chair. I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. I would ask unanimous consent that Senators HATCH, DASCHLE, LEVIN and MURKOWSKI be recognized as if in morning business in that order.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Mr. President, reserving the right to object, we were under the unanimous consent agreement that I was to receive recognition after my colleague from Minnesota. I am willing to go along with this if we have unanimous consent that I receive recognition after these colleagues conduct morning business.

Mr. DASCHLE. My apologies to the Senator from Kansas. I had meant to include that we also go back to Senator BROWNBACK at the completion of our presentations.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. With that understanding, no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Utah.

THE SECRET SERVICE AND THE "PROTECTIVE FUNCTION" PRIVILEGE

Mr. HATCH. Mr. President, I rise today to address the current controversy over whether Secret Service agents and employees should testify before the grand jury convened by the Independent Counsel, Judge Kenneth Starr. At noon today, the Chief Justice of the United States denied the Department of Justice's request for a stay of the order compelling Secret Service agents to comply with subpoenas. Thus, every level of the federal judiciary, including the Supreme Court, has now rejected the arguments advanced by the Department of Justice in support of a judicially-created "protective function" privilege. I sincerely hope that the Service and the Department will abide by these decisions and that the agents will testify truthfully and fully before the grand jury.

In my view, the Secret Service's duty to protect the President does raise legitimate issues about whether agents should receive special privileges before being forced to disclose what they see or hear as a result of being so physically close to the President. However, the Department of Justice has taken these legitimate factual concerns and used them for political reasons to mount a fruitless legal battle to find a court, any court, to concoct this privilege out of thin air. In so doing, at least in my opinion, the Department has squandered its own credibility and acted solely as the defense attorney for the President in his personal legal problems.

The trial judge and the D.C. Circuit have it right: there is no way for a court to conjure up a "protective function" privilege out of whole cloth. The Court of Appeals which rejected the Department's arguments concluded:

> We leave to Congress the question whether a protective function privilege is appropriate in order to ensure the safety of the President and, if so, what the contours of that privilege should be.

I have offered to lead such an effort in the Congress to craft a narrow privilege, and therefore I am at a loss as to the Department's motivations for so many appeals. I am worried, however, that the lengthy obstruction will lead my colleagues to conclude that the Service is not worthy of our support, and make it much more difficult for me to try to help them.

The narrow privilege I envision would address legitimate concerns of the Secret Service, but I am sure it would not be the broad, impenetrable privilege advocated by the Service, nor should it be. But a Congressional solution which "splits the baby" is possible. As the Washington Post concluded in an editorial this morning:

> Any protection must recognize the responsibility of law enforcement officers to aid criminal investigations.

I hope that the circumstances when testimony by Secret Service agents is taken are limited to the most serious cases where the testimony is unique and directly related to accusations of criminal behavior. I am concerned, for example, that agents should not, under normal circumstances, be forced to testify before Congressional Committees or in civil matters. Again, I plan to address these issues when the Judiciary Committee holds hearings next year.

One particular issue I will address during these hearings is whether the presence of a Secret Service agent at a conversation between an attorney and the protected person should negate the attorney-client privilege. Now the law generally is that having another nonlawyer present voids the privilege, at least as to that person. I do not believe we want this outcome, and I plan to work on creating an exception to correct this problem. I should point out that press accounts have recounted promises made by Judge Starr that he will not attempt to use testimony by Secret Service personnel to pierce protected conversations.

I have to also add that if Secret Service Agent Cockell was in the President's presence because he had to be in the car to protect the President, and overheard conversations between the President and Mr. Bennett, his attorney, or between the President and Mr. Kendall, his attorney, or any other attorney of the President's, he had to be there as much as the seat they sat on had to be there. So I hope, even though technically the privilege would be waived because of Secret Servant Agent Cockell, I hope the Independent Counsel would respect that particular position of the Secret Service agent, and I have no doubt that he would. After all, there is some comity that must occur, even in matters like these.

In any event, that is something we can clarify next year, and I intend to do so. I have to say, neither attorney Robert Bennett nor David Kendall is an inexperienced attorney. I doubt if either of them would have discussed crucial secret matters with the President before anybody else, including a Secret Service agent. So I think this is a much overblown point, and I have no doubt that Judge Starr did not intend to pierce that type of conversation anyway. But that still does not relieve the Secret Service agents of their duty as law enforcement officers to make sure that criminal activity is not undertaken or, if it is undertaken, to make sure that they do everything they can to stop it.

I should note, however, that the Secret Service has been its own worst enemy here. No court is going to create this privilege out of thin air, and thus until Congress acts, the Service may have to provide testimony without any exceptions. I am talking about this so-called "protective function" privilege. But rather than come to Congress to work constructively, the Service has fought a futile effort in the courts of this land.

Many of the President's apologists have cited this current controversy as another alleged example of Judge Starr being too aggressive in his search for evidence related to the Lewinsky matter. But let's look at the record:

When Judge Starr sought evidence from White House employees, the Justice Department and the White House claimed privilege: the court sided with Starr.

When Judge Starr sought evidence from government attorneys, the Justice Department and the White House claimed privilege: the court sided with Starr.

When Judge Starr sought evidence from Secret Service agents, the Service and the Department claimed privilege: the court sided with Starr.

When Judge Starr sought evidence from Monica Lewinsky's first attorney, he claimed privilege: the court sided with Starr.

When Judge Starr sought evidence from a bookstore, it claimed privilege: the court sided with Starr.

And just over the last 48 hours when Judge Starr sought evidence from additional Secret Service personnel, the Justice Department and the White House claimed privilege: the District Court, the Court of Appeals and the Supreme Court all sided with Starr.

I hope when the pundits talk about these controversies, they remember that, when it comes to debates on privileges, Judge Starr has an impressive record. It is easy to criticize a prosecutor for being overly-aggressive in seeking evidence, but let us all remember that Judge Starr has not only a right, but an obligation, to conduct a complete investigation within the bounds of the law. As demonstrated by his impeccable record before impartial judges, he has done exactly that.

Lastly, it is hard to believe that the same White House that less than six weeks ago fought Judge Starr's request to have the Supreme Court take an expedited appeal of the Secret Service issue—and then gloated when the Supreme Court denied the request—resorted to an emergency appeal to the exact same court on the same issue. The hypocrisy speaks for itself.

Mr. President, I have confidence that Judge Starr will do what is right here. I have confidence that the Secret Service men and women will do what is right here. There is no excuse for the Justice Department—nor, I might add, the Treasury Department—to continue to pursue these fruitless claims. I was willing to go along with the pursuit of the claims to try to get the court involved en banc—the 11 sitting judges of the Court of Appeals for the District of Columbia—to make a decision on this. But anything beyond that just smacks of delay, and I believe that is exactly what is happening, especially since the White House has been slapped down so hard and the Justice Department has been slapped down in no uncertain terms, a number of times, on this very issue. I think it is time for them to wake up and realize they represent all of the taxpayers in this country and that they have an obligation to live within the law themselves and to not make any further frivolous appeals of this matter.

It is my understanding that they still are asking for the Supreme Court to grant certiorari in this matter. I can't imagine why they would do that after what they have seen in both the district court and now the D.C. Circuit Court of Appeals, and with the rejection of the stay by Justice Rehnquist. It seems to me that just smacks of another fruitless appeal for delay.

I do understand why the head of the Secret Service and others would fight for their Secret Service people and would try to take it to the nth degree. But that nth degree, it seems to me, ended with the Circuit Court of Appeals for the District of Columbia. Anything more than that seems to me to be highly frivolous, a delaying tactic that literally should not be done.

I think the Secret Service ought to come to us and help us to fashion a way so they can have certain protections with regard to the closeness that they have to the President of the United States, and we will try to give them that kind of protection. We will try to find some way of giving them a privilege from testifying in matters that do not involve criminal activity, among other things.

We will have to have hearings, and we will have to look at it very carefully, because it is a broad privilege they are asking for. They will never get exactly what they want, because I think people on both sides of the aisle will acknowledge that if it comes to criminal activity, if there is any criminal activity that they have observed or they participated in—and I doubt they have done anything like that, and I hope they haven't observed any criminal activity—they have an obligation, as law enforcement officers, to cooperate with the courts and to cooperate in getting to the bottom of these things and getting these matters resolved.

With that, I thank my colleagues for letting me have this time.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

NATIONAL SECURITY AND THE SENATE'S CHINA INVESTIGATIONS

Mr. DASCHLE. Mr. President, as every Senator is aware, a number of Committees are investigating the national security impacts of two parts of the U.S. relationship with China: the launching of American commercial satellites on Chinese rockets, and the so-called "China Plan" to influence the American political process through campaign donations.

Earlier this week the Majority Leader came to the floor to announce what he called "major interim judgments" of his task force coordinating this investigation. His remarks sparked a round of debate and speculation that may have clouded the real issues at hand, and I would like to take a moment to respond.

These are unquestionably significant issues that merit serious, objective review. For me and for the Democratic Senators on our investigation task force, the objective is simple: national security.

We want the national security to be enhanced; we want American lives and American interests protected.

If the Senate's work on the satellite export issue reveals flaws in our export controls that endanger national security, we want those flaws corrected—now.

If the facts warrant, we will gladly join with our Republican colleagues to that end. But there should be no place for politics, for partisan political maneuvering, when it comes to national security.

We also want U.S. law to be enforced without fear or favor. If the law was violated in campaign financing for the 1996 election, Democratic Senators want the guilty held accountable. The best way to ensure this occurs is not to discuss classified information associated with these cases, and thereby avoid impeding or damaging the FBI's and the Justice Department's ability to investigate and build cases.

In short, we care about this investigation because we care about national security.

One of the most important guardians of national security is the Senate Select Committee on Intelligence. This is a unique committee, Mr. President. It is not set up like others. It has a vice-chairman, not a ranking member. Its makeup gives the majority party just a one-vote advantage regardless of the composition of the Senate.

We try to keep partisanship out of most things we do, but in the case of this Committee, Mr. President, we insist on it, because Americans are more safe when Congress can conduct oversight of intelligence functions in a manner that is not just bipartisan, but nonpartisan.

It is for this reason that I agreed with the Majority Leader's decision to assign primary responsibility to the vital China investigation to the Intelligence Committee. And it is also for this reason that I am so gravely disappointed when its nonpartisan tradition is violated.

That tradition makes the assertion earlier this week that "interim judgments" had been reached in the China matter particularly disturbing. The Vice Chairman of the Intelligence Committee, the senator from Nebraska, said they most assuredly had not, a fact subsequently confirmed by the Chairman.

The Democratic priority is national security. National security is a complex and demanding topic in today's world. While several Senate committees consider the effect on Chinese ballistic missiles of launching American commercial satellites in China, this nation faces many other equally grave and immediate threats to our national security.

For example, Russia, which is now in an economic and military tailspin, has thousands of nuclear warheads and many tons of fissile material from which warheads could be made at stake and perhaps in jeopardy.

The temptation in Russia today to look the other way while such materials quietly migrate to rogue states must be acute. That's one way in which Russia's problems threaten the United States.

Other threats appear in the headlines for a few days and then recede from public view, but they are still out there: the very unstable nuclear confrontation in South Asia, the development of weapons of mass destruction by Iran and other rogue states, the growing conflict in Kosovo, the growing tension between the Koreas, the still-tense Bosnia situation.

We are also threatened today by non-nation state actors, the terrorist organizations who plot to kill or kidnap Americans overseas, and the crime cartels who use today's increasingly open international borders to bring narcotics and other criminal activity to our shores. Information warfare and the relationship between computers and our national infrastructure is another arena in which hostile nations, movements, or even individuals can threaten us.

All these threats present greater challenges to the defense, intelligence, and law enforcement establishments than they encountered during the cold war.

At the same time, the haystack is growing, the needles are as small as ever. We need to support and strengthen our capabilities in these areas. We need to be able to react quickly to changing threats and develop the brainpower to master environments ranging from now-obscure foreign cultures at one extreme, to global cyberspace at the other.

The one thing we should not do is stand pat, as if winning the cold war gives us the right to relax.

Congress authorizes and appropriates funds for the elements of government that defend against, deter, or counter the threats: the world's most capable military forces, informed by the world's leading intelligence services, as well as law enforcement entities which are second to none. It is our responsibility in Congress to fund these activities, to guide their continued improvement, and to oversee what they do.

If these departments and agencies are essential to our national security—and they are—then our Congressional authorization, appropriation and oversight processes for these activities are also essential to national security.

The need to address these issues underscores the importance of the Intelligence Committee's mandate. To approach these matters in a spirit of partisanship arguably puts the national security at risk.

As for the China inquiry, to my knowledge, none of the four committees that have conducted hearings on the matter has reached any conclusions, interim or otherwise. Many documents already in the possession of Congress have not even been reviewed. Other documents have not yet been received from the administration, which is working hard to comply with the sweeping document requests they have gotten from Congress.

So it is premature to reach even interim conclusions. To do so subverts the Congressional oversight process.

I would prefer not to be here discussing ongoing investigations. But I think it is important to correct the record so that from this point on we can let the committees do their work.

It has been suggested this week on the Senate floor that the Clinton administration's export controls for satellites are wholly inadequate. That statement should be considered in its historical context.

The policy of exporting satellites for launch on Chinese rockets was initiated in 1988 under President Reagan and has continued under Presidents Bush and Clinton. President Bush authorized the export of 9 satellites to China in three years. Each of these satellites could only be exported after President Bush determined that the transaction was in the U.S. national interest and that the Tianamen sanctions should be waived.

President Clinton did make some changes in the licensing process for the export of commercial communications satellites.

President Bush transferred licensing authority for over one-half of all commercial satellites from State to Commerce and recommended that serious consideration be given to moving the rest over to Commerce. President Clinton completed this transfer and issued an executive order that greatly increased the role of the Defense Department in these decisions. In recent testimony before the Senate Armed Services Committee, a witness, otherwise critical of the Clinton administration, acknowledged that the United States has the strongest and best export controls in the world!

Does this mean the system is perfect? Certainly not. No multi-agency process involving thousands of decisionmakers and difficult technical and political issues can be. In fact, as a result of some of the information disclosed in the early stages of the hearings, I believe some modification is probably in order. For example, the Departments of Defense and State should see the final text of all licenses.

However, these are minor fixes in a system that, according to State, Commerce, Defense, and the intelligence community, is working well.

Second, it has been asserted that sensitive technology related to satellite exports has been transferred to China. Under the Clinton administration, all requests to launch U.S. satellites aboard Chinese rockets go through an exhaustive and careful scrutiny. The Departments of Defense and State must approve all licenses and always place U.S. national security in the forefront of their decision process. Their primary role in this process is to specifically design procedures to ensure that China's access to U.S. technology is limited solely to what is needed to mate the U.S. satellite to the Chinese launcher.

If these procedures are properly followed, the Chinese learn little, if anything, about our satellites or the technology they contain. Indeed, the Chinese gain no direct access to our satellites and only take ownership of the U.S. satellites they purchase from us after they are successfully placed in orbit.

Third, it has been charged that China has received military benefit from U.S. satellite exports, and reference has been made to Chinese missiles pointed at U.S. nuclear cities. These very same missiles were developed years before President Reagan decided to allow U.S. satellites to be placed atop Chinese launchers.

Furthermore, Intelligence Committee hearings have been held on this very issue. And I might say all of them were closed hearings, and public accounts of those hearings fail to substantiate this sensational charge. There is no public account, to my understanding, that substantiates the sensational charges made earlier by people on this floor.

The final specific charge I will address today is the assertion that new evidence has come to light about a Chinese plan to influence our political process, and that this new evidence should lead the Attorney General to appoint an independent counsel. Unfortunately, the "new" evidence cited is highly classified and cannot and should not be discussed publicly.

Mr. President, publicly characterizing classified information under any circumstance is dangerous. Using it to make charges against which the accused are unable to defend themselves is even more so.

Classification is a misunderstood, sometimes frustrating, thing. It is difficult to explain and understand why we keep some things secret. Well, the reason is simple. Americans, and our friends around the world, quite literally risk their lives to gather this information because we promise to protect them.

When classified information is characterized, the sources who collect intelligence and the methods by which they do so are in danger. Furthermore, because the information involved was classified, those citing it are fully aware that the individuals involved cannot, under law, use that information to reply.

I will resist the temptation to place on the Record my own characterization of this new classified information. Instead, I will simply make the point that we have heard Republican Members make equally ominous proclamations about the China-plot in the past only to see that these facts fail to substantiate their own allegations.

Moreover, Attorney General Janet Reno has access to all relevant information, classified and unclassified. She has not been reluctant to call for a special prosecutor in the past, and I am confident that should the facts warrant, she will not hesitate to do so in this case.

These observations cover my concerns about what has been voiced by critics of this administration's export policies. However, my greatest reservation is the result of what has not been stated. These critics repeatedly fail to mention that the last six Presidents—Democratic and Republican alike—have each concluded it is in our national interest to engage China, not isolate it.

Specifically, every President since Ronald Reagan has agreed that our national security is enhanced as a result of allowing the Chinese to place U.S. satellites in orbit.

Based on current information, I agree with this assessment. I believe it is in our national interest to dominate the world's commercial satellite market. This is a strategic industry vital to our defense. We simply cannot be the dominant power in today's high-tech world without this industry and others like it.

This industry also produces tens of thousands of challenging, high-paying jobs for Americans. So when the Chinese choose an American satellite instead of a foreign satellite, that is good for our security as well as our economy. But the underlying point is that congressional committees are taking a fresh look at all these issues. Therefore, I will reserve final judgment pending their findings.

The China investigations now underway could have significant, positive benefit for national security. That is my goal and the goal of the Democratic task force. We look forward to working with Senator LOTT and Republican members of his task force to get an outcome that makes America safer.

I applaud many members of our task force and the work done by members of the committee. The next speaker, Mr. President, deserves special commendation. He is not only a member of the Intelligence Committee, but he is our ranking member on the Armed Services Committee. I do not know of anyone who has put more time and effort into sifting through these facts and attempting as best as he can, in as objective a manner as he can, what the facts are. He has done so in a fashion that is commensurate with his reputation. I commend him again for his studious and thoughtful analysis and the work that he has provided not only to our task force but to the committee.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. First, let me thank the Democratic leader for those kind comments.

It is my intention just to briefly amplify what the Democratic leader said here this afternoon. And I am greatly appreciative for the tremendous support that he has given to an effort to achieve a bipartisan approach to an issue which should be approached in a bipartisan manner. There is no justification for partisanizing this issue. It will weaken our security if we do so. And the Democratic leader's effort to insist that we approach this issue in a bipartisan way, I hope, will produce some results.

Mr. President, the statement that was released last Tuesday by the majority leader was a highly partisan approach to the multiple hearings which we have had in the Senate relative to the export of satellites to China.

I happen to sit on three of the four Senate committees that have held these hearings, so I speak from personal experience when I say that the majority leader's statement omitted some of the most important testimony that those committees received.

His statement also conveyed the false impression that the statement was a bipartisan product, when to the best of my knowledge not a single Democrat was consulted or even knew that the statement was being prepared.

The majority leader's statements claim that he was being careful not to rush to judgment, but then he offered such unequivocal conclusions as:

> The Clinton Administration's export controls for satellites are wholly inadequate, [and that] they have not protected sensitive U.S. technology, [and that] national security concerns are regularly downplayed and even ignored, [and that] sensitive technology related to satellite exports has been transferred to China, [and that] China has received military benefit from U.S. satellite exports.

To my knowledge, Mr. President, not one of the Senate committees investigating these issues has reached those conclusions. The evidence that the majority leader offered to support his conclusions ignored some of the most important testimony that we received, obviously, because it contradicted their conclusions offered.

For example, the majority leader's statement ignored testimony by senior Department of Defense and State officials on June 18 and 25 and on July 8 that the 1996 Clinton Executive order "strengthened" the Department of Defense's role in Commerce export licenses, rather than weakening it, and also ignored the fact that those Department of Defense and State Department officials believed "it would be a bad thing" to return to State licensing of commercial satellites.

In a June 18 hearing before the Senate Governmental Affairs Subcommittee on International Security on which I sit, when responding to a question on whether commercial satellite export licensing should be returned to the State Department, Department of Defense, Principal Deputy Under Secretary for Policy Jan Lodal testified that "I think it would be a bad thing to do." And Assistant Under Secretary of State for International Security John Holum, testified, "I agree. . . . I would recommend against that."

Mr. President, the statement of the majority leader last Tuesday also ignored the Department of Defense and State Department letters which were included in the June 18 Governmental Affairs Committee subcommittee hearing record and which stated that each agency has an adequate opportunity to revise and support the issuance of all satellite export licenses actually issued by Commerce since 1990.

The majority leader's statement ignored testimony on June 18 by senior State and DOD officials, stating that they are unaware of any transfer of sensitive U.S. satellite technology to China that has harmed U.S. national security.

Mr. Holum testified, "[W]e do not believe that any launch of a commercial satellite under this policy since 1988 has resulted in a transfer of significant technology or assistance to Chinese either space-launch vehicle capabilities or missile capabilities."

Mr. Lodal testified, "I agree. We're not aware of any situation in which such transfer harmed U.S. security." Yet the majority leader's statement ignores that kind of testimony.

Now, the majority leader's statement cited testimony critical of U.S. export control from a June 25 hearing before the Governmental Affairs Committee by an individual that the majority leader described as a "senior official of the Defense Trade and Security Administration," without mentioning testimony the following week before the Senate Armed Services Committee revealing that this individual, Dr. Peter Leitner, had been demoted by the Bush administration from a senior policy position to a lower-level licensing officer within that office. The statement of the majority leader also omitted testimony on June 25 and on July 9 by some of Dr. Leitner's current and former superiors at the Department of Defense contradicting Mr. Leitner's facts and assertions.

The majority leader's statement cites testimony by the GAO before the Senate Intelligence Committee on June 10, but omitted testimony from the same hearing indicating that the General Accounting Office has not reached a conclusion on whether current export controls are adequate to protect national security, and he omitted to say that the Intelligence Committee had requested the General Accounting Office to conclude that analysis. Now, the relevant testimony came from Katherine Schinasi, the Associate Director of the International Affairs Division at the General Accounting Office. Responding to a question about

Department of Defense's ability to effectively advocate national security interests in the current export control process, she testified on behalf of the General Accounting Office that, "We have not looked at how that process has operated."

The majority leader's statement indicates that moving satellites from the State Department to the Commerce Department eliminated the requirement that Congress receive notice of individual export licenses. The statement failed to mention the legal requirement that the President must notify Congress of all national security waivers authorizing commercial satellite exports to China, whether the export license is issued by State or by Commerce. The majority leader's statement also failed to note that Congress has, in fact, received timely notice of every waiver granted to export a satellite to China; and that Congress has received timely notice of the decisions in 1992 and 1996 to transfer satellites from the State Department to the Commerce Department. It fails to acknowledge that despite receiving all those notices, Congress took no action to express disagreement with the decisions made.

The majority leader's statement also omitted mention of the National Security Council letter included in the July 9 Senate Armed Services Committee hearing record, stating that the National Security Council conducts the same waiver review process for commercial satellite exports to China, whether the export license is issued by the State Department or by the Commerce Department.

The majority leader's report omitted testimony on June 18 and July 8 before the Governmental Affairs Subcommittee on international security, by senior Defense and State Department officials that, after the 3 unmonitored satellite launches took place in China, a policy decision was made in 1996 and remains in effect today, requiring the Defense Department to monitor all satellite launches, whether or not a satellite contains sensitive technology.

Mr. Lodal, speaking for the Defense Department, testified on June 18 that

> Communication [satellite] licenses include strong safeguards, including DOD monitoring . . . DOD currently reviews all communication satellite licenses to ensure that the proposed export would be consistent with U.S. national security interests . . . [A]fter the implementation of the 1992 Bush administration decision to transfer to Commerce purely commercial satellites, and before the 1996 revision, there were three launches that were not monitored . . . We're not aware of any transfer of technology from these unmonitered launches that contributed to China's missile and military satellite capabilities.

He continued, speaking for the Defense Department:

> Nevertheless, DOD did conclude that full monitoring would be a strong safeguard at relatively low cost to the companies, and that it should be applied to all license cases, even those that did not require Department of State licenses. And this was agreed by all agencies and incorporated as a requirement in 1996, when jurisdiction was transferred to Commerce for all commercial communications satellites. . . ."

The majority leader's statement identified the major "military benefit" of China launches of U.S.-made commercial satellites to be the access gained by the Chinese military to an improved commercial telephone system, without acknowledging that that same so-called military benefit would have accrued if China had instead launched European-made commercial satellites.

The majority leader's statement ignored testimony from Clinton administration critics on July 9 before the Senate Armed Services Committee that the United States export control system is still the "best" and most restrictive in the world.

Now, the majority leader has the right to say whatever he wishes on the subject of satellite exports to China. But he is wrong to suggest, as his statement did, that his conclusions were bipartisan, or that they were reached by the Senate committees examining this issue. His statement struck a major blow to whatever hopes there were that the Senate committees would proceed in this matter in a bipartisan way, with emphasis on the facts rather than on partisan politics.

Mr. President, I hope that a bipartisan approach can still be salvaged. But I think it is fair to say that that goal, that effort which is so important to the national security of this Nation, was given a set-back by the highly partisan comments of the majority leader on this floor last Tuesday.

Mr. President, I thank the Chair and yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS-CONSENT REQUEST—H.R. 4112

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to H.R. 4112, the legislative appropriations bill, and the following amendments be the only amendments in order: One, a Thomas-Brownback amendment regarding nongovernmental services, and one managers' amendment. I further ask unanimous consent that debate must be concluded today, with the exception of the managers' amendment, and that any vote ordered with respect to the bill be postponed to occur at 9:30 a.m. on Tuesday, July 21. I further ask unanimous consent the Senate proceed to the State-Justice-Commerce appropriations bill following the conclusion of debate on the legislative appropriations bill.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Mr. President, reserving the right to object, as I understand the proposal being put forward by the majority leader, it would not include the marriage penalty bill that I am requesting we get a vote on, that I know that he does support; we are getting some opposition from other places.

If that is, indeed, the case, I must object to this bill.

The PRESIDING OFFICER. The objection is heard.

Mr. LOTT. In light of the objection, I have no alternative than to call up the legislative appropriations bill and file a cloture motion.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

The Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, I ask the Senate now turn to H.R. 4112.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

> The bill (H.R. 4112) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

> We, the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the legislative appropriations bill:
>
> Trent Lott, Robert F. Bennett, Ted Stevens, Don Nickles, Bill Frist, Jesse Helms, Pete Domenici, Richard Shelby, Rod Grams, Kit Bond, Thomas A. Daschle, Orrin G. Hatch, Larry Craig, Strom Thurmond, Paul Coverdell, and Chuck Hagel.

Mr. LOTT. Mr. President, for the information of all Senators, unfortunately in this case Members on our side of the aisle have insisted on an amendment that made it impossible for us to get a unanimous consent agreement as to how to bring up a complete legislative appropriations bill. In order to expedite that legislative appropriations bill, I did, then, file a cloture motion. That vote will occur on Tuesday, July 21, at approximately 9:30 a.m.

I now ask that the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I want to confirm that I have discussed this, of course, with Members on our side of the aisle and with Senator DASCHLE. He is aware of this. Any first-degree amendments, then, that are to be offered to the legislative appropriations bill, must be filed by 2 p.m. on Monday, July 20.

MORNING BUSINESS

Mr. LOTT. I now ask that there be a period for morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—S. 1482, S. 1619, S. 442

Mr. LOTT. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Democratic leader, proceed to the consideration of Calendar No. 436, S. 1482, and it be considered under the following limitations: 1 hour of debate equally divided on the bill; one amendment offered by Senator DURBIN, regarding reviews of criminal records, 30 minutes of debate equally divided; one amendment offered by Senator MOSELEY-BRAUN and Senator DURBIN relating to Internet predators, 30 minutes of debates equally divided; one amendment offered by Senator DODD regarding blocking software, 30 minutes of debate equally divided. No other amendments will be in order to the bill.

I further ask consent that following the expiration or yielding back of debate time, and the disposition of the above-listed amendments, the bill will be read for a third time and the Senate will proceed to a vote on passage of the bill, with no intervening action or debate.

I further ask consent that the majority leader, after consultation with the Democratic leader, proceed to the consideration of Calendar No. 437, S. 1619, and it be considered under the following limitations: 1 hour of debate equally divided on the bill, 30 minutes for Senator MURRAY; one Dodd amendment regarding America Online, 30 minutes equally divided; one Feingold amendment, text of S. 900, 30 minutes equally divided; and one relevant amendment offered by Senator BURNS, 2 hours equally divided.

I further ask unanimous consent that following the expiration or yielding back of the debate time and the disposition of the above amendments, the bill be read the third time and the Senate proceed to a vote on passage of the bill, with no intervening action or debate.

I finally ask consent that S. 442, the Internet tax bill, be referred to the Committee on Finance, and, further, that if the bill has not been reported by July 30, it be automatically discharged from the Finance Committee and placed on the calendar.

Now, I might just say before the Chair puts the question on this agreement, this would be the process whereby we bring to the floor the Internet filtering bill, the Internet pornography bill, and the Internet tax bill.

So I did ask consent that it incorporate a process to bring all three of these very important matters to the floor of the Senate.

Mr. LEVIN. Reserving the right to object, I just state for the Record with regard to the proposal just offered, there have been ongoing efforts to clear a unanimous consent agreement on each of the items just mentioned. From the Democratic side, we can enter a unanimous consent agreement with regard to S. 442 and S. 1619.

However, at this time, we are still attempting to get clearance on a unanimous consent agreement on S. 1482, but are not in a position, today, to enter into such an agreement. If the majority leader wants to call the bill up with no agreement, then, perhaps, we can do that, but for the Record, Mr. President, the Democratic side can now enter an agreement on S. 442 and on S. 1619. If the other side is ready to do that, we can go forth.

Otherwise, I have to object to the consent request just propounded.

Mr. LOTT. Mr. President, did the Senator object, then?

Mr. LEVIN. Yes.

Mr. LOTT. I would like to say we have worked on it and I think we have made some progress. These are all interrelated or connected, because it does involve the Internet with regard to filtering, to keep out certain programs in our schools; and of course the tax question. There has been a lot of work that has gone on in that area, working not only with the companies that would be affected, then, the Internet companies, but working with Governors and mayors, making sure that all points of view are involved. But the pornography question is a very, very important part of it all and it does relate to the Internet. In fact, there have been indications just recently that even more pornography than what is already there is planned for the future, free and accessible to everybody.

So, for now, I think we should keep the three together, but we will continue to work with the minority and see if we can get an agreement to clear all three of them or consider just doing two of them if all else fails. I think we should not neglect any of these.

MEASURE READ THE FIRST TIME—S. 2330

Mr. LOTT. Mr. President, I send a bill to the desk and ask that it be read a first time.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The legislative clerk read as follows:

A bill (S. 2330) to improve the access and choice of patients to quality affordable health care.

Mr. LOTT. I now ask for a second reading, and I object to my own request.

The PRESIDING OFFICER. The objection is heard.

The bill will be read for the second time on the next legislative day.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

THE ADMINISTRATION'S POSITION ON TAIWAN

Mr. MURKOWSKI. Mr. President, last week the Senate made an important statement that we support Taiwan by passing S. Con. Resolution 107. And that we are committed to her people, to her government and to her democratic way of life.

While we have made countless statements in this body before concerning Taiwan, the circumstances which led to S. Con. Res. 107 were different—markedly different—from those in the past. During the President's trip to China last month, President Clinton "clarified" his policy toward Taiwan. He indicated while in Beijing—that the United States, in agreeing to the One China policy, had agreed with China that reunification would be peaceful. Further, while in Shanghai, he went a step further and, for the first time, uttered that the United States supports the "Three Noes" long advocated by the government of the People's Republic of China. That is: the United States does not support one-Taiwan, one China; the United States does not support Taiwan independence; and the United States does not support Taiwan's membership in nation-state based international organizations.

To understand why this concerns me, Mr. President, one needs to understand the nuances of our federal law and policy toward Taiwan. It is in the Taiwan Relations Act, which was passed by Congress and signed into law by the President in 1979—back when the United States officially broke off relations with the Republic of China on Taiwan in favor of the People's Republic of China (PRC). Section 2(b)(3) states that ". . . the future of Taiwan will be determined by peaceful means." We have also signed Three Joint Communiques with the PRC which address the Taiwan question. While they all speak to the peaceful resolution of the Taiwan question, none goes so far to speak to the question of reunification.

Up to now, the saving grace of American policy toward China and Taiwan, if there were any grace to it, was the ambiguity. China did not know what the United States would do if Taiwan declared independence; or if China attacked. They thought they found out in 1996, when the President rightly sent two aircraft carriers to the Taiwan Straits to show our strength and resolve—while the Chinese conducted missile tests aimed at influencing the national presidential elections in Taiwan. But we have a whole new ballgame, now Mr. President. What a difference a day makes.

Incredible, Mr. President. The Administration then feigns innocence and insists that the President's remarks did not constitute a policy change and that our policy on Taiwan has not changed since 1979—that it is the same now as it was then. I'm sorry, but I have to expose this for what it is—a world of make believe. If you repeat something enough times, eventually people will take it as the gospel. Well not this time.

This is a policy change; and a serious one at that. Considered collectively, which I know the Chinese government is doing, it appears to be a major concession by the United States on the issue of Taiwan. As I said last Tuesday, I know the Chinese; and understand full well that they will use it to their utmost advantage. They will tell Taiwan and the Taiwanese people that if they declare independence, even if by democratic referendum (one person, one vote), that the United States will not support them. Case in point, the Washington Post article last Friday, "China Tells Taiwan to 'Face Reality' Reunification Talks Urged." Although I brought this to the Senate's attention last week, I think the point needs to be reiterated so that people are on notice. I ask unanimous consent that a copy of this article appear in the CONGRESSIONAL RECORD following my remarks.

The PRESIDING OFFICER. Without objection, so ordered.

(See Exhibit 1.)

Mr. MURKOWSKI. This article points out that "Chinese officials have said they plan to use the remarks as a lever to force Taiwan into political talks on reunification." So let me make sure I understand this—the leader of the greatest democratic society in the history of mankind, has tacitly agreed to a policy which, in itself, undermines democracy. How and why is this possible? Because political expediency took the place of sound policy and support for one of our strongest allies in an increasingly unstable Asian Theater. Well, Mr. President, I am afraid that these developments may have simply added to the Asian uncertainty, rather than clarified it.

In agreeing to the "Three Noes", President Clinton has effectively stated that the United States will not support Taiwan independence even if Beijing agrees to it. Is this the message that was intended to be delivered? Think about it—the United States used to maintain the line that peaceful resolution was all that mattered because this in itself protected the rights of the 21 million people in Taiwan. If they could cut a deal with Beijing that allowed the two to go their separate ways, presumably our earlier policy would be fine with that. Personally, as the PRC becomes more open, I wouldn't rule out the possibility that an agreement could be reached. But President Clinton's remarks have ruled this possibility out—because the United States will not support an independent Taiwan. President Clinton just told the Chinese that they don't need to negotiate with Taiwan because so far as we are concerned an independent Taiwan is not an option.

Although most of my colleagues are not aware of this, there is a terrible contagion going through Taiwan right now—it is very similar to polio. Estimates are that up to one million people may be carrying this bug in some form or another, but it doesn't impact adults. Only the children. In fact, a number of children in Taiwan have died from this disease which, as I understand it, is exacerbated by the heat.

Well, Mr. President, Taiwan has applied for membership in the World Health Organization (WHO)—it is a national priority. But, even this application cannot proceed because membership in the WHO requires statehood. And that huge island off the coast of China, which we recognized officially from 1949 to 1979, doesn't have it. This is ridiculous, and it is about to get a lot worse. So, Taiwan is suffering from an epidemic which is killing children, and it can't get access from WHO specialists who might be able to help because Taiwan is not a sovereign government? Although the PRC has never controlled Taiwan, and despite the fact that Taiwan has developed a strong democracy and thriving, stable free market economy, it cannot particpate in the World Health Organization. Well, Mr. President, this seems yet another time when the facts somehow lose out to the politics.

Mr. President, we have made statements reiterating our support for Taiwan, but it is time for us to back them up. The Senate should pass S. Con. Resolution 30 calling on the Administration to support Taiwan's bid to take part in international organizations; and we should expand it to include the World Health Organization. We should take every opportunity in this body to force the issue, so that our commitment to Taiwan does not ring hollow as Beijing's steps up the pressure.

EXHIBIT 1

CHINA TELLS TAIWAN TO FACE REALITY—REUNIFICATION TALKS URGED

(By John Pomfret)

BEIJING, July 9—China urged Taiwan today to "face reality" and agree to talks on eventual reunification with China following comments by President Clinton that the United States will not support an independent Taiwan.

Taiwan, meanwhile, announced it had agreed to a visit by a senior Beijing negotiator to prepare for resumption of high-level dialogue between the two rivals, separated by the 100-mile-wide Taiwan Strait.

The developments indicate that after a three-year freeze, talks could begin as early as this fall between the two sides. They also underscore the important role the United States has played in forcing Taiwan to the bargaining table. Clinton's statement, during his recent nine-day trip to China, was taken as a significant defeat in Taiwan even though U.S. officials contended it was simply a reiteration of U.S. policy.

Clinton's June 30 remarks in Shanghai made clear the United States would not support any formal independence bid by the island of 21 million people, or a policy backing "one China, one Taiwan," or "two Chinas." Clinton also said the United States will oppose any Taiwanese bid to join international bodies that accept only sovereign states as members.

Although the policy was first enunciated in October, Clinton himself had never said it publicly before. Thus, it was taken as a major defeat in Taiwan, which relies on the United States for most of its political support and weapons. In Washington, Clinton's statement has drawn some criticism. On Tuesday, Senate Majority Leader Trent Lott (R-Miss.) called Clinton's remarks counterproductive, and he threatened unspecified congressional action.

The Beijing government, which views Taiwan as a renegade Chinese province, has said it is satisfied with Clinton's remarks, even though it had tried to have Clinton commit them to writing. Chinese officials have said they plan to use the remarks as a lever to force Taiwan into political talks on reunification. Taiwanese officials say they want to limit any new talks to specific issues, such as immigration, cross-border crime, fishing rights and protection of investments. China rejects this limited approach and insists a broader discussion of reunification is necessary for improved ties.

Taiwan and China ostensibly have been separated since 1895, when Japan occupied the island following its victory over Imperial China in the Sino-Japanese War. In 1949, Nationalist Chinese leader Chiang Kai-shek fled to Taiwan from the mainland after his forces lost a civil war to Chinese Communist forces led by Mao Zedong. Since then, the two sides have moved further away from each other—in both economic and political development.

In Beijing, Foreign Ministry spokesman Tang Guoqiang said Clinton's statement has "positive implications for the resolution of the Taiwan question," and he added: "We hope that Taiwan authorities will get a clear understanding of the situation, face reality and place importance on the national interest.

"Similarly, the official China Daily quoted one of Beijing's top negotiators with Taiwan as saying that Clinton's remarks had helped China. "This has provided favorable conditions for the development of cross-strait relations," said Tang Shubei, vice president of the Association for Relations Across the Taiwan Strait. "But cross-strait issues will ultimately be solved by the Chinese people." Meanwhile, that group's Taiwanese counterpart, the semi-official Straits Exchange Foundation, informed the Chinese association that its deputy secretary general, Li Yafei, could visit Taiwan July 24–31. Li's visit is to be followed by a reciprocal trip to China by the leader of the Taiwan foundation, Koo Chen-fu. In June, Beijing invited Koo to visit China sometime in September or October, and Koo said later he plans to go in mid-September.

In 1993, Koo and Chinese association leader Wang Daohan met in Singapore in a landmark gathering that signaled warming ties between the old rivals. But after two years of improving relations, the ties collapsed in 1995 when Taiwanese President Lee Teng-hui obtained a visa to visit the United States for the 25th reunion of his Cornell University class.

China launched a series of military exercises off the Taiwanese coast in 1995 and 1996, lobbing cruise missiles into the area. In 1996, the United States dispatched two aircraft carrier battle groups to the region as a warning to China not to contemplate a military solution.

RUTH E. CROXTON

Mr. MURKOWSKI. Mr. President, I have on my right an obituary. This obituary is very meaningful to the people of a small village in Alaska called King Cove.

Ruth E. Croxton, 29, was killed July 15, 1981, when her twin-engine plane crashed and burned on a hillside. The plane was on approach to the King Cove, Alaska airstrip—in what was called "typical Aleutian weather." Five other people died in the accident, including the pilot, Ernest D. Fife.

Ms. Croxton was an anthropologist, a pilot, and a 1974 graduate of the University of Alaska-Fairbanks. Born in Salem, Ore., her family moved to Alaska when she was six years old. She was graduated from Juneau-Douglas High School in 1969.

Ms. Croxton and her pilot were bringing four cannery workers into King Cove but would have been evacuating a medical case once they reached the Aleutian village.

She is survived by Mr. and Mrs. Loren Croxton of Petersburg; a sister, Mary, of Barrow; and her maternal grandfather, William Older of Livermore, Calif.

Ms. Croxton died along with her passengers because there is no road between King Cove and Cold Bay.

How many more people must die before we do something about it?

I yield the floor.

(Mr. GRAMS assumed the Chair.)

DISPOSAL OF WEAPONS-GRADE PLUTONIUM

Mr. DOMENICI. Mr. President, 2 weeks ago, Senator ROD GRAMS and Senator FRED THOMPSON and I traveled to Russia, preceded by 3 days in France. Senator GRAMS accompanied me to France; Senator THOMPSON, on the Russian part of the trip. We went to France and Russia to do very distinct things. In France, we wanted to talk about nuclear power and the nuclear fuel cycle, and if I have time this afternoon I will address that. If not, I will do that on another day. I would like to proceed with what we went to Russia for and what we determined and what recommendations and thoughts I have that come from that trip.

Our primary goal when we went to Russia was to explore and develop options for the rapid disposition of Russian weapons-surplus plutonium. These materials represent a potential clear and present danger to the security of the United States and the world. The 50 tons that Russia has declared as surplus to their weapons program represents enough nuclear material for well over 5,000 nuclear weapons. Diversion of even small quantities of this material could fuel the nuclear weapons ambitions of many rogue nations and many nations in general.

During our visit, we discovered that there was a very critical window of opportunity during which the United States can address the proliferation risks of this stock of weapons-surplus plutonium. We have urged that the administration, our President and our Vice President, seize on this opportunity. No one can reliably predict how long this window will stay open. We must act while it is open.

Unclassified sources estimate that the United States and Russia currently have about 260 tons of plutonium—100 tons here and 160 tons in Russia. Much of this material is in classified weapons components which could be readily built into weapons.

While we saw significant ongoing progress on control of nuclear weapons in Russia, much of which was with the assistance of the United States of America through our national laboratories, our visit confirmed the dire economic conditions in their closed cities, the cities that they used to provide ample resources on a high priority because they were the source of their nuclear strength. These conditions fuel concerns of serious magnitude.

The United States has an immediate interest in ensuring that all Russian weapons-grade plutonium, as well as ours, as well as highly enriched uranium that is theirs and that is ours, is secure. Furthermore, Mr. President, as soon as possible, that material must be converted into unclassified forms that cannot be quickly reassembled into nuclear weapons. Then the materials must be placed in safeguarded storage.

These actions, plus a reduction in Russia's large nuclear weapons remanufacturing capability, are necessary precursors to future arms control limits on nuclear warhead numbers.

The United States and Russia have declared 50 tons of weapons-grade plutonium as surplus. Current administration plans have asked in the budget for Congress to proceed with a program to use 3 tons per year of our surplus as mixed oxide, generally referred to as MOX fuel, for commercial nuclear reactors, while the Russians are focused on a program that would not use much of their plutonium as MOX. The process that is going on of negotiating between America and Russia is that Russia would have only 1.3 tons converted.

So to summarize the concerns with the efforts thus far, I state the following with very grave concerns. No bilateral agreement is in place to control each country's rate of weapons dismantlement, conversion into unclassified shapes, and storage under international safeguards. We were told by the Russians that they were moving faster than the United States in this regard. But we need adequate transparency to assure our citizens on this count.

The rates of MOX—mixed oxide—use that we propose and they propose are not equal and would in the long run exaggerate the larger Russian quantities. The planned mixed oxide use rate of Russian plutonium is so slow that it requires more than 30 years to dispose of the 50 tons that we have each declared to be surplus. The potential proliferation risk from this material exists as long as it is neither under international safeguards nor used in a reactor as MOX fuel. Thirty years is too long to wait for verifiable action on this material.

On our trip, we explored whether other European entities would help with MOX fabrication and use in order to assist in increasing the plutonium disposition rate: We did not find a receptive audience that would consider introduction of this weapons plutonium into the European nuclear economy, where it would upset their goal of balance within their civilian nuclear cycle between plutonium recovered from spent fuel and plutonium expended as MOX fuel.

We also discussed the French-German-Russian plan for relocation of a German MOX plant to Russia to provide their 1.3 ton capability. While the equipment and expertise are available, funding for this move has not been identified within the G–7 to date.

As additional information, we learned from the Russian Minister of Atomic Energy Adamov that he would prefer not to use their surplus weapons plutonium as MOX. Instead, he favors saving it for use in future generations of advanced reactors. We learned that MOX fabrication and use in Russia will occur only with Western funding of their MOX plant and compensation to encourage their use of MOX in present reactors.

The combination of Minister Adamov's vision combined with the economic situation in Russia provides an important opportunity to address mutual interests. I believe that he would support bilateral dismantlement of weapons, conversion from classified shapes to unclassified forms, and internationally verified storage. These steps must be accompanied by appropriate levels of transparency.

These initial steps could and should occur rapidly, with a target goal of 10 tons per year. I also believe that Russia would accept MOX disposition of their plutonium at the slow rate that is currently planned, leaving most of their plutonium in storage for their subsequent generations of reactors. The United States, as well as other G–

7 countries, may have to help Russia with resources.

The program I've outlined would rapidly reduce potential threats from Russian surplus plutonium in a transparent and verifiable way. It could move far faster than our current program that focuses on immediate use of converted material in MOX fuel.

This new program would shift focus onto the rates of material involved in the steps preceding MOX fabrication and use. It would still continue with MOX use, at a slower pace than dismantlement, conversion, and safeguarded storage. The final move to MOX would remain part of an integrated disposition program. Minister Adamov strongly noted his views that use of the plutonium as MOX in reactors is the only credible final disposition route.

The United States has failed to fully appreciate the opportunity that exists to permanently reduce the threat posed by inventories of weapons-grade plutonium in Russia. Furthermore, the United States should not proceed with any unilateral program for disposition of our own weapons-surplus plutonium.

Leadership from the White House will be essential to ensure success. These issues should be prominently featured at the July Gore/Kiriyenko meeting and the September Clinton/Yeltsin summit. Mr. President, I intend to work with you and our Senate colleagues to pursue actions towards these initiatives.

One of our primary recommendations to President Clinton is that he designate a special envoy solely for the vital task of plutonium disposition in order to provide the full-time focused oversight and interagency coordination that is vital to achieving success. This envoy should also coordinate actions among the G–7 countries to ensure their participation in this challenge.

It is evident that efforts in this Administration towards plutonium disposition have not been marked by a suitable level of urgency, commitment and attention. Designation of this special envoy is essential to address this serious issue.

Finally, Mr. President, in our discussions within Russia, each Senator emphasized that many Russian actions are viewed in Congress as adding fuel to the fires of global weapons proliferation. We explained to our Russian hosts that Congressional concerns over their activities jeopardize the entire range of U.S.-Russia cooperative programs.

These strong expressions of interest and concerns, directly from U.S. Senators to Russian leaders, should provide a framework within which the Administration can negotiate bilateral agreements that address these proliferation risks and truly enhance global security.

I would just like to discuss with the Senate what went on in Russia, and further elaborate on the suggestions that I have. We were privileged to meet with the highest Russian officials who work in the area of atomic or nuclear reactors and nuclear weapons. In these meetings, I believe it was mutually understood that there is a reason to take 50 tons of plutonium that they have from weapons, and 50 tons that we have, and if we cannot agree, and if the world will not accommodate efficiently more tons being converted to MOX fuel for reuse in nuclear powerplants, that we should establish in each country a storage facility that is internationally monitored, subject to international controls in both countries, where we will place this plutonium in changed forms so that in this new form it will be, as far as possible from being usable for military purposes and bomb production.

What a gift we could make to the world if America and Russia could agree that, because of dismantlement—which is occurring, we have 50 tons of plutonium, and I have just told you the number of weapons it could produce if it was used again for nuclear weapons—that we could both say dismantling the weapons system is working. We agree with each other; we are going to have some abiding principles of transparency and control, and we are going to start to take this out of circulation.

There is one other item that came to our attention as we discussed this proposal. Some of us were familiar with the now-heralded Nunn-Lugar proposal, whereby the United States helped Russia with some of the problems that it had with nuclear proliferation commodities and storage of fissionable materials in their country. The history of Nunn-Lugar, although it recently is very successful, was that for a number of years it could not get off of center. It stayed kind of stuck because of the myriad of agency involvements and rules and regulations. Knowing of that, we recommend that a special envoy be appointed by the President to be in charge of this program of attempting to reach a bilateral agreement on getting rid of 50 tons of plutonium that could be reused for bombmaking.

So, in summary, the recommendations we make to our President and to our Vice President as they begin to work anew with Russia are as I have described them. Frankly, we believe, the three of us—and one of the three is the occupant of the Chair who attended the entire visit to France and Russia with reference to nuclear energy and nuclear weapons—we recommend that the President engage with and quickly reach agreement with the Russians on the disposition of 50 tons of plutonium; and that we commit, likewise, from our side, that this ultimately be done in a fashion whereby what cannot be turned, through MOX fuel, to a substance that cannot be used for bombs, that the remainder be changed in shapes and forms, but that the storage be monitored by international controls and international bodies so as to account for its safekeeping, and getting it out of circulation as potential use for nuclear weapons.

In that regard, we have written to the President of the United States. The letter which we wrote, I ask unanimous consent to have printed in the RECORD, and I ask a similar letter to the Vice President receive similar treatment. The detailed letter that we prepared to the Assistant to the President for National Security Affairs, the Honorable Sandy Berger, which was transmitted to the President and the Vice President—I ask unanimous consent that all those be printed in the RECORD so any Senator trying to further assess what we are recommending will have a full display in front of that Senator of the various proposals and ideas.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, July 14, 1998.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We recently traveled to Russia to explore serious proliferation risks associated with Russian surplus weapons plutonium. We urge that you seize a critical opportunity that we found to dramatically reduce Russian stocks of this material. We recommend that this opportunity be carefully considered in the upcoming Presidential Summit and in the Vice President-Prime Minister meeting.

Your leadership will be essential to achieve success in this key area. We will aggressively pursue this issue within the U.S. Senate. We recommend that you appoint a special envoy solely focused on oversight of these disposition efforts to whom you delegate your authority to provide coordination across the multiple agencies involved in a final solution and to develop an integrated G–7 approach to these issues.

The attached letter to your National Security Advisor, Mr. Sandy Berger, outlines details of our concerns with weapons-surplus plutonium and the current opportunity.

A closely related non-proliferation opportunity arose in our meetings that also deserves your attention. We expressed serious reservations about Russian export of nuclear technologies to nations like India and Iran. In addition to nuclear reactor sales to Iran, serious questions have been raised as to whether or not Russia is complying with its commitments with regard to uranium enrichment technology transfers. Also, reports persist that Russian companies are supplying equipment and materials for the design and manufacture of ballistic missiles. In addition, Russia has rejected our export control assistance.

Minister Adamov, of the Russian Ministry of Atomic Energy, discussed their strong concerns with proliferation of nuclear technologies and sought to assure us that any actions on behalf of the Russian government were consistent with the Non-Proliferation Treaty (NPT).

We discussed with Minister Adamov creation of a Commission to review nuclear export activities of signatories to the NPT for potential proliferation impact. It was suggested that such a Commission could evaluate specific cases, as well as review the structure of the NPT to ensure that its formulation adequately addresses modern international proliferation challenges. We recommend that you pursue this suggestion in your meetings, as well as reiterating that Russia must make major improvements with regard to the export of nuclear technologies and technologies of mass destruction.

As we discussed Russian activities that can fuel proliferation of nuclear weapons, we emphasized that Congressional concerns over these activities jeopardize the entire range of U.S.-Russian cooperative programs. We suggest that you reinforce the gravity of these concerns and potential consequences in your meetings.

Our visits within Russia served to indicate the interest and concern of the Legislative Branch on these critical proliferation issues. We urge that your future interactions with Russia build upon this foundation.

Sincerely,

PETE V. DOMENICI.
FRED THOMPSON.
ROD GRAMS.

U.S. SENATE,
Washington, DC, July 14, 1998.

The VICE-PRESIDENT,
The White House, Washington, DC.

DEAR MR. VICE-PRESIDENT: We recently traveled to Russia to explore serious proliferation risks associated with Russian surplus weapons plutonium. We urge that you seize a critical opportunity that we found to dramatically reduce Russian stocks of this material. We recommend that this opportunity be carefully considered in the upcoming Presidential Summit and in the Vice President-Prime Minister meeting.

Your leadership will be essential to achieve success in this key area. We will aggressively pursue this issue within the U.S. Senate. We recommend that you appoint a special envoy solely focused on oversight of these disposition efforts to whom you delegate your authority to provide coordination across the multiple agencies involved in a final solution and to develop an integrated G–7 approach to these issues.

The attached letter to your National Security Advisor, Mr. Sandy Berger, outlines details of our concerns with weapons-surplus plutonium and the current opportunity.

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Our visits within Russia served to indicate the interest and concern of the Legislative Branch on these critical proliferation issues. We urge that your future interactions with Russia build upon this foundation.

Sincerely,

PETE V. DOMENICI.
FRED THOMPSON.
ROD GRAMS.

U.S. SENATE,
Washington, DC, July 14, 1998.

Hon. SANDY BERGER,
Assistant to the President for National Security Affairs, The National Security Council, The White House, Washington, DC.

DEAR MR. BERGER: Our recent visit to Russia uncovered a critical window of opportunity during which the United States can address the proliferation risks of weapons-surplus plutonium. We urge that the Administration seize the opportunity.

Unclassified sources estimate that the United States and Russia currently have about 260 tons of such plutonium; 100 tons here and 160 tons in Russia. Much of this material is in classified weapons components, which could be readily rebuilt into weapons. This material could be a significant threat to the national security of the United States.

While we saw significant ongoing progress on control of nuclear materials in Russia, our visit confirmed the dire economic conditions in their closed cities. These conditions fuel concerns of serious magnitude.

We believe that the United States has an immediate interest in ensuring that all Russian weapons-grade plutonium, as well as their highly enriched uranium, is secure. Furthermore, as soon as possible, that material must be converted to unclassified forms that cannot be quickly re-assembled into nuclear weapons. We believe that conversion of that material and its placement in safeguarded storage, plus a reduction in Russia's nuclear weapons re-manufacturing capability to bring it more in line with our current capability, are necessary precursors to future arms control limits on nuclear warhead numbers.

The United States and Russia have each declared 50 tons of weapons-surplus plutonium as excess. Current Administration plans call for a U.S. program to use 3 tons per year as mixed oxide (or MOX) fuel for commercial nuclear reactors, while the Russians are focused on a program that would initially use only 1.3 tons per year as MOX.

To summarize our major concerns with the Russian efforts (while recognizing that bilateral progress is essential to enable progress):

No bilateral agreement is in place to control each country's rate of weapons dismantlement, conversion into unclassified shapes, and storage under international safeguards. We were told that Russia is moving faster than the U.S. in this regard, but we need adequate transparency to assure our citizens on this.

The rates of MOX use are not equal, and only exaggerate the larger Russian quantities.

The planned MOX use rate of Russian plutonium is so slow that it requires more than 30 years to dispose of the 50 tons they have declared to be surplus. The potential proliferation risk from this material exists as long as it is neither under international safeguards nor used in a reactor as MOX fuel. Thirty years is too long to wait for verifiable action on this material.

On our trip, we explored whether other European entities would assist with MOX fabrication and use to increase the planned disposition rates. We did not find a receptive audience that would consider introduction of this weapons plutonium into the European nuclear economy, where it would upset their goal of balance within their civilian nuclear cycle between plutonium recovered from spent fuel and plutonium expended as MOX fuel.

We also discussed the French-German-Russian evaluation of relocation of a German MOX plant to Russia to provide their 1.3 ton capability. While the equipment and expertise are available, funding for this move has not been identified within the G–7 to date.

As additional information, we learned from the Russian Minister of Atomic Energy Adamov that he would prefer not to use their surplus weapons plutonium as MOX. Instead, he favors saving it for use in future generations of advanced reactors. We learned that MOX fabrication and use in Russia will occur only with Western funding of their MOX plant and compensation to encourage their use of MOX in present reactors.

However, we believe that he would support bilateral dismantlement of weapons, conversion from classified shapes to unclassified forms, and internationally verified storage (for Russia, at their Mayak facility). These steps must be accompanied by appropriate levels of transparency. These initial steps could and should occur rapidly, with a target goal of 10 tons per year. We also believe that Russia would support MOX disposition of their plutonium at the slow rate that is currently planned, leaving most of their plutonium in storage for their subsequent generations to reactors. We recognize that the United States, as well as other G–7 countries, may have to help Russia with resources.

The program we outline would rapidly reduce potential threats from Russian surplus plutonium in a transparent and verifiable way. It could move far faster than our current program that focuses on immediate use of converted material in MOX fuel, by shifting the program focus to the rates of material involved in the steps preceding MOX fabrication and use. And it would still proceed with MOX use, at a slower pace than the dismantlement, conversion, and safeguarded storage. The final use as MOX must remain part of an integrated disposition program; certainly Minister Adamov notes that use of the plutonium in reactors is the only credible disposition route.

We believe that the United States has failed to fully appreciate the opportunity that exists to permanently reduce the threat posed by inventories of weapons-grade plutonium in Russia. We also believe that the United States should hot proceed with any unilateral program for disposition of our own weapons-surplus plutonium.

We intend to aggressively pursue these initiatives within the Senate. Leadership from the White House will be essential to ensure success. We further recommend that these issues be prominently featured at the July Gore/Kiriyenko meeting and the September Clinton/Yeltsin summit.

In addition, we have recommended to the President that he appoint a special envoy solely focused on oversight of this disposition program to whom is delegated authority to provide coordination across the multiple agencies involved in a a final solution and to further coordinate G–7 actions on this issue. We believe that this problem is of sufficient national and global urgency to justify this appointment in the very near future.

Sincerely,

Pete V. Domenici.
Fred Thompson.
Rod Grams.

Mr. DOMENICI. Then, Mr. President, Senator Grams of Minnesota, Senator Thompson of Tennessee, and myself have written a letter to all of our colleagues on both sides of the aisle, whereby we have once again summarized this situation that we find, this hope that we have that our President will pursue negotiations and quickly arrive at a bilateral agreement to give the world a gift, a present that says: We are now going to get rid of a huge portion of the dismantlement surpluses that can still be used in the future for nuclear bombs, ridding our world of that potential.

We ask that our colleagues read our suggestions, and that they, too, become interested in this proposal.

I ask unanimous consent that letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, July 15, 1998.

Dear Colleague: The primary goal of our recent visit to Russia was to explore and develop options for rapid disposition of Russian weapons surplus plutonium. These materials represent a potential clear and present danger to the security of the United States and the world. The 50 tons that Russia has declared as surplus to their weapons program represent enough material for well over 5,000 nuclear weapons. Diversion of even small quantities of this material could fuel the nuclear weapons ambitions of may rogue states.

During our visit, we uncovered a critical window of opportunity during which the United States can address the proliferation risks of weapons-surplus plutonium. We have urged the Administration to seize the opportunity. No one can reliably predict how long this window will stay open. We must act while it is open.

Unclassified sources estimate that the United States and Russia currently have about 260 tons of such plutonium; 100 tons here and 160 tons in Russia. Much of this material is in classified weapons components, which could be readily rebuilt into weapons.

While we saw significant ongoing progress on control of nuclear materials in Russia, our visit confirmed the dire economic conditions in their closed cities. These conditions fuel concerns of serious magnitude.

We believe that the United States has an immediate interest in ensuring that all Russian weapons-grade plutonium, as well as their highly enriched uranium, is secure. Furthermore, as soon as possible, that material must be converted to unclassified forms that cannot be quickly re-assembled into nuclear weapons. We believe that conversion of that material and its placement in safeguarded storage, plus a reduction in Russia's nuclear weapons re-manufacturing capability to bring it more in line with our current capability, are necessary precursors to future arms control limits on nuclear warhead numbers.

The United States and Russia have each declared 50 tons of weapons-grade plutonium as surplus. Current Administration plans call for a U.S. program to use 3 tons per year as mixed oxide (or MOX) fuel for commercial nuclear reactors, while the Russians are focused on a program that would initially use only 1.3 tons per year as MOX.

To summarize our major concerns with the Russian efforts (while recognizing that bilateral progress is essential to enable progress):

No bilateral agreement is in place to control each country's rate of weapons dismantlement, conversion into unclassified shapes, and storage under international safeguards. We were told that Russia is moving faster than the U.S. in this regard, but we need adequate transparency to assure our citizens on this.

The rates of MOX use are not equal, and only exaggerate the larger Russian quantities.

The planned MOX use rate of Russian plutonium is so slow that it requires more than 30 years to dispose of the 50 tons they have declared to be surplus. The potential proliferation risk from this material exists as long as it is neither under international safeguards nor used in a reactor as MOX fuel. Thirty years is too long to wait for verifiable action on this material.

On our trip, we explored whether other European entities would help with MOX fabrication and use in order to assist with increasing the plutonium disposition rates. We did not find a receptive audience that would consider introduction of this weapons plutonium into the European nuclear economy, where it would upset their goal of balance within their civilian nuclear cycle between plutonium recovered from spent fuel and plutonium expended as MOX fuel.

We also discussed the French-German-Russian plan for relocation of a German MOX plan to Russia to provide their 1.3 ton capacity. While the equipment and expertise are available, funding for this move has not been identified within the G–7 to date.

As additional information, we learned from the Russian Minister of Atomic Energy Adamov that he would prefer not to use their surplus weapons plutonium as MOX. Instead, he favors saving it for use in future generations of advanced reactors. We learned that MOX fabrication and use in Russia will occur only with Western funding of their MOX plant and compensation to encourage their use of MOX in present reactors.

We believe, however, that he would support bilateral dismantlement of weapons, conversion from classified shapes to unclassified forms, and internationally verified storage (for Russia, at their Mayak facility). These steps must be accompanied by appropriate levels of transparency. These initial steps could and should occur rapidly, with a target goal of 10 tons per year. We also believe that Russia would support MOX disposition of their plutonium at the slow rate that is currently planned, leaving most of their plutonium in storage for their subsequent generations of reactors. We recognize that the United States, as well as other G–7 countries, may have to help Russia with resources.

The program we outline would rapidly reduce potential threats from Russian surplus plutonium in a transparent and verifiable way. It could move far faster than our current program that focuses on immediate use of converted material in MOX fuel, by shifting the program focus to the rates of material involved in the steps preceding MOX fabrication and use. And it would still proceed with MOX use, at a slower pace than the dismantlement, conversion, and safeguarded storage. The final move to MOX must remain part of an integrated disposition program. Minister Adamov strongly noted that, in his view, use of the plutonium as MOX in reactors is the only credible disposition route.

We believe that the United States has failed to fully appreciate the opportunity that exists to permanently reduce the threat posed by inventories of weapons-grade plutonium in Russia. We also believe that the United States should not proceed with any unilateral program for disposition of our own weapons-surplus plutonium.

We will aggressively pursue these initiatives within the Senate. Leadership from the White House will be essential to ensure success. We further recommend that these issues be prominently featured at the July Gore/Kiriyenko meeting and the September Clinton/Yeltsin summit.

We have recommended to the President that he designate a special envoy solely for this vital task to provide the full-time focused oversight and interagency coordination that is vital to achieving success. Efforts to date towards plutonium disposition in this country have not been marked by a suitable level of commitment and attention within the Administration. Progress on this vital area of national security will not occur short of this action.

Finally, in our discussions within Russia, each Senator emphasized that many Russian actions are viewed in Congress as adding fuel to the fires of global weapons proliferation. We expressed serious reservations about Russian export of nuclear technologies to nations like India and Iran. In addition to nuclear reactor sales to Iran, serious questions have been raised as to whether or not Russia is complying with its commitments with regard to uranium enrichment technology transfers. Also, reports persist that Russian companies are supplying equipment and materials for the design and manufacture of ballistic missiles. In addition, Russia has rejected our export control assistance. We explained to our Russian hosts that Congressional concerns over their activities jeopardize the entire range of U.S.-Russian cooperative programs.

Our visits within Russia served to indicate the interest and concern of the Legislative Branch on these critical proliferation issues. We have urged the Administration to structure future interactions with Russia that built upon our efforts.

Sincerely,

Pete V. Domenici.
Fred Thompson.
Rod Grams.

Mr. DOMENICI. Mr. President, I will follow this up next week, and perhaps my friend who occupies the Chair could join me that day, because the first part of our visit was a visit to France, ultimately to Germany, to talk about the nuclear power fuel cycle. I want, next week, to go into some detail as to how well the French people and the French Government are handling nuclear power, and how poorly we have handled that issue in America. Just to whet one's appetite about what we visited and what we will be talking about, let me just say the country of France gets 80 percent of its power from nuclear powerplants—80 percent. It is the cleanest country, in terms of emissions. It is the least contributor to atmospheric pollution, which many in our country and around the world are concerned is causing global warming, because they don't burn any coal, they don't burn any oil. They produce most of their electricity from nuclear power.

Isn't it interesting that they do not seem to be afraid? They have had no accidents of any consequence whatsoever. And we in America, who started this great technology, invented it, had the companies that were best at it—we sit idly by and claim we want to rid the atmosphere of the pollutants that might cause global warming and we essentially, through regulation and otherwise, have eliminated the prospect of nuclear power for some time in the United States. We will speak about that in more detail later.

Mr. President, with reference to completing the Senate's business and then letting my good friend Senator JEFFORDS proceed with his speech as in morning business, I am going to proceed with the wrapup, which will include a privilege to the Senator to continue even after we have finished.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, July 16, 1998, the federal debt stood at $5,531,079,562,651.15 (Five trillion, five hundred thirty-one billion, seventy-nine million, five hundred sixty-two thousand, six hundred fifty-one dollars and fifteen cents).

One year ago, July 16, 1997, the federal debt stood at $5,357,954,000,000 (Five trillion, three hundred fifty-seven billion, nine hundred fifty-four million).

Five years ago, July 16, 1993, the federal debt stood at $4,334,093,000,000 (Four trillion, three hundred thirty-four billion, ninety-three million).

Twenty-five years ago, July 16, 1973, the federal debt stood at $455,344,000,000 (Four hundred fifty-five billion, three hundred forty-four million) which reflects a debt increase of more than $5 trillion—$5,075,735,562,651.15 (Five trillion, seventy-five billion, seven hundred thirty-five million, five hundred sixty-two thousand, six hundred fifty-one dollars and fifteen cents) during the past 25 years.

DELAY IN SENATE ACTION ON JUDGE SOTOMAYOR AND OTHER JUDICIAL NOMINATIONS

Mr. LEAHY. Mr. President, I welcome the recent statement of the distinguished Senior Senator from New York on the nomination of Judge Sonia Sotomayor last Friday, July 10. I have been concerned for several months that consideration of this nomination was being unnecessarily delayed. I am encouraged that Senator MOYNIHAN's evaluation of this judicial nomination for the longstanding vacancy in the Second Circuit is similar to mine.

I know that the Senator from New York support this nomination and recall his statement of support to the Judiciary Committee at her hearing back in September 1997, almost 10 months ago.

I appreciated his joining with me and all the Senators from States within the Second Circuit when we wrote to the Majority Leader on April 9, 1998 urging "prompt and favorable action on the nomination of Judge Sonia Sotomayor." We noted then the extraordinary action that had to be taken by the Chief Judge of our Circuit due to the vacancies crisis plaguing the Circuit. Since March 23, he has had to cancel hearings and proceed with 3-judge appellate panel that contain only one Second Circuit judge. Indeed, Chief Judge Winter has had to issue such orders in connection with matters heard this week.

Judge Sonia Sotomayor is a well-qualified nominee. She was reportedly being held up by someone on the Republican side of the aisle because of speculation that she might be nominated this month by President Clinton to the United States Supreme Court. Last month a column in The Wall Street Journal discussed this secret basis for the Republican hold against this fine judge. The Journal revealed that this delay was intended to ensure that Sonia Sotomayor was not nominated to the Supreme Court. That was confirmed by a report in The New York Times on June 13.

How disturbing and how shameful. I am offended by this anonymous effort to oppose her prompt confirmation by stealth tactics. Here is a highly-qualified Hispanic woman judge who should have been confirmed to help end the crisis in the Second Circuit more than four months ago.

Judge Sotomayor rose from a housing project in the Bronx to Princeton, Yale and a federal court appointment by President Bush. She is strongly supported by the Senator from New York and has had bipartisan support.

The excuse that had been used to delay consideration of her nomination has been removed. Perhaps now that the Supreme Court term has ended and Justice Stevens has not resigned, the Senate will proceed to consider Judge Sotomayor's nomination to the Second Circuit on its merits and confirm her without additional, unnecessary delay. There is no vacancy on the Supreme Court. The nominee has been held hostage over four months on the Senate calendar. It is past time to consider and confirm this nomination to fill a judicial emergency vacancy on the Second Circuit.

Unfortunately, this past weekend the Republican Leader of the United States Senate indicated on television that he has decided to move all nominations to the "back burner." A spokesperson for the Republican Leader indicated that the Senate will not be considering any more nominations this year. That is wrong. I hope that the Republican leadership of the Senate will reverse itself and proceed to consider the nomination of Judge Sotomayor and those of all 10 judicial nominations now stalled on the Senate calendar.

In his annual report on the judiciary this year on New Year's Day, the Chief Justice of the United States Supreme Court observed: "Some current nominees have been waiting a considerable time for a Senate Judiciary Committee vote or a final floor vote. The Senate confirmed only 17 judges in 1996 and 36 in 1997, well under the 101 judges it confirmed in 1994." He went on to note: "The Senate is surely under no obligation to confirm any particular nominee, but after the necessary time for inquiry it should vote him up or vote him down." I would add vote her up or vote her down.

Acting to fill judicial vacancies is a constitutional duty that the Senate—and all of its members—are obligated to fulfill. In its unprecedented slowdown in the handling of nominees in the 104th and 105th Congresses, the Senate is shirking its duty. This is wrong and should end.

Today is the anniversary of the Judiciary Act of 1789. Pursuant to its constitutional responsibilities, the Senate gave meaning to the provisions of article III of our Constitution and established the lower federal courts as a means to implement the exercise of the judicial power of the United States. That was an historic act and created the foundation for our federal court system. The Senate was led in that effort by a Senator from what is now the Second Circuit, Senator Oliver Ellsworth of Connecticut.

Likewise, when the Senate established the Judiciary Committee 27 years later, it was first chaired by a Senator from the Second Circuit, Senator Dudley Chase of Vermont.

It is sadly ironic that on this the 209th anniversary of the Judiciary Act of 1789, when the Second Circuit needs the Senate's help, the Senate majority is, instead, holding off taking action on a qualified nominee without explanation or justification.

The Senate should consider the nomination of Judge Sonia Sotomayor to the Second Circuit without further delay.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE EXECUTIVE ORDER BLOCKING GOVERNMENT PROPERTY AND PROHIBITING TRANSACTIONS WITH THE FEDERAL REPUBLIC OF YUGOSLAVIA (SERBIA AND MONTENEGRO)—MESSAGES FROM THE PRESIDENT—PM 144

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

On May 30, 1992, by Executive Order 12808, President Bush declared a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the actions and policies of the Governments of Serbia and Montenegro, blocking all property and interests in property of those Governments. President Bush took additional measures to prohibit trade and other transactions with the Federal Republic of Yugoslavia (Serbia and Montenegro) (the "FRY (S&M)"), by Executive Orders 12810 and 12831, issued on June 5, 1992, and January 15, 1993, respectively.

On April 25, 1993, I issued Executive Order 12846, blocking the property and interests in property of all commercial, industrial, or public utility undertakings or entities organized or located in the FRY (S&M), and prohibiting trade-related transactions by United States persons involving those areas of the Republic of Bosnia and Herzegovina controlled by the Bosnian Serb forces and the United Nations Protected Areas in the Republic of Croatia. On October 25, 1994, because of the actions and policies of the Bosnian Serbs, I expanded the scope of the national emergency by issuance of Executive Order 12934 to block the property of the Bosnian Serb forces and the authorities in the territory that they controlled within the Republic of Bosnia and Herzegovina, as well as the property of any entity organized or located in, or controlled by any person in, or resident in, those areas.

On November 22, 1995, the United Nations Security Council passed Resolution 1022 ("Resolution 1022"), immediately and indefinitely suspending economic sanctions against the FRY (S&M). Sanctions were subsequently lifted by the United Nations Security Council pursuant to Resolution 1074 on October 1, 1996. Resolution 1022, however, continues to provide for the release of funds and assets previously blocked pursuant to sanctions against the FRY (S&M), provided that such funds and assets that are subject to claims and encumbrances, or that are the property of persons deemed insolvent, remain blocked until "released in accordance with applicable law." This provision was implemented in the United States on December 27, 1995, by Presidential Determination No. 96–7. The determination, in conformity with Resolution 1022, directed the Secretary of the Treasury, *inter alia*, to suspend the application of sanctions imposed on the FRY (S&M) pursuant to the above-referenced Executive Orders and to continue to block property previously blocked until provision is made to address claims or encumbrances, including the claims of the other successor states of the former Yugoslavia. This sanctions relief was an essential factor motivating Serbia and Montenegro's acceptance of the General Framework Agreement for Peace in Bosnia and Herzegovina initiated by the parties in Dayton on November 21, 1995 (the "Peace Agreement") and signed in Paris on December 14, 1995. The sanctions imposed on the FRY (S&M) and on the United Nations Protected Areas in the Republic of Croatia were accordingly suspended prospectively, effective January 16, 1996. Sanctions imposed on the Bosnian Serb forces and authorities and on the territory that they controlled within the Republic of Bosnia and Herzegovina were subsequently suspended prospectively, effective May 10, 1996, in conformity with Resolution 1022. On October 1, 1996, the United Nations passed Resolution 1074, terminating U.N. sanctions against the FRY (S&M) and the Bosnian Serbs in light of the elections that took place in Bosnia and Herzegovina on September 14, 1996. Resolution 1074, however, reaffirms the provisions of Resolution 1022 with respect to the release of blocked assets, as set forth above.

The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c) and covers the period from November 30, 1997, through May 29, 1998. It discusses Administration actions and expenses directly related to the exercise of powers and authorities conferred by the declaration of a national emergency in Executive Order 12808 as expanded with respect to the Bosnian Serbs in Executive Order 12934, and against the FRY (S&M) contained in Executive Orders 12810, 12831, and 12846.

1. The declaration of the national emergency on May 30, 1992, was made pursuant to the authority vested in the President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the United States Code. The emergency declaration was reported to the Congress on May 30, 1992, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)) and the expansion of that national emergency under the same authorities was reported to the Congress on October 25, 1994. The additional sanctions set forth in related Executive orders were imposed pursuant to the authority vested in the President by the Constitution and laws of the United States, including the statutes cited above, section 1114 of the Federal Aviation Act (49 U.S.C. App. 1514), and section 5 of the United Nations Participation Act (22 U.S.C. 287c).

2. The Office of Foreign Assets Control (OFAC), acting under authority delegated by the Secretary of the Treasury, implemented the sanctions imposed under the foregoing statutes in the Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnian Serb-Controlled Areas of the Republic of Bosnia and Herzegovina Sanctions Regulations, 31 C.F.R. Part 585 (the "Regulations").

To implement Presidential Determination No. 96–7, the Regulations were amended to authorize prospectively all transactions with respect to the FRY (S&M) otherwise prohibited (61 FR 1282, January 19, 1996). Property and interests in property of the FRY (S&M) previously blocked within the jurisdiction of the United States remain blocked, in conformity with the Peace Agreement and Resolution 1022, until provision is made to address claims or encumbrances, including the claims of the other successor states of the former Yugoslavia.

On May 10, 1996, OFAC amended the Regulations to authorize prospectively all transactions with respect to the Bosnian Serbs otherwise prohibited, except with respect to property previously blocked (61 *FR* 24696, May 16, 1996). On December 4, 1996, OFAC amended Appendices A and B to 31 chapter V, containing the names of entities and individuals in alphabetical order and by location that are subject to the various economic sanctions programs administered by OFAC, to remove the entries for individuals and entities that were determined to be acting for or on behalf of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro). These assets were blocked on the basis of these persons' activities in support of the FRY (S&M)—activities no longer prohibited—not because the Government of the FRY (S&M) or entities located in or controlled from the FRY (S&M) had any interest in those assets (61 *FR* 64289, December 4, 1996).

On April 18, 1997, the Regulations were amended by adding a new Section 585.528, authorizing all transactions after 30 days with respect to the following vessels that remained blocked pursuant to the Regulations, effective at 10:00 a.m. local time in the location of the vessel on May 19, 1997: the M/V MOSLAVINA, M/V ZETA, M/V LOVCEN, M/V DURMITOR and M/V BAR (a/k/a M/V INVIKEN) (62 *FR* 19672, April 23, 1997). During the 30-day period, United States persons were authorized to negotiate settlements of their outstanding claims with respect to the vessels with the vessels' owners or agents and were generally licensed to seek and obtain judicial warrants of maritime arrest. If claims remained unresolved 10 days prior to the vessels' unblocking (May 8, 1997), service of the warrants could be effected at that time through the United States Marshal's Office in the district where the vessel was located to ensure that U.S. creditors of a vessel had the opportunity to assert their claims. Appendix C to 31 CFR, chapter V, containing the names of vessels blocked pursuant to the various economic sanctions programs administered by OFAC (61 FR 32936, June 26, 1996), was also amended to remove these vessels from the list effective May 19, 1997. There have been no amendments to the Regulations since my report of December 3, 1997.

3. Over the past 2 years, the Departments of State and the Treasury have worked closely with European Union member states and other U.N. member nations to implement the provisions of Resolution 1022. In the United States, retention of blocking authority pursuant to the extension of a national emergency provides a framework for administration of an orderly claims settlement. This accords with past policy and practice with respect to the suspension of sanctions regimes.

4. During this reporting period, OFAC issued two specific licenses regarding transactions pertaining to the FRY (S&M) or property in which it has an interest. Specific licenses were issued (1) to authorize U.S. creditors to exchange a portion of blocked unallocated FRY (S&M) debt obligations for the share of such obligations assumed by the obligors in the Republic of Bosnia and Herzegovina; and (2) to authorize certain financial transactions with respect to blocked funds located at a foreign branch of a U.S. bank.

During the past 6 months, OFAC has continued to oversee the maintenance of blocked FYR (S&M) accounts and records with respect to: (1) liquidated tangible assets and personalty of the 15 blocked U.S. subsidiaries of entities organized in the FRY (S&M); (2) the blocked personalty, files, and records of the two Serbian banking institutions in New York previously placed in secure storage; (3) remaining blocked FRY (S&M) tangible property, including real estate; and (4) the 5 Yugoslav-owned vessels recently unblocked in the United States.

On September 29, 1997, the United States filed Statements of Interest in cases being litigated in the Southern District of New York: *Beogradska Banka A.D. Belgrade* v. *Interenergo, Inc.*, 97 Civ. 2065 (JGK): and *Jugobanka A.D. Belgrade* v. *U.C.F. International Trading, Inc. et al.*, 97 Civ. 3912, 3913 and 6748 (LAK). These cases involve actions by blocked New York Serbian bank agencies and their parent offices in Belgrade, Serbia, to collect on defaulted loans made prior to the imposition of economic sanctions and dispensed, in one case, to the U.S. subsidiary of a Bosnian firm and, in the other cases, to various foreign subsidiaries of a Slovenian firm. Because these loan receivables are a form of property that was blocked prior to December 27, 1995, any funds collected as a consequence of these actions would remain blocked and subject to United States jurisdiction. Defendants asserted that the loans had been made from the currency reserves of the central bank of the former Yugoslavia to which all successor states had contributed, and that the loan funds represent assets of the former Yugoslavia and are therefore subject to claims by all five successor states. The Department of State, in consultation with the Department of the Treasury, concluded that the collection of blocked receivables through the actions by the bank and the placement of those collected funds into a blocked account did not prejudice the claims of successor states nor compromise outstanding claims on the part of any creditor of the bank, since any monies collected would remain in a blocked status and available to satisfy obligations to United States and foreign creditors and other claimants—including possible distribution to successor states under a settlement arising from the negotiations on the division of assets and liabilities of the former Yugoslavia. On March 31, 1998, however, the Court dismissed the claims as nonjustifiable. Another case, *D.C. Precision, Inc.* v. *United States, et al.*, 97 Civ. 9123 CRLC, was filed in the Southern District of New York on December 10, 1997, alleging that the Government had improperly blocked Precision's funds held at one of the closed Serbian banking agencies in New York.

5. Despite the prospective authorization of transactions with the FRY (S&M), OFAC has continued to work closely with the U.S. Customs Service and other cooperating agencies to investigate alleged violations that occurred while sanctions were in force. On February 13, 1997, a Federal grand jury in the Southern District of Florida, Miami, returned a 13-count indictment against one U.S. citizen and two nationals of the FRY (S&M). The indictment charges that the subjects participated and conspired to purchase three Cessna propeller aircraft, a Cessna jet aircraft, and various aircraft parts in the United States and to export them to the FRY (S&M) in violation of U.S. sanctions and the Regulations. Timely interdiction action prevented the aircraft from being exported from the United States.

Since my last report, OFAC has collected one civil monetary penalty totaling nearly $153,000 for violations of the sanctions. These violations involved prohibited payments to the Government of the FRY (S&M) by a U.S. company.

6. The expenses incurred by the Federal Government in the 6-month period from November 30, 1997, through May 29, 1998, that are directly attributable to the declaration of a national emergency with respect to the FRY (S&M) and the Bosnian Serb forces and authorities are estimated at approximately $360,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in OFAC and its Chief Counsel's Office, and the U.S. Customs Service), the Department of State, the National Security Council, and the Department of Commerce.

7. In the last 2 years, substantial progress has been achieved to bring about a settlement of the conflict in the former Yugoslavia acceptable to the parties. Resolution 1074 terminates sanctions in view of the first free and fair elections to occur in the Republic of Bosnia and Herzegovina, as provided for in the Peace Agreement. In reaffirming Resolution 1022, however, Resolution 1074 contemplates the continued blocking of assets potentially subject to conflicting claims and encumbrances until provision is made to address them under applicable law, including claims of the other successor states of the former Yugoslavia. The resolution of the crisis and conflict in the former Yugoslavia that has resulted from the actions and policies of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and of the Bosnian Serb forces and the authorities in the territory that they controlled, will not be complete until such time as the Peace Agreement is implemented and the terms of Resolution 1022 have been met. Therefore, I have continued for another year the national emergency declared on May 30, 1992, as expanded in scope on October 25, 1994, and will continue to enforce the measures adopted pursuant thereto.

I shall continue to exercise the powers at my disposal with respect to the measures against the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and the Bosnian Serb forces, civil authorities, and entities, as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1998.*

REPORT CONCERNING THE EMIGRATION LAWS AND POLICIES OF ALBANIA—MESSAGE FROM THE PRESIDENT—PM 145

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To the Congress of the United States:

I am submitting an updated report to the Congress concerning the emigration laws and policies of Albania. The report indicates continued Albanian compliance with U.S. and international standards in the area of emigration. In fact, Albania has imposed no emigration restrictions, including exit visa requirements, on its population since 1991.

On December 5, 1997, I determined and reported to the Congress that Albania is not in violation of the freedom of emigration criteria of sections 402 and 409 of the Trade Act of 1974. That action allowed for the continuation of most-favored-nation (MFN) status for Albania and certain other activities without the requirement of an annual waiver. This semiannual report is submitted as required by law pursuant to the determination of December 5, 1997.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1998.*

MESSAGES FROM THE HOUSE

At 11:15 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3267. An act to direct the Secretary of the Interior, acting through the Bureau of Reclamation, to conduct a feasibility study and construct a project to reclaim the Salton Sea.

H.R. 3682. An act to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions.

H.R. 3731. An act to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, as the "Steve Schiff Auditorium."

H.R. 4104. An act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes.

The message also announced that the House agrees to the Senate amendments to the House amendments to the bill (S. 318) to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 3156. An act to present a congressional gold medal to Nelson Rolihlahla Mandela.

H.R. 1273. An act to authorize appropriations for fiscal years 1998 and 1999 for the National Science Foundation, and for other purposes.

H.R. 2870. An act to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times, and ordered placed on the calendar:

H.R. 4104. An act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–6078. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of additions to the Committee's Procurement List dated June 29, 1998; to the Committee on Governmental Affairs.

EC–6079. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Study of Full-Day, Full-Year Head Start Services"; to the Committee on Labor and Human Resources.

EC–6080. A communication from the Secretary of the United States Naval Sea Cadet Corps, transmitting, pursuant to law, the Annual Audit Report of the Naval Sea Cadet Corps for calendar year 1997; to the Committee on the Judiciary.

EC–6081. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the report of a rule regarding capital adequacy and related regulations (RIN3052–AB58) received on July 16, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6082. A communication from the Chief of Staff of the Office of the Commissioner of Social Security, transmitting, pursuant to law, the report of a rule entitled "Administrative Review Process; Prehearing Proceedings and Decisions by Attorney Advisors; Extension of Expiration Date" (RIN 0960–AE86) received on July 15, 1998; to the Committee on Finance.

EC–6083. A communication from the General Counsel of the National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "Central Liquidity Facility" received on July 15, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6084. A communication from the Deputy Secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Exemption To Allow Investment Advisers To Charge Fees Based Upon a Share of Capital Gains Upon or Capital Appreciation of a Client's Account" (RIN3235–AH25) received on July 15, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6085. A communication from the Secretary of the Interior, transmitting, pursuant to law, the reports on the operation of the Colorado River Reservoirs for 1996 and 1997; to the Committee on Energy and Natural Resources.

EC–6086. A communication from the Director of the Office of Rulemaking Coordination, Department of Energy, transmitting, pursuant to law, the report of a rule regarding the protection and control of classified matter (DOE M 471.2–1A) received on July 8, 1998; to the Committee on Energy and Natural Resources.

EC–6087. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on public and private partnerships to benefit Moral, Welfare and Recreation programs; to the Committee on Armed Services.

EC–6088. A communication from the Secretary of Defense, transmitting, pursuant to law, a report entitled "Medical Tracking System for Members Deployed Overseas" received on July 15, 1998; to the Committee on Armed Services.

EC–6089. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, notice of a cost comparison of the transportation functions at Travis Air Force Base, California; to the Committee on Armed Services.

EC–6090. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, notice of a study on reengineering the 38th Engineering and Installation Wing; to the Committee on Armed Services.

EC–6091. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed manufacturing license agreement with Japan for the production of airborne radio sets (DTC 59–98); to the Committee on Foreign Relations.

EC–6092. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed manufacturing license agreement with Japan for the production of UHF receiver/transmitters (DTC58–98); to the Committee on Foreign Relations.

EC–6093. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed export license for the production of helmet mounted display systems for fighter aircraft operated by the Government of Japan (DTC92–98); to the Committee on Foreign Relations.

EC–6094. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed export license to provide logistics support for certain radars used on E767 AWACS planes procured by the Government of Japan (DTC87–98); to the Committee on Foreign Relations.

EC–6095 communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed export license agreement with Greece for the manufacture of certain rifles and grenade launchers (DTC 82–98); to the Committee on Foreign Relations.

EC–6096. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed export license agreement with Germany for the production of certain semiautomatic pistol components (DTC 74–98); to the Committee on Foreign Relations.

EC–6097. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the annual report on Military Assistance, Military Exports, and Military Imports; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–511. A resolution adopted by the House of the Legislature of the State of Louisiana; to the Committee on the Judiciary.

HOUSE RESOLUTION NO. 120

Whereas, Article III, Section 1 of the Constitution of the United States, provides in part that ". . . The Judges, both the supreme and inferior Courts, shall hold their Offices during good Behaviour, . . ."; and

Whereas, this clause has been interpreted to mean that ". . . (a) person appointed to office of United States district judge becomes entitled to draw salary of office so long as he continues to "hold office", and he "holds office" until he voluntarily relinquishes it or is ousted by impeachment or death." *Johnson* v. *U.S.*, 79 F. Supp. 208 (1948); and

Whereas, this clause has been further interpreted to mean ". . . Judges of federal "constitutional" courts which have been invested with the judicial power of the United States pursuant to this article are guaranteed life tenure during good behavior and compensation which may not be reduced during their term of office. . . ." *Montanez* v. *U.S.*, 226 F. Supp. 593 (1964) affirmed 371 F.2d. 79; and

Whereas, the system appears to still maintain an independent judiciary uninfluenced by undue public pressure in the inferior federal courts in which judges are not granted life tenure; and

Whereas, a common complaint that the public makes about federal district judges is that they are not accountable to the people because of this life tenure; and

Whereas, this public complaint continues that these judges, because of their insulation and isolation after a certain length of time in office, lose touch with the problems facing and feelings of the majority of the American people; and

Whereas, state district, appellate, and supreme court justices in Louisiana have specific limited terms of office, as do other inferior federal courts, such as bankruptcy judges whose term is fourteen years; and

Whereas, this constitutional amendment would not give the people the right to vote for a federal judge, but only the right to voice their opinion on whether the appointment of federal district judges should be for a limited term short of life tenure; and

Whereas, the system appears to still maintain an independent judiciary uninfluenced by undue public pressure in the inferior federal courts in which judges are not granted life tenure; and

Whereas, Article V of the Constitution of the United States provides that an amendment to the constitution may be proposed by congress which shall become part of the constitution when ratified by three-fourths of the several states. Therefore, be it

Resolved, That the House of Representatives of the Legislature of Louisiana does hereby urge and request the Congress of the United States to propose an amendment to the Constitution of the United States, for submission to the states for ratification, to provide for election of members of the federal judiciary. Be it further

Resolved, That certified copies of this Resolution be transmitted by the secretary of state of the president and the secretary of the United States Senate, to the speaker and clerk of the United States House of Representatives, to each member of this state's delegation to the congress and to the presiding officer of each state legislature in the United States.

POM–512. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Commerce, Science, and Transportation.

HOUSE CONCURRENT RESOLUTION NO. 60

Whereas, in an amazingly short time, the Internet has become a key means of communicating in this country. It is already a prominent vehicle for doing business through selling goods and services and providing information leading to commercial transactions. The business value of selling access to the Internet is in itself a multi-billion-dollar enterprise. The growth projections for the Internet and for its impact on commerce are very high; and

Whereas, as with any new aspect of commerce, there are numerous tax implications associated with the Internet. The new technology and capabilities can be used to avoid local taxes. Numerous transactions involve automatic transfers of money for goods and services. Borders and jurisdictions have become far less significant in this new marketplace; and

Whereas, with the rise of the Internet, state and local policymakers have suggested various ways to tax this activity. Some states have explored telecommunications taxes and taxes on Internet service providers. Industry observers are concerned that implementing a "modem tax" could disrupt the development of a new tool for commerce and economic development; and

Whereas, with the complexity of issues involved and the constant changes in this new technology as it takes shape, imposing taxes specific to the Internet would likely be harmful. Any possible gains in revenues would be more than offset by long-term changes in the evolution of the Internet. Greed should not drive policy or taxation decisions; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we memorialize the Congress of the United States to enact legislation to create a moratorium on new national, state, and local taxes on the Internet; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM–513. A resolution adopted by the House of the Legislature of the State of Michigan; to the Committee on Finance.

HOUSE RESOLUTION NO. 240

Whereas, the federal income tax system includes deductions and credits for a wide variety of personal and business expenses. These exceptions from certain calculations of taxation reflect public policy values that elected officials have established over many years; and

Whereas, in determining federal tax liability, most state and local taxes are deductible, including income taxes and property taxes. These policies recognize the value of taxes paid to finance state and local government activities. For many years, state sales taxes were also deductible. Federal tax laws were changed in 1986 to discontinue the deductibility of state sales taxes; and

Whereas, it is inconsistent for the federal government to allow citizens to deduct some taxes paid for state and local government, such as property and income taxes, and not allow deductions for state sales taxes. State sales taxes, in Michigan as elsewhere, finance the same types of public purpose programs financed through other state and local taxes that are fully deductible. The current situation is very inconsistent and frustrating to taxpayers across our state and throughout the country; now, therefore, be it

Resolved by the House of Representatives, That we memorialize the Congress of the United States to enact and the President to sign legislation to allow state sales taxes to be deductible from federal income taxes and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM–514. A resolution adopted by the General Assembly of the Legislature of the State of New Jersey; to the Committee on Indian Affairs.

ASSEMBLY RESOLUTION NO. 13

Whereas, during 1980's, certain Indian tribes began to conduct significant amounts of gambling on reservations and other land held in trust for the tribes by the federal government; and

Whereas, this activity was largely unregulated by the federal government and beyond the reach of state law, and

Whereas, the vast sums of money generated from gambling by the mostly non-Indian patrons of Indian bingo halls and casinos raised concerns about the risk of corruption especially by organized crime influences; and

Whereas, Congress responded to these concerns in 1988 by enacting the Indian Gaming Regulatory Act which attempted to provide a regulatory framework that balanced the interests of the federal government, the States and the tribes; and

Whereas, that act did not adequately address many of the issues raised by Indian gaming and permitted the continued proliferation of poorly-regulated gaming facilities; and

Whereas, under the existing statutory scheme it may be possible for the Delaware Indians of Western Oklahoma, a group which has had no nexus with the State of New Jersey for over a century, to gain control over, and operate a casino on, a site in Wildwood, New Jersey; and

Whereas, this proposed casino would not be subject to regulation or taxation by this State and would directly compete with Atlantic City's casinos and other forms of legalized gambling; and

Whereas, H.R. 334 of 1997, the "Fair Indian Gaming Act," would close many of the loopholes in the existing federal law and address the risk of corruption by enhancing Federal and State regulation of gambling conducted by Indian tribes; now, therefore, be it

Resolved by the General Assembly of the State of New Jersey:

1. The Congress of the United States is respectfully memorialized to enact H.R. 334 of 1997, the "Fair Indian Gaming Act," into law.

2. A copy of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the Vice-President of the United States, the Speaker of the House of Representatives, and every member of Congress elected from this State.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. HUTCHISON (for herself and Mr. Gramm):

S. 2325. A bill to provide an opportunity for States to modify agreements under title II of the Social Security Act with respect to student wages; to the Committee on Finance.

By Mr. BRYAN (for himself and Mr. McCain):

S. 2326. A bill to require the Federal Trade Commission to prescribe regulations to protect the privacy of personal information collected from and about children on the Internet, to provide greater parental control over the collection and use of that information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. COATS (for himself and Mr. Lieberman):

S. 2327. A bill to provide grants to grassroots organizations in certain cities to develop youth intervention models; to the Committee on the Judiciary.

By Mr. BROWNBACK (for himself and Mr. Grassley):

S. 2328. A bill to establish the negotiating objectives of the United States with respect to the WTO Agreement on Agriculture, to establish criteria for the accession of state trading regimes to the WTO, and for other purposes; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Mr. Bingaman, and Mr. Graham):

S. 2329. A bill to amend the Internal Revenue Code of 1986 to enhance the portability of retirement benefits, and for other purposes; to the Committee on Finance.

By Mr. LOTT (for Mr. Nickles (for himself, Mr. Frist, Ms. Collins, Mr. Jeffords, Mr. Roth, Mr. Santorum, Mr. Hagel, Mr. Gramm, Mr. Coats, Mr. Lott, Mr. Mack, Mr. Craig, Mr. Coverdell, Mr. Abraham, Mr. Allard, Mr. Ashcroft, Mr. Bennett, Mr. Bond, Mr. Brownback, Mr. Burns, Mr. Cochran, Mr. Domenici, Mr. Enzi, Mr. Faircloth, Mr. Gorton, Mr. Grams, Mr. Grassley, Mr. Hatch, Mr. Helms, Mr. Hutchinson, Mrs. Hutchison, Mr. Inhofe, Mr. Kempthorne, Mr. Lugar, Mr. McCain, Mr. Murkowski, Mr. Roberts, Mr. Sessions, Mr. Shelby, Mr. Smith of New Hampshire, Mr. Smith of Oregon, Ms. Snowe, Mr. Thomas, Mr. Thompson, Mr. Thurmond, and Mr. Warner)):

S. 2330. A bill to improve the access and choice of patients to quality, affordable health care; read the first time.

By Mr. LUGAR:

S. 2331. A bill to provide a limited waiver for certain foreign students of the requirement to reimburse local educational agencies for the costs of the students' education; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DORGAN (for himself and Mr. Frist):

S. Con. Res. 106. A concurrent resolution recognizing the 50th anniversary of the National Heart, Lung, and Blood Institute, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BRYAN (for himself and Mr. McCain):

S. 2326. A bill to require the Federal Trade Commission to prescribe regulations to protect the privacy of personal information collected from and about children on the Internet, to provide greater parental control over the collection and use of that information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE CHILDREN'S ONLINE PRIVACY PROTECTION ACT OF 1998

Mr. BRYAN. Mr. President, today the chairman of the Senate Commerce Committee and I are introducing "the Children's Online Privacy Protection Act of 1998." Commercial Web sites are currently collecting and disseminating personal information collected from children that may compromise their safety and most certainly invades their privacy. This legislation will ensure that commercial Web sites that collect and use personal information from children will have safeguards in place to protect you and your family.

The Internet is quickly becoming an significant force in the lives of our children as it moves swiftly into homes and classrooms around the country. Currently more than 3 million children under the age of 18 are online and the number is expected to grow to 15 million by the turn of the century.

I think all would agree that proficiency with the Internet is a critical and vital skill that will be necessary for academic achievement in the next century. The benefits of the Internet are extraordinary. Reference information such as news, weather, sports, stock quotes, movie reviews, encyclopedia and online airline fares are readily available. Users can conduct transactions such as stock trading, make travel arrangements, bank, and shop online.

Millions of people communicate through electronic mail to family and friends around the world, and others use the public message boards to make new friends and share common interests. As an educational and entertainment tool, users can learn about virtually any topic or take a college course.

Unfortunately, the same marvelous advances in computer and telecommunication technology that allow our children to reach out to new resources of knowledge and cultural experiences are also leaving them unwittingly vulnerable to exploitation and harm by deceptive marketers and criminals.

Earlier this spring, I held several meetings in Nevada with educators and parents' representatives to alert them of some of the deceptive practices found on the Internet. Representatives of the FBI and Federal Trade Commission informed Nevadans about some of the Internet's pitfalls. I found it extremely informative and enlightening and to some extent frightening.

You may be startled to learn what information other people are collecting about you and your family may have a profound impact upon their privacy and, indeed, their safety.

Once what may seem to be harmless information has made its way onto the Internet, there is no way of knowing what uses may be put to that information.

Senator McCain and I wrote to the FTC asking them to investigate online privacy issues. Recently, the FTC completed the survey of a number of web sites and found that 89 percent of children's sites collect personal information from children, and less than 10 percent of the sites provide for parental control over the collection and use of this personal information.

I was, frankly, surprised to learn the kinds of information these web sites are collecting from our children. Some were asking where the child went to school, what sports he or she liked, what siblings they had, their pet's name, what kind of time they had after school alone without the supervision of parents.

Others were collecting personal financial information like what the family income was, does the family own stocks or certificates of deposit, did their grandparents give them any financial gifts?

Web sites were using games, contests, and offers of free merchandise to entice children to give them exceedingly personal and private information about themselves and their families. Some even used cartoon characters who asked children for personal information, such as a child's name and address and e-mail address, date of birth, telephone number, and Social Security number.

Much of this information appears to be harmless, but companies are attempting to build a wealth of information about you and your family without an adult's approval—a profile that will enable them to target and to entice your children to purchase a range of products.

The Internet gives marketers the capability of interacting with your children and developing a relationship without your knowledge.

Where can this interactive relationship go? Will your child be receiving birthday cards and communications with online cartoon characters for particular products?

Senator MCCAIN and I believe there must be safeguards against the online collecting of information from children without a parent's knowledge or consent. If a child answers a phone and starts answering questions, a parent automatically becomes suspicious and asks who they are talking to. When a child is on the Internet, parents often have no knowledge of whom their child is interacting.

That is why we are introducing legislation that would require the FTC to come up with rules to govern these kind of activities. The FTC's rules would require commercial web sites to:

(1) Provide notice of its personal information collection and use practices;

(2) Obtain parental consent for the collection, use or disclosure of personnel information from children 12 and under;

(3) Provide parents with an opportunity to opt-out of the collection and/or use of personal information collected from children 13 to 16;

(4) Provide parents access to his or her child's personal information;

(5) Establish and maintain reasonable procedures to ensure the confidentiality, security, accuracy, and integrity of personal information on children.

The FTC must come up with these rules within 1 year. The FTC may provide incentives for industry self-regulatory efforts including safe harbors for industry created guidelines. The bill permits States' attorneys general to enforce the act.

I believe these represent reasonable steps we should take to protect our privacy. Although time is short in this session, I hope we can find a way to enact these commonsense proposals this Congress.

Most people who use online services have positive experiences. The fact that deceptive acts may be committed on the Internet, is not a reason to avoid using the service. To tell children to stop using the Internet would be like telling them to forgo attending college because students are sometimes victimized on campus. A better strategy is for children to learn how to be street smart in order to better safeguard themselves from potentially deceptive situations.

The Internet offers unlimited potential for assisting our child's growth and development. However, we must not send our children off on this adventure without proper guidance and supervision.

Mr. President, in my judgment, the legislation offered today by the senior Senator from Arizona and I provides those reasonable guidelines. I hope colleagues will join with me in making sure this legislation is enacted in this situation.

By Mr. COATS (for himself and Mr. LIEBERMAN):

S. 2327. A bill to provide grants to grassroots organizations in certain cities to develop youth intervention models; to the Committee on the Judiciary.

NATIONAL YOUTH CRIME PREVENTION DEMONSTRATION ACT

Mr. COATS. Mr. President, America currently struggles with a disturbing and growing trend of youth violence. Between 1985 and 1994, the arrest rate for murders by juveniles increased 150 percent, while the rate for adults during this time increased 11 percent. Every day, in our communities and in the media, we see horrific examples of this crime. A 13-year-old girl murders her 3-year-old nephew and dumps him in the trash. A 13-year-old boy is stabbed to death while sitting on his back porch. A group of teenagers hails a cab and, after the driver takes them to their destination, they shoot him dead in an armed robbery.

I did not have to look far for these examples. Each occurred in Indiana, a State generally known as a safe State, a good place to raise a family, not a dangerous place, yet a State where arrests for violent juvenile crimes have skyrocketed 19 percent in the early 1990's. Juvenile violence is no longer a stranger in any ZIP code.

Yet, the problem is expected to grow worse. Crime experts who study demographics warn of a coming crime wave based on the number of children who currently are younger than 10 years old. These experts warn that if current trends are not changed, we might someday look back at our current juvenile crime epidemic as "the good old days." This spiraling upward trend in youth crime and violence is cause for grave concern. So one might ask, what is driving this epidemic?

Over 30 years ago, our colleague DANIEL PATRICK MOYNIHAN, then an official in the Johnson administration, wrote that when a community's families are shattered, crime, violence and rage "are not only to be expected, they are virtually inevitable." He wrote those words in 1965. Since then, arrests of violent juvenile criminals have tripled.

Last Congress, the Subcommittee on Children and Families, which I chair, held a hearing about the role of government in combating juvenile crime. The experts were clear: while government efforts are important, they are also fundamentally limited and incomplete. Government is ultimately powerless to form the human conscience that chooses between right and wrong.

Locking away juveniles might prevent them from committing further crimes, but it does not address the fact that violence is symptomatic of a much deeper, moral and spiritual void in our Nation. In the battle against violent crime, solid families are America's strongest line of defense. But government can be an effective tool if it joins private institutions (families, churches, schools, community groups, and non-profit organizations) in preventing and confronting juvenile crime with the moral ideals that defeat despair and nurture lives.

Today, I rise to introduce the National Youth Crime Prevention Act which will empower local communities to address the rising trend in youth violence. Specifically, this legislation authorizes the Attorney General to award $5 million annually for 5 years to the National Center for Neighborhood Enterprise to conduct national demonstration projects in eight cities. These projects would aim to end youth crime, violence and family disintegration by building neighborhood capacity and linking proven grassroots organizations within low-income neighborhoods with sources from the public sector, including local housing authorities, law enforcement agencies, and other public entities. The demonstration projects will take place in Washington, DC; Detroit, Michigan; Hartford, Connecticut; Indianapolis, Indiana; Chicago, Illinois; San Antonio, Texas; Dallas, Texas; and Los Angeles, California.

With these funds, the National Center for Neighborhood Enterprise will work with the grassroots organizations in the demonstration cities to establish Violence Free Zone Initiatives. These initiatives would involve successful youth intervention models in partnership with law enforcement, local housing authorities, private foundations, and other public and private partners. To be eligible for the grants, the nonprofit organizations within the demonstration cities must have experience in crime prevention and youth mediation projects and must have a history of cultivating cooperative relationships with other local organizations, housing facilities and law enforcement agencies.

Funds may be used for youth mediation, youth mentoring, life skills training, job creation and entrepreneurship, organizational development and training, development of long-term intervention plans, collaboration with law enforcement, comprehensive support services, local agency partnerships and activities to further community objectives in reducing youth crime and violence.

The success of this approach has already been demonstrated. Last year, The National Center for Neighborhood Enterprise assisted The Alliance for Concerned Men in creating a "Violence Free Zone" in Benning Terrace in Southeast DC. The Alliance of Concerned Men brokered peace treaties among the gangs that inhabit, and frequently dominate, the city's public housing complexes. Benning Terrace in Southeast Washington, known to the DC police department as one of the most dangerous areas of the city, has not had a single murder since the Alliance's peace treaty went into effect early last year. Subsequently, the National Center for Neighborhood Enterprise brought the Alliance, the youths, and the DC Housing Receiver together to develop and implement a plan for jobs and life skills training for the young people and the community itself.

Grassroots organizations are the key to implementing the most effective innovative strategies to address community problems. Their efforts help restore hardpressed inner-city neighborhoods by developing the social, human and economic capital that is key to real, long-term renewal of urban communities. The National Youth Crime Prevention Demonstration Act will provide critical assistance to our Nation's inner-cities as they combat the rising trend in youth violence by linking proven grassroots organizations with established public sector entities.

Mr. President, I urge my colleagues to support this important legislation, and I ask unanimous consent that the text of the National Youth Crime Prevention Demonstration Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Youth Crime Prevention Demonstration Act".

SEC. 2. PURPOSES.

The purposes of this Act are as follows:

(1) To establish a demonstration project that establishes violence-free zones that would involve successful youth intervention models in partnership with law enforcement, local housing authorities, private foundations, and other public and private partners.

(2) To document best practices based on successful grassroots interventions in cities, including Washington, District of Columbia; Boston, Massachusetts; Hartford, Connecticut; and other cities to develop methodologies for widespread replication.

(3) To increase the efforts of the Department of Justice, the Department of Housing and Urban Development, and other agencies in supporting effective neighborhood mediating approaches.

SEC. 3. ESTABLISHMENT OF NATIONAL YOUTH CRIME PREVENTION DEMONSTRATION PROJECT.

The Attorney General shall, subject to appropriations, award a grant to the National Center for Neighborhood Enterprise (referred to in this Act as the "National Center") to enable the National Center to award grants to grassroots entities in the following 8 cities:

(1) Washington, District of Columbia.

(2) Detroit, Michigan.

(3) Hartford, Connecticut.

(4) Indianapolis, Indiana.

(5) Chicago (and surrounding metropolitan area), Illinois.

(6) San Antonio, Texas.

(7) Dallas, Texas.

(8) Los Angeles, California.

SEC. 4. ELIGIBILITY.

(a) IN GENERAL.—To be eligible to receive a grant under this Act, a grassroots entity referred to in section 3 shall submit an application to the National Center to fund intervention models that establish violence-free zones.

(b) SELECTION CRITERIA.—In awarding grants under this Act, the National Center shall consider—

(1) the track record of a grassroots entity and key participating individuals in youth group mediation and crime prevention;

(2) the engagement and participation of a grassroots entity with other local organizations; and

(3) the ability of a grassroots entity to enter into partnerships with local housing authorities, law enforcement agencies, and other public entities.

SEC. 5. USES OF FUNDS.

(a) IN GENERAL.—Funds received under this Act may be used for youth mediation, youth mentoring, life skills training, job creation and entrepreneurship, organizational development and training, development of long-term intervention plans, collaboration with law enforcement, comprehensive support services and local agency partnerships, and activities to further community objectives in reducing youth crime and violence.

(b) GUIDELINES.—The National Center will identify local lead grassroots entities in each designated city which include the Alliance of Concerned Men of Washington in the District of Columbia; the Hartford Youth Peace Initiative in Hartford, Connecticut; the Family Help-Line in Los Angeles, California; the Victory Fellowship in San Antonio, Texas; and similar grassroots entities in other designated cities.

(c) TECHNICAL ASSISTANCE.—The National Center, in cooperation with the Attorney General, shall also provide technical assistance for startup projects in other cities.

SEC. 6. REPORTS.

The National Center shall submit a report to the Attorney General evaluating the effectiveness of grassroots agencies and other public entities involved in the demonstration project.

SEC. 7. DEFINITIONS.

For purposes of this Act—

(1) the term "grassroots entity" means a not-for-profit community organization with demonstrated effectiveness in mediating and addressing youth violence by empowering at-risk youth to become agents of peace and community restoration; and

(2) the term "National Center for Neighborhood Enterprise" is a not-for-profit organization incorporated in the District of Columbia.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act—

(1) $5,000,000 for fiscal year 1999;

(2) $5,000,000 for fiscal year 2000;

(3) $5,000,000 for fiscal year 2001;

(4) $5,000,000 for fiscal year 2002; and

(5) $5,000,000 for fiscal year 2003.

(b) RESERVATION.—The National Center for Neighborhood Enterprise may use not more than 20 percent of the amounts appropriated pursuant to subsection (a) in any fiscal year for administrative costs, technical assistance and training, comprehensive support services, and evaluation of participating grassroots organizations.

Mr. LIEBERMAN. Mr. President, I am proud to join Senator COATS in introducing this important bill. We have become accustomed in the past couple of years to hearing a great deal of positive news about crime trends in this country. Thanks to many factors, including a number of innovative crime-fighting strategies and the return of community policing, most of our cities are experiencing a decrease in violent crime. But the news on the crime front is far from all good. Indeed, as my colleague from Indiana already has noted, there still is far too much violence—and desensitization to violence—among our nation's youth. And, if what demographers tell us about the future is correct, we all should begin now to brace ourselves for what is to come as this group grows in both size and age.

We can attribute much of the problem of youth crime to the environment—both local and national—in which many of our children are now being reared. For too many children, the things on which previous generations relied to support and teach them simply no longer exist. From the family unit to the local neighborhood to the surrounding community, many children have no where to turn for the support structure necessary to help bring them into adulthood with proper values, commitment to society and, most importantly of all, hope for the future. Without that support, they too often accept a falsely appealing invitation to break their bonds with society and enter a childhood of crime. If we are to combat all of this, if we are to stop youth crime, we must come up with a way to revitalize traditional support structures and to reconnect our nation's youth to our nation's communities.

The bill Senator COATS and I are introducing today will, we hope, offer one step in that direction. The National Youth Crime Prevention Act would authorize $5 million for the National Center for Youth Enterprise to establish demonstration projects in eight cities, including the city of Hartford in my home state of Connecticut. In these projects, the National Center will build on success it already has had in doing precisely what I just described: working on a grassroots basis within communities to help heal those communities, and with them, their children.

Mr. President, I am hopeful that with the funding provided by this bill, the National Center's demonstration projects can create model programs that can be replicated across the nation in our war against youth crime. I urge my colleagues to support this bill.

By Mr. JEFFORDS (for himself, Mr. BINGAMAN, and Mr. GRAHAM):

S. 2329. A bill to amend the Internal Revenue Code of 1986 to enhance the portability of retirement benefits, and for other purposes; to the Committee on Finance.

THE RETIREMENT PORTABILITY ACCOUNT (RAP) ACT

Mr. JEFFORDS. Mr. President, today I am introducing S. 2329, the Retirement Portability Account (RAP) Act. This bill is a close companion to H.R. 3503 introduced by our colleagues EARL POMEROY of North Dakota and JIM KOLBE of Arizona earlier this year. In addition, it contains certain elements of H.R. 3788, the Portman-Cardin bill, which relate to increased pension portability. Generally this bill is intended to be a further iteration of the concepts embodied in both of those bills. It standardizes the rules in the Internal Revenue Code (IRC) which regulate how portable a worker's retirement savings account is, and while it does not make portability of pension benefits perfect, it greatly improves the status quo. Consistent with "greatly improving the status quo", this bill contains no mandates. No employer will be "required" to accept rollovers from other plans. A rollover will occur when the employee offers, and the employer agrees to accept, a rollover from another plan.

Under current law, it is not possible for an individual to move an accumulated retirement savings account from a section 401(k) (for-profit) plan to a section 457 (state and local government) deferred compensation plan, to an Individual Retirement Account (IRA), then to a section 403(b) (nonprofit organization) plan and ultimately back into a section 401(k) plan, without violating various restrictions on the movement of their money. The RAP Act will make it possible for workers to take their retirement savings with them when they change jobs regardless of the type of employer for which they work.

This bill will also help make IRAs more portable and will improve the uses of conduit IRAs. Conduit IRAs are individual retirement accounts to which certain distributions from a qualified retirement plan or from another individual retirement account have been transferred. RAP changes the rules regulating these IRAs so that workers leaving the for-profit, nonprofit or governmental field can use a conduit IRA as a parking spot for a pre-retirement distribution. These special accounts are needed by many workers until they have another employer-sponsored plan in which to rollover their savings.

In many instances, this bill will allow an individual to rollover an IRA consisting exclusively of tax-deductible contributions into a retirement plan at his or her new place of employment, thus helping the individual consolidate retirement savings in a single account. Under certain circumstances, the RAP Act will also allow workers to rollover any after-tax contributions made at his or her previous workplace, into a new retirement plan.

Current law requires a worker who changes jobs to face a deadline of 60 days within which to roll over any retirement savings benefits either into an Individual Retirement Account, or into the retirement plan of his or her new employer. Failure to meet the deadline can result in both income and excise taxes being imposed on the account. We believe that this deadline should be waived under certain circumstances and we have outlined them in the bill. Consistent with the Pomeroy-Kolbe bill, in case of a Presidentially-declared natural disaster or military service in a combat zone, the Treasury Department will have the authority to disallow imposition of any tax penalty for the account holder. Consistent with the additional change proposed by the Portman-Cardin bill, however, we have included a waiver of tax penalties in the case of undue hardship, such as a serious personal injury or illness and we have given the Department of the Treasury the authority to waive this deadline, as well.

The Retirement Account Portability bill will also change two complicated rules which harm both plan sponsors and plan participants; one dealing with certain business sales (the so-called "same desk" rule) and the other dealing with retirement plan distribution options. Each of these rules has impeded true portability of pensions and we believe they ought to be changed.

In addition, this bill will extend the Pension Benefit Guaranty Corporation's (PBGC) Missing Participant program to defined benefit multiemployer pension plans. Under current law, the PBGC has jurisdiction over both single-employer and multiemployer defined benefit pension plans. A few years ago, the agency initiated a program to locate missing participants from terminated, single-employer plans. The program attempts to locate individuals who are due a benefit, but who have not filed for benefits due to them, or who have attempted to find their former employer but failed to receive their benefits. This bill expands the missing participant program to multi-employer pension plans.

I know of no reason why individuals covered by a multiemployer pension plans should not have the same protections as participants of single-employer pension plans and this change will help more former employees receive all the benefits to which they are entitled. This bill does not expand the missing participants program to defined contribution plans. Supervision of defined contribution plans is outside the statutory jurisdiction of the PBGC and I have not heard strong arguments for including those plans within the jurisdiction of the agency.

In a particularly important provision, the Retirement Account Portability bill will allow public school teachers and other State and local employees who move between different States and localities to use their savings in their section 403(b) plan or section 457 deferred compensation arrangement to purchase "service credit" in the plan in which they are currently participating, and thus obtain greater pension benefits in the plan in which they conclude their career. However, the bill does not allow the use of a lump sum cash-out from a defined benefit plan to be rolled over to a section 403(b) or section 457 plan.

As a final note, this bill, this bill does not reduce the vesting schedule from the current 5 year cliff vesting (or seven year graded) to a 3 year cliff or 6 year graded vesting schedule. I am not necessarily against the shorter vesting schedules, but I feel that this abbreviated vesting schedule makes a dramatic change to tax law without removing some of the disincentives to maintaining a pension plan that businesses—especially small businesses—desperately need.

Mr. President, I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

INCREASING PORTABILITY FOR PENSION PLAN PARTICIPANTS: FACILITATING ROLLOVERS

Under current law, an "eligible rollover distribution" may be either (1) rolled over by the distributee into an "eligible retirement plan" if such rollover occurs within 60 days of the distribution, or (2) directly rolled over by the distributing plan to an "eligible retirement plan." An "eligible rollover distribution" does not include any distribution which is required under section 401(a)(9) or any distribution which is part of a series of substantially equal periodic payments made for life, life expectancy or over a period of ten years or more. An "eligible retirement plan" is another section 401 plan, a section 403(a) plan or an IRA. (If the distributee is a surviving spouse of a participant, "eligible retirement plans" consist only of IRAs.) Under these rules, for example, amounts distributed from a section 401(k) plan may not be rolled over to a section 403(b) arrangement.

In the case of a section 403(b) arrangement, distributions which would be eligible rollover distributions except for the fact that they are distributed from a section 403(b) arrangement may be rolled over to another section 403(b) arrangement or an IRA. Under these rules, amounts distributed from a section 403(b) may not be rolled over into a section 401(k) plan.

When an "eligible rollover distribution" is made, the plan administrator must provide a written notice to the distributee explaining the availability of a direct rollover to another plan or an IRA, that failure to exercise that option will result in 20% being withheld from the distribution and that amounts not directly rolled over may be rolled over by the distributee within 60 days.

Under "conduit IRA" rules, an amount may be rolled over from a section 401 or 403(a) plan to an IRA and subsequently rolled over to a section 401 or 403(a) plan if amounts in the IRA are attributable only to rollovers from section 401 or 403(a) plans. Also under conduit IRA rules, an amount may be rolled over from a section 403(b) arrangement to an IRA and subsequently rolled over to a section 403(b) arrangement if amounts in the IRA are attributable only to rollovers from section 403(b) arrangements.

In the case of a section 457 deferred compensation plan, distributions may not be rolled over by a distributee; however, amounts may be transferred from one section 457 plan to another section 457 plan without giving rise to income to the plan participant.

A participant in a section 457 plan is taxed on plan benefits that are not transferred when such benefits are paid or when they are made available. In contrast, a participant in a qualified plan or a section 403(b) arrangement is only taxed on plan benefits that are actually distributed.

Under this proposal, "eligible rollover distributions" from a section 401 plan could be rolled over to another section 401 plan, a section 403(a) plan, a section 403(b) arrangement, a section 457 deferred compensation plan maintained by a state or local government or an IRA. Likewise, "eligible rollover distributions" from a section 403(b) arrangement could be rolled over to the same broad array of plans and IRAs. Thus, an eligible rollover distribution from a section 401(k) plan could be rolled over to a section 403(b) arrangement and vice versa. (As under current law, if the distributee is a surviving spouse of a participant, the distribution could only be rolled over into an IRA.)

Eligible rollover distributions from all section 457 deferred compensation plans could be rolled over to the same broad array of plans and IRAs; however, the rules regarding the mandatory 20% withholding would not apply to the section 457 plans. A section 457 plan maintained by a government would be made an eligible retirement plan for purposes of accepting rollovers from section 401(k), or 403(b) and other plans.

The written notice required to be provided when an "eligible rollover distribution" is made would be expanded to apply to section 457 plans and to include a description of restrictions and tax consequences which will be different if the plan to which amounts are transferred is a different type of plan from the distribution plan.

Participants who mix amounts eligible for special capital gains and averaging treatment with amounts not so eligible would lose such treatment.

A participant in a section 457 plan would only be taxed on plan benefits that are not transferred or rolled over when they are actually paid.

These changes would take effect for distributions made after December 31, 1998.

The reason for this expansion of current law rules permitting rollovers is to allow plan participants to put all of their retirement plan savings in one vehicle if they change jobs. Given the increasing mobility of the American workforce, it is important to make pension savings portable for those who change employment. This proposal contains no mandates requiring employers to accept rollovers from their new employees. A rollover occurs when the employee makes an offer to move his/her money and the employer accepts the funds.

Because of the rule that taxes section 457 plan participants on benefits made available, section 457 plans cannot provide plan participants with the flexibility to change benefit payments to fit their changing needs. There is no policy justification for this lack of flexibility.

ROLLOVERS OF INDIVIDUAL RETIREMENT ACCOUNTS TO QUALIFIED PLANS

Under current law, a taxpayer is not permitted to roll amounts held in an individual retirement account (IRA) (other than a conduit IRA), to a section 401 plan, a 403(a) plan, a 403(b) arrangement or a section 457 deferred compensation plan. Currently, the maximum direct IRA contribution is $2,000. Since 1986, generally only individuals with income below certain limits are able to fully deduct IRA contributions. For others, IRA contributions have been nondeductible or partially deductible in some or all years. To the extent that IRA contributions are non-deductible, they have "basis" which is not taxed the second time upon distribution from the IRA. The burden of maintaining records of IRA basis has been the taxpayer's, since only the taxpayer has had the information to determine his or her basis at the outset and as an ongoing matter.

IRAs are generally subject to different regulatory schemes than other retirement savings plans, such as section 401(k)s or 457 deferred compensation plans, although the 10 percent tax penalty on early distributions applies to both qualified plans and IRAs. For example, one cannot take a loan from an IRA, although a recent change in law will make it easier to make a penalty-free withdrawal from an IRA to finance a first-time home purchase or higher-education expenses.

Under the bill, rollovers of contributory IRAs would be permitted if and only if the individual has never made any nondeductible contributions to his or her IRA and has never had a Roth IRA. The IRA may then be rolled over into a section 401 plan, a section 403(a) plan, a 403(b) arrangement or a section 457 deferred compensation plan. Since the vast majority of IRAs contain only deductible contributions, this change will allow many individuals to consolidate their retirement savings into one account. For those who have both nondeductible and deductible contributions, they may still have two accounts, one containing the majority of funds consolidated in one place and one containing the nondeductible IRA contributions. Once IRA money is rolled over into a plan however, the IRA contributions would become plan money and subject to the rules of the plan except that participants who mix amounts for special capital gains and averaging treatment with amounts not so eligible would lose such treatment. Employers will not be required to accept rollovers for IRAs.

These changes would apply to distributions after December 31, 1998.

The reasons for this change is to take another step toward increased portability of retirement savings. While this proposal would not guarantee that all retirement savings would be completely portable, it will increase the extent to which such savings are portable and fungible. Other rules and requirements affecting IRAs and their differences and similarities to plan money will continue to be the subject of Congressional scrutiny.

ROLLOVERS OF AFTER-TAX CONTRIBUTIONS AND ROLLOVERS NOT MADE WITHIN 60 DAYS OF RECEIPT

Under current law, employees are allowed to make after-tax contributions to IRAs, 401(k) plans, and other plans. They are not permitted to roll over distributions of those after-tax contributions to an IRA or another plan.

Rollovers from qualified plans to an IRA (or from an IRA to another IRA) must occur within 60 days of the initial distribution. Income tax withholding rules apply to certain distributions that are not direct trustee-to-trustee transfers from the qualified plan to an IRA or another plan.

The proposal would allow after-tax contributions to be included in a rollover contribution to an IRA or other types of retirement plans, but it does not require the receiving trustee to track or report the basis. That requirement would be the responsibility of the taxpayer, as in the case of nondeductible IRA contributions.

The IRS is given the authority to extend the 60-day period where the failure to comply with such requirements is attributable to casualty, disaster or other events beyond the reasonable control of the individual subject to such requirements.

These changes would generally apply to distributions made after December 31, 1998. The hardship exception to the 60-day rollover period would apply to such 60-day periods expiring after the date of enactment.

These changes are warranted because after-tax savings in retirement plans enhance retirement security and are particularly attractive to low- and middle-income taxpayers. Allowing such distributions to be rolled over to an IRA or a plan will increase the chances that those amounts would be retained until needed for retirement.

Often individuals, particularly widows, widowers and individuals with injuries of illnesses, miss the 60-day window. In other instances, individuals miss the 60-day rollover period because of the failure of third parties to perform as directed. Finally, victims of casualty or natural disaster should not be penalized. A failure to satisfy the 60-day rule, by even one day can result in catastrophic tax consequences for a taxpayer that can include immediate taxation of the individual's entire retirement savings (often in a high tax bracket), a 10% early distribution tax, and a substantial depletion of retirement savings. By giving the IRS the authority to provide relief from the 60-day requirement for failures outside the control of the individual, the proposal would give individuals in these situations the ability to retain their retirement savings in an IRA or a qualified plan.

TREATMENT OF FORMS OF DISTRIBUTION

Under current law, section 411(d)(6), the "anti-cutback" rule generally provides that when a participant's benefits are transferred from one plan to another, the transferee plan must preserve all forms of distribution that were available under the transferor plan.

Under this proposal, an employee may elect to waive his or her section 411(d)(6) rights and transfer benefits from one defined contribution plan to another defined contribution plan without requiring the transferee plan to preserve the optional forms of benefits under the transferor plan if certain requirements are satisfied to ensure the protection of participants' interests. This proposal would also apply to plan mergers and other transactions having the effect of a direct transfer, including consolidation of benefits attributable to different employers within a multiple employer plan.

These changes would apply to transfers after December 31, 1998.

The requirement that a defined contribution plan preserve all forms of distribution included in transferor plans significantly increases the cost of plan administration, particularly for employers that make numerous business acquisitions. The requirements also causes confusion among plan participants who can have separate parts of their retirement benefits subject to sharply different plan provision and requirements. The increased cost for the plan and the confusion for the participant brought about by the requirement to preserve all forms of distribution are based on a rule intended to protect a participant's right not to have an arbitrary benefit reduction. The current rule sweeps too broadly since it protects both significant and insignificant rights. Where a participant determines the rights to be insignificant and wants to consolidate his or her retirement benefits, there is no reason not to permit his consolidation. This consolidation increases portability and reduces administrative costs.

RATIONALIZATION OF RESTRICTIONS ON DISTRIBUTIONS, THE "SAME DESK" RULE

Generally, under current law, distributions from 401(k) plans are limited to separation from service, death, disability, age 59½, hardship, plan termination without maintenance of another plan, and certain corporate transactions. The term "separation from service" has been interpreted to include a "same desk" rule. Under the "same desk" rule, distributions to a terminated employee are not permitted if the employee continues performing the same functions for a successor employer (such as a joint venture owned in part by the former employer or the buyer in a business acquisition). The same desk rule also applies to section 403(b) arrangements and section 457 plans, but does not apply to other types of plans such as defined benefit plans.

Under this proposal, the "same desk rule" would be eliminated by replacing "separation from service" with "severance from employment". Conforming changes would be mad in the comparable provisions of section 403(b) arrangements and eligible deferred compensation plans under section 457. This change would apply to distributions after December 31, 1998.

Under this proposal, affected employees would be able to roll over their 401(k) account balance to an IRA or to their new employer's 401(k) plan. Modifying the same desk rule so that all of a worker's retirement funds can be transferred to the new employer after a business sale has taken place will allow the employee to keep his or her retirement nest egg in a single place. It will also coordinate the treatment of defined benefit plan benefits with the treatment of 401(k) plans in these types of transactions. Employees do not understand why their 401(k) account must remain with the former employer until they terminate employment with their new employer, especially since this restriction does not apply to other plans in which they participate. The corporate transaction exception provides some relief from the same desk rule but is inapplicable in numerous cases.

PURCHASE OF SERVICE CREDIT IN GOVERNMENTAL DEFINED BENEFIT PLANS

Under current law, employees of State and local governments often have the option of purchasing service credits in their State defined benefit plans in order to make up for the time spent in another State or district. These employees cannot currently use the money they have saved in their section 403(b) arrangements or section 457 plans to purchase these service credits.

This proposal would permit State and local government employees the option to use the funds in their section 403(b) arrangements or section 457 deferred compensation plans to purchase service credits.

These changes would apply to trustee-to-trustee transfers after December 31, 1998.

This change will permit employees of State and local governments, particularly teachers, who often move between States and school districts in the course of their careers, to buy a larger defined benefit pension with the savings they have accumulated in a section 403(b) arrangement or section 457 deferred compensation plan. The greater number of years of credit that they purchase would reflect a full career of employment rather than two or more shorter periods of employment in different States or districts. Allowing the more flexible use of existing account balances in 403(b) arrangements or section 457 plans will allow more of these employees to purchase service credits and earn a full defined benefit pension.

MISSING PARTICIPANTS PROGRAM

Under current law in the case of certain terminated single employer defined benefit plans, the Pension Benefit Guaranty Corporation (PBGC) will act as a clearinghouse for benefits due to participants who cannot be located ("missing participants"). Under the program, when a plan is terminated and is unable to locate former workers who are entitled to benefits, the terminating plan is allowed to transfer these benefits to the PBGC which then attempts to locate the employees in question. The missing participants program is limited to certain defined benefit plans.

This proposal would expand the PBGC's missing participant program to cover multiemployer defined benefit pension plans. The program would not apply to governmental plans or to church plans not covered by the PBGC, however. If a plan covered by the new program has missing participants when the plan terminates, at the option of the plan (or employer, in the case of a single employer plan), the missing participants' benefits could be transferred to the PBGC along with related information.

This change would take effect with respect to distributions from terminating multiemployer plans that occur after the PBGC has adopted final regulations implementing the provision.

By permitting sponsors the option of transferring pension funds to the PBGC, the chances that a missing participant will be able to recover benefits could be increased.

DISREGARDING ROLLOVERS FOR PURPOSES OF THE CASH OUT AMOUNT

Under current law, if a terminated participant has a vested accrued benefit of $5,000 or less, the plan may distribute such benefit in a lump sum without the consent of the participant or the participant's spouse. This $5,000 cash-out limit is not indexed for inflation. In applying the $5,000 cash-out rule, the plan sponsor is under regulations required to look back to determine if an individual's account every exceeded $5,000 at the time of any prior distribution. Rollover amounts count in determining the maximum balance which can be involuntarily cashed out.

This proposal would allow a plan sponsor to disregard rollover amounts in determining eligibility for the cash-out rule, that is, whether a participant's vested accrued benefit exceeds $5,000.

This proposal would apply to distributions after December 31, 1998.

The reason for this change is to remove a possible reason for employers to refuse to accept rollovers.

PLAN AMENDMENTS

Under current law, there is generally a short period of time to make plan amendments that reflect the amendments to the law. In addition, the anti-cutback rules can have the unintentioned effect of preventing an employer from amending its plan to reflect a change in the law.

Amendments to a plan or annuity contract made pursuant to any amendment made by this bill are not required to be made before the last day of the first plan year beginning on or after January 1, 2001. In the case of a governmental plan, the date for amendments is extended to the first plan year beginning on or after January 1, 2003. Operational compliance would, of course be required with respect to all plans as of the applicable effective date of any amendment made by this Act.

In addition, timely amendments to a plan or annuity contract made pursuant to any amendment made by this Act shall be deemed to satisfy the anti-cutback rules.

The reason for this change is that plan sponsors need an appropriate amount of time to make changes to their plan documents.

By Mr. LOTT (for Mr. NICKLES, for himself, Mr. Frist, Ms. Collins, Mr. Jeffords, Mr. Roth, Mr. Santorum, Mr. Hagel, Mr. Gramm, Mr. Coats, Mr. Lott, Mr. Mack, Mr. Craig, Mr. Coverdell, Mr. Abraham, Mr. Allard, Mr. Ashcroft, Mr. Bennett, Mr. Bond, Mr. Brownback, Mr. Burns, Mr. Cochran, Mr. Domenici, Mr. Enzi, Mr. Faircloth, Mr. Gorton, Mr. Grams, Mr. Grassley, Mr. Hatch, Mr. Helms, Mr. Hutchinson, Mrs. Hutchison, Mr. Inhofe, Mr. Kempthorne, Mr. Lugar, Mr. McCain, Mr. Murkowski, Mr. Roberts, Mr. Sessions, Mr. Shelby, Mr. Smith of New Hampshire, Mr. Smith of Oregon, Ms. Snowe, Mr. Thomas, Mr. Thompson, Mr. Thurmond, and Mr. Warner):

S. 2330. A bill to improve the access and choice of patients to quality, affordable health care; read the first time.

PATIENTS' BILL OF RIGHTS

Mr. NICKLES. Mr. President, today I am introducing the Republican Patients' Bill of Rights. Joining me in this effort are 46 of my colleagues who recognize the importance of ensuring that all Americans are able to not only receive the care they have been promised, but also receive the highest quality of care available. The foundation of this proposal was to address some of the very real concerns that consumers have about their health care needs.

We know that many Americans have believed they were denied coverage that their plans were supposed to cover. We recognize that some individuals fear that their health care plans will not give them access to specialists when they need them. We know that some Americans think their health care plans care more about cost than they do about quality.

In contrast, we also know that many Americans are happy and satisfied with their health care plan. We know that 81 percent of managed care enrollees are satisfied with their current health care plan. Another recent analysis suggest that 79 percent of consumers in HMOs would recommend their coverage. In addition Americans are leery of Washington solutions and increased federal intervention.

Last January, the Leader asked me to put together a group of colleagues to address the issue of health care quality. For the past seven months, Senators FRIST, COLLINS, HAGEL, ROTH, JEFFORDS, COATS, SANTORUM, and GRAMM worked tirelessly to put together a responsible, credible package that would preserve what is best about our Nation's health care while at the same time determine ways to improve upon—without stifling—the quality of care our nation delivers. We set out to rationally examine the issues and develop reasonable solutions without injuring patient access to affordable, high quality care.

This was no easy task. We spent month after month talking to experts who understand the difficulty and complexity of our system. We met with representatives from all aspects of the industry including the Mayo Clinic, the Henry Ford Health Systems, the American Medical Association, the American Hospital Association, the National Committee for Quality Assurance, the Joint Commission on the Accreditation of Healthcare Organizations, Corporate Medical Directors, Commissioners from the President's Quality Commission, Purchasers, Families USA, the Employee Benefit Research Institute and many others.

After many, many months of dissecting serious questions about our system we determined that there were indeed some areas in which we could improve patient access and quality.

We have put together an innovative plan that will answer the problems that exist in the industry while at the same time preserving affordability, which is of utmost importance. Mr. President, I think you agree that if someone loses their health insurance because a politician playing doctor drives prices to an unaffordable level, you have hardly given them more rights or better quality health care.

We are proud of what we have been able to accomplish. For the first time, patients can choose to be unencumbered in their relationship with their doctor. They will be able to choose their own doctor and get the middle man out of the way. There will be no corporate bureaucrat, no government bureaucrat and no lawyer standing between a patient and their doctor.

Mr. President, the bill we introduce today:

Protects consumers in employer-sponsored plans that are exempt from state regulation. People enrolled in such plans will have the right to:

Choose their doctors. Our bill contains both "point-of-service" and "continuity of care" requirements that will enhance consumer choice.

See their ob-gyns and pediatricians without referral. Our bill will give patients direct access to pediatricians and ob-gyns without prior referral from a "gatekeeper."

Have a "prudent layperson" standard applied to their claims for emergency care. The GOP alternative will require health plans to cover—without prior authorization—emergency care that a "prudent layperson" would consider medically necessary.

Communicate openly with their doctors without "gag" clauses.

Holds health plans accountable for their decisions.

Extends to enrollees in ERISA health plans and their doctors the right to appeal adverse coverage decisions to a physician who was not involved in the initial coverage determination.

Allows enrollees to appeal adverse coverage determinations to independent medical experts who have no affiliation with the health plan. Determinations by these experts will be binding on the health plan.

Requires health plans to disclose to enrollees consumer information, including what's covered, what's not, how much they'll have to pay in deductibles and coinsurance, and how to appeal adverse coverage decisions to independent medical experts.

Guarantees consumers access to their medical records.

Requires health care providers, health plans, employers, health and life insurers, and schools and universities to permit an individual to inspect, copy and amend his or her own medical information.

Requires health care providers, health plans, health oversight agencies, public health authorities, employers, health and life insurers, health researchers, law enforcement officials, and schools and universities to establish appropriate safeguards to protect the confidentiality, security, accuracy and integrity of protected health information and notify enrollees of these safeguards.

Protects patients from genetic discrimination in health insurance. Prohibits health plans from collecting or using predictive genetic information about a patient to deny health insurance coverage or set premium rates.

Promotes quality improvement by supporting research to give patients and physicians better information regarding quality.

Establishes the Agency for Healthcare Quality Research (AHQR), whose purpose is to foster overall improvement in healthcare quality and bridge the gap between what we know and what we do in healthcare today. The Agency is built on the platform of the current Agency for Health Care Policy and Research, but is refocused and enhanced to become the hub and driving force of federal efforts to improve the quality of healthcare in all practice environments—not just managed care.

The role of the Agency is not to mandate a national definition of quality, but to support the science necessary to provide information to patients regarding the quality of the care they receive, to allow physicians to compare their quality outcomes with their peers, and to enable employers and individuals to be prudent purchasers based on quality.

Supports research, screening, treatment, education, and data collection activities to improve the health of women.

Promotes basic and clinical research for osteoporosis; breast and ovarian cancer; and aging processes regarding women.

Expands research efforts into the underlying causes and prevention of cardiovascular diseases in women—the leading cause of death among American women.

Supports data collection through the National Center for Health Statistics and the National Program of Cancer Registries, which are the leading sources of national data on the health status of women in the U.S.

Supports the National Breast and Cervical Cancer Early Detection Program, which provides for regular screening for breast and cervical cancers to underserved women.

Requires that the length of hospital stay after a mastectomy, lumpectomy or lymph node dissection be determined only by the physician, in consultation with the patient, and without the need to obtain authorization from the health plan. If a plan covers mastectomies, it also must cover breast reconstruction after a mastectomy.

Makes health insurance more accessible and affordable by:

Allowing self-employed people to deduct the full amount of their health care premiums.

Making medical savings accounts available to everyone.

Reforming cafeteria plans to let consumers save for future health care costs.

Mr. President, this bill is a comprehensive bill of rights that will benefit all Americans, and I am proud to join with so many of my colleagues in introducing it.

Mr. President, I want to take a moment to address some criticisms that have been made of our bill. These criticisms highlight some significant differences between our bill and the health care bill introduced by Senate Democrats. Mr. President, our bill does differ significantly from the Senate Democrats' bill.

Our bill is the "Patients' Bill of Rights." Theirs is the "Lawyers' Right to Bill."

Our bill lets doctors decide whether care is medically necessary. Theirs lets lawyers decide.

Our bill empowers an independent medical expert to order an insurance company to pay for medically necessary care so that patients suffer no harm. Theirs allows trial lawyers to sue health plans after harm is done.

Mr. President, when my insurance company tells me that they won't cover a service for my family, I want the ability to appeal that decision to a doctor who doesn't work for my insurance company. And I want that appeal handled promptly, so that my family receives the benefit. That is what our bill requires.

The Democrats' bill creates new ways for trial lawyers to make money. According to a June 1998 study by Multinational Business Services, the Democrats' bill would create 56 new Federal causes of action—56 new reasons to sue people in Federal court.

That's fine for trial lawyers, but it doesn't do much for patients. Patients want their claim disputes handled promptly and fairly. According to a study by the General Accounting Office, it takes an average of 25 months—more than two years—to resolve a malpractice suit. One cause that the GAO studied took 11 years to resolve! I'm sure the lawyers who handled that case did quite well for themselves. But what about the patient?

Under our bill, patients can appeal directly to an outside medical expert for a prompt review of their claim—without having to incur any legal expenses. In medical malpractice litigation, patients receive an average of only 43 cents of every dollar awarded. The rest goes to lawyers and court fees.

Our bill assures that health care dollars are used to serve patients. Their bill diverts these dollars away from patients and into the pockets of trial lawyers.

Another big difference between our bill and the one introduced by Senate Democrats is that their bill takes a "big government" approach to health reform.

Mr. President, it was just four years ago that we debated Clintoncare on the Senate floor. President Clinton wanted government-run health care for all Americans. He wanted it then; he wants it still.

Just last September, President Clinton told the Service Employees Union that he was "glad" that he had pushed for the federal government to take over health care. "Now if what I tried to do before won't work," the President said, "maybe we can do it another way. A step at a time until we eventually finish this."

The Democrats' bill would take us a step closer to the President's dream of a health care system run by federal bureaucrats and trial lawyers. The study I cited earlier by Multinational Business Services found that their bill would impose 359 new federal mandates, 59 new sets of Federal regulations, and require the government to hire 3,828 new federal bureaucrats.

Our bill relies on State Insurance Commissioners to protect those Americans who are enrolled in state-regulated plans. We protect the unprotected by providing new federal safeguards to the 48 million Americans who are enrolled in plans that the states are not permitted to regulate.

Their bill imposes a risky and complicated scheme that relies on federal bureaucrats at the Health Care Financing Administration (HCFA) to enforce patients' rights in states that do not conform to the federal mandates in their bill.

HCFA is the agency that oversees the federal Medicare and Medicaid programs. Last year, in the Balanced Budget Act, Congress created new consumer protections for Medicare beneficiaries—a "Patients' Bill of Rights" for the 38.5 million senior citizens and disabled Americans who rely on Medicare for their health care.

We asked HCFA to protect those rights. How have they done? I regret to say, Mr. President, that they have not done very well at all.

On July 16, a GAO witness testified before the Ways and Means Committee on how well HCFA was doing in enforcing the Medicare patients' bill of rights. According to GAO, HCFA has "missed 25 percent of the implementation deadlines, including the quality-of-care medical review process for skilled nursing facilities. It is clear that HCFA will continue to miss implementation deadlines as it attempts to balance the resource demands generated by the Balanced Budget Act with other competing objectives."

Mr. President, I won't detail all of the ways that HCFA has failed—the fact that it is delaying implementation of a prostate screening program to which Medicare beneficiaries are entitled, the fact that it has failed to establish a quality-of-care medical review process for skilled nursing facilities, the fact that it is far behind schedule in developing a new payment system for home health services. The list goes on and on.

But let me focus on one failure that is especially relevant. All of us agree that people have the right to information about their health plans. When they have the choice of more than one plan, accurate information that compares the plans is critical.

Last year, Congress allocated $95 million to HCFA to develop an information and education program for Medicare beneficiaries. This money was to be used for publishing and mailing handbooks containing comparative plan information to seniors, establishing a toll-free number and Internet website, and sponsoring health information fairs.

Well, there haven't been any information fairs and the toll-free number isn't operational. They do have a website, but they've decided to mail comparative information handbooks only to seniors in 5 states: Washington, Oregon, Ohio, Florida and Arizona. So for the princely sum of a $95 million, only about 5.5 million seniors will receive important information about their health plans, leaving 32.5 million seniors without these handbooks. At that rate, HCFA would need more than $1 billion each year just for handbooks.

Mr. President, if this agency is struggling to protest the rights of 38.5 million Medicare beneficiaries, how can we ask it to protect the rights of up as many as 100 million people enrolled in private health plans?

We believe that consumer protections are too important to entrust to a cumbersome and inefficient federal government. State governments have long been in the business of insurance regulation and the federal government should not usurp their role.

The federal government should protect those who are enrolled in plans that are exempt from state regulation and those enrolled in the programs it runs, like Medicare and Medicaid. The federal government should start protecting the rights of senior citizens under Medicare, instead of meddling in areas where it doesn't belong.

Mr. President, our bill is a truly comprehensive bill of rights for patients, providing new consumer protections for the 48 million Americans who are unprotected by state law, giving the 124 million Americans enrolled in employer-sponsored plans new rights to appeal adverse coverage decisions, protecting the civil rights of consumers to gain access to their medical records, protecting consumers against discrimination based on genetic tests, promoting quality improvement, establishing a new women's health initiative, and giving millions of Americans access to affordable health insurance through medical savings accounts.

The doctor-patient relationship is one of the most important in people's lives. Our legislation preserves and protects that relationship, while taking many common-sense steps forward to affirm and expand quality and access. I look forward with my colleagues and many cosponsors, to the floor debate on this vital issue.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Patients' Bill of Rights Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PATIENT BILL OF RIGHTS

Subtitle A—Right to Advice and Care

Sec. 101. Patient right to medical advice and care.

"SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

"Sec. 721. Patient access to emergency medical care.
"Sec. 722. Offering of choice of coverage options.
"Sec. 723. Patient access to obstetric and gynecological care.
"Sec. 724. Patient access to pediatric care.
"Sec. 725. Continuity of care.
"Sec. 726. Protection of patient-provider communications.
"Sec. 727. Generally applicable provisions.

Sec. 102. Effective date and related rules.

Subtitle B—Right to Information About Plans and Providers

Sec. 111. Information about plans.
Sec. 112. Information about providers.

Subtitle C—Right to Hold Health Plans Accountable

Sec. 121. Amendment to Employee Retirement Income Security Act of 1974.

TITLE II—INDIVIDUAL RIGHTS WITH RESPECT TO PERSONAL MEDICAL INFORMATION

Sec. 201. Short title.

Subtitle A—Access to Medical Records

Sec. 211. Inspection and copying of protected health information.
Sec. 212. Amendment of protected health information.
Sec. 213. Notice of confidentiality practices.

Subtitle B—Establishment of Safeguards

Sec. 221. Establishment of safeguards.

Subtitle C—Enforcement; Definitions

Sec. 231. Civil penalty.
Sec. 232. Definitions.

TITLE III—GENETIC INFORMATION AND SERVICES

Sec. 301. Short title.
Sec. 302. Amendments to Employee Retirement Income Security Act of 1974.
Sec. 303. Amendments to the Public Health Service Act.
Sec. 304. Amendments to the Internal Revenue Code of 1986.

TITLE IV—HEALTHCARE QUALITY RESEARCH

Sec. 401. Short title.
Sec. 402. Amendment to the Public Health Service Act.

"TITLE IX—AGENCY FOR HEALTHCARE QUALITY RESEARCH

"PART A—ESTABLISHMENT AND GENERAL DUTIES

"Sec. 901. Mission and duties.
"Sec. 902. General authorities.

"PART B—HEALTHCARE IMPROVEMENT RESEARCH

"Sec. 911. Healthcare outcome improvement research.
"Sec. 912. Private-public partnerships to improve organization and delivery.
"Sec. 913. Information on quality and cost of care.
"Sec. 914. Information systems for healthcare improvement.
"Sec. 915. Research supporting primary care delivery and access in underserved areas.
"Sec. 916. Clinical practice and technology innovation.
"Sec. 917. Coordination of Federal Government quality improvement efforts.

"PART C—FOUNDATION FOR HEALTHCARE QUALITY RESEARCH

"Sec. 921. Foundation for Healthcare Quality Research.

"PART D—GENERAL PROVISIONS

"Sec. 931. Advisory Council for Healthcare Quality Research.
"Sec. 932. Peer review with respect to grants and contracts.
"Sec. 933. Certain provisions with respect to development, collection, and dissemination of data.
"Sec. 934. Dissemination of information.
"Sec. 935. Additional provisions with respect to grants and contracts.
"Sec. 936. Certain administrative authorities.
"Sec. 937. Funding.
"Sec. 938. Definitions.

Sec. 403. References.
Sec. 404. Study.

TITLE V—WOMEN'S HEALTH RESEARCH AND PREVENTION

Sec. 501. Short title.

Subtitle A—Provisions Relating to Women's Health Research at the National Institutes of Health

Sec. 511. Extension of program for research and authorization of national program of education regarding the drug DES.
Sec. 512. Research on osteoporosis, Paget's disease, and related bone disorders.
Sec. 513. Research on cancer.
Sec. 514. Research on heart attack, stroke, and other cardiovascular diseases in women.
Sec. 515. Aging processes regarding women.
Sec. 516. Office of Research on Women's Health.

Subtitle B—Provisions Relating to Women's Health at the Centers for Disease Control and Prevention

Sec. 521. National Center for Health Statistics.
Sec. 522. National program of cancer registries.
Sec. 523. National breast and cervical cancer early detection program.
Sec. 524. Centers for Research and Demonstration of Health Promotion.
Sec. 525. Community programs on domestic violence.

Subtitle C—Women's Health and Cancer Rights

Sec. 531. Short title.
Sec. 532. Findings.
Sec. 533. Amendments to the Employee Retirement Income Security Act of 1974.
Sec. 534. Amendments to the Public Health Service Act relating to the group market.
Sec. 535. Amendment to the Public Health Service Act relating to the individual market.
Sec. 536. Amendments to the Internal Revenue Code of 1986.
Sec. 537. Research study on the management of breast cancer.

TITLE VI—ENHANCED ACCESS TO HEALTH INSURANCE COVERAGE

Sec. 601. Carryover of unused benefits from cafeteria plans, flexible spending arrangements, and health flexible spending accounts.
Sec. 602. Full deduction of health insurance costs for self-employed individuals.
Sec. 603. Full availability of medical savings accounts.
Sec. 604. Permitting contribution towards medical savings account through Federal employees health benefits program (FEHBP).

TITLE I—PATIENT BILL OF RIGHTS

Subtitle A—Right to Advice and Care

SEC. 101. PATIENT RIGHT TO MEDICAL ADVICE AND CARE.

(a) IN GENERAL.—Part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended—

(1) by redesignating subpart C as subpart D; and

(2) by inserting after subpart B the following:

"Subpart C—Patient Right to Medical Advice and Care

"SEC. 721. PATIENT ACCESS TO EMERGENCY MEDICAL CARE.

"(a) IN GENERAL.—To the extent that the group health plan provides coverage for benefits consisting of emergency medical care (as defined in subsection (c)), except for items or services specifically excluded—

"(1) the plan shall provide coverage for benefits, without requiring preauthorization, for appropriate emergency medical screening examinations (within the capability of the emergency facility) to the extent that a prudent layperson, who possesses an average knowledge of health and medicine, would determine such examinations to be necessary to determine whether emergency medical care (as so defined) is necessary, and

"(2) the plan shall provide coverage for benefits for additional emergency medical services following an emergency medical screening examination (if determined necessary under paragraph (1)) to the extent that a prudent emergency medical professional would determine such additional emergency services to be necessary to avoid the consequences described in paragraph (2) of subsection (c).

"(b) UNIFORM COST-SHARING REQUIRED.—Nothing in this section shall be construed as preventing a group health plan from imposing any form of cost-sharing applicable to any participant or beneficiary (including coinsurance, copayments, deductibles, and any other charges) in relation to coverage for benefits described in subsection (a), if such form of cost-sharing is uniformly applied under such plan, with respect to similarly situated participants and beneficiaries, to all benefits consisting of emergency medical care (as defined in subsection (c)) provided to such similarly situated participants and beneficiaries under the plan.

"(c) DEFINITION OF EMERGENCY MEDICAL CARE.—In this section:

"(1) IN GENERAL.—The term "emergency medical care" means, with respect to a participant or beneficiary under a group health plan, covered inpatient and outpatient services that—

"(A) are furnished by a provider that is qualified to furnish such services; and

"(B) are needed to evaluate or stabilize an emergency medical condition (as defined in paragraph (2)).

"(2) EMERGENCY MEDICAL CONDITION.—The term "emergency medical care" means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

"(A) placing the health of the participant or beneficiary (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

"(B) serious impairment to bodily functions, or

"(C) serious dysfunction of any bodily organ or part.

"SEC. 722. OFFERING OF CHOICE OF COVERAGE OPTIONS.

"(a) REQUIREMENT.—

"(1) OFFERING OF POINT-OF-SERVICE COVERAGE OPTION.—Except as provided in paragraph (2), if a group health plan provides coverage for benefits only through a defined set of participating health care professionals, the plan shall offer the participant the option to purchase point-of-service coverage (as defined in subsection (b)) for all such benefits for which coverage is otherwise so limited. Such option shall be made available to the participant at the time of enrollment under the plan and at such other times as the plan offers the participant a choice of coverage options.

"(2) EXCEPTION IN THE CASE OF MULTIPLE ISSUER OR COVERAGE OPTIONS.—Paragraph (1) shall not apply with respect to a participant in a group health plan if the plan offers the participant—

"(A) a choice of health insurance coverage through more than one health insurance issuer; or

"(B) two or more coverage options that differ significantly with respect to the use of participating health care professionals or the networks of such professionals that are used.

"(b) POINT-OF-SERVICE COVERAGE DEFINED.—In this section, the term 'point-of-service coverage' means, with respect to benefits covered under a group health plan, coverage of such benefits when provided by a nonparticipating health care professional.

"(c) SMALL EMPLOYER EXEMPTION.—

"(1) IN GENERAL.—This section shall not apply to any group health plan of a small employer.

"(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 50 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year. For purposes of this paragraph, the provisions of subparagraph (C) of section 712(c)(1) shall apply in determining employer size.

"(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—

"(1) as requiring coverage for benefits for a particular type of health care professional;

"(2) as requiring an employer to pay any costs as a result of this section or to make equal contributions with respect to different health coverage options;

"(3) as preventing a group health plan from imposing higher premiums or cost-sharing on a participant for the exercise of a point-of-service coverage option; or

"(4) to require that a group health plan include coverage of health care professionals that the plan excludes because of fraud, quality of care, or other similar reasons with respect to such professionals.

"SEC. 723. PATIENT ACCESS TO OBSTETRIC AND GYNECOLOGICAL CARE.

"(a) IN GENERAL.—In any case in which a group health plan—

"(1) provides coverage for benefits consisting of—

"(A) gynecological care (such as preventive women's health examinations); or

"(B) obstetric care (such as pregnancy-related services);

provided by a participating physician who specializes in such care; and

"(2) requires or provides for designation by a participant or beneficiary of a participating primary care provider;

if the primary care provider designated by such a participant or beneficiary is not such a physician as described in paragraph (1), then the plan shall meet the requirements of subsection (b).

"(b) REQUIREMENTS.—A group health plan meets the requirements of this subsection, in connection with the coverage of benefits described in subsection (a) consisting of care described in subparagraph (A) or (B) of subsection (a)(1), if the plan—

"(1) does not require authorization or a referral by the primary care provider in order to obtain coverage for such benefits, and

"(2) treats the ordering of other routine care of the same type, by the participating physician providing the care described in subparagraph (A) or (B) of subsection (a)(1), as the authorization of the primary care provider with respect to such care.

"(c) RULE OF CONSTRUCTION.—Nothing in subsection (b)(2) shall waive any requirements of coverage relating to medical necessity or appropriateness with respect to coverage of gynecological or obstetric care so ordered.

"SEC. 724. PATIENT ACCESS TO PEDIATRIC CARE.

"(a) IN GENERAL.—In any case in which a group health plan—

"(1) provides coverage for benefits consisting of pediatric care by a participating pediatrician; and

"(2) requires or provides for designation by a participant or beneficiary of a participating primary care provider;

if the primary care provider designated by such a participant or beneficiary is not a physician as described in paragraph (1), then the plan shall meet the requirements of subsection (b).

"(b) REQUIREMENTS.—A group health plan meets the requirements of this subsection, in connection with the coverage of benefits described in subsection (a) consisting of care described in subsection (a)(1), if the plan—

"(1) does not require authorization or a referral by the primary care provider in order to obtain coverage for such benefits, and

"(2) treats the ordering of other routine care of the same type, by the participating physician providing the care described in subsection (a)(1), as the authorization of the primary care provider with respect to such care.

"(c) CONSTRUCTION.—Nothing in subsection (b)(2) shall waive any requirements of coverage relating to medical necessity or appropriateness with respect to coverage of pediatric care so ordered.

"SEC. 725. CONTINUITY OF CARE.

"(a) IN GENERAL.—

"(1) TERMINATION OF PROVIDER.—If a contract between a group health plan and a health care provider is terminated (as defined in paragraph (2)), or benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in a group health plan, and an individual who is a participant or beneficiary in the plan is undergoing a course of treatment from the provider at the time of such termination, the plan shall—

"(A) notify the individual on a timely basis of such termination, and

"(B) in the case of termination described in paragraph (2), (3), of (4) of subsection (b), and subject to subsection (c), permit the individual to continue or be covered with respect to the course of treatment with the provider's consent during a transitional period (as provided under subsection (b)).

"(2) TERMINATION.—In this section, the term 'terminated' includes, with respect to a contract, the expiration or nonrenewal of the contract by the group health plan, but does not include a termination of the contract by the plan for failure to meet applicable quality standards or for fraud.

"(b) TRANSITIONAL PERIOD.—

"(1) GENERAL RULE.—Except as provided in paragraph (3), the transitional period under this subsection shall extend for up to 90 days from the date of the notice described in subsection (a)(1)(A) of the provider's termination.

"(2) INSTITUTIONAL CARE.—Subject to paragraph (1), the transitional period under this subsection for institutional or inpatient care from a provider shall extend until the discharge or termination of the period of institutionalization and also shall include institutional care provided within a reasonable time of the date of termination of the provider status if the care was scheduled before the date of the announcement of the termination of the provider status under subsection (a)(1)(A) or if the individual on such date was on an established waiting list or otherwise scheduled to have such care.

"(3) PREGNANCY.—Notwithstanding paragraph (1), if—

"(A) a participant or beneficiary has entered the second trimester of pregnancy at the time of a provider's termination of participation; and

"(B) the provider was treating the pregnancy before the date of the termination;

the transitional period under this subsection with respect to provider's treatment of the pregnancy shall extend through the provision of post-partum care directly related to the delivery.

"(4) TERMINAL ILLNESS.—Subject to paragraph (1), if—

"(A) a participant or beneficiary was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) prior to a provider's termination of participation; and

"(B) the provider was treating the terminal illness before the date of termination;

the transitional period under this subsection shall extend for the remainder of the individual's life for care directly related to the treatment of the terminal illness.

“(c) PERMISSIBLE TERMS AND CONDITIONS.—A group health plan may condition coverage of continued treatment by a provider under subsection (a)(1)(B) upon the provider agreeing to the following terms and conditions:

“(1) The provider agrees to accept reimbursement from the plan and individual involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or, in the case described in subsection (b)(2), at the rates applicable under the replacement plan after the date of the termination of the contract with the group health plan) and not to impose cost-sharing with respect to the individual in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

“(2) The provider agrees to adhere to the quality assurance standards of the plan responsible for payment under paragraph (1) and to provide to such plan necessary medical information related to the care provided.

“(3) The provider agrees otherwise to adhere to such plan's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan.

“(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider.

“(e) DEFINITION.—In this section, the term ‘health care provider’ or ‘provider’ means—

“(1) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

“(2) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

“SEC. 726. PROTECTION OF PATIENT-PROVIDER COMMUNICATIONS.

“(a) IN GENERAL.—Subject to subsection (b), a group health plan (in relation to a participant or beneficiary) shall not prohibit a health care professional from advising such a participant or beneficiary who is a patient of the professional about the health status of the participant or beneficiary or medical care or treatment for the condition or disease of the participant or beneficiary, regardless of whether coverage for such care or treatment are provided under the contract, if the professional is acting within the lawful scope of practice.

“(b) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as requiring a group health plan to provide specific benefits under the terms of such plan.

“SEC. 727. GENERALLY APPLICABLE PROVISIONS.

“(a) APPLICABILITY.—The provisions of this subpart shall apply to group health plans. Such provisions shall not apply to a health insurance issuer that is licensed by a State and subject to State laws that regulate insurance within the meaning of section 514(b)(2), while engaged in the business of insurance in such State.

“(b) TREATMENT OF MULTIPLE COVERAGE OPTIONS.—In the case of a group health plan that provides benefits under 2 or more coverage options, the requirements of sections 721, 723, 724, 725 and 726 shall apply separately with respect to each coverage option.”.

(b) RULE WITH RESPECT TO CERTAIN PLANS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, health insurance issuers may offer, and eligible individuals may purchase, high deductible health plans described in section 220(c)(2)(A) of the Internal Revenue Code of 1986. Effective for the 4-year period beginning on the date of the enactment of this Act, such health plans shall not be required to provide payment for any health care items or services that are exempt from the plan's deductible.

(2) EXISTING STATE LAWS.—A State law relating to payment for health care items and services in effect on the date of enactment of this Act that is preempted under paragraph (1), shall not apply to high deductible health plans after the expiration of the 4-year period described in such paragraph unless the State reenacts such law after such period.

(c) CONFORMING AMENDMENT.—The table of contents in section 1 of such Act is amended—

(1) in the item relating to subpart C, by striking “Subpart C” and inserting “Subpart D”; and

(2) by adding at the end of the items relating to subpart B of part 7 of subtitle B of title I of such Act the following new items:

“SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

“Sec. 721. Patient access to emergency medical care.
“Sec. 722. Offering of choice of coverage options.
“Sec. 723. Patient access to obstetric and gynecological care.
“Sec. 724. Patient access to pediatric care.
“Sec. 725. Continuity of care.
“Sec. 726. Protection of patient-provider communications.
“Sec. 727. Generally applicable provisions.”.

SEC. 102. EFFECTIVE DATE AND RELATED RULES.

(a) IN GENERAL.—The amendments made by this subtitle shall apply with respect to plan years beginning on or after January 1 of the second calendar year following the date of the enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

(b) LIMITATION ON ENFORCEMENT ACTIONS.—No enforcement action shall be taken, pursuant to the amendments made by this subtitle, against a group health plan with respect to a violation of a requirement imposed by such amendments before the date of issuance of regulations issued in connection with such requirement, if the plan has sought to comply in good faith with such requirement.

Subtitle B—Right to Information About Plans and Providers

SEC. 111. INFORMATION ABOUT PLANS.

(a) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following:

“SEC. 713. HEALTH PLAN COMPARATIVE INFORMATION.

“(a) REQUIREMENT.—A group health plan, or health insurance issuer in connection with group health insurance coverage, shall, not later than 12 months after the date of enactment of this section, provide for the disclosure, in a clear and accurate form to each enrollee, or upon request to a potential enrollee eligible to receive benefits under the plan, or plan sponsor with which the plan or issuer has contracted, of the information described in subsection (b).

“(b) REQUIRED INFORMATION.—The informational materials to be distributed under this section shall include for each health benefit plan the following:

“(1) A description of the covered items and services under each such plan and any in- and out-of-network features of each such plan.

“(2) A description of any cost-sharing, including premiums, deductibles, coinsurance, and copayment amounts, for which the enrollee will be responsible, including any annual or lifetime limits on benefits, for each such plan.

“(3) A description of any optional supplemental benefits offered by each such plan and the terms and conditions (including premiums or cost-sharing) for such supplemental coverage.

“(4) A description of any restrictions on payments for services furnished to an enrollee by a health care professional that is not a participating professional and the liability of the enrollee for additional payments for these services.

“(5) A description of the service area of each such plan, including the provision of any out-of-area coverage.

“(6) A description of the extent to which enrollees may select the primary care provider of their choice, including providers both within the network and outside the network of each such plan (if the plan permits out-of-network services).

“(7) A description of the procedures for advance directives and organ donation decisions if the plan maintains such procedures.

“(8) A description of the requirements and procedures to be used to obtain preauthorization for health services (including telephone numbers and mailing addresses), including referrals for specialty care.

“(9) A summary of the rules and methods for appealing coverage decisions and filing grievances (including telephone numbers and mailing addresses), as well as other available remedies.

“(10) A summary of the rules for access to emergency room care. Also, any available educational material regarding proper use of emergency services.

“(11) A description of whether or not coverage is provided for experimental treatments, investigational treatments, or clinical trials and the circumstances under which access to such treatments or trials is made available.

“(12) A description of the specific preventative services covered under the plan if such services are covered.

“(13) A statement that the following information, and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request:

“(A) The names, addresses, telephone numbers, and State licensure status of the plan's participating health care professionals and participating health care facilities, and, if available, the education, training, speciality qualifications or certifications of such professionals.

“(B) A summary description of the methods used for compensating participating health care professionals, such as capitation, fee-for-service, salary, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

"(C) A summary description of the methods used for compensating health care facilities, including per diem, fee-for-service, capitation, bundled payments, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

"(D) A summary description of the procedures used for utilization review.

"(E) The list of the specific prescription medications included in the formulary of the plan, if the plan uses a defined formulary, and any provision for obtaining off-formulary medications.

"(F) A description of the specific exclusions from coverage under the plan.

"(G) Any available information related to the availability of translation or interpretation services for non-English speakers and people with communication disabilities, including the availability of audio tapes or information in Braille.

"(H) Any information that is made public by accrediting organizations in the process of accreditation if the plan is accredited, or any additional quality indicators that the plan makes available.

"(c) MANNER OF DISTRIBUTION.—

"(1) IN GENERAL.—The information described in this section shall be distributed in an accessible format that is understandable to an average plan enrollee.

"(2) RULE OF CONSTRUCTION.—For purposes of this section, a group health plan, or health insurance issuer in connection with group health insurance coverage, in reliance on records maintained by the plan or issuer, shall be deemed to have met the requirements of this section if the plan or issuer provides the information requested under this section—

"(A) in the case of the plan, to participants and beneficiaries at the address contained in such records with respect to such participants and beneficiaries; or

"(B) in the case of the issuer, to the employer of a participant if the employer provides for the coverage of such participant under the plan involved or to participants and beneficiaries at the address contained in such records with respect to such participants and beneficiaries.

"(d) RULE OF CONSTRUCTION.—Nothing in this section may be construed to prohibit a group health plan, or health insurance issuer in connection with group health insurance coverage, from distributing any other additional information determined by the plan or issuer to be important or necessary in assisting participants and beneficiaries enrollees or upon request potential participants in the selection of a health plan or from providing information under subsection (b)(13) as part of the required information.

"(e) HEALTH CARE PROFESSIONAL.—In this section, the term 'health care professional' means a physician (as defined in section 1861(r) of the Social Security Act) or other health care professional if coverage for the professional's services is provided under the health plan involved for the services of the professional. Such term includes a podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist and therapy assistant, speech-language pathologist, audiologist, registered or licensed practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse-midwife), licensed certified social worker, registered respiratory therapist, and certified respiratory therapy technician.".

(b) CONFORMING AMENDMENTS.—

(1) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185(a)) is amended by striking "section 711, and inserting "sections 711 and 713".

(2) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001) is amended by inserting after the item relating to section 712, the following:

"Sec. 713. Health plan comparative information.".

SEC. 112. INFORMATION ABOUT PROVIDERS.

(a) STUDY.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for the conduct of a study, and the submission to the Secretary of a report, that includes—

(1) an analysis of information concerning health care professionals that is currently available to patients, consumers, States, and professional societies, nationally and on a State-by-State basis, including patient preferences with respect to information about such professionals and their competencies;

(2) an evaluation of the legal and other barriers to the sharing of information concerning health care professionals; and

(3) recommendations for the disclosure of information on health care professionals, including the competencies and professional qualifications of such practitioners, to better facilitate patient choice, quality improvement, and market competition.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary of Health and Human Services shall forward to the appropriate committees of Congress a copy of the report and study conducted under subsection (a).

Subtitle C—Right to Hold Health Plans Accountable

SEC. 121. AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) IN GENERAL.—Section 503 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1133) is amended to read as follows:

"SEC. 503. CLAIMS PROCEDURE, COVERAGE DETERMINATION, GRIEVANCES AND APPEALS.

"(a) CLAIMS PROCEDURE.—In accordance with regulations of the Secretary, every employee benefit plan shall—

"(1) provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant, and

"(2) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim.

"(b) COVERAGE DETERMINATIONS UNDER GROUP HEALTH PLANS.—

"(1) PROCEDURES.—

"(A) IN GENERAL.—A group health plan or health insurance issuer conducting utilization review shall ensure that procedures are in place for—

"(i) making determinations regarding whether an enrollee is eligible to receive a payment or coverage for health services under the plan or coverage involved and any cost-sharing amount that the enrollee is required to pay with respect to such service;

"(ii) notifying covered enrollees (or the legal representative of such enrollees) and the treating health care professionals involved regarding determinations made under the plan or issuer and any additional payments that the enrollee may be required to make with respect to such service; and

"(iii) responding to requests, either written or oral, for coverage determinations or for internal appeals from an enrollee (or the legal representative of such enrollee) or the treating health care professional.

"(B) ORAL REQUESTS.—With respect to an oral request described in subparagraph (A)(iii), a group health plan or health insurance issuer may require that the requesting individual provide written evidence of such request.

"(2) TIMELINE FOR MAKING DETERMINATIONS.—

"(A) ROUTINE DETERMINATION.—A group health plan or a health insurance issuer shall maintain procedures to ensure that prior authorization determinations concerning the provision of non-emergency items or services are made within 30 days from the date on which the request for a determination is submitted, except that such period may be extended where certain circumstances exist that are determined by the Secretary to be beyond control of the plan or issuer.

"(B) EXPEDITED DETERMINATION.—

"(i) IN GENERAL.—A prior authorization determination under this subsection shall be made within 72 hours after a request is received by the plan or issuer under clause (ii) or (iii).

"(ii) REQUEST BY ENROLLEE.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of an enrollee if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the enrollee.

"(iii) DOCUMENTATION BY HEALTH CARE PROFESSIONAL.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has documented, based on the medical exigencies, that a determination under the procedures described in subparagraph (A) could seriously jeopardize the life or health of the enrollee.

"(C) CONCURRENT DETERMINATIONS.—A plan or issuer shall maintain procedures to certify or deny coverage of an extended stay or additional services.

"(D) RETROSPECTIVE DETERMINATION.—A plan or issuer shall maintain procedures to ensure that, with respect to the retrospective review of a determination made under paragraph (1), the determination shall be made within 30 working days of the date on which the plan or issuer receives all necessary information.

"(3) NOTICE OF DETERMINATIONS.—

"(A) ROUTINE DETERMINATION.—With respect to a coverage determination of a plan or issuer under paragraph (2)(A), the plan or issuer shall issue notice of such determination to the enrollee (or the legal representative of the enrollee), and consistent with the medical exigencies of the case, to the treating health care professional involved not later than 2 working days after the date on which the determination is made.

"(B) EXPEDITED DETERMINATION.—With respect to a coverage determination of a plan or issuer under paragraph (2)(B), the plan or issuer shall issue notice of such determination to the enrollee (or the legal representative of the enrollee), and consistent with the medical exigencies of the case, to the treating health care professional involved within the 72 hour period described in paragraph (2)(B).

"(C) CONCURRENT REVIEWS.—With respect to the determination under a plan or issuer under paragraph (1) to certify or deny coverage of an extended stay or additional services, the plan or issuer shall issue notice of such determination to the treating health care professional and to the enrollee involved (or the legal representative of the enrollee) within 1 working day of the date on which the initial notice was issued.

"(D) RETROSPECTIVE REVIEWS.—With respect to the retrospective review under a plan or issuer of a determination made under paragraph (1), a determination shall be made within 30 working days of the date on which the plan or issuer receives all necessary information. The plan or issuer shall issue written notice of an approval or disapproval of a determination under this subparagraph to the enrollee (or the legal representative of the enrollee) and health care provider involved within 5 working days of the date on which such determination is made.

"(E) REQUIREMENTS OF NOTICE OF ADVERSE COVERAGE DETERMINATIONS.—A written or electronic notice of an adverse coverage determination under this subsection, or of an expedited adverse coverage determination under paragraph (2)(B), shall be provided to the enrollee (or the legal representative of the enrollee) and treating health care professional (if any) involved and shall include—

"(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average enrollee;

"(ii) the procedures for obtaining additional information concerning the determination; and

"(iii) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with subsection (d).

"(c) GRIEVANCES.—A group health plan or a health insurance issuer shall have written procedures for addressing grievances between the plan and enrollees. Determinations under such procedures shall be non-appealable.

"(d) INTERNAL APPEAL OF COVERAGE DETERMINATIONS.—

"(1) IN GENERAL.—An enrollee (or the legal representative of the enrollee) and the treating health care professional with the consent of the enrollee (or the legal representative of the enrollee), may appeal any adverse coverage determination under subsection (b) under the procedures described in this subsection.

"(2) RECORDS.—A group health plan and a health insurance issuer shall maintain written records, for at least 6 years, with respect to any appeal under this subsection for purposes of internal quality assurance and improvement.

"(3) ROUTINE DETERMINATIONS.—A group health plan or a health insurance issuer shall provide for the consideration of an appeal of an adverse routine determination under this subsection not later than 30 working days after the date on which a request for such appeal is received.

"(4) EXPEDITED DETERMINATION.—

"(A) IN GENERAL.—An expedited determination with respect to an appeal under this subsection shall be made in accordance with the medical exigencies of the case, but in no case more than 72 hours after the request for such appeal is received by the plan or issuer under subparagraph (B) or (C).

"(B) REQUEST BY ENROLLEE.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of an enrollee if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the enrollee.

"(C) DOCUMENTATION BY HEALTH CARE PROFESSIONAL.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has documented, based on the medical exigencies that a determination under the procedures described in paragraph (2) could seriously jeopardize the life or health of the enrollee.

"(5) CONDUCT OF REVIEW.—A review of an adverse coverage determination under this subsection shall be conducted by an individual with appropriate expertise who was not involved in the initial determination.

"(6) LACK OF MEDICAL NECESSITY.—An appeal under this subsection relating to a determination to deny coverage based on a lack of medical necessity or appropriateness, or based on an experimental or investigational treatment, shall be made only by a physician with appropriate expertise in the field of medicine involved who was not involved in the initial determination.

"(7) NOTICE.—

"(A) IN GENERAL.—Written notice of a determination made under an internal review process shall be issued to the enrollee (or the legal representative of the enrollee) and the treating health care professional not later than 2 working days after the completion of the review (or within the 72-hour period referred to in paragraph (4) if applicable).

"(B) ADVERSE COVERAGE DETERMINATIONS.—With respect to an adverse coverage determination made under this subsection, the notice described in subparagraph (A) shall include—

"(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average enrollee;

"(ii) the procedures for obtaining additional information concerning the determination; and

"(iii) notification of the right to an external review under subsection (e) and instructions on how to initiate such a review.

"(e) EXTERNAL REVIEW.—

"(1) IN GENERAL.—A group health plan or a health insurance issuer shall have written procedures to permit an enrollee (or the legal representative of the enrollee) access to an external review with respect to a coverage determination concerning a particular item or service where the plan, in consultation with the plan's legal representative, has determined that—

"(A) the particular item or service involved, when medically appropriate and necessary, is generally a covered benefit under the terms and conditions of the contract between the plan or issuer and the enrollee;

"(B) the coverage determination involved denied coverage for such item or service because the provision of such item or service—

"(i) does not meet the plan's or issuer's requirements for medical appropriateness or necessity and the amount involved exceeds $1,000; or

"(ii) would constitute experimental or investigational treatment and there is a significant risk of placing the life or health of the enrollee in jeopardy; and

"(C) the enrollee has completed the internal appeals process with respect to such determination.

"(2) INITIATION OF THE EXTERNAL REVIEW PROCESS.—

"(A) FILING OF REQUEST.—An enrollee (or the legal representative of the enrollee) who desires to have an external review conducted under this subsection shall file a written request for such a review with the plan or issuer involved not later than 30 working days after the receipt of a final denial of a claim under subsection (d). Any such request shall include the consent of the enrollee (or the legal representative of the enrollee) for the release of medical information and records to external reviewers regarding the enrollee if such information is necessary for the proper conduct of the external review.

"(B) INFORMATION AND NOTICE.—Not later than 5 working days after the receipt of a request under subparagraph (A), the plan or issuer involved shall select an external appeals entity under paragraph (3)(A) that shall be responsible for designating an external reviewer under paragraph (3)(B).

"(C) PROVISION OF INFORMATION.—The plan or issuer involved shall forward all necessary information (including medical records, any relevant review criteria, the clinical rationale consistent with the terms and conditions of the contract between the plan or issuer and the enrollee for the coverage denial, and evidence of the enrollee's coverage) to the external reviewer selected under paragraph (3)(B).

"(D) NOTIFICATION.—The plan or issuer involved shall send a written notification to the enrollee (or the legal representative of the enrollee) and the plan administrator, indicating that an external review has been initiated.

"(3) CONDUCT OF EXTERNAL REVIEW.—

"(A) DESIGNATION OF EXTERNAL APPEALS ENTITY BY PLAN OR ISSUER.—A plan or issuer that receives a request for an external review under paragraph (2)(A) shall designate one of the following entities to serve as the external appeals entity:

"(i) An external review entity licensed or credentialed by a State.

"(ii) A State agency established for the purpose of conducting independent external reviews.

"(iii) Any entity under contract with the Federal Government to provide external review services.

"(iv) Any entity accredited as an external review entity by an accrediting body recognized by the Secretary for such purpose.

"(v) Any fully accredited teaching hospital.

"(vi) Any other entity meeting criteria established by the Secretary for purposes of this subparagraph.

"(B) DESIGNATION OF EXTERNAL REVIEWER BY EXTERNAL APPEALS ENTITY.—The external appeals entity designated under subparagraph (A) shall designate one or more individuals to serve as external reviewers with respect to a request receives under paragraph (2)(A). Such reviewers shall be independent medical experts who shall—

"(i) be appropriately credentialed or licensed in any State to deliver health care services;

"(ii) not have any material, professional, familial, or financial affiliation with the case under review, the enrollee involved, the treating health care professional, the institution where the treatment would take place, or the manufacturer or any drug, device, procedure, or other therapy proposed for the enrollee whose treatment is under review;

"(iii) be experts in the treatment of the enrollee's medical condition and knowledgeable about the recommended therapy;

"(iv) receive only reasonable and customary compensation from the group health plan or health insurance issuer in connection with the external review that is not contingent on the decision rendered by the reviewer; and

"(v) not be held liable for decisions regarding medical determinations (but may be held liable for actions that are arbitrary and capricious).

"(4) STANDARD OF REVIEW.—

"(A) IN GENERAL.—An external reviewer shall—

"(i) make a determination based on the medical necessity, appropriateness, experimental or investigational nature of the coverage denial;

"(ii) take into consideration any evidence-based decision making or clinical practice guidelines used by the group health plan or health insurance issuer in conducting utilization review; or

"(iii) submit a report on the final determinations of the review involved to—

"(I) the plan or issuer involved;

"(II) the enrollee involved (or the legal representative of the enrollee); and

"(III) the health care professional involved.

"(B) NOTICE.—The plan or issuer involved shall ensure that the enrollee receives notice, within 30 days after the determination of the independent medical expert, regarding the actions of the plan or issuer with respect to the determination of such expert under the external review.

"(5) TIMEFRAME FOR REVIEW.—An external reviewer shall complete a review of an adverse coverage determination in accordance with the medical exigencies of the case, but in no case later than 30 working days after the later of—

"(A) the date on which such reviewer is designated; or

"(B) the date on which all information necessary to completing such review is received.

"(6) BINDING DETERMINATION.—The determination of an external reviewer under this subsection shall be binding upon the plan or issuer if the provisions of this subsection or the procedures implemented under such provisions were complied with by the external reviewer.

"(7) STUDY.—Not later than 2 years after the date of enactment of this section, the General Accounting Office shall conduct a study of a statistically appropriate sample of completed external reviews. Such study shall include an assessment of the process involved during an external review and the basis of decisionmaking by the external reviewer. The results of such study shall be submitted to the appropriate committees of Congress.

"(8) CONTINUING LEGAL RIGHTS OF ENROLLEES.—Nothing in this section shall be construed as removing any legal rights of participants, beneficiaries, enrollees, and others under State or Federal law, including the right to file judicial actions to enforce rights.

"(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a plan administrator or plan fiduciary or health plan medical director from requesting an external review by an external reviewer without first completing the internal review process.

"(g) DEFINITIONS.—In this section:

"(1) ADVERSE COVERAGE DETERMINATION.—The term 'adverse coverage determination' means a coverage determination under the plan which results in a denial of coverage or reimbursement.

"(2) COVERAGE DETERMINATION.—The term 'coverage determination' means with respect to items and services for which coverage may be provided under a health plan, a determination of whether or not such items and services are covered or reimbursable under the coverage and terms of the contract.

"(3) ENROLLEE.—The term enrollee means a participant or beneficiary.

"(4) GRIEVANCE.—The term 'grievance' means any enrollee complaint that does not involve a coverage determination.

"(5) PRIOR AUTHORIZATION DETERMINATION.—The term 'prior authorization determination' means a coverage determination prior to the provision of the items and services as a condition of coverage of the items and services under the coverage.

"(6) TREATING HEALTH CARE PROFESSIONAL.—The term 'treating health care professional' with respect to a group health plan, health insurance issuer or provider sponsored organization means a practitioner who is acting within the scope of their State licensure or certification for the delivery of health care services and who is primarily responsible for delivering those services to the enrollee.

"(7) UTILIZATION REVIEW.—The term 'utilization review' with respect to a group health plan or health insurance coverage means a set of formal techniques designed to monitor the use of, or evaluate the clinical necessity, appropriateness, efficacy, or efficiency of, health care services, procedures, or settings. Techniques may include ambulatory review, prospective review, second opinion, certification, concurrent review, case management, discharge planning or retrospective review.".

(b) ENFORCEMENT.—Section 502(c)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)(1)) is amended by inserting after "or section 101(e)(1)" the following: ", or fails to comply with a coverage determination as required under section 503(e)(6),".

(c) CONFORMING AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by strike the item relating to section 503 and inserting the following new item:

"Sec. 503. Claims procedures, coverage determination, grievances and appeals.".

TITLE II—INDIVIDUAL RIGHTS WITH RESPECT TO PERSONAL MEDICAL INFORMATION

SEC. 201. SHORT TITLE.

This title may be cited as the "Personal Medical Information Access Act".

Subtitle A—Access to Medical Records

SEC. 211. INSPECTION AND COPYING OF PROTECTED HEALTH INFORMATION.

(a) IN GENERAL.—At the request of an individual and except as provided in subsection (b), a health care provider, health plan, employer, health or life insurer, school, or university shall permit an individual who is the subject of protected health information or the individual's designee, to inspect and copy protected health information concerning the individual, including records created under section 212 that such entity maintains. Such entity may set forth appropriate procedures to be followed for such inspection or copying and may require an individual to pay reasonable costs associated with such inspection or copying.

(b) EXCEPTIONS.—Unless ordered by a court of competent jurisdiction, an entity described in subsection (a) is not required to permit the inspection or copying of protected health information if any of the following conditions are met:

(1) ENDANGERMENT TO LIFE OR SAFETY.—The entity determines that the disclosure of the information could reasonably be expected to endanger the life or physical safety of an individual.

(2) CONFIDENTIAL SOURCE.—The information identifies, or could reasonably lead to the identification of, a person who provided information under a promise of confidentiality concerning the individual who is the subject of the information.

(3) INFORMATION COMPILED IN ANTICIPATION OF LITIGATION.—The information is compiled principally—

(A) in the reasonable anticipation of a civil, criminal, or administrative action or proceeding; or

(B) for use in such an action or proceeding.

(4) RESEARCH PURPOSES.—The information was collected for a research project monitored by an institutional review board, such project is not complete, and the researcher involved reasonably believes that access to such information would harm the conduct of the research or invalidate or undermine the validity of the research.

(c) DENIAL OF A REQUEST FOR INSPECTION OR COPYING.—If an entity described in subsection (a) denies a request for inspection or copying pursuant to subsection (b), the entity shall inform the individual in writing of—

(1) the reasons for the denial of the request for inspection or copying;

(2) any procedures for further review of the denial; and

(3) the individual's right to file with the entity a concise statement setting forth the request for inspection or copying.

(d) STATEMENT REGARDING REQUEST.—If an individual has filed a statement under subsection (c)(3), the entity in any subsequent disclosure of the portion of the information requested under subsection (a) shall include—

(1) a copy of the individual's statement; and

(2) a concise statement of the reasons for denying the request for inspection or copying.

(e) INSPECTION AND COPYING OF SEGREGABLE PORTION.—An entity described in subsection (a) shall permit the inspection and copying under subsection (a) of any reasonably segregable portion of protected health information after deletion of any portion that is exempt under subsection (b).

(f) DEADLINE.—An entity described in subsection (a) shall comply with or deny, in accordance with subsection (c), a request for inspection or copying of protected health information under this section not later than 45 days after the date on which the entity receives the request.

(g) RULES GOVERNING AGENTS.—An agent of an entity described in subsection (a) shall not be required to provide for the inspection and copying of protected health information, except where—

(1) the protected health information is retained by the agent; and

(2) the agent has received in writing a request from the entity involved to fulfill the requirements of this section;

at which time such information shall be provided to the requesting entity. Such requesting entity shall comply with subsection (f) with respect to any such information.

(h) RULE OF CONSTRUCTION.—This section shall not be construed to require an entity described in subsection (a) to conduct a formal, informal, or other hearing or proceeding concerning a request for inspection or copying of protected health information.

SEC. 212. AMENDMENT OF PROTECTED HEALTH INFORMATION.

(a) Requirement.—

(1) In general.—Except as provided in subsection (b) and subject to paragraph (2), a health care provider, health plan, employer, health or life insurer, school, or university that receives from an individual a request in writing to amend protected health information shall—

(A) amend such information as requested;

(B) inform the individual of the amendment that has been made; and

(C) make reasonable efforts to inform any person to whom the unamended portion of the information was previously disclosed, of any nontechnical amendment that has been made.

(2) Compliance.—An entity described in paragraph (1) shall comply with the requirements of such paragraph within 45 days of the date on which the request involved is received if the entity—

(A) created the protected health information involved; and

(B) determines that such information is in fact inaccurate.

(b) Refusal To Amend.—If an entity described in subsection (a) refuses to make the amendment requested under such subsection, the entity shall inform the individual in writing of—

(1) the reasons for the refusal to make the amendment;

(2) any procedures for further review of the refusal; and

(3) the individual's right to file with the entity a concise statement setting forth the requested amendment and the individual's reasons for disagreeing with the refusal.

(c) Statement of Disagreement.—If an individual has filed a statement of disagreement under subsection (b)(3), the entity involved, in any subsequent disclosure of the disputed portion of the information—

(1) shall include a copy of the individual's statement; and

(2) may include a concise statement of the reasons for not making the requested amendment.

(d) Rules Governing Agents.—The agent of an entity described in subsection (a) shall not be required to make amendments to protected health information, except where—

(1) the protected health information is retained by the agent; and

(2) the agent has been asked by such entity to fulfill the requirements of this section.

If the agent is required to comply with this section as provided for in paragraph (2), such agent shall be subject to the 45-day deadline described in subsection (a).

(e) Repeated Requests for Amendments.—If an entity described in subsection (a) receives a request for an amendment of information as provided for in such subsection and a statement of disagreement has been filed pursuant to subsection (c), the entity shall inform the individual of such filing and shall not be required to carry out the procedures required under this section.

(f) Rules of Construction.—This section shall not be construed to—

(1) require that an entity described in subsection (a) conduct a formal, informal, or other hearing or proceeding concerning a request for an amendment to protected health information;

(2) require a provider to amend an individual's protected health information as to the type, duration, or quality of treatment the individual believes he or she should have been provided; or

(3) permit any deletions or alterations of the original information.

SEC. 213. NOTICE OF CONFIDENTIALITY PRACTICES.

(a) Preparation of Written Notice.—A health care provider, health plan, health oversight agency, public health authority, employer, health or life insurer, health researcher, school or university shall post or provide, in writing and in a clear and conspicuous manner, notice of the entity's confidentiality practices, that shall include—

(1) a description of an individual's rights with respect to protected health information;

(2) the procedures established by the entity for the exercise of the individual's rights; and

(3) the right to obtain a copy of the notice of the confidentiality practices required under this subtitle.

(b) Model Notice.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as an absolute defense against claims of receiving inappropriate notice.

Subtitle B—Establishment of Safeguards

SEC. 221. ESTABLISHMENT OF SAFEGUARDS.

A health care provider, health plan, health oversight agency, public health authority, employer, health or life insurer, health researcher, law enforcement official, school or university shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of protected health information created, received, obtained, maintained, used, transmitted, or disposed of by such entity.

Subtitle C—Enforcement; Definitions

SEC. 231. CIVIL PENALTY.

(a) Violation.—A health care provider, health researcher, health plan, health oversight agency, public health agency, law enforcement agency, employer, health or life insurer, school, or university, or the agent of any such individual or entity, who the Secretary, in consultation with the Attorney General, determines has substantially and materially failed to comply with this Act shall, for a violation of this title, be subject, in addition to any other penalties that may be prescribed by law, to a civil penalty of not more than $500 for each such violation, but not to exceed $5,000 in the aggregate for multiple violations.

(b) Procedures for Imposition of Penalties.—Section 1128A of the Social Security Act, other than subsections (a) and (b) and the second sentence of subsection (f) of that section, shall apply to the imposition of a civil, monetary, or exclusionary penalty under this section in the same manner as such provisions apply with respect to the imposition of a penalty under section 1128A of such Act.

SEC. 232. DEFINITIONS.

In this title:

(1) Agent.—The term "agent" means a person who represents and acts for another under the contract or relation of agency, or whose function is to bring about, modify, affect, accept performance of, or terminate contractual obligations between the principal and a third person, including a contractor.

(2) Disclose.—The term "disclose" means to release, transfer, provide access to, or otherwise divulge protected health information to any person other than the individual who is the subject of such information. Such term includes the initial disclosure and any subsequent redisclosures of protected health information.

(3) Employer.—The term "employer" has the meaning given such term under section 3(5) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(5)), except that such term shall include only employers of 2 or more employees.

(4) Health care provider.—The term "health care provider" means a person who, with respect to a specific item of protected health information, receives, creates, uses, maintains, or discloses the information while acting in whole or in part in the capacity of—

(A) a person who is licensed, certified, registered, or otherwise authorized by Federal or State law to provide an item or service that constitutes health care in the ordinary course of business, or practice of a profession;

(B) a Federal, State, or employer-sponsored program that directly provides items or services that constitute health care to beneficiaries; or

(C) an officer, employee, or agent of a person described in subparagraph (A) or (B).

(5) Health or life insurer.—The term "health or life insurer" means a health insurance issuer as defined in section 2791 of the Public Health Service Act (42 U.S.C. 300gg-91) or a life insurance company as defined in section 816 of the Internal Revenue Code of 1986.

(6) Health plan.—The term "health plan" means any health insurance plan, including any hospital or medical service plan, dental or other health service plan or health maintenance organization plan, provider sponsored organization, or other program providing or arranging for the provision of health benefits, whether or not funded through the purchase of insurance.

(7) Person.—The term "person" means a government, governmental subdivision, agency or authority; corporation; company; association; firm; partnership; society; estate; trust; joint venture; individual; individual representative; tribal government; and any other legal entity.

(8) Protected health information.—The term "protected health information" means any information (including demographic information) whether or not recorded in any form or medium—

(A) that relates to the past, present or future—

(i) physical or mental health or condition of an individual (including the condition or other attributes of individual cells or their components);

(ii) provision of health care to an individual; or

(iii) payment for the provision of health care to an individual;

(B) that is created by a health care provider, health plan, health researcher, health oversight agency, public health authority, employer, law enforcement official, health or life insurer, school or university; and

(C) that is not nonidentifiable health information.

(9) School or university.—The term "school or university" means an institution or place for instruction or education, including an elementary school, secondary school, or institution of higher learning, a college, or an assemblage of colleges united under one corporate organization or government.

(10) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(11) WRITING.—The term "writing" means writing in either a paper-based or computer-based form, including electronic signatures.

TITLE III—GENETIC INFORMATION AND SERVICES

SEC. 301. SHORT TITLE.

This title may be cited as the "Genetic Information Nondiscrimination in Health Insurance Act of 1998".

SEC. 302. AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION OR GENETIC SERVICES.—

(1) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 702(a)(1)(F) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(a)(1)(F)) is amended by inserting before the period the following: "(including information about a request for or receipt of genetic services)".

(2) NO DISCRIMINATION IN GROUP PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) (as amended by section 111) is further amended by adding at the end the following:

"SEC. 714. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning an individual in the group or a family member of the individual (including information about a request for or receipt of genetic services).".

(3) CONFORMING AMENDMENT.—Section 702(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(b)) is amended by adding at the end the following:

"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 714.".

(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 702 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182) is amended by adding at the end the following:

"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning an individual or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan or health insurance issuer that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan or health insurance issuer shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in sections 213 and 221 of the Patients' Bill of Rights Act, of such individually identifiable information.".

(c) DEFINITIONS.—Section 733(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(d)) is amended by adding at the end the following:

"(5) FAMILY MEMBER.—The term 'family member' means with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(6) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

"(7) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(8) PREDICTIVE GENETIC INFORMATION.—

"(A) IN GENERAL.—The term 'predictive genetic information' means—

"(i) information about an individual's genetic tests which are associated with a statistically significant increased risk of developing a disease or disorder;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members that predicts a statistically significant increased risk of a disease or disorder in the individual.

"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from routine physical tests, such as the chemical, blood, or urine analyses of the individual, unless such analyses are genetic tests; and

"(iii) information about physical exams of the individual and other information relevant to determining the current health status of the individual so long as such information does not include information described in clauses (i), (ii), or (iii) of subparagraph (A).

"(9) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, in order to detect disease-related genotypes, mutations, phenotypes, or karyotypes.".

(d) EFFECTIVE DATE.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning 1 year after the date of the enactment of this Act.

SEC. 303. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT.

(a) AMENDMENTS RELATING TO THE GROUP MARKET.—

(1) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION IN THE GROUP MARKET.—

(A) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.) is amended by adding at the end the following:

"SEC. 2706. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION IN THE GROUP MARKET.

"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning an individual in the group or a family member of the individual (including information about a request for or receipt of genetic services).".

(B) CONFORMING AMENDMENT.—Section 2702(b) of the Public Health Service Act (42 U.S.C. 300gg-1(b)) is amended by adding at the end the following:

"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 2706.".

(C) LIMITATION ON COLLECTION AND DISCLOSURE OF PREDICTIVE GENETIC INFORMATION.—Section 2702 of the Public Health Service Act (42 U.S.C. 300gg-1) is amended by adding at the end the following:

"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning an individual or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan or health insurance issuer that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan or health insurance issuer shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in sections 213 and 221 of the Patients' Bill of Rights Act, of such individually identifiable information.".

(2) DEFINITIONS.—Section 2791(d) of the Public Health Service Act (42 U.S.C. 300gg-91(d)) is amended by adding at the end the following:

"(15) FAMILY MEMBER.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(16) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member.

"(17) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(18) PREDICTIVE GENETIC INFORMATION.—

"(A) IN GENERAL.—The term 'predictive genetic information' means—

"(i) information about an individual's genetic tests which is associated with a statistically significant increased risk of developing a disease or disorder;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members that predicts a statistically significant increased risk of a disease or disorder in the individual.

"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from routine physical tests, such as the chemical, blood, or urine analyses of the individual, unless such analyses are genetic tests; and

"(iii) information about physical exams of the individual and other information relevant to determining the current health status of the individual so long as such information does not include information described in clauses (i), (ii), or (iii) of subparagraph (A).

"(19) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, in order to detect disease-related genotypes, mutations, phenotypes, or karyotypes.".

(b) AMENDMENT RELATING TO THE INDIVIDUAL MARKET.—The first subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-11 et seq.) (relating to other requirements) is amended—

(1) by redesignating such subpart as subpart II; and

(2) by adding at the end the following:

"SEC. 2752. PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"(a) PROHIBITION ON PREDICTIVE GENETIC INFORMATION AS A CONDITION OF ELIGIBILITY.—A health insurance issuer offering health insurance coverage in the individual market may not use predictive genetic information as a condition of eligibility of an individual to enroll in individual health insurance coverage (including information about a request for or receipt of genetic services).

"(b) PROHIBITION ON PREDICTIVE GENETIC INFORMATION IN SETTING PREMIUM RATES.—A health insurance issuer offering health insurance coverage in the individual market shall not adjust premium rates for individuals on the basis of predictive genetic information concerning such an enrollee or a family member of the enrollee (including information about a request for or receipt of genetic services).

"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a health insurance issuer offering health insurance coverage in the individual market shall not request or require predictive genetic information concerning an individual or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a health insurance issuer that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the health insurance issuer shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in sections 213 and 221 of the Patients' Bill of Rights Act, of such individually identifiable information.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to—

(1) group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after 1 year after the date of enactment of this Act; and

(2) health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after 1 year after the date of enactment of this Act.

SEC. 304. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.—

(1) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"SEC. 9813. PROHIBITING HEALTH DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

"A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning an individual in the group or a family member of the individual (including information about a request for or receipt of genetic services).".

(2) CONFORMING AMENDMENT.—Section 9802(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or the receipt of genetic services), see section 9813.".

(3) AMENDMENT TO TABLE OF SECTIONS.—The table of sections for subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"Sec. 9813. Prohibiting premium discrimination against groups on the basis of predictive genetic information.".

(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 9802 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

"(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning an individual or a family member of the individual (including information about a request for or receipt of genetic services).

"(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan or health insurance issuer that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

"(B) NOTICE OF CONFIDENTIALITY PRACTICES; DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan or health insurance issuer shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in sections 213 and 221 of the Patients' Bill of Rights Act, of such individually identifiable information.".

(c) DEFINITIONS.—Section 9832(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

"(6) FAMILY MEMBER.—The term 'family member' means, with respect to an individual—

"(A) the spouse of the individual;

"(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

"(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

"(7) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member.

"(8) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

"(9) PREDICTIVE GENETIC INFORMATION.—

"(A) IN GENERAL.—The term 'predictive genetic information' means—

"(i) information about an individual's genetic tests which is associated with a statistically significant increased risk of developing a disease or disorder;

"(ii) information about genetic tests of family members of the individual; or

"(iii) information about the occurrence of a disease or disorder in family members that predicts a statistically significant increased risk of a disease or disorder in the individual.

"(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

"(i) information about the sex or age of the individual;

"(ii) information derived from routine physical tests, such as the chemical, blood, or urine analyses of the individual, unless such analyses are genetic tests; and "(iii) information about physical exams of the individual and other information relevant to determining the current health status of the individual so long as such information does not include information described in clauses (i), (ii), or (iii) of subparagraph (A).

"(10) Genetic test.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, in order to detect disease-related genotypes, mutations, phenotypes, or karyotypes.".

(d) Effective Date.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning after 1 year after the date of the enactment of this Act.

TITLE IV—HEALTHCARE QUALITY RESEARCH

SEC. 401. SHORT TITLE.

This title may be cited as the "Healthcare Quality Research Act of 1998".

SEC. 402. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT.

Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended to read as follows:

"TITLE IX—AGENCY FOR HEALTHCARE QUALITY RESEARCH

"PART A—ESTABLISHMENT AND GENERAL DUTIES

"SEC. 901. MISSION AND DUTIES.

"(a) In General.—There is established within the Public Health Service an agency to be known as the Agency for Healthcare Quality Research. In carrying out this subsection, the Secretary shall redesignate the Agency for Health Care Policy and Research as the Agency for Healthcare Quality Research.

"(b) Mission.—The purpose of the Agency is to enhance the quality, appropriateness, and effectiveness of healthcare services, and access to such services, through the establishment of a broad base of scientific research and through the promotion of improvements in clinical practice, including the prevention of diseases and other health conditions. The Agency shall promote healthcare quality improvement by—

"(1) conducting and supporting research that develops and presents scientific evidence regarding all aspects of healthcare, including—

"(A) the development and assessment of methods for the purposes of enhancing patient participation in their own care and for facilitating shared patient-physician decision-making;

"(B) the outcomes, effectiveness, and cost-effectiveness of healthcare practices, including preventive measures and primary care;

"(C) existing and innovative technologies;

"(D) the costs and utilization of, and access to healthcare;

"(E) the ways in which healthcare services are organized, delivered, and financed and the interaction and impact of these factors on the quality of patient care;

"(F) methods for measuring quality and strategies for improving quality; and

"(G) ways in which patients, consumers, and practitioners acquire new information about best practices and health benefits, and the determinants of their use of this information;

"(2) synthesizing and disseminating available scientific evidence for use by patients, consumers, practitioners, providers, purchasers, policy makers, and educators; and

"(3) advancing private and public efforts to improve healthcare quality.

"(c) Requirements With Respect to Rural Areas and Priority Populations.—In carrying out subsection (b), the Director shall undertake and support research, demonstration projects, and evaluations with respect to—

"(1) the delivery of health services in rural areas (including frontier areas);

"(2) health services for low-income groups, and minority groups;

"(3) the health of children;

"(4) the elderly; and

"(5) people with special healthcare needs, including chronic care and end-of-life healthcare.

"(d) Appointment of Director.—There shall be at the head of the Agency an official to be known as the Director for Healthcare Quality Research. The Director shall be appointed by the Secretary. The Secretary, acting through the Director, shall carry out the authorities and duties established in this title.

"SEC. 902. GENERAL AUTHORITIES.

"(a) In General.—In carrying out section 901(b), the Director shall support demonstration projects, conduct and support research, evaluations, training, research networks, multi-disciplinary centers, technical assistance, and the dissemination of information, on healthcare, and on systems for the delivery of such care, including activities with respect to—

"(1) the quality, effectiveness, efficiency, appropriateness and value of healthcare services;

"(2) quality measurement and improvement;

"(3) the outcomes, cost, cost-effectiveness, and use of healthcare services and access to such services;

"(4) clinical practice, including primary care and practice-oriented research;

"(5) healthcare technologies, facilities, and equipment;

"(6) healthcare costs, productivity, and market forces;

"(7) health promotion and disease prevention, including clinical preventive services;

"(8) health statistics, surveys, database development, and epidemiology; and

"(9) medical liability.

"(b) Health Services Training Grants.—The Director may provide training grants in the field of health services research related to activities authorized under subsection (a), to include pre- and post-doctoral fellowships and training programs, young investigator awards, and other programs and activities as appropriate. In carrying out this subsection, the Director shall make use of funds made available under section 478.

"(c) Multidisciplinary Centers.—The Director may provide financial assistance to assist in meeting the costs of planning and establishing new centers, and operating existing and new centers, for multidisciplinary health services research, demonstration projects, evaluations, training, and policy analysis with respect to the matters referred to in subsection (a).

"(d) Relation to Certain Authorities Regarding Social Security.—Activities authorized in this section may include, and shall be appropriately coordinated with experiments, demonstration projects, and other related activities authorized by the Social Security Act and the Social Security Amendments of 1967. Activities under subsection (a)(2) of this section that affect the programs under titles XVIII and XIX of the Social Security Act shall be carried out consistent with section 1142 of such Act.

"(e) Disclaimer.—Nothing in this title shall be construed to imply that the Agency's role is to mandate national standards of clinical practice or quality healthcare standards. Recommendations resulting from projects funded and published by the Agency shall include a corresponding disclaimer.

"(f) Rule of Construction.—Nothing in this section shall be construed to imply that quality measurement is a science of uniform national standards. In research and quality improvement activities, the Agency shall consider a wide range of choices, providers, healthcare delivery systems, and individual preferences.

"PART B—HEALTHCARE IMPROVEMENT RESEARCH

"SEC. 911. HEALTHCARE OUTCOME IMPROVEMENT RESEARCH.

"(a) Evidence Rating Systems.—In collaboration with experts from the public and private sector, the Agency shall identify and disseminate methods or systems used to assess healthcare research results, particularly to rate the strength of the scientific evidence behind healthcare practice and technology recommendations in the research literature. The Agency shall make methods or systems for evidence rating widely available. Agency publications containing healthcare recommendations shall indicate the level of substantiating evidence using such methods or systems.

"(b) Healthcare Improvement Research Centers and Provider-Based Research Networks.—

"(1) In general.—In order to address the full continuum of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice settings, the Agency shall employ research strategies and mechanisms that will link research directly with clinical practice in geographically diverse locations throughout the United States, including—

"(A) Healthcare Improvement Research Centers that combine demonstrated multidisciplinary expertise in outcomes or quality improvement research with linkages to relevant sites of care;

"(B) Practice-based Research Networks, including plan, facility, or delivery system sites of care (especially primary care), that can evaluate and promote quality improvement; and

"(C) other innovative mechanisms or strategies.

"(2) Requirements.—The Director is authorized to establish the requirements for entities applying for grants under this subsection.

"(c) Expansion of the Health Services Research Workforce.—

"(1) Grants.—The Agency shall, through the awarding of grants, support eligible entities at geographically diverse locations throughout the United States to enable such entities to carry out research training programs that are dedicated to health services research training at the doctoral, post-doctoral, and junior faculty levels.

"(2) Requirements.—In developing priorities for the allocation of training funds under this subsection, the Director shall take into consideration shortages in the number of trained researchers addressing the priority populations.

"SEC. 912. PRIVATE-PUBLIC PARTNERSHIPS TO IMPROVE ORGANIZATION AND DELIVERY.

"(a) Support for Efforts To Develop Information on Quality.—

"(1) Scientific and technical support.—In its role as the principal agency for healthcare quality research, the Agency shall provide scientific and technical support for private and public efforts to improve healthcare quality, including accrediting organizations.

"(2) ROLE OF THE AGENCY.—With respect to paragraph (1), the role of the Agency shall include—

"(A) the identification and assessment of methods for the evaluation of the health of enrollees in health plans by type of plan, provider, and provider arrangements;

"(B) the ongoing development, testing, and dissemination of quality measures, including measures of health and functional outcomes, that take into account appropriate variations in individual preferences;

"(C) the compilation and dissemination of healthcare quality measures developed in the private and public sector;

"(D) assistance in the development of improved healthcare information systems;

"(E) the development of survey tools for the purpose of measuring participant and beneficiary assessments of their healthcare; and

"(F) the integration of information on quality into purchaser and consumer decision-making processes.

"(b) DEMONSTRATION PROGRAM REGARDING CENTERS FOR EDUCATION AND RESEARCH ON THERAPEUTICS.—

"(1) IN GENERAL.—The Secretary, acting through the Director and in consultation with the Commissioner of Food and Drugs, shall establish a demonstration program for the purpose of making one or more grants for the establishment and operation of one or more centers to carry out the activities specified in paragraph (2).

"(2) REQUIRED ACTIVITIES.—The activities referred to in this paragraph are the following:

"(A) The conduct of state-of-the-art clinical research for the following purposes:

"(i) To increase awareness of—

"(I) new uses of drugs, biological products, and devices;

"(II) ways to improve the effective use of drugs, biological products, and devices; and

"(III) risks of new uses and risks of combinations of drugs and biological products.

"(ii) To provide objective clinical information to the following individuals and entities:

"(I) Healthcare practitioners and other providers of Healthcare goods or services.

"(II) Pharmacy benefit managers and purchasers.

"(III) Health maintenance organizations and other managed healthcare organizations.

"(IV) Healthcare insurers and governmental agencies.

"(V) Patients and consumers.

"(iii) To improve the quality of healthcare while reducing the cost of Healthcare through—

"(I) the appropriate use of drugs, biological products, or devices; and

"(II) the prevention of adverse effects of drugs, biological products, and devices and the consequences of such effects, such as unnecessary hospitalizations.

"(B) The conduct of research on the comparative effectiveness, cost-effectiveness, and safety of drugs, biological products, and devices.

"(C) Such other activities as the Secretary determines to be appropriate, except that a grant may not be expended to assist the Secretary in the review of new drugs.

"(3) APPLICATION FOR GRANT.—A grant under paragraph (1) may be made only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(4) PEER REVIEW.—A grant under paragraph (1) may be made only if the application for the grant has undergone appropriate technical and scientific peer review.

"(c) REDUCING ERRORS IN MEDICINE.—The Director shall conduct and support research and build private-public partnerships to—

"(1) identify the causes of preventable healthcare errors and patient injury in healthcare delivery systems;

"(2) develop, demonstrate, and evaluate strategies for reducing errors and improving patient safety; and

"(3) promote the implementation of effective strategies throughout the healthcare industry.

"SEC. 913. INFORMATION ON QUALITY AND COST OF CARE.

"(a) IN GENERAL.—In carrying out 902(a), the Director shall—

"(1) collect data from a nationally representative sample of the population on the cost and use of healthcare, including the types of healthcare services Americans use, their access to healthcare services, frequency of use, how much is paid for the services used, the source of those payments, the types and costs of private health insurance, access, satisfaction, and quality of care for the general population and also for children, uninsured persons, poor and near-poor individuals, and persons with special healthcare needs, including end-of-life healthcare;

"(2) develop databases and tools that enable States to track the quality, access, and use of healthcare services provided to their residents; and

"(3) enter into agreements with public or private entities to use, link, or acquire databases for research authorized under this title.

"(b) QUALITY AND OUTCOMES INFORMATION.—

"(1) IN GENERAL.—To enhance the understanding of the quality of care, the determinants of health outcomes and functional status, the needs of special populations as well as an understanding of these changes over time, their relationship to healthcare access and use, and to monitor the overall national impact of Federal and State policy changes on healthcare, the Director, beginning in fiscal year 2000, shall ensure that the survey conducted under subsection (a)(1) will—

"(A) provide information on the quality of care and patient outcomes for frequently occurring clinical conditions for a nationally representative sample of the population; and

"(B) provide reliable national estimates for children and persons with special healthcare needs through the use of supplements or periodic expansions of the survey.

"(2) ANNUAL REPORT.—Beginning in fiscal year 2002, the Secretary, acting through the Director, shall submit to Congress an annual report on national trends in the quality of healthcare provided to the American people.

"SEC. 914. INFORMATION SYSTEMS FOR HEALTHCARE IMPROVEMENT.

"In order to foster a range of innovative approaches to the management and communication of health information, the Agency shall support research to evaluate and initiatives to advance—

"(1) the use of information systems for the study of healthcare quality, including the generation of both individual provider and plan-level comparative performance measures;

"(2) training for healthcare practitioners and researchers in the use of information systems;

"(3) the creation of effective linkages between various sources of health information, including the development of information networks;

"(4) the delivery and coordination of evidence-based healthcare services, using real-time decision-support programs;

"(5) the structure, content, definition, and coding of health information data and medical vocabularies and shall consult with other Federal entities;

"(6) the evaluation and use of computer-based health records in outpatient and inpatient settings as a personal health record for individual health assessment and maintenance, and for monitoring public health and outcomes of care within populations; and

"(7) the protection of individually identifiable information in health services research and healthcare quality improvement.

"SEC. 915. RESEARCH SUPPORTING PRIMARY CARE DELIVERY AND ACCESS IN UNDERSERVED AREAS.

"(a) PREVENTIVE SERVICES TASK FORCE.—

"(1) PURPOSE.—The Agency shall provide ongoing administrative, research, and technical support for the operation of the Preventive Services Task Force. The Agency shall coordinate and support the dissemination of the Preventive Services Task Force recommendations.

"(2) OPERATION.—The Preventive Services Task Force shall review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of clinical preventive services for the purpose of developing recommendations, and updating previous recommendations, regarding their usefulness in daily clinical practice. In carrying out its responsibilities under paragraph (1), the Task Force shall not be subject to the provisions of Appendix 2 of title 5, United States Code.

"(b) PRIMARY CARE DELIVERY RESEARCH.—

"(1) IN GENERAL.—There is established within the Agency a Center for Primary Care Delivery Research (referred to in this subsection as the 'Center') that shall serve as the principal source of funding for primary care delivery research in the Department of Health and Human Services. For purposes of this paragraph, primary care delivery research focuses on the first contact when illness or health concerns arise, the diagnosis, treatment or referral to specialty care, preventive care, and the relationship between the clinician and the patient in the context of the family and community.

"(2) RESEARCH.—In carrying out this section, the Center shall conduct and support research on—

"(A) the nature and characteristics of primary care delivery practice;

"(B) producing evidence for the management of commonly occurring clinical problems;

"(C) the management of undifferentiated clinical problems;

"(D) the continuity and coordination of health services; and

"(E) the application and impact of telemedicine and other distance technologies.

"(3) DEMONSTRATION.—The Agency shall support demonstrations into the use of new information tools aimed at improving shared decision-making between patients and their care-givers.

"SEC. 916. CLINICAL PRACTICE AND TECHNOLOGY INNOVATION.

"(a) IN GENERAL.—The Director shall promote innovation in evidence-based clinical practice and healthcare technologies by—

“(1) conducting and supporting research on the development, diffusion, and use of healthcare technology;

“(2) developing, evaluating, and disseminating methodologies for healthcare practice and technology assessment;

“(3) conducting intramural and supporting extramural assessments of existing and new healthcare practices and technologies;

“(4) promoting education, training, and providing technical assistance in the use of healthcare practice and healthcare technology assessment methodologies and results; and

“(5) working with the National Library of Medicine and the public and private sector to develop an electronic clearinghouse of currently available assessments and those in progress.

“(b) Specification of Process.—

“(1) In general.—Not later than June 1, 1999, the Director shall develop and publish a description of the methods used by the Agency and its contractors for practice and technology assessment.

“(2) Consultations.—In carrying out this subsection, the Director shall cooperate and consult with the Administrator of the Health Care Financing Administration, the Director of the National Institutes of Health, the Commissioner of Food and Drugs, and the heads of any other interested Federal department or agency, professional societies, and other private and public entities.

“(3) Methodology.—The methods employed in practice and technology assessments under paragraph (1) shall consider—

“(A) safety, efficacy, and effectiveness;

“(B) legal, social, and ethical implications;

“(C) costs, benefits, and cost-effectiveness;

“(D) comparisons to alternative technologies and practices; and

“(E) requirements of Food and Drug Administration approval to avoid duplication.

“(c) Specific Assessments.—

“(1) In general.—The Director shall conduct and support specific assessments of healthcare technologies and practices.

“(2) Grants and contracts.—The Director may make grants to, or enter into cooperative agreements or contracts with, entities described in paragraph (3) for the establishment of collaborative arrangements for the purpose of conducting assessments of experimental, emerging, existing, or potentially outmoded healthcare technologies, and for related activities.

“(3) Eligible entities.—An entity described in this paragraph is an entity that is determined to be appropriate by the Director, including academic medical centers, research institutions, professional organizations, third party payers, other governmental agencies, and consortia of appropriate research entities established for the purpose of conducting technology assessments.

“SEC. 917. COORDINATION OF FEDERAL GOVERNMENT QUALITY IMPROVEMENT EFFORTS.

“(a) Requirement.—

“(1) In general.—The Secretary, acting through the Director, shall coordinate all research, evaluations, and demonstrations related to health services research and quality measurement and improvement activities undertaken and supported by the Federal Government.

“(2) Specific activities.—The Director, in collaboration with the appropriate Federal officials representing all concerned executive agencies and departments, shall develop and manage a process to—

“(A) improve interagency coordination, priority setting, and the use and sharing of research findings and data pertaining to Federal quality improvement programs and health services research;

“(B) strengthen the research information infrastructure, including databases, pertaining to Federal health services research and healthcare quality improvement initiatives;

“(C) set specific goals for participating agencies and departments to further health services research and healthcare quality improvement; and

“(D) strengthen the management of Federal healthcare quality improvement programs.

“(b) Study by the Institute of Medicine.—

“(1) In general.—To provide the Department of Health and Human Services with independent, expert advice in redesigning its quality oversight functions, and pertinent research programs, the Secretary shall enter into a contract with the Institute of Medicine—

“(A) to describe and evaluate current quality improvement research and monitoring processes through—

“(i) an overview of pertinent health services research activities and quality improvement efforts with particular attention paid to those performed by the peer review organizations;

“(ii) an analysis of the various partnership activities that the Department of Health and Human Services has pursued with private sector accreditation and other quality measurement organizations;

“(iii) the exploration of programmatic areas where partnership activities could be pursued to improve quality oversight of the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act; and

“(iv) an identification of opportunities for enhancing health system efficiency through simplification and reduction in redundancy of public and private sector quality improvement efforts; and

“(B) to identify options and make recommendations to improve the efficiency and effectiveness of such quality improvement programs and to optimize public/private sector accreditation bodies through—

“(i) the improved coordination of activities across the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act and various health services research programs;

“(ii) greater consistency and standardization of oversight activities across traditional fee-for-service and managed care components of these programs;

“(iii) the strengthening of patient choice and participation by incorporating state-of-the-art quality monitoring tools and making information on quality available; and

“(iv) the enhancement of the most effective programs, consolidation as appropriate, and elimination of duplicative activities within various federal agencies.

“(2) Requirements.—

“(A) In general.—The Secretary shall enter into a contract with the Institute of Medicine for the preparation—

“(i) not later than 12 months after the date of enactment of this title, of a report providing an overview of the quality improvement programs of the Department of Health and Human Services for the medicare, medicaid, and CHIP programs under titles XVIII, XIX, and XXI of the Social Security Act; and

“(ii) not later than 24 months after the date of enactment of this title, of a final report containing recommendations for a comprehensive system and public-private partnerships for healthcare quality improvement.

“(B) Reports.—The Secretary shall submit the reports described in subparagraph (A) to the Committee on Finance and the Committee on Labor and Human Resources of the Senate and the Committee on Ways and Means and the Committee on Commerce of the House of Representatives.

“PART C—FOUNDATION FOR HEALTHCARE QUALITY RESEARCH

“SEC. 921. FOUNDATION FOR HEALTHCARE QUALITY RESEARCH.

“(a) In General.—The Secretary shall, acting through the Director of the Agency for Healthcare Quality Research, establish a nonprofit corporation to be known as the Foundation for Healthcare Research (hereafter in this section referred to as the ‘Foundation’). The Foundation shall not be an agency or instrumentality of the United States Government.

“(b) Purpose of Foundation.—The purpose of the Foundation shall be to—

“(1) support the Agency for Healthcare Quality Research in its mission;

“(2) foster public-private partnerships to support the programs and activities of the Agency;

“(3) advance collaboration with healthcare researchers from universities, industry, and nonprofit organizations; and

“(4) develop linkages with users of healthcare and quality research, including patients, consumers, practitioners and other healthcare providers, health plans and insurers, large private or public sector purchasers of healthcare, healthcare policy makers, and healthcare educators.

“(c) Certain Activities of Foundation.—In carrying out subsection (b), the Foundation may solicit and accept gifts, grants, and other donations, establish accounts, and invest and expend funds in support of a broad range of research, training, dissemination, and other activities with respect to the purpose described in such subsection. In addition, the Foundation is authorized to support the following:

“(1) A program to provide and administer endowed positions that are associated with the research program of the Agency for Healthcare Quality Research. Such endowments may be expended for the compensation of individuals holding the positions, for staff, equipment, quarters, travel, and other expenditures that are appropriate in supporting the endowed positions.

“(2) A program to provide and administer fellowships and grants to research personnel in order to work and study in association with the Agency for Healthcare Quality Research. Such fellowships and grants may include stipends, travel, health insurance benefits, and other appropriate expenses. The recipients of fellowships shall be selected by the donors and the Foundation upon the recommendation of the Agency for Healthcare Quality Research, and shall be subject to the agreement of the Director of the Agency for Healthcare Quality Research and the Executive Director of the Foundation.

“(d) General Structure of Foundation; Nonprofit Status.—

“(1) Board of directors.—The Foundation shall have a Board of Directors (in this section referred to as the Board), which shall be established and conducted in accordance with subsection (e). The Board shall establish the general policies of the Foundation for carrying out subsection (b), including the establishment of the bylaws of the Foundation.

"(2) EXECUTIVE DIRECTOR.—The Foundation shall have an executive director (in this section referred to as the 'Director'), who shall be appointed by the Board, who shall serve at the pleasure of the Board, and for whom the Board shall establish the rate of compensation. Subject to compliance with the policies and bylaws established by the Board pursuant to paragraph (1), the Director shall be responsible for the daily operations of the Foundation in carrying out subsection (b).

"(3) NONPROFIT STATUS.—In carrying out subsection (b), the Board shall establish such policies and bylaws under paragraph (1), and the Director shall carry out such activities under paragraph (2), as may be necessary to ensure that the Foundation maintains status as an organization that—

"(A) is described in subsection (c)(3) of section 501 of the Internal Revenue Code of 1986; and

"(B) is, under subsection (a) of such section, exempt from taxation.

"(e) BOARD OF DIRECTORS.—

"(1) CERTAIN BYLAWS.—

"(A) IN GENERAL.—The Board shall ensure that bylaws established under subsection (a)(1) include bylaws for the following:

"(i) Policies for the selection of the officers, employees, agents, and contractors of the Foundation.

"(ii) Policies, including ethical standards, for the acceptance and disposition of donations to the Foundation and for the disposition of the assets of the Foundation.

"(iii) Policies for the conduct of the general operations of the Foundation.

"(iv) Policies for writing, editing, printing, and publishing of books and other materials, and the acquisition of patents and licenses for devices and procedures developed by the Foundation.

"(B) REQUIREMENTS.—The Board shall ensure that the bylaws established under subsection (d)(1) (and activities carried out under such bylaws) do not—

"(i) reflect unfavorably upon the ability of the Foundation, or the Agency for Healthcare Quality Research, to carry out its responsibilities or official duties in a fair and objective manner; or

"(ii) compromise, or appear to compromise, the integrity of any governmental program or any officer or employee involved in such program.

"(2) COMPOSITION.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Board shall be composed of 7 individuals, appointed in accordance with paragraph (4), who collectively possess education or experience appropriate for representing the constituencies described in subsection (b). Each such individual shall be a voting member of the Board.

"(B) ADDITIONAL MEMBERS.—The Board may, through amendments to the bylaws of the Foundation, provide that the number of members of the Board shall be a greater number than the number specified in subparagraph (A).

"(3) CHAIR.—The Board shall, from among the members of the Board, designate an individual to serve as the chair of the Board (in this subsection referred to as the 'Chair').

"(4) APPOINTMENTS, VACANCIES, AND TERMS.—The following shall apply to the Board:

"(A) Any vacancy in the membership of the Board shall be filled by appointment by the Board, after consideration of suggestions made by the Chair and the Director regarding the appointments. Any such vacancy shall be filled not later than the expiration of the 180-day period beginning on the date on which the vacancy occurs.

"(B) The term of office of each member of the Board appointed under subparagraph (A) shall be 5 years. A member of the Board may continue to serve after the expiration of the term of the member until the expiration of the 180-day period beginning on the date on which the term of the member expires.

"(C) A vacancy in the membership of the Board shall not affect the power of the Board to carry out the duties of the Board. If a member of the Board does not serve the full term applicable under subparagraph (B), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

"(5) COMPENSATION.—Members of the Board may not receive compensation for service on the Board. The members may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Board.

"(f) CERTAIN RESPONSIBILITIES OF EXECUTIVE DIRECTOR.—In carrying out subsection (d)(2), the Director shall carry out the following functions:

"(1) Hire, promote, compensate, and discharge officers and employees of the Foundation, and define the duties of the officers and employees.

"(2) Accept and administer donations to the Foundation, and administer the assets of the Foundation.

"(3) Establish a process for the selection of candidates for holding endowed positions under subsection (c).

"(4) Enter into such financial agreements as are appropriate in carrying out the activities of the Foundation.

"(5) Take such action as may be necessary to acquire patents and licenses for devices and procedures developed by the Foundation and the employees of the Foundation.

"(6) Adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(7) Commence and respond to judicial proceedings in the name of the Foundation.

"(8) Other functions that are appropriate in the determination of the Director.

"(g) GENERAL PROVISIONS.—

"(1) AUTHORITY FOR ACCEPTING FUNDS.—The Director of the Agency for Healthcare Quality Research may accept and utilize, on behalf of the Federal Government, any gift, donation, bequest, or devise of real or personal property from the Foundation for the purpose of aiding or facilitating the work of such Agency. Funds may be accepted and utilized by such Director under the preceding sentence without regard to whether the funds are designated as general-purpose funds or special-purpose funds. Any funds transferred under this paragraph shall be subject to all Federal limitations relating to federally funded research.

"(2) AUTHORITY FOR ACCEPTANCE OF VOLUNTARY SERVICES.—

"(A) IN GENERAL.—The Director of the Agency for Healthcare Quality Research may accept, on behalf of the Federal Government, any voluntary services provided to such Agency by the Foundation for the purpose of aiding or facilitating the work of such Agency. In the case of an individual, such Director may accept the services provided under the preceding sentence by the individual for not more than 2 years.

"(B) LIMITATION.—The limitation established in subparagraph (A) regarding the period of time in which services may be accepted applies to each individual who is not an employee of the Federal Government and who serves in association with the Agency for Healthcare Quality Research pursuant to financial support from the Foundation.

"(3) ADMINISTRATIVE CONTROL.—No officer, employee, or member of the Board of the Foundation may exercise any administrative or managerial control over any Federal employee.

"(4) APPLICABILITY OF CERTAIN STANDARDS TO NON-FEDERAL EMPLOYEES.—In the case of any individual who is not an employee of the Federal Government and who serves in association with the Agency for Healthcare Quality Research pursuant to financial support from the Foundation, the Foundation shall negotiate a memorandum of understanding with the individual and the Director of the Agency for Healthcare Quality Research specifying that the individual—

"(A) shall be subject to the ethical and procedural standards regulating Federal employment, scientific investigation, and research findings (including publications and patents) that are required of individuals employed by the Agency for Healthcare Quality Research, including standards under this Act, the Ethics in Government Act, and the Technology Transfer Act; and

"(B) shall be subject to such ethical and procedural standards under chapter 11 of title 18, United States Code (relating to conflicts of interest), as the Director of such Agency determines is appropriate, except such memorandum may not provide that the individual shall be subject to the standards of section 209 of such chapter.

"(5) FINANCIAL CONFLICTS OF INTEREST.—Any individual who is an officer, employee, or member of the Board of the Foundation may not directly or indirectly participate in the consideration or determination by the Foundation of any question affecting—

"(A) any direct or indirect financial interest of the individual; or

"(B) any direct or indirect financial interest of any business organization or other entity of which the individual is an officer or employee or in which the individual has a direct or indirect financial interest.

"(6) AUDITS; AVAILABILITY OF RECORDS.—The Foundation shall—

"(A) provide for biennial audits of the financial condition of the Foundation; and

"(B) make such audits, and all other records, documents, and other papers of the Foundation, available to the Secretary and the Comptroller General of the United States for examination or audit.

"(7) REPORTS.—

"(A) IN GENERAL.—Not later than February 1 of each fiscal year, the Foundation shall publish a report describing the activities of the Foundation during the preceding fiscal year. Each such report shall include for the fiscal year involved a comprehensive statement of the operations, activities, financial condition, and accomplishments of the Foundation.

"(B) FINANCIAL REQUIREMENT.—With respect to the financial condition of the Foundation, each report under subparagraph (A) shall include the source, and a description of, all gifts to the Foundation each report under subparagraph (A) shall include the source, and a description of, all gifts to the Foundation of real or personal property, and the source and amount of all gifts to the Foundation of money. Each such report shall include a specification of any restrictions on the purposes for which gifts to the Foundation may be used.

"(C) PUBLIC INSPECTION.—The Foundation shall make copies of each report submitted under subparagraph (A) available for public inspection, and shall upon request provide a copy of the report to any individual for a charge not exceeding the cost of providing the copy.

"(8) LIAISON FROM THE AGENCY FOR HEALTHCARE QUALITY RESEARCH.—The Director of the Agency for Healthcare Quality Research shall serve as the liaison representative of such Agency and the Foundation.

"(h) FEDERAL FUNDING.—

"(1) AUTHORITY FOR FINANCIAL SUPPORT.—

"(A) IN GENERAL.—The Secretary, acting through the Director of the Agency for Healthcare Quality Research, shall—

"(i) for fiscal year 1999, support the work of the Committee, established pursuant to subsection (i); and

"(ii) for fiscal year 2000 and each subsequent fiscal year, make a grant to the Foundation.

"(B) LIMITATIONS.—Financial support under subparagraph (A) may be expended—

"(i) in the case of the Committee, only for the purpose of carrying out the duties established in subsection (i); and

"(ii) in the case of the Foundation, only for the purpose of the administrative expenses of the Foundation.

"(C) REMAINING FUNDS.—For the purposes described in subparagraph (B), any portion of the financial support provided to the Committee under subparagraph (A)(i) for fiscal year 1999 that remains unobligated after the Committee completes the duties established in subsection (i) shall be available to the Foundation.

"(2) FUNDS.—

"(A) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of providing financial support under paragraph (1), there is authorized to be appropriated for the Foundation $500,000 for each fiscal year.

"(B) GRANTS.—For the purpose of grants under paragraph (1), the Secretary may for each fiscal year make available not more than $500,000 from the amounts appropriated for the fiscal year for the programs of the Department of Health and Human Services. Such amounts may be made available without regard to whether amounts have been appropriated under subparagraph (A).

"(3) CERTAIN RESTRICTION.—If the Foundation receives Federal funds for the purpose of serving as a fiscal intermediary between Federal agencies, the Foundation may not receive such funds for the indirect costs of carrying out such purpose in an amount exceeding 10 percent of the direct costs of carrying out such purpose. The preceding sentence may not be construed as authorizing the expenditure of any grant under paragraph (1) for such purpose.

"(i) ESTABLISHMENT OF COMMITTEE.—

"(1) IN GENERAL.—The Secretary shall establish in accordance with this subsection a committee (referred to in this subsection as the 'Committee') to carry out the functions described in paragraph (2).

"(2) FUNCTIONS.—The functions referred to in paragraph (1) for the Committee are as follows:

"(A) To carry out such activities as may be necessary to incorporate the Foundation under the laws of the State involved, including serving as incorporators for the Foundation. Such activities shall include ensuring that the articles of incorporation for the Foundation require that the Foundation be established and operated in accordance with the applicable provisions of this part (or any successor to this part), including such provisions as may be in effect pursuant to amendments enacted after the date of the enactment of the Healthcare Quality Research Act of 1998.

"(B) To ensure that the Foundation qualifies for and maintains the status described in subsection (d)(3) (regarding taxation).

"(C) To establish the general policies and initial bylaws of the Foundation, which bylaws shall include the bylaws described in subsections (d)(3) and (e)(1).

"(D) To provide for the initial operation of the Foundation, including providing for quarters, equipment, and staff.

"(E) To appoint the initial members of the Board in accordance with the requirements established in subsection (e)(2)(A) for the composition of the Board and establish their respective terms, and other such qualifications as the Committee may determine to be appropriate.

"(3) COMPLETION OF FUNCTIONS OF COMMITTEE; INITIAL MEETING OF BOARD.—

"(A) IN GENERAL.—The Committee shall complete the functions required in paragraph (1) not later than 1 year following the appointment of the last member of the Committee. The Committee shall terminate upon the expiration of the 30-day period beginning on the date on which the Secretary determines that the functions have been completed.

"(B) INITIAL MEETING.—The initial meeting of the Board shall be held not later than 90 days after the Committee has completed its functions.

"(4) COMPOSITION.—The Committee shall be composed of 7 members, each of whom shall be a voting member. Of the members of the Committee—

"(A) not fewer than 2 members shall have broad, general experience in healthcare; and

"(B) not fewer than 2 members shall have broad, general experience in the creation of a nonprofit private organization, one of whom shall have expertise in the legal structuring of nonprofit organizations (without regard to whether the individuals have experience in healthcare).

"(5) CHAIR.—The Committee shall, from among the members of the Committee, designate an individual to serve as the chair of the Committee.

"(6) TERMS; VACANCIES.—The term of members of the Committee shall be for the duration of the Committee. A vacancy in the membership of the Committee shall not affect the power of the Committee to carry out the duties of the Committee. If a member of the Committee does not serve the full term, the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

"(7) COMPENSATION.—Members of the Committee may not receive compensation for service on the Committee. Members of the Committee may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Committee.

"(8) COMMITTEE SUPPORT.—The Director of the Agency for Healthcare Quality Research may, from amounts available to the Director for the general administration of such Agency, provide staff and financial support to assist the Committee with carrying out the functions described in paragraph (2). In providing such staff and support, the Director may both detail employees and contract for assistance.

"PART D—GENERAL PROVISIONS

"SEC. 931. ADVISORY COUNCIL FOR HEALTHCARE QUALITY RESEARCH.

"(a) ESTABLISHMENT.—There is established an advisory council to be known as the Advisory Council for Healthcare Quality Research.

"(b) DUTIES.—

"(1) IN GENERAL.—The Advisory Council shall advise the Secretary and the Director with respect to activities to carry out the purpose of the Agency under section 901(b).

"(2) CERTAIN RECOMMENDATIONS.—Activities of the Advisory Council under paragraph (1) shall include making recommendations to the Director regarding—

"(A) priorities regarding healthcare research, especially studies related to quality, outcomes, cost and the utilization of, and access to, healthcare services;

"(B) the field of healthcare research and related disciplines, especially issues related to training needs, and dissemination of information on quality; and

"(C) the appropriate role of the Agency in each of these areas in light of private sector activity and identification of opportunities for public-private sector partnerships.

"(c) MEMBERSHIP.—

"(1) IN GENERAL.—The Advisory Council shall, in accordance with this subsection, be composed of appointed members and ex officio members. All members of the Advisory Council shall be voting members other than the individuals designated under paragraph (3)(B) who shall be ex officio members of the Advisory Council.

"(2) APPOINTED MEMBERS.—The Secretary shall appoint to the Advisory Council 21 appropriately qualified individuals. At least 17 members of the Advisory Council shall be representatives of the public who are not officers or employees of the United States. The Secretary shall ensure that the appointed members of the Council, as a group, are representative of professions and entities concerned with, or affected by, activities under this title and under section 1142 of the Social Security Act. Of such members—

"(A) 4 shall be individuals distinguished in the conduct of research, demonstration projects, and evaluations with respect to healthcare;

"(B) 4 shall be individuals distinguished in the practice of medicine of which at least 1 shall be a primary care practitioner;

"(C) 3 shall be individuals distinguished in the health professions;

"(D) 4 shall be individuals either representing the private healthcare sector, including health plans, providers, and purchasers or individuals distinguished as administrators of healthcare delivery systems;

"(E) 4 shall be individuals distinguished in the fields of healthcare quality improvement, economics, information systems, law, ethics, business, or public policy; and

"(F) 2 shall be individuals representing the interests of patients and consumers of healthcare.

"(3) EX OFFICIO MEMBERS.—The Secretary shall designate as ex officio members of the Advisory Council—

"(A) the Director of the National Institutes of Health, the Director of the Centers for Disease Control and Prevention, the Administrator of the Health Care Financing Administration, the Assistant Secretary of Defense (Health Affairs), and the Chief Medical Officer of the Department of Veterans Affairs; and

"(B) such other Federal officials as the Secretary may consider appropriate.

"(d) TERMS.—Members of the Advisory Council appointed under subsection (c)(2) shall serve for a term of 3 years. A member of the Council appointed under such subsection may continue to serve after the expiration of the term of the members until a successor is appointed.

"(e) VACANCIES.—If a member of the Advisory Council appointed under subsection (c)(2) does not serve the full term applicable under subsection (d), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

"(f) CHAIR.—The Director shall, from among the members of the Advisory Council appointed under subsection (c)(2), designate an individual to serve as the chair of the Advisory Council.

"(g) MEETINGS.—The Advisory Council shall meet not less than once during each discrete 4-month period and shall otherwise meet at the call of the Director or the chair.

"(h) COMPENSATION AND REIMBURSEMENT OF EXPENSES.—

"(1) APPOINTED MEMBERS.—Members of the Advisory Council appointed under subsection (c)(2) shall receive compensation for each day (including travel time) engaged in carrying out the duties of the Advisory Council unless declined by the member. Such compensation may not be in an amount in excess of the maximum rate of basic pay payable for GS–18 of the General Schedule.

"(2) EX OFFICIO MEMBERS.—Officials designated under subsection (c)(3) as ex officio members of the Advisory Council may not receive compensation for service on the Advisory Council in addition to the compensation otherwise received for duties carried out as officers of the United States.

"(i) STAFF.—The Director shall provide to the Advisory Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

"SEC. 932. PEER REVIEW WITH RESPECT TO GRANTS AND CONTRACTS.

"(a) REQUIREMENT OF REVIEW.—

"(1) IN GENERAL.—Appropriate technical and scientific peer review shall be conducted with respect to each application for a grant, cooperative agreement, or contract under this title.

"(2) REPORTS TO DIRECTOR.—Each peer review group to which an application is submitted pursuant to paragraph (1) shall report its finding and recommendations respecting the application to the Director in such form and in such manner as the Director shall require.

"(b) APPROVAL AS PRECONDITION OF AWARDS.—The Director may not approve an application described in subsection (a)(1) unless the application is recommended for approval by a peer review group established under subsection (c).

"(c) ESTABLISHMENT OF PEER REVIEW GROUPS.—

"(1) IN GENERAL.—The Director shall establish such technical and scientific peer review groups as may be necessary to carry out this section. Such groups shall be established without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and without regard to the provisions of chapter 51, and subchapter III of chapter 53, of such title that relate to classification and pay rates under the General Schedule.

"(2) MEMBERSHIP.—The members of any peer review group established under this section shall be appointed from among individuals who by virtue of their training or experience are eminently qualified to carry out the duties of such peer review group. Officers and employees of the United States may not constitute more than 25 percent of the membership of any such group. Such officers and employees may not receive compensation for service on such groups in addition to the compensation otherwise received for duties carried out as such officers and employees.

"(3) DURATION.—Notwithstanding section 14(a) of the Federal Advisory Committee Act, peer review groups established under this section shall continue in existence until otherwise provided by law.

"(4) QUALIFICATIONS.—Members of any peer-review group shall, at a minimum, meet the following requirements:

"(A) Such members shall agree in writing to treat information received, records, reports, and recommendations as confidential information.

"(B) Such members shall agree in writing to recuse themselves from participation in the peer-review of specific applications which present a potential personal conflict of interest or appearance of such conflict, including employment in the applicant organization, stock ownership, or any financial or other arrangement that might introduce bias in the process of peer-review.

"(d) AUTHORITY FOR PROCEDURAL ADJUSTMENTS IN CERTAIN CASES.—In the case of applications described in subsection (a)(1) for financial assistance whose direct costs will not exceed $100,000, the Director may make appropriate adjustments in the procedures otherwise established by the Director for the conduct of peer review under this section. Such adjustments may be made for the purpose of encouraging the entry of individuals into the field of research, for the purpose of encouraging clinical practice-oriented research, and for such other purposes as the Director may determine to be appropriate.

"(e) REGULATIONS.—The Secretary shall issue regulations for the conduct of peer review under this section.

"SEC. 933. CERTAIN PROVISIONS WITH RESPECT TO DEVELOPMENT, COLLECTION, AND DISSEMINATION OF DATA.

"(a) STANDARDS WITH RESPECT TO UTILITY OF DATA.—

"(1) IN GENERAL.—With respect to data developed or collected by any entity for the purpose described in section 901(b), the Director shall, in order to assure that utility, accuracy, and sufficiency of such data for all interested entities, establish recommendations for methods of developing and collecting such data. Such recommendations shall include recommendations for the development and collection of data on the outcomes of healthcare services and procedures. Such recommendations shall recognize the differences between types of healthcare plans, delivery systems, healthcare providers, and provider arrangements.

"(2) RELATIONSHIP WITH MEDICARE PROGRAM.—In any case where recommendations under paragraph (1) may affect the administration of the program under title XVIII of the Social Security Act, they shall be in the form of recommendations to the Secretary for such program.

"(b) STATISTICS.—The Director shall—

"(1) take such action as may be necessary to assure that statistics developed under this title are of high quality, timely, and comprehensive, as well as specific, standardized, and adequately analyzed and indexed; and

"(2) publish, make available, and disseminate such statistics on as wide a basis as is practicable.

"(c) AUTHORITY REGARDING CERTAIN REQUESTS.—Upon request of a public or private entity, the Director may undertake research or analyses otherwise authorized by this title pursuant to arrangements under which such entity will pay the cost of the services provided. Amounts received by the Director under such arrangements shall be available to the Director for obligation until expended.

"SEC. 934. DISSEMINATION OF INFORMATION.

"(a) IN GENERAL.—The Administrator shall—

"(1) without regard to section 501 of title 44, United States Code, promptly publish, make available, and otherwise disseminate, in a form understandable and on as broad a basis as practicable so as to maximize its use, the results of research, demonstration projects, and evaluations conducted or supported under this title;

"(2) promptly make available to the public data developed in such research, demonstration projects, and evaluations;

"(3) building upon, but without duplicating, information services provided by the National Library of Medicine and considering applicable interagency agreements, provide indexing, abstracting, translating, publishing, and other services leading to a more effective and timely dissemination of information on research, demonstration projects, and evaluations with respect to healthcare to public and private entities and individuals engaged in the improvement of healthcare delivery and the general public, and undertake programs to develop new or improved methods for making such information available; and

"(4) as appropriate, provide technical assistance to State and local government and health agencies and conduct liaison activities to such agencies to foster dissemination.

"(b) PROHIBITION AGAINST RESTRICTIONS.—Except as provided in subsection (c), the Director may not restrict the publication or dissemination of data from, or the results of, projects conducted or supported under this title.

"(c) LIMITATION ON USE OF CERTAIN INFORMATION.—No information, if an establishment or person supplying the information or described in it is identifiable, obtained in the course of activities undertaken or supported under this title may be used for any purpose other than the purpose for which it was supplied unless such establishment or person has consented (as determined under regulations of the Director) to its use for such other purpose. Such information may not be published or released in other form if the person who supplied the information or who is described in it is identifiable unless such person has consented (as determined regulations of the Director) to its publication or release in other form.

"(d) PENALTY.—Any person who violates subsection (c) shall be subject to a civil monetary penalty of not more than $10,000 for each such violation involved. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1128A of the Social Security Act are imposed and collected under that section.

"SEC. 935. ADDITIONAL PROVISIONS WITH RESPECT TO GRANTS AND CONTRACTS.

"(a) PRIORITIES.—In establishing priorities to carry out this title, subject to the availability of funds, the Director shall consider—

"(1) the needs and priorities of healthcare programs that are operated by or supported, in whole or in part, by Federal agencies;

"(2) the healthcare needs of low-income groups, minority groups, children, the elderly, and persons with special healthcare needs and issues related to the delivery of healthcare services in rural areas (including frontier areas).

"(b) FINANCIAL CONFLICTS OF INTEREST.—With respect to projects for which awards of grants, cooperative agreements, or contracts are authorized to be made under this title, the Director shall by regulation define—

"(1) the specific circumstances that constitute financial interests in such projects that will, or may be reasonably expected to, create a bias in favor of obtaining results in the projects that are consistent with such interests; and

"(2) the actions that will be taken by the Director in response to any such interests identified by the Director.

"(c) Requirement of Application.—The Director may not, with respect to any program under this title authorizing the provision of grants, cooperative agreements, or contracts, provide any such financial assistance unless an application for the assistance is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Director determines to be necessary to carry out the program involved.

"(d) Provision of Supplies and Services in Lieu of Funds.—

"(1) In general.—Upon the request of an entity receiving a grant, cooperative agreement, or contract under this title, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the entity in carrying out the project involved and, for such purpose, may detail to the entity any officer or employee of the Department of Health and Human Services.

"(2) Corresponding reduction in funds.—With respect to a request described in paragraph (1), the Secretary shall reduce the amount of the financial assistance involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Director. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(e) Applicability of Certain Provisions With Respect to Contracts.—Contracts may be entered into under this part without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"SEC. 936. CERTAIN ADMINISTRATIVE AUTHORITIES.

"(a) Deputy Director and Other Officers and Employees.—

"(1) Deputy director.—The Director may appoint a deputy director for the Agency.

"(2) Other officers and employees.—The Director may appoint and fix the compensation of such officers and employees as may be necessary to carry out this title. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

"(b) Facilities.—The Secretary, in carrying out this title—

"(1) may acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Director of General Services, buildings or portions of buildings in the District of Columbia or communities located adjacent to the District of Columbia for use for a period not to exceed 10 years; and

"(2) may acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary.

"(c) Provision of Financial Assistance.—The Director, in carrying out this title, may make grants to public and nonprofit entities and individuals, and may enter into cooperative agreements or contracts with public and private entities and individuals.

"(d) Utilization of Certain Personnel and Resources.—

"(1) Department of health and human services.—The Director, in carrying out this title, may utilize personnel and equipment, facilities, and other physical resources of the Department of Health and Human Services, permit appropriate (as determined by the Secretary) entities and individuals to utilize the physical resources of such Department, and provide technical assistance and advice.

"(2) Other agencies.—The Director, in carrying out this title, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

"(e) Consultants.—The Secretary, in carrying out this title, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, United States Code, the assistance and advice of consultants from the United States or abroad.

"(f) Experts.—

"(1) In general.—The Secretary may, in carrying out this title, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, United States Code, except that the limitation in such section on the duration of service shall not apply.

"(2) Travel expenses.—

"(A) In general.—Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(C) of title 5, United States Code.

"(B) Limitation.—Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a debt of the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"(g) Voluntary and Uncompensated Services.—The Director, in carrying out this title, may accept voluntary and uncompensated services.

"SEC. 937. FUNDING.

"(a) Intent.—To ensure that the United States's investment in biomedical research is rapidly translated into improvements in the quality of patient care, there must be a corresponding investment in research on the most effective clinical and organizational strategies for use of these findings in daily practice. The authorization levels in subsections (b) and (c) provide for a proportionate increase in healthcare research as the United State's investment in biomedical research increases.

"(b) Authorization of Appropriations.—For the purpose of carrying out this title, there are authorized to be appropriated $180,000,000 for fiscal year 1999, and such sums as may be necessary for each of the fiscal years 2000 through 2003.

"(c) Evaluations.—In addition to amounts available pursuant to subsection (b) for carrying out this title, there shall be made available for such purpose, from the amounts made available pursuant to section 241 (relating to evaluations), an amount equal to 40 percent of the maximum amount authorized in such section 241 to be made available for a fiscal year.

"(d) Centers for Education and Research on Therapeutics.—For the purpose of carrying out the demonstration program regarding centers for education and research on therapeutics under section 912(b), there are authorized to be appropriated $2,000,000 for fiscal year 1998, and $3,000,000 for fiscal year 1999, and such sums as may be necessary for each of the fiscal years 2000 through 2003.

"SEC. 938. DEFINITIONS.

"In this title:

"(1) Advisory council.—The term 'Advisory Council' means the Advisory Council on Healthcare Quality Research established under section 931.

"(2) Agency.—The term 'Agency' means the Agency for Healthcare Quality.

"(3) Director.—The term 'Director' means the Director for the Agency for Healthcare Quality Research.".

SEC. 403. REFERENCES.

Effective upon the date of enactment of this Act, any reference in law to the "Agency for Health Care Policy and Research" shall be deemed to be a reference to the "Agency for Healthcare Quality Research".

SEC. 404. STUDY.

(a) Study.—Not later than 30 days after the date of enactment of any Act providing for a qualifying health care benefit (as defined in subsection (b), the Secretary of Health and Human Services, in consultation with the Agency for Healthcare Quality Research, the National Institutes of Health, and the Institute of Medicine, shall conduct a study concerning such benefit that scientifically evaluates—

(1) the safety and efficacy of the benefit, particularly the effect of the benefit on outcomes of care;

(2) the cost, benefits and value of such benefit;

(3) the benefit in comparison to alternative approaches in improving care; and

(4) the overall impact that such benefit will have on health care as measured through research.

(b) Qualifying Health Care Benefit.—In this section, the term "qualifying health care benefit" means a health care benefit that—

(1) is disease- or health condition-specific;

(2) requires the provision of or coverage for health care items or services;

(3) applies to group health plan, individual health plans, or health insurance issuers under part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181 et seq.) or under title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.); and

(4) was provided under an Act (or amendment) enacted on or after January 1, 1998.

(c) Reports.—Not later than 3 years after the date of enactment of any Act described in subsection (a), the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report based on the study conducted under such subsection with respect to the qualifying health care benefit involved.

TITLE V—WOMEN'S HEALTH RESEARCH AND PREVENTION

SEC. 501. SHORT TITLE.

This title may be cited as the "Women's Health Research and Prevention Amendments of 1998".

Subtitle A—Provisions Relating to Women's Health Research at the National Institutes of Health

SEC. 511. EXTENSION OF PROGRAM FOR RESEARCH AND AUTHORIZATION OF NATIONAL PROGRAM OF EDUCATION REGARDING THE DRUG DES.

(a) IN GENERAL.—Section 403A(e) of the Public Health Service Act (42 U.S.C. 283a(e)) is amended by striking "1996" and inserting "2001".

(b) NATIONAL PROGRAM FOR EDUCATION OF HEALTH PROFESSIONALS AND PUBLIC.—From amounts appropriated for carrying out section 403A of the Public Health Service Act (42 U.S.C. 283a), the Secretary of Health and Human Services, acting through the heads of the appropriate agencies of the Public Health Service, shall carry out a national program for the education of health professionals and the public with respect to the drug diethylstilbestrol (commonly known as DES). To the extent appropriate, such national program shall use methodologies developed through the education demonstration program carried out under such section 403A. In developing and carrying out the national program, the Secretary shall consult closely with representatives of nonprofit private entities that represent individuals who have been exposed to DES and that have expertise in community-based information campaigns for the public and for health care providers. The implementation of the national program shall begin during fiscal year 1999.

SEC. 512. RESEARCH ON OSTEOPOROSIS, PAGET'S DISEASE, AND RELATED BONE DISORDERS.

Section 409A(d) of the Public Health Service Act (42 U.S.C. 284e(d)) is amended by striking "and 1996" and inserting "through 2001".

SEC. 513. RESEARCH ON CANCER.

(a) IN GENERAL.—Section 417B(a) of the Public Health Service Act (42 U.S.C. 286a-8(a)) is amended by striking "and 1996" and inserting "through 2001".

(b) RESEARCH ON BREAST CANCER.—Section 417B(b)(1) of the Public Health Service Act (42 U.S.C. 286a-8(b)(1)) is amended—

(1) in subparagraph (A), by striking "and 1996" and inserting "through 2001"; and

(2) in subparagraph (B), by striking "and 1996" and inserting "through 2001".

(c) RESEARCH ON OVARIAN AND RELATED CANCER RESEARCH.—Section 417B(b)(2) of the Public Health Service Act (42 U.S.C. 286a-8(b)(2)) is amended by striking "and 1996" and inserting "through 2001".

SEC. 514. RESEARCH ON HEART ATTACK, STROKE, AND OTHER CARDIOVASCULAR DISEASES IN WOMEN.

Subpart 2 of part C of title IV of the Public Health Service Act (42 U.S.C. 285b et seq.) is amended by inserting after section 424 the following:

"HEART ATTACK, STROKE, AND OTHER CARDIOVASCULAR DISEASES IN WOMEN

"SEC. 424A. (a) IN GENERAL.—The Director of the Institute shall expand, intensify, and coordinate research and related activities of the Institute with respect to heart attack, stroke, and other cardiovascular diseases in women.

"(b) COORDINATION WITH OTHER INSTITUTES.—The Director of the Institute shall coordinate activities under subsection (a) with similar activities conducted by the other national research institutes and agencies of the National Institutes of Health to the extent that such Institutes and agencies have responsibilities that are related to heart attack, stroke, and other cardiovascular diseases in women.

"(c) CERTAIN PROGRAMS.—In carrying out subsection (a), the Director of the Institute shall conduct or support research to expand the understanding of the causes of, and to develop methods for preventing, cardiovascular diseases in women. Activities under such subsection shall include conducting and supporting the following:

"(1) Research to determine the reasons underlying the prevalence of heart attack, stroke, and other cardiovascular diseases in women, including African-American women and other women who are members of racial or ethnic minority groups.

"(2) Basic research concerning the etiology and causes of cardiovascular diseases in women.

"(3) Epidemiological studies to address the frequency and natural history of such diseases and the differences among men and women, and among racial and ethnic groups, with respect to such diseases.

"(4) The development of safe, efficient, and cost-effective diagnostic approaches to evaluating women with suspected ischemic heart disease.

"(5) Clinical research for the development and evaluation of new treatments for women, including rehabilitation.

"(6) Studies to gain a better understanding of methods of preventing cardiovascular diseases in women, including applications of effective methods for the control of blood pressure, lipids, and obesity.

"(7) Information and education programs for patients and health care providers on risk factors associated with heart attack, stroke, and other cardiovascular diseases in women, and on the importance of the prevention or control of such risk factors and timely referral with appropriate diagnosis and treatment. Such programs shall include information and education on health-related behaviors that can improve such important risk factors as smoking, obesity, high blood cholesterol, and lack of exercise.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated such sums as may be necessary for each of the fiscal years 1999 through 2001. The authorization of appropriations established in the preceding sentence is in addition to any other authorization of appropriation that is available for such purpose.".

SEC. 515. AGING PROCESSES REGARDING WOMEN.

Section 445I of the Public Health Service Act (42 U.S.C. 285e-11) is amended by striking "and 1996" and inserting "through 2001".

SEC. 516. OFFICE OF RESEARCH ON WOMEN'S HEALTH.

Section 486(d)(2) of the Public Health Service Act (42 U.S.C. 287d(d)(2)) is amended by striking "Director of the Office" and inserting "Director of the National Institutes of Health".

Subtitle B—Provisions Relating to Women's Health at the Centers for Disease Control and Prevention

SEC. 521. NATIONAL CENTER FOR HEALTH STATISTICS.

Section 306(n) of the Public Health Service Act (42 U.S.C. 242k(n)) is amended—

(1) in paragraph (1), by striking "through 1998" and inserting "through 2002"; and

(2) in paragraph (2), by striking "through 1998" and inserting "through 2002".

SEC. 522. NATIONAL PROGRAM OF CANCER REGISTRIES.

Section 399L(a) of the Public Health Service Act (42 U.S.C. 280e-4(a)) is amended by striking "through 1998" and inserting "through 2002".

SEC. 523. NATIONAL BREAST AND CERVICAL CANCER EARLY DETECTION PROGRAM.

(a) GRANTS.—Section 1501(b) of the Public Health Service Act (42 U.S.C. 300k(b)) is amended—

(1) in paragraph (1), by striking "nonprofit"; and

(2) in paragraph (2), by striking "that are not nonprofit entities".

(b) PREVENTIVE HEALTH.—Section 1509(d) of the Public Health Service Act (42 U.S.C. 300n-4a(d)(1)) is amended by striking "through 1998" and inserting "through 2002".

(c) GENERAL PROGRAM.—Section 1510(a) of the Public Health Service Act (42 U.S.C. 300n-5(a)) is amended by striking "through 1998" and inserting "through 2002".

SEC. 524. CENTERS FOR RESEARCH AND DEMONSTRATION OF HEALTH PROMOTION.

Section 1706(e) of the Public Health Service Act (42 U.S.C. 300u-5(e)) is amended by striking "through 1998" and inserting "through 2002".

SEC. 525. COMMUNITY PROGRAMS ON DOMESTIC VIOLENCE.

Section 318(h)(2) of the Family Violence Prevention and Services Act (42 U.S.C. 10418(h)(2)) is amended by striking "fiscal year 1997" and inserting "for each of the fiscal years 1997 through 2002".

Subtitle C—Women's Health and Cancer Rights

SEC. 531. SHORT TITLE.

This subtitle may be cited as the "Women's Health and Cancer Rights Act of 1998".

SEC. 532. FINDINGS.

Congress finds that—

(1) the offering and operation of health plans affect commerce among the States;

(2) health care providers located in a State serve patients who reside in the State and patients who reside in other States; and

(3) in order to provide for uniform treatment of health care providers and patients among the States, it is necessary to cover health plans operating in 1 State as well as health plans operating among the several States.

SEC. 533. AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.), as amended by sections 111 and 302, is further amended by adding at the end the following new section:

"SEC. 715. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

"(a) INPATIENT CARE.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

"(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

"(b) Reconstructive Surgery.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

"(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

"(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

"(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter.

"(c) Notice.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 1999;

whichever is earlier.

"(d) No Authorization Required.—

"(1) In general.—An attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

"(2) Prenotification.—Nothing in this section shall be construed as preventing a group health plan from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

"(e) Prohibitions.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

"(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

"(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

"(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

"(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

"(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

"(f) Rules of Construction.—

"(1) In general.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

"(A) to undergo a mastectomy or lymph node dissection in a hospital; or

"(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

"(2) Cost sharing.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

"(3) Level and type of reimbursements.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

"(g) Preemption, Relation to State Laws.—

"(1) In general.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

"(A) relates to hospital length of stays after a mastectomy, lumpectomy, or lymph node dissection;

"(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, of lymph node dissection; or

"(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

"(2) Application of section.—With respect to a State law—

"(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

"(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

"(3) Erisa.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.".

(b) Clerical Amendment.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 note) is amended by inserting after the item relating to section 714 the following new item:

"Sec. 715. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for reconstructive surgery following mastectomies.".

(c) Effective Dates.—The amendments made by this section shall apply with respect to plan years beginning on or after the date of enactment of this Act.

SEC. 534. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE GROUP MARKET.

(a) In General.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.), as amended by section 303(a), is further amended by adding at the end the following new section:

"SEC. 2707. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

"(a) Inpatient Care.—

"(1) In general.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

"(2) Exception.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

"(b) Reconstructive Surgery.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

"(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

"(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

"(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the enrollee upon enrollment and annually thereafter.

"(c) Notice.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 1999;

whichever is earlier.

"(d) NO AUTHORIZATION REQUIRED.—

"(1) IN GENERAL.—An attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

"(2) PRENOTIFICATION.—Nothing in this section shall be construed as preventing a plan or issuer from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

"(e) PROHIBITIONS.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

"(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

"(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

"(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

"(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

"(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

"(f) RULES OF CONSTRUCTION.—

"(1) IN GENERAL.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

"(A) to undergo a mastectomy or lymph node dissection in a hospital; or

"(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

"(2) COST SHARING.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

"(3) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

"(g) PREEMPTION, RELATION TO STATE LAWS.—

"(1) IN GENERAL.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

"(A) relates to a hospital length of stay after a mastectomy, lumpectomy, or lymph node dissection;

"(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, or lymph node dissection; or

"(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

"(2) APPLICATION OF SECTION.—With respect to a State law—

"(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

"(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

"(3) ERISA.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.".

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to group health plans for plan years beginning on or after the date of enactment of this Act.

SEC. 535. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE INDIVIDUAL MARKET.

(a) IN GENERAL.—Subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-51 et seq.), as amended by section 303(b), is further amended by adding at the end the following new section:

"SEC. 2753. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER.

"The provisions of section 2707 shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after the date of enactment of this Act.

SEC. 536. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—Subchapter A of chapter 100 of the Internal Revenue Code of 1986 (relating to group health plan portability, access, and renewability requirements) is amended by inserting after section 9803 the following new section:

"SEC. 9804. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

"(a) INPATIENT CARE.—

"(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

"(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

"(b) RECONSTRUCTIVE SURGERY.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

"(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

"(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

"(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter.

"(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

"(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

"(2) as part of any yearly informational packet sent to the participant or beneficiary; or

"(3) not later than January 1, 1999;

whichever is earlier.

"(d) NO AUTHORIZATION REQUIRED.—

"(1) IN GENERAL.—A, attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

"(2) PRENOTIFICATION.—Nothing in this section shall be construed as preventing a plan or issuer from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

"(e) PROHIBITIONS.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

"(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

"(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

"(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

"(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

"(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

"(f) RULES OF CONSTRUCTION.—

"(1) IN GENERAL.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

"(A) to undergo a mastectomy or lymph node dissection in a hospital; or

"(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

"(2) COST SHARING.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

"(3) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

"(g) PREEMPTION, RELATION TO STATE LAWS.—

"(1) IN GENERAL.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

"(A) relates to a hospital length of stay after a mastectomy, lumpectomy, or lymph node dissection;

"(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, or lymph node dissection; or

"(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

"(2) APPLICATION OF SECTION.—With respect to a State law—

"(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

"(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

"(3) ERISA.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.".

(b) CONFORMING AMENDMENTS.—

(1) The heading for subtitle K of such Code is amended to read as follows:

"Subtitle K—Group Health Plan Portability, Access, Renewability, and Other Requirements".

(2) The heading for chapter 100 of such Code is amended to read as follows:

"CHAPTER 100—GROUP HEALTH PLAN PORTABILITY, ACCESS, RENEWABILITY, AND OTHER REQUIREMENTS".

(3) Section 4980D(a) of such Code is amended by striking "and renewability" and inserting "renewability, and other".

(c) CLERICAL AMENDMENTS.—

(1) The table of contents for chapter 100 of such Code is amended inserting after the item relating to section 9803 the following new item:

"Sec. 9804. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for reconstructive surgery following mastectomies.".

(2) The item relating to subtitle K in the table of subtitles for such Code is amended by striking "and renewability" and inserting "renewability, and other".

(3) The item relating to chapter 100 in the table of chapters for subtitle K of such Code is amended by striking "and renewability" and inserting "renewability, and other".

(d) EFFECTIVE DATES.—The amendments made by this section shall apply with respect to plan years beginning on or after the date of enactment of this Act.

SEC. 537. RESEARCH STUDY ON THE MANAGEMENT OF BREAST CANCER.

(a) STUDY.—To improve survival, quality of life and patient satisfaction in the care of patients with breast cancer, the Agency for Health Care Policy and Research shall conduct a study of the scientific issues relating to—

(1) disease management strategies for breast cancer that can achieve better patient outcomes;

(2) controlled clinical evidence that links specific clinical procedures to improved health outcomes;

(3) the definition of quality measures to evaluate plan and provider performance in the management of breast cancer;

(4) the identification of quality improvement interventions that can change the process of care to achieve better outcomes for individuals with breast cancer;

(5) preventive strategies utilized by health plans for the treatment of breast cancer; and

(6) the extent of clinical practice variation including its impact on cost, quality and outcomes.

(b) REPORT.—Not later than January 1, 2000, the Agency for Health Care Policy and Research shall prepare and submit to the appropriate committees of Congress a report concerning the results of the study conducted under subsection (a).

TITLE VI—ENHANCED ACCESS TO HEALTH INSURANCE COVERAGE

SEC. 601. CARRYOVER OF UNUSED BENEFITS FROM CAFETERIA PLANS, FLEXIBLE SPENDING ARRANGEMENTS, AND HEALTH FLEXIBLE SPENDING ACCOUNTS.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j) and by inserting after subsection (g) the following new subsection:

"(h) ALLOWANCE OF CARRYOVERS OF UNUSED BENEFITS TO LATER TAXABLE YEARS.—

"(1) IN GENERAL.—For purposes of this title—

"(A) a plan or other arrangement shall not fail to be treated as a cafeteria plan or flexible spending or similar arrangement, and

"(B) no amount shall be required to be included in gross income by reason of this section or any other provision of this chapter,

solely because under such plan or other arrangement any nontaxable benefit which is unused as of the close of a taxable year may be carried forward to 1 or more succeeding taxable years.

"(2) LIMITATION.—Paragraph (1) shall not apply to amounts carried from a plan to the extent such amounts exceed $500 (applied on an annual basis). For purposes of this paragraph, all plans and arrangements maintained by an employer or any related person shall be treated as 1 plan.

"(3) ALLOWANCE OF ROLLOVER.—

"(A) IN GENERAL.—In the case of any unused benefit described in paragraph (1) which consists of amounts in a health flexible spending account or dependent care flexible spending account, the plan or arrangement shall provide that a participant may elect, in lieu of such carryover, to have such amounts distributed to the participant.

"(B) AMOUNTS NOT INCLUDED IN INCOME.—Any distribution under subparagraph (A) shall not be included in gross income to the extent that such amount is transferred in a trustee-to-trustee transfer, or is contributed within 60 days of the date of the distribution, to—

"(i) an individual retirement plan other than a Roth IRA (as defined in section 408A(b)),

"(ii) a qualified cash or deferred arrangement described in section 401(k),

"(iii) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b),

"(iv) an eligible deferred compensation plan described in section 457, or

"(v) a medical savings account (within the meaning of section 220).

Any amount rolled over under this subparagraph shall be treated as a rollover contribution for the taxable year from which the unused amount would otherwise be carried.

"(C) TREATMENT OF ROLLOVER.—Any amount rolled over under subparagraph (B) shall be treated as an eligible rollover under section 219, 220, 401(k), 403(b), or 457, whichever is applicable, and shall not be taken into account in applying any limitation (or participation requirement) on employer or employee contributions under such section or any other provision of this chapter for the taxable year of the rollover.

"(4) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 1998, the $500 amount under paragraph (2) shall be adjusted at the same time and in the same manner as under section 415(d)(2), except that the base period taken into account shall be the calendar quarter beginning October 1, 1997, and any increase which is not a multiple of $50 shall be rounded to the next lowest multiple of $50."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 602. FULL DEDUCTION OF HEALTH INSURANCE COSTS FOR SELF-EMPLOYED INDIVIDUALS.

(a) In General.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to allowance of deductions) is amended to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and his dependents."

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 603. FULL AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) Availability Not Limited To Accounts for Employees of Small Employers and Self-Employed Individuals.—

(1) In general.—Section 220(c)(1)(A) of the Internal Revenue Code of 1986 (relating to eligible individual) is amended to read as follows:

"(A) In general.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".

(2) Conforming amendments.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraphs (C) and (D).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(b) Removal of Limitation on Number of Taxpayers Having Medical Savings Accounts.—

(1) In general.—Section 220 of the Internal Revenue Code of 1986 (relating to medical savings accounts) is amended by striking subsections (i) and (j).

(2) Medicare+choice.—Section 138 of such Code (relating to Medicare+Choice MSA) is amended by striking subsection (f).

(c) Reduction in High Deductible Plan Minimum Annual Deductible.—Section 220(c)(2)(A) of the Internal Revenue Code of 1986 (relating to high deductible health plan) is amended—

(1) by striking "$1,500" in clause (i) and inserting "$1,000", and

(2) by striking "$3,000" in clause (ii) and inserting "$2,000".

(d) Increase in Contribution Limit to 100 Percent of Annual Deductible.—

(1) In general.—Section 220(b)(2) of the Internal Revenue Code of 1986 (relating to monthly limitation) is amended to read as follows:

"(2) Monthly limitation.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible of the high deductible health plan of the individual."

(2) Conforming amendment.—Section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(e) Limitation on Additional Tax on Distributions Not Used for Qualified Medical Expenses.—Section 220(f)(4) of the Internal Revenue Code of 1986 (relating to additional tax on distributions not used for qualified medical expenses) is amended by adding at the end the following:

"(D) Exception in Case of Sufficient Account Balance.—Subparagraph (A) shall not apply to any payment or distribution in any taxable year, but only to the extent such payment or distribution does not reduce the fair market value of the assets of the medical savings account to an amount less than the annual deductible for the high deductible health plan of the account holder (determined as of January 1 of the calendar year in which the taxable year begins).".

(f) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 604. PERMITTING CONTRIBUTION TOWARDS MEDICAL SAVINGS ACCOUNT THROUGH FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM (FEHBP).

(a) Government Contribution to Medical Savings Account.—

(1) In general.—Section 8906 of title 5, United States Code, is amended by adding at the end the following:

"(j)(1) In the case of an employee or annuitant who is enrolled in a catastrophic plan described by section 8903(5), there shall be a Government contribution under this subsection to a medical savings account established or maintained for the benefit of the individual. The contribution under this subsection shall be in addition to the Government contribution under subsection (b).

"(2) The amount of the Government contribution under this subsection with respect to an individual is equal to the amount by which—

"(A) the maximum contribution allowed under subsection (b)(1) with respect to any employee or annuitant, exceeds

"(B) the amount of the Government contribution actually made with respect to the individual under subsection (b) for coverage under the catastrophic plan.

"(3) The Government contributions under this subsection shall be paid into a medical savings account (designated by the individual involved) in a manner that is specified by the Office and consistent with the timing of contributions under subsection (b).

"(4) Subsections (f) and (g) shall apply to contributions under this section in the same manner as they apply to contributions under subsection (b).

"(5) For the purpose of this subsection, the term 'medical savings account' has the meaning given such term by section 220(d) of the Internal Revenue Code of 1986.".

(2) Allowing payment of full amount of charge for catastrophic plan.—Section 8906(b)(2) of such title is amended by inserting "(or 100 percent of the subscription charge in the case of a catastrophic plan)" after "75 percent of the subscription charge".

(b) Offering of Catastrophic Plans.—

(1) In general.—Section 8903 of title 5, United States Code, is amended by adding at the end the following:

"(5) Catastrophic plans.—One or more plans described in paragraph (1), (2), or (3), but which provide benefits of the types referred to by paragraph (5) of section 8904(a), instead of the types referred to in paragraphs (1), (2), and (3) of such section.".

(2) Types of benefits.—Section 8904(a) of such title is amended by inserting after paragraph (4) the following new paragraph:

"(5) Catastrophic plans.—Benefits of the types named under paragraph (1) or (2) of this subsection or both, to the extent expenses covered by the plan exceed $500.".

(3) Disregarding catastrophic plans in determining level of government contributions.—Section 8906(a)(3) of such title is amended by inserting "described by section 8903(3)" after "plans".

(c) Effective Date.—The amendments made by this section shall apply to contract terms beginning on or after January 1, 1999.

Mr. FRIST. Mr. President, I am pleased to rise today to introduce the "Patients' Bill of Rights" with my colleague from Oklahoma, Senator Don Nickles, the members of the Senate Republican Task Force on Health Care Quality, and our distinguished Majority Leader, Senator Trent Lott.

This bill is a product of several months of thoughtful discussion and debate among Republican members to reach a consensus proposal to improve health care quality.

As a physician who has practiced medicine for twenty years, I know that health care is delivered best when the relationship between doctor and patient is given the highest priority. My goal is to provide the necessary support to empower doctors and patients to make important health care decisions.

This proposal includes a "Patients' Bill of Rights" which offers protection for patients by insuring them full access to information about their health plan; making sure patients receive necessary emergency care; allowing patients to keep their doctor during a pregnancy or extended illness, even if their doctor is dropped by their plan; and allowing patients direct access to obstetric and gynecological care and pediatric care without having to obtain a referral from a gatekeeper.

Many consumers fear that their health care plans will not give them access to care when they need it most, that they will be denied the benefits they have paid for and been promised, and that their health plans care more about cost than they do about quality. A critical measure of this bill is to hold health plans accountable for the coverage decisions they make and to take the power of denial of care out of the hands of HMOs and place it in the hands of independent medical experts. Our bill requires health plans to make coverage determinations in less than 72 hours if a doctor determines that further delay could jeopardize the life or health of a patient. We want to protect patients before harm occurs by setting up a process for patients and their families to get an immediate answer. Furthermore, we require health plans to provide quick internal grievance and independent external appeals processes in cases where a plan may deny coverage for necessary medical action or because it is an experimental procedure.

Our bill fills a need by providing protections for patients who rely on plans that states cannot touch. Our bill provides independent review of health plans for 125 million Americans without lining the pockets of trial lawyers in the process. Further litigation serves to divert billions of dollars away from health care and puts in the pockets of trial lawyers.

Our bill guarantees patients the right to have access to their own medical information and the right to amend their medical information if mistakes are made. We require health plans to inform a patient of the plan's practices to protect the confidentiality of their medical record and requires health plans to establish safeguards to protect the confidentiality and security of health information.

Our bill has a strong focus on quality and a firm commitment to improve quality. Some believe that quality can be legislated. Some here in Washington believe they know how to define quality. Yet the risk of writing today's concept of quality into law, is that it is an evolving science and if we are too rigid, we fail to capture the innovation that improves quality of care and our ability to measure it.

Our legislation promotes quality improvement by supporting research to give patients and physicians better information regarding quality. The "Patients' Bill of Rights" establishes an Agency for Health Care Quality Research (AHQR), whose purpose is to foster overall improvement in health care quality through supporting pertinent research and disseminating information. The Agency is built on the platform of the current Agency for Health Care Policy and Research, but is refocused and enhanced to become the hub and driving force of federal efforts to improve quality of health care in all practice environments—from managed care to solo private practice, from urban to rural settings, and from federal to non-federal programs.

The role of the Agency is not to mandate a national definition of quality, but to support the science necessary to provide information to patients regarding the quality of the care they receive; to allow physicians to compare their quality outcomes with their peers; and to enable employers and individuals to be prudent purchasers based on quality.

The new Agency will build public-private partnerships to advance and share quality measures. Quality means different things to different people. Therefore, in collaboration with the private sector, the Agency shall conduct research that can figure out what quality really means to patients and clinicians, how to measure quality, and what actions can improve care.

It will promote quality by sharing information. While proven medical advances are made daily, patients wait too long to benefit from these discoveries. We must get the science to the people by better sharing of information and more effective dissemination. The Agency is required to develop evidence-rating systems to help people judge the quality of science.

The Agency plays an important role in facilitating innovation in patient care with streamlined assessment of new technologies. Patients should benefit from breakthrough technologies sooner, while inefficient methods should be phased out faster. The Agency will be accessible to both private and public entities for technology assessments and will share information on assessment methodologies.

Currently, quality measurement too often requires manual chart reviews for such simple data as frequently of procedures, infection rates, or other complications. Improved computer systems will advance quality scoring and facilitate decision-making in patient care. The Agency will aggressively support the development of state-of-the-art information systems systems for health care quality.

While most policy discussions this year are targeting managed care, quality improvement is just as important to the solo private practitioner. The Agency will focus on primary care delivery research to examine how science is translated in the doctor's office. The agency will specifically address quality in rural and other underserved areas by advancing telemedicine services and other distance technologies.

Most of the many federal health care programs today support some kind of health services research and conduct various quality improvement projects. The Agency shall coordinate these initiatives to avoid disjointed, uncoordinated, or duplicative efforts.

Finally, this debate is due to the fact that patients want to know if they receive quality health care. But compared to what? Statistically accurate, sample-based national surveys will efficiently provide reliable and affordable data—without excessive, overly intrusive, and potentially destructive, mandatory reporting requirements. This is accomplished through an expansion of the current Medical Expenditure Panel Survey to require that outcomes be measured and reported to Congress so the public may better determine the state of quality, and cost, of the nation's health care.

The role of the AHQR is not to mandate national standards of clinical practice. Definitions and measures of quality are an evolving science, a science critically important to making educated and appropriate choices in a rapidly changing and dynamic health care system. This bill will go a long way in bridging the gap between what we know and what we do in health care today.

The bill we are introducing today has a strong focus on women's health issues. On March 6, 1998, I introduced S. 1722, the "Women's Health Research and Prevention Amendments of 1998" with our Majority Leader, Senator TRENT LOTT, to increase awareness of some of the most pressing diseases and health issues that women in our country face. These provisions, which have been included in the Patients' Bill of Rights Act, focus on women's health research and prevention activities at the National Institutes of Health and the Centers for Disease Control and Prevention. The goal of these provisions is to create greater awareness of women's health issues and to highlight the critical role our public health agencies, the NIH and CDC, play in providing a broad spectrum of activities to improve women's health—including research, screening, prevention, treatment, education, and data collection.

Among others, these provisions promote basic and clinical research for osteoporosis and breast and ovarian cancer. We expand our research efforts into the underlying causes and prevention of cardiovascular diseases in women—the leading cause of death in U.S. women. The bill reauthorizes the National Breast and Cervical Cancer Screening Program which provides for crucial screening services for breast and cervical cancers to underserved women and supports data collection through the National Center for Health Statistics and the National Program of Cancer Registries which are the leading sources of national data on the health status of U.S. women.

The reauthorization of these research programs will help assure scientific progress in our fight against these diseases and will lessen their burden on women and their families. We have the support of nearly the full Senate Labor and Human Resources committee and many members of the United States Senate from both sides of the aisle for these provisions. The level of support for these programs is a testament to the need to combat the disease affecting women and to maintain the crucial health services that help prevent these diseases.

One of the provisions I am most proud to include in this bill is the prohibition on genetic discrimination in healthy insurance practices. We as a nation must face the fear of discrimination in health insurance practices based on our increasing ability to gather genetic information about ourselves and our families. Our ability to predict what diseases individuals may be at risk for in the future has caused great concern that this powerful information—the information we all carry in our genes—may be used against us.

I am deeply troubled when I hear from the Tennessee Breast Cancer Coalition that genetic counselors are facing women everyday who are afraid of the consequences of genetic testing. Women are avoiding genetic testing due to concerns about loss of health insurance coverage for themselves or their families—even though a genetic test might reveal that a woman is not at high risk and therefore allow her to make more informed health care choices.

I am a strong advocate for legislation which would prohibit discrimination in health insurance against healthy individuals and their families based on their genetic information. We all carry genetic mutations that may place us at risk for future disease—therefore we are all at risk for discrimination. If I receive a genetic test which shows I am at risk for cancer, diabetes, or heart disease, should this predictive information be used against me or my family? Particularly when I am currently healthy and, in fact, may never develop the illness? I think the American public has answered quite clearly, "no."

The Senate Republican Task Force made the same decision to say "no." Not only are we addressing the rights of patients today—but we are thinking forward to future concerns of patients. I must commend the efforts of my colleague Senator SNOWE whose original bill, S. 89, has provided a framework and the sound principles for the basis of the legislation. She has supported the Task Force effort and worked with us step by step to craft this legislation. I must also commend the members of the Task Force, particularly Senator JEFFORDS, who had the foresight to include these provisions.

Our bill prohibits health insurers from collecting genetic information about a patient; prohibits health insurers from using predictive genetic information to deny coverage; prohibits health insurers from using predictive genetic information in setting premiums or rates; and requires health insurers to inform patients of the health plans' confidentiality practices and safeguards in place if a patient wishes to disclose genetic information for purposes of treatment.

Preventing genetic discrimination has enormous implications for improving the quality of care patients receive. As a physician and researcher, I am particularly concerned that the fear of discrimination will prevent individuals from participating in research studies and therefore hinder the scientific answers we need which hold the promise of higher quality medical care. I am concerned that individuals feel safe taking advantage of new genetic technologies to improve their medical care.

The goal of our bill is to provide the public with peace of mind. If families or individuals want to undergo genetic testing, this bill will ensure that insurance companies cannot discriminate based on this information. We must act now. Only with these measures can we ensure that knowledge about our genetic heritage will be used to improve our health—and not force us to hide in fear that this information will cause us harm.

Finally, our bill enhances access and choice of health insurance coverage by increasing access to and affordability of health care. The bill includes provisions to allow self-employed individuals to fully deduct their health care expenses; provides greater flexibility to employees who utilize flexible spending accounts to pay for health care; and gives incentives to individuals to have control over their health care decisions and costs through expansion of the use of Medical Savings Accounts. This option will allow a patient to access the physician of their choice and choose the medical treatment they need without any interference from a gatekeeper.

The "Patient's Bill of Rights" offers all Americans: quality improvement built on a foundation of science, patient protection to access the care they need from the provider of choice, trust in the health care delivery system, and access to affordable health insurance coverage. I am pleased that this bill represents a forward-looking approach to provide for continuous improvement in health care quality. It meets our goal of assuring that the doctor and patient define quality, not HMOs, not bureaucrats and not trial attorneys.

Mr. JEFFORDS. Mr. President, I want to begin by commending Senator NICKLES and all of the Members who participated in putting the "Patients' Bill of Rights" legislation together. I think it is solid legislation that will result in a greatly improved health care system for Americans and I am proud to be a co-sponsor of the "Patients' Bill of Rights."

As always, there has been a flurry of work over the past few weeks as we have put this legislation together. But this last minute work is only possible because we have laid a solid foundation throughout the entire 105th Congress.

Over the past 14 months, the Labor and Human Resources Committee has held 11 hearings related to the issues of health care quality, confidentiality, genetic discrimination and the Health Care Financing Administration's (HCFA) implementation of its new health insurance responsibilities. Senator BILL FRIST's Public Health and Safety Subcommittee has also held three hearings on the work of the Agency of Health Care Policy and Research (AHCPR). Each of these hearings helped us in developing the separate pieces of legislation that are reflected in our "Patients' Bill of Rights."

Other colleagues here and on the House side, have worked on this subject for an extended period of time. Many of the protections that are included in the "Patients' Bill of Rights" are similar to those fashioned by Senator ROTH and the Finance Committee last year when we provided many of these same protections to plans that serve Medicare patients.

As we prepared this legislation we had three goals in mind. First, give families the protections they want and need. Second, ensure that medical decisions are made by physicians in consultation with their patients. And finally, keep the cost of this legislation low so it does not displace anyone from being able to get health-care coverage.

Information about products or services is the keystone to any well functioning market. This bill requires full information disclosure by an employer about the health plans he or she offers to employees. People need to know what the plan will cover and what their out-of-pocket expenses will be. They need to know where and how they will get their health care and who will be providing those services. They also need to know how adverse decisions by the plan can be appealed, both internally and externally to an independent reviewer.

This aspect of our bill, that gives enrollees a new ERISA remedy of an external grievance and appeals process, is one of which I am particularly proud since it is the cornerstone of S. 1712, the Health Care QUEST Act, that I introduced with Senator LIEBERMAN. Under the "Patients' Bill of Rights," enrollees will get timely decisions about what will be covered. Furthermore, if an individual disagrees with the plan's decision, that individual may ultimately appeal the decision to an independent external reviewer. The reviewer's decision will be binding on the part of the health plan. But, the patient maintains his or her current rights under ERISA to go to court.

The medical records provisions, which my committee has also worked on for the past year and are contained in S. 1921, the Health Care PIN Act, which I introduced with Senator DODD, will give people the right to inspect and copy their personal medical information and it will allow them to amend the record if there is inaccurate information. The bill will ensure that the holders of the information safeguard the medical records. It requires them to share, in writing, their confidentiality policies and procedures with individuals.

The 104th Congress enacted the Kassebaum/Kennedy legislation, also known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Many consider this legislation to be the most significant federal health insurance reform of the past decade. During this Congress, I have tried to closely monitor the impact of HIPAA over the past year to ensure its successful implementation and consistency with legislative intent.

The federal regulators at HCFA have faced an overwhelming new set of health insurance duties under HIPAA. In the five states that have failed to or chosen not to pass the legislation required by HIPAA (California, Massachusetts, Michigan, Rhode Island, and Missouri), the Department of Health and Human Services is now required to act as insurance regulator for the state HIPAA provisions.

Based on the findings of a GAO report that I will be releasing next week, our experience under HIPAA demonstrates that HCFA is ill equipped to carry out the role of insurance regulator. Building a dual system of overlapping state and federal health insurance regulation is in no one's best interest. The principle that the states should continue to regulate the private health insurance market guided the design of our "Patients' Bill of Rights" legislation.

Our legislation creates new federal managed care standards to cover those 48 million Americans covered by ERISA plans that the states cannot protect. We feel that it would be inappropriate to set federal health insurance standards that duplicate the responsibility of the 50 state insurance departments and have HCFA enforce them.

A recent example demonstrates why this is such a concern. The Balanced Budget Act of 1997 establishes a prospective payment system (PPS) for home health care in fiscal year 2000. The payment system designed for the interim period is proving to be an intolerable burden for the home health agencies that serve Vermont's Medicare beneficiaries. At a July 16th House Ways and Means hearing, HCFA's administrator stated that she intended to postpone the development of a Medicare prospective payment system for home health services. Her statement that she is delaying this mandate will result in many home health providers not receiving the reimbursement that they deserve and puts many of those providers at risk.

Given HCFA's inability to carry out its current responsibilities, I believe it would be irresponsible to promise the American people that they will be able to receive new federal guarantees in the private health insurance system if we are relying on HCFA to enforce these rights.

Our proposal, by keeping the regulation of health insurance where it belongs—at the state level—provides the American people with a real Patients' Bill of Rights that they can have the confidence in knowing will be enforced.

I am afraid that the political battle over this legislation will be the subject that dominates the headlines. But the real issue here is to give Americans the protections they want and need in a package that they can afford and that we can enact. That is why I and others here have been working on this legislation since the beginning of this Congress, and why I hope the "Patients' Bill of Rights" we have introduced today will be adopted before the end of the Congress and signed into law by the President.

By Mr. LUGAR:

S. 2331. A bill to provide a limited waiver for certain foreign students of the requirement to reimburse local educational agencies for the costs of the students' education; to the Committee on the Judiciary.

LIMITED WAIVER OF COST REQUIREMENTS FOR FOREIGN STUDENTS

• Mr. LUGAR. Mr. President, I rise today to introduce a bill to permit local school districts to waive the cost requirements of foreign students studying in our public high schools in the United States on F–1 visas. The law now mandates that all foreign students who are not in a government-funded exchange program must pay or reimburse the costs of their education in American public schools.

In those public school districts flooded with foreign students who pay no taxes, this requirement makes good sense. However, in those school districts which enroll a small number of foreign students and bear a tolerable burden there may be no need or desire for reimbursement. The decision to enroll and to require cost reimbursement should be made at the local level. Current law, however, does not permit this local discretion. The bill I am introducing will allow local school districts to waive the requirement that foreign students must pay for the cost of their education. The decision to waive or not waive this requirement should be made at the grass roots level, not in Washington and my bill seeks to preserve this principle. It would amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA).

Foreign exchange students bring knowledge, cultural exposure and understanding to American students, schools and communities. I have been a proponent of cultural and educational exchanges and have supported most international exchange programs over the years—both those which bring foreign visitors here and those which send American students, scholars and practitioners abroad. I remain committed to these programs.

In 1996, I supported the Illegal Immigration Reform and Immigrant Responsibility Act. This law states that as of November 30, 1996, IIRIRA prohibits any alien from receiving an F–1 student visa to attend a public elementary school, grades K–8, or a publicly-funded adult education program unless they pay the unsubsidized, per capita cost of their education in advance. My bill would not change current law relating to elementary schools or adult education. It would not pertain to students on formal, government-funded international exchanges. It would simply allow high school officials to waive the cost of education of high school-level foreign students in order to enroll an exchange student, should they wish to do so. I believe this has been an unintended consequence of IIRIRA.

Several cities have "Sister City" arrangements between American cities and cities in foreign countries. One valuable component of these arrangements is an exchange program for high school students enabling American youth to spend a year in a foreign high school while students from abroad spend a year in a high school here. No tuition is generally exchanged under the sister city agreement, but current U.S. law states that visitors to our country must pay the unsubsidized cost of their education, even though American students are exempted from the cost requirement.

Along the Alaska-Yukon, Alaska-British Columbia and U.S.-Mexican borders there are schools serving very remote communities on both sides of the border. After enactment of the 1996 law, Canadian or Mexican students were no longer eligible to enter the United States to attend the local public school even though governments and the local school districts agreed to enroll the students.

Many school districts prefer to enroll one or two exchange students a year. Reciprocal exchange agreements are beneficial and host families enjoy these students in their homes. American exchange students attending schools in Germany, for example, are not subjected to the same tuition requirements for their schooling, yet they gain an understanding of German history and culture and benefit from their travels. Currently, U.S. law requires foreign students to pay tuition before they arrive in the United States. The extra paper work, the up-front costs and the extra burden these requirements place on foreign students tend to undermine the purposes of cultural exchanges.

I remain mindful to past abuses of F–1 visas and am sympathetic to the burden that large enrollments of foreign students place on American public schools. My purpose in introducing this bill today is not to weaken the law as it currently reads, but to provide an outlet for our schools to give an educational opportunity for enrolling international exchange students.•

ADDITIONAL COSPONSORS

S. 358

At the request of Mr. DEWINE, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 358, a bill to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes.

S. 852

At the request of Mr. LOTT, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 1459

At the request of Mr. GRASSLEY, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1459, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind and closed-loop biomass.

S. 1464

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 1464, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes.

S. 1482

At the request of Mr. COATS, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1482, a bill to amend section 223 of the Communications Act of 1934 to establish a prohibition on commercial distribution on the World Wide Web of material that is harmful to minors, and for other purposes.

S. 2154

At the request of Mrs. BOXER, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 2154, a bill to promote research to identify and evaluate the health effects of silicone breast implants, and to ensure that women and their doctors receive accurate information about such implants.

SENATE CONCURRENT RESOLUTION 97

At the request of Mrs. FEINSTEIN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Concurrent Resolution 97, a concurrent resolution expressing the sense of Congress concerning the human rights and humanitarian situation facing the women and girls of Afghanistan.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. BIDEN, his name was added as a cosponsor of Senate Concurrent Resolution 105, a concurrent resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

SENATE RESOLUTION 189

At the request of Mr. TORRICELLI, the names of the Senator from Wyoming [Mr. ENZI] and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Resolution 189, a resolution honoring the 150th anniversary of the United States Women's Rights Movement that was initiated by the 1848 Women's Rights Convention held in Seneca Falls, New York, and calling for a national celebration of women's rights in 1998.

AMENDMENT NO. 3199

At the request of Mr. BINGAMAN his name was added as a cosponsor of Amendment No. 3199 proposed to S. 2168, an original bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

SENATE CONCURRENT RESOLUTION 108—RECOGNIZING THE 50TH ANNIVERSARY OF THE NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

Mr. DORGAN (for himself and Mr. FRIST) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary.

S. CON. RES. 108

Whereas in 1948 the Congress, by its enactment of the National Heart Act and creation of the National Heart Institute, recognized the urgent need to establish a national program of research and demonstration projects relating to the causes, diagnosis, treatment, and prevention of diseases of the heart and circulation;

Whereas the Congress has consistently and generously supported the purposes of the National Heart Act;

Whereas, since the creation of the National Heart Institute, the Congress changed the name of the Institute to the National Heart, Lung, and Blood Institute and expanded and clarified the Institute's role in advancing human understanding or awareness of diseases of the heart and blood vessels, diseases of the lungs, diseases of the blood, the use of blood and blood products, the management of blood resources, and sleep disorders through research, research training, demonstration projects, and public education activities;

Whereas June of 1998 marks the 50th anniversary of the creation of the National Heart Institute which was established to lead a national effort to prevent, diagnose, and treat heart diseases;

Whereas research supported by the National Heart, Lung, and Blood Institute has led to the identification of risk factors for coronary heart disease such as high cholesterol level, high blood pressure, obesity, physical inactivity, and cigarette smoking;

Whereas the National Heart, Lung, and Blood Institute has conducted and supported studies that resulted in lifesaving procedures for heart disease patients, including open-heart surgery, balloon angioplasty, heart transplants, and insertion of pacemakers and other devices to improve heart function;

Whereas patients with asthma, cystic fibrosis, and other lung diseases are receiving better treatment with an improved quality of life because of research supported by programs of the National Heart, Lung, and Blood Institute;

Whereas the work of the National Heart, Lung, and Blood Institute has provided significant bases for progress in the treatment of inherited blood diseases such as sickle cell anemia and hemophilia, and in gene therapy research which suggests the possibility of cures for such diseases;

Whereas the work of the National Heart, Lung, and Blood Institute has provided significant bases for advances in molecular genetics, gene therapy, and other new technologies, which offer opportunity and promise of further advances against such devastating diseases as coronary heart disease, asthma, chronic obstructive lung disease, and cystic fibrosis;

Whereas the National Heart, Lung, and Blood Institute's national education programs have significantly raised public awareness about the dangers of elevated cholesterol levels and high blood pressure, the importance of early response to heart attack symptoms, and asthma prevention and treatment;

Whereas the National Heart, Lung, and Blood Institute's efforts to promote research and education have contributed to a dramatic decline over the past 50 years in death rates from coronary heart disease and stroke;

Whereas researchers, professional societies, voluntary and public health organizations, and patient groups have all contributed to the National Heart Act's goals of advancing research and increasing public awareness;

Whereas the Congress intends that the National Heart, Lung, and Blood Institute continue its contribution to public awareness by disseminating its research findings to health professionals and the public; and

Whereas the Congress intends that the National Heart, Lung, and Blood Institute continue to aggressively pursue efforts to improve the health of the people of the United States by conducting and supporting research and demonstration projects on the causes, diagnosis, treatment, and prevention of diseases of the heart and blood vessels, diseases of the lungs, and diseases of the blood while also conducting or supporting research and demonstration projects on the use of blood and blood products, the management of blood resources, and sleep disorders: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) recognizes the historic significance of the 50th anniversary of the enactment of the National Heart Act and the creation of the institute that became the National Heart, Lung, and Blood Institute;

(2) recognizes heart, lung, and blood researchers, professional societies, voluntary and public health organizations, and patient groups for their active participation in the activities of, or promoted by, the National Heart, Lung, and Blood Institute, and for their many, varied contributions toward the achievement of the goals of the National Heart Act and subsequent related Acts; and

(3) reaffirms its support of the National Heart Act and subsequent related Acts and their primary goal of establishing and implementing a national effort to prevent, diagnose, and treat diseases of the heart and blood vessels, lungs, and blood.

Mr. DORGAN. Mr. President, I am pleased to be submitting today a Senate Concurrent Resolution recognizing and honoring the 50th anniversary of the National Heart, Lung, and Blood Institute. I am joined in this effort by our esteemed colleague from Tennessee, Dr. FRIST, who by profession is a heart and lung transplant surgeon and medical researcher. An identical resolution has already been introduced in the House of Representatives by Representative BILL YOUNG.

Heart disease is our country's No. 1 killer and a leading cause of disability. Chronic lung disease is the fourth leading cause of death. Virtually all of us have a friend or a loved one who has been affected by heart attack, stroke, high blood pressure, other cardiovascular diseases, asthma, cystic fibrosis, sickle cell anemia, or hemophilia.

The NHLBI is the Federal Government's leading supporter of heart research, as well as research into diseases of the blood vessels, lungs, and blood. There have been wonderful discoveries made through research and wonderful treatments that are provided in our hospitals in these areas. For instance, the first open heart surgery did not occur until 1954. Today, surgeons routinely perform double, triple, and even quadruple heart bypass procedures.

Yet there is so much we still do not know. It seems to me more and more research can unlock these mysteries and give us the opportunity to save more and more lives in this country.

I might also add that there is another organization devoted to the reduction of death and disability from heart attack, stroke, and other cardiovascular diseases that is also celebrating its 50th birthday—the American Heart Association. The American Heart Association has worked closely over the years with the National Heart, Lung, and Blood Institute in the fight against cardiovascular diseases.

As many of my colleagues know, I have become increasingly concerned about what has been happening to the amount of money spent on heart and stroke research by the federal government. Even with the significant increases that Congress has been giving to the National Institutes of Health over the past decade, funding for heart research has simply not kept pace even though it kills more Americans than any other disease.

In fact, funding for heart research at the NHLBI appears to be losing more and more ground. It constant dollars from FY 1987 to FY 1997, funding for the NHLBI heart program has decreased by 7.6 percent in constant dollars, while funding for the Heart Program has increased by 27.5 percent.

We can do better, and we must do better. Our Nation must do a better job than this in the battle against America's No. 1 killer.

During the commemoration of this 50th anniversary of the 1948 Heart Act, which created the National Heart Institute, I hope we can make more progress against cardiovascular and other insidious diseases by providing a significant increase in funding for the National Heart, Lung, and Blood Institute and particularly for research against heart disease and stroke.

AMENDMENTS SUBMITTED

RELATIVE TO SLOBODAN MILOSEVIC CULPABILITY

D'AMATO AMENDMENTS NOS. 3212–3213

Mr. D'AMATO proposed two amendments to the concurrent resolution (S. Con. Res. 105) expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes; as follows:

AMENDMENT NO. 3212

On page 3, line 4, strike "probable cause" and insert "reason".

AMENDMENT NO. 3213

On page 5, strike lines 24 through page 6 line 5.

SHACKLEFORD BANKS WILD HORSES PROTECTION ACT

MURKOWSKI AMENDMENT NO. 3214

Mr. DOMENICI (for Mr. MURKOWSKI) proposed an amendment to the bill (H.R. 765) to ensure maintenance of a herd of wild horses in Cape Lookout National Seashore; as follows:

In lieu of the language proposed to be inserted, insert the following:

SECTION 1. MAINTENANCE OF WILD HORSES IN CAPE LOOKOUT NATIONAL SEASHORE.

Section 5 of the Act entitled "An Act to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes", approved March 10, 1966 (Public Law 89-366; 16 U.S.C. 459g-4), is amended by inserting "(a)" after "SEC. 5.", and by adding at the end the following new subsection:

"(b)(1) The Secretary, in accordance with this subsection, shall allow a herd of 100 free roaming horses in Cape Lookout National Seashore (hereinafter referred to as the 'seashore'): *Provided*, That nothing in this section shall be construed to preclude the Secretary from implementing or enforcing the provisions of paragraph (3).

"(2) Within 180 days after enactment of this subsection, the Secretary shall enter into an agreement with the Foundation for Shackleford Horses (a nonprofit corporation established under the laws of the State of North Carolina), or another qualified nonprofit entity, to provide for management of free roaming horses in the seashore. The agreement shall—

"(A) provide for cost-effective management of the horses while ensuring that natural resources within the seashore are not adversely impacted; and

"(B) allow the authorized entity to adopt any of those horses that the Secretary removes from the seashore.

"(3) The Secretary shall not remove, assist in, or permit the removal of any free roaming horses from Federal lands within the boundaries of the seashore—

"(A) unless the entity with whom the Secretary has entered into the agreement under paragraph (2), following notice and a 90-day response period, fails to meet the terms and conditions of the agreement; or

"(B) unless the number of free roaming horses on Federal lands within Cape Lookout National Seashore exceeds 110; or

"(C) except in the case of an emergency, or to protect public health and safety.

"(4) The Secretary shall annually monitor, assess, and make available to the public findings regarding the population, structure, and health of the free roaming horses in the national seashore.

"(5) Nothing in this subsection shall be construed to require the Secretary to replace horses or otherwise increase the number of horses within the boundaries of the seashore where the herd numbers fall below 100 as a result of natural causes, including, but not limited to, disease or natural disasters.

"(6) Nothing in this subsection shall be construed as creating liability for the United States for any damages caused by the free roaming horses to property located inside or outside the boundaries of the seashore.".

NOTICE OF HEARING

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Tuesday, July 21, 1998, at 9:30 a.m., to receive testimony on nominations to the Federal Election Commission.

For further information concerning this hearing, please contact Bruce Kasold of the Committee staff at 224–3448.

The nominees presenting testimony will be:

Scott E. Thomas, of the District of Columbia, to be a member of the Federal Election Commission for a term expiring April 30, 2003 (reappointment).

David M. Mason, of Virginia, to be a member of the Federal Election Commission for a term expiring April 30, 2003, vice Trevor Alexander McClurg Potter, resigned.

Darryl R. Wold, of California, to be a member of the Federal Election Commission for a term expiring April 30, 2001, vice Joan D. Aikens, term expired.

Karl J. Sandstrom, of Washington, to be a member of the Federal Election Commission for a term expiring April 30, 2001, vice John Warren McGarry, term expired.

AUTHORITY FOR COMMITTEE TO MEET

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS

Mr. BENNETT. Mr. President, I ask unanimous consent that the Subcommittees on Financial Institutions and Regulatory Relief, and Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Friday, July 17, 1998, to conduct a joint hearing to review a report on the Real Estate Settlements Procedure Act and The Truth in Lending Act

(RESPA/TILA) from the Department of Housing and Urban Development and the Federal Reserve.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

HOMEOWNERS PROTECTION ACT OF 1998

• Mr. D'AMATO. Mr. President, I rise today to commend my colleagues in the Senate and the House for passing the Senate/House agreement on S. 318, the Homeowners Protection Act of 1998. This legislation, which I introduced last year, will put an end to forced payments by thousands of middle-class homeowners for unnecessary private mortgage insurance. These unnecessary premiums—which in some cases amount to over $1,000 per year—benefitted no one, other than the PMI companies that raked-in risk-free money. This legislation will make it thousands of dollars cheaper for struggling middle-class home buyers—as well as co-op and condominium buyers—to share in the American dream of home ownership without limiting this opportunity for people who do need PMI coverage.

Mr. President, the House passed this legislation late last night, so this bill will be sent to the White House for the President's signature. Today, requiring unnecessary PMI is unethical—when the President signs S. 318 into law, this fleecing of homeowners will become illegal.

Mr. President, let me begin by acknowledging the important and beneficial role PMI plays in our mortgage markets. Traditionally, lenders have required 20% down for home mortgage loans. PMI was developed to allow home buyers purchase with less than 20% down. PMI is typically required when a home buyer cannot make the standard 20% down payment. In many areas, such as my home region of Long Island, housing prices are so high that many middle class home buyers, particularly first-time buyers, can't come up with a 20% down payment. The problem faced by these home buyers arises because while PMI benefits one party, the lender, it is paid for by the home owner. As a result, the lenders and servicers have no vested interest in pursuing cancellation, and the homeowner who was paying for the PMI could not, or did not know, that the coverage could be canceled.

By passing this legislation, Congress is helping to make the American dream of home ownership more affordable for many home buyers—particularly struggling working families and people in areas with high housing costs—who needed PMI because they don't have a lot of cash on hand for a down payment.

Some industry proponents have questioned whether this is a problem. Mr. President, the numbers speak for themselves. Every year, approximately 1 million mortgage loans are made with PMI coverage.

In hearings in front of the Senate Banking Committee, even the private mortgage insurance industry was forced to admit that at least 250,000 homeowners have at least 20% equity in their homes and are still paying for unnecessary insurance. PMI premiums vary from $20 to $100 or more monthly. This means that working families are losing anywhere from $240 to $1200 or more per year in unnecessary payments. At $100 per month, the savings for 250,000 homeowners would be $300 million yearly.

And these are just low-ball estimates of the extent of this problem—a 1997 analysis of a 20,000 loan portfolio indicated that 1 out of 5 homeowners were still paying for PMI, despite the fact that they had accumulated equity in excess of 20 percent.

S. 318 will remedy this market anomaly by requiring automatic cancellation of PMI once a homeowner has accumulated 22% home equity if homeowner is current on payments. In addition, homeowners with good payment histories can initiate cancellation at 20% equity. This bill will prohibit life-of-the-loan PMI coverage by requiring that coverage be canceled half-way through the loan, regardless of circumstances.

S. 318 also provides that current and future homeowners be given notice of their cancellation rights on an annual basis. S. 318 will accomplish these goals without adding to the regulatory bureaucracy. This legislation is self-effecting and does not have a federal regulator.

In closing, I would like to thank my colleagues in the Senate that have worked tirelessly on this legislation—Senator Lauch Faircloth, Senator Rod Grams, Senator Paul Sarbanes, Senator Richard Bryan, Senator Christopher Dodd, Senator Carol Moseley-Braun and all cosponsors of the bill.

I would also like to commend Chairman Leach of the House Banking Committee for his tireless leadership on this issue, and Representative Rick Lazio who chairs the Housing Subcommittee in the House.

Finally, I would like to thank Representative Jim Hansen of Utah. Representative Hansen first discovered the problem confronting homeowners when he tried to cancel the PMI on his condominium. It was Representative Hansen who brought this abuse to our attention and first introduced PMI legislation in the House. I think we all owe Representative Hansen a debt of gratitude for his work on this issue.

One more point that needs to be addressed is what is meant by the term "single-family dwelling." This is a defined term in the bill, and is incorporated in defined terms "residential mortgage" "residential mortgage transaction." It the intent of the Congress that this term, as used in this legislation, apply to condominiums and cooperatives as well as more traditional single-family detached homes. Many coops and condos are single family dwelling units within multiple dwelling unit structures; however, they are still single family dwelling units as described in the definition of "single family dwelling" in this bill (as opposed to multi-family dwellings that include rental units). In fact this issue came to the Congress' attention when Representative Hansen tried to cancel the PMI on his condominium. The authors of this legislation realize that within real estate industry the term "single-family dwelling" is frequently used to refer to detached single family homes alone, and not to the full spectrum of single family housing units (including Condos and coops). Nevertheless, this industry usage was not what we were attempting codify in this bill—in this legislation "single family dwelling" includes all single family dwelling units, including condominiums and cooperatives, and owners of all single family residences, and are intended to be covered under this act.•

CLIMATE CHANGE

• Mr. LIEBERMAN. Mr. President, I want to take a few minutes today to talk about the mounting evidence of climate change. No one is saying that there will be an end to the four seasons or that the oceans are about to start boiling. But as we consider the new data, it is becoming increasing clear that we are being warned about the enormous power of humanity to affect our environment. We can either respect our surroundings and work in concert with nature, or we can pollute at our peril.

Here are some of the facts from data collected by the National Oceanic and Atmospheric Administration:

June 1998 was the warmest June on record. Temperatures averaged more than 1 degree Fahrenheit above the 1880–1997 long-term mean. Temperatures over land were even more astonishing—averaging nearly one and three quarters of a degree above the long term mean, exceeding the old record by several tenths of a degree Fahrenheit.

June continued an unprecedented string of record breaking temperatures. Each month this year has set new all-time record global near-surface temperatures.

The period January-June 1998 was the warmest on record.

Even though there was a cooling of the Central Pacific Ocean temperatures due to the end of El Nino, global ocean temperatures during June were still at record high levels.

Given the high degree of persistence of ocean temperature anomalies, scientists tell us it is quite possible that during July we will experience the warmest monthly temperatures ever observed on the planet for the past 600 years.

What has this trend meant for the United States? Essentially, throughout our country we have been experiencing patterns of weather extremes.

The South experienced record dry conditions, with the driest April through June period on record for New Mexico, Texas, Louisiana, and Florida. The drought was most severe in Texas and Florida, where it adversely impacted crops, ranges and pastures, and contributed to the burning of nearly one-half million acres of Florida land.

The drought and heat wave has resulted in a number of new records. For example, Amarillo Texas had 13 days in June where temperatures were over 100 F. With a stable climate, the probability of this recurring is once in 200 years, but with continued increases in greenhouse gases, the probability would change to a 1 in 6 year event.

On the other hand, there have been unusually wet conditions in the northeast and parts of the midwest during June. For example, rainfalls of 5 to 22 inches were observed across most of the central and northeastern states with totals exceeding 200 percent of normal across the Ohio Valley, New England the upper Mississipi Valley. Parts of the Midwest have experienced above normal rainfall since April, and the rains frequently fell from strong to severe thunderstorms, leading to abnormally frequent episodes of tornadoes, hail, managing winds and flash floods. The National Severe Storm Prediction Center reports that 372 tornadoes were recorded during June in the country, which is nearly 200 more than average. NOAA's National Hydrologic Information Center reports 63 flood-related fatalities for 1998 so far.

Numerous rainfall records have been broken. For example, more than 17 inches of rain fell during June at Blue Hill Observatory in Massachusetts, breaking all records.

For the April-June period as a whole, rainfall totals were the highest in the historical record dating back to 1895 in Rhode Island and Massachusetts, the third highest in Tennessee, and the fourth highest in Iowa. Rivers in 17 states were near or above flood state as of July 6.

Mr. President, I believe this new data is additional evidence that we must act to invest in an insurance policy to reduce the threat of global warming.

President Clinton has proposed to Congress a balanced program to arrest greenhouse gases over 5 years through tax credits for energy-efficient purchases and renewable energy investments, and through new research and development programs targeted towards building, industry, transportation and electricity. It is a well-conceived plan, and I'm disappointed that the Senate bill on EPA appropriations reduces the President's request for EPA's portion of this initiative by $91 million.

Unfortunately, the efforts of many here in Congress seem to be aimed at preventing the government from taking any action on climate change—even for programs that would be good for our environment and public health regardless of whether you believe that climate change will happen. The report accompanying the House EPA appropriations bill would even prohibit EPA and the Council on Environmental Quality from "conducting educational outreach or informational seminars on policies underlying the Kyoto Protocol" until or unless it is ratified.

Mr. President, let me take a final moment on the floor today to take some pride in the path that Connecticut's largest employer, United Technologies, is taking in this area. Some of you may have seen the full page ad in July 16's Roll Call by UT entitled, Responding to the Challenge of Climate Change. "Our generation's challenge," declares the ad "is addressing global climate change while sustaining a growing economy—a challenge that demands a serious response from government, as well as industry and the public." United Technologies has taken a major step forward to reduce emissions. By 2007, the company commits to cutting its energy and water consumption per dollar sales by 25 percent below 1997 levels, with approximately the same reduction in its emissions that cause climate change. I congratulate United Technologies and its president George David for this great leap forward and urge us all to accept the challenge the company has put forth.•

UNUM ANNIVERSARY COMMEMORATIVE STATEMENT

• Ms. COLLINS. Mr. President, I rise to congratulate the UNUM Corporation on its 150th Anniversary.

UNUM is based in Portland, Maine, has offices across America and around the globe, and enjoys a reputation for excellence throughout the world.

July 17, 1998 marks the 150th Anniversary of the UNUM Corporation, a company incorporated in Maine in 1848 as Union Mutual Life Insurance Company.

Throughout the past 150 years, UNUM has stayed true to the charge of its founder Elisha B. Pratt to "find the better way" and is known today as the company that "sees farther."

UNUM has become the world leader in disability insurance and consistently ranks among the best places to work in America.

UNUM has chosen to celebrate its July 17 anniversary by having thousands of its employees volunteer a "Day of Sharing" to more than 200 community service projects in six countries.

UNUM's "Day of Sharing" builds on a record of community partnership that includes contributing more than 75,000 employee volunteer hours during each of the past five years and the UNUM Foundation contributing $2 million to community programs last year alone.

Not only is UNUM an outstanding and exemplary business leader, providing insurance protection to its customers, it is also an invaluable community partner, improving the communities where its employees have lived and worked for 150 years.

Today, I ask my colleagues in the Senate to join me in congratulating and commending UNUM on its 150th anniversary and its outstanding achievements as a business leader and community partner.•

• Mr. BINGAMAN. Mr. President, I have spoken here many times in the past expressing strong support on the issues of pension reform and pension portability, and I would like to do so again today.

I believe that the accumulation and availability of retirement savings is one of the most significant issues we face in our new economy. Yet while much of the current debate is focused on the viability of the Social Security system—and rightly so—we must not forget that this is only part of the administrative mechanisms we have in place that allow people to move from job to job and take care of their families. As my good friend and colleague from Vermont has already outlined in detail the specifics involved in our Retirement Portability Account bill, I will limit my own comments at this time to some issues I consider to be of special importance.

Currently, employers and employees face three specific problems as individuals attempt to take their retirement funds with them as they change jobs over their career.

The first problem is the specialized rules that have been established for the various kinds of accounts now available to employees. 401(k) plans for the private sector, 403(b) plans for nonprofit organizations, 457 plans for State and local government employees, and so on all possess unique characteristics that are beneficial to individual employers and employees, but also make administrative compatibility between the plans problematic.

The second problem concerns control of the funds accumulated by the employee, that is who is responsible for the paperwork as employees change jobs. This has been one of the foremost concerns of small business owners as they create accounts for a highly-mobile workforce.

The third problem involves the ability of employees to "park" their accumulated funds somewhere until they have a new retirement plan. Here, the key has been to find a convenient way to use so-called "conduit IRA's" as a transfer mechanism into which funds can be transferred on their way to a different retirement savings plan.

The Retirement Account Portability bill offered by Senator JEFFORDS and I has been developed to remedy these problems and more. This bill—a companion bill to the bipartisan bill introduced by our House colleagues, Representatives EARL POMEROY and JIM KOLBE—is designed to accomplish two very specific and very important goals.

First, the bill will begin the removal of the all too numerous and overly complex barriers that prevent employees from taking their retirement savings with them as they switch jobs. By both eliminating the redtape in the IRS Tax Code that unduly compartmentalizes various plan options and enhancing the effectiveness of conduit IRA's, it will allow individuals to roll their accumulated funds over into accounts at their current place of employment.

This offers two tangible outcomes. First, it allows employees to keep track of their savings in an efficient manner. Second, it alleviates the burden placed on employers in terms of tracking and managing accounts of individuals that have moved on to other jobs. Based on discussions with my constituents, these represent dramatic improvements to current law, and, most significantly, allows individuals the opportunity to take advantage of the best investment options available to them.

The second goal of the bill is, in my view, equally important. As you know, I believe that an internationally competitive economy entails first and foremost an effective diffusion of knowledge between firms and within regions. In the most dynamic regions in our country—Silicon Valley, Route 128, the Research Triangle—this is accomplished primarily by the movement of individuals from firm to firm and the iterative and cumulative interaction that results. This activity should be encouraged in every way possible, and the elimination of restrictions that prevent pension portability will assist in this effort.

In conclusion, let me say that I consider this bill to be an initial but very important step to where we want to go in this country in terms of our savings policy. Our overarching goal is to increase the financial security of all Americans and create an economic environment where each and every individual can prosper.

I would like to thank Senator JEFFORDS on the effort he has expended in crafting this bill, and I look forward to working with him in the future on ever more effective legislation.●

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The text of the bill (H.R. 4101), as amended and passed by the Senate on July 16, 1998, is as follows:

Resolved, That the bill from the House of Representatives (H.R. 4101) entitled "An Act to making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed $75,000 for employment under 5 U.S.C. 3109, $2,836,000: Provided, That not to exceed $11,000 of this amount, along with any unobligated balances of representation funds in the Foreign Agricultural Service, shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $5,048,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $25,000 is for employment under 5 U.S.C. 3109, $11,718,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $5,986,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $5,551,000.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $4,283,000: Provided, That the Chief Financial Officer shall actively market cross-servicing activities of the National Finance Center.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded by this Act, $613,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, and repair of Agriculture buildings, $132,184,000: Provided, That in the event an agency within the Department should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account. In addition, for construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the programs of the Department, where not otherwise provided, $5,000,000, to remain available until expended; making a total appropriation of $137,184,000.

HAZARDOUS WASTE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961, $15,700,000, to remain available until expended: Provided, That appropriations and funds available herein to the Department for Hazardous Waste Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, $27,034,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109: Provided, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), $3,000,000, to remain available until expended.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, $3,668,000: Provided, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations: Provided further, That not less than $2,241,000 shall be transferred to agencies funded by this Act to maintain personnel at the agency level.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, $8,138,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed $2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, $63,128,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including a sum not to exceed $50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed $125,000, for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95–452 and section 1337 of Public Law 97–98: Provided, That funds transferred to the Office of the Inspector General through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as a participating agency, as an equitable share from the forfeiture of property in investigations in which the Office of the Inspector General participates, or through the granting of a Petition for Remission or Mitigation, shall be deposited to the credit of this account for law enforcement activities authorized under the Inspector General Act of 1978, to remain available until expended.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $28,759,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, $540,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, $53,109,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627), the Census of Agriculture Act of 1997 (Public Law 105–113), and other laws, $103,964,000, of which up to $23,599,000 shall be available until expended for the Census of Agriculture: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL RESEARCH SERVICE

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, $768,221,000: Provided, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $115,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed $250,000, except for headhouses or greenhouses which shall each be limited to $1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed $500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or $250,000, whichever is greater: Provided further, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: Provided further, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center, including an easement to the University of Maryland to construct the Transgenic Animal Facility which upon completion shall be accepted by the Secretary as a gift: Provided further, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): Provided further, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

In the fiscal year 1999, the agency is authorized to charge fees, commensurate with the fair market value, for any permit, easement, lease, or other special use authorization for the occupancy or use of land and facilities (including land and facilities at the Beltsville Agricultural Research Center) issued by the agency, as authorized by law, and such fees shall be credited to this account, and remain available until expended, for authorized purposes.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, $31,930,000, to remain available until expended (7 U.S.C. 2209b): Provided, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law, and an additional $13,500,000 is provided to be available on October 1, 1999 under the provisions of this paragraph.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including $173,796,000 to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a–i); $21,112,000 for grants for cooperative forestry research (16 U.S.C. 582a–a7); $28,567,000 for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222); $51,400,000 for special grants for agricultural research (7 U.S.C. 450i(c)); $15,048,000 for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); $92,200,000 for competitive research grants (7 U.S.C. 450i(b)); $4,918,000 for the support of animal health and disease programs (7 U.S.C. 3195); $550,000 for supplemental and alternative crops and products (7 U.S.C. 3319d); $600,000 for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), to remain available until expended; $3,000,000 for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); $4,350,000 for higher education challenge grants (7 U.S.C. 3152(b)(1)); $1,000,000 for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); $2,500,000 for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241); $1,000,000 for a secondary agriculture education program (7 U.S.C. 3152 (h)); $4,000,000 for aquaculture grants (7 U.S.C. 3322); $8,000,000 for sustainable agriculture research and education (7 U.S.C. 5811); $9,200,000 for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b); $1,494,000 for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382; and $10,247,000 for necessary expenses of Research and Education Activities, of which not to exceed $100,000 shall be for employment under 5 U.S.C. 3109; in all, $432,982,000: Provided, That of the $2,000,000 made available for a food safety competitive research program at least $550,000 shall be available for research on E.coli:0157H7.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For establishment of a Native American institutions endowment fund, as authorized by Public Law 103–382 (7 U.S.C. 301 note), $4,600,000.

EXTENSION ACTIVITIES

Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, $276,548,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), $2,060,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $58,695,000; payments for the pest management program under section 3(d) of the Act, $10,783,000; payments for the farm safety program under section 3(d) of the Act, $2,855,000; payments for the pesticide impact assessment program under section 3(d) of the Act, $3,214,000; payments to upgrade 1890 land-grant college research, extension, and teaching facilities as authorized by section 1447 of Public Law 95–113 (7 U.S.C. 3222b), $8,304,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, $908,000; payments for a groundwater quality program under section 3(d) of the Act, $9,061,000; payments for the agricultural telecommunications program, as authorized by Public Law 101–624 (7 U.S.C. 5926), $900,000; payments for youth-at-risk programs under section 3(d) of the Act, $9,554,000; payments for a food safety program under section 3(d) of the Act, $2,365,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, $3,192,000; payments for Indian reservation agents under section 3(d) of the Act, $1,756,000; payments for sustainable agriculture programs under section 3(d) of the Act, $3,309,000; payments for rural health and safety education as authorized by section 2390 of Public Law 101–624 (7 U.S.C. 2661 note, 2662), $2,628,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326 and 328) and Tuskegee University, $25,843,000; and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341–349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, $10,206,000; in all, $432,181,000: Provided, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, $618,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947 (21 U.S.C. 114b–c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426–426b); and to protect the environment, as authorized by law, $419,473,000, of which $3,099,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: Provided, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building: Provided further, That, of the amounts made available under this heading, not less than $22,970,000 shall be used for fruit fly exclusion and detection.

In fiscal year 1999, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

Of the total amount available under this heading in fiscal year 1999, $88,000,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account.

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, $4,200,000, to remain available until expended: Provided, That the Animal and Plant Health Inspection Service shall enter into a cooperative agreement for construction of a Federal large animal biosafety level-3 containment facility in Iowa.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $90,000 for employment under 5 U.S.C. 3109, $45,567,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $59,521,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: Provided, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Appropriations Committees.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $10,998,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), $1,200,000.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $25,000 for employment under 5 U.S.C. 3109, $26,390,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING SERVICE EXPENSES

Not to exceed $42,557,000 (from fees collected) shall be obligated during the current fiscal year *for inspection and weighing services: Provided, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Appropriations Committees.*

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, $446,000.

Food Safety and Inspection Service

SALARIES AND EXPENSES

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, $605,149,000, and in addition, $1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102–237: Provided, That this appropriation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Office of the Under Secretary for Farm and Foreign Agricultural Services

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, $572,000.

Farm Service Agency

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, $710,842,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $1,000,000 shall be available for employment under 5 U.S.C. 3109.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101–5106), $2,000,000.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of: (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer; or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, $450,000, to remain available until expended (7 U.S.C. 2209b): Provided, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of the farmer's willful failure to follow procedures prescribed by the Federal Government: Provided further, That this amount shall be transferred to the Commodity Credit Corporation: Provided further, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, $510,649,000, of which $425,000,000 shall be for guaranteed loans; operating loans, $1,788,378,000, of which $992,906,000 shall be for unsubsidized guaranteed loans and $235,000,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $1,000,000; for emergency insured loans, $25,000,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $40,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, $19,580,000, of which $6,758,000 shall be for guaranteed loans; operating loans, $70,337,000, of which $11,518,000 shall be for unsubsidized guaranteed loans and $20,539,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $153,000; for emergency insured loans, $5,900,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $576,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $219,861,000, of which $209,861,000 shall be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

Risk Management Agency

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), $64,000,000: Provided, That not to exceed $700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b).

Commodity Credit Corporation Fund

REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year 1999, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be $8,439,000,000 in the President's fiscal year 1999 Budget Request (H. Doc. 105–177)), but not to exceed $8,439,000,000, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a–11).

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

For fiscal year 1999, the Commodity Credit Corporation shall not expend more than $5,000,000 for expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961: Provided, That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation in this Act.

DISASTER ASSISTANCE

For necessary expenses to provide assistance to agricultural producers in a county with respect to which a disaster or emergency was declared by the President or the Secretary of Agriculture by July 15, 1998, as a result of drought and fire, through—

(1) the forestry incentives program established under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.), $9,000,000;

(2) a livestock indemnity program carried out in accordance with part 1439 of title 7, Code of Federal Regulations, $300,000;

(3) the emergency conservation program authorized under sections 401, 402, and 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201, 2202, 2204), $2,000,000; and

(4) the disaster reserve assistance program established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $10,000,000;

to remain available until expended: Provided, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): Provided further, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

Reserve Inventories

For the reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $500,000,000: Provided, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): Provided further, That the entire amount of funds necessary to carry out this paragraph *is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).*

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, $693,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the programs administered by the Natural Resources Conservation Service, including the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $638,664,000, to remain available until expended (7 U.S.C. 2209b), of which not less than $5,835,000 is for snow survey and water forecasting and not less than $9,025,000 is for operation and establishment of the plant materials centers: Provided, That, of the total amount appropriated, $433,000 shall be used, along with prior year appropriations provided for this project, to complete construction of the Alderson Plant Materials Center, Alderson, West Virginia: Provided, further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: Provided further, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): Provided further, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 in demonstration projects: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $25,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e–2).

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1009), $11,190,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $110,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1005, 1007–1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, $101,036,000, to remain available until expended (7 U.S.C. 2209b) (of which up to $15,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a)): Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $200,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93–205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010–1011; 76 Stat. 607), the Act of April 27, 1935 (16 U.S.C. 590a–f), and the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), $34,377,000, to remain available until expended (7 U.S.C. 2209b): Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, $6,325,000, to remain available until expended, as authorized by that Act.

TITLE III

RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, $588,000.

RURAL COMMUNITY ADVANCEMENT PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, and 1932, except for sections 381E–H and 381N of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), $702,601,000, to remain available until expended, of which $29,786,000 shall be for rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act; of which $622,522,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which $47,893,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: Provided, That of the amount appropriated for the rural business and cooperative development programs, not to exceed $500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: Provided further, That of the total amount appropriated, 3 percent shall be reserved for federally recognized Indian tribes through July 31, 1999, and if not used by Indian tribes shall be available for use by other qualified applicants: Provided further, That of the total amount appropriated, not to exceed $70,000 shall be available under 7 U.S.C. 381O and shall be used only for demonstration programs: Provided further, That of the amount appropriated for rural utilities programs, not to exceed $20,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C of such Act; not to exceed $25,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act; not to exceed $16,215,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed $5,200,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amount appropriated, $2,800,000 shall be available for a community improvement project in Arkansas: Provided further, That of the total amount appropriated, not to exceed $33,926,000 shall be available through June 30, 1999, for empowerment zones and enterprise communities, as authorized by Public Law 103–66, of which $1,844,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which $24,900,100 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; of which $8,134,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: $4,000,000,000 for loans to section 502 borrowers, as determined by the Secretary, of which $3,000,000,000 shall be for unsubsidized guaranteed loans; $30,000,000 for section 504 housing repair loans; $75,000,000 for section 538 guaranteed multi-family housing loans; $15,758,000 for section 514 farm labor housing; $128,640,000 for section 515 rental housing; $5,000,000 for section 524 site loans; $25,000,000 for credit sales of acquired property, of which up to $4,000,000 may be for multi-family credit sales; and $5,000,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, $120,900,000, of which $2,700,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, $10,569,000; section 538 multi-family housing guaranteed loans, $1,740,000; section 514 farm labor housing, $8,199,000; section 515 rental housing, $62,069,000; section 524 *site loans, $16,000; credit sales of acquired property, $3,826,000, of which up to $1,932,000 may be for multi-family credit sales; and section 523 self-help housing land development loans, $282,000: Provided, That of the total amount appropriated in this paragraph, $10,380,100 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.*

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $360,785,000, which shall be transferred to and merged with the appropriation for "Rural Housing Service, Salaries and Expenses".

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, $583,397,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount, not more than $5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: Provided further, That agreements entered into or renewed during fiscal year 1999 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $26,000,000, to remain available until expended (7 U.S.C. 2209b): Provided, That of the total amount appropriated, $1,000,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

RURAL HOUSING ASSISTANCE GRANTS

For grants and contracts for housing for domestic farm labor, very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1486, 1490e, and 1490m, $45,720,000, to remain available until expended: Provided, That of the total amount appropriated, $1,372,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

SALARIES AND EXPENSES

For necessary expenses of the Rural Housing Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, title V of the Housing Act of 1949, and cooperative agreements, $60,978,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $520,000 may be used for employment under 5 U.S.C. 3109: Provided futher, That the Administrator may expend not more than $10,000 to provide modest nonmonetary awards to non-USDA employees.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, $16,615,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans of $33,000,000: Provided further, That through June 30, 1999, of the total amount appropriated, $3,215,520 shall be available for the cost of direct loans for empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, to subsidize gross obligations for the principal amount of direct loans, $7,246,000: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

In addition, for administrative expenses to carry out the direct loan programs, $3,482,000 shall be transferred to and merged with the appropriation for "Rural Business-Cooperative Service, Salaries and Expenses".

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $23,000,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, $5,801,000.

Of the funds derived from interest on the cushion of credit payments in fiscal year 1999, as authorized by section 313 of the Rural Electrification Act of 1936, $3,783,000 shall not be obligated and $3,783,000 are rescinded.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), $3,000,000, of which $1,300,000 shall be available for cooperative agreements for the appropriate technology transfer for rural areas program and $250,000 shall be available for an agribusiness and cooperative development program.

SALARIES AND EXPENSES

For necessary expenses of the Rural Business-Cooperative Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926; for activities relating to the marketing aspects of cooperatives, including economic research findings, as authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; $25,680,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $260,000 may be used for employment under 5 U.S.C. 3109.

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND

For necessary expenses to carry out the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901–5908), $7,000,000 are appropriated to the Alternative Agricultural Research and Commercialization Corporation Revolving Fund.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, $71,500,000; 5 percent rural telecommunications loans, $75,000,000; cost of money rural telecommunications loans, $250,000,000; municipal rate rural electric loans, $295,000,000; and loans made pursuant to section 306 of that Act, rural electric, $700,000,000 and rural telecommunications, $120,000,000, to remain available until expended.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of direct loans, $16,667,000; cost of municipal rate loans, $25,842,000; cost of money rural telecommunications loans, $675,000: Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $29,982,000, which shall be transferred to and merged with the appropriation for "Rural Utilities Service, Salaries and Expenses".

RURAL TELEPHONE BANK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds qvailable to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs. During fiscal year 1999 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be $140,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), $3,710,000.

In addition, for administrative expenses necessary to carry out the loan programs, $3,000,000, which shall be transferred to and merged with the appropriation for "Rural Utilities Service, Salaries and Expenses".

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., $12,680,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas: Provided, That the costs of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

SALARIES AND EXPENSES

For necessary expenses of the Rural Utilities Service, including administering the programs authorized by the Rural Electrification Act of 1936, and the Consolidated Farm and Rural Development Act, and for cooperative agreements, $33,000,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $105,000 may be used for employment under 5 U.S.C. 3109.

TITLE IV

DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, $554,000.

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; $9,219,897,000, to remain available through September 30, 2000, of which $4,171,747,000 are hereby appropriated and $5,048,150,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That up to $4,300,000 shall be available for independent verification of school food service claims: Provided further, That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g)).

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $3,948,000,000, to remain available through September 30, 2000: Provided, That up to $15,000,000 may be used to carry out the farmers' market nutrition program: Provided further, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics, except those that have an announced policy of prohibiting smoking within the space used to carry out the program: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), $23,781,806,000, of which $100,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: Provided, That not to exceed $5,700,000 of the funds made available under this head shall be used for studies and evaluations: Provided further, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: Provided further, That funds made available for Employment and Training under this head shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act.

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) and the Emergency Food Assistance Act of 1983, $141,000,000, to remain available through September 30, 2000: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note), and section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a), $141,081,000, to remain available through September 30, 2000.

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the domestic food programs funded under this Act, $109,069,000, of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 shall be available for employment under 5 U.S.C. 3109.

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $128,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $131,795,000: Provided, That of the total amount appropriated, up to $2,000,000 is available solely for the purpose of offsetting fluctuations in international currency exchange rates and these funds and any other funds that are deposited into the overseas exchange rate account shall be available until expended: Provided further, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691, 1701–1704, 1721–1726a, 1727–1727e, 1731–1736g–3, and 1737), as follows: (1) $203,475,000 for Public Law 480 title I credit, including Food for Progress programs; (2) $17,608,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985; (3) $837,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act; and (4) $30,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title III of said Act: Provided, That not to exceed 15 percent of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: Provided further, That such sums shall remain available until expended (7 U.S.C. 2209b).

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit agreements under said Act, $176,596,000.

In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 480 are utilized, $1,850,000, of which $1,035,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service and General Sales Manager" and $815,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, $3,820,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which $3,231,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service and General Sales Manager" and $589,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Food and Drug Administration which are included in this Act; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; $1,072,640,000, of which not to exceed $132,273,000 in fees pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act may be credited to this appropriation and remain available until expended: Provided, That fees derived from applications received during fiscal year 1999 shall be subject to the fiscal year 1999 limitation: Provided further, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701.

In addition, fees pursuant to section 354 of the Public Health Service Act may be credited to this account, to remain available until expended.

In addition, fees pursuant to section 801 of the Federal Food, Drug, and Cosmetic Act may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $12,350,000, to remain available until expended (7 U.S.C. 2209b).

DEPARTMENT OF THE TREASURY

FINANCIAL MANAGEMENT SERVICE

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by section 6.28(c) of the Farm Credit Act of 1971, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued through 1994, as authorized, $2,565,000.

INDEPENDENT AGENCY

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed $25,000 for employment under 5 U.S.C. 3109; $61,000,000, including not to exceed $1,000 for official reception and representation expenses: Provided, That the Commission is authorized to charge reasonable fees to attendees of Commission sponsored educational events and symposia to cover the Commission's costs of providing those events and symposia, and notwithstanding 31 U.S.C. 3302, said fees shall be credited to this account, to be available without further appropriation.

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1999 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 440 passenger motor vehicles, of which 437 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Not less than $1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, and July 28, 1954 (7 U.S.C. 427, 1621–1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 704. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed $2,000,000: Provided, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended (7 U.S.C. 2209b): Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, integrated systems acquisition project, and up to $2,000,000 for costs associated with collocating regional offices; Farm Service Agency, salaries and expenses funds made available to county committees; and Foreign Agricultural Service, middle-income country training program.

New obligational authority for the boll weevil program; up to 10 percent of the screwworm program of the Animal and Plant Health Inspection Service; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; funds for the Native American Institutions Endowment Fund in the Cooperative State Research, Education, and Extension Service; and funds for the competitive research grants (7 U.S.C. 450i(b)), shall remain available until expended.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94–449.

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 710. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 711. With the exception of grants awarded under the Small Business Innovation Development Act of 1982, Public Law 97–219 (15 U.S.C. 638), none of the funds in this Act shall be available to pay indirect costs on research grants awarded competitively by the Cooperative State Research, Education, and Extension Service that exceed 14 percent of total Federal funds provided under each award.

SEC. 712. Notwithstanding any other provisions of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 713. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year 1999 shall remain available until expended to cover obligations made in fiscal year 1999 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; and the rural economic development loans program account.

SEC. 714. Such sums as may be necessary for fiscal year 1999 pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

SEC. 715. Notwithstanding the Federal Grant and Cooperative Agreement Act, marketing services of the Agricultural Marketing Service and the Animal and Plant Health Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service or the Animal and Plant Health Inspection Service and a State or Cooperator to carry out agricultural marketing programs or to carry out programs to protect the Nation's animal and plant resources.

SEC. 716. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 717. Hereafter, none of the funds made available to the Department of Agriculture may be used to provide assistance to, or to pay the salaries of personnel who carry out a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance to the United States Mink Export Development Council or any mink industry trade association.

SEC. 718. Of the funds made available by this Act, not more than $1,350,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. 719. None of the funds appropriated in this Act may be used to carry out the provisions of section 918 of Public Law 104–127, the Federal Agriculture Improvement and Reform Act.

SEC. 720. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 721. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 722. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board.

SEC. 723. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the

collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 724. Hereafter, none of the funds appropriated or otherwise available to the Department of Agriculture may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.

SEC. 725. The Federal facility located in Stuttgart, Arkansas, and known as the "United States National Rice Germplasm Evaluation and Enhancement Center", shall be known and designated as the "Dale Bumpers National Rice Research Center": Provided, That any reference in law, map, regulation, document, paper, or other record of the United States to such federal facility shall be deemed to be a reference to the "Dale Bumpers National Rice Research Center".

SEC. 726. Notwithstanding any other provision of law, the Secretary of Agriculture, subject to the reprogramming requirements established by this Act, may transfer up to $26,000,000 in discretionary funds made available by this Act among programs of the Department, not otherwise appropriated for a specific purpose or a specific location, for distribution to or for the benefit of the Lower Mississippi Delta Region, as defined in Public Law 100–460, prior to normal state or regional allocation of funds: Provided, That any funds made available through Chapter Four of Title III, Subtitle D of the Federal Agriculture Improvement and Reform Act of 1996 may be included in any amount reprogrammed under this section if such funds are used for a purpose authorized by such Chapter.

SEC. 727. None of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel to carry out section 793 of Public Law 104–127.

SEC. 728. None of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel to enroll in excess of 120,000 acres in the fiscal year 1999 wetlands reserve program as authorized by 16 U.S.C. 3837.

SEC. 729. Notwithstanding section 27(a) of the Food Stamp Act, the amount specified for allocation under such section for fiscal year 1999 shall be $80,000,000.

SEC. 730. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out a conservation farm option program, as authorized by section 335 of Public Law 104–127.

SEC. 731. Public Law 102–237, Title X, Section 1013(a) and (b) (7 U.S.C. 426 note) is amended by striking ", to the extent practicable," in each instance in which it appears.

SEC. 732. Funds made available for conservation operations by this or any other Act, including prior-year balances, shall be available for financial assistance and technical assistance for Franklin County, Mississippi, in the amounts earmarked in appropriations report language.

SEC. 733. Notwithstanding section 381A of Public Law 104–127, the definitions of rural areas for certain business programs administered by the Rural Business-Cooperative Service and the community facilities programs administered by the Rural Housing Service shall be those provided for in statute and regulations prior to the enactment of Public Law 104–127.

SEC. 734. Section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) is amended by inserting "25 percent in" in lieu of "equal" in subsection (b), and by inserting "$25,000,000" in lieu of "$15,000,000" in subsection (d).

SEC. 735. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Drug Analysis in St. Louis, Missouri.

SEC. 736. None of the funds appropriated or otherwise made available by this Act shall be used to carry out any commodity purchase program which would prohibit participation by a farmer-owned cooperative.

SEC. 737. None of the funds made available by this Act or any other Act for any fiscal year may be used to carry out section 302(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary: Provided, That this provision shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.).

SEC. 738. (a) AMENDMENT OF THE ARMS EXPORT CONTROL ACT.—Section 102(b)(2)(D) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)(2)(D)) is amended—

(1) in clause (i) by striking "or" at the end;

(2) in clause (ii) by striking the period at the end and inserting ", or"; and

(3) by inserting after clause (ii) the following:

"(iii) to any credit, credit guarantee, or other financial assistance provided by the Department of Agriculture for the purchase or other provision of food or other agricultural commodities.".

(b) The amendments made by subsection (a) shall apply to any credit, credit guarantee, or other financial assistance approved by the Department of Agriculture before, on, or after the date of enactment of this Act.

(c) Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. 739. None of the funds appropriated or otherwise made available by this Act may be used to require any producer to pay an administrative fee for catastrophic risk protection under section 508(b)(5)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)(A)) in an amount that is greater than $50 per crop per county.

SEC. 740. Nothing in this Act shall be interpreted or construed to alter the current implementation of the Wetlands Reserve Program, unless expressly provided herein.

SEC. 741. That notwithstanding section 4703(d)(1) of title 5, United States Code, the personnel management demonstration project established in the Department of Agriculture, as described at 55 FR 9062 and amended at 61 FR 9507 and 61 FR 49178, shall be continued indefinitely and become effective upon enactment of this Act.

SEC. 742. (a) The first sentence of section 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C. 1479(f)(4)(A)) is amended by striking "fiscal year 1998" and inserting "fiscal year 1999".

(b) Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking "September 30, 1998" and inserting "September 30, 1999".

(c) The first sentence of section 515(w)(1) of the Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended by striking "fiscal year 1998" and inserting "fiscal year 1999".

(d) Section 538 of the Housing Act of 1949 (42 U.S.C. 1490p–2) is amended—

(1) in subsection (t), by striking "fiscal year 1998" and inserting "fiscal year 1999"; and

(2) in subsection (u), by striking "September 30, 1998" and inserting "September 30, 1999".

SEC. 743. METHYL BROMIDE ALTERNATIVES RESEARCH. (a) REVIEW.—The Secretary of Agriculture, acting through the Agricultural Research Service, shall conduct a review of the methyl bromide alternatives research conducted by the Secretary that describes—

(1) the amount of funds expended by the Secretary since January 1, 1990, on methyl bromide alternatives research, including a description of the amounts paid for salaries, expenses, and actual research;

(2) plot and field scale testing of methyl bromide alternatives conducted by the Secretary since January 1, 1990, including a description of—

(A) the total amount of funds expended for the testing;

(B) the amount of funds expended for the testing as a portion of a larger project or independently of other projects; and

(C) the results of the testing and the impact of the results on future research; and

(3) variables that impact the effectiveness of methyl bromide alternatives, including a description of—

(A) the individual variables; and

(B) the plan of the Secretary for addressing each of the variables during the plot and field scale testing conducted by the Secretary.

(b) REPORT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall submit to the appropriations committees of both Houses of Congress a report that describes the results of the review conducted under subsection (a).

SEC. 744. SENSE OF SENATE ON DISASTER ASSISTANCE FOR TEXAS AGRICULTURAL PRODUCERS. (a) FINDINGS.—The Senate finds that—

(1) the statewide economic impact of the drought on agriculture in the State of Texas could be more than $4,600,000,000 in losses, according to the Agricultural Extension Service of the State;

(2) the direct loss of income to agricultural producers in the State is $1,500,000,000;

(3) the National Weather Service has reported that all 10 climatic regions in the State have received below-average rainfall from March through May 1998, a critical time in the production of corn, cotton, sorghum, wheat, and forage;

(4) the total losses for cotton producers in the State have already reached an estimated $500,000,000;

(5) nearly half of the rangeland in the State (as of May 31, 1998) was rated as poor or very poor as a result of the lack of rain;

(6) the value of lost hay production in the State will approach an estimated $175,000,000 statewide, leading to an economic impact of $582,000,000;

(7) dryland fruit and vegetable production losses in East Texas have already been estimated at $33,000,000;

(8) the early rains in many parts of the State produced a large quantity of forage that is now extremely dry and a dangerous source of fuel for wildfires; and

(9) the Forest Service of the State has indicated that over half the State is in extreme or high danger of wildfires due to the drought conditions.

(b) Sense of Senate.—It is the sense of the Senate that the Secretary of Agriculture should—

(1) streamline the drought declaration process to provide necessary relief to the State of Texas as quickly as is practicable;

(2) ensure that local Farm Service Agency offices in the State are equipped with full-time and emergency personnel in drought-stricken areas to assist agricultural producers with disaster loan applications;

(3) direct the Forest Service, and request the Federal Emergency Management Agency, to assist the State in prepositioning fire fighting equipment and other appropriate resources in affected counties of the State;

(4) authorize haying and grazing on acreage in the State that is enrolled in the conservation reserve program carried out under section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831); and

(5) convene experts within the Department of Agriculture to develop and implement an emergency plan for the State to help prevent wildfires and to overcome the economic impact of the continuing drought by providing assistance from the Department in a rapid and efficient manner for producers that are suffering from drought conditions.

Sec. 745. Section 1237D(c)(1) of subchapter C of the Food Security Act of 1985 is amended by inserting after "perpetual" the following "or 30-year".

Sec. 746. Section 1237(b)(2) of subchapter C of the Food Security Act of 1985 is amended by adding the following:

"(C) For purposes of subparagraph (A), to the maximum extent practicable should be interpreted to mean that acceptance of wetlands reserve program bids may be in proportion to landowner interest expressed in program options.".

Sec. 747. Technical Corrections to Agricultural Research, Extension, and Education Reform Act of 1998. (a) Forest and Rangeland Renewable Resources Research.—Section 3(d)(3) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(d)(3)) (as amended by section 253(b) of the Agricultural Research, Extension, and Education Reform Act of 1998) is amended by striking "The Secretary" and inserting "At the request of the Governor of the State of Maine, New Hampshire, New York, or Vermont, the Secretary".

(b) Honey Research, Promotion, and Consumer Information.—Section 7(e)(2) of the Honey Research, Promotion, and Consumer Information Act (7 U.S.C. 4606(e)(2)) (as amended by section 605(f)(3) of the Agricultural Research, Extension, and Education Reform Act of 1998) is amended by striking "$0.0075" each place it appears and inserting "$0.01".

(c) Effective Date.—The amendments made by this section take effect on the date of enactment of the Agricultural Research, Extension, and Education Reform Act of 1998.

Sec. 748. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the users fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2000 appropriations Act.

Sec. 749. Pilot Program to Permit Haying and Grazing on Conservation Reserve Land. (a) Definitions.—In this section:

(1) Eligible State.—The term "eligible State" means any State that is approved by the Secretary for inclusion in the pilot program under subsection (b), except that the term shall not apply to more than 7 States.

(2) Secretary.—The term "Secretary" means the Secretary of Agriculture.

(3) State technical committee.—The term "State technical committee" means the State technical committee for a State established under section 1261 of the Food Security Act of 1985 (16 U.S.C. 3861).

(b) Pilot Program.—Notwithstanding section 1232(a)(7) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(7)), during the 4-year period beginning on the date of enactment of this Act, on application by an owner or operator of a farm or ranch located in an eligible State who has entered into a contract with the Secretary under subchapter B of chapter 1 of subtitle D of title XII of that Act (16 U.S.C. 3831 et seq.)—

(1) the Secretary shall permit harvesting and grazing on land on the farm or ranch that the Secretary determines has a sufficiently established cover to permit harvesting or grazing without undue harm to the purposes of the contract if—

(A) no land under the contract will be harvested or grazed more than once in a 4-year period;

(B) the owner or operator agrees to a payment reduction under that subchapter in an amount determined by the Secretary; and

(C) the owner or operator agrees to such other terms and conditions as the Secretary, in consultation with the State technical committee for the State, may establish to ensure that the harvesting or grazing is consistent with the purposes of the program established under that subchapter;

(2) the Secretary may permit grazing on land under the contract if—

(A) the grazing is incidental to the gleaning of crop residues;

(B) the owner or operator agrees to a payment reduction in annual rental payments that would otherwise be payable under that subchapter in an amount determined by the Secretary; and

(C) the owner or operator agrees to such other terms and conditions as the Secretary, in consultation with the State technical committee for the State, may establish to ensure that the grazing is consistent with the purposes of the program established under that subchapter; and

(3) the Secretary shall permit harvesting on land on the farm or ranch that the Secretary determines has a sufficiently established cover to permit harvesting without undue harm to the purposes of the contract if—

(A) land under the contract will be harvested not more than once annually for recovery of biomass used in energy production;

(B) the owner or operator agrees to a payment reduction under that subchapter in an amount determined by the Secretary; and

(C) the owner or operator agrees to such other terms and conditions as the Secretary, in consultation with the State technical committee for the State, may establish to ensure that the harvesting is consistent with the purposes of the program established under that subchapter.

(c) Relationship to Other Haying and Grazing Authority.—During the 4-year period beginning on the date of enactment of this Act, land that is located in an eligible State shall not be eligible for harvesting or grazing under section 1232(a)(7) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(7)).

(d) Conservation Practices and Timing Restrictions.—Not later than March 1 of each year, the Secretary, in consultation with the State technical committee for an eligible State, shall determine any conservation practices and timing restrictions that apply to land in the State that is harvested or grazed under subsection (b).

(e) Study.—The Secretary shall make available not more than $100,000 of funds of the Commodity Credit Corporation to contract with the game, fish, and parks department of an eligible State to conduct an analysis of the program conducted under this section (based on information provided by all eligible States).

(f) Regulations.—

(1) In general.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue such regulations as are necessary to implement this Act.

(2) Procedure.—The issuance of the regulations shall be made without regard to—

(A) the notice and comment provisions of section 553 of title 5, United States Code;

(B) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; or

(C) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

Sec. 750. Egg Grading and Safety. (a) Prohibition on Previous Shipment of Shell Eggs Under Voluntary Grading Program.—Section 203(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) is amended by adding at the end the following: "Shell eggs packed under the voluntary grading program of the Department of Agriculture shall not have been shipped for sale previous to being packed under the program, as determined under a regulation promulgated by the Secretary.".

(b) Report on Egg Safety and Repackaging.—Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture, and the Secretary of Health and Human Services, shall submit a joint status report to the Committees on Appropriations of the House of Representatives and the Senate that describes actions taken by the Secretary of Agriculture and the Secretary of Health and Human Services—

(1) to enhance the safety of shell eggs and egg products;

(2) to prohibit the grading, under the voluntary grading program of the Department of Agriculture, of shell eggs previously shipped for sale; and

(3) to assess the feasibility and desirability of applying to all shell eggs the prohibition on repackaging to enhance food safety, consumer information, and consumer awareness.

Sec. 751. (a) Findings.—

(1) In contrast to our Nation's generally strong economy, in a number of States, agricultural producers and rural communities are experiencing serious economic hardship.

(2) Increased supplies of agricultural commodities in combination with weakened demand have caused prices of numerous farm commodities to decline dramatically.

(3) Demand for imported agricultural commodities has fallen in some regions of the world, due in part to world economic conditions, and

United States agricultural exports have declined from their record level of $60,000,000,000 in 1996.

(4) Prolonged periods of weather disasters and crop disease have devastated agricultural producers in a number of States.

(5) Certain States experienced declines in personal farm income between 1996 and 1997.

(6) June estimates by the Department of Agriculture indicate that net farm income for 1998 will fall to $45,500,000,000, down 13 percent from the $52,200,000,000 for 1996.

(7) Total farm debt for 1998 is expected to reach $172,000,000,000, the highest level since 1985.

(8) Thousands of farm families are in danger of losing their livelihoods and life savings.

(b) SENSE OF SENATE.—Now, therefore, it is the sense of the Senate that immediate action by the President and Congress is necessary to respond to the economic hardships facing agricultural producers and their communities.

SEC. 752. ELIGIBILITY OF STATE AGRICULTURAL EXPERIMENT STATIONS FOR CERTAIN AGRICULTURAL RESEARCH PROGRAMS. (a) FUND FOR RURAL AMERICA.—Section 793(c)(2)(B) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2204f(c)(2)(B)) is amended—

(1) in clause (iii), by striking "or" at the end;

(2) in clause (iv), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(v) a State agricultural experiment station.".

(b) INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS.—Section 401(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(d)) is amended—

(1) in paragraph (3), by striking "or" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(5) a State agricultural experiment station.".

SEC. 753. EXEMPTION OF CERTAIN PRODUCTS FROM UNITED STATES SANCTIONS. (a) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable, unnecessarily harms innocent populations in the targeted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of United States policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(b)(1) EXCLUSION FROM SANCTIONS.—Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS.—Subsection (b)(1) of this section shall not apply to any regulations or restrictions with respect to such products for health or safety purposes or during periods of domestic shortages of such products.

(c) IMPOSE SANCTIONS.—The President may retain or impose sanctions covered under subsection (b)(1) if he determines that retaining or imposing such sanctions would further United States national security interests.

(d) EFFECTIVE DATE.—This section shall take effect one day after the date of enactment of this section into law.

(e) EXCLUSION OF CERTAIN COUNTRIES.—Notwithstanding any other provision of this section, subsection (b)(2) shall read as follows:

"(2) EXCEPTIONS.—Subsection (b)(1) of this section shall not apply to any country that—

"(A) repeatedly provided support for acts of international terrorism, within the meaning of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)); or

"(B) systematically denies access to food, medicine, or medical care to persons on the basis of political beliefs or as a means of coercion or punishment.".

SEC. 754. LIVESTOCK INDUSTRY IMPROVEMENT. (a) DOMESTIC MARKET REPORTING.—

(1) IN GENERAL.—Section 203(g) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(g)) is amended—

(A) by striking "(g) To" and inserting the following:

"(g) COLLECTION AND DISSEMINATION OF MARKETING INFORMATION.—

"(1) IN GENERAL.—The Secretary shall"; and

(B) by adding at the end the following:

"(2) DOMESTIC MARKET REPORTING.—

"(A) MANDATORY REPORTING PILOT PROGRAM.—

"(i) IN GENERAL.—The Secretary shall conduct a 3-year pilot program under which the Secretary shall require any person or class of persons engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to report to the Secretary in such manner as the Secretary shall require, such information relating to prices and the terms of sale for the procurement of livestock, livestock products, meat, or meat products in an unmanufactured form as the Secretary determines is necessary to carry out this subsection.

"(ii) NONCOMPLIANCE.—It shall be unlawful for a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to knowingly fail or refuse to provide to the Secretary information required to be reported under subparagraph (A).

"(iii) CEASE AND DESIST AND CIVIL PENALTY.—

"(I) IN GENERAL.—If the Secretary has reason to believe that a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form is violating the provisions of subparagraph (A) (or regulation promulgated under subparagraph (A)), the Secretary after notice and opportunity for hearing, may make an order to cease and desist from continuing the violation and assess a civil penalty of not more than $10,000 for each violation.

"(II) CONSIDERATIONS.—In determining the amount of a civil penalty to be assessed under clause (i), the Secretary shall consider the gravity of the offense, the size of the business involved, and the effect of the penalty on the ability of the person to continue in business.

"(iv) REFERRAL TO ATTORNEY GENERAL.—If, after expiration of the period for appeal or after the affirmance of a civil penalty assessed under clause (iii), the person against whom the civil penalty is assessed fails to pay the civil penalty, the Secretary may refer the matter to the Attorney General, who may recover the amount of the civil penalty in a civil action in United States district court.

"(B) VOLUNTARY REPORTING.—The Secretary shall encourage voluntary reporting by persons engaged in the business of buying, selling, or marketing livestock, livestock products, meats, or meat products in an unmanufactured form that are not subjected to a mandatory reporting requirement under subparagraph (A).

"(C) AVAILABILITY OF INFORMATION.—The Secretary shall make information received under this paragraph available to the public only in a form that ensures that—

"(i) the identity of the person submitting a report is not disclosed; and

"(ii) the confidentiality of proprietary business information is otherwise protected.

"(D) EFFECT ON OTHER LAWS.—Nothing in this paragraph restricts or modifies the authority of the Secretary to collect voluntary reports in accordance with other provisions of law.".

(2) TECHNICAL AMENDMENT.—Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended—

(A) by striking "The Secretary is directed and authorized:"; and

(B) in the first sentence of each of subsections (a) through (f) and subsections (h) through (n), by striking "To" and inserting "The Secretary shall".

(b) PROHIBITION ON NONCOMPETITIVE PRACTICES.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) in subsection (g), by striking the period at the end and inserting "; or"; and

(2) by adding at the end the following:

"(h) Engage in any practice or device that the Secretary by regulation, after consultation with producers of cattle, lamb, and hogs, and other persons in the cattle, lamb, and hog industries, determines is a detrimental noncompetitive practice or device relating to the price or a term of sale for the procurement of livestock or the sale of meat or other byproduct of slaughter.".

(c) PROTECTION OF LIVESTOCK PRODUCERS AGAINST RETALIATION BY PACKERS.—

(1) RETALIATION PROHIBITED.—Section 202(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(b)), is amended—

(A) by striking "or subject" and inserting "subject"; and

(B) by inserting before the semicolon at the end the following: ", or retaliate against any livestock producer on account of any statement made by the producer (whether made to the Secretary or a law enforcement agency or in a public forum) regarding an action of any packer".

(2) SPECIAL REQUIREMENTS REGARDING ALLEGATIONS OF RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193), is amended by adding at the end the following:

"(e) SPECIAL PROCEDURES REGARDING ALLEGATIONS OF RETALIATION.—

"(1) CONSIDERATION BY SPECIAL PANEL.—The President shall appoint a special panel consisting of 3 members to receive and initially consider a complaint submitted by any person that alleges prohibited packer retaliation under section 202(b) directed against a livestock producer.

"(2) COMPLAINT; HEARING.—If the panel has reason to believe from the complaint or resulting investigation that a packer has violated or is violating the retaliation prohibition under section 202(b), the panel shall notify the Secretary who shall cause a complaint to be issued against the packer, and a hearing conducted, under subsection (a).

"(3) EVIDENTIARY STANDARD.—In the case of a complaint regarding retaliation prohibited under section 202(b), the Secretary shall find that the packer involved has violated or is violating section 202(b) if the finding is supported by a preponderance of the evidence.".

(3) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193) (as amended by subsection (b)), is amended by adding at the end the following:

"(f) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—

"(1) IN GENERAL.—If a packer violates the retaliation prohibition under section 202(b), the packer shall be liable to the livestock producer injured by the retaliation for not more than 3 times the amount of damages sustained as a result of the violation.

"(2) ENFORCEMENT.—The liability may be enforced either by complaint to the Secretary, as provided in subsection (e), or by suit in any court of competent jurisdiction.

"(3) OTHER REMEDIES.—This subsection shall not abridge or alter a remedy existing at common law or by statute. The remedy provided by this subsection shall be in addition to any other remedy.".

(d) REVIEW OF FEDERAL AGRICULTURE CREDIT POLICIES.—The Secretary of Agriculture, in consultation with the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of the Farm Credit Administration, shall establish an interagency working group to study—

(1) the extent to which Federal lending practices and policies have contributed, or are contributing, to market concentration in the livestock and dairy sectors of the national economy; and

(2) whether Federal policies regarding the financial system of the United States adequately take account of the weather and price volatility risks inherent in livestock and dairy enterprises.

SEC. 755. METERED-DOSE INHALERS. (a) FINDINGS.—Congress finds that—

(1) the Montreal Protocol on Substances That Deplete the Ozone Layer (referred to in this section as the "Montreal Protocol") requires the phaseout of products containing ozone-depleting substances, including chloroflourocarbons;

(2) the primary remaining legal use in the United States of newly produced chloroflourocarbons is in metered-dose inhalers;

(3) treatment with metered-dose inhalers is the preferred treatment for many patients with asthma and chronic obstructive pulmonary disease;

(4) the incidence of asthma and chronic obstructive pulmonary disease is increasing in children and is most prevalent among low-income persons in the United States;

(5) the Parties to the Montreal Protocol have called for development of national transition strategies to non-chloroflourocarbon metered-dose inhalers;

(6) the Commissioner of Food and Drugs published an advance notice of proposed rulemaking that suggested a tentative framework for how to phase out the use of metered-dose inhalers that contain chloroflourocarbons in the Federal Register on March 6, 1997, 62 Fed. Reg. 10242 (referred to in this section as the "proposal"); and

(7) the medical and patient communities, while calling for a formal transition strategy issued by the Food and Drug Administration by rulemaking, have expressed serious concerns that the proposal, if implemented without change, could potentially place some patients at risk by causing the removal of metered-dose inhalers containing chloroflourocarbons from the market before adequate non-chlorofluorocarbon replacements are available.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Food and Drug Administration should, in consultation with the Environmental Protection Agency, assess the risks and benefits to the environment and to patient health of the proposal and any alternatives;

(2) in conducting such assessments, the Food and Drug Administration should consult with patients, physicians, other health care providers, manufacturers of metered-dose inhalers, and other interested parties;

(3) using the results of these assessments, and the information contained in the comments the Food and Drug Administration has received on the proposal, the Food and Drug Administration should promptly issue a rule ensuring that a range of non-chloroflourocarbon metered-dose inhaler alternatives is available for users, comparable to existing treatments in terms of safety, efficacy, and other appropriate parameters necessary to meet patient needs, which rule should not be based on a therapeutic class phaseout approach; and

(4) the Food and Drug Administration should issue a proposed rule described in paragraph (3) not later than May 1, 1999.

SEC. 756. REPORT ON MARKET ACCESS PROGRAM. (a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Comptroller General of the United States, shall submit to the committees of Congress specified in subsection (c) a report that, as determined by the Secretary—

(1)(A) analyzes the costs and benefits of programs carried out under that section in compliance with the cost-benefit analysis guidelines established by the Office of Management and Budget in Circular A–94, dated October 29, 1992; and

(B) in any macroeconomic studies, treats resources in the United States as if the resources were likely to be fully employed;

(2) considers all potential costs and benefits of the programs carried out under that section, specifically noting potential distortions in the economy that could lower national output of goods and services and employment;

(3) estimates the impact of programs carried out under that section on the agricultural sector and on consumers and other sectors of the economy in the United States;

(4) considers costs and benefits of operations relating to alternative uses of the budget for the programs under that section;

(5)(A) analyzes the relation between the priorities and spending levels of programs carried out under that section and the privately funded market promotion activities undertaken by participants in the programs; and

(B) evaluates the spending additionality for participants resulting from the program;

(6) conducts an analysis of the amount of export additionality for activities financed under programs carried out under that section in sponsored countries, controlling for relevant variables, including—

(A) information on the levels of private expenditures for promotion;

(B) government promotion by competitor nations;

(C) changes in foreign and domestic supply conditions;

(D) changes in exchange rates; and

(E) the effect of ongoing trade liberalization;

(7) provides an evaluation of the sustainability of promotional effort in sponsored markets for recipients in the absence of government subsidies.

(b) EVALUATION BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall submit an evaluation of the report to the committees specified in subsection (c).

(c) COMMITTEES OF CONGRESS.—The committees of Congress referred to in subsection (a) are—

(1) the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(2) the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

SEC. 757. SENSE OF THE SENATE CONCERNING APPROPRIATE ACTIONS TO BE TAKEN TO ALLEVIATE THE ECONOMIC EFFECT OF LOW COMMODITY PRICES. It is the sense of the Senate that—

(1) Congress should pass and the President should sign S.1269, which would reauthorize fast-track trading authority for the President;

(2) Congress should pass and the President should sign S.2078, the Farm and Ranch Risk Management Act, which would allow farmers and ranchers to better prepare for fluctuations in the agricultural economy;

(3) the House of Representatives should follow the Senate and provide full funding for the International Monetary Fund;

(4) Congress should pass and the President should sign sanctions reform legislation so that the agricultural economy of the United States is not harmed by sanctions on foreign trade;

(5) Congress should uphold the Presidential waiver of the Jackson-Vanik amendment to the 1974 Trade Act providing normal trade relations status for China and continue to pursue normal trade relations with China;

(6) the House and Senate should continue to pursue a package of capital gains and estate tax reforms;

(7) the President should pursue stronger oversight on all international trade agreements affecting agriculture and commerce dispute settlement procedures when countries are found to be violating such trade agreements;

(8) the President should sign legislation providing full deductibility of health care insurance for self-employed individuals;

(9) the Congress and the administration should pursue efforts to reduce regulations on farmers; and

(10) the President should use the administrative tools available to him to use Commodity Credit Corporation and unused Export Enhancement Program funds for humanitarian assistance.

SEC. 758. RESERVE INVENTORIES. Section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) is amended—

(1) in the first sentence of subsection (a), by inserting "of agricultural producers" after "distress";

(2) in subsection (c), by inserting "the Secretary or" after "President or"; and

(3) in subsection (h)—

(A) by striking "(h) There is hereby" and inserting the following:

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are"; and

(B) by adding at the end the following:

"(2) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments that don't go for crop disasters, but for income loss to carry out the purposes of this section.".

SEC. 759. FOOD SAFETY INITIATIVE. (a) IN GENERAL.—In addition to the amounts made available under other provisions of this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, to carry out activities described in the Food Safety Initiative submitted by the President for fiscal year 1999—

(1) $98,000 to the Chief Economist;

(2) $906,000 to the Economic Research Service;

(3) $8,920,000 to the Agricultural Research Service;

(4) $11,000,000 to the Cooperative State Research, Education, and Extension Service;

(5) $8,347,000 to the Food Safety and Inspection Service; and

(6) $37,000,000 to the Food and Drug Administration.

(b) AMENDMENT OF THE NO NET COST FUND ASSESSMENTS TO PROVIDE FOR COLLECTION OF ALL ADMINISTRATIVE COSTS NOT PREVIOUSLY COVERED AND ALL CROP INSURANCE COSTS FOR TOBACCO.—Section 106A of the Agricultural Act of 1949, as amended (7 U.S.C. 1445–1(c)), is hereby amended by—in subsection (d)(7) changing "the Secretary" to "the Secretary; and" and by adding a new subsection (d)(8) to read as follows:

"(8) Notwithstanding any other provision of this subsection or other law, that with respect to *the 1999 and subsequent crops of tobacco for which price support is made available and for which a fund is maintained under this section, an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to—(1) the administrative costs within the Department of Agriculture that is not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in Federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessment under this paragraph for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this paragraph shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this paragraph. For each domestically produced pound of tobacco the assessment amount to be remitted under this paragraph shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Fund maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the Fund and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this paragraph shall not affect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment.".*

(c) AMENDMENT OF THE NO NET COST ACCOUNT ASSESSMENTS TO PROVIDE FOR COLLECTION OF ALL ADMINISTRATIVE COST NOT PREVIOUSLY COVERED AND ALL CROP INSURANCE COSTS.—Section 106B of the Agricultural Act of 1949, as amended (7 U.S.C. 1445–2), is amended by renumbering subsections "(i)" and "(j)" as "(j)" and "(k)" respectively, and by adding a new subsection "(i)" to read as follows:

"(i) Notwithstanding any other provision of this section or other law, the Secretary shall require with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which an account is maintained under this section, that an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to—(1) the administrative costs within the Department of Agriculture that are not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in Federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessments under this subsection for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this subsection shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this subsection. For each domestically produced pound of tobacco the assessment amount to be remitted under this subsection shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Account maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the account and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this subsection shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment.".

(d) ELIMINATION OF THE TOBACCO BUDGET ASSESSMENT.—Notwithstanding any other provision of law, the provisions of section 106(g) of the Agricultural Act of 1949, as amended (7 U.S.C. 1445(g)), shall not apply or be extended to the 1999 crops of tobacco and shall not, in any case, apply to any tobacco for which additional assessments have been rendered under sections 1 and 2 of this Act.

(e) AMENDMENT OF THE COMMODITY CREDIT CORPORATION CHARTER ACT.—Section 4(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(g)) is amended in the first sentence by striking "$193,000,000" and inserting "$178,000,000".

SEC. 760. Expenses for computer-related activities of the Department of Agriculture funded through the Commodity Credit Corporation pursuant to section 161(b)(1)(A) of Public Law 104–127 in fiscal year 1999 shall not exceed $50,000,000: Provided, That section 4(g) of the Commodity Credit Corporation Charter Act is amended by striking $178,000,000 and inserting $173,000,000.

SEC. 761. WAIVER OF STATUTE OF LIMITATIONS FOR CERTAIN DISCRIMINATION CLAIMS. (a) DEFINITION OF ELIGIBLE CLAIM.—In this section, the term "eligible claim" means a nonemployment-related claim that was filed with the Department of Agriculture on or before July 1, 1997 and alleges discrimination by the Department of Agriculture at any time during the period beginning on January 1, 1981, and ending on December 31, 1996—

(1) in violation of the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) in administering—

(A) a farm ownership, farm operating, or emergency loan funded from the Agricultural Credit Insurance Program Account; or

(B) a housing program established under title V of the Housing Act of 1949; or

(2) in the administration of a commodity program or a disaster assistance program.

(b) WAIVER.—To the extent permitted by the Constitution, an eligible claim, if commenced not later than 2 years after the date of the enactment of this Act, shall not be barred by any statute of limitations.

(c) ADMINISTRATIVE PROCEEDINGS.—

(1) IN GENERAL.—In lieu of bringing a civil action, a claimant may seek a written determination on the merits of an eligible claim by the Secretary of Agriculture if such claim is filed with the Secretary within two years of the date of enactment of this Act.

(2) TIME PERIOD FOR RESOLUTION OF ADMINISTRATIVE CLAIMS.—To the maximum extent practicable, the Secretary shall, within 180 days from the date an eligible claim is filed with the Secretary under this subsection, conduct an investigation, issue a written determination, and propose a resolution in accordance with this subsection.

(3) HEARING AND AWARD.—The Secretary shall—

(A) provide the claimant an opportunity for a hearing before making the determination; and

(B) award the claimant such relief as would be afforded under the applicable statute from which the eligible claim arose notwithstanding any statute of limitations.

(d) STANDARD OF REVIEW.—Federal courts reviewing an eligible claim under this section shall apply a de novo standard of review.

(e) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY AND EXTENSION OF TIME.—

(1) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY.—A proposed administrative award or settlement exceeding $75,000 (other than debt relief) of an eligible claim—

(A) shall not take effect until 90 days after notice of the award or settlement is given to the Attorney General; and

(B) shall not take effect if, during that 90-day period, the Attorney General objects to the award or settlement.

(2) EXTENSION OF TIME.—Notwithstanding subsections (b) and (c), if an eligible claim is denied administratively, the claimant shall have at least 180 days to commence a cause of action in a Federal court of competent jurisdiction seeking a review of such denial.

SEC. 762. CENSUS OF AGRICULTURE. (a) IN GENERAL.—Section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) is amended—

(1) in subsection (b) by inserting at the end the following: "In fiscal year 1999 the Secretary of Agriculture is directed to continue to revise the Census of Agriculture to eliminate redundancies in questions asked of farmers by USDA.".

(2) in subsection (d) by deleting in paragraph (1) "who willfully gives" and inserting in its place "shall not give", and deleting ", shall be fined not more than $500".

(3) in subsection (d) by deleting in paragraph (2) "who refuses or willfully neglects" and inserting in its place "shall not refuse or willfully neglect", and deleting ", shall not be fined more than $100".

SEC. 763. TREE ASSISTANCE PROGRAM. (a) IN GENERAL.—The Secretary of Agriculture may use funds for tree assistance made available under Public Law 105–174, to carry out a tree assistance program to owners of trees that were lost or destroyed as a result of a disaster or emergency that was declared by the President or the Secretary of Agriculture during the period beginning May 1, 1998, and ending August 1, 1998, regardless of whether the damage resulted in loss or destruction after August 1, 1998.

(b) ADMINISTRATION.—Subject to subsection (c), the Secretary shall carry out the program, to the maximum extent practicable, in accordance with the terms and conditions of the tree assistance program established under part 783 of title 7, Code of Federal Regulations.

(c) ELIGIBILITY.—A person shall be presumed eligible for assistance under the program if the person demonstrates to the Secretary that trees owned by the person were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation that was caused by a disaster or emergency described in subsection (a).

SEC. 764. STUDY OF FUTURE FEDERAL AGRICULTURAL POLICIES. (a) IN GENERAL.—On the request of the Commission on 21st Century Production Agriculture, the Secretary of Agriculture, acting through the Chief Economist of the Department of Agriculture, shall make assistance and information available to the Commission to enable the Commission to conduct a study to guide the development of future Federal agricultural policies.

(b) DUTIES.—In conducting the study, the Commission shall—

(1) examine a range of future Federal agricultural policies that may succeed the policies established under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for the 2003 and subsequent crops, and the impact of such policies on farm income, the structure of agriculture, trade competitiveness, conservation, the environment and other factors;

(2) assess the potential impact of any legislation enacted through the end of the 105th Congress on future Federal agricultural policies; and

(3) review economic agricultural studies that are relevant to future Federal agricultural policies.

(c) REPORT.—Not later than December 31, 1999, the Commission shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate, the results of the study conducted under this section.

SEC. 765. INDICATION OF COUNTRY OF ORIGIN OF IMPORTED PERISHABLE AGRICULTURAL COMMODITIES. (a) DEFINITIONS.—In this section:

(1) FOOD SERVICE ESTABLISHMENT.—The term "food service establishment" means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility, operated as an enterprise engaged in the business of selling foods to the public.

(2) PERISHABLE AGRICULTURAL COMMODITY; RETAILER.—The terms "perishable agricultural commodity" and "retailer" have the meanings given the terms in section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)).

(b) NOTICE OF COUNTRY OF ORIGIN REQUIRED.—Except as provided in subsection (c), a retailer of a perishable agricultural commodity imported into the United States shall inform consumers, at the final point of sale of the perishable agricultural commodity to consumers, of the country of origin of the perishable agricultural commodity.

(c) EXEMPTION FOR FOOD SERVICE ESTABLISHMENTS.—Subsection (b) shall not apply to a perishable agricultural commodity imported into the United States to the extent that the perishable agricultural commodity is—

(1) prepared or served in a food service establishment; and

(2)(A) offered for sale or sold at the food service establishment in normal retail quantities; or

(B) served to consumers at the food service establishment.

(d) METHOD OF NOTIFICATION.—

(1) IN GENERAL.—The information required by subsection (b) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the imported perishable agricultural commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

(2) LABELED COMMODITIES.—If the imported perishable agricultural commodity is already individually labeled regarding country of origin by the packer, importer, or another person, the retailer shall not be required to provide any additional information to comply with this section.

(e) VIOLATIONS.—If a retailer fails to indicate the country of origin of an imported perishable agricultural commodity as required by subsection (b), the Secretary of Agriculture may assess a civil penalty on the retailer in an amount not to exceed—

(1) $1,000 for the first day on which the violation occurs; and

(2) $250 for each day on which the same violation continues.

(f) DEPOSIT OF FUNDS.—Amounts collected under subsection (e) shall be deposited in the Treasury of the United States as miscellaneous receipts.

(g) APPLICATION OF SECTION.—This section shall apply with respect to a perishable agricultural commodity imported into the United States after the end of the 6-month period beginning on the date of the enactment of this Act.

SEC. 766. (a) FINDINGS.—

(1) The President's budget submission includes unauthorized user fees.

(2) It is unlikely these fees will be authorized in the immediate future.

(3) The assumption of revenue from unauthorized user fees results in a shortfall of funds available for programs under the jurisdiction of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee.

(4) That among the programs for which additional funds can be justified are—

(A) human nutrition research;

(B) the Food Safety Initiative activities of the United States Department of Agriculture and the Food and Drug Administration;

(C) the Wetlands Reserve Program;

(D) the conservation Farm Option Program;

(E) the Farmland Protection Program;

(F) the Inspector General's Law Enforcement Initiative;

(G) the Food and Drug Administration pre-notification certification;

(H) the Food and Drug Administration clinical pharmacology;

(I) the Food and Drug Administration Office of Cosmetics and Color;

(J) the Rural Electric loan programs;

(K) the Pesticide Data Program;

(L) the Rural Community Advancement Program;

(M) civil rights activities; and

(N) the Fund for Rural America.

(b) SENSE OF SENATE.—Therefore, it is the sense of the Senate that in the event an additional allocation becomes available, the before mentioned programs should be considered for funding.

SEC. 767. OFFICE OF THE SMALL FARMS ADVOCATE. (a) DEFINITION OF SMALL FARM.—In this section, the term "small farm" has the meaning given the term in section 506 of the Rural Development Act of 1972 (7 U.S.C. 2666).

(b) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall establish and maintain in the Department of Agriculture an Office of the Small Farms Advocate.

(c) FUNCTIONS.—The Office of the Small Farms Advocate shall—

(1) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms;

(2) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms are represented; and

(3) develop and implement a plan to coordinate the effective delivery of services of the Department to small farms.

(d) ADMINISTRATOR.—

(1) APPOINTMENT.—The Office of the Small Farms Advocate shall be headed by an Administrator, who shall be appointed by the President, with the advice and consent of the Senate. Nothing in this Act shall be construed to authorize a net increase in the number of political appointees within the Department of Agriculture.

(2) DUTIES.—The Administrator shall—

(A) act as an advocate for small farms in connection with policies and programs of the Department; and

(B) carry out the functions of the Office of the Small Farms Advocate under subsection (b).

(3) EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Administrator, Office of the Small Farms Advocate, Department of Agriculture.".

(e) RESOURCES.—Using funds that are otherwise available to the Department of Agriculture, the Secretary shall provide the Office of the Small Farms Advocate with such human and capital resources as are sufficient for the Office to carry out its functions in a timely and efficient manner.

(f) ANNUAL REPORT.—The Secretary shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report that describes actions taken by the Office of the Small Farms Advocate to further the interests of small farms.

SEC. 768. LIMIT ON PENALTY FOR INADVERTENT VIOLATION OF CONTRACT UNDER THE AGRICULTURAL MARKET TRANSITION ACT. If an owner or producer, in good faith, inadvertently plants edible beans during the 1998 crop year on acreage covered by a contract under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.), the Secretary of Agriculture shall minimize penalties imposed for the planting to prevent economic injury to the owner or producer.

SEC. 769. The Secretary of Agriculture shall present to Congress by March 1, 1999 a report on whether to recommend lifting the ban on the interstate-distribution of State inspected meat.

SEC. 770. PROHIBITION ON LOAN GUARANTEES TO BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS. Section 373 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h) is amended by striking subsection (b) and inserting the following:

"(b) PROHIBITION OF LOANS FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—

"(1) PROHIBITIONS.—Except as provided in paragraph (2)—

"(A) the Secretary may not make a loan under this title to a borrower that has received debt forgiveness on a loan made or guaranteed under this title; and

"(B) the Secretary may not guarantee a loan under this title to a borrower that has received—

"(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this title; or

"(ii) received debt forgiveness on no more than 3 occasions on or before April 4, 1996.

"(2) EXCEPTIONS.—

"(A) IN GENERAL.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower that was restructured with a write-down under section 353.

"(B) EMERGENCY LOANS.—The Secretary may make an emergency loan under section 321 to a borrower that—

"(i) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this title; and

"(ii) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this title.".

SEC. 771. DEFINITION OF FAMILY FARM. (a) REAL ESTATE LOANS.—Section 302 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922) is amended by adding at the end the following:

"(c) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(b) OPERATING LOANS.—Section 311 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941) is amended by adding at the end the following:

"(d) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(c) EMERGENCY LOANS.—Section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) is amended by adding at the end the following:

"(e) DETERMINATION OF QUALIFICATION FOR LOAN.—

"(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

"(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.".

(d) EFFECTIVE DATE.—This section shall be considered to have been in effect as of January 1, 1977.

SEC. 772. APPLICABILITY OF DISASTER LOAN COLLATERAL REQUIREMENTS UNDER THE SMALL BUSINESS ACT. Section 324(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(d)) is amended—

(1) by striking "(d) All loans" and inserting the following:

"(d) REPAYMENT.—

"(1) IN GENERAL.— All loans"; and

(2) by adding at the end the following:

"(2) NO BASIS FOR DENIAL OF LOAN.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall not deny a loan under this subtitle to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if the Secretary is reasonably certain that the borrower will be able to repay the loan.

"(B) REFUSAL TO PLEDGE AVAILABLE COLLATERAL.—The Secretary may deny or cancel a loan under this subtitle if a borrower refuses to pledge available collateral on request by the Secretary.".

SEC. 773. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES. (a) MATTHEW'S LAW.—This section shall be referred to as "Matthew's Law".

(b) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

"(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

"(2) In this subsection:

"(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

"(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.".

(c) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting "or if the recall is a class I recall," after "cannot be identified"; and

(2) by adding at the end the following:

"(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.".

(d) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking "or gross" and inserting "gross"; and

(2) by striking the period and inserting ", or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).".

(e) EFFECTIVE DATE.—This section shall take effect one day after the date of enactment of this Act.

TITLE VIII—AGRICULTURAL CREDIT RESTORATION ACT

SEC. 801. SHORT TITLE. This title may be cited as the "Agricultural Credit Restoration Act".

SEC. 802. AMENDMENTS TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT. (a) Section 343(a)(12)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(12)(B)) is amended to read as follows:

"(B) EXCEPTIONS.—The term 'debt forgiveness' does not include—

"(i) consolidation, rescheduling, reamortization, or deferral of a loan;

"(ii) 1 debt forgiveness in the form of a restructuring, write-down, or net recovery buy-out, which occurred prior to date of enactment and was due to a financial problem of the borrower relating to a natural disaster or a medical condition of the borrower or of a member of the immediate family of the borrower (or, in the case of a borrower that is an entity, a principal owner of the borrower or a member of the immediate family of such an owner); and

"(iii) any restructuring, write-down, or net recovery buy-out provided as a part of a resolution of a discrimination complaint against the Secretary.".

(b) Section 355(c)(2) of such Act (7 U.S.C. 2003(c)(2)) is amended to read as follows:

"(2) RESERVATION AND ALLOCATION.—

"(A) IN GENERAL.—The Secretary shall, to the greatest extent practicable, reserve and allocate the proportion of each State's loan funds made available under subtitle B that is equal to that State's target participation rate for use by the socially disadvantaged farmers or ranchers in that State. The Secretary shall, to the extent practicable, distribute the total so derived on a county by county basis according to the number of socially disadvantaged farmers or ranchers in the county.

"(B) REALLOCATION OF UNUSED FUNDS.—The Secretary may pool any funds reserved and allocated under this paragraph with respect to a State that are not used as described in subparagraph (A) in a State in the first 10 months of a fiscal year with the funds similarly not so used in other States, and may reallocate such pooled funds in the discretion of the Secretary for use by socially disadvantaged farmers and ranchers in other States.".

(c) Section 373(b)(1) of such Act (7 U.S.C. 2008h(b)(1)) is amended to read as follows:

"(1) IN GENERAL.—Except as provided in this paragraph and in paragraph (2), the Secretary may not make or guarantee a loan under subtitle A or B to a borrower who received debt forgiveness on a loan made or guaranteed under this title unless such forgiveness occurred prior to April 4, 1996.".

SEC. 803. REGULATIONS. Not later than 90 days after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate regulations necessary to carry out the amendments made by this Act, without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code; and

(2) the statement of policy of the Secretary of Agriculture relating to notices of proposed rulemaking and public participation in rulemaking that became effective on July 24, 1971 (36 Fed. Reg. 13804).

TITLE IX—INDIA-PAKISTAN RELIEF ACT

SEC. 901. SHORT TITLE. This title may be cited as the "India-Pakistan Relief Act of 1998".

SEC. 902. WAIVER AUTHORITY. (a) AUTHORITY.—The President may waive for a period not to exceed one year upon enactment of this Act with respect to India or Pakistan the application of any sanction or prohibition (or portion thereof) contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export Import Bank Act of 1945.

(b) EXCEPTION.—The authority provided in subsection (a) shall not apply to any restriction in section 102(b)(2) (B), (C), or (G) of the Arms Export Control Act.

(c) AVAILABILITY OF AMOUNTS.—Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. 903. CONSULTATION. Prior to each exercise of the authority provided in section 902, the President shall consult with the appropriate congressional committees.

SEC. 904. REPORTING REQUIREMENT. Not later than 30 days prior to the expiration of a one-year period described in section 902, the Secretary of State shall submit a report to the appropriate congressional committees on economic and national security developments in India and Pakistan.

SEC. 905. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED. In this title, the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and the Committees on Appropriations of the House of Representatives and the Senate.

TITLE X—MEAT LABELING

SEC. 1001. DEFINITIONS. Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

"(w) BEEF.—The term 'beef" means meat produced from cattle (including veal).

"(x) LAMB.—The term 'lamb' means meat, other than mutton, produced from sheep.

"(y) BEEF BLENDED WITH IMPORTED MEAT.—The term 'beef blended with imported meat' means ground beef, or beef in another meat food product that contains United States beef and any imported meat.

"(z) LAMB BLENDED WITH IMPORTED MEAT.—The term 'lamb blended with imported meat' means ground meat, or lamb in another meat food product, that contains United States lamb and any imported meat.

"(aa) IMPORTED BEEF.—The term 'imported beef' means any beef, including any fresh muscle cuts, ground meat, trimmings, and beef in another meat food product, that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

"(bb) IMPORTED LAMB.—The term 'imported lamb' means any lamb, including any fresh muscle cuts, ground meat, trimmings, and lamb in another meat food product, that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

"(cc) UNITED STATES BEEF.—

"(1) IN GENERAL.—The term 'United States beef' means beef produced from cattle slaughtered in the United States.

"(2) EXCLUSIONS.—The term 'United States beef' does not include—

"(A) beef produced from cattle imported into the United States in sealed trucks for slaughter;

"(B) beef produced from imported carcasses;

"(C) imported beef trimmings; or

"(D) imported boxed beef.

"(dd) UNITED STATES LAMB.—

"(1) IN GENERAL.—The term 'United States lamb' means lamb, except mutton, produced from sheep slaughtered in the United States.

"(2) EXCLUSIONS.—The term 'United States lamb' does not include—

"(A) lamb produced from sheep imported into the United States in sealed trucks for slaughter;

"(B) lamb produced from an imported carcass;

"(C) imported lamb trimmings; or

"(D) imported boxed lamb.".

SEC. 1002. LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS. (a) LABELING REQUIREMENT.—

(1) IN GENERAL.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended by adding at the end the following:

"(13)(A) If it is imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb and is not accompanied by labeling that identifies it as imported beef or imported lamb.

"(B) If it is United States beef or United States lamb offered for retail sale, or offered and intended for export as fresh muscle cuts of beef or lamb, and is not accompanied by labeling that identifies it as United States beef or United States lamb.

"(C) If it is United States or imported ground beef or other processed beef or lamb product and is not accompanied by labeling that identifies it as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States beef and imported beef United States lamb and imported lamb or contained in the product, as determined by the Secretary under section 7(g).".

(2) CONFORMING AMENDMENT.—Section 20(a) of the Federal Meat Inspection Act (21 U.S.C. 620(a)) is amended by adding at the end the following: "All imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb shall be plainly and conspicuously marked, labeled, or otherwise identified as imported beef or imported lamb.".

(b) GROUND OR PROCESSED BEEF AND LAMB.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

"(g) GROUND OR PROCESSED BEEF AND LAMB.—

"(1) VOLUNTARY LABELING.—Subject to paragraph (2), the Secretary shall provide by regulation for the voluntary labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

"(2) MANDATORY LABELING.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 18 months after the date of enactment of this subsection, the Secretary shall provide by regulation for the mandatory labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

"(B) APPLICATION.—Subparagraph (A) shall not apply to the extent the Secretary determines that the costs associated with labeling under subparagraph (A) would result in an unreasonable burden on producers, processors, retailers, or consumers.".

(c) GROUND BEEF AND GROUND LAMB LABELING STUDY.—

(1) IN GENERAL.—The Secretary of Agriculture shall conduct a study of the effects of the mandatory use of imported, blended, or percentage content labeling on ground beef, ground lamb, and other processed beef or lamb products made from imported beef or imported lamb.

(2) COSTS AND RESPONSES.—The study shall be designed to evaluate the costs associated with and consumer response toward the mandatory use of labeling described in paragraph (1).

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report the findings of the study conducted under paragraph (1) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 1003. REGULATIONS. Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to carry out the amendments made by this title.

TITLE XI—BIODIESEL ENERGY DEVELOPMENT ACT

SEC. 1101. SHORT TITLE; TABLE OF CONTENTS. (a) SHORT TITLE.—This title may be cited as the "Biodiesel Energy Development Act of 1998".

(b) TABLE OF CONTENTS.—The table of contents of this title is as follows:

Sec. 1101. Short title; table of contents.
Sec. 1102. Definitions.
Sec. 1103. Amendments to the Energy Policy and Conservation Act.
Sec. 1104. Minimum Federal fleet requirement.
Sec. 1105. State and local incentives programs.
Sec. 1106. Alternative fuel bus program.
Sec. 1107. Alternative fuel use in nonroad vehicles, engines, and marine vessels.
Sec. 1108. Mandate for alternative fuel providers.
Sec. 1109. Replacement fuel supply and demand program.
Sec. 1110. Modification of goals; additional rulemaking authority.
Sec. 1111. Fleet requirement program.
Sec. 1112. Credits.
Sec. 1113. Secretary's recommendation to Congress.

SEC. 1102. DEFINITIONS. Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended—

(1) in paragraph (2), by striking "derived from biological materials" and inserting "derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume";

(2) in paragraph (8), by striking subparagraph (B) and inserting the following:

"(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel.";

(3) by redesignating paragraphs (11) through (14) as paragraphs (12), (14), (15), and (16), respectively;

(4) by inserting after paragraph (10) the following:

"(11) the term 'heavy duty motor vehicle' means a motor vehicle or marine vessel that is greater than 8,500 pounds gross vehicle weight rating;";

(5) by inserting after paragraph (12) (as redesignated by paragraph (3)) the following:

"(13) the term 'marine vessel' means a motorized watercraft or other artificial contrivance used as a means of transportation primarily on the navigable waters of the United States;";

(6) in paragraph (15) (as redesignated by paragraph (3)), by striking "biological materials" and inserting "domestically produced renewable biological materials (including biodiesel)".

SEC. 1103. AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT. Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amended—

(1) in the second sentence of subsection (a)(3)(B), by striking "vehicles converted to use alternative fuels may be acquired if, after conversion," and inserting "existing fleet vehicles may be converted to use alternative fuels at the time of a major vehicle overhaul or rebuild, or vehicles that have been converted to use alternative fuels may be acquired, if"; and

(2) in subsection (g)—

(A) in paragraph (2), by striking "derived from biological materials" and inserting "derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume";

(B) in paragraph (5), by striking subparagraph (B) and inserting the following:

"(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel; and"; and

(C) in paragraph (6), by inserting "or marine vessel" after "a vehicle".

SEC. 1104. MINIMUM FEDERAL FLEET REQUIREMENT. Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(2) by inserting after subsection (b) the following:

"(c) HEAVY DUTY AND DUAL-FUELED VEHICLE COMPLIANCE CREDITS.—

"(1) IN GENERAL.—For purposes of meeting the requirements of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to acquire 1 heavy duty alternative fueled vehicle in place of 2 light duty alternative fueled vehicles.

"(2) ADDITIONAL CREDITS.—For purposes of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to take an additional credit for the purchase and documented use of alternative fuel used in a dual-fueled vehicle, comparable conventionally-fueled motor vehicle, or marine vessel.

"(3) ACCOUNTING.—

"(A) IN GENERAL.—In allowing a credit for the purchase of a dual-fueled vehicle or alternative fuel, the Secretary may request a Federal agency to provide an accounting of the purchase.

"(B) GUIDELINES.—The Secretary shall include any request made under subparagraph (A) in the guidelines required under section 308.

"(4) FUEL AND VEHICLE NEUTRALITY.—The Secretary shall carry out this subsection in a manner that is, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.".

SEC. 1105. STATE AND LOCAL INCENTIVES PROGRAMS. (a) ESTABLISHMENT OF PROGRAM.—Section 409(a) of the Energy Policy Act of 1992 (42 U.S.C. 13235(a)) is amended—

(1) in paragraph (2)(A), by striking "alternative fueled vehicles" and inserting "light and heavy duty alternative fueled vehicles and increasing the use of alternative fuels"; and

(2) in paragraph (3)—

(A) in subparagraph (B), by inserting after "introduction of" the following: "converted or acquired light and heavy duty";

(B) in subparagraph (E), by inserting after "of sales of" the following: ", incentives toward use of, and reporting requirements relating to"; and

(C) in subparagraph (G)—

(i) by redesignating clauses (i) through (iii) as clauses (ii) through (iv), respectively; and

(ii) by inserting after "cost of—" the following:

"(I) alternative fuels;".

(b) FEDERAL ASSISTANCE TO STATES.—Section 409(b) of the Energy Policy Act of 1992 (42 U.S.C. 13235(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(D) grants of Federal financial assistance for the incremental purchase cost of alternative fuels.";

(2) in paragraph (2)(B), by inserting after "be introduced" the following: "and the volume of alternative fuel likely to be consumed"; and

(3) in paragraph (3)—

(A) by inserting "alternative fuels and" after "in procuring"; and

(B) by inserting "fuels and" after "of such".

(c) GENERAL PROVISIONS.—Section 409(c)(2)(A) of the Energy Policy Act of 1992 (42 U.S.C. 13235(c)(2)(A)) is amended by inserting after "alternative fueled vehicles in use" the following: "and volume of alternative fuel consumed".

SEC. 1106. ALTERNATIVE FUEL BUS PROGRAM. Section 410(c) of the Energy Policy Act of 1992 (42 U.S.C. 13236(c)) is amended in the second sentence by striking "and the conversion of school buses to dedicated vehicles" and inserting "the incremental cost of alternative fuels used in flexible fueled school buses, and the conversion of school buses to alternative fueled vehicles".

SEC. 1107. ALTERNATIVE FUEL USE IN NONROAD VEHICLES, ENGINES, AND MARINE VESSELS. Section 412 of the Energy Policy Act of 1992 (42 U.S.C. 13238) is amended—

(1) in the section heading, by striking "and engines" and inserting ", engines, and marine vessels";

(2) by striking "vehicles and engines" each place it appears in subsections (a) and (b) and inserting "vehicles, engines, and marine vessels";

(3) in subsection (a)—

(A) in the subsection heading, by striking "NONROAD VEHICLES AND ENGINES" and inserting "IN GENERAL";

(B) in paragraph (1)—

(i) in the first sentence, by striking "a study" and inserting "studies"; and

(ii) in the second sentence—

(I) by striking "study" and inserting "studies"; and

(II) by striking "2 years" and inserting "2, 6, and 10 years";

(C) in paragraph (2)—

(i) by striking "study" each place it appears and inserting "studies"; and

(ii) in the second sentence, by inserting "or marine vessels" after "such vehicles"; and

(D) in paragraph (3)—

(i) by striking "report" and inserting "reports"; and

(ii) by striking "may" and inserting "shall"; and

(4) in subsection (b)—

(A) in the subsection heading, by striking "AND ENGINES" and inserting ", ENGINES, AND MARINE VESSELS"; and

(B) by striking "rail transportation, vehicles used at airports, vehicles or engines used for marine purposes, and other vehicles or engines" and inserting "rail and waterway transportation, vehicles used at airports and seaports, vehicles or engines used for marine purposes, marine vessels, and other vehicles, engines, or marine vessels".

SEC. 1108. MANDATE FOR ALTERNATIVE FUEL PROVIDERS. Section 501 of the Energy Policy Act of 1992 (42 U.S.C. 13251) is amended—

(1) in subsection (a)(1), by inserting "or heavy" after "new light"; and

(2) in subsection (b)—

(A) in paragraph (1), by striking "and" at the end;

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(3) allow the conversion of an existing fleet vehicle into a dual-fueled alternative fueled vehicle at the time of a major overhaul or rebuild of the vehicle, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.".

SEC. 1109. REPLACEMENT FUEL SUPPLY AND DEMAND PROGRAM. Section 502 of the Energy Policy Act of 1992 (42 U.S.C. 13252) is amended—

(1) in the first sentence of subsection (a), by inserting "and heavy" after "in light"; and

(2) in the first sentence of subsection (b), by inserting after "October 1, 1993," the following: "and every 5 years thereafter through October 1, 2008,".

SEC. 1110. MODIFICATION OF GOALS; ADDITIONAL RULEMAKING AUTHORITY. Section 504 of the Energy Policy Act of 1992 (42 U.S.C. 13254) is amended—

(1) in the first sentence of subsection (a), by striking "and periodically thereafter" and inserting "consistent with the reporting requirements of section 502(b)"; and

(2) in subsection (c), by inserting after the first sentence the following: "Any additional regulation issued by the Secretary shall be, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.".

SEC. 1111. FLEET REQUIREMENT PROGRAM. (a) FLEET PROGRAM PURCHASE GOALS.—Section 507(a)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13257(a)(1)) is amended by inserting "acquired as, or converted into," after "shall be".

(b) FLEET REQUIREMENT PROGRAM.—Section 507(g) of the Energy Policy Act of 1992 (42 U.S.C. 13257(g)) is amended—

(1) in paragraph (1), by inserting "acquired as, or converted into," after "shall be";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

"(4) SUBSTITUTIONS.—The Secretary shall, by rule, permit fleets covered under this section to substitute the acquisition or conversion of 1 heavy duty alternative fueled vehicle for 2 light duty vehicle acquisitions to meet the requirements of this subsection.".

(c) CONVERSIONS.—Section 507(j) of the Energy Policy Act of 1992 (42 U.S.C. 13257(j)) is amended—

(1) by striking "Nothing in" and inserting the following:

"(1) IN GENERAL.—Subject to paragraph (2), nothing in"; and

(2) by adding at the end the following:

"(2) CONVERSION INTO ALTERNATIVE FUELED VEHICLES.—

"(A) IN GENERAL.—A fleet owner shall be permitted to convert an existing fleet vehicle into an alternative fueled vehicle, and purchase the alternative fuel for the converted vehicle, for the purpose of compliance with this title or an amendment made by this title, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.

"(B) CREDITS.—A fleet owner shall be allowed a credit for the conversion of an existing fleet vehicle and the purchase of alternative fuel for the vehicle.".

(d) MANDATORY STATE FLEET PROGRAMS.—Section 507(o) of the Energy Policy Act of 1992 (42 U.S.C. 13257(o)) is amended—

(1) in paragraph (1)—

(A) by inserting "or heavy" after "new light"; and

(B) by inserting "or converted" after "acquired"; and

(2) in the first sentence of paragraph (2)(A)—

(A) by striking "this Act" and inserting "the Biodiesel Energy Development Act of 1997"; and

(B) by inserting after "of light" the following: "or heavy duty alternative fueled".

SEC. 1112. CREDITS. (a) IN GENERAL.—Section 508(a) of the Energy Policy Act of 1992 (42 U.S.C. 13258(a)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—The Secretary"; and

(2) by adding at the end the following:

"(2) ALTERNATIVE FUEL.—The Secretary shall allocate a credit to a fleet or covered person that acquires a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle acquired or converted by the fleet or covered person as required under this title.".

(b) ALLOCATION.—Section 508(b) of the Energy Policy Act of 1992 (42 U.S.C. 13258(b)) is amended—

(1) by striking "In allocating credits under subsection (a)," and inserting the following:

"(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—In allocating credits under subsection (a)(1),"; and

(2) by adding at the end the following:

"(2) DUAL-FUELED VEHICLES; ALTERNATIVE FUEL.—In allocating credits under subsection (a)(2), the Secretary shall allocate 2 credits to a fleet or covered person for acquiring or converting a dual-fueled vehicle and acquiring a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle if the dual-fueled vehicle acquired is in excess of the number that the fleet or covered person is required to acquire or is acquired before the date that the fleet or covered person is required to acquire the number under this title.".

SEC. 1113. SECRETARY'S RECOMMENDATION TO CONGRESS. Section 509(a) of the Energy Policy Act of 1992 (42 U.S.C. 13259(a)) is amended—

(1) in paragraph (1), by inserting before the semicolon at the end the following: "and exempting replacement fuels from taxes levied on non-replacement fuels"; and

(2) in paragraph (2)—

(A) by inserting "and converters" after "suppliers"; and

(B) by inserting before the semicolon the following: ", including the conversion and warranty of motor vehicles into alternative fueled vehicles".

This Act may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999".

AMENDMENT 3186

(The corrected text of amendment No. 3186, as agreed to on July 16, 1998, follows:)

AMENDMENT NO. 3186

(Purpose: To allow the USDA Rural Housing Service Administrator to provide non-monetary awards to non-USDA employees)

On page 40, line 20, strike the last period and replace with ";"

On page 40, line 20, after the ";" insert the following: "*Provided further*, That the Administrator may expend not more than $10,000 to provide modest non-monetary awards to non-USDA employees."

SHACKLEFORD BANKS WILD HORSES PROTECTION ACT

Mr. DOMENICI. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 229, H.R. 765.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 765) to ensure maintenance of a herd of wild horses in Cape Lookout National Seashore.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Shackleford Banks Wild Horses Protection Act".

SEC. 2. MAINTENANCE OF WILD HORSES IN CAPE LOOKOUT NATIONAL SEASHORE.

Section 5 of the Act entitled "An Act to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes", approved March 10, 1966 (Public Law 89–366; 16 U.S.C. 459g–4), is amended by inserting "(a)" after "Sec. 5.", and by adding at the end the following new subsection:

"(b)(1) The Secretary, in accordance with this subsection, shall allow a herd of free-roaming horses in Cape Lookout National Seashore (hereinafter referred to as the 'Seashore').

"(2) Within 180 days after enactment of this subsection, the Secretary shall enter into an agreement with the Foundation for Shackleford Horses (a non-profit corporation established under the laws of the State of North Carolina), or another qualified non-profit entity, to provide for management of free-roaming horses in the seashore. The agreement shall—

"(A) provide for cost-effective management of the horses while ensuring that natural resources within the seashore are not adversely impacted; and,

"(B) allow the authorized entity to adopt any of those horses that the Secretary removes from the seashore.

"(3) The Secretary shall not remove, assist in, or permit the removal of any free-roaming horses from Federal lands within the boundaries of the seashore—

"(A) unless the entity with whom the Secretary has entered into the agreement under paragraph (2), following notice and a 90-day response period, fails to meet the terms qnd conditions of the agreement; or

"(B) unless the number of free-roaming horses on Federal lands within Cape Lookout National Seashore exceeds 110; or

"(C) except in the case of an emergency, or to protect public health and safety.

"(4) The Secretary shall annually monitor, assess, and make available to the public findings regarding the population structure and health of the free-roaming horses in the national seashore.

"(5) Nothing in this subsection shall be construed as creating liability for the United States for any damages caused by the free-roaming horses to property located inside or outside the boundaries of the seashore.".

AMENDMENT NO. 3214

Mr. DOMENICI. There is an amendment at the desk to the bill. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. MURKOWSKI, proposes an amendment numbered 3214.

The amendment is as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. 1. MAINTENANCE OF WILD HORSES IN CAPE LOOKOUT NATIONAL SEASHORE.

Section 5 of the Act entitled "An Act to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes", approved March 10, 1996 (Public Law 89–366; 16 U.S.C. 459g–4), is amended by inserting "(a)" after "SEC. 5.", and by adding at the end the following new subsection:

"(b)(1) The Secretary, in accordance with this subsection, shall allow a herd of 100 free roaming horses in Cape Lookout National Seashore (hereinafter referred to as the 'seashore'): *Provided*, That nothing in this section shall be construed to preclude the Secretary from implementing or enforcing the provisions of paragraph (3).

"(2) Within 180 days after enactment of this subsection, the Secretary shall enter into an agreement with the Foundation for Shackleford Horses (a nonprofit corporation established under the laws of the State of North Carolina), or another qualified nonprofit entity, to provide for management of free roaming horses in the seashore. The agreement shall—

"(A) provide for cost-effective management of the horses while ensuring that natural resources within the seashore are not adversely impacted; and

"(B) allow the authorized entity to adopt any of those horses that the Secretary removes from the seashore.

"(3) The Secretary shall not remove, assist in, or permit the removal of any free roaming horses from Federal lands within the boundaries of the seashore—

"(A) unless the entity with whom the Secretary has entered into the agreement under paragraph (2), following notice and a 90-day response period, fails to meet the terms and conditions of the agreement; or

"(B) unless the number of free roaming horses on Federal lands within Cape Lookout National Seashore exceeds 110; or

"(C) except in the case of an emergency, or to protect public health and safety.

"(4) The Secretary shall annually monitor, assess, and make available to the public findings regarding the population, structure, and health of the free roaming horses in the national seashore.

"(5) Nothing in this subsection shall be construed to require the Secretary to replace horses or otherwise increase the number of horses within the boundaries of the seashore where the herd numbers fall below 100 as a result of natural causes, including, but not limited to, disease or natural disasters.

"(6) Nothing in this subsection shall be construed as creating liability for the United States for any damages caused by the free roaming horses to property located inside or outside the boundaries of the seashore."

Mr. DOMENICI. Mr. President, I ask unanimous consent the amendment be agreed to, the committee amendment as amended be agreed to, the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, any statements relating to the bill appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3214) was agreed to.

The committee amendment, as amended, was agreed to.

The bill was considered read a third time and passed as follows:

Resolved, That the bill from the House of Representatives (H.R. 765) entitled "An Act to ensure maintenance of a herd of wild horses in Cape Lookout National Seashore.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. MAINTENANCE OF WILD HORSES IN CAPE LOOKOUT NATIONAL SEASHORE.

Section 5 of the Act entitled "An Act to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes", approved March 10, 1966 (Public Law 89–366; 16 U.S.C. 459g–4), is amended by inserting "(a)" after "Sec. 5.", and by adding at the end the following new subsection:

"(b)(1) The Secretary, in accordance with this subsection, shall allow a herd of 100 free roaming horses in Cape Lookout National Seashore (hereinafter referred to as the 'Seashore'): Provided, That nothing in this section shall be construed to preclude the Secretary from implementing or enforcing the provisions of paragraph (3).

"(2) Within 180 days after enactment of this subsection, the Secretary shall enter into an agreement with the Foundation for Shackleford Horses (a nonprofit corporation established under the laws of the State of North Carolina), or another qualified nonprofit entity, to provide for management of free roaming horses in the seashore. The agreement shall—

"(A) provide for cost-effective management of the horses while ensuring that natural resources within the seashore are not adversely impacted; and,

"(B) allow the authorized entity to adopt any of those horses that the Secretary removes from the seashore.

"(3) The Secretary shall not remove, assist in, or permit the removal of any free roaming horses from Federal lands within the boundaries of the seashore—

"(A) unless the entity with whom the Secretary has entered into the agreement under paragraph (2), following notice and a 90-day response period, fails to meet the terms and conditions of the agreement; or

"(B) unless the number of free roaming horses on Federal lands within Cape Lookout National Seashore exceeds 110; or

"(C) except in the case of an emergency, or to protect public health and safety.

"(4) The Secretary shall annually monitor, assess, and make available to the public findings regarding the population, structure, and health of the free roaming horses in the national seashore.

"(5) Nothing in this subsection shall be construed to require the Secretary to replace horses or otherwise increase the number of horses within the boundaries of the seashore where the herd numbers fall below 100 as a result of natural causes, including, but not limited to, disease or natural disasters.

"(6) Nothing in this subsection shall be construed as creating liability for the United States for any damages caused by the free roaming horses to property located inside or outside the boundaries of the seashore.".

THE CALENDAR

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the following bills: Calendar No. 443, S. 638; Calendar No. 349, S. 1069; Calendar No. 350, S. 1132; Calendar No. 444, S. 1043; Calendar No. 467, S. 1418; Calendar No. 454, S. 1510; Calendar No. 406, S. 1683; Calendar No. 464, S. 1695; Calendar No. 448, S. 1807; Calendar No. 450, H.R. 434; Calendar No. 445, H.R. 1439; Calendar No. 398, H.R. 1460, Calendar No. 446, H.R. 1779; Calendar No. 451, H.R. 2165; Calendar No. 452, H.R. 2217 and Calendar No. 453, H.R. 2841.

Mr. President, I ask unanimous consent that any committee amendments be agreed to; that the bills be read a third time and passed, as amended, if amended; that the motions to reconsider be laid upon the table; that any statements relating to the bills appear at the appropriate place in the RECORD, with the above occurring en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOUNT ST. HELENS NATIONAL VOLCANIC MONUMENT COMPLETION ACT

The Senate proceeded to consider the bill (S. 638) to provide for the expeditious completion of the acquisition of private mineral interests within the Mount St. Helens National Volcanic Monument mandated by the 1982 Act that established the Monument, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mount St. Helens National Volcanic Monument Completion Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds that—

(1) the Act entitled "An Act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes", approved August 26, 1982 (96 Stat. 301; 16 U.S.C. 431 note), required the United States to acquire all land and interests in land in the Mount St. Helens National Volcanic Monument;

(2) the Act directed the Secretary of Agriculture to acquire the surface interests and the mineral and geothermal interests by separate exchanges and expressed the sense of Congress that the exchanges be completed by November 24, 1982, and August 26, 1983, respectively; and

(3) the surface interests exchange was consummated timely, but the exchange of all mineral and geothermal interests has not yet been completed a decade and a half after the Act's enactment.

(b) Purpose.—The purpose of this Act is to provide for the expeditious completion of the previously mandated Federal acquisition of private mineral and geothermal interests within the Mount St. Helens National Volcanic Monument.

SEC. 3. ACQUISITION OF MINERAL RIGHTS WITHIN THE NATIONAL VOLCANIC MONUMENT.

Section 3 of the Act entitled "An Act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes", approved August 26, 1982 (96 Stat. 302; 16 U.S.C. 431 note), is amended—

(1) in subsection (a), by striking "and except that the Secretary may acquire mineral and geothermal interests only by exchange. It is the sense of the Congress that in the case of mineral and geothermal interests such exchanges should be completed within one year after the date of enactment of this Act"; and

(2) by adding at the end the following:

"(g) Expeditious Completion of Mineral and Geothermal Interests.—

"(1) 'Definition of holder.—In this subsection, the term 'holder' means a company, or its successor, referred to in subsection (c).

"(2) In general.—Within the period described in paragraph (7), the Secretary of the Interior shall acquire by exchange the mineral and geothermal interests in the Monument of each holder.

"(3) Monetary credits.—

"(A) Issuance.—In exchange for the mineral and geothermal interests acquired by the Secretary of the Interior from a holder under paragraph (2), the Secretary of the Interior shall issue to the holder monetary credits that may be exercised by the holder for payment of—

"(i) not more than 50 percent of the bonus or other payments made by successful bidders in any sales of mineral, oil, gas, or geothermal leases under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); or

"(ii) not more than 50 percent of any royalty, rental, or advance royalty payment made to the United States to maintain any mineral, oil or gas, or geothermal lease issued under the Acts listed in clause (i).

"(B) Value of credits.—The credits issued under subparagraph (A) shall equal the fair market value of all mineral and geothermal interests conveyed in the exchange as determined under paragraph (4).

"(C) Acceptance of credits.—The Secretary of the Interior shall accept credits issued under subparagraph (A) in the same manner as cash for the payments described in subparagraph (A). The use and exercise of the credits shall be subject to the laws (including regulations) governing such payments, to the extent the laws are consistent with this subsection.

"(D) Treatment of credits for distribution to States.—All amounts in the form of credits accepted by the Secretary of the Interior under subparagraph (C) for the payments described in subparagraph (A) shall be considered to be money received for the purpose of section 35 of the Mineral Leasing Act (30 U.S.C. 191) and section 20 of the Geothermal Steam Act of 1970 (30 U.S.C. 1019).

"(4) Valuation of interests.—

"(A) In general.—Not later than 120 days after the date of enactment of this subsection, the mineral and geothermal interests to be conveyed by each holder in the exchanges required by paragraph (2) shall be valued by one of the following methods, as selected by the Secretary of the Interior:

"(i) Use of appraisal report.—The 1982 value established by the report of the third party appraisal completed on September 11, 1991, shall be adjusted to reflect changes in the consumer price index for all urban consumers published by the Department of Labor as of the date on which the exchange is to be consummated pursuant to paragraph (7), or such other value as shall be mutually agreed to by the Secretary of the Interior and the holders not later than 30 days after the date of enactment of this subsection.

"(ii) New appraisal.—

"(I) Selection of appraiser.—Not later than 30 days after the date of enactment of this subsection, the Secretary of the Interior and the holders shall mutually agree on the selection of a qualified appraiser to conduct an appraisal of the mineral and geothermal interests.

"(II) No agreement on appraiser.—If no appraiser is mutually agreed to under subclause (I), not later than 60 days after the date of enactment of this subsection—

"(aa) the Secretary of the Interior and the holders shall each designate a qualified appraiser; and

"(bb) the two designated appraisers shall select a third qualified appraiser to perform the appraisal with the advice and assistance of the designated appraisers and in accordance with the instructions that were mutually agreed on for the September 11, 1991, third part appraisal.

"(III) Date of valuation.—The value of the mineral and geothermal interests to be conveyed by each holder shall be calculated as of August 26, 1982, adjusted to reflect changes in the consumer price index for all urban consumers published by the Department of Labor as of the date on which the exchange is to be consummated pursuant to paragraph (7).

"(IV) Costs.—The Secretary of the Interior shall bear the costs of the process established by this clause.

"(B) Timely appraisal report.—The appraisal report resulting from subparagraph (A) shall be presented to the Secretary of the Interior timely to permit the Secretary of the Interior to determine the value of the mineral and geothermal interests to be conveyed by each holder. Not later than the date that is 180 days after the date of enactment of this subsection, the Secretary of the Interior shall notify each holder of the determination.

"(C) Failure of process.—If the Secretary of the Interior fails to make a determination under subparagraph (B) by the date that is 180 days after the date of enactment of this subsection or if any holder does not agree with the value determined by the Secretary of the Interior under subparagraph (B), one or more of the holders may petition the United States Court of Federal Claims for a determination of the value of the mineral and geothermal interests to be conveyed by the holders in accordance with this subsection. Subject to the right of appeal, a determination by the Court shall be binding for purposes of this subsection on all parties.

"(5) Exchange account.—

"(A) In general.—Notwithstanding any other provision of law, not later than 30 days after the completion of each exchange with a holder required by this subsection, the Secretary of the Interior shall establish, with the Minerals Management Service of the Department of the Interior, an exchange account for the holder for monetary credits described in paragraph (3).

"(B) Initial balance.—The initial balance of credits in each holder's account shall be equal to the value as determined under paragraph (4) of the mineral and geothermal interests conveyed by the holder in the exchange.

"(C) Use of credits.—The balance of credits in a holder's account shall be available to the

holder or its assigns for the purposes of paragraph (3). The Secretary of the Interior shall adjust the balance of credits in the account to reflect payments made pursuant to paragraph (3).

"(D) TRANSFER OF CREDITS.—

"(i) IN GENERAL.—A holder may transfer or sell any credits in the holder's account to another person.

"(ii) USE OF TRANSFERRED CREDITS.—Credits transferred under clause (i) may be used in accordance with this subsection only by a person that is qualified to bid on, or that holds, a mineral, oil, or gas lease under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.).

"(iii) NOTIFICATION.—A holder shall notify the Secretary of the Interior of any transfer or sale under this subparagraph promptly after the transfer or sale.

"(E) TIME LIMIT ON USE OF CREDITS.—On the date that is 5 years after an account is created under subparagraph (A), the Secretary of the Interior shall terminate the account and any remaining credits in the account shall become unusable.

"(6) TITLE TO INTERESTS.—On the date of the establishment of an exchange account for a holder under paragraph (5)(A), title to any mineral and geothermal interests that are held by the holder and are to be acquired by the Secretary of the Interior under paragraph (2) shall transfer to the United States.

"(7) COMPLETION OF EXCHANGES.—The Secretary of the Interior shall complete the exchanges under paragraph (2) not later than 180 days after the date of enactment of this subsection or as soon as practicable after completion of the process described in paragraph (4)(C).".

The committee amendment was agreed to.

The bill (S. 638), as amended, was deemed read the third time and passed.

NATIONAL DISCOVERY TRAILS ACT OF 1998

The Senate proceeded to consider the bill (S. 1069) entitled the "National Discovery Trails Act of 1997, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Discovery Trails Act of 1998".

SEC. 2. NATIONAL TRAILS SYSTEM ACT AMENDMENTS.

(a)(1) Section 3(a) of the National Trails System Act (16 U.S.C. 1242(a)) is amended by inserting after paragraph (4) the following:

"(5) National discovery trails, established as provided in section 5, which will be extended, continuous, interstate trails so located as to provide for outstanding outdoor recreation and travel and to connect representative examples of America's trails and communities. National discovery trails should provide for the conservation and enjoyment of significant natural, cultural, and historic resources associated with each trail and should be so located as to represent metropolitan, urban, rural, and back country regions of the Nation. Any such trail may be designated on federal lands and, with the consent of the owner thereof, on any non federal lands.".

(2) FEASIBILITY REQUIREMENTS; COOPERATIVE MANAGEMENT REQUIREMENT.—Section 5(b) of such Act (16 U.S.C. 1244) is amended by adding at the end the following new paragraph:

"(12) For purposes of subsection (b), a trail shall not be considered feasible and desirable for designation as a national discovery trail unless it meets all of the following criteria:

"(A) The trail must link one or more areas within the boundaries of a metropolitan area (as those boundaries are determined under section 134(c) of title 23, United States Code). It should also join with other trails, connecting the National Trails System to significant recreation and resources areas.

"(B) The trail must be supported by at least one competent trailwide nonprofit organization. Each trail should have extensive local and trailwide support by the public, by user groups, and by affected State and local governments.

"(C) The trail must be extended and pass through more than one State. At a minimum, it should be a continuous, walkable route.

"(13) The appropriate Secretary for each national discovery trail shall administer the trail in cooperation with at least one competent trailwide volunteer-based organization. Where the designation of discovery trail is aligned with other units of the National Trails System, or State or local trails, the designation of a discovery trail shall not affect the protections or authorities provided for the other trail or trails, nor shall the designation of a discovery trail diminish the values and significance for which those trails were established.".

(b) DESIGNATION OF THE AMERICAN DISCOVERY TRAIL AS A NATIONAL DISCOVERY TRAIL.—Section 5(a) of such Act (16 U.S.C. 1244(a)) is amended—

(1) by redesignating the paragraph relating to the California National Historic Trail as paragraph (18);

(2) by redesignating the paragraph relating to the Pony Express National Historic Trail as paragraph (19);

(3) by redesignating the paragraph relating to the Selma to Montgomery National Historic Trail as paragraph (20); and

(4) by adding at the end the following:

"(21) The American Discovery Trail, a trail of approximately 6,000 miles extending from Cape Henlopen State Park in Delaware to Point Reyes National Seashore in California, extending westward through Delaware, Maryland, the District of Columbia, West Virginia, Ohio, and Kentucky, where near Cincinnati it splits into two routes. The Northern Midwest route traverses Ohio, Indiana, Illinois, Iowa, Nebraska, and Colorado, and the Southern Midwest route traverses Indiana, Illinois, Missouri, Kansas, and Colorado. After the two routes rejoin in Denver, Colorado, the route continues through Colorado, Utah, Nevada, and California. The trail is generally described in Volume 2 of the National Park Service feasibility study dated June 1995 which shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, the District of Columbia. The American Discovery Trail shall be administered by the Secretary of the Interior in cooperation with at least one competent trailwide volunteer-based organization and other affected federal land managing agencies, and state and local governments, as appropriate. No lands or interests outside the exterior boundaries of federally administered areas may be acquired by the Federal Government solely for the American Discovery Trail. The provisions of sections 7(e), 7(f), and 7(g) shall not apply to the American Discovery Trail.".

(c) COMPREHENSIVE NATIONAL DISCOVERY TRAIL PLAN.—Section 5 of such Act (16 U.S.C. 1244) is further amended by adding at the end the following new subsection:

"(g) Within three complete fiscal years after the date of enactment of any law designating a national discovery trail, the administering Federal agency shall, in cooperation with at least one competent trailwide volunteer-based organization, submit a comprehensive plan for the protection, management, development, and use of the federal portions of the trail, and provide technical assistance to states and local units of government and private landowners, as requested, for non-federal portions of the trail, to the Committee on Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. The responsible Secretary shall ensure that the comprehensive plan for the entire trail does not conflict with existing agency direction and that the volunteer-based organization shall consult with the affected land managing agencies, the Governors of the affected States, affected county and local political jurisdictions, and local organizations maintaining components of the trail. Components of the comprehensive plan include—

"(1) policies and practices to be observed in the administration and management of the trail, including the identification of all significant natural, historical, and cultural resources to be preserved, model agreements necessary for joint trail administration among and between interested parties, and an identified carrying capacity for critical segments of the trail and a plan for their implementation where appropriate;

"(2) general and site-specific trail-related development including costs; and

"(3) the process to be followed by the volunteer-based organization, in cooperation with the appropriate Secretary, to implement the trial marking authorities in section 7(c) conforming to approved trail logo or emblem requirements.". Nothing in this Act may be construed to impose or permit the imposition of any landowner on the use of any non federal lands without the consent of the owner thereof. Neither the designation of a National Discovery Trail nor any plan relating thereto shall affect or be considered in the granting or denial of a right of way or any conditions relating thereto.".

SEC. 3. CONFORMING AMENDMENTS.

The National Trails System Act is amended—

(1) in section 2(b) (16 U.S.C. 1241(b)), by striking "scenic and historic" and inserting "scenic, historic, and discovery";

(2) in the section heading to section 5 (16 U.S.C. 1244), by striking "AND NATIONAL HISTORIC" and inserting ", NATIONAL HISTORIC, AND NATIONAL DISCOVERY";

(3) in section 5(a) (16 U.S.C. 1244(a)), in the matter preceding paragraph (1)—

(A) by striking "and national historic" and inserting ", national historic, and national discovery"; and

(B) by striking "and National Historic" and inserting ", National Historic, and National Discovery";

(4) in section 5(b) (16 U.S.C. 1244(b)), in the matter preceding paragraph (1), by striking "or national historic" and inserting ", national historic, or national discovery;

(5) in section 5(b)(3) (16 U.S.C. 1244(b)(3)), by striking "or national historic" and inserting ", national historic, or national discovery";

(6) in section 7(a)(2) (16 U.S.C. 1246(a)(2)), by striking "and national historic" and inserting ", national historic, and national discovery";

(7) in section 7(b) (16 U.S.C. 1246(b)), by striking "or national historic" each place such term appears and inserting ", national historic, or national discovery";

(8) in section 7(c) (16 U.S.C. 1246(c))—

(A) by striking "scenic or national historic" each place it appears and inserting "scenic, national historic, or national discovery";

(B) in the second proviso, by striking "scenic, or national historic" and inserting "scenic, national historic, or national discovery"; and

(C) by striking ", and national historic" and inserting ", national historic, and national discovery";

(9) in section 7(d) (16 U.S.C. 1246(d)), by striking "or national historic" and inserting "national historic, or national discovery";

(10) in section 7(e) (16 U.S.C. 1246(e)), by striking "or national historic" each place such term appears and inserting ", national historic, or national discovery";

(11) in section 7(f)(2) (16 U.S.C. 1246(f)(2)), by striking "National Scenic or Historic" and inserting "national scenic, historic, or discovery trail";

(12) in section 7(h)(1) (16 U.S.C. 1246(h)(1)), by striking "or national historic" and inserting "national historic, or national discovery"; and

(13) in section 7(i) (16 U.S.C. 1246(i)), by striking "or national historic" and inserting "national historic, or national discovery".

The committee amendment was agreed to.

The bill (S. 1069), as amended, was deemed read the third time and passed.

BANDELIER NATIONAL MONUMENT ADMINISTRATIVE IMPROVEMENT AND WATERSHED PROTECTION ACT OF 1997

The Senate proceeded to consider the bill (S. 1132) to modify the boundaries of the Bandelier National Monument to include the lands within the headwater of the Upper Alamo Watershed which drain into the Monument and which are not currently within the jurisdiction of a Federal land management agency, to authorize purchase or donation of those lands and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1132

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Bandelier National Monument Administrative Improvement and Watershed Protection Act of 1997".

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that:

(1) Bandelier National Monument (hereinafter, the Monument) was established by Presidential proclamation on February 11, 1916, to preserve the archeological resources of a "vanished people, with as much land as may be necessary for the proper protection thereof. . ." (No. 1322; 39 Stat. 1746).

(2) At various times since its establishment, the Congress and the President have adjusted the Monument's boundaries and purpose to further preservation of archeological and natural resources within the Monument.

(A) On February 25, 1932, the Otowi Section of the Santa Fe National Forest (some 4,699 acres of land) was transferred to the Monument from the Santa Fe National Forest (Presidential Proclamation No. 1191; 17 Stat. 2503).

(B) In December of 1959, 3,600 acres of Frijoles Mesa were transferred to the National Park Service from the Atomic Energy Committee (hereinafter, AEC) and subsequently added to the Monument on January 9, 1991, because of "pueblo-type archeological ruins germane to those in the monument" (Presidential Proclamation No. 3388).

(C) On May 27, 1963, Upper Canyon, 2,882 acres of land previously administered by the AEC, was added to the Monument to preserve "their unusual scenic character together with geologic and topographic features, the preservation of which would implement the purposes" of the Monument (Presidential Proclamation No. 3539).

(D) In 1976, concerned about upstream land management activities that could result in flooding and erosion in the Monument, Congress included the headwaters of the Rito de los Frijoles and the Cañada de Cochiti Grant (a total of 7,310 acres) within the Monument's boundaries (Public Law 94–578; 90 Stat. 2732).

(E) In 1976, Congress created the Bandelier Wilderness, a 23,267 acres area that covers over 70 percent of the Monument.

(3) The Monument still has potential threats from flooding, erosion, and water quality deterioration because of the mixed ownership of the upper watersheds, along its western border, particularly in Alamo Canyon.

[(b) Purposes.—The purposes of this Act are to**]** *(b) Purpose.—The purpose of this Act is to* modify the boundary of the Monument to allow for acquisition and enhanced protection of the lands within the Monument's upper watershed.

SEC. 3. BOUNDARY MODIFICATION.

Effective on the date of enactment of this Act, the boundaries of the Monument shall be modified to include approximately 935 acres of land comprised of the Elk Meadows subdivision, the Gardner parcel, the Clark parcel, and the Baca Land & Cattle Co. lands within the Upper Alamo watershed as depicted on the map National Park Service map entitled **[**"Alamo Headwaters Proposed Additions" dated 6/97.**]** *"Proposed Boundary Expansion Map Bandelier National Monument" dated July, 1997.* Such map shall be on file and available for public inspection in the offices of the Director of the National Park Service, Department of the Interior.

[SEC. 4. TRANSFER AND ACQUISITION OF LANDS.

[Within the boundaries designated by this Act, the Secretary of the Interior is authorized to acquire lands (or interests in lands such as he determines shall adequately protect the Monument from flooding, erosion, and degradation of its drainage waters) by donation, purchase with donated or appropriated funds, exchange, or transfer of lands acquired by other Federal agencies.**]**

SEC. 4. LAND ACQUISITION.

(a) In General.—Except as provided in subsections (b) and (c), the Secretary of the Interior is authorized to acquire lands and interests therein within the boundaries of the area added to the Monument by this Act by donation, purchase with donated or appropriated funds, transfer with another Federal agency, or exchange: Provided, That no lands or interests therein may be acquired except with the consent of the owner thereof.

(b) State and Local Lands.—Lands or interests therein owned by the State of New Mexico or a political subdivision thereof may only be acquired by donation or exchange.

(c) Acquisition of Less Than Fee Interests in Land.—The Secretary may acquire less than fee interests in land only if the Secretary determines that such less than fee acquisition will adequately protect the Monument from flooding, erosion, and degradation of its drainage waters.

SEC. 5. ADMINISTRATION.

The Secretary of the Interior, acting through the Director of the National Park Service, shall manage the national Monument, including lands added to the Monument by this Act, in accordance with this Act and the provisions of law generally applicable to units of National Park System, including the Act of **[**August 25, an Act**]** *August 25, 1916, an Act* to establish a National Park Service (39 Stat. 535; 16 U.S.C. 1 et seq.), and such specific legislation as heretofore has been enacted regarding the Monument.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out the purpose of this Act.

The committee amendments were agreed to.

The bill (S. 1132), as amended, was deemed read the third time and passed.

NATIONAL HISTORIC LIGHTHOUSE PRESERVATION ACT OF 1998

The Senate proceeded to consider the bill (S. 1043) to amend the National Historic Preservation Act for purposes of establishing a national historic lighthouse preservation program, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Historic Lighthouse Preservation Act of 1998".

SEC. 2. PRESERVATION OF HISTORIC LIGHT STATIONS.

Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding at the end the following new section:

"§308. Historic lighthouse preservation

"(a) In General.—In order to provide a national historic light station program, the Secretary shall—

"(1) collect and disseminate information concerning historic light stations, including historic lighthouses and associated structures;

"(2) foster educational programs relating to the history, practice, and contribution to society of historic light stations;

"(3) sponsor or conduct research and study into the history of light stations;

"(4) maintain a listing of historic light stations; and

"(5) assess the effectiveness of the program established by this section regarding the conveyance of historic light stations.

"(b) Conveyance of Historic Light Stations.—

"(1) Within one year of the date of enactment of this section, the Secretary and the Administrator of General Services (hereinafter Administrator) shall establish a process for identifying, and selecting, an eligible entity to which a historic light station could be conveyed for education, park, recreation, cultural, or historic preservation purposes.

"(2) The Secretary shall review all applicants for the conveyance of a historic light station, when the historic light station has been identified as excess to the needs of the agency with administrative jurisdiction over the historic light station, and forward to the Administrator a single approved application for the conveyance of the historic light station. When selecting an eligible entity, the Secretary may consult with the State Historic Preservation Officer of the state in which the historic light station is located. A

priority of consideration shall be afforded public entities that submit applications in which the public entity enters into a partnership with a nonprofit organization whose primary mission is historic light station preservation.

"(3)(A) Except as provided in paragraph (B), the Administrator shall convey, by quit claim deed, without consideration, all right, title, and interest of the United States in and to the historic light station, subject to the conditions set forth in subsection (c). The conveyance of a historic light station under this section shall not be subject to the provisions of 42 U.S.C. 11301 et seq.

"(B)(i) Historic light stations located within the exterior boundaries of a unit of the National Park System or a refuge within the National Wildlife Refuge System shall be conveyed or sold only with the approval of the Secretary.

"(ii) If the Secretary approves the conveyance or sale of a historic light station referenced in this paragraph, such conveyance or sale shall be subject to the conditions set forth in subsection (c) and any other terms or conditions the Secretary considers necessary to protect the resources of the park unit or wildlife refuge.

"(iii) For those historic light stations referenced in this paragraph, the Secretary is encouraged to enter cooperative agreements with appropriate eligible entities, as provided in this Act, to the extent such cooperative agreements are consistent with the Secretary's responsibilities to manage and administer the park unit or wildlife refuge, as appropriate.

"(c) TERMS OF CONVEYANCE.—

"(1) The conveyance of a historic light station shall be made subject to any conditions the Administrator considers necessary to ensure that—

"(A) the lights, antennas, sound signal, electronic navigation equipment, and associated light station equipment located at the historic light station, which are active aids to navigation, shall continue to be operated and maintained by the United States for as long as needed for this purpose;

"(B) the eligible entity to which the historic light station is conveyed under this section shall not interfere or allow interference in any manner with aids to navigation without the express written permission of the head of the agency responsible for maintaining the aids to navigation;

"(C) there is reserved to the United States the right to relocate, replace, or add any aid to navigation located at the historic light station as may be necessary for navigation purposes;

"(D) the eligible entity to which the historic light station is conveyed under this section shall maintain the historic light station in accordance with the National Historic Preservation Act of 1966, 16 U.S.C. 470–470x, the Secretary of the Interior's Standards for the Treatment of Historic Properties, and other applicable laws;

"(E) the eligible entity to which the historic light station is conveyed under this section shall make the historic light station available for education, park, recreation, cultural or historic preservation purposes for the general public at reasonable times and under reasonable conditions; and

"(F) the United States shall have the right, at any time, to enter the historic light station without notice for purposes of maintaining and inspecting aids to navigation and ensuring compliance with paragraph (C), to the extent that it is not possible to provide advance notice.

"(2) The Secretary, the Administrator, and any eligible entity to which a historic light station is conveyed under this section, shall not be required to maintain any active aids to navigation associated with a historic light station.

"(3) In addition to any term or condition established pursuant to this subsection, the conveyance of a historic light station shall include a condition that the historic light station in its existing condition, at the option of the Administrator, revert to the United States if—

"(A) the historic light station or any part of the historic light station ceases to be available for education, park, recreation, cultural, or historic preservation purposes for the general public at reasonable times and under reasonable conditions which shall be set forth in the eligible entity's application;

"(B) the historic light station or any part of the historic light station ceases to be maintained in a manner that ensures its present or future use as an aid to navigation or compliance with the National Historic Preservation Act, 16 U.S.C. 470–470x, the Secretary of the Interior's Standards for the Treatment of Historic Properties, and other applicable laws; or

"(C) at least 30 days before the reversion, the Administrator provides written notice to the owner that the historic light station is needed for national security purposes.

"(d) DESCRIPTION OF PROPERTY.—The Administrator shall prepare the legal description of any historic light station conveyed under this section. The Administrator may retain all right, title, and interest of the United States in and to any historical artifact, including any lens or lantern, that is associated with the historic light station and located at the light station at the time of conveyance. All conditions placed with the deed of title to the historic light station shall be construed as covenants running with the land. No submerged lands shall be conveyed to nonfederal entities.

"(e) RESPONSIBILITIES OF CONVEYEES.—Each eligible entity to which a historic light station is conveyed under this section shall use and maintain the historic light station in accordance with this section, and have such conditions recorded with the deed of title to the historic light station.

"(f) DEFINITIONS.—For purposes of this section:

"(1) HISTORIC LIGHT STATION.—The term 'historic light station' includes the light tower, lighthouse, keepers dwelling, garages, storage sheds, oil house, fog signal building, boat house, barn, pumphouse, tramhouse support structures, piers, walkways, and related real property and improvements associated therewith; provided that the light tower or lighthouse shall be included in or eligible for inclusion in the National Register of Historic Places.

"(2) ELIGIBLE ENTITY.—The term 'eligible entity' shall mean—

"(A) any department or agency of the Federal government; or

"(B) any department or agency of the state in which the historic light station is located, the local government of the community in which the historic light station is located, nonprofit corporation, educational agency, or community development organization that—

"(i) has agreed to comply with the conditions set forth in subsection (c) and to have such conditions recorded with the deed of title to the historic light station;

"(ii) is financially able to maintain the historic light station in accordance with the conditions set forth in subsection (c); and

"(iii) can indemnify the Federal government to cover any loss in connection with the historic light station, or any expenses incurred due to reversion.".

SEC. 3. SALE OF SURPLUS LIGHT STATIONS.

Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w-6) is amended by adding at the end the following new section:

"§ 309. Historic light station sales

"In the event no applicants are approved for the conveyance of a historic light station pursuant to section 308, the historic light station shall be offered for sale. Terms of such sales shall be developed by the Administrator of General Services. Conveyance documents shall include all necessary covenants to protect the historical integrity of the historic light station and ensure that any active aids to navigation located at the historic light station are operated and maintained by the United States for as long as needed for that purpose. Net sale proceeds shall be transferred to the National Maritime Heritage Grant Program, established by the National Maritime Heritage Act of 1994, Pub. L. 103–451, within the Department of the Interior.".

SEC. 4. TRANSFER OF HISTORIC LIGHT STATIONS TO FEDERAL AGENCIES.

Title III of the National Historic Preservation Act of 1966, 16 U.S.C. 470–470x, is amended by adding at the end the following new section:

"§ 310. Transfer of historic light stations to Federal agencies

"After the date of enactment of this section, any department or agency of the Federal government, to which a historic light station is conveyed, shall maintain the historic light station in accordance with the National Historic Preservation Act of 1966, 16 U.S.C. 470–470x, the Secretary of the Interior's Standards for the Treatment of Historic Properties, and other applicable laws.".

SEC. 5. FUNDING.

There are hereby authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to carry out this Act.

The committee amendment was agreed to.

The bill (S. 1043), as amended, was deemed read the third time and passed.

METHANE HYDRATE RESEARCH AND DEVELOPMENT ACT OF 1998

The Senate proceeded to consider the bill (S. 1418) to promote the research, identification, assessment, exploration, and development of methane hydrate resources, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Methane Hydrate Research and Development Act of 1997".

SEC. 2. DEFINITIONS.

In this Act:

(1) CONTRACT.—The term "contract" means a procurement contract within the meaning of 6303 of title 31, United States Code.

(2) COOPERATIVE AGREEMENT.—The term "cooperative agreement" means a cooperative agreement within the meaning of section 6305 of title 31, United States Code.

(3) GRANT.—The term "grant" means a grant agreement within the meaning of section 6304 of title 31, United States Code.

(4) METHANE HYDRATE.—The term "methane hydrate" means a methane clathrate that—

(A) is in the form of a methane-water icelike crystalline material; and

(B) is stable and occurs naturally in deep-ocean and permafrost areas.

(5) SECRETARY.—The term "Secretary" means the Secretary of Energy.

(6) SECRETARY OF DEFENSE.—The term "Secretary of Defense" means the Secretary of Defense, acting through the Secretary of the Navy.

(7) SECRETARY OF THE INTERIOR.—The term "Secretary of the Interior" means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

(8) DIRECTOR.—The term "Director" means the Director of the National Science Foundation.

SEC. 3. METHANE HYDRATE RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—

[(1) COMMENCEMENT OF PROGRAM.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Defense and the Secretary of the Interior, shall commence a program of methane hydrate research and development.

[(2) DESIGNATIONS.—The Secretary, Secretary of Defense, and Secretary of the Interior shall designate individuals to implement this Act.]

(1) COMMENCEMENT OF PROGRAM.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Defense, the Secretary of the Interior, and the Director, shall commence a program of methane hydrate research and development.

(2) DESIGNATIONS.—The Secretary, the Secretary of Defense, the Secretary of the Interior, and the Director shall designate individuals to implement this Act.

(3) MEETINGS.—The individuals designated under paragraph (2) shall meet not less frequently than every 120 days to review the progress of the program under paragraph (1) and make recommendations on future activities.

(b) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—

(1) ASSISTANCE AND COORDINATION.—The Secretary may award grants or contracts to, or enter into cooperative agreements with, universities and industrial enterprises to—

(A) conduct basic and applied research to identify, explore, assess, and develop methane hydrate as a source of energy;

(B) assist in developing technologies required for efficient and environmentally sound development of methane hydrate resources;

(C) undertake research programs to provide safe means of transport and storage of methane produced from methane hydrates;

(D) promote education and training in methane hydrate resources research and resource development;

(E) conduct basic and applied research to assess and mitigate the environmental impacts of hydrate degassing, both natural and that associated with commercial development; and

(F) develop technologies to reduce the risks of drilling through methane hydrates.

(2) CONSULTATION.—The Secretary may establish an advisory panel consisting of experts from industry, academia, and Federal agencies to advise the Secretary on potential applications of methane hydrate and assist in developing recommendations and priorities for the methane hydrate research and development program carried out under this section.

(c) LIMITATIONS.—

(1) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount made available to carry out this section for a fiscal year may be used by the Secretary for expenses associated with the administration of the program *under* subsection (a)(1).

(2) CONSTRUCTION COSTS.—None of the funds made available to carry out this section may be used for the construction of a new building or the acquisition, expansion, remodeling, or alteration of an existing building (including site grading and improvement and architect fees).

(d) RESPONSIBILITIES OF THE SECRETARY.—In carrying out subsection (b)(1), the Secretary shall—

(1) facilitate and develop partnerships among government, industry, and academia to research, identify, assess, and explore methane hydrate resources;

(2) undertake programs to develop basic information necessary for promoting long-term interest in methane hydrate resources as an energy source;

(3) ensure that the data and information developed through the program are accessible and widely disseminated as needed and appropriate;

(4) promote cooperation among agencies that are developing technologies that may hold promise for methane hydrate resource development; and

(5) report annually to Congress on accomplishments under this Act.

SEC. 4. AMENDMENT TO THE MINING AND MINERALS POLICY ACT OF 1970.

Section 201 of the Mining and Minerals Policy Act of 1970 (30 U.S.C. 1901) is amended—

(1) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively;

(2) by inserting after paragraph (5) the following:

(6) the term 'methane hydrate' means a methane clathrate that—

"(A) is in the form of a methane-water ice-like crystalline material; and

"(B) is stable and occurs naturally in deep-ocean and permafrost areas."; and

(3) in paragraph (7) (as redesignated by paragraph (1))—

(A) in subparagraph (F), by striking "and";

(B) by redesignating subparagraph (G) as subparagraph (H); and

(C) by inserting after subparagraph (F) the following:

"(G) methane hydrate; and".

SEC. [4.] *5.* AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

The committee amendments were agreed to.

The bill (S. 1418), as amended, was deemed read the third time and passed.

LAND CONVEYANCE, COUNTY OF RIO ARRIBA, NEW MEXICO

The Senate proceeded to consider the bill (S. 1510) to direct the Secretary of the Interior and the Secretary of Agriculture to convey certain lands to the county of Rio Arriba, New Mexico, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 1510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OLD COYOTE ADMINISTRATIVE SITE.

(a) CONVEYANCE OF PROPERTY.—Not later than one year after the date of enactment of this Act, the Secretary of the Interior (herein "the Secretary") shall convey to the County of Rio Arriba, New Mexico (herein "the County"), subject to the terms and conditions stated in subsection (b), all right, title, and interest of the United States in and to the land (including all improvements on the land) known as the "Old Coyote Administrative Site" located approximately ½ mile east of the Village of Coyote, New Mexico, on State Road 96, comprising one tract of 130.27 acres (as described in Public Land Order 3730), and one tract of 276.76 acres (as described in Executive Order 4599).

(b) TERMS AND CONDITIONS.—

(1) Consideration for the conveyance described in subsection (a) shall be—

(A) an amount that is consistent with the special pricing program for Governmental entities under the Recreation and Public Purposes Act; and

(B) an agreement between the Secretary and the County indemnifying the Government of the United States from all liability of the Government that arises from the property.

(2) The lands conveyed by this Act shall be used for public purposes. If such lands cease to be used for public purposes, at the option of the United States, such lands will revert to the United States.

(c) LAND WITHDRAWALS.—Land withdrawals under Public Land Order 3730 and Executive Order 4599 as extended in the Federal Register on May 25, 1989 (54 F.R. 22629) shall be revoked simultaneous with the conveyance of the property under subsection (a).

The committee amendment was agreed to.

The bill (S. 1510), as amended, was deemed read the third time and passed.

Mr. DOMENICI. Mr. President, I am very pleased that the Senate has today passed S. 1510, the Rio Arriba, New Mexico Land Conveyance Act of 1998. This legislation will provide long-term benefits for the people of Rio Arriba County, New Mexico.

Seventy percent of Rio Arriba County is in federal ownership. Communities find themselves unable to grow or find available property necessary to provide local services. This legislation allows for transfer by the Secretary of the Interior real property and improvements at an abandoned and surplus administrative site for the Carson National Forest to Rio Arriba County. The site is known as the old Coyote Ranger District Station, near the small town of Coyote, New Mexico.

The Coyote Station will continue to be used for public purposes, including a community center, and a fire substation. Some of the buildings will also be available for the County to use for storage and repair of road maintenance equipment, and other County vehicles.

Mr. President, the Forest Service has determined that this site is of no further use to them, since they have recently completed construction of a new administrative facility for the Coyote Ranger District. The Forest Service reported to the General Services Administration that the improvements on the site were considered surplus, and would be available for disposal under their administrative procedures. At this particular site, however, the land on which the facilities have been built is withdrawn public domain land, under the jurisdiction of the Bureau of Land Management.

I have worked closely with the Forest Service and Bureau of Land Management since introducing this bill in November. The Administration is supportive of the legislation and the changes made to the bill.

Mr. President, since neither the Bureau of Land Management nor the Forest Service have any interest in maintaining Federal ownership of this land and the surplus facilities, and Rio Arriba County desperately needs them, passage of S. 1510 is a win-win situation for the federal government and New Mexico. I look forward to the House's agreement and Presidential signature soon.

LAKE CHELAN NATIONAL RECREATION AREA

The Senate proceeded to consider the bill (S. 1683) to transfer administrative jurisdiction over part of the Lake Chelan National Recreation Area from the Secretary of the Interior to the Secretary of Agriculture for inclusion in the Wenatchee National Forest, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 1683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BOUNDARY ADJUSTMENTS, LAKE CHELAN NATIONAL RECREATION AREA AND WENATCHEE NATIONAL FOREST, WASHINGTON.

(a) BOUNDARY ADJUSTMENTS.—

(1) LAKE CHELAN NATIONAL RECREATION AREA.—The boundary of the Lake Chelan National Recreation Area, established by section 202 of Public Law 90–544 (16 U.S.C. 90a–1), is hereby adjusted to exclude a parcel of land and waters consisting of approximately 88 acres, as depicted on the map entitled "Proposed Management Units, North Cascades, Washington", numbered NP–CAS–7002A, originally dated October 1967, and revised July 13, 1994.

(2) WENATCHEE NATIONAL FOREST.—The boundary of the Wenatchee National Forest is hereby adjusted to include the parcel of land and waters described in paragraph (1).

(3) AVAILABILITY OF MAP.—The map referred to in paragraph (1) shall be on file and available for public inspection in the offices of the superintendent of the Lake Chelan National Recreation Area and the Director of the National Park Service, Department of the Interior, and in the office of the Chief of the Forest Service, Department of Agriculture.

(b) TRANSFER OF ADMINISTRATIVE JURISDICTION.—Administrative jurisdiction over Federal land and waters in the parcel covered by the boundary adjustments in subsection (a) is transferred from the Secretary of the Interior to the Secretary of Agriculture, and the transferred land and waters shall be managed by the Secretary of Agriculture in accordance with the laws and regulations pertaining to the National Forest System.

(c) LAND AND WATER CONSERVATION FUND.—For purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), the boundaries of the Wenatchee National Forest, as adjusted by subsection (a), shall be considered to be the boundaries of the Wenatchee National Forest as of January 1, 1965.

The committee amendment was agreed to.

The bill (S. 1683), as amended, was deemed read the third time and passed.

SAND CREEK MASSACRE NATIONAL HISTORIC SITE STUDY ACT OF 1998

The Senate proceeded to consider the bill (S. 1695) to establish the Sand Creek Massacre National Historic Site in the State of Colorado, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sand Creek Massacre National Historic Site Study Act of 1998".

SEC. 2. FINDINGS.

(a) FINDINGS.—Congress finds that—

(1) on November 29, 1864, Colonel John M. Chivington led a group of 700 armed soldiers to a peaceful Cheyenne village of more than 100 lodges on the Big Sandy, also known as Sand Creek, located within the Territory of Colorado, and in a running fight that ranged several miles upstream along the Big Sandy, slaughtered several hundred Indians in Chief Black Kettle's village, the majority of whom were women and children;

(2) the incident was quickly recognized as a national disgrace and investigated and condemned by 2 congressional committees and a military commission;

(3) although the United States admitted guilt and reparations were provided for in article VI of the Treaty of Little Arkansas of October 14, 1865 (14 Stat. 703) between the United States and the Cheyenne and Arapaho Tribes of Indians, those treaty obligations remain unfulfilled;

(4) land at or near the site of the Sand Creek Massacre may be available for purchase from a willing seller; and

(5) the site is of great significance to the Cheyenne and Arapaho Indian descendants of those who lost their lives at the incident at Sand Creek and to their tribes, and those descendants and tribes deserve the right of open access to visit the site and rights of cultural and historical observance at the site.

SEC. 3. DEFINITIONS.

In this Act:

(1) SECRETARY.—The term "Secretary" means the Secretary of the Interior acting through the Director of the National Park Service.

(2) SITE.—The term "site" means the Sand Creek massacre site described in section 2.

(3) TRIBES.—The term "Tribes" means—

(A) the Cheyenne and Arapaho Tribe of Oklahoma;

(B) the Northern Cheyenne Tribe; and

(C) the Northern Arapaho Tribe.

SEC. 4. STUDY.

(a) IN GENERAL.—Not later than 18 months after the date on which funds are made available for the purpose, the Secretary, in consultation with the Tribes and the State of Colorado, shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a resource study of the site.

(b) CONTENTS.—The study under subsection (a) shall—

(1) identify the location and extent of the massacre area and the suitability and feasibility of designating the site as a unit of the National Park System; and

(2) include cost estimates for any necessary acquisition, development, operation and maintenance, and identification of alternatives for the management, administration, and protection of the area.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

Amend the title so as to read: "A bill to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Sand Creek Massacre National Historic Site in the State of Colorado as a unit of the National Park System, and for other purposes.".

The committee amendment was agreed to.

The bill (S. 1695), as amended, was deemed read the third time and passed.

HART MOUNTAIN TRANSFER ACT OF 1998

The Senate proceeded to consider the bill (S. 1807) to transfer administrative jurisdiction over certain parcels of public domain land in Lake County, Oregon, to facilitate management of the land, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 1807

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hart Mountain Transfer Act of 1998".

SEC. 2. TRANSFERS OF ADMINISTRATIVE JURISDICTION OVER PARCELS OF LAND ADMINISTERED BY THE BUREAU OF LAND MANAGEMENT AND THE UNITED STATES FISH AND WILDLIFE SERVICE.

(a) TRANSFER FROM THE BUREAU OF LAND MANAGEMENT TO THE UNITED STATES FISH AND WILDLIFE SERVICE.—

(1) IN GENERAL.—Administrative jurisdiction over the parcels of land identified for transfer to the United States Fish and Wildlife Service on the map entitled "Hart Mountain Jurisdictional Transfer", dated February 26, 1998, comprising approximately 12,100 acres of land in Lake County, Oregon, located adjacent to or within the Hart Mountain National Antelope Refuge, is transferred from the Bureau of Land Management to the United States Fish and Wildlife Service.

(2) INCLUSION IN REFUGE.—The parcels of land described in paragraph (1) shall be included in the Hart Mountain National Antelope Refuge.

(3) WITHDRAWAL.—Subject to valid existing rights, the parcels of land described in paragraph (1)—

(A) are withdrawn from—

(i) surface entry under the public land laws;

(ii) leasing under the mineral leasing laws and Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); and

(iii) location and entry under the mining laws; and

(B) shall be treated as parcels of land subject to the provisions of Executive Order No. 7523 of December 21, 1936, as amended by Executive

Order No. 7895 of May 23, 1938, and Presidential Proclamation No. 2416 of July 25, 1940, that withdrew parcels of land for the Hart Mountain National Antelope Refuge.

(4) MANAGEMENT.—The land described in paragraph (1) shall be included in the Hart Mountain National Antelope Refuge and managed in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), and other applicable law and with management plans and agreements between the Bureau of Land Management and the United States Fish and Wildlife Service for the Hart Mountain Refuge.

(b) CONTINUED MANAGEMENT OF GUANO CREEK WILDERNESS STUDY AREA BY THE BUREAU OF LAND MANAGEMENT.—

(1) IN GENERAL.—The parcels of land identified for cooperative management on the map entitled "Hart Mountain Jurisdictional Transfer", dated February 26, 1998, comprising approximately 10,900 acres of land in Lake County, Oregon, located south of the Hart Mountain National Antelope Refuge, shall be retained under the jurisdiction of the Bureau of Land Management.

(2) MANAGEMENT.—The parcels of land described in paragraph (1) that are within the Guano Creek Wilderness Study Area Act shall be managed so as not to impair the suitability of the area for designation as wilderness, in accordance with current and future management plans and agreements (including the agreement known as the "Shirk Ranch Agreement" dated September 30, 1997), until such date as Congress enacts a law directing otherwise.

(c) TRANSFER FROM THE UNITED STATES FISH AND WILDLIFE SERVICE TO THE BUREAU OF LAND MANAGEMENT.—

(1) IN GENERAL.—Administrative jurisdiction over the parcels of land identified for transfer to the Bureau of Land Management on the map entitled "Hart Mountain Jurisdictional Transfer", dated February 26, 1998, comprising approximately 7,700 acres of land in Lake County, Oregon, located adjacent to or within the Hart Mountain National Antelope Refuge, is transferred from the United States Fish and Wildlife Service to the Bureau of Land Management.

(2) REMOVAL FROM REFUGE.—The parcels of land described in paragraph (1) are removed from the Hart Mountain National Antelope Refuge, and the boundary of the refuge is modified to reflect that removal.

(3) REVOCATION OF WITHDRAWAL.—The provisions of Executive Order No. 7523 of December 21, 1936, as amended by Executive Order No. 7895 of May 23, 1938, and Presidential Proclamation No. 2416 of July 25, 1940, that withdrew the parcels of land for the refuge, shall be of no effect with respect to the parcels of land described in paragraph (1).

(4) STATUS.—The parcels of land described in paragraph (1)—

(A) are designated as public land; and

(B) shall be open to—

(i) surface entry under the public land laws;

(ii) leasing under the mineral leasing laws and the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); and

(iii) location and entry under the mining laws.

(5) MANAGEMENT.—The land described in paragraph (1) shall be managed in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable law, and the agreement known as the "Shirk Ranch Agreement" dated September 30, 1997.

(d) MAP.—A copy of the map described in subsections (a), (b), and (c) and such additional legal descriptions as are applicable shall be kept on file and available for public inspection in the Office of the Regional Director of Region 1 of the United States Fish and Wildlife Service, the local District Office of the Bureau of Land Management, the Committee on Energy and Natural Resources of the Senate, and the Committee on Resources of the House of Representatives.

SEC. 3. KLAMATH MARSH NATIONAL WILDLIFE REFUGE.

Section 28 of the Act of August 13, 1954 (68 Stat. 718, chapter 732; 72 Stat. 818; 25 U.S.C. 564w–1), is amended in subsections (f) and (g) by striking "Klamath Forest National Wildlife Refuge" each place it appears and inserting "Klamath Marsh National Wildlife Refuge".

The committee amendment was agreed to.

The bill (S. 1807), as amended, was deemed read the third time and passed.

LAND CONVEYANCE, SANTA FE NATIONAL FOREST, NEW MEXICO

The Senate proceeded to consider the bill (H.R. 434) to prove for the conveyance of small parcel of land in the Carson National Forest and the Santa Fe National Forest, New Mexico, to the village of El Rito and the town of Jemiz Springs, New Mexico, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

H.R. 434

SECTION 1. LAND CONVEYANCE, SANTA FE NATIONAL FOREST, NEW MEXICO.

(a) CONVEYANCE OF PROPERTY.—Within 60 days of enactment of this Act, the Secretary of Agriculture (herein "the Secretary") shall convey to the town of Jemez Springs, New Mexico, subject to the terms and conditions under subsection (c), all right, title, and interest of the United States in and to a parcel of real property (including any improvements on the land) consisting of approximately one acre located in the Santa Fe National Forest in Sandoval County, New Mexico.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the town of Jemez Springs.

(c) TERMS AND CONDITIONS.—

(1) Notwithstanding exceptions of application under the Recreation and Public Purposes Act (43 U.S.C. 869(c)), consideration for the conveyance described in subsection (a) shall be—

(A) an amount that is consistent with the Bureau of Land Management special pricing program for Governmental entities under the Recreation and Public Purposes Act; and,

(B) an agreement between the Secretary and the town of Jemez Springs indemnifying the Government of the United States from all liability of the Government that arises from the property.

(2) The lands conveyed by this Act shall be used for the purposes of construction and operation of a fire substation. If such lands cease to be used for such purposes, at the option of the United States, such lands will revert to the United States.

The committee amendment was agreed to.

The bill (H.R. 434), as amended, was deemed read the third time and passed.

TAHOE NATIONAL FOREST, CALIFORNIA

The bill (H.R. 1439) to facilitate the sale of certain land in Tahoe National Forest in the State of California to Placer County, California, was considered, ordered to a third reading, read the third time, and passed.

ELECTION OF THE DELEGATE OF GUAM

The bill (H.R. 1460) to allow for election of the Delegate of Guam by other than separate ballot, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MARK TWAIN NATIONAL FOREST, MISSOURI

The bill (H.R. 1779) to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing improvements, was considered, ordered to a third reading, read the third time, and passed.

FEDERAL POWER ACT EXTENSION FOR IOWA

The bill (H.R. 2165) to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 3862 in the State of Iowa, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

FEDERAL POWER ACT EXTENSION FOR COLORADO

The bill (H.R. 2217) to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 9248 in the State of Colorado, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

HYDROELECTRIC PROJECT EXTENSION

The bill (H.R. 2841) to extend the time required for the construction of a hydroelectric project, was considered, ordered to a third reading, read the third time, and passed.

ORDERS FOR MONDAY, JULY 20, 1998

Mr. DOMENICI. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 1 p.m. on Monday, July 20. I further ask unanimous consent that when the Senate reconvenes on Monday, immediately following the prayer, the routine requests through the morning hour be granted, and the Senate then begin a period for the transaction of morning business until 3 p.m., with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I further ask unanimous consent that notwithstanding rule XXII, Members have until 2 p.m. on Monday to file first-degree amendments to the legislative branch appropriations bill. I further ask unanimous consent that following the debate on the legislative branch bill on Monday, the Senate begin consideration of S. 2260, the Commerce-State-Justice appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOMENICI. Mr. President, for the information of all Senators, when the Senate convenes on Monday at 1 p.m., there will be a period for the transaction of morning business until 3 p.m. Following morning business, the Senate will resume consideration of the legislative branch appropriations bill. Following that debate, the Senate will turn to the consideration of S. 2260, the Commerce-State-Justice appropriations bill. The majority leader has announced there will be no rollcall votes during Monday's session. Therefore, any votes ordered with respect to the legislative branch or Commerce-State-Justice bills will be stacked to occur at 9:30 a.m. on Tuesday, July 21.

ORDER FOR ADJOURNMENT

Mr. DOMENICI. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order, following the remarks of Senator JEFFORDS from Vermont.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

REPUBLICAN HEALTH CARE BILL

Mr. JEFFORDS. This has been, to me, one of the more important days of this session. I believe that is true because of the introduction earlier by Senator LOTT of the Republican health care bill.

First, I commend the majority leader for the dexterous way in which he handled both allowing the members of a committee, a standing committee, to work, and then to join them with a leadership task force, formed by the majority leader, to put together a bill which could be backed by all Members of the Republican side.

That was no easy task, but I am happy to say that by working together I think we have provided, for the Senate's review, an outstanding piece of legislation. I also want to begin by commending Senator NICKLES and all the Members who participated in putting this legislation together on the task force, and in my committee. I think it is solid legislation that will result in a greatly improved health care system for Americans. I am proud to be a cosponsor of the Patients' Bill of Rights.

As always, there has been a flurry of work over the past few weeks as we have put this legislation together. But this last-minute work is only possible because we laid a sound foundation throughout the entire 105th Congress through many hearings.

In particular, there are members on my committee, who also served on the task force, who I think were key in bringing about a consensus.

First, Senator FRIST, who, obviously, from his valuable expertise as a physician, as well as a masterful legislator, has assisted in helping us provide a bill which we can be proud of and which we can be assured will be in the best interest of all patients as well as the health care system.

Senator COLLINS, who came here after being a State regulator in the health care area, provided tremendous knowledge and insight into how we could weave in and out the very complicated aspects of what should the Federal Government do and what should the States do, with leaving an emphasis primarily on allowing the States—which I will talk about later.

Over the past 14 months, the Labor and Human Resources Committee has held 11 hearings related to issues of health care quality, confidentiality, genetic discrimination, privacy, and HCFA's implementation of its new health insurance responsibilities.

Senator BILL FRIST's Public Health and Safety Subcommittee has also held three hearings on the work of AHCPR. That has to do with trying to ensure that we have adequate information about outcomes and to try to utilize that information to better equip our professional people to be the best in the world in health care. Each of these hearings helped us in developing the separate pieces of legislation that are reflected in the Patients' Bill of Rights.

Other colleagues here and on the House side have worked on this subject for an extended period of time, as well. Many of the protections that are included in the Patients' Bill of Rights are similar to those fashioned by Senator ROTH in the Finance Committee last year when we provided many of these same protections to plans that serve Medicare patients.

As we prepared this legislation, we had three goals in mind: first, give families the protections they want and need; second, ensure that medical decisions are made by physicians in consultation with their patients; and, finally, keep the cost of this legislation low so it does not displace anyone from being able to get health care coverage.

As we all know, the number of people who participate is extremely sensitive to the cost of health care. Information about products or services is the keystone to any well-functioning market. The bill requires full information disclosure by an employer about the health plans that he or she offers employees. People need to know what the plan will cover and what their out-of-pocket expenses will be. And this should be in clear and obvious language which is readily available for the patient or the prospective purchaser of the insurance to review so they do not suddenly realize they have run out of money as far as the plan is concerned or they find that many aspects are not covered.

They need to know where and how they will get their health care, and who will be providing these services. They also need to know how adverse decisions by the plan can be appealed, both internally and externally, to an independent reviewer. This is an extremely important part of this bill. This aspect of the bill which gives employees a brand new ERISA remedy of an external grievance and appeals process is one of which I am particularly proud since it is the cornerstone of S. 1712, my Health Care QUEST Act, which, incidentally, was a bipartisan bill.

Under our bill, patients will get timely decisions about what will be covered. Further, if an individual disagrees with the plan's decision about coverage, that individual may ultimately appeal the decision to an independent, external reviewer after an internal review decision. And this can be done in an expedited situation, if it is necessary.

The reviewer's decision will be binding on the part of the health plan, and the patients maintain their rights under ERISA to go to court. This is extremely important. This will be binding on the plan. So there will be no appeal by the plan through the courts or elsewhere from the decision by the reviewer.

It is infinitely better to be able to get the care needed than to sue to recover damages because he or she could not get the care they needed, and the fact that that care was not being granted resulted in grievous situations for them.

The medical records provision, which my committee also worked on for the past year, will give people the right to inspect and copy their personal medical information, and it will also allow them to append the record if there is inaccurate information. The bill will ensure that the holders of the information safeguard the medical records and requires them to share, in writing, their confidentiality policies and procedures with individuals. This is part of what was called the PIN Act, the Privacy Act, which also was a bipartisan bill.

I want to again mention the task force. Senator NICKLES started out some months ago desiring to provide the Republicans with a bill with which they could be pleased. A lot of work went into that. Many, many meetings were held. Many hours were spent trying to decide and make final decisions. I was a member of that task force, as was Senator FRIST and Senator COLLINS from our committee.

We had the ability to be able to utilize the expertise of the committee and the professional staff involved with them. I would like to mention Paul Harrington, in particular, and Karen Guice, of my staff, who is also a pediatrician and a fellow, for their incredibly good determinations on what the bill should have and their assistance in putting it together.

I praise Senators SNOWE and DOMENICI, who worked together to give us a portion of the bill which has to do with genetics and the protections that a patient should have, or an enrollee in a plan should have, to ensure that the genetic information—that genetic information—is not used against them to screen them.

What I want to get to now, and I know there will be a lot more discussion next week, is the question of whether or not it is better to hand over much of the regulation to the Federal Government or whether it is better to leave it with the States.

The 104th Congress enacted the Kassebaum-Kennedy legislation known as the Health Insurance Portability and Accountability Act in 1996, fondly referred to as HIPAA. Many consider this legislation to be the most significant Federal health insurance reform of the past decade. During this Congress, I have tried to closely monitor the impact of HIPAA over the past year to ensure its successful implementation consistent with legislative intent.

The Federal regulators at HCFA have faced an overwhelming new set of health insurance duties under HCFA. What we said was that if the States wanted to—and almost all of them did—they could take control and implement the provisions of HIPAA. But five decided not to—California, Massachusetts, Michigan, Rhode Island, and Missouri.

So what happened is that enforcement was handed over to the Federal Government. That is the point I want to make as to what has happened because of that. The Department of Health and Human Resources is now required to act as the insurance regulator for the State HIPAA provisions.

Based on the findings of the GAO report that will be released next week, HCFA is ill equipped to carry out the role of insurance regulator. Building a dual system of overlapping State and Federal health insurance regulation is in no one's best interest, and the principle that States should regulate private health insurance guided the design of our legislation to get out of the problems created by HIPAA.

Our legislation creates new Federal managed care standards to cover those 48 million Americans covered by ERISA plans that the States cannot protect. That is the second point. There are areas that the State is preempted from by ERISA which was passed in 1976. Under ERISA, it stated that those plans for self-insured or those that are multistate situations are under Federal order to provide uniformity in the regulation. We feel it would be irresponsible to set health insurance standards that duplicate their responsibility to the 50 State insurance departments and have HCFA enforce them.

In a July 16 House Ways and Means committee hearing, HCFA's administrator stated she intended to postpone, among other things, prospective payment systems for home health services. To Members who will note this, this is a real blow to many States, Vermont in particular, who are being damaged severely by the present situation with respect to the home health care services and payments.

The balanced budget amendment of 1997 establishes a prospective payment system, or PPS, for home health care in fiscal year 2000. The payment system designed for the interim period is proving to be an intolerable burden for the home health agencies that service Vermont's Medicare beneficiaries. They have already written to urge HCFA to urge a PPS by the October 1999 deadline set by Congress, thus minimizing the time an interim payment system will be in place. Her statement that she has delayed will result in many home health providers not receiving the reimbursement that they deserve. Given HCFA's inability to carry out its current responsibilities, I believe it would be irresponsible to promise the American people that it will be able to guarantee other rights by regulating the private health insurance industry.

I will not offer Americans a promise that experience tells us will be broken, a hope that I believe won't be met. Our proposal, by keeping the regulation of health insurance where it belongs—at the State level—provides the American people with a real Patients' Bill of Rights that they can have the confidence in knowing that they will be there when they need it.

I am afraid that the political battle over this legislation will be the subject that dominates the headlines. But the real issue here is to give Americans the protections they want and need in the package that they can afford and that we can enact, and also that they will have a remedy which will allow them to expeditiously get the care they need by having outside professionals give them that opportunity. That is why I and others have been working on this legislation since the beginning of Congress and why I hope it will be adopted before the end of Congress and signed into law by the President.

This is too important of an issue for us to get bogged down in partisanship. I know the Democrats, and many of them on my committee, too, have worked very hard on their own bills. But let us not try to find out whose bill is better. Let us join together and make sure we can put together in the final analysis, through the legislative process, a bill which we all can be proud of and which the American people will be pleased with.

ADJOURNMENT UNTIL 1 P.M., MONDAY, JULY 20, 1998

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 1 p.m., Monday, July 20, 1998.

There being no objection, the Senate, at 3:29 p.m., adjourned until Monday, July 20, 1998, at 1 p.m.

NOMINATIONS

Executive nominations received by the Senate July 17, 1998:

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

JOHN J. PIKARSKI, JR., OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 17, 1998, VICE GERALD S. MCGOWAN.

JOHN J. PIKARSKI, JR., OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 2001. (REAPPOINTMENT)

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. MONTGOMERY C. MEIGS, 3239

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C, SECTION 601:

To be lieutenant general

LT. GEN. WILLIAM M. STEELE, 0433

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN COSTELLO, 9581

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be admiral

VICE ADM. DENNIS C. BLAIR, 1618

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED

WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. JOHN W. CRAINE, JR., 9037

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. HERBERT A. BROWNE, JR. II, 4815

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

ROBERT D. BRANSON, 1982
WILLIAM P. FOSTER, 8084
DIANA G. FRENCH, 8771
LEWIS E. GORMAN III, 9861
CHARLES B. LANIER, 7798
ANTONIO S. LAUGLAUG, 6473
JOHN C. MALONEY, 8006
DOUGLAS A. PETERSON, 4854
WILLIAM B. WALTON, 3606

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

DOUGLAS J. MCANENY, 1528
RICHARD A. MOHLER, 1961

ENVIRONMENTAL PROTECTION AGENCY

ROMULO L. DIAZ, JR., OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE JONATHAN Z. CANNON, RESIGNED.

J. CHARLES FOX, OF MARYLAND, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE MARY DELORES NICHOLS.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

PAUL STEVEN MILLER, OF CALIFORNIA, TO BE A MEMBER OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING JULY 1, 1999, VICE GILBERT F. CASELLAS, RESIGNED.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. RONALD E. ADAMS, 5264

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK(*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be lieutenant colonel

MARK A. ACKER, 9900
RICHARD L. ADKISON, 9845
CHARLES J. AFRICANO, 1160
ROBIN B. AKIN, 6226
RAFAEL A. ALCOVER, 5637
BLAIR E. ALEXANDER, 2005
DAVID R. ALEXANDER, 8456
CYRIL R. ALLEN III, 6348
CAMPBELL D. ALLISON, 2990
KENNETH E. ANDERSON, 1459
PAUL T. ANDERSON, 5850
STEVEN P. APLAND, 2984
JOHN R. ARMSTRONG, 4216
LOWELL T. ASHER, 6319
ROBERT P. ASHLEY, JR., 4530
ERIC L. ASHWORTH, 7456
PETER W. AUBREY, 4894
DAVID A. AUSTIN, 8011
JAMES B. BAGBY, 3200
*JEFFREY L. BAILEY, 4122
THOMAS E. BAILEY, 3836
DANIEL. P. BAILIE, 6332
PETER R. BAKER, 4378
THOMAS A. BALISH, 7967
ARTHUR T. BALL, JR., 7191
DOMINIC R. BARAGONA, 5804
WAYLAND P. BARBER III, 0717
MICHAEL P. BARBERO, 4451
MARK J. BARBOSA, 4049
WALTER S. BARGE II, 7770
GORDON L. BARNHILL, 1200
ROGER J. BARROS, 8412
THOMAS H. BARTH, 1115
*DAVID L. BARTLETT, 1324
RAYMOND M. BATEMAN, 2590
TERENCE K. BATTLE, 6261
PETER C. BAYER, JR., 4267
ROBERTA B. BAYNES, 1574
SUSAN R. BEAUSOLEIL, 5613
JOHN F. BECK, 0272
MICHAEL F. BEECH, 3705
RENE D. BELANGER, 9831
HUGH M. BELL III, 2204
ROBERT T. BELL, 4612
DAVID B. BELLOWS, 8990
RODERICK A. BELLOWS, 5066
JEFFERY A. BENTON, 7615
RAYMOND P. BERNHAGEN, 0432
KURT M. BERRY, 3887
THOMAS M. BESCH, 2627
*DAVID P. BESHLIN, 6293
JEFFERY S. BESS, 5045
ALENA M. BETCHLEY, 1843
MARIA T. BEZUBIC, 5824
MARK A. BIEHLER, 6502
ROBERT E. BILLER, 0687
ROBERT B. BILLINGTON, 5206
MICHAEL A. BILLS, 6031
DAVID J. BISHOP, 4626
MICHAEL J. BITTRICK, 3917
PETER E. BLABER, 2187
HARLAN H. BLAKE, 0713
WILLIAM G. BLANCHARD, 7938
RANAY M. BLANFORD, 0503
KENNETH S. BLANKS, 4928
ARIE D. BOGAARD, 1163
PETER V. BOISSON, 4216
BEDE A. BOLIN, 3716
CRAIG L. BOLLENBERG, SR., 7585
KENT R. BOLSTER, 9238
TIMOTHY D. BOND, 9364
DAVID V. BOSLEGO, 0756
STEPHEN T. BOSTON, 7681
THOMAS T. BOWE, 9194
THOMAS S. BOWEN, 8588
MAX A. BOWERS, JR., 7155
MICHAEL W. BOWERS, 9265
LYNN N. BOWLER, 4508
HAROLD C. BOWLIN, JR., 3466
CLAYTON B. BOWMAN, JR., 3001
*RICKY R. BOYER, 6915
BRIAN T. BOYLE, 9507
ROBERT J. BRACKETT, 4453
JERRY L. BRADSHAW, JR., 9201
WILLIAM H. BRADY III, 1856
MATTHEW L. BRAND, 7255
JOHNNY W. BRAY, 7738
DONNA M. BRAZIL, 6379
WILLIAM A. BREFFEILH, 4302
LESLIE M. BREHM, 8328
NORMAN R. BREHM, 3995
JON K. BRIDGES, 9849
KELVIN L. BRIGHT, 4429
JAMES R. BRILEY, 1767
MICHAEL W. BRISKE, 1946
JAMES S. BRISTOW, 4068
GREGORY A. BROCKMAN, 9879
MICHAEL S. BROOKS, 0956
CORNELIUS BROWN, JR., 8277
JOSEPH D. BROWN, 2865
ROBERT W. BROWN, 6909
JEFFREY W. BROWNING, 9551
WANDA K. BRUCE, 4220
TYRONE J. BRUMFIELD, 2610
TORKILD P. BRUNSO, 6948
WILLIAM R. BRYAN, 4476
THOMAS E. BRYANT, 7213
TRACY G. BRYANT, 1077
DREW A. BRYNER, 1566
JOHN C. BUCKLEY, II, 1063
BILLY J. BUCKNER, 6225
RANDY A. BUHIDAR, 8211
RICHARD C. BULLIS, 8964
TONY B. BULLOCK, 4376
*HERBERT L. BURGESS, 6422
DOROTHEA M. BURKE, 4024
DENNIS S. BURKET, 8525
BRIAN J. BURNS, 6447
RICHARD B. BURNS, 8003
ROBERT T. BURNS, 7314
RONALD R. BURNS, 1759
JAMES B. BURTON, 1678
JAMES K. BURTON, 8580
CHARLES C. BUSH, 5428
JOHN C. BUSS, 6390
CAROL L. BUTTS, 4517
FELIX M. CABALLERO, 7384
PAUL T. CALBOS, 9948
GLENN M. CALLIHAN, 3626
FREDERICK O. CAMPBELL, 3139
JAMES A. CAMPBELL, 7845
SCOTT A. CAMPBELL, 0701
CAMPBELL P. CANTELOU, 1084
PATRICK H. CARAWAY, 4676
ROGER E. CAREY, 9466
PATRICK J. CARLEY, 9958
DAMIAN P. CARR, 8720
CAROLYN A. CARROLL, 1191
MAXWELL G. CARROLL, JR., 2826
MICHAEL J. CARROLL, 1102
CALVIN CARTER, 6943
BARBARA CASSIDY, 5521
VICTOR J. CASTRILLO, 4741
JACKIE W. CATES, 3607
SANDRA C. CAUGHLIN, 1957
CHELSEA Y. CHAE, 0894
LUCINDA M. CHAMBERLAIN, 6502
JILL W. CHAMBERS, 1870
ROBERT W. CHAMBERS, JR., 5127
JOHN G. CHAMBLISS, 5656
GREGORY T. CHASTEEN, 7736
JOHN E. CHERE, JR., 8899
ROBERT T. CHESHIRE, 3741
WALTER R. CHESHIRE, 3338
MICHAEL S. CHESNEY, 6848
FRANKLIN F. CHILDRESS, 9689
MARK E. CHILDRESS, 5918
STEPHEN G. CHIMINIELLO, 4712
CLEMENT B. CHOLEK, 5219
JOHN V. CHRISTIAN, 9186
SCOTT G. CILUFFO, 7627
DAVID J. CLARK, 9771
KENNETH H. CLARK, JR., 9068
THOMAS J. CLEARY, III, 6436
LAWRENCE E. CLINE, 3096
JAMES C. CLOSE, 4783
RUSSELL C. CLOY, 2985
GEOFFREY N. CLYMER, 6854
PETER E. CLYMER, 5683
JEFFREY A. COBB, 7050
EDWIN S. COCHRAN, 8020
EUGENE P. CODDINGTON, 2228
THOMAS D. COFFMAN, 1675
JOSEPH B. COLEMAN, 8551
GARY B. COLLIER, 3781
JEFFREY N. COLT, 5103
*ROBERT E. COMER, 2075
MARK E. CONDRY, 6593
GEORGE E. CONKLIN, II, 9111
CINDY L. CONNALLY, 7025
JAMES P. CONNOLLY, 4209
ALFRED CORBIN, 4386
STEPHEN M. CORCORAN, 4650
RONALD E. CORKRAN, JR., 8875
BRENT A. CORNSTUBBLE, 2680
JOSEPH W. CORRIGAN, 9199
MICHAEL A. COSS, 9676
RONALD G. COSTELLA, 8650
ALEXANDER A. COX, 6270
DAVID K. COX, 2576
RODERICK M. COX, 7981
EUGENE F. COYNE, 6756
THOMAS R. CRABTREE, 2283
DONALD M. CRAIG, 7616
SCOTT D. CRAWFORD, 5933
TIMOTHY J. CREAMER, 6141
ROBERT R. CROMBY, 9279
ERNEST G. CRONE, JR., 4739
CYNTHIA A. CROWELL, 5844
FRANKIE CRUZ, 7484
JOHN S. CULLISON, 1248
MICHAEL E. CULPEPPER, 8062
MARYANN B. CUMMINGS, 5135
TIMOTHY J. CUMMINGS, 5955
BRIAN J. CUMMINS, 8406
RUI O. CUNHA, 6486
PAUL F. CUNNINGHAM, 1690
MICHAEL A. CURCI, 6623
JAMES G. CURRIE, JR., 2137
MICHAEL J. CURRY, 6090
PETER J. CURRY, 3297
VIRGIL CURRY, JR., 9734
DANIEL D. CURTNER, 0598
ALONZO C. CUTLER, 6560
CATHERINE M. CUTLER, 8259
MICHAEL R. CZAJA, 7219
DEBRA L. DAGOSTINO, 0553
MARK A. DAGOSTINO, 9926
GERALD B. DANIELS, 7132
ROBERT E. DANIELS, 5385
JOHN J. DAUGIRDA, 5338
ANNE L. DAVIS, 4424
ARCHIE L. DAVIS III, 2159
DAN J. DAVIS, 4386
MARK S. DAVIS, 4361
WINSTON L. DAVIS, JR., 2290
MARK S. DAY, 1661
STUART E. DEAKIN, 0621
RONALD L. DEEDS, 9822
TODD V. DEEHL, 6482
RODERICK G. DEMPS, 9665
BRANDON F. DENECKE, 5615
WAYNE S. DENEFF, 2412
MICHAEL P. DEPUGLIO, 8621
*KURTIS L. DERELL, 6683
MICHAEL S. DESENS, 6336
CHRISTOPHER G. DEVENS, 8346
DOUGLAS A. DEVER, 7353
PARTICK DEVINE, 4140
GLEN R. DEWILLIE, 7857
MICHAEL A. DIETZ, 7117
JOYCE P. DIMARCO, 6733
WILLIAM G. DINNISON, 9580
MICHAEL J. DIXON, 5594
SCOTT F. DONAHUE, 1467
MATTHEW C. DONOHUE, 7681
RICHARD E. DOUGLASS, 9589
KAREN A. DOYLE, 8888
NORBERT S. DOYLE, JR., 1327
TIMOTHY E. DRAKE, 9749
VINCENT M. DREYER, 0720
FLOYD J. DRIVER, 2075
DAVID E. DUNCAN, 6944
SAMUEL M. DUNKLE, 0862
CARL E. DURHAM, 2624
DANNY D. DURHAM, 7499
DONALD P. EADY, 5700
MARK C. EASTON, 9139
JAY J. EBBESON, 4201
JOANN Y. EBERLE, 4781
STEVEN J. EDEN, 3763
JACQUELINE M. EDWARDS, 6868

STEVEN B. EDWARDS, 1422
CHARLES L. EHLERS, 9425
JOHN F. EICHLER, 2546
JUSTIN L. ELDRIDGE, 7827
WILLIAM H. ENICKS IV, 2058
JOSE R. ENRIQUEZ, 9172
HAROLD L. EPPERSON, 2888
CRAIG A. ERICKS, 0133
DOUGLAS J. EVANS, 3504
JASON T. EVANS, 1565
MICHAEL L. EVERETT, 0445
JAMES M. FAGAN, 6798
RICHARD J. FAGAN, 3618
KEVIN G. FAGEDES, 8493
*PAUL J. FAMELI, 6884
JEFFREY H. FARGO, 6515
WAYNE C. FARQUHAR, 8514
THOMAS R. FAUPEL, 5021
RODNEY L. FAUSETT, 0609
BONNIE B. FAUTUA, 9282
SCOTT A. FEDORCHAK, 2508
ROBERT A. FELKEL, 7106
ETZEL O. FERGUSON, 8093
JAMES C. FERGUSON III, 8540
MARK F. FIELDS, 1229
DAVID P. FIELY, 8309
BRENT C. FINEMORE, 4611
JAMES V. FINK, 2129
HENRY L. FINLEY, JR., 4933
WILLIAM J. FINLEY, 8205
CLAUDIA J. FISHER, 0284
ROY L. FISHEL, 1367
STEVEN S. FITZGERALD, 8115
THOMAS I. FITZPATRICK, 8660
CHARLES E. FLETCHER, 1347
DIANNA L. FLETT, 0503
KENNETH FLOWERS, 7953
THOMAS D. FLUKER, 2603
GRADY P. FLYTHE, 5334
RANDALL L. FOFI, 6010
STEPHEN G. FOGARTY, 7415
ROBERT W. FORRESTER, 0697
PAUL N. FORTUNE, 7514
CRAIG A. FOX, 5688
*DAVID G. FOX, 6861
RICHARD M. FRANCEY, JR., 5388
SCOTT A. FRANCIS, 8531
WILLIAM R. FRANCIS, 7407
STEPHEN D. FRAUNFELTER, 7866
TIMOTHY A. FREELON, 9488
LEAH R. FULLERFRIEL, 6176
PAUL E. FUNK, II, 2729
ROY W. FUNKHOUSER, 2402
WILLIE E. GADDIS, 1373
STEPHEN A. GADY, 3822
THOMAS K. GAINEY, 4228
DANIEL J. GALLAGHER, 4607
JOE E. GALLAGHER, 6662
PATRICK J. GARMAN, 1024
HARRY C. GARNER, III, 5853
MICHAEL X. GARRETT, 3427
MICHAEL E. GARRISON, 6844
RALPH H. GAY, III, 2425
CHRISTINE M. GAYAGAS, 4471
LEE D. GAZZANO, 5113
STEVEN D. GEISE, 2829
DENNIS GENUALDI, 1628
BRUCE A. GEORGIA, 8104
EDWARD G. GIBBONS, JR., 5132
RICKY D. GIBBS, 3170
DANIEL B. GIBSON, 0721
DONALD V. GIBSON, 4680
ROBERT D. GIBSON, 3921
WILLIAM C. GIBSON, 9093
GARY D. GIEBEL, 8492
DAVID F. GILBERT, 4896
THOMAS B. GILBERT, 5267
DAVID M. GILL, 5367
RICHARD L. GINGRAS, 5887
SHIRLEY L. GIVENS, 0349
MICHAEL C. GLADBACH, 5236
JERRY A. GLASOW, 1336
JAY L. GLOVER, 8611
BRYAN S. GODA, 9416
TIMOTHY G. GODDETTE, 5000
WILLIAM P. GOETZ, 6888
ORLANDO R. GOODWIN, 1125
TIMOTHY C. GORRELL, 8819
DENISE A. GOUDREAU, 5629
LINDA L. GOULD, 6138
DEAN A. GRABLE, 3748
STEVEN M. GRAHAM, 0602
PETER J. GRANDE, 4133
SAUL A. GRANDINETTI, 0934
MICHAEL O. GRAY, 1365
KEITH D. GREENE, 6803
STEVEN A. GREENE, 1725
THOMAS R. GREGORY, 9062
VINCENT E. GREWATZ, 4936
GARY M. GRIGGS, 4105
EDWARD P. GRZYBOWSKI, JR., 1122
ROBERT S. GUARINO, 1495
JEFFREY J. GUDMENS, 6907
JOHN A. GUIDOTTI, 1259
ROBERT C. GUILLOT, JR. 8524
EDWARD C. GULLY, 8172
CYRUS E. GWYN, JR., 4827
BRICE A. GYURISKO, SR., 0347
DAVID K. HAASENRITTER, 7043
JOHN K. HACKNEY, 3189
JOHN A. HADJIS, 1119
MARK D. HAFER, 5383
BENJAMIN T. HAGAR, 5603
TELEMACHUS C. HALKIAS, 3419
MICHAEL B. HALL, 0236
JOSEF R. HALLATSCHEK, 5652
PHILIP R. HALLENBECK, 7491
JOHN P. HAMMILL, 5559
DONALD R. HAND, 2844
MARK C. HANDLEY, 1626
CHARLES K. HANSON, 1160
CHARLES N. HARDY, II, 1753
MARY D. HARGON, 5969
GLENN W. HARP, 5908
MARSHALL B. HARPER, 9003
KIM R. HARRELL, 2215
GALE A. HARRINGTON, 8934
GRALYN D. HARRIS, 0692
SMITH K. HARRIS, 1019
KENNETH R. HARRISON, 5518
STUART G. HARRISON, 4432
CASEY P. HASKINS, 4153
STEVE C. HAWLEY, 1960
KAREN R. HAYES, 6964
DONALD A. HAZELWOOD, 6675
DEBBRA A. HEAD, 4057
JAMES F. HEALY, 6596
DAMIAN J. HEANEY, 6683
WILLIAM H. HEDGES, 6402
WILLIAM R. HEFLIN, 5189
LANNIE HENDERSON, 1822
ROBERT S. HENDERSON, JR., 1508
JOHN K. HENDRICK, 2507
THOMAS E. HENION, 9771
BRIAN G. HENNESSY, 3364
THOMAS M. HENRY, 5901
JOHN D. HENSHAW, JR., 3093
JAMES P. HERSON, JR., 5500
LARRY D. HETHCOX, 8835
STEVE W. HIGH, 9835
JOHN M. HILL, 0165
JAMES E. HILLEARY, 5914
CRAIG W. HILLIKER, 2891
HAMPTON E. HITE, 6566
JOHN S. HODGES, 8744
RAYMOND C. HODGKINS, 3237
JAMES P. HOGLE, 1029
CLIFTON J. HOLDEN, 2994
GEORGE M. HOLLAWAY, 1754
LARRY D. HOLLINGSWORTH, 8756
VICTOR HOLMAN, 3911
RICHARD B. HOOK, 6777
RUSSELL W. HORTON, 2192
STEVEN B. HORTON, 9492
DWAYNE A. HOUSTON, 7016
BART HOWARD, 2724
RICHARD A. HOWARD, 6549
JOHN M. HOWDEN, 2951
KENNETH W. HRICZ, 2103
LAWENCE M. HUDNALL, 8258
FEDDIE L. HUDSON, JR., 8461
DANIEL P. HUGES, 4234
EDWARD L. HUGHES, 9164
ALLEN HULL III, 2500
LAUREL J. HUMMEL, 5392
ROBERT G. HUNTER,2303
NATHANIEL IDLET, 9231
HEATHER J. IERARDI, 4477
MARK S. INCH, 5841
STEPHEN A. INGALLS, 8206
ERNST K. ISENSEE, JR., 0291
PETER R. ITAO, 7296
BILLY J. JACKSON, 2409
MICHAEL E. JACKSON, 7961
DENNIS J. JAROSZ, 9229
MICHAEL J. JASENAK, 5090
STANLEY M. JENSKINS, 0297
DANA D. JENNINGS III, 4577
RIAHCARD A. JODOIN, JR., 6992
AUDREY H. JOHNSON, 9241
BRETT E. JOHNSON, 8508
BRICE H. JOHNSON, 6091
JAMES K. JOHNSON, 5670
JEFFREY L. JOHNSON, 4047
*JOEL E. JOHNSON, 7120
STEVEN J. JOHNSON, 1429
WILLIAM H. JOHNSON, 3570
ARTHUR C. JOHNSTON, JR., 8410
MICHAEL A. JOINER, 5133
BRIAN D. JONES, 9841
BRUCE W. JONES, 1119
DAVID T. JONES, 5853
JANET E. JONES, 3409
JAY R. JONES, 6325
LUWANDA F. JONES, 4618
PHILLIP N. JONES, 4084
RAYMOND D. JONES, 0220
RONALD G. JONES, 6422
ANN J. JOSEPH, 6906
EDWARD D. JOZWIAK, 2981
JAMES H. KAISER, 6570
MOSES M. KAMAI, 2818
CHRISTIAN L. KAMMERMANN, 9577
DONNA M. KAPINUS, 0567
GREGORY G. KAPRAL, 3354
JOHN H. KARAUS, 6389
MICHAEL J. KARR, 2840
THOMAS M. KASTNER, 7249
ERIC P. KATZ, 0464
FRANK, G. KEATING, 4071
GARY L. KECK, 2462
PAUL M. KEITH, 0637
THOMAS C. KEITH, 5454
JOHN H. KELLEHER, JR., 7664
GEORGE G. KELLY, 3686
TERRENCE K. KELLY, 9290
MICHAEL H. KEOGH, 3220
TIMOTHY J. KEPPLER, 5523
RUSSELL J. KERN, 0677
RALPH F. KERR, 7125
MICHAEL M. KERSHAW, 2378
JAMES S. KESTNER, 5366
ROBERT F. KHAN, 3196
MICHAEL W. KICHMAN, 0267
SCOTT R. KIDD, 7718
CHRIS A. KING, 0147
DAVID T. KINSELLA, 5113
JOHN ROBERT OLIN KIRKLAND, 1106
EDRIC A. KIRKMAN, 9234
KENNETH W. KLATT, 8063
JAMES J. KLINGAMAN, 2894
MICHAEL J. KLINGELE, 0775
MARK D. KLINGELHOEFER, 4755
DANIEL M. KLIPPSTEIN, 2199
JOHN A. KLOTSKO, JR., 1383
CINDYLEE M. KNAPP, 9059
PERRY L. KNIGHT, 4077
LESTER W. KNOTTS, 4200
OLE A. KNUDSON, 6419
KEITH C. KODALEN, 3539
STEVEN J. KOEBRICH, 2007
DONALD L. KOEHLER, JR., 4645
DAVID J. KOLLEDA, 6102
KAREN J. KOMAR, 6689
JOHN W. KORSNICH, JR., 6090
JOHN L. KOSTER, 2187
GREGORY C. KRAAK, 4543
KATHI L. KREKLOW, 7294
RICHARD S. KUBU, 7206
MARK S. KUEHL, 8092
KATHRYN E. KUKLISH, 1261
GEORGE D. KUNKEL, 4557
BRIAN P. LACEY; 6819
CHRISTOPHER L. LADRA, 4368
MICHAEL D. LANDERS, 9332
PAUL L. LANGERHANS, 8690
GARY D. LANGFORD, 7877
CRAIG G. LANGHAUSER, 0796
PAULA K. LANTZER, 7807
CHARLES B. LARCOM III, 3748
WILLIAM S. LARESE, 6743
ROSEMARIE LAROCCO, 1527
DICK A. LARRY, 6418
HENRY S. LARSEN III, 1828
JAMES J. LAUER, 1449
AMEDEO J. LAURIA, 9075
BRIAN W. LAURITZEN, 7092
JEFFREY D. LAWRENCE, 5055
CALVIN D. LAWYER, 2664
DANIEL J. LAYTON, 0801
LEE D. LEBLANC, 4819
MONICA G. LEE, 1582
HAROLD LEFT, JR., 1169
EDWARD M. LEVY, 7544
RICK A. LEWIS, 6021
WILLIAM R. LEWIS, 6009
NORMAN H. LIER III, 5901
KIM G. LINDAHL, 0361
TIMOTHY W. LINDERMAN, 2166
SEAN P. LINEHAN, 5447
BOBBY L. LIPSCOMB, JR., 8243
CARL A. LIPSIT, 6322
JEFFRY W. LIPSTREUER, 2727
CHRISTOPHER W. LITTLE, 5721
MELVIN LITTLE, 1678
DAVID J. LIWANAG, 6401
JOHNNY D. LOCK, 6532
ANDREW T. LOEFFLER, 2375
HENRY B. LOGGINS, 4125
DAVID S. LONG, 9704
KEITH P. LONG, 3901
VIDA D. LONGMIRE, 3178
ROBERT A. LOVETT, 1829
MARK S. LOWE, 7821
ROSS A. LOZON, 4672
ANNA V. LUCERO, 5059
JOHN A. LUCYNSKI, II, 6672
MARK D. LUMB, 9491
VICTOR MAC CAGNAN, JR., 8786
JOHN D. MAC DONALD, 1237
JOHN D. MAC GILLIS, 5028
MICHAEL H. MAC NEIL, 5806
DAVID B. MADDEN, 7341
KEVIN W. MADDEN, 8757
CHARLES J. MADERO, JR., 7568
MICHAEL B. MAHONEY, 8480
DANA M. MANGHAM, 7949
NICHOLAS M. MANGUS, 9444
ROBERT L. MANNING, 5864
TERRY E. MANSFIELD, 8329
RICHARD A. MARCINOWSKI, 4078
CHARLES S. MARKHAM, 4027
JONATHAN A. MARKOL, 7682
PHILIP D. MAROTTO, 5508
JOSE M. MARRERO, 9514
JOHN C. MARSHALL, 1947
CURTIS M. MASIELLO, 1792
JOEANNA F. MASTRACCHIO, 8218
CURTIS A. MATHIS, 2455
RAYMOND J. MATUSKEY, 2070
LEROY L. MAURER, III, 0259
THOMAS D. MAYFIELD, III, 9141
EDWARD MAZION, JR., 4779
JAMES M. MC ALISTER, 3094
GARY M. MC ANDREWS, 4174
CHARLES S. MC ARTHUR, 5898

DAVID A. MC BRIDE, 8215
KERRY A. MC CABE, 2469
ROBERT M. MC CALEB, 6712
ROBERT E. MC CARTY, 2535
JEFFREY D. MC CLAIN, 5514
MARK S. MC CONKEY, 3568
KENNETH O. MC CREEDY, 4019
PATRICK K. MC DERMOTT, 9973
JOHN A. MC ELREE, 3774
*WILLIAM B. MC ELROY, 7961
WILLIAM T. MC GUIRE, 6604
STEPHEN J. MC HUGH, 1535
SIDNEY H. MC MANUS, III, 6528
HERBERT R. MC MASTER, JR., 1888
ERIC F. MC MILLIN, 2870
JOHN T. MC NAMARA, JR., 6446
LARRY D. MC NEAL, 0856
DEBORAH G. MC NEILL, 7853
JOSEPH M. MC NEILL, 7008
CATHERINE A. MC NERNEY, 4771
TOD D. MELLMAN, 7701
ROBERT E. MELLOTT, 3711
SIDNEY L. MELTON, 0430
MATT R. MERRICK, 5934
CLIFFORD A. MESSMAN, 4375
JOHN M. METZ, 1618
CALVIN H. MEYER, 0379
JAMES D. MEYER, 2396
RAYMOND G. MIDKIFF, 8569
MICHAEL J. MIKITISH, 2851
RICHARD Z. MILES, 8080
RAYMOND A. MILLEN, 8029
AUSTIN S. MILLER, 6695
CHRISTOPHER M. MILLER, 6850
JAMES C. MILLER, 1183
KATHERINE N. MILLER, 1248
LAWRENCE C. MILLER, JR., 2370
REGINALD A. MILLER, 0845
SCOT C. MILLER, 7268
SCOTT A. MILLER, 1916
WILLIAM P. MILLER, 5607
THOMAS J. MILTON, 9513
MARTIN MILUKAS, 5229
ALBERT H. MINNON, 3323
JOSEPH B. MOLES, 8396
ROBERT J. MONTGOMERY, JR., 2746
BRUCE MOORE, 6847
*DANIEL MOORE, 8071
KEVIN R. MOORE, 7071
LOBBAN A. MOORE, 1380
CHRISTOPHER MOREY, 8184
DANIEL MORGAN, 7704
GARY A. MORGAN, 8336
WILLIAM H. MORRIS, 9229
MATTHEW MOTEN, 4319
MARK R. MUELLER, 7489
PETER J. MULCHAY, 6122
EDWARD L. MULLIN, 3426
CONRAD H. MUNSTER, JR., 7865
WILLIAM E. MURRAY, JR., 0550
JAMES A. MUSKOFF, 2687
DEBRA L. MUYLAERT, 2698
DAVID C. NADEAU, 4358
VANCE J. NANNINI, 4948
FAUSTO A. NATAL, 4192
RAYMOND L. NAWOROL, 2399
DARYLL L. NEAL, 9828
JAMES E. NEAL, 5070
CASEY A. NEFF, 9027
ERIC M. NEKLSON, 5820
ROBERT F. NEKLSON, 5606
WALTER S. NESSMITH, 9770
SCOTT F. NETHERLAND, 0224
RICHARD C. NEW, 2894
BRIDGET C. NIEHUS, 8538
ROBERT F. NIPP, 3393
LARRY W. NOELL, 2084
CHARLES R. NOLL, 1177
DONALD L. NORRIS, JR., 0333
DAVID R. NORTON, 7479
TIMOTHY A. NORTON, 1124
RAYMOND H. NULK, 4825
DEBORAH L. NYKYFORCHYN, 1263
KENNETH OBERTUBBESING, 2763
DENNIS A. O'BRIEN, 3448
KEVIN G. O'CONNELL, 2012
RICHARD R. ODOM, 6211
ROSEMARY E. O'HARA, 1019
TIMOTHY F. O'HARA, 6503
MICHAEL P. O'KEEFE, 9472
EDWARD C. OLIVARES, JR., 0154
PEDRO J. OLIVER, 8501
ROBERT B. OLIVERAS, 5817
MARK A. ONESI, 9599
TIMOTHY S. O'ROURKE, 4664
RICHARD K. ORTH, 6293
TERRENCE L. O'SULLIVAN, 6197
THOMAS M. O'SULLIVAN, II, 3036
NOEL P. OWEN, 1813
BRYAN R. OWENS, 2172
DAVID B. PADGETT, 3271
JAMES R. PAGE, II, 1659
JOHN J. PAGE, JR., 3449
KAYLA J. PAGEL, 5210
REYNOLD F. PALAGANAS, 7799
DEREK J. PAQUETE, 5872
ERIC S. PARKER, 4346
PHILLIP R. PARKER, 1485
WILLIAM E. PARKER, 9899
GEORGE D. PARROTT, 9887
EDWIN W. PASSMORE, 2207
CHARLES A. PATE, 4226
MARIA C. PATE, 0010
ANTHONY R. PAUROSO, 2063
MARK K. PEARSON, 2953
WILLIAM M. PEDERSEN, 1613
ELLEN R. PEEBLES, 8816
BRADLEY E. PENN, 3160
HOZIE W. PENNINGTON, JR., 1050
KATHLEEN M. PENNINGTON, 1923
RICHARD B. PENNYCUICK, 1375
DANIEL R. PEPPERS, 4343
RUBEN R. PERALES, JR., 9837
RANDY J. PESTONA, 5283
RICHARD D. PETERS, JR., 2957
ALLEN L. PETERSON, 0681
JAMES R. PETERSON, 2309
VICTOR PETRENKO, 6525
ROBERT W. PETRILLO, 2010
SAMUEL R. PETTICOLAS, 0325
CHRISTOPHER R. PHILBRICK, 8249
PAUL S. PHILLIPS, 9646
WILLIAM A. PIERCE, 5247
TODD M. PIESTER, 3325
MICHAEL E. PIGOTT, 8677
THOMAS L. PIROZZI, 7593
ROBERT W. PIRTLE, 1999
THURMAN M. PITTMAN, JR., 6639
JOSE M. PIZARRO, 7310
JAMES H. PLACE, 6608
ANTHONY T. PLANA, 0105
DONALD P. POLICE, 6702
JOHN R. PORTER, 7785
MANUEL D. PORTES, 2920
JOHN E. POST, JR., 4942
MICHAEL H. POSTMA, 4728
GREGG C. POTTER, 2207
GARY M. POTTS, 9516
LAWRENCE D. POWELL, 7172
WEBSTER D. POWELL III, 8343
JOHN J. POWERS, 2152
TIMOTHY J. PRENDERGAST, 6320
CHARLES A. PREYSLER, 9277
CARL W. PRIOLEAU, 0786
ERIC L. PROVOST, 4477
JOSEPH F. PUETT III, 3482
EDWARD R. PULLEN, 3703
JOHN E. PULLIAM, JR., 6918
MARK R. QUANTOCK, 0942
CHARLES D. RAINEY, 2504
TIMOTHY A. RAINEY, 2097
WALTER P. RAINEY, 5383
BOBBY N. RAKES, JR., 4038
THOMAS J. RALEIGH, 0946
RICARDO E. RAMIREZ, 7032
FERNANDO J. RAMOS, 6871
FRANK RANDON, 1812
WILLIAM E. RAPP, 4511
WINFRED C. RAWLS, 3513
WILLIAM M. RAYMOND, JR., 3696
WILLIAM C. RAYNES, JR., 9199
MICHAEL J. REAGOR, 6960
RUSSELL H. RECTOR, 2474
KEVIN D. REECE, 3699
CHARLES R. REED, 6321
STEVENSON L. REED, 0842
EDWARD M. REEDER, JR., 7811
TOBY D. REESE, 4039
DONALD F. REICH, 8177
RICHARD H. REICHELT, 7302
DAVID S. REID, 2926
LYNDRA REID, 7393
KARL E. REINHARD, 8756
NEIL C. REINWALD, JR., 4691
DEBORAH A. REISWEBER, 0963
RICHARD A. RENNEBAUM, 6464
KEVIN S. RENTNER, 3063
DARRYL J. REYES, 3527
THOMAS E. RHEINLANDER, 9149
MARK A. RICCIO, 4388
JAMES M. RICHARDSON, 3482
JOHN M. RIED, 2615
JEFFREY L. RILEY, 7937
STEPHEN J. RIVIERE, 5108
CHARLES D. ROAN, 1754
BRYAN T. ROBERTS, 6102
CASSANDRA V. ROBERTS, 8338
RICKY J. ROBERTS, 3019
RUSSELL G. ROBERTSON, 6632
CHARLES R. ROCKHOLD, 3134
HUMBERTO RODRIGUEZ, 7775
MARIBEL A. RODRIGUEZ, 7229
SAMUEL M. ROLLINSON, 2998
DANIEL S. ROPER, 5624
KENT P. ROSBOROUGH, 4241
RANDY R. ROSENBERG, 9539
CHRISTOPHER M. ROSS, 6647
THOMAS ROTONDI, JR., 9624
THOMAS L. ROUSSEAU, 8615
THOMAS G. ROXBERRY, 6949
RICHARD C. RUNNER, JR., 0366
JOHN J. RUSH, JR., 2769
WADE D. RUSH, 2854
WILSON RUSS, 1182
BRUCE H. RUSSELL, 7268
MARVIN N. RUSSELL, 0737
JOHN J. RUZICH, 7731
JOHN J. RYAN, 3293
RICHARD H. SADDLER, 6574
HUBERT P. SALE, JR., 3457
FERDINAND D. SAMONTE, 0276
JOSEPH F. SARTIANO, JR., 4290
DAVID M. SAVAGE, 3510
ROBERT D. SAXON, 6300
MICHAEL D. SAXTON, 1834
WILLIAM S. SCHAFF, 7772
RICHARD A. SCHANTZ, 1606
JOHN A. SCHATZEL, 7549
THOMAS F. SCHNEIDER, 2268
JOHN S. SCHOEN, 2618
MICHAEL J. SCHOLL, 1527
ROBERT T. SCHULTHEIS, 5123
RAY A. SCHULTZ, 2799
JOSEPH E. SCHULZ, 6944
LOUIS P. SCHUROTT, 3748
JOSEPH P. SCHWEITZER, 2066
MICHAEL W. SCHWIND, 6197
PHILIP A. SCIBELLI, 0356
HOWELL P. SCOTT, 5191
WILLIAM J. SCOTT, 3249
JAMES D. SCUDIERI, 0044
BRUCE SCULLY, 7238
FRANKLYN B. SEALEY, 2432
PATRICK K. SEDLAK, 2522
JOHN C. SEES, JR., 9042
GEORGE F. SEIFERTH, 7579
BRIAN R. SELLING, 9735
LEWIS F. SETLIFF III, 4926
BRAD L. SHAFFER, 3143
EMMETT C. SHAFFER III, 4186
STEPHEN T. SHARKEY, 1299
PATRICK J. SHARON, 8253
DAVID R. SHAW, 1511
DONNA L. SHAW, 9420
KENNETH J. SHAW, 2019
ROBERT C. SHAW, 6924
STEVEN L. SHEA, 8067
SANFORD T. SHEAKS, 1350
LUTHER F. SHEALY III, 7744
PATSY L. SHELL, 2339
MARK A. SHEPHERD, 5356
EDWARD W. SHERIDAN, 7163
FRANK W. SHEROD II, 3238
MICHAEL H. SHIELDS, 7504
KENNETH G. SHIMABUKU, 5532
RANDALL R. SHIRLEY, 1385
MALCOM A. SHORTER, 4301
KENNETH W. SHREVES, 2871
DAVID L. SHUTT, 8762
EARL M. SILVER, 6375
ERIC D. SINE, 6661
JAMES G. SINGLETON, 3307
PAUL A. SKVARKA, 4311
THOMAS P. SLAFKOSKY, 2225
JAMES A. SMART III, 8734
JONATHAN J. SMIDT, 7298
CARY L. SMITH, 6707
JAMES M. SMITH, 4497
JOHN J. SMITH, 3670
JOHN L. SMITH, 3805
MARTIN C. SMITH, 0961
ROBERT B. SMITH, 7733
ROBERT P. SMITH, 1322
ROBERT P. SMITH, JR., 2448
THOMAS T. SMITH, 4444
TIMOTHY C. SMITH, 3063
JOHN B. SNYDER, 0448
JOHN E. SNYDER, 0509
RANDALL A. SOBOUL, 6716
ULISES J. SOTO, 1063
ROBERT J. SOVA, 3716
MICHAEL A. SPENCER, 3129
RANDALL K. STAGNER, 0775
JOHN R. STAUTER, 7888
RONALD T. STAVER, 7942
FRANK D. STEARNS, 0043
ROY D. STEED, 3213
MICHAEL D. STEELE, 0310
*STEVEN R. STEININGER, 9730
ROBERT L. STEINRAUF, 2110
RONALD C. STEPHENS, 0684
RICHARD L. STEVENS, 5674
DANIEL S. STEWART, 0553
DAVID STEWART, 9555
JOE M. STEWART, 8582
MICHAEL D. STEWART, 2842
STEVEN D. STEWART, 7989
RONALD R. STIMEARE, 2436
GREGORY E. STINNER, 5726
RICHARD C. STOCKHAUSEN, 1871
DAVID B. STOCKWELL, 2820
DEAN C. STODTER, 7798
KEVIN S. STOLESON, 9100
KENNETH R. STOLWORTHY, 0434
CATHERINE M. STOUT, 3291
KEVIN A. STREETS, 1556
JAMES H. STRICKLAND, JR., 3301
BARRY L. STUCKEY, 2247
WAYDE L. SUMERIX, 1181
LORI L. SUSSMAN, 4511
DOUGLAS M. SUTTON, 3149
EDWARD A. SWANDA, JR., 9060
JOHN J. SWART, 3400
JOSEPH F. SWEENEY, 0614
MATTHEW C. SWEENEY, 3493
PATRICK J. SWEENEY, 3752
ROBERT A. SWENSON, 3800
RODNEY J. SYLVESTER, 9472
CHARLES N. TANGIRES, 0378
JOHN A. TANZI, 2332
DANIEL N. TARTER, 2968
KEVIN W. TATE, 1529
CLARENCE L. TAYLOR, JR., 3644
JACK A. TAYLOR, 5768
JOHN R. TAYLOR III, 9263
CHARLES A. TENNISON, 1679

JEFFREY W. TERHUNE, 5879
MICHAEL J. TERIBURY, 7497
CURTIS L. THALKEN, 1434
STEPHEN M. THARP, 2313
JERRY W. THOMAS, 5171
KEVIN S. THOMPSON, 2508
MITCHELL J. THOMPSON, 1632
SHEILA J. THURBER, 9232
RICHARD A. THURSTON, 9222
JOHN R. TIBBETTS, 5676
HALIMA M. TIFFANY, 7407
TRACEY E. TINSLEY, 1957
GLENN D. TIONGSON, 7569
ROBERT A. TIPTON, 4475
LEONARD G. TOKAR, JR., 5903
SCOTT R. TORGERSON, 7232
SAMUEL D. TORREY, 9208
NORMA P. TOVAR, 6145
STEPHEN J. TOWNSEND, 7675
STEPHEN M. TOWNSEND, 3691
STANLEY M. TRADER, 4672
TIMOTHY R. TRITCH, 5560
GERY B. TRUITT, 8222
JAMES T. TRUITT, JR., 6127
GREGORY N. TUBBS, 2666
MARGARET W. TUBESING, 3634
JOHN N. TULLY, 3781
KENNETH A. TURNER, 8658
LAWRENCE L. TURNER, JR., 6389
WENDELL H. TURNER, JR., 8621
WILLIAM D. TURNER, 2986
JAMES R. UPRIGHT, 8076
RONDA G. UREY, 9672
THOMAS P. URICH, 1406
DAVID M. VANLAAR, 4875
ROBERT R. VARELA, 9755
JAMES E. VARNER, 4760
BRIAN S. VEIT, 5780
LAWRENCE J. VERBIEST, 8084
FRANK VESELICKY, 4082
JOHN A. VIAENE, 7578
PATRICK J. VIRGILIO, 4925
ROBERT E. VITTETOE, 2095
MICHAEL J. VOGL, 8950
MICHAEL P. WADSWORTH, 1089
HENRICUS F. WAGENAAR, 3830
RICHARD P. WAGENAAR, 2730
STEPHEN K. WALKER, 6052
STEPHEN M. WALLACE, 5477
MICHAEL S. WARBURTON, JR., 0167
KENNETH M. WARD, 4834
EARL B. WARDELL, JR., 0332
PATRICK T. WARREN, 1413
GLENNYS H. WARSOCKI, 8729
RICHARD J. WASSMUTH, 1081
DWANE E. WATSEK, 2865
BRYAN G. WATSON, 2863
HAROLD W. WAUGH, 9463
JOANN C. WEBBER, 2129
FORREST C. WENTWORTH, 9190
THOMAS F. WESTFALL, 2269
KENNETH A. WHEELER, 8102
JORDAN R. WHITE, 1030
STEPHEN P. WILKINS, 8413
CLYDE L. WILLIAMS, 1483
CURTIS R. WILLIAMS, 7013
DARRELL K. WILLIAMS, 1930
DARRYL A. WILLIAMS, 1008
DENISE F. WILLIAMS, 3058
HORACE E. WILLIAMS, 0090
KENNETH S. WILLIAMS, 3505
PERRY W. WILLIAMS, 8182
STEPHEN C. WILLIAMS, 0050
YANCEY R. WILLIAMS, 4674
MICHAEL C. WILMER, 6772
BRENDAN L. WILSON, 3564
KENNETH L. WILSON, 7540
THOMAS C. WILSON, 7455
WILLIAM R. WINDSOR, 1056
WILLIAM T. WINNEWISSER, 0891
MICHAEL D. WINSTEAD, 0093
WALTER M. WIRTH, JR., 2287
MARK S. WOEMPNER, 6890
JOHN H. WOMACK, 4394
CHARLES H. WOOD, 8525
PAUL J. WOOD, 4631
STEPHEN N. WOOD, 2311
TAMASINE N. WOODCREIGHTON, 0383
MICHAEL E. WOODGERD, 0048
*MELINDA S. WOODHURST, 8478
JIMMY E. WOODRUFF, 9110
KURT M. WOODS, 0252
LAMONT WOODY, 7571
DONALD H. WOOLVERTON, 1131
MICHAEL A. WOOTEN, 4221
DANIEL J. WORTH, 5993
ROBERT E. WRAY, JR., 2206
RANDALL A. WRIGHT, 6617
WILLIAM W. WRIGHT, 4019
THOMAS A. WUCHTE, 2649
RUSSELL E. WYLER, 4457
ALLEN G. WYNDER, 9336
MICHAEL N. YAMASHIRO, 6364
RICHARD N. YAW, 7115
RAYMOND T. YOCUM, 5145
CHARLES M. YOMANT, 7109
JAMES R. YONTS, 1613
ROGER D. YONTS, 2061
CAROL R. YOUNG, 6879
KITTY M. YOUNG, 7891
ALBERT M. ZACCOR, 0182
JAMES J. ZANOLI, 2999
DANIEL S. ZUPAN, 3645
KEITH J. ZURLO, 0273

EXTENSIONS OF REMARKS

SAVE THE CHATTAHOOCHEE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GINGRICH. Mr. Speaker, I would like to commend to the attention of my colleagues the following testimony before the Committee on Resources Subcommittee on National Parks and Public Lands on the modification of the Chattahoochee National Recreation Area boundaries. I urge all my colleagues to read this testimony and take advantage of this opportunity to save the Chattahoochee so that its beauty and resources might be enjoyed by future generations.

TESTIMONY OF HON. NEWT GINGRICH BEFORE THE SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS, COMMITTEE ON RESOURCES, JULY 16, 1998

Mr. Chairman, Members of the Committee, I come before you today to save a river that is not only near and dear to my heart, but is the life blood of my district and most of the State of Georgia. The river I speak of is the Chattahoochee River. From its source in the North Georgia Mountains until it joins the Flint River on its way to the Gulf of Mexico, citizens along its path drink its water, use it for recreational purposes, and enjoy its beauty. With this legislation, today we have a chance to ensure that its gifts, including most importantly the gift of safe, life-sustaining drinking water, are protected and preserved for our children and grandchildren.

H.R. 4141 will modify the boundaries of the Chattahoochee River National Recreation Area to protect and preserve the endangered Chattahoochee River and provide additional recreation opportunities for citizens. Yet one of the most important aspects of this legislation is the way that this will be done, as the support and funding will come not just from federal sources, but from a partnership of federal, state, local, and private entities.

The Chattahoochee River, ranked as one of the ten most endangered rivers in the country, provides the drinking water for the Atlanta metropolitan area and almost half of the population of Georgia. The Chattahoochee is the smallest river basin to serve as the major water supply for a metropolitan area in the United States, which makes the challenge and the impact of growth and development even greater. Runoff from construction and the overdevelopment of areas surrounding the forty-eight mile stretch of the river north of the city have resulted in pollution, silt, and sediment build-ups.

This bill authorizes the creation of a greenway buffer between the river and private development to prevent further pollution from continued development, provide flood and erosion control, and maintain water quality for safe drinking water and for the abundant fish and wildlife dependent on the river system. Protecting this valuable resource is vital to the future of the State of Georgia. I personally consider it to be one of the most important things that I can help accomplish in my public career.

The massive influx of people—more than 400,000 since 1990—into the Atlanta metropolitan area has not only impacted water quality issues, but has also dramatically increased the need for expanded recreational areas. The Chattahoochee River is currently one of the most visited recreation areas in the country. Given the rate of growth in this area, increased acreage is essential in order to relieve stress on the current recreation area and to dramatically improve the quality of life for hundreds of thousands of Americans.

I have had the opportunity to see firsthand the excitement of schoolchildren engaged in testing the Chattahoochee water as part of their science studies, the coming together of diverse groups of young people helping with river clean-up, and the joy of children from near-by apartments who have discovered, on the banks of the Chattahoochee, a place to run and play. The Chattahoochee is for so many of Georgia's children more than just a river and more than a source of drinking water—it is an outdoor classroom, a community melting pot and, for those whose parents don't yet own a house, the only backyard they know.

This greenway project will serve as a model for future conservation efforts, as we continue to work toward our vision of a partnership with the people of America, as opposed to a centralized bureaucracy. Public and private cost sharing will ensure local involvement in the expansion of the park boundary. This is a truly historic agreement—federal appropriations provided in this proposal will be matched by funding from private foundations, the State of Georgia, local governments, corporate entities, private individuals, and other sources. In fact, the federal effort will be immediately matched by a private foundation. All other funding sources, such as the $15 million which Georgia's Governor Zell Miller and the state legislature have committed, will reduce the federal share of the project. The cost to the federal government will be less than half of the estimated cost of the effort and will almost certainly be much less.

I have with me today letters, from a wide range of Georgians in support of expanding the boundaries of the Chattahoochee National Recreation Area, which I will submit for the record. These letters are from mayors of local cities, county commissioners, the Lt. Governor's office, and Governor Zell Miller. These letters illustrate that in addition to the funding aspects, there is a more important partnership—one of political subdivisions, private entities, and neighbors coming together with the common goal of saving our river.

Finally, I would like to comment on the balance between property owners and the U.S. Park Service. This legislation ensures private property rights are protected by only allowing lands to be acquired with the consent of the property owner. At the same time it gives the Park Service flexibility by allowing a temporary interim map to be used until a comprehensive map can be drawn. In addition, the Park Service will have a 2000 foot corridor on each side of the river to enable the acquisition of larger properties when necessary for achieving our conservation goals. This legislation will ensure a working partnership between the Park Service and private property owners as we create a greenway along the river.

I am very pleased to testify on behalf of a proposal that will promote private/public partnerships in protecting vital natural resources and in increasing recreational opportunities for citizens. Expanding the Chattahoochee National Recreation Area will ensures that future generations will have clean water to drink and will be able to enjoy the beauty of this nationally significant resource.

In closing, I'd like to share a quote from "The Riverkeeper's Guide to the Chattahoochee," a book written by Fred Brown and Sherri M.L. Smith with the support of my good friend Sally Bethea: "Only God can make a river. And He's not making any more."

We have the power to help save one of His greatest rivers and to do it in a way which is not a Washington-based solution but which involves a partnership with the people of America. I hope that each of you will join me in this endeavor.

Thank you for your time and consideration of this legislation. I look forward to working with the members of the committee on this important project. At this time I would be glad to take any questions.

STATE OF GEORGIA,
OFFICE OF THE GOVERNOR,
Atlanta, GA, July 9, 1998.

Hon. BOB LIVINGSTON,
Chairman, Committee on Appropriations,
Washington, DC.

DEAR CHAIRMAN: The Appropriation Committees in the House of Representatives and the Senate have completed action on their respective Interior Appropriations bill. I wish to respond to the initial actions of each committee by acknowledging some important realities about three of the line items within the Land and Water Conservation Fund section of the bills.

Each of the acquisitions represent major conservation actions in protecting significant sites previously recognized by Congress. And the inclusion of funding for two of these projects complements funding actions that I, as Governor, have initiated. The State of Georgia is willing to dedicate funds to land acquisition which will serve over the long run to reduce the need for federal spending. It is important for the Federal Government to work closely with the State of Georgia to achieve common goals, while sharing the costs.

The three line items which are important to the State of Georgia are the Savannah National Wildlife Refuge, the Chattahoochee River National Recreation Area, and the Cumberland Island National Seashore. I wish to address each of them individually.

A very important item for the State of Georgia is the Chattahoochee River National Recreation Area. In the most recent state budget approved by the Georgia General Assembly, $20 million was appropriated for the RiverCare 2000 Program dedicated to protecting and preserving river front property

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

for public use. I have reserved $15 million of that amount to be directed to land acquisition along the Chattahoochee River corridor shared with the National Recreation Area. This approach is consistent with legislation (HR 4141) introduced by Speaker Gingrich which expands the boundaries and the acreage to be acquired as part of the National Recreation Area. One major component of this authorization legislation is that land acquisition move forward with a sharing of responsibility among the Department of Interior, the State of Georgia and its political subdivisions, and private foundations and corporations.

The House Interior Appropriation bill, which is unnumbered at this time, contains $15 million for acquisition which recognizes current discussions to move quickly to protect a resource disappearing to urbanization and development. While the State is ready to act, other local, private and public interests are also prepared to make financial commitments. The $15 million federal appropriation would be in recognition of these local initiatives and a fitting response to this aggressive partnership being formed (The Senate version does not include funds for the Chattahoochee River National Recreation Area.)

A second item is a recurring one, the Cumberland Island National Seashore. I believe very strongly in proceeding to fulfill the original intent of the National Seashore enabling legislation. In order to achieve this goal, the National Park Service should complete acquisition on Cumberland Island to realize the preservation of this unique and important resource. To delay further is to allow private rights to gain at the sacrifice of a public good. The President has requested $4.1 million, while neither the House nor the Senate has included funds for this item. This money should be restored at conference committee, or sooner, if the opportunity exists. No purpose is to be gained by further dragging out the acquisition process on Cumberland Island.

The last item is the Savannah National Wildlife Refuge for which the President requested $1 million. The Senate bill, S. 2237, responded by allocating $500,000. An environmental assessment by the Fish and Wildlife Service recommends expanding the 25,000-acre refuge with an additional 14,800 acres to protect additional habitat for migratory species and to reverse further declines in waterfowl populations. The State is also exploring the Savannah River where there is a need to acquire areas as part of its RiverCare Program. This is another example of state and federal governments working together to dedicate their scarce fiscal resources to protect fragile wetlands and uplands important to the local ecology. At this time, the Fish and Wildlife Service is prepared to spend the full amount requested by the President, and the need to move quickly where willing sellers are available is important.

I wish to remind you not only of the importance of these projects to the State of Georgia including the investment of federal dollars to protect major environmental resources, but also for the unprecedented intergovernmental cooperation and allocation of financial resources. As Governor, I pledge to use state dollars to work with federal dollars, and not to have federal dollars replace state dollars.

With kindest regards, I remain
Sincerely,
ZELL MILLER.

OFFICE OF LIEUTENANT GOVERNOR,
Atlanta, GA, July 14, 1998.

Hon. BOB LIVINGSTON,
Chairman, Committee on Appropriations, Washington, DC.

DEAR MR. CHAIRMAN: Action has now been completed by the Appropriations Committees in the House of Representatives and the Senate on The Interior Appropriations bill. I wish to respond to their action regarding three line items within The Land and Water Conservation Fund Sections of the bill, which are of great importance and significance to the State of Georgia.

The first line item is the Chattahoochee River National Recreation Area. As you know, the Chattahoochee River supplies drinking water to several million Georgians, and yet it is considered to be one of the most endangered rivers in America as a result of encroaching development and pollution. No one understands the need to protect the Chattahoochee River better than Speaker Newt Gingrich, who has authored HR 4141 which will permit the expansion of the existing National Recreation Area. It is our shared vision to protect more of the river corridor. The current Georgia budget includes $15 million dedicated to land acquisition along the Chattahoochee River. The private sector is also willing to support the acquisition of more land. It is imperative, however, that we have the $15 million included in the House Interior Appropriation bill in order to carry out the intent of Speaker Gingrich's HR 4141. While the Senate version does not include funds for the Chattahooche River National Recreation Area, it is our hope that the conference committee report will recognize the historic opportunity we have to launch a public-private partnership to save the Chattahooche.

The second item is The Cumberland Island National Seashore. I believe very strongly in proceeding to fulfill the original intent of the National Seashore enabling legislation. Thus, it is of critical importance that the National Park Service complete the acquisition of the Greyfield tract on Cumberland Island to protect it from development and to protect the immense investment which the taxpayers have made in Cumberland Island. The President has requested $4.1 million for the purchase of the next installment of the Greyfield tract sale. While neither the House nor Senate has included funds for this item, I strongly believe that the funds should be restored at conference.

Finally, the President has requested $1 million for the Savannah National Wildlife Refuge in South Carolina just across from Savannah. The Senate bill (SB2237) allocated $500,000. The Fish and Wildlife Service recommends expanding the current 25,000 acre refuge with an addition of 14,800 acres to protect additional habitat for migratory species, both game and non-game. It would be appreciated if the full amount requested could be appropriated so that we can respond to willing sellers and acquire the additional land.

Mr. Chairman, there can be no better use of tax dollars than the preservation of our natural heritage. President Theodore Roosevelt recognized that fact when he saved the Grand Canyon and established Yellowstone. Each of these items is important not just to Georgia but to the entire country. Hundreds of thousands of visitors to Atlanta drink water from the Chattahoochee River; thousands of people from almost every state visit Cumberland Island; and the ducks, geese and shorebirds that visit the Savannah National Wildlife Refuge belong to all Americans. We ask for your support of these important projects.

Sincerely,
PIERRE HOWARD.

GWINNETT COUNTY
BOARD OF COMMISSIONERS,
June 4, 1998.

Re: Chattahoochee River National Park Boundary Change.

Hon. JIM HANSEN,
Chairmam, Subcommittee on National Parks and Public Lands, Washington, DC.

DEAR CONGRESSMAN HANSEN: The City of Duluth has previously expressed its support for land acquisition funding for the National Park Service to purchase lands along the Chattahoochee River. The City is very interested in protecting the river corridor and making additional open space and greenways available for public use. The City has worked to obtain conservation easements for walking trails and greenways along the river corridor to help link existing National Park Property.

It has become evident that many critical parcels along the river corridor are not included in the boundaries previously designed for the National Park Service on future land acquisition. There is an urgent need for legislation to modify the National Park Boundaries by deleting some parcels which have already been developed and include these critical parcels still available for the protection of the river and efficient use of existing National Park property.

The City strongly supports legislation that would adjust the designated National Park Boundaries identified for future land acquisition to include those critical parcels necessary to link existing National Park Properties as well as protect the river from further intense development. The City applauds your efforts in supporting funding for National Park Service land acquisition along this vital river water resource and asks that you also support some adjustments in the designated boundaries of the National Park so that key vacant parcels can be included.

Thank you for your efforts and involvement with our national resources. If we can assist in any way, please let us know.

Sincerely,
F. WAYNE HILL,
Chairman.

BOARD OF COMMISSIONERS OF
FULTON COUNTY,
Atlanta, GA, June 16, 1998.

Hon. NEWT GINGRICH,
2428 Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN NEWT GINGRICH: As an elected representative of North Fulton county, I urge your support for legislation that would allow adjustment of the National Park boundaries identified for future land acquisition in order to link existing National Park properties. This legislation would allow for protection of the Chattahoochee River by including critical parcels that are still available to be included in the Park boundaries, as well as deleting those parcels that are already developed.

Fulton County is currently working with the City of Roswell to develop a Linear Park along the Chattahoochee in north Fulton. Your support of the Federal Greenways project would enhance our efforts and help to preserve this valuable resource that provides drinking water to the citizens of Fulton County as well as the City of Atlanta.

Your support of the Federal Greenways Project is greatly appreciated. Please contact me if I can be of any assistance.

Respectfully,

BOB FULTON,
District Three,
Fulton County Board of Commissioners.

CITY OF ROSWELL,
Roswell, GA, May 21, 1998.

Re Greenways Project.

Hon. JIM HANSEN,
Chairman, Subcommittee on National Parks and Public Lands, Washington, DC.

DEAR MR. CHAIRMAN: Roswell, the sixth largest city in the state of Georgia, strongly supports the Federal Greenways Project.

Roswell is presently acquiring five miles of land along the Chattahoochee River, in north metropolitan Atlanta area, for a linear park. This park would connect the Goldbranch, Vickery Creek and Allen Shoals units of the Chattahoochee National Park. This park will be operated in cooperation with Fulton County and the Chattahoochee Nature Center, and the Chattahoochee River National Recreation Area. The State of Georgia, The Trust for Public Lands and the City of Roswell are already committed to raising a portion of the property purchase price. We hope that the Federal Government will also contribute toward acquisition funds for the parkland.

Once established, this new park would become one of the most heavily used parks within the Atlanta Metropolitan area. It would serve as an excellent example of Federal, State, County and Municipal cooperation in park development. We hope that the Federal Greenways Project will be adopted, so that the Federal Government may participate in this park. Your support of this project will be greatly appreciated.

Sincerely,

JERE WOOD,
Mayor.

CITY OF DULUTH,
Duluth, GA, May 26, 1998.

Re Chattahoochee River National Park Boundary Change.

Hon. NEWT GINGRICH,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN GINGRICH: The City of Duluth has previously expressed its support for land acquisition funding for the National Park Service to purchase lands along the Chattahoochee River. The City is very interested in protecting the river corridor and making additional open space and greenways available for public use. The City has worked to obtain conservation easements for walking trails and greenways along the river corridor to help link existing National Park Property.

It has become evident that many critical parcels along the river corridor are not included in the boundaries previously designated for the National Park Service on future land acquisition. There is an urgent need for legislation to modify the National Park Boundaries by deleting some parcels which have already been developed and include those critical parcels still available for the protection of the river and efficient use of existing National Park property.

The City strongly supports legislation that would adjust the designated National Park Boundaries identified for future land acquisition to include those critical parcels necessary to link existing National Park Properties as well as protect the river from further intense development. The City applauds your efforts in supporting funding for National Park Service land acquisition along this vital river water resource and asks that you also support some adjustments in the designated boundaries of the National Park so that key vacant parcels can be included.

Thank you for your efforts and involvement with our national resources. If we can assist in any way please let us know.

Sincerely,

SHIRLEY FANNING-LASSETER,
Mayor.

CITY OF DULUTH,
Duluth, GA, April 8, 1998.

Re Chattahoochee River Greenway.

Hon. RALPH REGULA,
Chairman, House Interior Committee,
Washington, DC.

DEAR CONGRESSMAN REGULA: The City of Duluth would like to thank you for your efforts in securing funding for the National Park Service for lands along the Chattahoochee River. House Speaker Newt Gingrich has informed us of the tremendous work you have been doing to see that the National Park Service obtains funds to protect the Chattahoochee River from excessive development through Park Service land acquisition. In our November correspondence to you the City had mentioned that a greenway plan to link two existing National Park properties together was underway. Please find enclosed a copy of this proposed walkway. We currently have approximately 50% of this provided through easements.

We hope that the next trip you make by helicopter over this area that you will see some results which come from local government and federal government working together on a project. If we can ever be of service please don't hesitate to call on us.

Sincerely,

SHIRLEY FANNING-LASSETER,
Mayor.

CITY OF ATLANTA,
Atlanta, GA, June 24, 1998.

Hon. JOHN LEWIS,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN LEWIS: I am writing to encourage your support for a $25 million appropriation ($15 million FY '99 and $10 million in the supplemental budget for FY '99) from the Land and Water Conservation Fund which is now before the House Appropriations Committee. These funds will allow for the protection of land along the banks of the Chattahoochee in an attempt to sustain the drinking water supply for the City of Atlanta and its neighbors. The initiative to protect land along the Chattahoochee River is a bipartisan effort which was developed out of Governor Miller's RiverCare 2000 program. The City of Atlanta has partnered with the Trust for Public Land to negotiate donations and acquisitions along the Chattahoochee River in an effort to protect a natural greenway within City limits. By working in cooperation with our neighbors upstream, we hope to sustain this river for future generations.

Over half of all Georgians drink from the Chattahoochee River every day and this funding would help insure the quality of our drinking water for generations to come. I encourage you to actively support this $25 million appropriation once it comes up for a vote by the House Appropriations Committee.

Thank you for your continued care for the environment and the work you do for the people of Atlanta.

Sincerely,

BILL CAMPBELL.

HONORING ROY A. HAUBERT

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. PACKARD. Mr. Speaker, I would like to take a moment to acknowledge a very special and exceptional man, Mr. Roy A. Haubert.

In this day and age when family values are on the decline, it is comforting to know that there are people like Roy Haubert, who are passing a legacy of service, loyalty, and love on to their family. Mr. Haubert is a proud father of four children, all of whom he helped put through college.

As a fellow Navy veteran, I hold Roy Haubert in the highest regard. He serves as a shining example through his commitment to his beliefs and his country. At the young age of 17 he left his home to protect freedom and to serve his fellow Americans. He served our country in World War II on a Destroyer off the East Coast of the United States and in the South Pacific. He received two purple hearts for his service, and after WW II, Mr. Haubert enlisted in the U.S. Air Force. Through his additional time in the service, Roy Haubert received training at the Massachusetts Institute for Technology in electronics and missile technology.

Mr. Haubert utilized his training and worked in the aerospace industry in California after leaving the service, where his interest in technology grew. He then worked on projects such as the Atlas missile program and the F-111 fighter bomber.

Roy Haubert has devoted his life to service, loyalty and family values. His sacrifice and accomplishments are admirable and worthy of recognition.

Mr. Speaker, I would like to say thank you to Roy Haubert and acknowledge his contribution to his family, his community and to our nation. May his example continue to shine on in the hearts and minds of those privileged enough to have known him.

TRIBUTE TO THE EIGHTH GREAT DOMINICAN PARADE AND CARNIVAL OF THE BRONX

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. SERRANO. Mr. Speaker, once again it is an honor for me to recognize the Great Dominican Parade and Festival of the Bronx on its eighth year of celebrating Dominican culture in my South Bronx Congressional District.

Under its Founder and President, Felipe Febles, the parade has grown in size and splendor. It now brings together an increasing number of participants from all five New York City boroughs and beyond.

On Sunday, July 19, thousands of members and friends of the Dominican community will march from Mt. Eden and 172nd Street to East 161st Street and the Grand Concourse in honor of Juan Pablo Duarte, the father of the independence of the Dominican Republic.

As one who has participated in the parade in the past, I can attest that the excitement it generates brings the entire City together. It is a celebration and an affirmation of life. It feels wonderful to enable so many people to have this experience—one that will change the lives of many of them. It is an honor for me to join once again the hundreds of joyful people who will march from Mt. Eden and 172nd Street to East 161st Street, and to savor the variety of their celebrations. There's no better way to see our Bronx community.

The event will feature a wide variety of entertainment for all age groups. This year's festival includes the performance of Merengue and Salsa bands, crafts exhibitions, and food typical of the Dominican Republic.

In addition to the parade, President Febles and many organizers have provided the community with nearly two weeks of activities to commemorate the contributions of the Dominican community, its culture and history.

Mr. Speaker, it is with enthusiasm that I ask my colleagues to join me in paying tribute to this wonderful celebration of Dominican culture, which has brought much pride to the Bronx community.

PERSONAL EXPLANATION

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BATEMAN. Mr. Speaker, due to continued convalescence from a recent surgery, I missed 2 votes on June 4, 1998. I wish to ask unanimous consent to include in the RECORD my statement as to how I would have voted had I been present.

On rollcall vote No. 204, I would have voted "aye."

On rollcall vote No. 205, I would have voted "aye."

THE HEAD START ACT OF 1998

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. RIGGS. Mr. Speaker, today I am introducing a bill to extend the Head Start program. This legislation strengthens the quality and accountability of Head Start while supporting those receiving Temporary Assistance to Needy Families, the goals of welfare reform, collaborations at the local, State, and national levels, and Head Start staff. For the first time ever, Head Start will be judged on its outcomes for children and families.

The Education and the Workforce Subcommittee on Early Childhood, Youth, and Families that I chair has heard testimony in four hearings from respected academicians, researchers, educators, parents, and practitioners. These witnesses and the many experts with whom committee staff spoke consistently called for an increased focus on outcomes and for higher Head Start staff qualifications. Great care has been taken to craft a bill that addresses these issues by emphasizing quality, accountability, flexibility and collaboration.

We have proposed a simple and effective update of the formula allotting Head Start funds to states: 1998 would become the "hold harmless" year for funding. Future expansion and quality appropriations would be allotted based solely on child poverty statistics, thus avoiding possible negative impacts on States successful in moving recipients of Temporary Assistance to Needy Families into jobs. No State would lose Head Start funding under this proposal.

We have redefined the primary purpose of Head Start in this bill to be school readiness. The bill adds new education performance standards and measures that strengthen the cognitive development of children, and requires that the majority of Head Start teachers must have at least an associate degree in early childhood education by the end of the reauthorization period in 2003.

To support the need for increased teacher training and greater attention to school readiness, emphasis has been shifted for a limited period of time from expansion to quality. This will give programs an opportunity to address teacher salaries and program quality. Teachers are specifically targeted in the bill for needed salary increases based upon their education and credentials.

The professional development of teachers and other Head Start staff is enhanced under this legislation by explicitly allowing the use of funds for training in language, literacy, English acquisition, and child disabilities, and by the provision of special collaboration grants that encourage Head Start participation in State, regional, and local early childhood professional development systems.

These special collaboration grants also can be used for similar collaborative efforts to develop more full-day, full-year child care/Head Start services. Similarly, waivers of income eligibility rules would be allowed through joint agreement of the Governor, the State Head Start Association, and the Secretary of Health and Human Services. Up to 25 percent of a program's enrollment could be "over income," but families could not exceed 140 percent of the poverty level. In cases where Child Care Development Block Grant or other child care funds are blended to offer combined Head Start/child care services, copayments by Head Start parents would be explicitly allowed to meet the requirements of the cofunding agency.

Funding priority for any increased appropriations is given by this bill to expansion of full-day, full-year services to meet the child care needs of working poor. Additionally, Early Head Start funding would grow to 10 percent of Head Start funding by the year 2003 to serve more children in the critical years before age three.

To help prepare Head Start children for success in kindergarten, a new section in the bill defines in greater detail transition activities and goals. The needs of Head Start parents are addressed with start-up funding for up to 100 family literacy demonstrations. Training and technical assistance will be available to all Head Start family literacy programs. The best of these programs would be designated as mentor programs; they would assist other agencies with the implementation and improvement of family literacy. Progress towards quality also would be achieved by allowing for-profit entities to participate with public and non-profit entities in any open grant competitions for Head Start funding.

Accountability is the other key issue emphasized in this bill. As mentioned earlier, school readiness has been reestablished as the goal of Head Start, and new transition goals and educational performance standards and measures will be implemented. Head Start agencies are also required to ensure that parents receiving Temporary Assistance to Needy Families who are enrolled in the program meet paternity requirements. Other single Head Start parents shall receive information about resources for establishing paternity. In addition, the bill directs that local performance measures be established for child and family outcomes at the individual grantee level by January 1, 1999.

The biggest accountability question is whether Head Start truly makes a difference for children and families; a large-scale impact study has never been conducted. For this reason, a national study on the impact of Head Start services is commissioned in this bill to provide the kind of information that policy makers so sorely need.

Head Start is a program that benefits America's most vulnerable children. It is our solemn duty as policy and law makers to ensure that these at-risk children and their families receive the quality developmental and educational services that they need to be successful in school and become productive members of society. I urge all of my colleagues on a bipartisan basis to support this measure.

CONGRATULATIONS TO THE WOMEN IN SKILLED TRADES PROGRAM

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. STARK. Mr. Speaker, I would like to take this opportunity to recognize the Women In Skilled Trades (WIST) program, which is based in Oakland, California, on the occasion of its 10th Anniversary. Since its inception, this outstanding program has trained over 300 women for well-paying jobs in the construction industry.

WIST was established in 1988 by the Oakland Private Industry Council in order to provide economically disadvantaged women, displaced homemakers, and dislocated workers with high quality pre-apprenticeship training. The program offers an excellent solution for women seeking to achieve economic self-sufficiency and to serve as role models for their children. The pool of well-trained, motivated workers that graduate from the program is a benefit both to area employers as well to our community.

The WIST program is a nationally acclaimed model for nontraditional training programs, with a comprehensive training curriculum and dedicated instructors and staff. It is also an outstanding example of how a partnership of public, private, and non-profit entities can work together to affect positive change in the lives of women and their families.

On Monday, July 20, 1998, the Women in Skilled Trades program will be celebrating its anniversary in Oakland, California. I hope my colleagues will join me in recognizing the achievements of this organization. I would also like to commend the many women who have graduated from the WIST program. I look forward to ten more years of progress!

RECOGNIZING RUSSELL PATTERSON

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to recognize Mr. Russell Patterson, a major contributor to the arts community in Missouri and a friend of mine who is retiring after 40 years as founder and Artistic Leader of the Lyric Opera of Kansas City. He also organized The Kansas City Symphony and has served as its Artistic Director.

In addition to his position with the Lyric Opera of Kansas City, Russell is Festival Director and Principal Conductor at the Sunflower Music Festival. He founded both the Sunflower Music Festival and the Missouri River Festival of the Arts, and serves as Artistic Director of the Buzzards Bay Musicfest. He has appeared as guest conductor in opera and concert engagements in Mexico City, London, New York, Seattle, Cincinnati, and Sacramento.

Mr. Patterson has spent his career enriching Kansas City with his talent and vision. He is a graduate of the Conservatory of Music at the University of Missouri-Kansas City. He helped establish the Middle-America Opera Apprentice Program in conjunction with the Conservatory. The Apprentice Program is designed to prepare exceptional young singers for a professional operatic career. The Program continues to gain national recognition for its commitment to aspiring artists.

As a trailblazer in the arts community, Mr. Patterson has served on the Advisory panels for the National Endowment for the Arts and the Missouri Arts Council, as a consultant to the Ford Foundation, and on the Board of Directors of OPERA America. He has received numerous awards and honors including the Alumni Achievement Award, the Dean's Award, the nationally prestigious Conductor's Award from the Alice M. Ditson Fund of Columbia University, and the W.F. Yates Medallion from William Jewell College. In 1996, Mr. Patterson was honored at the OPERA America 25th Anniversary Conference for his years of service.

Mr. Speaker, please join me in congratulating Russell Patterson for his commitment to our community's future artists and his service to music in Kansas City. I wish he and his lovely wife Terri well in all of their future endeavors, and hope we can enjoy some tennis at the Cape.

INTRODUCTION OF A BILL TO AMEND THE D.C. CONVENTION CENTER AND SPORTS ARENA AUTHORIZATION ACT OF 1995

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Ms. NORTON. Mr. Speaker, today, I introduce a bill to amend the D.C. Convention Center and Sports Arena Authorization Act of 1995 in order to enable the Washington Convention Center Authority (Authority) to finance revenue bonds for the cost of constructing a new convention center in downtown D.C. This legislation moves forward the hope and promise of the 1995 legislation for a sports arena and a convention center, twin centerpieces of economic development and jobs in the city and revitalization of downtown in the District. The quick and efficient construction of the MCI Center and the new jobs and revenue the arena has brought to D.C. residents have encouraged the city to complete its work on a convention center, where the need has long been conceded.

In every other city in the United States, this matter would not come before any but the local city council. Unfortunately, unlike every other city, the District does not have legislative and budget autonomy and therefore cannot spend its own funds unless authorized by Congress.

Extensive hearings in the City Council have been held on the underlying issues, with an informed and vigorous debate by members of the City Council. On June 16, the City Council approved legislation to finance the new convention center, and on July 7, the City Council passed a bond inducement resolution to approve the Authority's proposal for the issuance of dedicated tax revenue bonds to finance construction of the convention center. On July 13, the D.C. Financial Responsibility and Management Assistance Authority (Control Board) gave its final approval to the financing plan for the project, leaving only congressional authorization, which is necessary for the District to proceed to the bond market.

On July 15, the Subcommittee on the District of Columbia heard testimony from Mayor Marion Barry, City Council Chair Linda Cropp, City Council Member Charlene Drew Jarvis, Control Board Chair Andrew Brimmer, Authority President Terry Golden, and representatives of the General Accounting Office (GAO) and the General Services Administration (GSA) on the financial aspects of the project. After hearing this testimony, I am satisfied that the Authority is ready to proceed with the issuance of bonds to secure financing, allowing the Authority to begin to break ground possibly as early as September. Considering the many years delay and the millions in lost revenue to the District, ground breaking cannot come too soon.

Although the GAO testified that the cost of constructing the new convention center would be $708 million, $58 million more than the $650 million estimate, the $58 million is not attributable to the cost of the center but to certain costs that should be borne by entities other than the Authority. For example, vendors who will operate in the facility are anticipated to contribute $17.7 million in equipment costs; the District government will provide $10 million for utility relocation from expected Department of Housing and Urban Development grants; and the President has requested $25 million in his budget to expand the Mount Vernon Square Metro station.

The GSA testified that the agency had worked closely with the Authority to keep the costs of the project down. With the GSA's assistance, the Authority secured a contract with a construction manager for a "Guaranteed Maximum Price," whereby the private contractor is given incentives to keep costs down and assumes the risk for any cost overruns.

Mayor Marion Barry testified, among other things, regarding the promise of additional jobs for District residents. He said that the new convention center would create nearly 1,000 new construction jobs, and that once the facility is completed, it would generate nearly 10,000 jobs in the hospitality and tourism industries. He testified that, using some of the approaches that were successful with the MCI Center, special training, and goals for jobs for D.C. residents would be met.

The District of Columbia Subcommittee hearing was not a reprise of the lengthy D.C. City Council hearings, and, on home rule grounds, did not attempt to repeat issues of local concern. However, since the issues of financing and bonding before the Congress implicate other areas, the Subcommittee asked extensive questions and received testimony concerning many issues, including location, size, and job creation, in addition to the strictly financial issues.

This convention center has an unusual financial base, which I believe other cities might do well to emulate. The financing arises from a proposal by the hotel and restaurant industry for taxes on their own industry that would not have been available to the city for any other purposes. The proposal was made at a time when the city's need for revenue and jobs has been especially pressing. For many years, the District had been unable to attract large conventions. Not only has the District lost billions as a result; the local hotel and restaurant industry has suffered from the absence of a large convention center. It is estimated that the inadequacy of the current facility led to the loss of $300 million in revenue from lost conventions in 1997 alone. My legislation will enable the District to compete for its market share in the convention industry for the first time in many years.

The delay in building an adequate convention center has been very costly to the District. In a town dominated by tax exempt property, especially government buildings, a convention center is one of the few projects that can bring significant revenues. To that end, the District intends to break ground this September. I ask for expeditious passage of this bill.

HONORING THE TOWN OF HOLLAND, MA, ON THE DEDICATION OF ITS NEW TOWNHALL AND THE CELEBRATION OF ITS 215TH ANNIVERSARY

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. NEAL of Massachusetts. Mr. Speaker, I rise to recognize and honor the town of Holland, Massachusetts on the dedication of its new Town Hall and the celebration of its 215th anniversary.

In 1730, the Town of Holland was settled by Joseph Blodgett, whose descendants still live in the town today. The Town was named after Lord Holland, an English statesman who lobbied for independence for the American colonies. The town was incorporated on July 5, 1783, and is rich with history.

Holland is located in the southeast corner of Hampden County in Western Massachusetts. The town is four square miles in area. It contains the Quinnebaug River and the Hamilton Reservoir, one of the largest reservoirs in southern New England. It is nestled amongst two hill ranges, where elevations reach up to 1,100 feet.

Throughout the years, Holland has remained an example of the charm and beauty of the traditional New England village. At different times, it has sustained industries such as farming, the manufacturing of cloth, and brick making. To this day, Holland is known most for its recreational opportunities. There are extensive recreational facilities at the Hamilton Reservoir, which is stocked with trout each year by the state of Massachusetts. There is also a park and a swimming area at the very picturesque Lake Siog. This small town remains as alive and healthy today as it was 215 years ago.

Unfortunately, the 200-year-old town hall was destroyed in a horrendous fire in December of 1995. The new Town Hall, which was dedicated on July 11, 1998, stands as a testament to the courage and character of the 2,300 residents of this wonderful town. I want to acknowledge this town and its residents as they celebrate their new Town Hall as well as their 215th anniversary.

TRIBUTE TO MR. PAT PATTON

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. RODRIGUEZ. Mr. Speaker, I rise to pay tribute to a gentleman who has endeared himself to the cause of equality and justice in Northern Ireland and distinguished himself as a community leader in Texas. Pat Patton has served in many capacities, both professionally and as a volunteer, for his community. As the Executive Director of the Ancient Order of the Hibernians, he worked diligently and effectively at seeking recognition of inequalities in Northern Ireland.

Before assuming that position, Mr. Patton played an instrumental role in the Irish community throughout Texas. He produced and hosted a weekly radio show in Houston called "Irish Aires." In 1991, I had the privilege of working with Mr. Patton as he spearheaded the lobbying effort to pass the MacBride Principles in the Texas Legislature. His tireless efforts over a period of two legislative sessions ultimately succeeded. To this day, this law dictates principles of fairness and equality within companies in Northern Ireland in which the State of Texas owns shares. For these and other efforts, Mr. Patton, on July 21, will be honored at the National Convention of the Ancient Order of the Hibernians in Pittsburgh, PA.

By profession, Mr. Patton is a social worker, having completed his undergraduate degree from St. Mary's University in San Antonio, which is my alma mater. As a social worker myself, I am aware of the sacrifices and patience required in this profession. After receiving his Masters of Social Work (MSW) from Tulane University in New Orleans, he provided counseling for the US Air Force. He continued his services at Catholic Charities in Los Angeles where he served as a therapist and family marriage counselor. Later, he moved back to Texas where he continued serving those less fortunate as Vice President of Houston Lighthouse for the Blind.

I ask my colleagues to join me in recognizing the selfless devotion of Mr. Patton to his community and his country. We owe him, his wife Mary, and their family, our debt of gratitude.

THE SMALL BUSINESS EMPLOYEE RETIREMENT PROTECTION ACT OF 1998

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GEJDENSON. Mr. Speaker, I rise today to introduce the Small Business Employee Retirement Protection Act of 1998. This legislation will bring security to millions of small business employees in Connecticut and throughout the nation.

Mr. Speaker, I wrote this legislation in part because of a problem in my district. Late last year, we in eastern Connecticut learned just how vulnerable pension plans are. The employees of Emergi-Lite, a small manufacturing business in Westbrook, Connecticut, were informed that their plan was basically bankrupt. An unscrupulous, unqualified manager embezzled about $2 million—nearly all the assets in the plan. The employees had no idea their life savings were being squandered. They had no information about the total value of the plan or how the total value of the plan or how the assets were being invested. They were left in the dark and almost robbed blind.

The bill I introduce today will reduce the chances that what happened at Emergi-Lite will happen again. This legislation requires pensions to be managed by qualified professionals, such as a bank or mutual fund company. Moreover, it requires plan managers to provide beneficiaries with information about total asset value and how funds are invested. Passage of this bill will ensure that people working for small businesses will know where their hand-earned dollars are going. They deserve nothing less.

If enacted into law, the Small Business Employee Retirement Protection Act will ensure that this sort of tragic loss of retirement savings does not happen again by requiring that pension assets beheld in a bank or other qualified financial institution. In addition, the bill would give employees the right to find out the status of their plan's assets and would require that plans inform participants of that right.

I am happy to introduce this legislation with my five colleagues from Connecticut: Ms. DELAURO, who also represents many of the affected employees, Mrs. KENNELLY, Mrs. JOHNSON, Mr. SHAYS, and Mr. MALONEY. All of us were disturbed about what happened in Westbrook. This is an example of how our delegation works together to support commonsense legislation that will really make a difference for people across our region.

TRIBUTE TO CHARLES EDWIN SKIDMORE—"CHAMPION FOR WEST VIRGINIA'S VETERANS"

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. RAHALL. Mr. Speaker, I rise today to express my deepest condolences to the family of Charles Edwin Skidmore of Hinton, West Virginia, who died on May 31, 1998 after a long battle with cancer.

I also rise in tribute to Charles Skidmore and his lifelong commitment to disabled Veterans.

Charles was the Commander of the Disabled Veterans in Hinton, West Virginia at his death, but had previously served two terms as State Commander of the West Virginia Disabled American Veterans, and was still active as a volunteer at the Beckley, West Virginia Veterans Hospital up until his death.

Even though Charles was very ill during the last year of his life, he still fulfilled all his commitments.

Charles Skidmore was vice president of the Southern West Virginia Veterans Museum, and served on the committee for the Restwood Veterans Memorial where he was instrumental in its design and completion.

A lifelong member of the American Legion Post #29 in Elkins, and a life member and local commander of the DAV in Hinton, Charles was also deeply involved in "Respect the Flag" program with local area schools.

A retired Postal worker for the Beckley Post Office, Mr. Skidmore was also a former railway clerk in Hinton, West Virginia where he was born and where he lived all of his life.

Charles Skidmore is survived by his wife Rosalyn, three sons and three daughters, 16 grandchildren and six great-grandchildren. I am confident that his wife, and his sons and daughters will carry on his commitments to local Veterans programs and to his community in the years to come.

Charles Skidmore will be sorely missed by Veterans at the Beckley VA Hospital, where they could count on his presence, where they could tell him of their problems and get his advice on how to solve them. Veterans in the Beckley-Hilton area knew they could always count on him to actively fight for their right to adequate and appropriate health care services at the local, State and National levels.

I last saw Charles at a dinner in May, shortly before he died, where we spoke briefly concerning veterans affairs, and where he introduced me to his wife, his daughter Sharon and his grandchildren. He was a proud husband, father and grandfather, who set a shining example of compassion and caring, trustworthiness, honesty and good citizenship for them and for his community.

Mr. Skidmore was buried with full military honors in the Restwood Memorial Gardens in Hinton, a place he helped design, build and dedicate as a fitting burial site for other Veterans.

CUTS IN SUMMER YOUTH EMPLOYMENT FUNDING

HON. HAROLD E. FORD, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. FORD. Mr. Speaker, Each of the last two years, Mr. Speaker, I have witnessed over 5,000 young people in my district stand in line for the chance to apply for a summer job. And unfortunately, each year, at least 3,000 of these young people have been turned away because of a lack of resources—despite $2.8 million of federal funding per/year and local government and private sector support.

So instead of waking-up each morning for eight weeks out of the summer and being exposed to the rigors, habits, and rewards of work, thousands of young people in my district—mostly 15, 16, and 17 years olds—have had little more to do than hang-out on the streets looking for ways to keep themselves entertained and occupied.

So I rise today, Mr. Speaker, on behalf of the thousands of young people in my district and countless others across America, to express my deep concern and frustration over the decision last week by the Labor/HHS Appropriations Subcommittee to report-out a bill that will, among other things, eliminate $871 million in federal funding for summer youth employment programs.

How, I ask, do my colleagues on the other side of the aisle expect our young people to develop an appreciation of the value and importance of education and work, if all they see is Congress appropriating money to build more prison cells, but not to air condition schools or provide summer jobs?

Mr. Speaker, when, and if, anyone has an answer to my question, I, along with the thousands of young people in my district, would love to hear it.

A TRIBUTE TO THE BARBER FAMILY ON THE BARBER FAMILY REUNION AND THE IMPORTANCE OF STRONG AMERICAN FAMILIES

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. RAMSTAD. Mr. Speaker, today I rise to salute a strong American family from throughout our great nation which will be holding an especially loud and joyous reunion in Minneapolis from July 30th to August 2nd.

The Barber Family will be celebrating the "Power of Family." Nothing could be more right on target. I want to wish the Barber Family, and Barber Family Reunion State Chairperson Marion Barber, the very best for a most successful family gathering.

Mr. Speaker, I salute all American families for the miracles they perform every day. Together, America's families are what our nation is all about: The freedom to love, the freedom to work, the freedom from crime and hatred, the freedom to pursue our dreams.

If you want to gauge the value of family in America today, you should show up at the Barber Family Reunion, which has chosen as its reunion theme "Linking the Past, Present and the Future."

Mr. Speaker, as Congress considers actions in its day-to-day routine, I urge every member to keep families like the Barbers in mind.

As Marion Barber wrote in a letter to me, "Family and family ties are the most important elements that make up the core and fabric of the true American family. What the family does and the values it practices have a great impact on our society. Families need to stay together, pray together and help each other."

Mr. Speaker, it's families like the Barbers—staying together, looking out for each other, helping each other—that provide our great nation with its real strength. Our families know how to overcome challenges and difficulties—and survive and flourish.

The Barber Family's history is the story of our nation. Jim Barber, a slave, more than a century and a half ago, was brought down from Virginia to Georgia and sold to John Reynolds. There, he met Elizabeth Reynolds, another slave. They married and had seven children.

And in a few days, the descendants of Jim and Elizabeth Barber will be celebrating their blessings and their love for each other in Minneapolis. Their struggles have not divided them, just as our great nation's struggles have not divided America.

Mr. Speaker, the Barber Family represents the American Dream and today I wish all the members of the Barber Family the very best. I thank them for doing their part to make America the greatest country on earth.

STATEMENT REGARDING NORTHERN IRELAND

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. KENNEDY of Rhode Island. Mr. Speaker, I am sure that all Members of this House and Americans everywhere who long to see Northern Ireland enter a period of peace, social justice and economic reconstruction have viewed with great dismay events these past few days in Northern Ireland. What is particularly troublesome and in some ways painfully symbolic of the conflicts that continue to plague the people on that troubled piece of earth, was the murder over the weekend of three innocent young Catholic boys, Richard–11, Mark–10 and Jason Quinn–9, who were burned to death early Sunday morning by a fire bomb reportedly thrown by practitioners of the worst kind of religious bigotry and hatred.

Hopefully the tragic deaths of these three innocent boys will mark a watershed in the long and sad history of Northern Ireland's religious strife and men and women of good will who are committed to peace and reconciliation throughout Northern Ireland will work together to reinforce the fragile peace process underway in Northern Ireland. Those efforts should receive the strong endorsement and support from those of us in the United States who share that objective.

Mr. Speaker, a growing number of my constituents are taking a closer look and a keener interest in events in Northern Ireland and this process is assisted by such statements as the enclosed editorial Trying to Get Beyond the Boyne published in the July 12 Providence Sunday Journal which I request to be inserted in the RECORD at this point. In my view, this editorial contains thoughtful observations on a very difficult and complex situation and makes the significant point that Northern Ireland must move past the anachronisms of the past and into a more enlightened and reasoned future if the peace process is to survive and prosper and I am confident that it can and will.

I agree, too, with the editorial's observation that the President should move swiftly to name a successor to the recently departed Ambassador Jean Kennedy Smith and that my good friend Paul Quinn, who is well experienced in Irish-American affairs makes an excellent candidate for this assignment. Mr. Quinn enjoys wide-spread bi-partisan support from my colleagues in the Congress and from governmental, political and community business leaders throughout Ireland and those in the United States who share our commitment to a more peaceful and prosperous day on the island of Ireland. He has made substantial contributions to relations between the United States and the Republic of Ireland and the North for more than 35 years and I know he will continue to do so for many years to come whatever the President's decision is regarding the next Ambassador.

TRYING TO GET BEYOND THE BOYNE

William Trevor's After Rain is the tale of a boy—son and grandson of proud Unionists in an Ulster village—who brings calumny upon himself by refusing to march. We are given to understand that the boy may be prey to a religious hallucination of some sort, that he must pay for his intransigence with his life, that his brother in the paramilitaries must properly have a hand in his killing. Thus does Mr. Trevor, the masterful Ango-Irish short-story writer, draw us into the insanity of "the Troubles" in Northern Ireland.

The good burghers are pious and temperate Presbyterian townsmen who once a year don the bowler and the orange sash to commemorate their ancestors' defeat of the Catholic forces at the Battle or the Boyne.

The crazy person is the one who refuses to join in the Protestant marching to fife and drum through the Catholic neighborhoods—a ritualized rubbing of salt into the worlds of the subjugated people's descendants.

Thoughts of the fictional strife come to mind because today is the 308th anniversary of the Battle of the Boyne, in which the Protestant monarch of England, William III, of the Dutch House of Orange, vanquished the Catholic King James II. In the all-too-real life of Northern Ireland this past week, the peaceful promise of the Good Friday accords has been imperiled by violence in the buildup to this climax of "marching season."

Orange Order Protestants tasted defeat this spring when Irish voters north and south—including a narrow majority of Protestants—endorsed the peace process at referendum and followed up last month by electing a veto-proof majority of peace-accord supporters to a new self-rule assembly.

A bitter pill for the hardliners is that the new first minister of Northern Ireland, chosen under a peace process he helped to create, is one of their own, David Trimble.

Trimble, head of the Protestant Ulster Unionists Party, built his base in the Orange Order but came to believe that growing numbers of his constituents and co-religionists had wearied of the conflict that has wasted three decades and more than 3,400 lives in the North. This marching season, having helped to forge the shaky peace, Mr. Trimble has stayed on the sidelines as the order demanded the right to march its traditional route from the town of Portadown, west of Belfast, to the Anglican church in Drumcree and back. Since the British government's decree that they shall not march through a Catholic neighborhood in Portadown, Orangemen have camped in a nearby pasture.

Incidents of violence and rioting have ensued in the British-ruled province in recent days, as Prime Minister Tony Blair, Mr. Trimble and other moderates have sought a peaceful way out of the impasse. Orange leaders have threatened a general strike that could, they assert, paralyze Northern Ireland. Well, perhaps not. Not if enough Protestant citizens boycott the strike.

The Clinton administration played an important role in getting all sides through the negotiations that produced the accord but has little policy role now except to cheer and pray as the peacemakers face their first tough test in the streets.

(In an indirect way, however, President Clinton could contribute modestly to the long-term prospects for Irish peace by swiftly naming a successor to the recently departed ambassador to Ireland, Jean Kennedy Smith. Paul Quinn, the Pawtucket-born Washington lobbyists, has the experience in Irish-American affairs to make him as good a candidate as any.)

The hope for peace in Northern Ireland is with a new generation that, like Mr. Trevor's fictional youth, resists its inherited duty of hatred. Let us hope that its quiet force—which has won two historic votes for the peace-seekers since Good Friday—will carry the day against the bowler-topped anachronisms on this bloody anniversary.

TRIBUTE TO JAN MEYERS, RECIPIENT OF 1998 VOLUNTEER OF THE YEAR AWARD

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to pay special tribute to the Honorable Jan Meyers, a former U.S. Representative and a personal mentor, who is the recipient of the 1998 Volunteer of the Year award presented by the Volunteer Center of Johnson County, Kansas.

Ms. Meyers has spent her life volunteering for numerous projects aimed at benefiting our community. Her career as a public servant, both as an elected official and as a volunteer, has been focused on bettering her neighborhood, the nation, and the world.

Her career started by working on local charitable and civic affairs including being an active member of the Overland Park, Kansas, City Council for five years. As a pioneer in Bi-State cooperation, Ms. Meyers was selected as the first Chair for the Mid-America Regional Council (MARC), our bi-state metropolitan planning organization. She then was elected to the Kansas Senate where she served for six years. In 1984, State Senator Meyers ran for the U.S. House Kansas 3rd District and won in a decisive victory. Once her career as an elected official began, she championed legislation that was important to her district, region, and the nation.

Congresswoman Meyers succeeded to Chair the House Small Business Committee, the first Republican woman to chair a legislative committee in the House since 1954. Meyers also served with distinction on the International Relations Committee, Economic and Educational Opportunities Committee, and the Select Committee on Aging. In 1997, she retired from Congress after 13 years of distinguished service. Today, Ms. Meyers serves as a board member of the Metcalf Bank, the Johnson County Library Foundation, and the Johnson County Community College Foundation.

While in the House, Congresswoman Meyers fought successfully to achieve fiscal responsibility. The Concord Coalition rated her in the top 10 percent of House members for her votes to cut the budget deficit.

When I arrived in Congress in 1995, I had the honor of serving with Congresswoman Meyers on the Small Business Committee, where I looked to her as a mentor and friend for guidance of issues facing the Committee and the House. She remains a dedicated and respected public figure who continues to be a pioneer in business and community activities.

The business and civic community have honored her with the Golden Bulldog Award for her fiscal votes to cut the deficit and eliminate wasteful spending, the National Taxpayers' Friend Award for her votes to cut spending and her opposition to tax increases, the Guardian of Small Business, the Entrepreneur's Perfect Partner Award, and the Outstanding Services Award from the Kansas Library Association.

Before her career as elected official, Ms. Meyers was an original board member of the Johnson County Community College Foundation and the United Community Services. She also served as a member of the Board of the Johnson County Mental Health Association, and President of the Shawnee Mission League of Women Voters. Ms. Meyers was a key player in developing Overland Park's Legacy of Greenery Committee, and chaired the committee to expand and fund a system of streamway parks in Johnson County, Kansas.

Mr. Speaker, please join me in congratulating the Honorable Jan Meyers as the recipient of the Volunteer of the Year for 1998. It is an honor for me to recognize Jan for her hard work and dedication. I wish her well in her future endeavors and community activities.

PUBLIC UTILITIES IN A DEREGULATED MARKET

HON. ZACH WAMP

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. WAMP. Mr. Speaker, as the Chairman of the bicameral and bipartisan Tennessee Valley Authority Caucus in the 105th Congress, I submit the following:

REMARKS BY CRAVEN CROWELL, CHAIRMAN, TENNESSEE VALLEY AUTHORITY, TO THE INSTITUTE OF ECONOMIC AFFAIRS, EUROPEAN ELECTRICITY '98 CONFERENCE, JULY 7, 1998—BRUSSELS, BELGIUM

THE ROLE OF THE PUBLIC POWER COMPANY IN THE DEREGULATED 21ST CENTURY

Thank you for that very kind introduction, and good morning, ladies and gentleman. It is indeed a great pleasure and an honor to be here today and I'm grateful for this opportunity to discuss—from the American perspective—some of the issues surrounding deregulation with experts from Europe, and around the world. I'm going to want to talk about the role of public utilities in a deregulated economy—and I'll try to keep my remarks general—but I'm most familiar, of course, with the Tennessee Valley Authority, where I serve as Chairman. So I hope you'll forgive my spending a little time about about TVA.

I'm certain that many of you are already familiar with the Tennessee Valley Authority but for those of you who are not, let me offer just a brief sketch of TVA's history—or at least that part of our history that's relevant to the issues we're discussing today. We are a public utility—100 percent government owned—and we're the largest supplier of electricity in the United States. We're also a major employer, with over 14,000 employees. We were created by the United States Congress in 1933 under the administration of President Franklin Delano Roosevelt. In fact, TVA was created just 37 days after FDR took office, so I think it's clear that the mission of TVA had a high priority for the newly elected president.

FDR said that the Tennessee Valley Authority was to be "a corporation clothed with the power of government but possessed of the flexibility and initiative of a private enterprise." So you can see, from the start, that TVA had something of a dual identity—public ownership and public responsibilities, but the expectation that the company was to be fast on its feet, nimble and flexible, like a private corporation. TVA was created at a time when America and much of the world faced enormous hardships. The Great Depression—remember, this was 1933—was challenging whatever optimism remained after the tragedy of the Great War. But leaders like FDR believed that human will, properly channeled, and organized on a grand scale, could conquer hardship and adversity. Human will, harnessed by large-scale government works programs could—the "New Dealers" believed—reclaim the land, rebuild the shattered economy, and restore hope.

These bureaucrats—I guess that's what we'd call them today—believed that a public corporation like TVA could save the poor and the destitute of the Tennessee Valley. So TVA was not created principally to provide electric power to the Appalachian farmers who lived in the remote hills of the Tennessee Valley—in fact, electric power was not even part of its original mission. TVA was created to rebuild a broken society, and that's exactly what it did. Farmers needed to rebuild a broken society, and that's exactly what it did. Farmers needed to learn new methods of conservation so they could restore fertility to their barren farmland. Agricultural experts from TVA taught them. The rivers, prone to flooding and hazardous to navigate, needed to be tamed so they could serve the people who lived in their valleys.

Engineers from TVA tamed the rivers. TVA trained tens of thousands of poor farmers and gave them new skills. They built huge hydroelectric dams and sent electric power lines into parts of America that had never seen an electric light or used an electric appliance, and when electricity became a part of everyday life, experts from TVA helped teach energy conservation to the consumers of the power TVA produced.

Think about that. Long before conservation became fashionable, TVA was teaching people how to use less of what we make—not exactly part of a standard commercial business plan, but part of what we see as our public responsibility. Back in the '30s, TVA served the public good in thousands of ways and, most people would agree, helped break the stranglehold of the Great Depression.

I like to think that TVA played a significant part in creating the modern economy of the United States and the prosperity we've enjoyed in the second half of this century. But what about the next century? What will be the role of a public utility like TVA and public power companies in general in the deregulated 21st century? Public power now supplies 24.4 percent of the kilowatt-hours consumed by individuals and industries in the US. Will we continue to supply a quarter of the nation's electricity under deregulation? And what about rates? The cost of electricity in the United States can vary between 4 cents per kilowatt-hour in Kentucky, to nearly 12 cents in New Hampshire. The political pressure to level the national rate structure will be enormous. What role should public utilities play in that debate?

As we wrestle with all of these questions, I believe the challenge for the public utilities will be to continue to embrace the dual identity Franklin Roosevelt envisioned sixty-five years ago. Public in fact, private in behavior—solid and responsible, yet creative and competitive. In this way TVA, and public utilities like ours, will set a standard for public responsibility against which private companies can be measured . . . even as we continue to provide our core product—wholesale electric power—at competitive prices.

What will this mean in practice? Well, if we've learned anything in the United States in this last decade it is that deregulation does not automatically mean consumer benefit. We deregulated our telecommunications industry and, while we'd hoped to see new competition result in lower rates, the results—so far at least—have been mixed.

The same with banks. Deregulation has, theoretically at least, made it easier for new banks to compete with established banks. But while thousands of new banks have been created, many of the big established banks have merged, meaning, for many people, less consumer choice, not more. I guess we shouldn't be surprised to find that the "law of unintended consequences" applies to deregulation, just as it applies to everything else.

So, after about a decade of experience, we in the US have learned, I think, to approach deregulation carefully. Rushing headlong into a deregulated economy can, we have found, usher in new problems, even as it solves some of the old ones. The key to measuring the success of deregulation is, and will be, of course, the degree to which regulatory change benefits the public. Again, we come back to the idea of the public good. But how will this benefit be measured? And what should we look out for?

I would suggest that one of the greatest services public utilities can provide in a deregulated marketplace is vision, especially in the context of the public interest. The independently owned, private utilities might say that they are the ones who bring "vision" to the utilities industry but I would challenge that view. In fact, competition—especially in this era of "just in time" delivery—often breeds a corporate vision that sees no further than the next quarterly report, or today's closing share price on the New York Stock Exchange, and this lack of vision, especially in our industry, can have very serious consequences. Public power's vision starts and ends with public responsibility.

Let me give you an example. This summer, if we're unlucky—and let's hope we're not—we could actually find ourselves short of power in one or more major American cities. Just imagine the impact on computers and transit systems if that were to occur.

Now, private utilities also know that the American economy is increasingly dependent on electrical power, but their bottom-line calculations don't allow for the generation of very much excess capacity just because we might, in a heat wave, find ourselves running short. Right now, they would argue, construction of another major generating unit would not produce the return on investment their shareholders demand. Surplus capacity is unsold inventory. It's "inefficient."

At TVA, of course, we don't have shareholders. We have the public. So, while TVA does not build facilities for power production greater than the requirements of our service area, we do operate with a surplus to avoid a power shortage to our customers. We provide this margin for unexpectedly high demand and generation which is sometimes unavailable.

In the past five years, we've seen load growth of about 3.9 percent per year in the Tennessee Valley and 2.7 percent across the US—and the US Department of Energy projects load growth of close to 2 percent nationally every year for the next decade—so, frankly, it is our public responsibility to continue to provide a margin for the Valley as the load continues to grow. Which is not to say that we couldn't actually run short of power in the Tennessee Valley this summer. We could. There's no telling just how high the temperature will rise, and for how long. (Someone else is in charge of the weather.) But at TVA, we think long and hard about these issues. It's our responsibility, because we're a public utility.

Let me offer another example of the vision of the public utility. As far back as 1933, when TVA was created, it was clear that the system of streams and rivers that feed the Tennessee River—and the Tennessee River itself—could be both friend and foe to the people in the valley. TVA was charged with the responsibility of managing the river first as a natural resource and second as a power resource. In fulfilling this responsibility, our public utility has helped reclaim thousands of acres of farmland and stem the tide of seasonal flooding. Private utilities count on other government agencies to handle land and river management—in the US, that's usually the Army Corps of Engineers—but in the Tennessee Valley, water resource management is the responsibility of TVA, a public utility. Our public utility has also helped industries in the Tennessee Valley grow and prosper.

We've helped arrange loans for small businesses, we've helped locate industrial sites, and we've provided technical expertise to start-up companies and major corporations who have chosen to make the Valley their home. But as the deregulation debate heats up in the months and years ahead, I'm sure that some will question whether TVA or any public utility should continue to manage such a broad portfolio of public service. "That was fine during the 1930s," some will argue, "but we're a long way from the Great Depression. We don't need a TVA for the 21st century." I would argue, in fact, that we will need public utilities more than ever. Even if deregulation succeeds in lowering electricity costs for most Americans (and I think everyone agrees that it's unlikely to reduce electricity costs for all Americans), there are still questions about the overall benefits of deregulation to the public.

But let me be clear here. TVA is pro-deregulation and pro-competition. The US government, in a Comprehensive Electricity Competition Plan published by the Administration last March, calculates that retail choice deregulation will cut electricity costs by about 10 percent, or about $100 dollars per year for a family of four. That's a significant savings and, again, as a public utility, we're in favor of cutting energy costs for the American people.

Deregulation has the potential to save billions in energy costs for commercial customers, which will make American industries more competitive in the global marketplace. This will benefit the entire American economy and, as a public utility, we support lower energy costs for business and industry, and let me be clear about one more important point. Public responsibilities will not—and should not—absolve public utilities of the requirement to operate efficiently and to compete fairly in the deregulated marketplace.

At TVA, we're proud of the fact that our production costs are second lowest among the nation's top 50 utilities, and we're hard at work, every day, finding new ways to bring those costs down even lower. But lower electricity costs alone are not the sole measure of the public good. If energy companies degrade the environment to produce cheaper electricity, is that a net gain, or loss, for the people who use the power, and live on the land?

If a regional power company chooses to neglect its responsibilities to its local customers so as to make a bigger profit wheeling power to a distant market, it that a net benefit, or loss, of the nation as a whole? These are difficult issues now, and they will become even more difficult in the deregulated future. Public utilities, which serve the interests of the people—not just corporate shareholders—will provide a benchmark by which the performance of all power companies will be measured.

They will help to define "the public good" as it applies to energy production and distribution. And for this reason alone, they deserve their place in the deregulated marketplace of the next century. I know that many of you are wrestling with some of the same issues we are dealing with now in the United States. Deregulating electric utilities will lower energy costs for our citizens and our industries and it is our responsibility to work together—public utilities and independent providers, industry executives and political leaders—to achieve this goal. But if our experience is of any value. I would suggest that you approach deregulation thoughtfully, and with careful deliberation. Above all, I would suggest that you measure the success of your efforts in more than just francs, or marks—or euros—saved.

I would suggest that you measure your ultimate success against the higher standard of the public good. A final thought. The political challenges of deregulation may cause some of us, at various points in the process, to question whether it is a course worth pursuing.

I believe that it is, and that we must stay the course, and do it right. I take my inspiration, again, from President Franklin Roosevelt. The day before he died, FDR wrote remarks for a Jefferson Day lecture he was to deliver the following day. He wrote . . . but never said . . . "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith." And as we move forward, ladies and gentlemen, let us remember to balance our commitments to our various boards and shareholders with a commitment to the constituents who matter most: the publics we serve. Thank you all very much for your kind attention, and thank you to the IEA for inviting me here to Brussels for this excellent and most interesting forum.

PERSONAL EXPLANATION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. PORTER. Mr. Speaker, during the vote on H.R. 3682, the Child Custody Protection Act, on July 15, 1998, I was not able to vote on final passage. I want to clarify that I oppose H.R. 3682, and that I would have voted "nay" had I been present.

Mr. Speaker, the rule on this bill should have permitted amendments to H.R. 3682 and for that reason I opposed the rule and the previous question on the rule. I voted for the motion to recommit because the bill in its present form is too extreme. The current legislation could punish anyone, including a grandparent or mother in a State with a two parent notice requirement, who accompanies a young family member across State lines for an abortion. If amended to address this type of problem along the lines recommended by the President, this bill could earn my support and be swiftly enacted into law.

OMB CONFIRMS CREDIT UNION BILL HAS NO NET BUDGET IMPACT

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. KANJORSKI. Mr. Speaker, I am pleased to report to the House that the Director of the Office of Management and Budget, Jacob Lew, has confirmed that enactment of the LaTourette-Kanjorski, Credit Union Membership Access Act (H.R. 1151) would have, "no net budget impact" and "no PAYGO cost."

This finding by OMB, which applies to both the House-passed, and Senate Committee-reported versions of H.R. 1151, verifies what most of us have intuitively known for some time. Expanding access to credit unions will give consumers additional choices but will not negatively affect the federal budget. Nor will it violate the Balanced and Emergency Control Act. Claims to the contrary are merely efforts by opponents of consumer choice to throw obstacles in the way of this important pro-consumer legislation.

The Office of Management and Budget has had an excellent record in recent years for accurately projecting the budget impact of legislation. OMB's analyses are prepared by dedicated professionals who take their responsibilities seriously. We should be thankful for their conclusions and should all work to ensure that a final version of the LaTourette-Kanjorski Credit Union Membership Access Act is presented to the President for his signature as soon as possible.

The full text of OMB Director Lew's letter follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 15, 1998.

Hon. PAUL E. KANJORSKI,
U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVE KANJORSKI: Thank you for your letter inquiring about the budget impact of H.R. 1151, the Credit Union Membership Access Act. OMB estimates that there would be no net budget impact from either the House or Senate versions of H.R. 1151 under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985's Pay-As-You-Go budget scoring rules (known as "PAYGO").

Sections 101 and 102 of H.R. 1151 (as passed by the House and as reported by the Senate Banking Committee) redefine the circumstances under which a credit union may expand its field of membership. By increasing credit union membership beyond what was permissible after the recent Supreme Court decision, the new field of membership rules may allow consumers to shift funds from tax-paying financial institutions to tax-exempt credit unions, resulting in reduced revenues. By longstanding convention, OMB only scores revenue changes resulting directly from modification of tax law; it does not score indirect changes resulting from modification of consumer behavior. This is consistent with OMB's interpretation of the Budget Enforcement Act requirement to score costs resulting from legislation. Because Sections 101 and 102 do not change tax law, OMB estimates that these sections would have no PAYGO costs.

The new definition also would lead credit unions to acquire more insured shares (deposits), thus increasing deposit insurance assessments received by the National Credit Union Share Insurance Fund (NCUSIF). The Balanced Budget and Emergency Deficit Control Act of 1985, section 252(d)(4)(A), exempts provisions that provide for the full funding and continuation of the government's deposit insurance commitment from the PAYGO scoring rules (known as the "deposit insurance exemption"). The additional deposit insurance assessments that NCUSIF would receive as a result of this provision come under the deposit insurance exemption and are, therefore, PAYGO exempt. OMB estimates no PAYGO cost from expansion of the common bond authority.

H.R. 1151 would prevent the National Credit Union Administration (NCUA) from issuing a rebate of NCUSIF funds to insured credit unions until the fund's reserve ratio exceeds 1.5% of insured shares. Currently the NCUA pays rebates whenever the fund reserve ratio exceeds 1.3%. This provision would decrease NCUSIF outlays until the fund reaches 1.5% currently estimated to happen in 2003. As above, this provision contributes to the full funding and continuation of deposit insurance, and is therefore exempt from PAYGO.

Finally, H.R. 1151 increases NCUA's administrative expenses. The NCUA's policy, however, calls for charging member credit unions fees sufficient to offset all administrative costs. Thus, these additional expenses would be PAYGO neutral.

Thank you for your interest in OMB's analysis of H.R. 1151.

Sincerely,

JACOB J. LEW,
Acting Director.

NEW LEAKS OF INFORMATION FROM KEN STARR'S INVESTIGATION IMPUGN INTEGRITY OF DEDICATED SECRET SERVICE PROFESSIONALS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. CONYERS. Mr. Speaker, leaks of confidential information regarding Ken Starr's investigation of the President have become intolerable. Yesterday, the media was filled with reports that were attributed to congressional sources close to Mr. Starr's investigation. According to those sources, Mr. Starr subpoenaed Larry Cockell, the head of the President's Secret Service protection team, in order to learn whether the Secret Service "facilitated" meetings between the President and unnamed women.

The suggestion that the Secret Service would do that kind of thing is an outrage. And to share those sinister and unfounded suspicions with unnamed congressional sources is even worse. Why should the Secret Service have to endure this slander from people who claim to represent the United States of America?

Secret Service agents put their lives on the line day-in and day-out. Whenever, the President is in public, they are in the line of fire. Who can forget the searing image of John Hinckley's cowardly attack on President Reagan. And who can forget the fact that Tim McCarthy, the President's Secret Service agent, took a bullet to save the President's life.

The agents who protect the President are the best of the best. It is an insult to the integrity and professionalism of these dedicated men and women to think that they would participate in these kinds of activities. In fact, Lewis Merletti, the Director of the Secret Service, and the former head of the President security team, said last night that he would have resigned before he would have tolerated improper activity by a person he was assigned to protect.

Mr. Starr denies that he leaked information about the Secret Service matter to Congress. Unfortunately, he has little credibility on that issue. In the past, Mr. Starr said that he made "the prohibition of leaks a principal priority" of his Office. He also said that he considered leaks "a firing offense."

Only later did we learn that Mr. Starr and his chief deputy routinely talk to reporters off-the-record. When that fact was exposed, Mr. Starr tried to argue that as long as he did not reveal what a witness said in the grand jury room, there was no law or ethical rule that prevented him from talking to reporters. Of course, Mr. Starr's position is contrary to a recent decision by the D.C. Circuit Court of Appeals that makes it illegal to reveal "not only what has occurred and what is occurring, but also what is likely to occur. Encompassed within the rule of secrecy are the identities of witnesses of jurors, the substance of testimony as well as actual transcripts, the strategy or direction of the investigation, the deliberations or questions of the jurors, and the like."

Over and over again, Mr. Starr either pushes or exceeds the limits of propriety. His dealings with the Secret Service are a good example. Although Mr. Starr won the right in the district court and court of appeals to serve his subpoenas, the matter is still under litigation. With the issue heading for a showdown in the Supreme Court, why did Mr. Starr try to get the agents into the grand jury today? One explanation, and one that I hope is not true, is that he wanted to get the testimony before the Supreme Court could rule on the issue.

Mr. Starr's insistence that the agents testify today has thrown the legal process into disarray. Our legal system is built on the orderly movement of a case from the trial court, to appeal, to the Supreme Court.

This process ensures that judges have enough time to consider the arguments for and against each side of a dispute. Here, where the safety and health of the President of the United States are at issue, it is particularly disturbing that Mr. Starr has engaged in legal strong-arm tactics.

WASHINGTON ELEMENTARY SCHOOL: A MODEL FOR EDUCATIONAL SUCCESS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. MILLER of California. Mr. Speaker, over the last several months I have had the distinct pleasure of working with an incredible group of young people on the development of a Congressional "Kids's Page" web site. These aspiring web designers were students from the 4th, 5th and 6th grade classes at Washington Elementary School in Richmond, California.

Washington Elementary is an ethnically diverse neighborhood school situated between an affluent bayshore community and the inner-city streets. The oldest school in the West Contra Costa Unified School District, it was slated for closure in 1991 because of falling enrollment and poor academic achievement. Yet the Washington School of today is a thriving learning environment, full of energy and life. Its enrollment has more than doubled, test scores are quickly rising and it has been recognized by the Bay Area School Reform Collaborative as a Leadership School.

The catalyst for Washington's transformation has been school principal, Kaye Burnside. Kaye's personal commitment and perseverance are responsible for Washington's dramatic turnaround. She has worked to assemble a team of teachers, educational professionals and community volunteers who mirror her passion and creativity, and who have created a place alive with learning.

Under Kaye's leadership, many educational partnerships have been forged, including Break the Cycle, a project with the University of California which provides after-school math tutors for approximately 90 students, and Project SEED, a program which introduces elementary students to algebra and other higher math. Washington has been designated a science magnet school and in keeping with their school mascot—the dolphin—a core marine science curriculum has been developed which runs as a theme throughout the many facets of school life. Kaye's efforts have also resulted in recognition from the Annenberg Foundation which has named Washington as an Annenberg Leadership School and provided support for Washington's contract with Early Childhood Resources to provide peer coaching of classroom teachers.

Recognizing that technological literacy is an important element of any student's future success, Kaye has strived to ensure that Washington students are fully versed in utilization and application of informational technology. Kaye recruited the talent which has brought to Washington a state-of-the-art computer learning center and integrated technology into the broader school curriculum. Development of the "Kid's Page" is just one example of this successful integration, with Washington students undertaking a project which challenged their hands-on computer skills while simultaneously asking them to research and explore various aspects of representational government and the legislative process.

Kaye has always envisioned that Washington would be more than just a school. She has built a true community center, a place in which neighbors feel a sense of pride and ownership. Washington has become the focus of the Many Hands Foundation, an exemplary community partnership which has brought together parents, business leaders and a cadre of volunteers in support of educational excellence. The Many Hands Foundation provides three business sponsors for each of Washington's classrooms. Many Hands also sponsors the Spirit of Excellence program, a program which rewards academic achievement with scholarships to summer Science Camp and purchase of a home computer.

The Many Hands Foundation, believing that Kaye has developed something truly special at Washington Elementary, will soon be awarding Kaye a grant enabling her to document the story of Washington's transformation. Washington is a model for replication in communities throughout our country, and I am personally honored to have been involved with its success. I invite my colleagues to join me in recognizing the tremendous contributions of Kaye Burnside and the Washington School community in the education of our young people.

ONE-YEAR ANNIVERSARY OF ARREST OF FOUR FROM CUBAN DOMESTIC DISSIDENCE WORKING GROUP

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. GILMAN. Mr. Speaker, one year ago today, on July 16, 1997, Rene Gomez Manzano, Marta Beatriz Roque, Felix Bonne Carcases, and Vladimiro Roca of the Domestic Dissidence Working Group were arrested in Cuba. These four brave dissidents authored a document titled "The Nation Belongs to Everyone," which offered their views on the social and economic situation in the country and on a peaceful transition of democracy. The document was issued as a response to the official declaration of the 5th Cuban Communist Party Congress.

The Castro Regime has not even had the courage to publicly charge these four prisoners of conscience, although Amnesty International believes they have been secretly charged with disseminating "enemy propaganda."

Last January, a Congressional Staff Delegation brought back a photograph of a courageous soul at Pope John Paul's Mass in Havana holding a sign aloft bearing the words "The Nation Belongs to Everyone." these four brave dissidents have not been forgotten in Cuba. It is our duty to remember them here. The Clinton Administration has made a number of unilateral concessions to the Castro regime in recent months. President Clinton should have eschewed this empty rhetoric and these unrequited concessions and instead demanded the release of these political prisoners.

The Miami Herald reported today that imprisoned dissident Vladimiro Roca in an open letter to the foreign press and diplomatic corps, asked Wednesday for a "fair and public trial" for himself and the three other dissident leaders. He said "We wish to draw public attention to our situation and to demand a fair and public trial, in the presence of the foreign press and any diplomats accredited in Cuba who may wish to attend, in proceedings both transparent and aboveboard."

Mr. Speaker, I believe that our European and Canadian and Latin American friends and allies have a special responsibility to act to secure the release of these four dissidents. Shortly before they were arrested, the dissidents held a briefing for foreign diplomats.

Two of the dissidents, Marta Beatriz Roque and Feli Bonne, described in a recorded July 7 conversation just days before they were arrested how only the United States Interests Section attended their briefing. Asked why other countries' embassies failed to attend, Roque replied: "Well, we think because of pressures." Felix Bonne added "We're hurt by the countries that did not attend . . . We're grateful to U.S. Principal Officer Michael Kozak and U.S. Human Rights Officer Tim Brown."

On August 12th, 1997, Armando Correa reported in The Miami Herald 19 years old Idiana Durate's experience sharing a small, unventilated cell with Marta Beatriz Roque and three prostitutes.

Duarte said that she and her companions tried to keep the cell clean even though they were given water only twice a week. She was quoted as tearfully recalling: "We had to use something that wasn't even a bathroom, with no privacy and with overwhelming human waste. At one point I became desperate in the terrible heat and I was only able to find refuge in Marta Beatriz."

Duarte said "In that cell, next to Marta Beatriz [Roque] I learned what it's like to be a dissident, what it's like for a woman who has to struggle for her ideals." Roque, 52, was like a mother to her, Duarte said. "She told me: 'Be strong; don't pay attention to these torturers.'"

Roque's behavior during questioning by Interior Ministry officials impressed Duarte. "Every time my turn came up, I suffered," Duarte said. "But Marta talked back to them, raked them over with a courage I've never seen in a woman."

Shortly before being released, Duarte learned that Cuban government prosecutors had asked for 20 years' imprisonment for Roque. "They want to frighten me," Duarte quoted Roque as saying. "But if I have to serve them I will, because I'm fighting for a just cause."

Marta Beatriz Roque and Vladimiro Roca have suffered serious health problems during their imprisonment. Marta Beatriz Roque has now reportedly been moved to a cell with hardened, violent criminals and is subjected to constant threats.

Accordingly, I invite our colleagues to join in an appeal to the Cuban Government to release these four dissidents.

HONORING DON A. HORN

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BENTSEN. Mr. Speaker, I rise to honor Don A. Horn for his outstanding contributions to the community and his thirty years of service on behalf of working Americans as Secretary-Treasurer of the Harris County, Texas, ALF–CIO Executive Board. Don Horn retired in 1995 and will be honored at a belated, but well-deserved retirement party on July 22, 1998, when his enduring contributions will be remembered.

A graduate of the University of Houston, Don Horn became a union member in 1945 when he joined the International Brotherhood of Electrical Workers in Houston. Don served Local 716 as a member of the Executive Board, President, and Business Representative. In 1965, the Harris County AFL–CIO Executive Board elected Don as Secretary-Treasurer, a position he held until his retirement in 1995. During these 30 years, he also served on the Texas AFL–CIO Executive Board as a Trustee. In all these endeavors, Don Horn has provided a strong voice of clarity, wisdom, and constant dedication on behalf of working people. He has fought to protect the rights of working people and ensure fair compensation and sound benefits such as health care and a secure retirement. He has also been active in the political process, working to ensure that the concerns of working people are heard and addressed.

Don Horn also served on countless community organizations, providing a voice for organized labor on community affairs.

Ensuring accessible and affordable health care was a special concern for Don. He served ten years on the Harris County Hospital Board and was a leader in extending Neighborhood Health Centers to all parts of Harris County, bringing health care to low-income people in their own neighborhoods. Don also served on the Texas State Health Board as a Consumer Representative. One of his major accomplishments was to help spur a statewide reexamination of nursing home practices.

Don also served for years on the United Way Board of Trustees and as a Boy Scout Leader. He spent his vacations at campgrounds for Scouts. Another organization that benefited from his participation is the Public Forum, a think tank at the University of Houston.

Retirement has not ended Don Horn's commitment and activism, as he is still active in recruiting union retirees for the Harris County AFL–CIO.

Don has been blessed with a devoted wife, Ruth, and three children, Melvin, George, and Sharon. He has one granddaughter, Ashley, with another granddaughter expected. He is an elder of the Trinity Presbyterian Church.

Mr. Speaker, I congratulate Don A. Horn for his thirty years of service to organized labor and Harris County. His contributions to the labor movement and our community will not be forgotten.

TRIBUTE TO REV. WILBERT SPIVEY

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. PAYNE. Mr. Speaker, this weekend will witness a tribute to Rev. Wilbert Spivey. Rev. Spivey is being honored for his many years of service to his church community as well as the community at large.

Rev. Spivey is a life-long resident of Montclair, New Jersey. I am honored to serve a portion of Montclair as its Representative in this esteemed body. Rev. Spivey has a wonderful zeal for life and all it entails in making life more comfortable—physically and spiritually. Rev. Spivey has served the St. Paul Baptist Church for more than 40 years in various capacities including Youth Ministry Director, Sunday School Teacher, a member of the Music Ministry (Male Chorus and Gospel Chorus), Wednesday Evening Bible School Instructor and Noontime Bible study teacher. Currently, Rev. Spivey is the Minister to Senior Adults.

Although quite active in the church, Rev. Spivey has taken his commitment to the Montclair community just as seriously. He has served as a past President of the Glenfield PTA. In 1995, he retired from his position as an x-ray technician with the East Orange Veterans Hospital.

Mr. Speaker, the Bible speaks of there being a season for everything. Rev. Spivey has spent his life living to his full potential and working to make sure that others have the same opportunity. I am sure my colleagues will join me as I extend my best wishes to him and his family—his wife, the former Sylvia McCormick; their three children, Michael, Deborah and Lori; and their two grandchildren, Joya and Tommy; and, of course, his church family at St. Paul Baptist Church under the leadership of Rev. Dr. V. DuWayne Battle.

HONORING ELTA CEOLE SPEIGHT OF PASADENA, TX

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. BENTSEN. Mr. Speaker, I rise to honor Elta Ceole Speight of Pasadena, Texas, for her many contributions to the community, including 30 years of service as political director for the Harris County AFL–CIO Council. One of only three women to hold that position with the Council, she has been a leader on many fronts, including rights and opportunities for women, organized labor, and education.

Ceole Speight is best known for her outstanding contributions as a dedicated leader in the labor movement in Texas. Born in Louisiana, she moved to Texas after marrying her husband, Joe Speight, a former labor organizer, and quickly became involved in organized labor herself. She volunteered for the Women's Auxiliary Division of the Harris County AFL–CIO and became one of the organization's most dependable and hardest-working volunteers, recruiting friends and neighbors as well as her four children, Jean, Kenny, Calvin, and Glenn, when extra volunteers were needed. On July 1, 1968, Ceole Speight became the Harris County AFL–CIO's Women's Activities Director. Ceole is also a member of the United Food and Commercial Workers International Union and of the Coalition of Labor Union Women.

Ceole Speight has also been deeply committed to providing a quality education to all children. She served in all the elected positions of the Parent Teachers Association during her children's school years. In 1997 and 1998, the Texas AFL–CIO Scholarship Fund named a scholarship after her to recognize her concern for and generous contribution to education.

In all her endeavors, Ceole Speight has been a pioneer for women. A member of the Coalition of Labor Union Women, she has worked to ensure that the concerns of working women are not forgotten. Her leadership culminated in her appointment by former Texas Governor Mark White to serve on the Governor's Commission for Women.

Ceole Speight is also deeply committed to making our Nation's political process work for all Americans, as reflected in her efforts to encourage her fellow citizens to register and vote. She is a deputy voter registrar for Harris County and offers classes of instruction for voter registrars. She has also been active in politics at the precinct level and as a member of the League of Women Voters. She continues to serve as a member of the Texas State Democratic Executive Committee.

Ceole Speight has been a leader in many respects, but most of all through her own example. She has been a resource and inspiration for many young Texans. In 1991, the Texas Legislature passed a well-deserved resolution recognizing her many contributions. I join in congratulating and thanking Ceole Speight for all that she has done for organized labor, education, women, and our community as a whole. Her contributions will endure for years to come.

THE NO SECOND CHANCES FOR MURDERERS, RAPISTS, OR CHILD MOLESTERS ACT OF 1998

HON. MATT SALMON

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. SALMON. Mr. Speaker, more than 14,000 murders, rapes, and sexual assaults on children are committed each year by individuals who have been released into our neighborhoods after serving a prison sentence for rape, murder, or child molestation. Think about it: every one of these crimes is preventable. These perpetrators were behind bars, convicted of heinous crimes, yet were released to prey on the population again. This is unconscionable, indefensible, and must stop. I am committed to seeing that it stops, which is why today I am introducing the "No Second Chances For Murderers, Rapists, or Child Molesters Act." The legislation will encourage States to keep the most violent offenders off of the streets.

Public safety demands that we keep these people behind bars. Second chances may be fine for a petty thief. However, I don't believe that individuals who have murdered, raped, or molested a child, should have the opportunity to repeat their criminal behavior.

We can prevent the repeat carnage if we simply have the will to keep these offenders in prison for life. It may be stating the obvious, but the fact is that last year, not a single murderer, rapist, or child molester in prison victimized an innocent person in the community. Unfortunately, all too many who were released went on to commit these brutal crimes again.

Among the crimes committed by released recidivists were these senseless tragedies:

In 1997, Arthur J. Bomar Jr. was charged in Pennsylvania with the rape and murder of George Mason University star athlete, Aimee Willard. Bomar had been paroled in 1990 from a Nevada prison, following an eleven year stint in prison for murder. Even in prison he had a record of violence. Bomar is also being investigated for involvement in at least two other homicides that followed his release.

Laurence Singleton raped and physically mutilated Mary Vincent in California. She showed extraordinary courage and perseverance by surviving the attack and working for his conviction. He was sent to jail, where he should have stayed. Yet because of weaknesses in our criminal justice system, he was later released, and he murdered Roxanne Hayes in Florida. Again in large measure because of Ms. Vincent's efforts, Singleton was recently sentenced to death in Florida.

Robert Simon killed his girlfriend for refusing to engage in sexual relations with his motorcycle gang. For this crime, Simon spent 12 years in a Pennsylvania prison. Eleven weeks after he was paroled, he was arrested for killing a New Jersey police officer, Ippolito "Lee" Gonzalez. A New Jersey jury would later sentence Simon to death for this crime. The judge who had sentenced Simon in Pennsylvania on his first murder conviction, had written to the state parole board that Simon "should never see the light of day in Pennsylvania or any other place in the free world."

Reginald McFadden killed an elderly women in Philadelphia by binding her face with tape and suffocating her. After 25 years in prison he was paroled. three weeks after his parole, McFadden went on a crime spree in New York. McFadden murdered three people, and raped, assaulted, and held hostage a fourth. The survivor of the one man crime wave, Ms. Jeremy Brown, offered courageous testimony that helped to convince jurors to convict McFadden. After the conviction, Ms. Brown said: "McFadden was given a second chance, for some inexplicable reason, and now we have to pay for it."

Gregory Bolin was convicted in Colorado for raping two women. Paroled once, he returned to prison after armed assault. Then, two weeks after being released prematurely for the second time, he moved to Nevada and kidnapped, raped, beat, and finally murdered a 21-year-old woman, Brooklyn Ricks. The prosecution argued that the one lesson Bolin learned during his incarceration was not to leave witnesses to his sex crimes. A Nevada jury sentenced Bolin to death for the murder of Ricks.

Released murderers, rapists, and child molesters are more likely to re-commit the same offense than the general prison population. Released murderers are almost five times more likely than other ex-convicts to be rearrested for murder. Released rapists are 10.5 times more likely than non-rapist offenders to have a subsequent arrest for rape. Astonishingly, a recent Department of Justice study revealed that 134,300 convicted child molesters and other sex offenders are currently living in our neighborhoods across America.

Sentences for these crimes, particularly sex crimes against women and children, are incredibly weak. The average actual time served by men after conviction for rape is just 4 years, 9 months. For sexual assault (including molestation, forcible sodomy, lewd acts with children, etc.), it is just 2 years 9 months. Moreover, fully 13% of convicted rapists receive no jail time. Following the tragic death of nine-year-old Megan Kanka, who was killed by a released, convicted child molester, Congress and state legislatures have recognized the rights of families to be aware of child molesters in their midst. Through Megan's Law and its policies of sex offender registration and community notification, citizens have been empowered to take measures to protect themselves. Now we should build on Megan's Law by keeping these dangerous criminals out of our neighborhoods entirely.

Ten years ago, a parent had no right to be notified that a convicted child molester lived next door. Now, many want more than notification that dangerous child molesters are in their neighborhoods and near their schools. They want to live free from convicted sex offenders. Let's keep every molester behind bars so we don't have to have more tears, more memorial services, and more child victims. I repeat: every crime committed by a released child molester is preventable. And to those who disagree, a simple challenge: you explain to the victims of pedophilia why imprisoned child molesters, who have the highest rates of recidivism, should ever be set free to victimize innocent children again. Given that criminals with electronic monitors have raped while wearing the tracking devices, it is foolhardy to hope that registration alone can prevent subsequent depraved acts.

I want to change the nature of the debate. To encourage states to keep sex offenders and murderers in prison where they belong, I am introducing the "No Second Chances for Murderers, Rapists, or Child Molesters Act of 1998." The legislation would enact a simple process: if a state releases a murderer, rapist, or child molester and that criminal goes on to commit one of those crimes in another state, the state that released the criminal will compensate the second state and the victim of the later crime. Specifically, the Attorney General, using federal law enforcement funds, would transfer the second state's cost of apprehension, prosecution, and incarceration of the criminal from the state that released the criminal to the second state. Half of the amounts transferred would be deposited in the state's crime victims' fund, and half would be deposited in the state account that collects federal law enforcement funds. Additionally, the proposal provides $100,000 to the victims of the subsequent attack.

The No Second Chances bill is an appropriate exercise of federal authority. It specifically leaves to the states those cases in which a recidivist strikes again in the same state. But states are helpless in preventing many crimes that occur because other states, with weaker laws, allow their released criminals to return to the streets to commit more crimes. This bill alerts states that they will assume a financial risk when they release the most violent felons back into society. Only states that do not take measurers to eliminate interstate recidivism among killers, rapists, and child sex predators will suffer. States that have enacted tough criminal laws should not have to pay for the costs of another state's failure to keep a dangerous offender behind bars.

States can reverse the misguided policy of releasing dangerous sex offenders today. (Some notorious child molesters have publicly admitted that they will terrorize young children again if released into society.) The Supreme Court has ruled that a dangerous sex offender may be kept in custody past the expiration of his sentence. A permanent solution would be for the states to pass laws that mandate lifetime incarceration (or the death penalty) for murderers, rapists and child molesters.

Finally, to ensure that Federal law is consistent with the changes we are encouraging the States to make, the legislation instructs the United States Sentencing Commission to amend the Federal Sentencing Guidelines to provide that whoever is guilty of murder, rape, or unwanted sexual acts against a child shall be punished by imprisonment for life (or by the death penalty, in the case of murder).

We know that the one sure-fire way to prevent crime is to keep criminals in jail. The investment in prisons during the 1980s may be the most important factor in the declining crime rate Americans have experienced during much of the 1990s. We spend about $102 per person annually—27 cents a day—on federal, state, and local correction facilities, less than we spend on cable television. What is a couple of additional cents compared to a life taken too early, the permanent damage to a woman raped or a child molested? And let's not forget that society has already spent hundreds of millions of dollars in investigating, prosecuting, and incarcerating these criminals in the first place (not to mention the cost to the original victims).

Before I close, I would like to dedicate this bill to all of those who participated in today's bill introduction ceremony and the memory of those they lost. I am touched that people would come from all across the country to express support for the No Second Chances Bill.

Gail Willard from Pennsylvania, mother of Aimee, has galvanized support for the recidivism measure, which I also refer to as "Aimee's Law."

The assistance of one of the truly courageous people on this planet, Mary Vincent, as well as that of her attorney, Mark Edwards, has been instrumental in putting together the No Second Chances bill.

Jeremy Brown from New York, the rape survivor whose attacker murdered three others and raped her after being released from a murder sentence in Pennsylvania, has also been active in the process of crafting the legislation.

Louis Gonzales from New Jersey, brother of Ippolito, has been a tremendous help in convincing others to support this effort.

Marc Klaas, whose daughter Polly was molested and murdered by a released molester, has been successful in lobbying for the passage of important criminal justice reforms on the state and federal level. His participation in this effort is very much appreciated.

Fred Goldman, whose son Ron was murdered, has been a leader in the victims' rights movement. He has helped us gather support for the bill.

Mika Moulten from Illinois, mother of a beautiful boy Christopher, a 10-year-old molested and murdered by a released child molester and killer, has inspired me with her dedication to improve our nation's criminal justice system.

And Carol and Roger Fornoff from my state of Arizona, parents of Christy Ann, a 13-year-old girl who was raped and murdered while she was delivering newspapers, have generously offered their help to pass the No Second Changes Bill. Carol and Roger led a successful crusade in Arizona to increase sentences for those who attack children.

I also thank Officer Lou Cannon from the Fraternal Order of Police; and Sara O'Meara, Yvonne Fedderson, and Mariam Bell, the founders of Childhelp USA, for their support. It is a great honor to have the support of the nation's preeminent law enforcement organization and the leading child abuse and prevention organization.

Finally, I want to offer my thanks to Steve Twist of Arizona for all of his assistance in drafting the No Second Chances Act. There are few people in the country that have Steve's grasp of the state and federal criminal code.

The most important function of government is to protect the public safety. It is immoral for criminals convicted of the most serious crimes, and already behind bars, ever to be given a second chance to prey upon the innocent. The enactment of the No Second Chances measure would help government meet its fundamental obligation to every man, woman and child in America.

FORWARD, UPWARD, ONWARD TOGETHER—THE BAHAMAS

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

Mr. PAYNE. Mr. Speaker, on July 10, the Commonwealth of The Bahamas celebrated the 25th anniversary of independence. On Saturday, July 18, an Independence Luncheon will be held under the direction of Consul General Dr. Doswell C. Coakley. The Honorable Minister of Tourism, Cornelius A. Smith will serve as the guest speaker. As a long-time world traveler who respects cultures and globalism, I would like to add my congratulations and best wishes on such an auspicious occasion.

As one of the premier independent nations of the world, we, recently celebrating our independence, can certainly relate. The 275,000 people who live on the 700 islands of The Bahamas are predominantly of West African descent. Their ancestors were slaves brought to the islands to work cotton plantations until 1834, when Britain abolished slavery in all of its territories. Most white residents are descendants of the first English settlers who emigrated from Bermuda in 1647 to gain religious freedom. Some are also related to the Loyalists who fled the southern United States during the American Revolution. After the abolition of slavery, life in the islands changed drastically. The plantations were dissolved, and both blacks and whites turned to the sea or tried to farm.

Bahamians have a rich cultural legacy. Religion is an integral part of Bahamian life. Even the tiniest village has a church, sometimes two. The citizen's religious zeal and high regard for education are evident. Music is also very important. Here you can hear the elements of African rhythms, Caribbean Calypso, English folk songs and the Bahamian Goombay beat.

Its government is a bicameral parliamentary government composed of a Senate and a House of Assembly, a Prime Minister, an Attorney General, and an independent Judiciary, including a Supreme Court and a Court of Appeals. I'm sure we all recall seeing pictures of Bahamian policemen who pride themselves on their starched uniforms.

Mr. Speaker, I am pleased to give a bird's eye view of the people and culture of the Commonwealth of The Bahamas. As the world becomes smaller in terms of travel, I hope many of our citizens will visit our good neighbors to the South.

IN HONOR OF THE 50TH WEDDING ANNIVERSARY OF MARILYN AND CHARLES COX

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. COX of California. Mr. Speaker, there are a few occasions more joyous and historic in a family's life than a 50th wedding anniversary. On July 17, 1948, my parents, Marilyn Ann Miller and Charles Christopher Cox, were wed in Mahtomedi, Minnesota. They received a papal blessing, and it was propitious: a half century later, their bonds of matrimony are stronger than ever.

Fifty years of marriage have produced five Cox children: myself, identical twins Kathy and Anita, Terry, and Molly. And the Cox children have given our parents nearly 9 grandchildren (I say nearly, because my wife Rebecca is due in just over a month with our third child). They are Nick Hammer, Sean Hedgecock, Christina Ziton, Trevina Joseph, Charles Cox, Katie Cox, Alex Ziton, and Christopher Joseph. Along with the rest of our extended family, we will all join with our parents and grandparents on this memorable occasion to celebrate their golden anniversary.

As each of us in Congress knows, leadership in all walks of life means, more than anything else, setting an example. For us, their children and grandchildren, my parents have been a marvelous example. We owe our values, our education, our caring and commitment for others, and our sense of honor, duty, patriotism, and social justice to the leadership in all of these things that they showed us. Their most fundamental lesson to us was the way they have, and continue to, lead their lives.

At the close of the 20th century, men and women in their 70's, like my parents, can expect to live much longer than those of their parents' generation. What's more important, they can expect to be productive and to enjoy life far beyond what was possible even 20 years ago. This is what social scientists now call the "second adulthood"—post-retirement years that extend for decades or more. As a result, we "children" are still counting on them to show us the way, even though their own parents' lives were necessarily very different. Well into adulthood, we're still learning, and still depending upon, our parents to help us lead our lives.

Mark Twain once remarked that he spent $25 to research his family tree, and then he had to spend $50 to cover it up. Not so for the Cox family. We're proud to celebrate our parents' 50th wedding anniversary on the floor of the House of Representatives, and in the pages of the CONGRESSIONAL RECORD. After all, our parents are a national treasure—and what better way to help them celebrate than to share the festivities with 250 million of their fellow taxpayers?

I know every one of my colleagues—particularly those from Minnesota, where our family was raised, and where my parents still live; from California, where my father was raised, and those citizens I am proud to represent; and from Virginia, Colorado, and Indiana, where the rest of the Cox grandchildren live—join me in wishing Marilyn and Charles Cox a splendid 50th wedding anniversary, and many more to come.

INTRODUCTION OF THE LOW INCOME HOME ENERGY ASSISTANCE PROGRAM AMENDMENTS OF 1998

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 17, 1998

Mr. GOODLING. Mr. Speaker, today I am introducing legislation that will reauthorize the Low Income Home Energy Assistance Act through the year 2001. The Low Income Home Energy Assistance Program (LIHEAP) provides heating and cooling assistance to almost 5 million low-income households each year, over 330,000 of which are in my home State of Pennsylvania.

Individuals and families receiving this vital assistance include the working poor, individuals making the transition from welfare to work, individuals with disabilities, the elderly, and families with young children. In fact, nearly 70 percent of families receiving LIHEAP assistance last year survived on a an annual income of less than $8,000, spending 18.5 percent of their annual household income on energy costs.

While States, local government, and the private sector have demonstrated their willingness to develop creative and effective programs to address energy assistance needs, it has been determined that these programs alone cannot meet the significant energy needs of low income families in our nation. LIHEAP has proved that a successful relationship between government, business, gas and electric utilities, and community-based organizations can and does work.

In addition to the basic energy assistance program, this legislation also extends the authorization for emergency energy assistance, home weatherization, the leveraging incentive program, and the Residential Energy Assistance Challenge Option (REACH). In order to find out more about how the REACH program is working, we ask the Comptroller General to conduct a study within the next two years on the effectiveness of this program. We also try to better define natural disasters and emergencies in the bill to speed assistance to individuals in the case of natural disasters and energy emergencies under the emergency energy assistance provisions of the Act.

Mr. Speaker, the Committee on Education and the Workforce plans to consider the LIHEAP program in the coming days. I invite Members of the House to join us in support of reauthorization of this important program.

INTRODUCTION OF THE COMMUNITY SERVICES AUTHORIZATION ACT OF 1998

HON. FRANK RIGGS

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 17, 1998

Mr. RIGGS. Mr. Speaker, today I want to join with Chairman BILL GOODLING and others in the introduction of important legislation, the Community Services Authorization Act of 1998. This legislation reauthorizes the Community Service Block Grant program, and incorporates many positive changes into the program.

The Community Services Block Grant (CSBG) provides funds to States and local communities for activities designed to fight poverty and foster self-sufficiency. CSBG provides funds to 1,134 "eligible entities"—mostly local non-profit Community Action Agencies in 96 percent of all counties. The community action network is doing a very effective job at addressing the needs of high-poverty communities throughout the nation, but this is not to say that we cannot continue to make improvements in these efforts. We can and should expect no less than excellence in this and all other federal programs. Working together we can make improvements in CSBG and related anti-poverty programs that will improve services for the poor in each individual local community. I believe that this legislation moves us in this direction.

The activities of local programs under CSBG vary widely depending on the needs and circumstances of each local community. Common uses of funds include the coordination of programs and services for the poor, and the provision of emergency assistance in local communities. CSBG funds are also spent on education (including Head Start), employment, housing, nutrition, health, income management, and emergency services—filling gaps in programs that are specifically designed to provide these services.

Over the years I have visited "CAP" agencies in my District and I know of the important work that they do in helping families break the cycle of poverty. At a time when we are having great success in moving individuals off of welfare into the workforce—leading to self-sufficiency, it is vitally important to provide local communities with the resources and the flexibility to respond to individual local needs to help supplement this effort. Following are some of the highlights in our legislation.

Local Control. First, this legislation builds on the strengths of local flexibility, local authority, and especially on the strengths of the local tripartite boards that oversee the CSBG program in each local community. The unique structure of these boards—including the direct involvement of low-income individuals in the community—is key to the success of these local efforts. This legislation maximizes the role of the individuals that are to be served in programs assisted under CSBG, in the design and delivery of such services.

Linkages and Leveraging. We will continue to encourage development of effective partnerships between governments, local communities, and charitable organizations (including faith-based organizations) to meet the needs of impoverished individuals. In our legislation, we hope to encourage a broadening of the resource base for programs directed to eliminate poverty, so as to secure a more active role for private, religious, charitable, and neighborhood-based organizations in the provision of services. CSBG's more than $4 to $1 leveraging of every federal dollar invested is exemplary. We want to build on this positive record.

We also continue to stress the importance of local community action programs in filling in gaps and in crisis intervention—providing a true safety net in each local community. This is especially important in making our welfare reform efforts successful.

Accountability. While we don't want to tell States and local communities what to do, we do need to have a better understanding of how federal funds are spent and what types of services are provided. Under this bill we have included a requirement that the Department of Health and Human Services work with States and local eligible entities to facilitate the development of a performance measurement system to be used by States and local grantees to measure their performance in programs funded through CSBG. This builds on a voluntary performance measurement system begun by HHS several years ago called "ROMA", and would allow local communities to determine their own priorities and establish performance objectives accordingly. Each State and local eligible entity that receives CSBG funds would be required to participate in the performance measurement system by

October 1, 2001. States would be required to annually prepare and submit a report to the Secretary on the performance results of the State and the local eligible entities.

Role Of Faith-Based And Other Neighborhood-Based Provders. The legislation recognizes the important role that private, neighborhood-based organizations, including faith-based organizations, play in the comprehensive delivery of services to individuals and families in poverty. Under the bill, we clarify that faith-based providers are eligible and important providers of services. We also encourage these organizations to have significant input into the design and implementation of the system.

Federal-to-State Formula. Because the formula in the Community Services Block Grant has been frozen in time since 1981, changes in poverty have not been reflected in the distribution of funds to States under the block grant program over the past 17 years. To address this concern, the bill includes a change in the federal-to-State formula, however only for funds that are appropriated in future years that exceed levels appropriated for CSBG in fiscal year 1999. In other words, if and when funding exceeds the level appropriated for CSBG in FY 1999, these additional funds would be distributed to States based on the formula that are contained in the original Economic Opportunity Act (EOA) based ⅓ on poverty; ⅓ on poverty; ⅓ on unemployment; and ⅓ on welfare.

New Uses Of Funds. Because CSBG is a very flexible block grant, we do not prescribe how funds in each local community must be spent. The bill does however include several new initiatives for which States and local areas may use CSBG funds. These new initiatives include: fatherhood and other community-based initiatives that are designed to strengthen the family and encourage parental responsibility; initiatives to strengthen and improve the relationship between local communities and law enforcement (which may include neighborhood and community policing initiatives); literacy initiatives (including family literacy initiatives); and youth development programs in high poverty communities (including after-school child care). The bill also prioritizes programs that are tied to welfare reform and that encourage self-sufficiency.

Finally, the draft bill retains existing discretionary programs established under CSBG, including the community economic development program that facilitates economic development initiatives in high poverty areas.

Mr. Speaker, the Community Services Authorization Act of 1998 is based in good public policy, and makes many positive changes to the Community Services Block Grant program. I invite Members of the House to join with me in support of this legislation, that will truly make a difference for individuals in need.

CONGRATULATING JEFFREY G. HAAS ON BEING NAMED OUTSTANDING PERFORMING ARTS TEACHER OF THE YEAR

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate Jeffrey G. Haas of Midland Park, New Jersey, on being named Outstanding Performing Arts Teacher of the Year at this year's American Teacher Awards in Los Angeles. This is an extraordinary national honor that recognizes that Bergen County is home to some of the finest teachers—and one of the best school systems—in America.

Mr. Haas is Director of Bands at Ridgewood High School, where he has held the post the past 10 years. During that time, the band program has grown from 50 students to more than 200. The program offers 12 musical ensembles, including the marching band, jazz ensemble, percussion ensemble and three curricular bands. The quality of musicianship and professionalism shown by his students throughout these groups is unmatched and a credit to his fine job in the classroom. Mr. Haas reminds me of "Mr. Holland" in the movie "Mr. Holland's Opus." He is a dedicated and hard-working educator who goes beyond the call of duty time and time again. His students respond with amazing effort and performances.

Mr. Haas believes music should be an important part of every person's life and attempts to expose his students to as many musical experiences as possible. Through his "guest artist" program he brings local professional musicians into the classroom to work with his bands. Members of the New York City Opera Orchestra, professors at the Manhattan School of Music and Broadway pit orchestra musicians have all demonstrated their talents in his classroom. He has also developed an annual jazz festival in which professional jazz musicians work with students during a day-long clinic and perform for the public at an evening concert.

Mr. Haas has combined his band programs with other educational disciplines. For example, he designed a marching band show based upon Edgar Allan Poe's The Raven, featuring a color guard dressed in black, original music and a student dressed as Poe. To present the subject matter properly, he asked a teacher from the school's English Department to teach a class about the poem to all band members.

As evidence of the quality of his teaching, Mr. Haas's bands have played at Lincoln Center and Disney World, in Washington, D.C., and Boston and have toured Canada and southern California.

Mr. Haas has been a guest lecturer at the University of Massachusetts, Montclair State University, William Paterson University and West Chester University. He was recently elected president of the New Jersey chapter of the International Association of Jazz Educators and writes a regular column for Temp, the New Jersey Music Educators' Association magazine. He has served on the Education Committee of the John Harms Center for the Performing Arts and the New Jersey Performing Arts Center "Jazz for Teens" program. He has conducted the All North Jersey Junior High Jazz Ensemble, the Rockland County (New York) All County Honor Band and the Bergen County All County Honor Band. He served as the associate director of the All American High School Band, which performed at the 1992 Democratic National Convention in New York.

Mr. Haas's talent is well recognized by his peers. Ridgewood High School Principal Dr. John Mucciolo said, "There is no more creative, intelligent, and caring adult working with our young people." Murray Colosimo, Supervisor of Music for the Ridgewood Public Schools, called him "one of our most deserving teachers." David S. Marks, Director of Bands at nearby Midland Park High School, said, "We are proud that Mr. Haas is a member of our community."

Early this year, Mr. Haas was selected one of 36 teachers from across the nation to be honored in this year's "American Teacher Awards." sponsored by the Walt Disney Company. He was further honored at that event when fellow teachers and a 70-member panel of judges chose him as Outstanding Performing Acts Teacher of the Year.

Mr. Haas is a 1987 graduate of Syracuse University and holds a master's degree in music education from Columbia University. He taught one year at John Glenn High School in East Northport, New York, before coming to Ridgewood. A saxophonist, he has performed with Bob Hope, Vanessa Williams and other stars.

Mr. Speaker, I ask my colleagues to join me in extending our congratulations to Mr. Haas. As a former teacher, I truly admire and respect such a wonderful and dedicated educator. Teachers know that our chief goal is to touch the lives of our students. Mr. Haas has done that time and time again. This award is very well deserved.

TRIBUTE TO JACK AND JILL OF AMERICA, INC.

HON. JOSÉ SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Jack and Jill of America, Inc. for 60 years of service to the African-American community and the Nation.

Jack and Jill America, Inc. will hold its Thirty-Third Biennial National Convention in New York City on July 19–26, 1998. The theme for this convention is "Building Bridges to the New Millennium."

Mr. Speaker, Jack and Jill of America, Inc. was founded in 1938 by Marion Stubbs Thomas, who understood the need to create a social club for African-American children who were precluded, under Jim Crow laws, from participating in the social and recreational activities available to children during those times. It all began when she invited 20 women to a meeting in her Philadelphia home.

From the initial 20 families, today the organization has expanded into a national and international force with 40,000 mothers, fathers, and children in 220 chapters across the United States and in the Republic of Germany. With the expansion of the organization, the focus has broadened from simply addressing socialization to support for children's rights issues, education and community service.

Each chapter annually undertakes to design and implement a meaningful project which will meet the needs of the community in which they reside. This support is given both through economic funding, as a result of fundraisers and through direct service projects such as tutoring, adopting foster homes and hospices and sending care packages to African nations.

Mr. Speaker, Jack and Jill's National President, Sheryl Benning Thomas, strongly believes that it must continue to expand and she has worked with fervor during her tenure to open the door to new interest groups and to take on the challenge of raising the level of consciousness of the membership on issues of children's rights and needs for building awareness of the health needs among African-Americans.

Jack and Jill's advocacy for children is being supported by Walt Disney World through the presence of Tom Flewelyn, Director of Minority Diversity, who will attend the convention on Thursday, July 25, 1998 accompanied by Mickey and Minnie Mouse dressed in Kente Cloth to acknowledge the legacy and pride of this African-American organization.

The keynote speaker for Saturday night's banquet will be John H. Johnson, President and CEO of Johnson Publishing Co. of Chicago. The Distinguished Fathers award recipients are: John H. Johnson, Thomas Flewelyn and the late Reginald Lewis, founder and CEO of TLC Beatrice Company. The award is given for the first time ever to recognize the outstanding contribution and support of the fathers in Jack and Jill of America, Inc. This organization is truly about the vision, past, present and future of the African-American community.

Mr. Speaker, it is a privilege for me to honor the families and friends of Jack and Jill of America, Inc. I ask my colleagues to join in celebrating this milestone and acknowledging this outstanding organization for 60 years of accomplishment and service for the African-American community and the Nation.

TRIBUTE TO JOHN AND DOROTHY WITHERSPOON

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to John Ivory and Dorothy Mae Smith Witherspoon as they celebrate their 50th wedding anniversary. The Witherspoons have lived in Sumter County for 48 years and have raised an amazing family.

Mr. Witherspoon was born in Manning, South Carolina and attended Clarendon County Schools. He is the owner of John Witherspoon Carpentry/Cabinet Works Company and has been a master carpenter and cabinet maker for over 50 years. Mrs. Witherspoon was born in Summerton, South Carolina and graduated from Lincoln High School in Sumter, South Carolina. She is retired from the Campbell Soup Company but remains active in the community where she is active in School District #17's PTA, and is a member of the Christian Women's Association of Sumter and the South Sumter Resource Center Senior's Club.

Mr. and Mrs. Witherspoon are active members of the St. John Baptist Church. Mr. Witherspoon has been a Deacon for over 45 years and served as Chairman of the Deacon Board for 2 years. He served as Sunday School Superintendent for over 40 years, Chairperson of the Cemetery Committee, and a member of the Senior Choir for over 48 years.

Mrs. Witherspoon is a Deaconess, she has been President of the Missionary Auxiliary for over 10 years and is a member and secretary of the St. John Baptist Church Gospel Choir. They are also members of the Black River Missionary Baptist Association. Mrs. Witherspoon serves as President of the Deacon and Minister's Wives Alliance and is a Board Member of the Women's Missionary Auxiliary. Mrs. Witherspoon is Chairman of the Sunday School Convention's Board and Treasurer of the Deacons and Minister's Wives Alliance. Both John and Dorothy are 1997 graduates of the South Carolina Baptist Congress of Christian Education Teacher Certification program.

The Witherspoons have four children, twelve grandchildren, and ten great-grandchildren. They have remained active in their community throughout their marriage. Their dedication to their family and community are commendable. Mr. Speaker, I ask you to join me today in honoring Mr. and Mrs. Witherspoon as they celebrate their 50th year of marriage.

NAFTA: DEATH OF THE AMERICAN WORKING MAN AND WOMAN

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. LIPINSKI. Mr. Speaker, I rise today to speak of the injustice that NAFTA has brought upon the American working man and woman. We have lost hundreds of thousands of jobs since NAFTA's implementation in 1994, and the situation will only get worse unless NAFTA is amended or repealed.

During debate on NAFTA its supporters argued that American jobs wouldn't be lost to Canada or Mexico, only that jobs would be added to the American workforce. However, NAFTA has allowed American companies to send good, high paying American jobs to these countries, where they can take advantage of cheap labor. While this is good for the profit of these companies, it is destroying the labor workforce of this country.

A microcosm of NAFTA's ill effects can be seen at a General Motors plant in my district. According to the United Auto Workers' Local 719, over 500 jobs from the McCook GM Electro Motive Division have been sent to a plant in Mexico, and 1,000 jobs have been sent to Canada. Mr. Speaker, contrary to the claims of NAFTA's supporters, the American workforce has suffered, as witnessed in McCook, Illinois.

It is high time that Congress and the Administration put people ahead of profits. I urge my colleagues to end NAFTA now or witness the death of the American working man and woman.

MOURNING THE LOSS OF COMMUNITY LEADER AND FORMER TEMPLE MAYOR WILLIAM "BILL" COURTNEY

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. EDWARDS. Mr. Speaker, I rise today to share with members my memories of William R. "Bill" Courtney, a community leader in my 11th Texas Congressional District who recently passed away.

William Courtney, a former mayor of Temple and a special friend of mine, died July 3 at his home following a brief illness. Bill Courtney was a highly esteemed citizen, a man who earned the respect and admiration of those in political, civic, and religious circles. I want to share with the Members his many accomplishments and invaluable service to his community.

Bill Courtney was descended from a pioneer Central Texas family. He never forgot his Central Texas roots and his family and community always came first.

He served as mayor of Temple from 1976 to 1980. During those two terms as mayor he implemented a single-member district election system in Temple. He served as a member of the State Democratic Executive Committee and his political and legal counsel were much sought after.

Bill Courtney was a leading attorney in Bell County for 48 years. He was a senior partner in the law firm of Naman, Howell, Smith & Lee. He was an expert on real estate financing and belonged to many professional organizations including the American College of Mortgage Attorneys where he served as board member and president. In addition, he was a member of the State Bar of Texas, the American Bar Association, the Texas Bar Foundation, and the Bell-Lampasas-Mills Counties Bar Association.

He attended Temple public schools and Temple Junior College. He earned his B.B.A. from the University of Texas at Austin in 1948 and his law degree from the University of Texas Law School in 1950. Bill Courtney was a World War II veteran and served as a 10th Mountain Division infantry officer fighting in Italy.

He was a member of the Episcopal Church of Temple and served three terms as Vestryman and two terms as Senior Warden.

Bill Courtney viewed his community involvement as a sacred duty and a cherished honor. He served as a trustee of the Scott and White Memorial Hospital, president of the Temple Industrial Foundation, and chairman of the Temple Economic Development Corporation. He was a past vice president and director of the Temple Chamber of Commerce, and past president of the Central Texas Council of Governments, and the Cultural Activities Center.

He and his wife, Shirley, donated land for the Temple Ronald McDonald House. Recently, they donated more land to expand the house to provide more space for families to stay while loved ones are treated at the nearby hospital.

Up until the time that he passed away, Bill Courtney continued to work for his community. Last year he used the skill and expertise accumulated during three-quarters of a century to help bring a new Texas Veterans Nursing Home to Temple.

Within days of his death, Bill and I were actively working together to try to keep the state USDA offices in Temple. It does not surprise me that even in his last days on this earth, Bill Courtney was doing what he did his entire life—helping others.

Mr. Speaker, Winston Churchill once said, "We make a living by what we get, but we make a life by what we give." Judged by that high standard, my dear friend, Bill Courtney lived life to its fullest.

His family and many friends will dearly miss Bill Courtney, but his spirit of caring for others will live on in all of us who were touched by his extraordinary life of service.

I ask Members to join with me in honoring the memory of Bill Courtney. Our thoughts and prayers go out to Shirley, his three sons, John Patrick, Joseph Sayles and David William and the rest of his family and friends.

INTRODUCTION OF H.R. 4143, THE GOLDEN GATE NATIONAL RECREATION AREA BOUNDARY ADJUSTMENT ACT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. LANTOS. Mr. Speaker, the Golden Gate National Recreation Area (GGNRA) is a true national treasure. It provides open space and recreation in the midst of a densely populated urban area, and it is one of our Nation's most used national parks. I rise today to urge my colleagues to support legislation which would expand the boundaries of the GGNRA to include an additional 1,300 acres of land adjacent to existing GGNRA parkland.

Mr. Speaker, this legislation has bipartisan support and the support of the entire Bay Area Congressional Delegation. Joining me as cosponsors of this legislation are Congresswoman NANCY PELOSI, Congresswoman ANNA ESHOO, Congressman TOM CAMPBELL, Congressman GEORGE MILLER, Congresswoman LYNN WOOLSEY, Congressman PETE STARK, Congresswoman ELLEN TAUSCHER, Congresswoman BARBARA LEE, and Congresswoman ZOE LOFGREN.

H.R. 4143, the Golden Gate National Recreation Area Boundary Adjustment Act, will permit the National Park Service to acquire carefully selected natural areas in San Mateo County, primarily in the area in and around the City of Pacifica. National Park Service officials in the Bay Area conducted a boundary study to evaluate the desirability of including additional lands in and around Pacifica within the GGNRA. During the preparation of the Park Service study, a public forum was held to gather comments from area residents, and local input was reflected in the final study. The Pacifica City Council adopted a resolution endorsing the addition of these areas to the GGNRA. The GGNRA and the Point Reyes National Seashore Advisory Commission also urged the addition of these new areas to the park.

H.R. 4143 expands the boundary of GGNRA to permit the inclusion of lands directly adjacent to existing parkland as well as nearby lands along the Pacific Ocean. The upper parcels of land offer beautiful vistas, sweeping coastal views, and spectacular headland scenery. Inclusion of these lands would also protect the important habitats of several species of rare or endangered plants and animals. The legislation would also offer improved access to existing trails and beach paths and would protect important ecosystems from encroaching development.

The GGNRA Boundary Adjustment Act would also permit the inclusion of beautiful headlands along the coast into GGNRA. The coastal headlands of San Pedro Point, the Rockaway Headland, Northern Coastal Bluffs, and the Bowl & the Fish would be included in the GGNRA under this legislation. These parcels would offer park visitors scenic panoramas up and down the coast, views of tide pools and offshore rocks, sweeping views of GGNRA ridges to the east, as well as additional access to the Pacific Ocean.

Mr. Speaker, throughout my service in Congress, I have had a strong interest in preserving the unique natural areas of the Peninsula. In the early 1980's, I fought for the inclusion in GGNRA of Sweeney Ridge, which includes the site from which Spanish explorers first sighted the San Francisco Bay in the 18th century. The ridge affords a unique panorama of the entire Bay. The Interior Secretary at that time, James Watt, refused to include Sweeney Ridge in the GGNRA. In 1984, in the face of a long and hard battle waged by myself and former Congressmen Leo Ryan and Phil Burton, the Reagan Administration acquiesced, and Sweeney Ridge became a part of our protected natural heritage.

In the early 1990's, I authored and secured passage of legislation to add the Phleger Estate to the GGNRA. The Phleger Estate includes over a thousand acres of pristine second-growth redwoods and evergreen forests adjacent to the Crystal Springs watershed in the mid-Peninsula. The Federal Government paid one-half of the cost of acquiring the Phleger Estate. The other half of the cost was paid for through private contributions raised by the Peninsula Open Space Trust (POST). My distinguished colleague, Congresswoman ANNA ESHOO, played a key role in winning congressional approval of the Federal Government's share of the purchase. The Phleger Estate is now part of the GGNRA and it has become an important hiking and recreation area on the Peninsula.

Mr. Speaker, preserving our country's unique natural areas must be one of our highest national priorities, and it is one of my highest priorities as a Member of Congress. We must preserve and protect these areas for our children and our grandchildren today or they will be lost forever. Adding these new lands in and around Pacifica to the GGNRA will allow us to protect these fragile areas from development or other inappropriate uses which would destroy the scenic beauty and natural character of this key part of the Bay Area. I urge my colleagues to support passage of H.R. 4143, the Golden Gate National Recreation Area Boundary Adjustment Act.

MATAGORDA POLICE 100 CLUB

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. PAUL. Mr. Speaker, when we go on the August break I will attend a number of events back in my district and one which I will be very proud to attend will be the Matagorda County 100 Club Awards banquet. This group provides assistance to the families of law enforcement personnel who are slain on the job.

I can think of no better example of how people can freely work together to provide assistance to those who are in need, and who are most deserving of the help of their neighbors. Officers slain in duty give their lives to protect the liberties of the citizens. Our Nation has a strong tradition of local law enforcement, a tradition which would fail without the courage and willingness of men and women to put their lives on the line by working as state and local law enforcement agents.

Once again, Mr. Speaker, I want to take this opportunity to commend the 100 Clubs and the brave men and women who serve as local law enforcement agents.

TRIBUTE TO LUTHER H. BATTISTE, III

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to my good friend Luther H. Battiste, III, as he retires from the City Council of Columbia, South Carolina.

In 1983 he was elected to represent the newly created City Council District One. During his 15 years on the Council, he was reelected three times and served two terms as Mayor Pro Tempore. Mr. Battiste is one of the first two African Americans to serve on the Columbia City Council.

During his tenure, he spearheaded the effort to acquire and renovate Eau Claire Town Hall, strongly supported the annexation of the Greenview, Fairwold and Belvedere communities, and initiated the idea for the establishment of public housing on Arsenal Hill, that project has become a national model for quality and innovation. He developed the concept of utilizing the park system for music concerts, chaired the committee that produced the implementation of the Congaree Vista Zoning

Overlay, and devised the policy banning City of Columbia investments in South Africa. He also co-sponsored the establishment of the first City of Columbia Minority Business Enterprise Program, strongly opposed the proliferation of community care homes and cellular towers and strongly advocated the preservation of city neighborhoods and the establishment of programs to stimulate middle income housing.

He has been praised by many in his community, and described as "one of the most articulate and thoughtful members of [the] Council." He leaves behind a legacy in city neighborhoods, housing, cultural enhancement, downtown revitalization, and equal access and opportunities.

Mr. Speaker, I ask you to join with me in wishing my very good friend Luther J. Battiste, III, well, as he leaves the Columbia city council.

INTRODUCTION OF THE NATIONAL PARKS AIR TOUR MANAGEMENT ACT OF 1998

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. DUNCAN. Mr. Speaker, I am pleased to introduce today the National Parks Air Tour Management Act of 1998.

I am joined in the introduction of this legislation with a number of distinguished colleagues.

These Members include the Chairman of the Transportation and Infrastructure Committee, BUD SHUSTER from Pennsylvania, the Chairman of the Resources Committee, DON YOUNG from Alaska, the Chairman of the Agriculture Committee, BOB SMITH from Oregon, the Chairman of the National Parks Subcommittee, JIM HANSEN from Utah, the Ranking Member of the Transportation Committee, Mr. OBERSTAR, the Ranking Member of the Aviation Subcommittee, Mr. LIPINSKI, as well as Mr. ENSIGN and Mr. GIBBONS from Nevada.

Mr. Speaker, this very distinguished group of Members worked tirelessly to get us to this point today.

This legislation represents an agreement which strikes a balance between air tour and environmental concerns, Native American interests, and jurisdictional areas between the Federal Aviation Administration and the National Park Service.

The bill seeks to promote safety and quiet in national parks by establishing a process for developing air tour flight management in and around our national parks.

This legislation ensures that the FAA has sole authority to control airspace over the United States and that the National Park Service has the responsibility to manage park resources.

These two Agencies, under this legislation, will work cooperatively in developing air tour management plans for air tour operators and will both share the fundamental responsibility to ensure that air tours over national parks and tribal lands are conducted in a safe, efficient, and unintrusive manner.

Mr. Speaker, let me also acknowledge Senator JOHN MCCAIN for his leadership on this issue. I know that Senator MCCAIN has been active on this for several years, has chaired a number of Senate hearings, and is moving similar legislation in the other body.

There has also been a number of oversight hearings here in the House. Mr. OBERSTAR, former Chairman of the Aviation Subcommittee held a joint hearing with the National Park Subcommittee in July of 1994.

Last year, Chairman HANSEN and I held a field hearing in St. George, Utah. We heard from a number of very impressive witnesses representing different views and opinions.

At that time, it appeared that it would be extremely difficult to be able to reach a consensus on how to handle air tours over our national parks.

However, with resolve and determination, differences have been worked out and we have crafted legislation that is acceptable to all concerned.

And finally, Mr. Speaker, I would like to thank the entire National Parks Overflights Working Group for their dedication and cooperation in the development of this legislation.

This Working Group was selected by the Administration last year to develop a plan for instituting flight management over national parks.

For more than a year, working group representatives of the air tour, environmental, and Native American communities—along with the Federal Aviation Administration and the National Park Service negotiated.

A number of meetings were held here in Washington as well as other parts of the Country.

This group developed a basic framework for the management of air tours at national parks and recommended that Congress capture this approach in legislation.

The Working Group consists of Mr. Charles Maynard from Sevierville, Tennessee and the Friends of the Great Smoky Mountains. Mr. Alan Steven from Twin Otter International located in North Las Vegas, Nevada.

Mr. Chip Dennerlein from the National Parks and Conservation Association. Mr. Tom Chapman representing the interests of general aviation.

Mr. Andy Cebula from the National Air Transportation Association. Mr. David Chevalier from Blue Hawaiian Helicopters.

Mr. Richard Deertrack from Taos, New Mexico representing the Native American interests. And, Mr. Boyd Evison, former National Park Superintendent and Regional Director.

Mr. Speaker, all of these gentlemen provided the expertise, insight, and wisdom that helped us develop this consensus legislation.

This is an outstanding bill which will ensure that ground visitors and the elderly, disabled and time-constrained traveler may continue to enjoy the scenic beauty of our national parks for generations to come.

A TRIBUTE TO MR. JOHN KLINE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. LIPINSKI. Mr. Speaker, I rise today to pay tribute to an outstanding gentleman from my district, who has dedicated many hours to the betterment of his community, Mr. John Kline.

John Kline, a resident of the Clearing community, has dedicated many long hours in the past three years to working in the garden outside the Clearing Branch of the Chicago Public Library. The garden holds a special significance both to the community and myself because it uniquely displays plants and wildflowers native to the region. Mr. Kline is dedicated to the betterment of his neighborhood and is consistently in tune with the interests of the members of the community.

Mr. Kline's plight to restore native plants and wildflowers to the environment stems from his desire to give people an idea of what the land looked like when he was young. Mr. Kline cultivates such native wildflowers and plants as: wild phlox, white aster, wild strawberries, and native violet, the Illinois state flower. Bringing this native vegetation back to an environment that is now urban, has not been an easy task. For example, Mr. Kline has had to replace the garden's urban soil. Mr. Kline has upheld his strong determination to complete his vision for the garden, diligently researching native plants and remaining patient with the garden. Mr. Kline is growing non-native flowers such as tulips to provide some color to the garden, while he is waiting for the soil to become rich enough for a complete native garden.

Mr. Kline's hard work and dedication to the 225 square foot library garden was featured in a recent article in the Chicago Tribune. Mr. Kline has also received the Library Volunteer Recognition Award in 1996 and 1997 for his hard work and numerous volunteer hours.

I hope that you will join me in recognizing Mr. John Kline's strong dedication to the betterment of the people of his community, as well as the land on which they live.

ANNIVERSARY OF THE TRAGIC PORT CHICAGO EXPLOSION: OPPORTUNITY TO CLEAR THE NAMES OF CONVICTED SAILORS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. MILLER of California. Mr. Speaker, today is the 54th anniversary of the terrible explosion and loss of life at Port Chicago Naval Weapons Station during World War II. A number of survivors, their families and community supporters are gathering today at a memorial on the site of the explosion to mark the anniversary and continue the effort to clear the names of sailors that were wrongly convicted of mutiny after refusing to resume loading munitions in the aftermath of the tragedy.

I was proud to write the law in 1992 that established a National Memorial at the site of the explosion and where the ceremony today is being held.

A little over a half century ago this site was a vital supply center during the crucial phase of World War II in the Pacific. From this site, the munitions that liberated much of Asia from totalitarianism were shipped, and the history of the world was changed.

But as we know, we remember Port Chicago today for another reason as well. Fifty-four years ago tonight, one of the largest pre-nuclear explosions in world history occurred right here. Two supply ships, a supply train, and hundreds of brave and dedicated sailors were vaporized. The devastation was unparalleled in the history of World War II here in the United States with the singular exception of Pearl Harbor.

Today, most of the scars of WWII have healed, and from the ashes of that war a new Asia has arisen. But not all the scars are healed.

For several years, as many of you know, I have been leading an effort, along with the help of our colleague Representative PETE STARK and our former colleague Ron Dellums, to close the books on the one remaining issue in the Port Chicago story: purging the convictions of the sailors who did not return to ship loading operations immediately following the explosion.

Those sailors were neither traitors nor deserters, as some have suggested. They sought the same post-traumatic leave as was allowed their white officer counterparts—leave they were denied because of their race. They sought remediation of the unquestionably hazardous conditions involved in loading the ships which undoubtedly contributed to the events leading to the explosion, including the dangerous competition among loading crews provoked by officers.

Now, along with 40 or our colleagues in the House of Representatives, I am seeking the personal intervention of President Clinton to clear these records. As many of you know, the Navy has already acknowledged that race was an important factor in many aspects of life in the Navy and at Port Chicago in 1944. Their race denied black sailors the opportunity to serve in combat situations. They were assigned to loading operations exclusively because of race, and they were subjected to hazardous conditions in those loading operations because they were black. And ultimately, they were denied equal treatment from the Navy after the explosion solely because of their race.

Their convictions were wrong because they resulted from a system that the highest military officials of this nation now acknowledge was racially biased against black people. The time has long passed for these convictions to be overturned. As the San Francisco Chronicle editorialized on March 1 of this year:

> The United States should be a strong enough country to acknowledge that it makes mistakes, especially in the fervor of a world war, and its harsh judgment of these men was indeed a mistake.

That is why the State Legislature unanimously voted to ask President Clinton to intervene: when race taints one aspect of an issue, when it creates the context in which a condition exists, it is a factor in what results from those conditions. That is why these convictions must be expunged.

Whenever I speak out on behalf of the Port Chicago sailors, there is always someone who writes to criticize my efforts. But recently, someone wrote with another perspective that I want to share with you today, a man in Rancho Mirage, California, whose late uncle, a long-time Navy man, was severely injured by the Port Chicago explosion. Here is what he wrote:

> [I]t certainly is understandable that those who were loading the ammunition and who were treated so shabbily by their superiors (almost as if they were completely expendable fodder) would definitely not want to go back into the situation. I wouldn't either. These men deserve to have their names cleared and their dignity restored. I don't doubt that my uncle would have wanted the same thing.

So, on this 54th anniversary on this historic tragedy, let us both recall the bravery and sacrifice of those who served and those who died here at Port Chicago in pursuit of peace and justice. And let us include a prayer for those who served here and who still seek justice from the government they risked their lives to defend.

I will continue my efforts to secure a fair hearing and justice for the sailors of Port Chicago, and their families and survivors, and with the support of the survivors, their families, the families of the victims and the community at large we will secure that justice that has eluded these men for a half century.

THE FOOD SAFETY ENFORCEMENT ENHANCEMENT ACT OF 1998

HON. JOHN ELIAS BALDACCI

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. BALDACCI. Mr. Speaker today I, along with a host of my colleagues, am introducing the Food Safety Enforcement Enhancement Act of 1998. I believe that one of this government's fundamental responsibilities is ensuring that Americans have the safest food possible.

The recent outbreaks of E. coli across the country have caused illnesses and at least one death. A woman in her 90s from Washington County, Maine, died after becoming infected.

The outbreak has shaken the confidence of American consumers. Americans are stunned when they learn that the Secretary of Agriculture does not have the authority to demand a recall of contaminated meat. The Secretary cannot impose civil fines on a company that knowingly or repeatedly violates food-safety laws.

Consumers, farmers and ranchers are all asking that more be done to prevent food-borne contamination and that something be done to stop the spread of contaminated meat once it is discovered.

The legislation, developed with the United States Department of Agriculture, and introduced as a companion to a bill sponsored by Senator HARKIN, would give the Department some common-sense powers.

It requires notification of the USDA when contaminated meat or poultry products are discovered. It gives the Secretary the authority to recall contaminated meat and poultry as soon as it is discovered. It also gives the Secretary the authority to levy civil penalties on slaughterhouses and processors for violations of food safety laws.

I view this as the beginning of a process to identify ways to foster improvements in the meat and poultry food chain that can lead to improved public safety, enhanced consumer confidence and acceptance by producers, processors and consumers of their shared responsibilities in ensuring that Americans continue to enjoy the safest and most abundant food supply in the world.

AFFORDABLE HOUSING SHORTAGE AND FEDERAL MORTGAGE PREPAYMENTS

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. SABO. Mr. Speaker, I rise today to express my serious concerns about the critical shortage of affordable housing across our country and its devastating impact on a growing number of people—particularly in my home city of Minneapolis and in the Twin Cities metropolitan area. The Twin Cities have a rental housing vacancy rate of less than 2 percent—5 percent is considered full occupancy.

The lack of sufficient new production of affordable rental housing is now being exacerbated by the increasing number of federally-subsidized mortgages that are being prepaid. This privately-owned rental housing was built under the Department of Housing and Urban Development's section 236 and 221 programs. In exchange for Federal mortgage insurance or interest subsidies, owners agreed to restrict the rents that could be charged on units in the building as long as the mortgage was insured or subsidized by HUD.

When owners choose to terminate these Federal assistance contracts, the tenants are faced with the prospect of losing their homes because their rents may soon become too expensive for them to afford. After a federally assisted mortgage is prepaid, residents are commonly faced with a dramatic increase in rent—often of $300 per month or more.

To add further stress for tenants in this difficult situation, current Federal law requires that a building owner who intends to prepay a section 236 or 221 mortgage may provide only 30–60 days notice to tenants. Clearly, this is a very short period of time for anyone to find a new home. It is an even greater problem for low-income people who face an especially tight housing market. They deserve as much time as possible, and I believe the Federal Government should require a 1-year notice for these prepayments. By not doing so, we jeopardize the already inadequate affordable housing supply in the Twin Cities and the nation.

Today, Congressman VENTO offered an amendment to the FY99 VA/HUD Appropriations bill that would have required owners who intend to prepay a federally-subsidized mortgage on a rental property to give 1 year's notice to residents as well as to State and local authorities. Although the State of Minnesota has enacted such a requirement, it is preempted by Federal law.

While it would not alone address the growing shortage of affordable housing, a 1-year notice housing requirement for Federal mortgage prepayments would be an important first step to help at-risk tenants make a difficult transition. It may even provide the time necessary for state, local and non-profit organizations to work with tenants and owners to preserve the affordable rental housing units.

I am disappointed that Congressman VENTO's amendment was not approved. However, I am committed to working with him and others to maintain and improve our country's affordable housing stock. I will also continue to work with my colleagues on the Appropriations Committee to establish a 1-year notice on Federal mortgage prepayments. It is a simple, but significant step in preserving affordable housing in Minnesota and the Nation.

HUD, VA, AND INDEPENDENT AGENCIES BILL (LEACH AMENDMENT)

HON. RUBÉN HINOJOSA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. HINOJOSA. Mr. Speaker, yesterday when we voted on the rule under which we are currently considering this legislation, the VA–HUD Appropriations Act, and specifically the Leach amendment, I voted against it. The process has been circumvented and I do not agree with that.

This is about more than process, however.

It is ultimately, and more importantly, about people in need being abandoned—whether we help those who are disadvantaged, or whether we turn our backs on them.

(The Center on Budget and Policy Priorities says the number of poor families receiving assistance each year will be reduced by up to 69%.) I cannot and I will not be a party to such a blatant wrong aimed directly at those who are most in need—low income families and individuals, including the elderly and persons with disabilities.

You'll get no argument from me that resources are scarce, and it is for precisely that reason I stand here today and say: Do in your heart what you know is right—do not jeopardize public housing assistance for poor and low-income working families. It is unfair. It is unjust. It is unconscionably wrong.

IN RECOGNITION OF THE 150TH ANNIVERSARY OF UNUM CORPORATION

HON. THOMAS H. ALLEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. ALLEN. Mr. Speaker, I would like to congratulate UNUM Corporation, headquartered in Portland, Maine, on its 150th anniversary. UNUM was founded as Union Mutual Life Insurance Company on July 17, 1848, which makes UNUM one of the 10 oldest insurance companies in the United States. UNUM has pioneered the development of long-term disability as an insurance product and has continued its leadership and innovation with the creation of long-term care, group life, employee benefit and other insurance and reinsurance products.

UNUM's leadership in the insurance business and its importance to Maine's economy is obvious. But what really distinguishes UNUM from other companies, and what really deserves recognition, is its dedication to UNUM employees. UNUM provides more than a good job with good pay; it provides employees with a family-friendly workplace, and serves Maine and other States in the U.S. as a good corporate citizen.

UNUM has received several awards recognizing its dedication to its employees. UNUM was named as one of the "100 Best Companies to Work for in America" by Fortune magazine; among the "100 Best Companies for Working Mothers" by Working Mother magazine; as one of the "Top 30 Family-Friendly Companies" by Business Week; and among the "Top 50 Employers" by Equal Opportunity magazine. It can certainly be said that UNUM is one of the country's most progressive employers.

UNUM is also a valued member of the communities in which it does business. To celebrate its 150th anniversary, UNUM planned a series of community activities that culminate today in a "Day of Sharing." This past Monday, UNUM Chairman and CEO James Orr rang the opening bell at the New York Stock Exchange. UNUM sponsored a demonstration of wheelchair rugby in front of the Exchange. The event also included a demonstration of games and the coaching of children with disabilities. UNUM's day-long effort, "A Day of Sharing, A Lifetime of Caring," involved more than 3,400 UNUM employees working on 270 community service projects which will touch the lives of over 1.2 million people in six countries. UNUM truly is an outstanding corporate citizen.

Mr. Speaker, UNUM is a business leader in the field of insurance, an employee and family-friendly employer, and a valued member of the community. I am extremely pleased and proud to have UNUM Corporation's headquarters in my district in the State of Maine. On behalf of the people of Maine, and all the communities that UNUM serves, I congratulate UNUM on its 150 years of service and wish it another 150 years of success.

TRIBUTE TO ZEDEKIAH LAZETTE GRADY

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to the Right Reverend Zedekiah Lazette Grady of Birmingham, Alabama. Mr. Grady is a pillar of the community who has served his church and family tirelessly.

Bishop Grady has served the African Methodist Episcopal Church well over forty years as a distinguished pastor, capable administrator, civic organizer, ecumenical leader, social reformer, teacher, presiding elder and a Christian gentleman. He served as pastor of Bethel African Methodist Episcopal Church in Laurens, South Carolina; Walnut Grove African Methodist Episcopal Church in Ware Shoals, South Carolina; Bethel African Methodist Episcopal Church in Anderson, South Carolina; Rocky River African Methodist Episcopal Church in Antreville, South Carolina; St. Stephen African Methodist Episcopal Church in Georgetown, South Carolina; and Morris Brown African Methodist Episcopal Church in Charleston, South Carolina.

In addition to the above pastorates, Bishop Grady served as the Presiding Elder of the historically rich Edisto District of the Seventh Episcopal District South Carolina Conference. Under his leadership, membership in the District increased ten percent a year and the number of pastoral charges increased from 24 to 35.

In 1992, Bishop Grady was elected the 111th Bishop of African Methodist Episcopal Church and was assigned to the Sixteenth Episcopal District, which included work around the world. In 1996, he was assigned to the Ninth Episcopal District headquartered in Birmingham, Alabama.

Bishop Grady's civic and community service has also been extensive. He was a key negotiator in the hospital and garbage worker strikes of the late 1960s in Charleston, South Carolina. He has served as Chairman and Vice-President of the South Carolina Juvenile Parole Board and was a member of the Charleston Community Race Relations Committee and the Charleston County Housing Authority. He is a member and past president of the A.M.E. Ministerial Alliance and Interdenominational Ministerial Alliance and has been a delegate to the World Methodist Conferences four times. Bishop Grady is married to the former Carrie Etta Robertson of Winnesboro, South Carolina. They have four children and two grandchildren.

Mr. Speaker, I ask you to join me today in honoring the Right Reverend Zedekiah Lazette Grady for his outstanding work as a devoted minister and community leader. During his life, he has been a role model of commitment to the church and his family.

CAPTAIN TERRANCE M. EDWARDS: A CREDIT TO THE UNITED STATES COAST GUARD

HON. FRANK A. LoBIONDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. LoBIONDO. Mr. Speaker, I rise today to honor a United States Coast Guard officer who has made a difference in the lives of many people: Captain Terrance M. "Casey" Edwards, Commanding Officer of the U.S. Coast Guard Training Center in Cape May, New Jersey. After twenty-eight years on active duty, Captain Edwards is beginning a well-earned retirement.

I am proud to say that Captain Edwards embodies the finest principles of a commissioned officer, and reflects well on the Coast Guard spirit of Semper Paratus. He is a leader whose commitment and dedication has made the Cape May Training Center synonymous with excellence. I have no doubt that the men and women who graduated from the Training Center during his command are among the most well-trained and prepared in the ranks of the Coast Guard.

Captain Edwards' decorations attest to his outstanding service. He is a three-time recipient of the Coast Guard Commendation Medal, a two-time recipient of the Coast Guard Achievement Medal, and has been awarded the Meritorious Service Medal. But there is more to Captain Edwards than just medals; there is a story of his maximum effort and considerable achievement.

A 1970 graduate of the U.S. Coast Guard Academy, Captain Edwards' career has taken him from the Atlantic Ocean, aboard the USCGC *Dauntless,* to command of a LORAN station in Okinawa, where he helped maintain a homing signal for vessels traveling on the high seas of the Pacific.

He has served with distinction as an attorney assigned to several Coast Guard legal billets, during which time, it should be noted, he represented clients before the United States Supreme Court. In recognition of his outstanding legal service, Captain Edwards was appointed to the Coast Guard Court of Military Review by the Secretary of Transportation, and also served as an appellate judge from May 1992 to June 1994. It can be rightly said that justice was indeed served by this fair and judicious man.

Captain Edwards has also looked after the physical well being of Coast Guard personnel in his roles as President of the Coast Guard Formal Physical Evaluation Board and Chief of the Physical Disability Evaluation Division.

Captain Edwards, on behalf of the many nervous recruits who left Cape May confidently ready to serve, on behalf of a community that will dearly miss your many positive contributions (and friendly smile), on behalf of the United States Congress, I wish you good luck in the future and calm seas ahead.

PERSONAL EXPLANATION

HON. SUE MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mrs. MYRICK. Mr. Speaker, last night, I was unavoidably detained and as a result missed rollcall vote No. 289.

Had I been present for this vote, I would have voted "no" on the amendment.

IN MEMORY OF SHELBY DUPREE PITTS

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. HALL of Texas. Mr. Speaker, I rise today to pay my respects to a loving husband, father, grandfather and prominent Dallas oil company executive—Mr. Shelby Dupree Pitts, who died on May 18, after a long and valiant battle with cancer.

Mr. Pitts was born on April 12, 1915, in Wesson, Mississippi, the second of three sons born to Mr. and Mrs. John Lloyd Pitts. He attended Lincoln County, Mississippi public schools where he was class president his sophomore, junior and senior years. At Copiah-Lincoln Junior College, he was elected State President of the Hi "Y" Clubs of Mississippi. In 1936, he joined Nu-Enamel Paint Company, advancing rapidly to Division Sales Manager for the New England states. He volunteered for the U.S. Navy in July, 1941, and served as public speaker attached to the U.S. Navy Public Relations office in Chicago. After World War II, he remained in Chicago where he organized the Wesson Houseware Products Company which sold household chemicals throughout the United States. He married Mary Elizabeth Tillman, of Hazelhurst, Mississippi, on April 20, 1947.

After investing in oil and gas drilling ventures for several years with his brother, Frank Pitts, he became a co-owner and Senior Vice President of Exploration Surveys, Inc., an international geophysical exploration company. When Exploration Surveys, Inc. was sold to U.S. Industries in 1969, Mr. Pitts organized his own independent oil and natural gas production business, Natural Gas Finders, Inc. Along with his brother, Mr. Pitts became co-owner and Chairman of the Board of Dallas Production Inc., an oil and gas operating company which grew to operate more than 1,000 oil and natural gas wells in eight states.

An active member of the Texas Independent Producers and Royalty Owners Association (TIPRO), Shelby organized the TIPRO Explorers group in 1976. Members of the Explorers group were required to contribute a fixed and substantial dues amount each year to provide a firm financial base for the organization. Mr. Pitts served TIPRO several years, successively as a Vice President, Membership Chairman, Secretary, President, Chairman of the Board and as a member of the Executive Committee. His work with TIPRO earned him four Distinguished Service Awards and in 1994 he received TIPRO's highest honor, the "Mr. TIPRO" Award."

As a long time member of the Dallas Petroleum Club, Mr. Pitts was honored by being selected to the Dallas Wildcat Committee, a select group of 100 persons affiliated with the Petroleum Club. In 1989, he started DSC Incorporated, a specialty chemicals company which provides unique drilling fluid additives for the oil industry. In addition, to his many oil industry activities, Mr. Pitts was a member of the Dallas Council on World Affairs, a Director of the Dallas Opera, Director of the Baylor University Medical Center Foundation, Dallas, and a Director of the Copiah-Lincoln Junior College Foundation, which also elected him as Alumnus of the Year in 1976. He was a Paul Harris Fellow of Rotary International and a member of the Bent Tree Country Club.

Mr. Pitts is survived by his wife of more than 51 years, Mary Elizabeth Pitts of Dallas; his daughter, Pamela Elizabeth Lane and her husband Bruce Lane, Jr., Dallas; his daughter-in-law, Dawn Pitts, Jackson, Mississippi; and four grandchildren, Justin Rutherford Lane, Holly Elizabeth Lane, Cerissa Dawn Pitts and Natalie Michelle Pitts. He is also survived by two brothers, L. Frank Pitts, Dallas; and Troy N. Pitts, Wesson, Mississippi.

Mr. Speaker, Shelby Pitts will be missed by his family, many friends and business associates throughout the United States and in many foreign countries. As we adjourn today, let us do so in honor of and respect for this great American—the late Shelby Dupree Pitts.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

SPEECH OF

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies for the fiscal year ending September 30, 1999, and for other purposes:

Mr. SCHUMER. Mr. Chairman, I rise in support of the gentleman's amendment and want to thank him for bringing it to the floor.

In 1996 we amended the Anti-Terrorism Act precisely to help families like the Flatows. Now we find that this law is under attack and the Flatows are being made to suffer again. But this time it is not because of Iran, it is because our own State protected Iranian assets right here in the U.S., right here in Washington, D.C. This is money that could easily be used to take yet one more innocent life.

Mr. Chairman, that is unconscionable.

Provisions in the Anti-Terrorism Act allow Americans to sue governments of state-sponsored terrorism for damages, the Flatows have done that. The courts ruled in their favor and judged they should be compensated.

Now its time for Iran to pay up.

We must send a message to Iran that our own internal divisions will not hold us hostage against executing justice. We must also send a message to the Flatows and other families to let them know the Government is on their side. That is why I urge all my colleagues to vote for this amendment.

THE MASSACRE OF THE E-RATE CONTINUES

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. OWENS. Mr. Speaker, the massacre of the infant E-Rate continues. Certain greedy corporations have chose to persecute and betray the children of America by denying them vital access to education technology in their schools and libraries. After the Telecommunications Act of 1996 enriched these giant corporations by removing certain regulations and allowing an unprecedented increase in their profits, MCI and others have chose to renege on the deal. The telecommunications corporations gave their word that they would support an earmarking of a portion of the Universal Access Fund just for Schools and Libraries. Now corporations and misguided political leaders have forced the Federal Communications Commission to cut the original funding goal by fifty per cent. On behalf of the 30,000 schools and libraries that applied for funding, and all of the children of America we demand that full funding for the E-Rate be restored immediately. The children of America have a message for corporations like MCI:

THE E-RATE KILLER

MCI
Wants E-Rate to die
Children cry
Big shots lie
Pigs kidnap the sky
MCI
Wants E-Rate to die
Deadbeat dinosaur
Monster Corporate Idiots
MCI
Never shy
Greedy grinch
Stealing all the pie
MCI
With justice no civil tie
MCI
Filthy sty
In the star spangled eye
MCI
Wants E-Rate to die
MCI
Makes children cry.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

SPEECH OF

HON. FORTNEY PETE STARK

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 16, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999 and for other purposes:

Mr. STARK. Mr. Chairman, I rise to support the Lowey amendment to the FY 99 Treasury-Postal Appropriations bill which would require that Federal Employees Health Benefits plans cover prescription contraception just as they cover other prescriptions.

The federal program should be a model for private plans and, as an employer, the federal government should provide this basic health benefit for women and their families insured through FEHB plans.

However, most FEHB plans limit coverage of contraception, and in some cases cover only one method of prescription contraception, despite the fact that participating plans overwhelmingly cover prescription drugs and clearly recognize them as a key health benefits.

Even worse, 10% of plans have no coverage of contraceptives—that is, they fail to cover any of the top five leading reversible contraceptive methods (oral contraceptives, diaphragm, IUD, Depo-Provera, and Norplant.

The inadequacy of contraceptive coverage through FEHB plans is clear. A woman covered by the an FEHB plan may be forced to choose a contraceptive method that is not best suited for her medical needs. While there is near universal coverage of sterilization by FEHB plans and reasonable good coverage of oral contraceptives, the percentage of plans covering other specific reversible methods varies dramatically. A total of 88% of plans cover oral contraception, yet only 28% cover the IUD. Thus, plans often do not afford a woman the option of non-hormonal contraception or the choice of the birth control method that may be best suited for her medical circumstances.

Some of our colleagues intend to make a spectacle of this issue on the floor. Meanwhile, the health and safety of women seeking contraceptive coverage through their FEHBP is endangered at the hands of the conservative majority.

We must not allow this last-minute pandering to the right wing at the expense of women enrolled in FEHB plans, nor must we allow the conservative majority to dictate the birth control methods used by federal employees and their families.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

SPEECH OF

HON. JAMES A. LEACH

OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 16, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes:

Mr. LEACH. Mr. Chairman, the Exchange Stabilization Fund has been an essential tool for the management of international monetary policy for over 60 years, having served as every Administration's chief weapon in defending the dollar.

The ESF is the U.S. Government's only instrument providing the means for a rapid and flexible response to international financial disruption which can impact adversely on the U.S. economy. The ESF provides a powerful and flexible means for the Secretary of the Treasury to support our obligations in the IMF, especially those concerning orderly exchange arrangements and a stable system of exchange rates.

Any attempt to cripple the ability of the U.S. to use the ESF to respond to fast-moving financial crises, as this amendment does, would pose a very serious threat to the U.S. economy and our ability to maintain a strong and stable dollar—with all of the benefits that affords us.

Consequently, this amendment is strongly opposed by the Department of the Treasury as well as the Federal Reserve. According to Secretary Rubin, by severely restricting the use of the ESF, this amendment constitutes an unacceptable limitation on the executive branch's ability to protect critical U.S. interests. The Secretary would be forced to recommend a Presidential veto if the final bill contains these restrictions.

Likewise, Fed Chairman Greenspan has testified that "it is important to have mechanisms, such as the Treasury Department's Exchange Stabilization Fund, that permit the U.S. in exceptional circumstances to provide temporary bilateral financial support, often on short notice, under appropriate conditions and on occasion in cooperation with other countries."

For over 60 years, the ESF has been a vital American tool, used most often by the last three Administration's, for defending the dollar, curbing destructive currency fluctuations, and protecting essential U.S. economic and security interests.

Counterproductive restrictions on the ESF could lead to severe foreign exchange market instability—and hence, dollar volatility—that would harm American businesses, raise U.S. interest rates, and weaken our economic prospects. Such volatility could also threaten the dollar's ability to serve as the world's reserve currency—a source of tremendous advantage for the United States.

Direct market intervention is one way the ESF has been used to curb exchange market volatility. The use of ESF resources to stabilize foreign currencies has played just as essential a role in accomplishing U.S. economic objectives.

The ESF has been used more than 50 times in the past 60 years to stabilize currencies in key U.S. export markets—such as Great Britain in the 1960s—to anchor reforms in transitional countries—such as Poland in 1989—and to protect against the effects of short-term instability or currency crises, such as Mexico in 1995. Every single one of these extensions of support through the ESF has been promptly repaid. No U.S. money has ever been lost in accomplishing these critical objectives through the ESF. In fact, by utilizing an innovative investment banking approach, the U.S. actually made over $500 million in interest on ESF loans to Mexico.

This amendment would prohibit the U.S. from keeping its commitment to our allies in South Korea to provide backstop financial assistance, if necessary. It would greatly restrict the ability of the U.S. to provide emergency liquidity to assist any future transition to a post-Castro Cuba. Similarly, it would prevent the U.S. from coming to the financial assistance of Taiwan (not an IMF member), if the Asian financial crisis or renewed tensions across the Taiwan strait caused a run on the New Taiwan dollar.

As trade and exports become more important to the health of the American economy, and as emerging markets play a growing role in our prosperity, it is essential that the U.S. retain the tools necessary to defend the dollar, safeguard stable exchange market conditions, and help deal with crises elsewhere when it is in our interests to do so.

In this unstable financial environment, it would be a profound mistake for Congress to leave the U.S. without the ability to use the ESF to respond quickly to a developing economic crisis where American interests are at stake. By passing this amendment Congress will severely hobble the ability of the U.S. to fulfill its responsibilities and exercise leadership in world financial affairs, and at a most inopportune juncture when American economic leadership could not be needed more.

BACKGROUND

The Gold Reserve Act of 1934 gives the Secretary of the Treasury exclusive control of ESF operations, subject to the approval of the President, to enable the U.S. to intervene in the foreign exchange market and undertake other monetary transactions consistent with U.S. obligations in the International Monetary Fund. Most ESF transactions are short-term. If any ESF loan or credit exceeds six months, the statute requires that the President provide Congress with a written statement that unique or emergency circumstances exist.

In addition, Treasury provides Congress detailed monthly reports on ESF finances and operations, quarterly reports on Treasury and Federal Reserve foreign exchange operations, and an annual audit report on the ESF.

SENATE—*Monday, July 20, 1998*

The Senate met at 1 p.m. and was called to order by the President pro tempore [Mr. THURMOND].

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

PRAYER

Gracious Father, we seek to be obedient to You as we fulfill the sacred duties of the Senate this week. A voice from the past calls us to make our work an expression of our faith. Samuel Adams said, "If you carefully fulfill the various duties of life, from a principle of obedience to your heavenly Father, you will enjoy that peace which the world cannot give nor take away."

May the Senators and all who assist them see the work of this day as an opportunity to glorify You by serving our country. We renew our commitment to excellence in all that we do. Our desire is to know and do Your will. Grant us a profound experience of Your peace, true serenity in our souls, that comes from complete trust in You and dependence on Your guidance. Free us of anything that would distract us or disturb us as we give ourselves to the tasks and challenges of this week. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator ROBERTS of Kansas, is recognized.

SCHEDULE

Mr. ROBERTS. Mr. President, this afternoon, the Senate will be in a period of morning business until 3 p.m. Following morning business, the Senate will resume consideration of H.R. 4112, the legislative branch appropriations bill.

As a reminder, a cloture motion was filed on Friday to the legislative branch bill and, therefore, Members have until 2 p.m. today to file first-degree amendments. The cloture vote will occur tomorrow at approximately 9:30 in the morning.

At the conclusion of debate today on the legislative branch appropriations bill, the Senate will begin consideration of S. 2260, the Commerce-State-Justice appropriations bill. All Members are encouraged to come to the floor to offer and debate amendments to this legislation. The majority leader has announced there will be no rollcall votes during today's session and, therefore, any votes ordered with respect to any appropriations bills will be postponed, to occur on Tuesday following the vote on cloture.

UNANIMOUS-CONSENT AGREEMENT—STRIKING SECTION 3705 OF CERTAIN ENGROSSED BILLS

Mr. ROBERTS. Mr President, I ask unanimous consent that the Secretary of the Senate be authorized, in the engrossment of the following bills, to strike section 3705 of each bill:

The Senate amendment to H.R. 3616, the National Defense Authorization Act for Fiscal Year 1999;

S. 2057, the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999; and

S. 2058, the Department of Energy National Security Act for Fiscal Year 1999.

I further ask unanimous consent that the Secretary be authorized, in the engrossment of the following bills, to strike the period at the end of section 2646(a)(2) of title 10, United States Code, as proposed to be added by section 321(a) of each bill, and insert in lieu thereof the following: ", and only if such materials are specifically provided for in subchapter VIII, chapter 98 of the Harmonized Tariff Schedule of the United States.":

The Senate amendment to H.R. 3616, the National Defense Authorization Act for Fiscal Year 1999;

S. 2057, the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999; and

S. 2060, the Department of Defense Authorization Act for Fiscal Year 1999.

I further ask unanimous consent that S. 2057, as so corrected, be printed as passed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MEASURE PLACED ON CALENDAR—S. 2230

Mr. ROBERTS. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2230) to improve the access and choice of patients to quality and affordable health care.

Mr. ROBERTS. Mr. President, I object to further consideration of the bill at this time.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

Mr. ROBERTS. I suggest the absence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 3 p.m. with Senators permitted to speak therein for not to exceed 5 minutes.

PRIVILEGE OF THE FLOOR

Mr. THOMAS. Mr. President, may I ask unanimous consent that Vickery Fales from our office be granted privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

PATIENTS' BILL OF RIGHTS

Mr. THOMAS. Mr. President, I wanted to take the opportunity today as we gather, and before we begin debate on a specific bill, to talk a little bit about the Patients' Bill of Rights, the Republican bill that was introduced last week, a bill that I believe has a great deal of value for the American people. S. 2330, the Patients' Bill of Rights, will be the subject, I think, of our discussion this week and, indeed, should be.

For some time now we have been hearing from the other side of the aisle with respect to a Patients' Bill of Rights, and they will have one. Hopefully what will happen, we will have an opportunity to consider both of these bills, have an up-or-down vote on each of them, and successfully pass one of these versions that will protect patients throughout the country.

The Republican proposal is a carefully crafted plan intended to give patients and families more choices as we change the way health care is delivered in this country. And as we move toward more managed care, then there needs, I believe, to be some additional provisions put into law which will ensure that Americans and their families receive the kind of care we would like them to receive.

There are differences between the two bills. Some of them, I believe, are significant—some of them are broad differences that are philosophical, I suppose. For example, the Republican bill deals with those health plans that are not regulated by the States.

In Wyoming, my home State, things are quite different in terms of a health care delivery system compared to New

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

York or California. We have a State of 100,000 square miles with 470,000 people, so you can imagine—we have small towns, and we have a different kind of system. Just this weekend I was in Casper, WY, celebrating the 15th anniversary of the Life Flight program in Wyoming. That is the helicopter, and a fixed wing as well, from the Central Wyoming Medical Center which serves the whole State.

We have one Life Flight program for all of Wyoming. It serves the mountains in the north; it serves the towns in the south. It is quite different, for example, than you would have in New England. So I think it is important that we allow States to continue regulating those health plans that they have jurisdiction over so they may craft regulations tailored to their specific needs. The Republican Patients' Bill of Rights, therefore, focuses solely on health plans outside State jurisdiction.

Secondly, Republicans propose a different type of appeals process. The Democratic proposal says go to the courts; let's have more litigation; let's bring the lawyers in to decide health care issues. Republicans, on the other hand, say let's have a health care system where the appeals are decided more quickly, less expensively, and are made by doctors.

I think those are very important differences. The main focus of this debate, then, will and should center around patients. That is really what health care is all about. And I think the Republican plan achieves the goal of dealing with the needs of patients.

It includes at least six new consumer standards that I think are important for us to consider. One is access to emergency care. This is the kind of thing that I just spoke of in terms of Wyoming. As you can imagine, the Life Flight helicopter is an expensive project but very necessary. There is no other way to carry patients from a small town in the Big Horns to the medical center in Casper. This ensures that emergency care will be received.

The prudent lay care standard is adopted where emergency health care screening is guaranteed. And this is not the case, of course, in all managed care plans. So it is very important.

Point-of-service access, point-of-service coverage, this provides that if you choose to see a provider outside of the managed care network, the program should make arrangements for you to be able to do that. We think that is important. For continuity of care in case the physician leaves the health plan or the plan changes, patients must be notified of such changes. Patients also should have the opportunity to continue seeing that provider for at least 90 days while they make the transition to choose another provider in the health plan's preferred network. This transition period would apply to patients in their second trimester of pregnancy or for those who may be terminally ill. Again, also, that is an important issue. By the way, many of these issues are the same in both bills and that is good; there will be some agreement. There needs to be open discussion of all treatment options. Those of us who are in managed care need to know exactly what is coming. We need to know exactly what benefits will be covered. On the other hand, if you are going to have managed care and choose that as a less expensive option, then we can only expect to utilize the benefits that are covered. So there needs to be open discussion of all treatment options, as well as full disclosure of the health plan's terms and conditions.

There are some key differences, and I have mentioned them, between the GOP and the Kennedy bills. Most of the areas considered are the same or are, indeed, similar, and I think that is as it should be. But I have already mentioned that there is a grievance process that replaces litigation. I happen to think that is a great idea.

One of the real problems we have had in health care through the years is not only the cost of litigation itself, but also the types of duplicative services performed to prevent lawsuits, tests that are terribly expensive. Over the last several years, we have been able to reduce these costs. But now we find ourselves faced with similar circumstances than may raise the cost of health care again.

Obviously, you have to have some form of appeals program. However, the key is to make sure it proceeds in a timely manner so you do not wait 2 or 3 years to get redress. You don't have the time to do that in health care. You need some decisions made very quickly. The other requirement is to make sure such decisions are made by doctors, not by lawyers. That is important. So I think there is a great deal of merit to our approach.

So there are a number of reasons why I think the Republican approach is best. One is, it gives rights and remedies to 48 million Americans whose current coverages are unregulated. It also provides for some new provisions. It allows full deductibility for the purchase of health insurance by the self-employed, which has not been the case in the past. It outlaws gag rules placed on physicians. Most States have done that. It expands emergency room coverage. It makes it easier to get service outside of the HMO. It remove barriers to seeing obstetricians, gynecologists and pediatricians, which provides great peace of mind. It also requires the continuity of care and more information to consumers. Consumers are entitled to these standards. Standards which are designed to make managed care plans more accountable. So as we change health care in this delivery system, there needs to be some regulatory revisions, and that is what the Republican Patients' Bill of Rights does.

This bill is something we need to do. The purposes are good. The legislation is well-written. It provides quality care based on sound medical evidence, and that is something that we sorely need in this country. I urge Members of the Senate to support the Republican health care bill.

I yield the floor.

Mr. WELLSTONE. Mr. President, I say to my colleague from Wyoming, way over there, if he needs more time, we don't have many people on the floor. I don't want him to rush on my account. Does he need more time? If so, I am pleased to wait.

Mr. THOMAS. I thank the Senator from Minnesota. I have finished what I have to say. I appreciate his patience.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Mr. WELLSTONE. Mr. President, there are a number of matters I thought I would cover, since there are not a lot of people here on the floor today yet. First of all, I want to talk about the appropriations bill that we passed for VA and HUD last week. While I submitted a statement for the RECORD, since we were in a rush and squeezed for time, I didn't have a chance to talk about FEMA and in particular the Director, James Lee Witt. I feel bad about that. I want to talk about FEMA, and I want to talk about Mr. Witt today on the floor because this small agency with a very big heart has made a huge difference to a lot of our States—to a lot of people in our States. As we go to conference, I hope the conferees will remember the very big job I think FEMA does and will honor the level of funding requested by the President in the President's budget.

My contact with James Lee Witt—I want to talk about him, and then I want to talk about FEMA. It is about more than one person. It goes back to 1993. The Chair today, from Kansas, of course, knows agriculture as well as anyone and knows what happens when you are faced with record flooding. We were hit with just terrible flooding in 1993. Farmers couldn't plant the crop. There was a lot of economic pain. I think that is the first time that I had a chance to just watch James Lee Witt in action.

What I was most impressed about was just what we call the hands-on approach. I felt he was the opposite of somebody who was impersonal, the opposite of a "bureaucrat." By the way, there are many bureaucrats who aren't "bureaucrats." There are many people in Government who do their very best for people. I get tired of the bashing sometimes. But he was so personable and really came through for people.

Then, of course, not that long ago—what was it, a year ago, a year-and-a-half ago—we had the floods in North Dakota. Everybody remembers Grand Forks, the flooding, the fire, the cold winter weather, and East Grand Forks in Minnesota, and other communities—Ada, Warren—it was just devastating.

I just want to say, again, the bad news is that, with FEMA, you know FEMA people are going to come out because there is a real crisis. The bad news of a James Lee Witt, the Director, visiting your State, is you know he wouldn't be there and other FEMA people wouldn't be there except for some kind of disaster, except for some kind of a crisis. The good news is that always good things happen afterwards.

Once upon a time, I remember, there was all sorts of frustration about FEMA. I don't want my colleagues to forget what Mr. Witt has done. I think he is one of the best appointments the President has ever made. He has done an excellent job of making this agency so much more responsive to people in our communities, people who are facing a real crisis. What he did, and what FEMA did, to help people who had been affected by the devastating flood of the Red River, was just remarkable. It was just remarkable. I want to comment on that on the floor.

Again, this past year, we were hit with tornadoes, and again the town of Comfrey was essentially leveled to the ground, St. Peter was hit hard, Le Center—I could talk about a lot of communities. Again, James Lee Witt came.

The people in Minnesota, the people in these communities who have been faced with these crises, have tremendous appreciation for this Director—tremendous appreciation. He has gone the extra mile every time to try to push the categories of assistance as far as he can, to try to get the help to people, to try to make sure there is not unnecessary delay, to try to make sure he cuts through as much of the bureaucracy as possible. And he has done that. I just want to say to colleagues, especially to the conferees, I hope we give this agency the funding they really deserve.

The other thing I think is real important is, FEMA is now focused on this predisaster mitigation program, which I think is real important. This is another example of FEMA being in a good partnership with our local communities and with our businesses, to figure out, given what we have been faced with, how, in fact, we can do the mitigation work to prevent a lot of the damage and a lot of the pain and a lot of cost that happens afterwards. This is a very proactive Director.

My last point is, I have fallen in love with FEMA people. I don't know if I would ever do this or not, but I am tempted, if I have the skill, when I am no longer in politics or public life, to work for FEMA. It is really fascinating when you get to know people. These are people from all around the country, and they travel around, they respond to these crises, they come into your State, they live in the State—it is like a family.

It is constant responding to people—people who have been flooded out of their homes, people who don't have any clothing, people who don't know where they are going to stay, people whose businesses have been destroyed.

Of course, it is so difficult, but I am so impressed with a lot of the FEMA people and the job that they do. It is just quite amazing. You meet a former head of the State patrol of California, retired military person here, retired business person there—a whole lot of pretty fascinating people who work for FEMA who are just experts at dealing with these crisis situations.

I don't think that any of us had an opportunity to speak about FEMA as we were going through the VA-HUD appropriations bill. I wanted to speak about FEMA, and I wanted to speak about FEMA's very able Director. I am positive that I am not just speaking for myself. I am also positive that I am not just speaking for Democrats. I think there are many Republicans who would echo my sentiments about Mr. Witt and about FEMA.

AUTO WORKERS' STRIKE

Mr. WELLSTONE. Mr. President, last week I had a chance to speak about the auto workers' strike in Flint, MI. Today, this strike is about local issues, but it is of national importance. Today the presidents and the other active members of United Auto Workers locals from around the country are in Flint, MI. I wanted to one more time say that we now are more than 5 weeks into this strike.

This has affected, I think, well over 100,000 workers in the country, not just the workers of Flint. The issues are clear cut—health and safety issues, which still are very important issues at the workplace in America, the speeding up of production lines, and the sending of work or the contracting out to outside suppliers.

My own view is that GM has made a mistake with what I characterize as hardball tactics, because I think what happens is with hardball tactics—the walking away from negotiations, the threat of cutting off health care benefits of those who are out on strike, the threat of shutting down the two parts plants in Flint, MI—what it does is it undercuts the very good labor relations that actually are so critical to productivity.

On the floor of the Senate, I say to GM in particular that I think good labor relations begin with a handshake, not a 2 by 4, and I hope to see both parties back in negotiations, and the sooner the better.

What is happening in Flint, MI—again, the issues are local but the significance of it is national. What is at stake is American jobs, good jobs, living-wage jobs, jobs that pay a good wage with good fringe benefits.

As I stand today on the floor of the U.S. Senate, I want to make it clear that as a Senator, that even though I am on the floor of the Senate, I also feel like my heart and soul are with the auto workers in Flint, MI. I extend my support as a Senator from Minnesota.

There is a whole tradition to this. When I was a college teacher, I used to teach labor history, a labor politics class, and some of the most famous sitdowns took place in Flint, MI, in 1937—a very courageous, very courageous action by workers. These auto workers come out of a very rich tradition, a lot of courage by their parents and their grandparents, and I believe they are showing the same courage today.

My hope is that we will see that negotiations will resume, that there will be a fair settlement, and that the United Auto Workers will not only have done well for themselves, but, more importantly, will do well for workers around the country.

There are key issues here—health and safety issues. People who work have a right to say, "Look, we're going to work, but we're going to work under civilized working conditions." People have a right to have a decent wage. People have a right to focus on pension and health care benefits. People have a right to be concerned about the contracting out of jobs. They have a right to be concerned about the trade agreements, as a matter of fact.

That is why the workers in Flint, MI, are on the picket line today, and that is why, as a U.S. Senator from Minnesota, I strongly support these workers who are out on the picket line.

NOMINATION OF JAMES HORMEL

Mr. WELLSTONE. Mr. President, I read today in the paper—and I am not quite sure where we are headed, and I always look forward to having a chance to meet and talk with the majority leader, agree or disagree, on all issues—but I read in the paper the majority leader said he didn't think he would have time to bring up the nomination of James Hormel. That is a terrible mistake.

I have spoken on the floor. I said after the tobacco legislation, I was looking for an opportunity to offer an amendment. Frankly, on the basis of discussions I had with a lot of different people, I decided that it would be better to wait because I was hoping, if you will, that cooler heads would prevail on this matter and we would figure out a way to bring this nomination to the floor.

If it is a debate or discussion, it will be a good debate and good discussion. Too much of the climate has become too poisonous. If the majority leader is basically shutting the door on any action on the floor of the Senate—I hope he isn't; I guess that is my plea to the majority leader: I hope you have not done that—I want to find out as soon as possible. Then, I believe, it will be important for some of us to bring amendments to the floor and, basically, one way or another, have a debate and have an up-or-down vote.

Every Senator is entitled to their own opinion about whether or not James Hormel would be an able Ambassador to Luxembourg, and every Senator is entitled to a vote. I am entitled to my opinion, and I am entitled to a vote. I think the majority of us —well over 60 of us—would vote to confirm this nomination.

I cannot see anything in Mr. Hormel's record—anything in his record, anything in his record—that would disqualify him from this job. I see someone with an enormously successful background in education—that means a lot to me; education has been my life's work—a very successful business person, philanthropist, and very active in the legal profession. For the life of me, there is no reason to stop this nomination, except for the fact—and if this is the fact, let's get it out in the open—that he is gay. If that is what troubles colleagues, come out here and say it. If colleagues want to say he is gay, or if they want to say he has been too outspoken on gay causes, then let's get that out here.

Too many comments have been made in the last several months —made here, there—and I don't think that is good for the Senate. Frankly, the failure of the U.S. Senate to at least bring this nomination to the floor and have an honest discussion and an honest debate—frankly, this is less about Jim Hormel than it is about the Senate. The Senate is far more on trial than is Jim Hormel. This is not good for this institution. If this is just a case of discrimination against somebody because of their sexual orientation, we all have to look ourselves in the mirror. If not, fine, we will have the discussion, we will have the debate, and we will have the vote. But I don't think, as much as I might respect the majority leader or respect his prerogatives, necessarily his word would be the final word, at least in terms of a discussion and a debate. My hope is, we can figure out a way of bringing Mr. Hormel's nomination to the floor and that there will be a vote.

CHILDREN'S MENTAL HEALTH

Mr. WELLSTONE. Finally, Mr. President, seeing no other colleague on the floor, I want to talk about this more in detail and in depth when we have the Commerce-State-Justice appropriations bill before us, which I think will be in the next day or so. I am working on an amendment—I hope it can be ready—that actually evolves from a piece of legislation I have been working on for some time dealing with mental health in children.

I have been very lucky to have done a lot of the mental health work with Senator DOMENICI from New Mexico, my Republican colleague. He has certainly been more of the leader than I have, but I have been honored to work with him.

Mr. President, I went on a visit—I will talk about this in more detail, in more depth later—to Tallulah, LA, about 2 weeks ago as a Senator. I think it was some of the best work I have done as a Senator outside of Minnesota—the best work is in Minnesota. I wanted to go there because I have read some Justice Department reports about the need for real dramatic improvement in the conditions affecting these children.

I see pages here. This is a corrections center, and the kids that are here in the center range in age from 11 to about 18. A lot of the kids I talked to were 14, 15. I did talk to several 11-year-olds as well. I went down there determined—I talked to both of my colleagues from Louisiana, not to sort of say, well, how terrible, Louisiana; only in Louisiana. I do not believe that for a moment. I think we can do a lot better.

My focus had to do with mental health and children. The estimates now made by the Justice Department—there was a pretty powerful front-page story in the New York Times that was written last week that I will get in the RECORD when I offer this amendment. But the fact of the matter is, the estimates are that about 25 percent of the kids here struggle with mental problems. Many of them actually never committed a crime. I mean, they would be picked up, they would run away from home, be out in the street. A very small percentage committed a violent crime; I guess probably less than 10 percent, closer to 5 percent. I will talk about that in a moment.

But what happens is that these facilities—and this is certainly what happened in Tallulah—become a dumping ground with kids struggling with mental illness. They should not be there in the first place. To compound the problem, they are there, but with no treatment. And to compound that problem, it becomes pretty brutal with them. They should not be there.

I went to Tallulah—and, again, I am going to be very careful as not to speak with that much emotion because there is plenty to be emotional about, but to just give a report on the floor of the Senate. I will focus on this again in more detail with the amendment so my colleagues know what the amendment is about.

In the administrative building there were a lot of people from Louisiana that were there, a lot of officials, which was fine. I met the new warden, whom I believe is trying to make changes. He just got there, so it would be unfair to pin any of this on him.

I wanted to go to the solitary confinement cells because I also heard kids were locked up in solitary confinement as many as 23 hours a day for as long as 6 or 7 weeks. I wanted to know which kids. I wanted to know, What does a kid do to be put in solitary confinement like this? What is the criteria you use? I wanted to know more about that.

Initially, we negotiated, and the idea was I would get there, but first I would start off with kids who were eating lunch. I went in, and it was interesting. There were kids eating lunch. I also say, since I think race is still a reality in America, my guess is over 80 percent of the kids of about 500-plus kids were African American. I do not know what the population is in Louisiana—certainly nowhere close to 80 percent.

Kids were eating, and I went up to some kids who were eating, and I just said, "How are you doing?" This one young guy said to me, "Not that good." I said, "What do you mean?" He said, "Well, you see this food?" By this time lots of officials were with me. He said, "See this food?" I said, "Yeah." He said, "We never eat this food. We never have a meal like this. This is just because you're here."

He said, "The table—smell the paint. This was just painted. These tables don't look like this." He said, "These clothes I have on,"—I am just reporting what he said to me—he said, "These clothes I have on, they just gave us this stuff last night. These aren't the clothes we usually wear. It's hot. There's no air conditioning. You know, we smell—the same clothing, same underwear. We never get new clothing like this."

Then he went on and he said, "When you go outside and you look at the baskets there, when you look at the hoops, the nets were put on the hoop. We didn't have any nets on these hoops. This all just happened. This is a show."

That is the way it started out. I just give that report. Then I walked across the yard, heading over to where the solitary confinement cells are, and there was a group of kids outside. It was very hot. And this one young man just basically broke away from the guards and leaped on to a roof of a building and started running toward me. I had a whole lot of people that were with me, a lot of media people from Louisiana, and again a lot of people from the State.

I went over to where he was, and I said, "You're going to get in a lot of trouble." And I think he said, "I know." I said, "Why are you doing this?" He said, "I want to make a statement." I said, "What is your statement?" He said, "I want to tell you this is a show. And I want to tell you, when you leave we're going to be beaten up; we're going to be retaliated against."

Mr. President, I then met with four kids and their lawyer from the Southern Poverty Law Center—a great lawyer—for about an hour. They talked about some of the retaliation—which, by the way, I have to give the warden credit. There has been some reduction in this. But the more I was there, the more it became clear to me—and, again, I will, from Fox Butterfield's article in the New York Times, I will spend more time on this with the amendment.

But it became clear to me that there was precious little by way of vocational ed, hardly any education, not adequate counseling services, not an adequate way of assessing kids. Did they come from a home where there was violence in the home? Were there substance abuse problems? Were they themselves in need of treatment, especially in the mental health area, pharmacological treatment, or other treatment? Hardly adequate medical facilities.

I just have to tell you, Mr. President, I am not so angry at Louisiana because I know you can find plenty of these conditions around the country. But I am wondering how in the world we can let this happen in America.

Some of the kids I met with—one boy had stolen a moped, and thus he wound up here. One was there for breaking and entering and had broken into somebody's home. Another cut somebody with a knife in a fight, so on and so forth.

But here is my question: I have two questions now. One, which will speak to the amendment that I hope to have ready, and the other goes beyond that. On mental health and children, I really do believe—and I spoke with the warden afterwards and, again, I give him credit for, I believe, trying to make changes, and I believe the same with the commissioner of corrections. I am always interested in having things change.

Senator BREAUX said that there is going to be an all-out effort to do a lot more by way of training with the staff there. But my question is whether or not—when it comes to Louisiana or any State in the country, from Louisiana to California, to New York, to Minnesota; though I think there are great differences, great differences right now—the question really is this: Whether or not we are going to, within some kind of framework of integrated mental health services, provide these States with some resources so that, in fact, an assessment can be made, and so that we just do not dump kids in these facilities. And if they are in these facilities because they really have committed a crime, and they need to be in such a facility—although there are many alternatives—then we ought to make sure they get the treatment.

The second thing that I want to say, Mr. President, in this particular case is this has been all contracted out to—I forget the name of the company—and I have to wonder about how we do this. I mean, I have to say, I am all for profit. I am all for a strong private sector, especially the more small business focused it is, the more I like it. But when you are talking about juveniles, they are supposed to be receiving additional help.

They are supposed to get the educational and vocational opportunities. And they are supposed to be able to receive the kind of support services that will enable them, when they are 15 or 16 and after they have been in these facilities, to get out and rebuild their lives.

I have to tell you, America, that I do not think too many of these kids are going to be able to do that. And, frankly, if they went in mixed up, having made a mistake, having done something they should not have done, they are going to come out very different. You might not want to meet them at 10 p.m. at night.

I think what we are doing in some of these facilities is so shortsighted, it is so myopic, it is such a big mistake. Yes, hold people accountable. And if people commit crimes and should be in a corrections center, so be it. But you know what? There are certain standards of decency. There are certain standards about how we treat young people. Every one of these children is some mother's child, is some father's child. I do not care whether they are in Tallulah, L.A., or in California, New York, Minnesota, or any other State.

Now, one of the things in Minnesota that I will brag on a little bit, although it is not heaven on Earth, we have tried very hard to do an assessment at the front end of the system and look for alternatives to incarcerating kids. I just think it is an area that even if we don't want to look at—sometimes we don't want to know what we don't want to know—we better look at this with our eyes open. These are kids. These are kids. A lot of them shouldn't be there. A lot of them are struggling with mental problems. A lot of them aren't getting any care whatever. We are talking about the criminalization of mental illness.

Above and beyond that, the other issue I point out is that the overall conditions of this facility are unconscionable. I want to make it clear again to the warden and to Louisiana, it is not just Louisiana. I know that. That just happened to be my first visit. But I do have to tell you that after 3 hours—and I don't think I am naive; I have done a lot of organizing in a lot of communities with a lot of people who have struggled on the bottom—I have to tell you I was reeling for 3 hours there. I believe we have to do better. I am looking forward to introducing this legislation and maybe it will be an amendment on this bill. I hope I will get good support from my colleagues.

I thank both of my colleagues from Louisiana, in particular, for being supportive, talking with me about the trip, and their very strong interest in working with officials in Louisiana to make things better. There are some people in Louisiana State government who are absolutely committed to doing that. I know that. I certainly hope, as a Senator with an interest in this area, I can help out with their efforts.

What I can't, however, forget, as I speak on the floor of the Senate, is what I saw. I saw conditions that I didn't think existed today in America. I saw kids living under conditions that should not be. Kids shouldn't be assaulted or beaten up for no good reason. That will take us nowhere.

There are new people who are moving in as security guards. There are changes that are being made. But I tell you, the sooner the better; the sooner the better. That is one of the reasons I speak on the floor of the Senate to try to help make these changes happen.

I thank my colleagues for their indulgence. I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. THOMAS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERTS. Mr. President, notwithstanding the previous order, I ask unanimous consent, detecting no other Senator wishing to speak, I may be permitted to continue for 15 minutes in morning business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERTS. I thank the Chair.

CONGRATULATING THE 22D AIR REFUELING WING, McCONNELL AFB, WICHITA, KS

Mr. ROBERTS. Mr. President, I rise today to congratulate the Men and Women of the 22d Air Refueling Wing at McConnell Air Force Base in Wichita, Kansas. The crew at the 22d won recognition as the top KC–135 maintenance team in the world at a recent competition known as the Air Mobility Rodeo. This is an event sponsored by the Air Mobility Command. It is an accomplishment that requires skill, training, leadership, teamwork, pride, professionalism and unselfish dedication to the task at hand. I take this opportunity to publicly acknowledge their great success and professionalism.

The Air Mobility Rodeo is a binannual, multinational event that is designed to develop and improve techniques and procedures that enhance air mobility operations—something that is very crucial in today's world. In this year's competition at McCord Air Force Base, the participants included more than 2,500 competitors formed in 80 teams from over 300 active duty Air Force, Air Force Reserve command, Air National Guard, U.S. Marine Corps, U.S. Army, and other Allied Nations. Winning this award is an important event worthy of real recognition. What also makes this such an important win is that for the 22d, it is a repeat win for this team. They walked away with the prize in the 1996 competition as well. And this leads me to say there is no question that the KC–135 aircraft at McConnell are the best maintained in the world.

Let me acknowledge the leadership at Team McConnell because without their leadership and guidance, the atmosphere at McConnell would never support the effort required to win this competition. The two key players are the Wing Commander, Col. Michael C. Gould, and the Senior Enlisted Advisor, Chief Master Sergeant Herbert V. Williams, Jr. Anyone who has been around the military understands how much the senior leadership of an organization sets the tone for the entire command.

There is one other member of the team whose contribution I want to recognize. That member is Lead Crew Chief, Sergeant Jeffery Gass. He was singled out for special recognition and was selected as Air Mobility Command's Crew Chief of the year.

It is men and women such as Sgt. Gass who make our military the most successful in the world. They are the unsung heroes—quietly working in the background, exceptionally professional, dedicated to their service and their nation, and serving the communities where they are stationed. The award nomination for Sgt. Gass is testimony to his unselfish dedication, his professional knowledge, and his service to his country and the local community.

I am particularly proud to recognize this team from McConnell Air Force Base and Sgt. Gass not only because they contribute so much to the defense of our nation but because they contribute so much to Wichita and Kansas. Well done to the 22nd Air Refueling Wing and well done to Sgt. Gass.

THE MARINE ACTION IN CENTCOM FOR NEO OPERATIONS

Mr. ROBERTS. Mr. President, I rise today to compliment the men and women of our sea services, the U.S. Marine Corps and the U.S. Navy, on an operation recently conducted. It was about a month ago in the African country of Eritrea. I think we should all be very proud of the way the Navy and the Marine Corps team responded to what I refer to as a 911 call, to execute an evacuation operation, commonly called an NEO, in that part of the world in Africa. It resulted from the unrest that this country, Eritrea, has had with its neighbor, Ethiopia. Let me highlight the action as it unfolded.

On the evening of the June 5 of this year, the marines and sailors of the 11th Marine Expeditionary Unit, part of a forward-deployed Amphibious Ready Group, received what is called a warning order. A warning order is a "heads up" that a specific tasking is about to come your way and you had better start thinking about the mission that is contained in the warning order. That mission was the removal of American citizens from Eritrea because of the increasing unrest, as I have indicated, with Ethiopia. The marines, who had just finished conducting an exercise in Jordan, began their preparations right off the bat.

At 3:30 in the afternoon of the 6th of June, the commanding officer, Colonel T.L. Moore, as ordered by General Anthony Zinni, the Commander in Chief of the U.S. Central Command, launched two C–130 aircraft along with 30 marines and sailors from this expeditionary unit. They arrived in Asmara, Eritrea, and began removing U.S. citizens and personnel from other countries. At 11:50 p.m., on that same day, the mission was complete.

What mission?

These superb marines and sailors removed from harm's way, and to safety, 105 American citizens, 24 Norwegians, 20 who were British, 8 Canadians, 3 Ethiopians, 3 Japanese, 1 Korean, 1 Mexican, and 1 Swedish civilian. I am told the C–130s were proudly flying the Stars and Stripes in regards to this mission instead of their usual command banner strictly as a matter of pride in their mission and their nation.

Also as part of this continuing effort, the U.S.S. Tarawa got underway at 3 p.m. on the 6th and steamed at full speed to the coast of Eritrea to wait for any further requests for NEO assistance in case any more problems did, simply, come up.

I think the remarkable thing about the Tarawa is that the ship did actually prepare for this mission and got underway in less than 72 hours.

There was not any fanfare in the press about this. There were no stories in the media about the successful effort or pride of our men and women involved in this important mission. I think probably too many times the only military stories we hear about are some isolated event involving a service member that creates a negative headline, or some controversial issue, like today we are hearing over the media that somehow or other we are going to lessen or keep or improve or make more stringent the rules of the military in regards to adultery.

I just wanted to take this opportunity to share this mission with my colleagues because it reflects, I think, the pride and the professionalism that is the standard of the vast majority of the members of our Armed Forces. It is so infrequent that we in the Congress really salute these fine Americans.

So, Semper Fi and Bravo Zulu to the men and women of the 11th Marine Expeditionary Unit, the U.S.S. Tarawa, and all other members of our Corps and Navy involved in this effort.

U.S. INVOLVEMENT IN KOSOVO

Mr. ROBERTS. Mr. President, I want to call to the attention of my colleagues some headlines that are in today's press in reference to the problems that we are experiencing, the challenge we face, what could be a real tragedy in Kosovo. As I look at this, here is a headline from the Washington Post, as of this morning, written by R. Jeffrey Smith of the Post foreign service: "Thousands Flee As Lawlessness Spreads In Kosovo." And it gives an up-front and personal account in regards to a particular Albanian citizen who has lived there for 40 years and was beaten in the middle of the night, and what is going on in that country.

Here is another headline from the Washington Times as of today, by Philip Smucker of the Washington Times: "Kosovar Rebels Grow Bolder."

> A grimy-faced teenager with bloodshot eyes and an automatic rifle ran at us, screaming, as we came down a hill into the heart of a raging firefight yesterday, on the bloodiest weekend of the Kosovo war.

Here is another headline from the European Stars and Stripes: "Fighting Flares In Kosovo."

From the New York Times: "Rebels Claim First Capture Of Kosovo City."

Last week I had an intelligence briefing on Kosovo. They indicated if this happened, in regards to Pristina, and also in regards to Orahovac—I am having a little trouble with the pronunciation, but it is indicative of many of the communities there. So we have the fighting that has actually spread.

Here is another article from the European Stars and Stripes: "SFOR Patrols Bosnian Border for Gun-Running." That is the situation in Bosnia. Of course right down from Bosnia, we have the situation in regards to Kosovo.

I am concerned about this because I think the United States and the rest of our allies in Western Europe are on the verge of a deep and expensive and very dangerous involvement in yet another area of the Balkans. Unfortunately, and once again, I have yet to hear from the executive, and from the administration—more especially the President—to explain to the Congress nor, more important, the American people, why is this in our vital national interest to get in the middle of this growing conflict.

I think I can make a pretty good case in that regard, because I just returned from the three new prospective NATO countries—Poland, the Czech Republic and Hungary—with the distinguished chairman of the Senate Intelligence Committee, Senator SHELBY. To a person, every official whom we met with in those three countries indicated that what NATO does with regard to Kosovo and what we continue to do in Bosnia is the real test of NATO: What it will be; what it will do; what our involvement will be; if, in fact, we have a Palestinian kind of situation in the middle of Europe with Bosnia and Kosovo; whether or not we can end this kind of ethnic strife.

So I think you could probably make a case for our involvement in Kosovo, but I have yet to hear from anybody in the administration other than reacting to news accounts or to questions. I think it is time we heard.

On the other side of it, we don't want to back into a situation where there is no end in sight, no exit strategy, and no real consideration in terms of cost and involvement.

The media reports are very clear that the Yugoslavian leader, Mr. Milosevic, is taking very hard and brutal action against the ethnic Albanians who are living in Kosovo. They comprise 90 percent of the population. This is the same kind of activity that he promoted in regards to Bosnia and the breakup there.

We are making some diplomatic efforts. We have people there working overtime, but these efforts seem to keep changing. We have drawn several lines in the sand with threats of severe reprisals if the Serbian action against the Albanian population does not cease, and those lines in the sand are still there, they have been gone over, and the activity continues. So much for any kind of believability in regards to our commitment.

The Albanian rebels, known as the KLA, are simply growing in strength and the fighting is growing more fierce. There is no real peaceful solution in sight. The United States and NATO have threatened military action and they have had a military demonstration. It was a fly-over or fly-by. It was called "Determined Falcon." I really don't know how determined that falcon is, but neither side has offered to end the conflict and efforts to bring them to the table to get a solution have failed. In fact, the KLA is really, I think, buoyed by the apparent Western support for their cause. Obviously, they are not interested in backing off now.

Mr. Milosevic, having observed our unwillingness to carry out our threats in the past, and coupled with the strong support of the Serbian people to put an end to the rebel uprising in Kosovo, has no reason to back off, either. So we have a standoff.

We have now started an international monitoring program in Kosovo "aimed at bringing peace to this strife-torn region."

Mr. President, I want everybody to understand this. This is a very important development. This observer group is comprised of about 40 diplomats and "military experts" attached to embassies in Belgrade. Our "military experts" are unarmed U.S. military forces from the European Command. This means we have U.S. personnel now in this kind of a situation.

I was reading press reports about it several days ago, and they are in white cars, very clearly marked. You hope, obviously, the white cars will be very clearly marked so they will avoid any kind of hostilities. In other words, if you are traveling in a white car and either side wants to do great mischief—and that is probably not the right word for it—why certainly, obviously, they would be highlighted.

I have several concerns, Mr. President, about all of this: We are, once again, backing into a military commitment in regard to Kosovo. The term of "unarmed military observers or experts" certainly brings back some memories of other situations where we have backed into those conflicts. It is dèjá vu all over again. We are running a great risk that our "military experts" or diplomats could be in harm's way.

NATO is conducting contingency planning that could involve thousands of military troops to separate the warring factions or impose peace. I must tell you, in talking to a British general at the ceremony celebrating the 50th anniversary of the Berlin airlift, when I was talking about this, I asked the general, "How many people would it take to really maintain order on that border?" And there have been estimates of anywhere from 7,000 to 25,000. It is very difficult terrain.

He said, "Oh, my no, it would take upwards of 70,000."

"Seventy thousand?" My mouth, obviously, dropped a little bit.

He said, "Of course, we don't intend on doing that." But, of course, then we didn't intend on doing that in other rather political involvements of gradualism that we have had around the world, and I am not going to spell those out in specific terms. I think everybody here knows what we are talking about. So we have those contingency plans that could involve thousands of military troops.

The costs, both in dollars and the impact on our already-stressed military, are potentially very devastating. I remember the briefing that we had in regard to India and Pakistan, and our esteemed Secretary of State Madeleine Albright was talking about the related situation in regard to Kosovo and indicated that we might have to become much more involved there.

Senator STEVENS, the distinguished chairman of the Senate Appropriations Committee, said, "Wait a minute, we do not have the money, we do not have the funds, we do not have the materiel, we do not have the men and women in uniform to get the job done. We are already committed in the gulf. We are already committed in Bosnia. Most of those funds in the past have been taken out of the readiness account—we are not paying for it—and that is a real problem." I think the Senator's sense of urgency in his response to the Secretary was well taken.

There are many unanswered questions on how this conflict in Kosovo is in our vital national interest. Let me stress vital national interest. I do think it is in the best interest of NATO. I think we have to be very careful; I think we have to be very firm.

Senator LIEBERMAN, the distinguished Senator from Connecticut, and the former distinguished majority leader in the Senate and my colleague and longtime friend, Bob Dole, indicated we must take aggressive and very positive action. There are unexplained scenarios of Kosovo leading to a larger war in Europe if this conflict is not ended now.

But my primary concern in bringing this up, Mr. President, is this: This whole issue has yet to be addressed by the President and, for that matter, to some extent by this Congress in any way. Yet, here we are backing into a situation with "military observers" and with contingency plans that could involve thousands more. The President should not, nor will the Congress let him, commit the men and women of our Armed Forces without defining our national interests. That is fundamental, and I think we ought to spell that out. I call for the President to do so and to outline the objectives in the exit strategy for any involvement in that part of the world and in regard to Kosovo in particular.

With that, Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SESSIONS). Without objection, it is so ordered.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, July 17, 1998, the federal debt stood at $5,532,637,423,771.79 (Five trillion, five hundred thirty-two billion, six hundred thirty-seven million, four hundred twenty-three thousand, seven hundred seventy-one dollars and seventy-nine cents).

One year ago, July 17, 1997, the federal debt stood at $5,363,009,000,000 (Five trillion, three hundred sixty-three billion, nine million).

Twenty-five years ago, July 17, 1973, the federal debt stood at $455,472,000,000 (Four hundred fifty-five billion, four hundred seventy-two million) which reflects a debt increase of more than $5 trillion—$5,077,165,423,771.79 (Five trillion, seventy-seven billion, one hundred sixty-five million, four hundred twenty-three thousand, seven hundred seventy-one dollars and seventy-nine cents) during the past 25 years.

INTERNATIONAL CRIMINAL COURT

Mr. ASHCROFT. Mr. President, I rise today to express my profound concern for the International Criminal Court that was overwhelmingly approved in Rome late on Friday. I was pleased that the United States voted against final passage of this global criminal court. The Administration should be commended for rejecting this international folly, which would have been dead on arrival in the Senate.

Unfortunately, however, the danger from this Court has not passed. The Administration is already coming under pressure from proponents of the court to reconsider its opposition. Even more disturbing is the possibility that the Court would assert jurisdiction over American soldiers, despite the American refusal to join the court. The Administration should "just say no" to any efforts to get the United States to reconsider or to signal any informal compliance with the Court.

As both a Member of the Senate Foreign Relations Committee and as Chairman of the Subcommittee on the Constitution, Federalism and Property Rights, I find the International Criminal Court profoundly troubling. If there is one critical component of sovereignty it is the authority to define crimes and punishments. This Court strikes at the heart of sovereignty by taking this fundamental power away from individual countries and giving it to international bureaucrats.

There are other aspects of this Court that are equally troubling. As examples, the authorization of international independent prosecutors, the expense of such a permanent court, and the lack of any clear limits on the Court's jurisdiction are all alarming. But no aspect of this Court is more troubling than the fact that it has been framed without any apparent respect for—indeed, in direct contravention of—the United States Constitution.

As Chairman of the Constitution Subcommittee, I have a number of particular concerns about the Court. First and foremost, I remain concerned by the possibility that Americans could be dragged before this Court and denied the protections of the Bill of Rights.

Even more fundamentally, I am concerned that the Administration participated in these negotiations without making any effort to insist that the proposed International Criminal Court incorporate and honor the Bill of Rights. Even if one concedes that we need an International Criminal Court—which I emphatically do not—we should certainly insist on respect for the Bill of Rights as the price of American admission.

America's ideals and values are ascendant in the post-Cold War world. America's position as world leader is, in no small part, a product of a Constitution that is the envy of the world. The Administration should be justly proud of that Constitution and should have insisted that those principles form the cornerstone for any International Criminal Court. That unfortunately was not the official position of this Administration.

In the United States, there is a right to a jury of your peers. In the United States, there is a privilege against self-incrimination. In the United States, we have eliminated the prospect of criminal liability for ill-defined common law crimes. In the United States, the Constitution limits the authority of prosecutors. None of these protections will be guaranteed for defendants brought before this international star chamber.

The proposed Court negotiated in Rome neither reflects nor guarantees the protections of the Bill of Rights. The Administration was right to reject the Court and must remain steadfast in its refusal to join a court that stands as a rejection of American constitutional values. We must never trade away American sovereignty and the Bill of Rights so that international bureaucrats can sit in judgment of the United States military and our criminal justice system.

In today's New York Times, there is an opinion piece in which Anthony Lewis chastises the United States for missing a historic opportunity by failing to vote in favor of the International Criminal Court. The author states that the vote to form the International Criminal Court "will be seen as a turn in the road of history." That is perhaps the only point in the piece with which I agree. The approval of this Court was indeed "a turn in the road of history." By ceding the authority to define and punish crimes, many nations took an irrevocable step to the loss of national sovereignty and the reality of global government. I, for one, am heartened to see that the United States took the right turn on the road of history, and I will work hard to ensure that there is no backtracking.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 4112, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 4112) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

AMENDMENT NO. 3220

(Purpose: To amend House legislative branch appropriation bill to include Senate items)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BENNETT, for himself and Mr. DORGAN, proposes an amendment numbered 3220.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. STEVENS. This is, in effect, putting down our version of the bill, and it becomes original text.

AMENDMENTS NOS. 3221, 3222, AND 3223, EN BLOC, TO AMENDMENT NO. 3220

Mr. STEVENS. I send to the desk a series of second-degree managers' amendments and ask for their consideration.

The PRESIDING OFFICER. The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BENNETT, for himself and Mr. DORGAN, proposes amendments numbered 3221, 3222, and 3223, en bloc.

The amendments are as follows:

AMENDMENT NO. 3221

(Purpose: To increase the appropriation for Capitol Police expenses)

On page 14, line 24, strike "$6,077,000" and insert "$6,297,000".

AMENDMENT NO. 3222

On page 2, line 9, strike "$79,183,000" and insert "$87,233,000".

On page 2, between lines 21 and 22, insert the following:

COMMITTEE ON APPROPRIATIONS

For salaries of the Committee on Appropriations, $6,050,000.

On page 3, line 25, strike "$19,332,000" and insert "$21,332,000".

On page 4, line 22, strike $75,600,000" and insert "$66,800,000".

On page 5, line 10, strike "$7,905,000" and insert "$8,655,000".

On page 12, between lines 2 and 3, insert the following:

SEC. 10. (a) The Committee on Appropriations is authorized in its discretion—

(1) to hold hearings, report such hearings, and make investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate;

(2) to make expenditures from the contingent fund of the Senate;

(3) to employ personnel;

(4) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration to use, on a reimbursable or nonreimbursable basis, the services of personnel of any such department or agency;

(5) to procure the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 and Senate Resolution 140, agreed to May 14, 1975); and

(6) to provide for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(b) Senate Resolution 54, agreed to February 13, 1997, is amended by striking section 4.

(c) This section shall be effective on and after October 1, 1998, or the date of enactment of this Act, whichever is later.

SEC. 11. (a)(1) The Chairman of the Appropriations Committee of the Senate may, during any fiscal year, at his or her election transfer funds from the appropriation account for salaries for the Appropriations Committee of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable for such committee.

(2) The Chairman of the Appropriations Committee of the Senate may, during any fiscal year, at his or her election transfer funds from the appropriation account for expenses, within the contingent fund of the Senate, for the Appropriations Committee of the Senate, to the account from which salaries are payable for such committee.

(b) Any funds transferred under this section shall be—

(1) available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account to which the funds were transferred; and

(2) made at such time or times as the Chairman shall specify in writing to the Senate Disbursing Office.

(c) This section shall take effect on October 1, 1998, and shall be effective with respect to fiscal years beginning on or after that date.

AMENDMENT NO. 3223

(Purpose: To amend the provisions relating to the Trade Deficit Review Commission)

On page 35, line 8, strike all through line 9 on page 49 and insert the following:

TITLE IV—TRADE DEFICIT REVIEW COMMISSION

SEC. 401. SHORT TITLE.

This title may be cited as the "Trade Deficit Review Commission Act".

SEC. 402. FINDINGS.

Congress makes the following findings:

(1) The United States continues to run substantial merchandise trade and current account deficits.

(2) Economic forecasts anticipate continued growth in such deficits in the next few years.

(3) The positive net international asset position that the United States built up over many years was eliminated in the 1980s. The United States today has become the world's largest debtor nation.

(4) The United States merchandise trade deficit is characterized by large bilateral trade imbalances with a handful of countries.

(5) The United States has one of the most open borders and economies in the world. The United States faces significant tariff and nontariff trade barriers with its trading partners. The United States does not benefit from fully reciprocal market access.

(6) The United States is once again at a critical juncture in trade policy development. The nature of the United States trade deficit and its causes and consequences must be analyzed and documented.

SEC. 403. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Trade Deficit Review Commission (hereafter in this title referred to as the "Commission").

(b) PURPOSE.—The purpose of the Commission is to study the nature, causes, and consequences of the United States merchandise trade and current account deficits.

(c) MEMBERSHIP OF COMMISSION.—

(1) COMPOSITION.—The Commission shall be composed of 12 members as follows:

(A) Three persons shall be appointed by the President pro tempore of the Senate upon the recommendation of the Majority Leader of the Senate, after consultation with the Chairman of the Committee on Finance.

(B) Three persons shall be appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate, after consultation with the ranking minority member of the Committee on Finance.

(C) Three persons shall be appointed by the Speaker of the House of Representatives, after consultation with the Chairman of the Committee on Ways and Means.

(D) Three persons shall be appointed by the Minority Leader of the House of Representatives, after consultation with the ranking minority member of the Committee on Ways and Mean.

(2) QUALIFICATIONS OF MEMBERS.—

(A) APPOINTMENTS.—Persons who are appointed under paragraph (1) shall be persons who—

(i) have expertise in economics, international trade, manufacturing, labor, environment, business, or have other pertinent qualifications or experience; and

(ii) are not officers or employees of the United States.

(B) OTHER CONSIDERATIONS.—In appointing Commission members, every effort shall be made to ensure that the members—

(i) are representative of a broad cross-section of economic and trade perspectives within the United States; and

(ii) provide fresh insights to analyzing the causes and consequences of United States merchandise trade and current account deficits.

(d) PERIOD OF APPOINTMENT; VACANCIES.—

(1) IN GENERAL.—Members shall be appointed not later than 60 days after the date of enactment of this Act and the appointment shall be for the life of the Commission.

(2) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(f) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The members of the Commission shall elect a chairperson and vice chairperson from among the members of the Commission.

(h) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(i) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

SEC. 404. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall be responsible for examining the nature, causes, and consequences of, and the accuracy of available data on, the United States merchandise trade and current account deficits.

(b) ISSUES TO BE ADDRESSED.—The Commission shall examine and report to the President, the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and other appropriate committees of Congress on the following:

(1) The relationship of the merchandise trade and current account balances to the overall well-being of the United States economy, and to wages and employment in various sectors of the United States economy.

(2) The impact that United States monetary and fiscal policies may have on United States merchandise trade and current account deficits.

(3) The extent to which the coordination, allocation, and accountability of trade responsibilities among Federal agencies may contribute to the trade and current account deficits.

(4) The causes and consequences of the merchandise trade and current account deficits and specific bilateral trade deficits, including—

(A) identification and quantification of—

(i) the macroeconomic factors and bilateral trade barriers that may contribute to the United States merchandise trade and current account deficits;

(ii) any impact of the merchandise trade and current account deficits on the domestic economy, industrial base, manufacturing capacity, technology, number and quality of jobs, productivity, wages, and the United States standard of living;

(iii) any impact of the merchandise trade and current account deficits on the defense production and innovation capabilities of the United States; and

(iv) trade deficits within individual industrial, manufacturing, and production sectors, and any relationship between such deficits and the increasing volume of intra-industry and intra-company transactions;

(B) a review of the adequacy and accuracy of the current collection and reporting of import and export data, and the identification and development of additional data bases and economic measurements that may be needed to properly quantify the merchandise trade and current account balances, and any impact the merchandise trade and current account balances may have on the United States economy; and

(C) the extent to which there is reciprocal market access substantially equivalent to that afforded by the United States in each country with which the United States has a persistent and substantial bilateral trade deficit, and the extent to which such deficits have become structural.

(5) Any relationship of United States merchandise trade and current account deficits to both comparative and competitive trade advantages within the global economy, including—

(A) a systematic analysis of the United States trade patterns with different trading partners and to what extent the trade patterns are based on comparative and competitive trade advantages;

(B) the extent to which the increased mobility of capital and technology has changed both comparative and competitive trade advantages;

(C) any impact that labor, environmental, or health and safety standards may have on comparative and competitive trade advantages;

(D) the effect that offset and technology transfer agreements have on the long-term competitiveness of the United States manufacturing sectors; and

(E) any effect that international trade, labor, environmental, or other agreements may have on United States competitiveness.

(6) The extent to which differences in the growth rates of the United States and its trading partners may impact on United States merchandise trade and current account deficits.

(7) The impact that currency exchange rate fluctuations and any manipulation of exchange rates may have on United States merchandise trade and current account deficits.

(8) The flow of investments both into and out of the United States, including—

(A) any consequences for the United States economy of the current status of the United States as a debtor nation;

(B) any relationship between such investment flows and the United States merchandise trade and current account deficits and living standards of United States workers;

(C) any impact such investment flows may have on United States labor, community, environmental, and health and safety standards, and how such investment flows influence the location of manufacturing facilities; and

(D) the effect of barriers to United States foreign direct investment in developed and developing nations, particularly nations with which the United States has a merchandise trade and current account deficit.

SEC. 405. FINAL REPORT.

(a) IN GENERAL.—Not later than 12 months after the date of the initial meeting of the Commission, the Commission shall submit to the President and Congress a final report which contains—

(1) the findings and conclusions of the Commission described in section 404; and

(2) recommendations for addressing the problems identified as part of the Commission's analysis.

(b) SEPARATE VIEWS.—Any member of the Commission may submit additional findings and recommendations as part of the final report.

SEC. 406. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission may find advisable to fulfill the requirements of this title. The Commission shall hold at least 1 or more hearings in Washington, D.C., and 4 in different regions of the United States.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this title. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

SEC. 407. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 408. SUPPORT SERVICES.

The Administrator of the General Services Administration shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 409. APPROPRIATIONS.

There are appropriated $2,000,000 to the Commission to carry out the provisions of this title.

Mr. STEVENS. Mr. President, these are three managers' amendments which I have sent to the desk. They have been cleared on both sides of the aisle. I ask for their immediate adoption en bloc and I ask unanimous consent that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments are agreed to, en bloc.

The amendments (Nos. 3221, 3222, and 3223) were agreed to, en bloc.

AMENDMENT NO. 3220, AS AMENDED

Mr. STEVENS. Mr. President, I ask for the adoption of the underlying first-degree amendment, as amended.

The PRESIDING OFFICER. If there is no objection, the underlying amendment is agreed to, as amended.

The amendment (No. 3220), as amended, was agreed to.

Mr. STEVENS. I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3224

(Purpose: To require certain Legislative Branch officials to submit to Congress lists of activities performed under the jurisdiction of the officials that are not inherently governmental functions)

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of Senator THOMAS and Senator BROWNBACK.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. THOMAS, for himself and Mr. BROWNBACK, proposes an amendment numbered 3224.

Mr. STEVENS. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place at the end of the bill insert:

SEC. 311. (a) This section applies to the following officials:

(1) The Architect of the Capitol.

(2) The Secretary of the Senate

(3) The sergeant at Arms and Doorkeeper of the Senate.

(4) The Public Printer.

(5) The Director, and the Executive Director, of the United States botanic Garden.

(b)(1) Not later than March 30, 1999, each official named in subsection (a) shall submit to Congress a list of each activity that——

(A) is to be performed by or for the official in fiscal year 2000;

(B) is not an inherently governmental function; and

(C) is——

(i) performed by a Federal Government source on September 30, 1998; or

(ii) initiated after that date, if one or more Federal government sources are to be considered for selection as the source to perform the activity.

(2) Each list shall include (for each activity listed)——

(A) the number of full-time employees (or its equivalent) that would be necessary for the performance of the activity by a Federal Government source; and

(B) the name of a Federal Government employee responsible for the activity from whom additional information about the activity may be obtained.

(c) An activity is not required to be included on an official's list under subsection (b) if the activity, as determined by the official——

(1) is to be performed as a Federal Government response to a national emergency declared by the President or Congress;

(2) is to be performed for the official by a private sector source pursuant to a contract

or other agreement entered into by the head of another department or agency of the Federal Government; or

(3) is the provision of items that should be produced, manufactured, or provided, or services that should be provided, by a Federal Government source for reasons of national security (including reasons relating to the acquisition, processing, or analysis of intelligence in the national security interests of the United States).

(d) In this section:

(1) The term "Federal Government source", with respect to performance of an activity, means any organization within the Federal Government that uses Federal Government employees to perform the activity.

(2)(A) The term "inherently governmental function" means a function that is so intimately related to the public interest as to require performance by Federal Government employees.

(B) The term includes activities that require either the exercise of discretion in applying Federal government authority or the making of value judgments in making decisions for the Federal government, including judgments relating to monetary transactions and entitlements. An inherently governmental function involves, among other things, the interpretation and execution of the laws of the United States so as—

(i) to bind the United States to take or not to take some action by contract, policy, regulation, authorization, order, or otherwise;

(ii) to determine, protect, and advance United States economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;

(iii) to significantly affect the life, liberty, or property of private persons;

(iv) to commission, appoint, direct, or control officers or employees of the United States; or

(v) to exert ultimate control over the acquisition, use, or disposition of the property, real or personal, tangible or intangible, of the United States, including the collection, control, or disbursement of appropriated and other Federal funds.

(C) The term does not normally include——

(i) gathering information for or providing advice, opinions, recommendations, or ideas to Federal Government officials; or

(ii) any function that is primarily ministerial and internal in nature (such as building security, mail operations, operation of cafeterias, housekeeping, facilities operations and maintenance, warehouse operations, motor vehicle fleet management operations, or other routine electrical or mechanical services).

(3) The term "private sector source", with respect to the operation of a facility owned by the Federal Government, includes a contractor that is operating, or is to operate, the facility.

Mr. THOMAS. Mr. President, I am pleased to join my colleague, Senator BROWNBACK, in offering this amendment. What we seek to do with this amendment is quite simple: require the legislative branch to identify its commercial functions that are performed in-house.

For the past several years, I have been the primary Senate sponsor of the Freedom from Government Competition Act. That legislation would codify the 40 year old administrative policy in place for the executive branch which requires: (1) Federal agencies to identify their commercial activities; and (2) Conduct public/private competitions to determine whether the private sector or Government employees can provide the "best value" to the American taxpayer. Unfortunately, this policy, now found in OMB Circular A–76, is routinely ignored by many federal executive agencies. In fact, OMB recently issued another call for Federal agencies' commercial inventories, its third request in the last several years. That's why Senator BROWNBACK and I have been working to get this policy into statute.

Today, Senator BROWNBACK and I seek to extend some of these requirements to cover the legislative branch. In fact, we know that there are over one million Federal executive branch employees engaged in commercial work. But since this policy doesn't apply to the legislative branch, we don't know how many legislative branch employees are doing commercial work, how much that work costs or whether the work could be done more efficiently by the private sector. This amendment will help us gather that information and make the legislative branch play by the same rules as the rest of the Federal Government.

I urge my colleagues to support this good Government, common sense reform.

Mr. BROWNBACK. Mr. President, the amendment that Senator THOMAS and I have offered would simply require the Architect of the Capitol, the Secretary of the Senate, the Sergeant at Arms of the Senate, the Public Printer, and the Director of the United States Botanic Garden to submit to Congress an inventory of all noninherently governmental—or commercial—activities.

Throughout this session of Congress, my colleague from Wyoming and I have been working on S. 314, also known as the Federal Activities Inventory Reform (FAIR) Act, which would require the Federal agencies to do the same. My subcommittee, the Oversight Subcommittee on Government Management, Restructuring, and the District of Columbia has held three hearings focusing on this legislation. More recently, the Senate Governmental Affairs Committee reported this bill out of committee. This bill has bipartisan support, the support of the Administration, as well as Federal employees and the industry community.

Through our work on this issue, we concluded that this requirement should apply to the legislative branch as well. Last month, OMB asked all Federal agencies to submit their commercial inventory to OMB. The legislative branch should do the same and submit their inventory to Congress.

The Thomas-Brownback amendment tasks those who are engaged in the daily operations of the legislative branch to identify these commercial activities. Once these activities are identified, the heads of these legislative branch departments, along with the Senators, will have the opportunity to evaluate these functions.

Past discussions concerning these activities in the legislative branch have focused only on specific targets such as the Senate Barber Shop and Beauty Salon. In order to have a comprehensive view of how to improve operations in the legislative branch, we need to know all commercial activities performed in-house.

As the legislative body of the Federal Government, we, as Congress have the opportunity to not only legislate on this issue, but to set an example. I challenge my colleagues who are committed to ensuring that no taxpayer's dollar is wasted in the Federal Government, to set this example and support this amendment.

Mr. STEVENS. Mr. President, I ask for adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. STEVENS. I say, it was with some reservations that I sent this amendment to the desk. But that was the agreement of the managers that was made on Friday, that we would adopt this amendment. Therefore, I ask to carry out their agreement.

The PRESIDING OFFICER. If there is no objection, the amendment is agreed to.

The amendment (No. 3224) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I rise in support of S. 2138, the legislative branch appropriations bill for fiscal year 1999.

The bill, as reported provides $1.6 billion in new budget authority and $1.3 billion in outlays for the Senate and other legislative branch agencies, including the Library of Congress, the General Accounting Office, and the Government Printing Office, among others. As a matter of comity, the bill does not include funding for operations of the House of Representatives.

When outlays from prior year appropriations and other adjustments are taken into account, the bill totals $2.4 billion in budget authority and outlays. The bill is under the subcommittee's 302(b) allocation $38 million in budget authority and at its allocation for outlays.

I want to commend the distinguished chairman and ranking member of the Legislative Branch Subcommittee for producing a bill that is substainially within their 302(b) allocation. I am pleased that this bill continues to hold the lien on congressional spending.

Mr. President, I ask unanimous consent to have printed in the RECORD a table displaying the Budget Committee scoring of S. 2137, as reported. I urge the Senate to support this bill and refrain from offering amendments that would cause the subcommittee to violate its 302(b) allocation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

S. 2137, LEGISLATIVE BRANCH APPROPRIATIONS, 1999 SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 1999, in millions of dollars]

	Defense	Nondefense	Crime	Mandatory	Total
Senate-reported bill:					
Budget authority	....	2,361	....	94	2,455
Outlays	....	2,328	....	94	2,422
Senate 302(b) allocation:					
Budget authority	....	2,399	....	94	2,493
Outlays	....	2,328	....	94	2,422
1998 level:					
Budget authority	....	2,257	....	92	2,349
Outlays	....	2,209	....	92	2,301
President's request					
Budget authority	....	2,472	....	94	2,566
Outlays	....	2,411	....	94	2,505
House-passed bill:					
Budget authority	....	2,330	....	94	2,424
Outlays	....	2,302	....	94	2,396
SENATE-REPORTED BILL COMPARED TO					
Senate 302(b) allocation:					
Budget authority	....	−38	....	....	−38
Outlays	....	....	....	....	....
1998 level:					
Budget authority	....	104	....	2	106
Outlays	....	119	....	2	121
President's request					
Budget authority	....	−111	....	....	−111
Outlays	....	−83	....	....	−83
House-passed bill:					
Budget authority	....	31	....	....	31
Outlays	....	26	....	....	26

Note.—Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

RECESS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 4 p.m. this afternoon.

There being no objection, the Senate, at 3:22 p.m., recessed until 4:03 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. STEVENS).

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 3225

(Purpose: To make available on the Internet, for purposes of access and retrieval by the public, certain information available through the Congressional Research Service web site)

Mr. McCAIN. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona (Mr. McCAIN), for himself, and Mr. COATS, Mr. LEAHY, Mr. FAIRCLOTH, Mr. ASHCROFT, Mr. KERREY, Mr. ENZI, Mr. WYDEN, Mr. FEINGOLD, Mr. ABRAHAM, and Mr. ROBB, proposes an amendment numbered 3225.

Mr. McCAIN. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . AVAILABILITY OF CERTAIN CRS WEB SITE INFORMATION.

(a) AVAILABILITY OF INFORMATION.—

(1) IN GENERAL.—The Director of the Congressional Research Service shall make available on the Internet, for purposes of access and retrieval by the public, all information that—

(A) is available through the Congressional Research Service web site;

(B) is described in paragraph (2); and

(C) is not confidential as determined by—

(i) the Director; or

(ii) the head of a Federal department or agency that provided the information to the Congressional Research Service.

(2) INFORMATION.—The information referred to in paragraph (1)(B) is as follows:

(A) All Congressional Research Service Issue Briefs.

(B) All Congressional Research Service Reports that are available to Members of Congress through the Congressional Research Service web site.

(C) All Congressional Research Service Authorization of Appropriations Products or Appropriations Products.

(3) REMOVAL OF INFORMATION; CHANGES AND UPDATES.—Notwithstanding any other provision of this section, the Director of the Congressional Research Service may—

(A) remove from the information required to be made available on the Internet under this section the name of, phone number of, and information regarding, an employee of the Congressional Research Service;

(B) remove from the information required to be made available on the Internet under this section, any material the Director determines may infringe the copyright of a work protected under title 17, United States Code; and

(C) make any changes or updates in the information required to be made available on the Internet under this section that the Director determines are necessary to ensure that the information is accurate.

(b) TIME.—The information shall be so made available not earlier than 30 days after the first day the information is available to Members of Congress through the Congressional Research Service web site.

(c) REQUIREMENTS.—The Director of the Congressional Research Service shall make the information available in a manner that the Director determines—

(1) is practical and reasonable; and

(2) does not permit the submission of comments from the public.

(d) METHOD OF PUBLIC ACCESS.—The public shall have access to the web page containing Congressional Research Service information that is available to the public only through the Library of Congress' THOMAS web page (http://thomas.loc.gov). The Director of Congressional Research Service shall work with the Librarian of Congress to establish an appropriate Internet link to carry out this subsection. The Director of Congressional Research Service shall be responsible for maintaining and updating the web page containing Congressional Research Service products. The Director of Congressional Research Service shall have sole discretion to edit the web page based on the criteria established by this Act. The Librarian of Congress shall have the responsibility of working with the Director of Congressional Research Service only to the extent necessary to establish the link from the THOMAS web page to the public access Congressional Research Service web page. Nothing in this Act may be construed to interfere with the Librarian's normal duties concerning THOMAS.

(e) FURTHER APPROVAL NOT REQUIRED.—Notwithstanding the first proviso under the subheading "SALARIES AND EXPENSES" under the subheading "CONGRESSIONAL RESEARCH SERVICE" under the heading "LIBRARY OF CONGRESS" under title I of this Act (relating to prior approval of certain publications), the Director shall make information available in accordance with this section without the prior approval of the Committee on Rules and Administration of the Senate or the Committee on House Oversight of the House of Representatives.

Mr. McCAIN. Madam President, this amendment to H.R. 4112 would direct the Director of the Congressional Research Service to post "CRS Reports to Congress" and "CRS Issue Briefs" on the Internet. My intention for offering this amendment would be to establish a web site for the public to access CRS products only through the THOMAS web site. This amendment is co-sponsored by Senators COATS, LEAHY, FAIRCLOTH, ASHCROFT, KERREY, ROBB, FEINGOLD, ABRAHAM, ENZI, and WYDEN.

I believe that it is important that the public be able to use this CRS information. For FY 1999, the American taxpayers will pay $67.9 million to fund CRS' operations. CRS is well-known for being composed of expert specialists who write reports on the important policy issues of the day that are both factual and unbiased—a rarity for Washington. The public has a right to see that its money is being well-spent and has the right to see the product of thier labors.

The CRS products can play an important role in educating the American public. Public access to these documents will mark an important milestone in opening up the Federal Government. Our constituents will be able to see the research documents that influenced our decisions and understand the trade-offs and factors that we consider before a vote. This will give the public an accurate view of Congress, instead of the current cynical view that sometimes prevails.

Also, constituents can learn a lot from these products. They can receive a concise, accurate summary of the issues before Congress. As elected representatives, we should do what we can to promote an informed, educated public. The educated voter is best able to make decisions and petition us to do the right things here.

I would also like to make my colleagues aware that in many cases these products are already out on the Internet. "Black market" private vendors can charge $47 for a single report. Other web sites have outdated CRS products on them. It is not fair for the American people to have to pay a third party for out-of-date products that they have already footed the bill for.

I know that my colleagues in the Senate Committee on Rules and Administration have proposed that Senators and Committee chairman be allowed to post CRS products as they see fit on the Internet. I appreciate that gesture, and believe that it is a first step. However, I am proposing this amendment as a way to take this process to the next logical step—a centralized web site.

A centralized web site will make it much easier for the public to find CRS information. The public can just go to a web site and look up those products that interest them. That would be much easier than having them go through all of our web sites to find CRS reports. This web site will be attached to the Congressionally mandated THOMAS web site, so that our constituents can find legislation and the relevant CRS products—simple one-stop shopping.

A centralized web site will also present the information in a nonpartisan format. I know that cynical constituents will look at the CRS reports on a Member's web page, and believe that those products are only put up to gain adherents to a particular political position. CRS is a nonpartisan organization, and its work should be presented on a non-partisan web site. This will allow the public to see CRS as it truly is, not as a political organization.

This bill also gives the Director of CRS discretion to protect himself from liability suits. The Director will be allowed to remove the names and phone numbers of a CRS employee to keep the public from distracting them from doing their jobs. I have also been informed that CRS may not have permission to release copyrighted information over the Internet. While I hope that this situation can be quickly resolved, I have included a provision in the bill to allow the Director to remove unprotected copyrighted information from the bill. Finally, I have allowed a 30 day delay between the release of these CRS products to Members of Congress and the public. This will allow CRS to revise their products and make sure that it is accurate and up-to-date before releasing it to the public.

Opponents of this legislation have tried to accuse this bill of violating the "Speech or Debate" Clause of the Constitution. I find this argument to be complete and total nonsense. When I first introduced this bill, I submitted a letter from Stanley M. Brand, the former General Counsel to the House of Representatives, who has experience in litigating "Speech or Debate" cases. I would like to re-submit his letter for the RECORD, and highlight his quote that:

> I believe that the concerns expressed . . . are either overstated, or the extent they are not, provide no basis for arguing that protection of CRS works will be weakened by your bill.

I ask unanimous consent that the letter be made part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BRAND, LOWELL & RYAN,
Washington, DC, January 27, 1998.

Hon. JOHN MCCAIN,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR MCCAIN: I am writing to amplify the comments that I recently made to the press concerning applicability of the Speech or Debate Clause, U.S. Const. art. I, §6, cl. 1, to certain CRS products which your bill would, if enacted, make available on the Internet. Juliet Eilperin, Memo Claims That McCain Legislation to Put CRS Reports Online Could Have Constitutional Problems, Roll Call, January 15, 1998, p. 8.

First, as General Counsel to the House of Representatives I litigated virtually scores of cases involving the Speech or Debate Clause, including a landmark case before the Supreme Court reaffirming the central function of the clause in protecting the legislative branch from judicial and executive branch interference, *United States* v. *Helstoski;* 442 U.S. 477, *Helstoski* v. *Meanor*, 442 U.S. 500 (1979); *see also*, *Vander Jagt* v. *O'Neill*, 699 F.2d 1166 (D.C. Cir. 1983); *In Re Grand Jury Investigation*, 587 F.2d 589 (3d Cir. 1978); *United States* v. *Eilberg*, 507 F. Supp. 267 (E.D. Pa. 1980); *Benford* v. *American Broadcasting Co.*, 98 F.R.D. 42 (D. Md. 1983), *rev'd sub nom. In Re: Guthrie*, 735 F.2d 634 (4th Cir. 1984). Many of these cases which I litigated were cited in the CRS memorandum as supporting their conclusion that publication on the Internet would adversely affect the Speech or Debate Clause privilege.

I believe that the concerns expressed in the CRS memorandum are either overstated, or the extent they are not, provide no basis for arguing that protection of CRS works will be weakened by your bill. I also want you to know that I was, and remain, a strong advocate for vigorous assertion and protection of the Speech or Debate Clause privilege as a great bulwark of the separation of powers doctrine that protects the Congress from Executive and Judicial branch encroachment.

The CRS memorandum states "extensive involvement by CRS in the informing function might cause the judiciary and administrative agencies to reassess their perception of CRS as playing a substantial role in the legislative process, and thereby might endanger a claim of immunity even in an instance in which CRS was fulfilling its legislative mission."

This fear is simply unfounded. While the courts have consistently relegated the so-called "informing function" to non-constitutionally protected status, they have also steadfastly refused to permit litigants to pierce the privilege for activities that are cognate to the legislative process despite later dissemination outside the Congress. So, for example, *McSurely* v. *McClellan*, 553 F.2d 1277, 1286 n.3 (D.C. Cir. 1976) (en banc), the Court refused to allow a litigant to question Senate aides about acts taken with the Committee, even though acts of dissemination outside the Congress were subject to discovery. Publication of a CRS product on the Internet would no more subject CRS employees to questioning about the basis for their work, consultations with colleagues or the sources of that work, than would be the case if the same CRS product were obtained by means other than the Internet. Indeed, the fact that House and Senate proceedings are televised does not alter the applicability of the clause to floor speeches, committee deliberations, staff consultation, or other legislative activities. Even certain consultations concerning press relations are protected though dissemination to the media is not protected. Mary Jacoby, Hill Press Releases Protected Speech, Roll Call, April 17, 1995, p. 1 (the Senate Legal Counsel argued that because a legislative discussion is embedded in a press release doesn't entitle a litigant to question staff about the substance of the legislation); *see also Tavoulareas* v. *Piro*, 527 F. Supp. 676, 682 (D.D.C. 1981) (court ordered congressional deponents to merely identify documents disseminated outside of Congress but did not permit questions regarding preparation of the documents, the basis of conclusions contained therein, or the sources who provided evidence relied upon in the documents),' *Peroff* v. *Manual*, 421 F. Supp. 570, 574 (D.D.C. 1976) (preparation of a Committee witness by a congressional investigator is protected because "facially legislative in character"). Under this line of caselaw, it is difficult to foresee how the mere dissemination of a CRS product could subject any CRS employee to inquiry concerning the preparation of such a product. In short, because "discovery into alleged conduct of [legislative aides] not protected by the Speech or Debate Clause can infringe the [legislative aides'] right to be free from inquiry into legislative acts which are so protected," *McSurely* v. *McClellan*, 521 F.2d 1024, 1033 (D.C. Cir. 1975), *aff'd en banc by an equally divided court*, 553 F.2d 1277 (1976) courts have imposed the Clause as a bar to any inquiry into acts unrelated to dissemination of the congressional reports.

In *Tavoulareas* v. *Piro*, 527 F. Supp. at 682, the court ruled "[t]he fact that the documents were ultimately disseminated outside of Congress does not provide any justification" for piercing the privilege as to the staff's internal use of the document. *Accord McSurely* v. *McClellan*, 553 F.2d at 1296–1298 (use and retention of illegally seized documents by Committee not actionable); *United States* v. *Helstoski*, 442 U.S. 477, 489 (1979) (clause bars introduction into evidence of even non-contemporaneous discussions and correspondence which merely describe and refer to legislative acts in bribery prosecution of Member); *Eastland* v. *United States Servicemen's Fund*, 421 U.S. at 499 n. 13 (subpoena to Senate staff aide for documents and testimony quashed because "received by [the employee] pursuant to his official duties as a staff employee of the Senate" and therefore ". . . within the privilege of the Senate"). *See also United States* v. *Hoffa*, 205 F. Supp.

710, 723 (S.D. Fla. 1962), *cert. denied sub nom Hoffa* v. *Lieb*, 371 U.S. 892 (wiretap withheld from defendant by "invocation of legislative privilege by the United States Senate").

In the *Tavoulareas* case, in which I represented the House deponents, part of the theory of plaintiff's case against the *Post* was that the reporter "laundered" the story through the committee "as a means of lending legitimacy" to the stories and information provided by other sources, *Tavoulareas* v. *Piro*, 93 F.R.D. at 18. In pursuance of validating this theory, the plaintiff sought to prove that the committee never formally authorized the investigation, but rather that the staff merely served as a conduit and engaged in no *bona fide* investigative activity. The court ruled that "although plaintiffs have repeatedly suggested that the subject investigation was not actually aimed at uncovering information of valid legislative interest . . . it is clear that such assertions, even if true, do not pierce the legislative privilege."

As a practical matter, therefore, a litigant suing or seeking to take testimony from a CRS employee based on dissemination of a report alleged to be libelous or actionable may be unable to obtain the collateral evidence needed to prove such a claim—a serious impediment to bringing such a case in the first place.

Even in the case of *Doe* v. *McMillan*, 412 U.S. 306 (1973) relied on by the CRS memorandum to support its narrow view of the Clause's protection, the Court of Appeals on remand stated: "Restricting distribution of committee hearings and reports to Members of Congress and the federal agencies would be unthinkable." 566 F.2d 713, 718 (D.C. Cir. 1977). It would be similarly unthinkable to subject CRS to broad ranging discovery simply because its work product was made available on the Internet.

The CRS memorandum raises the specter that litigants might even seek "the files of CRS analysts" in actions challenging the privilege. It is beyond peradventure of doubt, however, that publication of even alleged defamatory or actionable congressional committee reports does not entitle a litigant to legislative files used or created in preparing such a report. *United States* v. *Peoples Temple of the Disciples of Christ*, 515 F. Supp. 246, 248–49 (D.D.C. 1981) *In re: Guthrie, Clerk, U.S. House of Representatives*, 773 F.2d 634 (4th Cir. 1984), *Eastland* v. *United States Servicemen's Fund*, 421 U.S. at 499, n. 13. Given the foregoing caselaw, I fail to see a realistic threat that CRS employees will be subjected to any increased risk of liability, or discovery of their files. Of course, nothing can prevent litigants from filing frivolous or ill-founded suits, but their successful prosecution or ability to obtain evidence from legislative files seems remote and nothing in your bill would change that.

The CRS memoranda even goes so far as to suggest that claims of speech or debate immunity for CRS products might lead to *in camera* inspection of material, itself an incursion into legislative branch discretion. Yet in the very case cited to by CRS memo, *no court* ordered *in camera* inspection of House documents. *In Re: Guthrie, supra*, involved no *in camera* inspection of legislative documents. These cases are typically litigated on the basis of the facial validity of the privilege and few, if any, courts of which I am aware have even gone so far as to order *in camera* inspection. *See United States* v. *Dowdy*, 479 F.2d 213, 226 (4th Cir. 1973) ("Once it was determined, as here, that the legislative function . . . was *apparently* being performed, the proprietary and motivation for the action taken as well as the detail of the acts performed, are immune from judicial inquiry"). Under the Clause, courts simply do not routinely resort to *in camera* review to resolve privilege disputes. Given the now highly developed judicial analysis of the applicability of the Clause to modern legislative practices it rarely occurs. In one recent celebrated case cited to by the CRS, the Court upheld a claim of privilege for tobacco company documents obtained by Congress even though they were alleged to have been stolen, without ever seeking *in camera* review. *Brown & Williamson Tobacco Corp.* v. *Williams*, 62 F.3d 408, 417 (D.C. Cir. 1995) ("Once the documents were received by Congress for legislative use—at least so long as congressmen were not involved in the alleged theft—an absolute constitutional ban of privilege drops like a steel curtain to prevent B&W from seeking discovery").

In an abundance of caution, and to address CRS' concerns, you might consider adding the following language to the bill: "Nothing herein shall be deemed or considered to diminish, qualify, condition, waive or otherwise affect applicability of the constitution's Speech or Debate Clause, or any other privilege available to Congress, its agencies or their employees, to any CRS product made available on the Internet under this bill."

I appreciate the CRS sensitivity to subjecting its employees, or their work product, to searching discovery by litigants. Based on the very good caselaw protecting their performance of legislative duties and the strong institutional precedent in both the House and Senate in defending CRS against such intrusions, I do not believe your bill creates any greater exposure to such risks than already exists.

I hope my views are helpful in your deliberations on this issue.

Sincerely,

STANLEY M. BRANCH.

Mr. MCCAIN. Madam President, in addition, I would like to point out that the Rules Committee has approved a decentralized system, where Senators can release CRS products on their private web pages. I see no difference between the release of CRS material on one hundred independent web pages and THOMAS, a Congressionally mandated web page. Both approaches should protect CRS equally.

I also urge my colleagues not to believe other arguments that CRS will suffer from a huge rise in workload from this amendment. It will require only two computer technicians to set up this web site, and keep it updated. CRS already has a process for deciding which information goes up on their web site for Members of Congress. This bill only asks that they duplicate this process for a public version of that web page. Also, we release paper copies of these products to our constituents every day without causing a great strain to CRS staff. Finally, I have the results of an analysis of state legislative research organizations that do work similar to CRS and post these products on the Internet. None of these organizations have complained of a huge increased workload from releasing their products to the Internet.

In conclusion, I would like to point out that a centralized web site has been endorsed by the Congressional Accountability Project, the League of Women Voters, the American Council on Education, the American Library Association, the American Association of Engineering Societies, IBM, America Online Corporation, Intel Corporation, The Washington Post, The Dallas Morning News, The Arizona Republic, and a host of other groups, businesses, and newspapers interested in maintaining an informed electorate. I urge my colleagues to support this amendment. It will give CRS wide discretion to set up a nonpartisan centralized web site that will benefit the public and allow it to continue to do its great work for us.

Madam President, the number of people who use the Internet is increasing geometrically every single month. More and more Americans, especially young Americans, are relying on the Internet for information. Since we spend $67 million a year in turning out the best possible information we can from Members of Congress, it seems to me at a very, very modest cost we should share that information with our constituents on the Internet at the web site that is already designated, the so-called THOMAS web site.

It is hard for me to understand why the Rules Committee has refused to act in an affirmative fashion on this issue. I hope we will be able to consider this amendment and that we will be able to have a voice vote on it and move forward and make this thing happen. If not, obviously, we will have to come back and back and back, but I have no doubt that the American people overwhelmingly, especially those who use the Internet to obtain information for themselves, for their classrooms, for their associates, for their families, should be privy to the same information that we are and that we provide our constituents in written form when requested rather than have to leaf through each of the 100 different web sites of Senators. It is time we caught up with the technology that is changing America. It is past time we caught up in a broad variety of ways, and this is one way we can do it.

Madam President, I yield the floor.

Mr. STEVENS. I ask the Senator from Virginia if he seeks the floor?

Mr. WARNER. Madam President, I thank my distinguished colleague. I do seek the floor. I would like to make a reply for the record on the amendment of the distinguished Senator from Arizona, Mr. MCCAIN.

Madam President, I thank my colleague. First, might I inquire of my colleague—I came as quickly as I could when I saw that Senator MCCAIN took the floor—is his amendment now on file? Have the yeas and nays been requested?

Mr. STEVENS. Madam President, the Senator from Virginia asks the question about Senator MCCAIN's amendment. The yeas and nays were not requested, to my knowledge.

The PRESIDING OFFICER. That is correct. They have not been requested.

Mr. STEVENS. The circumstances, I say to the Senator from Virginia, will preclude a vote on that amendment if cloture is granted at 10 a.m. tomorrow morning. If it is not granted, then he will be in a position to ask for the yeas and nays.

Mr. WARNER. Madam President, in fairness to my colleague from Arizona, even though I am in opposition, did he seek to have an up-or-down vote? I think we should extend the courtesy to him.

Mr. STEVENS. With due regard to the Senator's request, Madam President, the pending cloture vote would, if it is approved, mean that there would not be a vote on that amendment as it is not germane to the legislative appropriations bill.

Mr. WARNER. Madam President, I understand that, so I guess the Senator clarified as best he can the status of the amendment.

Mr. STEVENS. That is correct.

Mr. WARNER. I think it is important at this time as chairman of the Rules Committee to put into the RECORD some comments that I have.

Madam President, I also ask unanimous consent that if the distinguished Senator from Kentucky, Mr. FORD, desires to put something in, the RECORD be made available to his entry, as well as the distinguished Senator from Mississippi, Mr. COCHRAN. Both of these Senators have done a great deal of work on this and are in opposition to the McCain amendment. So I make that unanimous consent request in the event that they wish to do so.

Mr. STEVENS. Madam President, as I understand it, I would have to object.

Does the Senator wish to have an opportunity for those two Senators to make a statement today or put them in the RECORD?

Mr. WARNER. Just to put them in the RECORD.

Mr. STEVENS. I have no objection to that, nor do I have objection if the Senators wish to come now and speak. But I would object to keeping the Senate in session very much longer because we know we have a series of very long days coming now. Tuesday and Wednesday are going to be very long, and it is our understanding the Senate will not be in session beyond 5 o'clock.

Mr. WARNER. Madam President, I will momentarily notify Mr. FORD.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. STEVENS. Will the Senator yield for a parliamentary inquiry? I understand the Senate will stand in adjournment following the statement of Senator WARNER.

The PRESIDING OFFICER. That is the unanimous consent agreement.

Mr. WARNER. Recognizing the distinguished Senator from Alaska wants to be brief, I will simply say this is a very important recommendation that the Senator from Arizona has made. It has been carefully studied by the Rules Committee. I, as chairman; Mr. FORD, as ranking member, we have taken a position in opposition—not to the ultimate goals sought by the distinguished Senator from Arizona, but to the time with which such a goal could likely be achieved. Second, we are still studying the issue and we are concerned that this proposal would take the Member out of the sequence of making this information available to the public. As I read the McCain request, it would mandate that the CRS and its Director would send a great deal of material—reports and issue briefs—right into the Internet system. No Member would be interposed between the recipients of that information and the Director of CRS.

That concerns this Senator a great deal, because if I am out there and come up on the system and access some of this information, it reads that the Director of the CRS put it out. Who is he? Of course, we all know that the CRS is a part of the Library of Congress. It was created for the purpose of accommodating the important needs of Members of Congress, committees, and their respective staffs. Suddenly, this information takes on the imprimatur that the Director takes this position on an issue, as opposed to a Member sending it out and the recipient contacting the Member.

So we, the Rules Committee, felt we should take a first step and therefore, on June 10, we sent to all Members of the Senate a Dear Colleague letter stating that we had now set up a system electronically whereby the CRS could, at the Member's request, transfer certain CRS products to a Member's web site.

I ask unanimous consent this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON RULES
AND ADMINISTRATION,
Washington, DC, June 10, 1998.

DEAR COLLEAGUE: The Committee on Rules and Administration wishes to advise all Senators of their ability to make Congressional Research Service (CRS) products available to the public via Member and Committee Internet web sites.

As you know, CRS works exclusively for Congress and is prohibited from disseminating its work directly to the public. However, in accordance with a longstanding policy in the Senate, Members can and often do release CRS products to the public as part of their constituent service activities.

With the rapidly expanding use of the Internet, we believe it is appropriate for Members and Committees to use their web sites to further disseminate CRS products. The Rules Committee has worked with CRS to develop a system to facilitate the posting of CRS products on Member and Committee web sites. We invite you to visit the Rules Committee web site at http://www.senate.gov/rules/ to view our posting of CRS products and we encourage you to post CRS products on your web site.

It is our intent to evaluate the public interest in this feature and the accompanying impact on CRS, Committees and Member offices before considering additional ways to electronically disseminate CRS products.

Robert Newlen of CRS can be reached at 7-4313 to coordinate the posting of CRS products on your web site.

With kind regards,
JOHN WARNER,
Chairman.
WENDELL H. FORD,
Ranking Member.

Mr. WARNER. Also, I would like to have printed in the RECORD a letter by the Senator from Arizona and others, and a July 20 Dear Colleague from myself and Senator FORD. This will create a record of correspondence on this matter.

I ask unanimous consent those be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 24, 1998.

Hon. JOHN W. WARNER, *Chairman,*
Hon. WENDELL H. FORD, *Ranking Member,*
Senate Committee on Rules and Administration, Russell Senate Office Building, Washington, DC.

DEAR SENATORS WARNER AND FORD: We are writing to you in reference to your recent letter allowing Senators and their Committees to post issue Briefs and "Congressional Research Service (CRS) Reports to Congress" on the Internet. While we appreciate this first step to make this information available to the pubic over the Internet, we are concerned that this decentralized approach may end up hurting our shared goal of giving the public electronic access to CRS products.

We have a number of concerns that we believe must be addressed in order to ensure that CRS Reports and Issue Briefs are put up on the Internet in a way that will benefit both the American people and the Congressional Research Service.

(1) We are concerned that CRS products will become inherently politicized by a decentralized approach.

The major reason why the American public is clamoring for CRS products is that they contain both accurate and nonpartisan information about important political issues—a rarity for Washington. Our concern with a decentralized approach is that it will inherently politicize CRS in the eyes of the American people. Members and Committees will be able to release CRS information as it suits their political needs. It is a likely possibility that Members may not give their constituents access to CRS products if they do not want an issue discussed or if they disagree with the CRS analysis of the issue. This will allow individual Senators to censor what their constituents see. It will also mean that CRS products will be publicly used to support Senators' political positions, and give the public an inaccurate impression that CRS is a partisan agency. If CRS becomes politicized, there are important public and legal ramifications that must be considered.

We want to ensure that CRS keeps its excellent nonpartisan reputation. That is why we proposed in S. 1578 that CRS remain in control of a centralized public access web site that would be attached to a nonpartisan Congressionally mandated site, such as either the THOMAS web site or the United

States Senate web site (www.senate.gov). CRS already has a nonpartisan process for making its products available electronically over the Senate intranet, and we believe that it would be best to allow them to continue to use this nonpartisan process for the public.

(2) A decentralized system will be confusing to constituents.

There is no doubt that a decentralized system will confuse constituents. Considering that different Members and Committees may post different CRS products, it is almost impossible for a constituent to find information about an issue. Instead, they will become confused by the multiple places they have to search. When faced with having to examine possibly 580 web sites for information, the public is apt to either give up or request a centralized web site.

We proposed a centralized web site based on the intranet web page CRS has already established. This system will allow constituents to search a general index based on what CRS has already established in order to easily find products. This will be less confusing for our constituents.

(3) A decentralized system may cause legal and liability problems for CRS.

The strategy as outlined in your letter will leave copyrighted information in the public CRS products. We have been informed by CRS that this oversight will cause legal and liability problems for CRS. On February 26, 1998, Daniel P. Mulhollan, the Director of CRS, testified before your committee that "If a CRS product, containing substantial copyrighted material (albeit with appropriate credit) is made available to the general public without permission and outside the confines of traditional fair use, liability is possible."

Furthermore, there is nothing in your plan that will remove the names of CRS analysts from their products. During our consultations, CRS requested that the names of these analysts be removed in order to prevent the public from calling these analysts with their complaints. We share CRS's concerns on these issues, and would ask that you consider our proposals to give the Director of CRS discretion to remove the names of analysts and copyrighted information as he feels is necessary.

(4) A decentralized system will be a logistical nightmare.

As alluded to earlier, we are concerned that a decentralized system with no protocol from the Senate Rules Committee will be a logistical nightmare. Different Members and Committees may end up putting up the same CRS products, while other products are not released to the public. If there is no rule about updating CRS reports, the public may end up seeing out of date CRS products that will misinform them or even be a liability concern for CRS. Finally, there is concern that there will be a drag on the Members' personal and committee office staff as they select and update the web pages.

We are also concerned that the restrictions in the Senate Internet Usage Policies may obstruct your attempts at a decentralized system. According to these restrictions: "During the 60 day period immediately preceding the date of any primary or general election (whether regular, special, or runoff) for any national, state, or local office in which the Senator is a candidate, no Member may place, update or transmit information using a Senate Internet Server (FTP Server, Gopher, and World Wide Web), unless the candidacy of the Senator in such election is uncontested."

This clearly prohibits Members from posting CRS products on their web sites before elections. One-third of the Members of the Senate will not be able to update what they have posted during the biennial election cycle.

A centralized web site will solve all of these concerns. CRS already has a uniform system for maintaining its centralized intranet web site. This web site has prevented much of the confusion that a decentralized web site would entail. The legislation proposed by us during our discussions with you would simply ask that CRS use its existing processes to maintain a web site that the public could access through a nonpartisan Congressionally mandated web page. We know that this proposal would only require 3 CRS staff and not involve over 100 personal office and committee staff.

(5) A decentralized system may cost more than a centralized system.

Our concern is that a decentralized system may incur the same costs for CRS as a centralized system, while also being a funding and time drag on personal and committee offices. CRS will still have to use the same staff and resources preparing products for public dissemination in either a centralized or decentralized web site. However, the decentralized proposal will also end up using valuable personal and committee staff resources to post the products on their web pages and update them.

While we appreciate your recent attempt to address the issue of giving the public access to CRS products, we want to make sure that this is not a mis-step. By using our proposal for a centralized web site, we hope to work with you to create a public venue for access to CRS products that will give the Director of CRS greater discretion over the dissemination of CRS products while also reducing the public visibility of CRS. This will give the American public access to the high quality information that they already pay for, and still allow CRS to perform its statutory responsibility to only serve Congress.

We look forward to your continued cooperation on this issue, and hope to continue working with you to pass S. 1578 and establish a centralized web site where the public can access CRS products.

Sincerely,

John McCain.
Lauch Faircloth.
Patrick Leahy.
Mike Enzi.
Dan Coats.
Spencer Abraham.
Charles Robb.
J. Robert Kerrey.

Committee on
Rules and Administration,
Washington, DC, July 20, 1998.

Dear Colleague: When the Senate considers the FY99 Legislative Branch Appropriations bill, Senator McCain is expected to offer an amendment that would mandate that the Congressional Research Service (CRS) directly release certain documents to the public through the THOMAS web site. As Chairman and Ranking Member of the committee with oversight of CRS, we have serious concerns regarding this amendment.

Let us state up front that we support the objective of using technological advances to increase the availability of CRS products to the public. Following testimony before the Committee on Senator McCain's proposal, we announced a new initiative designed to increase access to this information while maintaining a long-standing policy that Congress, not CRS, disseminate CRS products to the public. This initiative, outlined in a June 10 letter which you have previously received, increases public access by facilitating dissemination of CRS information through member and committee home pages.

The McCain amendment would make a radical change in CRS policy by forcing CRS to directly disseminate material to the public. CRS is not an independent agency. It is an extension of our staff and was never intended to be an independent source of legislative information for the public. Instead, members communicate with their constituents and channel CRS information products to them as the member determines it is appropriate.

The Congressional Budget Office has estimated that the cost to CRS to implement this amendment would likely range between $2 and $8 million dollars annually. This amendment would create an entirely new mission for CRS—a public information function that CRS is neither organized nor funded to perform. The Rules Committee initiative, however, has minimal cost, preserves the representational relationship between a member and his or her constituents, and substantially increases public access to CRS information products.

Furthermore, the Joint Committee on Library is nearing completion of a report regarding this very matter. It would be premature to adopt this amendment prior to the completion of that report.

It is our intent to continue to evaluate the Rules Committee initiative to determine the level of public interest in CRS information products and to determine the best approach for achieving broader dissemination while preserving the historic role of CRS. We urge you to oppose this amendment and allow the Committee to continue to work with CRS to expand access to its products.

With kind regards,

Wendell H. Ford,
Ranking Member.
John Warner,
Chairman.

Mr. WARNER. This helps Members, then, to better understand the inner workings of the Rules Committee, what we have done for Members, and what Senator McCain is endeavoring to do. It lays out my concerns that it is important that we run this initial test, whereby Members of the U.S. Senate can now put this material out or the committees of the Senate can put this material out. Let's make some assessment over the next few months of what it costs, what staff are involved, and to the extent there is an interest out there in the public for this very voluminous amount of information that is created by CRS. It may well be in the due course of time we will take a further step towards the goals Mr. McCain has in his amendment.

So for the time being we oppose the amendment and ask Senators to entrust to the Committee on Rules and Administration the proper analysis of the objective by Senator McCain, as well as the costs associated with it and the desirability, in the public domain, for the dissemination of this information.

That concludes the remarks of the Senator from Virginia.

Mr. FORD. Madam President, I rise in opposition to the amendment by my colleague and good friend from Arizona. I do not do so because I disagree with his goal of making the good work of the Congressional Research Service available to the general public. Nor do I believe that the American people should be prevented from seeing the kinds of documents we use every day to help us make difficult decisions here in Congress. The Senator from Arizona is nothing if not consistent in his commitment to open government, and this current effort, like so many others, is continued proof of his faith in those principles.

That said, however, I oppose this amendment because it attempts to solve a problem that really doesn't exist. For years, all Members of Congress have had the opportunity to make CRS materials available to constituents upon request. This arrangement has been beneficial to everyone concerned: citizens receive information on issues of interest; Members of Congress are kept informed about the issues that concern their constituents; and the CRS—which is an extension of Congressional staff and not a public agency—maintains the ability to study and explain difficult issues for its primary audience, the Congress, without external pressure from groups with an interest in the issues that CRS is charged with researching.

Of course, as technology has changed, CRS has been able to improve the ways of delivering materials to Congress. While CRS still prints reports and delivers them to Congressional offices by hand and by mail, those same reports are also now available to Members and staff via the Internet. Congress, similarly, can make use of technology and the Internet to distribute CRS materials to their constituents. There is no reason to switch from the procedure of allowing Members of Congress to interact with their constituents with regard to CRS products to a system where CRS responds directly to the public.

That is why Senator WARNER and I, as Chairman and Ranking Member of the Rules Committee, recently circulated a "Dear Colleague" letter announcing that the Rules Committee will be providing selected CRS documents to the public through a special link on the Committee Web site and inviting Members and Committee Chairmen to investigate the feasibility of doing the same with their Web sites.

Although it might seem like a big step for the Rules Committee and other offices to make CRS documents available on the Internet, the truth is that our Web page is nothing more than a new twist on the old method of making CRS documents available to interested citizens. The only difference is that, instead of using what Internet users call "snail mail," Members of Congress can make CRS materials available to constituents at the click of a mouse or the press of a button.

What has not changed is the necessary participation of Member offices in the process. Without that participation—without the ability of Members and Committees to respond to constituent requests and to provide CRS products accordingly—CRS risks losing its status as an extension of our staff and the scholarly research and nonpartisan analysis that are its hallmarks will be jeopardized.

That is why I think the pending amendment—which would remove Congressional offices from the equation and require that CRS prepared and maintain a central public Website for its products—is flawed. What is worse, requiring CRS to put all of its products on the Internet would cost millions of dollars—money that could be put to better use in recruiting new CRS analysts to replace those who will be eligible to retire shortly after the turn of the century. I simply cannot understand why CRS should be saddled with a project of this size when we in Congress already have the means to use existing technology to significantly improve the traditional method of distributing CRS products.

Madam President, as Ranking Member of the Rules Committee I have had several opportunities to hear out my colleague from Arizona on this issue. I urge him and any colleagues who support this amendment to follow the lead of the Rules Committee in offering CRS products to constituents via the Internet. As of now, no other Senate Committee—including the Commerce Committee, chaired by my colleague from Arizona—has taken advantage of the offer by CRS to assist Committee and Member offices with online access to CRS products.

Madam President, I have always believed that "if it ain't broke, don't fix it"—and until it is clear that Committee- and member-sponsored online distribution of CRS products is inadequate, I do not think we should expend the energy of the Senate—or the resources of the CRS—on such a questionable solution. I urge my colleagues to oppose the amendment.

MEASURE PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 2330. A bill to improve the access and choice of patients to quality, affordable health care.

MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 1432. An act to authorize a new trade investment policy for sub-Saharan Africa.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–6098. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Security Zone; Coast Waters Adjacent to Florida" (Docket 07-98-006) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6099. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulations; Cross River Swim Paducah Summerfest, Ohio River mile 934.5 to 936.0, Paducah, Kentucky" (Docket 08-98-040) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6100. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Special Local Regulations for Marine Events; New Jersey Offshore Grand Prix" (Docket 05-98-006) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6101. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Beverly Homecoming Fireworks Display, Beverly Harbor, Beverly, MA" (Docket 01-98-082) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6102. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety Zone: Parade of Lights Fireworks Display, Boston Harbor, Boston, MA" (Docket 01-98-083) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6103. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone: San Francisco Bay, San Pablo Bay, Carquinez Strait, and Suisun Bay, CA" (Docket 11-98-005) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6104. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; British Aerospace Model BAe 146-200A Series Airplanes" (Docket 98-NM-87-AD) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6105. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Airbus Model A320 Series Airplanes" (Docket 97-NM-197-AD) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6106. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB-145 Series Airplanes" (Docket 98-NM-41-AD) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6107. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "IFR Altitudes; Miscellaneous Amendments" (Docket 29265) received on July 16, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6108. A communication from the Assistant Secretary for Tax Policy, Department of the Treasury, transmitting, a draft of proposed legislation regarding Puerto Rico and Virgin Islands Rum Excise Tax Collections; to the Committee on Finance.

EC–6109. A communication from the Director of the Office of Personnel Management, transmitting, a draft of proposed legislation entitled "Omnibus Federal Human Resources Administrative Improvements Act"; to the Committee on Governmental Affairs.

REPORT OF COMMITTEE

The following report of committee was submitted:

By Mr. STEVENS, from the Committee on Appropriations;

Special Report entitled "Further Revised Allocation to Subcommittees of Budget Totals, Fiscal Year 1999" (Repot. No. 105–252).

ADDITIONAL COSPONSORS

S. 971

At the request of Mr. LAUTENBERG, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 971, a bill to amend the Federal Water Pollution Control Act to improve the quality of coastal recreation waters, and for other purposes.

S. 1285

At the request of Mr. FAIRCLOTH, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 1285, a bill to amend the Internal Revenue Code of 1986 to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals.

S. 1482

At the request of Mr. COATS, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1482, a bill to amend section 223 of the Communications Act of 1934 to establish a prohibition on commercial distribution on the World Wide Web of material that is harmful to minors, and for other purposes.

S. 1862

At the request of Mr. DEWINE, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1862, a bill to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 2098

At the request of Mr. CAMPBELL, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 2098, a bill to preserve the sovereignty of the United States over public lands and acquired lands owned by the United States, and to preserve State sovereignty and private property rights in non-Federal lands surroundings those public lands and acquired lands.

S. 2112

At the request of Mr. ENZI, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 2112, a bill to make the Occupational Safety and Health Act of 1970 applicable to the United States Postal Service in the same manner as any other employer.

S. 2114

At the request of Mr. DURBIN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 2114, a bill to amend the Violence Against Women Act of 1994, the Family Violence Prevention and Services Act, the Older Americans Act of 1965, and the Public Health Service Act to ensure that older women are protected from institutional, community, and domestic violence and sexual assault and to improve outreach efforts and other services available to older women victimized by such violence, and for other purposes.

S. 2128

At the request of Mr. STEVENS, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 2128, a bill to clarify the authority of the Director of the Federal Bureau of Investigation regarding the collection of fees to process certain identification records and name checks, and for other purposes.

S. 2130

At the request of Mr. GRAMS, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 2130, a bill to amend the Internal Revenue Code of 1986 to provide additional retirement savings opportunities for small employers, including self-employed individuals.

S. 2157

At the request of Mr. CLELAND, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2157, a bill to amend the Small Business Act to increase the authorized funding level for women's business centers.

S. 2185

At the request of Mr. KENNEDY, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 2185, a bill to protect children from firearms violence.

S. 2295

At the request of Mr. MCCAIN, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S. 2295, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

SENATE JOINT RESOLUTION 50

At the request of Mr. BOND, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of Senate Joint Resolution 50, a joint resolution to disapprove the rule submitted by the Health Care Financing Administration, Department of Health and Human Services on June 1, 1998, relating to surety bond requirements for home health agencies under the Medicare and Medicaid programs.

AMENDMENTS SUBMITTED

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

GRAMS AMENDMENT NO. 3215

(Ordered to lie on the table.)

Mr. GRAMS submitted an amendment intended to be proposed by him to the bill (H.R. 4112) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes; as follows:

In the appropriate place, insert the following:

SECTION 1. SHORT TITLE.

This title may be cited as the "Government Shutdown Prevention Act.".

SEC. 2. AMENDMENT TO TITLE 31.

(a) IN GENERAL: Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

1311. Continuing appropriations

(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

(2) Appropriations and funds made available, and authority granted, for a project or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the lower of—

(A) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding fiscal year,

(B) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year,

(C) the rate or operations provided for in the House or Senate passed appropriation bill for the fiscal year in question, except that the lower of these two versions shall be ignored for any project or activity for which there is a budget request if no funding is provided for that project or activity in either version.

(D) the rate provided in the budget submission of the President under section 1105(a) of title 31, United States Code, for the fiscal year in question, or

(E) the annualized rate of operations provided for in the most recently enacted joint resolution making continuing appropriations for part of the fiscal year or any funding levels established under the provisions of this Act.

(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be, or

(B) the last day of such fiscal year.

(d) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to the section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such project or activity under current law.

(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

(d) Expenditures made for a project or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such project or activity for such period becomes law.

(c) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period, or

(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

(f) For purposes of this section, the term "regular appropriation bill" means any annual appropriation bill making appropriations, otherwise making funds available or granting authority, for any of the following categories of projects and activities:

(1) Agriculture, rural development, and related agencies programs.

(2) The Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

(3) The Department of Defense.

(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

(7) Energy and water development

(8) Foreign assistance and related programs.

(9) The Department of the Interior and related agencies.

(10) Military construction.

(11) The Department of Transportation and related agencies.

(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

(13) The legislative branch.

(b) Clerical Amendment.—The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

1311. Continuing appropriations.

(c) Protection of Other Obligations.—Nothing in the amendments made by this section shall be construed to effect Government obligations mandated by other law, including obligations with respect to Social Security, Medicare, and Medicaid.

SEC. 3. EFFECTIVE DATE.

(a) Effective Date.—The amendments made by this Act shall apply with respect to fiscal years beginning with fiscal year 1999.

BROWNBACK (AND OTHERS) AMENDMENT NO. 3216

(Ordered to lie on the table.)

Mr. BROWNBACK (for himself, Mr. Ashcroft, Mr. Inhofe, and Mr. Smith of New Hampshire) submitted an amendment intended to be proposed by them to the bill, H.R. 4112, supra; as follows:

At the appropriate place in the bill, add the following:

SEC. . COMBINED RETURN TO WHICH UNMARRIED RATES APPLY.

(a) In General.—Subpart B of part II of subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to income tax returns) is amended by inserting after section 6013 the following new section:

"SEC. 6013A. COMBINED RETURN WITH SEPARATE RATES.

"(a) General Rule.—A husband and wife may make a combined return of income taxes under subtitle A under which—

"(1) a separate taxable income is determined for each spouse by applying the rules provided in this section, and

"(2) the tax imposed by section 1 is the aggregate amount resulting from applying the separate rates set forth in section 1(c) to each such taxable income.

"(b) Determination of Taxable Income.—

"(1) In general.—For purposes of subsection (a)(1), the taxable income for each spouse shall be one-half of the taxable income computed as if the spouses were filing a joint return.

"(2) Nonitemizers.—For purposes of paragraph (1), if an election is made not to itemize deductions for any taxable year, the basic standard deduction shall be equal to the amount which is twice the basic standard deduction under section 63(c)(2)(C) for the taxable year.

"(c) Treatment of Credits.—Credits shall be determined (and applied against the joint liability of the couple for tax) as if the spouses had filed a joint return.

"(d) Treatment as Joint Return.—Except as otherwise provided in this section or in the regulations prescribed hereunder, for purposes of this title (other than sections 1 and 63(c)) a combined return under this section shall be treated as a joint return.

"(e) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this section."

(b) Unmarried Rate Made Applicable.—So much of subsection (c) of section 1 of such Code as precedes the table is amended to read as follows:

"(c) Separate or Unmarried Return Rate.—There is hereby imposed on the taxable income of every individual (other than a married individual (as defined in section 7703) filing a joint return or a separate return, a surviving spouse as defined in section 2(a), or a head of household as defined in section 2(b)) a tax determined in accordance with the following table:".

(c) Clerical Amendment.—The table of sections for subpart B of part II of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6013 the following:

"Sec. 6013A. Combined return with separate rates."

(d) Budget Directive.—The members of the conference on the congressional budget resolution for fiscal year 1999 shall provide in the conference report sufficient spending reductions to offset the reduced revenues received by the United States Treasury resulting from the amendments made by this section.

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

McCAIN (AND OTHERS) AMENDMENT NO. 3217

(Ordered to lie on the table.)

Mr. McCAIN (for himself, Mr. Coats, Mr. Leahy, Mr. Faircloth, Mr. Ashcroft, Mr. Kerrey, Mr. Enzi, Mr. Wyden, Mr. Feingold, Mr. Abraham, and Mr. Robb) submitted an amendment intended to be proposed by them to the bill, H.R. 4112, supra; as follows:

In the appropriate place in the bill insert the following:

SEC. 311. AVAILABILITY OF CERTAIN CRS WEB SITE INFORMATION.

(a) Availability of Information.—

(1) In general.—The Director of the Congressional Research Service shall make available on the Internet, for purposes of access and retrieval by the public, all information that—

(A) is available through the Congressional Research Service web site;

(B) is described in paragraph (2); and

(C) is not confidential as determined by—

(i) the Director; or

(ii) the head of a Federal department or agency that provided the information to the Congressional Research Service.

(2) Information.—The information referred to in paragraph (1)(B) is as follows:

(A) All Congressional Research Service Issue Briefs.

(B) All Congressional Research Service Reports that are available to Members of Congress through the Congressional Research Service web site.

(C) All Congressional Research Service Authorization of Appropriations Products or Appropriations Products.

(3) Removal of information; changes and updates.—Notwithstanding any other provision of this section, the Director of the Congressional Research Service may—

(A) remove from the information required to be made available on the Internet under this section the name of, phone number of, and information regarding, an employee of the Congressional Research Service;

(B) remove from the information required to be made available on the Internet under this section, any material the Director determines may infringe the copyright of a work protected under title 17, United States Code; and

(C) make any changes or updates in the information required to be made available on the Internet under this section that the Director determines are necessary to ensure that the information is accurate.

(b) Time.—The information shall be so made available not earlier than 30 days after the first day the information is available to Members of Congress through the Congressional Research Service web site.

(c) REQUIREMENTS.—The Director of the Congressional Research Service shall make the information available in a manner that the Director determines—

(1) is practical and reasonable; and

(2) does not permit the submission of comments from the public.

(d) METHOD OF PUBLIC ACCESS.—The public shall have access to the web page containing Congressional Research Service information that is available to the public only through the Library of Congress' THOMAS web page (http://thomas.loc.gov). The Director of Congressional Research Service shall work with the Librarian of Congress to establish an appropriate Internet link to carry out this subsection. The Director of Congressional Research Service shall be responsible for maintaining and updating the web page containing Congressional Research Service products. The Director of Congressional Research Service shall have sole discretion to edit the web page based on the criteria established by this Act. The Librarian of Congress shall have the responsibility of working with the Director of Congressional Research Service only to the extent necessary to establish the link from the THOMAS web page to the public access Congressional Research Service web page. Nothing in this Act may be construed to interfere with the Librarian's normal duties concerning THOMAS.

(e) FURTHER APPROVAL NOT REQUIRED.—Notwithstanding the first proviso under the subheading "SALARIES AND EXPENSES" under the subheading "CONGRESSIONAL RESEARCH SERVICE" under the heading "LIBRARY OF CONGRESS" under title I of this Act (relating to prior approval of certain publications), the Director shall make information available in accordance with this section without the prior approval of the Committee on Rules and Administration of the Senate or the Committee on House Oversight of the House of Representatives.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1999

HUTCHINSON (AND WELLSTONE) AMENDMENT NO. 3128

(Ordered to lie on the table.)

Mr. HUTCHINSON (for himself and Mr. WELLSTONE) submitted an amendment intended to be proposed by them to the bill (S. 2132) making appropriations for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes; as follows:

On page 99, between lines 17 and 18, insert the following:

TITLE IX

HUMAN RIGHTS IN CHINA

Subtitle A—Forced Abortions in China

SEC. 9001. This subtitle may be cited as the "Forced Abortion Condemnation Act".

SEC. 9002. Congress makes the following findings:

(1) Forced abortion was rightly denounced as a crime against humanity by the Nuremberg War Crimes Tribunal.

(2) For over 15 years there have been frequent and credible reports of forced abortion and forced sterilization in connection with the population control policies of the People's Republic of China. These reports indicate the following:

(A) Although it is the stated position of the politburo of the Chinese Communist Party that forced abortion and forced sterilization have no role in the population control program, in fact the Communist Chinese Government encourages both forced abortion and forced sterilization through a combination of strictly enforced birth quotas and immunity for local population control officials who engage in coercion. Officials acknowledge that there have been instances of forced abortions and sterilization, and no evidence has been made available to suggest that the perpetrators have been punished.

(B) People's Republic of China population control officials, in cooperation with employers and works unit officials, routinely monitor women's menstrual cycles and subject women who conceive without government authorization to extreme psychological pressure, to harsh economic sanctions, including unpayable fines and loss of employment, and often to physical force.

(C) Official sanctions for giving birth to unauthorized children include fines in amounts several times larger than the per capita annual incomes of residents of the People's Republic of China. In Fujian, for example, the average fine is estimated to be twice a family's gross annual income. Families which cannot pay the fine may be subject to confiscation and destruction of their homes and personal property.

(D) Especially harsh punishments have been inflicted on those whose resistance is motivated by religion. For example, according to a 1995 Amnesty International report, the Catholic inhabitants of 2 villages in Hebei Province were subjected to population control under the slogan "better to have more graves than one more child". Enforcement measures included torture, sexual abuse, and the detention of resisters' relatives as hostages.

(E) Forced abortions in Communist China often have taken place in the very late stages of pregnancy.

(F) Since 1994 forced abortion and sterilization have been used in Communist China not only to regulate the number of children, but also to eliminate those who are regarded as defective in accordance with the official eugenic policy known as the "Natal and Health Care Law".

SEC. 9003. (a) Notwithstanding any other provision of law, the Secretary of State may not utilize any funds appropriated or otherwise available for the Department of State for fiscal year 1999 to issue any visa to any national of the People's Republic of China, including any official of the Communist Party or the Government of the People's Republic of China and its regional, local, and village authorities (except the head of state, the head of government, and cabinet level ministers) who the Secretary finds, based on credible information, has been involved in the establishment or enforcement of population control policies resulting in a woman being forced to undergo an abortion against her free choice, or resulting in a man or woman being forced to undergo sterilization against his or her free choice.

(b) Notwithstanding any other provision of law, the Attorney General may not utilize any funds appropriated or otherwise available for the Department of Justice for fiscal year 1999 to admit to the United States any national covered by subsection (a).

(c) The President may waive the prohibition in subsection (a) or (b) with respect to a national of the People's Republic of China if the President—

(1) determines that it is in the national interest of the United States to do so; and

(2) provides written notification to Congress containing a justification for the waiver.

Subtitle B—Freedom of Religion in China

SEC. 9011. (a) It is the sense of Congress that the President should make freedom of religion one of the major objectives of United States foreign policy with respect to China.

(b) As part of this policy, the Department of State should raise in every relevant bilateral and multilateral forum the issue of individuals imprisoned, detained, confined, or otherwise harassed by the Chinese Government on religious grounds.

(c) In its communications with the Chinese Government, the Department of State should provide specific names of individuals of concern and request a complete and timely response from the Chinese Government regarding the individuals' whereabouts and condition, the charges against them, and sentence imposed.

(d) The goal of these official communications should be the expeditious release of all religious prisoners in China and Tibet and the end of the Chinese Government's policy and practice of harassing and repressing religious believers.

SEC. 9012. (a) Notwithstanding any other provision of law, no funds appropriated or otherwise made available for the Department of State for fiscal year 1999 for the United States Information Agency or the United States Agency for International Development may be used for the purpose of providing travel expenses and per diem for the participation in conferences, exchanges, programs, and activities of the following nationals of the People's Republic of China:

(1) The head or political secretary of any of the following Chinese Government-created or approved organizations:

(A) The Chinese Buddhist Association.

(B) The Chinese Catholic Patriotic Association.

(C) The National Congress of Catholic Representatives.

(D) The Chinese Catholic Bishops' Conference.

(E) The Chinese Protestant "Three Self" Patriotic Movement.

(F) The China Christian Council.

(G) The Chinese Taoist Association.

(H) The Chinese Islamic Association.

(2) Any military or civilian official or employee of the Government of the People's Republic of China who carried out or directed the carrying out of any of the following policies or practices:

(A) Formulating, drafting, or implementing repressive religious policies.

(B) Imprisoning, detaining, or harassing individuals on religious grounds.

(C) Promoting or participating in policies or practices which hinder religious activities or the free expression of religious beliefs.

(b)(1) Each Federal agency subject to the prohibition in subsection (a) shall certify in writing to the appropriate congressional committees, on a quarterly basis during fiscal year 1999, that it did not pay, either directly or through a contractor or grantee, for travel expenses or per diem of any national of the People's Republic of China described in subsection (a).

(2) Each certification under paragraph (1) shall be supported by the following information:

(A) The name of each employee of any agency of the Government of the People's Republic of China whose travel expenses or per diem were paid by funds of the reporting agency of the United States Government.

(B) The procedures employed by the reporting agency of the United States Government to ascertain whether each individual under subparagraph (A) did or did not participate in activities described in subsection (a)(2).

(C) The reporting agency's basis for concluding that each individual under subparagraph (A) did not participate in such activities.

SEC. 9013. (a) Notwithstanding any other provision of law, the Secretary of State may not utilize any funds appropriated or otherwise available for the Department of State for fiscal year 1999 to issue a visa to any national of the People's Republic of China described in section 9012(a)(2) (except the head of state, the head of government, and cabinet level ministers).

(b) Notwithstanding any other provision of law, the Attorney General may not utilize any funds appropriated or otherwise available for the Department of Justice for fiscal year 1999 to admit to the United States any national covered by subsection (a).

(c) The President may waive the prohibition in subsection (a) or (b) with respect to an individual described in such subsection if the President—

(1) determines that it is vital to the national interest to do so; and

(2) provides written notification to the appropriate congressional committees containing a justification for the waiver.

SEC. 9014. In this subtitle, the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

Subtitle C—Monitoring of Human Rights Abuses in China

SEC. 9021. This subtitle may be cited as the "Political Freedom in China Act of 1998".

SEC. 9022. Congress makes the following findings:

(1) Congress concurs in the following conclusions of the United States State Department on human rights in the People's Republic of China in 1996:

(A) The People's Republic of China is "an authoritarian state" in which "citizens lack the freedom to peacefully express opposition to the party-led political system and the right to change their national leaders or form of government".

(B) The Government of the People's Republic of China has "continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms, stemming from the authorities' intolerance of dissent, fear of unrest, and the absence or inadequacy of laws protecting basic freedoms".

(C) "[a]buses include torture and mistreatment of prisoners, forced confessions, and arbitrary and incommunicado detention".

(D) "[p]rison conditions remained harsh [and] [t]he Government continued severe restrictions on freedom of speech, the press, assembly, association, religion, privacy, and worker rights".

(E) "[a]lthough the Government denies that it holds political prisoners, the number of persons detained or serving sentences for 'counterrevolutionary crimes' or 'crimes against the state', or for peaceful political or religious activities are believed to number in the thousands".

(F) "[n]onapproved religious groups, including Protestant and Catholic groups * * * experienced intensified repression".

(G) "[s]erious human rights abuses persist in minority areas, including Tibet, Xinjiang, and Inner Mongolia[, and] [c]ontrols on religion and on other fundamental freedoms in these areas have also intensified".

(H) "[o]verall in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest. No dissidents were known to be active at year's end.".

(2) In addition to the State Department, credible independent human rights organizations have documented an increase in repression in China during 1995, and effective destruction of the dissident movement through the arrest and sentencing of the few remaining pro-democracy and human rights activists not already in prison or exile.

(3) Among those were Li Hai, sentenced to 9 years in prison on December 18, 1996, for gathering information on the victims of the 1989 crackdown, which according to the court's verdict constituted "state secrets"; Liu Nianchun, an independent labor organizer, sentenced to 3 years of "re-education through labor" on July 4, 1996, due to his activities in connection with a petition campaign calling for human rights reforms; and Ngodrup Phuntsog, a Tibetan national, who was arrested in Tibet in 1987 immediately after he returned from a 2-year trip to India, where the Tibetan government in exile is located, and following a secret trial was convicted by the Government of the People's Republic of China of espionage on behalf of the "Ministry of Security of the Dalai clique".

(4) Many political prisoners are suffering from poor conditions and ill-treatment leading to serious medical and health problems, including—

(A) Gao Yu, a journalist sentenced to 6 years in prison in November 1994 and honored by UNESCO in May 1997, has a heart condition; and

(B) Chen Longde, a leading human rights advocate now serving a 3-year reeducation through labor sentence imposed without trial in August 1995, has reportedly been subject to repeated beatings and electric shocks at a labor camp for refusing to confess his guilt.

(5) The People's Republic of China, as a member of the United Nations, is expected to abide by the provisions of the Universal Declaration of Human Rights.

(6) The People's Republic of China is a party to numerous international human rights conventions, including the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

SEC. 9023. (a) The Secretary of State, in all official meetings with the Government of the People's Republic of China, should request the immediate and unconditional release of Ngodrup Phuntsog and other prisoners of conscience in Tibet, as well as in the People's Republic of China.

(b) The Secretary of State should seek access for international humanitarian organizations to Drapchi prison and other prisons in Tibet, as well as in the People's Republic of China, to ensure that prisoners are not being mistreated and are receiving necessary medical treatment.

(c) The Secretary of State, in all official meetings with the Government of the People's Republic of China, should call on that country to begin serious discussions with the Dalai Lama or his representatives, without preconditions, on the future of Tibet.

SEC. 9024. (a) There is authorized to be appropriated for fiscal year 1999, $1,100,000 for support personnel to monitor political repression in the People's Republic of China in the United States Embassies in Beijing and Kathmandu, as well as the American consulates in Guangzhou, Shanghai, Shenyang, Chengdu, and Hong Kong.

(b) Amounts appropriated pursuant to the authorization of appropriations in subsection (a) are in addition to any other amounts appropriated or otherwise available in fiscal year 1999 for the personnel referred to in that subsection.

SEC. 9025. (a)(1) There is authorized to be appropriated for fiscal year 1999 for the National Endowment for Democracy, $2,500,000 for the promotion of democracy, civil society, and the development of the rule of law in China.

(2) Amounts appropriated pursuant to the authorization of appropriations in subsection (a) are in addition to any other amounts appropriated or otherwise made available in fiscal year 1999 for the National Endowment for Democracy.

(b) The Secretary of State shall, in fiscal year 1999, utilize funds available in the East Asia-Pacific Regional Democracy Fund to provide grants to nongovernmental organizations to promote democracy, civil society, and the development of the rule of law in China.

SEC. 9026. (a) The Secretary of State shall utilize funds appropriated or otherwise available for the Department of State for fiscal year 1999 submit to the International Relations Committee of the House of Representatives and the Foreign Relations Committee of the Senate, in that fiscal year, a report on human rights in China, including religious persecution, the development of democratic institutions, and the rule of law. The report shall provide information on each region of China.

(b)(1) The Secretary of State shall utilize funds referred to in subsection (a) to establish a Prisoner Information Registry for China which shall provide information on all political prisoners, prisoners of conscience, and prisoners of faith in China.

(2) Such information shall include the charges, judicial processes, administrative actions, use of forced labor, incidences of torture, length of imprisonment, physical and health conditions, and other matters related to the incarceration of such prisoners in China.

(3) The Secretary may make funds available to nongovernmental organizations presently engaged in monitoring activities regarding Chinese political prisoners to assist in the creation and maintenance of the registry.

SEC. 9027. It is the sense of Congress that Congress, the President, and the Secretary of State should work with the governments of other countries to establish a Commission on Security and Cooperation in Asia which would be modeled after the Commission on Security and Cooperation in Europe.

SEC. 9028. It is the sense of Congress that—

(1) the people of Hong Kong should continue to have the right and ability to freely elect their legislative representatives; and

(2) the procedure for the conduct of the elections of the first legislature of the Hong Kong Special Administrative Region should be determined by the people of Hong Kong through an election law convention, a referendum, or both.

SEC. 9029. It is the sense of Congress that—

(1) the Government of the People's Republic of China should stop the practice of harvesting and transplanting organs for profit from prisoners that it executes;

(2) the Government of the People's Republic of China should be strongly condemned for such organ harvesting and transplanting practice;

(3) the President should bar from entry into the United States any and all officials of the Government of the People's Republic of China known to be directly involved in such organ harvesting and transplanting practice;

(4) individuals determined to be participating in or otherwise facilitating the sale of such organs in the United States should be prosecuted to the fullest possible extent of the law; and

(5) the appropriate officials in the United States should interview individuals, including doctors, who may have knowledge of such organ harvesting and transplanting practice.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

KERREY (AND HAGEL) AMENDMENT NO. 3219

(Ordered to lie on the table.)

Mr. KERREY (for himself and Mr. HAGEL) submitted an amendment intended to be proposed by them to the bill, H.R. 4112, supra; as follows:

On page 49, between lines 12 and 13, insert the following:

SEC. 423. TEMPORARY PROHIBITION ON IMPLEMENTATION OR ENFORCEMENT OF PUBLIC WATER SYSTEM TREATMENT REQUIREMENTS FOR COPPER ACTION LEVEL.

(a) IN GENERAL.—None of the funds made available by this or any other Act for any fiscal year may be used by the Administrator of the Environmental Protection Agency to implement or enforce the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.), to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level, until—

(1) the Administrator and the Director of the Centers for Disease Control and Prevention jointly conduct a study to establish a reliable dose-response relationship for the adverse human health effects that may result from exposure to copper in drinking water, that—

(A) includes an analysis of the health effects that may be experienced by groups within the general population (including infants) that are potentially at greater risk of adverse health effects as the result of the exposure;

(B) is conducted in consultation with interested States;

(C) is based on the best available science and supporting studies that are subject to peer review and conducted in accordance with sound and objective scientific practices; and

(D) is completed not later than 30 months after the date of enactment of this Act; and

(2) based on the results of the study and, once peer reviewed and published, the 2 studies of copper in drinking water conducted by the Centers for Disease Control and Prevention in the State of Nebraska and the State of Delaware, the Administrator establishes an action level for the presence of copper in drinking water that protects the public health against reasonably expected adverse effects due to exposure to copper in drinking water.

(b) CURRENT REQUIREMENTS.—Nothing in this section precludes a State from implementing or enforcing the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.) that are in effect on the date of enactment of this Act, to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level.

BENNETT (AND DORGAN) AMENDMENT NO. 3220

Mr. STEVENS (for Mr. BENNETT for himself and Mr. DORGAN) proposed an amendment to the bill, H.R. 4112, supra; as follows:

On page 10, strike all starting on line 8 over to and including line 22 on page 47 and insert in lieu thereof:

SENATE

EXPENSE ALLOWANCES

For expense allowances of the Vice President, $10,000; the President Pro Tempore of the Senate, $10,000; Majority Leader of the Senate, $10,000; Minority Leader of the Senate, $10,000; Majority Whip of the Senate, $5,000; Minority Whip of the Senate, $5,000; and Chairmen of the Majority and Minority Conference Committees, $3,000 for each Chairman; in all, $56,000.

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $15,000 for each such Leader; in all, $30,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, and others as authorized by law, including agency contributions, $79,183,000, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, $1,659,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

For the Office of the President Pro Tempore, $402,000.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $2,436,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $1,416,000.

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $1,092,000 for each such committee; in all, $2,184,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $570,000.

POLICY COMMITTEES

For salaries of the Majority Policy Committee and the Minority Policy Committee, $1,109,000 for each such committee; in all, $2,218,000.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $267,000.

OFFICE OF THE SECRETARY

For Office of the Secretary, $13,694,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $33,805,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, $1,200,000.

AGENCY CONTRIBUTIONS AND RELATED EXPENSES

For agency contributions for employee benefits, as authorized by law, and related expenses, $19,332,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $3,753,000.

OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, $1,004,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, $3,000; Sergeant at Arms and Doorkeeper of the Senate, $3,000; Secretary for the Majority of the Senate, $3,000; Secretary for the Minority of the Senate, $3,000; in all, $12,000.

CONTINGENT EXPENSES OF THE SENATE

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96-304 and Senate Resolution 281, agreed to March 11, 1980, $75,600,000.

EXPENSES OF THE UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

For expenses of the United States Senate Caucus on International Narcotics Control, $370,000.

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, $1,511,000.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $60,511,000, of which $5,000,000 shall remain available until September 30, 2000.

MISCELLANEOUS ITEMS

For miscellaneous items, $7,905,000.

SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

For Senators' Official Personnel and Office Expense Account, $239,156,000.

OFFICIAL MAIL COSTS

For expenses necessary for official mail costs of the Senate, $300,000.

ADMINISTRATIVE PROVISIONS

SECTION 1. (a) Effective in the case of any fiscal year which begins on or after October 1, 1998, clause (iii) of paragraph (3)(A) of section 506(b) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(b)) is amended to read as follows:

"(iii) subject to subparagraph (B), in case the Senator represents Alabama, $183,565, Alaska, $252,505, Arizona, $197,409, Arkansas, $168,535, California, $470,272, Colorado, $187,366, Connecticut, $161,691, Delaware, $127,384, Florida, $263,748, Georgia, $211,784, Hawaii, $279,648, Idaho, $163,841, Illinois, $267,000, Indiana, $195,391, Iowa, $171,340, Kansas, $168,912, Kentucky, $176,975, Louisiana, $186,714, Maine, $148,205, Maryland, $172,455, Massachusetts, $196,819, Michigan, $235,846, Minnesota, $187,742, Mississippi, $168,587, Missouri, $198,365, Montana, $161,857, Nebraska, $160,550, Nevada, $171,208, New Hampshire, $142,497, New Jersey, $207,754, New Mexico, $166,721, New York, $328,586, North Carolina, $212,711, North Dakota, $150,225, Ohio, $262,252, Oklahoma, $181,913, Oregon, $189,258, Pennsylvania, $267,240, Rhode Island, $138,637, South Carolina, $171,731, South Dakota, $151,838, Tennessee, $192,508, Texas, $353,911, Utah, $168,959, Vermont, $136,315, Virginia, $193,935, Washington, $213,887, West Virginia, $149,135, Wisconsin, $191,314, Wyoming, $153,016, plus''.

(b) Subparagraph (B) of section 506(b)(3) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(b)(3)) is amended—

(1) by striking "the amount referred to in subparagraph (A)(iii)" and inserting "that part of the amount referred to in subparagraph (A)(iii) that is not specifically allocated for official mail expenses"; and

(2) by inserting before the period at the end the following: "; and the part of the amount referred to in subparagraph (A)(iii) that is allocated for official mail expenses shall be recalculated in accordance with regulations of the Committee on Rules and Administration".

SEC. 2. (a) Section 2(b) of Public Law 104–53 (2 U.S.C. 61d–3(b)) is amended by striking "$10,000" and inserting "$35,000".

(b) The amendment made by subsection (a) is effective on and after October 1, 1998.

SEC. 3. Subsection (a) of the first section of Senate Resolution 149, agreed to October 5, 1993 (103d Congress, 1st Session), as amended by Senate Resolution 299, agreed to September 24, 1996 (104th Congress, 2d Session), is amended by striking "until December 31, 1998" and inserting "until December 31, 2000".

SEC. 4. (a) Section 101(a) of the Supplemental Appropriations Act, 1977 (2 U.S.C. 61h–6(a)) is amended—

(1) by inserting after the first sentence the following: "The President pro tempore of the Senate is authorized to appoint and fix the compensation of 1 consultant, on a temporary or intermittent basis, at a daily rate of compensation not in excess of that specified in the first sentence of this subsection."; and

(2) in the sentence that begins "The provisions of", by striking "section 8344" and inserting "sections 8344 and 8468".

(b) Section 101(b) of the Supplemental Appropriations Act, 1977 (2 U.S.C. 61h–6(b)) is amended by striking all after "(b)" through "to such position" and inserting "Any or all appointments under this section may be".

(c) This section is effective on and after the date of enactment of this Act.

SEC. 5. (a) There is established the Senate Leader's Lecture Series (hereinafter referred to as the "lecture series"). Expenses incurred in connection with the lecture series shall be paid from the appropriations account "Secretary of the Senate" within the contingent fund of the Senate and shall not exceed $30,000 in any fiscal year.

(b) Payments for expenses in connection with the lecture series may cover expenses incurred by speakers, including travel, subsistence, and per diem, and the cost of receptions, including food, food related items, and hospitality.

(c) Payments for expenses of the lecture series shall be made on vouchers approved by the Secretary of the Senate.

(d) This section is effective on and after October 1, 1997.

SEC. 6. (a) The Sergeant at Arms and Doorkeeper of the Senate is authorized to appoint and fix the compensation of such employees as may be necessary to operate Senate Hair Care Services.

(b) There is established in the Treasury of the United States within the contingent fund of the Senate a revolving fund to be known as the Senate Hair Care Services Revolving Fund (hereafter in this section referred to as the "revolving fund").

(c)(1) All moneys received by Senate Hair Care Services from fees for services or from any other source shall be deposited in the revolving fund.

(2) Moneys in the revolving fund shall be available without fiscal year limitation for disbursement by the Secretary of the Senate—

(A) for the payment of salaries and agency contributions of employees of Senate Hair Care Services; and

(B) for necessary supplies, equipment, and other expenses of Senate Hair Care Services.

(d) Disbursements from the revolving fund shall be made upon vouchers signed by the Sergeant at Arms and Doorkeeper of the Senate, except that vouchers shall not be required for the disbursement of salaries paid at an annual rate.

(e) At the direction of the Committee on Rules and Administration, the Secretary of the Senate shall withdraw from the revolving fund and deposit in the Treasury of the United States as miscellaneous receipts all moneys in the revolving fund that the Committee may determine are in excess of the current and reasonably foreseeable needs of Senate Hair Care Services.

(f) The Sergeant at Arms and Doorkeeper of the Senate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section, subject to the approval of the Committee on Rules and Administration.

(g) There is transferred to the revolving fund established by this section any unobligated balance in the fund established by section 106 of Public Law 94–440 on the effective date of this section.

(h)(1) Section 106 of Public Law 94–440 is repealed.

(2) Section 10(a) of Public Law 100–458 is repealed.

(i) This section shall be effective on and after October 1, 1998, or 30 days after the date of enactment of this Act, whichever is later.

SEC. 7. The amount available to the Committee on Rules and Administration for expenses under section 16(c) of Senate Resolution 54, agreed to February 13, 1997, is increased by $150,000.

SEC. 8. Effective on and after October 1, 1998, each of the dollar amounts contained in the table under section 105(d)(1)(A) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C. 61–1(d)(1)(A)) shall be deemed to be the dollar amounts in that table, as increased by section 5 of Public Law 105–55, increased by an additional $50,000 each.

SEC. 9. (a) With the prior written approval of the Committee on Rules and Administration of the Senate, the Sergeant at Arms and Doorkeeper of the Senate may enter into agreements with public or private parties for the purpose of demonstrating the use of alternative fuel vehicles (as defined in section 301(2) of the Energy Policy Act of 1992 (Public Law 102–486)) in Senate fleet operations. Any such agreement may also provide for necessary fueling infrastructure in connection with the alternative fuel vehicles.

(b) A vehicle may be made available under subsection (a) for a period not exceeding 90 days.

JOINT ITEMS

For Joint Committees, as follows:

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, $2,796,000, to be disbursed by the Secretary of the Senate.

JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, $202,000, to be disbursed by the Secretary of the Senate: *Provided*, That funds appropriated under this heading may not be available for expenditure for expenses incurred after December 31, 1998.

JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, $5,965,400, to be disbursed by the Chief Administrative Officer of the House.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including: (1) an allowance of $1,500 per month to the Attending Physician; (2) an allowance of $500 per month each to two medical officers while on duty in the Office of the Attending Physician; (3) an allowance of $500 per month to one assistant and $400 per month each to not to exceed nine assistants on the basis heretofore provided for such assistants; and (4) $893,000 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, which shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, $1,415,000, to be disbursed by the Chief Administrative Officer of the House.

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

For the Capitol Police Board for salaries of officers, members, and employees of the Capitol Police, including overtime, hazardous duty pay differential, clothing allowance of not more than $600 each for members required to wear civilian attire, and Government contributions for health, retirement, Social Security, and other applicable employee benefits, $74,281,000, of which $35,770,000 is provided to the Sergeant at Arms of the House of Representatives, to be disbursed by the Chief Administrative Officer of the House, and $38,511,000 is provided to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate: *Provided*, That, of the amounts appropriated under this heading, such amounts as may be necessary may be transferred between the Sergeant at Arms of the House of Representatives and the Sergeant at Arms and Doorkeeper of the Senate, upon approval of the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

GENERAL EXPENSES

For the Capitol Police Board for necessary expenses of the Capitol Police, including motor vehicles, communications and other equipment, security equipment and installation, uniforms, weapons, supplies, materials, training, medical services, forensic services, stenographic services, personal and professional services, the employee assistance program, not more than $2,000 for the awards program, postage, telephone service, travel advances, relocation of instructor and liaison personnel for the Federal Law Enforcement Training Center, and $85 per month for extra services performed for the Capitol Police Board by an employee of the Sergeant at Arms of the Senate or the House of Representatives designated by the Chairman of the Board, $6,077,000, to be disbursed by the Chief Administrative Officer of the House of Representatives: *Provided*, That, notwithstanding any other provision of law, the cost of basic training for the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 1999 shall be paid by the Secretary of the Treasury from funds available to the Department of the Treasury.

ADMINISTRATIVE PROVISION

SEC. 101. Amounts appropriated for fiscal year 1999 for the Capitol Police Board for the Capitol Police may be transferred between the headings "SALARIES" and "GENERAL EXPENSES" upon the approval of—

(1) the Committee on Appropriations of the House of Representatives, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms of the House of Representatives under the heading "SALARIES";

(2) the Committee on Appropriations of the Senate, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms and Doorkeeper of the Senate under the heading "SALARIES"; and

(3) the Committees on Appropriations of the Senate and the House of Representatives, in the case of other transfers.

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

For salaries and expenses of the Capitol Guide Service and Special Services Office, $2,195,000, to be disbursed by the Secretary of the Senate: *Provided*, That no part of such amount may be used to employ more than forty-three individuals: *Provided further*, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than 120 days each, and not more than ten additional individuals for not more than six months each, for the Capitol Guide Service.

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and the House of Representatives, of the statements for the second session of the One Hundred Fifth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, $30,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

For salaries and expenses of the Office of Compliance, as authorized by section 305 of the Congressional Accountability Act of 1995 (2 U.S.C. 1385), $2,286,000.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), including not more than $2,500 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, $25,671,000: *Provided*, That no part of such amount may be used for the purchase or hire of a passenger motor vehicle.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

SALARIES AND EXPENSES

For salaries for the Architect of the Capitol, the Assistant Architect of the Capitol, and other personal services, at rates of pay provided by law; for surveys and studies in connection with activities under the care of the Architect of the Capitol; for all necessary expenses for the maintenance, care and operation of the Capitol and electrical substations of the Senate and House office buildings under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment, including not more than $1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; for purchase or exchange, maintenance and operation of a passenger motor vehicle; and not to exceed $20,000 for attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, $44,641,000, of which $8,175,000 shall remain available until expended.

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House office buildings, and the Capitol Power Plant, $6,055,000, of which $525,000 shall remain available until expended.

SENATE OFFICE BUILDINGS

For all necessary expenses for maintenance, care and operation of Senate office buildings; and furniture and furnishings to be expended under the control and supervision of the Architect of the Capitol, $53,644,000, of which $14,115,000 shall remain available until expended.

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House office buildings, $42,139,000, of which $11,449,000 shall remain available until expended: *Provided*, That of the total amount provided under this heading, not less than $100,000 shall be used exclusively for waste recycling programs.

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; lighting, heating, power (including the purchase of electrical energy) and water and sewer services for the Capitol, Senate and House office buildings, Library of Congress buildings, and the grounds about the same, Botanic Garden, Senate garage, and air conditioning refrigeration not supplied from plants in any of such buildings; heating the Government Printing Office and Washington City Post Office, and heating and chilled water for air conditioning for the Supreme Court Building, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation, $38,222,000, of which $5,100,000 shall remain available until expended: *Provided*, That not more than $4,000,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 1999.

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, $67,877,483: *Provided*, That no part of such amount may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Oversight of the House of Representatives or the Committee on Rules and Administration of the Senate: *Provided further*, That, notwithstanding any other provision of law, the compensation of the Director of the Congressional Research Service, Library of Congress, shall be at an annual rate which is equal to the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

For authorized printing and binding for the Congress and the distribution of Congressional information in any format; printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, $75,500,000: *Provided*, That this appropriation shall not be available for paper copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: *Provided further*, That none of the funds appropriated or made available under this Act may be expended for printing and binding and related services provided to Congress under chapter 7 of title 44, United States Code, unless such printing and binding and related services are provided during fiscal year 1999 and the billing of such printing and binding and related services occurs not later than December 31, 2000.

This title may be cited as the "Congressional Operations Appropriations Act, 1999".

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

SALARIES AND EXPENSES

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; and purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, $3,180,000.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress not otherwise provided for, including development and maintenance of the Union Catalogs; custody and custodial care of the Library buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog records and other publications of the Library; hire or purchase of one passenger motor vehicle; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, $239,176,542, of which not more than $6,500,000 shall be derived from collections credited to this appropriation during fiscal year 1999, and shall remain available until expended, under the Act of June 28, 1902 (chapter 1301; 32 Stat. 480; 2 U.S.C. 150): *Provided*, That the Library of Congress may not obligate or expend any funds derived from collections under the Act of June 28, 1902, in excess of the amount authorized for obligation or expenditure in appropriations Acts: *Provided further*, That the total amount available for obligation shall be reduced by the amount by which collections are less than the $6,500,000: *Provided further*, That of the total amount appropriated, $10,119,000 is to remain available until expended for acquisition of books, periodicals, newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections: *Provided further*, That of the total amount appropriated, $3,544,000 is to remain available until expended for the acquisition and partial support for implementation of an integrated library system (ILS): *Provided further*, That of the total amount appropriated, $2,000,000 is to remain available until expended for a project to digitize collections for the Meeting of the Frontiers United States-Russian digital library: *Provided further*, That of the total amount appropriated, $250,000 is to remain available until expended for the Library's efforts in connection with the commemoration of the Bicentennial of the Lewis and Clark expedition.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, $35,269,000, of which not more than $16,000,000 shall be derived from collections credited to this appropriation during fiscal year 1999 under 17 U.S.C. 708(d), and not more than $5,170,000 shall be derived from collections during fiscal year 1999 under 17 U.S.C. 111(d)(2), 119(b)(2), 802(h), and 1005: *Provided*, That the total amount available for obligation shall be reduced by the amount by which collections are less than $21,170,000: *Provided further*, That not more than $100,000 of the amount appropriated is available for the maintenance of an "International Copyright Institute" in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies: *Provided further*, That not more than $2,250 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for activities of the International Copyright Institute.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the Act of March 3, 1931 (chapter 400; 46 Stat. 1487; 2 U.S.C. 135a), $46,895,000, of which $13,744,000 shall remain available until expended.

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase, installation, maintenance, and repair of furniture, furnishings, office and library equipment, $4,458,000.

ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount of not more than $194,290, of which $58,100 is for the Congressional Research Service, when specifically authorized by the Librarian, for attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15; and

(2) grants such manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term "manager or supervisor" means any management official or supervisor, as such terms are defined in section 7103(a) (10) and (11) of title 5, United States Code.

SEC. 203. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of 31 U.S.C. 1535 and 1536 shall not be used to employ more than 65 employees and may be expended or obligated—

(1) in the case of a reimbursement, only to such extent or in such amounts as are provided in appropriations Acts; or

(2) in the case of an advance payment, only—

(A) to pay for such general or administrative overhead costs as are attributable to the work performed for such agency; or

(B) to such extent or in such amounts as are provided in appropriations Acts, with respect to any purpose not allowable under subparagraph (A).

SEC. 204. Of the amounts appropriated to the Library of Congress in this Act, not more than $5,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the incentive awards program.

SEC. 205. Of the amount appropriated to the Library of Congress in this Act, not more than $12,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the Overseas Field Offices.

SEC. 206. (a) For fiscal year 1999, the obligational authority of the Library of Congress for the activities described in subsection (b) may not exceed $99,765,100.

(b) The activities referred to in subsection (a) are reimbursable and revolving fund activities that are funded from sources other than appropriations to the Library in appropriations Acts for the legislative branch.

ARCHITECT OF THE CAPITOL

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, $12,566,000, of which $910,000 shall remain available until expended.

ADMINISTRATIVE PROVISION

SEC. 207. For fiscal year 1999, the amounts available for expenditure to the Architect of the Capitol pursuant to Section 4 of Public Law 105–144, approved December 15, 1997, may not exceed $2,500,000.

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

For expenses of the Office of Superintendent of Documents necessary to provide for the cataloging and indexing of Government publications and their distribution to the public, Members of Congress, other Government agencies, and designated depository and international exchange libraries as authorized by law, $29,600,000: *Provided*, That travel expenses, including travel expenses of the Depository Library Council to the Public Printer, shall not exceed $150,000: *Provided further*, That amounts of not more than $2,000,000 from current year appropriations are authorized for producing and disseminating Congressional serial sets and other related publications for 1997 and 1998 to depository and other designated libraries.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the Government Printing Office revolving fund: *Provided*, That not more than $2,500 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further*, That the revolving fund shall be available for the hire or purchase of not more than twelve passenger motor vehicles: *Provided further*, That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further*, That the revolving fund shall be available for temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level V of the Executive Schedule under section 5316 of such title: *Provided further*, That the revolving fund and the funds provided under the headings "OFFICE OF SUPERINTENDENT OF DOCUMENTS" and "SALARIES AND EXPENSES" together may not be available for the full-time equivalent employment of more than 3,350 workyears: *Provided further*, That activities financed through the revolving fund may provide information in any format: *Provided further*, That the revolving fund shall not be used to administer any flexible or compressed work schedule which applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15: *Provided further*, That expenses for attendance at meetings shall not exceed $75,000.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not more than $7,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of such title; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with 31 U.S.C. 3324; benefits comparable to those payable under sections 901(5), 901(6) and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6) and 4081(8)); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries; $363,298,000: *Provided*, That notwithstanding 31 U.S.C. 9105 hereafter amounts reimbursed to the Comptroller General pursuant to that section shall be deposited to the appropriation of the General Accounting Office then available and remain available until expended, and not more than $2,000,000 of such funds shall be available for use in fiscal year 1999: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including the salary of the Executive Director and secretarial support: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of either Forum's costs as determined by the respective Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either the Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Oversight and for the Senate issued by the Committee on Rules and Administration.

SEC. 302. No part of the funds appropriated in this Act shall remain available for obligation beyond fiscal year 1999 unless expressly so provided in this Act.

SEC. 303. Whenever in this Act any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for or the rate of compensation or designation of any office or position appropriated for is different from that specifically established by such Act, the rate of compensation and the designation in this Act shall be the permanent law with respect thereto: *Provided*, That the provisions in this Act for the various items of official expenses of Members, officers, and committees of the Senate and House of Representatives, and clerk hire for Senators and Members of the House of Representatives shall be the permanent law with respect thereto.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 305. Such sums as may be necessary are appropriated to the account described in subsection (a) of section 415 of Public Law 104–1 to pay awards and settlements as authorized under such subsection.

SEC. 306. Amounts available for administrative expenses of any legislative branch entity which participates in the Legislative Branch Financial Managers Council (LBFMC) established by charter on March 26, 1996, shall be available to finance an appropriate share of LBFMC costs as determined by the LBFMC, except that the total LBFMC costs to be shared among all participating legislative branch entities (in such allocations among the entities as the entities may determine) may not exceed $1,500.

SEC. 307. Section 316 of Public Law 101–302 is amended in the first sentence of subsection (a) by striking "1998" and inserting "1999".

SEC. 308. The Government Printing Office shall be considered an agency for the purposes of the election in section 801(b)(2)(B) of the National Energy Conservation Policy Act and the Public Printer shall be considered the head of the agency for purposes of subsection (b)(2)(C) of such section.

SEC. 309. Section 8 of the American Folklife Preservation Act (20 U.S.C. 2107) is amended to read as follows:

"SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to the Center to carry out this Act such sums as may be necessary for each fiscal year.".

SEC. 310. That $3,110,611 shall be transferred from the Employees' Compensation Fund established under section 8147 of title 5, United States Code, to the Government Printing Office revolving fund as reimbursement for costs improperly transferred from the revolving fund pursuant to section 8147(c) of such title: *Provided*, That for purposes of section 8147 of title 5, United States Code, the Government Printing Office is not considered an agency which is required by statute to submit an annual budget pursuant to or as provided by chapter 91 of title 31, United States Code, and is not required to pay an additional amount for the cost of administration.

TITLE IV—TRADE DEFICIT REVIEW COMMISSION

SEC. 401. SHORT TITLE. This title may be cited as the "Trade Deficit Review Commission Act".

SEC. 402. FINDINGS. Congress makes the following findings:

(1) The United States continues to run substantial merchandise trade and current account deficits.

(2) Economic forecasts anticipate continued growth in such deficits in the next few years.

(3) The positive net international asset position that the United States built up over many years was eliminated in the 1980s. The United States today has become the world's largest debtor nation.

(4) The United States merchandise trade deficit is characterized by large bilateral trade imbalances with a handful of countries.

(5) The United States has one of the most open borders and economies in the world. The United States faces significant tariff and nontariff trade barriers with its trading partners. Current overall trade balances do not reflect the actual competitiveness or productivity of the United States economy.

(6) Since the last comprehensive review of national trade and investment policies was conducted by a Presidential commission in 1970, there have been massive worldwide economic and political changes which have profoundly affected world trading relationships. Globalization, the increased mobility of capital and technology, the role of transnational corporations, and the outsourcing of production across national boundaries, are reshaping both the comparative and competitive trade advantages among nations.

(7) The United States is once again at a critical juncture in trade policy development. The nature of the United States trade deficit and its causes and consequences must be analyzed and documented.

SEC. 403. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Trade Deficit Review Commission (hereafter in this title referred to as the "Commission").

(b) PURPOSE.—The purpose of the Commission is to study the causes and consequences of the United States merchandise trade and current account deficits and to develop trade policy recommendations for the 21st century. The recommendations shall include strategies necessary to achieve United States market access to foreign markets that fully reflects the competitiveness and productivity of the United States and also improves the standard of living of United States citizens.

(c) MEMBERSHIP OF COMMISSION.—

(1) COMPOSITION.—The Commission shall be composed of 12 members of whom—

(A) 1 Senator and 2 other persons shall be appointed by the President pro tempore of the Senate upon the recommendation of the Majority Leader of the Senate;

(B) 1 Senator and 2 other persons shall be appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate;

(C) 1 Member of the House of Representatives and 2 other persons shall be appointed by the Speaker of the House of Representatives; and

(D) 1 Member of the House of Representatives and 2 other persons shall be appointed by the Minority Leader of the House of Representatives.

(2) QUALIFICATIONS OF MEMBERS.—

(A) APPOINTMENTS.—Persons who are appointed under paragraph (1), other than a person who is a Senator or Member of the House of Representatives, shall be persons who—

(i) have expertise in economics, international trade, manufacturing, labor, environment, business, or have other pertinent qualifications or experience; and

(ii) are not officers or employees of the United States.

(B) OTHER CONSIDERATIONS.—In appointing Commission members, every effort shall be made to ensure that the members—

(i) are representative of a broad cross-section of economic and trade perspectives within the United States; and

(ii) provide fresh insights to analyzing the causes and consequences of United States merchandise trade and current account deficits.

(d) PERIOD OF APPOINTMENT; VACANCIES.—

(1) IN GENERAL.—Members shall be appointed not later than 60 days after the date of enactment of this Act and the appointment shall be for the life of the Commission.

(2) Vacancies.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) Initial Meeting.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(f) Meetings.—The Commission shall meet at the call of the Chairperson.

(g) Chairperson and Vice Chairperson.—The members of the Commission shall elect a chairperson and vice chairperson from among the members of the Commission.

(h) Quorum.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(i) Voting.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

Sec. 404. Duties of the Commission. (a) In General.—The Commission shall be responsible for developing trade policy recommendations, by examining the economic, trade, tax, and investment policies and laws, and other incentives and restrictions that are relevant to addressing the causes and consequences of the United States merchandise trade and current account deficits.

(b) Recommendations.—The Commission shall examine and make recommendations to Congress and the President on the following:

(1) The manner in which the Government of the United States establishes and administers the Nation's fundamental trade policies and objectives, including—

(A) the relationship of the merchandise trade and current account balances to the overall well-being of the United States economy and any impact the trade balance may have on wages and employment in various sectors of the United States economy;

(B) any effects the merchandise trade and current account deficits may have on the areas of manufacturing and technology and on defense production and innovation capabilities of the United States;

(C) the impact that United States monetary and fiscal policies may have on United States merchandise trade and current account deficits; and

(D) the coordination, allocation, and accountability of trade responsibilities among Federal agencies and the means for congressional oversight of the trade policy process.

(2) The causes and consequences of the merchandise trade and current account deficits and specific bilateral trade deficits, including—

(A) identification and quantification of the macroeconomic factors and bilateral trade barriers contributing to the United States merchandise trade and current account deficits;

(B) identification and quantification of any impact of the merchandise trade and current account deficits on the domestic economy, industrial base, manufacturing capacity, number and quality of jobs, productivity, wages, and the United States standard of living;

(C) identification and quantification of trade deficits within individual industrial, manufacturing, and production sectors, and any relationship to intraindustry and intracompany transactions;

(D) a review of the adequacy of the current collection and reporting of import and export data, and the identification and development of additional data bases and economic measurements that may be needed to properly quantify the factors described in subparagraphs (A), (B), and (C);

(E) the relationship that tariff and nontariff barriers may have to the merchandise trade and current account deficits and the extent to which such deficits have become structural;

(F) the extent to which there is reciprocal market access substantially equivalent to that afforded by the United States in each country with which the United States has a persistent and substantial bilateral trade deficit; and

(G) the impact of transshipments on bilateral trade.

(3) Any relationship of United States merchandise trade and current account deficits to both comparative and competitive trade advantages within the global economy, including—

(A) a systematic analysis of the United States trade patterns with different trading partners, to what extent the trade patterns are based on comparative and competitive trade advantages, and how the trade advantages relate to the goods that are exported to and imported from various trading partners;

(B) the extent to which the increased mobility of capital and technology has changed both comparative and competitive trade advantages;

(C) the extent to which differences in the growth rates of the United States and its trading partners may impact on United States merchandise trade and current account deficits;

(D) any impact that labor, environmental, or health and safety standards may have on world trade;

(E) the impact that currency exchange rate fluctuations and any manipulation of exchange rates may have on United States merchandise trade and current account deficits;

(F) the effect that offset and technology transfer agreements have on the long-term competitiveness of the United States manufacturing sectors; and

(G) any effect that international trade, labor, environmental, or other agreements may have on United States competitiveness.

(4) The flow of investments both into and out of the United States, including—

(A) any consequences for the United States economy of the current status of the United States as a debtor nation;

(B) any relationship between such investments and the United States merchandise trade and current account deficits and living standards of United States workers;

(C) any impact such investments may have on United States labor, community, environmental, and health and safety standards, and how such investment flows influence the location of manufacturing facilities; and

(D) the effect of barriers to United States foreign direct investment in developed and developing nations, particularly nations with which the United States has a merchandise trade and current account deficit.

Sec. 405. Final Report; Congressional Hearings. (a) Final Report.—

(1) In general.—Not later than 18 months after the date of enactment of this Act, the Commission shall submit to the President and Congress a final report which contains—

(A) the findings and conclusions of the Commission described in section 404;

(B) recommendations for addressing the problems identified as part of the Commission's analysis; and

(C) any proposals for administrative and legislative actions necessary to implement such recommendations.

(2) Separate views.—Any member of the Commission may submit additional findings and recommendations as part of the final report.

(b) Congressional Hearings.—Not later than 6 months after the final report described in subsection (a) is submitted, the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate shall hold hearings on the report. Other committees of the House of Representatives and Senate with relevant jurisdiction may also hold hearings on the report.

Sec. 406. Powers of Commission. (a) Hearings.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission may find advisable to fulfill the requirements of this title. The Commission shall hold at least 1 or more hearings in Washington, D.C., and 4 in different regions of the United States.

(b) Information From Federal Agencies.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this title. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) Postal Services.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

Sec. 407. Commission Personnel Matters. (a) Compensation of Members.—

(1) In general.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) Officer and employee of the United States.—For purposes of this section, a member of the Commission who is a Senator or a member of the House of Representatives shall be treated as an officer or employee of the United States.

(b) Travel Expenses.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) Staff.—

(1) In general.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) Compensation.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed

the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 408. SUPPORT SERVICES. The Administrator of the General Services Administration shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 409. APPROPRIATIONS. There are appropriated $2,000,000 to the Commission to carry out the provisions of this title.

BENNETT (AND DORGAN) AMENDMENT NO. 3221

Mr. STEVENS (for Mr. BENNETT for himself and Mr. DORGAN) proposed an amendment to amendment No. 3220 proposed by Mr. BENNETT to the bill, H.R. 4112, supra; as follows:

On page 14, line 24, strike "$6,077,000" and insert "$6,297,000".

BENNETT (AND DORGAN) AMENDMENT NO. 3222

Mr. STEVENS (for Mr. BENNETT for himself and Mr. DORGAN) proposed an amendment to amendment No. 3220 proposed by Mr. BENNETT to the bill, H.R. 4112, supra; as follows:

On page 2, line 9, strike "$79,183,000" and insert "$87,233,000".

On page 2, between lines 21 and 22, insert the following:

COMMITTEE ON APPROPRIATIONS

For salaries of the Committee on Appropriations, $6,050,000.

On page 3, line 25, strike "$19,332,000" and insert "$21,332,000".

On page 4, line 22, strike $75,600,000" and insert "$66,800,000".

On page 5, line 10, strike "$7,905,000" and insert "$8,655,000".

On page 12, between lines 2 and 3, insert the following:

SEC. 10. (a) The Committee on Appropriations is authorized in its discretion—

(1) to hold hearings, report such hearings, and make investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate;

(2) to make expenditures from the contingent fund of the Senate;

(3) to employ personnel;

(4) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration to use, on a reimbursable or nonreimbursable basis, the services of personnel of any such department or agency;

(5) to procure the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 and Senate Resolution 140, agreed to May 14, 1975); and

(6) to provide for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(b) Senate Resolution 54, agreed to February 13, 1997, is amended by striking section 4.

(c) This section shall be effective on and after October 1, 1998, or the date of enactment of this Act, whichever is later.

SEC. 11. (a)(1) The Chairman of the Appropriations Committee of the Senate may, during any fiscal year, at his or her election transfer funds from the appropriation account for salaries for the Appropriations Committee of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable for such committee.

(2) The Chairman of the Appropriations Committee of the Senate may, during any fiscal year, at his or her election transfer funds from the appropriation account for expenses, within the contingent fund of the Senate, for the Appropriations Committee of the Senate, to the account from which salaries are payable for such committee.

(b) Any funds transferred under this section shall be—

(1) available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account to which the funds were transferred; and

(2) made at such time or times as the Chairman shall specify in writing to the Senate Disbursing Office.

(c) This section shall take effect on October 1, 1998, and shall be effective with respect to fiscal years beginning on or after that date.

BENNETT (AND DORGAN) AMENDMENT NO. 3223

Mr. STEVENS (for Mr. BENNETT for himself and Mr. DORGAN) proposed an amendment to amendment No. 3220 proposed by Mr. BENNETT to the bill, H.R. 4112, supra; as follows:

On page 35, line 8, strike all through line 9 on page 49 and insert the following:

TITLE IV—TRADE DEFICIT REVIEW COMMISSION

SEC. 401. SHORT TITLE.

This title may be cited as the "Trade Deficit Review Commission Act".

SEC. 402. FINDINGS.

Congress makes the following findings:

(1) The United States continues to run substantial merchandise trade and current account deficits.

(2) Economic forecasts anticipate continued growth in such deficits in the next few years.

(3) The positive net international asset position that the United States built up over many years was eliminated in the 1980s. The United States today has become the world's largest debtor nation.

(4) The United States merchandise trade deficit is characterized by large bilateral trade imbalances with a handful of countries.

(5) The United States has one of the most open borders and economies in the world. The United States faces significant tariff and nontariff trade barriers with its trading partners. The United States does not benefit from fully reciprocal market access.

(6) The United States is once again at a critical juncture in trade policy development. The nature of the United States trade deficit and its causes and consequences must be analyzed and documented.

SEC. 403. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Trade Deficit Review Commission (hereafter in this title referred to as the "Commission").

(b) PURPOSE.—The purpose of the Commission is to study the nature, causes, and consequences of the United States merchandise trade and current account deficits.

(c) MEMBERSHIP OF COMMISSION.—

(1) COMPOSITION.—The Commission shall be composed of 12 members as follows:

(A) Three persons shall be appointed by the President pro tempore of the Senate upon the recommendation of the Majority Leader of the Senate, after consultation with the Chairman of the Committee on Finance.

(B) Three persons shall be appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate, after consultation with the ranking minority member of the Committee on Finance.

(C) Three persons shall be appointed by the Speaker of the House of Representatives, after consultation with the Chairman of the Committee on Ways and Means.

(D) Three persons shall be appointed by the Minority Leader of the House of Representatives, after consultation with the ranking minority member of the Committee on Ways and Mean.

(2) QUALIFICATIONS OF MEMBERS.—

(A) APPOINTMENTS.—Persons who are appointed under paragraph (1) shall be persons who—

(i) have expertise in economics, international trade, manufacturing, labor, environment, business, or have other pertinent qualifications or experience; and

(ii) are not officers or employees of the United States.

(B) OTHER CONSIDERATIONS.—In appointing Commission members, every effort shall be made to ensure that the members—

(i) are representative of a broad cross-section of economic and trade perspectives within the United States; and

(ii) provide fresh insights to analyzing the causes and consequences of United States merchandise trade and current account deficits.

(d) PERIOD OF APPOINTMENT; VACANCIES.—

(1) IN GENERAL.—Members shall be appointed not later than 60 days after the date of enactment of this Act and the appointment shall be for the life of the Commission.

(2) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(f) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The members of the Commission shall elect a chairperson and vice chairperson from among the members of the Commission.

(h) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(i) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

SEC. 404. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall be responsible for examining the nature, causes, and consequences of, and the accuracy of available data on, the United States merchandise trade and current account deficits.

(b) ISSUES TO BE ADDRESSED.—The Commission shall examine and report to the President, the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and other appropriate committees of Congress on the following:

(1) The relationship of the merchandise trade and current account balances to the overall well-being of the United States economy, and to wages and employment in various sectors of the United States economy.

(2) The impact that United States monetary and fiscal policies may have on United States merchandise trade and current account deficits.

(3) The extent to which the coordination, allocation, and accountability of trade responsibilities among Federal agencies may contribute to the trade and current account deficits.

(4) The causes and consequences of the merchandise trade and current account deficits and specific bilateral trade deficits, including—

(A) identification and quantification of—

(i) the macroeconomic factors and bilateral trade barriers that may contribute to the United States merchandise trade and current account deficits;

(ii) any impact of the merchandise trade and current account deficits on the domestic economy, industrial base, manufacturing capacity, technology, number and quality of jobs, productivity, wages, and the United States standard of living;

(iii) any impact of the merchandise trade and current account deficits on the defense production and innovation capabilities of the United States; and

(iv) trade deficits within individual industrial, manufacturing, and production sectors, and any relationship between such deficits and the increasing volume of intra-industry and intra-company transactions;

(B) a review of the adequacy and accuracy of the current collection and reporting of import and export data, and the identification and development of additional data bases and economic measurements that may be needed to properly quantify the merchandise trade and current account balances, and any impact the merchandise trade and current account balances may have on the United States economy; and

(C) the extent to which there is reciprocal market access substantially equivalent to that afforded by the United States in each country with which the United States has a persistent and substantial bilateral trade deficit, and the extent to which such deficits have become structural.

(5) Any relationship of United States merchandise trade and current account deficits to both comparative and competitive trade advantages within the global economy, including—

(A) a systematic analysis of the United States trade patterns with different trading partners and to what extent the trade patterns are based on comparative and competitive trade advantages;

(B) the extent to which the increased mobility of capital and technology has changed both comparative and competitive trade advantages;

(C) any impact that labor, environmental, or health and safety standards may have on comparative and competitive trade advantages;

(D) the effect that offset and technology transfer agreements have on the long-term competitiveness of the United States manufacturing sectors; and

(E) any effect that international trade, labor, environmental, or other agreements may have on United States competitiveness.

(6) The extent to which differences in the growth rates of the United States and its trading partners may impact on United States merchandise trade and current account deficits.

(7) The impact that currency exchange rate fluctuations and any manipulation of exchange rates may have on United States merchandise trade and current account deficits.

(8) The flow of investments both into and out of the United States, including—

(A) any consequences for the United States economy of the current status of the United States as a debtor nation;

(B) any relationship between such investment flows and the United States merchandise trade and current account deficits and living standards of United States workers;

(C) any impact such investment flows may have on United States labor, community, environmental, and health and safety standards, and how such investment flows influence the location of manufacturing facilities; and

(D) the effect of barriers to United States foreign direct investment in developed and developing nations, particularly nations with which the United States has a merchandise trade and current account deficit.

SEC. 405. FINAL REPORT.

(a) IN GENERAL.—Not later than 12 months after the date of the initial meeting of the Commission, the Commission shall submit to the President and Congress a final report which contains—

(1) the findings and conclusions of the Commission described in section 404; and

(2) recommendations for addressing the problems identified as part of the Commission's analysis.

(b) SEPARATE VIEWS.—Any member of the Commission may submit additional findings and recommendations as part of the final report.

SEC. 406. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission may find advisable to fulfill the requirements of this title. The Commission shall hold at least 1 or more hearings in Washington, D.C., and 4 in different regions of the United States.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this title. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

SEC. 407. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 408. SUPPORT SERVICES.

The Administrator of the General Services Administration shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 409. APPROPRIATIONS.

There are appropriated $2,000,000 to the Commission to carry out the provisions of this title.

THOMAS (AND BROWNBACK) AMENDMENT NO. 3224

Mr. STEVENS (for Mr. THOMAS, for himself and Mr. BROWNBACK) proposed an amendment to the bill, H.R. 4112, supra; as follows:

At the appropriate place at the end of the bill, insert:

SEC. 311. (a) This section applies to the following officials:

(1) The Architect of the Capitol.

(2) The Secretary of the Senate.

(3) The Sergeant at Arms and Doorkeeper of the Senate.

(4) The Public Printer.

(5) The Director, and the Executive Director, of the United States Botanic Garden.

(b)(1) Not later than March 30, 1999, each official named in subsection (a) shall submit to Congress a list of each activity that—

(A) is to be performed by or for the official in fiscal year 2000;

(B) is not an inherently governmental function; and

(C) is—

(i) performed by a Federal Government source on September 30, 1998; or

(ii) initiated after that date, if one or more Federal Government sources are to be considered for selection as the source to perform the activity.

(2) Each list shall include (for each activity listed)—

(A) the number of full-time employees (or its equivalent) that would be necessary for the performance of the activity by a Federal Government source; and

(B) the name of a Federal Government employee responsible for the activity from whom additional information about the activity may be obtained.

(c) An activity is not required to be included on an official's list under subsection (b) if the activity, as determined by the official—

(1) is to be performed as a Federal Government response to a national emergency declared by the President or Congress;

(2) is to be performed for the official by a private sector source pursuant to a contract or other agreement entered into by the head of another department or agency of the Federal Government; or

(3) is the provision of items that should be produced, manufactured, or provided, or services that should be provided, by a Federal Government source for reasons of national security (including reasons relating to the acquisition, processing, or analysis of intelligence in the national security interests of the United States).

(d) In this section:

(1) The term "Federal Government source", with respect to performance of an activity, means any organization within the Federal Government that uses Federal Government employees to perform the activity.

(2)(A) The term "inherently governmental function" means a function that is so intimately related to the public interest as to require performance by Federal Government employees.

(B) The term includes activities that require either the exercise of discretion in applying Federal Government authority or the making of value judgments in making decisions for the Federal Government, including judgments relating to monetary transactions and entitlements. An inherently governmental function involves, among other things, the interpretation and execution of the laws of the United States so as—

(i) to bind the United States to take or not to take some action by contract, policy, regulation, authorization, order, or otherwise;

(ii) to determine, protect, and advance United States economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;

(iii) to significantly affect the life, liberty, or property of private persons;

(iv) to commission, appoint, direct, or control officers or employees of the United States; or

(v) to exert ultimate control over the acquisition, use, or disposition of the property, real or personal, tangible or intangible, of the United States, including the collection, control, or disbursement of appropriated and other Federal funds.

(C) The term does not normally include—

(i) gathering information for or providing advice, opinions, recommendations, or ideas to Federal Government officials; or

(ii) any function that is primarily ministerial and internal in nature (such as building security, mail operations, operation of cafeterias, housekeeping, facilities operations and maintenance, warehouse operations, motor vehicle fleet management operations, or other routine electrical or mechanical services).

(3) The term "private sector source", with respect to the operation of a facility owned by the Federal Government, includes a contractor that is operating, or is to operate, the facility.

McCAIN (AND OTHERS) AMENDMENT NO. 3225

Mr. McCAIN (for himself, Mr. COATS, Mr. LEAHY, Mr. FAIRCLOTH, Mr. ASHCROFT, Mr. KERREY, Mr. ENZI, Mr. WYDEN, Mr. FEINGOLD, Mr. ABRAHAM, and Mr. ROBB) proposed an amendment to the bill, H.R. 4112, supra, as follows:

At the appropriate place, insert the following:

SEC. . AVAILABILITY OF CERTAIN CRS WEB SITE INFORMATION.

(a) AVAILABILITY OF INFORMATION.—

(1) IN GENERAL.—The Director of the Congressional Research Service shall make available on the Internet, for purposes of access and retrieval by the public, all information that—

(A) is available through the Congressional Research Service web site;

(B) is described in paragraph (2); and

(C) is not confidential as determined by—

(i) the Director; or

(ii) the head of a Federal department or agency that provided the information to the Congressional Research Service.

(2) INFORMATION.—The information referred to in paragraph (1)(B) is as follows:

(A) All Congressional Research Service Issue Briefs.

(B) All Congressional Research Service Reports that are available to Members of Congress through the Congressional Research Service web site.

(C) All Congressional Research Service Authorization of Appropriations Products or Appropriations Products.

(3) REMOVAL OF INFORMATION; CHANGES AND UPDATES.—Notwithstanding any other provision of this section, the Director of the Congressional Research Service may—

(A) remove from the information required to be made available on the Internet under this section the name of, phone number of, and information regarding, an employee of the Congressional Research Service;

(B) remove from the information required to be made available on the Internet under this section, any material the Director determines may infringe the copyright of a work protected under title 17, United States Code; and

(C) make any changes or updates in the information required to be made available on the Internet under this section that the Director determines are necessary to ensure that the information is accurate.

(b) TIME.—The information shall be so made available not earlier than 30 days after the first day the information is available to Members of Congress through the Congressional Research Service web site.

(c) REQUIREMENTS.—The Director of the Congressional Research Service shall make the information available in a manner that the Director determines—

(1) is practical and reasonable; and

(2) does not permit the submission of comments from the public.

(d) METHOD OF PUBLIC ACCESS.—The public shall have access to the web page containing Congressional Research Service information that is available to the public only through the Library of Congress' THOMAS web page (http://thomas.loc.gov). The Director of Congressional Research Service shall work with the Librarian of Congress to establish an appropriate Internet link to carry out this subsection. The Director of Congressional Research Service shall be responsible for maintaining and updating the web page containing Congressional Research Service products. The Director of Congressional Research Service shall have sole discretion to edit the web page based on the criteria established by this Act. The Librarian of Congress shall have the responsibility of working with the Director of Congressional Research Service only to the extent necessary to establish the link from the THOMAS web page to the public access Congressional Research Service web page. Nothing in this Act may be construed to interfere with the Librarian's normal duties concerning THOMAS.

(e) FURTHER APPROVAL NOT REQUIRED.—Notwithstanding the first proviso under the subheading "SALARIES AND EXPENSES" under the subheading "CONGRESSIONAL RESEARCH SERVICE" under the heading "LIBRARY OF CONGRESS" under title I of this Act (relating to prior approval of certain publications), the Director shall make information available in accordance with this section without the prior approval of the Committee on Rules and Administration of the Senate or the Committee on House Oversight of the House of Representatives.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will meet on Wednesday, July 22, 1998, at 9 a.m. in SR–328A. The purpose of this meeting will be to examine the Y2K computer problem as it relates to agricultural business and other matters.

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs and the House Committee on Resources will meet during open session on Wednesday, July 22, 1998, at 9 a.m. to conduct a joint hearing on S. 1770, to evaluate the Director of Indian Health Service to Assistant Secretary for Health and Human Services; and H.R. 3782, Indian Trust Fund Accounts. The hearing will be held in room 106 of the Dirksen Senate Office Building.

Those wishing additional information should contact the Committee on Indian Affairs at 202/224–2251.

AUTHORITY FOR COMMITTEE TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, July 20, 1998, at 4 p.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO KENJI SUMIDA UPON HIS RETIREMENT AS PRESIDENT OF THE EAST-WEST CENTER

• Mr. INOUYE. Mr. President, on behalf of myself and Senator DANIEL K. AKAKA, I would like to say a few words about Mr. Kenji Sumida who is retiring next month from the post of President of the East-West Center in Honolulu, Hawaii. The East-West Center is a national education and research institution established by the United States Congress in 1960 to promote better relations and understanding among the nations of Asia, the Pacific and the United States.

During his tenure as President of the East-West Center, Mr. Sumida effectively led the Center through a particularly difficult period of reduced funding and budget cuts while maintaining and building upon the Center's reputation as the premiere United States institution dealing with major issues in the Asia-Pacific region. He substantially increased the visibility of the Center in Washington, DC, and reached out to the Center's many alumni in the United States and throughout the Asia-Pacific region.

In addition to his leadership role at the East-West Center, Mr. Sumida has served his native State of Hawaii in numerous other capacities, including high-ranking administrative posts at the University of Hawaii, the State of Hawaii, and City and County of Honolulu; director of administration of the Pacific International Center for High Technology Research; and chief of staff and commander of the Hawaii Air National Guard, retiring with the grade of Brigadier General. His long-standing involvement and commitment to numerous community service activities is commendable.

In all of his pursuits, Kenji Sumida has worked tirelessly and conscientiously to create bonds of friendship, respect and mutual understanding in his home state and the nation, as well as with our neighbors in Asia and the Pacific.

We would like to acknowledge and pay tribute to Kenji Sumida for an outstanding career of service to our great nation and to extend our best wishes in his retirement.•

THERE THEY GO AGAIN: WILL TRIAL LAWYERS STIFLE YEAR 2000 SOLUTIONS?

• Mr. FAIRCLOTH. Mr. President, I rise to address the imminent wave of Year 2000 lawsuits that will flood our courts and enrich thousands of trial lawyers at the expense of American consumers. I also rise to commend President Clinton for his announcement that he will propose legislation to shield businesses from lawsuits based on information shared in efforts to solve these so-called Y2K problems.

Based on the information that I have received, I believe that his approach is too narrow, but it is a step in the right direction.

It is a step away from greedy trial lawyers and litigation towards creative computer programmers and solutions.

We face the so-called millennial glitch—the Year 2000 problem—because most software programs cannot recognize dates after December 31, 1999.

Over the past twenty years, to save computer memory that was prohibitively expensive, programmers shortened the date field in software programs to hold only the last two digits of the year.

This glitch will cause computer systems to malfunction and to crash if these programs are not rewritten and fixed. Certainly, this is a major problem, one that has sent computer programmers scrambling for solutions.

This is one of the most important issues before businesses, Mr. President, and the costs of Y2K compliance are estimated to be hundreds of billions of dollars. The junior Senator from Utah, Mr. BENNETT, is to be commended for his fine work on the Year 2000 subcommittee.

We will face computer chaos if these problems are not resolved before the clock strikes midnight on December 31, 1999. We are looking at the possibility of power outages, frozen bank accounts, even the specter of a global recession.

Unfortunately, though, the solutions are not all clear.

The efficient exchange of information among the involved parties—programmers, computer companies, and consumers—is critical. We will never find solutions if all parties are not free to exchange all the relevant information.

There is, however, a major hurdle to this critical exchange of information—the trial lawyers. The trial lawyers are excited by this Year 2000 problem.

The Gartner Group, a consulting firm, estimates that the costs of the Y2K fix will run up to $600 billion, but that the legal costs—the trial lawyer taxes—may explode to one trillion dollars.

Yes, Mr. President, $1 trillion for litigation.

The projected trillion dollars in legal fees is yet another "trial lawyer tax" that greedy plaintiffs' lawyers impose on the American people in the form of increased costs inevitably passed on to consumers.

The only jobs that the trial lawyers will create with their Year 2000 lawsuits are in the Lear jet factory as the orders come rolling in from these millionaire trial lawyers.

The trial lawyers see another problem to exploit for financial gain, another opportunity for personal enrichment at the expense of the nation.

The justifiable fear that businesses have of these trial lawyers is actually slowing down efforts to solve these critical problems.

The Washington Post reported that, "Many companies have resisted exchanging technical advice with one another, delaying the pace of repair work, because they fear costly litigation if the information they provide inadvertently turns out to be inaccurate."

So, if the Social Security checks are late and the power gets turned off because computer companies cannot share information with the Federal government, you can thank the trial lawyers and their greed.

The headlines may proclaim that the Social Security Administration is well along in its Year 2000 progress, and it is amongst the more responsive agencies, about 90 percent of the way to getting its computers ready.

However, Mr. President, the Treasury Department—not the Social Security Administration—prints Social Security checks. The bad news is that Treasury is amongst the least responsive federal agencies to the Y2K issue.

I hope that trial lawyers' greed won't leave older Americans shivering in the cold on New Year's Day in the year 2000 because everyone was too afraid of being sued to work together on a solution.

As I said, the threat of a tidal wave of expensive litigation is shutting down the exchange of information, which is essential to a resolution of this issue. Further, however, the stampede of trial lawyers to the courthouse is also contributing to a shortage of qualified staff to deal with the issue.

Many specialized firms that could work on this issue—firms with the technical expertise to do this job—are, in fact, avoiding it because they fear that they will become the target of the trial lawyers.

The pattern is a familiar one. Trial lawyers, many of whom sue on a contingent fee basis that guarantees them a fixed percentage of their client's award, look for the parties with the "deep pockets." A company with deep pockets is likely to be sued even if its systems are working properly.

It's the old "supply chain": if a supplier, partner, or customer winds up with a Year 2000 problem, then the lawsuits will likely ripple all the way through the supply chain.

One lawyer involved in this Year 2000 litigation observed that, if the problem drives the suppliers and customers into bankruptcy, the plaintiffs are likely to sue "everyone standing around the dead body."

The lawyers are getting ready, Mr. President, and there have been litigation summits in California.

In fact, Bill Lerach, known for the securities "strike suits" that prompted reform legislation, is already filing Year 2000 lawsuits. He even filed one against Symantec Corporation, the maker of the popular Norton Anti-Virus software. Symantec is a golden oldie for Mr. Lerach. He sued this company in 1994 in one of his self-described "favorite" securities lawsuits.

This outstanding member of the plaintiffs' bar even sued the pop singers "Milli Vanilli" for lip-synching its songs. He sued on behalf of fans who felt betrayed.

This courtroom crusader also sued Ragu for selling a "fresh Italian" salad dressing that wasn't fresh or Italian.

This is a man who paid $64,000 in fines for breaking electoral laws and paid court fines due to his lawsuit antics.

It's time to choose, Mr. President, between these trial lawyers and the average Americans.

Do we stand with Mr. Lerach and his greedy band of litigators or with the regular people who just want solutions to a problem that threatens their parents' Social Security checks?

I commend President Clinton for his proposal. I believe that we need something far more broad, but it is a first step, and I am ready to move forward.

Let's tell the trial lawyers and their Gucci-loafered lobbyists that we stand with the American people, not the special interests.

I'm worried about the Social Security checks getting out on time, not the court papers getting in on time.

I want solutions, not lawsuits. I'm looking out for the American people and their interests, not the trial lawyers and the special interests.

The trial lawyers want to turn the Year 2000 issue into a lawsuit "House of Horrors" but I'm here to deny them a building permit.•

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

ANNIVERSARY OF THE INVASION OF CYPRUS

• Ms. MIKULSKI. Mr. President, twenty four years ago today, Turkish troops invaded and divided the nation of Cyprus. This illegal and immoral division of Cyprus continues today—dividing a country and creating instability in the Mediterranean.

During the early days of the Turkish occupation, six thousand Greek-Cypriots were killed. Over two hundred thousand were driven from their homes. Many of the missing, including some Americans, have never been accounted for.

Little has changed in the past quarter century. Today, forty thousand Turkish troops remain in Cyprus. The Greek-Cypriots who remain in the northern part of the island are denied basic human rights such as the right to a free press, freedom to travel, and access to religious sites.

I am disappointed that we have made no progress in ending the occupation of Cyprus. Earlier this year, there were reasons to be hopeful. We thought that possible European Union membership would make Turkey more receptive to peace talks. but Turkey is not on the short list for E.U. membership—and Turkey responded by imposing preconditions on any negotiations. So we are far as ever from a peaceful solution for Cyprus.

This year, as we mark this somber anniversary, I urge my colleagues to join me in recommitting ourselves to bring peace to Cyprus.

First of all, we must continue to make the resolution of the Cyprus problem a priority. President Clinton and Secretary of State Albright have focused more attention on this region than any other Administration. Ambassador Richard Holbrooke and Ambassador Tom Miller have done an excellent job trying to bring both sides together. As Ambassador Holbrooke assumes his new responsibilities at the United Nations, we must encourage the Administration to replace him with an emissary of equal stature.

The secondary priority is that we must continue to provide humanitarian assistance to the people of Cyprus. Each year, Congress provides fifty million dollars to foster bicommunal cooperation in Cyprus. These funds are used for education, health care, and to help both communities to solve regional problems—such as to improve water and energy supplies.

The third priority is that Congress should pass the Enclaved People of Cyprus Act. Senator OLYMPIA SNOWE and I introduced this legislation to call for improved human rights for the Greek Cypriots living under Turkish control.

Mr. President, the crisis in Cyprus has brought two NATO allies to the brink of war. The occupation is also a human tragedy that should enrage all of us who care about human rights. I urge my colleagues to continue to work toward a peaceful and unified Cyprus.•

AFRICA SEEDS OF HOPE ACT

• Mr. ABRAHAM. Mr. President, I rise to cosponsor S. 2283 the Africa Seeds of Hope Act. This bill offers us a rare opportunity to improve a people's way of life. Introduced by my colleagues Senator DEWINE and Senator SARBANES, the Africa Seeds of Hope is landmark legislation that will help feed a continent, but more importantly provide the people of that continent with the tools of self-sustenance. This bill not only validates our judgment as good legislators, but challenges us to a higher standard.

S. 2283 designates organizations such as the U.S. Agency for International Development and the Overseas Private Investment Corporation to support rural finance, agricultural research, and food security programs to increase food production and the capital of small scale African farmers and entrepreneurs. It also provides women, the facilitators of agricultural growth in Africa, with improved resources to expedite development. Financial support for this program would emanate from a presently existing account and would not require any new funds to be allocated.

Mr. President, at this point I would like to note a few crucial statistics that are often overlooked, and that are shocking, particularly in comparison with our own fortunate state. Today, on the brink of the 21st Century and the new millennium, 215 million African men, women and children go hungry. This is happening, Mr. President, at a time during which the United States spends about one-half of 1 percent of the federal budget on foreign aid. And only one-tenth of 1 percent of that limited budget aids Africans, with a declining part going to agricultural development. If Africa is to achieve any kind of food security, international agencies tell us, it must triple its food supply by the year 2050. Africa cannot achieve this huge expansion on its own.

The global economy, for better and worse, Mr. President, links together every nation and every person on this earth. We no longer have the option, if we ever did, of closing our doors and shutting out any people, let alone an entire continent. Support for the Africa Seeds of Hope constitutes support for our own economy, our own people and our own principles. It will provide, not just meals and nutrition for a week or a month, but the chance for a continent to rise and feed itself and eventually gain self-sustenance.

I urge my colleagues to support this important legislation.•

RECOGNITION OF "SPACE WEEK"

• Mr. GRAMS. Mr. President, I rise today to commemorate "Space Week" and recognize the accomplishments of our nation's space programs over the course of forty years of NASA space exploration.

As my colleagues may know, this month marks the 29th anniversary of the Apollo 11 launch on July 16, 1969 which began one of man's greatest voyages of exploration: the first flight to land a man on the moon. Like most Americans, I can recall my wonderment on July 20, 1969 when the lunar module Eagle landed on the moon. Soon thereafter, Commander Neil Armstrong descended from Eagle to the moon's surface and declared those memorable words, "That's one small step for man, one giant leap for mankind."

Since that historic moment, NASA and its private sector partners have guided this nation to the forefront of aeronautical excellence. Today, this nation's commitment to expanding the development of technology and learning more about our vast universe remains as strong as ever.

My home state of Minnesota has earned a well-deserved reputation as a high-technology giant, making our job creators a perfect match with NASA. That NASA depends so heavily on the ingenuity and know-how of Minnesota's high-tech industries is a strong testament to the innovative spirit of our citizens. I am particularly impressed at Minnesota's contributions to the space shuttle program, and I had the unique opportunity to witness their work first-hand last November, when I toured NASA's Florida facilities and viewed the launch of the space shuttle Columbia. I ask that the names of the 31 Minnesota firms currently working under NASA's space shuttle program be printed in the RECORD.

The names follow:

3M Company Industrial Chemical Product (St. Paul, Minnesota)
ADC Telecommunications, Inc. (Minneapolis, Minnesota)
Arrow Electronics (Chanhassen, Minnesota)
Computype (St. Paul, Minnesota)
Control Data Systems, Inc. (Arden Hills, Minnesota)
Despatch Industries (Minneapolis, Minnesota)
Digi-Key Corporation (Thief River Falls, Minnesota)
Donaldson Company (Minneapolis, Minnesota)
Dotronix, Inc. (New Brighton, Minnesota)
Graco, Inc. (Minneapolis, Minnesota)
Interactive Technologies, Inc. (North St. Paul, Minnesota)
Intercomp Company (Minneapolis, Minnesota)
Kavouras Incorporated (Burnsville, Minnesota)
Midwest Systems (Burnsville, Minnesota)
Minnetech Labs, Inc. (Minneapolis, Minnesota)
Northern Hydraulics, Inc. (Burnsville, Minnesota)
Pacific Digital Products (Burnsville, Minnesota)
Reality Interactive, Inc. (Eden Prairie, Minnesota)
Research Incorporated (Minneapolis, Minnesota)
Rosemount Aerospace, Inc. (Eagan, Minnesota)
Rosemount, Inc. (Chanhassen, Minnesota)
Sheldahl Incorporated (Northfield, Minnesota)
Starkey Laboratories, Inc. (Eden Prairie, Minnesota)
Telex Communications (Minneapolis, Minnesota)
Tescom (Elk River, Minnesota)
The Winsted Corporation (Minneapolis, Minnesota)
Try Us Resources, Inc. (Minneapolis, Minnesota)
TSI, Inc. (St. Paul, Minnesota)
Twin Cities Digital (Burnsville, Minnesota)
W.A. Charnstrom Company (Minneapolis, Minnesota)
Zero (Minneapolis, Minnesota)

Mr. GRAMS. Minnesotans were there at the dawn of the Space Age, and I look forward to the role our state will play as the next chapter of America's space history, the era of the International Space Station, is written.

I believe the nation's space programs, such as the International Space Station, represent important investments in America's future. The scientific and technological benefits of this ambitious initiative are impressive and will produce a high rate of return on the American taxpayers' investment in aeronautical and space programs. Among these benefits, the space station will provide new insight into industrial research for air and water purification, waste management and recycling, computer technology, and environmental engineering. Most notable is the progress being made in the biomedical field.

The promise of a long-term, zero gravity environment has scientists poised to conduct research into the development of cures for diabetes, cancer, emphysema, and immune system disorders. Moreover, the study and eventual findings of why astronauts who spend extended periods of time in space often experience weakening of their hearts and blood vessels may lead to the diagnosis and treatment of heart disease. It should also be noted that the International Space Station is supported by many of this nation's most prominent medical and research organizations, including the American Medical Association, the Multiple Sclerosis Association of America, the American Medical Woman's Association, Bristol-Myers Squibb, and Mount Sinai Medical Center. Clearly, the space station promises to make significant contributions to the study of medicine.

Mr. President, the International Space Station will help to maintain U.S. leadership in space while promoting international cooperation. This international laboratory in orbit will bring American, Russian, European, Japanese, and Canadian astronauts together in search of a common goal: to develop further advances in science and technology that will benefit future generations.

More importantly for the young people of America, the space station will inspire greater interest in our nation's space programs. With this in mind, I would like to commend some of the colleges and universities in my home state of Minnesota for their commitment to encouraging the involvement of our country's future leaders in our aeronautical and space industry.

Mr. President, since 1989, NASA has administered the "Space Grant" program to enhance aerospace research and education in the United States. This program is an effective partnership among universities, the aerospace industry, and federal, state, and local governments that assists in the recruitment and training of professionals in aerospace science, engineering, and technology.

In my home state, the Minnesota Space Grant Consortium is comprised of nine academic institutions along with the Minnesota Department of Transportation. Those nine institutions are: Augsburg College, Bemidji State University, Bethel College, College of St. Catherine, Fond du Lac Tribal and Community College, Macalester College, Normandale Community College, the University of Minnesota-Twin Cities, and the University of St. Thomas.

For the last several years, these institutions have worked effectively together to promote aerospace science through fellowships and scholarships, the development of new courses in Physics and Geology, the establishment of a new Space Studies minor among the consortia members, and public lectures relating to space science and engineering.

I met recently with Emily Eelkema, a native of Minneapolis and a senior at the University of Minnesota studying Aerospace Engineering. Emily is a participant in the NASA Academy on Aeronautics at the Dryden Flight Research Center in California, and was initially selected for this honor through the Minnesota Space Grant Consortium.

Those selected for the NASA Academy are among the brightest students in the country and have expressed a deep interest in NASA aeronautical space research. I was extremely impressed by Emily's grasp of Dryden's flight research program and her lifelong interest in aeronautics and space activities. I am encouraged to learn of her goals of becoming an astronaut and playing an important role in the design of a manned Mars mission. Her commitment to a career in this exciting field makes me optimistic about the future of our space program.

Mr. President, the commemoration of "Space Week" would not be complete without paying tribute to a true American hero, our colleague Senator JOHN GLENN. On October 29, Senator GLENN will embark on a second journey into space, this time aboard the Space Shuttle Discovery, as a Payload Specialist responsible for conducting space-based research on aging. His work may lead to further understanding by scientists about the process of aging, and help reduce the number of individuals requiring long-term medical care in their later years.

Many deserving accolades have been placed upon Senator GLENN for his accomplishments throughout his career as a marine, the first American to orbit the Earth, and a United States Senator. I believe no commendation has captured the essence of JOHN GLENN's commitment to public service than that bestowed upon him more than 35 years ago by President Kennedy during a visit to Cape Canaveral, Florida.

Upon presentation of NASA's Distinguished Service Medal to Lt. Colonel

GLENN, President Kennedy spoke of GLENN's historic orbital flight when he said, "His performance was marked by his great professional knowledge, his skill as a test pilot, his unflinching courage, and his extraordinary ability to perform the most difficult tasks under conditions of great physical stress and personal danger. His performance in fulfillment of this most dangerous assignment reflects the highest credit upon himself and the United States."

Mr. President, I encourage all Americans to reflect upon the benefits of our nation's space programs during this Space Week. As we approach the 21st century, Americans can share a sense of national pride as we move forward in our epic journey—a journey filled with uncertainty, yet with great promise—into the space frontier.●

SUBMITTING CHANGES TO THE APPROPRIATIONS COMMITTEE ALLOCATION

● Mr. DOMENICI. Mr. President, section 314(b)(2) of the Congressional Budget Act, as amended, requires the Chairman of the Senate Budget Committee to adjust the allocation for the Appropriations Committee to reflect additional new budget authority and outlays for an earned income tax credit compliance initiative and for arrearages for international organizations, international peacekeeping, and multilateral development banks.

I hereby submit revisions to the 1999 Senate Appropriations Committee allocation, pursuant to section 302 of the Congressional Budget Act.

The revisions follow:

[In millions of dollars]

	Budget authority	Outlays
Current allocation:		
Defense discretionary	271,570	266,635
Nondefense discretionary	254,591	264,403
Violent crime reduction fund	5,800	4,953
Highways		21,885
Mass transit		4,401
Mandatory	299,159	291,731
Total	831,120	854,008
Adjustments:		
Defense discretionary		
Nondefense discretionary	+618	+617
Violent crime reduction fund		
Highways		
Mass transit		
Mandatory		
Total	+618	+617
Revised allocation:		
Defense discretionary	271,570	266,635
Nondefense discretionary	255,209	265,020
Violent crime reduction fund	5,800	4,953
Highways		21,885
Mass transit		4,401
Mandatory	299,159	291,731
Total	831,738	854,625●

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

(The text of S. 2168, as amended, as passed by the Senate on July 17, 1998, follows:)

S. 2168

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFERS OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198); $21,857,058,000, to remain available until expended: *Provided,* That not to exceed $24,534,000 of the amount appropriated shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further,* That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by 38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61, $1,175,000,000, to remain available until expended: *Provided,* That funds shall be available to pay any court order, court award or any compromise settlement arising from litigation involving the vocational training program authorized by section 18 of Public Law 98–77, as amended.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, $46,450,000, to remain available until expended.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further,* That during fiscal year 1999, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans: *Provided further,* That during 1999 any moneys that would be otherwise deposited into or paid from the Loan Guaranty Revolving Fund, the Guaranty and Indemnity Fund, or the Direct Loan Revolving Fund shall be deposited into or paid from the Veterans Housing Benefit Program Fund: *Provided further,* That any balances in the Loan Guaranty Revolving Fund, the Guaranty and Indemnity Fund, or the Direct Loan Revolving Fund on the effective date of this Act may be transferred to and merged with the Veterans Housing Benefit Program Fund.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $159,121,000, which may be transferred to and merged with the appropriation for "General operating expenses".

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3698, as amended: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $206,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $55,000, as authorized by 38 U.S.C. chapter 31, as amended: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $2,401,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $400,000, which may be transferred to and merged with the appropriation for "General operating expenses".

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, $515,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the Department; and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the Department;

administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; aid to State homes as authorized by 38 U.S.C. 1741; administrative and legal expenses of the Department for collecting and recovering amounts owed the Department as authorized under 38 U.S.C. chapter 17, and the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq.; and not to exceed $8,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 8110(a)(5); $17,250,000,000, plus reimbursements: *Provided*, That of the funds made available under this heading, $687,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 1999, and shall remain available until September 30, 2000: *Provided further*, That of the funds made available under this heading, $14,000,000 shall be for the homeless grant program and $6,000,000 shall be for the homeless per diem program: *Provided further*, That such funds may be used for vocational training, rehabilitation, and outreach activities in addition to other authorized homeless assistance activities: *Provided further*, That of the funds made available under this heading, $10,000,000 shall be for implementation of the Primary Care Providers Incentive Act, contingent upon enactment of authorizing legislation.

In addition, in conformance with Public Law 105–33 establishing the Department of Veterans Affairs Medical Care Collections Fund, such sums as may be deposited to such Fund pursuant to 38 U.S.C. 1729A may be transferred to this account, to remain available until expended for the purposes of this account.

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 2000, $310,000,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of planning, design, project management, architectural, engineering, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs, including site acquisition; engineering and architectural activities not charged to project cost; and research and development in building construction technology; $60,000,000, plus reimbursements.

GENERAL POST FUND, NATIONAL HOMES

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $7,000, as authorized by Public Law 102–54, section 8, which shall be transferred from the "General post fund": *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $70,000.

In addition, for administrative expenses to carry out the direct loan programs, $54,000, which shall be transferred from the "General post fund", as authorized by Public Law 102–54, section 8.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; $854,661,000: *Provided*, That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act.

NATIONAL CEMETERY SYSTEM

For necessary expenses for the maintenance and operation of the National Cemetery System, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of six passenger motor vehicles for use in cemeterial operations; and hire of passenger motor vehicles, $92,006,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $36,000,000.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of 38 U.S.C., including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is $4,000,000 or more or where funds for a project were made available in a previous major project appropriation, $142,300,000, to remain available until expended: *Provided*, That except for advance planning of projects funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: *Provided further*, That funds provided in this appropriation for fiscal year 1999, for each approved project shall be obligated (1) by the awarding of a construction documents contract by September 30, 1999, and (2) by the awarding of a construction contract by September 30, 2000: *Provided further*, That the Secretary shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: *Provided further*, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of 38 U.S.C., where the estimated cost of a project is less than $4,000,000; $175,000,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than $4,000,000: *Provided*, That funds in this account shall be available for (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by any natural disaster or catastrophe, and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected, to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from "Medical care".

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131–8137, $90,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERAN CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by 38 U.S.C. 2408, $10,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SECTION 101. Any appropriation for fiscal year 1999 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 1999 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reimbursement of cost is made to the "Medical care" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 1999 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 1998.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 1999 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100–86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, during fiscal year 1999, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 1999, that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further*, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year 1999, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

SEC. 108. In accordance with section 1557 of title 31, United States Code, the following obligated balances shall be exempt from subchapter IV of chapter 15 of such title and shall remain available for expenditure without fiscal year limitation: (1) funds obligated by the Department of Veterans Affairs for lease numbers 084B–05–94, 084B–07–94, and 084B–027–94 from funds made available in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1994 (Public Law 103–124) under the heading "Medical care"; and (2) funds obligated by the Department of Veterans Affairs for lease number 084B–002–96 from funds made available in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995 (Public Law 103–327) under the heading "Medical care".

SEC. 109. Beginning in fiscal year 1999, and thereafter, funds available in any Department of Veterans Affairs appropriation or fund for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for all services provided at rates which will recover actual costs. Payments may be made in advance for services to be furnished based on estimated costs. Amounts received shall be credited to the General Operating Expenses account for use by the office that provided the service.

SEC. 110. LAND CONVEYANCE, RIDGECREST CHILDREN'S CENTER, ALABAMA. (a) CONVEYANCE.—The Secretary of Veterans Affairs may convey, without consideration, to the Board of Trustees of the University of Alabama, all right, title, and interest of the United States in and to the parcel of real property, including any improvements thereon, described in subsection (b).

(b) COVERED PARCEL.—The parcel of real property to be conveyed under subsection (a) is the following: A parcel of property lying in the northeast quarter of the southwest quarter, section 28, township 21 south, range 9 west, Tuscaloosa County, Alabama, lying along and adjacent to Ridgecrest (Brewer's Porch) Children's Center being more particularly described as follows: As a point of commencement start at the southeast corner of the north half of the southwest quarter run in an easterly direction along an easterly projection of the north boundary of the southeast quarter of the southwest quarter for a distance of 888.52 feet to a point; thence with a deflection angle to the left of 134 degrees 41 minutes run in a northwesterly direction for a distance of 1164.38 feet to an iron pipe; thence with a deflection angle to the left of 75 degrees 03 minutes run in a southwesterly direction for a distance of 37.13 feet to the point of beginning of this parcel of property; thence continue in this same southwesterly direction along the projection of the chainlink fence for a distance of 169.68 feet to a point; thence with an interior angle to the left of 63 degrees 16 minutes run in a northerly direction for a distance of 233.70 feet to a point; thence with an interior angle to the left of 43 degrees 55 minutes run in a southeasterly direction for a distance of 218.48 feet to the point of beginning, said parcel having an interior angle of closure of 72 degrees 49 minutes, said parcel containing 0.40 acres more or less, said parcel of property is also subject to all rights-of-way, easements, and conveyances heretofore given for this parcel of property.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(INCLUDING TRANSFERS AND RESCISSIONS OF FUNDS)

For activities and assistance to prevent the involuntary displacement of low-income families, the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under another heading in this Act) or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, $10,013,542,030, to remain available until expended: *Provided*, That of the total amount provided under this heading, $9,540,000,000 shall be for assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) (the "Act" herein) for use in connection with expiring or terminating section 8 subsidy contracts, for enhanced vouchers as provided under the "Preserving Existing Housing Investment" account in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, (Public Law 104–204), and contracts entered into pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act: *Provided further*, That the Secretary may determine not to apply section 8(o)(6)(B) of the Act to housing vouchers during fiscal year 1999: *Provided further*, That of the total amount provided under this heading, $433,542,030 shall be for section 8 rental assistance under the Act including assistance to relocate residents of properties (i) that are owned by the Secretary and being disposed of or (ii) that are discontinuing section 8 project-based assistance; for the conversion of section 23 projects to assistance under section 8; for funds to carry out the family unification program; and for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency: *Provided further*, That of the total amount made available in the preceding proviso, up to $40,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of such Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 13611), or the restriction of occupancy to elderly families in accordance with section 658 of such Act, and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, to other nonelderly disabled families: *Provided further*, That the amount made available under the fifth proviso under the heading "Prevention of Resident Displacement" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, Public Law 104–204, shall also be made available to nonelderly disabled families affected by the restriction of occupancy to elderly families in accordance with section 658 of the Housing and Community Development Act of 1992: *Provided further*, That to the extent the Secretary determines that the amount made available under the fifth proviso under the heading "Prevention of Resident Displacement" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, Public Law 104–204, is not needed to fund applications for affected families described in the fifth proviso, or in the preceding proviso under this heading in this Act, the amount not needed shall be made available to other nonelderly disabled families: *Provided further*, That of the total amount under this heading, $40,000,000 shall be made available on a fair share basis (except as otherwise provided in this proviso) to public housing agencies as section 8 assistance for families on waiting lists who agree to participate in local self-sufficiency/welfare-to-work initiatives; of which $4,000,000 shall be made available each to public housing agencies for demonstration local self-sufficiency/welfare-to-work initiatives in Los Angeles, California; Cleveland, Ohio; Kansas City, Missouri; Charlotte, North Carolina; Miami/Dade County, Florida; Prince Georges County, Maryland; New York City, New York; and Anchorage, Alaska.

From the sources and in the order hereinafter specified, $1,400,000,000 is rescinded: *Provided further*, That the first source shall be amounts that are available or may be recaptured from project-based contracts for section 8 assistance that expired or were terminated during fiscal year 1999 or any prior year: *Provided further*, That after all amounts that are available or may be recaptured from the first source have been exhausted, the second source shall be unobligated amounts from amendments to contracts for project-based section 8 assistance, other than contracts for projects developed under section 202 of the Housing Act of 1959, other than amounts described as the fourth source, in the fourth proviso in this paragraph, that are carried over into 1999: *Provided further*, That after all amounts that are available from the second source are exhausted, the third source shall be amounts recaptured from section 8 reserves in the section 8 moderate rehabilitation program: *Provided further*, That after all amounts that are available or may be recaptured from the third source have been exhausted, the fourth source shall be all unobligated amounts for project-based assistance that are earmarked under the third proviso under this heading in Public Law 105–65, 111 Stat. 1351 (approved October 27, 1997): *Provided further*, That any amounts that are available or recaptured in connection with the first or third provisos of this paragraph that are in the Annual Contributions for Assisted Housing account, and are required to be rescinded by this paragraph, shall be rescinded from the Annual Contributions for Assisted Housing account.

SECTION 8 RESERVE PRESERVATION ACCOUNT

The amounts recaptured during fiscal years 1998 and 1999 that were heretofore made available to public housing agencies for tenant-based assistance under the section 8 existing housing certificate and housing voucher programs from the Annual Contributions for Assisted Housing account shall be collected in the account under this heading, for use as provided for under this heading, as set forth under the Annual Contributions for Assisted Housing heading in title II, chapter 11 of Public Law 105–18, approved June 12, 1997.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFERS OF FUNDS)

For the Public Housing Capital Fund Program for modernization of existing public housing projects as authorized under section 14 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437), $2,550,000,000, to remain available until expended: *Provided*, That of the total amount, up to $100,000,000 shall be for carrying out activities under section 6(j) of such Act and technical assistance for the inspection of public housing units, contract expertise, and training and technical assistance directly or indirectly, under grants, contracts, or cooperative agreements, to assist in the oversight and management of public housing (whether or not the housing is being modernized with assistance under this proviso) or tenant-based assistance, including, but not limited to, an annual resident survey, data collection and analysis, training and technical assistance by or to officials and employees of the Department and of public housing agencies and to residents in connection with the public housing programs and for lease adjustments to section 23 projects: *Provided further*, That of the amount available under this heading, up to $5,000,000 shall be for the Tenant Opportunity Program: *Provided further*, That all balances, as of September 30, 1997, of funds heretofore provided for section 673 public housing service coordinators shall be transferred to and merged with amounts made available under this heading.

PUBLIC HOUSING OPERATING FUND

(INCLUDING TRANSFER OF FUNDS)

For payments to public housing agencies for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $2,818,000,000, to remain available until expended.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

(INCLUDING TRANSFER OF FUNDS)

For grants to public housing agencies, Indian Tribes and their tribally designated housing entities for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, and for drug information clearinghouse services authorized by 42 U.S.C. 11921–11925, $310,000,000, to remain available until expended, of which $10,000,000 shall be for grants, technical assistance, contracts and other assistance, training, and program assessment and execution for or on behalf of public housing agencies, resident organizations, and Indian Tribes and their tribally designated housing entities (including the cost of necessary travel for participants in such training); $10,000,000 shall be used in connection with efforts to combat violent crime in public and assisted housing under the Operation Safe Home Program administered by the Inspector General of the Department of Housing and Urban Development; $10,000,000 shall be provided to the Office of Inspector General for Operation Safe Home; and $20,000,000 shall be available for a program named the New Approach Anti-Drug program which will provide competitive grants to entities managing or operating public housing developments, federally assisted multifamily housing developments, or other multifamily housing developments for low-income families supported by non-Federal governmental entities or similar housing developments supported by nonprofit private sources in order to provide or augment security (including personnel costs), to assist in the investigation and/or prosecution of drug related criminal activity in and around such developments, and to provide assistance for the development of capital improvements at such developments directly relating to the security of such developments: *Provided*, That grants for the New Approach Anti-Drug program shall be made on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989: *Provided further*, That the term "drug-related crime", as defined in 42 U.S.C. 11905(2), shall also include other types of crime as determined by the Secretary: *Provided further*, That, notwithstanding section 5130(c) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909(c)), the Secretary may determine not to use any such funds to provide public housing youth sports grants.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for assisting in the demolition of obsolete public housing projects or portions thereof, the revitalization (where appropriate) of sites (including remaining public housing units) on which such projects are located, replacement housing which will avoid or lessen concentrations of very low-income families, and tenant-based assistance in accordance with section 8 of the United States Housing Act of 1937; and for providing replacement housing and assisting tenants displaced by the demolition, $600,000,000, to remain available until expended, of which the Secretary may use up to $15,000,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies and to residents: *Provided*, That for purposes of environmental review pursuant to the National Environment Policy Act of 1969, a grant under this head or under prior appropriations Acts for this head shall be treated as assistance under title I of the United States Housing Act of 1937 and shall be subject to regulations issued by the Secretary to implement section 26 of such Act: *Provided further*, That no funds appropriated under this heading shall be used for any purpose that is not provided for herein, in the United States Housing Act of 1937, in the Appropriations Acts for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies, for the fiscal years 1993, 1994, 1995, and 1997, and the Omnibus Consolidated Rescissions and Appropriations Act of 1996: *Provided further*, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.

NATIVE AMERICAN HOUSING BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (Public Law 104–330), $600,000,000, to remain available until expended, of which $6,000,000 shall be used to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the oversight and management of Indian housing and tenant-based assistance, including up to $200,000 for related travel: *Provided*, That of the amount provided under this heading, $6,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of the Native American Housing Assistance and Self-Determination Act of 1996: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed $217,000,000: *Provided further*, That the funds made available in the first proviso are for a demonstration on ways to enhance economic growth, to increase access to private capital, and to encourage the investment and participation of traditional financial institutions in tribal and other Native American areas.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739), $6,000,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $68,881,000.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For an Office of Rural Housing and Economic Development to be established in the

Office of Housing in the Department of Housing and Urban Development, $35,000,000, to remain available until expended: *Provided*, That of the amount under this heading, $10,000,000 shall be used to establish a clearinghouse of ideas for innovative strategies for rural housing and economic development and revitalization, of which $8,000,000 shall be awarded by June 1, 1999 directly to local rural nonprofits, community development corporations and Indian tribes to support capacity building and technical assistance: *Provided further*, That of the amount under this heading, $5,000,000 shall be awarded by June 1, 1999 as seed support for Indian tribes and nonprofits and community development corporations in states which have limited capacity in rural areas: *Provided further*, That of the amount under this heading, $20,000,000 shall be awarded by June 1, 1999 to Indian tribes and state housing finance agencies to support innovative community development initiatives in rural communities: *Provided further*, That all grants shall be awarded on a competitive basis as specified in section 102 of the HUD Reform Act: *Provided further*, That all funds unobligated as of October 1, 1998 under the fifth paragraph of the Community Development Block Grants account in the Departments of Veterans Affairs, and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 (Public Law 105–65; October 27, 1997) shall be transferred to this account to be awarded to state housing finance agencies for activities under this heading with any outstanding earmarks for a state to be awarded to that state's housing finance agency.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), $225,000,000, to remain available until expended: *Provided*, That the Secretary may use up to 1 percent of the funds under this heading for technical assistance: *Provided further*, That within 30 days of the close of fiscal year 1999, the Secretary shall submit a report to the Congress summarizing all technical assistance provided during the fiscal year.

COMMUNITY DEVELOPMENT BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For grants to States and units of general local government and for related expenses, not otherwise provided for, to carry out a community development grants program as authorized by title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301), $4,750,000,000, to remain available until September 30, 2001: *Provided*, That $67,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act; $3,000,000 shall be available as a grant to the Housing Assistance Council; $1,800,000 shall be available as a grant to the National American Indian Housing Council; $32,000,000 shall be for grants pursuant to section 107 of such Act including $10,000,000 for historically black colleges and universities, including $1,800,000 for Dillard University in New Orleans: *Provided further*, That all funding decisions under section 107 except as specified herein shall be subject to approval through a reprogramming letter unless otherwise specified in this bill or the Committee report to this bill (S. 2168): *Provided further*, That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available under the preceding proviso to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Housing and Community Development Act of 1974, as amended) shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the Department.

Of the amount made available under this heading, $25,000,000 shall be made available for "Capacity Building for Community Development and Affordable Housing," as authorized by section 4 of the HUD Demonstration Act of 1993 (Public Law 103–120), as in effect immediately before June 12, 1997, with not less than $10,000,000 of the funding to be used in rural areas, including tribal areas.

Of the amount provided under this heading, the Secretary of Housing and Urban Development may use up to $55,000,000 for a public and assisted housing self-sufficiency program, of which up to $5,000,000 may be used for the Moving to Work Demonstration, and at least $10,000,000 shall be used for grants for service coordinators and congregate services for the elderly and disabled: *Provided*, That for self-sufficiency activities, the Secretary may make grants to public housing agencies (including Indian tribes and their tribally designated housing entities), nonprofit corporations, and other appropriate entities for a supportive services program to assist residents of public and assisted housing, former residents of such housing receiving tenant-based assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), and other low-income families and individuals: *Provided further*, That the program shall provide supportive services, principally for the benefit of public housing residents, to the elderly and the disabled, and to families with children where the head of household would benefit from the receipt of supportive services and is working, seeking work, or is preparing for work by participating in job training or educational programs: *Provided further*, That the supportive services may include congregate services for the elderly and disabled, service coordinators, and coordinated education, training, and other supportive services, including academic skills training, job search assistance, assistance related to retaining employment, vocational and entrepreneurship development and support programs, transportation, and child care: *Provided further*, That the Secretary shall require applications to demonstrate firm commitments of funding or services from other sources: *Provided further*, That the Secretary shall select public and Indian housing agencies to receive assistance under this heading on a competitive basis, taking into account the quality of the proposed program, including any innovative approaches, the extent of the proposed coordination of supportive services, the extent of commitments of funding or services from other sources, the extent to which the proposed program includes reasonably achievable, quantifiable goals for measuring performance under the program over a three-year period, the extent of success an agency has had in carrying out other comparable initiatives, and other appropriate criteria established by the Secretary (except that funds under this proviso shall not be used for renewal of grants for service coordinators and congregate services for the elderly and disabled).

Of the amount made available under this heading, notwithstanding any other provision of law, $40,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: *Provided*, That, local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding.

Of the amount made available under this heading, $85,000,000 shall be available for the Economic Development Initiative (EDI) to finance a variety of efforts, including $67,000,000 for making grants for targeted economic investments in accordance with the terms and conditions specified for such grants in the Senate committee report accompanying this Act.

Of the amount made available under this heading, notwithstanding any other provision of law, $70,000,000 shall be available for the lead-based paint hazard reduction program as authorized under sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992: *Provided*, That none of these funds shall be available for the Healthy Homes Initiative.

For the cost of guaranteed loans, $29,000,000, as authorized by section 108 of the Housing and Community Development Act of 1974: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,261,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974: *Provided further*, That in addition to the other amounts appropriated under this heading, for administrative expenses to carry out the guaranteed loan program, $1,000,000, which shall be transferred to and merged with the appropriation for departmental salaries and expenses.

For any fiscal year, of the amounts made available as emergency funds under the heading "Community Development Block Grants Fund" and notwithstanding any other provision of law, not more than $250,000 may be used for the non-Federal cost-share of any project funded by the Secretary of the Army through the Corps of Engineers.

BROWNFIELDS REDEVELOPMENT

For Economic Development Grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, $25,000,000, to remain available until expended: *Provided*, That the Secretary of Housing and Urban Development shall make these grants available on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

HOME INVESTMENT PARTNERSHIPS PROGRAM

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625), as amended, $1,550,000,000, to remain available until expended: *Provided*, That up to $7,000,000 of these funds shall be available for the development and operation of integrated community development management information systems: *Provided further*, That up to $25,000,000 of these funds shall be available for Housing Counseling under section 106 of the Housing and Urban Development Act of 1968.

HOMELESS ASSISTANCE GRANTS

For the emergency shelter grants program (as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act, as amended); the supportive housing program (as authorized under subtitle C of title IV of such Act); the section 8 moderate rehabilitation single room occupancy program (as authorized under the United States Housing Act of 1937, as amended) to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act; and the shelter plus care program (as authorized under subtitle F of title IV of such Act), $1,000,000,000, to remain available until expended: *Provided*, That not less than 30 percent of these funds shall be used for permanent housing, and all funding for services must be matched by 25 percent in funding by each grantee.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

(INCLUDING TRANSFERS OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families not otherwise provided for, $870,000,000, to remain available until expended: *Provided*, That of the total amount provided under this heading, $676,000,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for the elderly under section 202(c)(2) of the Housing Act of 1959, and for supportive services associated with the housing; and $194,000,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance, for amendments to contracts for project rental assistance, and supportive services associated with the housing for persons with disabilities as authorized by section 811 of such Act: *Provided further*, That the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is five years in duration: *Provided further*, That the Secretary may waive any provision of section 202 of the Housing Act of 1959 and section 811 of the Cranston-Gonzalez National Affordable Housing Act (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

Any collections from the Rental Housing Assistance Fund made during fiscal year 1999 shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 1999, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $110,000,000,000.

During fiscal year 1999, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $100,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, $328,888,000, to be derived from the FHA-mutual mortgage insurance guaranteed loans receipt account, of which not to exceed $324,866,000 shall be transferred to the appropriation for departmental salaries and expenses; and of which not to exceed $4,022,000 shall be transferred to the appropriation for the Office of Inspector General.

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of loan guarantee modifications (as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended), $81,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to $18,100,000,000: *Provided further*, That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(*l*), 238(a), and 519(a) of the National Housing Act, shall not exceed $120,000,000; of which not to exceed $100,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, $211,455,000, of which $193,134,000, including $25,000,000 for the enforcement of housing standards on FHA-insured multifamily projects, shall be transferred to the appropriation for departmental salaries and expenses; and of which $18,321,000 shall be transferred to the appropriation for the Office of Inspector General.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 1999, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $150,000,000,000.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $9,383,000, to be derived from the GNMA-guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $9,383,000 shall be transferred to the appropriation for departmental salaries and expenses.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $36,500,000, to remain available until September 30, 2000: *Provided*, That no funds under this heading may be used to fund a demonstration program, except subject to reprogramming.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, $35,000,000, to remain available until September 30, 1999, of which $15,000,000 shall be to carry out activities pursuant to such section 561. No funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal government in connection with a specific contract, grant or loan.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed $7,000 for official reception and representation expenses, $992,826,000, of which $518,000,000 shall be provided from the various funds of the Federal Housing Administration, $9,383,000 shall be provided from funds of the Government National Mortgage Association, $1,000,000 shall be provided from the "Community Development Grants Program" account, $200,000 shall be provided by transfer from the "Title VI Indian Federal Guarantees Program" account, and $400,000 shall be provided by transfer from the "Indian Housing Loan Guarantee Fund Program" account: *Provided*, That the Department is prohibited from employing more than 77 schedule C and 20 noncareer Senior Executive Service employees.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $66,850,000, of which $22,343,000 shall be provided from the various funds of the Federal

Housing Administration: *Provided*, That $10,000,000 shall also be transferred to this account from the amount earmarked for Operation Safe Home in the "Drug Elimination Grants for Low Income Housing" account.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, $16,000,000, to remain available until expended, to be derived from the Federal Housing Enterprise Oversight Fund: *Provided*, That not to exceed such amount shall be available from the General Fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: *Provided further*, That the General Fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the General Fund estimated at not more than $0.

ADMINISTRATIVE PROVISIONS

SEC. 201. EXTENDERS. (a) ONE-FOR-ONE REPLACEMENT OF PUBLIC HOUSING.—Section 1002(d) of Public Law 104–19 is amended by striking "1998" and inserting "1999".

(b) STREAMLINING SECTION 8 TENANT-BASED ASSISTANCE.—Section 203(d) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996, is amended by striking "1997, and 1998" and inserting "1997, 1998, and 1999".

(c) PUBLIC AND ASSISTED HOUSING RENTS, INCOME ADJUSTMENTS AND PREFERENCES.—

(1) Section 402(a) of The Balanced Budget Downpayment Act, title I is amended by striking "fiscal years 1997 and 1998" and inserting "fiscal years 1997, 1998, and 1999".

(2) Section 402(f) of The Balanced Budget Downpayment Act, title I is amended by striking "fiscal years 1996, 1997, and 1998" and inserting "fiscal years 1996, 1997, 1998, and 1999".

SEC. 202. FINANCING ADJUSTMENT FACTORS.—Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100–628, 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

SEC. 203. FAIR HOUSING AND FREE SPEECH.—None of the amounts made available under this Act may be used during fiscal year 1998 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a nonfrivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a government official or entity, or a court of competent jurisdiction.

SEC. 204. REQUIREMENT FOR HUD TO MAINTAIN PUBLIC NOTICE AND COMMENT RULEMAKING.—Notwithstanding any other provision of law, for fiscal year 1998 and for all fiscal years thereafter, the Secretary of Housing and Urban Development shall maintain all current requirements under part 10 of the Department of Housing and Urban Development regulations (24 CFR part 10) with respect to the Department's policies and procedures for the promulgation and issuance of rules, including the use of public participation in the rulemaking process.

SEC. 205. BROWNFIELDS AS ELIGIBLE CDBG ACTIVITY.—For fiscal years 1998 and 1999, States and entitlement communities may use funds allocated under the community development block grants program under title I of the Housing and Community Development Act of 1974 for environmental cleanup and economic development activities related to Brownfields projects in conjunction with the appropriate environmental regulatory agencies, as if such activities were eligible under section 105(a) of such Act.

SEC. 206. ENHANCED DISPOSITION AUTHORITY.—Section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, is amended by inserting after "owned by the Secretary" the following: ", including, for fiscal years 1998 and 1999, the provision of grants and loans from the General Insurance Fund (12 U.S.C. 1735c) for the necessary costs of rehabilitation or demolition,".

SEC. 207. HUD RENT REFORM.—Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may provide tenant-based assistance to eligible tenants of a project insured under either sections 221(d)(3) or 236 of the National Housing Act in the same manner as if the owner had prepaid the insured mortgage to the extent necessary to minimize any rent increases or to prevent displacement of low-income tenants in accordance with a transaction approved by the Secretary provided that the rents are no higher than the published section 8 fair market rents, as of the date of enactment, during the tenants' occupancy of the property.

SEC. 208. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS GRANTS.—(a) ELIGIBILITY.—Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 1999 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation for fiscal year 1998 under clause (ii) of such section;

(2) is not otherwise eligible for an allocation for fiscal year 1999 under such clause (ii) because the State does not have the number of cases of acquired immunodeficiency syndrome required under such clause; and

(3) would meet such requirement if the cases in the metropolitan statistical area for any city within the State, which city was not eligible for an allocation for fiscal year 1998 under clause (i) of such section but is eligible for an allocation for fiscal year 1999 under such clause, were considered to be cases outside of metropolitan statistical areas described in clause (i) of such section.

(b) AMOUNT.—The amount of the allocation and grant for any State described in subsection (a) shall be the amount that is equal to the lesser of—

(1) the difference between—

(A) the total amount allocated for such State under section 854(c)(1)(A)(ii) of the AIDS Housing Opportunity Act for fiscal year 1997; and

(B) the total amount allocated for the city described in subsection (a)(3) of this section under section 854(c)(1)(A)(i) of such Act for fiscal year 1998 (from amounts made available under this title); and

(2) $300,000.

SEC. 209. SECTION 236 PROGRAM REFORM.—Section 236 of the National Housing Act is amended to add a subsection in the appropriate place as follows:

"(g) The project owner shall, as required by the Secretary, accumulate, safeguard, and periodically pay the Secretary or such other entity as determined by the Secretary and upon such terms and conditions as the Secretary deems appropriate, all rental charges collected on a unit-by-unit basis in excess of the basic rental charges. Unless otherwise directed by the Secretary, such excess charges shall be credited to a reserve fund to be used by the Secretary to make additional assistance payments as provided in paragraph (3) of subsection (f). Notwithstanding any other requirements of this subsection, a project owner with a mortgage insured under this section or insured under section 207 of this Act pursuant to section 223(f) of this Act may retain some or all of such excess charges for project use if authorized by the Secretary and upon such terms and conditions as established by the Secretary.".

SEC. 210. FHA MULTIFAMILY MORTGAGE CREDIT DEMONSTRATIONS.—Section 542 of the Housing and Community Development Act of 1992 is amended—

(1) in subsection (b)(5) by adding before the period at the end of the first sentence ", and not more than an additional 25,000 units over fiscal year 1999", and

(2) in the first sentence of subsection (c)(4) inserting after "fiscal year 1997" the following: "and not more than an additional 25,000 units during fiscal year 1999".

SEC. 211. CALCULATION OF DOWNPAYMENT.—Section 203(b)(10) of the National Housing Act is amended by—

(1) striking out "Alaska and Hawaii" and inserting in lieu thereof "Calculation of Downpayment"; and

(2) striking out in subparagraph (A) "originated in the State of Alaska or the State of Hawaii and endorsed for insurance in fiscal years 1997 and 1998," and inserting in lieu thereof "executed for insurance in fiscal years 1998, 1999, and 2000".

SEC. 212. STATE CDBG IDIS FUNDING.—During fiscal year 1999, from amounts received by a State under section 106(d)(1) of the Housing and Community Development Act of 1974 for distribution in nonentitlement areas, the State may deduct an amount, not to exceed the greater of 0.25 percent of the amount so received or $50,000, for implementation of the integrated disbursement and information system established by the Secretary, in addition to any amounts used for this purpose from amounts retained by the State for administrative expenses under section 106(d)(3)(A).

SEC. 213. NURSING HOME LEASE TERMS. (a) TECHNICAL CORRECTION.—Section 216 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998, is amended by striking out "fifty years from the date" and inserting in lieu thereof "fifty years to run from the date".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be construed to have taken effect on October 27, 1997.

SEC. 214. EMPOWERMENT ZONES AS CRITERIA.—The Secretary of Housing and Urban Development is prohibited from using as a grant criteria for any program administered by the Secretary the use of program funds in an empowerment zone or enterprise community.

SEC. 215. GRANT ANNOUNCEMENTS.—The Secretary of Housing and Urban Development shall provide all grant announcements to the Senate and House Appropriations Subcommittees on VA, HUD, and Independent Agencies at least twenty-four hours before the Department of Housing and Urban Development publicly or privately makes an announcement of any grant award.

SEC. 216. TECHNICAL FOR EMERGENCY CDBG PROGRAM.—For purposes of eligibility for funding under the heading "Community Development Block Grants" in the 1998 Supplemental Appropriations and Rescissions Act (Public Law 105–174; May 1, 1998) the term "states" shall be deemed to include "Indian tribes" as defined under section 102(a)(17) of the Housing and Community Development Act of 1974 and Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa: *Provided*, That amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

SEC. 217. ACCOUNT TRANSITION.—The amount of obligated balances in appropriations accounts, as set forth in title II of the Departments of Veterans Affairs, and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998 and prior Acts that are recaptured hereafter, to the extent not governed by the specific language in an account or provision in the Act, shall be held in reserve subject to reprogramming, notwithstanding any other provision of law.

SEC. 218. PROHIBITION ON UNIVERSITY FUNDING.—The Secretary of Housing and Urban Development is prohibited from paying directly or indirectly any university the cost of room and board and tuition for training associated with senior community builders or any similar program except that the Secretary may fund education and training programs associated with the Community Development Block Grant program, the Community First Leadership program and the Junior Community Builders program, subject to the Secretary submitting to the Committees on Appropriations an action plan identifying all funding to be used and the education and training programs for which the funding will be provided.

SEC. 219. FHA SINGLE FAMILY MORTGAGE INSURANCE LIMITS REFORM.—(a) Section 203(b) of the National Housing Act is amended by striking out clause (ii) of paragraph (2)(A) and all that follows through "applicable size;" and inserting the following in lieu thereof:

"(ii) 87 percent of the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of applicable size; except that the applicable dollar amount limitation in effect for any area under this subparagraph may not be less than 48 percent of the dollar limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of the applicable size; and".

SEC. 220. USE OF HOME FUNDS FOR PUBLIC HOUSING MODERNIZATION.—Notwithstanding section 212(d)(5) of the Cranston-Gonzalez National Affordable Housing Act, amounts made available to the City of Bismarck, North Dakota, under subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal years 1998, 1999, 2000, 2001 or 2002, may be used to carry out activities authorized under section 14 of the United States Housing Act of 1937 (42 U.S.C. 14371) for the purpose of modernizing the Crescent Manor public housing project located at 107 East Bowen Avenue, in Bismarck, North Dakota, if—

(1) the Burleigh County Housing Authority (or any successor public housing agency that owns or operates the Crescent Manor public housing project) has obligated all other Federal assistance made available to that public housing agency for that fiscal year; or

(2) the Secretary of Housing and Urban Development authorizes the use of those amounts for the purpose of modernizing that public housing project, which authorization may be made with respect to 1 or more of those fiscal years.

SEC. 221. CDBG AND HOME EXEMPTION.—The City of Oxnard, California may use amounts available to the City under title I of the Housing and Community Development Act of 1974 (and under subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act) to reimburse the City for its cost in purchasing 19.89 acres of land, more or less, located at the northwest corner of Lombard Street and Camino del Sol in the City, on the north side of the 2100 block of Camino del Sol, for the purpose of providing affordable housing. The procedures set forth in sections 104(g)(2) and (3) of the Housing and Community Development Act of 1974 and sections 288(b) and (c) of the Cranston-Gonzalez National Affordable Housing Act shall not apply to any release of funds for such reimbursement.

SEC. 222. TECHNICAL CORRECTIONS TO THE DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1998. (a) SECTION 8 CONTRACT RENEWAL POLICY FOR FISCAL YEAR 1999 AND SUBSEQUENT YEARS.—Section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 is amended—

(1) in subsection (a)(2), by inserting after "Notwithstanding paragraph (1)" the following "and subject to section 516 of this subtitle"; and

(2) by inserting at the end the following new subsections:

"(b) INAPPLICABILITY TO PROJECTS SUBJECT TO RESTRUCTURING.—This section shall not apply to projects restructured under this subtitle.

"(c) SAVINGS PROVISIONS.—Upon the repeal of this subtitle pursuant to section 579, the provisions of sections 512(2) and 516 (as in effect immediately before such repeal) shall apply with respect to this section.".

(b) REPEAL OF CONTRACT RENEWAL AUTHORITY UNDER SECTION 405(a).—Section 405(a) of The Balanced Budget Downpayment Act, I is hereby repealed.

(c) EXEMPTIONS FROM RESTRUCTURING.—(1) Section 514(h)(1) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, is amended to read as follows:

"(1) The primary financing for the project was provided by a unit of State government or a unit of general local government (or an agency or instrumentality of either) and the primary financing involves mortgage insurance under the National Housing Act, such that implementation of a mortgage restructuring and rental assistance sufficiency plan under this Act would be in conflict with applicable law or agreements governing such financing;".

(2) Section 524(a)(2)(B) is amended by striking "and the financing" and inserting "and the primary financing".

(d) MANDATORY RENEWAL OF PROJECT-BASED ASSISTANCE.—Section 515(c)(1) is amended by inserting "or" after the semicolon at the end of subparagraph (b).

(e) PARTIAL PAYMENTS OF CLAIMS.—Section 514 of the National Housing Act is amended by—

(1) by striking "1978 or" and inserting "1978) or"; and

(2) by striking ")))" and inserting "))".

SEC. 223. CLARIFICATION OF OWNER'S RIGHT TO PREPAY. (a) PREPAYMENT RIGHT.—Notwithstanding section 211 of the Housing and Community Development Act of 1987 or section 221 of the Housing and Community Development Act of 1987 (as in effect pursuant to section 604(c) of the Cranston-Gonzalez National Affordable Housing Act), subject to subsection (b), with respect to any project that is eligible low-income housing (as that term is defined in section 229 of the Housing and Community Development Act of 1987)—

(1) the owner of the project may prepay, and the mortgagee may accept prepayment of, the mortgage on the project, and

(2) the owner may request voluntary termination of a mortgage insurance contract with respect to such project and the contract may be terminated notwithstanding any requirements under sections 229 and 250 of the National Housing Act.

(b) CONDITIONS.—Any prepayment of a mortgage or termination of an insurance contract authorized under subsection (a) may be made—

(1) only to the extent that such prepayment or termination is consistent with the terms and conditions of the mortgage on or mortgage insurance contract for the project; and

(2) only if owner of the project involved agrees not to increase the rent charges for any dwelling unit in the project during the 60-day period beginning upon such prepayment or termination.

SEC. 224. PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT. The Public and Assisted Housing Drug Elimination Act of 1990 is amended—

(1) in section 5123, by inserting "Indian tribes" before "and private";

(2) in section 5124(a)(7), by inserting ", an Indian tribe," before "or tribally designated";

(3) in section 5125, by inserting "an Indian tribe" before "or tribally designated"; and

(4) by adding at the end the following new paragraph:

"(6) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in 25 U.S.C. 4103(12).".

SEC. 225. MULTIFAMILY HOUSING INSTITUTE. Notwithstanding any other provision of law, the Secretary may, from time to time, as determined necessary to assist the Department in managing its multifamily assets including analyzing, tracking and evaluating its portfolio of FHA-insured and other mortgages and properties and assisting the Department in understanding and reducing the risk involved in its mortgage restructuring, insuring and guaranteeing activities, provide data to, and purchase data from, any nonprofit, industry supported, on-line provider of nationwide, multifamily housing loan and property data services.

SEC. 226. MULTIFAMILY MORTGAGE AUCTIONS. Section 221(g)(4)(C) of the National Housing Act is amended—

(1) in the first sentence of clause (viii), by striking "September 30, 1996" and inserting "December 31, 2002"; and

(2) by adding at the end the following:

"(ix) The authority of the Secretary to conduct multifamily auctions under this paragraph shall be effective for any fiscal year only to the extent and in such amounts as are approved in appropriations Acts for the costs of loan guarantees (as defined in section 502 of the Congressional Budget Act of 1974), including the cost of modifying loans.".

SEC. 227. Notwithstanding any other provision of law, of the $1,250,000 made available pursuant to Public Law 102–389 for economic revitalization and infrastructure repair in Montpelier, Vermont, $250,000 is available for the Central Vermont Revolving Loan Fund administered by the Central Vermont Community Action Council.

SEC. 228. ANNUAL REPORT ON MANAGEMENT DEFICIENCIES. (a) IN GENERAL.—Section 203 of the National Housing Act (12 U.S.C. 1709) is amended by adding at the end the following:

"(w) MANAGEMENT DEFICIENCIES REPORT.—

"(1) IN GENERAL.—Not later than 60 days after the date of enactment of this subsection, and annually thereafter, the Secretary shall submit to Congress a report on the plan of the Secretary to address each material weakness, reportable condition, and noncompliance with an applicable law or regulation (as defined by the Director of the Office of Management and Budget) identified in the most recent audited financial statement of the Federal Housing Administration submitted under section 3515 of title 31, United States Code.

"(2) CONTENTS OF ANNUAL REPORT.—Each report submitted under paragraph (1) shall include—

"(A) an estimate of the resources, including staff, information systems, and contract assistance, required to address each material weakness, reportable condition, and noncompliance with an applicable law or regulation described in paragraph (1), and the costs associated with those resources;

"(B) an estimated timetable for addressing each material weakness, reportable condition, and noncompliance with an applicable law or regulation described in paragraph (1); and

"(C) the progress of the Secretary in implementing the plan of the Secretary included in the report submitted under paragraph (1) for the preceding year, except that this subparagraph does not apply to the initial report submitted under paragraph (1).".

(b) EFFECT ON OTHER AUTHORITY.—The Secretary of Housing and Urban Development may not implement section 219 of this Act before the date on which the Secretary submits the initial report required under section 203(w) of the National Housing Act (12 U.S.C. 1709(w)), as added by subsection (a) of this section.

SEC. 229. LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP. (a) NOTICE OF PREPAYMENT OR TERMINATION.—

(1) IN GENERAL.—Notwithstanding section 212(b) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4102) or any other provision of law, during fiscal year 1998 and each fiscal year thereafter, an owner of eligible low-income housing (as defined in section 229 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4119)) that intends to take any action described in section 212(a) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4102(a)) shall, not less than 1 year before the date on which the action is taken—

(A) file a notice indicating that intent with the chief executive officer of the appropriate State or local government for the jurisdiction within which the housing is located; and

(B) provide each tenant of the housing with a copy of that notice.

(2) EXCEPTION.—The requirements of this subsection do not apply in any case in which the prepayment or termination at issue is necessary to effect conversion to ownership by a priority purchaser (as defined in section 231(a) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4120(a)). The requirements of this subsection do not apply where owner's have provided legal notice of prepayment or termination as of July 7, 1998, under the terms of current law.

SEC. 230. (a) INFORMED CONSUMER CHOICE.—Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by adding at the end the following:

"Notwithstanding subparagraph (A) of this paragraph, the Secretary may not insure a mortgage unless the original lender making the loan secured by that mortgage provided to the prospective mortgagor a written notice that included (i) a generic analysis comparing the note rate (and associated interest payments), insurance premiums, and other costs and fees that would be due over the life of the loan for a loan insured by the Secretary under this subsection with the note rates, insurance premiums (if applicable), and other costs and fees that would be expected to be due if the mortgagor obtained instead any of the mortgagor's 3 most frequently employed structures for mortgage loans with a similar loan-to-value ratio in connection with a conventional mortgage (as that term is used in section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) or section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)), as applicable), assuming prevailing interest rates; and (ii) a statement regarding when the mortgagor's requirement to pay the mortgage insurance premiums for a mortgage insured under this section would terminate or a statement that the requirement will terminate only if the mortgage is refinanced, paid off, or otherwise terminated.".

(b) ANNUAL STUDY BY COMPTROLLER GENERAL.—Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by adding at the end the following:

"Not later than the expiration of a 1-year period beginning on the effective date of this undesignated paragraph and annually thereafter, the Comptroller General of the United States shall conduct and submit to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a study regarding the extent, and cost to consumers, of steering by lenders to loans insured by the Secretary under this subsection and the degree to which lenders have complied with the requirements of this subsection.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect immediately.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries; $26,931,000, to remain available until expended: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the Armed Forces serving as members or as Secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further*, That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it: *Provided further*, That, of the funds made available under this heading, $2,500,000 for the restoration and renovation of the Liberty Memorial Monument to World War I located in Kansas City, Missouri.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, including hire of passenger vehicles, and for services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $6,500,000: *Provided*, That the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service positions.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

For grants, loans, and technical assistance to qualifying community development lenders, and administrative expenses of the Fund, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES–3, $55,000,000, to remain available until September 30, 2000, of which $12,000,000 may be used for the cost of direct loans, and up to $1,000,000 may be used for administrative expenses to carry out the direct loan program: *Provided*, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $32,000,000: *Provided further*, That not more than $25,000,000 of the funds made available under this heading may be used for programs and activities authorized in section 114 of the Community Development Banking and Financial Institutions Act of 1994.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $46,500,000.

Corporation for National and Community Service

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (referred to in the matter under this heading as the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (referred to in the matter under this heading as the "Act") (42 U.S.C. 12501 et seq.), $425,500,000, to remain available until September 30, 1999: *Provided*, That not more than $27,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)): *Provided further*, That not more than $2,500 shall be for official reception and representation expenses: *Provided further*, That not more than $70,000,000, to remain available without fiscal year limitation, shall be transferred to the National Service Trust account for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601 et seq.), of which not to exceed $5,000,000 shall be available for national service scholarships for high school students performing community service: *Provided further*, That not more than $227,000,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the AmeriCorps program), of which not more than $40,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)): *Provided further*, That not more than $5,500,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.): *Provided further*, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12571(b)): *Provided further*, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: *Provided further*, That not more than $18,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further*, That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further*, That not more than $30,000,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.): *Provided further*, That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further*, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, shall expand significantly the number of educational awards provided under subtitle D of title I, and shall reduce the total Federal costs per participant in all programs.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $3,000,000.

Court of Veterans Appeals

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Veterans Appeals as authorized by 38 U.S.C. sections 7251–7298, $10,000,000, of which $865,000, shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set fourth, under this heading in Public Law 102–229.

Department of Defense—Civil

Cemeterial Expenses, Army

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses, $11,666,000, to remain available until expended.

Environmental Protection Agency

SCIENCE AND TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $643,460,000, which shall remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefore, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $1,840,500,000, which shall remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $31,154,000, to remain available until September 30, 2000: *Provided*, That the obligated balance of such sums shall remain available through September 30, 2007 for liquidating obligations made in fiscal years 1999 and 2000.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $52,948,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111 (c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; not to exceed $1,500,000,000 (of which $100,000,000 shall not become available until September 1, 1999), to remain available until expended, consisting of $1,250,000,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $250,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, as amended by Public Law 101–508: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That $12,237,300 of the funds appropriated under this heading shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2000: *Provided further*, That notwithstanding section 111(m) of CERCLA or any other provision of law, $74,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of SARA: *Provided further*, That $40,200,000 of the funds appropriated under this heading shall be transferred to the "Science and Technology" appropriation to remain available until September 30, 2000: *Provided further*, That none of the funds appropriated under this heading shall be used for Brownfields revolving loan funds unless specifically authorized by subsequent legislation: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 1998.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $75,000,000, to remain available until expended: *Provided*, That hereafter, the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as she deems appropriate for the same purposes as are set forth in section 9003(h)(7) of RCRA.

OIL SPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, and to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,255,000,000, to remain available until expended, of which $1,400,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended, and $800,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended; $75,000,000 for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $30,000,000 for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; $100,000,000 for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the Committee report (S. Rept. 105–216) accompanying this Act (S. 2168); and $850,000,000 for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities: *Provided*, That, consistent with section 1452(g) of the Safe Drinking Water Act (42 U.S.C. 300j–12(g)), section 302 of the Safe Drinking Water Act Amendments of 1996 (Public Law 104–182) and the accompanying joint explanatory statement of the committee on conference (H. Rept. No. 104–741 to accompany S. 1316, the Safe Drinking Water Act Amendments of 1996), and notwithstanding any other provision of law, beginning in fiscal year 1999 and thereafter, States may combine the assets of State Revolving Funds (SRFs) established under section 1452 of the Safe Drinking Water Act, as amended, and title VI of the Federal Water Pollution Control Act, as amended, as security for bond issues to enhance the lending capacity of one or both SRFs, but not to acquire the state match for either program, provided that revenues from the bonds are allocated to the purposes of the Safe Drinking Water Act and the Federal Water Pollution Control Act in the same portion as the funds are used as security for the bonds: *Provided further*, That, notwithstanding the matching requirement in Public Law 104–204 for funds appropriated under this heading for grants to the State of Texas for improving wastewater treatment for the Colonias, such funds that remain unobligated may also be used for improving water treatment for the Colonias, and shall be matched by State funds from State resources equal to 20 percent of such unobligated funds: *Provided further*, That, hereafter the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as she deems appropriate for the development and implementation of programs to manage hazardous waste, and underground storage tanks: *Provided further*, That beginning in fiscal year 1999 and thereafter, pesticide program implementation grants under section 23(a)(1) of the Federal Insecticide, Fungicide and Rodenticide Act, as amended, shall be available for pesticide program development and implementation, including enforcement and compliance activities: *Provided further*, That, notwithstanding section 603(d)(7) of the Federal Water Pollution Control Act, as amended, the limitation on the amounts in a water pollution control revolving fund that may be used by a State to administer the fund shall not apply to amounts a State has heretofore included, or will hereafter include, as principal in loans made by such fund to eligible borrowers where such amounts represent costs of administering the fund, except that such amounts heretofore or hereafter included in loans shall be accounted for separately from other assets in the fund, shall only be used for purposes of administering the fund and shall not exceed an amount that the Administrator deems reasonable.

ADMINISTRATIVE PROVISIONS

(a) GOVERNMENT OWNED SHIPS DISMANTLED IN FOREIGN COUNTRIES.—None of the funding provided under this Act may be used by the Environmental Protection Agency to issue any notification, or enter into, implement or approve agreements that enable the export of government owned ships to be dismantled in foreign countries unless the Administrator of the Environmental Protection Agency certifies to the Congress that the environmental standards imposed by law and enforced in the country in which the vessel is to be dismantled or scrapped are comparable to the environmental standards imposed and enforced under United States law.

(b) LIMITATION ON FUNDS USED TO ENFORCE REGULATIONS REGARDING ANIMAL FATS AND VEGETABLE OILS.—None of the funds made available by this Act or subsequent Acts may be used by the Environmental Protection Agency to issue, implement, or enforce a regulation or to establish an interpretation or guideline under the Edible Oil Regulatory Reform Act (Public Law 104–55) or the amendments made by that Act, that does not recognize and provide for, with respect to fats, oils, and greases (as described in that Act, or the amendments made by that Act) differences in—

(1) physical, chemical, biological and other relevant properties; and

(2) environmental effects.

Not later than March 31, 1999, the Administrator of the Environmental Protection Agency shall issue regulations amending 40 CFR 112 to comply with the requirements of Public Law 104–55.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $5,026,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, $2,575,000: *Provided*, That, notwithstanding any other provision of law, no funds other than those appropriated under this heading, shall be used for or by the Council on Environmental Quality and Office of Environmental Quality: *Provided further*, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as Chairman and exercising all powers, functions, and duties of the Council.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $34,666,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $846,000,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $1,355,000, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $25,000,000.

In addition, for administrative expenses to carry out the direct loan program, $440,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 31 U.S.C. 1343; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses, $170,000,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $5,400,000.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $239,000,000, including $11,000,000 for assisting State and local governments in preparing for and responding to terrorist incidents: *Provided*, That for purposes of pre-disaster mitigation pursuant to 42 U.S.C. 5131 (b) and (c) and 42 U.S.C. 5196 (e) and (i), $25,000,000 of the funds made available under this heading shall be available until expended for project grants.

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended, $100,000,000: *Provided*, That total administrative costs shall not exceed three and one-half percent of the total appropriation.

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

There is hereby established in the Treasury a Radiological Emergency Preparedness Fund, which shall be available under the Atomic Energy Act of 1954, as amended, and Executive Order 12657, for offsite radiological emergency planning, preparedness, and response. Beginning in fiscal year 1999 and thereafter, the Director of the Federal Emergency Management Agency (FEMA) shall promulgate through rulemaking fees to be assessed and collected, applicable to persons subject to FEMA's radiological emergency preparedness regulations. The aggregate charges assessed pursuant to this section during fiscal year 1999 shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for such fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 1999, and remain available until expended.

For necessary expenses of the Fund for fiscal year 1999, $12,849,000, to remain available until expended.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, as amended, not to exceed $22,685,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $78,464,000 for flood mitigation, including up to $20,000,000 for expenses under section 1366 of the National Flood Insurance Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2000. In fiscal year 1999, no funds in excess of (1) $47,000,000 for operating expenses, (2) $343,989,000 for agents' commissions and taxes, and (3) $60,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations. For fiscal year 1999, flood insurance rates shall not exceed the level authorized by the National Flood Insurance Reform Act of 1994.

Section 1309(a)(2) of the National Flood Insurance Act (42 U.S.C. 4016(a)(2)), as amended by Public Law 104–208, is further amended by striking "1998" and inserting "1999".

Section 1319 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4026), is amended by striking "September 30, 1998" and inserting "September 30, 1999".

Section 1336 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4056), is amended by striking "September 30, 1998" and inserting "September 30, 1999".

The first sentence of section 1376(c) of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4127(c)), is amended by striking "September 30, 1998" and inserting "September 30, 1999".

General Services Administration

CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, $2,419,000, to be deposited into the Consumer Information Center Fund: *Provided*, That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $7,500,000. Appropriations, revenues, and collections accruing to this fund during fiscal year 1999 in excess of $7,500,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.

National Aeronautics and Space Administration

INTERNATIONAL SPACE STATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in support of the International Space Station, including development, operations and research support; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $2,300,000,000, to remain available until September 30, 2000.

LAUNCH VEHICLES AND PAYLOAD OPERATIONS

For necessary expenses, not otherwise provided for, in the conduct and support of the space shuttle program, including safety and performance upgrades, space shuttle operations, and payload utilization and operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $3,241,000,000, to remain available until September 30, 2000: *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station other than costs of space shuttle flights utilized for space station assembly.

SCIENCE AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of space science, earth science, life and microgravity science, and academic programs, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $4,257,400,000, to remain available until September 30, 2000: *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station.

AERONAUTICS, SPACE TRANSPORTATION AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of aeronautics, space transportation, and technology research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $1,305,000,000, to remain available until September 30, 2000: *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station.

MISSION SUPPORT

For necessary expenses, not otherwise provided for, in carrying out mission support for international space station, space shuttle, science and technology, aeronautics, space transportation and technology programs, including research operations and support; space communications activities including operations, production, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of facilities, minor construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase, lease, charter, maintenance, and operation of mission and administrative aircraft; not to exceed $35,000 for official reception and representation expenses; and purchase (not to exceed 33 for replacement only) and hire of passenger motor vehicles; $2,491,600,000, to remain available until September 30, 2000: *Provided*, That none of the funds provided under this heading may be utilized to support the development or operations of the International Space Station.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $20,000,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for "International Space Station", "Launch Vehicles and Payload Operations", "Science and Technology", "Aeronautics, Space Transportation and Technology", or "Mission Support" by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated in "Mission support" pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for "International Space Station", "Launch Vehicles and Payload Operations", "Science and Technology", "Aeronautics, Space Transportation and Technology", or "Mission Support" by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2001.

Notwithstanding the limitation on the availability of funds appropriated for "Mission support" and "Office of Inspector General", amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 1999 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 1999, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by the National Credit Union Central Liquidity Facility Act (12 U.S.C. 1795), shall not exceed $600,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility in fiscal year 1999 shall not exceed $176,000: *Provided further*, That $1,000,000, together with amounts of principal and interest on loans repaid, to be available until expended, is available for loans to community development credit unions.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; $2,725,000,000, of which not to exceed $228,530,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2000: *Provided*, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further*, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: *Provided further*, That $50,000,000 of the funds available under this heading shall be made available for a comprehensive research initiative on plant genomes for economically significant crop.

MAJOR RESEARCH EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, $94,000,000, to remain available until expended.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $683,000,000, to remain available until September 30, 2000: *Provided*, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services and headquarters relocation; $136,950,000: *Provided*, That contracts may be entered into under "Salaries and expenses" in fiscal year 1999 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $5,200,000, to remain available until September 30, 2000.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $60,000,000.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; and not to exceed $1,000 for official reception and representation expenses; $24,940,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefore in the budget estimates submitted for the appropriations: *Provided*, That this provision does not apply to accounts that do not contain an object classification for travel: *Provided further*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefore set forth in the estimates in the same proportion.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of any officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 410. Except as otherwise provided under existing law or under an existing Executive Order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are (1) a matter of public record and available for public inspection, and (2) thereafter included in a publicly available list of all contracts entered into within twenty-four months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder, and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning (A) the contract pursuant to which the report was prepared, and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits, in writing, a report to the Committees on Appropriations of the Congress and a period of 30 days has expired following the date on which the report is received by the Committees on Appropriations.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 417. Such sums as may be necessary for fiscal year 1999 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for 1999 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding section 320(g) of the Federal Water Pollution Control Act (33 U.S.C. 1330(g)), funds made available pursuant to authorization under such section for fiscal year 1999 and prior fiscal years may be used for implementing comprehensive conservation and management plans.

SEC. 421. Notwithstanding any other provision of law, the term "qualified student loan" with respect to national service education awards shall mean any loan made directly to a student by the Alaska Commission on Postsecondary Education, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 422. Unless otherwise provided for in this Act, no part of any appropriation for the Department of Housing and Urban Development shall be available for any activity in excess of amounts set forth in the budget estimates submitted for the appropriations.

SEC. 423. (a) Each entity that receives a grant from the Federal Government for purposes of providing emergency shelter for homeless individuals shall—

(1) ascertain, to the extent practicable, whether or not each adult individual seeking such shelter from such entity is a veteran; and

(2) provide each such individual who is a veteran such counseling relating to the availability of veterans benefits (including employment assistance, health care benefits, and other benefits) as the Secretary of Veterans Affairs considers appropriate.

(b) The Secretary of Veterans Affairs and the Secretary of Housing and Urban Development shall jointly coordinate the activities required by subsection (a).

(c) Entities referred to in subsection (a) shall notify the Secretary of Veterans Affairs of the number and identity of veterans ascertained under paragraph (1) of that subsection. Such entities shall make such notification with such frequency and in such form as the Secretary shall specify.

(d) Notwithstanding any other provision of law, an entity referred to in subsection (a) that fails to meet the requirements specified in that subsection shall not be eligible for additional grants or other Federal funds for purposes of carrying out activities relating to emergency shelter for homeless individuals.

SEC. 424. NATIONAL FALLEN FIREFIGHTERS FOUNDATION. (a) ESTABLISHMENT AND PURPOSES.—Section 202 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5201) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) primarily—

"(A) to encourage, accept, and administer private gifts of property for the benefit of the National Fallen Firefighters' Memorial and the annual memorial service associated with the memorial; and

"(B) to, in coordination with the Federal Government and fire services (as that term is defined in section 4 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2203)), plan, direct, and manage the memorial service referred to in subparagraph (A)";

(2) in paragraph (2), by inserting "and Federal" after "non-Federal";

(3) in paragraph (3)—

(A) by striking "State and local" and inserting "Federal, State, and local"; and

(B) by striking "and" at the end;

(4) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

"(5) to provide for a national program to assist families of fallen firefighters and fire departments in dealing with line-of-duty deaths of those firefighters; and

"(6) to promote national, State, and local initiatives to increase public awareness of fire and life safety in coordination with the United States Fire Administration.".

(b) BOARD OF DIRECTORS OF FOUNDATION.—Section 203(g)(1) of the National Fallen Firefighters Foundation Act (36 U.S.C. 5202(g)(1)) is amended by striking subparagraph (A) and inserting the following:

"(A) appointing officers or employees;".

(c) ADMINISTRATIVE SERVICES AND SUPPORT.—Section 205 of the National Fallen Firefighters Foundation Act (36 U.S.C. 5204) is amended to read as follows:

"SEC. 205. ADMINISTRATIVE SERVICES AND SUPPORT.

"(a) IN GENERAL.—During the 10-year period beginning on the date of enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, the Administrator may—

"(1) provide personnel, facilities, and other required services for the operation of the Foundation; and

"(2) request and accept reimbursement for the assistance provided under paragraph (1).

"(b) REIMBURSEMENT.—Any amounts received under subsection (a)(2) as reimbursement for assistance shall be deposited in the Treasury to the credit of the appropriations then current and chargeable for the cost of providing that assistance.

"(c) PROHIBITION.—Notwithstanding any other provision of law, no Federal personnel or stationery may be used to solicit funding for the Foundation.".

SEC. 425. INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE FOR CERTAIN HOUSING ASSISTANCE.—Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended by adding at the end the following:

"(f) INELIGIBILITY OF INDIVIDUALS CONVICTED OF MANUFACTURING OR PRODUCING METHAMPHETAMINE ON THE PREMISES.—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 8 that—

"(1) permanently prohibit occupancy in any public housing dwelling unit by, and assistance under section 8 for, any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law; and

"(2) immediately and permanently terminate the tenancy in any public housing unit of, and the assistance under section 8 for, any person who is convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law.".

SEC. 426. SENSE OF SENATE REGARDING MAXIMUM TRAVEL DISTANCE FOR VETERANS TO HEALTH CARE FACILITIES. (a) It is the sense of the Senate that it should be the goal of the Department of Veterans Affairs to serve all veterans at health care facilities within 250 miles of their homes, and to minimize travel distances if specialized services are not available at a health care facility operated by the Veterans Health Administration within 250 miles of a veteran's home.

(b) Not later than 6 months after the date of enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report on the estimated costs to and impact on the health care system administered by the Veterans Health Administration of making specialty care available to all veterans within 250 miles of their homes.

SEC. 427. None of the funds provided in this Act may be obligated after February 15, 1999, unless each department, agency, corporation, and commission that receives funds herein provides detailed justifications to the Committees on Appropriations for all salary and expense activities for fiscal years 1999 through 2003, including personnel compensation and benefits, consulting costs, professional services or technical service contracts regardless of the dollar amount, contracting out costs, travel and other standard object classifications for all headquarters offices, regional offices, or field installations and laboratories, including the number of full-time equivalents per office, and the personnel compensation, benefits and travel costs for each Secretary, Assistant Secretary or Administrator.

SEC. 428. COMPREHENSIVE ACCOUNTABILITY STUDY FOR FEDERALLY-FUNDED RESEARCH. (a) STUDY.—The Director of the Office of Science and Technology Policy, in consultation with the Director of the Office of Management and Budget, may enter into an agreement with the National Academy of Sciences for the Academy to conduct a comprehensive study to develop methods for evaluating federally-funded research and development programs. This study shall—

(1) recommend processes to determine an acceptable level of success for federally-funded research and development programs by—

(A) describing the research process in the various scientific and engineering disciplines;

(B) describing in the different sciences what measures and what criteria each community uses to evaluate the success or failure of a program, and on what time scales these measures are considered reliable—both for exploratory long-range work and for short-range goals; and

(C) recommending how these measures may be adapted for use by the Federal Government to evaluate federally-funded research and development programs;

(2) assess the extent to which agencies incorporate independent merit-based evaluation into the formulation of the strategic plans of funding agencies and if the quantity or quality of this type of input is unsatisfactory;

(3) recommend mechanisms for identifying federally-funded research and development programs which are unsuccessful or unproductive;

(4) evaluate the extent to which independent, merit-based evaluation of federally-funded research and development programs and projects achieves the goal of eliminating unsuccessful or unproductive programs and projects; and

(5) investigate and report on the validity of using quantitative performance goals for aspects of programs which relate to administrative management of the program and for which such goals would be appropriate, including aspects related to—

(A) administrative burden on contractors and recipients of financial assistance awards;

(B) administrative burdens on external participants in independent, merit-based evaluations;

(C) cost and schedule control for construction projects funded by the program;

(D) the ratio of overhead costs of the program relative to the amounts expended through the program for equipment and direct funding of research; and

(E) the timeliness of program responses to requests for funding, participation, or equipment use.

(b) INDEPENDENT MERIT-BASED EVALUATION DEFINED.—The term "independent merit-based evaluation" means review of the scientific or technical quality of research or development, conducted by experts who are chosen for their knowledge of scientific and technical fields relevant to the evaluation and who—

(1) in the case of the review of a program activity, do not derive long-term support from the program activity; or

(2) in the case of the review of a project proposal, are not seeking funds in competition with the proposal.

SEC. 429. INSURANCE; INDEMNIFICATION; LIABILITY. (a) IN GENERAL.—The Administrator may provide liability insurance for, or indemnification to, the developer of an experimental aerospace vehicle developed or used in execution of an agreement between the Administration and the developer.

(b) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Except as otherwise provided in this section, the insurance and indemnification provided by the Administration under subsection (a) to a developer shall be provided on the same terms and conditions as insurance and indemnification is provided by the Administration under section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) to the user of a space vehicle.

(2) INSURANCE.—

(A) IN GENERAL.—A developer shall obtain liability insurance or demonstrate financial responsibility in amounts to compensate for the maximum probable loss from claims by—

(i) a third party for death, bodily injury, or property damage, or loss resulting from an activity carried out in connection with the development or use of an experimental aerospace vehicle; and

(ii) the United States Government for damage or loss to Government property resulting from such an activity.

(B) MAXIMUM REQUIRED.—The Administrator shall determine the amount of insurance required, but, except as provided in subparagraph (C), that amount shall not be greater than the amount required under section 70112(a)(3) of title 49, United States Code, for a launch. The Administrator shall publish notice of the Administrator's determination and the applicable amount or amounts in the Federal Register within 10 days after making the determination.

(C) INCREASE IN DOLLAR AMOUNTS.—The Administrator may increase the dollar amounts set forth in section 70112(a)(3)(A) of title 49, United States Code, for the purpose of applying that section under this section to a developer after consultation with the Comptroller General and such experts and consultants as may be appropriate, and after publishing notice of the increase in the Federal Register not less than 180 days before the increase goes into effect. The Administrator shall make available for public inspection, not later than the date of publication of such notice, a complete record of any correspondence received by the Administration, and a transcript of any meetings in which the Administration participated, regarding the proposed increase.

(D) SAFETY REVIEW REQUIRED BEFORE ADMINISTRATOR PROVIDES INSURANCE.—The Administrator may not provide liability insurance or indemnification under subsection (a) unless the developer establishes to the satisfaction of the Administrator that appropriate safety procedures and practices are being followed in the development of the experimental aerospace vehicle.

(3) NO INDEMNIFICATION WITHOUT CROSS-WAIVER.—Notwithstanding subsection (a), the Administrator may not indemnify a developer of an experimental aerospace vehicle under this section unless there is an agreement between the Administration and the developer described in subsection (c).

(4) APPLICATION OF CERTAIN PROCEDURES.—If the Administrator requests additional appropriations to make payments under this section, like the payments that may be made under section 308(b) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b(b)), then the request for those appropriations shall be made in accordance with the procedures established by subsections (d) and (e) of section 70113 of title 49, United States Code.

(c) CROSS-WAIVERS.—

(1) ADMINISTRATOR AUTHORIZED TO WAIVE.—The Administrator, on behalf of the United States, and its departments, agencies, and instrumentalities, may reciprocally waive claims with a developer and with the related entities of that developer under which each party to the waiver agrees to be responsible, and agrees to ensure that its own related entities are responsible, for damage or loss to its property for which it is responsible, or for losses resulting from any injury or death sustained by its own employees or agents, as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(2) LIMITATIONS.—

(A) CLAIMS.—A reciprocal waiver under paragraph (1) may not preclude a claim by any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or that natural person's estate, survivors, or subrogees for injury or death, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(B) LIABILITY FOR NEGLIGENCE.—A reciprocal waiver under paragraph (1) may not absolve any party of liability to any natural person (including, but not limited to, a natural person who is an employee of the United States, the developer, or the developer's subcontractors) or such a natural person's estate, survivors, or subrogees for negligence, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(C) INDEMNIFICATION FOR DAMAGES.—A reciprocal waiver under paragraph (1) may not be used as the basis of a claim by the Administration or the developer for indemnification against the other for damages paid to a natural person, or that natural person's estate, survivors, or subrogees, for injury or death sustained by that natural person as a result of activities connected to the agreement or use of the experimental aerospace vehicle.

(d) DEFINITIONS.—In this section:

(1) ADMINISTRATION.—The term "Administration" means the National Aeronautics and Space Administration.

(2) ADMINISTRATOR.—The term "Administrator" means the Administrator of the National Aeronautics and Space Administration.

(3) COMMON TERMS.—Any term used in this section that is defined in the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.) has the same meaning in this section as when it is used in that Act.

(4) DEVELOPER.—The term "developer" means a person (other than a natural person) who—

(A) is a party to an agreement that was in effect before the date of enactment of this Act with the Administration for the purpose of developing new technology for an experimental aerospace vehicle;

(B) owns or provides property to be flown or situated on that vehicle; or

(C) employs a natural person to be flown on that vehicle.

(5) EXPERIMENTAL AEROSPACE VEHICLE.—The term "experimental aerospace vehicle" means an object intended to be flown in, or launched into, suborbital flight for the purpose of demonstrating technologies necessary for a reusable launch vehicle, developed under an agreement between the Administration and a developer that was in effect before the date of enactment of this Act.

(e) RELATIONSHIP TO OTHER LAWS.—

(1) SECTION 308 OF NATIONAL AERONAUTICS AND SPACE ACT OF 1958.—This section does not apply to any object, transaction, or operation to which section 308 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458b) applies.

(2) CHAPTER 701 OF TITLE 49, UNITED STATES CODE.—The Administrator may not provide indemnification to a developer under this section for launches subject to license under section 70117(g)(1) of title 49, United States Code.

(f) TERMINATION.—

(1) IN GENERAL.—The provisions of this section shall terminate on December 31, 2002, except that the Administrator may extend the termination date to a date not later than September 30, 2005, if the Administrator determines that such an extension is necessary to cover the operation of an experimental aerospace vehicle.

(2) EFFECT OF TERMINATION ON AGREEMENTS.—The termination of this section does not terminate or otherwise affect a cross-waiver agreement, insurance agreement, indemnification agreement, or any other agreement entered into under this section except as may be provided in that agreement.

SEC. 430. VIETNAM VETERANS ALLOTMENT.—The Alaskan Native Claims Settlement Act (43 U.S.C. 1601 et seq.) is amended by adding at the end the following:

"OPEN SEASON FOR CERTAIN NATIVE ALASKAN VETERANS FOR ALLOTMENTS.

"SEC. 41. (a) IN GENERAL.—(1) During the eighteen month period following promulgation of implementing rules pursuant to paragraph (6), a person described in subsection (b) shall be eligible for an allotment of not more than 160 acres of land under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

"(2) Allotments selected under this section shall not be from existing native or non-native campsites, except for campsites used primarily by the person selecting the allotment.

"(3) Only Federal lands shall be eligible for selection and conveyance under this Act.

"(4) All conveyances shall be subject to valid existing rights, including any right of the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement.

"(5) All State selected lands that have not yet been conveyed shall be ineligible for selection under this section.

"(6) No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section.

"(7) The Secretary of the Interior may convey alternative Federal lands, including lands within a Conservation System Unit, to a person entitled to an allotment located within a Conservation System Unit if—

"(A) the Secretary determines that the allotment would be incompatible with the purposes for which the Conservation System Unit was established; and

"(B) the alternative lands are of equal acreage to the allotment.

"(b) ELIGIBLE INDIVIDUALS.—(1) A person is eligible under subsection (a) if that person would have been eligible under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971, and that person is a veteran who served during the period between January 1, 1968 and December 31, 1971.

"(c) STUDY AND REPORT.—The Secretary of the Interior shall—

"(1) conduct a study to identify and assess the circumstances of veterans of the Vietnam era who were eligible for allotments under the Act of May 17, 1906 but who did not apply under that Act and are not eligible under this section; and

"(2) within one year of enactment of this section, issue a written report with recommendations to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

"(d) DEFINITIONS.—For the purposes of this section, the terms 'veteran' and 'Vietnam era' have the meanings given those terms by paragraphs (2) and (29), respectively, of section 101 of title 38, United States Code.".

This Act may be cited as the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999".

MEASURE READ THE FIRST TIME—H.R. 1432

Mr. STEVENS. Madam President, is H.R. 1432 still at the desk?

The PRESIDING OFFICER. The bill is at the desk.

Mr. STEVENS. Has it been read once?

The PRESIDING OFFICER. It has not yet been read the first time.

Mr. STEVENS. I ask it be read for the first time.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1432) to authorize a new trade and investment policy for sub-Saharan Africa.

Mr. STEVENS. I now request its second reading and object to that request.

The PRESIDING OFFICER. Objection is heard.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. STEVENS. Madam President, I ask that the pending business be temporarily set aside and that S. 2260, the Commerce-State-Justice appropriations bill, be laid before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2260) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

FUNDING FOR THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT

Mr. ROBB. Madam President, I would like to call my colleagues' attention to one of the international organizations being funded by the Commerce-State-Justice appropriations bill, the Organization for Economic Cooperation and Development (OECD).

As many of my colleagues are aware, the OECD has its origins in the Marshall plan. While its original mandate was to help rebuild post-War Europe, over the years, the OECD has taught us that nations through economic cooperation can take charge of their own destinies. Article 1 of the OECD Convention clearly states its mission, which is to have its member nations achieve the highest sustainable economic growth and employment, to contribute to sound economic expansion in member as well as non-member nations, and to contribute to the expansion of world trade on a multilateral, non-discriminatory basis. These goals are as relevant today as they were when the OECD was founded.

The current work of the OECD spans the horizon. A few issues that are important to this Congress that the OECD is working on are the Asian economic crisis, the Anti-Bribery Convention and cryptography policy. OECD economic surveys, its twice-yearly Economic Outlook and its countless statistics on a wide range of economic activities are important sources of information for us as we meet the challenges of the global economy.

But the OECD has also understood that in today's tough budgetary environment, there is a real need to make cuts. And organization officials have taken these necessary steps. The OECD is decreasing its budget which to date includes a reduction of 180 staff, more than 10% of its total. Clearly, the OECD gets the message and deserves credit for its efforts.

I urge the committee and the administration to fully fund the OECD. It continues to make a valuable contribution, and is willing to implement the kinds of reforms that should only increase its efficiency and productivity.

ORDERS FOR TUESDAY, JULY 21, 1998

Mr. STEVENS. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. on Tuesday, July 21. I further ask that when the Senate reconvenes on Tuesday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate begin a period of morning business until 10 a.m., with Senators permitted to speak for up to 5 minutes each with the following exceptions: Senator DORGAN, 30 minutes, and Senator ASHCROFT for 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I further ask unanimous consent that following morning business the Senate proceed to vote on the motion to invoke cloture on H.R. 4112, the legislative branch appropriations bill. I further ask that following the disposition of the legislative appropriations bill, the Senate immediately resume consideration of S. 2260, the Commerce-State-Justice appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. STEVENS. Madam President, for the information of all Senators, when the Senate reconvenes on Tuesday there will be a period of morning business until 10 a.m. Following morning business, the Senate will vote on the motion to invoke cloture on the legislative branch appropriations bill. After the disposition of the legislative branch appropriations bill, the Senate will resume consideration of the Commerce-State-Justice appropriations bill. It is hoped that Members will come to the floor during Tuesday's session to offer and debate amendments as the Senate attempts to make good progress on this bill. We may also consider other legislative or executive items that are cleared for action on the Senate floor.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. STEVENS. Madam President, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 4:25 p.m., adjourned until Tuesday, July 21, 1998, at 9 a.m.

HOUSE OF REPRESENTATIVES—*Monday, July 20, 1998*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. STEARNS).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 20, 1998.

I hereby designate the Honorable CLIFF STEARNS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 21, 1997, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes.

The Chair recognizes the gentlewoman from California (Mrs. CAPPS) for 5 minutes.

THE NEED FOR MANAGED CARE REFORM

Mrs. CAPPS. Mr. Speaker, on behalf of the patients of the Central Coast of California and all across America, I rise today to say that enough is enough. With only 36 days left in this Congress, the House has yet to debate and vote on real managed care reform. The leadership has consistently blocked efforts to bring a comprehensive HMO or health care reform bill to the floor, and the American people deserve better.

Instead, this week the House will vote on partisan bills that have just been slapped together, and not the bipartisan patients' rights measures that already have significant support here in the House and all across this country. As a nurse, I know firsthand the importance of accessible, quality, patient-centered health care. Basic patients' rights can mean the difference between life and death.

As I meet with constituents in my district, no matter what the occasion, they very often come forward to me with their concerns about their health care. Sometimes these are dramatic stories which make the news, which horrify us all. More often, though, they are individual instances of promises not kept, compromised outcomes, resources depleted, and care that is just halfway good.

My fellow nurses tell me with great sadness in their voices how it hurts to deny basic health care needs; to send frail, elderly patients home alone, so dizzy they cannot even stand. Surely we can do better than this in this great Nation, with the medical resources that we have at our disposal.

Before us today, before us this week, we have the opportunity to consider landmark legislation which will allow people to choose their own doctor, which will end oppressive gag rules so patients have access to all critical treatment options, and perhaps, most importantly, which will give patients legal recourse when insurance companies deny necessary medical coverage.

Mr. Speaker, today I will be among the first to sign the bipartisan HMO reform discharge petition. This petition will allow an open debate on health care proposals that will enable doctors and patients to make essential medical decisions. If patients can sue their doctors for poor care, they should be able to sue the big insurance bureaucrats who pull the strings and are behind these cost-cutting decisions which do affect the quality of care.

As one of three nurses in Congress, I feel it is my duty to speak out. Our health care system needs serious medicine, not a political placebo.

Mr. Speaker, 230 of my colleagues, Democrats and Republicans alike, have already cosponsored both the Patients' Bill of Rights and the Patients' Access to Responsible Care Act. I strongly encourage all 230 Members to sign this discharge petition today, so we can finally pass comprehensive, bipartisan managed health care reform legislation this year.

OUR NATION'S SECURITY DEPENDS ON RESTORING OUR MILITARY FORCES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from North Carolina (Mr. JONES) is recognized during morning hour debates for 5 minutes.

Mr. JONES. Mr. Speaker, I have three military bases in my district in eastern North Carolina: Camp LeJeune Marine Base, Cherry Point Marine Air Station, and Seymour Johnson Air Force Base. Perhaps that is why I continue to join many of my colleagues who come to the floor on a regular basis to talk about the current deplorable state of our military.

I hope my colleagues and I do not speak in vain, but rather that the President and his advisers will heed the concerns of the Congress and the American people, and make sure our military is adequately prepared to defend the freedoms of this great Nation.

Mr. Speaker, when I returned home over the Fourth of July break, and each time I go home, I am reminded of how we take our Nation's military for granted. Many times when traveling in my district I have had the honor of meeting and talking with the men and women who currently and courageously serve our Nation, as well as some of the 77,000 retired military in the Third District of North Carolina.

These are the brave men and women who, serving now or in the past, dedicated their lives to preserving peace for all America. Yet, despite the enormous responsibility they have to protect our Nation's security, they are faced with drastic cuts in defense spending, and struggle every day to do more with less.

Mr. Speaker, the reality of these cuts is frightening. Our U.S. forces are 32 percent lower than 10 years ago. In 1992, when President Clinton took office, we had 18 army divisions. Now we have 10. In 1992 we had 24 fighter wings. We now have 13. In 1992 we had 546 Navy ships. Now we have just over 300.

Mr. Speaker, I am noticing an alarming trend. Perhaps this administration does not realize that cutting back on the Nation's defense capabilities threatens our ability to protect our Nation. The men and women who serve this country cannot do the job without adequate resources and without adequate forces.

It is time for the administration to make national security a priority. We cannot continue to sit idly by and allow the American people to rest in a false sense of security. The truth is, while the threat to our Nation's security grows, our military forces continue to decline.

As a Member of Congress, and like so many American citizens, I am concerned about the fact that the United States does not have a capable missile defense system, and quite frankly, America is neither prepared nor equipped to handle the threat of a ballistic missile attack.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A bipartisan commission recently issued a report confirming that a ballistic missile threat to the United States is greater than we imagine, and perhaps, even worse, that threat is growing. The report says that we have failed to understand the degree to which our Nation's security is threatened, but the threat is real.

Mr. Speaker, if there was an accident today and a Nation mistakenly launched a ballistic missile at the United States, we would have 15 minutes to act. But whether we had 15 minutes or 15 days, the issue is not time, the issue is that the United States does not have a capable missile defense system. We do not have an adequate system because we do not have the funding.

Just 2 months ago the House passed the defense authorization bill for fiscal year 1999. The administration's request for the defense budget request this year represents the 14th consecutive year of real decline in defense spending.

I want to repeat that, Mr. Speaker. The administration's request for the defense budget request this year represents the 14th consecutive year of real decline in defense spending. In fact, the defense budget request is the lowest real level of U.S. defense spending since before the Korean War. This trend cannot continue.

Mr. Speaker, the Cold War is over, but the threat to our Nation's security is ever present. Despite what the commission reports as a very real and growing threat, defense has been cut nearly in half under the Clinton administration alone. We cannot continue to stand by and let the American people assume our military has the necessary means to defend the freedoms of this Nation.

I urge my colleagues to call upon the administration to take responsibility for our Nation's decline in defense, and work with Congress to restore a military force that is capable and ready. We owe it to the American public and we owe it to ourselves. Most importantly, our Nation's security depends on it. May God bless America.

ANNOUNCING HEARING ON H.R. 836, FILIPINO VETERANS EQUITY ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from California (Mr. FILNER) is recognized during morning hour debates for 5 minutes.

Mr. FILNER. Mr. Speaker, I want to again remind the Members of this House that on Wednesday, July 22, at 10 in the morning, there will be a hearing before the Committee on Veterans Affairs.

This is not just a normal oversight hearing, not just a normal markup of an ordinary bill, but the culmination of more than 50 years of struggle for justice and honor will be presented at this hearing.

A 15-year battle for justice and honor will be coming to a head at this hearing, because more than 50 years ago, the brave Filipino soldiers of World War II, soldiers who were drafted into our Armed Forces by President Roosevelt, soldiers who exhibited great courage at the epic battles of Bataan and Corregidor, were unceremoniously deprived of all their veterans' benefits by the Congress of 1946.

Whereas there were almost a quarter of a million soldiers who were involved at that time, there are less than 75,000 alive today. Their last wish, Mr. Speaker, their last wish is to have the honor and dignity that was due them restored by this Congress, the honor and dignity of being recognized as veterans of World War II.

The chairman of the Committee on Veterans' Affairs, the gentleman from Arizona (Mr. STUMP), will be conducting this hearing. The subject will be H.R. 836, the Filipino Veterans Equity Act, sponsored by the distinguished chairman of the Committee on International Relations, the gentleman from New York (Mr. GILMAN) and myself.

Almost 200 cosponsors are part of this bill now, and what this bill says is that we will restore dignity and honor to these proud veterans. We will remedy historical injustice. We will make good on the promise of what America is.

Let me just remind my colleagues that President Truman, in 1946, recognized the injustice that was being done by the Congress at that time. Here is what he said in a statement back in February of 1946. I am quoting President Truman:

> Filipino army veterans are nationals of the United States and will continue in that status until July 4, 1946. They fought as American nationals under the American flag and under the direction of our military leaders. They fought with gallantry and courage under the most difficult conditions during the recent conflict. Their officers were commissioned by us. Their official organization, the Army of the Filipine Commonwealth, was taken into the Armed Forces of the United States by executive order of President Roosevelt on July 26, 1941. That order has never been revoked or amended. I consider it a moral obligation of the United States to look after the welfare of the Filipine army veterans.

That moral obligation remains with us in this Congress, as it did with the Congress of 1946. At this hearing on Wednesday, July 22, at 10 in the morning, a living history, a living American history, will be presented to the American public. We will have testimony by survivors of the infamous Death March from Bataan in 1942.

Brigadier General Nanadiego, who is now a special presidential representative for the Office of Veterans Affairs at the Embassy of the Philippines, will give his emotional story. He was on the Death March, where thousands of people died during the days that that march was taking place. There was brutality, there were assassinations, there was much suffering on that march.

General Nanadiego survived that march, survived conditions in the prisoner of war camp, and then joined the guerrilla resistance movement until the Philippines was in fact restored to its independence, first under General MacArthur, and then getting its own independence a little later.

We will hear testimony this Wednesday from Lieutenant Colonel Edwin Ramsey, an American officer in the Philippines who escaped after the fall of Bataan and organized guerrilla action in the Philippines for several years. It was that guerrilla action that held up the advance of the Japanese for much longer than American analysts thought, and allowed us to prepare the Philippines for MacArthur's return a few years later.

Let us recognize the bravery and gallantry of the Filipino veterans. Let us pass H.R. 836. Let us give equity now to these brave veterans of World War II.

NIH MUST ESTABLISH PRIORITIES BASED UPON NEED

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, no one, including myself, would ever fault the National Institutes of Health, NIH, and the valuable research being done by them. I know how important NIH is to our Nation's future, including its economic well-being. Advances in medical research to prevent, cure, or at least minimize the degree of financial devastation caused by such diseases experienced in the United States is a major reason why it is so necessary that we fund these vital research projects.

That being said, however, I must admit that I have been troubled by several newspaper stories I have read recently concerning the manner in which NIH chooses its spending priorities. One such article appeared in the Washington Post on July 9, and used as its source a recently released report from the Institute of Medicine, IOM.

The roughly 200-page report, entitled "Scientific Opportunities and Public Needs," warns that NIH must do a better job of justifying its spending decisions or it could lose its historically elevated credibility. The premise of the report is that political pressures often play a crucial role and can influence funding decisions.

I have always steadfastly defended the work being done at NIH, and assured its critics that, contrary to what they may think, this was not true. However, when I read the conclusions made by the IOM, I decided to look into this report further. I have with me, Mr. Speaker, a chart. Let us take a look at this chart prepared by the Institute of Medicine on NIH spending priorities.

As Members will note, heart disease is the number one killer in America; 732,400 people die. The spending is $852 million; cancer, 534,300 die. We spend $2,571,000,000.

Let us go further down and look at AIDS-HIV. It is listed as the eighth leading cause of death. It kills 42,100 a year, yet it receives $1.4 billion. The death figures are for 1994 and the spending priorities are for 1996.

Mr. Speaker, in other words, NIH spends approximately $43,000 per death researching AIDS and HIV, while heart disease, which kills over 20 times as many people each year, receives only $1,160 per year per death. Heart disease was the number one killer in 1995, 1996, and 1997. Research dollars at NIH do not reflect this.

According to a Centers for Disease Control, CDC, 1997 report, the top five killers are: cardiovascular disease, one; two, cancer; three, stroke; four, chronic lung disease; five, accidents. Mr. Speaker, note that HIV-AIDS does not even appear in the top five killers, but receives almost the top funding from NIH.

It is very difficult to justify such types of funding disparities. Other diseases, such as diabetes, were responsible for causing 56,700 deaths in 1996, making it the sixth leading cause of death in the United States. By contrast, diabetes research received only $299 million research dollars.

Not only has scientific research made important strides in identifying the causes of certain diseases, it has also launched tests of new drugs to enhance recovery from stroke and spinal cord injury and produce a new drug for the treatment of epilepsy.

In these days of trying to balance the budget, we must not lose sight of the fact that by delaying the onset of diseases such as Alzheimer's, stroke, and cardiovascular disease, we would save almost an estimated $35 million through a reduction in the need for nursing home care.

Now, to my way of thinking, that is not a small amount of money. However, this can only occur if the huge spending increasess that NIH receives do in fact flow to all the institutes, so that all the diseases benefit from these new sources of dollars.

I respect the work being conducted at NIH and believe it has some of the finest first-class scientists and researchers in the world. I would caution, however, that the articles of criticism about the way it runs its shop are becoming more and more frequent. They also need to restructure their priorities based upon the needs. That is my message this afternoon.

Congress has an obligation to ensure that all of its citizens are represented, and this includes how their tax dollars are being spent, especially when it comes to funding for biomedical research.

DISCHARGE PETITION ON PATIENTS' BILL OF RIGHTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Iowa (Mr. GANSKE) is recognized during morning hour debates for 5 minutes.

Mr. GANSKE. Mr. Speaker, today I am initiating a discharge petition to force the House to debate House Resolution 486, a rule for consideration of managed care reform bills.

House Resolution 486 provides for the consideration of the Dingell-Ganske Patients' Bill of Rights, and would allow both the manager's substitute amendment and a substitute by one of the leading Republican advocates of managed care reform, the gentleman from Georgia (Mr. CHARLIE NORWOOD).

The gentleman from Georgia (Mr. NORWOOD) could offer the bill developed by the Hastert task force or some other reform plan. Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, this week the House may debate House Resolution 4250, the patient protection bill developed by the Hastert task force. This bill just became available for review a few days ago. It has serious problems. It is not the best bill.

I have many concerns which I will not outline today, but let me give just one example. A year or so ago when we passed patient protection legislation as part of the Medicare reform bill, we banned what are called gag rules. These are rules that HMOs set up that prevent doctors or nurses or other health professionals from telling the patients all of the information or treatment options they need.

In our Medicare bill, we said that HMOs could not prohibit or restrict communications. Those last two words are important, "or restrict." They are in the bill that I support, the Patients' Bill of Rights. However, in the Hastert bill, the word "restrict" was taken out.

What that means, then, is that an HMO could erect a thousand hurdles that your doctor or nurse would have to jump over to try to tell their patients all of their treatment options. That would be okay, as long as the HMO did not prohibit those types of communications. That is a serious, serious loophole in the legislation, and it is one of the many reasons why I think it is not the best legislation.

I am saying, Mr. Speaker, that it is my intention to testify before the Committee on Rules and to ask that they permit the Dingell-Ganske Patients' Bill of Rights to be offered as an amendment, not merely as a motion to recommit or as a part of some other procedural move. If the Committee on Rules makes such an amendment in order, I can always take my name off this discharge competition.

Mr. Speaker, there are only 33 legislative days left this year. The clock is ticking on our patients. There are many other Republican Members who are concerned that the debate on patient protection legislation be timely and fair.

If the gentleman from Michigan (Mr. DINGELL) and I are not permitted to offer the Patients' Bill of Rights as an amendment, then I will seek to collect Republican signatures on this petition to bring the best HMO reform bill before the House for a fair vote.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 55 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. STEARNS) at 2 p.m.

PRAYER

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

We are instructed in the Psalms in the scriptures, "Be still, and know that I am God."

With so many voices to be heard and many lessons to be understood, it is no wonder that Your still strong voice, gracious God, is not heard. May this moment of prayer allow us to be still and focus on the clarity of Your forgiving word and the soothing comfort of Your eternal voice. We pray with earnest hearts that we will continue to listen to Your good graces, O God, so that Your peace that passes all human understanding will be with us now and until our last day. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio (Mr. TRAFICANT) come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1439. An act to facilitate the sale of certain land in Tahoe National Forest in the State of California to Placer County, California.

H.R. 1460. An act to allow for election of the Delegate from Guam by other than separate ballot, and for other purposes.

H.R. 1779. An act to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing improvements.

H.R. 2165. An act to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 3862 in the State of Iowa, and for other purposes.

H.R. 2217. An act to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 9248 in the State of Colorado, and for other purposes.

H.R. 2841. An act to extend the time required for the construction of a hydroelectric project.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 434. An act to provide for the conveyance of small parcels of land in the Carson National Forest and the Santa Fe National Forest, New Mexico, to the village of El Rito and the town of Jemez Springs, New Mexico.

H.R. 765. An act to ensure maintenance of a herd of wild horses in Cape Lookout National Seashore.

H.R. 3616. An act to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

H.R. 4101. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3616) "An Act to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THURMOND, Mr. WARNER, Mr. MCCAIN, Mr. COATS, Mr. SMITH of New Hampshire, Mr. KEMPTHORNE, Mr. INHOFE, Mr. SANTORUM, Ms. SNOWE, Mr. ROBERTS, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, Mr. GLENN, Mr. BYRD, Mr. ROBB, Mr. LIEBERMAN, and Mr. CLELAND, to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4101) "An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COCHRAN, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. BURNS, Mr. STEVENS, Mr. BUMPERS, Mr. HARKIN, Mr. KOHL, Mr. LEAHY, Mrs. BOXER, and Mr. BYRD, to be the conferees on the part of the Senate.

The message also announced that the Senate passed bills and a concurrent resolution of the following titles, in which concurrence of the House is requested:

S. 638. An act to provide for the expeditious completion of the acquisition of private mineral interests within the Mount St. Helens National Volcanic Monument mandated by the 1982 Act that established the Monument, and for other purposes.

S. 1069. An act entitled the "National Discovery Trails Act of 1997".

S. 1132. An act to modify the boundaries of the Bandelier National Monument to include the lands within the headwaters of the Upper Alamo Watershed which drain into the Monument and which are not currently within the jurisdiction of a Federal land management agency, to authorize purchase or donation of those lands, and for other purposes.

S. 1403. An act to amend the National Historic Preservation Act for purposes of establishing a national historic lighthouse preservation program.

S. 1418. An act to promote the research, identification, assessment, exploration, and development of methane hydrate resources, and for other purposes.

S. 1510. An act to direct the Secretary of the Interior and the Secretary of Agriculture to convey certain lands to the county of Rio Arriba, New Mexico.

S. 1683. An act to transfer administrative jurisdiction over part of the Lake Chelan National Recreation Area from the Secretary of the Interior to the Secretary of Agriculture for inclusion in the Wenatchee National Forest.

S. 1695. An act to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Sand Creek Massacre National Historic Sit in the State of Colorado as a unit of the National Park System, and for other purposes.

S. 1807. An act to transfer administrative jurisdiction over certain parcels of public domain land in Lake Country, Oregon, to facilitate management of the land, and for other purposes.

S. 2057. An act to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

S. 2058. An act to authorize appropriations for fiscal year 1999 for defense activities of the Department of Energy, and for other purposes.

S. 2059. An act to authorize appropriations for fiscal year 1999 for military construction, and for other purposes.

S. 2060. An act to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

S. Con. Res. 105. Concurrent resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

THE PROPER ROLE OF THE GOVERNMENT

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, during this appropriations season here in Congress, we should all remember exactly why we are here and what promises we made to the American people. Those promises are to reduce the size and the scope and the power, especially the power, of the Federal Government over our lives.

Some people believe that government was solely created to correct the wrongs in people's lives. However, I think that is only half right. I look at the government's responsibility from a different perspective.

Over the last 40 years, government has shown that its one-size-fits-all approach rarely if ever solves problems, whether it is here in Washington or in my district in Nevada.

Government provides little opportunity to create wealth, and over the years has become very effective at taxing one person's wealth and giving it to another. Sure, government has a role to play in helping people who are truly in need by providing needed resources to State, county and local governments so they can create targeted local solutions to those in need.

I urge my fellow colleagues to remember that government must never become counterproductive or create unnecessary entitlement programs without proper responsibility.

AMERICA'S TRADE DEFICIT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, America had a $15.7 billion record deficit in May. Billion. The formula says for every $1 billion in deficits, America loses 20,000 jobs. So in May, check the formula, America lost 314,000 jobs. These are not burger flippers or chicken skinners. These are manufacturing jobs, folks. It is getting so bad China today has a 34 percent tariff on most American products. After all this, the White House by whatever name you want to call it once again wants most-favored-nation trade status for China. Unbelievable.

Who are the trade advisers at the White House, a bunch of proctologists, ladies and gentlemen? This is out of hand. Think about it. While Congress is debating campaign finance reform that was promulgated because of illegal Chinese contributions, the Chinese keep kicking our assets all the way to the bank. Beam me up. We need a proctologist.

KYOTO TREATY

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, the Kyoto treaty on climate change would have a crippling effect on the American economy. This fatally flawed agreement would kill millions of American jobs and diminish the standard of living in this country. Confronted by strong bipartisan opposition in both the House and the Senate, the Clinton administration has repeatedly assured Congress that it would not attempt to implement the Kyoto treaty until it has been ratified by the Senate. Now, despite this promise, there is strong evidence that the EPA has initiated and taken regulatory and other actions that are inconsistent with the administration assurances. This week, when the House considers the fiscal year 1999 VA-HUD bill, we will have the opportunity to ensure that the President keeps his word. This bill prohibits the EPA from using taxpayer dollars to issue rules or regulations to implement the Kyoto treaty until it has been ratified by the Senate. Mr. Speaker, I urge my colleagues to protect our economic interests by supporting the effort to stop the EPA from ramming the Kyoto treaty through the back door.

CAMPAIGN FINANCE REFORM

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, when are we going to address campaign finance reform? When are we going to talk about the way campaign finance works? Particularly when are we going to talk seriously about taking soft money out of campaigning?

Soft money disenfranchises the average person. The reason we do not have 80, 90 percent voter turnout is that the people of this country, particularly the young people, believe that they have not invested money in our campaigns, therefore, they do not think they should come to the polls. They do not have a voice.

That is wrong, Mr. Speaker. We have to address campaign finance reform, we have to do away with soft money, and we have to get everybody in this country that is eligible to vote.

ON WOMEN'S HEALTH

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, I come to the floor today in the name of the Bipartisan Women's Caucus to thank the House for the vote last Thursday to cover contraceptive prescriptions for Federal employees, the pill, the diaphragm, intrauterine devices, Norplant and Depo-Provera. Some plans covered no contraceptive prescriptions. None of these prescriptions promote abortions. All preserve women's health.

Without contraception, of course, abortions are promoted, and some of these devices in fact lead to abortions because they are not as effective as others. That is why women need these choices, at least these choices when deciding something as central to their health as preventing abortions and deciding whether or not to bear a child. Every woman has had some contraceptive device that does not work for her. With this bill, we have passed one of the most significant women's health bills in many years.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules but not before 5 p.m. today.

CHILD NUTRITION AND WIC REAUTHORIZATION AMENDMENTS OF 1998

Mr. GOODLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3874) to amend the Child Nutrition Act of 1966 to make improvements to the special supplemental nutrition program for women, infants, and children and to extend the authority of that program through fiscal year 2003, as amended.

The Clerk read as follows:

H.R. 3874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Child Nutrition and WIC Reauthorization Amendments of 1998".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Effective date.

TITLE I—AMENDMENTS TO THE NATIONAL SCHOOL LUNCH ACT

Sec. 101. Provision of commodities.
Sec. 102. Nutritional and other program requirements.
Sec. 103. Special assistance.
Sec. 104. Miscellaneous provisions and definitions.
Sec. 105. Summer food service program for children.
Sec. 106. Commodity distribution program.
Sec. 107. Child and adult care food program.
Sec. 108. Meal supplements for children in afterschool care.
Sec. 109. Universal free breakfast pilot projects.
Sec. 110. Training and technical assistance.
Sec. 111. Compliance and accountability.
Sec. 112. Information clearinghouse.
Sec. 113. Accommodation of the special dietary needs of individuals with disabilities.

TITLE II—AMENDMENTS TO THE CHILD NUTRITION ACT OF 1966

Sec. 201. State administrative expenses.
Sec. 202. Special supplemental nutrition program for women, infants, and children.
Sec. 203. Nutrition education and training program.

SEC. 2. EFFECTIVE DATE.

This Act, and the amendments made by this Act, shall take effect on October 1, 1998, or the date of the enactment of this Act, whichever occurs later.

TITLE I—AMENDMENTS TO THE NATIONAL SCHOOL LUNCH ACT

SEC. 101. PROVISION OF COMMODITIES.

Section 6 of the National School Lunch Act (42 U.S.C. 1755) is amended—

(1) in subsection (b), by striking "authorized under subsection (c)" and inserting "required under subsections (c) and (e)";

(2) by striking subsections (c) and (d); and

(3) by redesignating subsections (e), (f), and (g) as subsections (c), (d), and (e), respectively.

SEC. 102. NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS.

(a) STATE OR LOCAL HEALTH AND SAFETY INSPECTIONS.—Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended by adding at the end the following:

"(h) If the food service operations of a school participating in the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) are not required by State or local law to undergo health and safety inspections, then the school shall twice during each school year obtain State or local health and safety inspections to ensure that meals provided under such programs are prepared and served in a healthful and safe environment.".

(b) SINGLE PERMANENT AGREEMENTS BETWEEN STATE AGENCIES AND SCHOOL FOOD AUTHORITIES; COMMON CLAIMING PROCEDURES.—Section 9 of such Act (42 U.S.C. 1758), as amended by this Act, is further amended by adding at the end the following:

"(i)(1) If a single State agency administers the school lunch program under this Act, the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), the summer food service program for children under section 13 of this Act, or the child and adult care food program under section 17 of this Act, then such agency—

"(A) shall require each school food authority to submit a single agreement with respect to the operation of such programs by such authority; and

"(B) shall require a common claiming procedure with respect to meals and supplements served under such programs.

"(2) The agreement described in paragraph (1)(A) shall be a permanent agreement that may be amended as necessary.".

SEC. 103. SPECIAL ASSISTANCE.

(a) School Eligibility Requirements for Payments.—Section 11(a)(1) of the National School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended—

(1) in subparagraph (C)—

(A) in clause (i)(I), by striking "3 successive school years" each place it appears and inserting "4 successive school years"; and

(B) in clauses (ii) and (iii), by striking "3-school-year period" each place it appears and inserting "4-school-year period"; and

(2) in subparagraph (D)—

(A) in clause (i)—

(i) by striking "3-school-year period" each place it appears and inserting "4-school-year period"; and

(ii) by striking "2 school years" and inserting "4 school years";

(B) in clause (ii)—

(i) by striking the first sentence; and

(ii) by striking "5-school-year period" each place it appears and inserting "4-school-year period"; and

(C) in clause (iii), by striking "5-school-year period" and inserting "4-school-year period".

(b) Adjustments to Payment Rates.—

(1) In general.—Section 11(a)(3)(B) of such Act (42 U.S.C. 1759a(a)(3)(B)) is amended—

(A) in the first sentence, by striking "The annual" and inserting "(i) The annual";

(B) in the third sentence—

(i) by striking "The adjustments" and inserting the following:

"(ii) The adjustments"; and

(ii) by inserting "through April 30, 1999," after "under this paragraph"; and

(iii) by adding at the end the following:

"(iii) For the period beginning on May 1, 1999, and ending on June 30, 1999, the national average payment rates for meals and supplements shall be adjusted to the nearest lower cent increment and shall be based on the unrounded amounts used to calculate the rates in effect on July 1, 1998.

"(iv) For July 1, 1999, and each subsequent July 1, the national average payment rates for meals and supplements shall be adjusted to the nearest lower cent increment and shall be based on the unrounded amount for the preceding 12-month period.".

(2) Conforming amendments.—Section 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)) is amended—

(1) in the second sentence of paragraph (1)(B), by striking "adjusted to the nearest one-fourth cent,"; and

(2) in paragraph (2)(B)(ii), by striking "to the nearest one-fourth cent".

SEC. 104. MISCELLANEOUS PROVISIONS AND DEFINITIONS.

(a) Adjustments to Reimbursement Rates for Certain States and Territories.—Section 12(f) of the National School Lunch Act (42 U.S.C. 1760(f)) is amended—

(1) by striking "school breakfasts and lunches" and inserting "breakfasts, lunches, suppers, and supplements";

(2) by striking "sections 4 and 11" and inserting "sections 4, 11, 13, and 17"; and

(3) by striking "lunches and breakfasts" each place it appears and inserting "meals".

(b) Buy American Requirement.—Section 12 of the National School Lunch Act (42 U.S.C. 1760) is amended by adding at the end the following:

"(n) Buy American Requirement.—

"(1) In general.—For purposes of providing meals under the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), the Secretary shall require schools located in the contiguous United States to purchase, to the extent practicable, only food products that are produced in the United States.

"(2) Additional requirement.—The requirement of paragraph (1) shall also apply to recipient agencies in Hawaii only with respect to food products that are grown in Hawaii in sufficient quantities to meet the needs of meals provided under the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

"(3) Definition.—As used in this subsection, the term 'food products that are produced in the United States' means—

"(A) unmanufactured food products that are grown or produced in the United States; and

"(B) manufactured food products that are manufactured in the United States substantially from agricultural products grown or produced in the United States.".

SEC. 105. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) Definition of Private Nonprofit Organizations.—Section 13(a)(7)(B) of the National School Lunch Act (42 U.S.C. 1761(a)(7)(B)) is amended—

(1) in clause (i), to read as follows:

"(i) operate not more than 25 sites, with not more than 300 children being served at any one site (or, with a waiver granted by the State agency under standards developed by the Secretary, not more than 500 children being served at any one site);";

(2) by striking clauses (ii) and (iii); and

(3) by redesignating clauses (iv), (v), (vi), and (vii) as clauses (ii), (iii), (iv), and (v), respectively.

(b) Offer Versus Serve.—Section 13(f)(7) of such Act (42 U.S.C. 1761(f)(7)) is amended in the first sentence by striking "attending a site on school premises operated directly by the authority".

(c) Food Service Management Companies.—

(1) Contracting for provision of meals or management of program.—Section 13(l)(1) of such Act (42 U.S.C. 1761(l)(1)) is amended—

(A) in the first sentence—

(i) by striking "(other than private nonprofit organizations eligible under subsection (a)(7))"; and

(ii) by striking "only with food service management companies registered with the State in which they operate" and inserting "with food service management companies"; and

(B) by striking the last sentence.

(2) Registration.—Section 13(l)(2) of such Act (42 U.S.C. 1761(l)(2)) is amended—

(A) in the first sentence of the matter preceding subparagraph (A), by striking "shall" and inserting "may"; and

(B) by striking all after the first sentence.

(3) Other provisions.—Section 13(l) of such Act (42 U.S.C. 1761(l)) is amended—

(A) by striking paragraph (3); and

(B) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(d) Reauthorization of Program.—Section 13(q) of such Act (42 U.S.C. 1761(q)) is amended by striking "1998" and inserting "2003".

SEC. 106. COMMODITY DISTRIBUTION PROGRAM.

Section 14(a) of the National School Lunch Act (42 U.S.C. 1762a(a)) is amended in the matter preceding paragraph (1) by striking "1998" and inserting "2003".-

SEC. 107. CHILD AND ADULT CARE FOOD PROGRAM.

(a) Eligibility of Institutions.—Section 17(a)(1) of the National School Lunch Act (42 U.S.C. 1766(a)(1)) is amended to read as follows:

"(1) an institution (except a school or family or group day care home sponsoring organization) or family or group day care home—

"(A)(i) shall be licensed, or otherwise have approval, by the appropriate Federal, State, or local licensing authority; or

"(ii) shall be in compliance with appropriate procedures for renewing participation in the program, as prescribed by the Secretary, unless the State has information indicating that the institution or family or group day care home's license will not be renewed;

"(B) if Federal, State, or local licensing or approval is not available——

"(i) shall meet any alternate approval standards established by the appropriate State or local governmental agency; or

"(ii) shall meet any alternate approval standards established by the Secretary after consultation with the Secretary of Health and Human Services; or

"(C) if the institution provides care to school children outside of school hours and Federal, State, or local licensing or approval is not required for such institution, shall meet State or local health and safety standards; and".

(b) Categorical Eligibility for Even Start Program Participants.—Section 17(c)(6)(B) of such Act (42 U.S.C. 1766(c)(6)(B)) is amended by striking "1997" and inserting "2003".

(c) Tax Exempt Status of Eligible Institutions; Removal of Notification Requirement for Incomplete Applications.—Section 17(d)(1) of such Act (42 U.S.C. 1766(d)(1)) is amended—

(1) by inserting after the third sentence the following: "An institution moving toward compliance with the requirement for tax exempt status shall be allowed to participate in the program for a period of not more than 6 months unless it can demonstrate to the satisfaction of the State agency that its inability to obtain tax exempt status within the 6-month period is beyond the control of the institution in which case the State agency may grant a single extension not to exceed 90 days."; and

(2) by striking the last sentence.

(d) Use of Funds for Audits of Participating Institutions.—Section 17(i) of such Act (42 U.S.C. 1766(i)) is amended by striking "2 percent" and inserting "1 percent".

(e) Permanent Authorization of Demonstration Project.—Section 17(p) of such Act (42 U.S.C. 1766(p)) is amended by striking paragraphs (4) and (5).

(f) Transfer of Homeless Programs.—

(1) In general.—Section 17 of such Act (42 U.S.C. 1766) is amended by adding at the end the following:

"(q) Participation by Emergency Shelters.—

"(1) In general.—Except as otherwise provided in this subsection, an emergency shelter shall be eligible to participate in the program authorized under this section in accordance with the terms and conditions applicable to eligible institutions described in subsection (a).

"(2) Licensing requirements.—The licensing requirements contained in subsection (a)(1) shall not apply to emergency shelters or sites operated by such shelters under the program.

"(3) ADDITIONAL REQUIREMENTS.—

"(A) HEALTH AND SAFETY STANDARDS.—An emergency shelter and each site operated by such shelter shall comply with State or local health and safety standards.

"(B) MEAL REIMBURSEMENT.—

"(i) LIMITATION.—An emergency shelter may claim reimbursement—

"(I) only for meals and supplements served to children who have not attained the age of 13 and who are residing at an emergency shelter; and

"(II) for not more than 3 meals, or 2 meals and a supplement, per child per day.

"(ii) RATE.—A meal or supplement eligible for reimbursement shall be reimbursed at the rate at which free meals and supplements are reimbursed under subsection (c).

"(iii) NO CHARGE.—A meal or supplement claimed for reimbursement shall be served without charge.

"(4) DEFINITION OF EMERGENCY SHELTER.—As used in this subsection, the term 'emergency shelter' has the meaning given such term in section 321(2) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11351(2)).".

(2) CONFORMING AMENDMENTS.—(A) Section 13(a)(3)(C) of such Act (42 U.S.C. 1761(a)(3)(C)) is amended—

(i) in clause (i), by adding "or" at the end;

(ii) by striking clause (ii); and

(iii) by redesignating clause (iii) as clause (ii).

(B) Section 17B of such Act (42 U.S.C. 1766b) is hereby repealed.

(g) PARTICIPATION BY "AT RISK" CHILD CARE PROGRAMS.—Section 17 of such Act (42 U.S.C. 1766), as amended by this Act, is further amended by adding at the end the following:

"(r) 'AT RISK' CHILD CARE.—

"(1) IN GENERAL.—Subject to the conditions in this subsection, institutions that provide care to at risk school children during afterschool hours, weekends, or holidays during the regular school year may participate in the program authorized under this section. Unless otherwise specified in this subsection, all other provisions of this section shall apply to these institutions.

"(2) AT RISK SCHOOL CHILDREN.—Children ages 12 through 18 who live in a geographical area served by a school enrolling elementary students in which at least 50 percent of the total number of children enrolled are certified eligible to receive free or reduced price school meals under this Act or the Child Nutrition Act of 1966 shall be considered at risk.

"(3) SUPPLEMENT REIMBURSEMENT.—

"(A) LIMITATION.—Only supplements served to at risk school children during after-school hours, weekends, or holidays during the regular school year may be claimed for reimbursement. Institutions may claim reimbursement for only one supplement per child per day.

"(B) RATE.—Eligible supplements shall be reimbursed at the rate for free supplements under subsection (c)(3).

"(C) NO CHARGE.—All supplements claimed for reimbursement shall be served without charge.".

SEC. 108. MEAL SUPPLEMENTS FOR CHILDREN IN AFTERSCHOOL CARE.

Section 17A of the National School Lunch Act (42 U.S.C. 1766a) is amended—

(1) in subsection (a)(2)(C) to read as follows:

"(C) operate afterschool programs with an educational or enrichment purpose."; and

(2) in subsection (b), by striking "served to children" and all that follows and inserting "served to children who are not more than 18 years of age.".

SEC. 109. UNIVERSAL FREE BREAKFAST PILOT PROJECTS.

Section 18(i) of the National School Lunch Act (42 U.S.C. 1769(i)) is amended to read as follows:

"(i) UNIVERSAL FREE BREAKFAST PILOT PROJECTS.—

"(1) IN GENERAL.—

"(A) GRANTS TO STATES.—(i) Subject to the availability of advance appropriations under paragraph (8), the Secretary shall make grants to not more than 5 States to conduct pilot projects in elementary schools under school food authorities located in each such State—

"(I) to reduce paperwork;

"(II) to simplify meal counting requirements; and

"(III) to make changes that will increase participation in the school breakfast program.

"(ii) The Secretary shall select States to receive grants under clause (i), and make grants to such States, in the first fiscal year for which appropriations are made to carry out this subsection.

"(B) GRANTS TO SCHOOL FOOD AUTHORITIES; DURATION OF PILOT PROJECTS.—(i)(I) A State receiving a grant under subparagraph (A) shall make grants to school food authorities to carry out the pilot projects described in such subparagraph.

"(II) The State shall select school food authorities to receive grants under clause (i), and make grants to such authorities, in the first fiscal year for which the State receives amounts under a grant.

"(ii) A school food authority receiving amounts under a grant to conduct a pilot project described in subparagraph (A) shall conduct such project for the 3-year period beginning in the first fiscal year in which the authority receives amounts under a grant from the State.

"(C) PARTICIPATION LIMITATION.—A school food authority conducting a pilot project under this paragraph shall ensure that some elementary schools under such authority do not participate in the pilot project.

"(2) WAIVER AUTHORITY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may waive the requirements of this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) relating to counting of meals, applications for eligibility, and related requirements that would preclude the Secretary from making a grant to conduct a pilot project under paragraph (1).

"(B) NON-WAIVABLE REQUIREMENTS.—The Secretary may not waive a requirement under subparagraph (A) if the waiver would prevent a program participant, a potential recipient, or a school from receiving all of the benefits and protections of this Act, the Child Nutrition Act of 1966, or a Federal statute or regulation that protects an individual constitutional right or a statutory civil right.

"(3) REQUIREMENTS FOR PARTICIPATION IN PILOT.—To be eligible to participate in a pilot project under this subsection—

"(A) a State—

"(i) shall submit an application to the Secretary at such time and in such manner as the Secretary shall establish; and

"(ii) shall provide such information relative to the operation and results of the pilot as the Secretary may reasonably require; and

"(B) a school food authority—

"(i) shall agree to serve all breakfasts at no charge to all children in participating elementary schools;

"(ii) shall not have a history of violations of this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

"(iii) shall meet any other requirement that the Secretary may reasonably require.

"(4) SELECTION OF PILOT ELEMENTARY SCHOOLS.—To the extent practicable, a State shall select school food authorities to participate in the pilot program under this subsection in a manner that will provide for an equitable distribution among the following types of elementary schools:

"(A) Urban and rural elementary schools.

"(B) Elementary schools of varying family income levels.

"(5) REIMBURSEMENT RATES.—A school food authority conducting a pilot project under this subsection shall receive reimbursement for each breakfast served under the pilot in an amount equal to the rate for free breakfasts established under section 4(b)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(B)).

"(6) COMMODITY ENTITLEMENT.—A school food authority conducting a pilot project under this subsection shall receive commodities in the amount of at least 5 cents per breakfast served under the pilot. The value of such commodities shall be deducted from the amount of cash reimbursement described in paragraph (5).

"(7) EVALUATION OF PILOT PROJECT.—

"(A) IN GENERAL.—The Secretary, acting through the Administrator of the Food and Nutrition Service, shall conduct an evaluation of the pilot projects in each of the school food authorities selected for participation. Such evaluation shall include—

"(i) a determination of the effect of participation in the pilot project on the academic achievement, tardiness and attendance, and dietary intake of participating children that is not attributable to changes in educational policies and practices; and

"(ii) a determination of the effect that participation by elementary schools in the pilot projects has on the proportion of students who eat breakfast.

"(B) REPORT.—Upon completion of the pilot projects and the evaluation, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the evaluation of the pilot required under subparagraph (A).

"(8) REIMBURSEMENT REQUIREMENT UNDER BREAKFAST PROGRAM.—(A) Except as provided in subparagraph (B), a school participating in a pilot project under this subsection shall receive a total Federal reimbursement under the school breakfast program in an amount equal to the total Federal reimbursement for the school in the prior year under such program (adjusted for inflation and fluctuations in enrollment).

"(B) Funds required for the pilot project in excess of the level of reimbursement received by the school in the prior year (adjusted for inflation and fluctuations in enrollment) may be taken from any non-Federal source or from amounts appropriated to carry out this subsection. If no appropriations are made for the pilot projects, schools may not conduct the pilot projects.

"(9) AUTHORIZATION OF APPROPRIATIONS.—

"(A) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

"(B) Requirement.—No amounts may be provided under this subsection unless specifically provided in appropriations Acts.".

SEC. 110. TRAINING AND TECHNICAL ASSISTANCE.

Section 21(e)(1) of the National School Lunch Act (42 U.S.C. 1769b–1(e)(1)) is amended by striking "1998" and inserting "2003".

SEC. 111. COMPLIANCE AND ACCOUNTABILITY.

Section 22(d) of the National School Lunch Act (42 U.S.C. 1769c(d)) is amended by striking "1996" and inserting "2003".

SEC. 112. INFORMATION CLEARINGHOUSE.

(a) Authority to Establish and Maintain Clearinghouse.—Section 26(a) of the National School Lunch Act (42 U.S.C. 1769g(a)) is amended by striking "shall" and inserting "may".

(b) Nongovernmental Organization.—Section 26(b) of such Act (42 U.S.C. 1769g(b)) is amended in the matter preceding paragraph (1) by inserting after "shall be selected on a competitive basis" the following: ", except that, notwithstanding any other provision of law, the Secretary may enter into a contract for the services of any organization with which the Secretary has previously entered into a contract under this section without such organization competing for such new contract, if such organization has performed satisfactorily under such prior contract and otherwise meets the criteria established in this subsection,".

(c) Limitation on Amount Provided Under the Contract.—Section 26 of such Act (42 U.S.C. 1769g) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following:

"(c) Limitation on Amount Provided Under the Contract.—The Secretary may provide to the organization described in subsection (b) an amount not to exceed $150,000 in each of fiscal years 1999 through 2003.".

(d) Funding.—Section 26(e) of such Act (42 U.S.C. 1769g(e)) (as so redesignated) is amended to read as follows:

"(e) Funding.—

"(1) In general.—There are authorized to be appropriated $150,000 for each of the fiscal years 1999 through 2003 to carry out this section.

"(2) Requirement.—No amounts may be provided for the clearinghouse under this section unless specifically provided in appropriations Acts.".

SEC. 113. ACCOMMODATION OF THE SPECIAL DIETARY NEEDS OF INDIVIDUALS WITH DISABILITIES.

Section 27 of the National School Lunch Act (42 U.S.C. 1769h) is amended to read as follows:

"SEC. 27. ACCOMMODATION OF THE SPECIAL DIETARY NEEDS OF INDIVIDUALS WITH DISABILITIES.

"(a) In General.—The Secretary may carry out activities to help accommodate the special dietary needs of individuals with disabilities who are participating in a covered program. Such activities may include—

"(1) developing and disseminating to State agencies guidance and technical assistance materials;

"(2) conducting training of State agencies and eligible entities; and

"(3) providing grants to State agencies and eligible entities.

"(b) Definitions.—As used in this section:

"(1) Individuals with disabilities.—The term 'individuals with disabilities' has the meaning given the term 'individual with a disability' as defined in section 7(8) of the Rehabilitation Act of 1973 (29 U.S.C. 706(8)).

"(2) Covered program.—The term 'covered program' means—

"(A) the school lunch program authorized under this Act;

"(B) the school breakfast program authorized under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

"(C) any other program authorized under this Act or the Child Nutrition Act of 1966 (except for section 17) that the Secretary determines is appropriate.

"(3) Eligible entity.—The term 'eligible entity' means a school food authority, institution, or service institution that participates in a covered program.

"(c) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1999 through 2003 to carry out this section.".

TITLE II—AMENDMENTS TO THE CHILD NUTRITION ACT OF 1966

SEC. 201. STATE ADMINISTRATIVE EXPENSES.

(a) Reallocation of Amounts.—Section 7(a)(5)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(a)(5)(B)) is amended—

(1) by striking "(i)";

(2) by striking the second sentence and all that follows; and

(3) by adding at the end the following: "The Secretary shall then allocate, for purposes of administration costs, any remaining amounts among States that demonstrate a need for such amounts.".

(b) Elimination of 10 Percent Transfer Limitation.—Section 7(a)(6) of such Act (42 U.S.C. 1776(a)(6)) is amended to read as follows:

"(6) Funds available to States under this subsection and under section 13(k)(1) of the National School Lunch Act may be used by State agencies for the costs of administration of the programs authorized under this Act (except for the programs authorized under sections 17 and 21) and the National School Lunch Act without regard to the basis on which such funds were earned and allocated.".

(c) Reauthorization of Program.—Section 7(g) of such Act (42 U.S.C. 1776(g)) is amended by striking "1998" and inserting "2003".

SEC. 202. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.

(a) Additional Requirements for Applicants.—

(1) Physical presence requirement.—Section 17(d)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)) is amended by adding at the end the following:

"(C)(i) Except as provided in clause (ii), each applicant to the program shall be physically present at each certification determination in order to determine eligibility under the program.

"(ii) A local agency may waive the requirement of clause (i)—

"(I) if required to do so by requirements under the Americans with Disabilities Act;

"(II) with respect to a child who was present at the initial certification visit and who is receiving on-going health care from a provider other than such local agency, if the agency determines that the requirement of clause (i) would present a barrier to participation; or

"(III) with respect to a child (aa) who was present at the initial certification visit, (bb) who was present at a certification determination within the 1-year period ending on the date of the certification determination described in clause (i), and (cc) who has one or more parents who work, if the agency determines that the requirement of clause (i) would cause a barrier to participation.".

(2) Income documentation requirement.—Section 17(d)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)), as amended by paragraph (1), is further amended by adding at the end the following:

"(D)(i) Except as provided in clause (ii), in order to be eligible for the program, each applicant to the program shall provide—

"(I) documentation of household income; or

"(II) documentation of participation in a program described in clauses (ii) and (iii) of paragraph (2)(A).

"(ii)(I) A State agency may waive the requirement of clause (i)—

"(aa) with respect to an applicant for whom the necessary documentation is not available; or

"(bb) with respect to an applicant, such as homeless women or children, for whom the agency determines the requirement of clause (i) would present a barrier to participation.

"(II) The Secretary shall prescribe regulations to carry out division (aa).".

(b) Education and Educational Materials Relating to Effects of Drug and Alcohol Use.—Section 17(e)(1) of such Act (42 U.S.C. 1786(e)(1)) is amended by adding at the end the following: "A local agency participating in the program shall provide education or educational materials relating to the effects of drug and alcohol use by a pregnant, postpartum, or breastfeeding woman on the developing child of the woman.".

(c) Distribution of Nutrition Education Materials to State Agencies Administering the Commodity Supplemental Food Program.—Section 17(e) of such Act (42 U.S.C. 1786(e)) is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (3) the following:

"(4) The Secretary may provide nutrition education materials, including breastfeeding promotion materials, developed with funds appropriated to carry out the program under this section in bulk quantity to State agencies administering the commodity supplemental food program authorized under sections 4(a) and 5 of the Agriculture and Consumer Protection Act of 1973 at no cost to that program.".

(d) Identification of Recipients Participating at More Than 1 Site.—Section 17(f) of such Act (42 U.S.C. 1786(f)) is amended by adding at the end the following:

"(23) Each State agency shall implement a system designed to identify recipients who are participating at more than 1 site under the program.".

(e) Identification of High Risk Vendors; Compliance Investigations.—

(1) In general.—Section 17(f) of such Act (42 U.S.C. 1786(f)), as amended by this Act, is further amended by adding at the end the following:

"(24) Each State agency—

"(A) shall identify vendors that have a high probability of program abuse; and

"(B) shall conduct compliance investigations of such vendors.".

(2) Regulations.—Not later than March 1, 1999, the Secretary of Agriculture shall promulgate final regulations to carry out section 17(f)(24) of such Act (42 U.S.C. 1786(f)(24)), as added by paragraph (1).

(f) Reauthorization of Program.—Section 17(g)(1) of such Act (42 U.S.C. 1786(g)(1)) is amended in the first sentence by striking "1995 through 1998" and inserting "1999 through 2003".

(g) Purchase of Breast Pumps.—Section 17(h)(1)(C) of such Act (42 U.S.C. 1786(h)(1)(C)) is amended—

(1) by striking "(C)" and inserting "(C)(i)"; and

(2) by adding at the end the following:

"(ii)(I) Notwithstanding any other provision of this section, with respect to fiscal year 2000 and subsequent fiscal years, a State agency may use amounts made available under clause (i) for the purchase of breast pumps.

"(II) A State agency that exercises the authority of subclause (I) shall expend from amounts allocated for nutrition services and administration an amount for the purchase of breast pumps that is not less than the amount expended for the purchase of breast pumps from amounts available for nutrition services and administration for the prior fiscal year.".

(h) Nutrition Services and Administration.—

(1) Allocation of amounts.—Section 17(h)(2)(A) of such Act (42 U.S.C. 1786(h)(2)(A)) is amended in the first sentence by striking "1995 through 1998" and inserting "1999 through 2003".

(2) Level of per participant expenditure.—Section 17(h)(2)(B)(ii) of such Act (42 U.S.C. 1786(h)(2)(B)(ii)) is amended by striking "15 percent" and inserting "10 percent (except that the Secretary may establish a higher percentage for small State agencies)".

(i) Conversion of Amounts for Food Benefits to Amounts for Nutrition Services and Administration.—Section 17(h)(5)(A) of such Act (42 U.S.C. 1786(h)(5)(A)) is amended in the matter preceding clause (i) by striking "achieves" and all that follows through "such State agency may" and inserting "submits a plan to reduce average food costs per participant and to increase participation above the level estimated for such State agency, such State agency may, with the approval of the Secretary,".

(j) Infant Formula Procurement.—Section 17(h)(8)(A) of such Act (42 U.S.C. 1786(h)(8)(A)) is amended by adding at the end the following:

"(iii) A State agency using a competitive bidding system for infant formula shall award contracts to the bidder offering the lowest net price unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the State does not vary by more than five percent.".

(k) Infrastructure and Breastfeeding Promotion/Support Activities.—Section 17(h)(10)(A) of such Act (42 U.S.C. 1786(h)(10)(A)) is amended by striking "For each of fiscal years 1995 through 1998," and inserting "For each fiscal year through 2003,".

(l) Consideration of Price Levels of Retail Stores for Participation in the Program.—

(1) In general.—Section 17(h) of such Act (42 U.S.C. 1786(h)) is amended by adding at the end the following:

"(11)(A) For the purpose of promoting efficiency and to contain costs under the program, a State agency shall, in selecting a retail store for participation in the program, take into consideration the prices that the store charges for foods under the program as compared to the prices that other stores charge for such foods.

"(B) The State agency shall establish procedures to insure that a retail store selected for participation in the program does not subsequently raise prices to levels that would otherwise make the store ineligible for selection in the program.".

(2) Regulations.—Not later than March 1, 1999, the Secretary of Agriculture shall promulgate final regulations to carry out section 17(h)(11)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(11)(A)), as added by paragraph (1).

(m) Management Information System Plan.—Section 17(h) of such Act (42 U.S.C. 1786(h)), as amended by this Act, is further amended by adding at the end the following:

"(12)(A) In consultation with State agencies, retailers, and other interested persons, the Secretary shall establish a long range plan for the development and implementation of management information systems (including electronic benefit transfers) to be used in carrying out the program.

"(B) Not later than 2 years after the date of the enactment of this paragraph, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on actions taken to carry out subparagraph (A).

"(C) Prior to the date of the submission of the report of the Secretary required under subparagraph (B), the cost of systems or equipment that may be required to test management information systems (including electronic benefit transfers) for the program may not be imposed on a retail food store.".

(n) Use of Funds in Preceding and Subsequent Fiscal Years.—

(1) In general.—Clauses (i) and (ii) of section 17(i)(3)(A) of such Act (42 U.S.C. 1786(i)(3)(A)(i) and (ii)) are amended to read as follows:

"(i) not more than 1 percent (except as provided in subparagraph (C)) of the amount of funds allocated to a State agency under this section for supplemental foods for a fiscal year, and not more than 1 percent of the amount of funds allocated to a State agency under this section for nutrition services and administration for a fiscal year, may be expended by the State agency for allowable expenses incurred under this section for supplemental foods and nutrition services and administration, respectively, during the preceding fiscal year; and

"(ii)(I) a State agency may expend, from amounts allocated to the agency for nutrition services and administration, an amount equal to not more than 1 percent of the total amount of funds allocated to the agency under this section for a fiscal year for allowable expenses incurred under this section for nutrition services and administration during the subsequent fiscal year; and

"(II) with the prior approval of the Secretary, a State agency may expend, from amounts allocated to the agency for nutrition services and administration, an amount equal to not more than one-half of 1 percent of the total amount of funds allocated to the agency under this section for a fiscal year for the development of a management information system, including an electronic benefit transfer system, during the subsequent fiscal year.".

(2) Conforming amendments.—Section 17 of such Act (42 U.S.C. 1786) is amended—

(A) in subsection (h)(10)(A) (as amended by this Act), by inserting after "nutrition services and administration funds" the following: "and food benefit funds"; and

(B) in subsection (i)(3)—

(i) by striking subparagraphs (C) through (G); and

(ii) by redesignating subparagraph (H) as subparagraph (C).

(o) Farmers Market Nutrition Program.—

(1) Matching fund requirement.—Section 17(m)(3) of such Act (42 U.S.C. 1786(m)(3)) is amended in both the first and second sentences by striking "total" each place it appears and inserting "administrative".

(2) Ranking criteria for state plans.—Section 17(m)(6) of such Act (42 U.S.C. 1786(m)(6)) is amended—

(A) by striking subparagraph (F); and

(B) by redesignating subparagraph (G) as subparagraph (F).

(3) Reauthorization of Program.—Section 17(m)(9)(A) of such Act (42 U.S.C. 1786(m)(9)(A)) is amended by striking "1996 through 1998" and inserting "1999 through 2003".

(p) Disqualification of Certain Vendors.—

(1) In general.—Section 17 of such Act (42 U.S.C. 1786) is amended by adding at the end the following:

"(o) Disqualification of Vendors Convicted of Trafficking or Illegal Sales.—

"(1) In general.—Except as provided in paragraph (5), the State agency shall permanently disqualify a vendor convicted of trafficking in food instruments (including any voucher, draft, check, or access device, including an electronic benefit transfer card or personal identification number, issued in lieu of a food instrument pursuant to the provisions of this section), or selling firearms, ammunition, explosives, or controlled substances (as defined in section 102 of the Controlled Substances Act) in exchange for food instruments.

"(2) Notice of disqualification.—The State agency shall provide the vendor with notification of the disqualification and shall make such disqualification effective on the date of receipt of the notice of disqualification.

"(3) Prohibition on receipt of lost revenues.—A vendor shall not be entitled to receive any compensation for revenues lost as a result of the disqualification under this subsection.

"(4) Hardship exception in lieu of disqualification.—

"(A) In general.— A State agency may permit a vendor that would otherwise be disqualified under paragraph (1) to continue to redeem food instruments or otherwise provide supplemental foods to participants if the State agency determines, in its sole discretion according to criteria established by the Secretary, disqualification of the vendor would cause hardship to participants in the program authorized under this section.

"(B) Civil money penalty.—Whenever a State agency authorizes a vendor that would otherwise be disqualified to redeem food instruments or provide supplemental foods in accordance with subparagraph (A), the State agency shall assess the vendor a civil money penalty in lieu of a disqualification.

"(C) Amount.— The State agency shall determine the amount of the civil penalty according to criteria established by the Secretary.".

(2) Regulations.—

(A) In general.—Not later than March 1, 1999, the Secretary of Agriculture shall promulgate final regulations to carry out section 17(o) of such Act (42 U.S.C. 1786(o)), as added by paragraph (1).

(B) Additional requirement.—The final regulations described in subparagraph (A) shall include criteria for determining the amount of civil money penalties in lieu of disqualification and for making hardship determinations under such section.

(q) STUDY AND REPORT BY ECONOMIC RESEARCH SERVICE.—Section 17 of such Act (42 U.S.C. 1786), as amended by this Act, is further amended by adding at the end the following:

"(p) STUDY AND REPORT BY ECONOMIC RESEARCH SERVICE.—

"(1) STUDY.—The Secretary, acting through the Administrator of the Economic Research Service, shall conduct a study on the effect of cost containment practices established by States under the program for the selection of vendors and approved food items (other than infant formula) on the following:

"(A) Program participation.

"(B) Access and availability of prescribed foods.

"(C) Voucher redemption rates and actual food selections by participants.

"(D) Participants on special diets or with specific food allergies.

"(E) Participant use and satisfaction of prescribed foods.

"(F) Achievement of positive health outcomes.

"(G) Program costs.

"(2) REPORT.—Not later than 3 years after the date of the enactment of the Child Nutrition and WIC Reauthorization Amendments of 1998, the Administrator shall submit to the Secretary of Agriculture, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the study conducted under paragraph (1).".

(r) COLLECTION AND USE OF PENALTIES FROM VENDOR AND RECIPIENT FRAUD AND ABUSE.—Section 17 of such Act (42 U.S.C. 1786), as amended by this Act, is further amended by adding at the end the following:

"(q) USE OF PENALTIES FROM VENDOR AND RECIPIENT FRAUD AND ABUSE.—Amounts collected from penalties from vendors and recipients relating to violations of any provision of this section (including any regulation established to carry out this section) for fraud and abuse under the program may be used for nutrition services and administration and food benefits only for the 1-year period beginning on the date on which amounts under the penalty are received.".

(s) MAXIMUM AMOUNT OF FINE FOR CERTAIN VIOLATIONS UNDER THE PROGRAM.—Section 17 of such Act (42 U.S.C. 1786), as amended by this Act, is further amended by adding at the end the following:

"(r) MAXIMUM AMOUNT OF FINE FOR CERTAIN VIOLATIONS UNDER THE PROGRAM.—The maximum amount of a fine with respect to the embezzlement, willful misapplication, stealing, obtaining by fraud, or trafficking in food instruments of funds, assets, or property that are of a value of $100 or more under the program shall be $25,000.".

(t) CRIMINAL FORFEITURE.—Section 17 of such Act (42 U.S.C. 1786), as amended by this Act, is further amended by adding at the end the following:

"(s) CRIMINAL FORFEITURE.—

"(1) IN GENERAL.—In imposing a sentence on a person convicted of an offense in violation of any provision of this section (or any regulation promulgated under this section), a court shall order, in addition to any other sentence imposed under this section, that the person forfeit to the United States all property described in paragraph (2).

"(2) PROPERTY SUBJECT TO FORFEITURE.—All property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation (other than a misdemeanor) of any provision of this section (or any regulation promulgated under this section), or proceeds traceable to a violation of any provision of this section (or any regulation promulgated under this section), shall be subject to forfeiture to the United States under paragraph (1).

"(3) INTEREST OF OWNER.—No interest in property shall be forfeited under this subsection as the result of any act or omission established by the owner of the interest to have been committed or omitted without the knowledge or consent of the owner.

"(4) PROCEEDS.—The proceeds from any sale of forfeited property and any monies forfeited under this subsection shall be used—

"(A) first, to reimburse the Department of Justice for the costs incurred by the Department to initiate and complete the forfeiture proceeding;

"(B) second, to reimburse the Department of Agriculture Office of Inspector General for any costs the Office incurred in the law enforcement effort resulting in the forfeiture;

"(C) third, to reimburse any Federal or State law enforcement agency for any costs incurred in the law enforcement effort resulting in the forfeiture; and

"(D) fourth, by the State agency to carry out the approval, reauthorization, and compliance investigations of vendors.".

SEC. 203. NUTRITION EDUCATION AND TRAINING PROGRAM.

Section 19(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(i)) is amended—

(1) by striking paragraphs (1) and (2);

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (1), (2), and (3), respectively; and

(3) in paragraph (1) (as redesignated)—

(A) in the paragraph heading, by striking "1997 THROUGH 2002" and inserting "1999 THROUGH 2003"; and

(B) by amending subparagraph (A) to read as follows:

"(A) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal years 1999 through 2003.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GOODLING) and the gentleman from California (Mr. MARTINEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3874, the Child Nutrition and WIC Reauthorization Amendments of 1998. This bill makes important changes to our Nation's vital child nutrition programs. Members who have worked with me during my years in Congress know that I consider these to be some of the most important programs serving our Nation's children. My support of these programs comes primarily from my years as an educator where I learned firsthand that children who did not consume nutritious meals did not perform very well in school.

I am most pleased that this year we have been able to work in a bipartisan manner with USDA and the nutrition community to craft the legislation before us. We need to work together to ensure our Federal child nutrition programs are effective in providing nutritious meals to participants while increasing accountability and effectiveness.

There is no new spending in this bill. Every new cost provision has an offset. The bill before us today strives to maintain program integrity by fighting fraud and abuse in the WIC program. The Committee on Appropriations has identified problems within the WIC program that this bill addresses. The WIC program has helped improve the health of pregnant women and of infants and children. It has made tremendous strides in reducing the number of low birth weight babies and birth defects caused by poor nutrition. Addressing issues of fraud and abuse will only help ensure that program dollars provide important nutrition services to participants while not being wasted on individuals who illegally benefit from the program.

The bill also makes numerous changes to nutrition programs that provide greater flexibility to States and local providers. I understand the burden placed on schools operating multiple nutrition programs.

I believe some of the most important flexibility provisions contained in this bill are those that support a seamless nutrition program for schools operating a variety of child nutrition programs. These provisions allow schools currently offering meals under the School Lunch Program, School Breakfast Program, Child and Adult Care Food Program and the Summer Food Service Program to apply for a single monthly claim for all meals using a single, common claiming procedure; to have meal patterns be consistent throughout all meal programs, including current offer versus serve rules; and to have a single permanent agreement between school food authorities and the States' Departments of Education.

Another important provision seeks to address problems of juvenile crime by providing a snack to children participating in afterschool programs, with an educational or enrichment purpose, keeping them at the school rather than on the streets.

Over the past few years, I have sought to make our Nation's child nutrition programs more effective in providing important nutrition services to children. Our main goals must remain to provide nutritious meals to children and their families and to allow those closest to the children the flexibility to determine how to most effectively serve their needs. The bill embraces those principles and deserves our support.

I want to commend the gentleman from Delaware (Mr. CASTLE), who carried the load to a great degree in the subcommittee; the gentleman from California (Mr. RIGGS), the chairman of the subcommittee; the gentleman from California (Mr. MARTINEZ); and the gentlewoman from California (Ms. WOOLSEY), who knows a good bit about nutrition. When it comes to campaign finance, well, but nutrition, yes.

I urge my colleagues to support this important legislation.

Mr. Speaker, I reserve the balance of my time.

□ 1415

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3874 for the reauthorization of the child nutrition programs. I also rise to compliment the gentleman from Pennsylvania (Mr. GOODLING), the chairman, the gentleman from Delaware (Mr. CASTLE), the subcommittee chairman, and the gentleman from California (Mr. MARTINEZ), our ranking member, for a very positive effort.

This was a bipartisan effort that has resulted in a very good bill. This is a good bill that will benefit children in schools and children in child care facilities across America. I am pleased that it includes my pilot program for universal school breakfasts.

It also includes a provision from my bill to increase the number of schools that can participate in the Child and Adult Care Food Program and raise the age of students who are eligible for snacks in these programs.

The school breakfast pilot project will allow five elementary schools nationwide to make school breakfasts available to all of their students free of charge, not based on economic status, all students. We already have two studies which prove that children who eat breakfast improve both their grades and their classroom behavior.

But in today's world, where two working parents are the norm and long commutes are common, more and more families are out the door and on the road early in the morning with no time to sit down for breakfast. Whether we like it or not, many of these children arrive at school hungry. So, unless you want to pass a law requiring every family to feed their children breakfast before they go to school in the morning and then hire a bunch of breakfast police to enforce it, we need to look at schools and school breakfast programs in a different way.

Of course, I believe that this will be a better bill if, in the end, it includes the Senate's language on the school breakfast program. Both the Senate and the administration support a fully funded pilot program, so the House can, I hope, agree and defer in conference.

Mark my words, Mr. Speaker, the next time we reauthorize child nutrition programs, the legislation will include school breakfasts for all elementary school children, because I am confident that this pilot project will prove that school breakfast is not a welfare program. It is an education program.

I am also pleased that H.R. 3874 will make it easier for schools and community organizations to offer after-school programs to teenagers. This bill does this by raising the age of eligibility for after-school snacks from 13 to 18 years old, which makes it much more affordable to offer programs. We know that the vast majority of juvenile crime and teen pregnancies occur after the school bell rings and before the dinner bell rings. We desperately need more after-school programs for adolescents.

But feeding adolescents, even when it is just a snack, can be very expensive. H.R. 3874 will open the Child and Adult Care Food Program to low-income teens and to more after-school programs.

This is not "Twinkies for teens". The Police Athletic League and other law enforcement organizations have strongly endorsed the benefits of after-school programs for adolescents. H.R. 3874 will make more of these programs possible.

Before my enthusiasm causes any of my colleagues on the other side of the aisle to reconsider their support of this bill, thinking that it might be too generous, let me say that it certainly does not do everything that I would want it to do and everything that I think should be included. In particular, I hope that we can continue to work together to expand the Child and Adult Care Food Program to more low-income children, those who are in for-profit child care centers.

H.R. 3874 is a good bill. It is a bill that will benefit millions of children. Children are 25 percent of the population in America, but they are 100 percent of America's future. This bill is a sound investment in our children and our future. I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of the time.

Mr. GOODLING. Mr. Speaker, I yield such time he may consume to the gentleman from Delaware (Mr. CASTLE), who played a major role in crafting this legislation.

Mr. CASTLE. Mr. Speaker, the gentleman from Pennsylvania (Mr. GOODLING) has been, as he indicated and as many have told me, a long-time supporter of child nutrition programs for the entire time he has been in this Congress which has been a number of years now. I think all the country and all the children of the country should appreciate that.

I, too, rise in strong support of H.R. 3747, which is known as the Child Nutrition and WIC Reauthorization Amendments of 1998. I am pleased to state, as we have seen on the floor today, that this a bipartisan bill worked out over many long hours of negotiations with members on the committee, the nutrition community, and the United States Department of Agriculture. In fact, Shirley Watkins who heads this for the Department of Agriculture, wrote a letter to me saying: I appreciate you and your staff including the Department of Agriculture in the effort to enact an excellent child nutrition program. You have our commitment to work with you to expeditiously complete the enactment process. Thanks for your continued support.

Obviously, we would like to thank the gentleman from California (Mr. MARTINEZ), the gentlewoman from California (Ms. WOOLSEY), the gentleman from California (Mr. RIGGS), and their staffs for working with us to reach this bipartisan agreement on this legislation.

When we say bipartisan agreement, it is not quite that simple. I remember the gentleman from California (Mr. MARTINEZ) being across the table asking me rather hard questions, and the gentlewoman from California (Ms. WOOLSEY) and others, as a matter of fact, sort of coming at me with, can we not do more here or there? But it worked out in the long run, and that is what counts, and we appreciate all of their concern.

We know we have not addressed everyone's ultimate concerns, but I believe we do have a good bill that will go a long way towards improving our Nation's child nutrition programs by reducing red tape and bureaucracy, fighting and punishing fraud and abuse, giving program providers more flexibility, ensuring our Nation's children have access to healthy meals in school, in child care settings, in after-school programs and during the summer months, and providing low-income pregnant and postpartum women, their infants and young children access to nutritious foods.

Of great significance is the fact that we have been able to make these important changes and save money at the same time. This bill would save a total of $69 million over 5 years.

While this legislation contained numerous changes to Federal child nutrition programs, I would like to focus on what I consider to be the key provisions of the legislation.

The first provision deals with the provision of snacks to children in after-school care programs. I share the concerns of many Members of this body with respect to juvenile crime that occurs between the hours school ends and their parents return home from work. In fact, I just had a round table in Delaware about this just moments before I came down here. Beyond crime, unsupervised youth may be involved in other undesirable behaviors, such as using drugs and alcohol, smoking, or engaging in sexual activities.

Parents, schools, and communities throughout the United States are seeking solutions to this problem. Many families would like their children to be involved in structured activities after school, but they simply cannot find affordable options.

In response, many schools and communities are setting up after-school programs with an education or enrichment program. H.R. 3874 supports these programs through amendments to two nutrition programs, allowing the provisions of snacks to children in after-school programs.

First, it amends the Child and Adult Care Food Program to assist organizations operating in high poverty areas to provide a snack to at-risk children through age 18 who are enrolled in after-school programs.

Second, it amends an after-school care program under the School Lunch Act to permit the provision of snacks to children through the age of 18 who are participating in after-school programs with an educational or enrichment purpose. I believe that these changes will contribute to ongoing efforts to reduce juvenile crime and drug and alcohol abuse and prevent teen pregnancy.

Another important provision in this legislation recognizes how hard private, nonprofit organizations have worked to overcome their past history of program abuse and operate quality summer food programs to provide meals to low-income children during the summer months when school is not in session. As a result, we lift remaining restrictions on their participation in this program.

Finally, we have modified the WIC program to provide greater flexibility to States and local providers in meeting the needs of program participants and to address concerns raised about fraud and abuse.

Antifraud provisions contained in this legislation include: disqualifying WIC vendors convicted of trafficking in WIC food instruments or the sale of firearms, ammunition, explosives, or drugs in exchange for WIC food instruments; requiring individuals to be physically present in order to be certified for the WIC program benefits; requiring WIC participants to have income documentation; requiring States to take into consideration the prices stores charge for WIC foods in relation to prices charged by other stores in making vendor selections.

It allows States to keep any collections and recoveries of improperly paid benefits for use no later than the Federal fiscal year following recovery. It raises the maximum fine for trafficking and other violations under WIC from $10,000 to $25,000.

Mr. Speaker, these are but a few of the highlights of the child nutrition bill we are considering today. This is a good bipartisan bill that will strengthen the child nutrition programs. I encourage my colleagues to support this important legislation.

Mr. MARTINEZ. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I rise in very, very strong support of this legislation to reauthorize WIC and make important changes, as was outlined by the gentleman from Delaware (Mr. CASTLE), in school nutrition programs.

It is a demonstrated fact, and I do not think anybody can contradict it, that those children who do not receive adequate nutrition in their early years will struggle throughout their lives.

We also know that hungry children cannot learn. The school lunch program was created actually to address the malnutrition of our Nation's soldiers. Staggering numbers of young men drafted to serve in World War II lacked the health and strength required to defend this country.

Today, we acknowledge that the education of our children is even more important for the future security of the United States, and thus we reaffirm our commitment to the child nutrition programs.

Perhaps the most crucial years for children to receive proper nutrition are from the time they are conceived through their preschool years. Recent studies have confirmed that significant growth occurs in early childhood, and if children lack the nutrition to develop fully, they will likely experience lifelong difficulties.

The special supplemental nutritional program for women, infants, and children, or WIC as it is better known, provides mothers with access to healthy foods and nutrition education when they are pregnant, and continues this assistance throughout the infancy and the early years of their children.

Once children are in school, the national School Breakfast and Lunch Program helps to ensure that children have the nutrition necessary to learn. It is only fitting that the effort to continue the Federal Government's dedication to the health of our children is and was bipartisan.

Throughout the years, Congress has united to strengthen these child nutrition programs by assessing the issues of meal standards, food safety, program eligibility, cost containment efforts, and accountability. The bill before us continues these efforts to enhance the nutrition programs while incorporating provisions to address the needs of today's children.

Many of these ideas were first articulated in the reauthorization legislation that was introduced by myself on behalf of the administration, H.R. 3666. In addition, the inclusion of many of the innovative changes in the legislation before us today was made possible by the tireless efforts of the gentlewoman from California (Ms. WOOLSEY) and the gentleman from Delaware (Mr. CASTLE).

Last year, the gentlewoman from California (Ms. WOOLSEY) introduced H.R. 3086, the Meals For Achievement Act, which called for the creation of universal breakfast program and the provision of nutrition support for after-school programs. I am proud to be an original cosponsor of that legislation. Through the diligence of the gentlewoman from California (Ms. WOOLSEY), these proposals are reflected now in H.R. 3874.

The importance of after-school programs to the safety of our children cannot be denied. A recent Justice Department study confirms that most juvenile crime is committed between 3 p.m. and 6 p.m. That is why helping communities increase the number of after-school programs is a priority of the Clinton Administration and many Members of this Congress.

H.R. 3874 expands the Child and Adult Care Food Program to enable schools and community organizations serving at-risk teenagers after school to provide healthy snacks. Thus, these after-school provisions furnish an added incentive to young people to get off the streets and into positive programs that help put them on the path to successful, healthy futures and enterprises.

I am equally pleased that we were able to work together to include in H.R. 3874 a universal breakfast pilot program. Children miss breakfast for a variety of reasons, but they all need to start the day with a nutritious meal in order to be ready to learn.

Of course, we can only be sure that the pilot will take place if it is a mandatory program. Unfortunately, the language in H.R. 3874 only authorizes discretionary funding.

The Senate committee, however, approved by unanimous vote legislation that will authorize a mandatory universal breakfast pilot. Recently, the administration strongly endorsed the Senate's language. It is my hope that in conference the House will recede to the Senate's position on this matter.

Thus, we can be certain that universal breakfast programs will proceed and ultimately affirm that providing breakfast for all children is a means to ensure education success in this country.

□ 1430

Before I close, I must also thank the gentleman from Pennsylvania (Mr. GOODLING) and the gentleman from Delaware (Mr. CASTLE), who have worked so closely with this side of the aisle to fashion legislation that all Members can support and support proudly. I urge my colleagues to support its passage.

Mr. RIGGS. Mr. Speaker, I rise in strong support of H.R. 3874, the "Child Nutrition and WIC Reauthorization Amendments of 1998." This is a strong bipartisan bill that makes important changes to our nation's child nutrition programs.

While many Members contributed to this legislation, including Representative MARTINEZ, I particularly thank Congressman MIKE CASTLE. He has performed a tremendous job in putting together this legislation.

Congressman CASTLE already has outlined many of the key provisions of this legislation. Let me focus on several key provisions.

As a former member of the House Committee on Appropriations I know the WIC program is being closely monitored. We took all possible steps necessary to insure the integrity of this program. In addition to the provisions outlined by Congressman CASTLE, I added three provisions to H.R. 3874 to help reduce fraud and abuse.

One provision would require State WIC agencies to design and implement systems to identify recipients who might be participating at more than one site. We need to guard against the potential for participation at multiple WIC sites.

State WIC agencies also would have to identify vendors that have a high probability of program abuse and follow up with compliance investigations. Right now WIC agency oversight of vendors varies considerably from State to State, but identification and investigation of high-risk vendors should be at least a minimum standard.

A criminal forfeiture amendment provides that those convicted of trafficking face forfeiture of property associated with the trafficking. This is now the rule for the Food Stamp program.

I also strongly support the afterschool care provisions included in this legislation. Last year, the House passed H.R. 1818, the Juvenile Crime Control and Delinquency Prevention Act of 1997. This legislation authorized a variety of activities aimed at preventing juvenile crime.

Several of the witnesses who appeared before our Committee on the issue of juvenile crime spoke about the need for high quality afterschool care programs to provide educational and enrichment activities for youth during the hours when they are most likely to engage in delinquent activities. This legislation would support afterschool programs through federal reimbursement for snacks in afterschool care programs operated by schools, which have an educational or enrichment purpose. It also would reimburse for free snacks for at-risk children ages 12–18 in afterschool programs in low-income areas through the Child and Adult Care Food Program.

Mr. Speaker, this bill also includes a variety of other provisions that streamline federal child nutrition programs and provide state and local providers additional flexibility in providing services to program participants. It is a good bill that deserves the support of all Members.

I encourage my Colleagues to support H.R. 3874.

Mr. PAUL. Mr. Speaker, Congress should reject H.R. 3874, a bill reauthorizing the Women's, Infant, and Children's (WIC) program and other childhood nutrition programs, and the flawed redistributionist, welfare state model that lies behind this bill. Although the goals of this legislation are noble, the means toward achieving the goals embodied therein are unconstitutional and ineffective.

Providing for the care of the poor is a moral responsibility of every citizen, however, it is not a proper function of the Federal Government to plunder one group of citizens and redistribute those funds to another group of citizens. Nowhere in the United States Constitution is the Federal Government authorized to provide welfare services. If any government must provide welfare services, it should be State and local governments. However, the most humane and efficient way to provide charitable services are through private efforts. Among their other virtues, private charities are much more likely to provide short-term assistance rather than fostering long-term dependency upon government programs.

Mr. Speaker, I know that you, and many of my colleagues, understand that private charities are also much better able to target assistance to the truly needy than government programs, which are burdened with bureaucratic rules of eligibility, as well as procedures designed to protect the "due process" rights of recipients, which cannot be adequately changed to meet unique individual circumstances. Thus, many people who are genuinely needy do not receive needed help. In fact, more than 40 percent of all families living below the poverty level receive no government assistance. Private charities can also be more effective because they do not have to fulfill administrative requirements, such as the WIC program's rebate system, which actually divert resources from the needy.

Private charities are also able to place an emphasis upon reformation of personal behavior while not imposing the controls on personal life that government programs, such as WIC, impose on the program recipients. When a pregnant woman signs up to receive WIC vouchers, she is trading away a large amount of her personal freedom. Her choices of where to shop will be restricted to WIC-approved vendors and her choice of what foods to buy will be restricted to those foods which match the WIC nutrition specifications. WIC recipients are also required to participate in WIC parenting and nutrition classes.

As an OB/GYN I certainly recognize the importance of proper nutrition for pregnant women and young children. However, as a constitutionalist, I strenuously object to the federal government coercing pregnant women into accepting such services and restricting their choices of food products. The founders of this country would be flabbergasted if they knew that the federal government had monopolized the provisions of charitable services to low-income women, but they would be horrified if they knew the federal government was forbidding poor women from purchasing Post Raisin Bran for their children because some federal bureaucrats had determined that it contains too much sugar!

Mr. Speaker, the fact that the manufacturers of foods such as Raisin Bran battle to get their products included in this program reveals the extent to which WIC is actually corporate welfare. Many corporations have made a tidy profit from helping to feed the poor and excluding their competitors in the process. For example, thanks to the WIC program, the federal government is the largest purchaser of infant formula in the nation.

According to the Congressional Research Service, food vendors participating in WIC received $9.86 billion in Fiscal Year 1997—75% of the total funds spent on the WIC program! This fiscal year, producers of food products approved by the federal government for purchase by WIC participants are expected to receive $10 billion in taxpayer dollars! Small wonder the lobbyists who came to my office to discuss WIC were not advocates for the poor, but rather well-healed spokespersons for corporate interests!

Any of my colleagues who doubt that these programs serve the interests of large corporations should consider that one of the most contentious issues debated at Committee mark-up was opposition to an attempt to allow USDA to purchase non-quota peanuts (currently the only peanuts available for sale are farmers who have a USDA quota; all other farmers are forbidden to sell peanuts in the U.S.) for school nutrition programs. Although this program would have saved the American taxpayers $5 million this year, the amendment was rejected at the behest of supporters of the peanut lobby. A member of my staff, who appropriately asked why this amendment could not pass with overwhelming support, was informed by a staffer for another member, who enthusiastically supports the welfare state, that the true purpose of this program is to benefit producers of food products, not feed children.

The main reason supporters of a free and moral society must oppose this bill is because federal welfare programs crowd out the more efficient private charities for two reasons. First, the taxes imposed on the American people in order to finance these programs leave taxpayers with fewer resources to devote to private charity. Secondly, the welfare state erodes the ethic of charitable responsibility as citizens view aiding the poor as the government's role, rather than a moral obligation of the individual.

The best way to help the poor is to dramatically cut taxes thus allowing individuals to devote more of their own resources to those charitable causes which better address genuine need. I am a cosponsor of H.R. 1338, which raises the charitable deduction and I believe Congress should make awakening the charitable impulses of the American people by reducing their tax burden one of its top priorities. In fact, Congress should seriously consider enacting a dollar-per-dollar tax credit for donations to the needy. This would do more to truly help the disadvantaged than a tenfold increase in spending on the programs in H.R. 3874.

In conclusion, Congress should reject H.R. 3874 because the programs contained therein lack constitutional foundation, allow the federal government to control the lives of program recipients, and serve as a means of transferring monies from the taxpayers to big corporations. Instead of funding programs, Congress should return responsibility for helping those in need to those best able to effectively provide assistance; the American people acting voluntarily.

Mr. KUCINICH. Mr. Speaker, I rise today in strong support of H.R. 3874, the Child Nutrition and WIC Reauthorization Amendments of 1998. This bill not only reauthorizes the expiring WIC, Summer Food Service, State Administrative Expenses, and Commodity Assistance programs, it also makes some important improvements to them. We've increased State's flexibility in administering these programs, expanded eligibility and services for afterschool programs, and taken steps to reduce fraud in the WIC program. My colleagues have even managed to orchestrate a savings of $69 million over five years. This is a good bipartisan bill that will help millions of children, but I think it could have gone farther.

There is something missing from the bill that would increase participation in the Summer Food Service Program. This bill removes many barriers for sponsors of the program, thus encouraging more organizations to join. Because of expanded outreach efforts by state agencies and anti-hunger groups, many more small community-based organizations and private non-profit institutions are eager to provide summer food service programs.

However, many of these organizations lack the resources to purchase needed equipments such as milk coolers, ovens, microwaves, serving utensils, and food storage equipment. They also need funds to advertise and promote their programs. These one-time, non-recurring costs are often more than small organizations can handle.

Over 80% of children who are eligible for this program remain unserved by it. It's not because there isn't a need for more summer food sponsors, and it's not because these kids aren't hungry. The Second Harvest National Food Bank Network recently found, among those food banks reporting seasonal changes in requests for emergency food, nearly half report that requests for emergency food for children increase during the summer months when school is out.

In my district in Cleveland, for example, 63% of the local charities reported an increase in the number of children requesting emergency food assistance during the summer. Over half of the kids requesting emergency food received free or reduced price school meals and are eligible for participation in the summer food service program, but only 11.3% actually participate. During school, these low-income children receive up to ½ of their nutrients from school meals. During the summer, they do not have access to school breakfasts or lunches.

Offering sponsors a boost to help them get started would be a relatively inexpensive way, especially given the savings from the bill, to encourage more organizations to establish summer food service programs. A grant program to help defer the one-time costs associated with beginning a summer food program would allow more organizations to participate in low-income and rural areas that are typically underserved by this program.

I had hoped to work with my friends on the other side of the aisle to bring a grant program like this back to the Summer Food Service program before we brought this bill to the floor. And while it is not a particularly expensive concept and even though no one seems to be philosophically or ideologically opposed to the idea, we were unable to resolve the issue to include it in this bill. I think that is unfortunate for the millions of kids for whom summer vacation means hunger instead of fun.

I'd like to thank the Food Research and Action Center for their support and tireless efforts to increase the reach and scope of programs like Summer Food Service. And I encourage my colleagues to continue our work on this issue. I think there is a lot more we can do for these kids. The Summer Food Service Program is one of the least known and most underutilized of the federal nutrition programs. There is no reason for so many children to be hungry and under-nourished during the summer when we could increase participation in the program by offering one-time grants to help more sponsors get started.

Mr. BILIRAKIS. Mr. Speaker, I rise today to express my strong support for H.R. 3874, the Child Nutrition and WIC Reauthorization Amendments of 1998.

I have always been a strong supporter of WIC because it gives women and young children access to the foods necessary for healthy development. WIC provides specific nutritious foods to at-risk, income-eligible, pregnant, postpartum and breast feeding women, infants and children up to five years of age. WIC gives women and young children the means to obtain highly nutritious foods like iron-fortified infant formula, calcium-rich milk, eggs, juice, and cereal.

During pregnancy, one of the most fragile periods in a woman's life, WIC enhances dietary intake, which improves weight gain and the likelihood of a successful pregnancy. After birth, WIC continues to promote the health of infants and is responsible for reducing low birth weight and infant mortality. Children who participate in WIC receive immunizations against childhood diseases at a higher rate than children who are not WIC participants. WIC also helps to reduce anemia among children.

As we know, children receiving nutritious meals are in a better position to focus on their daily studies. Proper nutrition is an integral part of our children's educational experience. In fact, WIC has been linked to improved cognitive development among children. WIC children are more prepared to learn compared to those children who lack proper nutritionally balanced diets.

In short, WIC is supported by many people and continues to be a popular program. It yields tremendous returns on our investments and improves the health and well being of pregnant women, infants and children. I urge my colleagues to show their support for the WIC Program by voting in favor of H.R. 3874.

Ms. JACKSON-LEE of Texas. Mr. Speaker, thank you for the opportunity to speak on this important issue. I support this bill which will guarantee that families are able to access the food they need. In addition, this program will extend funding for state school lunch programs and provide low income families' children with a national food program.

H.R. 3874 reauthorizes this program through 2003 to allow the Women, Infants and Children (WIC) nutrition program to provide nutrition, education and supplemental food to low-income pregnant and post-partum women, infants and children up to age five. These necessary services are provided free of charge to eligible individuals and families. This bill also contains a number of other provisions including ones that extend funding for administration expenses for the State school lunch program and reauthorize a national summer food program for children of low income families.

In my own homestate of Texas, in the 18th Congressional District, a total of 109,596 women, infants and children receive WIC services each month. This means that in Harris County, TX 12,917 pregnant women, 5,259 breast feeding mothers, 9,448 postpartum mothers, who have recently given birth, and 29,934 infants, and 52,038 children can receive the help that they need. One-seventh of the State of Texas' 683,000 WIC recipients reside in Harris County, TX.

This program is not as glamorous as others—the WIC program is formula, milk, juice, and bread. The majority of those served are poor infants and children, those who are most often overlooked. To cut the WIC program does not materially reduce the numbers of women, infants and children who are in need. This program is one of the best run, most efficient and effective programs that the Federal Government has initiated.

According to the Government Accounting Office, for every dollar spent on the WIC program the taxpayer saves $3.50. This is the reason the WIC Program received very strong bi-partisan support throughout its history.

We must continue to support this program. What can be more important than making sure our country's children are healthy and safe? I strongly support this bill and I encourage my colleagues to support it as well.

Mr. MARTINEZ. Mr. Speaker, I yield back the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. GOODLING) that the House suspend the rules and pass the bill, H.R. 3874, as amended.

The question was taken.

Mr. GOODLING. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3874.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SENSE OF CONGRESS REGARDING ACCESS TO AFFORDABLE HOUSING AND EXPANSION OF HOMEOWNERSHIP OPPORTUNITIES

Mr. LEACH. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 208) expressing the sense of the Congress regarding access to affordable housing and expansion of homeownership opportunities.

The Clerk read as follows:

H. CON. RES. 208

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the priorities of our Nation should include providing access to affordable housing that is safe, clean, and healthy and expanding homeownership opportunities; and

(2) these goals should be pursued through policies that—

(A) promote the ability of the private sector to produce affordable housing without excessive government regulation;

(B) encourage tax incentives, such as the mortgage interest deduction, at all levels of government; and

(C) facilitate the availability of capital for homeownership and housing production, including by continuing the essential roles carried out by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Banks.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LEACH) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa (Mr. LEACH).

Mr. LEACH. Mr. Speaker, this, I believe, is a non-controversial bill. It underscores principles critical to the American family—the desirability of achieving the dream of homeownership for as many Americans as conceivably possible.

On this front, there is some good news, and also some challenging circumstances. The good news is that homeownership is going up in America, almost 1 percent in the last 4 years, until today it reaches approximately 66 percent of the American public. The principal reason for this relates to lower interest rates caused by restrained monetary policy and the movement from a deficit to a surplus fiscal policy.

It also relates to aspects of tax policy, the importance of quasi-governmental institutions like Fannie Mae and Freddie Mac that have served as extraordinarily helpful intermediaries in housing finance, and to certain housing programs of the Federal Government itself.

But what this bill, and it is a small bill, does is simply underscore what are the great principles of American housing, and underscore it in such a way as to make it clear that this Congress is not going to be backed down from those principles, particularly the principle that relates to the interest deduction for homeownership mortgage loans.

Mr. Speaker, recognizing that this is an exceptionally modest bill, but also one that relates to a subject very important to the heart of the American people, I would urge its adoption at this time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. MINGE).

Mr. MINGE. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me time.

Mr. Speaker, I have faced repeated requests from communities that I represent for action at the Federal level to make sure that we have adequate affordable housing in this country. Indeed, I have held four forums on this subject in communities in my district. It is in this context that I have come to recognize the importance of these programs that the Federal Government has sponsored over the years, and, as a consequence, I rise in support of House Concurrent Resolution 208, introduced by my colleague the gentleman from New York (Mr. LAZIO).

All Americans should have an opportunity to obtain decent and affordable housing. However, the Nation's housing problems have increasingly been concentrated in two segments of the population, first time home buyers and low income households.

A much smaller portion of young households own their own homes today than they did in 1980. Shortages of housing resources for both downpayments and monthly mortgage payments are largely responsible for this trend.

Furthermore, growing numbers of less fortunate citizens are forced to spend a very large portion of relatively small budgets to rent apartments, and many of these housing units suffer from physical inadequacies as well. Homelessness can be a ragged-edge consequence of formidable social and housing hurdles faced by the most disadvantaged portions of our population.

Mr. Speaker, in order to attain our national housing goals, there is a need for a voice for housing in community development at the Federal level. We can take the first step today by voicing our support for this resolution.

Mr. LEACH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to briefly note that this bill is brought to us by the distinguished gentleman from New York (Mr. LAZIO), the chairman of the Subcommittee on Housing and Community Opportunity, who has devoted a great deal of time and effort to not only this bill, but other housing legislation. I apologize that the gentleman has been detained intransit, but I wanted to reference the gentleman from New York (Mr. LAZIO) because of his leadership on this issue.

Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. METCALF).

Mr. METCALF. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of House Concurrent Resolution 208. As cochair of the Housing Opportunity Caucus, I share the goals of the gentleman from Iowa (Chairman LEACH) and the gentleman from New York (Chairman LAZIO) of expanding access to affordable housing and homeownership opportunities.

Two years ago, the gentleman from New York (Mr. LAZIO), the gentlewoman from Connecticut (Mrs. JOHNSON), the gentleman from Illinois (Mr. WELLER), the gentleman from Pennsylvania (Mr. ENGLISH) and I formed a caucus to spotlight the need for housing in this Nation.

Working cooperatively, we have discovered we can create programs that increase the production of affordable housing. For example, the low income housing tax credit is one of the few Federal programs that encourages the creation of new rental housing without excessive government regulations. Since its inception, this program has generated thousands of housing units for working parents who are struggling to pay the increasing rents.

To help achieve the American dream, we cannot simply stop at making rental housing more affordable. We have to help families own their own homes. We can achieve this by continuing the support for the mortgage interest deduction, reducing Federal barriers to homeownership, and ensuring that financing is available. The mortgage revenue bonds and FHA guarantee of loans have helped low income families finance their home affordably.

This Congress can and should do more to increase the access to housing. H. Con. Res. 208 is not just a simple statement in support of housing as a national priority, it is a statement of our vision to help make the American dream a reality for more people. I ask my colleagues to support this important resolution.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I must say that I owe an apology to the supporters of this. Having first read it, I was inclined to regard if as fairly trivial. It is a resolution with no binding impact. It seemed to me to just be sort of cheerleading.

I was somewhat struck that in the week in which we are passing a housing appropriation bill which severely diminishes funds that should be available for people at the low brackets, we are celebrating the importance of affordable housing. In fact, there is a great inconsistency between the legislation we will be adopting, which significantly underfunds affordable housing and will allow the gap to greatly widen for those who need it.

But it is not nearly as trivial as I thought. Indeed, there are some very interesting things. I notice on page 2, lines 4 through 6, the following: "Encourage tax incentives such as the mortgage interest deduction at all levels of government." The gentleman from Washington also mentioned the low income tax credit.

I guess, Mr. Speaker, when the House passes this today, the appropriate phrase will be, if I may lapse into a little bilingualism, "sic transit gloria flat tax."

We have heard a lot about the flat tax, and it seemed to be an idea that had some support in some Republican circles. But those circles appear not to be included in the circle of influence today.

The mortgage interest deduction is, of course, the biggest bump in the flat tax. The mortgage interest deduction is very different than a flat tax, and I am struck that the House is today apparently repudiating the notion of a flat tax, because it is citing not simply the fact of the mortgage interest deduction, which is a major bump in that flatness, but it is celebrating the principles of using the Tax Code to achieve social purposes. What we are saying here is homeownership is a good thing, and let us use tax incentives to change what the economy might otherwise do.

Now, I am for the mortgage interest deduction myself. I supported putting a cap on it, but I think it ought to exist. I was not sure whether my Republican colleagues remain as loyal to that as they apparently are.

Mr. LEACH. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Speaker, I would be delighted to respond to the gentleman. As the gentleman knows, there is a lot of controversy within the country and some differences of judgment within the party on the flat tax, but it is my belief that the majority of Republicans strongly support maintaining the mortgage interest deduction, even if there is a movement towards a flat or a flatter tax.

Mr. FRANK of Massachusetts. Mr. Speaker, reclaiming my time, I would thank the gentleman. I would say this is a day for people to come together. I was particularly pleased to see the gentleman from Iowa expressing his support for Fannie Mae and Freddie Mac and his talk about the essentiality of this role.

I will have to say this though. It seems to me you can be for the mortgage interest deduction and a flatter tax, but you cannot be and still remain within the confines of the English language for the mortgage interest deduction and a flat tax. It is very unflat, and, indeed, it is not simply the flatness of the mortgage interest deduction, it is the notion that it is legitimate to use the Federal Tax Code to achieve policy goals.

Indeed, not just the Federal Tax Code. I notice this also encourages the mortgage interest deduction to be maintained "at all levels of government." So apparently this is a case where the Federal government is also giving some advice to State and local governments. Apparently the people who drafted this believe that State governments, left to their own, probably would not get the Tax Code right. So here is a little advice to the States to follow the Federal example.

As I said, I am supportive of this, but I think we ought to note that it is very much a deviation from the notion of a flat tax.

I also noted, because I agree with the gentleman from Washington who talked about the low income housing tax credit, another bump, not as big, because it is the low income people and we would, of course, not do for low income people anything of the magnitude of the mortgage interest deduction, but it is another deviation from the principles of the flat tax.

So I am in favor of this. The other thing though I do want to stress so that no one misunderstands, subparagraph (A), just before repudiating the flat tax, it says "promote the ability of the private sector to produce affordable housing without excessive government regulation."

Now, obviously no one is for more excessive government regulation. I am against excessive government regulation.

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But lest anyone think that means no government regulation, let us remember that last week we celebrated in this House the passage of a new government regulation of the private housing market, the bill to reform private mortgage insurance. That is private mortgage insurance, a part of the private sector, and we passed a Federal bill here which I supported, and I thank the chairman for bringing it forward, to increase regulation.

So lest anyone think that there is an objection to excessive government regulation, meaning they are opposed to regulation in general, let me remind them that this House, which is about to pass this resolution, passed the bill reforming private mortgage insurance. The House and the Senate did it, and what that was was a new regulation. Previously there was no Federal regulation of private mortgage insurance that I am aware of, and we now have federally regulated private mortgage insurance. I am glad of that. I think people should understand that.

We also, by the way, have decided that the private insurance market does not work too well without us, so we are about to pass, and I voted for it in full committee, a very significant government intervention into the flood insurance field. So once again, I would not want anyone to think that just because we say we are against excessive government regulation, we think we can leave the private sector to its own devices. We reformed the private mortgage insurance; we are going to reform flood insurance.

So I want to note that sometimes, and I say this in defense of my Republican colleagues, sometimes they may appear more monochromatic than they in fact are. There might be people who just read the headlines and listen to the TV news, and they may get the sense that this is a group of flat-taxers and people who never want to see any kind of regulation. Instead, we have a group that now tells us that the mortgage interest deduction is very important, not just at the Federal level but at all levels; a group that decided that we better reform private mortgage insurance; a group that has decided that the flood insurance plan does not work on its own, the private flood insurance, and we better get involved.

So I am delighted to support this resolution, not just because of what it says but because it does advance a goal, which is having people understand the true diversity ideologically of the Republican Party.

Mr. Speaker, I reserve the balance of my time.

Mr. LEACH. Mr. Speaker, I yield 2½ minutes to the gentleman from Nebraska (Mr. BEREUTER), my distinguished colleague.

Mr. BEREUTER. Mr. Speaker, I appreciate the remarks of the gentleman from Massachusetts, and I appreciate the distinguished chairman of the full committee for yielding me this time.

I appreciate the gentleman from Massachusetts recognizing the ideological diversity of the Republican Party. Most of the people that are in favor of the flat tax, that is to say an unadapted flat tax, are would-be Presidents or would-be, frustrated elected officials who cannot get elected. But when I speak at my town hall meetings about this subject, I warn people about the loss of the mortgage interest deduction and about the fact that middle income Americans would pay a lot more income taxes, proportionately, under an unadapted flat tax.

But back to the subject at hand in a direct sense and that is, I rise in strong support of H. Con. Res. 208 as a cosponsor of the resolution. It expresses a sense of Congress that affordable housing is a national priority. I would like to commend the distinguished chairman of the subcommittee, the gentleman from New York (Mr. LAZIO), for introducing this bill.

I could list a number of reasons for support of this legislation, but I will list only three. One, the goals of the Housing Act of 1949 include among other things, the provision of a decent home and suitable living environment for every American, have not yet been met. Much still needs to be done to ensure affordable homeownership for American families, and H. Con. Res. 208 is a step in the right direction. It reminds us of those responsibilities.

Two, as referenced by the chairman, the distinguished gentleman from Iowa (Mr. LEACH), our country is in the midst of a booming economy, and that has resulted in an impressive 66 percent of all American families owning their homes, which is a record rate. However, this economic prosperity also increases the overall demand for both existing and new construction, which in turn results in a lower supply of affordable homes to be purchased. As a result, there is a substantial shortage of affordable housing in America.

I would say a third reason to support H. Con. Res. 208 is to respond and assist State programs focused on providing affordable housing. Reasons for these legislative actions include the lack of Federal emphasis and resources for affordable housing. I think it is fair to say that is an accurate criticism. It is a criticism that could well have fallen upon previous administrations as much as it falls on this one; it could fall on previous Congresses in recent times as well as it can fall on this one.

For those three reasons, among others, this Member endorses H. Con. Res. 208. Of course, the private sector is still the main provider of affordable housing. However, government should continue to play an important role in providing or facilitating affordable housing.

I urge my colleagues to vote "yes" on H. Con. Res. 208.

Mr. FRANK of Massachusetts. Mr. Speaker, I would inform the gentleman I have at most one more speaker, so I will reserve the balance of my time at this time.

Mr. LEACH. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. DAVIS), our distinguished colleague.

Mr. DAVIS of Virginia. Mr. Speaker, I want to just once again thank the gentleman from Iowa (Mr. LEACH), chairman of the full committee, and thank the gentleman from New York (Mr. LAZIO) for introducing this resolution.

I am pleased to have the opportunity today to speak in favor of H. Con. Res. 208, which establishes this body's commitment to making housing a national priority. In a couple of minutes I can only begin to describe the importance of housing in this country, but housing has impacts far greater than can be succinctly described here.

Let me say that when we take into account not only the economic benefits of housing, such as increased job opportunities and tax revenues, but the proven positive impact on communities and families and homeownership, we cannot afford to deny housing a top spot on our national agenda.

One brief but illustrious example of the impact of housing on our economy is an estimate that the construction of 1,000 single family homes generates 2,448 jobs in construction and construction-related industries, not to mention more than $79 million in wages and more than $42.5 million in Federal, State and local tax revenues.

Housing is an important issue in each and every congressional district in this country, and decent shelter is one of the basic necessities of this life. We owe it to American people to take this issue to heart and help make sure that every citizen's needs are considered.

Yes, we have the VA-HUD appropriation bill on the floor this week, but this resolution talks not just about government's direct involvement with negotiations but public and private partnerships that can result, affecting the costs of land through zoning laws, through our own Federal largesse; the cost of construction, the cost of money, and the cost of regulations. Even local governments, with permitting and processing and moving those time periods through, have an effect on housing.

With every level of government working together with the private sector, and of course encouraging the home mortgage interest deduction, which I think is critical if we are going to remain the country in the world with the highest percentage of homeownership, I think all go into this ingredient. I think the resolution addresses all of these.

For these reasons I urge my colleagues to support H. Con. Res. 208.

Mr. LEACH. Mr. Speaker, I yield 6 minutes to the gentleman from New York (Mr. LAZIO), the distinguished chairman of the Subcommittee on Housing, who is principally responsible for this legislation, and in fact its architect.

Mr. LAZIO of New York. Mr. Speaker, I thank the gentleman for yielding me this time. I appreciate not just the gentleman yielding to me, but the support that he has lent to the concept of boosting homeownership in America and our efforts to try to do the same.

Last year, Mr. Speaker, I had the great pleasure of helping to construct a home in Washington, D.C., with Members on both sides of the aisle. It was a great bipartisan effort to try and build a home through the Habitat for Humanity. One of the great pleasures as we neared the end of the day in construction was a statement by the woman who was going to go into that house, who said to me, "I never thought I would ever see the day where I would be able to put a key in the door and actually own my own home. The more I rented, the less money I had to buy a house." What a happy day it was for her. That really speaks to the essence of homeownership throughout America.

Every American has the same goal in achieving the American dream, to own their own home, a home that is safe, clean and affordable. By increasing homeownership, we can bring families closer together.

This resolution is an important first step in removing the many roadblocks that stand in the way of this worthy goal. Quite simply, it expresses the sense of Congress that the priorities of the United States should include providing access to affordable housing that is safe, clean, healthy and affordable, as well as making homeownership more accessible.

This resolution expresses that these goals should be pursued through policies that do three things: First, promote the ability of the private sector to produce affordable housing without excessive government regulations. Secondly, we encourage tax incentives, such as mortgage interest deduction, at all levels of government. Lastly, we will facilitate the availability of capital for homeownership and housing production.

Owning one's own home means one can take care of one's family and achieve a better quality of life. Last year for the first time in history the homeownership rate reached 66 percent, largely because of moving toward a balanced budget, decreasing pressure on interest rates, bringing those interest rates down and making homeownership more affordable.

Through the dedication and the hard work of public-private partnerships, communities and individuals, we will accomplish our aim of solidifying a strong foundation for sustaining homeownership into the next century. These statistics mean that we are making headway in the area of providing decent, safe, affordable housing for all Americans, but we are not yet there. Even with these important gains, however, young households, especially young married couples, are still 4 to 9 percent below their peak homeownership rates. Shortages of household resources for both downpayment and monthly mortgage payments are largely responsible for this trend.

I also would mention, Mr. Speaker, that among African-American and Hispanic heads of household and female heads of household, while overall homeownership rates are up by 66 percent, those numbers are down in the 40 percent range, so we have a lot of room to grow.

Our most pressing housing challenges are increasingly being faced by first-time home buyers and low-income households and rental housing. As we have seen, fewer young Americans are able to afford their own home than in 1980. But what is worse is that growing numbers of less fortunate citizens are forced to spend very large portions of small budgets to rent apartments that are physically inadequate.

The struggle of many Americans to buy or rent a home is unnecessary. There is an undeniable direct relationship between safe housing and positive economic, social and political outcomes that stabilize neighborhoods and communities and benefit all members of our society. We in Congress need to give Americans the tools they need to be in control of their family's housing.

This resolution must serve as a foundation upon which we build a coherent, coordinated national housing policy that represents the wealth of individual dedication and community spirit that characterizes our great Nation. We cannot be satisfied with an all-time high homeownership rate. We cannot be satisfied with anything less than providing every available opportunity for all Americans to obtain decent, affordable housing for every American citizen.

This Thursday the Subcommittee on Housing will hear testimony regarding H.R. 3899. That is called the American Homeownership Act, legislation that I and a number of our colleagues introduced in May. The American Homeownership Act represents a continued commitment to expanding homeownership opportunities into the next century. It recognizes that homeownership helps provide the building blocks for family security and stability, a healthy and prosperous community, and a strong and vibrant Nation.

Our proposal will eliminate the bureaucratic red tape and excessive regulations that stifle homeownership, will preserve and protect opportunities for seniors to remain in their own homes, near families and friends, by making FHA-insured reverse mortgage programs permanent. We will expand opportunities for low-income families by allowing public and assisted housing assistance to be used for downpayments and monthly mortgage payments. We will give local communities greater flexibility to tap into Federal block grants for affordable housing development, reclaiming distressed neighborhoods and empowering local community development organizations.

This is what we stand for, Mr. Speaker. The resolution before us today is a complement to this proposal and others designed to provide all Americans every possible opportunity for achieving the dream of owning a home.

I would ask each Member of this body to think about the importance of housing to every single person in our Nation. How else can we directly make a positive change in the lives of all Americans than by improving their access to safe, clean and affordable housing. Let us pledge here today to all Americans that we understand the critical importance of housing, and that we in Congress are finally getting things done.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with all the positive programs that the gentleman from New York mentioned, and I will be supporting them.

☐ 1500

My problem is I think there are a couple of gaps. Years ago when we had the failure in the savings and loan industry, and then in the commercial bank area, many less in the commercial bank area, this Congress, through the Subcommittee on Housing and Community Opportunity took the lead in establishing affordable housing programs for both what was then the Resolution Trust Corporation, dealing with the S&L crisis, and the FDIC's resolution entity as well.

What they did was to take the houses that had come into the inventory of the Federal banking regulators and sell them to low-income people at a reduced rate. That is, we did not auction those off. We set them aside so that low-income people could buy them. They were not given away; they bought them. But they bought them at less than they might have to buy at open auction. Unfortunately, when the current majority took over the Congress they effectively ended those programs by not appropriating for them.

So I would hope we would go back to that. I would hope we would say to the extent that there is a Federal housing inventory taken over by banks or taken over by HUD, we would also reinstitute programs which made that available to lower income people, because there is this danger that we will increase the difficulty for people at the lower end.

It is obviously important to maximize homeownership across the board, but we should not forget people at the low end. Indeed, the one question I had, and we will pursue this on Thursday, when the gentleman from New York said we would allow people to use some of their rental assistance, public housing assistance, to buy housing, I am all for that. But it ought not to come at the expense of existing housing. There are ways to do that that would not cause problems, but there are ways that could cause problems.

If, in fact, the result is that less money is available for maintaining existing assisted and public housing, we will have some problems. So, I do want to add to the ability of lower-income people to own their own homes, but not in a way that is going to exacerbate the problems of the people who rent. Because a certain percentage of the people, because of the circumstances they live in, are going to continue to be renters.

And, yes, it is important to promote homeownership. The gentleman said, and the language said affordable housing for everyone. Some percentage of that is going to be rental housing, and we are not now doing nearly enough to help people at the low end live in decent, affordable rental housing.

So I hope that we will not forget that, that we will not go forward with homeownership in ways that will exacerbate that. The resolution, as it is stated, is a reasonable one. I welcome the repudiation of the flat tax that it includes. I think we will be doing people a service by making clear that the flat tax is a rhetorical symbol, but the presidential campaign of 2000 to the contrary notwithstanding, as the gentleman from Nebraska stated, it is not to be a reality and people ought not to worry too much about it, and we can go forward with a series of programs which would include homeownership.

Mr. Speaker, I yield back the balance of my time.

Mr. LEACH. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in closing let me just stress first that there are 170 cosponsors of this bill. It is a bipartisan piece of legislation. And, secondly, I am pleased that the gentleman from Massachusetts (Mr. FRANK) has offered his support. I believe he has raised a series of thoughtful perspectives that do deserve review.

Let me just stress, this bill underscores that mortgage deductions are key to housing and should be protected. Most of us on this side of the aisle would like to see the Tax Code simplified and the riddance of hundreds of thousands of deductions that currently are in the Tax Code, whether in the context of a flat tax or the maintenance of a progressive tax. But the majority on this side of the aisle, I believe, also insists that whatever happens to the Tax Code, that key deductions like mortgage interest deductions, like charitable giving, for instance for churches, be maintained.

Yes, the gentleman has correctly noted that there can be a role for regulation, just as there is a role for taxes in American society. But too much regulation, just as too much taxation, can be counterproductive and constrain economic growth.

The gentleman has pointed out quite correctly that this House last week passed a bill on private mortgage insurance. He joined us and we are proud of passage of that legislation. In one sense one can argue that it is a governmental intrusion in the markets. In another sense, however, it should be stressed that what we did in that legislation is take the effect of cost of regulation off of the American consumer at such a point in time that a given percentage of the mortgage deduction had been paid.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. LEACH. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I know we are trying to reach common ground here, but that simply defies the English language. What we did with PMI was a government regulation of a private operation.

Now, I agree it was beneficial. I had always been for it. But it was not undoing of regulation as we used the word. What we did was to pass a government regulation establishing new rules for what has heretofore been an entirely private set of transactions. I am glad we did, but that is what we did.

Mr. LEACH. Mr. Speaker, reclaiming my time, it is odd to be in an argument about an issue which we both support. But I would simply say it took a burden off the American people and that was a very appropriate thing to do.

Mr. FRANK of Massachusetts. Mr. Speaker, if the gentleman would again yield, yes, I agree. Government regulation often has the effect of unburdening people who should not be burdened.

Mr. LEACH. Mr. Speaker, fair enough. If I could proceed on my own time, let me point out that in a broad macroeconomic way, this Congress, in less than 3½ years, has moved from a fiscal deficit to a fiscal surplus, something absolutely disbelieved by the American public, disbelieved or doubted, I think, by many in this body, including some in the party who helped to achieve this.

At this point we have three options. One of those options is to put forth a tax cut, because we are in a surplus circumstance. This is a credible option. Another option is to keep the status quo and continue to pay back some of the enormous debts that have been built up over the last several decades. This, also, is a credible option.

The third option is to increase spending because we are in a surplus situation. That is an option that this side of the aisle thinks is less credible. And so, I would suggest to my colleagues, as we move forth in all areas of Federal spending, we are going to have to be very careful to restrain the budget.

In this regard, we are talking this afternoon about housing. One of the great reasons that there is more private homeownership in America is that there are more jobs because of a growing economy and there is lower cost to finance because of a more restrained fiscal and monetary policy. This side of the aisle is very, very concerned that we do not upset this mix of fiscal and monetary policy that has turned around our economy.

So, Mr. Speaker, in conclusion I would just like to stress that the gentleman from Massachusetts (Mr. FRANK) is entirely correct that we still have a problem of affordable housing in this country especially for lower income levels of America. We have just passed a housing bill that is largely the framework, in a budget sense, of what the administration has suggested, although spending is not as high as the gentleman from Massachusetts would like. But we have tried to work with the administration in a responsible way.

In fact, we have authorized higher dollars for spending on senior housing and for housing for people with disabilities than proposed by the administration. We are proud both of the spending and the tax restraints that have been put into place and we are proud of the principle undergirding this piece of legislation. I would urge my colleagues to adopt it.

Mr. RILEY. Mr. Speaker, I rise today in support of homeownership. That is a simple, but extremely important, statement.

Homeownership cuts across party lines, Mr. Speaker. It gives all Americans hope that they too can reach the American dream.

I can't imagine a member here today who does not believe that homeownership should be a national priority. It is important that the House keep this priority for all Americans in mind when considering this legislation.

We must remove unnecessary regulatory barriers that drive up the cost of homeownership. Housing accounts for 12% of our nation's economy and even modest decreases in the cost of a new home will open the door to homeownership for families who are now priced out of the market.

We must never push out of sight the need to focus on raising the nation's homeownership rate and allowing our nation's families and communities to be strengthened. Please join me in supporting H. Con. Res. 208.

Mr. WELLER. Mr. Speaker, I come to the well today to commend my friend from New York, Chairman LAZIO for moving this important resolution to demonstrate the federal government's commitment to safe and affordable housing.

I believe that homeownership is a key part of achieving the American Dream. Increased homeownership leads to stronger families, stronger communities and local economic growth development. That is why we must work to reverse the decline in homeownership among those of us under 40 years of age. Making homeownership more affordable is a critical factor in our effort to turn this trend around.

I am happy to report that the 104th Congress made great strides in making homeownership more affordable. For example, I offered an amendment that would reduce the cost of homeownership by $200 a year for first time buyers using the FHA program. This provision was part of the FY 1998 VA–HUD Appropriations.

While we all recognize the need to make government smaller, smarter and more effective, I am committed to saving and improving programs that provide an indispensable service. That is why I authored legislation to make the FHA Single Family Program a government corporation. My legislation ensures that FHA's mission will continue and that the program will be given the latitude to create new products to meet market changes. It will remain independent of federal bureaucracy and will have to remain self sufficient. This format will keep FHA mortgages affordable and will remove taxpayer liability. FHA has made the dream of homeownership a reality for 250,000 families and individuals each year who would not otherwise have been able to afford a home; primarily first time buyers, minorities and those with low and moderate incomes. We must do everything we can to preserve and improve upon this success story.

FHA's Title One program is yet another success story that has been underutilized in recent years. The program provides opportunities for families to buy older homes, rehabilitate them and breathe new life into tired communities. While the Title One program increased its volume by 73% from 1994 to 1995 for a total of $1.324 billion, there were only $273.3 million in Illinois. Many former industrial communities that spread across this region could be revitalized with an infusion of additional Title One loans.

There also remains a national need for affordable rental units. Each year 100,000 units are lost to demolition, abandonment or a higher use of income going to meet non-housing expenses such as food and health care. The Low Income Housing Tax Credit has been responsible for financing the construction of units to replace those that are lost each year. In addition to providing affordable housing, the success of this credit can be seen in the thousands of jobs it has helped create. This credit is a fine model of the public-private partnership that we want to foster. It empowers local communities to address housing needs with minimal federal bureaucracy.

My Colleagues and I have founded a housing opportunity caucus to promote programs like the Low Income Housing Tax Credit, FHA Single Family and Title One Programs and others as building blocks for creating sound and compassionate housing opportunity policy that fosters homeownership as an opportunity for all Americans.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of this bill, which expresses the sense of Congress, that we must work towards providing access to safe, healthy and clean accommodations for all Americans.

The goals of this resolution are admirable. Adequate housing is an issue which has been unjustly ignored for too long by this Congress. I have always sought to ensure that the children of this great Nation all have access to safe and secure shelter, and this resolution, in my opinion, is a step in ensuring just that.

My district, which lies in the City of Houston, is suffering from a housing crisis. Thousands of families are currently on waiting lists for public housing. In fact, a recent report had this figure at over 6,000 people. For those families who have already endured the wait and are currently living in public housing, many have found the accommodations unsafe, hazardous, and woefully inadequate. Public Housing has merit, but it is not the best solution for every family with a housing deficiency.

Not all government action has been fruitless, however. We have had remarkable success with Federal programs which work in partnership with private entities. One example is the Department of Housing and Urban Development's Section 8 Housing Program. Under this program, certificates or vouchers are issued to needy families who pay too large a part or portion of their income in rent. The voucher that they receive is for a modest amount, and just brings the rent down to a manageable level.

One of the reasons that this program is so successful is because Section 8 families are allowed to stay in private housing. That not only means that Section 8 landlords get a fair shake in the deal, but it also means that the individual families who use the vouchers have some choice in where they live, work, and raise their children.

Just within the last few weeks, I have worked closely with the people at Fannie Mae in my district. They recently undertook the responsibility of funding a study that would look closely at how their corporation, and other mortgage financiers, can enter the urban market in a successful and lucrative manner. I look forward to the results of that study, and to the benefits I believe it will bring to my community, in the form of more options for prospective homeowners who have typically been excluded from the American dream.

We must work closely together here in the House in order to find viable and workable solutions for our housing deficiencies. This problem afflicts all of our districts, and we must take a pro-active stance if we are going to bring some sort of relief to our constituents. I hope that this resolution signals a step in that direction.

The SPEAKER pro tempore (Mr. STEARNS). The question is on the motion offered by the gentleman from Iowa (Mr. LEACH) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 208.

The question was taken.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. LEACH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

WAR RISK INSURANCE REAUTHORIZATION ACT OF 1998

Mr. DUNCAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4058) to amend title 49, United States Code, to extend the aviation insurance program, and for other purposes.

The Clerk read as follows:

H.R. 4058

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AVIATION INSURANCE PROGRAM AMENDMENTS.

(a) REIMBURSEMENT OF INSURED PARTY'S SUBROGEE.—Section 44309(a) of title 49, United States Code, is amended to read as follows:

"(a) LOSSES.—

"(1) ACTIONS AGAINST UNITED STATES.—A person may bring a civil action in a district court of the United States or in the United States Court of Federal Claims against the United States Government when—

"(A) a loss insured under this chapter is in dispute; or

"(B)(i) the person is subrogated under a contract between the person and a party insured under this chapter (other than section 44305(b)) to the rights of the insured party against the United States Government; and

"(ii) the person has paid to the insured party, with the approval of the Secretary of Transportation, an amount for a physical damage loss that the Secretary has determined is a loss covered by insurance issued under this chapter (other than section 44305(b)).

"(2) LIMITATION.—A civil action involving the same matter (except the action authorized by this subsection) may not be brought against an agent, officer, or employee of the Government carrying out this chapter.

"(3) PROCEDURE.—To the extent applicable, the procedure in an action brought under section 1346(a)(2) of title 28 applies to an action under this subsection.".

(b) EXTENSION OF AVIATION INSURANCE PROGRAM.—Section 44310 of such title is amended by striking "1998" and inserting "2003".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Tennessee (Mr. DUNCAN) and the gentleman from Pennsylvania (Mr. BORSKI) each will control 20 minutes.

The Chair recognizes the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill reauthorizes the War Risk Insurance program for 5 years. The Committee on Transportation and Infrastructure unanimously approved H.R. 4058 on June 25.

This bill is very similar to legislation, S. 1193, which the House passed on November 12, 1997. S. 1193 provided a short extension of the program in order to give us time to develop an alternative to borrowing authority that would help ensure that air carrier insurance claims could be paid in a timely manner.

The War Risk Insurance Program expires on December 31 of this year. Our borrowing authority proposal was opposed by the administration last year, so we worked with the administration and others in developing this alternative. H.R. 4058 would reauthorize the War Risk Insurance Program for 5 years until the year 2003. It also includes a provision that would allow an air carrier to be reimbursed almost immediately from its private insurance company should the Federal Government be unable to pay promptly because of some unforeseen circumstance or because the insurance fund had been depleted.

In short, if the Federal Government does not pay promptly, the airline can get the prompt payment from its private insurance company. The insurance company's prompt payment would then eventually be reimbursed by the Federal Government.

The War Risk Insurance Program is vitally important to this Nation and to our national defense. It was first authorized in 1951 and over the years has been improved upon during the reauthorization process.

The subcommittee held a hearing on this program in May of last year and has made great progress on this program.

The War Risk Insurance Program was used extensively during operations Desert Shield and Desert Storm to ensure aircraft carrier and troops and supplies to the Middle East. Without this program, the military would have had to buy more aircraft for this purpose, which would have cost taxpayers billions of dollars. Instead, commercial aircraft, with the protection of war risk insurance, were willing to take on these dangerous missions.

This is a good bill, Mr. Speaker, a needed bill, and I strongly urge its adoption.

Mr. BORSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4058, a bill to extend and improve the War Risk Insurance Program. This is a little known but very important program. It ensures commercial airline flights to high risk areas, such as countries at war or on the verge of war, where commercial insurance companies will not provide insurance. These flights must be directed to supporting the foreign policy or national security of the United States.

Its largest, most recent use, was to support operation Desert Shield and Desert Storm, ferrying our troops and equipment to the Middle East.

The bill before us today extends this program into the year 2003. It also provides us with a solution to a problem left unresolved from last year. During one of the Subcommittee on Aviation's hearings last year, GAO identified that there was a need for air carriers purchasing premium insurance to have a better guarantee that if they suffered a claim in excess of the amount in the aviation insurance fund they would be assured of complete and immediate reimbursement.

Without this guarantee, significant problems could be created, especially for a small airline where the loss of one aircraft could be devastating. The solution contained in this bill would address this issue by making it easier for an airline to obtain prompt payment insurance from a commercial insurance company. Such insurance would ensure that the airline could obtain reimbursement for its loss from the insurance company quickly, even if the FAA's insurance fund was insufficient and Congress failed to replenish it promptly. The commercial insurer could then recover the money it paid to the airline when money was appropriated to replenish the insurance fund.

I want to commend the gentleman from Tennessee, Chairman DUNCAN, and the gentleman from Illinois, Mr. LIPINSKI, the distinguished ranking member, for having the patience to find an acceptable bipartisan solution to this issue, and I strongly urge all Members of the House to support H.R. 4058 because of its importance to our Nation's foreign policy efforts.

Mr. Speaker, I yield back the balance of my time.

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

I simply want to thank my good friend, the gentleman from Pennsylvania (Mr. BORSKI) for assisting us on this legislation, and I have no other speakers at this time so I simply urge support for this very important legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. SPEAKER pro tempore. The question is on the motion offered by the gentleman from Tennessee (Mr. DUNCAN), that the House suspend the rules and pass the bill, H.R. 4058.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 4058, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

□ 1515

EXPRESSING CONDOLENCES TO THE STATE AND PEOPLE OF FLORIDA FOR LOSSES SUFFERED AS A RESULT OF WILD LAND FIRES

Mrs. FOWLER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 298) expressing deepest condolences to the State and people of Florida for the losses suffered as a result of the wild land fires occurring in June and July 1998, expressing support to the State and people of Florida as they overcome the effects of the fires, and commending the heroic efforts of firefighters from across the Nation in battling the fires.

The Clerk read as follows:

H. CON. RES. 298

Whereas during June and July 1998, wild land fires destroyed approximately 500,000 acres of land in northeast and central Florida, having an aggregate value of more than $276,000,000;

Whereas the fires have affected 67 counties in the State of Florida;

Whereas the President of the United States issued a major disaster declaration for the State of Florida;

Whereas the fires have damaged at least 367 homes and 33 businesses;

Whereas the fires have caused business closures and have aggravated drought conditions, which will have a long-term impact on the economy of the region;

Whereas the fires have caused injuries to at least 95 people, the majority of whom are firefighters;

Whereas approximately 7,000 firefighters from 46 States have braved extreme conditions to assist firefighters in Florida in fighting the fires;

Whereas many agencies of or established by the Federal Government, including the Federal Emergency Management Agency, the Forest Service, the Department of Defense, the Department of Transportation, AmeriCorps, the Small Business Administration, the General Services Administration, the National Guard, the American National Red Cross, and the Civil Air Patrol, have contributed vital support functions in response to the fires; and

Whereas many State and local government agencies have also contributed vital support functions in response to the fires: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) expresses deepest condolences to the State and people of Florida for the losses suffered as a result of the wild land fires occurring in June and July 1998;

(2) expresses support to the State and people of Florida as they overcome the effects of the fires;

(3) commends the heroic efforts of firefighters from across the Nation in battling the fires; and

(4) commends the many agencies of or established by the Federal Government and the many State and local government agencies that have contributed vital support functions in response to the fires.

The SPEAKER pro tempore (Mr. STEARNS). Pursuant to the rule, the gentlewoman from Florida (Mrs. FOWLER) and the gentleman from Pennsylvania (Mr. BORSKI) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Mrs. FOWLER).

Mrs. FOWLER. Mr. Speaker, I yield myself such time as I may consume.

I rise today as my State and district, and the Chair's State and district, are beginning a healing process following weeks of widespread wild land fires and months of drought conditions. Floridians have been dealing bravely with fires that have threatened their homes and property as well as their own health and safety.

Months of hot and dry weather encouraged fire to spread to every county in the State, with some of the worst fires in Flagler and Volusia Counties which I represent. The fires devoured nearly one-half million acres, bringing with them tremendous, searing heat.

Long after some of the most visible scars will be gone, the State will continue to feel the effects of the wildfires. Estimates are that it may take as many as 100 years for some of the burned acreage to return to normal. In a single word, it was a disaster.

My purpose in rising today is to urge the passage of this resolution thanking the thousands of firefighters and emergency personnel from Florida and more than 40 other States who worked around the clock in the most dire of conditions to save the lives of Floridians. Many of those injured in the fires were firefighters who had left their families and traveled long distances to lend a hand to their fellow firefighters in Florida.

This resolution expresses condolences to Florida citizens for losses suffered as a result of the wildfires, a State-wide aggregate of $276 million and rising. The recovery has just begun and many forms of assistance will continue to be available.

I want to thank the residents who helped their neighbors when entire counties were evacuated with very little advance warning. I was very heartened with the generosity from total strangers and businesses.

I especially would like to express gratitude to Bill and Betty Jane France, who own the Daytona Beach International Speedway. Set to have the first night race ever at the track, with more than 150,000 people to attend, the Frances and Speedway president John Graham decided to postpone the Pepsi 400 to protect the safety of the fans. Beyond that, they turned their racetrack into a staging area for the National Guard to respond to fires in the area, and provided temporary housing at the track for evacuees and firefighters in the area, giving them bedding and meals at the track's expense.

Ernest Hemingway once said that, "Courage is grace under pressure." The conditions which residents, businesses and emergency personnel endured were more than just pressure, but courage is a good word to describe their individual heroism and their determination.

Mr. Speaker, I reserve the balance of my time.

Mr. BORSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join the gentlewoman from Florida (Mrs. FOWLER) in supporting this concurrent resolution.

We have all been moved by the pictures and stories of the devastation in Florida. While wildfires may be a natural occurrence, they are not natural to the lives of those who live and work in their path.

These first caused a great deal of suffering, property loss and damage to the Florida economy. Yet, the people of Florida fought back to protect themselves and their livelihoods. I want to commend my colleagues from Florida for their interest in the struggle of those involved, and it is most fitting that the Congress express its support to the State of Florida and its people.

In particular, Mr. Speaker, I want to commend my colleague the gentlewoman from Florida (Ms. BROWN), who introduced this resolution, and the gentlewoman from Florida (Mrs. FOWLER), who is managing this bill.

The entire Florida delegation deserve our acknowledgment on behalf of their efforts for Florida and in bringing this resolution to the floor.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Speaker, I want to thank my colleagues and the great people they represent for supporting this resolution and the people of Florida.

The State of Florida has been experiencing a terrible destruction due to wild land fires and drought. This terrible natural disaster has created an incredible hardship on the residents, businesses, and disaster relief agencies and personnel in Florida.

My colleagues and I from the Florida delegation and the Task Force on Wildfires have introduced this House Concurrent Resolution to express our deepest condolences to the State and to the people of Florida who have experienced financial loss and emotional pain associated with the devastation of nearly a half million acres of land.

This resolution also expresses sincere gratitude to the firefighters, including the 7,000 firefighters who came from 46 States from around this country to help manage and put out these fires. Just recently, the Emergency Support Transportation staff are scheduling the return of equipment and personnel from North Dakota, Virginia, Maryland, North Carolina, and Louisiana. I thank all of these people who have traveled from these and other places for their tremendous courage and spirit of patriotism.

Mr. Speaker, in tragic situations like these it is wonderful to see the entire Nation mobilized in this way to help fellow Americans. This resolution also thanks the numerous Federal agencies, including FEMA, the Department of Defense, National Guard, the Department of Transportation, AmeriCorps, and other agencies such as the Red Cross who helped in these endeavors.

The Department of Defense sent Marines from North Carolina and other support staff, and more than 1,500 Florida and Georgia Army National Guard troops were activated and deployed to support firefighter operations. The Naval Air Station Jacksonville in my district was the base support for the Defense Coordinating Element provided by the Department of Defense.

The U.S. Forest Service sent more than 1,400 firefighters as support crew to help in this effort. The Civil Air Patrol has flown more than 23 missions in support of the firefighting effort. And the U.S. Army Corps of Engineers has provided 565,000 pounds of ice to the firefighter crews.

Mr. Speaker, these are a few of the many examples of support and great deeds that occurred in fighting these fires. In the face of crises, this response was very effective and helped to get these fires under control. On behalf of the people of Florida, I thank all of these great people and institutions for their hard work.

Mr. BORSKI. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Florida (Mrs. THURMAN).

Mrs. THURMAN. Mr. Speaker, I appreciate this, and I certainly appreciate my colleagues bringing this to the floor today. This is a really important issue for all of us from Florida.

I, too, would like to offer my deepest appreciation to all of the men and women who have left their families and who have risked their lives to fight these deadly blazes.

These disastrous fires have uprooted hundreds throughout Florida. For some of us who have visited the sites of the worst fire outbreaks, I can tell my colleagues it is absolutely heart-wrenching. These people, my neighbors, my constituents, never thought their lives would be affected by a fire. One hundred ninety-three people, many of whom are firefighters have been injured. More than 337 homes have been destroyed and 33 businesses have been decimated.

I hasten to think about the damage and destruction that would have befallen Florida without the decisive action by these firefighters. Throughout this ordeal, in an amazing expression of unity and compassion, 7,000 men and women from 46 States have shown the world what it really means to care about their neighbors. And believe me, all Floridians are appreciative.

When I was in Deland, Florida, a few weeks ago, I met with both the firefighters and with members of the community they were defending. I wish I could share with my colleagues the images of not only the anguish of these events, but also the expressions of gratitude, the joy of knowing these men and women were defending their community against these blazes.

These brave firefighters all over the country have risked everything, and I want to let them know that America appreciates their courage and their diligence.

For the Floridians whose homes and business have suffered irreparable damage, I want them to know their government will not forget about them. We will continue to provide as much support as needed. I am delighted Members of Congress have come together to set aside additional resources to combat future fires.

This week the House will consider the Interior appropriations bill. I am delighted the bill currently includes $23.5 million for cooperative fire protection, $2 million for volunteer fire assistance, and about $21.5 million for State fire assistance.

Again, to the men and women who have come to fight these fires, I would like to thank them from the bottom of my heart. They have truly made a difference in the lives of our constituents.

Mr. BORSKI. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Speaker, again, I thank my colleagues and the great people they represent for supporting this resolution and the people of Florida.

We in Florida will rebuild what has been destroyed and continue to make our way in life. I think that times like this bring people together from all walks of life, and it shows what a wonderful spirit America has.

On behalf of the people of Florida, I thank America for their support.

Mrs. FOWLER. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Speaker, I thank my colleague for yielding me this time, and I rise today also in support of H. Con. Res. 298, of which I am a cosponsor.

I think it is only fitting that we pass this resolution and recognize the damage inflicted upon our home State of Florida in the fires of the past 2 months. In doing so, of course, we also honor those who acted valiantly against terrible odds, terrible odds, to save lives and property.

The district I represent was also affected, although not as much as others. Thankfully, the damage was minimal. Many towns in my district served as a haven for the many thousands of evacuees who fled these fires.

Palatka and Ocala residents opened their doors to over 2,000 evacuees streaming in from nearby Flagler County and other fire-stricken areas. I am proud to represent this district with so many fine people residing there.

Across the State, thousands pitched in to assist the firefighting effort. Private contractors volunteered machinery and manpower to fight the flames and, of course, transport water. Churches, schools, motels, businesses, all of them opened their doors to shelter evacuees. Donations poured in to aid the victims and help the brave emergency workers and firefighters.

Mr. Speaker, the outpouring of goodwill and assistance we received came from within our State, from the Federal Government and many other States, but even foreign countries also offered aid.

As we reflect on our ability to respond to natural disasters, we should be prepared for future fire outbreaks. As a member of the House Fire Services Caucus, I recognize a coordinated effort of all available resources is necessary to successfully battle these blazes.

On June 25th, 1998, I joined with fellow Members of the Caucus at a press conference highlighting our new task force and initiated actions on wild land fires. We contacted Defense Secretary William Cohen, requesting the cooperation and assistance of the Defense Department and, of course, the U.S. National Guard, to identify assets that can be used and made available for firefighting purposes in the future.

This resolution commends the heroic efforts of all our firefighters who came from across the Nation. In this resolution we also recognize how well local, State and Federal agencies and departments responded to this terrible tragedy.

□ 1530

Finally, Mr. Speaker, we express our sorrow that so many Floridians experienced so much loss. As Florida begins the long, long process of recovery, we can evaluate how we responded to these blazes. Hopefully, in the future, we can prevent such losses.

Mr. Speaker, let us pass this resolution today and let Floridians know that the Nation recognizes their heroism and sympathizes with their losses.

Mrs. FOWLER. Mr. Speaker, I would just like to note that all 23 members of the Florida delegation are cosponsors of this legislation and we are all deeply appreciative of all of the efforts that were given to the State of Florida.

Mr. Speaker, I rise today as my State and district are beginning a healing process following weeks of widespread wildland fires and months of drought conditions. Floridians have been dealing bravely with fires that have threatened their homes and property as well as their own health and safety.

Months of hot and dry weather encouraged fire to spread to every county in the State with some of the worst fires in Flagler and Volusia counties which I represent. The fires devoured nearly one-half million acres, bringing with them tremendous, searing heat.

Long after some of the most visible scars will be gone, the State will continue to feel the effects of the wildfires. Estimates are that it may take as many as 100 years for some of the burned acreage to return to normal. In a single word, it was a disaster.

My purpose in rising today is to urge the passage of this resolution thanking the thousands of firefighters and emergency personnel from Florida, and more than 40 other States, who worked around the clock in the most dire of conditions to save the lives of Floridians. Many of those injured in the fires were firefighters who had left their families and traveled long distances to lend a hand to their fellow firefighters in Florida.

The resolution expresses condolences to Florida citizens for losses suffered as a result of the wildfires—a statewide aggregate of $276 million. The recovery has just begun and many forms of assistance will continue to be available.

I want to thank the residents who helped their neighbors when entire counties were evacuated with very little advance warning. I was very heartened with the generosity from total strangers and businesses.

Pfizer, Incorporated responded quickly to my request for a donation of eyedrops to help firefighters working in the thick smoke. Mr. Wayne Weaver, owner of the Jacksonville Jaguars, worked with NFL Charities and Commissioner Tagliabue to each donate $100,000 to the American Red Cross's wildfire disaster relief efforts. Mr. Weaver is also working on an effort to have season ticket holders donate their tickets to either the Jaquars/Giants game or the Jaguars/Cowboys game to local firefighters and their families. The resolution we are considering today also gives due credit to the American Red Cross, which as always, was on the scene to lend comfort, supplies, and advice to the thousands of residents evacuated from their homes.

I would like to express gratitude to Bill and Betty Jane France who own the Daytona Beach International Speedway. Set to have the first night race ever at the track, with more than 150,000 people to attend, the Frances and Speedway President, John Graham, decided to postpone the Pepsi 400 to protect the safety of fans. Beyond that, they turned their racetrack into a staging area for the National Guard to respond to fires in the area and provided temporary housing at the track for evacuees and firefighters in the area, giving them bedding and meals at track's expense.

Ernest Hemingway once said that "courage is grace under pressure." The conditions which residents, businesses, and emergency personnel endured were more than just pressure, but courage is a good word to describe their individual heroism and their determination.

Mr. MICA. Mr. Speaker, I would like to take this opportunity to express my deepest thanks to all the firefighters who fought tirelessly for weeks against the recent wildfires in Florida.

This summer has been a trying time for the people of Florida. The citizens of my State have witnessed record high temperatures and a desert-like climate. A lack of rain over the past several months has caused the rural areas of Florida to become so dry that they are ignited into blazing infernos with the slightest hint of flame.

The country watched on television and read in the newspapers for weeks how my State burned at the mercy of these devastating fires. Seminole and Volusia Counties, two of the counties in my District, were hit hard. Businesses were lost, homes were destroyed, and natural areas annihilated.

But the destruction in my District was no different than the destruction throughout the rest of the State. Florida cried out with a plea of "Please help."

And people from across this Nation called out resoundingly—"We're on our way".

And they came. They came from Georgia and Alaska. They came from North Carolina and Alabama. They came from 47 States in the Union. Out of the devastation of these fires came the tremendous courage and help of thousands of Americans who worked valiantly throughout this tragedy.

In total approximately 7,000 firefighters risked their own lives to save the lives and homes of the people of Florida. Fortunately out of 170 injuries that these firefighters suffered only one was serious.

Greg Born, from Alabama, suffered the worst injuries of the firefighting effort. While in the field he was struck by a falling tree. The weight of the tree broke his arm and fractured his neck. He is still in a cast and neck brace.

To Greg and all the other brave souls that fought the wildfires in Florida I say thank you, and if your States are ever in need you can call on us. We'll be there.

To the citizens of my district who opened their homes, their helping hands, and their hearts I say "thank you"!

Ms. JACKSON-LEE of Texas. I rise today to offer my most heartfelt sympathy to the victims of the fires that are ravaging parts of Florida. Recent comments by the director of emergency management services for Brevard county seem to say it all: "This is a war."

He sounded like a soldier whose position was about to be overrun by enemy forces. "We've got fronts on the north and the south."

The destruction has already climbed into the millions. The fires have destroyed, for example, more than $190 million of commercial timber. Drought conditions have caused more than $135 million in damage to crops like corn, cotton, and peanuts.

Many houses and private property have been destroyed, and thousands of people have been displaced, or forced to temporarily relocate to avoid the wildfires. Recently, about 40,000 residents of northeast Florida were forced to flee in the wake of wind-swept embers as brushfires consumed—or threatened to consume—many rural areas.

In early July alone, Volusia and Brevard counties have been experiencing the worst of about 1,600 fires of varying sizes and degrees of containment that raged around the State. And, just like my home State of Texas, with no rain or lower temperatures in sight, state officials said the situation may worsen before it gets better.

Thus, in the past month, the State of Florida has suffered from an onslaught of drought and wild fires, leading to the destruction of 500,000 acres of land, 367 homes and 33 businesses, and the injury of 95 people, the majority of whom are firefighters.

H. Con. Res. 298 expresses Congress' deepest condolences to the State and people of Florida for the losses suffered as a result of the wild land fires occurring in June and July; and it expresses congressional support to the State and people of Florida as they overcome the effects of the fires.

This measure also commends the heroic efforts of firefighters from across the Nation who have traveled to Florida to battle the fires, and commends the many government agencies who have also lent their support. It is a good piece of legislation that deserves to be supported.

Mr. Speaker, I urge my colleagues to adopt H. Con. Res. 298.

Mrs. FOWLER. Mr. Speaker, I have no further speakers at this time, and I would just strongly support the passage of this resolution.

Mr. Speaker, I yield back the balance of my time.

Mr. BORSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BEREUTER). The question is on the motion offered by the gentlewoman from Florida (Mrs. FOWLER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 298.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. FOWLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 298, expressing condolences to Florida.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

RELATING TO THE IMPORTANCE OF JAPANESE-AMERICAN RELATIONS

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 392) relating to the importance of Japanese-American relations and the urgent need for Japan to more effectively address its economic and financial problems and open its markets by eliminating informal barriers to trade and investment, thereby making a more effective contribution to leading the Asian region out of its current financial crisis, insuring against a global recession, and reinforcing regional stability and security, as amended.

The Clerk read as follows:

H. Res. 392

Whereas the maintenance and improvement of a very positive international relationship between the United States and Japan is vital to the two countries and to the entire global economic and trading system;

Whereas the United States-Japan Security Alliance and close economic cooperation have underpinned the security, stability, and prosperity of the Asia-Pacific region, thereby allowing that region to enjoy unmatched economic growth and development for nearly three decades;

Whereas the current financial crisis in Asia threatens the foundation of Asia's unmatched peace and prosperity, the stability of the global economic system, and related vital American security and economic interests;

Whereas, although the Government of Japan's $128,000,000,000 economic stimulus and tax reduction package of April 24, 1998, includes numerous provisions designed to promote consumer spending and industrial growth, it is by no means clear that these measures will restore economic growth or will be targeted at the most productive sectors of the economy;

Whereas Japan's generous contributions to second line credits for the three International Monetary Fund program countries, South Korea, Thailand, and Indonesia, totaling $19,000,000,000, and its substantial structural adjustment loans and export credits to Indonesia, have helped contain the financial crisis, but are an inadequate alternative to a strong Japanese economy;

Whereas Japan accounts for three-fourths of the total East Asian Gross Domestic Product and therefore has the potential to help pull the region out of the financial crisis by serving as its "engine of growth", just as the United States, by being an "engine of growth" and having open markets, earlier assisted Mexico emerge from a substantial financial crisis;

Whereas a further weakening of the yen could trigger a round of competitive devaluations among Japan's Asian neighbors;

Whereas deteriorating economic conditions and ongoing financial market turbulence in Asia make it increasingly important that Japan play a leadership role in helping to restore confidence in the economic future of the region;

Whereas that regional leadership role coincides with Japan's stated goal of promoting strong domestic demand-led growth and avoiding a significant increase in its external trade surplus;

Whereas Japan's continued economic stagnation depresses the level of its imports from the United States and other countries in the Asia-Pacific region, thereby forcing its neighbors in the region to rely more heavily on their exports to the United States for growth;

Whereas weakened economic fundamentals in Japan and an accommodative monetary policy, coupled with a robust United States economy, have weakened the value of the Japanese yen against the United States dollar and therefore stimulated a rapid expansion of exports and a fast-growing merchandise trade surplus with the United States, which increased from $48,000,000,000 in 1996 to $55,000,000,000 in 1997;

Whereas the bursting of Japan's investment bubble in 1991 has been accompanied by protracted asset-price and balance sheet adjustments by Japanese financial institutions, leading to a scarcity of credit and weak growth;

Whereas policies favoring low interest rates had encouraged, until recently, excessive private sector lending to overly indebted enterprises in Indonesia, Korea, and Thailand, and thereby contributed to the private debt crisis in the region;

Whereas past efforts to stimulate recovery through deficit spending targeted at the construction sector have proved inadequate and failed to accomplish their desired objectives;

Whereas inadequate deregulation initiatives have failed to restore vitality to the Japanese economy, while truly significant deregulation could add as much as a percentage point or more to Japanese economic growth; and

Whereas the continued failure of the Government of Japan to properly recognize and remedy the aforementioned policies will both prolong the Asian financial crisis and contribute to the inevitable rise in the American trade deficit with Japan, thereby potentially undermining American domestic support for close economic, political, and security cooperation and coordination between the United States and Japan at a critical point in history: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that Japan should urgently undertake the following steps to enhance alliance cooperation and raise Japan to the position of regional partnership that it should enjoy by virtue of its economic size, technological achievements and its democratic political system:

(1) Undertake a broader and faster deregulation of its economy, in order to improve long-term growth prospects and promote opportunities for foreign firms, improve transparency and disclosure, reward innovation and competition, and reduce systemic risk.

(2) Further open its distribution system to eliminate exclusionary and discriminatory business practices that are not only limiting imports but stifling economic growth and competition in Japan.

(3) Fully honor and implement its bilateral trade agreements with the United States as well as its multilateral trade commitments.

(4) Take other aggressive steps to reduce numerous barriers to imports and foreign investment and seek to lower its current account surplus to 2 percent or less of gross domestic product.

(5) Move promptly to dispose of nonperforming bank loans by disposing of nonperforming real estate and other loans and by allowing the market to determine the real value of these assets and loans.

(6) Take immediate steps to address systemic problems in the banking system, close insolvent banks, and recapitalize weaker banks with banks that have strong fundamentals and good management.

(7) Address its fiscal problems in a manner that does not jeopardize economic recovery, with an emphasis on significant and meaningful tax cuts and a comprehensive stimulus package that restores economic confidence and avoids the traditional sectorally-oriented approach of the past.

(8) Adopt all appropriate policies to strengthen the Japanese yen.

The SPEAKER pro tempore (Mr. STEARNS). Pursuant to the rule, the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from Indiana (Mr. HAMILTON) each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska (Mr. BEREUTER).

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 392.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the people of Japan have spoken to their government officials about the need for economic reform. It is now more important than ever that the House of Representatives send a clear and unequivocal message seconding that call for reform by unanimously approving House Resolution 392.

The House resolution emphasizes the importance of U.S.-Japan relations and stresses the urgent need for Japan to more effectively address its economic and financial problems and open its markets by eliminating informal barriers to trade and investment.

This Member introduced the resolution on March 24, 1998. The House Committee on International Relations adopted it by voice vote on June 5. This resolution's arrival on the floor is particularly timely, I would think, for, as Clyde Prestowitz said in his July 17, 1998, opinion piece in the Washington Post, "It is important that the United States and other countries move quickly to reinforce and elaborate the message of the Japanese electorate." That message, of course, was a demand for change in light of the continuing Asian economic crisis.

The Asian financial crisis represents a serious threat to the economic growth of the United States and the global economy. Approximately one year ago, Thailand's financial crisis was described by the President of the United States and many other experts as a few small glitches in the road. Now, one year later, Japan and Hong Kong are in recession, Indonesia's 32-year leader Suharto is gone, Russia stands in desperate need of more international assistance, and the world is pleading with China not to devalue its currency.

Despite Federal Reserve Chairman Greenspan's intentional down playing of the crisis so as not to disrupt the markets further, the Asian financial crisis threat is real, significant, and unfortunately not a short-term problem. This resolution states that Japan plays a crucial stabilizing role in the Asian-Pacific region and, therefore, must make a more effective contribution to leading the Asian-Pacific region out of its current financial crisis, insuring against global recession and reinforcing regional stability and security.

This resolution notes that Japan has generously responded to the Asian financial crisis by providing $19 billion in second-line credit to the Republic of Korea, Thailand, and Indonesia. Nevertheless, it also urges Japan to be more directly involved in helping the ailing Asian economies by opening its markets, deregulating its economy, eliminating barriers to trade, fixing its financial sector, adopting permanent tax cuts, and strengthening the yen.

Japan is the world's second largest economy and accounts for an amazing three-fourths of the total East-Asian gross domestic product. It certainly has the potential to play a leading role in pulling the region out of the financial crisis by serving as its engine of growth, or at least a second engine of growth along with the United States.

The United States' response to the Mexican crisis is a good example of how Japan could jointly serve with the United States and Europe as the engines of growth for Korea, Thailand, Indonesia and the region. The regional leadership role that this resolution calls on Japan to accept is entirely consistent with Japan's stated goal of promoting strong domestic demand-led growth and avoiding a significant increase in external surplus. Yet, Japan is in a full-blown recession, 7 years of stalemate, with zero growth projected for 1998, followed by as much as a 2 percent contraction in 1999.

Already, Japan's imports from most of its Asian trading partners have dropped substantially in the first quarter of 1998. For example, compared to the same period in 1997, Japan's first-quarter imports from Indonesia declined 46.5 percent, Japan's imports from Thailand declined 39.7 percent, and its imports from South Korea declined 38.5 percent.

These weak economic fundamentals for Japan, coupled with a robust United States economy, have already weakened the value of the Japanese yen vis-a-vis the dollar. The weak yen has, in turn, stimulated a rapid expansion of exports and a fast-growing merchandise trade surplus with the United States, which increased from $48 billion in 1996 to $55 billion in 1997 and is on a record surplus pace in 1998.

Although the United States was able to almost unilaterally absorb Mexico's imports after the peso crisis, the United States simply cannot economically or politically absorb all the additional imports from the Asian-Pacific region stemming from the financial crisis. Mostly because of the Asian financial crisis, the IMF estimates that the U.S. trade deficit with the world, already at $178 billion in 1997, could grow as much as an incredible $50 to $100 billion in 1998. And that is the growth, $50 to $100 billion.

U.S. officials representing both Republican and Democrat administrations have long called for Japan to deregulate its economy and remove informal barriers to trade. More recently, U.S. Treasury and Federal Reserve officials have called upon Japan to take the tough steps necessary to reform the financial sector of the economy. Nevertheless, knowledgeable Japan observers have been underwhelmed by the scale and scope of the proposed reforms in Japan, including the financial sector big bang and a bridge bank to close bankrupt financial institutions. To paraphrase Secretary Rubin, it is time for Japan to move beyond virtual reform to real reform.

Moreover, Japan's political leaders have stubbornly refused to abandon their export-dominated economic model while undermining Korea, Thailand and Indonesia's recovery from the Asian financial crisis. For example, Japan's current account surplus with the world has risen from $65.8 billion in 1995 to $93.5 billion in 1997, and is expected to exceed $100 billion in 1998.

This resolution reinforces the administration's strategy to focus on key deregulation and competition policy initiatives in Japan. For example, it urges Japan to undertake a broader and faster deregulation of its economy, open its distribution system, and eliminate exclusionary and discriminatory business practices. These initiatives are aimed at helping highly competitive U.S. companies in sectors such as financial services, telecommunications, pharmaceuticals, construction materials, and consumer goods gain access to the Japanese consumer.

Furthermore, this resolution calls upon Japan to take other steps to reduce numerous non-tariff barriers to imports and foreign investment. It also addresses reform of the financial sector in Japan by calling upon that country to promptly dispose of non-performing bank loans while taking other necessary steps to reform the banking system.

Long before Prime Minister Hashimoto's very public wavering on tax cuts for Japanese, this resolution stressed the need for Japanese officials to enact permanent tax cuts for individual Japanese citizens.

Finally, this resolution properly, I think, recognizes that Japan must immediately adopt all appropriate policies to strengthen the yen. An excessively weak yen threatens not only the entire Asian-Pacific region but also global trade and stability.

Mr. Speaker, the world is closely watching Japan to determine if that country's leaders can steer the world's second largest economy out of recession. The implications of their actions or inactions are enormous for Japan itself, for the regional and global economy, and for the United States. If Japan's newly elected leaders and a prime minister yet to be elected choose the right path, they can help ensure that the Asian financial crisis is a temporary setback on the road to further economic liberalization and democratization in Asia. But if they choose the wrong path, they have the potential to prolong the crisis and perhaps even contribute to a global economic slowdown that will have a significant impact on the United States and a very negative one.

Mr. Speaker, I urge my colleagues to support the resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Res. 392. I commend the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from California (Mr. BERMAN), the ranking member of the Subcommittee on Asia and the Pacific, for introducing this resolution. It is a very good one. It is carefully drafted. It is balanced, and it certainly is timely.

No country can do more than Japan to help Asia's crisis economies recover. Consistent with its role in the region as the dominant economy, Japan has pledged more than any other country to the multilateral financial packages system for Thailand, Korea, and Indonesia. I would hope that the Japanese government and the people of Japan will note that H. Res. 392 applauds these generous contributions and recognizes the positive economic steps that Japan has undertaken.

The resolution also strongly reaffirms the importance of the U.S.-Japanese relationship. Over the long run, however, export growth and new private investment will be more critical than multilateral aid to economic recovery in Asia. As long as its economy remains stagnant and its financial institutions remain in crisis, Japan cannot be the customer and the investor that Thailand, Korea, and Indonesia need. The United States then will become the region's importer of last resort.

H. Res. 392 calls for Japan to implement policies that will get its economy humming and put its financial system in order. These policy recommendations closely parallel the ones conveyed by the administration recently and repeatedly, and many prominent Japanese have urged their government to take these same steps.

As the recent elections in Japan demonstrate, Japanese citizens also see the urgency of reforms.

□ 1545

We support Japan's efforts to make these important reforms. I think this is a responsible resolution, it conveys an important message, and I urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this resolution and commend the gentleman from Nebraska for drafting it. For too long we in the United States have misjudged, the U.S.-Japan relationship. In fact, I think Japan has misjudged the relationship as well. I remember just a few years ago, as I think many in this body remember, U.S.-Japan relations, particularly our trade relations, were very much at the forefront of American political thinking. One could not turn on a television, could not open a newspaper, could not buy a magazine or look at what was the latest on the New York Times best seller list without reading about the coming Japanese century or how America was losing its trade war with Japan. The Japanese economy was the envy of Asia, emulated by its neighbors and held up as a model for economic growth in the 21st century. At that time the Japanese economy was seen as a danger to our own economic prosperity.

How quaint that picture seems today. How almost we wished that that were the case again today. But today it is a vastly different picture. Today we find a Japan that seems to be mired in perpetual economic stagnation. Year after year of a no-growth economy is beginning to take its toll as unemployment continues to rise and credit becomes more difficult to attain. Underlying it all is a massive public debt, estimated by some to be as much as 250 percent of the gross domestic product; over $600 billion in nonperforming bank loans; corporate liabilities exceeding equity by an average of four to one; and an overvalued property market. Yet most Japanese seem unable or unwilling to acknowledge the extent of the economic crisis or the impact it is having on the rest of us in this globe that we all occupy.

If you walk down the streets of Tokyo today, you do not find a populace in fear for the future. Stores are filled with the latest merchandise, public works projects continue and virtually everywhere you look are the signs of a prosperous and successful society. There seems to be little concern for the future, or perhaps an unwillingness to admit it. There seems to be a quiet contentment with the prospects of subpar economic growth into the near future. This, Mr. Speaker, is not and must not be acceptable to the rest of the world, for our futures depend on the Japanese ability to solve their economic problems.

It is time for Japan to recognize its pivotal role in Asia. Japan must confront honestly its own domestic economic problems and assume its proper leadership role in southeast Asia and the rest of Asia. Japan can help pull Asia out of its economic doldrums and help to serve as one of the world's leading engines of economic growth. But it can do so only if the Japanese government and people have the political courage to do that.

This resolution that my colleague has drafted calls upon Japan to continue deregulation of its economy, to open its market to foreign goods as well as adopt policies to strengthen the yen. I fully support these efforts and hope my colleagues will support this important resolution.

Mr. HAMILTON. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Michigan (Mr. LEVIN), a member of the Committee on Ways and Means.

Mr. LEVIN. Mr. Speaker, I thank the distinguished gentleman for yielding me this time. I am pleased to join my other colleagues here in support of this resolution.

Several months ago, this resolution and one by the gentleman from New York (Mr. HOUGHTON) and myself were introduced in this body. That was before the crisis in Japan reached its present peak and before its recent election. It may well have been that several decades ago Japan may have benefited from its economic policies, its closed, sheltered, highly regulated economy. But increasingly Japan has been paying a heavy price: Its consumers because they were paying prices too high; the subduing of competition, the evolution of Japan in a highly structured way that made it hard for outsiders to enter. Increasingly, also, there was tension that rose and rose between Japan and other countries.

For over 10 years, a number of us have been urging Japan to open up their economic system. We talked about a number of their sectors where there was almost an iron curtain, an iron economic curtain, flat glass, autos and auto parts, film, paper and forest products, telecommunications, insurance, medical equipment and others. Those efforts were often simply given a cold shoulder by the Japanese and often were controversial within this Chamber. But time I think has shown how vital it was for Japan years ago to shift gears from its closed economic system, its system that essentially was structured like cartels and to move to open markets.

This is really the time for it to deregulate, to open up. The yen is so weak they do not have to fear a flood of imports from other countries. This is the time for Japan to act. It is not only a matter for the Japanese but for all of Asia and for this country. Secretary Rubin and Larry Summers and others representing the administration have worked diligently, as has our U.S. Trade Representative, trying to impress upon the Japanese that this is the time for courage, for boldness, for action, for the political system of that country to rise to the occasion.

There is a crisis, an economic crisis in Asia today that in some respects is toned down but is in danger of flaming up again if Japan does not act. As a key Asian nation, Japan really must not only look to others but mainly to look to itself and to act. This resolution as the other one I mentioned urges the Japanese to rise to this occasion. Much of the world as well as their own economy will be affected. I rise in support and hope that this time, unlike many other previous occasions, that words from this Congress will be heard in Japan.

Mr. HAMILTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume in closing.

Mr. Speaker, I want to thank, first of all, the distinguished ranking member of the International Relations Committee, the gentleman from Indiana (Mr. HAMILTON) for his excellent remarks, for his support, and also the distinguished gentleman from Michigan, member of the Committee on Ways and Means, for his insightful and very welcomed remarks.

I would like to give just a couple of examples, in closing, about the difficulties we face in market access today in Japan. We heard a lot about the American flat glass industry some time ago. In fact, in 1996, the USTR deputy, Ira Shapiro, testified before the Ways and Means trade subcommittee that United States flat glass exports to Japan had increased 93 percent as a result of USTR's negotiated glass agreement with that country. That is true, but it most certainly does not tell the whole story. That 93 percent increase now gives us a total market share of 1 percent in Japan, a whopping 1 percent of the Japanese market.

Over in the area of financial services, specifically in the insurance sector, Japanese companies control 98 percent of the life business in Japan and 97 percent of the non-life business in the primary insurance sector. USTR recently concluded that Japan has not implemented the deregulation provisions of the bilateral insurance agreement and has taken actions to undermine, in fact, the U.S. market share in the third sector.

Finally, I would mention that since 1991, seven out of 10 new medicines launched in Europe and the United States remain unavailable in Japan. So we have major problems in pharmaceutical market access in that country.

These are examples of just one of the things that we are urging the Japanese to do, and, that is, to open up their markets, remove nontariff barriers and give access to their consumers to American products and to products from throughout the world.

Mr. Speaker, the chairman of the House International Relations Committee, the distinguished gentleman from New York (Mr. GILMAN), is involved in a traffic delay at this point. He is supportive of the resolution. He wanted to have that support expressed. His entire statement will be made a part of the record as a part of the request of general leave.

Mr. Speaker, I thank my colleagues for their support. I urge unanimous support for the resolution to recognize that Japan is a very important economic player in the world, the second largest economy, to recognize the positive steps they have taken but to also suggest very substantial directions that they need to take in order to make sure that the Asian financial crisis does not worsen.

Mr. GILMAN. Mr. Speaker, I rise in strong support of House Resolution 392 urging Japan to more effectively address its financial and economic problems. I would like to compliment my colleague, the gentleman from Nebraska, Mr. BEREUTER, who serves as Chairman of the Asia and Pacific Subcommittee, for his leadership in sponsoring this resolution and in bringing it to the floor today.

As we begin to debate the status of our trading relationship with China and the impact of the President's recent trip to that country, we should not lose sight of the importance of the United States-Japan Security Alliance and its key role in underpinning the security and stability of the Asia Pacific region.

Especially in light of the Asian financial crisis, which is slowing our economic growth and increasing our trade deficit to record levels, we must ensure that our two countries work together to reduce market barriers, to resolve mounting financial and bad loan problems and to increase trade and investment throughout Asia.

Considered by the Asia and Pacific Subcommittee on May 14, and the full International Relations Committee on June 5, this resolution can serve as a policy blueprint and a road map to better relations when a new Japanese Prime Minister takes office in the very near future.

Acknowledging the key role Japan has played in extending $19 billion in the form of second line credits to South Korea, Indonesia and Thailand, it asks Japan to more directly help the ailing Asian economies by stimulating its economic growth, reforming its financial sector and taking other similar measures to strengthen the yen.

With United States exports to Japan down some 11 percent in the first 5 months of this year and with the overall trade deficit expected to top $200 billion for the year, there are mounting concerns that declining wholesale prices indicate that Japan is in the grip of a growing deflationary spiral.

With Japan's overall bad debt burden now estimated at $250 billion, it is vitally important that the newly established Financial Supervisory Agency take swift and decisive measures to close insolvent institutions and restore confidence in its ailing financial sector.

Accordingly, I look forward to working with my colleagues on the committee, other interested members, and Administration officials in ensuring that the United States and Japan treat our economic relations—and our overall relationship—with the priority they deserve.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I strongly support this measure. We should encourage the continued viability of the Japanese economy not only because Japan represents one of America's economic allies but also because the detrimental impacts of the Japanese economic crisis directly affects both the American and global markets.

The current crisis occurring in Japan is both real and severe. In its June 1998 monthly report, Bank of Japan noted that Japan's economic conditions continue to decline. Production continues to deteriorate. This problem exacerbates the employment and income crisis currently existing. The report also stated that public-sector investment has bottomed out while growth in net exports has peaked as exports to other Asia countries declined. Private consumption likely will not recover in the near future and housing investment continued to decrease.

It is imperative that we strongly urge Japan to resolve its current crisis. By advising Japan to undertake a broader and faster deregulation of its economy, Japan could regain economic stability and would promote long-term growth and foreign investment. Japan must also eliminate its exclusionary, and sometimes discriminatory, business practices, as well as its numerous barriers to imports and foreign investment, to foster global trade and domestic, economic growth.

Moreover, Japan must restructure its banking system by instituting changes such as the closing of insolvent banks and the recapitalization of banks. Disposal of nonperforming bank loans is equally important to Japanese recovery.

We must recognize the strong ties that bind American and Japanese economies and how this relationship affects the global market as a whole. The status quo cannot continue, and without drastic changes to its economic approaches, Japan will no longer participate as a valued actor in international trade. All of the measure's recommendations, as well as the others proposed by this legislation, are needed to return Japan to financial stability.

Mr. BEREUTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KOLBE). The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and agree to the resolution, House Resolution 392, as amended.

The question was taken.

Mr. BEREUTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

AFFIRMING UNITED STATES COMMITMENT TO TAIWAN

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 301) affirming the United States commitment to Taiwan.

The Clerk read as follows:

H. CON. RES. 301

Whereas at no time since the establishment of the People's Republic of China on October 1, 1949, has Taiwan been under the control of the People's Republic of China;

Whereas the United States began its long, peaceful, friendly relationship with Taiwan in 1949;

Whereas since the enactment of the Taiwan Relations Act in 1979, the policy of the United States has been based on the expectation that the further relationship between the People's Republic of China and Taiwan would be determined by peaceful means;

Whereas in March 1996, the People's Republic of China held provocative military maneuvers including missile launch exercises in the Taiwan Strait, in an attempt to intimidate the people of Taiwan during their historic, free, and democratic Presidential election;

Whereas officials of the People's Republic of China refuse to renounce the use of force against democratic Taiwan;

Whereas Taiwan has achieved significant political and economic strength as one of the world's premier democracies and as the 19th largest economy in the world;

Whereas Taiwan is the 7th largest trading partner of the United States;

Whereas no agreements exist between the People's Republic of China and Taiwan that determine the future status of Taiwan; and

Whereas the House of Representatives passed a resolution by a vote of 411–0 in June 1998 urging the President to seek, during his recent summit meeting in Beijing, a public renunciation by the People's Republic of China of any use of force, or threat of use of force, against democratic Taiwan: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) affirms its longstanding commitment to Taiwan and the people of Taiwan in accordance with the Taiwan Relations Act (Public Law 96-8);

(2) affirms its expectation, consistent with the Taiwan Relations Act, that the future status of Taiwan will be determined by peaceful means, and that the people of both sides of the Taiwan Strait should determine their own future, and considers any effort to determine or influence the future status of Taiwan by other than peaceful means a threat to the peace and security of the Western Pacific region and of grave concern to the United States;

(3) affirms its commitment, consistent with the Taiwan Relations Act, to make available to Taiwan such defense articles and defense services, including appropriate ballistic missile defenses, in such quantities as may be necessary to enable Taiwan to maintain a sufficient self-defense capability;

(4) affirms its commitment, consistent with the Taiwan Relations Act, that only the President and Congress shall determine the nature and quantity of defense articles and services for Taiwan based solely upon their judgment of the defensive needs of Taiwan;

(5) urges the President, once again, to seek a public renunciation by the People's Republic of China of any use of force, or threat of use of force, against the free people of Taiwan; and

(6) affirms its strong support, in accordance with the spirit of the Taiwan Relations Act, of appropriate membership for Taiwan in international financial institutions and other international organizations.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from Indiana (Mr. HAMILTON) each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as chairman of the Subcommittee on Asia and the Pacific, I rise in support of H. Con. Res. 301, affirming our commitment to the people and government of Taiwan. This resolution is intended to repair the damage done by President Clinton's comments on Taiwan during the recent U.S.-China summit.

The Subcommittee on Asia and the Pacific held a hearing on U.S.-Taiwan relations on May 20, 1998. At that hearing, administration witnesses offered repeated reassurances that Taiwan's interests would not be sacrificed during the June 1998 summit in Beijing. However, the President's statements in Shanghai regarding U.S. policy in regards to Taiwan, when he expressed what is known as the "three nos," has caused considerable consternation both in Taipei and in this capital. As the foreign power most closely involved in PRC-Taiwan relations, the goal of U.S. policy has centered on easing tensions and striking a proper balance between China and Taiwan. Since 1972, through Republican and Democrat administrations alike, the United States has maintained the "one-China policy." Our policy has been that the United States acknowledges that all Chinese on either side of the Taiwan Strait maintain that there is but one China and that Taiwan is a part of China. And the U.S. consistently has expressed its interest in a peaceful settlement of the Taiwan question by the Chinese themselves.

Mr. Speaker, there is a great difference between this position and the President's statement of June 30, where he said, "We don't support independence for Taiwan, or two Chinas; or one Taiwan, one China."

As we have seen, Beijing has used these comments to increase pressure on Taiwan to begin talks on reunification. Beijing hard-liners may again choose to test our commitment that Taiwan's future be determined through peaceful means and take steps which may lead us into war.

□ 1600

As you are aware, Mr. Speaker, the United States and China came dangerously close to war over Taiwan a bit more than 2 years ago, in 1996, when the U.S. found it necessary to send aircraft carrier task forces, two of them, to the region.

In May 1996 the first fully democratic presidential elections ever held by a Chinese society took place on the island of Taiwan. Today, the United States and Taiwan share a vibrant mutually beneficial trade relationship. Almost 20 years after the enactment of the Taiwan Relations Act, our unofficial relations with the people of Taiwan are stronger and more robust than ever.

This Member would congratulate the gentleman from Texas (Mr. DELAY), the distinguished majority whip, for offering this legislation reaffirming America's willingness to stand by its commitment to the people of Taiwan. Working together, the gentleman has made it possible for the resolution before this body today to be a strong affirmation of long-standing U.S. policy and the "one China policy".

This Member wants to express his deep appreciation for the sponsor's effort to work with this Member to ensure the broadest possible support for H. Con. Res. 301. I urge my colleagues to support passage of H. Con. Res. 301.

Mr. Speaker, I ask unanimous consent that I be permitted to yield the balance of our time to the gentleman from Kansas (Mr. SNOWBARGER) and that he be permitted to yield time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Mr. Speaker, I reserve the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Con. Res. 301. The resolution is, I think, in many respects a constructive restatement of our long-standing commitment to the well-being of the Taiwanese people.

I want to commend the resolution's author, the gentleman from Texas (Mr. DELAY), for his willingness to take the views of others into account during the drafting process. I want, also, to thank the gentleman from Nebraska (Mr. BEREUTER) for his work and his cooperation in drafting the resolution.

The resolution, among other things, affirms the U.S. commitment to Taiwan without going beyond current U.S. policy or forcing the President to do anything. The resolution restates what has been U.S. policy since the adoption of the Taiwan Relations Act 19 years ago. It does not change or modify that policy. Its sole purpose is to ensure that there is no misunderstanding here or abroad regarding the extent of our support for the people of Taiwan.

I do believe that we would send an even clearer message if the wording of the resolution tracked in every respect the wording of the Taiwan Relations Act. I do also believe, however, that this resolution is constructive. It restates what has been the law of the land over the past 19 years and what has been the policy of every administration during that period.

Americans have watched with pride and admiration as Taiwan in recent years has evolved into a full-blown political democracy. This resolution represents another effort to voice that pride and admiration. I support its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. SNOWBARGER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Speaker, I thank the gentleman for yielding to me, and I really appreciate the gentleman from Nebraska and all the hard work that he has done in putting this resolution together.

Mr. Speaker, I rise today to lend my voice to the chorus of protest that has grown out of President Clinton's public repudiation of our friend and ally, Taiwan.

The United States has always insisted that the future of Taiwan be resolved by peaceful means with the full participation of the people of Taiwan. In short, we believe that the Taiwanese people have a right to determine their own future without the threat of outside influence or the use of force.

Taiwan is a shining example of freedom and democracy in a part of the world sorely in need of role models. It should be the strong and fast policy of the United States to encourage democratic societies, particularly in the face of repressive authoritarian regimes.

Unfortunately, President Clinton went beyond the "three noes," virtually foreclosing the option of Taiwan's self-determination. The insistence of the Clinton Administration that it merely reiterated long-standing U.S. policy is simply wrong. No President has ever used words like the words used by President Clinton while he was in China.

The United States now finds itself in a position of selling offense missile technology to the People's Republic of China while denying defense weaponry to Taiwan. This, in my opinion, is a dangerous policy.

President Clinton has upset the balance of power in one of the most sensitive areas of the world. The United States must do everything in its power to ensure that the People's Republic of China knows that we will not tolerate the use of force in the Taiwan Strait.

By introducing this legislation with the gentleman from Kansas (Mr. SNOWBARGER) and the gentleman from Florida (Mr. DEUTSCH), I hope to send China's leaders a very clear message: Taiwan is our friend and ally. We will not tolerate the use of force in the Taiwan strait. The people of Taiwan must determine their own future.

I urge the Members of this House to support this resolution. If the United States does not stand by its friends and promote democracy, equality and freedom in the face of oppression and the illegitimate use of force, we cannot expect the rest of the world to do the same.

Mr. HAMILTON. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, it may be helpful to read what the President said in Shanghai. I quote him:

> Meeting with President Jiang, I had a chance to reiterate our Taiwan policy, which is that we do not support independence for Taiwan, or two Chinas, or one Taiwan, one China. And we do not believe that Taiwan should be a member of any international organization for which statehood is a requirement.
>
> Our policy has been that we think reunification has to be done peacefully. That is what our law says, and we have to encourage the cross-strait dialogue. And I think it will bear fruit if everyone is patient and works hard.

I think it is important to note here that "no support for Taiwanese independence" has been U.S. policy since the 1972 Shanghai Communique. I think it is correct to say that President Clinton is the first U.S. President explicitly to state opposition to Taiwan's independence. It has been our policy since 1982 under President Reagan, for "no support for two Chinas or one China, one Taiwan." That was explicitly articulated by President Reagan in 1982. "No support for Taiwanese membership in organizations for which statehood is a requirement" has been U.S. policy since the Carter Administration.

The Secretary of State has articulated the so-called "three noes" policy. I think it is also correct to say that promoting reunification is not U.S. policy. Contrary to what the President said, the word does not appear in the Taiwan Relations Act.

The Taiwan Relations Act reads that, and I quote, "The future of Taiwan will be determined by peaceful means." It does not prejudge what the future of Taiwan should be, and I understand that the word "reunification" might be seen as doing so. It would have been better to phrase that sentence in terms of the language of the Taiwan Relations Act, which says that the future of Taiwan will be determined by peaceful means.

I do think, however, that the net result of all of this is that U.S. policy towards Taiwan remains unchanged.

Mr. Speaker, I reserve the balance of my time.

Mr. SNOWBARGER. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. SOLOMON), chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding the time, and I rise in strong support of this resolution. I commend the gentleman from Texas (Mr. DELAY), certainly the gentleman from Kansas (Mr. SNOWBARGER), and the gentleman from Nebraska (Mr. BEREUTER), as well as the gentleman from Indiana (Mr. HAMILTON), an outstanding and respected Member of this body, for bringing this resolution here today.

Mr. Speaker, this resolution emphatically reaffirms the support of Congress for the Taiwan Relations Act, and that is the law of the land, and it expresses again our unswerving support for the free people of Taiwan to determine their own future without military pressure or coercion from Communist China.

Mr. Speaker, the President's recent statement undercutting Taiwan, a statement made in the presence of the Chinese Communist dictatorship, represents an unprecedented departure from U.S. policy and, again, from U.S. law.

By endorsing Beijing's interpretation of the "one China" doctrine, and doing so barely 2 years after Communist China conducted defensive military exercises and missile launchings in the vicinity of Taiwan, President Clinton contradicted 26 years of U.S. foreign policy and commitments by five Presidents.

Moreover, his statement came only days after this House voted unanimously to urge that he seek a public renunciation by Communist China of the use of any force or threat of force against Taiwan. That renunciation is yet to be heard, Mr. Speaker.

So that is why we are here today again. This resolution reaffirms the commitment of this Congress to the terms of the Taiwan Relations Act, the law of the U.S. land. It puts us on record again in support of making available to Taiwan such defensive articles and defensive services, including appropriate ballistic missile defenses, in such quantities as may be necessary to enable Taiwan to maintain a sufficient self-defense capability. Again, that is U.S. law. No President has the right to overrule it.

The resolution goes on, Mr. Speaker, to restate, and we ought to listen to this, U.S. policy in support of an appropriate membership for Taiwan in international organizations and financial institutions.

Here is the Taiwan Relations Act I just pointed to, Mr. Speaker. Quoting directly from section 4(d)1, it says, "Nothing in this Act may be construed as a basis for supporting exclusion or expulsion of Taiwan from membership in any international financial institution or any other international organization." That again is the law of the land. No President has the right to overrule it.

Mr. Speaker, I urge the strongest possible support for this resolution. We all regret the circumstances that make it necessary. But let us send a clear and powerful statement to Beijing. Let there be no doubt in Beijing that America stands with its friends, and real and proven friends at that, not the pretenders for the moment.

Mr. HAMILTON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I thank my friend from Indiana for yielding to me. I rise also in support of H. Con. Res. 301. I would hope that the passage of this resolution today would lead to stronger American support, support from this Congress, support from the administration, and inclusion in the World Health Organization of the country of Taiwan.

I am disturbed that a nation of 21 million people does not have the opportunity to exchange information in the world health community with physicians and scientists from other developed and underdeveloped countries, but especially developed countries, exchange information about disease and viruses and all the kinds of things that can happen.

As we see around the world more people traveling across borders, more food sold and bought from country to country, and, as a result, more disease transmitted between and among peoples and between and among nations, admission of Taiwan in the World Health Organization will not just help the 21 million people of Taiwan, it will also help the rest of the world gain from the information they can get from physicians and from medical and health researchers and from public health agencies in Taiwan. So it is certainly something we should do for Taiwan, but it is something Taiwan wants to do for the rest of the world.

I realize I said I support H. Con. Res. 301. I hope that it does lead down the road to a stronger support from our government for including Taiwan in the World Health Organization.

□ 1615

Mr. SNOWBARGER. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. BILBRAY).

Mr. BILBRAY. Mr. Speaker, I rise in strong support of this resolution. I just feel that we need to send a very clear message, and I think Congress and the administration must stop sending these mixed messages around the world about what our relationship is with Taiwan, and the Taiwanese people's place in the world.

The fact is there are those forces all over the world who would like to deny national sovereignty to certain people, and, frankly, the Taiwanese are one to which I think the United Nations and many other agencies have denied recognition of their national sovereignty. We may want to raise concerns about certain activities that China may be involved with, be it with its neighbors to the south or be it internal, but I think one of the things we need to send, quite clearly, is a message to China saying the people of Taiwan have proven themselves over the last decades, and have earned the right to gain the title of sovereign nation unto themselves. I do not think anybody can claim that the people of Taiwan have not earned that much, through their actions and through their efforts.

Mr. Speaker, I want to point out that one of the things that is not brought up enough about America is the fact that we have consistently, not always but consistently, tried to support democratic republics around the world, and I think that the fact is that we need to send a clear message when it comes to Taiwan, that Taiwan is a nation moving toward the ideal democratic republic that we always talk about, that we always say we would like to see mainland China move toward. What a mixed message we send, if we tell the rest of the world and the people on mainland China that the democratic Republic of Taiwan is going to be sold down the river to mainland China's tyranny, because it is politically expedient for the people of the United States or politically expedient for people around the world. What a mixed message, if we do not stand strongly and speak clearly that the people of Taiwan have proven they cannot only defend their right to national sovereignty, their little island in the world, but also that they are continuing their movement toward what we all want the rest of the world to be, and that is a democracy that works, functions, and allows representative government to prosper.

Mr. Speaker, I think that it is clear that the administration and Congress had to stop sending mixed messages, and has to send a very strong message, not just to Taiwan, but to Beijing, that there is a political and military reality called Taiwan, and we should not only respect this reality, we should embrace it.

Mr. SNOWBARGER. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in strong support of the DeLay legislation. Today we are setting straight what exactly is and making clear what exactly is the policy of the United States of America.

During the President's recent visit to the mainland of China, he said some things that perhaps he meant, and I am sure he did sincerely mean these things, but they have sent a confusing message, and his misstatements could lead to an unnecessary crisis unless this body reaffirms exactly what American policy is.

Let us remember that during the Truman years, when President Truman was President of the United States, Korea was accidentally left outside of the U.S. defense perimeter in a briefing of what our policy was in Asia. In very short order, the communists in North Korea, I might add, aided by the communist regime in Beijing, the Communist Party that still controls the mainland of China, invaded South Korea, and the United States was engulfed in a conflict that cost over 50,000 American lives.

That is why it is important for us to state very clearly what the policy of the United States is, and the policy is not just an unfortunate and thoughtless utterance by the President of the United States about reunification and other things that he stated there during his many photo ops. Instead, what the policy of the United States is is a consistent policy and a consensus among the Executive Branch and the Legislative Branch, as well as the many different decisionmakers we have in the democratic process.

The communist Chinese in Beijing should understand that America remains committed to all the provisions of the Taiwan Relations Act. There has been no evolution out of the Taiwan Relations Act that will permit the communist Chinese, for example, to use force against Taiwan. Through no thoughtless talk of reunification should it be misunderstood that the United States is any less committed to opposition to the use of force in the Taiwan Straits than we were last year, 10 years ago, or 10 years before that.

Consistent with that, the DeLay legislation underscores that the people of Taiwan have a right to determine their own destiny, free from the threat of force and violence from the communists on the mainland of China. Thus, the no-use-of-force provision of the Taiwan Relations Act is reaffirmed, and while the mainland of China is still being controlled by a communist dictatorship, America reserves the right to provide the democratic people on Taiwan with the weapons they need to defend themselves; for example, a missile defense system, which is purely a defensive system, which, according to the Taiwan Relations Act, is acceptable.

Also part of the DeLay legislation is that we consider that in those bodies, those world bodies, especially the World Health Organization and such where it does not require statehood to be a member, that Taiwan and the democratic people of Taiwan should be included.

Mr. Speaker, we must make sure that the communist Chinese do not misunderstand what has happened by a misuse of the words by our President. Already, however, I might add, and in closing, that people all over the world, especially in Asia, are seeing what the President did in China as an act of weakness. In Thailand and elsewhere, in Japan, people are cutting their deals with the communists when they see weakness on the part of the President of the United States. An action now with the DeLay legislation will reaffirm the legislative strength in reaffirming our policies in Asia. I ask for the support of the DeLay legislation.

Mr. HAMILTON. Mr. Speaker, I yield back the balance of my time.

Mr. SNOWBARGER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, for 20 years the United States has had a consistent policy toward the dispute between China and Taiwan. We have long acknowledged that China's position is there is one China and that Taiwan is a part of China, but we have never endorsed the Chinese position. Now, true, this is a nuance, but we are familiar with the importance of the nuance in both international and interpersonal relations.

We all have acquaintances who hold strong beliefs that we are not willing to agree to but do not directly challenge. Nations behave in the same way. We have never said that China's position is also the position of the United States; that is, until June 30, 1998, when the President suddenly and unilaterally announced a new policy, or what appears to be a new policy.

I personally regret the necessity for the House to have to consider this resolution, but Congress must set the record straight and reassure the world that the United States will not turn its back on our friends and that we will maintain the longstanding policy which has kept the judicious balance between China and Taiwan and has kept peace in the Taiwan Straits for many years.

The question remains whether the President's endorsement of mainland

China's views on Taiwan was simply a monstrous gaff, as one writer has said, or whether this was a deliberate attempt to steer the United States policy in a new and dangerous direction in violation of the Taiwan Relations Act and the "Six Assurances" to Taiwan. It clearly ignores recent resolutions and letters from Congress calling on the President to refrain from compromising Taiwan.

It is odd that the President, knowing full well that there is overwhelming Congressional opposition to his new position, chose to make his statement the way he did. In response to a question of whether the Sino-U.S. relationship would eventually eclipse the U.S.-Japan relationship, the President responded with a resounding endorsement of China's Taiwan policy. When Japan is reeling from an economic crisis and feeling snubbed by the President's refusal to visit Japan while in East Asia, the President not only failed to use this opportunity to reassure Japan that we see Japan as our friend and ally, but he deliberately went out of his way to imply that not only is China more important than Japan, but that we should turn our back on Taiwan as well.

So how does the White House justify this monstrous gaff? Why did the President do this? According to Mike McCurry, the President said these things for "no particular reason. He knew he would have the opportunity to do it, and the opportunity arose today."

That is just incredible. The President must learn to be more careful, because the world takes very seriously what he says. Whether it the First Lady announcing that Palestine should be a state or the President announcing that Taiwan should not be, the world reacts to these words, and it is irresponsible for the President to radically change U.S. foreign policy for no particular reason.

Once again, it falls to Congress to undo the damage. This resolution reconfirms America's policy of recognizing that the Chinese feel a certain way, without endorsing that position. It reaffirms the importance of the Taiwan Relations Act, and it reaffirms our commitments to the people of Taiwan and the democracy flourishing there.

This is a matter of vital principle for the United States, and I ask all of my colleagues to support H. Con. Res. 301.

Mr. Speaker, I might comment that the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations, was detained in traffic, but he does support the bill and will insert his statement in the RECORD at a later point in time.

Mr. DEUTSCH. Mr. Speaker, I ask unanimous consent that I may reclaim 2 minutes of the time on this side of the aisle.

The SPEAKER pro tempore (Mr. STEARNS). Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida (Mr. DEUTSCH) is recognized for 2 minutes.

Mr. DEUTSCH. Mr. Speaker, I rise in support of this resolution. I think that it is clear the position of the Congress in terms of Taiwan. The Taiwan Relations Act is the law of the land.

I would differ with some of my colleagues on the other side of the aisle as to exactly what the President's statements meant. I think there is some ambiguity there, but I do not think this Congress should be ambiguous at all in our position in support of the continuation of what that law says. It is absolutely clear, the unanimous support that came out of the United States Senate. Hopefully we will see very large support on this side as well.

In the 6 years I have been in Congress, probably the most dramatic time that occurred was before the elections in Taiwan, when China made threatening comments and, to this country's credit, and to this Congress' credit and to the President's credit, a United States aircraft carrier was put in between those two countries. Really it was a reaffirmation of the Taiwan Relations Act.

By calling black "white" does not make it white. We are clear in terms of history the reality of what Taiwan is, and to say that it is not a separate entity and is part of China automatically does not make it part of China.

I think what is clear and what our position is is that the people of Taiwan are the people to decide what their future will be. If they choose at some point in time to enter into a direct relationship with the people of China, then that will be their choice. If they choose to continue their present status or if they choose some type of independent status, that is their choice to continue.

But I think this Congress, in terms of our role, in terms of supporting really democracies around the world, which is no clearer goal in terms of our foreign policy, when we cut through everything else in terms of what our goals as a country, as a society should be, those are goals we share.

I urge the support of all of my colleagues for the resolution.

Mr. Speaker, I rise in strong support of H. Con. Res. 301, a resolution affirming the United States' commitment to Taiwan.

I want to commend the Majority Whip, the distinguished gentleman from Texas, Mr. DELAY for introducing this timely resolution, and I am proud to be an original co-sponsor of this very important legislation.

It is absolutely critical that the House of Representatives make a strong statement in support of Taiwan—especially in light of President Clinton's regrettable comments during his recent visit to the People's Republic of China.

Despite any denials, it is clearly plain for all to see that the President was making a concession to the Chinese on the future of Taiwan. Though the policy shift might be regarded by some as slight, the Administration has clearly moved in the direction of accepting Beijing's position on the status of Taiwan.

This was virtuously a "sell-out" of one of the world's most vibrant democracies and sends a dangerous signal to other burgeoning democracies that might look to the U.S. for moral support.

The President should again review the Taiwan Relations Act, which is the law of the land. It makes no mention of peaceful "reunification." It calls only for the future of Taiwan to be determined by peaceful means.

The Presidents—Nixon, Carter and Reagan—have issued communiques spelling out U.S. policy towards China. None ever mentioned the new "Three No's."

The so-called "Three No's"—No independence for Taiwan; no two Chinas or one China, one Taiwan; and no U.S. support for Taiwan to join international organizations where statehood is a requirement for membership—are Beijing's policies—not ours.

At least they weren't until the President spelled them out in Shanghai. No U.S. president has ever made such a public statement with regard to Taiwan—especially not while standing on the Chinese mainland.

President Clinton's words will have a great impact on the future of Taiwan.

They may well embolden Beijing to continue to exercise another "No" that the President should have—but did not mention—no use of force.

The President's failure to mention this most important "No" only increases the likelihood that we will have to address this issue sometime in the future.

Regrettably, the President seems to have forgotten the storm clouds of conflict which covered the Taiwan Strait in the spring of 1996 when the Chinese launched missiles across the Strait into international air and sea lanes in an effort to influence the first democratic elections in Chinese history.

Also apparently forgotten was the deployment of two U.S. carrier battle groups and 15,000 American sailors and marines to the vicinity of the Taiwan Strait in response.

It was dismaying and disheartening to see that this Administration has opted to side with authoritarianism and oppression over democracy and freedom.

I would remind the Administration that the United States has never "accepted" Beijing's claims of sovereignty over Taiwan. It has only "acknowledged" the PRC's position. Until now.

Regardless of how the White House spins the President's statement, the Administration has now in effect recognized Beijing's version of a One China policy. The Chinese will not permit the President's statement to be forgotten.

The future of Taiwan must be settled peacefully and not by one side dictating terms to the other. Regrettably, the President's statement has seriously undermined the possibility for a peaceful resolution of Taiwan's future by severely weakening Taiwan's bargaining position and enhancing the threat of the use of force by the PRC.

At a minimum, the statement has limited Taiwan's options for participating in international fora to the detriment of Taiwan and the world community. Taiwan's future is a decision for the 21 million people of Taiwan to decide.

I regret the President's comments and I am concerned for the consequences they may bring. Accordingly, I urge my colleagues to support this important resolution. It deserves bi-partisan support. Let us tell the Administration and the Chinese that we stand resolute on Taiwan.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of this resolution, which expresses the sense of Congress, that Taiwan be recognized as a separate and distinct entity from the People's Republic of China.

The United States has had a working relationship with Taiwan for almost half a century. During that time, we have developed strong economic, political, and social ties with the government and people of Taiwan, and I hope that we will be able to continue that partnership over the next millennia.

Unfortunately, our relationship with Taiwan has undergone strains at certain times. We are in the unenviable position of trying to maintain relations with China, while they are trying to assert their sovereignty over that of the Taiwanese. A careful balance must be maintained, and measures such as this are often necessary to provide reassurances to one side. This is one of those occasions. However, I want to emphasize that the passage of this resolution does not signify an end of relations with China, but it does identify that we are acutely aware of the plight of our friends in Taiwan.

I look forward to making sure that these tensions in the East do not escalate to the level of war. We must remain vigilant during our negotiations with China and cannot allow unfettered acts of aggression to go unnoticed. We must also use the means available to us to convince China that peace is the only option available to them.

American interests in Taiwan are firmly entrenched, and need our protection. Many do not realize, that our trade with Taiwan eclipses that of other nations of which we are far more protective. We must do better than this. It is my hope that this resolution will send a signal to the Taiwanese government that we value their friendship, and will work actively to preserve their interest and ours.

I urge my fellow colleagues to support this resolution, for the well-being, not only of the people of Taiwan, but also for all the people of the region.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise in support of House Concurrent Resolution 301, which reaffirms the commitment of the United States to Taiwan under the Taiwan Relations Act.

I commend the authors of the resolution, the gentleman from Texas, Mr. DELAY, and the gentleman from Kansas, Mr. SNOWBARGER. I further commend the Chairman and ranking member of the House International Relations Committee, Mr. GILMAN and Mr. HAMILTON, and the Chairman and Ranking Member of the House International Relations Subcommittee on Asia-Pacific Affairs, Mr. BEREUTER and Mr. BERMAN, and our other colleagues that have worked toward adoption of this important measure. I am proud to join our colleagues in support of the legislation.

Mr. Speaker, the United States has had a long, close and enduring relationship with Taiwan dating back to the end of World War II. With our support, Taiwan has risen from the ruins of war to become one of the world's most compelling success stories.

Today, Taiwan has the 19th largest economy in the world, is America's 7th largest trading partner, and possesses tremendous foreign exchange reserves on a par with Japan. Taiwan has also made great strides toward democratization, with free and fair elections being held routinely at the local and national levels—culminating in the historic presidential election in 1996.

Clearly, Mr. Speaker, the people of Taiwan must be congratulated for the outstanding accomplishments of their thriving and prosperous democracy of 22 million people. All Americans should take pride in and share the achievements of our close friends.

When the stability of our friends in Taiwan was threatened by China in spring of 1996, I supported the actions taken by the Clinton administration in sending the Nimitz and Independence carrier groups to the Taiwan strait to maintain peace. China's missile tests and threatened use of force contravened China's commitment under the 1979 and 1982 Joint Communiques to resolve Taiwan's status by peaceful means. The Joint Communiques, along with the Taiwan relations act, are the foundation of our "One China" policy, which fundamentally stresses that force should not be used in resolution of the Taiwan question. Clearly it is in the interests of the United States and all parties that the obligation continue to be honored,

President Clinton's summit meeting in China achieved several important goals. In the process, however, I do not believe that the welfare and interests of the people of Taiwan were sacrificed.

The United States has shown in recent years that the use of force by China against Taiwan will not be tolerated. The legislation before us reaffirms that fact, and that the United States remains committed to the proposition that the Taiwan question should be resolved peacefully by the people on both sides of the Taiwan strait.

Mr. Speaker, I urge our colleagues to support House Concurrent Resolution 301.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res 301.

The question was taken.

Mr. BEREUTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1630

BORDER SMOG REDUCTION ACT OF 1998

Mr. BILBRAY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8) to amend the Clean Air Act to deny entry into the United States of certain foreign motor vehicles that do not comply with State laws governing motor vehicle emissions, and for other purposes, as amended.

The Clerk read as follows:

H.R. 8

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Border Smog Reduction Act of 1998".

SEC. 2. AMENDMENT OF CLEAN AIR ACT.

Section 183 of the Clean Air Act (42 U.S.C. 7511b) is amended by adding the following new subsection at the end:

"(h) VEHICLES ENTERING OZONE NONATTAINMENT AREAS.—

"(1) AUTHORITY REGARDING OZONE INSPECTION AND MAINTENANCE TESTING.—No noncommercial motor vehicle registered in a foreign country and operated by a United States citizen or by an alien who is a permanent resident of the United States, or who holds a valid visa for purposes of employment or educational study in the United States, may enter a serious, severe, or extreme ozone nonattainment area from a foreign country bordering the United States and contiguous to such nonattainment area more than twice in a single 12-month period, if State law has requirements for the inspection and maintenance of such vehicles under the applicable implementation plan in the nonattainment area. The preceding sentence shall not apply if the operator presents documentation at the United States border entry point establishing that the vehicle has complied with such requirements that are in effect and are applicable to motor vehicles of the same type and model year.

"(2) SANCTIONS FOR VIOLATIONS.—The President of the United States may impose and collect from the operator of any motor vehicle who violates, or attempts to violate, paragraph (1) a civil penalty of not more than $200, except that in any case of repeated violations or attempted violations such penalty may not exceed $400.

"(3) STATE ELECTION.—The prohibition set forth in paragraph (1) shall not apply in any State which elects to be exempt from the prohibition. Such election shall take effect upon the President's receipt of written notice from the Governor of the State notifying the President of such election.

"(4) STATE ELECTION FOR OTHER NONATTAINMENT AREAS.—

"(A) IN GENERAL.—In the case of a State that is contiguous with a foreign country and that contains an ozone nonattainment area (other than an ozone nonattainment area to which paragraph (1) applies), such State may elect for the prohibition described in such paragraph to apply in the State, or may elect to establish in accordance with subparagraph (B) an alternative approach to facilitate the compliance, by motor vehicles registered in foreign countries and entering such nonattainment area, with the motor vehicle inspection and maintenance requirements in effect under the applicable implementation plan in the nonattainment area and applicable to motor vehicles of the same type and model year.

"(B) ALTERNATIVE APPROACH.—An alternative approach by a State under subparagraph (A) is established in accordance with this subparagraph if the Governor of the State submits to the President a written description of such approach and the President approves the approach as facilitating compliance for purposes of such subparagraph.

"(C) EFFECTIVE DATE REGARDING STATE ELECTION.—If a State makes an election under subparagraph (A) for an alternative approach, the alternative approach takes effect in the State one year after the date on which the President approves the approach. If the State makes the other election under such subparagraph, the prohibition described in paragraph (1) takes effect in the State 180 days after the President's receipt of written notice from the Governor of the State notifying the President of such election.

"(5) ALTERNATIVE APPROACH REGARDING SERIOUS, SEVERE, AND EXTREME AREAS.—In the case of a State containing an ozone nonattainment area to which paragraph (1) applies, paragraph (4) applies to the State to the same extent and in the same manner as such paragraph applies to States described in such paragraph, subject to paragraph (3).

"(6) DEFINITION.—For purposes of this section, a serious, severe, or extreme ozone nonattainment area is a Serious Area, a Severe Area, or an Extreme Area as classified under section 181, respectively, other than any such area first classified under such section after the date of the enactment of the Border Smog Reduction Act of 1998.".

SEC. 3. GENERAL PROVISIONS.

(a) IN GENERAL.—The amendment made by section 2 takes effect 180 days after the date of the enactment of this Act. Nothing in such amendment shall be construed to require action that is inconsistent with the obligations of the United States under any international agreement.

(b) INFORMATION.—As promptly as practicable following the enactment of this Act, the appropriate agency of the United States shall distribute information to publicize the prohibition set forth in the amendment made by section 2 and its effective date.

SEC. 4. STUDY BY GENERAL ACCOUNTING OFFICE.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the impact of the amendment made by this Act, as described in subsection (b).

(b) CONTENTS OF STUDY.—The study under subsection (a) shall compare the potential impact of the amendment made by this Act on air quality in ozone nonattainment areas affected by such amendment with the impact on air quality in the same areas caused by the increase in vehicles engaged in commerce operating in the United States and registered in, or operated from, Mexico, as a result of the implementation of the North American Free Trade Agreement.

(c) REPORT.—Not later than July 1, 1999, the Comptroller General of the United States shall submit to the Committee on Commerce of the House of Representatives, and the Committee on Environment and Public Works of the Senate, a report describing the findings of the study under subsection (a).

The SPEAKER pro tempore (Mr. STEARNS). Pursuant to the rule, the gentleman from California (Mr. BILBRAY) and the gentleman from Ohio (Mr. BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. BILBRAY).

GENERAL LEAVE

Mr. BILBRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 8, and to insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BILBRAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the Border Smog Reduction Act of 1998.

Mr. Speaker, H.R. 8 is a bipartisan, common sense bill which will improve and protect both the environment and the public health by requiring the Federal Government to participate in the enforcement of existing air pollution control laws at our borders, laws which have been de facto mandated from the Federal level. At the heart of this bill is a basic issue of fairness, in addition to a clear opportunity to improve the public health and protect the air quality.

The chairman of the Subcommittee on Oversight and Investigations, the gentleman from Texas (Mr. BARTON) was an original cosponsor of the bill and brought back much information from Texas. I would like to point out the help I received from the gentleman from Florida (Mr. BILIRAKIS), and the gentleman from Virginia (Mr. BLILEY), both of whom provided encouragment and extensive work during this process. Their support has been second to none. I also appreciate the hard work of their staffs that they devoted to H.R. 8.

I would also like to thank my colleague, the gentleman from Texas (Mr. REYES), a new addition to this Congress, whose firsthand experience along the border has been extremely beneficial and has complemented the extensive input that I have received from the Customs and the INS agents in the San Diego region. I am also grateful for the support of my colleagues from the California delegation who have helped me out immensely in this process, and also my colleagues on the Committee on Commerce.

I would specifically like to thank my subcommittee colleagues who took the time away from their own districts and families to attend an informative field hearing on this issue which was held in San Diego on November 18, 1997: the gentleman from Florida (Mr. BILIRAKIS), the gentleman from Ohio (Mr. BROWN), the gentleman from Iowa (Mr. GANSKE), and the gentleman from Texas (Mr. GREEN).

I would also like to emphasize the ongoing dialogue that I have had with the Administration on this bill, specifically the Office of U.S. Trade Relations, and the Environmental Protection Agency. My dialogue with EPA Administrator Carol Browner and Assistant Administrator Richard Wilson dates back to the 104th Congress when I first introduced this legislation.

In meetings last fall, I received some very insightful and appropriate perspective from our Trade Representative, Ms. Barshefsky. In the time since, there has been what I would term a very productive and fruitful exchange with the Administration, which has helped to refine and polish H.R. 8 into the bipartisan legislation which was unanimously approved by voice vote on June 24 by the full Committee on Commerce.

I particularly appreciate assistant administrator Mr. Wilson's help on this item, who met with me and staff on May 20 of this year. At that meeting, we reviewed a modified draft of H.R. 8, which I had prepared and provided to him in advance, and which he and his staff agreed addressed a number of questions which EPA had previously expressed about the bill. In this meeting, Mr. Wilson stated to me that "if the bill as now written were to come before the President, we (EPA) would not recommend a veto." Mr. Wilson further stated that at that time the EPA would favor an "opt-in" approach for other States, which was in fact adopted during the committee consideration of H.R. 8.

I recognize and share the EPA's concerns about the "opening-up" of the Clean Air Act, and I would like to again state clearly my resolve, which has also been clearly stated by the gentleman from Virginia (Mr. BLILEY), that it is my intention, and also the intention of all of us who support it, to keep this bill as it currently is: a narrow, bipartisan rifle-shot to improve the Clean Air Act.

The Border Smog Reduction Act is a simple but practical bill, which will increase the overall effectiveness of our air pollution control strategies by providing the Federal Government with the authority, which it currently lacks, to help States enforce existing law. H.R. 8 will ultimately allow Customs officers to deny entry into the United States to foreign registered commuter vehicles which have not been brought into compliance with our emissions control requirements.

As the Customs officers have explained to me, this authority will be consistent with existing Customs pollution control requirements as they now pertain to vehicles which are being imported for sale. H.R. 8 provides ample opportunity for the operators of these commuter vehicles to have them brought into compliance prior to the law taking effect.

I would emphasize here that H.R. 8 is directed only at foreign-plated commuter vehicles driven into the United States each day by foreign nationals or U.S. citizens for the purpose of employment or education. It will be the responsibility of the drivers of the vehicles to demonstrate compliance with applicable State laws, or risk fines and denial of access via that vehicle into the United States.

H.R. 8 does not specifically require the impoundment of vehicles; Customs officers already have that authority to do so under existing civil penalty procedures and can employ this at their discretion. Customs agents have told me that once this bill has been implemented, and border commuters are made aware of and understand the new requirements, it is unlikely that commuters with vehicles which are not in compliance will repeatedly attempt to drive those vehicles across the border. Those that do would eventually be denied access to the U.S., be subject to fines from Customs, and potentially to the impoundment of the vehicles in question, again at the discretion of the Customs agents, but only after repeated attempts to violate the law.

H.R. 8 will initially take effect in California only. However, it is not exclusively U.S.-Mexico border legislation. I specifically made certain that H.R. 8 extends enforcement authority to all border States that may at some point wish to take advantage of it, and allows them to have the flexibility to use it as they see fit, depending on the unique situations that exist and vary from State to State. Other border States which in the future may choose to take advantage of the authority provided them by this bill could adopt either the California program, or develop their own alternative in partnership with the Federal Government. However, the bill imposes no mandates or requirements on eligible border States.

Let me at this point again specifically thank the men and women of the Immigration and Naturalization Service and the Customs Department who actually man the ports of entry at San Ysidro and Otay Mesa, and whose expertise and perspective was essential in helping me to refine H.R. 8 since I first introduced the bill in the 104th Congress.

Mr. Speaker, I have here letters from the National Treasury Employees Union Chapter 105, and the American Federation of Government Employees Local 2805 in support of H.R. 8, and I would ask to include them in the RECORD at the appropriate time. I also have several other documents, including resolutions of support from the Air Pollution Control Districts of San Diego County, Riverside County, and San Bernardino County which I will include also in the RECORD:

NATIONAL TREASURY EMPLOYEES UNION, CHAPTER 105,
San Ysidro, CA, May 14, 1998.

Hon. BRIAN BILBRAY,
Forty-ninth Congressional District, Washington, DC.

DEAR CONGRESSMAN BILBRAY: On April 17, I met with you and your staff in San Diego regarding H.R. 8, the Border Smog Reduction Act. This meeting was to clarify questions about H.R. 8. It was also to determine if the everyday line inspectors thought the bill was workable and could be effectively implemented, without having a negative impact on the primary mission of Customs, drug interdiction, or creating longer traffic waits at the border.

In our meeting you clarified that this bill would only target, and be applicable to, foreign plated commuter vehicles being driven across the border by U.S. citizens, resident aliens, or aliens with a valid visa for purposes of employment or educational study in the United States. This bill would not impact vehicles which are properly registered in California as such vehicles already have emission certification. H.R. 8 would not affect the residents of Mexico who cross into and out of the United States on a daily basis, to do everyday business, nor would it affect tourists who come across the border to shop, visit friends or family and so forth.

We also talked about how H.R. 8 would work, and what the requirements of the Customs Inspector would be regarding the vehicles in question. It was further clarified that under the bill, the responsibility of the inspector would be to check if the vehicle was registered in California, therefore having smog certification. This could be done via computer or physically seeing proof of registration. If the vehicle was not registered in California the driver would have to show the inspector some documentation verifying smog certification. If it could not be proven that the vehicle in question was either registered in California or had smog certification, after the third attempt to enter the United States, the vehicle would be denied access to the United States and redirected to the country of origin.

We discussed the need for incorporation into the bill of a 60–90 day "grace" period, between the enactment of the bill into law and its actual implementation. This period would be used as an educational and awareness-raising process to inform the regular border commuters whose vehicles would be required to comply with H.R. 8.

Given the above understanding, implementation of H.R. 8 is a practical reality, and would simply build upon Customs' existing pollution control enforcement practices. Currently we are required to ensure that vehicles which are manufactured in Europe, Japan, Mexico, or elsewhere meet both United States and California auto emission and safety standards prior to being driven into the United States by United States citizens or foreign nationals residing in the United States.

If these vehicles are found not be in compliance, do not have the required safety features, such as safety glass, nor an Air Pollution Control device installed, they are returned to the country of origin. This is allowed to happen once. If a United States citizen, or foreign national residing in the United States, attempts to drive the vehicle in question across the border into the United States, and the vehicle cannot be shown, by physical inspection, to meet Department of Transportation safety standards nor have an air pollution device installed it is seized by Customs.

H.R. 8 would merely expand Customs existing authority to enforce air pollution standards, by requiring compliance of foreign-plated vehicles driven into the United States by United States citizens, or by foreign nationals with visas for purposes of employment or education. Based on our discussion and my own years of practical experience at the border, I believe that this bill can work and will serve to reduce air pollution from these cross border mobile sources. This bill will not result in excessive or unrealistic work load for individual Customs line inspectors. Nor will the bill interfere with our primary mission, seizure of narcotics or other contraband, or cause excessive traffic wait times. NTEU Chapter 105 still supports H.R. 8. Please let me know if I can be of additional assistance on this important matter.

Sincerely,

ROBERT CLARK,
President NTEU 105.

AFGE LOCAL 2805,
San Diego, CA, June 12, 1998.

Hon. BRIAN P. BILBRAY,
U.S. House of Representatives, Washington, DC.

DEAR REPRESENTATIVE BILBRAY: On June 8, 1998, Local Vice President Anthony J. Cerone and I met with you at your San Diego office.

At that meeting we presented our affirmative position on H.R. 3251. That law would define "severe economic conditions" and establish a standard for formulating annual pay raises for federal employees under the Federal Employees Pay Comparability Act. This law would benefit San Diego County's 160,000 federal employees, our families, and the local economy. We are encouraged that you will support this critical piece of legislation.

You also introduced and explained H.R. 8, the Border Smog Reduction Act, to us. This Amendment to Section 183 of the Clean Air Act was authored by you. We believe this legislation would effectively eliminate a portion of the vehicle exhaust producing pollution at our international land ports of entry. Daily our immigration inspectors are exposed to high levels of these pollutants.

In August of 1997, the National Institute for Occupational Safety and Health (NIOSH), conducted a heath hazard evaluation at the San Ysidro, California, International Port Of Entry. That study determined that immigration inspectors are exposed to carbon monoxide levels that are ". . . above NIOSH criteria". We believe this U.S. government agency study conclusively supports your position in creating and introducing legislation, H.R. 8, that would protect our employees, our citizens, and our environment.

In behalf of the 3,000 employees of this local and those of the western region, I fully support this valuable piece of legislation and am committed to assisting you in its passage. If there is any further assistance I can render in your pursuit of this bill, please do not hesitate to contact me.

Sincerely,

R. MICHAEL MAGEE,
National Vice President, Western Region.

NATIONAL INSTITUTE FOR OCCUPATIONAL SAFETY AND HEALTH (NIOSH)

INS INSPECTIONS AT THE SAN YSIDRO POE

In August of 1997, NIOSH representatives conducted a health hazard evaluation at the San Ysidro Port of Entry (POE). We looked into employee and management concerns about exposure to vehicle exhaust and noise. This sheet summarizes our evaluation and findings.

WHAT NIOSH DID

We focused on worker exposures in the primary and pre-primary inspection areas of lanes 1–24.

We tested the air for vehicle exhaust emissions. The specific chemicals we tested for were carbon monoxide, carbon dioxide, lead, and hydrocarbons (benzene, ethyl benzene, total xylenes, toluene, hexane, pentane, octane, and heptane).

We measured noise levels inspectors encounter during the day. We measured noise levels in each inspection booth.

We looked at the ventilation systems providing air to the 24 inspection booths.

We looked at the ventilation systems removing air from the 24 inspection lanes.

WHAT NIOSH FOUND

(The full report lists the actual chemical levels NIOSH found and explains how those chemicals may affect the health of the exposed employees.)

Inspectors were exposed to one-minute peaks of carbon monoxide that are above NIOSH critiera.

Job rotation reduced carbon monoxide exposures to acceptable levels for the whole work day.

The levels of carbon monoxide were higher in the pre-primary inspection area than they were in the primary inspection area.

Lead, carbon dioxide, noise, and hydrocarbon levels were below all exposure criteria.

The supply air to booths 1–24 is not balanced. Some booths get too much air, others don't get enough.

The exhaust air vents in lanes 1–24 is not strong enough to remove vehicle exhaust emissions.

WHAT TO DO FOR MORE INFORMATION

We encourage you to read the full report. If you would like a copy, either ask your health and safety representative to make you a copy or call 1–800–35–NIOSH and ask for HETA report # 97–0291–2681.

WHAT INS MANAGERS CAN DO

Local exhaust ventilation and booths should be built in the pre-primary inspection area.

INS inspectors should be limited to one 15-minute shift per day in the pre-primary inspection area until appropriate exhaust ventilation and booths can be built.

Any INS inspector who works for 15-minutes in the pre-primary inspection area should not work around automobile exhaust for any other part of the work shift.

The exhaust ventilation in lanes 1–24 should be increased to capture more vehicle exhausts.

The supply ventilation to the booths should be balanced so that air flow is equal in each booth. This should help reduce noise levels in some booths.

The set point on the canopy dilution fans should be lowered from 35 ppm to 25 ppm of carbon monoxide.

A hearing conservation program should be started for officers who qualify their weapons on a firing range.

An ongoing program of evaluating personal carbon monoxide exposures should be started.

WHAT INS EMPLOYEES CAN DO

Don't work for more than 15-minutes in the pre-primary inspection area, until local exhaust ventilation and booths can be built.

If you work in the pre-primary inspection area for 15-minutes, don't work in any other area of vehicle exhaust exposure for your entire work shift.

Spend as much time as possible in the booths when conducting inspections.

Pregnant workers, and workers with heart disease or respiratory disease are more susceptible to carbon monoxide. Consult your doctor about your personal situation.

Inspectors should avoid changing ceiling dampers in the booths.

Contact: Darren Pudgil/531–5511, Date: October 23, 1996

Supervisors Endorse Bill Requiring Vehicles Crossing U.S. Border To Be Smog-Certified

San Diego—The county Board of Supervisors today took aim at regional air pollution, and voted to support federal legislation requiring U.S. Customs agents to deny entry to vehicles that do not meet California emission standards.

The bill (H.R. 8), introduced by Congressman Brian Bilbray, would apply to those who possess a valid green card and commute to work regularly in San Diego. It would not apply to those who periodically cross the border for tourism- and commerce-related purposes.

"Our border with Mexico is a vibrant region, and our neighbors in Mexico are part of San Diego's economic vitality," said Congressman Brian Bilbray, who testified before the Board. "However, that does not mean that environmental laws and standards should only be honored by San Diego commuters and ignored by commuters from Mexico. This legislation will allow Customs officials to enforce our clean air laws, so that we all breathe cleaner, healthier air."

"Air quality in San Diego County continues to be a high priority for this Board, and this bill will serve to improve air quality in the San Diego-Tijuana air basin," said Supervisor Greg Cox, who represents southern San Diego County, including the San Ysidro and Otay Mesa ports of entry.

In San Diego, the legislation would require Customs officials to inspect cars headed northbound for the proper emissions inspection sticker. If cars entering the United States have not been "smogged" to California air quality standards, drivers will be given written notice, and it will be recorded by Customs officials.

After the initial warning and notice, drivers without a properly smogged vehicle, who try to cross the border will be denied on the second attempt. Customs officials will be able to impound the vehicle and/or fine the driver on the third attempt to enter the U.S. with proper smog certification.

The bill is expected to be deliberated by Congress next spring.

Mojave Desert Air Quality
Management District,
Victorville, CA, April 28, 1997.

Hon. Brian Bilbray,
U.S. House of Representatives, Washington, DC.

Dear Representative Bilbray: Enclosed please find a Resolution of the Mojave Desert Air Quality Management District supporting a change in the law to require certain motor vehicles entering the United States on a regular basis to comply with California or other applicable state motor vehicles emission laws. The proposal has been introduced in H.R. 8 (Bilbray, Barton, Bono, Calvert, Condit, Cunningham, Filner, and Hunter).

The legislation is trying to address the problem created by the residents who live in the communities near the United States-Mexico border, register their vehicles in Mexico, and escape compliance with state motor vehicles emission laws. Many such residents cross the border on a daily basis for work, school, or travel extensively in the United States and who contribute substantially to the region's air pollution problems.

The legislation provides for education and then progressive enforcement. Enforcement would include giving of notice, imposing fines, and eventually impounding the noncompliant vehicles.

On behalf of the citizens of the Mojave Desert Air District, I am urging you to support H.R. 8 because it would help California comply with the requirements of the Federal Clean Air Act. If you have any questions, please feel free to call me or Fazle Rab Quadri, District Counsel, at 760/245–1661 extension 5034.

Sincerely,

Larry Bowden,
Chair Mojave Desert AQMD.

Enclosure

A Resolution of the Governing Board of the Mojave Desert Air Quality Management District in Support of H.R. 8—Border Smog Reduction Act of 1977.

On March 24, 1997, on motion by Member LOUX, seconded by Member WILSON, and carried, the following resolution is adopted:

WHEREAS, the Federal Clean Air Act (FCAA; 42 U.S.C. §§7401 et seq.) requires the designation of air quality control regions in regards to the National Ambient Air Quality Standards (NAAQS) (FCAA §107(d); 42 U.S.C. §7407(d)); and classification in regards to ozone and its precursors (FCAA §181(a); 42 U.S.C. §7511(a)) as promulgated by U.S. EPA; and

WHEREAS, many persons, either residing in the United States or in the border communities in Mexico register their motor vehicles in Mexico; and

WHEREAS, the San Diego Air Pollution Control District has found that roughly 70,000 communter vehicles registered in Mexico cross the border into the United States on a daily basis and produce thirteen percent (13%) of the region's total; air pollution; and

WHEREAS, many of these persons work, attend educational institutions or travel extensively within Southern California; and

WHEREAS, many of the motor vehicles utilized by these persons to commute and travel within Southern California do not comply with California standards for motor vehicle tailpipe emissions; and

WHEREAS, these unregulated, noncompliance motor vehicles are detrimental to the efforts of the local air districts to comply with the mandates of the FCAA; and

WHEREAS, motor vehicles emit Volatile Organic Compounds (VOC) and Oxides of Nitrogen (Nox) which are precursors to ozone formation; and

WHEREAS, nine percent (9%) of the VOC and nine percent (9%) of the Nox generated in the South Coast Air Quality Management District is attributable to non-commercial motor vehicles registered both in the United States and Mexico; and

WHEREAS, ten percent (10%) of the VOC and four percent of the Nox in the Mojave Desert Air Quality Management District (MDAQMD) is attributable to non-commercial motor vehicles registered in the United States and Mexico; and

WHEREAS, these detrimental effects are compounded within the MDAQMD due to the overwhelming impact of transported air pollution from upwind area; and

WHEREAS, area in the MDAQMD is designated non-attainment for NAAQS and classified Severe-17 for ozone thereby requires extensive efforts to reduce air pollution; and

WHEREAS, U.S. Representatives Brian Bilbray (R–49–CA), Joe Barton (R–6–TX), Sonny Bono (R–44–CA), Ken Calvert (R–43–CA), Gary Condit (R–18–CA), Randy (Duke) Cunningham (R–51–CA), Bob Filner (D–50–CA), and Duncan L. Hunter (R–52–CA) have introduced a bill H.R. 8, which would amend the FCAA to allow the denial of entry into the United States by certain foreign motor vehicles that do not comply with State laws governing motor vehicle emissions; and

WHEREAS, the enactment of H.R. 8 would benefit all non-attainment areas in border regions of the United States as well as those areas directly impacted by transported air pollution from such non-attainment areas.

NOW THEREFORE BE IT RESOLVED that the Governing Board of the Mojave Desert Air Quality Management District respectfully urges the California delegation to support and the United States Congress to enact H.R. 8 or other legislation which lessens the impact upon non-attainment areas of foreign motor vehicles which do not comply with State laws governing motor vehicle emissions.

PASSED, APPROVED AND ADOPTED by the Governing Board of the Mojave Desert Air Quality Management District.

I, Linda Beck, Clerk of the Governing Board of the Mojave Desert Air Quality Management District, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Governing Board at its meeting of March 24, 1997.

CLERK OF THE GOVERNING BOARD,
MOJAVE DESERT AIR QUALITY
MANAGEMENT
District.

RIVERSIDE COUNTY
BOARD OF SUPERVISORS,
Riverside, CA, June 16, 1997.

Hon. MICHAEL BILIRAKIS,
Chairman, House Commerce Subcommittee on Health and Environment, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BILIRAKIS: The Riverside County Board of Supervisors supports legislation introduced by Congressman Bilbray which would amend the Clean Air Act to deny the entry of certain foreign motor vehicles which do not comply with State laws governing motor vehicle emissions.

Congressman Bilbray's H.R. 8 would assist the County in its efforts to reduce air pollution from motor vehicles and ensure greater public health and environmental protection resulting from cleaner air. Many vehicles crossing the border from Mexico do not meet State and local Federal air quality requirements control standards. The support of the Federal government would be beneficial to local agencies such as the County in its attempt to enforce State laws regarding vehicle emissions and emission controls, inspections, and State vehicle registration laws. Additionally, this legislation would improve the region's air quality, moving the County a step closer in meeting the requirements of the Clean Air Act.

Please take action as soon as possible on Congressman Bilbray's measure or similar legislation which would prohibit the entry of foreign motor vehicles which fail to comply with State laws on motor vehicle emissions.

Sincerely yours,
ROGER F. HONBERGER,
Washington Representative.

RESOLUTION 97–130

SUPPORTING THE BORDER SMOG REDUCTION ACT OF 1997

Whereas, the Environmental Protection Agency requires States to adopt vehicle emissions standards to attain healthful air quality; and

Whereas, States have implemented these standards through the smog certification process coupled with vehicle registration; and

Whereas, foreign residents who commute to work or to school in the U.S. are required to register their vehicles in their State of employment in order to comply with applicable clean air laws; and

Whereas, due to lack of enforcement, many of these commuters drive cars which do not meet the smog standards required by the State in which they work or study; and

Whereas, a study by the San Diego Air Pollution Control District identified that commuter vehicles that cross the border on a regular basis produce 13% of the region's total vehicle air pollution; and

Whereas, the emissions produced by these vehicles is detrimental to the efforts of otherwise stringent compliance plans; and

Whereas, proposed legislation would require border commuter vehicles to meet emissions standards or be denied access into the U.S.; now therefore,

Be it resolved that the Board of Supervisors of the County of Riverside, State of California, assembled in regular session on May 27, 1997, does hereby support the Border Smog Reduction Act of 1997; and be it further

Resolved that the Clerk of the Board forward copies of Resolution 97–130 to the County's Washington Representative for distribution to appropriate members of Congress, Congressional staff and committees.

[From the San Diego Union-Tribune, Oct. 26, 1996]

IMPORTED SMOG—VEHICLES FROM MEXICO ADD TO PROBLEM

With California cracking down on smog-belching vehicles in its Smog Check II program, government must make sure that commuters who live in Baja California but work on this side of the border also comply with state emission limits.

Currently, Mexican residents and Americans who live in Baja are supposed to register their vehicles here if they work on this side of the border. That means they are supposed to comply with California's smog standards.

But many don't, because the rules are not well enforced. Many daily commuters drive cars registered in Mexico. And some U.S. residents register their cars in Mexico to avoid smog inspections and costly repairs in California.

A study by the San Diego Air Pollution Control District showed that about 7,000 vehicles with Mexican plates, driven by commuters, cross the border each day. These cars and trucks produce 13 percent of the total vehicle air pollution in our county. That's an astounding figure. Something needs to be done about it.

The county Board of Supervisors this week endorsed legislation by Rep. Brian Bilbray, R-Imperial Beach, that would allow federal border inspectors to crack down on cars that are registered in Mexico but are driven by people who work north of the border. Bilbray, who is running for re-election, says border inspectors already have the computer technology to make such checks.

This is a good idea, one that Congress should pass next year. If U.S. residents who properly register and maintain their cars must comply with our state's rigorous smog standards, then those who come here to work from Mexico must too.

[From the San Diego Union-Tribune, Nov. 19, 1997]

BORDER TOUR BOOSTS BILL TO COMPEL REGISTRATION OF MEXICAN CARS HERE

(By Steve La Rue)

Congressmen from Florida, Ohio, Iowa and Texas stood in clouds of auto exhaust at the San Ysidro border crossing yesterday and said they understood what Rep. Brian Bilbray, R-Imperial Beach, has been talking about.

They voiced support for Bilbray's bill to allow federal officers at the border to enforce a law that requires commuters from Mexico to register their vehicles in California.

The measure also would have the effect of requiring these vehicles to have smog checks every two years. Vehicle-related air pollution could be cut as much as 13 percent as a result, studies suggest.

"Existing law requires international commuters to have their cars registered and smogged (in California), and that law is not being enforced," Bilbray said.

"With economic opportunities should also come environmental responsibilities."

The occasion was a morning border tour for five members of the House Commerce Subcommittee of Health and the Environment, who later met at the County Administration Center to hold the bill's first formal hearing.

Bilbray's bill would allow the U.S. Customs Service to impound vehicles registered in Mexico and fine their drivers if they attempt to commute into the United States in cars that do not meet emission standards. The drivers would get two warnings before their cars were impounded.

The law would affect at least 7,000 of the roughly 45,000 vehicles that cross the border at San Ysidro each day, said Rudy Camacho, Customs Service director for Southern California. Tourists would be exempt.

Mexican-registered vehicles produce disproportionate volumes of smog, experts say, because many are not engineered to comply with California standards or are not well-maintained or have been stripped of smog control devices.

Currently, federal border officers have no power to detain drivers of Mexican-registered vehicles on environmental grounds, Camacho said.

Subcommittee Chairman Mike Bilirakis, R-Fla., said, "We don't want to do anything to prevent Mexican nationals from coming here and making their living."

But the U.S. environmental laws "are tough on our own citizens and, darn it, ought to be just as tough on those who cross the border and make a living here," he said.

Bilbray's bill is expected to clear the subcommittee next year.

[From the San Diego Business Journal, Nov. 24, 1997]

BILBRAY URGES CRACKDOWN ON TRANSBORDER POLLUTERS—BILL WOULD STOP VEHICLES AT BORDER TO PROTECT AIR

(By Pat Broderick)

Shocked. That's how U.S. Rep. Brian Bilbray described the reactions of congressmen who accompanied him Nov. 18 on a tour to examine transborder air pollution.

"This morning, we saw gross polluters," the San Diego Republican said in an interview following the tour. "We watched smog and pollution flying out of vehicles (crossing the border).

"It was eye-opening for the members of Congress who came. Anyone with a pair of eyes or a nose will understand that this pollution needs to be addressed."

He was accompanied by Congressmen Mike Bilirakis, R-Fla., chairman of the House Commerce Subcommittee on Health and the Environment; Greg Ganske, R-Iowa; Sherrod Brown, D-Ohio; and Gene Green, D-Texas. They were briefed by U.S. Customs Service officials during the tour.

Bilbray said he is trying to shore up support for HR-8, the Border Smog Reduction

Act he's cosponsoring, along with Congressmen Joe Barton, R-Texas; Sonny Bono, R-Calif.; Ken Calvert, R-Calif.; Gary Condit, R-Calif.; Randy Cunningham, R-Calif.; Bob Filner, D-Calif.; and Duncan L. Hunter, R-Calif.

Introduced Jan. 7 in the House of Representatives, HR–8 would amend the Clean Air Act to deny entry into the United States to any foreign vehicle that doesn't comply with state laws governing motor vehicle emissions.

Currently, Bilbray said, there is nothing customs officials can do to stem the rising tide of polluting vehicles.

"Technically, people who are coming to work with unregistered cars are in violation of existing statutes," Bilbray said. "But customs agents who have witnessed this are not authorized to turn cars back. They have no authority to address any of those environmental issues."

Consequently, he said, the lack of enforcement has led to a critical pollution problem.

According to a fact sheet on HR–8:

A study by the San Diego Air Pollution Control District found that, in San Diego County, some 7,000 commuter vehicles registered in Mexico cross the border on a daily basis. The commuter population alone produces 13 percent of the region's total vehicle air pollution.

Mexican residents, including some Americans who live in Mexico but commute to work or to school in the United States, are required to register their vehicles in their state of employment to comply with clean air laws.

Due to lack of enforcement, many of these commuters drive cars that don't meet the smog standards required by the state in which they work or study.

A majority of these cars are registered in Mexico, some by U.S. residents who do so to avoid expensive vehicle emission control inspections and repairs required by the state, according to the fact sheet.

"I have neighbors who had done this," Bilbray said.

HR–8, he said, would give commuters three chances to come into compliance with the law.

Noncomplying Mexico-registered vehicles would be noted in the computer at the U.S. border point of entry and the driver would be warned.

Drivers who attempt to enter the United States more than twice in a single 12-month period would be found in violation of the law, and be subject to a fine of $200.

If the fine isn't paid at the time entry is attempted, customs would be authorized to impound the car until the fine is paid.

But Peter M. Rooney, secretary for the California Environmental Protection Agency, said that impounding cars isn't the answer.

Rooney recalled the march last year of 15,000 irate Californians to the state Capitol building when they heard rumors their cars could be impounded for smog check violations.

"It was an all-day rally, a cross-section of California," he said, "solid citizens who felt deeply that confiscating people's cars is not the proper way for government to respond to social issues."

Pointing to the fact that California has the nation's strictest pollution standards for autos, he said, "We don't exclude others from coming in."

As for possible solutions, Rooney said he expected that new cars being sold in Mexico are of higher quality than older ones, potentially easing the cross-border problem. The cleaner California fuel, he added, also could have an impact.

"If American petroleum companies start selling fuel in Tijuana and Mexicali, we have the opportunity to have fuels that are formulated for California to be sold there and get the benefit."

Overall, Rooney said, there only is so much a state can do to ensure air quality.

"I don't think the state of California is in a position to step into an area that has a cross-border jurisdiction," he said. "We do have the duty to our citizens to make the air as clean as possible. But there are certain limits to what we can do.

"We hope the citizens of San Diego will maintain their vehicles at a level that is in the best interest of everyone, and that the fuel in this state is cleaner fuel. But on the other side of the border, it's out of our control."

Meanwhile, Bilbray said he hoped that the shocked response of his fellow congressmen during the tour will lead to bipartisan support of the bill, and perhaps, action by March.

"Without this bill, you've got a huge gaping hole in air pollution strategies," Bilbray said.

[From the San Diego Daily Transcript, Nov. 19, 1997]

BILBRAY PUSHES FOR LAW ON BORDER EMISSION STANDARDS

(By Chris Diedoardo)

SAN YSIDRO.—Although thousands of illegal immigrants and hundreds of pounds of illicit narcotics cross the border with Mexico every year, Rep. Brian Bilbray, R–San Diego, has declared war on a new enemy; smog.

"Gentlemen, this is what we call no-man's land," Bilbray said to a group of congressmen visiting the clogged vehicle intake lines at the San Ysidro border crossing on Tuesday. "While we generally don't think of the U.S. Customs Service as an environmental agency, they really need to be."

The delegation was in town to drum up support for H.R. 8, which is intended to bar Mexican vehicles from the U.S. that don't meet California's emissions standards.

"Current air pollution laws say if you work in San Diego, your car is supposed to be smogged in San Diego County," Bilbray said.

Unfortunately, since the U.S. Customs Service currently lacks authorization to inspect incoming vehicles to determine if they are in compliance, Bilbray said thousands of commuters from Mexico are evading the regulatory net.

"With the rights of economic opportunity come environmental responsibilities," Bilbray said. "And you have a lot of U.S. residents that register their cars in Baja California to avoid California's regulations.

"There's a real fairness issue here when California and the Environmental Protection Administration are talking about stricter smog regulations and yet you've got people who aren't playing by the rules now."

Under the provisions of the bill, drivers who couldn't produce proof the vehicle was in compliance with state law the first two times they crossed the border would be given verbal warnings. On the third attempt, they would be denied entry and either fined or face the impound of their vehicle.

Although tourists and those visiting relatives would be exempt from the proposed requirements, some observers wonder if it will be viewed as another de facto barrier between the two nations.

Bilbray dismissed such suspicions as groundless.

"Anybody can take anything as an 'anti-' measure," he said. "It's a pro-environmental measure.

"No matter what country you come from the laws ought to be enforced and the environment protected."

According to a recent study by the San Diego Air Pollution Control District, 7,000 commuter vehicles cross at San Ysidro and Otay Mesa every day. In the district's view, that traffic accounts for 13 percent of the region's air pollution.

But others question whether Bilbray is trying to cage the wind.

"There's a reason behind registering the car in Tijuana and not in the U.S. and it's an economic reason," said Lourdes Sandoval, a spokeswoman for the Mexican Consulate in San Diego, who added that those factors would probably preclude most commuters from bringing their vehicles up to code.

"It will be very difficult to enforce," Sandoval said. "And the amount of people that would be covered under this bill is so small that I don't think it would affect the pollution in San Diego."

Another concern is the additional burden the bill would place on customs officers, who already must deal with between 40,000 and 45,000 cars per day.

"It would take a little extra time," said Bobbie Cassidy, a spokeswoman for the customs service, as she pointed to the seemingly endless lines of vehicles waiting to enter the U.S. Tuesday morning. "But you can see what a little extra time with each car would create."

Rudy Camacho, director of the San Diego field office, said he agreed but that the problem would be mitigated with the passage of time.

"It will be interesting," Camacho said. "Initially, it will be a time-intensive operation which would drop off as people learned the requirements."

However, Bilbray wants to give Camacho and his officers some high-tech help, courtesy of Tucson-based Remote Sensing Technologies.

The Tucson-based firm manufactures remote emissions sensors, which can determine how much carbon monoxide a vehicle is releasing into the atmosphere.

Under Bilbray's plan, one or more of the devices would be installed in the secondary inspection area, where they would function as a secondary line of defense.

"You cannot fool the system," said Niranjan Vescio, RST's director of marketing. "There are many pieces of information it looks for before it makes a judgment."

However, as the sensors were being demonstrated several customs officers were busy in the secondary inspection area in pursuit of a different type of information.

Though the timing was ironic, it offered Camacho a golden opportunity to state what his agency's main priority was.

"I don't want my boys looking for emissions when they should be looking for dope," he said, after several agents seized 177 pounds of marijuana hidden inside a car's tires and behind the dashboard.

[From the San Diego Union-Tribune, June 25, 1998]

PANEL OKS BILL TO CURB BORDER'S SMOG-BELCHERS

(By Dana Wilkie)

WASHINGTON.—It soon could be easier to crack down on smog-belching cars that come from Mexico into San Diego County under a bill that passed a key House committee yesterday.

The legislation by Rep. Brian Bilbray, R-Imperial Beach, would let border agents fine drivers and eventually impound cars if the vehicles were not registered in California with proper smog-check certification.

As "someone who's lived with all these (pollution) problems my whole life, I'm excited" about passage of the legislation, Bilbray told the House Commerce Committee, which approved his bill on a unanimous voice vote.

"For those of us along the frontier, we felt for so long that nobody gave a damn, that it was sort of like this part of America was sold out," he said.

The legislation, which applies only to California, requires approval of the full House, and then would move to the Senate. Final action is unlikely until late summer or early fall.

Mexican-registered vehicles produced disproportionate volumes of smog, experts say, because many are not engineered to comply with California standards, are not well-maintained or have been stripped of smog-control devices.

Bilbray's legislation would affect at least 7,000 of the estimated 45,000 vehicles that cross the San Diego-Tijuana border each day. Drivers would get two warnings before their cars were impounded.

Bilbray, a member of the committee, said fines and impoundments of smog-belching cars could cut vehicle-related air pollution as much as 13 percent.

California law already requires international commuters to have their cars registered in California and checked every two years to make sure that emissions do not exceed California limits.

Federal border agents, however, have no power to detain drivers of Mexican-registered vehicles on environmental grounds. Bilbray's legislation, HR–8, would give them that authority.

The congressman said it is simple for agents to ensure that border commuters have had smog checks simply by entering license plate numbers into a computer database.

Some lawmakers said they were concerned that the bill does not address commercial vehicles, only passenger cars. A Bilbray aide explained that including commercial vehicles would open "a Pandora's box of problems" which could hinder cross-border commerce under the North American Free Trade Agreement.

Rep. Ron Klink, D–Pa., expressed worry that Bilbray's legislation might distract border agents from the more pressing duties of intercepting illegal drug traffic and illegal immigrants.

"I have concerns about the smog coming from the tailpipes of these vehicles, but in the whole scheme of things it seems . . . less of a priority," Klink said.

Bilbray assured him that U.S. Customs Service agents do not believe that the legislation would create "unacceptable or unrealistic workloads . . . nor interfere with" the interception of illegal drugs and illegal immigrants.

[From Environment & Energy Mid-Week, June 25, 1998]

BORDER SMOG BILL WINS BIPARTISAN BACKING IN HOUSE COMMERCE MARKUP

(By Neil Franz)

Rep. Brian Bilbray (R–Calif.) succeeded on Wednesday in gaining the support of key Democrats for an amended version of the Border Smog Reduction Act, and the House Commerce Committee was at press time preparing for what seemed a noncontroversial final vote. Addressing concerns of "opening up" the Clean Air Act, which H.R. 8 amends, Chairman Tom Bliley (R–Va.) pledged to do everything in his power to keep the bill narrow and suggested the House leadership proceed on the floor under suspension of the rules.

Written by Bilbray, who represents the San Diego area, H.R. 8 changes the CAA to deny entry into the United States any foreign vehicles that do not comply with state laws governing motor vehicles emissions. Some Mexicans, as well as Americans, who live in Mexico but commute to the United States are apparently ignoring the federal law's directive to have their vehicles registered in their working state—controlling the tailpipe emissions being the focus—because federal agents are not permitted to enforce the mandate, Bilbray said. State officials do not have authority at the border on the issue, while Mexico is notoriously loose in comparison on environmental standards.

The bill "makes a great deal of sense," said Rep. Henry Waxman (D–Calif.).

Resulting from a number of concerns expressed at a June 19 subcommittee markup, Bilbray added a major qualification: the legislation only applies to the California border and states may choose to "opt in" on the mandates of H.R. 8, not "opt out." States may also choose to develop their own plan to address the problem, subject to approval of the president. The U.S. Environmental Protection Agency and many Democrats had noted serious reservations about the broader implications of the original H.R. 8; Michigan Rep. Bart Stupak (D) sought to exempt all states bordering Canada, where air pollution is less of a concern.

[From Regulation, Law & Economics, June 25, 1998]

HOUSE PANEL OKS BILL TO BAR U.S. ENTRY OF CARS INTO OZONE NONATTAINMENT AREAS

(By Cheryl Hogue)

Federal border crossing officials could prevent cars from regularly crossing from Canada or Mexico into U.S. areas that violate federal ozone standards, under legislation approved June 24 by the House Commerce Committee.

Under its carefully worded provisions, only California would automatically be covered by the bill (H.R. 8). But other states ask to be covered, according to the bill, which was approved by voice vote.

The prohibition would apply only to cars crossing into U.S. regions contiguous with ozone nonattainment areas in states requiring inspection of tailpipe emissions, according to the measure. It would apply only to noncommercial vehicles that go over the border more than twice during any 12-month period.

As introduced, the bill applied to both Canada and Mexico. But the Commerce Subcommittee on Health and Environment amended the bill to apply to "a foreign country bordering the United States . . . other than Canada."

But the bill's sponsor, Rep. Brian Bilbray (R–Calif.), offered an amendment, adopted by the full committee in a voice vote, that would make no exception for cars coming from Canada. But the amendment also narrowed the legislation to apply automatically only to states with an I/M program and to nonattainment areas classified as serious, severe, or extreme. A Bilbray staffer said only California now meets all these criteria.

ELECTION OF COVERAGE

Bilbray said H.R. 8 is aimed at commuters who live in Mexico and work in California. However, he said, the bill allows other border states with I/M programs voluntarily to elect to have the prohibition apply to their ozone nonattainment areas not classified as serious, severe, or extreme but that are contiguous to the border.

Under Bilbray's amendment, a state electing this coverage could also come up with "an alternative approach" to its I/M program "to facilitate compliance by motor vehicles registered in foreign countries." This alternative approach would have to be approved by the federal government before border agents would begin turning cars away, according to the amendment.

Bilbray said these alternative plans could apply to emissions from commercial vehicles—as well as noncommercial ones—registered in a foreign country.

IMPLEMENTATION

Bilbray said unions representing border patrol employees have told him in writing that the bill could be implemented in California without increasing agents' workloads, distracting them from seizing illegal drugs, or causing excessive lines at border crossings.

For each vehicle crossing the border now, license plate numbers and the jurisdiction issuing the plate are entered into a computer, Bilbray said. Border patrol computers are already linked to the California data base for emission inspections, he said, so that checking whether a foreign-registered car had passed a California emission inspection would be automated.

Under current federal law, U.S.-border agents can stop entry into California of cars that have not passed state emission inspections only if the vehicles will be sold in the state, Bilbary said.

CLEAN AIR ACT AMENDMENT

H.R. 8 would add a new provision to Section 183 of the Clean Air Act.

California Rep. Henry Waxman, the senior Democrat on the Commerce Committee, said he did not want the bill to be "a vehicle for other Clean Air Act amendments."

Rep. Thomas Bliley (R–Va.), chairman of the Commerce Committee, said he would do everything he could "to see that this bill is not expanded in any way."

Bilbray said he, as author of the legislation, wants the bill to remain as narrow and focused as possible.

NAFTA EFFECT ON AIR QUALITY

The committee also adopted by voice vote an amendment to H.R. 8 that would require the General Accounting Office to study the effects of the North American Free Trade Agreement on air quality around the border. Rep. Sherrod Brown (D–Ohio) offered the amendment.

Brown said his amendment was not designed to prejudge NAFTA's environmental effects. However, the trade deal has significantly increased traffic, especially commercial vehicles, crossing the U.S.-Mexico border, he said.

[From Environment & Energy Weekly, July 6, 1998]

BILBRAY, BLILEY PREP SMOG BILL FOR QUICK FLOOR VOTE

(By Neil Franz)

A fast-moving House bill would amend the Clean Air Act, a legislative move feared by most environmental groups. But after winning bipartisan backing on June 24 for the Border Smog Reduction Act and easily clearing the measure from the full House Commerce Committee, Chairman Tom Bliley (R-

Va.) pledged to do everything in his power to keep H.R. 8 clean and narrow. He, along with Health and Environment Subcommittee Chairman Michael Bilirakis (R-Fla.) and the bill's author, Rep. Brian Bilbray (R-Calif.), also suggested the House leadership proceed under suspension of the rules for a quick floor vote.

What happens if H.R. 8 reaches the Senate floor, though, is beyond Bliley's reach, he said. Democrats on the panel continually expressed their concerns about seeing the bill transform into a vehicle for "opening up" of the CAA.

Introduced early last year by Bilbray, who represents the San Diego area, H.R. 8 changes the act to deny entry into the United States any foreign vehicles that do not comply with state laws governing motor vehicle emissions. Some Mexicans, as well as Americans, who live in Mexico but commute to the United States are apparently ignoring the federal law's directive to have their vehicles registered in their working state—controlling the tailpipe emissions being the focus—because federal agents are not permitted to enforce the mandate, Bilbray said. State officials do not have authority at the border on the issue, while Mexico is notoriously loose in comparison on environmental standards.

The bill would therefore allow federal agents to enforce the states' standards for non-commercial vehicle emissions, thus helping to reduce smog. (Bilbray said he wishes to address the noncompliance of commercial vehicle emissions crossing the border at another time.) The CAA now only allows federal agents to prevent vehicles not registered in the states from crossing the border for sale.

The bill "makes a great deal of sense," said Rep. Henry Waxman (D-Calif.).

A study by the San Diego Air Pollution Control District found that roughly 7,000 commuter vehicles registered in Mexico cross the border every day. The study further said this Mexico commuter population produces, by itself, 13 percent of the region's total vehicle air pollution. The California Air Resources Board of the state's Environmental Protection Agency has pledged its support for the legislation, as have the Southern California unions of federal border officials, Bilbray said.

Resulting from a number of concerns expressed at a June 19 subcommittee markup, Bilbray added a main criterion to the bill: the legislation only applies to the California border and states may choose to "opt in" on the mandates of H.R. 8, not "opt out." States may also develop their own plan to address the loophole in the CAA, subject to approval of the president. The U.S. Environmental Protection Agency and many Democrats had noted serious reservations about the broader implications of the original H.R. 8; Michigan Rep. Bart Stupak (D) sought to exempt all states bordering Canada, where air pollution is less of a problem.

[From the Union-Tribune, June 27, 1998]

SMOG INTERVENTION—BILL WOULD AIM AT NABBING MEXICAN POLLUTERS

As the largest city on the border, San Diego suffers disproportionately from the growing volume of air pollution generated by Mexican-registered vehicles that lack adequate smog controls. That's why San Diegans should cheer the House Commerce Committee's approval this week of a bill by Rep. Brian Bilbray, R-Imperial Beach, to crack down on Mexican-registered polluters.

California law requires Mexican-based autos that commute daily into the state to meet California emission standards. Most of these vehicles are owned by workers who live in Mexico but have jobs in California. They include both American and Mexican nationals.

The problem, however, is that U.S. border agents have no legal authority to stop border commuters who lack California smog-check certificates. Bilbray's legislation would close that enforcement loophole, empowering U.S. agents to impound the vehicles of border commuters who are repeat offenders of California's air pollution laws.

He estimates the crackdown on Mexican-based polluters would curb vehicular smog in San Diego by as much as 13 percent—a very significant amount, considering that autos account for the lion's share of our air pollution.

With the Commerce Committee's approval of the bill, it is expected to win passage on the House floor later this year. But it has no champion in the Senate. Without one, it will die when Congress adjourns in the fall.

Bilbray's proposal applies to border crossings in California only. Thus the only senators with a stake in it are California Democrats Dianne Feinstein and Barbara Boxer. Our hope is that they will team up to win Senate approval of the House bill so that San Diegans can breathe a bit easier.

Mr. BILBRAY. Mr. Speaker, I would also like to emphasize my appreciation for the cooperation and assistance which has been provided by the California Air Resources Board and the California EPA. The support and the perspective of these agencies have been invaluable in this process.

With the increased enforcement under H.R. 8, gross-polluting vehicles will be either repaired and brought into compliance, or simply left parked in the driveway. This will have the initial direct effect of removing the disproportionately high emissions of these vehicles from our air, and hopefully the long-term, indirect effect of increasing binational use of San Diego's public transit system which runs directly to the border. In both situations, the health of the people of both San Diego and Tijuana benefit, particularly vulnerable populations like children and the elderly, as does the environment of the entire region.

Mr. Speaker, I urge the support of my colleagues for this common sense and fair piece of legislation named H.R. 8, the Border Smog Reduction Act of 1998.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to express my support for H.R. 8, the Border Smog Reduction Act. I would like to thank the gentleman from Florida (Mr. BILIRAKIS) and the gentleman from California (Mr. BILBRAY) for working with me, with the gentleman from Michigan (Mr. DINGELL) and with the gentleman from California (Mr. WAXMAN) during the Committee on Commerce's consideration of H.R. 8 to make several important improvements in the legislation.

During consideration of this legislation by the Committee on Commerce, my colleagues agreed to an amendment which I offered to study the effects of the North American Free Trade Agreement on air quality in communities along the United States-Mexico border. The provision requires the General Accounting Office to conduct a study comparing the potential effect of this legislation on air quality in ozone nonattainment areas with air quality in these same areas caused by vehicles registered in or operating from Mexico as a result of implementation of NAFTA.

In November of last year, the Subcommittee on Health and the Environment held a field hearing in San Diego to hear from witnesses on the effect of transborder air pollution caused by commuter vehicles on the air quality of our border region. While in San Diego I had the opportunity to see firsthand the thousands of trucks, many owned by American corporations, crossing our border, most of the time without inspection. Four years after the passage of NAFTA, environmental conditions on the Mexican border have further decayed, air and water quality in particular.

It is difficult to imagine that increased commercial truck traffic, much of it brought on by NAFTA, is not adding significantly to the nonattainment problems in southern California. Many of us argued during the NAFTA debate that this agreement would bring more air and water pollution to an already troubled area. Nothing at that time was done inside the parameters of the NAFTA agreement.

I am hopeful that our proposed GAO study will shed some light on the effect this increased traffic under NAFTA is having on air quality in our border areas. Should this study conclude that the North American Free Trade Agreement has, in fact, added to the ozone nonattainment problem in areas like San Diego, I am hopeful my colleagues will work with me to address this situation.

As passed by the House Committee on Commerce, H.R. 8 will allow States with serious ozone nonattainment areas located on our southern border to require foreign registered vehicles entering these areas to meet State or local vehicle emissions standards. The legislation would prohibit entry into the United States of vehicles which do not meet these standards more than twice in a one-year period. H.R. 8 would allow other States located along the border the option of designing an alternative approach to requiring foreign registered vehicles to comply with States' vehicle emission requirements.

Again, I would like to thank my colleagues on the Committee on Commerce for working with me to address the concerns that many of us had with this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. BILBRAY. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. LEWIS), the dean of the California delegation.

Mr. LEWIS of California. Mr. Speaker, I appreciate my colleague for this very thoughtful piece of legislation. I appreciate the gentleman from Ohio (Mr. BROWN), the ranking member of the subcommittee, for his assistance as well as this bill has gone forward.

There is something wrong with this picture, Mr. Speaker and Members. First, I think most people understand that particularly in the summer months, citizens in southern California become especially concerned about our air. As the weather warms up, something seems to be ever present, and oftentimes in my own valley in San Bernardino County one can hardly see the mountains. Yet over the years we have made very significant progress as it relates to cleaning the air, particularly cleaning the impact upon the air that comes from mobile sources.

☐ 1645

The American automobile newly produced today is a clean automobile, and yet shift the scene just a bit to the south. Cars and trucks standing in line in both directions on the border puffing smoke, and the air can absolutely be cut with a knife at this time of the year.

To suggest that those vehicles that are commuting across our border should not meet the same standards required by American vehicles is absolutely not acceptable. This legislation will take a significant step in the direction of solving that problem.

Currently, California law requires that foreign-plated vehicles which commute daily into the State must meet California vehicle standards. However, the law is not being enforced by Federal agents at the border who do not have the authority necessary. This bill would provide for that authority. It would lay the foundation to see that foreign-plated vehicles which do not meet our standards do not cross our borders.

It is, as the author has suggested, a common sense bill which in a very practical way addresses this very serious difficulty. The gentleman from California (Mr. BILBRAY) should be commended for this work. It is a reflection of his past background as a member of the Air Resources Board in California. He brings that talent to the Congress and continues to work on the fight for clean air at home as well as across the country.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Speaker, I thank the gentleman from Ohio (Mr. BROWN) for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 8, the Border Smog Reduction Act.

As a border Congressman, I am glad to join my colleagues as an original cosponsor of this legislation to address the critical issue of unsafe emissions from vehicles that cross the international border into California.

Mr. Speaker, I am the Representative whose district contains the two major border crossings between Mexico and California. In that position, I am fully aware that our location presents our community with a wealth of unique cultural, social, economic and political opportunities. I believe this is one reason San Diego is called "America's Finest City."

However, this proximity to our Nation's border also presents us with unique challenges. One such challenge we must address is the emission of vehicles that enter our State from Mexico, but do not meet our State's strict emission standards.

It is an increasing economic reality of life at the border that commuters from both nations drive across that border to jobs in the other country and return to their home nation in the evening. Officials of the San Diego Air Pollution Control District estimate that of the approximately 45,000 vehicles that cross the San Ysidro border crossing in my district each day, about 7,000 are commuters.

It is currently against State law for any car or truck to drive on our roads and highways without the required smog certification. Despite this, however, and partly due to Mexico's more lax emission standards, countless cars stream across into California spewing unsafe pollutants into our air. Unless these vehicles are stopped for other violations, these emissions go unchecked and unstopped.

The legislation before us today is simply about the personal responsibility of the owners of these polluting vehicles. Our legislation will allow border officials to deny entry into our community any commuter vehicle that is not in compliance with our State laws governing motor vehicle emissions.

Mr. Speaker, other border States should be aware that the bill addresses only our situation in California, and does not impose requirements on any other State.

I also want to assure motorists in the San Diego border area that this legislation affords a 6-month grace period for owners to obtain certification that their vehicles meet California State standards.

Mr. Speaker, my constituents in San Diego and Chula Vista and National City deserve clean air. By requiring greater responsibility by auto owners, I believe this legislation will help us achieve our goal of cleaner air for all our communities. I urge my colleagues to support these efforts.

Mr. BILBRAY. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the soon-to-be chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank the gentleman from California (Mr. BILBRAY), my soon-to-be friend, for yielding me such time as I may consume. He has been a friend and will continue to be a friend in large part because while his Dear Colleague letter said that this is to deal with border pollution, frankly those of us from the area that the gentleman describes as northern California, which is Los Angeles, are actually in fact the beneficiaries of this, too.

Because clearly as we have looked at those automobiles which continue to pump out horrible pollutants, we have seen many of them on the freeways of Los Angeles. And so I simply want to rise and congratulate the vision of the gentleman from California (Mr. BILBRAY) to not only address the needs of the San Diego area, but I believe that they really transcend those.

I also am particularly privileged to be here with the gentleman from Ohio (Mr. BROWN), my very good friend. He and I for years debated the North American Free Trade Agreement. I have come to the conclusion that we today are able to look at issues like those that have been raised in the area of air quality by the gentleman from California (Mr. BILBRAY) because of the fact that the North American Free Trade Agreement has focused attention on improving air quality and other environmental concerns.

So, I simply want to say that as we look at the challenge that is ahead of us of improving our environment, there is no one who has been there on the frontline doing it more diligently than the gentleman from California (Mr. BILBRAY).

Mr. Speaker, a spectacular editorial was written by the San Diego Union-Tribune and should be included in the RECORD, so I submit that editorial for inclusion at this point in the RECORD.

[From the San Diego Union-Tribune, June 27, 1998]

SMOG INTERVENTION—BILL WOULD AIM AT NABBING MEXICAN POLLUTERS

As the largest city on the border, San Diego suffers disproportionately from the growing volume of air pollution generated by Mexican-registered vehicles that lack adequate smog controls. That's why San Diegans should cheer the House Commerce Committee's approval this week of a bill by Rep. Brian Bilbray, R-Imperial Beach, to crack down on Mexican-registered polluters.

California law requires Mexico-based autos that commute daily into the state to meet California emission standards. Most of these vehicles are owned by workers who live in Mexico but have jobs in California. They include both American and Mexican nationals.

> The problem, however, is that U.S. border agents have no legal authority to stop border commuters who lack California smog-check certificates. Bilbray's legislation would close that enforcement loophole, empowering U.S. agents to impound the vehicles of border commuters who are repeat offenders of California's air pollution laws.
>
> He estimates the crackdown on Mexican-based polluters would curb vehicular smog in San Diego by as much as 13 percent—a very significant amount, considering that autos account for the lion's share of our air pollution.
>
> With the Commerce Committee's approval of the bill, it is expected to win passage on the House floor later this year. But it has no champion in the Senate. Without one, it will die when Congress adjourns in the fall.
>
> Bilbray's proposal applies to border crossings in California only. Thus the only senators with a stake in it are California Democrats Dianne Feinstein and Barbara Boxer. Our hope is that they will team up to win Senate approval of the House bill so that San Diegans can breathe a bit easier.

Mr. Speaker, the editorial points out the fact that the gentleman from California (Mr. BILBRAY) has been working for a long period of time on this issue, and it ends with a very important message. After this measure passes the House of Representatives, it is going to need to go through the United States Senate. So I would implore our colleagues in the other body to move as expeditiously as possible on this very important measure.

Mr. BROWN of Ohio. Mr. Speaker, I reserve the balance of my time.

Mr. BILBRAY. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. GANSKE).

Mr. GANSKE. Mr. Speaker, the gentleman from California (Mr. BILBRAY) should be commended for this piece of legislation. I have stood at that border crossing in San Ysidro, and the smog is awful there. It just does not make sense that U.S. citizens, who have to spend a lot of their money making sure of the air quality coming out of their cars, should be seeing the cars that are registered south of the border coming across that border crossing and spewing a whole bunch of smog into the environment. It is just not fair.

This legislation takes care of that and makes it so that those cars that are not attaining the air quality standards of this country cannot come into the country. This is something that is worked out on a State-by-State basis. It is a good piece of legislation. Every one of our colleagues should support this, and I commend the gentleman from California for bringing it to the floor.

Mr. BILBRAY. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ROHRABACHER), the most dynamic representative of the Surfing Caucus.

Mr. ROHRABACHER. Mr. Speaker, that was "the most dynamic," not the best surfer in the Surfing Caucus. The most dynamic member of the Surfing Caucus.

Mr. Speaker, Mexico is our neighbor and I rise in strong support of this amendment by the gentleman from California (Mr. BILBRAY) concerning our neighbor and our neighbors in Mexico.

Like all neighbors, there are issues that deal with neighborhood effect, whether it is just an American neighborhood or whether it is a neighborhood with people who actually are a part of another Nation.

Air and water pollution happens to be within that context of a neighborhood effect, and we must be neighborly, and we have tried to be neighborly with our Mexican neighbors. But we also have to watch out for the interests of our own people.

Mr. Speaker, what is unfortunate is that in recent years it seems that we have been treating our own people worse than what we treat people of another country, in this case Mexico.

I might add that this is not totally inconsistent with what our government seems to be doing in many areas of the world, which is treating our own people with more restrictions and with a harder hand than we treat people of other countries. I do not know why that is. That seems to be the way it is in many situations.

It is only good and proper that the people of Mexico who travel to the United States almost on a daily basis have the same standards, pollution standards, that they have to deal with with their automobiles as we do. Otherwise, what will be the result?

I would like to look at one result that the gentleman from California (Mr. BILBRAY) has not looked at so far. Yes, we are talking about air pollution and it is wrong that there are cars from another country coming in that do not have the same standards as our own automobiles, and, yes, we do not want to have air pollution, but we also want to maintain an amicable relationship with these people who are our neighbors.

How long will people have good will towards someone when they see automobiles coming down their streets pumping pollution? How much longer will the people of the various communities near the border or even further north into Los Angeles and Orange Counties have a spirit of good will towards the people of Mexico if they see a car coming from Mexico spilling this pollution into the air and putting contaminants into the lungs of our children and our families, when they themselves, of course, must go through stringent regulation and go through time and effort and expense to see that their own automobiles are not polluting and not, thus, affecting the health in a detrimental way of their neighbors who are American citizens?

No, if we let this go on, there will be a breakdown in the good will of people who are our neighbors, who are our friends, who should be our friends and it is up to us to ensure that this spirit of friendship, as well as neighborliness, is present, and to do that we must be scrupulously fair and must insist on fair and equal not only treatment and not only rights but responsibilities of people who come into our country and do so on a daily basis to work.

Finally, I would like to note that the gentleman from California (Mr. BILBRAY) has been providing leadership on issues of cross-border pollution control since early in his career. Most people in this body may not realize that he was mayor of Imperial Beach when there was pollution coming down from a stream from Mexico into the United States into his community, and when some bureaucrats got in the way of correcting that situation, the gentleman from California (Mr. BILBRAY) got onto a bulldozer and used that bulldozer to prevent that stream from sending its polluted waters into the American territory. This made him famous among the people of his area and eventually landed him here in Congress.

All of us have a chance now to join the gentleman from California in this issue of cross-border pollution and watch out for the interests of the American people, which is after all our primary job as Members of the United States Congress.

Mr. BILBRAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank my colleague from the Surfing Caucus for his kind words. Sadly, the pollution has closed our beaches in Imperial Beach this weekend so there are still battles to be fought there. I would just like to ask the ranking member if he has any more speakers or if he would like to make a closing statement?

Mr. Speaker, at this time I would ask for support of H.R. 8, but let me just point out, again, that, first of all, I want to apologize. I think we should all apologize to the people that live on the border region, that this body has had to spend 3½ years talking about doing something to help the environment and we have not taken action. It happens to be the nature of the creature. Congress moves slow. The Federal Government moves slow and let us just hope that the Senate will take up this bill and move it forward.

At the time that Smog Check 2 is going to be mandated, is being mandated, by the Federal Government on the people of California, it is essential that we get H.R. 8 through to show fairness and equity and we believe that everyone should be responsible for the environment, no matter where they live or where they commute in from.

Mr. Speaker, I would ask for the passage of H.R. 8 and ask for unanimous support from Congress as we received it from the full committee, and I thank the ranking member for his help today here on this bill.

Mr. BROWN of Ohio. Mr. Speaker, I urge Members to support the bill.

Mr. PACKARD. Mr. Speaker, I rise today to commend a fellow San Diegan, Congressman BRIAN BILBRAY, on his leadership in helping to reduce air pollution in southern California. Mr. BILBRAY's legislation, The Border Smog Reduction Act of '98, H.R. 8, is a bipartisan approach to improving border air quality and strengthening our pollution control strategies in the state of California. It is focused on foreign commuter vehicles which often emit a disproportionately high level of pollutants along the border region. Mr. Speaker, enacting this legislation could curb vehicular smog in San Diego by as much as 13 percent.

Many of the Mexican-registered vehicles, while driven by individuals who come legally into the U.S. for work or for school, lack the same smog controls required on all cars registered to the state of California. This bill would allow the Customs Inspector to require a smog certificate for any vehicle before entering into the United States and would empower border agents to prohibit any car from entering without one.

I support this bill, as it will target and reduce a known and identified source of air pollution. It will improve air quality in the environment, and will benefit children and other vulnerable populations on both sides of the border.

Mr. Speaker, I strongly support the Border Smog Reduction Act of '98 and urge the support of all other members as it will improve our overall environment and public health.

Mr. CUNNINGHAM. Mr. Speaker, I rise to support H.R. 8, the Border Smog Reduction Act of 1998. Introduced by my San Diego congressional delegation colleague, Representative BRIAN BILBRAY, H.R. 8 is a practical and bipartisan approach to improving border air quality and strengthening our air pollution control strategies. It will give the federal government the authority it needs to help enforce state vehicle emissions requirements, without imposing new mandates or burdens on local government or the business community.

In California, H.R. 8 will help to reduce high levels of smog-forming compounds from commuter vehicles driven across the border every day by people coming in to work or going to school legally in the U.S. Under existing state law, these vehicles are supposed to be in compliance with California's strict emission standards. But most presently are not, due to the current inability to enforce state law at the border. H.R. 8 will extend this enforcement ability to federal border inspectors at the points of entry, who will have the authority to ultimately turn away foreign-registered vehicles which cannot be shown to be in compliance with these emissions standards.

H.R. 8 does not restrict an individual's legal access to the U.S. It is focused on gross-polluting commuter vehicles which emit a disproportionately high level of pollutants along our border region. In San Diego County, stringent controls exist on all stationary sources, and all cars must be smog tested to standard in order to be registered. H.R. 8 will simply help to level the playing field, and target and reduce a known pollution problem. While it would initially apply only to California, other border states are given the flexibility to implement the authority of the bill as they might see fit in the future. It is important to note that H.R. 8 places no new mandates or requirements on other states.

I am pleased to be a cosponsor of this measure, and I urge all of my Colleagues to support this common-sense legislation.

Mr. WAXMAN. Mr. Speaker, I rise to speak on H.R. 8, The Border Smog Reduction Act of 1998.

I want to commend Chairman BLILEY, Chairman BILIRAKIS, Representative BILBRAY, Representative BROWN, and Representative STUPAK for working together to perfect this bill. H.R. 8 has been significantly improved from the version originally introduced.

As currently written, this legislation will make a modest improvement over current law authorizing the federal government to assist States in efforts to control air pollution from vehicles registered in foreign countries.

This legislation is not perfect and I remain concerned about an approach which statutorily restricts vehicles from entering the San Diego border more than twice in any one year. I question whether it will be possible to inspect and repair vehicles commuting daily from Mexico in only two visits. It's not difficult to imagine a host of problems when this plan is actually implemented.

Additionally, I think it's a mistake to exclude commercial traffic in San Diego from federal enforcement, when light-duty commercial traffic is responsible for the same types of air pollution problems that noncommercial traffic is. In effect, this legislation will focus on pollution from commuting workers and students, while ignoring pollution from commercial vehicles.

Notwithstanding these reservations, I commend Representative BILBRAY for resolving most of my concerns. I am especially pleased that California will have the option of changing their program from the prescriptive one mandated in this legislation.

I also want to commend Representative BROWN for a study he has sponsored that will analyze the impacts on air quality associated with the passage of the North American Free Trade Act. This will provide critical information for future efforts to control the adverse environmental effects of foreign diesel trucks entering our country.

Mr. BROWN of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. BILBRAY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. BILBRAY) that the House suspend the rules and pass the bill, H.R. 8, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1700

FEDERAL RETIREMENT COVERAGE CORRECTIONS ACT

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3249) to provide for the rectification of certain retirement coverage errors affecting Federal employees, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3249

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Federal Retirement Coverage Corrections Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Applicability.
Sec. 4. Restriction relating to future corrections.
Sec. 5. Irrevocability of elections.

TITLE I—DESCRIPTION OF RETIREMENT COVERAGE ERRORS TO WHICH THIS ACT APPLIES AND MEASURES FOR THEIR RECTIFICATION

Subtitle A—Employee Who Should Have Been FERS Covered, But Who Was Erroneously CSRS Covered or CSRS-Offset Covered Instead

Sec. 101. Elections.
Sec. 102. Effect of an election to be transferred from CSRS to FERS to correct a retirement coverage error.
Sec. 103. Effect of an election to be transferred from CSRS-Offset to FERS to correct a retirement coverage error.
Sec. 104. Effect of an election to be transferred from CSRS to CSRS-Offset to correct a retirement coverage error.
Sec. 105. Effect of an election to be restored (or transferred) to CSRS-Offset after having been corrected to FERS from CSRS-Offset (or CSRS).
Sec. 106. Effect of election to remain FERS covered after having been corrected to FERS from CSRS-Offset (or CSRS).

Subtitle B—Employee Who Should Have Been FERS Covered, CSRS-Offset Covered, or CSRS Covered, But Who Was Erroneously Social Security-Only Covered Instead

Sec. 111. Elections.
Sec. 112. Effect of an election to become FERS covered to correct the retirement coverage error.
Sec. 113. Effect of an election to become CSRS-Offset covered to correct the retirement coverage error.
Sec. 114. Effect of an election to become CSRS covered to correct the retirement coverage error.

Subtitle C—Employee Who Should Have Been Social Security-Only Covered, But Who Was Erroneously FERS Covered, CSRS-Offset Covered, or CSRS Covered Instead

Sec. 121. Uncorrected error: employee who should be Social Security-Only covered, but who is erroneously FERS covered instead.
Sec. 122. Uncorrected error: employee who should be Social Security-Only covered, but who is erroneously CSRS-Offset covered instead.
Sec. 123. Uncorrected error: employee who should be Social Security-Only covered, but who is erroneously CSRS covered instead.

Sec. 124. Corrected error: situations under sections 121–123.
Sec. 125. Vested employees excepted from automatic exclusion.

Subtitle D—Employee Who Should Have Been CSRS Covered or CSRS-Offset Covered, But Who Was Erroneously FERS Covered Instead

Sec. 131. Elections.
Sec. 132. Effect of an election to be transferred from FERS to CSRS to correct a retirement coverage error.
Sec. 133. Effect of an election to be transferred from FERS to CSRS-Offset to correct a retirement coverage error.
Sec. 134. Effect of an election to be restored to FERS after having been corrected to CSRS.
Sec. 135. Effect of an election to be restored to FERS after having been corrected to CSRS-Offset.
Sec. 136. Disqualification of certain individuals to whom same election was previously available.

Subtitle E—Employee Who Should Have Been CSRS-Offset Covered, But Who Was Erroneously CSRS Covered Instead

Sec. 141. Automatic transfer to CSRS-Offset.
Sec. 142. Effect of transfer.

Subtitle F—Employee Who Should Have Been CSRS Covered, But Who Was Erroneously CSRS-Offset Covered Instead

Sec. 151. Elections.
Sec. 152. Effect of an election to be transferred from CSRS-Offset to CSRS to correct the retirement coverage error.
Sec. 153. Effect of an election to be restored to CSRS-Offset after having been corrected to CSRS.

Subtitle G—Additional Provisions Relating to Government Agencies

Sec. 161. Repayment required in certain situations.
Sec. 162. Equitable sharing of amounts payable from the Government if more than one agency involved.
Sec. 163. Provisions relating to the original responsible agency.

TITLE II—GENERAL PROVISIONS

Sec. 201. Identification and notification requirements.
Sec. 202. Individual appeal rights.
Sec. 203. Information to be furnished by Government agencies to authorities administering this Act.
Sec. 204. Social Security records.
Sec. 205. Conforming amendments respecting Social Security coverage and OASDI taxes.
Sec. 206. Regulations.
Sec. 207. All elections to be approved by OPM.
Sec. 208. Additional transfers to OASDI trust funds in certain cases.
Sec. 209. Technical and conforming amendments.

TITLE III—OTHER PROVISIONS

Sec. 301. Provisions to permit continued conformity of other Federal retirement systems.
Sec. 302. Provisions to prevent reductions in force and any unfunded liability in the CSRDF.
Sec. 303. Individual right of action preserved for amounts not otherwise provided for under this Act.
Sec. 304. Extension of open enrollment period to employees under the Foreign Service Retirement and Disability System.

TITLE IV—TAX PROVISIONS

Sec. 401. Tax provisions.

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) CSRS.—The term "CSRS" means the Civil Service Retirement System.

(2) CSRDF.—The term "CSRDF" means the Civil Service Retirement and Disability Fund.

(3) CSRS COVERED.—The term "CSRS covered", with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, other than those that apply only with respect to an individual described in section 8402(b)(2) of such title.

(4) CSRS-OFFSET COVERED.—The term "CSRS-Offset covered", with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, that apply with respect to an individual described in section 8402(b)(2) of such title.

(5) EMPLOYEE.—The term "employee" means an employee as defined by section 8331 or 8401 of title 5, United States Code, and any other individual (not satisfying either of those definitions) serving in an appointive or elective office or position in the executive, legislative, or judicial branch of the Government who, by virtue of that service, is permitted or required to be CSRS covered, CSRS-Offset covered, FERS covered, or Social Security-Only covered.

(6) EXECUTIVE DIRECTOR.—The term "Executive Director of the Federal Retirement Thrift Investment Board" or "Executive Director" means the Executive Director appointed under section 8474 of title 5, United States Code.

(7) FERS.—The term "FERS" means the Federal Employees' Retirement System.

(8) FERS COVERED.—The term "FERS covered", with respect to any service, means service that is subject to chapter 84 of title 5, United States Code.

(9) GOVERNMENT.—The term "Government" has the meaning given such term by section 8331(7) of title 5, United States Code.

(10) OASDI TAXES.—The term "OASDI taxes" means the OASDI employee tax and the OASDI employer tax.

(11) OASDI EMPLOYEE TAX.—The term "OASDI employee tax" means the tax imposed under section 3101(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(12) OASDI EMPLOYER TAX.—The term "OASDI employer tax" means the tax imposed under section 3111(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(13) OASDI TRUST FUNDS.—The term "OASDI trust funds" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(14) PERIOD OF ERRONEOUS COVERAGE.—The term "period of erroneous coverage" means, in the case of a retirement coverage error, the period throughout which retirement coverage is in effect pursuant to such error (or would have been in effect, but for such error).

(15) RETIREMENT COVERAGE DETERMINATION.—The term "retirement coverage determination" means a determination by an employee or agent of the Government as to whether a particular type of Government service is CSRS covered, CSRS-Offset covered, FERS covered, or Social Security-Only covered.

(16) RETIREMENT COVERAGE ERROR.—The term "retirement coverage error" means a retirement coverage determination that, as a result of any error, misrepresentation, or inaction on the part of an employee or agent of the Government (including an error as described in section 163(b)(2)), causes an individual erroneously to be enrolled or not enrolled in a retirement system, as further described in the applicable subtitle of title I.

(17) SOCIAL SECURITY-ONLY COVERED.—The term "Social Security-Only covered", with respect to any service, means Government service that constitutes employment under section 210 of the Social Security Act (42 U.S.C. 410), and that—

(A) is subject to OASDI taxes; but

(B) is not subject to any retirement system for Government employees (disregarding title II of the Social Security Act).

(18) THRIFT SAVINGS FUND.—The term "Thrift Savings Fund" means the Thrift Savings Fund established under section 8437 of title 5, United States Code.

SEC. 3. APPLICABILITY.

(a) IN GENERAL.—Subject to subsection (b), this Act shall apply with respect to any retirement coverage error that occurs before, on, or after the date of enactment of this Act, excluding any error corrected within 1 year after the date on which it occurs.

(b) LIMITATION.—Nothing in this Act shall affect any retirement coverage or treatment accorded with respect to any individual in connection with any period beginning before the first day of the first applicable pay period beginning on or after January 1, 1984.

SEC. 4. RESTRICTION RELATING TO FUTURE CORRECTIONS.

(a) IN GENERAL.—Except as otherwise provided in this Act, any individual who, on or after the date of enactment of this Act, becomes or remains affected by a retirement coverage error may not be excluded from or made subject to any retirement system for the sole purpose of correcting such error.

(b) COORDINATION WITH OTHER LAWS.—

(1) IN GENERAL.—Nothing in this Act shall be considered to preclude an election under the Federal Employees' Retirement System Open Enrollment Act of 1997 (Public Law 105–61; 111 Stat. 1318) or any other voluntary retirement coverage election authorized by statute.

(2) REGULATIONS.—The Office of Personnel Management shall prescribe any regulations which may be necessary to apply this Act in the case of any individual who changes retirement coverage pursuant to a voluntary election made other than under this Act.

SEC. 5. IRREVOCABILITY OF ELECTIONS.

Any election made (or deemed to have been made) under this Act by an employee or any other individual shall be irrevocable.

TITLE I—DESCRIPTION OF RETIREMENT COVERAGE ERRORS TO WHICH THIS ACT APPLIES AND MEASURES FOR THEIR RECTIFICATION

Subtitle A—Employee Who Should Have Been FERS Covered, But Who Was Erroneously CSRS Covered or CSRS-Offset Covered Instead

SEC. 101. ELECTIONS.

(a) APPLICABILITY.—This subtitle shall apply in the case of any employee who—

(1) should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) CSRS covered instead; or

(2) should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) CSRS-Offset covered instead.

(b) UNCORRECTED ERROR.—If, at the time of making an election under this section, the retirement coverage error described in paragraph (1) or (2) of subsection (a) (as applicable) has not been corrected, the employee affected by such error may elect—

(1) to be FERS covered instead; or

(2) to remain (or instead become) CSRS-Offset covered.

(c) Corrected Error.—If, at the time of making an election under this section, the retirement coverage error described in paragraph (1) or (2) of subsection (a) (as applicable) has been corrected, the employee affected by such error may elect—

(1) to be CSRS-Offset covered instead; or

(2) to remain FERS covered.

(d) Default Rule.—

(1) In general.—If the employee is given written notice in accordance with section 201 as to the availability of an election under this section, but does not make any such election within the 6-month period beginning on the date on which such notice is so given, the option under subsection (b)(2) or (c)(2), as applicable, shall be deemed to have been elected on the last day of such period.

(2) CSRS not an option.—Nothing in this section shall be considered to afford an employee the option of becoming or remaining CSRS covered.

(e) Retroactive Effect.—An election under this section (including an election by default, and an election to remain covered by the retirement system by which the electing individual is covered as of the date of the election) shall be effective retroactive to the effective date of the retirement coverage error (as referred to in subsection (a)) to which such election relates.

SEC. 102. EFFECT OF AN ELECTION TO BE TRANSFERRED FROM CSRS TO FERS TO CORRECT A RETIREMENT COVERAGE ERROR.

(a) Applicability.—This section shall apply in the case of any employee affected by an error described in section 101(a)(1) who elects the option under section 101(b)(1).

(b) Disposition of Contributions to the CSRDF.—

(1) Employee contributions.—

(A) Transfer to OASDI trust funds.—There shall be transferred from the CSRDF to the OASDI trust funds an amount equal to the amount of the OASDI employee tax that should have been deducted and withheld from the Federal wages of the employee for the period of erroneous coverage involved.

(B) Rule if there are excess CSRDF contributions.—

(i) In general.—Any excess amount described in clause (ii) that is attributable to an employee described in subsection (a) shall be forfeited.

(ii) Excess amount defined.—The excess amount described in this clause is, in the case of an employee, the amount by which—

(I) that portion of the employee's lump-sum credit that is attributable to the period of erroneous coverage involved, exceeds (if at all)

(II) the total of the amount described in subparagraph (A) plus the amount that should have been deducted under section 8422 of title 5, United States Code, from the pay of the employee for the period of erroneous coverage involved.

(C) Rule if lump-sum credit is less than total employee contributions to OASDI and CSRDF that should have been made.—

(i) In general.—

(I) Shortfall to be made up by agency.—If the amount described in subparagraph (B)(ii)(I) is less than the total amount described in subparagraph (B)(ii)(II), an amount equal to the shortfall shall be made up (in such manner as the Commissioner of Social Security shall prescribe) by the agency in or under which the employee is then employed, out of amounts otherwise available in the appropriation, fund, or account from which any OASDI employer tax or contribution to the CSRDF (as applicable) may be made, except as provided in subclause (II) or clause (iii)(I).

(II) Reduction for deposit due.—In any case in which a deposit is required under clause (ii), the amount required to be made up under subclause (I) shall be reduced by the amount of the deposit so required (but not below zero).

(ii) Deposit requirement.—

(I) In general.—To the extent that the shortfall under clause (i) is due to the any lump-sum credit received by the employee (for which an appropriate deposit under section 8334(d)(1) of title 5, United States Code, has not been made), the employee shall be required to repay an amount equal to the amount of such deposit, except as provided in clause (iii)(I).

(II) Treatment as a debt due.—If an employee fails to pay the amount required under subclause (I), that amount shall be recoverable by the CSRDF under the same authorities (including to waive a right of recovery) as described in section 114(b)(2). For purposes of any exercise of authority under the preceding sentence, the Director of the Office of Personnel Management shall be considered the head of the agency concerned.

(iii) Special rules.—

(I) Deposit for FERS deductions not mandatory.—Nothing in this subparagraph shall, in any situation described in clause (ii), be considered to require any agency make-up payment (or employee repayment) of any portion of the lump-sum credit (beyond any amount necessary in order to permit the transfer described in paragraph (1)(A)) which would be assignable to amounts that should have been deducted under section 8422 of title 5, United States Code, from pay of the employee involved.

(II) Authority to make FERS deposit.—An employee under this section who has received a lump-sum credit (described in clause (ii)(I)) may not be credited, under chapter 84 of title 5, United States Code, with any period of service to which that lump-sum credit relates unless the employee deposits into the CSRDF an amount equal to the percentage of such employee's basic pay (for such period of service) that should have been deducted under section 8422 of such title 5.

(D) Definition of lump-sum credit.—For purposes of this paragraph, the term "lump-sum credit" has the meaning given such term by section 8331 of title 5, United States Code, except as the context may otherwise indicate.

(E) Provisions relating to the application of this paragraph in other situations.—

(i) General authority.—To the extent necessary to permit the operation of this paragraph in any situation covered by any other provisions of this Act (which incorporate this paragraph by reference), any necessary technical and conforming amendments to this paragraph not otherwise specifically provided for (such as citations to appropriate provisions of law corresponding to provisions cited in this paragraph) shall be made under regulations which the Office of Personnel Management shall prescribe.

(ii) Special rule.—

(I) Deposits not precluded by FERS restriction.—Nothing in section 8424(a) of title 5, United States Code, shall, in any situation covered by this Act, prevent the making of any deposit (and crediting, for retirement purposes, of service for the corresponding period of time) to the extent that the deposit relates to the period of erroneous coverage involved.

(II) Exception.—The preceding sentence shall not apply in any situation in which the employee involved was erroneously FERS covered, and remained FERS covered after the rectification provided for under this Act.

(2) Government contributions.—

(A) Transfer to OASDI trust funds.—There shall be transferred from the CSRDF to the OASDI trust funds the excess of—

(i) the amount of the OASDI employer tax that should have been paid with respect to the employee for the period of erroneous coverage involved, over

(ii) the amount of the OASDI employer tax that may be assessed under section 6501 of the Internal Revenue Code of 1986 in connection with such employee,

determined in such manner as the Secretary of the Treasury shall by regulation prescribe.

(B) Rule if CSRDF contributions actually made are less than total government contributions to OASDI and CSRDF that should have been made.—

(i) In general.—If the total Government contributions to the CSRDF that were made with respect to the employee for the period of erroneous coverage involved are less than the amount described in clause (ii), an amount equal to the shortfall shall be made up (in such manner as the Commissioner of Social Security shall prescribe) by the agency in or under which the employee is then employed.

(ii) Description of amount.—The amount described in this clause is the total of—

(I) the amount required to be transferred under subparagraph (A), plus

(II) the amount that should have been contributed by the Government under section 8423 of title 5, United States Code, for such employee with respect to such period.

(iii) Source of payments.—Any amount required to be paid by an agency under clause (i) shall be payable out of any appropriation, fund, or account available to such agency for making Government contributions to the CSRDF or the OASDI trust funds (as appropriate).

(c) Makeup Contributions to the Thrift Savings Fund.—

(1) In general.—An employee to whom this section applies is entitled to have contributed to the Thrift Savings Fund on such employee's behalf, in addition to any regular employee or Government contributions that would be permitted or required for the year in which the contributions under this subsection are made, an amount equal to the sum of—

(A) the amount determined under paragraph (2) with respect to such employee for the period of erroneous coverage involved;

(B) an amount equal to the total contributions that should have been made for such employee under section 8432(c)(1) of title 5, United States Code, for the period of erroneous coverage involved;

(C) an amount equal to the total contributions that should have been made for such employee under section 8432(c)(2) of title 5, United States Code, for the period of erroneous coverage involved (taking into account both the amount referred to in subparagraph (A) and any contributions to the Thrift Savings Fund actually made by such employee with respect to the period involved); and

(D) an amount equal to lost earnings on the amounts referred to in subparagraphs (A) through (C), determined in accordance with paragraph (3).

(2) Amount based on average percentage of pay contributed by employees during period of erroneous coverage.—

(A) In general.—The amount determined under this paragraph with respect to an employee for a period of erroneous coverage shall be equal to the amount of the contributions such employee would have made if, during each calendar year in such period, the employee had contributed the percentage of such employee's basic pay for such year specified in subparagraph (B) (determined disregarding any contributions actually made by such employee with respect to the year involved).

(B) Percentage to be applied.—

(i) In general.—The percentage to be applied under this subparagraph in the case of any employee with respect to a particular year is—

(I) the average percentage of basic pay that was contributed for such year under section 8432(a) of title 5, United States Code, by full-time FERS covered employees who contributed to the Thrift Savings Fund in such year and for whom a salary rate is recorded (as of June 30 of such year) in the central personnel data file maintained by the Office of Personnel Management; or

(II) if such average percentage for the year in question is unavailable, the average percentage for the most recent year prior to the year in question that is available.

(ii) Percentage contributed.—For purposes of clause (i)(I), the percentage of basic pay for each employee included in the average shall be determined by dividing the total employee contributions received into the Thrift Savings Plan account of that employee during such year by the annual salary rate for that employee as recorded in the central personnel data file (referred to in clause (i)(I)) as of June 30 of such year.

(C) Limitations.—In no event may the amount determined under this paragraph for an individual with respect to a year exceed the amount that, if added to the amount of the contributions that were actually made by such individual to the Thrift Savings Fund with respect to such year (if any), would cause the total to exceed—

(i) any limitation under section 415 or any other provision of the Internal Revenue Code of 1986 that would have applied to such employee with respect to such year; or

(ii) any limitation under section 8432(a) or any other provision of title 5, United States Code, that would have applied to such employee with respect to such year.

(3) Lost earnings.—

(A) In general.—Lost earnings on any amounts referred to in subparagraph (A), (B), or (C) of paragraph (1) shall, to the extent those amounts are attributable to contributions that should have been made with respect to a particular year, be determined in the same way as if those amounts had in fact been timely contributed and allocated among the TSP investment funds in accordance with—

(i) the investment fund election that was accepted by the employing agency before the date the contribution should have been made and that was still in effect as of that date; or

(ii) if no such election was then in effect for the employee, the investment fund election attributed to such employee with respect to such year.

(B) Investment fund election attributed.—For purposes of subparagraph (A)(ii), the investment fund election attributed to an employee with respect to a particular year is—

(i) the average percentage allocation of TSP contributions among the TSP investment funds from all sources, with respect to that year, except that the investment fund election attributed to contributions in years prior to 1991 shall be the G Fund; or

(ii) if such average percentage allocation for the year in question is unavailable, the average percentage allocation for the most recent year prior to the year in question that is available.

(C) Definition of investment fund election, etc.—For purposes of this paragraph—

(i) the term "investment fund election" means a choice by a participant concerning how contributions to the Thrift Savings Plan shall be allocated among the TSP investment funds;

(ii) the term "participant" means any person with an account in the Thrift Savings Plan, or who would have an account in the Thrift Savings Plan but for an employing agency error (including an error as described in section 163(b)(2));

(iii) the term "TSP investment funds" means the C Fund, the F Fund, the G Fund, and any other investment fund in the Thrift Savings Plan created after December 27, 1996; and

(iv) the terms "C Fund", "F Fund", and "G Fund" refer to the funds described in paragraphs (1), (3), and (4), respectively, of section 8438(a) of title 5, United States Code.

(4) Makeup contribution to be made in a lump sum.—

(A) In general.—Any amount to which an employee is entitled under this subsection shall be paid promptly by the agency in or under which the electing employee is (as of the date of the election) employed, in a lump sum, upon notification to such agency under subparagraph (B)(ii) as to the amount due.

(B) Board functions.—The regulations under paragraph (6) shall include provisions under which—

(i) each employing agency shall be required to determine and notify the Federal Retirement Thrift Investment Board, in a timely manner, as to any amounts under paragraph (1)(A)-(C) owed by such agency; and

(ii) the Board shall, based on the information it receives from an agency under clause (i), determine lost earnings on those amounts and promptly notify such agency as to the total amounts due from it under this subsection.

(5) Justices and judges; magistrates; etc.—The preceding provisions of this subsection shall not apply in the case of any employee who, pursuant to the election referred to in subsection (a), becomes subject to section 8440a, 8440b, 8440c, or 8440d of title 5, United States Code.

(6) Regulations.—The Executive Director of the Federal Retirement Thrift Investment Board shall prescribe any regulations necessary to carry out this subsection.

SEC. 103. EFFECT OF AN ELECTION TO BE TRANSFERRED FROM CSRS-OFFSET TO FERS TO CORRECT A RETIREMENT COVERAGE ERROR.

(a) Applicability.—This section shall apply in the case of any employee affected by an error described in section 101(a)(2) who elects the option under section 101(b)(1).

(b) Effect of Election.—In the case of an employee described in subsection (a), the following provisions shall apply:

(1) Section 102(b) (relating to disposition of contributions to the CSRDF), but disregarding provisions relating to transfers to OASDI trust funds.

(2) Section 102(c) (relating to makeup contributions to the Thrift Savings Fund).

SEC. 104. EFFECT OF AN ELECTION TO BE TRANSFERRED FROM CSRS TO CSRS-OFFSET TO CORRECT A RETIREMENT COVERAGE ERROR.

(a) Applicability.—This section shall apply in the case of any employee affected by an error described in section 101(a)(1) who elects the option under section 101(b)(2).

(b) Same as in the Case of an Election To Ratify Erroneous CSRS-Offset Coverage.—

(1) In general.—The effect of an election described in subsection (a) shall be as described in section 101(b)(2), except that the provisions of section 102(b) shall also apply.

(2) Appropriate percentages to be used in determining employee and government contributions to CSRDF.—For purposes of paragraph (1), section 102(b) shall be applied by substituting "the relevant provisions of section 8334(k)" for "section 8422" and "section 8423".

SEC. 105. EFFECT OF AN ELECTION TO BE RESTORED (OR TRANSFERRED) TO CSRS-OFFSET AFTER HAVING BEEN CORRECTED TO FERS FROM CSRS-OFFSET (OR CSRS).

(a) Applicability.—This section shall apply in the case of any employee affected by an error described in paragraph (1) or (2) of section 101(a) who (after having been corrected to FERS coverage) elects the option under section 101(c)(1).

(b) Disposition of Contributions to the CSRDF.—

(1) In general.—The provisions of section 102(b) shall apply in the case of an employee described in subsection (a), subject to paragraph (2).

(2) No transfers for amounts already paid into OASDI, etc.—For purposes of paragraph (1), section 102(b) shall be applied in conformance with the following:

(A) No double payments into OASDI.—To the extent that the appropriate OASDI employee or employer tax has already been paid for the total period involved (or any portion thereof), reduce the respective amounts required by paragraphs (1)(A) and (2)(A)(i) of section 102(b) accordingly.

(B) Appropriate percentages to be used in determining employee and government contributions to CSRDF.—Substitute "the relevant provisions of section 8334(k)" for "section 8422" and "section 8423".

(C) Appropriate lump-sum credit to be used.—The appropriate lump-sum credit to be used under this subsection shall be determined in accordance with regulations to be prescribed by the Office of Personnel Management.

(D) Provisions to be applied with respect to the total period involved.—Substitute "total period involved (as defined by section 105)" for "period of erroneous coverage involved".

(c) Disposition of Excess TSP Contributions.—

(1) Government contributions.—All Government contributions made on behalf of the employee to the Thrift Savings Fund that are attributable to the total period involved (including any earnings thereon) shall be forfeited. For the purpose of section 8437(d) of title 5, United States Code, amounts so forfeited shall be treated as if they were amounts forfeited under section 8432(g) of such title.

(2) Employee contributions.—The election referred to in subsection (a) shall not be taken into account for purposes of any determination relating to the disposition of any employee contributions to the Thrift Savings Fund, attributable to the total period

involved, that were in excess of the maximum amount that would have been allowable under applicable provisions of subchapter III of chapter 83 of title 5, United States Code (including any earnings thereon).

(d) DEFINITION OF TOTAL PERIOD INVOLVED.—For purposes of this section, the term "total period involved" means the period beginning on the effective date of the retirement coverage error involved and ending on the day before the date on which the election described in subsection (a) is made.

SEC. 106. EFFECT OF ELECTION TO REMAIN FERS COVERED AFTER HAVING BEEN CORRECTED TO FERS FROM CSRS-OFFSET (OR CSRS).

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in paragraph (1) or (2) of section 101(a) who (after having been corrected to FERS coverage) elects the option under section 101(c)(2).

(b) DISPOSITION OF CONTRIBUTIONS TO THE CSRDF.—The provisions of section 102(b) shall apply in the case of an employee described in subsection (a), subject to the same condition as set forth in section 105(b)(2)(A).

(c) MAKEUP CONTRIBUTIONS TO THE THRIFT SAVINGS FUND.—Section 102(c) shall apply, except that an agency shall receive credit for any automatic or matching Government contributions and any lost earnings paid by such agency as part of any corrections process previously carried out with respect to the employee involved.

Subtitle B—Employee Who Should Have Been FERS Covered, CSRS-Offset Covered, or CSRS Covered, But Who Was Erroneously Social Security-Only Covered Instead

SEC. 111. ELECTIONS.

(a) APPLICABILITY.—This subtitle shall apply in the case of any employee who—

(1) should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead;

(2) should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead; or

(3) should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead.

(b) UNCORRECTED ERROR.—If, at the time of making an election under this section, the retirement coverage error described in paragraph (1), (2), or (3) of subsection (a) (as applicable) has not been corrected, the employee affected by such error may elect—

(1)(A) in the case of an error described in subsection (a)(1), to be FERS covered as well;

(B) in the case of an error described in subsection (a)(2), to be CSRS-Offset covered as well; or

(C) in the case of an error described in subsection (a)(3), to be CSRS covered instead; or

(2) to remain Social Security-Only covered.

(c) CORRECTED ERROR.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, there shall be submitted to the Congress a proposal (including any necessary draft legislation) to carry out the policy described in paragraph (2).

(2) POLICY.—Under the proposal, any employee with respect to whom the retirement coverage error described in paragraph (1), (2), or (3) of subsection (a) (as applicable) has already been corrected, but under terms less advantageous to the employee than would have been the case under this Act, shall be afforded a reasonable opportunity to obtain treatment comparable to the treatment afforded under this Act.

(3) JOINT ACTION.—This subsection shall be carried out by the Director of the Office of Personnel Management, in consultation with the Executive Director of the Federal Retirement Thrift Investment Board and the Commissioner of Social Security.

(d) DEFAULT RULE.—In the case of any employee to whom subsection (b) applies, if the employee is given written notice in accordance with section 201 as to the availability of an election under this section, but does not make any such election within the 6-month period beginning on the date on which such notice is so given, the option under subsection (b)(2) shall be deemed to have been elected on the last day of such period.

(e) RETROACTIVE EFFECT.—An election under this section (including an election by default, and an election to remain covered by the retirement system by which the electing individual is covered as of the date of the election) shall be effective retroactive to the effective date of the retirement coverage error (as referred to in subsection (a)) to which such election relates.

SEC. 112. EFFECT OF AN ELECTION TO BECOME FERS COVERED TO CORRECT THE RETIREMENT COVERAGE ERROR.

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in section 111(a)(1) who elects the option under section 111(b)(1)(A).

(b) MAKEUP CONTRIBUTIONS TO THE CSRDF.—Upon notification that an employee has made an election under this section, the agency in or under which such employee is employed shall promptly pay to the CSRDF, in a lump sum, an amount equal to the sum of—

(1) the amount that should have been deducted and withheld from the pay of the employee for the period of erroneous coverage involved under section 8422 of title 5, United States Code; and

(2) the Government contributions that should have been paid for the period of erroneous coverage involved under section 8423 of title 5, United States Code.

(c) MAKEUP CONTRIBUTIONS TO THE THRIFT SAVINGS FUND.—Section 102(c) shall apply in the case of an employee described in subsection (a).

SEC. 113. EFFECT OF AN ELECTION TO BECOME CSRS-OFFSET COVERED TO CORRECT THE RETIREMENT COVERAGE ERROR.

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in section 111(a)(2) who elects the option under section 111(b)(1)(B).

(b) MAKEUP CONTRIBUTIONS TO THE CSRDF.—Upon notification that an employee has made an election under this section, the agency in or under which such employee is employed shall promptly pay to the CSRDF, in a lump sum, an amount equal to the sum of—

(1) the amount that should have been deducted and withheld from the pay of the employee for the period of erroneous coverage involved under section 8334 of title 5, United States Code; and

(2) the Government contributions that should have been paid under section 8334 of title 5, United States Code, for the period of erroneous coverage involved.

(c) MAKEUP CONTRIBUTIONS TO THE THRIFT SAVINGS FUND.—

(1) IN GENERAL.—Makeup contributions to the Thrift Savings Fund shall be made by the employing agency in the same manner as described in section 102(c) (but disregarding subparagraphs (B) and (C) of paragraph (1) thereof, and the other provisions of section 102(c) to the extent that they relate to those subparagraphs).

(2) APPROPRIATE PERCENTAGES, ETC. TO BE USED.—For purposes of paragraph (1), section 102(c) shall be applied—

(A) by substituting "section 8351(b)" for "section 8432(a)" and by substituting "CSRS covered and CSRS-Offset covered" for "FERS covered" in paragraph (2)(B)(i) thereof; and

(B) by substituting "section 8351(b)(2)" for "section 8432(a)" in paragraph (2)(C)(ii) thereof.

SEC. 114. EFFECT OF AN ELECTION TO BECOME CSRS COVERED TO CORRECT THE RETIREMENT COVERAGE ERROR.

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in section 111(a)(3) who elects the option under section 111(b)(1)(C).

(b) MAKEUP CONTRIBUTIONS TO THE CSRDF.—

(1) IN GENERAL.—Upon notification that an employee has made an election under this section, the agency in or under which such employee is employed shall promptly pay to the CSRDF, in a lump sum, an amount equal to the sum of—

(A) the amount that should have been deducted and withheld from the pay of the employee for the period of erroneous coverage involved under section 8334 of title 5, United States Code; and

(B) the Government contributions that should have been paid under such section for the period of erroneous coverage involved.

(2) AGENCY TO BE REIMBURSED FOR CERTAIN AMOUNTS.—

(A) IN GENERAL.—The employee for whom the payment under paragraph (1) is made shall repay to the agency (referred to in paragraph (1)) an amount equal to the OASDI employee taxes refunded or refundable to such employee for any portion of the period of erroneous coverage involved (computed in such manner as the Director of the Office of Personnel Management, with the concurrence of the Secretary of the Treasury, shall by regulation prescribe), not to exceed the amount described in paragraph (1)(A).

(B) RIGHT OF RECOVERY; WAIVER.—If the employee fails to repay the amount required under subparagraph (A), a sum equal to the amount outstanding is recoverable by the Government from the employee (or the employee's estate, if applicable) by—

(i) setoff against accrued pay, compensation, amount of retirement credit, or another amount due the employee from the Government; and

(ii) such other method as is provided by law for the recovery of amounts owing to the Government.

The head of the agency concerned may waive, in whole or in part, a right of recovery under this paragraph if it is shown that recovery would be against equity and good conscience or against the public interest.

(C) TREATMENT OF AMOUNTS REPAID OR RECOVERED.—Any amount repaid by, or recovered from, an individual (or an estate) under this paragraph shall be credited to the appropriation account from which the amount involved was originally paid.

(c) MAKEUP CONTRIBUTIONS TO THE THRIFT SAVINGS FUND.—In the case of an employee described in subsection (a), makeup contributions to the Thrift Savings Fund shall be made in the same manner as described in section 113(c).

Subtitle C—Employee Who Should Have Been Social Security-Only Covered, But Who Was Erroneously FERS Covered, CSRS-Offset Covered, or CSRS Covered Instead

SEC. 121. UNCORRECTED ERROR: EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, BUT WHO IS ERRONEOUSLY FERS COVERED INSTEAD.

(a) IN GENERAL.—Except as provided in section 125, this section shall apply in the case of any employee who should be Social Security-Only covered but, as a result of a retirement coverage error, is FERS covered instead.

(b) AUTOMATIC EXCLUSION FROM FERS.—An employee described in subsection (a) shall not, by reason of the retirement coverage error described in subsection (a), be eligible to be treated as an individual who is FERS covered.

(c) DISPOSITION OF EMPLOYEE CONTRIBUTIONS TO THE CSRDF.—There shall be paid to the employee, from the CSRDF, any lump-sum credit to which such employee would be entitled under section 8424 of title 5, United States Code, to the extent attributable to the period of erroneous coverage involved.

(d) DISPOSITION OF TSP CONTRIBUTIONS.—

(1) GOVERNMENT CONTRIBUTIONS.—All Government contributions made on behalf of the employee to the Thrift Savings Fund that are attributable to the period of erroneous coverage involved (including any earnings thereon) shall be forfeited in the same manner as described in section 105(c).

(2) EMPLOYEE CONTRIBUTIONS.—Notwithstanding any other provision of this section or any other provision of law, any contributions made by the employee to the Thrift Savings Fund during the period of erroneous coverage involved (including any earnings thereon) shall be treated as if such employee had then been correctly covered.

SEC. 122. UNCORRECTED ERROR: EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, BUT WHO IS ERRONEOUSLY CSRS-OFFSET COVERED INSTEAD.

(a) IN GENERAL.—Except as provided in section 125, this section shall apply in the case of any employee who should be Social Security-Only covered but, as a result of a retirement coverage error, is CSRS-Offset covered instead.

(b) AUTOMATIC EXCLUSION FROM CSRS-OFFSET.—An employee described in subsection (a) shall not, by reason of the retirement coverage error described in subsection (a), be eligible to be treated as an individual who is CSRS-Offset covered.

(c) DISPOSITION OF EMPLOYEE CONTRIBUTIONS TO THE CSRDF.—There shall be paid to the employee, from the CSRDF, the lump-sum credit to which such employee would be entitled under section 8342 of title 5, United States Code, to the extent attributable to the period of erroneous coverage involved.

(d) DISPOSITION OF TSP CONTRIBUTIONS.—In the case of an employee described in subsection (a), section 121(d)(2) shall apply.

SEC. 123. UNCORRECTED ERROR: EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, BUT WHO IS ERRONEOUSLY CSRS COVERED INSTEAD.

(a) IN GENERAL.—Except as provided in section 125, this section shall apply in the case of any employee who should be Social Security-Only covered but, as a result of a retirement coverage error, is CSRS covered instead.

(b) AUTOMATIC EXCLUSION FROM CSRS.—An employee described in subsection (a) shall not, by reason of the retirement coverage error described in subsection (a), be eligible to be treated as an individual who is CSRS covered.

(c) DISPOSITION OF CONTRIBUTIONS TO THE CSRDF.—

(1) IN GENERAL.—In the case of an employee described in subsection (a), section 102(b) shall apply.

(2) IRRELEVANT PROVISIONS TO BE DISREGARDED.—For purposes of paragraph (1), section 102(b) shall be applied disregarding the provisions of paragraphs (1)(B)(ii)(II) (to the extent they relate to amounts that should have been deducted under section 8422 of title 5, United States Code) and (2)(B)(ii)(II) thereof.

(d) DISPOSITION OF TSP CONTRIBUTIONS.—In the case of an employee described in subsection (a), section 121(d)(2) shall apply.

SEC. 124. CORRECTED ERROR: SITUATIONS UNDER SECTIONS 121–123.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, there shall be submitted to the Congress a proposal (including any necessary draft legislation) to carry out the policy described in subsection (b).

(b) POLICY.—Under the proposal, any employee with respect to whom the applicable retirement coverage error (referred to in section 121, 122, or 123, as applicable) has already been corrected, but under terms less advantageous to the employee than would have been the case under this Act, shall be afforded a reasonable opportunity to obtain treatment comparable to the treatment afforded under this Act.

(c) JOINT ACTION.—This section shall be carried out by the Director of the Office of Personnel Management, in consultation with the Executive Director of the Federal Retirement Thrift Investment Board and the Commissioner of Social Security.

SEC. 125. VESTED EMPLOYEES EXCEPTED FROM AUTOMATIC EXCLUSION.

(a) IN GENERAL.—Nothing in this subtitle shall, by reason of any retirement coverage error, result in the automatic exclusion of any employee from FERS, CSRS-Offset, or CSRS if, as of the date on which notice of such error is given (in accordance with section 201), such employee's rights have vested under the retirement system involved.

(b) VESTING.—For purposes of this section, vesting of rights shall be considered to have occurred if the employee has (by the date as of which the determination is made) completed at least 5 years of civilian service, taking into account only creditable service under section 8332 or 8411 of title 5, United States Code.

(c) ELECTIONS.—

(1) ERRONEOUSLY FERS COVERED.—Any employee affected by an error described in section 121 who is determined under this section to satisfy subsection (b) may elect—

(A) to be treated in accordance with section 121; or

(B) to remain FERS covered.

(2) OTHER CASES.—Any employee affected by an error described in section 122 or 123 who is determined under this section to satisfy subsection (b) may elect—

(A) to be treated in accordance with section 122 or 123 (as applicable); or

(B) to remain (or instead become) CSRS-Offset covered.

(d) EFFECT OF AN ELECTION TO BE TRANSFERRED FROM CSRS TO CSRS-OFFSET.—In the case of an employee affected by an error described in section 123 who elects the option under subsection (c)(2)(B), the effect of the election shall be the same as described in section 104.

(e) DEFAULT RULE.—If the employee does not make any election within the 6-month period beginning on the date on which the appropriate notice is given to such employee, the option under paragraph (1)(B) or (2)(B) of subsection (c), as applicable, shall be deemed to have been elected as of the last day of such period. Nothing in this section shall be considered to afford an employee the option of becoming or remaining CSRS covered.

(f) RETROACTIVE EFFECT.—An election under this section (including an election by default, and an election to remain covered by the retirement system by which the electing individual is covered as of the date of the election) shall be effective retroactive to the effective date of the retirement coverage error to which the election relates.

(g) SPECIAL RULE IN CASE OF DISABILITY.—If, as of the date referred to in subsection (a), the employee is entitled to receive an annuity under chapter 83 or 84 of title 5, United States Code, based on disability, or compensation under subchapter I of chapter 81 of such title for injury to, or disability of, such employee, subsections (a) and (b) shall be applied by substituting (for the date that would otherwise apply) the date as of which entitlement to such annuity or compensation terminates (if at all).

(h) NOTIFICATION.—Any notice under section 201 shall include such additional information or other modifications as the Office of Personnel Management may by regulation prescribe in connection with the situations covered by this subtitle, particularly as they relate to the consequences of being vested or not being vested.

Subtitle D—Employee Who Should Have Been CSRS Covered or CSRS-Offset Covered, But Who Was Erroneously FERS Covered Instead

SEC. 131. ELECTIONS.

(a) APPLICABILITY.—This subtitle shall apply in the case of any employee who—

(1) should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) FERS covered instead; or

(2) should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) FERS covered instead.

(b) UNCORRECTED ERROR.—If, at the time of making an election under this section, the retirement coverage error described in paragraph (1) or (2) of subsection (a) (as applicable) has not been corrected, the employee affected by such error may elect—

(1)(A) in the case of an error described in subsection (a)(1), to be CSRS covered instead; or

(B) in the case of an error described in subsection (a)(2), to be CSRS-Offset covered instead; or

(2) to remain FERS covered.

(c) CORRECTED ERROR.—If, at the time of making an election under this section, the retirement coverage error described in paragraph (1) or (2) of subsection (a) (as applicable) has been corrected, the employee affected by such error may elect—

(1) to be FERS covered instead; or

(2)(A) in the case of an error described in subsection (a)(1), to remain CSRS covered; or

(B) in the case of an error described in subsection (a)(2), to remain CSRS-Offset covered.

(d) DEFAULT RULE.—If the employee is given written notice in accordance with section 201 as to the availability of an election under this section, but does not make any such election within the 6-month period beginning on the date on which such notice is so given, the option under subsection (b)(2) or (c)(2), as applicable, shall be deemed to have been elected on the last day of such period.

(e) RETROACTIVE EFFECT.—An election under this section (including an election by default, and an election to remain covered by the retirement system by which the electing individual is covered as of the date of the election) shall be effective retroactive to the effective date of the retirement coverage error (as referred to in subsection (a)) to which such election relates.

SEC. 132. EFFECT OF AN ELECTION TO BE TRANSFERRED FROM FERS TO CSRS TO CORRECT A RETIREMENT COVERAGE ERROR.

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in section 131(a)(1) who elects the option available to such employee under section 131(b)(1)(A).

(b) MAKEUP CONTRIBUTIONS TO THE CSRDF.—

(1) IN GENERAL.—Upon notification that an employee has made an election under this section, the agency in or under which such employee is employed shall promptly pay to the CSRDF, in a lump sum, an amount equal to the excess of—

(A) the amount by which—

(i) the amount that should have been deducted and withheld from the pay of the employee for the period of erroneous coverage involved under section 8334 of title 5, United States Code, exceeds

(ii) the amount that was actually deducted and withheld from the pay of the employee for the period of erroneous coverage involved under section 8422 of such title (and not refunded), over

(B) the amount by which—

(i) the amount of the Government contributions actually made under section 8423 of such title with respect to the employee for the period of erroneous coverage involved, exceeds

(ii) the amount of the Government contributions that should have been made under section 8334 of such title with respect to the employee for the period of erroneous coverage involved.

(2) AGENCY TO BE REIMBURSED FOR CERTAIN AMOUNTS.—

(A) IN GENERAL.—The employee for whom the payment under paragraph (1) is made shall repay to the agency (referred to in paragraph (1)) an amount equal to the OASDI employee taxes refunded or refundable to such employee for any portion of the period of erroneous coverage involved (computed in such manner as the Director of the Office of Personnel Management, with the concurrence of the Commissioner of Social Security, shall by regulation prescribe), not to exceed the amount described in paragraph (1)(A).

(B) RIGHT OF RECOVERY; WAIVER.—If the employee fails to repay the amount required under subparagraph (A), a sum equal to the amount outstanding is recoverable by the Government from the employee (or the employee's estate, if applicable) by—

(i) setoff against accrued pay, compensation, amount of retirement credit, or another amount due the employee from the Government; and

(ii) such other method as is provided by law for the recovery of amounts owing to the Government.

The head of the agency concerned may waive, in whole or in part, a right of recovery under this paragraph if it is shown that recovery would be against equity and good conscience or against the public interest.

(C) TREATMENT OF AMOUNTS REPAID OR RECOVERED.—Any amount repaid by, or recovered from, an individual (or an estate) under this paragraph shall be credited to the appropriation, fund, or account from which the amount involved was originally paid.

(c) DISPOSITION OF EXCESS TSP CONTRIBUTIONS.—Section 105(c) shall apply in the case of an employee described in subsection (a).

SEC. 133. EFFECT OF AN ELECTION TO BE TRANSFERRED FROM FERS TO CSRS-OFFSET TO CORRECT A RETIREMENT COVERAGE ERROR.

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in section 131(a)(2) who elects the option available to such employee under section 131(b)(1)(B).

(b) EFFECT.—The effect of an election referred to in subsection (a) shall be substantially the same as that described in section 105.

SEC. 134. EFFECT OF AN ELECTION TO BE RESTORED TO FERS AFTER HAVING BEEN CORRECTED TO CSRS.

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in section 131(a)(1) who elects the option under section 131(c)(1).

(b) EFFECT.—The effect of an election referred to in subsection (a) shall be substantially the same as that described in section 102.

SEC. 135. EFFECT OF AN ELECTION TO BE RESTORED TO FERS AFTER HAVING BEEN CORRECTED TO CSRS-OFFSET.

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in section 131(a)(2) who elects the option under section 131(c)(1).

(b) EFFECT.—The effect of an election referred to in subsection (a) shall be substantially the same as that described in section 103.

SEC. 136. DISQUALIFICATION OF CERTAIN INDIVIDUALS TO WHOM SAME ELECTION WAS PREVIOUSLY AVAILABLE.

Notwithstanding any other provision of this subtitle, an election under this subtitle shall not be available in the case of any individual to whom an election under section 846.204 of title 5 of the Code of Federal Regulations (as in effect as of January 1, 1997) was made available in connection with the same error pursuant to notification provided in accordance with such section.

Subtitle E—Employee Who Should Have Been CSRS-Offset Covered, But Who Was Erroneously CSRS Covered Instead

SEC. 141. AUTOMATIC TRANSFER TO CSRS-OFFSET.

(a) APPLICABILITY.—This subtitle shall apply in the case of any employee who should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) CSRS covered instead.

(b) UNCORRECTED ERROR.—If the error has not been corrected, the employee shall be treated in the same way as if such employee had instead been CSRS-Offset covered, effective retroactive to the effective date of such error.

(c) CORRECTED ERROR.—If the error has been corrected, the correction shall (to the extent not already carried out) be made effective retroactive to the effective date of such error.

SEC. 142. EFFECT OF TRANSFER.

The effect of a transfer under section 141 shall be as set forth in regulations which the Office of Personnel Management shall prescribe consistent with section 104.

Subtitle F—Employee Who Should Have Been CSRS Covered, But Who Was Erroneously CSRS-Offset Covered Instead

SEC. 151. ELECTIONS.

(a) APPLICABILITY.—This subtitle shall apply in the case of any employee who should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) CSRS-Offset covered instead.

(b) UNCORRECTED ERROR.—If, at the time of making an election under this section, the retirement coverage error described in subsection (a) has not been corrected, the employee affected by such error may elect—

(1) to be CSRS covered instead; or

(2) to remain CSRS-Offset covered.

(c) CORRECTED ERROR.—If, at the time of making an election under this section, the retirement coverage error described in subsection (a) has been corrected, the employee affected by such error may elect—

(1) to be CSRS-Offset covered instead; or

(2) to remain CSRS covered.

(d) DEFAULT RULE.—If the employee is given written notice in accordance with section 201 as to the availability of an election under this section, but does not make any such election within the 6-month period beginning on the date on which such notice is so given, the option under subsection (b)(2) or (c)(2), as applicable, shall be deemed to have been elected on the last day of such period.

(e) RETROACTIVE EFFECT.—An election under this section (including an election by default, and an election to remain covered by the retirement system by which the electing individual is covered as of the date of the election) shall be effective retroactive to the effective date of the retirement coverage error (as referred to in subsection (a)) to which such election relates.

SEC. 152. EFFECT OF AN ELECTION TO BE TRANSFERRED FROM CSRS-OFFSET TO CSRS TO CORRECT THE RETIREMENT COVERAGE ERROR.

(a) APPLICABILITY.—This section shall apply in the case of any employee affected by an error described in section 151(a) who elects the option available to such employee under section 151(b)(1).

(b) MAKEUP CONTRIBUTIONS TO THE CSRDF.—

(1) IN GENERAL.—Upon notification that an employee has made an election under this section, the agency in or under which such employee is employed shall promptly pay to the CSRDF, in a lump sum, an amount equal to the amount by which—

(A) the amount that should have been deducted and withheld from the pay of the employee for the period of erroneous coverage involved under section 8334 of title 5, United States Code (by virtue of being CSRS covered), exceeds

(B) any amounts actually deducted and withheld from the pay of the employee for the period of erroneous coverage involved under such section (pursuant to CSRS-Offset coverage).

(2) AGENCY TO BE REIMBURSED FOR CERTAIN AMOUNTS.—

(A) IN GENERAL.—The employee for whom the payment under paragraph (1) is made shall repay to the agency (referred to in paragraph (1)) an amount equal to the OASDI employee taxes refunded or refundable to such employee for any portion of the period of erroneous coverage involved (computed in such manner as the Director of the Office of Personnel Management, with the concurrence of the Commissioner of Social Security, shall by regulation prescribe), not to exceed the amount described in paragraph (1)(A).

(B) Right of recovery; waiver.—If the employee fails to repay the amount required under subparagraph (A), a sum equal to the amount outstanding is recoverable by the Government from the employee (or the employee's estate, if applicable) by—

(i) setoff against accrued pay, compensation, amount of retirement credit, or another amount due the employee from the Government; and

(ii) such other method as is provided by law for the recovery of amounts owing to the Government.

The head of the agency concerned may waive, in whole or in part, a right of recovery under this paragraph if it is shown that recovery would be against equity and good conscience or against the public interest.

(C) Treatment of amounts repaid or recovered.—Any amount repaid by, or recovered from, an individual (or an estate) under this paragraph shall be credited to the appropriation, fund, or account from which the amount involved was originally paid.

(3) Deposit to be based on amount of refund actually received.—For purposes of applying sections 8334(d)(1) and 8339(i) of title 5, United States Code, in the case of an employee described in subsection (a) who has received a refund of deductions that are attributable to a period when the employee was erroneously CSRS-Offset covered, nothing in either of those sections shall be considered to require that, in order to receive credit for that period as a CSRS-covered employee, a deposit be made in excess of the refund actually received for such period, plus interest.

SEC. 153. EFFECT OF AN ELECTION TO BE RESTORED TO CSRS-OFFSET AFTER HAVING BEEN CORRECTED TO CSRS.

(a) Applicability.—This section shall apply in the case of any employee affected by an error described in section 151(a) who elects the option available to such employee under section 151(c)(1).

(b) Disposition of Contributions to the CSRDF.—In the case of an employee described in subsection (a), the provisions of section 102(b) shall apply, except that, in applying such provisions—

(1) "the applicable provisions of section 8334" shall be substituted for "section 8422" in paragraph (1)(B)(ii)(II) thereof; and

(2) "the applicable provisions of section 8334" shall be substituted for "section 8423" in paragraph (2)(B)(ii)(II) thereof.

Subtitle G—Additional Provisions Relating to Government Agencies

SEC. 161. REPAYMENT REQUIRED IN CERTAIN SITUATIONS.

(a) In General.—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error shall not be entitled to make an election under this Act unless repayment of the amount so received by such individual is waived in whole or in part by the Office of Personnel Management, and any amount not waived is repaid.

(b) Regulations.—Any repayment under this section shall be made in accordance with regulations prescribed by the Office.

SEC. 162. EQUITABLE SHARING OF AMOUNTS PAYABLE FROM THE GOVERNMENT IF MORE THAN ONE AGENCY INVOLVED.

The Office of Personnel Management shall by regulation prescribe rules under which, in the case of an employee who has been employed in or under more than 1 agency since the date of the retirement coverage error involved (and before its rectification under this Act), any contributions or other amounts required to be paid from the then current employing agency (other than lost earnings under section 163(a)(2)) shall be equitably allocated between or among the appropriate agencies.

SEC. 163. PROVISIONS RELATING TO THE ORIGINAL RESPONSIBLE AGENCY.

(a) Obligations of the Original Responsible Agency.—

(1) Expenses for services of financial advisor.—The Office of Personnel Management shall by regulation prescribe rules under which, in the case of any employee eligible to make an election under this Act, the original responsible agency (as determined under succeeding provisions of this section) shall pay (or make reimbursement for) any reasonable expenses incurred by such employee for services received from any licensed financial or legal consultant or advisor in connection with such election.

(2) Special rule.—Such regulations shall also include provisions to ensure that, to the extent lost earnings under the Thrift Savings Fund are involved in connection with a particular error, the original responsible agency shall pay (or reimburse any other agency that pays) any amounts to the Thrift Savings Fund representing lost earnings with respect to such error.

(b) Original Responsible Agency Defined.—For purposes of this Act, the term "original responsible agency", with respect to a retirement coverage error affecting an employee, means—

(1) except in the situation described in paragraph (2), the agency determined by the Office of Personnel Management to have made the initial retirement coverage error (including one made before January 1, 1984); or

(2) if the error is attributable, in whole or in part, to an erroneous regulation promulgated by the Office of Personnel Management, such Office.

(c) Procedures for Identifying the Original Responsible Agency.—

(1) In general.—For purposes of this section, the original responsible agency, in any situation to which this section applies, shall be identified by the Office of Personnel Management in accordance with regulations which the Office shall prescribe.

(2) Finality.—A determination made by the Office under this subsection shall be final and not subject to any review.

(d) If Original Responsible Agency No Longer Exists.—If the agency which (before the application of this subsection) is identified as the original responsible agency no longer exists (whether because of a reorganization or otherwise)—

(1) the successor agency (as determined under regulations prescribed by the Office) shall be treated as the original responsible agency; or

(2) if none, this section shall be applied by substituting the CSRDF for the original responsible agency.

(e) Source of Payments If Error Due to Erroneous OPM Regulations.—In any case in which the Office of Personnel Management is the original responsible agency by reason of subsection (b)(2), any amounts payable from the Office under this section shall be payable from the CSRDF.

TITLE II—GENERAL PROVISIONS

SEC. 201. IDENTIFICATION AND NOTIFICATION REQUIREMENTS.

(a) In General.—The Office of Personnel Management shall prescribe regulations under which Government agencies shall take such measures as may be necessary to ensure that all individuals who are (or have been) affected by a retirement coverage error giving rise to any election or automatic change in retirement coverage under this Act shall be promptly identified and notified in accordance with this section.

(b) Matter To Be Included in Notice to Individuals.—Any notice furnished under this section shall be made in writing and shall include at least the following:

(1) Description of error.—A description of the error involved, including a clear and concise explanation as to why the original retirement coverage determination was erroneous, citations to (and a summary description of) the pertinent provisions of law, and how that determination should instead have been made.

(2) Method for rectification.—How the error is to be rectified under this Act, including whether rectification will be achieved through an automatic change in retirement coverage (and, if so, the time, form, and manner in which that change will be effected) or an election.

(3) Election procedures, etc.—If an election is provided under this Act, all relevant information as to how such an election may be made, the options available, the differences between those respective options (as further specified in succeeding provisions of this subsection), and the consequences of failing to make a timely election.

(4) Accrued benefits, etc.—With respect to the (or each) retirement system by which the individual is then covered (disregarding the Thrift Savings Plan), and to the extent applicable:

(A) A brief summary of any benefits accrued.

(B) The amount of employee contributions made to date and the effect of any applicable disposition rules relating thereto (including provisions relating to excess amounts or shortfalls).

(C) The amount of any Government contributions made to date and the effect of any applicable disposition rules relating thereto (including provisions relating to excess amounts or shortfalls).

(5) Thrift savings fund.—With respect to the Thrift Savings Fund, the balance that then is (or would be) credited to the individual's account depending on the option chosen, with any such balance to be shown both in the aggregate and broken down by—

(A) individual contributions,

(B) automatic (1 percent) Government contributions, and

(C) matching Government contributions,

including lost earnings on each and the extent to which any makeup contributions or forfeitures would be involved.

(6) OASDI benefits.—Such information regarding benefits under title II of the Social Security Act as the Commissioner of Social Security considers appropriate.

(7) Other information.—Any other information that the Director of the Office of Personnel Management may by regulation prescribe after consultation with the Executive Director of the Federal Retirement Thrift Investment Board and such other agency heads as the Director considers appropriate, including any appeal rights available to the individual.

(c) Comparisons.—Any amounts required to be included under subsection (b)(4) shall, with respect to the respective retirement systems involved, be determined—

(1) as of the date the retirement coverage error was corrected (if applicable);

(2) as of the then most recent date for which those benefits and amounts are ascertainable, assuming no change in retirement coverage; and

(3) as of the then most recent date for which those benefits and amounts are ascertainable, assuming the alternative option is chosen.

(d) Past Errors.—All measures required under this section shall, with respect to errors preceding the date specified in section 206(e) (relating to the effective date for all regulations prescribed under this Act), be completed no later than December 31, 2001.

SEC. 202. INDIVIDUAL APPEAL RIGHTS.

(a) In General.—An individual aggrieved by a final determination under this Act shall be entitled to appeal such determination to the Merit Systems Protection Board under section 7701 of title 5, United States Code.

(b) Notification Appeals.—The Office of Personnel Management shall by regulation establish procedures under which individuals may bring an appeal to the Office with respect to any failure to have been properly notified in accordance with section 201. A final determination under this subsection shall be appealable under subsection (a).

SEC. 203. INFORMATION TO BE FURNISHED BY GOVERNMENT AGENCIES TO AUTHORITIES ADMINISTERING THIS ACT.

(a) Applicability.—The authorities identified in this subsection are:

(1) The Director of the Office of Personnel Management.

(2) The Commissioner of Social Security.

(3) The Executive Director of the Federal Retirement Thrift Investment Board.

(b) Authority To Obtain Information.—Each authority identified in subsection (a) may secure directly from any department or agency of the United States information necessary to enable such authority to carry out its responsibilities under this Act. Upon request of the authority involved, the head of the department or agency involved shall furnish that information to the requesting authority.

(c) Limitation; Safeguards.—Each of the respective authorities under subsection (a)—

(1) shall request only such information as that authority considers necessary; and

(2) shall establish, by regulation or otherwise, appropriate safeguards to ensure that any information obtained under this section shall be used only for the purpose authorized.

SEC. 204. SOCIAL SECURITY RECORDS.

Notwithstanding any limitations in section 205 of the Social Security Act regarding the modification of wage records maintained by the Commissioner of Social Security for purposes of title II of such Act, the Commissioner of Social Security shall modify the wage record of each employee affected by a retirement coverage error to change, add, or delete any entry regarding service as an employee to the extent necessary to carry out the purposes of this Act or the Social Security Act.

SEC. 205. CONFORMING AMENDMENTS RESPECTING SOCIAL SECURITY COVERAGE AND OASDI TAXES.

(a) Social Security Coverage.—Section 210(a)(5)(H) of the Social Security Act (42 U.S.C. 410(a)(5)(H)) is amended—

(1) in clause (i) by striking "or" at the end;

(2) in clause (ii) by striking the semicolon and inserting ", or"; and

(3) by adding at the end the following:

"(iii)(I) described in section 111(a)(3) of the Federal Retirement Coverage Corrections Act, on or after the effective date of an election (or deemed election) by such individual under section 111(b)(2) of such Act,

"(II) described in section 131(a)(1) of such Act, on or after the effective date of an election (or deemed election) by such individual under subsection (b)(2) or (c)(1) of section 131 of such Act, or

"(III) described in section 151(a) of such Act, on or after the effective date of an election (or deemed election) by such individual under subsection (b)(2) or (c)(1) of section 151 of such Act;".

(b) OASDI Taxes.—Section 3121(b)(5)(H) of the Internal Revenue Code of 1986 is amended—

(1) in clause (i) by striking "or" at the end;

(2) in clause (ii) by striking the semicolon and inserting ", or"; and

(3) by adding at the end the following:

"(iii)(I) described in section 111(a)(3) of the Federal Retirement Coverage Corrections Act, on or after the effective date of an election (or deemed election) by such individual under section 111(b)(2) of such Act,

"(II) described in section 131(a)(1) of such Act, on or after the effective date of an election (or deemed election) by such individual under subsection (b)(2) or (c)(1) of section 131 of such Act, or

"(III) described in section 151(a) of such Act, on or after the effective date of an election (or deemed election) by such individual under subsection (b)(2) or (c)(1) of section 151 of such Act;".

SEC. 206. REGULATIONS.

(a) In General.—Any regulations necessary to carry out this Act shall be prescribed by the Director of the Office of Personnel Management, the Executive Director of the Federal Retirement Thrift Investment Board, the Commissioner of Social Security, the Secretary of the Treasury, and any other appropriate authority, with respect to matters within their respective areas of jurisdiction.

(b) Matters To Be Included.—The regulations prescribed by the Director of the Office of Personnel Management shall include at least the following:

(1) Former employees, annuitants, and survivor annuitants.—

(A) In general.—Provisions under which, to the maximum extent practicable and in appropriate circumstances, any election available to an employee under subtitle A, B, D, or F of title I shall be available to a former employee, annuitant, or survivor annuitant.

(B) Subtitle c situations.—Provisions under which subtitle C of title I shall apply in the case of a former employee.

(C) Subtitle e situations.—Provisions under which the purposes of this paragraph shall be carried with respect to any situation under subtitle E of title I.

(2) Former spouses.—Provisions under which appropriate notification shall be afforded to any former spouse affected by a change in retirement coverage pursuant to this Act.

(3) Procedural requirements.—Provisions establishing the procedural requirements in accordance with which any determinations under this Act (not otherwise addressed in this Act) shall be made, in conformance with the requirements of this Act.

(4) Authority to make actuarial reduction in annuity by reason of certain unpaid amounts.—Provisions under which any payment required to be made by an individual to the Government in order to make an election under this Act which remains unpaid may be made by a reduction in the appropriate annuity or survivor annuity. The reduction shall, to the extent practicable, be designed so that the present value of the future reduction is actuarially equivalent to the amount so required.

(c) Definitions.—For purposes of this section—

(1) the term "annuitant" means any individual who is an annuitant as defined by section 8331(9) or 8401(2) of title 5, United States Code; and

(2) the term "former employee" includes any former employee who satisfies the service requirement for title to a deferred annuity under chapter 83 or 84 of such title 5 (as applicable), but—

(A) has not attained the minimum age required for title to such an annuity; or

(B) has not filed claim therefor.

(d) Coordination Rule.—In prescribing regulations to carry out this Act, the Director of the Office of Personnel Management shall consult with—

(1) the Administrative Office of the United States Courts;

(2) the Clerk of the House of Representatives;

(3) the Sergeant at Arms and Doorkeeper of the Senate; and

(4) other appropriate officers or authorities.

(e) Effective Date.—All regulations necessary to carry out this Act shall take effect as of the first day of the first month beginning after the end of the 6-month period beginning on the date of enactment of this Act.

SEC. 207. ALL ELECTIONS TO BE APPROVED BY OPM.

Notwithstanding any other provision of this Act, no election under this Act (other than an election by default) may be given effect until the Office of Personnel Management has determined, in writing, that such election is in compliance with the requirements of this Act.

SEC. 208. ADDITIONAL TRANSFERS TO OASDI TRUST FUNDS IN CERTAIN CASES.

If the Commissioner of Social Security determines that the payment of the OASDI taxes described in this Act did not result in a credit to the OASDI trust funds of an equal amount, the Commissioner of Social Security shall notify the Secretary of the Treasury of the amount of any shortfall. Promptly upon receiving such notification, the Secretary of the Treasury shall transfer an amount equal to such shortfall from the general fund of the Treasury to the OASDI trust funds.

SEC. 209. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Amendment Relating to Limitation on Sources From Which Contributions to the Thrift Savings Fund Are Allowed.—Section 8432(h) of title 5, United States Code, is amended by striking "title." and inserting "title or the Federal Retirement Coverage Corrections Act.".

(b) Description of Amounts Comprising the Thrift Savings Fund.—Section 8437(b) of title 5, United States Code, is amended by striking "expenses)." and inserting "expenses), as well as contributions under the Federal Retirement Coverage Corrections Act (and lost earnings made up under such Act).".

(c) Administrative Expenses.—

(1) Thrift savings plan.—Section 8437(d) of title 5, United States Code, is amended by inserting "(including the provisions of the Federal Retirement Coverage Corrections Act that relate to this subchapter)" after "this subchapter".

(2) CSRS, csrs-offset, fers.—Section 8348(a)(2) of title 5, United States Code, is

amended by striking "statutes;" and inserting "statutes (including the provisions of the Federal Retirement Coverage Corrections Act that relate to this subchapter);".

(3) MSPB.—Section 8348(a)(3) of title 5, United States Code, is amended by striking "title." and inserting "title and the Federal Retirement Coverage Corrections Act.".

TITLE III—OTHER PROVISIONS

SEC. 301. PROVISIONS TO PERMIT CONTINUED CONFORMITY OF OTHER FEDERAL RETIREMENT SYSTEMS.

(a) FOREIGN SERVICE.—The Secretary of State shall issue regulations to provide for the application of the provisions of this Act in a like manner with respect to participants, annuitants, or survivors under the Foreign Service Retirement and Disability System or the Foreign Service Pension System (as applicable), except that—

(1) any individual aggrieved by a final determination shall appeal such determination to the Foreign Service Grievance Board instead of the Merit Systems Protection Board under section 202; and

(2) the Secretary of State shall perform the functions and exercise the authority vested in the Office of Personnel Management or the Director of the Office of Personnel Management under this Act.

(b) CENTRAL INTELLIGENCE AGENCY.—Sections 292 and 301 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2141 and 2151) shall apply with respect to this Act in the same manner as if this Act were part of—

(1) the Civil Service Retirement System, to the extent this Act relates to the Civil Service Retirement System; and

(2) the Federal Employees' Retirement System, to the extent this Act relates to the Federal Employees' Retirement System.

SEC. 302. PROVISIONS TO PREVENT REDUCTIONS IN FORCE AND ANY UNFUNDED LIABILITY IN THE CSRDF.

(a) PROVISIONS TO PREVENT REDUCTIONS IN FORCE.—

(1) LIMITATION.—An agency required to make any payments under this Act may not conduct any reduction in force solely by reason of any current or anticipated lack of funds attributable to such payments.

(2) ALTERNATIVE REQUIRED.—In the circumstance described in paragraph (1), any cost savings that (but for this subsection) would otherwise be sought through reductions in force shall instead be achieved through attrition and limitations on hiring.

(b) PROVISIONS TO PREVENT UNFUNDED LIABILITY.—

(1) IN GENERAL.—For purposes of section 8348(f) of title 5, United States Code, any unfunded liability in the CSRDF created as a result of an election made (or deemed to have been made) under this Act, as determined by the Office of Personnel Management, shall be considered a new benefit payable from the CSRDF.

(2) COORDINATION RULE.—Paragraph (1) shall not apply to the extent that subsection (h), (l), or (m) of section 8348 of title 5, United States Code, would otherwise apply.

SEC. 303. INDIVIDUAL RIGHT OF ACTION PRESERVED FOR AMOUNTS NOT OTHERWISE PROVIDED FOR UNDER THIS ACT.

Nothing in this Act shall preclude an individual from bringing a claim against the Government of the United States which such individual may have under section 1346(b) or chapter 171 of title 28, United States Code, or any other provision of law (except to the extent the claim is for any amounts otherwise provided for under this Act).

SEC. 304. EXTENSION OF OPEN ENROLLMENT PERIOD TO EMPLOYEES UNDER THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM.

Section 860 of the Foreign Service Act of 1980 (22 U.S.C. 4071i) is amended by inserting after the first sentence the following: "The Secretary of State shall, in addition, issue regulations providing for an election for coverage under the Foreign Service Pension System for employees covered under the Foreign Service Retirement and Disability System comparable to the election provided for by the Federal Employees' Retirement System Open Enrollment Act of 1997.".

TITLE IV—TAX PROVISIONS

SEC. 401. TAX PROVISIONS.

(a) PLAN QUALIFICATION.—No retirement plan of the United States (or any agency thereof) shall fail to be treated as a qualified plan under the Internal Revenue Code of 1986 by reason of any action taken under this Act.

(b) TRANSFERS.—For purposes of the Internal Revenue Code of 1986, no amount shall be includible in the gross income of any individual by reason of any direct transfer under this Act between funds or any Government contribution under this Act to any fund or account, and no amount shall be subject to tax under subtitle C of such Code by reason of any such transfer or contribution.

The SPEAKER pro tempore (Mr. STEARNS). Pursuant to the rule, the gentleman from Florida (Mr. MICA) and the gentleman from Maryland (Mr. CUMMINGS) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MICA).

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3249, as amended, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I come before the House this afternoon to present the Federal Retirement Coverage Corrections Act. This legislation is critically important to thousands of our Federal employees. This is a piece of legislation that has very strong bipartisan support. Both Republicans and Democrat members of our Subcommittee on Civil Service of the Committee on Government Reform and Oversight are original cosponsors of this bill.

I want to take first a moment, Mr. Speaker, to thank the distinguished ranking member of the Subcommittee on Civil Service, the gentleman from Maryland (Mr. CUMMINGS), for his leadership on this issue. He and I have worked very closely on this bill, and I appreciate the hard work that he has put forth. I also want to commend the work of both the majority and minority staff on this issue. I know the gentleman from Maryland is truly personally dedicated to bringing real relief to victims of these errors and the victims who testified before our Subcommittee on Civil Service.

I also commend the distinguished gentlewoman from Maryland (Mrs. MORELLA). The gentlewoman has always been a forceful advocate for our Federal employees, and on this issue that is no exception. She has been a true leader and champion. The Federal civil service employees who were misclassified, and their families, have benefited greatly from her strong determination and her leadership in trying to right these wrongs.

I also want to take this opportunity to thank the distinguished chairman and ranking member of the Committee on Government Reform and Oversight, the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. WAXMAN), for their support.

Likewise, I appreciate the cooperation of the chairman and ranking member of the Committee on Ways and Means, the gentleman from Texas (Mr. ARCHER) and the gentleman from New York (Mr. RANGEL). Staffs of the Committee on Ways and Means and the Joint Committee on Taxation provided invaluable guidance on tax and Social Security issues involved in crafting this legislation.

Mr. Speaker, let me take a few minutes to explain why it is so important for the House to pass this bill today. An estimated 18,000 Federal employees have been placed in the wrong retirement system because Federal agencies, quite frankly, made mistakes. Federal agencies fouled up. The vast majority of these errors involved assignments to the Civil Service Retirement System, CSRS, or the Federal Employees Retirement System, generally known as FERS. But other agency blunders wrongly excluded some employees from both retirement systems. Still others were included in retirement when they did not qualify at all.

When these errors are discovered, and I say are discovered because not all of them have been discovered, current law requires agencies to move them into the right retirement system. These corrections are especially harmful to employees who are moved from Civil Service Retirement, the old system, into FERS, the new system.

Unlike the Civil Service Retirement System, which is the stand-alone system, the new system, FERS, consists of three components: the FERS basic annuity, Social Security, and the Thrift Savings Plan, or TSP. Without adequate Thrift Savings Plan accounts, employees will not have adequate retirement income, but current corrective procedures do not make the victim's TSP account whole. As a result, unless Congress acts, many victims of these errors will receive much less when they retire than they were really entitled to.

H.R. 3249 provides a comprehensive solution to all of these errors. Although its details are complicated, it rests on a few basic, simple, straightforward principles.

This bill recognizes that most victims of these agency errors had a legal right to participate in one of the Federal retirement systems. Therefore, each of these victims should have an opportunity to elect to participate in that system. They also have a right to receive approximately the same retirement benefits they could have earned if the agency had not erred.

But the bill also recognizes that these victims have relied on the benefits promised under the system to which they were assigned. Accordingly, victims are generally given a choice to remain in the system in which they were mistakenly placed.

Mr. Speaker, every victim should have a realistic opportunity to the retirement correction that best addresses their unfortunate circumstance. Therefore, this legislation provides fair, make-whole relief.

The importance of this make-whole relief cannot be overemphasized. Without it, the choices offered by this bill would be nothing but a cruel hoax for many of our Federal employees. Lower-income employees, and those who have been in the wrong system for a lengthy period, would be especially hard hit.

Let me cite an example described by the American Foreign Service Association. For about 10 years a foreign service officer was erroneously enrolled in the wrong system. When the error was discovered, he was switched to the right system. He was also told that he would have to contribute $65,000 to $75,000 to catch up on his Thrift Savings Plan account. In addition to that retroactive contribution, he would also have to make current contributions to the TSP. Mr. Speaker, few Federal employees could afford to meet such a burden. That is why this bill's make-whole relief is absolutely imperative.

Mr. Speaker, this legislation also protects the integrity of Social Security trust funds and prevents employees from incurring unfair tax burdens because these agency errors are corrected.

This has been, as I said, a joint effort, a bipartisan effort, to correct a wrong that was done to our Federal employees and Federal workers. This is, indeed, an effort to correct that situation, and this corrective legislation deserves the support of every Member of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased that the gentleman from Florida (Mr. MICA), the chairman of the subcommittee, and I were able to work in a bipartisan way to bring this bill to the floor for a vote today. This legislation addresses a problem that he and I made a top priority for this session of Congress. It establishes a comprehensive framework to make whole those employees who were placed in the wrong retirement system by the Federal Government.

Few things in life are more important to a working person than having an adequate and secure retirement plan in place to provide for their future or that of their spouse. When a worker's retirement security is jeopardized by an employer's administrative error, tremendous emotional and financial pain can result unless a remedy is available that ensures its prompt and fair correction and avoids economic harm.

At the hearings on this matter last summer before the Subcommittee on Civil Service, we heard the testimony of four employees who had been the victims of enrollment errors made by their employing agencies. In each case the employee was initially placed in the Civil Service Retirement System, then years later informed that they should have been in the Federal Employees Retirement System, better known as FERS. Afforded no recourse or options, these employees were dumped into FERS and confronted with the need to make thousands of dollars of retroactive payments into a newly established Thrift Savings account.

Hundreds of other fellow employees have found themselves in the same situation over the past 10 years. Most have been forced to rearrange their lives and financial plans to rectify a problem not of their own making. Many without financial means have had to work beyond their planned retirement dates to build a full annuity. At least one had to sell his home to raise funds to make his thrift account whole.

Our committee, our subcommittee, heard them, we felt their pain, and we assured them that we would act. This situation was intolerable, and all of us felt the same way on our subcommittee. We made a very strong promise, which we have kept to those witnesses who shared their tragic stories at that hearing that day, that we would find a remedy. I believe that with the enactment of H.R. 3249, a solution will finally be at hand.

The Federal Retirement Coverage Corrections Act would essentially permit those who have been the victims of an enrollment error to remain in the retirement system they were mistakenly placed in or to be covered by the system they should have been in. It would also hold the government financially responsible for making whole an affected employee's Thrift Savings Account. Together, these provisions will end the harm now being done by the existing rules governing the correction of these errors.

In constructing this legislation, the chairman of the subcommittee sought to achieve accountability by holding those agencies guilty of making enrollment errors responsible for the cost of their corrections, and I applaud him for that. While I agree that accountability is a worthy goal, I, nevertheless, have been troubled that the resulting budgetary pressure could lead some agencies to initiate unplanned layoffs. I told the chairman I did not want our efforts to help out one group of employees while making victims of another.

Because he was willing to work with me on this matter, we have been able to reach a compromise that achieves what each of us wanted: Simply, accountability and job security. Reductions in force to pay expenses associated with the implementation of this act would be prohibited. Agencies would be required to realize any savings necessary to avoid RIFs through attrition and limitations on hiring.

Mr. Speaker, I thank the chairman of our subcommittee for bringing this important bill before the committee. My thanks to all of my colleagues on the Subcommittee on Civil Service for their steadfast commitment to addressing the problems caused by retirement coverage errors, and for you unanimously supporting the bill at the subcommittee's markup.

Finally, my thanks to our staff and that of the Office of Legislative Counsel for their tireless work in crafting H.R. 3249. All of their efforts were essential to what we have accomplished here today.

H.R. 3249 is a lengthy and complex bill which has evolved a great deal since our drafting began last fall. The subcommittee's work in this regard has benefited considerably from the input of the Office of Personnel Management, the Social Security Administration, and the staffs of several other congressional committees.

□ 1715

I very much appreciated all of their comments and suggestions.

Mr. Speaker, I reserve the balance of my time.

Mr. MICA. Mr. Speaker, I am pleased to yield 5 minutes to the distinguished gentlewoman from Maryland [Mrs. MORELLA], a leader in our Subcommittee on Civil Service.

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in very strong support of H.R. 3249. It is very important legislation to remedy retirement enrollment errors. I want to add my very strong thanks to the chairman, the gentleman from Florida [Mr. MICA] and to his staff for the enormous work that they have done on this legislation.

I also want to thank the gentleman from Maryland [Mr. CUMMINGS], the ranking member. I want to also thank the Committee on Government Reform and Oversight chair and ranking member, and also the Committee on Ways and Means.

So my colleagues can see, this has been a very important bipartisan effort involving a number of committees but emanating from problems that Federal employees had and in the subcommittee markup.

At the Subcommittee on Civil Service hearing last year, we heard some horror stories of those who were placed in the wrong retirement system. We cannot make up for the pain caused by these errors, but we can indeed prevent more errors from occurring and provide as fair a remedy as possible, which is what this legislation before us does.

We must move forward quickly to remedy the errors of the past and to prevent future suffering, especially as more employees discover they are in the wrong system during the current retirement open season.

Many, possibly thousands, of Federal employees who have been hired since the inception of FERS have been erroneously placed in CSRS. Many of them do not even know that they are in the wrong system, and serious financial consequences that await them if no legislation is enacted are going to be tremendous.

Those who have discovered their retirement errors have been deprived of critically important retirement and tax benefits and they have been subjected to severe strain and they have incurred tremendous legal expenses.

So, Mr. Speaker, the legislation before us truly makes whole those Federal employees who have already been corrected, many harmed really, such as one of my constituents, Barry Schrum. Under this bill, employees may choose to remain in the retirement system in which they were mistakenly placed or to be covered by the system in which they should have been placed. If an employee chooses FERS, this legislation makes them whole by making up lost earnings in their thrift savings plans in those accounts. I am pleased that this legislation will ensure that agencies are not unduly burdened by this legislation in making employees whole again.

So again, I want to congratulate all involved, particularly the leadership that came from the chairman and the ranking member of the subcommittee and the staffs that have made it all possible. Very important legislation. I urge my colleagues to join me in supporting this legislation.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also want to thank the gentlewoman from the District of Columbia [Ms. NORTON] of our subcommittee and the gentleman from Tennessee [Mr. FORD] who worked very hard to make sure that this legislation was as good as it is.

I also would like to reiterate the fact that we did work in a bipartisan way and it shows. This effort and the effort of our Subcommittee on Civil Service shows what good things can happen when we join hands and work together to lift up the lives of Americans and all people of the world.

Mr. Speaker, I yield back the balance of my time.

Mr. MICA. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, first I want to take a moment to also thank again the gentlewoman from Maryland (Mrs. MORELLA) for her leadership on this issue and several members of our subcommittee who are not with us this afternoon who also provided leadership, the gentleman from New Jersey (Mr. PAPPAS) and the gentleman from Texas (Mr. SESSIONS), who also supported and help craft this legislation.

Mr. Speaker, as we conclude our debate here this afternoon and presentation, H.R. 3249 will bring long overdue relief to the thousands of victims who have been misclassified because of Federal agency errors. Many of these errors have festered for more than 10 years and the procedures for correction available under current law do more harm than good.

These errors in current procedures have really had devastating effects on individuals in our Federal employ, both financially and emotionally. It is imperative that Congress act now. As time goes by, the cost of making employees' thrift savings accounts whole actually increases and the burden for the Federal Government increases. So does the human toll taken by these agency errors.

H.R. 3249 is a fair bill. It provides each affected employee with a real choice. Employees may elect to change their retirement enrollment or employees may ratify the agency errors by choosing to remain in the system in which they are mistakenly enrolled.

The make-whole relief that guarantees freedom of choice, even for those with low incomes, is adapted from an IRS review procedure. Surely, our Federal employees and retirees deserve no less than what the IRS has prescribed as a remedy for employees who are so aggrieved or abused in the private sector.

Mr. Speaker, H.R. 3249 is supported by many organizations. It is supported by the Senior Executive Association, the National Federation of Federal Employees, the American Foreign Service Association, the National Association of Letter Carriers, the National Association of Postmasters of the United States, and the Federal Managers Association.

All Members should join with the hundreds of thousands of employees of these organizations with our Federal employees and retirees and support this long overdue reform. I urge their support this afternoon for H.R. 3249.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Florida (Mr. MICA) that the House suspend the rules and pass the bill, H.R. 3249, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 3874, on which the yeas and nays are ordered; House Concurrent Resolution 208, on which the yeas and nays are ordered; House Resolution 392, on which the yeas and nays are ordered; and House Concurrent Resolution 301, on which the yeas and nays are ordered.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in the series.

CHILD NUTRITION AND WIC REAUTHORIZATION AMENDMENTS OF 1998

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3874, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GOODLING] that the House suspend the rules and pass the bill, H.R. 3874, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were— yeas 383, nays 1, not voting 50, as follows:

[Roll No. 297]

YEAS—383

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson

Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—1

Paul

NOT VOTING—50

Ackerman
Baker
Barrett (WI)
Bilirakis
Blagojevich
Boucher
Coble
Cook
Danner
Diaz-Balart
Dixon
Ehrlich
Fattah
Fawell
Fazio
Ford
Frost
Gephardt
Gonzalez
Gutierrez
Hefner
Hilleary
Hilliard
Horn
Jefferson
John
Kilpatrick
Lewis (GA)
Lipinski
Maloney (CT)
Maloney (NY)
McDade
Menendez
Millender-McDonald
Norwood
Ortiz
Owens
Paxon
Pomeroy
Poshard
Reyes
Riggs
Ros-Lehtinen
Roybal-Allard
Stokes
Thompson
Torres
Towns
Walsh
Whitfield

□ 1746

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was agreed to.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to amend the National School Lunch Act and the Child Nutrition Act of 1996 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to extend certain authorities contained in those Acts through fiscal year 2003, and for other purposes."

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. COOK. Mr. Speaker, on rollcall No. 297, on H.R. 3874, The Child Nutrition and WIC Reauthorization Amendments of 1998:

My son's LDS missionary farewell in Salt Lake City was Sunday afternoon July 19 which precluded my return to Washington on Sunday. The first flight Monday, July 20 caused me to be just minutes late for the vote.

Had I been present, I would have voted yes.

PERSONAL EXPLANATION

Mr. HORN. Mr. Speaker, on rollcall No. 297, on H.R. 3874, The Child Nutrition and WIC Reauthorization Amendments of 1998, I was unavoidably delayed on official business. Since I strongly support the Women, Infants, and Children and other nutrition programs, if I had been present, I would have voted "Aye".

PERSONAL EXPLANATION

Mr. DIAZ-BALART. Mr. Speaker, had I been present for the vote on H.R. 3874, The Child Nutrition and WIC Reauthorization Amendments of 1998, I would have voted "aye".

PERSONAL EXPLANATION

Mr. MENENDEZ. Mr. Speaker, during today's rollcall vote number 297, I was unavoidably detained due to a late flight. Had I been present, I would have voted "yes."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

SENSE OF CONGRESS REGARDING ACCESS TO AFFORDABLE HOUSING AND EXPANSION OF HOMEOWNERSHIP OPPORTUNITIES

The SPEAKER pro tempore (Mr. HULSHOF). The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 208.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. LAZIO) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 208, on which the yeas and nays were ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 390, nays 0, not voting 44, as follows:

[Roll No. 298]

YEAS—390

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dingell
Doggett
Dooley

Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fazio
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NOT VOTING—44

Ackerman
Baker
Barrett (WI)
Bilirakis
Blagojevich
Boucher
Brown (CA)
Coble
Danner
Diaz-Balart
Dixon
Ehrlich
Fattah
Fawell
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Kilpatrick
Lewis (GA)
Lipinski
Maloney (CT)
Maloney (NY)
McDade
Millender-McDonald
Norwood
Ortiz
Owens
Paxon
Pomeroy
Poshard
Reyes
Riggs
Ros-Lehtinen
Roybal-Allard
Stokes
Thompson
Towns
Walsh
Whitfield

□ 1756

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DIAZ-BALART. Mr. Speaker, had I been present for the vote on H. Con. Res. 208, Expressing the Sense of the Congress Regarding Access to Affordable Housing and Expansion of Homeownership Opportunities, I would have voted "aye."

RELATING TO THE IMPORTANCE OF JAPANESE-AMERICAN RELATIONS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, House Resolution 392, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and agree to the resolution, House Resolution 392, as amended, on which the yeas and nays were ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 391, nays 2, not voting 41, as follows:

[Roll No. 299]

YEAS—391

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fazio
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger

Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Turner
Upton
Velázquez
Vento
Visclosky
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—2

Hefley
Paul

NOT VOTING—41

Ackerman
Baker
Barrett (WI)
Bilirakis
Blagojevich
Boucher
Coble
Danner
Diaz-Balart
Dixon
Ehrlich
Fattah
Fawell
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Kilpatrick
Lewis (GA)
Lipinski
Maloney (CT)
Maloney (NY)
McDade
Millender-McDonald
Norwood
Ortiz
Owens
Paxon
Poshard
Riggs
Ros-Lehtinen
Roybal-Allard
Stokes
Thompson
Towns
Traficant
Walsh

☐ 1805

So (two-thirds having voted in favor thereof), the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DIAZ-BALART. Mr. Speaker, had I been present for the vote on H. Res. 392, Relating to the Importance of Japanese American Relations, I would have voted "aye."

AFFIRMING UNITED STATES COMMITMENT TO TAIWAN

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 301.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 301, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 390, nays 1, not voting 43, as follows:

[Roll No. 300]

YEAS—390

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fazio
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Turner
Upton
Velázquez
Vento
Visclosky
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—1

Paul

NOT VOTING—43

Ackerman
Baker
Barrett (WI)
Bilirakis
Blagojevich
Boucher
Coble
Danner
Diaz-Balart
Dixon
Ehrlich
Fattah
Fawell
Ford
Frost
Gephardt
Gonzalez
Gutierrez
Hefner
Hilliard
Jefferson
John
Kilpatrick
Lewis (GA)
Lipinski
Maloney (CT)
Maloney (NY)
McDade
Millender-McDonald
Norwood
Ortiz
Owens
Paxon
Poshard
Riggs
Ros-Lehtinen
Roybal-Allard
Spence
Stokes
Thompson
Towns
Traficant
Walsh

☐ 1814

So (two-thirds having voted in favor thereof), the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. OWENS. Mr. Speaker, I was unavoidably detained earlier today and missed several roll call votes. Had I been present, I would have voted in the following manner:

1. H. Con. Res. 301—A resolution regarding U.S. Commitment to Taiwan—roll call #300—Yea.
2. H. Res. 392—A resolution relating to the importance of Japanese American Relations—roll call #299—Yea.
3. H. Con. Res. 208—A resolution expressing the sense of the Congress regarding access to affordable housing and expansion of home ownership opportunities—roll call #298—Yea.
4. H.R. 3874—"The Child Nutrition and WIC Reauthorization Amendments Act"—roll call #297—Yea.

PERSONAL EXPLANATION

Ms. KILPATRICK. Mr. Speaker, due to events in the 15th Congressional District of

Michigan, I was unavoidably detained for several House roll-call votes. Had I been present, I would have voted "aye" on final passage of H.R. 3874, the Child Nutrition and WIC Reauthorization Act; H. Con. Res. 208, Sense of the Congress Resolution Regarding Access to Affordable Housing; H. Res. 392, Relating to the Importance of Japanese American Relations; and H. Con. Res. 301, Regarding the Commitment of the United States to Taiwan.

PERSONAL EXPLANATION

Mr. DIAZ-BALART. Mr. Speaker, had I been present for the vote on H. Con. Res. 301, regarding United States Commitment to Taiwan, I would have voted "aye."

☐ 1815

REPORT ON H.R. 4274, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. PORTER, from the Committee on Appropriations, submitted a privileged report (Rept. No. 105–635) on the bill (H.R. 4274), making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore (Mr. HULSHOF). All points of order are reserved on the bill.

PERMISSION FOR MEMBER TO BE CONSIDERED AS FIRST SPONSOR OF H.R. 1050

Ms. LEE. Mr. Speaker, I ask unanimous consent that I may be considered as the first sponsor of H.R. 1050, which was a bill originally introduced by Representative Dellums of California, for the purposes of adding cosponsors and requesting reprintings pursuant to clause 4 of rule XXII.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

SUBMISSION BY SECRETARY OF ENERGY OF PLAN FOR DISPOSITION OF DEPLETED URANIUM HEXAFLUORIDE

Mr. WHITFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2316) to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. STRICKLAND. Mr. Speaker, reserving the right to object, in order to allow the gentleman to explain his request, I yield to the gentleman for an explanation.

Mr. WHITFIELD. Mr. Speaker, I appreciate the gentleman from Ohio's request for an explanation.

Mr. Speaker, this bill requires the Secretary of Energy to submit a plan to ensure that monies already accrued by the United States Enrichment Corporation are utilized for their intended purpose, and that is the cleanup of depleted uranium hexafluoride waste. The corporation is nearing privatization. Without congressional action, there is no mechanism to ensure that monies will be available to deal with the cleanup of depleted uranium.

Since the bill was passed in the Senate, the Committee on Commerce has had discussions with the Department of Energy, the Department of Treasury, and the Office of Management and Budget to discuss this legislation. It is my understanding the administration has no objection to S. 2316, and I recommend its approval by the House to ensure that the money accrued by USEC will be spent for its intended purpose.

Mr. STRICKLAND. Mr. Speaker, further reserving my right to object, I yield to the gentleman from Kentucky (Mr. BUNNING) for a further explanation.

Mr. BUNNING. Mr. Speaker, I thank the gentleman from Ohio for yielding.

I also would like to strongly support Senate bill 2316, which will ensure that the funds collected over the years by the U.S. Enrichment Corporation for the cleanup of spent uranium canisters in Paducah, Kentucky will be used for their intended purpose.

This bill will not only save American taxpayers millions of dollars in possible future cleanup, but more importantly, it protects hundreds of jobs in my State.

By passing this bill today, the House will set in motion a plan that will one day lead to the construction and operation of a new uranium cleanup facility in Paducah, Kentucky and Portsmouth, Ohio that will treat and recycle depleted uranium hexafluoride. This will clearly make our community safer from this environmental hazard.

I am glad to see that the House is taking quick action on this matter, because without our effort the nearly $400 million in cleanup money that has been set aside by the USEC could be lost.

I would like to thank the majority leader; the gentleman from Virginia (Mr. BLILEY); the gentleman from Ohio (Mr. KASICH); the gentleman from Michigan (Mr. DINGELL); and all of those that had something to do with bringing this bill to the floor in this expedited manner.

Mr. STRICKLAND. Mr. Speaker, further reserving my right to object, although I do not intend to object, I would like to take an opportunity to thank my colleagues, the gentleman from Kentucky (Mr. WHITFIELD), the gentleman from Kentucky (Mr. BUNNING), and the gentleman from Kentucky (Mr. BAESLER) for working with me to make this unanimous consent possible.

What this will accomplish is very important. It means that money that was collected for the cleanup will be used for its intended purpose. Jobs will be created in the Piketon, Ohio and the Paducah, Kentucky communities, jobs that are desperately needed by those who may lose their jobs as a result of the privatization of this industry. These are men and women who have helped our country win the Cold War and we need to look out after their well-being.

This bill will also make it possible for our constituents in Piketon, Ohio, and Paducah, Kentucky to live in safer, healthier communities, and for that we should all be thankful.

Mr. BAESLER. Mr. Speaker, I rise today in strong support of S. 2316, a bill critical to Kentucky families. While plans for privatization of the United States Enrichment Corporation (USEC) are underway on Wall Street, folks in Kentucky are worried about their future. If the USEC is privatized, hundreds of jobs could be lost between two facilities located in Portsmouth, Ohio and Paducah, Kentucky. Passage of this bill is essential to show these hard working families that privatization can also mean job creation.

Fees have been collected from utility customers of the United States Enrichment Corporation to pay for the cost of cleaning up depleted uranium hexafluoride "tails" or waste. If USEC is privatized, the money that has already been set aside would revert back to the U.S. Department of Treasury. It would be an injustice and simply unfair if the money is not used for its intended purpose of cleaning up the tails—55 percent of which are stored in Paducah. Under this legislation, the money from the fee collection would be used to construct an on-site facility for disposing of the tails and, importantly, this site could re-employ those workers who would be displaced upon privatization. In addition, by creating the facility on site, the risks involved with the transportation of hazardous wastes are eliminated.

Uncertainty and fear have invaded these communities whose jobs and livelihoods are tied to the USEC. Families are worried about their future. Today, in Congress, we have the opportunity to provide some hope for these individuals. Passage of S. 2316 will fence off approximately $400 million to be used to clean up the tails. Between construction, operation, and management of these facilities, hundreds of jobs can be created. This legislation is one small way we can help build a bridge to provide continued employment in the community. It is an opportunity to show these families we care about their future.

Mr. STRICKLAND. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2316

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. UNITED STATES ENRICHMENT CORPORATION.

(a) PLAN.—The Secretary of Energy shall prepare, and the President shall include in the budget request for fiscal year 2000, a plan and proposed legislation to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to commence construction of, not later than January 31, 2004, and to operate, an onsite facility at each of the gaseous diffusion plants at Paducah, Kentucky, and Portsmouth, Ohio, to treat and recycle depleted uranium hexafluoride consistent with the National Environmental Policy Act.

(b) LIMITATION.—Notwithstanding the privatization of the United States Enrichment Corporation and notwithstanding any other provision of law (including the repeal of chapters 22 through 26 of the Atomic Energy Act of 1954 (42 U.S.C. 2297 et seq.) made by section 3116(a)(1) of the United States Enrichment Corporation Privatization Act (104 Stat. 1321–349), no amounts described in subsection (a) shall be withdrawn from the United States Enrichment Corporation Fund established by section 1308 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–7) or the Working Capital Account established under section 1316 of the Atomic Energy Act of 1954 (42 U.S.C. 2297b–15) until the date that is 1 year after the date on which the President submits to Congress the budget request for fiscal year 2000.

(c) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should authorize appropriations during fiscal year 2000 in an amount sufficient to fully fund the plan described in subsection (a).

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to insert extraneous material on S. 2316, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MODIFICATION TO ORDER OF THE HOUSE OF FRIDAY, JULY 17, 1998 REGARDING FURTHER CONSIDERATION OF H.R. 2183, BIPARTISAN CAMPAIGN INTEGRITY ACT OF 1997

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to correct an amendment that was included in the unanimous consent for the campaign reform procedure on the Shays-Meehan bill. That request is that Amendment No. 2 by the gentleman from Michigan (Mr. SMITH) was duplicated and repeated as Amendment No. 34, when, in fact, the content of Amendment No. 34 is different than was accepted in the unanimous consent, and I would like to correct it with the amendment which is, in fact, the substance of Amendment No. 34.

The SPEAKER pro tempore. The Clerk will report the modification to the amendment.

The Clerk read as follows:

Modification of Amendment No. 34 offered by Mr. SMITH of Michigan: Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. REPORTS ON FEDERAL POLITICAL ADVERTISEMENTS CARRIED BY RADIO STATIONS, TELEVISION STATIONS, AND CABLE SYSTEMS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following section:

"REPORTS ON FEDERAL POLITICAL ADVERTISEMENTS CARRIED BY RADIO STATIONS, TELEVISION STATIONS, AND CABLE SYSTEMS.

"SEC. 326. (a) IN GENERAL.—In such manner as the Commission shall prescribe by regulation, prior to the dissemination of any Federal political advertisement, each operator of a radio broadcasting station, television broadcasting station, or cable system shall report to the Commission the true identify of each advertiser and the cost, duration, and other appropriate information with respect to the advertisement.

"(b) FEDERAL POLITICAL ADVERTISEMENT DEFINED.—In this section, a 'Federal political advertisement' includes any advertisement advocating the passage or defeat of Federal legislation, any advertisement advocating the election or defeat of a candidate for Federal office, and any advertisement characterizing the positions taken by such a candidate.".

Mr. THOMAS (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. SHAYS. Mr. Speaker, reserving the right to object, I once again thank the gentleman from California (Mr. THOMAS) for his efforts to try to expedite the process to enable the majority leader's word to be honored and that we complete campaign finance reform, and to acknowledge that the gentleman from Michigan (Mr. SMITH) had requested three amendments, and one of them was, in fact, duplicated and therefore we needed to make that correction, so I thank the gentleman.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, I am sorry to say that from an administrative point of view we are double-checking another amendment and there may be a need to offer another unanimous consent. This particular amendment is in the first batch. We hope that we will have an accurate list, and everyone will be informed, if, in fact, it is not accurate, and we will supply the correct text. Since all of them believe they were included, it was simply an administrative error in the compilation of the list, and I thank the gentleman for yielding.

Mr. SHAYS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The amendment will be reported, as modified.

REPORT ON H.R. 4276, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. DELAY, from the Committee on Appropriations, submitted a privileged report (Rept. No. 105–636) on the bill (H.R. 4276) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. All points of order are reserved on the bill.

BIPARTISAN CAMPAIGN INTEGRITY ACT OF 1997

The SPEAKER pro tempore (Mr. HULSHOF). Pursuant to House Resolution 442 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2183.

☐ 1828

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2183) to amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes, with Mr. MILLER of Florida (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole House rose on Tuesday, July 14, 1998, pending was Amendment No. 11 by the gentleman from Mississippi (Mr. PICKERING) to Amendment No. 13 by the gentleman from Connecticut (Mr. SHAYS).

Pursuant to the order of the House of Friday, July 17, 1998, no further amendment to the Amendment No. 13 by the gentleman from Connecticut (Mr. SHAYS) shall be in order, except those 55 amendments placed at the desk pursuant to that order.

Those amendments shall be considered in the order listed, may be offered only by the Member designated, or his designee, shall be considered read, shall be debatable for the time specified, equally divided and controlled by a proponent and an opponent, and shall not be subject to a demand for division of the question.

Pursuant to that order, the gentleman from Mississippi (Mr. PICKERING), and a Member opposed, each will control 5 minutes on the pending amendment.

The Chair recognizes the gentleman from Mississippi (Mr. PICKERING).

□ 1830

PARLIAMENTARY INQUIRY

Mr. SHAYS. Mr. Chairman, I have a parliamentary inquiry, for the sake of this debate.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). Will the gentleman from Mississippi (Mr. PICKERING) yield for the purpose of a parliamentary inquiry?

Mr. PICKERING. Yes, I yield to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, just to clarify how we are allocating time, are we under the requirement of 10 minutes? And does someone need to claim time if not in opposition, at least claim the time?

The CHAIRMAN pro tempore. Time is controlled 5 minutes on each side. The gentleman from Mississippi (Mr. PICKERING) controls 5 minutes and an opponent.

Mr. SHAYS. Mr. Chairman, I claim that 5 minutes.

The CHAIRMAN pro tempore. The gentleman from Connecticut (Mr. SHAYS) will be recognized for 5 minutes.

MODIFICATION TO AMENDMENT NO. 11 OFFERED BY MR. PICKERING TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. PICKERING. Mr. Chairman, I ask unanimous consent that my amendment be modified with the additional language at the desk. This language was printed under the unanimous-consent agreement in Friday's CONGRESSIONAL RECORD.

The CHAIRMAN. The Clerk will report the modification to the amendment offered by the gentleman from Mississippi (Mr. PICKERING).

The Clerk read as follows:

Modification to amendment No. 11 offered by Mr. PICKERING to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS: The amendment is modified as follows:

In section 319(b) of the Federal Election Campaign Act of 1971, as proposed to be inserted by the amendment—

(1) strike "was aware of a high probability" and insert "should have known"; and

(2) strike the period at the end and insert the following: ", except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.".

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN pro tempore. The amendment is modified.

The Chair recognizes the gentleman from Mississippi (Mr. PICKERING) for 5 minutes.

Mr. PICKERING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to complete the debate that we started the other night on the amendment now before the House which will take away and close the loophole that will allow those who take contributions from foreign sources the legal defense of willful blindness.

We used this illustration to show probably the best picture describing in a thousand words what can only be seen in this picture, and that is the expression and the term "willful blindness," the "Don't Ask, Don't Tell" policy of foreign campaign contribution.

What we want to do is stop the flow of illegal foreign contributions into our election process, to stop the money changing in our temple and to stop the money changing in our election and campaign process from foreign sources.

I appreciate the support from both sides of the aisle on this amendment because I do think we can close the loophole and stop many of the practices that we saw in the last presidential and campaign cycle, examples like the fund-raising in the Buddhist Temple, Charlie Trie bringing envelopes of cash and suspicious money orders to the DNC, Johnny Chung funneling cash provided by the Chinese military officer to the DNC.

Because, Mr. Chairman, what is at stake is our national security. As we have seen the proliferation and the nuclear proliferation issues in Asia and China and Iran and Pakistan and India, we want to make sure that these contributions or these types of contributions do not influence decisions and policies in this administration or any others to come. We want to clean the temple, we want to clean the process, and we want to have integrity in our election process.

I accept, and I gladly accept, the cooperation from both sides of the aisle on this amendment. I look forward to the acceptance in a few minutes.

Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I would point out that we are again debating campaign finance reform and our effort to restore integrity to the political system, and the bill that is before us would ban soft money, the unlimited sums that individuals, corporations and labor unions and other interest groups give to the political parties that then get rerouted right back down to candidates.

We require that the sham issue ads be noted as campaign ads and legitimate campaign ads and that it come under campaign law.

We codify Beck, which gives individuals, not a member of a union, the right not to pay an agency fee for political activity, and we improve the FEC disclosure and enforcement.

In addition, we ban districtwide frank mailing 6 months to an election. Finally, we require that foreign money and fund-raising on government property be illegal.

The amendment before us offered by the gentleman from Mississippi (Mr. PICKERING) is a good faith attempt to make sure that the intention of this bill is carried out, and we concur with it. We concur with the language that he has chosen to use, which is instead of "a high probability," that contribution originated from a foreign national, we would strike out that and say the individual "should have known." We concur with that.

Mr. Chairman, I think this is a good amendment and should be adopted.

Mr. Chairman, I reserve the balance of my time.

Mr. PICKERING. Mr. Chairman, I yield 2 minutes time to the gentleman from Texas (Mr. DELAY).

Mr. DELAY. Mr. Chairman, I rise again in support of the Pickering amendment. Last week I rose to support this amendment and I understand that some of my comments at the time caused some concern in some quarters. Of course, I had the Clinton scandals in mind when I first spoke in favor of this amendment.

Evidence shows that the Clinton-Gore reelection effort and the Democrat National Committee purposely sought foreign money in an effort to bypass our election laws. As far back as 1992, the Clinton-Gore campaign was raising money from foreign sources. It was in this context that I made my remarks last week.

In no way was it my intention to suggest impropriety on the part of anyone other than those persons working for the Clinton-Gore campaign and the Democrat National Committee, and involved in the solicitation of illegal foreign donations.

Let me take this opportunity to once again offer my sincere apologies to anyone whom I may have inadvertently offended. I would like to note, however, that it was the height of hypocrisy for the DNC to attack me for reading the names of those who funneled illegal money into the DNC and the Clinton-Gore campaign. After all, the DNC was the ones who broke the law and they have never offered anything other than arrogant, evasive justifications.

There have been seven people charged by the Justice Department for laundering illegal campaign funds from foreign sources to the DNC, and the DNC has returned millions in illegal contributions since the 1996 elections.

Mr. Chairman, at some point during the debate on campaign finance reform I am going to offer a sense of the Congress amendment that an independent counsel should be appointed to investigate the abuses by the Democrat National Committee. I hope the Members will support my amendment. In the meantime, I support the amendment offered by the gentleman from Mississippi (Mr. PICKERING) and urge its adoption.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. MEEHAN).

Mr. MEEHAN. Mr. Chairman, let me just say to the gentleman from Mississippi (Mr. PICKERING), we enjoyed working with the language. I think to take "high probability" and insert "known or should have known" certainly makes a lot more sense in terms of coming up with a section of the law that would be enforceable, whether it is civilly or criminally.

I do wish, however, that as we work through these amendments, and many of the amendments are being proposed to the Shays-Meehan legislation by people who I suspect ultimately will actually oppose campaign finance reform, I would like to encourage those Members who are able to work out agreement on amendments to actively consider supporting the Shays-Meehan legislation.

This is an amendment we have agreed to. I think it is a good amendment. Most of us think it is a good amendment. But if we really want this amendment to become part of law, what we really need Members to do is to support the Shays-Meehan legislation, which is a bipartisan piece of legislation. It has support on both sides of the aisle.

It would make soft money illegal. It would also crack down and require disclosure on sham issue ads. It would give the FEC the teeth that they need to enforce the laws that are already on the books. I think many of us on both sides of the aisle have witnessed over the last year or two all kinds of areas where we need to make improvements in our campaign finance laws. The best way to make those improvements is by supporting the Shays-Meehan legislation.

I believe that we are at a point in time that we are on the verge of having a majority of the Members of this House who support that legislation. So, I look forward to working with both sides of the aisle on amendments, amendments that we can come to an agreement on. But I would hope that the authors of these amendments, many of whom I suspect have no intentions of supporting the Shays-Meehan legislation, will consider changing their view ultimately on our bill and having a strong bipartisan vote in favor of Shays-Meehan at the end of this legislation.

Mr. PICKERING. Mr. Chairman, parliamentary inquiry. How much time do I have remaining?

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The gentleman from Mississippi (Mr. PICKERING) has 1 minute and the gentleman from Connecticut (Mr. SHAYS) has 1½ minutes remaining.

Mr. PICKERING. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana (Mr. MCINTOSH).

Mr. McINTOSH. Mr. Chairman, I applaud the gentleman from Mississippi (Mr. PICKERING) for bringing this amendment to the floor and wholeheartedly support it. What it says is that a political party official, if he should have known that a contribution originated from a foreign source, he or she cannot use the willful blindness as a defense. That seems to have happened at least once and we think many times in the various investigations in campaign irregularities that we have been doing in the Committee on Government Reform and Oversight.

According to one Associated Press report, a memo exists that proves that President Clinton was personally aware that hundreds of thousands of dollars were being funneled into his campaign from Indonesia as early as 1992 and yet they claim innocence, ignoring the fact that that knowledge was there.

This amendment would clarify the law that one cannot say, as that knowledge comes to them, willfully ignore it and continue to accept those donations. I think it is time that we put that into the law and show and learn from these scandals that ignorance is not going to be a defense for violating the law.

I applaud the gentleman from Mississippi for bringing forward this amendment and urge my colleagues to vote for it.

Mr. SHAYS. Mr. Chairman, I yield the balance of my time to the gentleman from California (Mr. FAZIO).

The CHAIRMAN pro tempore. The gentleman from California (Mr. FAZIO) is recognized for 1½ minutes.

Mr. FAZIO of California. Mr. Chairman, I think the bipartisan agreement on this amendment, which has been made between both sides, is an important step toward improving an already excellent bill. I only wish that many of the people on the majority side of this aisle had taken upon themselves the responsibility to promote the enactment of the Shays-Meehan bill, because it fundamentally improves campaign finance reform and law, and we need to pass it.

Many of those who have been advocating this amendment, of course, see it as a poison pill and do not intend to support the underlying law that it amends. But I think it is also important to point out that there has been no evidence at this point in any of the proceedings that have been held in this city that this administration in any sense knowingly and willfully participated in the receipt of funds from foreign sources.

In fact, I think if you look closely at the record, you will find that the DNC has gone a long way to exhaustively investigate those who have donated to it and has implemented a series of new vetting procedures for donors and guests so that none of these kinds of mistakes could be made again in the future. Those are already in place.

If we really look at the Republican Party's conduct in this same area, we will find just as much opportunity to improve procedures and to improve their party's approach to the receipt of funds that were ultimately determined to have come from foreign sources.

There are no elements of this debate that are free from the need to support fundamental reform like Shays-Meehan.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment, as modified, offered by the gentleman from Mississippi (Mr. PICKERING) to the amendment in the nature of a substitute offered by Mr. SHAYS.

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. PICKERING. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentleman from Mississippi will be postponed.

It is now in order to consider the amendment by the gentleman from Michigan (Mr. SMITH).

AMENDMENT OFFERED BY MR. SMITH OF MICHIGAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. SMITH of Michigan. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SMITH of Michigan to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS: Add at the end the following new title:

TITLE ——PENALTY FOR VIOLATION OF FOREIGN CONTRIBUTION BAN

SEC. — 01. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) Any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be less than 5 years or more than 20 years, fined in an amount not to exceed $1,000,000, or both.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from Michigan (Mr. SMITH) and a Member opposed each will control 5 minutes.

MODIFICATION TO AMENDMENT OFFERED BY MR. SMITH OF MICHIGAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. SMITH of Michigan. Mr. Chairman, I have a modification at the desk. It is in writing and I ask unanimous consent that it be agreed to.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Amendment, as modified, offered by Mr. SMITH of Michigan to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS: Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b)(1) Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

"(2) Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

Mr. SMITH of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the initial request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN pro tempore. The amendment is modified.

The gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

□ 1845

Mr. SMITH of Michigan. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the 1996 elections were marked by many questionable financial tactics in fund-raising for political purposes, but I think the one that must concern us is the vast amounts of illegal donations by foreign contributors. The American people learned of the antics of those such as John Huang, Charlie Trie, and Johnny Chung, all of whom helped funnel illegal foreign funds into the American political process in 1996. So far, Trie, Chung and five others have been indicted for their roles.

Current law prohibits foreign nationals from donating to candidates for Federal office, yet it is clear that the penalties are not adequate to deter violations of this nature. This is, I think, made even more difficult by the location of the wrongdoers: outside of American soil. This means that penalties for this particular type of violation must be strengthened, and that is what my amendment does. It increases the maximum penalty from $25,000 to $1 million, and it increases the maximum jail time up to 10 years, at the discretion of the judge.

Indeed, this is one of the recommendations of the Senate Committee on Governmental Affairs report: that we increase the allowable penalties. Under my amendment, those who violate the prohibitions against contributions from foreign nationals will be subject, again, to a jail sentence of up to 10 years and/or a fine not to exceed $1 million. I think this common sense measure will serve to deter foreign nationals from illegally donating to American elections, and those who would knowingly assist them.

Mr. Chairman, we cannot honestly say we have begun to fix the problems with our campaign finance system until we have made some effort to stifle the problem of illegal foreign donations, and I urge my colleagues to put the House on record as being as repulsed and outraged by the scandal of foreigners seeking to influence the American political system as I am, and I hope we would all vote for this amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. MILLER of Florida.) Is there a Member in opposition to the amendment?

The gentleman from California (Mr. FARR) is in opposition to the amendment and claims the time in opposition?

Mr. FARR of California. Yes, Mr. Chairman. I move to strike the last word.

The CHAIRMAN pro tempore. There is 5 minutes in opposition to the amendment. Is there someone who claims the 5 minutes?

Mr. FARR of California. I will accept the 5 minutes.

Mr. SHAYS. Mr. Chairman, will the gentleman yield?

Mr. FARR of California. I yield to the gentleman from Connecticut.

Mr. SHAYS. We do not need to be in opposition to claim the time, if no one is in opposition. So is the gentleman claiming time in opposition or just claiming the 5 minutes?

Mr. FARR of California. I am claiming the 5 minutes.

The CHAIRMAN. The 5 minutes is reserved for opposition.

Mr. FARR of California. Then I will claim the time in opposition.

Mr. Chairman, I yield myself such time as I may consume.

I rise because I want to speak with some concern about the implementation of this amendment, and I would like the author to just answer a couple of questions here.

It says in the amendment, "Any person who violates the subsection shall be sentenced for a term of imprisonment," and with the gentleman's amendment the term of imprisonment is not more than 10 years and a fine in an amount not to exceed $1 million.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FARR of California. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. It is an option. And/or, or both, yes.

Mr. FARR of California. I understand that. The point that I would like clarified is that it goes to a foreign national. What is the gentleman's definition of a foreign national? There is a lot of confusion as to what is a foreign national.

Mr. SMITH of Michigan. If the gentleman will continue to yield, the definition would be exactly the same as under current law. We have made an exception for the amendment that was passed last week for resident aliens or green card holders.

Mr. FARR of California. But those are not foreign nationals. So a foreign national would be a person who is coming to this country but does not have a green card? For example, a tourist could be a foreign national?

Mr. SMITH of Michigan. That is correct.

Mr. FARR of California. And I am just curious as to why this penalty is a more severe penalty than if an individual was caught as an illegal alien. If a person crosses the border with no papers, they are not entitled to be in this country, they are not a tourist and they come to this country and they are caught, even if they were doing this kind of activity, being involved in a campaign, which I cannot imagine that, but if they were, the penalty here is more severe. Why is that?

Mr. SMITH of Michigan. The penalty is not more severe. The option is more extensive. So in the eyes of the court, if they decide that the violation is egregious enough, they have an option of a greater penalty than under existing law.

Existing law has a maximum penalty of $25,000 and a maximum jail sentence of not to exceed 1 year in jail. So we give the court greater latitude of increasing that to not more than.

Mr. FARR of California. Could the gentleman, for clarification, explain to me what type of person and contribution would trigger violation of this law?

Mr. SMITH of Michigan. Well, certainly if we look at the activities of Charlie Trie or John Huang or Johnny Chung, these individuals that now have been indicted for illegal contributions under existing law. Again, we do not change any of the definition in existing law, who falls under this act and who might be subject to these violations.

Mr. FARR of California. If a person came here, under the debate we are having on the floor now, under H–1B waivers, which are essentially the way we try to import high-tech people, professional engineers, scientists who are not American citizens to work with high-technology companies in America, if one of those while here in this country contributed, would they be in violation of the gentleman's amendment?

Mr. SMITH of Michigan. They would be in violation of existing law, is my understanding. But if they have a green card, I have exempted these types of individuals from the more extensive parameters of the law under my amendment.

But if the gentleman would look to existing law, it is my understanding that these individuals now, not green card holders, but under the amendment we passed last week, we extended it to green card holders, and under that provision I have exempted that type of individual from the greater penalties.

Mr. FARR of California. Has anyone under existing law been convicted?

Mr. SMITH of Michigan. They have been indicted under existing law. I am not familiar whether they have been convicted or not. There was a guilty plea this afternoon, I understand.

Mr. FARR of California. Never before in the history of this country has there been a violation of this law until the election of 1996?

Mr. SMITH of Michigan. I am sorry, could the gentleman say that again?

Mr. FARR of California. In the history of election reform law, going back to the mid-1970s, there has been nobody convicted in violation of this law?

Mr. SMITH of Michigan. I am not familiar. I do not know the answer to that.

Mr. FARR of California. That is existing law. And then the gentleman is making existing law much tougher; is that correct?

Mr. SMITH of Michigan. I would suggest I am not making existing law more tougher, but if the court decides, for lack of a better word, that the violation is egregious enough or the amount of the contribution or the potential for influence is egregious enough, that court would now have an option that is greater than under existing law.

So existing law limits the sentencing term to 1 year and/or not more than $25,000, and as the gentleman understands, this amendment simply increases that option but has no minimum obligation.

Mr. FARR of California. But as I understand it, this goes to the key of the gentleman's amendment.

The CHAIRMAN pro tempore. The time of the gentleman from California (Mr. FARR) has expired.

The gentleman from Michigan (Mr. SMITH) has time remaining.

Mr. FARR of California. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from California.

Mr. FARR of California. As I read it, under existing law the penalties, in the gentleman's opinion, are very weak; nobody yet has been convicted. The gentleman stiffens the penalties and broadens the scope. And my comment on that, and I think that is correct, my comment is I think the gentleman is opening up a real Pandora's box because I do not know how people can go about being involved in an election process.

Mr. SMITH of Michigan. Reclaiming my time, I would say so far Trie, Chung and six others have been indicted for their roles of violating this part of our law.

Just today, Howard Glicken, a fundraiser and friend of the Vice President, pleaded guilty to soliciting $20,000 in foreign contributions.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from California.

Mr. CAMPBELL. Mr. Chairman, I thank my colleague from Michigan for yielding just to say one quick thing. The sentencing guidelines still apply. And as I understand the gentleman's intention, he does not repeal, alter or adjust in any way the sentencing guidelines.

So the Federal judge's discretion will be as full as it was before. The upper level is permissibly higher, but the criteria applied by the sentencing judge will be the same because those are set by the sentencing guidelines.

I offer that as a way of assuaging some of the concerns of my colleague from California.

Mr. DELAY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from Texas.

Mr. DELAY. Just very quickly, I appreciate the gentleman from Michigan bringing this amendment. Normally I would have a little heartburn over this amendment, but I have to say that since we seem to be moving towards Shays-Meehan, with more regulations, more laws, and more ways to break the law rather than opening up the process, as we suggested in the Doolittle substitute, if we are going to do this, then we ought to do it with very strong, tough penalties.

The gentleman from Michigan has brought an amendment that imposes some very, very tough penalties for egregious violations of the law. I just appreciate the gentleman for bringing this amendment and I support the gentleman's amendment and ask our colleagues to support him.

Mr. SMITH of Michigan. Mr. Chairman, I thank the gentleman from Texas.

Mr. FARR of California. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Michigan. I yield to the gentleman from California.

Mr. FARR of California. Mr. Chairman, I thank the gentleman for yielding. The point made by the gentleman from California (Mr. CAMPBELL), under the gentleman's law, I think it does not give the discretion the gentleman talks about, because this bill says "Any person who violates it shall be sentenced to a term."

Mr. SMITH of Michigan. Reclaiming my time, my language is optional.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan (Mr. SMITH), as modified, to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The amendment, as modified, to the amendment in the nature of a substitute was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider the amendment by the gentleman from Texas (Mr. DELAY).

AMENDMENT OFFERED BY MR. DELAY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. DELAY. Mr. Chairman, I offer Amendment No. 3 to the amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DELAY to the Amendment in the Nature of a Substitute No. 13 offered by Mr. SHAYS: Add at the end the following new title:

TITLE ____—SENSE OF CONGRESS REGARDING FUNDRAISING ON FEDERAL PROPERTY

SEC. ____01. SENSE OF CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL PROPERTY.

(a) FINDINGS.—Congress finds the following:

(1) On March 2, 1997, the Washington Post reported that Vice President Gore "played the central role in soliciting millions of dollars in campaign money for the Democratic Party during the 1996 election" and that he was known as the administration's "solicitor-in-chief".

(2) The next day, Vice President Gore held a nationally televised press conference in which he admitted making numerous calls from the White House in which he solicited campaign contributions.

(3) The Vice President said that there was "no controlling legal authority" regarding the use of government telephones and properties for the use of campaign fundraising.

(4) Documents that the White House released reveal that Vice President Gore made 86 fundraising calls from his White House office, and these new records reveal that Vice President Gore made 20 of these calls at taxpayer expense.

(5) Section 641 of title 18, United States Code, (prohibiting the conversion of government property to personal use) clearly prohibits the use of government property to raise campaign funds.

(6) On its face, the conduct to which Vice President Gore admitted appears to be a clear violation of section 607 of title 18, United States Code, which makes it unlawful for "any person to solicit . . . any (campaign) contribution . . . in any room or building occupied in the discharge of official (government) duties".

(b) SENSE OF CONGRESS.—It is the sense of Congress that Federal law clearly demonstrates that "controlling legal authority" prohibits the use of Federal property to raise campaign funds.

The CHAIRMAN. Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from Texas (Mr. DELAY) will control 5 minutes, and the gentleman from Maine (Mr. ALLEN) will control 5 minutes in opposition.

The Chair recognizes the gentleman from Texas (Mr. DELAY).

Mr. DELAY. Mr. Chairman, I yield myself such time as I may consume.

I offer this amendment in order to clarify some comments made by the Vice President last year.

For Richard Nixon it was, "I am not a crook." For Bill Clinton it was, "I didn't inhale." For AL GORE it was, "No controlling legal authority." Sometimes our leaders say things they wish they would not have said. I am guilty of such at times. The Vice President's comments, though, regarding the various campaign abuses of the Clinton-Gore campaign, will be forever etched in the memory of the American people.

This amendment is very simple. It says that when it comes to our campaign laws, there is a controlling legal authority. It is called "the law".

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At least 3 criminal statutes address the use of the White House for political purposes. Section 600 of Title 18 prohibits the promising of any government benefit in return for any kind of political support or activity.

Section 607 of Title 18 prohibits solicitation or receipt of contributions for Federal campaigns in Federal buildings.

Section 641 of Title 18 prohibits the conversion of government property to personal use.

According to the White House and the author of this so-called reform bill, these laws do not apply to Mr. GORE because he was raising campaign funds for the Democratic National Party and not the Clinton-Gore Re-election Campaign.

Well, that argument has no controlling logic. None other than Abner Mikva, the President's own legal counsel, issued a legal admonition that said, "campaign activities of any kind are prohibited in or from government buildings," he wrote. "This means fund-raising events may not be held in the White House; also no fund-raising phone calls or mail may emanate from the White House," he continued.

He did not contend that the White House or Members of Congress can raise soft money on government properties.

But even if that is true, the facts are that GORE also raised hard money from the White House. The Associated Press reported that around the time that the Vice President was making fund-raising calls from the White House last year, GORE was advised that the Democrat media fund for which he was soliciting was spending hard money.

Mr. Chairman, the law, the controlling legal authority on this matter, prohibits the use of Federal property to raise campaign funds, period. But that did not stop the White House from holding the infamous White House coffees.

During January of 1995, President Clinton also authorized a plan under which the Democratic National Committee would hold fund-raising coffees and sleepovers in the White House. During 1995 and 1996, the White House held 103 of these coffees. 103.

To quote the New York Times, "the documents released by the White House themselves make explicit that the coffees were fund-raising vehicles." They also make clear that the Democratic National Committee was virtually being run out of the Clinton White House despite the President's initial efforts after the election to draw a distinction between his own campaign organization and the committee.

These reports make it obvious that the coffees, which President Clinton directly authorized, were nothing but fund-raising events.

According to the New York Times, the Democratic National Committee raised $27 million from 350 people who attended White House coffees.

What about the Lincoln Bedroom sleepovers? Is that not Federal property? President Clinton also entertained 938 overnight guests in the White House during his first term.

This, too, became a means of fundraising. When the original plan to hold coffees was suggested to the President, he not only approved it but also originated the idea of the overnight visits.

On the memo suggesting the plan, he wrote, "Ready to start overnights right away. Get other names at 100,000 or more, 50,000 or more."

The New York Times reports that these guests donated over $10 million to a Democratic Party from 1992 to 1996.

The controlling legal authority, known as the law, prohibits the use of Federal Government property from raising campaign funds. The American people do not buy the argument that there is no controlling legal authority.

So, Mr. Chairman, there is a controlling legal authority, no matter what Mr. GORE believes. It is called the law. And the Vice President has the responsibility to follow that law no matter how old or inconvenient it may be.

Mr. Chairman, I reserve the balance of my time.

Mr. ALLEN. Mr. Chairman, I yield myself 2½ minutes.

Mr. Chairman, this body makes laws. We do not generally try to interpret them. And when we do interpret them, we do not do very well in a number of cases. And this proposed amendment is one case where we are not doing very well, in my opinion.

Now, I recognize that this is a sense of Congress, that is, this amendment if attached to the Shays-Meehan substitute would not be binding law. This is a sense of Congress. We are not really here making campaign finance reform law. We are trying to embarrass the Vice President. That is what we are trying to do here today, at least those on the other side are.

Now, I know that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) are willing to accept this amendment. It is kind of hard to explain the other side of it. And I understand that. There are many people on this side of the aisle who will vote for it, and they will vote for it because it ought to be the law and it ought to be clearly the law that they do not do fund-raising on Federal property.

But the fact is that the law is not that clear. We are talking about the Pendleton Act. That is what controls fund-raising from Federal property. And not once in the history of this Republic has someone been prosecuted for fund-raising from Federal property.

There is case law out there which suggests that the point of solicitation is not on the Federal property if you are making a telephone call but it is where the call is received. The fact is the law is not clear. But it ought to be clear, and that is why it is important that we pass campaign reform in this session.

That is why it is important, despite the objections on the other side, that we go further than the Pendleton Act, that we have a soft-money ban, that we deal with issue advocacy, and that we tighten up these campaign abuses that have occurred not just on one side, not just with Democrats, but with both sides and with Republicans as well as Democrats.

That is what we need to do here. We need real campaign finance reform. And those who have been pushing this particular amendment have not been supporters of real campaign finance reform.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. ALLEN. I yield to the gentleman from California.

Mr. CAMPBELL. Mr. Chairman, I want to put the gentleman from Maine (Mr. ALLEN) on notice that I am opposed to his view.

On the distinction of the gentleman as to the origin of the phone call, if the phone call is for private purpose or political purpose, it would then violate the laws against embezzlement, which is to use Federal property for personal purpose.

So as to the phone call not being on government property, they would run smack into the embezzlement law even if they got outside the Pendleton Act.

Mr. ALLEN. Mr. Chairman, reclaiming my time, the fact is that we are governed by the Pendleton Act and the Pendleton Act is not clear.

Mr. SHAYS. Mr. Chairman, will the gentleman yield?

Mr. ALLEN. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I just would say that I am very comfortable accepting this amendment. It is a sense of Congress. And I think it is very clear, and I agree with the comments of the gentleman, we need to clarify the law.

The bottom line is that if we ban soft money, it is rare that we are going to have a President and Vice President, a Speaker, whomever, seek to raise money on government property for a $5,000 PAC contribution. So I think we get at the problem by substantive change in the law. So I just make that point to my colleagues.

But I do think the sense of Congress is correct that even if the Vice President did not think it was illegal, I think it was clear that he knew it was wrong and it should not have taken place.

Mr. ALLEN. Mr. Chairman, I yield the balance of my time to the gentleman from California (Mr. FAZIO) who is a strong advocate of campaign finance reform.

Mr. FAZIO of California. Mr. Chairman, as we have already adopted the Cox amendment that clarifies the law, this amendment is entirely superfluous and offered only for political purposes. And it strikes me as highly hypocritical for any Member of this body who has been engaged in raising soft or hard money in the system we currently have in place to stand before his colleagues and a national audience and criticize the Vice President because he did something that has clearly under the law never been prosecuted.

The Pendleton Act, over 100 years old now, has never ever been used to prosecute anyone for the solicitation of funds from an office. I think we now have a clear understanding of what is appropriate. But we could find the names of at least 3 sitting Republican Senators who have admitted raising funds in their offices on the telephone.

This is not a partisan issue. We are moving in the direction of reform. And for the gentleman from Texas (Mr. DELAY) to bring this amendment now is simply to try to imply that there is only one party or perhaps one individual that must alter behavior. We all must do that.

This administration, including the Vice President, has been out front in advocating campaign finance reform, the Shays-Meehan bill the centerpiece of that effort.

I would urge all those Members who wish, in retrospect, to imply that they are above any kind of campaign misdeed to get behind reform and put their name down on the list of those who are willing to embrace change and not use this simply as an opportunity for political bashing.

Mr. DELAY. Mr. Chairman, I yield 15 seconds to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Mr. Chairman, I thank my colleague for yielding.

What is wrong is clear. What is wrong is to use Federal Government property for personal advantage. And to say that it does not violate the Pendleton Act or that no one has been prosecuted under the Pendleton Act ignores the fundamental truth that there are clear statutes barring the use of Federal Government property for personal purposes and there have been many prosecutions under that statute. What happened violated that law.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. DELAY) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. DELAY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentleman from Texas (Mr. DELAY) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS) will be postponed.

It is now in order to consider the amendment offered by the gentleman from Colorado (Mr. MCINNIS).

AMENDMENT OFFERED BY MR. MCINNIS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. MCINNIS. Mr. Chairman, as the designee of the gentleman from California (Mr. COX), I offer amendment No. 56 to the amendment in the nature of a substiute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MCINNIS to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS:

Add at the end the following new title:

TITLE ____—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN GOVERNMENT PROPERTY

SEC. ____01. PROHIBITION AGAINST ACCEPTANCE OR SOLICITATION TO OBTAIN ACCESS TO CERTAIN GOVERNMENT PROPERTY.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 226. Acceptance or solicitation to obtain access to certain government property

"Whoever solicits or receives anything of value in consideration of providing a person with access to Air Force One, Marine One, Air Force Two, Marine Two, the White House, or the Vice President's residence; shall be fined under this title, or imprisoned not more than one year, or both.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 11 of title 18, United States Code, is amended by adding at the end the following new item:

"236. Acceptance or soliciting to obtain access to certain government property.".

The CHAIRMAN. Pursuant to the order of the House on Friday July 17, 1998, the gentleman from Colorado (Mr. MCINNIS) and a Member opposed each will control 5 minutes.

Mr. SHAYS. Mr. Chairman, I ask unanimous consent that I may claim the time in opposition.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MCINNIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, what has spurred my interest in this was an article in the Washington Post on tax day, on Tuesday, April 15, the day all of the citizens in this country have to pay their taxes. Let me read this article, or at least summarize a couple of paragraphs:

> In the two years before President Clinton's 1996 re-election, 56 campaign fund-raisers and big-money donors hopped rides with him aboard Air Force One. Between January 1, 1995, and November 6 of last year, 477 people traveled as guests aboard the presidential jet, Air Force One, according to a review of Air Force's One manifest compiled by the White House. But Clinton aides decline to release the complete list and instead provided names only of those who contributed more than $5,000 to the Democratic National Committee or who raised $25,000 for the Democratic National Committee or the Clinton-Gore Re-election Committee. Many of these people have no history with the President, and their presence on Air Force One could add to suspicions that the plane was used as a vehicle to court and pay thanks to big donors.

Air Force One is not a Clinton charter airlines. It is not to be used by the

President to court the big donors across this country. That jet does not belong to the President of the United States. That jet belongs to the people of the United States. And it should be used in its official capacity.

My amendment, Mr. Chairman, really is quite simple. My amendment simply says, and let me read the amendment, "whoever solicits." "Whoever." So it could be the Democratic National Committee. It does not need to be the President or the Vice President who is doing this. It can be the Democratic National Committee.

> Whoever solicits or receives anything in value in consideration for inviting a person with access to Air Force One, Marine One, Air Force Two, Marine Two, the White House, or the Vice President's residence shall be fined under this title and imprisoned for not more than a year or both.

We could talk for the next hour about the Lincoln Bedroom. We could talk for the next hour in much more detail about the abuse, in my opinion, of Air Force One, Air Force 2, Marine One. And of course, Mr. Chairman we do not know the extent of the abuse because the Clinton administration will not release the manifest in total so that we can assess that.

At any rate, I cannot imagine anybody on this floor voting against this amendment. I am going to ask for a rollcall because I want to see somebody stand up and justify that we should go ahead and sell Air Force One to the big donors in this country. I am going to test them.

Mr. Chairman, I reserve the balance of my time.

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Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. FARR), my Peace Corps friend.

Mr. FARR of California. Mr. Chairman, I have a question of the author. Why did he exempt the legislative branch from this? The only branch that uses the aircraft he is intending is the executive branch. Why is the legislature exempt? When people are on CODELs or on missions with corporate members or interested American citizens who may be suggesting that if you come with me we perhaps can play a golf game somewhere. That is something of value. Your amendment says receives anything of value. It does not define it. It could be a baseball cap. It could be anything. And then it exempts Congress. It exempts the legislative branch. Why does he not include the legislative branch in here if it is as strong as he thinks it should be?

Mr. McINNIS. Mr. Chairman, will the gentleman yield?

Mr. FARR of California. I yield to the gentleman from Colorado.

Mr. McINNIS. Obviously we do not exempt Congress. Congress may not be included here, but the gentleman has every right.

Mr. FARR of California. Why not include Congress?

Mr. McINNIS. If the gentleman wants to handle the two-way conversation strictly on his side that is one point, but let me respond to the question that he has asked.

Mr. Chairman, the gentleman is not prevented in any way whatsoever from offering his own amendment to put the congressional or the legislative body in there, number one. Number two, I have never ridden on Air Force One as he knows. I do not know many Republicans that have.

Mr. FARR of California. Reclaiming my time, I think this amendment, it says receives anything of value, and it only applies to the executive department. We are here talking about congressional campaign finance reform, applying to this House of Congress. These amendments, and I might support this amendment, but I think it is diverting the attention, it is trying to say that the problem is all in the executive branch and that there are no problems here in Congress and that we do not need to spend time debating it.

I think this amendment is exactly what is going on here. People want to not pay any attention as to what the problems are in this Congress. If the gentleman was sincere about trying to stop solicitations using Federal property including aircraft, it would apply to the legislative branch as well.

Mr. McINNIS. Mr. Chairman, I yield myself such time as I may consume.

The gentleman makes a nice speech, and I dare him to vote "no" on this thing. I do not think he will because I know he thinks it is right. It is the right thing to do. Number two, I would recommend that the gentleman read the rules. Under congressional rule we are not allowed, I cannot call one of my big donors and say some, "Come on, we're going to go on a congressional CODEL." That is against the rules. That is already in place.

Number three to his point, this does not only apply to the executive branch as he has just stated in his comments. Let me read it for you.

Whoever, whether it is the Democratic National Committee, whether it is AL GORE, whether it is the chairman of the Democratic National Committee, whether it is a State chairman of the Democratic Party, whoever solicits or receives anything of value in consideration of providing a person with access to Air Force One, et cetera, et cetera, et cetera. The legislative branch is covered. It is in our rules.

If he will take a look at any of the CODELs he has been on, my bet is he has never been on a CODEL where he has had a big donor to his race or anybody's race on that airplane, with the exception maybe one Member contributing to another Member, he has never been on a plane under those kind of circumstances.

He is going to vote for this. Who would not? It makes sense. The article appeared on Tax Day. That is what is ironic about this. I read the article on Tuesday, April 15.

Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield myself 2 minutes.

Of course people are going to vote for this amendment. But the sad thing is the gentleman who is offering this amendment is not going to vote for the bill. We are faced with 55 amendments, most of them intended to embarrass or imply that a problem just exists on one side when the bottom line is we know we have problems on both sides of the aisle and we have got to deal with them.

I would just rise again to say what I have said before, I really believe that some on the other side of the aisle need to be willing to do a little more investigating but a lot on my side of the aisle need to do more about reforming the system.

We do ban soft money. Once we ban the unlimited sums from individuals, corporations, labor unions and other interest groups, once we ban that, we take away a gigantic incentive to call someone from any government property or to reward someone with any government activity, plane, boat, house, you name it. A $5,000 PAC contribution is not something that most people would probably seek a reward for or take the time of important people. But when one is seeking to raise soft money, $100,000, $200,000, $300,000, a half a million, a million or more, it does become somewhat of a distraction.

The Meehan-Shays substitute bans soft money. It recognizes those sham issue ads as what they are, campaign ads, and then they come under the campaign laws. People have a voice but under the campaign law. We codify back. We have FEC disclosure enforcement. We ban the franking 6 months to an election. And we make it clear in our legislation that you cannot raise foreign money and you cannot raise money on government property. We already make that clear.

This legislation reinforces it and seeks to suggest it happens on one side of the aisle, and I am sure my colleague believes that most does. But the bottom line is that we have got to keep together a unity between Republicans and Democrats who want campaign finance reform and not get baited into getting in arguments over which side does it and which side does not.

I agree with the gentleman from California (Mr. FAZIO), campaign finance reform is important. The focus that I have and I hope others have is on a bipartisan basis to eliminate many of the abuses we see.

Mr. FAZIO of California. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Chairman, I want to thank the gentleman from Connecticut for putting this all in context, and, that is, that we are all here trying to come up with improvements in the existing system. We know that abuses, if that is what we want to call them, occur on both sides of the aisle and have done so historically.

As we are talking about the alleged misuse of Air Force One, I noted that in the newspaper today, the story was congressional use of corporate aircraft, in this case the tobacco industry. If we want to focus on the problems of Congress, and I think that is what we are here to do, we ought to really begin to look internally and look at our own approach to political activity. I think there are probably a number of other amendments that could be concocted and offered on this bill if we simply wanted to change the subject. I do not want to change the subject. I want to pass Shays-Meehan. I want people on both sides of the aisle to focus on what can be done to improve this system without offering extraneous, politically-inspired amendments that change the subject.

Mr. McINNIS. Mr. Chairman, I yield myself the balance of my time.

Of course the gentleman from California, I find it a little ironic. He is criticizing the Republicans on tobacco money. Between 1987 and 1997 he took $75,800 from tobacco companies.

The second thing I want to point out, the gentleman from Connecticut (Mr. SHAYS) is very clear in saying that I am not going to vote for his bill. The gentleman from Connecticut is not going to vote for my bill. The bill I am on is the Doolittle bill. I think that is the bill that is going to bring us campaign reform. But he is not going to vote for it. He is going to oppose it.

I do not think he should stand up here and say that I am not voting for his bill and make it look like I am against reform. His bill is like wildflower mixed with a bunch of thistle in it. It is not a good bill. Mine is.

The CHAIRMAN pro tempore (Mr. MILLER of Florida). The question is on the amendment offered by the gentleman from Colorado (Mr. McINNIS) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. McINNIS. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentleman from Colorado (Mr. McINNIS) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS) will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider the amendment offered by the gentleman from New York (Mr. PAXON).

AMENDMENT OFFERED BY MR. PAXON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. PAXON. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore (Mr. HEFLEY). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PAXON to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS:

Add at the end the following new title:

TITLE ____—UNION DISCLOSURE

SEC. ____01. UNION DISCLOSURE.

(a) IN GENERAL.—Section 201(b) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 431(b)) is amended—

(1) by striking "and" at the end of paragraph (5); and

(2) by adding at the end the following:

"(7) an itemization of amounts spent by the labor organization for—

"(A) contract negotiation and administration:

"(B) organizing activities;

"(C) strike activities;

"(D) political activities;

"(E) lobbying and promotional activities; and

"(F) market recovery and job targeting programs; and

"(8) all transactions involving a single source or payee for each of the activities described in subparagraphs (A) through (F) of paragraph (7) in which the aggregate cost exceeds $10,000.".

(b) COMPUTER NETWORK ACCESS.—Section 201(c) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 431(c)) is amended by inserting "including availability of such reports via a public Internet site or another publicly accessible computer network" after "its members.".

(c) REPORTING BY SECRETARY.—Section 205(a) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 435(a)) is amended by inserting after "and the Secretary" the following: "shall make the reports and documents filed pursuant to section 201(b) available via a public Internet site or another public accessible computer network. The Secretary".

The CHAIRMAN pro tempore. Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from New York (Mr. PAXON) and a Member opposed each will control 5 minutes.

Mr. MEEHAN. Mr. Chairman, I ask unanimous consent to control the 5 minutes as an opponent.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from New York (Mr. PAXON).

Mr. PAXON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, disclosure is the key to real reform. We have put forth many amendments to do precisely that. Mine this evening focuses on the largest player in American politics, the organized labor bosses. Together in the last cycle they controlled over $300 million spent on American politics according to Rutgers University. According to a former top official of the Teamsters Union, in fact, that number was over $400 million. Yet much of the information regarding their expenditure, where it comes from and how it is expended, goes undisclosed.

Currently the Department of Labor requires some limited reporting but it is spotty, it is disorganized, no two unions in fact report the same information in the same way. It is done purposefully, it is done so that the American voter and taxpayer and citizen cannot know how much they are spending.

My amendment does three things simply. First, it amends the LM-2 form submitted by the unions currently with the Department of Labor. Two, it requires functional accounting for uniform categories of spending for the previous year which is not now required. And, number three, of course, it requires the posting on the Internet of all this information.

Mr. Chairman, this is logical. We have a player spending hundreds of millions of dollars. Put it on the Internet. Let the American people see what is being spent, how it is being raised. That is all we are asking. It is called disclosure. How can anybody oppose full disclosure?

As a matter of fact, this Congress has already helped. We appropriated last year half a million dollars to the Department of Labor to set up such a database. This Congress wants to have that information to the American people, and I am certain whether it is union members or the American people, they would love to have it. This amendment just simply allows us to get that information out there.

In conclusion, Mr. Chairman, let us let the light of day shine on the American political system. Let us put this information out there once and for all. It is an amendment we should all be able to agree on and move forward with.

Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. MILLER).

Mr. MILLER of Florida. Mr. Chairman, by the time we are done debating campaign finance, it will probably be the longest debate the House has seen in a long time. Throughout this debate, one particular theme has resounded again and again, disclosure. We take it as self-evident that the American people should be able to know who is spending money to impact elections and to whom they are giving it. For if we have full disclosure, then the voters can take that knowledge with them into the voting box.

However, up to this point the issue of disclosure has focused primarily on campaign spending by special interest groups or corporations. No one has yet tried to stand up and help those workers that provide a substantial amount of their monthly income to the unions that represent them.

That is why I support this amendment. Union members have very limited means to find out how their dues are spent. They just have to hope it is being spent wisely. This amendment would remedy that requirement of unions and require them in an annual disclosure form that they already complete to specify how they spend money on different activities. As dues-paying members, union workers have a right to know how much money their union spent on such functions as contract negotiations or strike activities. This disclosure would empower both those workers currently in unions and those that are considering joining unions.

Let me clear up one misconception. This amendment would not impact those smaller unions. It would only affect those unions with annual receipts over $200,000.

In the 1996 election cycle, unions used over $35 million to run issue ads in congressional districts against Republicans; $35 million. This despite the fact that over 25 percent of union members are Republicans.

How can we give these members and the American people a voice? One answer is disclosure. The American people and even more importantly union members themselves have a right to know how much money the unions are spending on different activities. That is what this amendment will do, allow people as well as union members who are directly impacted by the spending to see how unions are allocating their money and how much they are spending on these political activities. This is good policy and should be a fundamental part of any campaign finance reform. I ask my colleagues to support this amendment.

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Mr. MEEHAN. Mr. Chairman, I would point out to the gentleman from Florida, there is not a better way to get disclosure than to vote for the Shays-Meehan bill, which provides disclosure on issue advocacy.

Mr. Chairman, I yield 1½ minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Chairman, I rise in opposition the Paxon amendment. The Paxon amendment is an assault. It is an assault on the rights of working men and women in this country. It says that working men and women will be disenfranchised.

Let me just say this, that union members, in fact, know where and how their money is being spent. They make the decisions as to what is being done. This would require only labor unions to report on political activities, not the big money interests, the special interests, not the multimillion dollar corporations, only labor unions. The fact of the matter is, is that corporations outspent labor unions 11 to 1 in the 1996 election.

If we take a look at today's Washington Post, we will also find out that there was the tobacco industry that provided more subsidized travel than any other industry to the Republican Party. They made their corporate jets available to Republican lawmakers and GOP committees for dozens of flights in the past year.

We want to be equitable in this effort. As my colleague from Massachusetts pointed out, Shays-Meehan, in fact, does deal with disclosure. This is an amendment that discourages American workers from participating in the national political process. It is an effort to cut them off. It silences their voices, leaving decent pay, a safe workplace, secure retirements vulnerable to their opponents. It is the American families who will suffer with the result of this amendment.

Shays-Meehan does not pose such a threat. It protects the voices of America's working men and women. Vote against the Paxon amendment and support Shays-Meehan.

Mr. MEEHAN. Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. FAZIO).

Mr. FAZIO of California. Mr. Chairman, I am strongly opposed to this amendment because it does not treat all those who use Treasury funds of any kind equally and equitably under the law. This particular amendment is targeted at the Republican Party's bugaboo, always said to be big labor.

But, in fact, what it really does is try to impose a burdensome and inefficient and difficult system of accounting on one of the many players in the political system in this country, one that, by the way, was outspent by business and corporations 11 to 1 in the last election cycle in 1996.

Shays-Meehan goes after all of the various parts of the political equation in campaign finance reform equitably and evenhandedly. It bans soft money. It goes after those who misuse issue advocacy for political purposes, intrusive purposes in a political campaign. But it does so in ways that make corporations and unions live under the same law.

There are other improvements in this bill that frankly will be somewhat opposed by people in the labor movement because, for example, internal communications are going to be required to be disclosed in a more timely way. But it also imposes the same requirements on corporate internal communications.

So what we have in the bill that we have been debating is an evenhanded and fair-minded approach. This amendment is an effort to take a shot at a political opponent, and it is offered by one who does not oppose reform in the first place.

Mr. MEEHAN. Mr. Chairman, may I inquire of the Chair how much time is remaining on each side?

The CHAIRMAN pro tempore (Mr. HEFLEY). The gentleman from Massachusetts (Mr. MEEHAN) has 1¾ minutes remaining. The gentleman from New York (Mr. PAXON) has 45 seconds remaining.

Mr. MEEHAN. Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL. Mr. Chairman, I thank my colleague for yielding to me. I would support the content of my friend from New York's amendment if it was applied to the National Labor Relations Act. But, it is way beyond campaign finance reform. For example, it requires disclosure that I happen to support—how much of a union's money goes to a strike versus how much goes to organizing. I would like to see that part of the law. I would like to see the laborers of this country know where their dues are spent. But it is not campaign finance reform. And, by putting it into this bill, it breaks the coalition that is essential for Shays-Meehan to become the law of this country. I strongly oppose this amendment for that reason. We must be about our business today. Our business is campaign finance reform.

Mr. MEEHAN. Mr. Chairman, I yield the remainder of my time to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, under Meehan-Shays, we require disclosure by both unions and corporations. Current law requires only a very narrow disclosure by unions and corporations of money spent on internal or in-kind activities.

Under current law, unions do not have to disclose money spent on voter registration drives or get-out-the-vote drives aimed at their members, nor do corporations. Under our bill, they would.

Under current law, unions and corporations do not have to disclose money spent on setting up or administering their PACs. Under our bill, they would.

Under current law, unions and corporations do not have to disclose money spent on a communication to their members urging the election or defeat of a candidate. So, for instance, if a union has a two-page ad urging a vote for a candidate in a 16-page newsletter, it would not have to be disclosed. Under our bill, any communication to members for the purpose of influencing an election would have to be disclosed.

Our bill significantly expands the disclosure requirements on unions and corporations by their internal activities. Further, disclosure under current law is on a quarterly basis; under our bill, it is on a monthly basis, and within 24 hours in the last 20 days of the election on the Internet.

Mr. PAXON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in conclusion, I appreciate the gentleman from California agreeing with the intent of this measure, to try to bring about full disclosure in the American political system. We think this is the right place. We are debating campaign finance reform. $300 million to $400 million spent by the union bosses taken involuntarily from the members' pockets, should that not be part of the disclosure? Of course it should be. Should it not be presented on the Internet so the American people can determine how it is spent? Of course it should be should.

This is the amendment that goes to the heart of campaign finance reform. Anybody who believes in reform has to support this motion. I urge my colleagues to support it. We are going to have a chance to do that in a recorded vote.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. PAXON) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. PAXON. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentleman from New York (Mr. PAXON) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS) will be postponed.

The CHAIRMAN pro tempore (Mr. MILLER). It is now in order to consider the amendment by the gentleman from Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Chairman, first of all, I have two amendments at the desk. Amendment No. 33, I am going to give the gentleman from Connecticut (Mr. SHAYS) and this body a present by withdrawing that amendment, because I believe the amendment by the gentleman from Colorado (Mr. MCINNIS) covered that, so I will withdraw number 33.

AMENDMENT OFFERED BY MR. HEFLEY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. HEFLEY. Mr. Chairman, I offer Amendment No. 34 to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment to the amendment in the nature of a substitute.

The text of the amendment to the amendment in the nature of a substitute is as follows:

Amendment offered by Mr. HEFLEY to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS:

Add at the end the following new title:

TITLE—PROHIBITING USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

SEC. 01. PROHIBITING USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"PROHIBITING USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

"SEC. 323. (a) In General.—It shall be unlawful for any persons to provide or offer to provide transportation on Air Force One in exchange for any money or other thing of value in support of any political party or the campaign for electoral office of any candidate, without regard to whether or not the money or thing of value involved is otherwise treated as a contribution under this title.

"(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President."

The CHAIRMAN pro tempore. Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from Colorado (Mr. HEFLEY) and a Member opposed each will control 5 minutes.

Mr. SHAYS. Mr. Chairman, I ask unanimous consent to claim the 5 minutes in opposition.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Connecticut (Mr. SHAYS) will be recognized for 5 minutes.

The Chair recognizes the gentleman from Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment, again, I think, is about common sense. It reads: If the President, Vice President, or the head of any executive department uses Air Force One for transportation for any travel which includes a fund-raising event for the benefit of any political committee or party, such political committee shall reimburse the Federal Government for the actual costs incurred as a result of the use of Air Force One.

In plain English, this simply means that if you are going to use Air Force One and part of that is for political purposes, then you pay the cost of it. It is estimated that the cost is about $36,000 an hour to operate Air Force One.

This amendment will apply to whomever holds the office. So we have had a lot of partisan back and forth here this afternoon or this evening, but this amendment applies to whomever holds the office regardless of party affiliation. However, the current administration's blatant abuse of this practice compared to past White House occupants gives the Congress strong reason to accept this amendment.

Currently, the amount that is reimbursed to the taxpayers for use of Air Force One is based on a secret formula created by the Clinton Administration and the Democratic National Committee. The formula supposedly calculates what percentage of the trip is for political purposes and what percentage is for official purposes.

This amendment stipulates that any excursion that includes any fund-raising activity must be reimbursed for the entire trip. No formula. No ambiguity. If the President wants to fly to Ohio to pitch his child care initiative, that is fine. He can use Air Force One to do that. But if while he is there he wants to drop by, as he did recently, to raise $850 thousand in one evening for the DNC, then under this amendment, the DNC would have to reimburse the taxpayers.

This is not a partisan amendment. But I will conclude with some of the figures that signify the amendment is particularly relevant under this administration. Under Presidents Reagan and Bush, reimbursement payments were made a total of 60 times in a 12-year period. Under the Clinton administration, prior to the 1996 election, 145 such payments were made in only 4 years.

I urge adoption of the amendment and reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I am delighted to yield 2 minutes to the gentleman from California (Mr. FAZIO).

Mr. FAZIO of California. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. Chairman, I want to ask the author of the amendment if he would explain to me what is different from existing laws. As I understand it, we have always required that every President, going back as far as I can remember, reimburse part of the cost of any trip that involves any kind of political activity while he is on an official trip.

What the gentleman seems to be saying is that any political activity automatically makes the entire trip a political trip, even if there is a great deal of official duty and activity taking place.

Would the gentleman give me some sort of an answer?

Mr. HEFLEY. Mr. Chairman, if the gentleman will yield, that is correct. The gentleman understands it exactly.

Mr. FAZIO of California. Reclaiming my time, then, what the gentleman is saying is that the approach that has been the time-honored bipartisan approach which has given both Republican and Democratic, Presidents the opportunity and flexibility to include various kinds of activities in their schedule when they travel around the country, would no longer be allowed.

I am sure that the Secret Service and others who worry about the security of the President would have serious concerns. What this amendment really would purport to do, I believe, is to eliminate the President's ability to be involved in, at any affordable sense, any kind of political activity around the country.

I would assert that maybe in the current environment where the White House is held by a Democrat this would be a very attractive amendment to people on the Republican side of this aisle. But I think people ought to be thinking of the long-term implications of what we are doing here.

I realize that those who do not support Shays-Meehan are simply trying to roll hand grenades here on to the floor to complicate the passage of real campaign finance reform. But in this instance, among others, what we are really doing is something that I think your own party leaders, if the Republicans were to retake the White House, would find totally unworkable and impossible to live with. What I hope my colleagues will do is think long-term and put aside the momentary political advantage.

Mr. SHAYS. Mr. Chairman, I am happy to yield 1½ minutes to my colleague, the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, I thank the gentleman from Connecticut (Mr. SHAYS) for yielding.

Mr. Chairman, I have a question. The language in here says that it includes any fund-raising event for the benefit of any political committee of a national political party. If the President was to fly to the gentleman's district to do a campaign event for him, this would not apply because his campaign is not a national political committee?

Mr. HEFLEY. Mr. Chairman, if the gentleman will yield, I cannot tell him for sure about that.

Mr. FARR of California. Well, that is exactly what it says.

Mr. HEFLEY. I am not arguing with the gentleman. I said I cannot tell him for sure whether that is or not. I assume it might be.

Mr. FARR of California. The other question is why does it only apply to Air Force One? Why does it not apply to Members of Congress?

Mr. HEFLEY. I listened to the gentleman's comments about that on a prior bill, and it seemed to me to be kind of foolish questions in that Congress does not control any airplanes. The administration controls airplanes. Congress does not control airlines.

If the gentleman wants to reclaim his time, I will respond later.

Mr. FARR of California. I would like to reclaim my time. Because the gentleman flies home every weekend on the taxpayers' money, he may be home on the taxpayers' money doing a political campaign event. That is his transportation to his district.

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So if the President goes to your district and does a political event, he is penalized; the payment for all of that is paid for by your amendment. But if you do it on the taxpayer's dime every weekend, you do not have to pay for it. So you are exempting Congress from this. It is a double standard again. It is again bashing the White House, because this bill is about Congressional campaign finance reform, and I do not know whether the gentleman is even intending to vote for the bill.

I think these are dilatory amendments, I think you are exempting Congress, and I think it is wrong.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have a feeling that this amendment will pass because Members do not want to vote against an amendment that sounds good, but I am trying to think that some day we may have someone else in the White House, and I would put myself in that position and say I think this is bad law.

I think it is a politically good amendment. I think it is bad law. I think the President should have to reimburse for the first class passage, but I do not think we want to encourage a President to go commercial. Obviously they cannot. I think it will inhibit the ability of the President to get around and speak as a President chooses to speak.

I am sure this is good politics, but I think this does harm to the bill. I am not suggesting that it is a killer amendment, but I wish it was not being introduced, because I think its intention is simply to make the bill less palatable to Members on either side of the aisle.

The bottom line is, a President of the United States should have the ability to travel around the country, and it is regrettable that they have to have so much communication material, it is regrettable they need to fly on a government plane, but the fact is they do. Like my colleague from California points out, we get sent home and we get to do a lot of things back home for political purposes, and our flight back home is paid for.

So I have tremendous respect for the gentleman who is introducing this amendment, but I do regret that he has introduced it.

Mr. HEFLEY. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me very quickly say in closing in response to the concern of the gentleman from California (Mr. FARR), it is my understanding that we can rent government cars, we can lease government cars as Members of Congress for official business. I did that at one time. I have not done it in years. At one time I did that. It was also my understanding when I did that that I could not go to Salida, Colorado, and hold town meetings in the morning in that government car, and then in the evening hold a fund-raiser for my campaign. I am still in the government car, and I could not reimburse the government for the percentage of time for that government car. I do not know whether that rule has changed or not. But if you cannot do that with a government car, but you can do it with Air Force One, I think the double standard that you keep referring to here is in application today. I think this would help in that double standard.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HEFLEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS) will be postponed.

The CHAIRMAN pro tempore. It is now in order to consider the amendment offered by the gentlewoman from Kentucky (Mrs. NORTHUP).

AMENDMENT OFFERED BY MRS. NORTHUP TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mrs. NORTHUP. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. NORTHUP to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS:

TITLE—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 01. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

"SEC. 323. It shall be unlawful for any political committee to provide currency to any person for purposes of carrying out activities on the date of an election to encourage or assist individuals to appear at the polling place for election.".

The CHAIRMAN pro tempore. Pursuant to the order of the House of Friday, July 17, 1998, the gentlewoman from Kentucky (Mrs. NORTHUP) and a Member opposed each will control 5 minutes.

Is there a Member seeking to control the time in opposition?

Mr. MEEHAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Massachusetts (Mr.

MEEHAN) will be recognized for 5 minutes in opposition.

The Chair recognizes the gentlewoman from Kentucky (Mrs. NORTHUP).

Mrs. NORTHUP. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have opposed the Shays-Meehan bill for a couple of reasons. First of all, I believe that it chills free speech, that it has the effect of trying to keep people who want to influence public policy from having their voice heard.

Furthermore, I feel that it has the effect of encouraging people to have their voice heard in elections by contributing to organizations that are, in a sense, "blind organizations," organizations that the public will not know who they are, what they stand for, who contributes, or how much, and that that is a worse campaign finance system than what we have.

I do not believe you can call this reform; I just believe you can call it change. In my opinion, it is a worse change, a change for the worse.

However, if we are going to do anything in changing campaign finance, we ought to close the abuses that exist today, that are widespread and blatantly wrong, and that is the ability to spend cash, what is commonly referred to as "walking-around money," that is used for vote buying. This is done in many different parts of the country, and it is done with the use of cash.

All my amendment would do would be to require that any money used for getting out the vote, that it be done in the form of a check, so that it would be visible and we would know to whom the money was paid.

Obviously we all believe that if somebody is going to drive a van for the day and go down to the local nursing home in order to provide transportation to the polls, that that is a good thing to do and that would be a good expenditure of campaign funds. This is just to make sure that people cannot get the money in unrecorded amounts and to unrecorded people.

It is part of the premise of this bill that we would have visibility, that the voters, that the public, that the people in this country would have visibility about who is spending money on campaigns and how they are spending it. So I would be surprised to find anybody that supports Shays-Meehan opposed to disclosure of this kind.

Mr. Chairman, I reserve the balance of my time.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wish that the authors of amendments who get up to say they are against Shays-Meehan would find another vehicle to drag down debate. We have been debating this bill for quite some time now, and the author of the amendment says that she is against it, but here is an amendment anyways.

This could be an amendment that we could all agree upon. I would ask the gentlewoman if somebody is working on a get-out-the-vote effort and wants to buy coffee for people at a polling station, and, let us say, the coffee stand will not accept a check, how does one get around those types of expenditures, small disbursements like that?

The gentlewoman may know that under the FEC law now, there are certain amounts of money, under $200, that are made available. It is required under the FEC that receipts get kept, and clearly they should be kept. But what does one do about that election day activity, with voter apathy and voter turnout going down dramatically, about these type of efforts to get people out to vote? Could the gentlewoman's amendment in some way accommodate these types of efforts?

Mrs. NORTHUP. Mr. Chairman, will the gentleman yield?

Mr. MEEHAN. I yield to the gentlewoman from Kentucky.

Mrs. NORTHUP. Mr. Chairman, I am surprised to hear the gentleman asking that and asking if one could buy donuts. Actually in Kentucky, where we have a more similar bill to Shays-Meehan than anyplace else, you cannot buy donuts.

Mr. MEEHAN. Mr. Chairman, reclaiming my time, I am not asking the gentlewoman whether or not one can buy donuts. I am asking whether or not under the gentlewoman's amendment, would one be able in any way to get cash, if cash was required to go buy a cup of coffee or donuts for poll workers? I am not asking whether one can buy donuts. Let us keep it professional.

Mrs. NORTHUP. Mr. Chairman, if the gentleman will yield further, whoever uses the money has to be given the money in the form of a check, so that if you are going to haul voters, for example, a check would be written to you. You could then not give voters or anybody else cash. Obviously if you wanted to fill up your van with gas, you could turn that in as an expense and the campaign can reimburse you.

This is just to make sure that you cannot have what goes on, like $300 cash to the gentleman from Massachusetts (Mr. MEEHAN), and then the gentleman gives out $50, $25, $10, $5, and it does not have to be recorded. The end receiver of the money is not on record.

Mr. MEEHAN. Mr. Chairman, reclaiming my time, so when a campaign worker goes out and is trying to get people to go to the polls, the campaign or the party would give a check and the person would go, presumably, to a bank to cash the check. What if somebody did not have a bank account? Just so I am clear. We could support the amendment, but if somebody did not have a bank account or checking account, what would they do?

Mrs. NORTHUP. Mr. Chairman, if the gentleman will continue to yield, they would cash it wherever they cashed any other check. If they have a welfare check, they have to cash it somewhere. If they have a paycheck, they have to cash it somewhere. They can get a money order. You can give them a money order. That is legal. All you could not do is give a check to somebody and have them then pay cash around to unrecorded people.

Mr. MEEHAN. Mr. Chairman, reclaiming my time, would the gentlewoman have a de minimis amount of money that would be acceptable for donuts or something like that? Is there some amount there where we could reach an agreement? The amendment sounds like a good idea.

Mrs. NORTHUP. Mr. Chairman, it says specifically here that anything that encourages or assists individuals to appear at the polling place is not forbidden. All you could not do is give somebody cash. In other words, on the campaign form the final receiver of money is written there, because it has to be given to them by money order, check, whatever.

Mr. MEEHAN. Mr. Chairman, reclaiming my time, this sounds like an amendment that we could support. But these amendments, sometimes we need to go through the process to make sure. We have a situation where voter turnout in this country is an embarrassment, and I would not want to see us support any kind of an effort that would try to reduce activity at polling places, getting people to the polls.

Mrs. NORTHUP. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I understand the concern of the gentleman from Massachusetts (Mr. MEEHAN) and I appreciate the gentleman rethinking or willing to reevaluate this. I want to assure the gentleman and the other supporters of the bill that we were very careful to draft this in every way possible so that there would not be any dampening effect on encouraging people to vote; only in making sure that there is not cash out on the street floating around that can be exchanged for votes. That is what we are trying to get to.

We think that the easiest way to try to address that is to make sure that anybody that receives money would have to be paid and recorded on the campaign files.

Mr. FARR of California. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTHUP. I yield to the gentleman from California.

Mr. FARR of California. Mr. Chairman, I like what the gentlewoman just said, but I do not think that is what the language put in here says. It says "provide currency to any person for purposes of carrying out activities on the date of an election to encourage or assist individuals to appear at the polling place for an election."

I think what the gentlewoman said is to give money directly to anybody to go to a polling place, but this is any activities.

Mrs. NORTHUP. Mr. Chairman, reclaiming my time, it is currency. You cannot provide currency. I think the gentleman is missing that word. It does not say you cannot provide donuts. You cannot provide currency.

Mr. FARR of California. Mr. Chairman, if the gentlewoman will yield further, it says "for carrying out activities on the date of the election." Is not "activities" broader than just going to the polls, driving somebody? I am trying to think of the League of Women Voters issues. We are trying to get people to the polls. Those are activities. All of that is related to the election day.

Mrs. NORTHUP. Mr. Chairman, reclaiming my time, but you can provide a check to somebody that is driving somebody. You can provide a check to somebody to buy donuts. You can give a check to somebody to buy gas. What you cannot do is give somebody $200.

□ 2000

Mr. FARR of California. Mr. Chairman, I agree with that. Why does not the gentlewoman just say that?

Mrs. NORTHUP. Mr. Chairman, it says that. "One cannot provide currency."

Mr. MEEHAN. Mr. Chairman, I yield 30 seconds to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I reluctantly oppose this amendment, and I am surprised that the gentlewoman from Kentucky who talks about rules and regulations has come up with the biggest rule and regulation. We are basically saying that everything would have to be in a check.

Not everybody in my district has a checking account. Some people drive to the polls, they have money, they take it and they go to the gas station and give money to the gas station attendant.

This has, I think, serious unintended consequences. It probably is going to pass because it has a good name to it, but it really is regulation beyond my comprehension, and I think a bit foolish.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentlewoman from Kentucky (Mrs. NORTHUP) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mrs. NORTHUP. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentlewoman from Kentucky will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment offered by Mr. WICKER of Mississippi; amendment offered by Mr. STEARNS of Florida; amendment, as modified, offered by Mr. PICKERING of Mississippi; amendment offered by Mr. DELAY of Texas; amendment offered by Mr. MCINNIS of Colorado; amendment offered by Mr. PAXON of New York; amendment offered by Mr. HEFLEY of Colorado; amendment offered by Mrs. NORTHUP of Kentucky.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in a series.

AMENDMENT NO. 59 OFFERED BY MR. WICKER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

The CHAIRMAN pro tempore. The unfinished business is the demand for a recorded vote on the Amendment No. 59 offered by the gentleman from Mississippi (Mr. WICKER) to the amendment in the nature of a substitute No. 13 offered by the gentleman from Connecticut (Mr. SHAYS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment No. 59 offered by Mr. WICKER to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS: Add at the end the following new title:

TITLE—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 01. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

(1) IN GENERAL.—Chapter 29 of title 18 United States Code, is amended by adding at the end the following new section:

"§ 612. Prohibiting use of meals and accommodations at White House for political fundraising.

"(a) It shall be unlawful for any person to provide or offer to provide any meals of accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party or the campaign for electoral office of any candidate.

"(b) Any person who violates this section shall be fined under this title or imprisoned not more than three years, or both.

"(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

"612. Prohibiting use of meals and accommodations at White House or political fundraising.".

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 391, noes 4, not voting 39, as follows:

[Roll No. 301]

AYES—391

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berry
Bilbray
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson (WI)
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Mollohan
Moran (KS)

Moran (VA)
Morella
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—4

Hastings (FL)
Kanjorski
Murtha
Wexler

NOT VOTING—39

Ackerman
Baker
Berman
Bilirakis
Blagojevich
Coble
Danner
Dixon
Ehrlich
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Johnson, E. B.
Johnson, Sam
Kleczka
Lewis (GA)
Lipinski
Maloney (NY)
Martinez
McDade
Millender-McDonald
Moakley
Norwood
Ortiz
Pickering
Poshard
Riggs
Roybal-Allard
Stokes
Thompson
Torres
Towns
Traficant
Yates

□ 2022

Mr. HASTINGS of Florida changed his vote from "aye" to "no."

Mr. JACKSON of Illinois and Mr. BASS changed their vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, during roll call vote number 301 on the Wicker Amendment I was unavoidably detained. Had I been present, I would have voted yes.

AMENDMENT OFFERED BY MR. STEARNS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

The CHAIRMAN pro tempore (Mr. BARR of Georgia). The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Florida (Mr. STEARNS) to the amendment in the nature of a substitute No. 13 offered by the gentleman from Connecticut (Mr. SHAYS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. STEARNS to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS: Amend section 506 to read as follows (and conform the table of contents accordingly):

SEC. 506. BAN ON CAMPAIGN CONTRIBUTIONS BY NONCITIZENS.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended to read as follows:

"CONTRIBUTIONS AND DONATIONS BY NONCITIZENS

"SEC. 319. (a) PROHIBITION.—It shall be unlawful for—

"(1) a noncitizen, directly or indirectly, to make—

"(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election to a political committee or a candidate for Federal office, or

"(B) a contribution or donation to a committee of a political party; or

"(2) a person to solicit, accept, or receive a contribution or donation described in paragraph (1) from a noncitizen.

"(b) TREATMENT OF NATIONALS OF THE UNITED STATES.—For purposes of subsection (a), a 'noncitizen' of the United States does not include a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 267, noes 131, not voting 36, as follows:

[Roll No. 302]

AYES—267

Aderholt
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bliley
Blunt
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Castle
Chabot
Chambliss
Christensen
Clement
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeFazio
DeLauro
Deutsch
Dickey
Dooley
Doyle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Etheridge
Evans
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Greenwood
Gutknecht
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (WI)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kim
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Luther
Maloney (CT)
Manzullo
Markey
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Obey
Oxley
Packard
Pappas
Parker
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riley
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Rush
Ryun
Sanders
Sandlin
Sanford
Sawyer
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Strickland
Stump
Stupak
Sununu
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thune
Thurman
Tiahrt
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)

NOES—131

Abercrombie
Allen
Andrews
Barrett (WI)
Becerra
Bentsen
Berman
Bilbray
Bishop
Blumenauer
Boehlert
Bonior
Borski
Brady (PA)
Brown (CA)
Brown (FL)
Campbell
Cardin
Carson
Chenoweth
Clay
Clayton
Clyburn
Condit
Conyers
Crapo
Cummings
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLay
Diaz-Balart
Dicks
Dingell
Doggett
Doolittle
Edwards
Engel
Ensign
Eshoo
Farr
Fattah
Fazio
Filner
Frank (MA)
Furse
Green
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hinojosa
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Kanjorski
Kennedy (RI)
Kilpatrick
Kind (WI)
King (NY)
LaFalce
Lampson
Lee
Lewis (CA)
Lofgren
Lowey
Manton

Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pombo
Porter
Rangel
Reyes
Rivers
Rodriguez
Ros-Lehtinen
Sabo
Salmon
Sanchez
Scott
Serrano
Shays
Skaggs
Smith (MI)
Stark
Stenholm
Talent
Thornberry
Tierney
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wynn

NOT VOTING—36

Ackerman
Baker
Bilirakis
Blagojevich
Coble
Danner
Dixon
Ehrlich
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Lewis (GA)
Lipinski
Maloney (NY)
Martinez
McDade
Millender-McDonald
Moakley
Norwood
Ortiz
Pickering
Poshard
Riggs
Roybal-Allard
Saxton
Stokes
Thompson
Torres
Towns
Traficant
Yates

☐ 2032

Mr. PORTER and Mr. HOUGHTON changed their vote from "aye" to "no."

Mr. SANFORD changed his vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PICKERING. Mr. Chairman, on roll calls Nos. 301 and 302, I was unavoidably detained.

Had I been present, I would have voted "yes."

AMENDMENT OFFERED BY MR. PICKERING, AS MODIFIED, TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

The CHAIRMAN pro tempore (Mr. BARR of Georgia). The pending business is the demand for a recorded vote on the amendment, as modified, offered by the gentleman from Mississippi (Mr. PICKERING) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 344, noes 56, not voting 34, as follows:

[Roll No. 303]

AYES—344

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (OH)
Bryant
Bunning
Burr
Burton
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Dickey
Dicks
Dingell
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Eshoo
Etheridge
Evans
Everett
Ewing
Fattah
Fawell
Filner
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kim
Kind (WI)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Mica
Miller (FL)
Minge
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Royce
Rush
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Turner
Upton
VelaoAElzquez
Vento
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Young (FL)

NOES—56

Becerra
Blunt
Brown (FL)
Buyer
Carson
Clyburn
Conyers
Davis (VA)
Diaz-Balart
Doolittle
Engel
Ensign
Farr
Fazio
Frank (MA)
Gutierrez
Hastings (FL)
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Kanjorski
Kennedy (RI)
Kilpatrick
King (NY)
Kucinich
Latham
LaTourette
Lazio
Lee
Lofgren
McDermott
Meek (FL)
Meeks (NY)
Miller (CA)
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Paul
Payne
Pombo
Radanovich
Ros-Lehtinen
Sabo
Sanchez
Scott
Skaggs
Stark
Waters
Weldon (FL)
Wexler
Wilson
Wynn
Young (AK)

NOT VOTING—34

Ackerman
Baker
Bilirakis
Blagojevich
Coble
Danner
Dixon
Ehrlich
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Lewis (GA)
Lipinski
Maloney (NY)
Martinez
McDade
Millender-McDonald
Moakley
Norwood
Ortiz
Poshard
Riggs
Roybal-Allard
Stokes
Thompson
Torres
Towns
Traficant
Yates

☐ 2041

So the amendment, as modified, to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DELAY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

The CHAIRMAN pro tempore (Mr. BARR of Georgia). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. DELAY) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 360, noes 36, not voting 38, as follows:

[Roll No. 304]

AYES—360

Abercrombie
Aderholt
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Fawell
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meeks (NY)
Menendez
Metcalf
Mica
Miller (FL)
Minge
Moran (KS)
Morella
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Olver
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—36

Allen
Becerra
Borski
Brady (PA)
Clay
Conyers
Engel
Farr
Fattah
Fazio
Furse
Hastings (FL)
Jackson-Lee (TX)
Kanjorski
Kucinich
Lee
McDermott
Meek (FL)
Miller (CA)
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Obey
Payne
Rahall
Sabo
Scott
Smith, Adam
Stark
Tanner
Waters
Watt (NC)
Waxman
Wexler

NOT VOTING—38

Ackerman
Baker
Bilirakis
Blagojevich
Coble
Danner
Dixon
Ehrlich
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Lewis (GA)
Lipinski
Maloney (NY)
Markey
Martinez
McDade
Meehan
Millender-McDonald
Moakley
Norwood
Ortiz
Poshard
Riggs
Roybal-Allard
Scarborough
Skelton
Stokes
Thompson
Torres
Towns
Traficant
Yates

□ 2048

Mr. MORAN of Virginia changed his vote from "aye" to "no."

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MCINNIS TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

The CHAIRMAN pro tempore (Mr. BARR of Georgia). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado (Mr. MCINNIS) to the amendment in the nature of a substitute No. 13 offered by the gentleman from Connecticut (Mr. SHAYS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 391, noes 7, not voting 36, as follows:

[Roll No. 305]

AYES—391

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal

Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—7

Clyburn
Conyers
Farr
Kucinich
Pelosi
Waters
Wexler

NOT VOTING—36

Ackerman
Baker
Bilirakis
Blagojevich
Coble
Danner
Dixon
Ehrlich
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Kennelly
Lewis (GA)
Lipinski
Maloney (NY)
Markey
Martinez
McDade
Millender-McDonald
Moakley
Norwood
Ortiz
Poshard
Riggs
Roybal-Allard
Stokes
Thompson
Torres
Towns
Traficant
Yates

☐ 2056

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. PAXON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. PAXON) to the amendment in the nature of a substitute No. 13 offered by the gentleman from Connecticut (Mr. SHAYS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 150, noes 248, not voting 36, as follows:

[Roll No. 306]

AYES—150

Archer
Armey
Ballenger
Barr
Bartlett
Barton
Bateman
Bliley
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Dickey
Doolittle
Dreier
Duncan
Dunn
Emerson
Everett
Ewing
Fawell
Fossella
Fowler
Gekas
Gibbons
Gilchrest
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hoekstra
Hostettler
Hulshof
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kasich
Kingston
Klug
Knollenberg
Kolbe
Largent
Latham
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Manzullo
McCollum
McInnis
McIntosh
McKeon
Mica
Miller (FL)
Myrick
Nethercutt
Northup
Nussle
Oxley
Packard
Parker
Paxon
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Radanovich
Riley
Rogan
Rogers
Rohrabacher
Royce
Ryun
Salmon
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shuster
Skeen
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Watkins
Watts (OK)
Weldon (FL)
Whitfield
Wicker
Wolf
Young (FL)

NOES—248

Abercrombie
Aderholt
Allen
Andrews
Bachus
Baesler
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Blumenauer
Blunt
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Coburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Ehlers
Engel
English
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Foley
Forbes
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gillmor
Gilman
Gordon
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hinchey
Hinojosa
Hobson
Holden
Hooley
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Kucinich
LaFalce
LaHood
Lampson
Lantos
LaTourette
Lazio
Leach
Lee
Levin
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Manton
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Miller (CA)
Minge
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Petri
Pickett
Pomeroy
Porter
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Rothman
Roukema
Rush
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schumer
Scott
Serrano
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thurman
Tierney
Turner
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Wexler
Weygand
White
Wilson
Wise
Woolsey
Wynn
Young (AK)

NOT VOTING—36

Ackerman
Baker
Bilirakis
Blagojevich
Coble
Danner
Dixon
Ehrlich
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Kennelly
Lewis (GA)
Lipinski
Maloney (NY)
Markey
Martinez
McDade
Millender-McDonald
Moakley
Norwood
Ortiz
Poshard
Riggs
Roybal-Allard
Stokes
Thompson
Torres
Towns
Traficant
Yates

☐ 2104

Mr. ENGLISH of Pennsylvania changed his vote from "aye" to "no."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. MALONEY of New York. Mr. Chairman, on Monday, July 20, I was unavoidably detained and missed rollcall votes 297–306. Had I been present, I would have voted "yes" on rollcall votes 297, 298, 299, 300 and 301, "no" on rollcall vote 302, "yes" on rollcall votes 303, 304, and 305, and "no" on rollcall vote 306.

AMENDMENT OFFERED BY MR. HEFLEY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

The CHAIRMAN pro tempore (Mr. BARR of Georgia). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 222, noes 177, not voting 35, as follows:

[Roll No. 307]

AYES—222

Aderholt
Archer
Armey
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Berry
Bilbray
Bishop
Blunt
Boehner
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Clement
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Etheridge
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Gejdenson
Gekas
Gibbons
Gilchrest
Goode
Goodlatte
Goodling
Goss
Graham
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Jones
Kaptur
Kasich
Kelly
Kildee
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Lampson
Largent
LaTourette
Lazio
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
McKinney
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stabenow
Stearns
Stenholm
Strickland
Stump
Sununu
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thune
Thurman
Tiahrt
Turner
Upton
Walsh
Wamp
Watkins
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—177

Abercrombie
Allen
Andrews
Bachus
Baesler
Baldacci
Barcia
Barrett (WI)
Barton
Becerra
Bentsen
Berman
Bliley
Blumenauer
Boehlert
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Castle
Clay
Clayton
Clyburn
Condit
Conyers
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Forbes
Frank (MA)
Furse
Ganske
Gillmor
Gilman
Gordon
Granger
Gutierrez
Hamilton
Harman
Hastings (FL)
Hinojosa
Holden
Hooley
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kim
Kind (WI)
King (NY)
Klink
Kucinich
LaFalce
Lantos
Latham
Leach
Lee
Levin
Lewis (CA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntosh
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Porter
Portman
Rahall
Rangel
Regula
Reyes
Rivers
Rodriguez
Roemer
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Shays
Sherman
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stark
Stupak
Talent
Tauscher
Thornberry
Tierney
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—35

Ackerman
Baker
Bilirakis
Blagojevich
Coble
Danner
Dixon
Ehrlich
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Kennelly
Lewis (GA)
Lipinski
Markey
Martinez
McDade
Millender-McDonald
Moakley
Norwood
Ortiz
Poshard
Riggs
Roybal-Allard
Stokes
Thompson
Torres
Towns
Traficant
Yates

☐ 2112

Messrs. ENSIGN, KLINK, and DOYLE changed their vote from "aye" to "no."

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MRS. NORTHUP TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Kentucky (Mrs. NORTHUP) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 284, noes 114, not voting 36, as follows:

[Roll No. 308]

AYES—284

Aderholt
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bishop
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bono
Boswell
Boucher
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeFazio
DeGette
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kasich
Kelly
Kildee
Kim
Kind (WI)
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Lampson

Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Mica
Miller (CA)
Miller (FL)
Minge
Mollohan
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Obey
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Sabo
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Sessions
Shadegg
Shaw
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Young (AK)
Young (FL)

NOES—114

Abercrombie
Allen
Andrews
Becerra
Bentsen
Berman
Boehlert
Bonior
Borski
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Cummings
Davis (FL)
Davis (IL)
Delahunt
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Furse
Gutierrez
Hall (OH)
Hastings (FL)
Hinchey
Hinojosa
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kilpatrick
King (NY)
Klink
Kucinich
LaFalce
Lantos
Lee
Levin
Lofgren
Lowey
Manton
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mink
Murtha
Nadler
Neal
Oberstar
Olver
Owens
Pastor
Payne
Rahall
Rangel
Reyes
Rivers
Rothman
Rush
Sanchez
Sandlin
Sawyer
Scott
Serrano
Shays
Skaggs
Slaughter
Snyder
Stark
Tanner
Tierney
Torres
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Woolsey
Wynn

NOT VOTING—36

Ackerman
Baker
Bilirakis
Blagojevich
Coble
Coburn
Danner
Dixon
Ehrlich
Ford
Frost
Gephardt
Gonzalez
Hefner
Hilliard
Jefferson
John
Kennelly
Lewis (GA)
Lipinski
Markey
Martinez
McDade
Millender-McDonald
Moakley
Norwood
Ortiz
Pelosi
Poshard
Riggs
Roybal-Allard
Stokes
Thompson
Towns
Traficant
Yates

☐ 2120

Mr. BERRY and Mr. DICKS changed their vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. KLECZKA. Mr. Chairman, I was unavoidably detained on rollcall vote 301, the Wicker amendment. Had I been present, I would have voted "aye".

Mr. SHAYS. Mr. Chairman, for the purposes of taking up a rule, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. BARR of Georgia, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2183) to amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes, had come to no resolution thereon.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4193, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 105–637) on the resolution (H. Res. 504) providing for consideration of the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the House Calendar and ordered to be printed.

GENERAL LEAVE

Mr. HASTINGS of Washington. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res 301.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERSONAL EXPLANATION

Mr. BARRETT Of Wisconsin. Mr. Speaker, I was unavoidably detained in my district earlier today, and I missed four votes. If I had been here, I would have voted the following: On rollcall No. 297, H.R. 3874, I would have voted "aye". On rollcall No. 298, H. Con. Res. 208, I would have voted "aye". On rollcall 299, H. Con. Res. 392, I would have voted "aye". On rollcall 300, H. Con. Res. 301, I would have voted "aye".

PERSONAL EXPLANATION

Mr. LAMPSON. Mr. Speaker, on June 25, 1998, on rollcall vote 274, I am recorded as not voting. I was hosting the Vice President in my district on that afternoon. This bill provides for restructuring the management of the Internal Revenue Service by establishing an oversight board to oversee the agency's operations. Along with expanding certain taxpayer rights, the conference report also reduces from 18 months to 12 months the time a taxpayer must hold an investment before being eligible for the 20 percent tax rate on capital gains.

Had I been recorded on that vote, I would have voted "aye".

PERSONAL EXPLANATION

Mr. MALONEY of Connecticut. Mr. Speaker, I was unavoidably detained for recorded votes earlier today. If I had been present for the following votes, I would have voted as follows: Rollcall 297, H.R. 3874, "aye"; rollcall 298, H. Con. Res. 208, "aye"; rollcall 299, H. Res. 392, "aye"; rollcall 300, H. Con. Res. 301, "aye".

BIPARTISAN CAMPAIGN INTEGRITY ACT OF 1997

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 442 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2183.

☐ 2125

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2183) to amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes, with Mr. BARR of Georgia (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole House rose earlier today, the amendment offered by the gentlewoman from Kentucky, Mrs. Northup, has been disposed of.

It is now in order to consider the amendment by the gentleman from Virginia (Mr. GOODLATTE).

AMENDMENT OFFERED BY MR. GOODLATTE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. GOODLATTE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment to the amendment in the nature of a substitute.

The text of the amendment to the amendment in the nature of a substitute is as follows:

Amendment offered by Mr. Goodlatte to the amendment in the nature of a substitute No. 13 offered by Mr. Shays:

Add at the end the following new title:

TITLE ___—VOTER REGISTRATION REFORM

SEC. ___01. REPEAL OF REQUIREMENT FOR STATES TO PROVIDE FOR VOTER REGISTRATION BY MAIL.

(a) In General.—Section 4(a) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–2) is amended—

(1) in paragraph (1), by adding "and" at the end;

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(b) Conforming Amendments Relating to Uniform Mail Voter Registration Form.—(1) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.) is amended by striking section 9.

(2) Section 7(a)(6)(A) of such Act (42 U.S.C. 1973gg–5(a)(6)(A)) is amended by striking "assistance—" and all that follows and inserting the following: "assistance a voter registration application form which meets the requirements described in section 5(c)(2) (other than subparagraph (A)), unless the applicant, in writing, declines to register to vote;".

(c) Other Conforming Amendments.—(1) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.) is amended by striking section 6.

(2) Section 8(a)(5) of such Act (42 U.S.C. 1973gg–6(a)(5)) is amended by striking "5, 6, and 7" and inserting "5 and 7".

SEC. ___02. REQUIRING APPLICANTS REGISTERING TO VOTE TO PROVIDE CERTAIN ADDITIONAL INFORMATION.

(a) Social Security Number.—

(1) In general.—Section 5(c)(2) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–3(c)(2)) is amended—

(A) by striking "and" at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(F) shall require the applicant to provide the applicant's Social Security number.".

(2) Conforming amendment.—Section 5(c)(2)(A) of such Act (42 U.S.C. 1973gg–3(c)(2)(A)) is amended by inserting after "subparagraph (C)" the following: ", or the information described in subparagraph (F)".

(3) Effective date.—The amendments made by this section shall take effect January 1, 1999, and shall apply with respect to applicants registering to vote in elections for Federal office on or after such date.

(b) Actual Proof of Citizenship.—

(1) Registration with application for driver's license.—Section 5(c) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–3(c)) is amended by adding at the end the following new paragraph:

"(3) The voter registration portion of an application for a State motor vehicle driver's license shall not be considered to be completed unless the applicant provides to the appropriate State motor vehicle authority proof that the applicant is a citizen of the United States.".

(2) Registration with voter registration agencies.—Section 7(a) of such Act (42 U.S.C. 1973gg–5(a)) is amended by adding at the end the following new paragraph:

"(8) A voter registration application received by a voter registration agency shall not be considered to be completed unless the applicant provides to the agency proof that the applicant is a citizen of the United States.".

(3) Conforming amendment.—Section 8(a)(5)(A) of such Act (42 U.S.C. 1973gg–6(a)(5)(A)) is amended by striking the semicolon and inserting the following: ", including the requirement that the applicant provide proof of citizenship;".

(4) No effect on absent uniformed services and overseas voters.—Nothing in the National Voter Registration Act of 1993 (as amended by this subsection) may be construed to require any absent uniformed services voter or overseas voter under the Uniformed and Overseas Citizens Absentee Voting Act to provide any evidence of citizenship in order to register to vote (other than any evidence which may otherwise be required under such Act).

SEC. ___03. REMOVAL OF CERTAIN REGISTRANTS FROM OFFICIAL LIST OF ELIGIBLE VOTERS.

(a) In General.—Section 8(d) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–6(d)) is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3)(A) At the option of the State, a State may remove the name of a registrant from the official list of eligible voters in elections for Federal office on the ground that the registrant has changed residence if—

"(i) the registrant has not voted or appeared to vote (and, if necessary, correct the registrar's record of the registrant's address) in an election during the period beginning on the day after the date of the second previous general election for Federal office held prior to the date the confirmation notice described in subparagraph (B) is sent and ending on the date of such notice;

"(ii) the registrant has not voted or appeared to vote (and, if necessary, correct the registrar's record of the registrant's address) in any of the first two general elections for Federal office held after the confirmation notice described in subparagraph (B) is sent; and

"(iii) during the period beginning on the date the confirmation notice described in subparagraph (B) is sent and ending on the date of the second general election for Federal office held after the date such notice is sent, the registrant has failed to notify the State in response to the notice that the registrant did not change his or her residence, or changed residence but remained in the registrar's jurisdiction.

"(B) A confirmation notice described in this subparagraph is a postage prepaid and pre-addressed return card, sent by forwardable mail, on which a registrant may state his or her current address, together with information concerning how the registrant can continue to be eligible to vote if the registrant has changed residence to a place outside the registrar's jurisdiction and a statement that the registrant may be removed from the official list of eligible voters if the registrant does not respond to the notice (during the period described in subparagraph (A)(iii)) by stating that the registrant did not change his or her residence, or changed residence but remained in the registrar's jurisdiction.".

(b) Conforming Amendment.—Section 8(i)(2) of such Act (42 U.S.C. 1973gg–6(d)) is amended by inserting "or subsection (d)(3)" after "subsection (d)(2)".

SEC. ___04. PERMITTING STATES TO REQUIRE VOTERS TO PRODUCE ADDITIONAL INFORMATION PRIOR TO VOTING.

(a) Photographic Identification.—Section 8 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–6) is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection:

"(j) Permitting States To Require Voters To Produce Photo Identification.—A State may require an individual to produce a valid photographic identification before receiving a ballot (other than an absentee ballot) for voting in an election for Federal office.".

(b) Signature.—Section 8 of such Act (42 U.S.C. 1973gg–6), as amended by subsection (a), is further amended—

(1) by redesignating subsection (k) as subsection (l); and

(2) by inserting after subsection (j) the following new subsection:

"(k) Permitting States To Require Voters To Provide Signature.—A State may require an individual to provide the individual's signature (in the presence of an election official at the polling place) before receiving a ballot for voting in an election for Federal office, other than an individual who is unable to provide a signature because of illiteracy or disability.".

SEC. ___05. REPEAL OF REQUIREMENT THAT STATES PERMIT REGISTRANTS CHANGING RESIDENCE TO VOTE AT POLLING PLACE FOR FORMER ADDRESS.

Section 8(e)(2) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–6(e)(2)) is amended—

(1) by striking "(2)(A)" and inserting "(2)"; and

(2) by striking "election, at the option of the registrant—" and all that follows and inserting the following: "election shall be permitted to correct the voting records for purposes of voting in future elections at the appropriate polling place for the current address and, if permitted by State law, shall be permitted to vote in the present election, upon confirmation by the registrant of the new address by such means as are required by law.".

SEC. ___06. EFFECTIVE DATE.

The amendments made by this title shall apply with respect to elections for Federal office occurring after December 1999.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from Virginia (Mr. Goodlatte) and a Member opposed each will control 20 minutes.

Mr. LEVIN. Mr. Chairman, I ask unanimous consent to claim the time in opposition.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Virginia (Mr. Goodlatte).

Mr. GOODLATTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment to the Shays-Meehan substitute. This amendment contains common sense reforms that will restore integrity to our elections.

Mr. Chairman, voting is the most important responsibility of any citizen in a democracy. Many brave men and women have given their lives to protect our right to vote, to determine for ourselves the shape and direction of our government.

When individuals are allowed to abuse our electoral process, it destroys the integrity of our democracy. It erodes public confidence in the system and sends a signal to the American people that their vote does not count. It suggests that government is not really the people's but rather a tool of those who would corrupt it for their own personal gain. This breeds cynicism and destroys the motivation of our citizens to participate.

This amendment addresses the real problems of voter fraud that demean our democracy. In the past several years, Congress has tried to make it easier for American citizens to participate in the democratic process by enacting legislation which relaxes regulation and voting requirements.

We can all agree that this is a noble and responsible goal. In this effort, however, Congress has denied the States the ability to maintain reasonable requirements that protect the security and integrity of our elections. Therefore, we must act now to restore vital protections that ensure our elections will truly represent the will of the people.

This amendment restores integrity in our electoral system by targeting three major areas, the voter registration application process, the maintenance of voter rolls, and voting on election day. It is modeled after legislation I introduced last year and is also similar to legislation considered by the House earlier this year.

To address shortcomings in the voter registration system, the amendment requires anyone registering to vote to show proof of their citizenship. To make this provision feasible and to further improve the registration process, it repeals the Federal requirement that States must permit individuals to register by mail.

Let me be clear on this point. This amendment does not prevent States from allowing voter registration by mail. It simply gives States a choice by removing the current Federal mandate of mail in registration.

□ 2130

Currently there is no way to ensure that individuals registering by mail are actually United States citizens or if they are even who they say they are. The American people may be shocked to know there is essentially nothing to prevent an individual from mailing in a registration card with phony information and being allowed to vote.

Second, the amendment includes provisions to improve the ability of State election officials to maintain accurate voter rolls. It allows, not requires, but allows a State to purge the rolls or remove the names of voters from the Federal election rolls if they have not voted in two consecutive Federal elections and do not respond to a confirmation notice.

In addition, my amendment addresses the problem of double voting by repealing the provisions of current law that allow individuals who have recently moved within a county or district to vote at the voting location of either their old or their new address.

To combat voter fraud on election day, my amendment implements two important provisions. First, it permits, but does not mandate, that States require voters to sign their name before entering the voting booth. Then, if it becomes necessary to investigate an election, States will be able to compare the signatures on the voting lists with the signatures on the voter registration forms to verify identity.

Second, my amendment permits, but does not mandate, that States require individuals to produce photo ID's in order to vote in a Federal election. The amendment also includes a provision clarifying that none of these provisions interfere with the law governing overseas and military voting.

Mr. Chairman, the American people expect their elections to be clean, fair, and honest. This amendment restores the prestige that has long been an integral part of our Nation's electoral process.

I urge my colleagues to support this common sense amendment protecting our elections from fraud and abuse.

Mr. LEVIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this proposal has nothing to do with campaign reform. What it would do would be to turn back a law that we passed a few years ago.

Why is it being done? It was said in a different time that money is the mother's milk of politics, but, unfortunately, increasingly there has been a poisoning of politics by money. Now, in order to thwart the effort to take the endless flow of money out of politics, to have responsibility and accountability, the gentleman from Virginia (Mr. GOODLATTE) is essentially presenting a poison pill, a poison pill to bring down Shays-Meehan. He knows very well, as should anybody who votes for it, that Shays-Meehan cannot become law with this provision in it.

The President has made clear his position about the motor-voter bill. It is very clear on this side of the aisle where we stand, and I am hopeful that those on the majority side who really want Shays-Meehan will say this: Look, we will argue motor-voter, but some other day.

The bill before us relates to the flow of money into politics. There are endless electoral provisions, endless, that could be brought up at this point that are not essentially related to money.

So what does this bill do? It essentially requires Social Security numbers on voter registration applications. Though there is question whether that is even constitutional, I think it is bad policy. You talk about intrusion by the Federal Government, and you want that requirement? You do not want to leave it to the States?

Also, there is a requirement regarding photo identification. Now, look, under present law, States can provide or require that kind of identification, as long as it is done in a uniform, nondiscriminatory way and in compliance with the Voting Rights Act. Essentially, the gentleman from Virginia (Mr. GOODLATTE) wants to repeal this part of the Voting Rights Act.

Also the provisions regarding mail-in requirements, now, I understand why some people do not like this. There are some who have made a calculus that the more who vote, the worse it is for them.

But that is violative of the democratic process, in my judgment. We should all be for encouraging more voters, not less. There are also provisions here about dropping people from the rolls for not voting, and I understand there is some controversy about this, about the law that we passed several years ago. But let us take it up in a forum, in a format, that does not threaten this bill.

Mr. Chairman, I would just close with this: We have an opportunity to act. Everybody sitting in this body knows better than anybody else the contamination caused by the endless anonymous flow of money. Everybody, worthy people who know more than virtually anybody else about this. And we should be the ones leading reform, not the ones waiting for an uprising.

This amendment, if adopted, would kill Shays-Meehan. If attached to the freshmen bill, if that were to come up, it would kill it. I think that is perhaps why it is being introduced here.

Mr. Chairman, I urge its defeat. Let us take up campaign finance reform as promised, and we will take up these other issues some other day.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLATTE. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, our act only amends the so-called Motor-Voter Act, which is superseded by the Voting Rights Act, which is not affected by this legislation in any way, shape or form.

Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. McCOLLUM).

Mr. McCOLLUM. Mr. Chairman, I rise to strongly support this amendment by the gentleman from Virginia (Mr. GOODLATTE). The gentleman and I have worked for a long time about trying to take fraud out of the motor-voter laws and out of the laws that exist today, the potential for fraud, throughout this Nation. I know the gentleman has no intention to offer this for any other purpose than to advance that cause.

There are two provisions within the gentleman's amendment identical to those which I put in in a separate bill for a separate session of Congress, two provisions that are supported by all 67 supervisors of elections in the State of Florida, both Democrat and Republican.

One of those that they all find critical to being able to fight voter fraud is to be able to purge the rolls every couple of years. They are not now permitted to do it. The cost that they have, they are enormous in carrying these rolls. There are many duplications on those rolls.

It is ridiculous to require that you cannot purge, and that is what the law today says, you cannot remove names. If proper notice is given, like the Goodlatte amendment requires, and confirmation notice follows it up, everybody is given an opportunity, if you have not voted in two consecutive Federal elections, the supervisor's office should certainly be allowed to purge the role and eliminate the name.

The other is the Social Security card question. Right now most supervisors do not feel that they have the authority to require the production of a Social Security number when somebody registers to vote. Having that number on record is very essential to avoid the duplication that occurs. Potentially when people have the same names, it is very, very bad. Twenty-one Jane Smiths do exist out there. What about people in other counties?

It is very important to have that provision in the law, and I strongly urge the adoption of this amendment for both of those reasons, but I fully support the entire provisions that are in this amendment, and urge a yes vote on the Goodlatte amendment.

Mr. Chairman, I thank the gentleman for yielding me time.

Mr. LEVIN. Mr. Chairman, I yield 4 minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I rise today in support of the bipartisan Shays-Meehan campaign finance reform bill. Since my first day in office, I have been working hard with these two colleagues and many others to deliver meaningful, sensible reform of our beleaguered campaign finance system for the American people.

I am dismayed that some Members of this House have played partisan politics with common sense legislation. The amendment currently under debate is another attempt to derail Shays-Meehan and kill finance reform. The Goodlatte amendment would effectively repeal the mail-in registration provision of the motor-voter law.

During my recent special election, a massive vote-by-mail drive conducted both by my campaign and my opponent's campaign led to overwhelming voter participation. In fact, our special election witnessed the highest voter turnout in a special election in the history of elections in California. Without mail-in registration, many hard working men and women would not have been able to vote.

Registering to vote and getting to the polls is often difficult for people who struggle to balance their jobs with the need to drive their kids to and from school and other activities. Terminating mail-in registration would also, for obvious reasons, disenfranchise elderly and disabled voters. The current motor-voter law has been tremendously successful. Currently we have the highest percentage of voter registration, 73 percent, since reliable voting records were first made available in 1960.

Mr. Chairman, do we only want people to register to vote who are young, able-bodied and have flexible schedules? Clearly the answer is no.

I am also very concerned with the provision in this amendment which would allow States to require a photo ID in order to vote. A variant of this idea was implemented during my special election in March, and it had disastrous results.

The Secretary of State of California asked poll workers to request that voters voluntarily submit their driver's licenses to clean up the voter data base. This seemingly innocent request led to many troubling incidents. One elderly Santa Barbara woman went to her polling location only to be told she could not vote because she failed to produce a driver's license.

This woman, who no longer drove a car, had voted in every election as long as she could remember. She no longer had any need for a photo ID and was distraught when told she could not vote. Finally a poll worker allowed the woman's husband to vouch for her identity.

In addition, poll workers did not consistently enforce the Secretary of State's request. Voters in areas that have larger Hispanic populations were required to show driver's licenses more often than voters in more affluent, predominantly white neighborhoods.

This program, which was scheduled to be implemented throughout the State, has since been cancelled. Actually voter registration, when effectively implemented, provides the voter with all the ID necessary. If you are adequately registered, you have the right to vote.

Requiring voters to show a photo ID is intimidating to new voters who are still unsure of the process. This action inadvertently leads to discrimination against voters of different races and nationalities. In all likelihood, someone who looks like me would not be asked to produce a photo ID at my polling location, but a Latino American or Asian American would be.

We need to be implementing laws that encourage voter participation, rather than chasing away eligible voters already engaged in the process. I urge a no vote to this amendment, and I hope we will pass the Shays-Meehan bill very soon.

Mr. GOODLATTE. Mr. Chairman, it is my pleasure to yield 2 minutes to the gentleman from Texas (Mr. SMITH).

Mr. SMITH of Texas. Mr. Chairman, I thank my friend from Virginia for yielding me time.

Mr. Chairman, I strongly support the Goodlatte amendment to restore integrity to elections. There is no more revered right of citizenship than the right to vote. The 1996 Illegal Immigration Reform and Immigrant Responsibility Act made it both a Federal crime and a deportable offense when noncitizens vote.

Allowing noncitizens to vote cheapens the right for the rest of us. There is currently no satisfactory way for local registrars to ensure that there are no noncitizens on their voting rolls or for the Justice Department to enforce the penalties. Attempts have been made to check voting rolls against Immigration and Naturalization Service records in order to identify noncitizens. However, INS data, at best, can only tell us that a voter is a legal immigrant or a citizen. INS data cannot tell us whether a voter is in fact an illegal alien.

I want to thank my friend from Virginia (Mr. GOODLATTE) for offering this amendment. The enactment of the motor-voter law and the loosening of voter registration requirements have released a flood of voter irregularities and illegalities across the country. Not only has motor-voter failed to increase voter turnout, it in fact has encouraged voter fraud.

I urge my colleagues to support this amendment and let the American people know that we will protect and honor their right to vote, and restore integrity to the election process.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Chairman, it is ironic in a bill designed to encourage the faith of the American people in the political process we would see an amendment like this that is a veritable wish-list of provisions to discourage voter participation. Our rate of voter participation is low enough as it is. We should be encouraging people to get involved, not throwing up roadblocks.

□ 2145

This amendment actually allows the State to remove one from the voter rolls if one fails to vote in two consecutive elections. Now, I wish everyone would vote in every election, but since when does one have to vote in every election to maintain one's right to vote, or in every two elections? I think most Americans would find that outrageous. This is a constitutional right we are talking about taking away, and why? Because the person missed an election? Voter registration by mail is an important option for people who are homebound or who have limited access to transportation. Why would we take away that option? What evidence is there that this is encouraging voter fraud?

Perhaps worst of all, this amendment gives the States free rein to require additional information to vote, including a photo I.D. and so-called proof of citizenship, yet we already know from the now totally discredited Dornan investigation that our, meaning the Federal Government's current records, produced all sorts of mistakes. Nuns and our own military men and women were falsely accused of illegal voting. We know that selective enforcement of such I.D. will be applied to those who may not have blond hair or blue eyes or otherwise be considered typically American. Is that the type of system we want to make nationwide? I hope not.

The question is, are we going to encourage voter participation and make it convenient for our citizens to vote, or are we going to turn the voting process into a system of government background checks, interrogations and false accusations?

The ballot box should be a place of sanctity and freedom, not of distrust and suspicion.

This amendment should be defeated. It is anti-voter, it is anti-participation, and it is anti-democratic.

Mr. GOODLATTE. Mr. Chairman, I yield 1 minute to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank my friend from Virginia for yielding me this time.

Mr. Chairman, I rise tonight in strong support of this amendment, because far from being a poison pill, it carries to the logical conclusion what we should all be about in this Chamber, and that is the elimination of corruption in the campaign and election process. The election is the logical culmination of the campaign. Mr. Chairman, we should stand foursquare for the legitimate rights of United States citizens to vote in open and honest elections. The Goodlatte amendment helps ensure this.

Mr. Chairman, I have spent part of this weekend in the Pleasant Valley of Arizona in the tiny hamlet of Young, and people there came and asked me, they said, "When we go to the city and go to buy something at a grocery store with a check, we have to show two forms of identification. But under current United States law, we require no identification to claim citizenship to vote."

Mr. Chairman, reasonable people would call for this rational reform for open, fair and free elections.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. FARR), a leader in this entire effort.

Mr. FARR of California. Mr. Chairman, I thank the gentleman for yielding me this time.

I am sitting here tonight wondering what is happening to us. Have we become so suspicious of our own country that we do not believe in democracy anymore? This debate is supposed to be about campaign finance reform, and now we are debating an amendment that says we do not trust the people who are asking to participate in our democracy.

The gentleman from Connecticut (Mr. SHAYS) and I were both in the Peace Corps. We were so proud of talking about what is the governance structure of this country. I have to tell my colleagues that this amendment tonight is going too far. This says we do not trust the people out there; we do not want to be a government by the people.

We are sitting here in this room with all of these law-givers around us, and I realize that not one of them, except for Thomas Jefferson, was a citizen. But how could we prove he was a citizen, because when he was born, there was no country. So the people we respect we now deny with these kinds of amendments in saying that if one is an American, one has to prove it.

Which one of us walks around with any kind of proof that shows that you are an American citizen? Show me. There is not one thing on your body that has it. Not a driver's license, not a credit card. It does not say you are a citizen of America, but this amendment is going to require it, an I.D. with a photo. One has to have a Social Security card and put down Social Security numbers, driver's license numbers?

The American public is going to say, what are you doing to us? Is this what you require of us to participate in a democracy that is of the people, by the people and for the people? My God, this is the country that did away with literacy tests to allow people to vote, and poll taxes, and now we are putting it back on in indirect ways.

We should look before we leap with these kinds of amendments. This is a bill about congressional campaign reform, about finance reform, about how we pay for elections; not how we distrust the voters of America. I think we are doing a pretty good job and I think our forefathers would be ashamed of us in thinking of this kind of an amendment.

Mr. GOODLATTE. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, we recently had an election in Louisiana under the "motor voter" law. That election left us with a huge and extended voter inquiry by the Senate committee questioning the outcome of that Senate race. The reason that happened in our State was, the allegations of people registering improperly and then voting multiple times by simply changing outer garments and coats and walking back in the polls and voting again, the reason all of that happened was because the election safeguards in our State completely broke down. The Senate committee that investigated that election ended up saying, "We cannot tell you whether or not voter fraud occurred in Louisiana, because all of the systems by which we ought to be able to tell whether it occurred broke down."

A newspaper in Lake Charles using the motor voter law attempted to register 21 fictitious individuals and ended up registering 19 successfully. One of them was a dog, and anyone representing themselves to be that person that was a dog could have shown up on Election Day in Louisiana and voted because this was no requirement in the law then to produce any photo I.D. Since that time, the Federal Government has finally allowed Louisiana to require a photo I.D. It is now the law of Louisiana, now approved by the Justice Department in our State following that terrible, indeed questionable election in Louisiana.

What this amendment does is to do two things that I think are vitally important to improve the motor voter law in our country. It says that the States can indeed provide mail balloting if they want to, mail registration, but that if they do, proof of citizenship should be required.

We ought to know who is registering. We should be able to prove who we are; and then, secondly, when one shows up to vote, there ought to be some identifiable photo, just as one would present a photo when one checks one's luggage at an airport or try to buy tobacco in a grocery store, some identifiable indication of who you are, that you are the person who is registering. Those two changes are critical for valid elections in America.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. CAMPBELL), surely a leader in the campaign reform effort.

Mr. CAMPBELL. Mr. Chairman, I thank my generous friend for his kind comments.

If I might engage the author for just a second of clarification, I would be so grateful, if he would care to respond. I would inquire of the gentleman, does the gentleman's amendment require the use of the Social Security number in order to vote?

Mr. GOODLATTE. Mr. Chairman, if the gentleman will yield, the amendment does call for a Social Security number and proof of citizenship to register to vote.

Mr. CAMPBELL. Mr. Chairman, reclaiming my time, I appreciate the gentleman answering me. The gentleman from Virginia has been honest and fair in his representation of his amendment; nevertheless, it greatly troubles me, and I am sorry that the gentleman added that to his bill. We should not require the use of the Social Security number in that way.

I will tell my colleagues why. First of all, it gets pretty close to the national I.D. and I have always tried to prevent that from happening. Secondly, the Social Security number is a matter of privacy to a whole lot of us, and if we require it, we are going to have that on the voter registration rolls and people are going to find out what one's Social Security number is, and from that a lot of things can be done to identify somebody that they may not otherwise have.

It probably is not the gentleman's intention, but he moves us one step along the way that motor voter moved us, and I voted "no" on motor voter because I thought it was too much Federal intrusion into States' rights in establishing what are the qualifications for voting.

The Constitution says that it is the States that are responsible for determining the qualifications for electors. The Constitution says it is the same qualifications as electors for the most numerous branch of the State legislature. So we in California, we get to decide that. You in Virginia and in your legislature would get to decide that. But motor voter said no, we are going to have Federal rolls.

Well now, again, no doubt with the best intentions, I think the gentleman from Virginia is moving us farther along that way by saying the Federal Government mandates that this shall also be a qualification for election, namely the use of a Social Security number, even though the Constitution says for Federal elections, for Federal elections, it is the business of the States. I regret I must oppose this amendment.

Mr. GOODLATTE. Mr. Chairman, I yield myself such time as I may consume to quickly say that this in no way establishes a national I.D. card. This is simply for the purpose of the security of the ballots.

I agree with gentleman's concern about the motor voter laws that mandated so many requirements on the States, and this repeals a great many of those mandates upon the States, and it does not use that number for any purpose, nor does it permit it for any additional purpose other than an establishment of the individual's citizenship in this country.

Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, I rise in strong support of this amendment. What we are talking about is the elimination of what we Californians who are aware of what is going on call the illegal alien voter registration act, which was called by this body the motor voter act.

This amendment makes real the alleged purpose of the bill that we are talking about. We are talking about reforming the political process to ensure that election results will reflect the will of the American people. Well, there is nothing better that we can do to accomplish this end than to protect the rights of our own people by making sure that the election process and the sanctity of the ballot is protected, to ensure that American votes are not made meaningless by the votes of millions of noncitizens, many of whom have come here illegally.

Back in 1993 when the Democratic Party controlled both Houses of Congress, they established rules that went far too far to open up the system, and thus they left the system opened up to incredible abuse. We are trying to bring balance back to that, ensure the sanctity of the ballot for the will of the American people. Support this amendment.

Mr. LEVIN. Could I ask the Chairman once again to give us the time remaining on each side?

The CHAIRMAN pro tempore. The gentleman from Michigan has 6½ minutes remaining; the gentleman from Virginia has 7 minutes remaining.

Mr. LEVIN. Mr. Chairman, I yield 1½ minutes to the distinguished gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for his kindness.

I wonder what President Johnson would have thought as he signed the Voter Rights Act of 1965, where so many people had been left out of the circle of empowerment, were denied the right to vote, but on the sweat and tears and the advocacy of those who watched and walked, those of us who looked like me were able to vote.

This legislation is the killer weed legislation. It is to destroy campaign finance reforms. It stings and it hurts. It denies truck drivers and welfare mothers and laborers and domestics who have inflexible time the ability to go and vote. It purges people from the right to vote, from the voter polls, and it is unconstitutional.

A 4th Circuit case in 1993 said that if you require someone to use their Social Security number in order to vote, you deny them the right of the 1st and 14th Amendments. It is unconstitutional. We know what you are saying here. People with different names, people that come from different walks of life, whose skin color is different, this is to get these kinds of folk off of the polls.

What are we talking about here in America? The right to vote. My view is that all Americans want everyone to have the right to vote, yes, and to vote legally.

□ 2200

The States can determine whether one is legally able to vote. They can require ID when voters go to the polls. Mr. Chairman, this is not campaign finance reform. It is killer bee legislation. It is destructive legislation. It destroys the right to vote. It infringes on privacy.

It says to those who could be intimidated, "We will intimidate you," and it says to those who died for those to vote that their life was in vain.

Mr. Chairman, I ask my colleagues to vote against this bill that destroys democracy in America.

Mr. GOODLATTE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Chairman, I thank the gentleman from Virginia (Mr. GOODLATTE) for yielding me this time, and I congratulate him on his proposal.

Mr. Chairman, I grew up in California where we had honest elections. We did not at the turn of the century, but a great progressive Republican governor, Hiram Johnson, turned that State around.

We no longer have honest elections in parts of California. The fact is in my own district, a section of San Pedro, the person who was the assassin of the Mexican presidential nominee happened to live in my district. He registered twice. He was not an American citizen.

I think anyone who says, hey, that it does not matter whether a voter is a citizen, I cannot believe it. People come here to become citizens. My father was an immigrant and his proudest day was when he became a citizen and could vote.

There is no reason we should not require proof. Photo ID? We do not get on an airplane flight in this country without showing a photo ID. Do my colleagues who oppose this amendment mean to say that an airplane flight has greater weight than proof of citizenship in an election at the polls? Of course the proof of citizenship should be there.

The fact is we just voted for a proposal to stop the walking around money. Now we know in Texas and other areas there is great use of some of the walking around money. People coming across the border. The Duke of Duval County decided Texas elections by hundreds and thousands of votes that he illegally put on the rolls.

On the purging of the rolls, I recall our friends on the other side of the aisle who in 1993 dominated that Congress. When it was put to them: Should we not purge the rolls at least in 5 years or 10 years? "No, you cannot do it," they said. How about 25 years? "No, you cannot do it." How about 50 years? Can we not say that those people who have never voted for 50 years and are still on the rolls must not still be around? "No," we were told by the then majority "sorry, cannot do it." And then we got to a hundred years in an amendment offered by the distinguished gentleman from Louisiana [Mr. LIVINGSTON] who knows where fraud is.

Mr. Chairman, I would say let us back citizenship when it comes to American elections. Let us have honest elections.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, this is a poison pill proposal designed to kill campaign finance reform. Pure and simple. But what is amazing about what the Republicans are doing here tonight is that it is anti-American, that it disregards States rights, that it is an intrusion into the privacy of American citizens.

Just a little while ago we voted with the Republicans to deny the right to spend one dollar to help a senior citizen to the polling place on Election Day. Now we have a proposal that would say voters have to present a Social Security number and card and proof of citizenship. Well, all of this is undermining the voting rights of all of our citizens and, of course, the Voting Rights Act that so many fought and even died for.

What are my colleagues on the other side doing? Are they taking us back to the time that many of us know too much about? Literacy tests? Poll tax?

Well, some of us and our forefathers have been in this struggle. They have been in this fight to get rid of that kind of discrimination and marginalization and denial. Some of us even joined to help our friends in South Africa against national ID, known as pass laws. We are not going back there.

Mr. Chairman, if this is some attempt to kill the bill, let me just tell my colleagues this. It does not matter whether or not they are able to convince people on this floor to vote for this kind of anti-American proposal. We will beat them in the courts on this, because this is unconstitutional.

So I would hope that my colleagues would live up to who they are supposed to be. I cannot imagine what the American people will think about the kinds of things that they are doing that are so anti-American. This is unconstitutional, and I ask for a "no" vote.

Mr. GOODLATTE. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. EHLERS).

Mr. EHLERS. Mr. Chairman, a very fundamental question in the American democracy is how do we ensure that voters are legal voters? What is the purpose of voter registration? It is, pure and simple, to prevent fraud.

We have to recognize that the laws of this land are written to control the bad folks, not the good folks. And I do not think it is an insult to Americans to have voter registration. But if we have registration, there has to be some requirement that the people have met the requirements of the registration laws. How do we do this? By checking identification when someone registers to vote.

If we prohibit that, if we have simple mail-in voting registration for anyone that wishes, then why have registration at all? Why not just simply use the poll directory or the telephone directory and check people off on that as they vote?

If we are going to have a voter registration and the purpose of it is to prevent fraud, we have to ensure that fraudulent behavior does not take place and this bill will do that.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Connecticut (Mr. SHAYS), coauthor of this legislation in the battle for reform.

Mr. SHAYS. Mr. Chairman, I thank the gentleman from Michigan (Mr. LEVIN) for yielding me this time.

Mr. Chairman, I voted for the motor voter bill and I did so as a Member who represents Stanford, Norwalk, and Bridgeport. I represent the problems that we have in urban areas and the need to encourage people to register and vote.

I am troubled that this amendment requires a Social Security number to register to vote. I am troubled that the State would put more requirements on voter ID. States are allowed now to have voter IDs, but there are certain requirements that they be done uniformly.

I believe if citizens have not voted they should not be dropped from the rolls. I just happen to believe that. And this would allow States to drop voters who happen not to vote.

It would repeal the Maryland registration, which has done a wonderful job of registering not just Democrats, as everyone feared, but Republicans and Independents. In fact, more Independents have registered than Democrats or Republicans. I think this has increased involvement in the process, and I regret sincerely that in a vote on campaign finance reform we have this issue which is dealing with something very, very different.

Mr. GOODLATTE. Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, I thank the gentleman from Michigan (Mr. LEVIN) for yielding me this time.

Mr. Chairman, I rise today in opposition to any measure that seeks so-called citizenship verification. At a time when voter turnout is lower than low, we must encourage rather than discourage citizens of this great Nation from voting.

Clearly, the history of discrimination against voters in this country should admonish this Congress that State and local governments may interpret Federal laws differently. Yet this amendment would allow States the privilege of requiring voters to provide proof of citizenship and a Social Security number when registering to vote.

I ask is this flawed process of verifying citizenship just another version of modern day Jim Crow? How many of our citizens are supposed to provide proof citizenship when neither the INS nor the Social Security agency kept naturalization records until 1978?

So I ask this Congress since when has a citizen's honor not been enough? When a person swears that they are indeed a citizen of the United States of America, they do so with the understanding that if they are incorrect they are perjuring themselves.

I say let us go forward, Mr. Chairman, and not backwards. Let us vote down this amendment and move America into the 21st century with democracy, equality and justice for all.

Mr. GOODLATTE. Mr. Chairman, for the purpose of closing the debate, it is my pleasure to yield the balance of my time to the gentleman from Texas (Mr. DELAY), the majority whip.

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. DELAY) is recognized for 4 minutes.

Mr. DELAY. Mr. Chairman, I really appreciate the gentleman from Virginia bringing this because it is amazing to me only the supporters of Shays-Meehan can define what reform is. Anybody else that brings anything to this bill are not supporters of reform. Well, I say that we just think reform is maybe a little bit different than the supporters of Shays-Meehan, and this is a perfect campaign reform bill.

Let us just get rid of all the red herrings that have been put out in this debate. This is not national ID cards. This is not using Social Security numbers to vote. This is not even a poison pill. What this is talking about is that just like if you were getting a driver's license, you have to prove that you are a certain age. You have to bring a birth certificate. You have to prove that you know how to drive to get your driver's license.

For the most important act that Americans can do, the right to vote, you would think that it would be an honor to bring proof of citizenship to the table when you are registering to vote; not every time you vote. When you do go vote you pull out your driver's license or whatever to show that you are indeed the person that you say you are standing in front of the voting election judge and proving that you are that person.

What is wrong with that? It is very simple. Since enactment of the motor voter law, we have seen an increase in voting fraud across this country, and much of the increase is due to the provisions of the bill that prohibits States from removing registrants who fail to vote or who are unresponsive to voter registration correspondence.

Because of the lack of fraud provisions in the motor voter law, we have the modern world's sloppiest electoral system, according to political scientist Walter Dean Burnham. The year-long investigation of the Dornan-Sanchez House race established 624 documented cases of noncitizens voting, noncitizens voting, in American elections; another 124 voters cast improper absentee ballots; an additional 196 votes may well have been legal but only circumstantial evidence existed.

As of 1994, in Houston County, Alabama, a man who has been dead for 7 years has been recorded as voting regularly by absentee ballot. In Washington, D.C., an astonishing 1 of every 6 registered voters cannot be reached at their address of record. The city has lost 100,000 people since 1980, but registration has shot up to 86 percent of eligible voters from only 58 percent.

Felons, dead people, nonresidents and fictitious registrations clog the rolls in Washington, D.C., where anyone can walk up and vote without even showing an ID. The Miami Herald has found that 105 ballots in last year's undisputed mayoral election was cast by felons. Last month, a local grand jury concluded that absentee ballot fraud clearly played an important part in the recent City of Miami elections. This called into question the legitimacy of the results.

Nine dead San Franciscans in 1997 were recorded as casting votes from beyond the grave in the June 49ers Stadium election, according to an analysis of city voter files and death records.

Everyone supports the right to vote, but an equally important right is the guarantee of elections that are fair and free of fraud. Without the Goodlatte amendment, a growing number of States cannot guarantee the integrity of their results and that inevitably will lead to an increasing cynicism and disenchantment with the process. Let us help end voter fraud in America and adopt the Goodlatte amendment.

Mr. Chairman, I rise in support of the amendment offered by my friend from Virginia, Mr. GOODLATTE. This amendment includes several anti-fraud provisions targeting both illegal registration and illegal voting.

Since enactment of the Motor Voter law, we have seen an increase in vote fraud across the country. Much of the increase is due to the provisions of the bill that prohibits States from removing registrants who fail to vote or who are unresponsive to voter registration correspondence.

Because of the lack of fraud provisions in the Motor Voter law, "We have the modern world's sloppiest electoral systems," according to political scientist Walter Dean Burnham.

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The Miami Herald has found that 105 ballots in last year's disputed mayoral election were cast by felons. Last month a local grand jury concluded: "absentee ballot fraud clearly played an important part in the recent City of Miami elections." This "called into question the legitimacy of the results."

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Everyone supports the right to vote, but an equally important right is the guarantee of elections that are fair and free of fraud. Without the Goodlatte amendment, a growing number of states can't guarantee the integrity of their results, and that inevitably will lead to an increasing cynicism and disenchantment with the democratic process.

The Goodlatte amendment will help end voter fraud in America. I urge its adoption.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from Virginia (Mr. GOODLATTE) to the amendment in the nature of a substitute No. 13 offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. LEVIN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentleman from Virginia will be postponed.

□ 2215

The CHAIRMAN pro tempore (Mr. BARR of Georgia). It is now in order to consider the amendment by the gentleman from Mississippi (Mr. WICKER).

AMENDMENT OFFERED BY MR. WICKER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. WICKER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WICKER to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS:

Add at the end the following new title:

TITLE _____—PHOTO IDENTIFICATION REQUIREMENT FOR VOTERS

SEC. _____01. PERMITTING STATES TO REQUIRE VOTERS TO PRODUCE PHOTOGRAPHIC IDENTIFICATION.

Section 8 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg–6) is amended—

(1) by redesignating subsection (j) as subjection (k); and

(2) by inserting after subsection (i) the following new subsection:

The CHAIRMAN. Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from Mississippi (Mr. WICKER) and a Member opposed each will control 20 minutes.

Mr. WICKER. Mr. Chairman, after consultation with the other side, I ask unanimous consent that all debate on this amendment be limited to 10 minutes, 5 minutes per side.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WICKER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the opponents of this amendment agreeing to a further limitation on time to speed the debate along. We have already debated, actually, a good bit of this amendment in the previous amendment.

What this amendment amounts to is simply a portion of the amendment offered by the gentleman from Virginia (Mr. GOODLATTE). It is that portion permitting States to require voter I.D. This amendment does not deal with citizenship requirements, it does not deal at all with registration, it simply says that States have a right to determine when someone comes to vote that they are who they say they are and that they may do so by the means of photo I.D.

Mr. Chairman, this is not a mandate on States, which some of my colleagues are very fearful of, but simply permission. It is the essence of Federalism. One of my colleagues from the minority side of the aisle mentioned the issue of States rights. I was delighted to hear her say that just a few moments ago. This is Federalism. This permits States, if they choose to, to require photo I.D.

We have heard a lot of talk during the course of this debate over time about corruption of our political process. I am one, Mr. Chairman, who feels that there is corruption in our political process, but it is not caused by too many commercials being run on TV, it is not caused by too much money being available to buy too many advertisements. The corruption is in voter fraud.

In far too many States and districts there are ineligible people voting. There are people going to the polls saying they are someone and, indeed, it turns out that they are not eligible to vote. Now, none other than the distinguished Professor Larry Sabato, from the University of Virginia, concurs in this feeling. Professor Sabato believes that the enactment of the Federal Motor Voter Law of 1993 will cause an increase in voter fraud. This amendment amends only a small portion of the Motor Voter Law. And, as I said, it takes that portion of the Goodlatte amendment and allows States the right.

We have heard the information provided by the gentleman from Louisiana (Mr. TAUZIN) tonight about the Louisiana election, and the Louisiana legislature in response to the allegations there. They may have thought, we do not know exactly what the facts are, we do not know who was right and who was wrong, but we do want to prevent this in the future. And what was the solution of the Louisiana legislature? It was to permit voter photo I.D. In Florida, the State legislature was so horrified at the 1997 mayoral election that the legislature there enacted photo I.D. The State of Hawaii already has such a requirement on the books.

We are simply saying that other States should feel clear and unrestricted in also pursuing that course and should not feel that the 1993 Motor Voter Law prevents them from doing so. In the United States of America we require a photo I.D. for millions of people to do any number of acts: To cash a check, to board an airplane, or to buy a beer. Why can States not require a photo identification for participating in Federal elections, one of the most solemn acts of citizenship?

Mr. Chairman, I reserve the balance of my time.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

This amendment, like the previous amendment, has nothing to do with campaign finance reform. States already are able to require identification at the polls. They simply cannot discriminate in the way that they apply the information that is required. Under Federal law presently States can require identification at the polls, but with a very important caveat: So long as such a requirement is applied in a way that is uniform and does not discriminate in compliance with the Voting Rights Act.

I would remind the gentleman from Mississippi that this country has a history and a record of discriminating against the rights of people to vote. That is why the Voting Rights Act was adopted in this country. This amendment would overturn and eliminate the protections that are in the Voting Rights Act against discrimination. It has nothing to do with campaign finance reform and would overturn very important protections against discrimination in this country. That is why this amendment is unnecessary.

Once again we have a sponsor of an amendment that does not support campaign finance reform putting up another obstacle towards passing this bill. And as we approach the hour of 10:30, there are still more efforts to water down and try to find a way to put up an impediment to passing campaign finance reform.

Mr. Chairman, I yield the balance of my time to the gentleman from South Carolina (Mr. WATT), a member of the Committee on the Judiciary.

The CHAIRMAN pro tempore. The gentleman from North Carolina (Mr. WATT) is recognized for 3 minutes.

Mr. WATT of North Carolina. Mr. Chairman, they say those are fighting words down there where I come from, when you say somebody is from South Carolina.

Mr. Chairman, I thank the gentleman for yielding me this time.

We were rocking along here, I thought, talking about campaign finance reform, and all of a sudden we took off in a whole different direction. We are talking about reform, yes, maybe, but what do voter I.D.s have to do with campaign finance, what do registration requirements have to do with campaign finance, I am having a little trouble connecting up.

If we are going to talk about these kinds of issues, let us remind ourselves what democracy is all about. It is about allowing people and encouraging people to vote, not putting impediments in the way, not discriminating against citizens, not singling some people out and saying we do not like the way they look so we are going to deprive them of the right to vote by making them produce some kind of arbitrary identification or Social Security number or something.

A couple of years ago the South African folks finally had a democratic election. Do my colleagues think South Africa ever required anybody to register to vote? No. I always wonder, why is it necessary to even have a registration? If we allowed this identification process, and we did it in tandem with abolishing registration, then maybe it would be a good thing. Because people could show up, if they were citizens of the United States, and say I am a citizen, I have not registered, that is arbitrary, let me vote. That would further democracy.

But when we start putting impediments in the way of registration and then putting more impediments in the way of voting after one has registered, then we have to wonder, is this about reform, does it have anything to do with finance, is it even about democracy? And that is what we have got to keep our eye on; to encourage people to participate in our democracy, not put our country behind any other country in the world. When people talk about democracy, they ought to instinctively think about the United States of America. We should not allow them to instinctively think about a new democracy which has had only one election.

Mr. Chairman, we should defeat this amendment and pass the Shays-Meehan bill.

Mr. WICKER. Mr. Chairman, I yield myself the balance of my time, and in that 1 minute I have to close let me point out a couple of things.

My friends on the other side of the aisle say we are talking about campaign finance reform, not voter fraud. I have the title of this bill right here, Mr. Chairman. It is H.R. 2183, the Bipartisan Campaign Integrity Act. The Campaign Integrity Act. I submit to my colleagues that if anything threatens the integrity of our elections in the United States of America, it is campaign fraud.

All this amendment does is, I will quote, "Permitting States to require voters to produce photo identification." And I quote, "A State may require an individual to produce a valid photographic identification before receiving a ballot for voting in an election for Federal office."

Mr. Chairman, this goes to the precious commodity of democracy in the franchise in this Nation. It is a very simple amendment and I move its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. WICKER) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. CAMPBELL. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentleman from Mississippi (Mr. WICKER) will be postponed.

It is now in order to consider the amendment offered by the gentleman from Kansas (Mr. SNOWBARGER).

AMENDMENT OFFERED BY MR. SNOWBARGER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. SNOWBARGER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SNOWBARGER to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS:

TITLE—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. .01. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the

Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking "shall be fined, or imprisoned for not more than one year, or both" and inserting "shall be imprisoned for not fewer than 1 year and not more than 10 years"; and

(2) by striking the second sentence.

(b) CONCURRENT AUTHORITY OF ATTORNEY GENERAL TO BRING CRIMINAL ACTIONS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

"(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 1999.

The CHAIRMAN. Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from Kansas (Mr. SNOWBARGER) and the gentleman from Connecticut (Mr. SHAYS) each will control 5 minutes.

The Chair recognizes the gentleman from Kansas (Mr. SNOWBARGER).

Mr. SNOWBARGER. Mr. Chairman, I yield myself such time as I may consume.

I rise tonight to offer an amendment to the Shays-Meehan substitute to address a serious problem with our Nation's campaign finance system.

This problem really hit home to me as we were investigating various things in the Committee on Government Reform and Oversight this year. Among the thousands and thousands of documents that were presented to us from the White House was a memo from the Clinton-Gore campaign which indicated in the memo that about $1 million was set aside in the campaign budget to pay fines.

□ 2230

In the margin of that document was the word "ugh" written in the President's handwriting.

It seemed to me at that point in time that one of the problems that we have with our current campaign finance system is the enforcement of that system. If it is merely a matter of making sure that they have enough money in their budget to cover the fines, then obviously the fines are not much of a deterrent to behavior that is possibly illegal.

Far too often Federal regulations have unintended consequences, and our campaign finance system is just one acute example of that. It is complicated. It is difficult to navigate. And in fact, the average first-time candidates have to consult both a lawyer and an accountant before mounting a serious campaign, and this is a serious problem I would like to see changed.

However, I think the biggest problem is that the system is not accountable and we need to make it more transparent and violations of existing law severely punished. My amendment tonight accomplishes one of these important goals by increasing the punishment options available to judges.

The current penalty regime for willful and knowing violations of the Federal Election Campaign Act of 1971 provides for up to 1 year of imprisonment for these types of willful violations. My amendment would simply increase the penalty discretion available to judges to no more than 10 years and no fewer than 1 year. Hopefully, this will allow the judge to take all factors into account. And more importantly, Mr. Chairman, my amendment will force candidates that want to play fast and loose with the rules to think long and hard before they decide to engage in what I would term playing fast and loose.

One other provision of my amendment would allow the Justice Department the option of taking direct jurisdiction and not waiting for a referral from the Federal Election Commission before starting an investigation and a prosecution.

Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I oppose this amendment, and I would like to explain why. First, under the present law the fine is $10,000 or 200 percent of the fraudulent contribution; and we increase that to $20,000 or 300 percent in our legislation.

But if I am reading this legislation properly, I think the gentleman from Kansas (Mr. SNOWBARGER) has a mandatory sentence of not less than a year, not fewer than 1 year, and not more than 10. And if the gentleman were willing to eliminate the mandatory sentence and reduce it to 5 years, I think we could find an accommodation. But it is a concern that there would be a mandatory minimum.

Mr. Chairman, I reserve the balance of my time.

Mr. SNOWBARGER. Mr. Chairman, I yield myself such time as I may consume.

Just in brief response, Mr. Chairman, the requirement of a minimum amount of time is, in essence, what the bill is all about. What we are suggesting is that if somebody willfully violates the campaign finance laws, that there ought to be a criminal penalty for this and not just fines.

As I indicated earlier, one of the reasons that fines do not seem to work is that all they need to do is create a larger budget and raise enough money to pay those fines and that is not much of a deterrent to complying with whatever campaign finance law we have in place.

I can appreciate the offer of the gentleman from Connecticut (Mr. SHAYS) and thank him for it, but I think it is the essence. Perhaps the upper limit could be reduced to a lesser amount. But I think the key to this bill is the minimum of one year and to stick with that.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN (Mr. BARR of Georgia). The Chair will inform that the gentleman from Kansas (Mr. SNOWBARGER) has 1½ minutes remaining and has the right to close, and the gentleman from Connecticut (Mr. SHAYS) has 4 minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. CAMPBELL) to flesh out a little bit more what the amendment does.

Mr. CAMPBELL. Mr. Chairman, I might be able to support it. I just wanted to ask a couple questions.

As the gentleman knows, we passed the amendment of the gentleman from Michigan (Mr. SMITH) earlier tonight. It is my understanding that his amendment brought the penalty for knowing violations of the foreign contributor provision up to 10 years. And what the Snowbarger amendment does is to amend the more generic part of the campaign finance bill so that all provisions will have an enhanced penalty.

The distinction, though, between the Smith and the Snowbarger amendments, Mr. Chairman, as I see it is that, whereas the gentleman from Michigan (Mr. SMITH) might have allowed a judge to say, well, this is something that perhaps should get less than 1 year, the gentleman mandates that it must be at least 1 year. And if I am correct about that, I would just like to know that.

And secondly, whereas the gentleman from Michigan (Mr. SMITH) did not speak about the question about giving the Attorney General the prosecutorial discretion, the Snowbarger amendment does, and that the Attorney General may proceed if the FEC is deadlocked, whereas otherwise under the Smith amendment it would require a referral by FEC to the Department of Justice.

If I am correct or incorrect in those two major distinctions between the Smith amendment and the Snowbarger amendment, I would appreciate hearing so.

Mr. SNOWBARGER. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from Kansas.

Mr. SNOWBARGER. Mr. Chairman, the gentleman is accurate that there is within the discretion of the Department of Justice the ability to take on one of these campaign finance cases without a referral, as the gentleman indicated with the deadlock.

The gentleman is also correct that there is a minimum amount of time that is required. As I indicated to the gentleman from Connecticut (Mr. SHAYS) earlier, if there is a problem with the maximum time period that is allowed in there, I do not mind working with that.

But I think it is important that we have a minimum time period. I think that candidates that are faced with the possibility of jail time are going to be much more cautious.

Mr. CAMPBELL. Mr. Chairman, I believe that the gentleman had already answered the question, but I will just put it in this final form.

I think the gentleman from Michigan (Mr. SMITH) did us a service. I supported his amendment. But it was an important part of my support and perhaps that of others that the trial judge did have discretion to take into account the sentencing guidelines.

I am a bit troubled that the judge's discretion is taken away at least insofar as it must be 1 year. Nobody has any sympathy for an intentional violator of the law. I know that is true of all of us. But I am concerned about taking away the trial judge's discretion where in her or his discretion the appropriate sentence ought to be time in jail but not a full year.

And I would yield the remainder of the time that was yielded to me to the author of the amendment to explain, if he could, why he does not urge upon us in the House tonight to give the trial judge discretion under the sentencing guidelines for that occasional case when it might be just to do so, to have the full panoply of discretion, as we agreed was the case with the gentleman from Michigan (Mr. SMITH).

The CHAIRMAN. The gentleman from Connecticut (Mr. SHAYS) has 1 minute remaining.

Mr. SHAYS. Mr. Chairman, I understand the gentleman from Kansas (Mr. SNOWBARGER) wants to close and he has 1 minute remaining as well; is that correct?

The CHAIRMAN. The gentleman from Kansas (Mr. SNOWBARGER) has 1½ minutes remaining and has the right to close.

Mr. SHAYS. Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. CAMPBELL).

Mr. SNOWBARGER. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from Kansas.

Mr. SNOWBARGER. Mr. Chairman, we currently have discretion of the judge to grant between zero jail time and 1 year.

I think that the fact that there is a possibility of no jail time still would weaken any campaign finance law that we have to pass. I think it is important that there be a mandatory jail time provided.

Mr. CAMPBELL. Mr. Chairman, reclaiming my time, because the gentleman was going to conclude to say that it probably would be better if we left the discretion of the judge to go from zero to 10, I am not sure it is enough to defeat his amendment but he might want to consider that. I appreciate his answers.

Mr. SHAYS. Mr. Chairman, I yield myself the 30 seconds remaining.

I know what the gentleman is trying to achieve. I think he does achieve it with the sentence potential of zero to 5 years and increased fines. I am just troubled that it would be a mandatory sentence, and would at this time oppose his amendment and vote against it. Obviously, we would love to find an accommodation, but I guess that is not possible.

The CHAIRMAN. The time of the gentleman from Connecticut (Mr. SHAYS) has expired.

The gentleman from Kansas (Mr. SNOWBARGER) is recognized for 1½ minutes.

Mr. SNOWBARGER. Mr. Chairman, again I just want to reiterate, what we are trying to do here is to make sure that there are sufficient penalties in the law to deter people from committing campaign finance law violations.

Thus far, we have put a system of fines in place. Sometimes those are large fines, other times lesser fines that are meted out. But the fact of the matter is the fine system has not stopped the violations of current campaign finance law. There is no reason to believe that fines alone would deter future adherence to the law, whatever that law might change to.

It is exactly for that reason that I think it is important that people understand there are serious consequences, there is jail time that is going to be required, there is serious jail time that is going to be required. And I would ask that my colleagues seriously consider this amendment, which I feel would put tough penalties into whatever version of campaign finance we end up with and, very frankly, would encourage us to pursue this under current law as well.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Kansas (Mr. SNOWBARGER) to the amendment in the nature of a substitute No. 13 offered by the gentleman from Connecticut (Mr. SHAYS).

The amendment to the amendment in the nature of a substitute was agreed to.

The CHAIRMAN. It is now in order to consider the amendment offered by the gentleman from Kentucky (Mr. WHITFIELD).

AMENDMENT OFFERED BY MR. WHITFIELD TO AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. WHITFIELD. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WHITFIELD to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS:

Add at the end the following new title:

TITLE —BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

SEC. 01. BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY BY PRESIDENTIAL CANDIDATES RECEIVING PUBLIC FINANCING.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection:

"(f) BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY.—

"(1) IN GENERAL.—No candidate for election to the office of President or Vice President who is certified to receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 may coordinate the expenditure of any funds for issue advocacy with any political party unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.

"(2) ISSUE ADVOCACY DEFINED.—In this section, the term 'issue advocacy' means any activity carried out for the purpose of influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations (without regard to whether the activity is carried out for the purpose of influencing any election for Federal office).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

The CHAIRMAN. Pursuant to the order of the House of July 17, 1998, the gentleman from Kentucky (Mr. WHITFIELD) and a Member opposed each will control 5 minutes.

Which Member will oppose the amendment and be recognized for 5 minutes?

Mr. MEEHAN. Mr. Chairman, I do not have any objection to this amendment. I just wish the sponsor of the amendment will vote for our bill once we accept the amendment so we can get it passed and really have it become law. I do not know if he would change his mind on that.

The CHAIRMAN. Does the gentleman from Massachusetts (Mr. MEEHAN) claim the time in opposition to the amendment?

Mr. MEEHAN. Mr. Chairman, I cannot because I support the amendment.

Mr. SHAYS. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts (Mr. MEEHAN) be allowed to claim the time.

The CHAIRMAN. Without objection, the gentleman from Massachusetts (Mr. MEEHAN) claims time.

There was no objection.

Mr. WHITFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the gentleman for agreeing to accept the amendment. And if that is the case, I would be happy to have it accepted and sit down and listen to someone else talk about their amendment.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

I just want to say that I am delighted to accept this amendment and I hope that the acceptance of this amendment results in us growing in even broader and more bipartisan basis support amongst my colleagues so that we can pass the Shays-Meehan bill.

I think all of us have seen over a period of the last several months support for our bill growing enormously, and I hope that accepting this amendment results in the gentleman supporting our bill and getting many of his colleagues to support the bill.

Mr. Chairman, I yield back the balance of my time.

Mr. WHITFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just make one brief comment. I appreciate the acceptance of this amendment.

My real purpose in introducing this amendment, offering this amendment, was to be sure that in the presidential elections the candidates for President are the only Federal candidates that receive public funds; and initially, when they agree to accept these public funds, they also agree that they will not go out and raise additional money.

In recent presidential elections, that rule has really been violated by both sides. And during the hearings on the campaign finance abuses on the Senate side, Senator THOMPSON of Tennessee, who chaired that committee, pointed out very clearly that in the 1996 campaigns that it was not unusual that the President sat down and coordinated these ads, in fact, added the ads, in fact, decided where the ads of issue advocacy would be placed.

And while the Shays-Meehan bill talks a lot about abolishment of coordination, abolishment of soft money, the fact that the presidential campaigns are included under the Internal Revenue Code, I just want to be very certain that the presidential campaigns were included in this legislation. And that was my purpose in introducing the amendment. I appreciate very much his acceptance of it.

Mr. Chairman, I yield back the balance of my time.

□ 2245

The CHAIRMAN pro tempore (Mr. BARR of Georgia). The question is on the amendment offered by the gentleman from Kentucky (Mr. WHITFIELD) to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS.

The amendment to the amendment in the nature of a substitute was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider the amendment offered by the gentleman from California (Mr. CALVERT).

AMENDMENT OFFERED BY MR. CALVERT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS

Mr. CALVERT. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. CALVERT to the amendment in the nature of a substitute No. 13 offered by Mr. SHAYS:

Add at the end the following new title:

TITLE ___—RESTRICTIONS ON NONRESIDENT FUNDRAISING

SEC. ___01. LIMITING AMOUNT OF CONGRESSIONAL CANDIDATE CONTRIBUTIONS FROM INDIVIDUALS NOT RESIDING IN DISTRICT OR STATE INVOLVED.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i)(1) A candidate for the office of Senator or the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not accept contributions with respect to an election from persons other than local individual residents totaling in excess of the aggregate amount of contributions accepted from local individual residents (as determined on the basis of the information reported under section 304(d)).

"(2) In determining the amount of contributions accepted by a candidate for purposes of this subsection, the amounts of any contributions made by a political committee of a political party shall be allocated as follows:

"(A) 50 percent of such amounts shall be deemed to be a contributions from local individual residents.

"(B) 50 percent of such amounts shall be deemed to be contributions from persons other than local individual residents.

"(3) As used in this subsection, the term 'local individual resident' means—

"(A) with respect to an election for the office of Senator, an individual who resides in the State involved; and

"(B) with respect to an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, an individual who resides in the congressional district involved.".

(b) REPORTING REQUIREMENTS.—Section 304 of such Act (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(d) Each principal campaign committee of a candidate for the Senate or the House of Representatives shall include the following information in the first report filed under subsection (a)(2) which covers the period which begins 19 days before an election and ends 20 days after the election:

"(1) The total contributions received by the committee with respect to the election involved from local individual residents (as defined in section 315(i)(3)), as of the last day of the period covered by the report.

"(2) The total contributions received by the committee with respect to the election involved from all persons, as of the last day of the period covered by the report.".

(c) PENALTY FOR VIOLATION OF LIMITS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

"(4)(A) Any candidate who knowingly and willfully accepts contributions in excess of any limitation provided under section 315(i) shall be fined an amount equal to the greater of 200 percent of the amount accepted in excess of the applicable limitation or (if applicable) the amount provided in paragraph (1)(A).

"(B) Interest shall be assessed against any portion of a fine imposed under subparagraph (A) which remains unpaid after the expiration of the 30-day period which begins on the date the fine is imposed.".

The CHAIRMAN pro tempore. Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from California (Mr. CALVERT) and the gentleman from Connecticut (Mr. SHAYS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. CALVERT).

Mr. CALVERT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in the 103d Congress I served on the House Republican Campaign Finance Task Force. As a member of that task force, I pressed for language to require that candidates receive half of the campaign funds from people they are seeking to represent. My amendment today would require candidates to adhere to this 50 percent rule.

The public's perception is that elected officials are beholden to the special interests that they believe finance the campaigns. As long as the public has this perception, it is important that every person running for public office restores confidence in our system. By requiring all candidates for office in the House of Representatives and the Senate to raise at least half of their campaign funds from individuals in the districts they represent, my amendment goes a long way toward restoring the people's trust.

The amendment is simple and straightforward. On the first report to the Federal Election Commission after an election, candidates would have to show that they raised a majority of funds for that election from individuals within their own district for House candidates or within the State for senatorial candidates. Money from political parties will be considered 50 percent in-district money and 50 percent out-of-district money. If it is determined that they have not met this requirement, they will be subject to a fine by the FEC of two times the amount of the margin between in-district contributions and the contributions from outside the district. Candidates will have 30 days from that determination to pay the penalty interest-free. If the deadline passes without payment, interest will begin to be assessed.

As Members of Congress, we owe it to our constituents to provide them with the security of knowing they are electing people to Congress to represent them, not special or remote interests.

Mr. Chairman, I urge the passage of this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to this amendment, not because I do not think it is offered in good faith but because I disagree with the general thrust of limiting campaign contributions to a district. I believe the gentleman will face some constitutional hurdles given that it is within district, not within State. The gentleman, in other words, seeks to have 50 percent of all the contributions come within the district. I believe the courts would determine that within district would be a constitutional problem but within a State it would probably not be.

But, further, I seek to share and acknowledge the fact that we ourselves had attempted to do something similar to this in a larger Meehan-Shays proposal and realized that we simply could not build a coalition of support to pass this legislation. It may seem frustrating for some to argue against an amendment based on the fact that we then cannot pass the overall bill, but that is the reality. The fact is that if this amendment were to pass, it would be a very dangerous amendment for the purposes of putting a real dagger in a compromise that is in fact Meehan-Shays.

I also would say to Members that I speak as one on this issue who raises literally 99 percent of my money within district. I am amazed that that is the case, but in fact it is the case. If I were to acknowledge why, it would be that I come from a very wealthy district, if not the wealthiest district in the country, within the top five. If it is not considered the wealthiest, it is that I have the very wealthy but I also have a number of poor who live in Stamford, Norwalk and Bridgeport, my three urban areas. So it is without reluctance that I do oppose this amendment.

I would just acknowledge that for some in Congress, they can raise all the amount of money they need to within their district. I could probably raise all the money I need to if everyone on Round Hill Road in Greenwich contributed to my campaign. That four-mile stretch of road contains a tremendous number of wealthy people. I do not even have to go outside a community. I can focus within a particular town. But there are some Members who live in very, very poor districts. They would be highly vulnerable to a wealthy candidate who has wealth in that district and knows that that opponent not only does not have wealth but has nowhere within that district to raise the kind of sums necessary to compete with that wealthy individual.

I do not criticize the intention of my colleague. I know that they are done in good faith. In fact, the gentleman from Massachusetts (Mr. MEEHAN) and I and others attempted to do the same thing. But then the more we analyzed it, we realized that it was clearly unfair to some Members and to some challengers, not just Members, and furthermore that we would not be able to build the kind of coalition we need to pass meaningful campaign finance reform.

Mr. Chairman, I reserve the balance of my time.

Mr. CALVERT. Mr. Chairman, I yield myself such time as I may consume. I would say to the gentleman from Connecticut, as he knows, I have been in favor of this concept since I first came to Congress almost 6 years ago. I am happy to hear that he raises 99 percent of his campaign contributions within his congressional district. I would daresay that there are some folks here that raise 99 percent of their campaign contributions outside of their congressional district. And so at what level is a fair and reasonable amount to raise within your own congressional district?

I would think that most Americans, and I have seen polling documents as all of us have, that most Americans believe that you should raise at least half of your campaign contributions within your congressional district. The argument that folks in poorer districts would not be able to raise funds, all I would say is that all people who would run in that seat are playing under the same limitations, so that the playing field is leveled.

I think it is important that people back home realize that the people who are elected to Congress at least represent them, if money is important and the reason we are here tonight on campaign finance reform is that we are going back and building the base within our own congressional districts and raising money back home. I think in years past, that was the case. We have gotten away from that. I think that this amendment will go a long ways to bringing back confidence within the system. I would urge my colleagues to support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, I thank the gentleman from Connecticut (Mr. SHAYS) for yielding me this time and I thank him for cosponsoring this legislation, the underlying legislation on campaign finance reform.

Mr. Chairman, I have great respect for the gentleman from California (Mr. CALVERT). He and I are cochair of the State society for California. Like him in the bill that I authored, H.R. 600, a comprehensive campaign reform, I really looked at this, because this is one of those issues where it really sounds good. But let me tell the gentleman from California why it is rejected. It is rejected because as he knows under Federal law, you do not have to live in the district to file for candidacy. What happens is that you can take a district that is a poor district under his law, say that 50 percent of the money has to be raised there, and you can shop around. So in a district in the inner city of Los Angeles or in the inner city of any large area where you do not have a large economic base, you look at the candidate who files and you say, well, that candidate is going to have to raise money to get elected. I am going to be a candidate who is going to use my own money. I am rich. I am going to go down there and file for the candidacy in that election. I want it. I can buy that election, because I do not have to raise a dime of money inside the district because I am not going to ask anybody for contributions.

There is the inequity, is that you set up a system which is designed to hurt minorities, because those are the people that often get elected from these inner city districts, and for people that are trying to get started in politics. I cannot think of any of us in this room that did not begin when we decided to get into public life, whether it was at the mayor's level or at city council or school board or county commissioner or even running for county sheriff by which this rule would not apply. You could raise money outside your district for any of those local offices.

But when you began this venture of getting into politics and noted that the average congressional campaign in America cost $600,000, that is a lot of money, and you began to say, "Where am I going to get that money?" You say, "Well, let's go to my family, let's go to my friends that I went to school with, to high school and college with, maybe that I was in the service with." The gentleman from Connecticut (Mr. SHAYS) and I have mentioned before, we were both in the Peace Corps.

So people like that went out, and that is where you began your nest egg of how you are going to run for office. And you are soliciting money from people who know you best, who have actually worked with you, they know you better than anyone because you are just saying, "Based on what you know of me, please help me." Those moneys may not be coming from your district.

I think that this amendment where it sounds good is really kind of a poison pill. I think it is frankly, and I hate to say it this way, but I think it is really un-American. Because it does not apply to people in local office, it does not apply to people in State office, and essentially are we not trying in America to say that we want you to participate in government, we would love to have people running for office, and that we ought to be removing barriers, not creating more?

I think that is why I am so concerned about some of these amendments. I am concerned about the message that we are giving in this great land of America about what we think democracy is. We are selling it short. We are cheapening it. We are distrusting it. We are saying we do not believe the voters. If you make one false move, you do not have an ID, you do not have a picture, you are elderly, you are locked up in a nursing home, you do not have a driver's license, you do not have any proof of citizenship because maybe you are in States, many States did not file birth certificates earlier than about 1910. So if you were born before that, you would not have any proof of citizenship.

So what we are doing is we are making it more and more difficult, and I think requiring, as I said, it sounds good, 50 percent, but if you are in a district where you do not have a lot of wealth and you as a candidate do not have any wealth or you are new to the business, you are not going to be able to raise funds, and you cannot run for office under this amendment.

Mr. CALVERT. Mr. Chairman, I yield myself such time as I may consume. I would say to the gentleman that how much should the threshold be? If it is not 50 percent, should it be 40 percent? Should it be 30 percent? Should it be 20 percent? There are people who are elected to Congress who raise 95 percent of their money outside of their congressional districts. Is that what American people out there expect from their candidates? I do not think so.

I would point out to the gentleman that there are people who run for public office who are not from an area. The gentleman is correct. You do not have to have residency requirements as a requirement to run for congressional office, many of whom move into a congressional district and raise 95 percent of their money from outside of the district and a local candidate is not given the opportunity to get elected within the congressional district in which they reside, because they do not have the resources.

But I would say if there is a problem with a self-funded rich candidate running for such a seat, and I would say that that is a problem for any of our seats if someone of such wealth decides to run, in that case the party can add funds to the race. I would also accept a perfecting amendment that would waive this rule at a certain threshold of funds, say $100,000 is thrown in by a wealthy candidate.

But I would say that whatever district that a Member of Congress represents, he or she represents, if a wealthy candidate decides to run, you are in trouble under existing campaign law and will continue to be in trouble in the future.

□ 2300

Mr. FARR of California. Mr. Chairman, will the gentleman yield?

Mr. CALVERT. I am happy to yield to the gentleman from California.

Mr. FARR of California. Mr. Chairman, in the H.R. 600 that I drafted, what it said is we put limits on what you could spend, because that was the real problem. In that, we said, if you were a wealthy candidate, you can only spend $50,000 of your own money.

Mr. CALVERT. Reclaiming my time, I understand, under the Constitution that the other gentleman pointed out, that we cannot restrict an individual from spending his or her own money. However, that is one of the reasons why I would accept a perfecting amendment that would waive the rule at a certain threshold and allow for dollars to be raised outside of a district if, in fact, that occurs.

But getting back to the point that I am trying to get at, that people within congressional districts expect their Members to represent their interests within their district. I would say that Members of Congress who raise 95 percent, 90 percent, 80 percent of their dollars outside of the congressional districts that they represent do not represent the districts as well as someone who raises at least 50 percent of their monies from their district.

I would hope that we would pass this amendment. I think the American public would be for it.

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. CALVERT. I am happy to yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, if we pass this amendment, is the gentleman going to support the Shays-Meehan bill?

Mr. CALVERT. I may. I may support the amendment. I do not know what the final bill is going to be after all the amendments are over with.

Mr. MEEHAN. Who does at this point? I am happy to hear that the gentleman has an open mind. Part of the problem is, if we pass the gentleman's amendment, the bill is going to die.

What we are trying to do is send a bill over to the other body that has a bipartisan consensus for both sides of the aisle. That is what we are attempting to do. Going through that process, we were unable to do that with this particular amendment.

I happen to take more than 50 percent of money from people from my district, and over 90 percent of my money is from my home State. But what we are trying to do here is pass a comprehensive, fair campaign finance reform bill. The only way to get that done is to work with Members on both sides of the aisle. This particular amendment will defeat our bill.

Mr. CALVERT. Reclaiming my time, I think that it is important to raise a significant amount of money within our congressional district. I would hope that most Members feel the same way about that. I would hope that that they would vote for this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield 4 minutes to the gentleman from Maine (Mr. ALLEN), the freshman leader on campaign finance reform and, frankly, just a leader, be he freshman or seasoned veteran.

Mr. ALLEN. Mr. Chairman, I thank the gentleman for yielding and for his continuing leadership on campaign reform.

I have been the democratic chair of a bipartisan freshman effort on campaign reform for the last year and a half. I point that out because the only way to do campaign reform is on a bipartisan basis.

This amendment, however well-intentioned, is a poison pill. This amendment, if added to the Shays-Meehan bill, will kill campaign reform, will kill the Shays-Meehan bill. That is one reason why it needs to be defeated.

I will talk in a moment about some of my problems with the merits; but just for a moment, let us begin with just how different different districts are around this country.

I think it is fair to say that, if you look at the Senate races around the country, some cost more, and some cost less. For example, it may cost tens of millions of dollars to run a Senate campaign in California. But in my home State of Maine, it may be a $1 million or $2 million proposition. But the basic campaigns are more or less the same: A certain amount of television, a certain amount of get out the vote drive. They look more or less alike, even though they are on the same scale.

The same is not true in the House of Representatives. In the House of Representatives, there are some districts where television is a factor. There are some districts in the House where television is not a factor because you cannot raise the money to run ads in New York or Chicago or Los Angeles in most cases.

The districts across this House are very, very different. Some, like the district of the gentleman from Connecticut (Mr. SHAYS), are wealthy. Some others are very poor. It is not true, in my opinion, as the gentleman from California (Mr. CALVERT) said that everyone is subject to the same limits, and everyone is subject to the same effects if you have this kind of limit.

What this amendment would do is to magnify the effect of wealth, because in a very poor district, the man with deep pockets or the woman with deep pockets has a much greater advantage than he or she would in another district where it is possible to raise money.

That is why I believe that this amendment is bad policy because it magnifies the effect of personal wealth where what we are trying to do is contain that, trying to get control of the amount of money in politics. We are trying to strengthen the voices of the ordinary citizen. That is what campaign reform is all about. This amendment moves in a different direction.

The fact is, as I said before, we simply cannot pass campaign reform with this kind of amendment tacked on. There are many Members of the minority caucus. There are many Members who come from very poor districts who cannot support the campaign reform bill with this proposal.

One of the things our freshman task force did at the beginning of our process, we said what are the poison pills? Let us identify them. This kind of in-district limit was clearly identified right at the beginning as a poison pill. It will not work. It will kill campaign reform for this session. We cannot let that happen.

Therefore, I urge all Members to vote against the Calvert amendment and make sure that we support the Shays-Meehan bill.

Mr. CALVERT. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Chairman, I have listened with interest to this debate. The gentleman is objecting to 50 percent of the money being raised by all candidates in the district. I guess I would ask the question: "How about 10 percent?" Would the gentleman settle for that? That all candidates at least raise 10 percent of their campaign money in the district? I would just like to ask the gentleman.

Mr. ALLEN. Mr. Chairman, will the gentleman yield to me?

Mr. HORN. For the answer to the question, I yield to the gentleman from Maine.

Mr. ALLEN. Mr. Chairman, I think the proper number, if we could determine one, is different for different districts. I was talking about how varied the districts may be. In some districts, it is now the practice for very large amounts, maybe 70, maybe 80, maybe more percent that money may come from out of district. In some districts, that may be the only way to fund a congressional campaign.

So what is right for that district is not what is right for the district of the gentleman from Connecticut (Mr. SHAYS) or my district or the gentleman from California's district.

When we sit here with a great variety of districts around the country and try to come up with one number, I think we are on a chase that is not going to lead us in a healthy direction. It is not going to get us to pass a campaign reform bill. I think it is a mistake.

Mr. HORN. I have had a situation where my opponent raised only 1 percent of his campaign funds in the district when I had raised 70 to 80 percent.

I have to say: "Where is the connection with the electorate? Do the candidates who raise 1% in the district just go to all the eastern cities? They go into the gentleman's territory and get the funds together $1,000 at a crack. I have seen candidates that go up and down the east coast, just as the easterners come out to Hollywood in the celebrity area, and they secure funds at $1,000 at a crack.

It just seems to me there is a relationship in a democracy between, not only the voters in one's district and the sources who have provided the candidate with his real money? So I am willing to settle for 10 percent being raised in the district. I would prefer 50% or 100%. Ten percent would be a start.

Mr. ALLEN. Mr. Chairman, will the gentleman yield just briefly?

Mr. HORN. Absolutely. I yield to the gentleman from Maine.

Mr. ALLEN. I absolutely agree with the gentleman that there has got to be a connection between the candidate and the district. That is very, very important.

Mr. HORN. We have too many candidates who are under obligation to PACs and to everybody else, none of which have anything to do with some of the districts, certainly mine.

Mr. ALLEN. If the gentleman will yield just briefly, often, PAC money comes from organizations that are based in the district.

Mr. HORN. Usually, they take the PAC money from everywhere, but they cannot get it in terms of the District. I would just say, let us talk about 10 percent. I am willing to start low.

I would just like to see some connection between the candidate and who he or she represents. If they are only going to represent the people in the east that give them $1,000 checks, I do not think they are going to represent a district in the west that provides the votes.

I do not care if it is a quarter or a dollar, the checks I am moved by the most are when I receive $10 from a person who is living on $500 a month from Social Security. I know that $10 hurts that donor. So it just seems to me that candidates should receive money from their district at least to some degree.

Mr. FARR of California. Mr. Chairman, will the gentleman yield?

Mr. HORN. I yield to the gentleman from California for a question.

Mr. FARR of California. What do you do with the individual who is very wealthy and you are in a very poor district?

Mr. HORN. Do you know what I would do with the individual who is very wealthy? I would pass a law that could limit that amount of personal wealth to be spent in a campaign. I think it is a scandal what is going on in America. You are going to have plutocracy take over this chamber.

Mr. FARR of California. Maybe you can make that a perfecting amendment?

Mr. HORN. I will support that kind of an amendment.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the distinguished professor from Stanford, the gentleman from California (Mr. CAMPBELL).

□ 2310

Mr. CAMPBELL. Mr. Chairman, I thank my good friend for yielding me time and for referring to me by the best honorific I have ever had, which is professor.

I am in a bit of a bind, Mr. Chairman, because I have "can't vote-can't contribute" as one of the substitutes. I love this so much, I would make it 100 percent. And this dilemma yields to a solution to my good friend, my brother, the gentleman from California (Mr. CALVERT). This will kill Shays-Meehan. That is a fact. You know it, I think. So, vote for mine, because I will not bring mine up if Shays-Meehan passes. If Shays-Meehan passes, I do not bring up the Campbell substitute. But if Shays-Meehan goes down in flames, then, boy, am I on the side of the gentleman from California. Then we can vote "can't vote-can't contribute."

What my proposal does is to say, "Boy, is he right." You ought to get all of your money from your district, from people whom you represent, except you have to make an exception for the constitutional requirement that people can express themselves under the First Amendment, so I have $100 as an exception.

But by putting it on to Shays-Meehan the gentleman from California, surely without this intent, but I nevertheless am convinced with this effect, kills Shays-Meehan. If Shays-Meehan has a chance, let us pass it. If it does not have a chance and it goes down to defeat, you will have the opportunity to vote for exactly this concept. Then, boy, will you hear me in my righteous fervor responding to the arguments that have been presented against the gentleman from California (Mr. CALVERT).

For example, the wealthy person. Well, we Californians told the wealthy person something this last election, did we not, he asks rhetorically. We rejected those who spent their own money attempting to become Governor of our state, attempting to become Senator representing our state. And the argument that it is unfair misses the fact that it is sauce for the goose and it is sauce for the gander.

Your district is where you ought to raise your money from, but, please, do not hurt Shays-Meehan's chances of passage. You know it will peel off votes, you know it will cause the bill to be unacceptable to so many.

So I give you a reasonable alternative. I wish you would take it. Vote for my bill if it comes up, but do not destroy Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would say my head is spinning. The professor from California got very animated when he talked about this amendment, but he called it like it is. He loves certain aspects of this amendment, but he does know that it would cause tremendous harm to a coalition of Members who all had to give up certain things that they wanted for a common good, and that was to ban soft money, the unlimited sums that individuals, corporations, labor unions and other interest groups give to the political parties, that then get funneled right back to the candidate and make a mockery of our campaign laws.

We came to a compromise so we could recognize sham issue ads for what they truly are, campaign ads, and that means when it is a campaign ad, you follow the campaign rules. It means you cannot use corporate money, it means you cannot use labor dues. It meanings you have to disclose.

We codified the Supreme Court decision on Beck, which said that if a member of a union seeks to leave the union, that they do not have to have their agency fee which they are required by law to provide, that it should not include, if they choose not to, to have their agency fee include a political payment. Therefore, they pay a little less than the union dues.

We improve FEC disclosure and enforcement significantly, because we sought to come to a common ground between Republicans and Democrats, those who want campaign finance reform.

We seek to ban the franked mail, the district-wide mailing six months to an election. We did this through compromise. One of the things that did not survive the compromise was the very amendment that the gentleman is proposing.

We did this by compromise. We banned the raising of any foreign money and any fund-raising on government property. Now, it is not illegal to raise soft money from a foreigner, if they are not a citizen, because soft money is not viewed as campaign money. Therefore, it does not come under the statute.

Some could argue, and I am one, and we could have a disagreement, that raising soft money on government property, since it is not campaign money, does not come under the penalty. I realize others might disagree. But the bottom line is we came to a compromise in order to do these very significant things, and one of the things that did not make the compromise was the amendment suggested by my colleague, the gentleman from California.

So, we do need to defeat this amendment. I know that it has been offered in tremendous sincerity. I get down on bended knee and hope and pray that it is defeated, because it truly will blow apart a coalition of people who have sought to do something meaningful with campaign finance reform, and that is to restore integrity to the political process and to end the obscene amounts of money that we see in soft money, and to require those sham issues ads to be what they are, campaign issue ads.

Mr. Chairman, I yield back the balance of my time.

Mr. CALVERT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would say to my dear friend from California, I like his idea raising 100 percent of the money within the district. I recognize that that is probably not realistic, and so I believe that half of the money should be raised within the Congressional districts that Members represent.

We heard earlier that maybe not even 10 percent is an acceptable number. Well, what is an acceptable number? We know that there are people who run for Congress that 99 percent of their money is raised outside of their district. I do not think the American public agrees to that. As the gentleman from Connecticut knows, I came here six years ago almost and have been talking about this 50 percent provision since I came here to Congress.

I think most Americans believe that you should raise at least 50 percent of the money within your Congressional District. I do not think it is outrageous. I do not think there is anything wrong with this.

As far as a wealthy candidate running in a Congressional district, I would say that any of us would have a problem if we were running against a very wealthy candidate, any of us. But, saying that, I would accept a perfecting amendment that would waive the rule if a wealthy candidate gets involved in a campaign and spends, say, $100,000, to take care of that problem. I recognize that.

But what we are talking about here is 50 percent of the money within the district. I think it is reasonable. I think most people would expect folks to come back and raise money. It is difficult. None of us like going to all the fund raisers we need to go to back home, getting back home and putting together these events. It is a lot easier having an event here in Washington, D.C., or somewhere elsewhere where you can raise a significant amount of money. But this is, I think, an important responsibility.

I would hope that all Members would accept this amendment. I think it is the right thing to do.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. BARR of Georgia). The question is on the amendment offered by the gentleman from California (Mr. CALVERT).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. CALVERT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentleman from California (Mr. CALVERT) will be postponed.

Mr. SHAYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. CALVERT) having assumed the chair, Mr. BARR of Georgia, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2183) to amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes, had come to no resolution thereon.

MODIFICATION TO ORDER OF THE HOUSE OF FRIDAY, JULY 17, 1998, REGARDING FURTHER CONSIDERATION OF H.R. 2183, BIPARTISAN CAMPAIGN INTEGRITY ACT OF 1997

Mrs. LINDA SMITH of Washington. Mr. Speaker, I ask unanimous consent to go out of order, notwithstanding the order of the House agreed to on Friday last, and combine amendments listed as 40 to 45 into one, and make it as the next thing in order after the Calvert amendment, and that debate be limited to five minutes for and five minutes against the amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

□ 2320

BIPARTISAN CAMPAIGN INTEGRITY ACT OF 1997

The SPEAKER pro tempore (Mr. CALVERT). Pursuant to House Resolution 442 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2183.

□ 2321

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2183) to amend the Federal Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes, with Mr. BARR of Georgia (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole House rose earlier today, the request for a recorded vote on the amendment by the gentleman from California (Mr. CALVERT) had been postponed.

Under the previous order of today, it is now in order to consider the amendment by the gentlewoman from Washington (Mrs. LINDA SMITH).

AMENDMENT OFFERED BY MRS. LINDA SMITH OF WASHINGTON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. SHAYS OF CONNECTICUT

Mrs. LINDA SMITH of Washington. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mrs. LINDA SMITH of Washington to the Amendment No. 13 in the nature of a substitute offered by Mr. SHAYS of Connecticut:

In Section 301(20) of the Federal Election Campaign Act of 1971, as added by section 201(a) of the substitute, strike subparagraph (b) and add the following:

"(B) Voting Record and Voting Guide Exception—The term "express advocacy" does not include a communication which is in printed form or posted on the Internet that—

"(i) presents information solely about the voting record or position on a campaign issue of 1 or more candidates, provided however, that the sponsor of the voting record or voting guide may state its agreement or disagreement with the record or position of the candidate and further provided that the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to 1 or more clearly identified candidates,

"(ii) is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent; provided that nothing herein shall prevent the sponsor of the voting guide from directing questions in writing to candidates about their position on issues for purposes of preparing a voter guide, and the candidate from responding in writing to such questions, and

"(iii) does not contain a phrase such as 'vote for,' 're-elect,' 'support,' 'cast your ballot for,' '(name of candidate) for Congress,' '(name of candidate) in 1997,' 'vote against,' 'defeat,' or 'reject,' or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of 1 or more clearly identified candidates."

In Section 301(8) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute, strike paragraph (D) and insert

"(D) For purposes of subparagraph (C), the term "professional services" means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office."

In Section 301(8)(C)(v) of the Federal Election Campaign Act of 1971, as added by section 205(a)(1)(B) of the substitute, add at the end thereof,

", provided however that such discussions shall not include a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or consisting of similar lobbying activity in the case of a candidate holding State or elective office."

Mrs. LINDA SMITH of Washington (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Washington?

Mr. MEEHAN. Mr. Chairman, reserving the right to object, I just want to say that I am happy that the gentlewoman has agreed to work with us. I think that her amendment makes some important clarifications to the voter guide and safe harbor provisions in the bill. I know that I have worked with the gentlewoman, as the gentleman from Connecticut (Mr. SHAYS) has, for some time on campaign finance reform, and this is a good opportunity to take a number of the amendments, and as the gentlewoman knows, we have many, many amendments left to go in order to get the Shays-Meehan legislation passed.

So I thank the gentlewoman for her cooperation. Both sides of the aisle have looked at this. I think it is a good amendment.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

The CHAIRMAN pro tempore. Pursuant to the order of the House of today, the gentlewoman from Washington (Mrs. LINDA SMITH) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Washington (Mrs. LINDA SMITH).

Mrs. LINDA SMITH of Washington. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this actually is a group of amendments, all dealing with grassroots organizations' concerns. From liberal groups to conservative groups, they have been very, very concerned about their voter guides.

To begin with, it starts with clarifying some things that were never intended in the bill anyway. There was never an intention to restrict voter guides or individual grassroots lobbying, and yet some felt that this bill went across the line. To begin with, they wanted to be able to say, even if one guy is running, we want to be able to put out a record on him. We believe we should be able to do that.

So they have graciously said, sure enough, that makes some sense, and so we will allow one. The original said there had to be two or more candidates to be able to put out a voter guide, so this is a step in the right direction.

The second thing that is very much a concern of the groups is that they cannot explain why they were for or against an issue. Now, the makers of the bill felt that they had taken care of this, but many groups did not. So this simply clarifies that they not only are able to, but it clarifies that they can explain their positions and cleans up that problem.

Another issue that they were concerned about is that possibly collecting information to build score cards might be considered coordination. These amendments make it clear that that is not the case.

There are some other things that were of concern of the groups, and they were worried that their grassroots lobbyists could be in trouble, that this could be a problem if they were lobbying elected officials on issues, and that that could qualify as coordination. This language says no, that was not meant to be considered as coordination, so it cleans that up, and so there is no problem with the grassroots groups lobbying now.

Then there was a section that was a little more difficult, that has a purpose, a very important purpose, and that is where one finds that there are coordinated efforts of groups, vendors, and actually it comes out in kind of ugly things. One finds TV ads and radio ads and all kinds of things happening, and it is supposed to be independent but it clearly is coordinated.

What this does is clarify that and makes it very clear that it is not meant to deal with voter guides; that we are making it real clear that voter guides are not a part of the problem, and so again, we have made it very clear in this amendment that we are not aiming at them and definitely not even trying to get close to them.

So with that, this clears up a lot of the problems with the voter guides; it clears up a lot of the problems that the grassroots groups had with being able to lobby and being restricted from their lobbying and goes a long ways, I would think, to alleviating some of their fears.

Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I ask unanimous consent to claim the 5 minutes in opposition to the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Connecticut (Mr. SHAYS) is recognized for 5 minutes.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. MEEHAN).

Mr. MEEHAN. Mr. Chairman, I thank the gentleman for yielding me the time. I do not think I need a minute, but paragraph small "i" at the end where it says, "candidates," I believe that there is a printing error and after the comma, it should be "and," as we go to each of the paragraphs.

Mrs. LINDA SMITH of Washington. Mr. Chairman, will the gentleman yield?

Mr. MEEHAN. I yield to the gentlewoman from Washington.

Mrs. LINDA SMITH of Washington. Mr. Chairman, if the gentleman would clarify which paragraph he is in.

☐ 2330

Mr. MEEHAN. Small "i" at the end of that paragraph, I believe it should say "and."

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. MEEHAN. I yield to the gentleman from California.

Mr. CAMPBELL. The word "and" appears after the second little "i." So we have a comma, "and." Under normal rules of construction, that is a conjunction not a disjunctive. So, I do not believe the gentleman's point is necessary. Of course, it would do no harm to add the word "and." But we have a comma after little i, comma "and" after a little ii.

Mr. SHAYS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I do so to recognize the contribution of the gentlewoman from Washington (Mrs. LINDA SMITH). The bottom line is that she has offered six amendments to deal with voter guides and advocacy because she is sincerely concerned that groups would be denied the opportunity to provide these voter guides.

Each of her amendments had some element of merit and in some cases we could have accepted the amendment in whole. But she has combined these six amendments and I think has dealt sincerely with the concerns that various groups have.

The bottom line is she has tried to perfect this legislation and made a tremendous contribution and I really appreciate the contribution of the gentlewoman to improve this bill and make it clear what the intention is of the supporters of this legislation. I am very grateful for her contribution.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. CAMPBELL). I do not know if I want to call him "professor," but I will call him "gentleman."

Mr. CAMPBELL. Mr. Chairman, I thank the gentleman from Connecticut (Mr. SHAYS), my friend, for yielding me this time.

Mr. Chairman, I join him in applauding the gentlewoman from Washington (Mrs. LINDA SMITH). From the first day that I met her, her concern was campaign finance reform and it continues to manifest itself in work such as this amendment.

In reading it, I would clarify the following points that I think are in its favor: The phrase is now that in order to qualify, the commentary on a candidate's voting record can appear just by itself. They do not have to have another candidate. And it is all right, so long as it falls short of expressing unmistakable and unambiguous support for or opposition to that candidate.

And I emphasize that, because in our earlier debate on the amendment offered by the gentleman from California (Mr. DOOLITTLE), our colleague and friend, the question arose as to whether a voter advocacy group could say here is the position of candidates and we happen to agree with this position. And whether under the unamended version of Shays-Meehan that would have been acceptable was the point that was contested.

I do not believe that it is in doubt anymore if this amendment is accepted. That if it purely communicates accurate information as to the position of a candidate and falls short of saying "and for this reason vote for the person" or "for this reason we overwhelmingly support," in other words, if it falls short of unmistakable and unambiguous support, then it is indeed what it purports to be, a voter guide.

Mr. Chairman, I also note that the amendment offered by the gentlewoman from Washington is preferable to the one offered by our colleague from California in that it preserves the prohibition on coordination. If the organization in question has coordinated the entire voter guide with a plan to assist a candidate, then it is not a voter guide. It is a sham. The gentlewoman preserves that.

Lastly, she repeats the so-called magic words test, which is the starting point, but for many of us it is not sufficient to handle the area of potential abuse.

So with those observations, I am pleased to add my voice to those of the unanimous membership who is speaking on this bill in favor of the amendment offered by the gentlewoman from Washington.

Mrs. LINDA SMITH of Washington. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, first of all I want to say that this is an issue that I struggled with in our bill. I compliment the gentlewoman. I think this is a great improvement on existing law, because it clearly separates what is express advocacy.

Express advocacy under this definition is any time one gets out and says this is the record of a candidate and this record is evil, do not vote for this person. Or this is the record of an angel, please vote for this person. That is express advocacy. That will trigger that the people who publish such things will have to disclose where their money came from. It would have to be hard money.

That is the kind of thing that we have been saying that we need to do. If we just say this is a voter guide, we do not agree with it. But you cannot say therefore vote against this person. That would be an example, because one does not advocate a position, as the gentleman from California (Mr. CAMPBELL) said in the gentlewoman's words, of unmistakable or unambiguous support for or in opposition to one or more candidates. So you clearly have drawn a line between what has been the problem, which is these kind of hit pieces that have come out that the candidate knows nothing about, even the opposition knows nothing about because they are independent of either, and have been expressing sort of evil actions based on a record. I think that you are commended because this makes a clear distinction

Mr. SHAYS. Mr. Chairman, may I inquire as to how much time I have remaining?

The CHAIRMAN pro tempore. The gentleman from Connecticut has one minute remaining.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I would just quickly say that the gentlewoman from Washington (Mrs. LINDA SMITH), and using the word "gentle" is sometimes a misnomer because she is extraordinarily strong, again has made a wonderful contribution to this process and has been a leader in campaign finance reform throughout the country. I thank her again for her contribution and would again yield my time to her to allow her to close.

Mrs. LINDA SMITH of Washington. Mr. Chairman, I yield myself such time as I may consume.

I thank the gentleman from Connecticut for his comments.

This particular area of campaign finance reform probably has had more objections, more confusion, than anything I have seen in my nearly 4 years in Congress. I do not think that this agreement or this amendment is going to make everyone happy but those that used to say we cannot even advocate our position of what we think is right in the voter guide, to them this is taking care of it. To those that do not want people to have any speech about what they think is a good position from their perspective, a group, to them they are not going to necessarily like it either.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentlewoman from Washington (Mrs. LINDA SMITH), to the amendment in the nature of a substitute No. 13 offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it have it.

Mrs. LINDA SMITH of Washington. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore (Mr. CALVERT). Pursuant to House Resolution 442, further proceedings on the amendment offered by the gentlewoman from Washington will be postponed.

Mr. DOOLITTLE. Mr. Chairman, during the course of debate on campaign reform, I have repeatedly voiced concern that the Shays-Meehan legislation, if enacted would threaten citizen participation in our democratic system.

Numerous provisions in Shays-Meehan restrict the right of the people to express their opinions about elected officials and issues through unprecedented limitations on text accompanying issue group voting records and restraints on citizen commentary prior to an election.

Why would any group of citizens distribute a voting guide or scorecard on a candidate when the Federal Election Commission (FEC) would be empowered to decide, after the distribution of the scorecard, whether it was written in an "educational" manner?

Why would a citizen's activist organization issue a "voter alert" to its supporters warning them to an upcoming vote in Congress, when they could be potentially fined for violating the burdensome "coordination" section of the bill?

Why would a group of citizens concerned about an issue like partial birth abortion or affirmative action run a television advertisement to try to influence the way their Member of Congress votes, when they could be fined for violating new free speech restrictions that are contained in the bill?

The Shays-Meehan bill contains a provision that prohibits non-citizens from contributing to campaigns. When you combine that provision with the amendment offered by Representative PICKERING, I believe political contributions by minorities would become suspect.

As a stand alone, the Shays-Meehan bill is patently unconstitutional on its face. It violates the First Amendment rights of all Americans. But it would be a mistake to compound those constitutional errors by somehow making suspect political contributions by Americans with non-western names. With these two amendments adopted, the threat to minority participation in our election process would compound the threat to freedom by the bill.

Mr. SHAYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. CALVERT) having assumed the chair, Mr. BARR of Georgia, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2183) to amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes, had come to no resolution thereon.

CORRECTION OF CONGRESSIONAL RECORD OF JULY 16, 1998, PAGES 5719, 5720 AND 5721, DURING DEBATE ON H.R. 4104, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Jersey:

Add at the end of the bill:

Notwithstanding any provision of this Act, no funds in this Act may be used to require any contract to include a term for coverage of abortifacients.

Mr. OBEY. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Wisconsin (Mr. OBEY) reserves a point of order.

Mr. SMITH of New Jersey. Mr. Chairman, due to the lateness of the hour, I do not intend on taking the full 5 minutes.

Let me make it very clear that part of the problem with the Lowey amendment was that it did not define contraception. Many of us have been concerned that the pro-abortion lobby and the pro-abortion organizations over the years have tried to fudge the line of demarcation between fertilization post- and pre-fertilization. Many of the chemicals, many of the devices that are now employed that are permitted under the Federal Employees Health Benefits Program do indeed result in many abortions, newly created human lives that are not permitted to implant in their mother's womb.

In a nutshell, my amendment is designed to clarify that if we are indeed going to force all of the Federal providers of medical care, the HMOs and all the providers as a condition of receiving reimbursement for all of their prescriptions, whether it be for penicillin or any other drug, that they have, to provide "a provision for contraceptive coverage", let us at least make it clear that the gentlelady's language excludes abortion-inducing chemicals. That is what my amendment very simply seeks to do.

Earlier in the day we pointed out during the debate, that while RU-486 isn't legal and, hopefully, never will be there are officials of Planned Parenthood who are already talking about it as a morning after pill. RU-486 is baby pesticide and destroys life, the newly created life, somewhere along the line up to the 7th week. This is a Federal funding of early abortion but many Members of Congress remain uninformed of that fact. I say with regret, that some abortifacients like IUDs can be provided by the health care providers under the Federal Employees Health Benefits Program. The question is should they be forced to. This says no one is going to be forced to do it. It is a conscience type amendment. Still the plain language of Mrs. LOWEY's amendment only stipulates "a provision for contraceptive coverage"—a much, much, weaker version than the amendment she offered in her Appropriations Committee. Clearly, under her amendment, if a plan merely provided condoms or birth control pills, that would satisfy the obligation created by the amendment.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Jersey. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, can the gentleman clarify for me and for others, when he says to include "a term for coverage," what does that phrase mean?

Mr. SMITH of New Jersey. I thank the gentleman for asking the question. It says very simply that a health care plan would not have to include those devices and chemicals that may have the effect of an abortifacient. Under my amendment it will not be mandatory. it will not be forced upon the HMOs and upon the health care providers even though the language of Mrs. LOWEY's amendment requires only "a provision for contraceptive coverage" to satisfy the requirement.

Mr. HOYER. Am I correct then that the amendment means, "a term for coverage" would mean the term that refers to the abortifacients?

Mr. SMITH of New Jersey. If I understand the gentleman's question that is correct.

Mr. HOYER. I thank the gentleman for his clarification.

The CHAIRMAN. Does the gentleman from Wisconsin (Mr. OBEY) insist on his point of order?

Mr. OBEY. Mr. Chairman, I withdraw the point of order.

Mrs. LOWEY. Mr. Chairman, I move to strike the last word, and I rise to engage the gentleman from New Jersey in a colloquy.

I would like to ask the gentleman to define further his amendment. Based upon the information that we have, the FDA has approved five methods of contraception. This is the established definition of contraception. It has nothing to do with RU-486 although, unfortunately, there were some letters sent out saying it did. RU-486 is not included among the five methods of contraception. It has nothing to do with abortion. There have been debates that have been going on among us, in the country, about when does life begin.

This takes some serious discussion, and I am sure that we can have some serious debates about this issue, but today what we are talking about very simply is the five established methods of contraception that have been improved by the FDA, nothing to do with abortion, nothing to do with RU-486.

Mr. SMITH of New Jersey. If the gentlewoman would yield, let me just ask the gentlewoman, because this will help me in responding, her definition of contraception. Is it before fertilization occurs or is it before implantation in the uterus?

Mrs. LOWEY. I am sorry. Will the gentleman repeat?

Mr. SMITH of New Jersey. Part of the problem we have with the gentlewoman's first amendment, as well as the amendment that was offered and just passed, is a definitional one. How do you define contraception? How do define pregnancy?

For some, it is implantation. For some, it is fertilization.

Mrs. LOWEY. Reclaiming my time.

Mr. SMITH of New Jersey. Contraception by definition should mean before a new life has come into being. There are many who want to blur that line and say that chemicals affect the implementation or even after that.

Mrs. LOWEY. If I may reclaim my time, could the gentleman explain whether this includes the pill?

Mr. SMITH of New Jersey. This will have to be determined. There is a body of evidence suggesting that IUDs, for example, may have the impact, and many women are unaware of this, may have the impact of preventing implantation.

What my amendment says, that is still permissible under Federal Employees Health Benefit Program but not mandated.

Mrs. LOWEY. Reclaiming my time, if I might ask the gentleman, I believe in response to my question as to whether the pill would be included, since the pill is one of the five methods of approving contraception from the FDA, you seem to be questioning this and I would ask the gentleman, if you are not sure whether the pill is an established method of contraception, what would the plans determine?

Mr. SMITH of New Jersey. Let me just respond that there are several schools of thought as to what the operation is as to what actually occurs.

Mrs. LOWEY. Reclaiming my time, would the gentleman consider the IUD a form of contraception? This is an approved method of contraception. Or would you consider the IUD as abortifacient?

Mr. SMITH of New Jersey. Let me make it very clear there has to be a determination made, and maybe it is about time, with all of the resources at our disposal, we really came to a firm conclusion as to how some of these chemicals and how the IUD actually works, because, again, even Planned Parenthood and others will say on their web page that one of the consequences of the IUD may indeed be preventative of implantation .

Mrs. LOWEY. Reclaiming my time, does the gentleman include the diaphragm as a form of contraception?

Mr. SMITH of New Jersey. No. As far as I know, that has never been an abortifacient.

Mrs. LOWEY. I seems to me the gentleman has questions about the pill, questions about the diaphragm, questions abut the IUD, and I assume the gentleman has questions about Depo—Provera and Norplant.

Let me say this, there are five established methods of contraception. If the gentleman supports the amendment to not cover abortion, then you are saying that contraception cannot be covered; no method of contraception can be covered.

□ 2115

Mr. SMITH of New Jersey. Not at all. Right now the HMOs, and all of the health care providers under the Federal Employees Health Benefits program, if they choose, can provide any of those methods that you mentioned, from IUDs to Depo-Provera. What your amendment, or what the thrust of your original amendment was to force them to do it.

Mrs. LOWEY. Reclaiming my time, I just want to make it clear to my colleague that the gentleman from New Jersey, it appears to me from your statement, is trying to make every method of contraception an abortifacient; is that correct?

Mr. SMITH of New Jersey. Not at all, and that is putting words in my mouth, and I think that is unfortunate.

The CHAIRMAN. The time of the gentlewoman from New York (Mrs. LOWEY) has expired.

(By unanimous consent, Mrs. LOWEY was allowed to proceed for 2 additional minutes.)

Mrs. LOWEY. Mr. Chairman, if I can make it clear, I think it is very important, my colleagues, that we realize what the gentleman is attempting to achieve with this amendment. He is stating that there is no form of contraception that may not be considered an abortifacient and, therefore, the American women have to understand——

Mr. SMITH of New Jersey. If the gentlewoman will yield, I did not say that at all.

Mrs. LOWEY. No, I will not yield. I will not yield. That the American people who are listening to this debate have to understand that this Congress wants to tell women that all forms of contraception are abortifacients and they cannot be considered.

I would like to make that point again. The majority of American women do support the use of contraceptives. These are very personal decisions, we understand that, and each person has to make it for themselves. But the majority of American women understands that.

Now, it seems to me from this discussion, that the gentleman from New Jersey is saying to every woman who may take a birth control pill or use another one of the five accepted methods of contraception that they are abortionists.

Mr. SMITH of New Jersey. Not at all.

Mrs. LOWEY. I think it is important to clarify what we are talking about because the FDA has approved five methods of contraception.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise in support of the amendment of the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from New Jersey to explain his amendment and to answer any questions he may have.

Mr. SMITH of New Jersey. Mr. Chairman, I want to make it clear to my colleagues that birth control pills and diaphragms are not abortifacients. IUDs and post-coital pills have the capability of that. That is where there has been very little conversation, especially with women, as to what might be happening when they think they are preventing fertilization when, indeed, implantation is what is being prevented.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I understand that there is confusion about this issue, and if I may, from my experience, please lend some of that to our body, one; and, number two, also relay that I had a conversation with the gentlewoman from New York, and I do understand what her intention is and I do understand the intention of the gentleman from New Jersey (Mr. SMITH). She has an honorable request. She won that in her committee, and it should be honored in that way.

But let me clarify for this body that, in fact, the diaphragm is not an abortifacient; that oral contraceptives are not an abortifacient; that morning-after pills, in fact, are; that IUDs are, in fact, abortifacients.

Now, there is not a medical question about how they work, and there is not a medical question about how oral contraceptives work. Their intention is to prevent ovulation or to prevent penetration of a sperm. That is not an abortifacient. And there is no question in the medical community about how they work.

So I would ask this body that if, in fact, we feel we want to make a decision based on what the request of the gentlewoman from New York really is, that we supply oral contraceptives to women in this country, that we accept the Smith amendment to that, and we can qualify and solve this problem and this will go through. If, in fact, not, then we will see we will have an extended debate on whether or not the bill will make it.

An honorable amendment was brought forth in the committee. An honorable amendment to the gentlewoman's amendment is now offered. The clarity cannot be any clearer than what I have stated. The Smith amendment does not limit oral contraceptives, it only limits those things that are considered abortifacients.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose this amendment, and I think that Members have to be very sensitive to what my colleague from New Jersey is attempting to do here today.

Is there no limit to my colleague's willingness to impose his concept of when life begins on others? Conception is a process. Fertilization of the egg is part of that process. But if that fertilized egg does not get implanted, it does not grow. And so on throughout the course of pregnancy.

For those who do not believe that life begins upon fertilization, but believes, in fact, that that fertilized egg has to be implanted, the gentleman is imposing his judgment as to when life begins on that person and, in so doing, denying them what might be the safest means of contraception available to them.

Some women cannot take the pill. It is too disruptive to them. Some women depend on intrauterine devices and other such contracptives. When we get to the point where we have the courage to do more research in contraception, we will have many other options to offer women so that they can have safe contraception.

For us to make the decision that that woman must choose a means of contraception that reflects any one individual's determination as to when in that process of conception life actually begins is a level of intrusion into conscience, into independence, into freedom that, frankly, I have never witnessed. Even the issue of being for or against abortion is a different issue than we debate here tonight. We have never, ever intruded to this depth.

When I talk to my friends who are obstetricians, because all my colleagues know my husband is a retired obstetrician, how the pills work is not simple. In some women they have one effect, and they may have first effects and secondary effects. They prevent ovulation in general but not absolutely. And if there is a fertilization while on the pill, the pill prevents implantation.

So this is a complex process. And for us to imagine here tonight that it is either right or proper or possible for the gentleman to impose his determination on others at this level is extraordinary. As a Republican who believes that government should stay out of our lives, I oppose this amendment with everything in me. And I would ask my colleagues, those who are pro life—and I honor that position. And I would say that the pro-life members of our Nation have changed the issue of abortion over these years. People take it far more seriously. It is not as casual. They have made an enormous difference for the good in our Nation. But that does not make it right for them to step, then, into this level and try to make definitions that, frankly, are not nearly so simple as my friend and respected colleague, the gentleman from Oklahoma (Mr. COBURN), implies.

The lines are not clear. They are not simple. I would ask my colleague to respect that we are a Nation founded on the belief that we should have freedom of conscience and freedom of religion, and this amendment deeply, deeply compromises those liberties.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. BARR of Georgia). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BILIRAKIS (at the request of Mr. ARMEY) for today on account of illness.

Mr. RIGGS (at the request of Mr. ARMEY) for Friday, July 17 and today, on account of family reasons.

Mr. THOMPSON (at the request of Mr. GEPHARDT) for today, on account of official business in the district.

Mr. UNDERWOOD (at the request of Mr. GEPHARDT) for today and tomorrow until 12 noon, on account of official business in the district.

Mr. JEFFERSON (at the request of Mr. GEPHARDT) for today, on account of official business in the district.

Mr. MCNULTY (at the request of Mr. GEPHARDT) for July 21 and 22, on account of a death in the family.

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for today, on account of official business.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for today and tomorrow until 12 noon, on account of official business.

Mr. FORD (at the request of Mr. GEPHARDT) for today, on account of personal business.

Mr. YATES (at the request of Mr. GEPHARDT) for today after 7:30 p.m., on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MEEHAN) to revise and extend their remarks and include extraneous material:)

Mr. FILNER, for 5 minutes today.

Mr. CONYERS, for 5 minutes today.

Mr. POMEROY, for 5 minutes today.

Ms. JACKSON-LEE of Texas, for 5 minutes today.

(The following Members (at the request of Mr. CALVERT) to revise and extend their remarks and include extraneous material:)

Mr. RAMSTAD, for 5 minutes today.

Mr. FOX of Pennsylvania, for 5 minutes today.

Ms. ROS-LEHTINEN, for 5 minutes today.

Mr. LUCAS of Oklahoma for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MEEHAN) and to include extraneous material:)

Mr. KIND.
Mr. MANTON.
Ms. KILPATRICK.
Mr. ACKERMAN.
Mr. KENNEDY of Massachusetts.
Mr. SERRANO.
Mr. OWENS.
Mr. CONYERS.
Mr. GREEN.

(The following Members (at the request of Mr. CALVERT) and to include extraneous material:)

Mrs. LINDA SMITH of Washington.
Mr. HEFLEY.
Mr. PORTER.
Mr. RADANOVICH.
Mr. RILEY.
Mrs. MORELLA.
Mr. BRYANT.
Mr. MICA.
Mr. TALENT.
Mr. MCHUGH.
Mr. GILMAN.
Mr. UPTON.
Mr. SMITH of Michigan.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1418. An act to promote the research, identification, assessment, exploration, and development of methane hydrate resources, and for other purposes; to the Committee on Science, and in addition, to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. 638. An act to provide for the expeditions completion of the acquisition of private mineral interests within the Mount St. Helens National volcanic Monument mandated by the 1982 Act that established the Monument, and for other purposes; to the Committee on Resources.

S. 1069. An act entitled the "National Discovery Trails Act of 1997; to the Committee on Resources.

S. 1132. An act to modify the boundaries of the Bandelier National Monument to include the lands within the headwaters of the Upper Alamo Watershed which drain into the Monument and which are not currently within the jurisdiction of a Federal land management agency, to authorize purchase or donation of those lands, and for other purposes; to the Committee on Resources.

S. 1403. An act to amend the National Historic Preservation Act for purposes of establishing a national historic lighthouse preservation program; to the Committee on Resources.

S. 1510. An act to direct the Secretary of the Interior and the Secretary of Agriculture to convey certain lands to the county of Rio Arriba, New Mexico; to the Committee on Resources.

S. 1695. An act to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Sand Creek Massacre National historic Site in the State of Colorado as a unit of the National Park System, and for other purposes; to the Committee on Resources.

S. 1807. An act to transfer administrative jurisdiction over certain parcels of public domain land in Lake County, Oregon, to facilitate management of the land, and for other purposes; to the Committee on Resources.

S. Con. Res. 105. Concurrent Resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yogoslavia, and for other purposes; to the Committee on International Relations.

ADJOURNMENT

Mr. CALVERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 41 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, July 21, 1998, at 9 a.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

10065. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Tuberculosis in Cattle, Bison, and Captive Cervids; Indemnity for Suspects [Docket No. 98–033–1] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10066. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Validated Brucellosis—Free States; Oklahoma [Docket No. 98–061–1] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10067. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Turkmenistan, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

10068. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Mexico, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

10069. A letter from the Managing Director, Federal Housing Finance Board, transmitting the Board's final rule—Eligibility for Membership and Advances [No. 98–15] (RIN: 3069–AA69) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

10070. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Federal Motor Vehicle Theft Prevention Standard; Final Listing of Model Year 1999 High-Theft Vehicle Lines [Docket No. NHTSA–98–3752] (RIN: 2127–AH06) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10071. A letter from the Associate Managing Director for Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Assessment and Collection of Regulatory Fees for Fiscal Year 1998 [MD Docket No. 98–36] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10072. A letter from the Acting, Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Financial Disclosure by Clinical Investigators; Correction [Docket No. 93N–0445] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10073. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

10074. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Transportation of Hazardous Materials; Miscellaneous Amendments [Docket No. RSPA–97–2905 (HM–166Y)] (RIN: 2137–AC41) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10075. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29260; Amdt. No. 1875] (RIN: 2120–AA65) received June 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10076. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29262; Amdt. No. 1877] (RIN: 2120–AA65) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10077. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 29261; Amdt. No. 1876] (RIN: 2120–AA65) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10078. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–100, -200, -200C Series Airplanes [Docket No. 98–NM–121–AD; Amendment 39–10642; AD 98–14–09] (RIN: 2120–AA64) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10079. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Daytona Beach, FL; Correction [Airspace Docket No. 98–ASO–6] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10080. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Head of the Ohio, Allegheny River mile 0.0–3.3 (RIN: 2115–AE46) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10081. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Technical Amendments; Organizational Changes; Miscellaneous Editorial Changes and Conforming Amendments [USCG–1998–3799] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10082. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; City of Pittsburgh Independence Eve Celebration Allegheny River mile 0.0–0.5, Monongehela River mile 0.0–0.2 and Ohio River mile 0.0–0.9 [CGD08–98–035] (RIN: 2115–AE46) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10083. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Oakmont Yacht Club Regatta Allegheny River mile 12.0–13.0 [CGD08–98–031] (RIN: 2115–AE46) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10084. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulation; Lake Pontchartrain, LA [CGD08–98–036] (RIN: 2115–AE47) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10085. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—SPECIAL LOCAL REGULATIONS; Around Alone Sailboat Race, Charleston, SC [CGD07–98–008] (RIN: 2115–AE46) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10086. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Steubenville Regatta, Ohio River mile 65.0–67.0 [CGD08–98–032] (RIN: 2115–AE46) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10087. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Pittsburgh Three Rivers Regatta Allegheny River mile 0.0–0.5, Monongehela River mile 0.0–0.2 and Ohio River mile 0.0–0.9 [GCD08–98–033] (RIN: 2115–AE46) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10088. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Great Lakes Pilotage; Reorganization of Regulations [USCG–1998–3976] Recieved July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10089. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS–350B, BA, B1, B2, and D, and Model AS–355E, F, F1, F2, and N Helicopters [Docket No. 97–SW–25–AD; Amendment 39–10635; AD 98–14–01] (RIN: 2120–AA64) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10090. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cessna Aircraft Company Model 172R Airplanes [Docket No. 97–CE–96–AD; Amendment 39–10641; AD 98–14–07] (RIN: 2120–AA64) received July 6, 1998, pursuant to 5

U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10091. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney Canada PW100 Series Turboprop Engines [Docket No. 97–ANE–33–AD; Amendment 39–10636; AD 98–14–02] (RIN: 2120–AA64) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10092. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspcace; Philadelphia, PA [Airspace Docket No. 98–AEA–02] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10093. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Farmville, VA [Airspace Docket No. 98–AEA–07] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10094. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Marion, OH Correction [Airspace Docket No. 98–AGL–20] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10095. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace BAe Model ATP Airplanes [Docket No. 98–NM–113–AD; Amendment 39–10640; AD 98–14–06] (RIN: 2120–AA64) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10096. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; AlliedSignal Inc. KT 76A Air Traffic Control (ATC) Transponders [Docket No. 97–CE–30–AD; Amendment 39–10637; AD 98–14–03] (RIN: 2120–AA64) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10097. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; de Havilland Model DHC–8–100, -200, and -300 Series Airplanes [Docket No. 97–NM–336–AD; Amendment 39–10638; AD 98–14–04] (RIN: 2120–AA64) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10098. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328–100 Series Airplanes [Docket No. 98–NM–103–AD; Amendment 39–10639; AD 98–14–05] (RIN: 2120–AA64) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10099. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Rules and regulations [Revenue Procedure 98–42] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10100. A letter from the Chief of Staff, Social Security Commission, transmitting the Commission's final rule—Supplemental Security Income for the Aged, Blind, and Disabled; Charging Administration Fees for Making State Supplementary Payments [Regulations No. 16] (RIN: 0960–AE84) received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10101. A letter from the Chief of Staff, Social Security Commission, transmitting the Commission's final rule—Supplemental Security Income for the Aged, Blind, and Disabled; Valuation of the In-Kind Support and Maintenance With Cost-of-Living Adjustment (RIN: 0960–AD82) received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and references to the proper calendar, as follows:

Mr. ARCHER: Committee on Ways and Means. H.R. 3249. A bill to provide for the rectification of certain retirement coverage errors affecting Federal employees, and for other purposes; with an amendment (Rept. 105–625 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOODLING: Committee on Education and the Workforce. H.R. 3874. A bill to amend the Child Nutrition Act of 1966 to make improvements to the special supplemental nutrition program for women, infants, and children and to extend the authority of that program through fiscal year 2003; with amendments (Rept. 105–633). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 8. A bill to amend the Clean Air Act to deny entry into the United States of certain foreign motor vehicles that do not comply with State laws governing motor vehicles emissions, and for other purposes; with an amendment (Rept. 105–634). Referred to the Committee of the Whole House on the State of the Union.

Mr. PORTER: Committee on Appropriations. H.R. 4274. A bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–635). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS: Committee on Appropriations. H.R. 4276. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–636). Referred to the Committee of the Whole House on the State of the Union.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 504. Resolution providing for consideration of the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–637). Referred to the House Calendar.

Mr. ARCHER: Committee on Ways and Means. House Joint Resolution 121. Resolution disapproving the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China; adversely (Rept. 105–638). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 4057. A bill to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes; with an amendment (Rept. 105–639). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. PORTER:

H.R. 4274. A bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1999, and for other purposes.

By Mr. SHUSTER (for himself, Mr. Oberstar, Mr. Kim, and Mr. Traficant):

H.R. 4275. A bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ROGERS:

H.R. 4276. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes.

By Mr. CAMPBELL:

H.R. 4277. A bill to ensure and foster continued patient safety and quality of care by making the antitrust laws apply to negotiations by groups of health care professionals and certain other associations that are engaged in negotiations with health maintenance organizations and other health insurance issuers in the same manner as such laws apply to collective bargaining by labor organizations under the National Labor Relations Act; to the Committee on the Judiciary.

By Mr. GUTIERREZ (for himself, Mr. Kucinich, and Mr. Hilliard):

H.R. 4278. A bill to require the provision of health care benefits under Federal contracts and subcontracts; to the Committee on Education and the Workforce, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHERMAN:

H.R. 4279. A bill to amend the Internal Revenue Code of 1986 to repeal the application of the alternative minimum tax to the transfer of stock pursuant to an incentive stock option; to the Committee on Ways and Means.

By Mr. McHALE (for himself, Mr. Wolf, Mr. Roemer, Ms. Pryce of Ohio, Mrs. Johnson of Connecticut, Mr. Ford, Mr. Adam Smith of Washington, Mr. Boehlert, Mr. LaFalce, Ms. Furse, Mr. Walsh, Mr. Calvert, Mr. Poshard, Mr. Martinez, Ms. Jackson-Lee, Mr. Greenwood, Mr. Gilman, Mr. Engel, Mr. Romero-Barceló, Mr. Maloney of Connecticut, Ms. Carson, Mr. Filner, Mr. Lewis of Kentucky, Mr.

Gallegly, Mr. Horn, Mr. Mascara, Mr. Coyne, Mr. Doyle, Mr. Bentsen, Mr. Hastings of Florida, Mr. Hilliard, Mr. Davis of Florida, Mr. Blunt, Mr. Holden, Mr. Wexler, Ms. Ros-Lehtinen, Mr. English of Pennsylvania, Ms. Hooley of Oregon, and Mr. Etheridge):

H. Con. Res. 302. Concurrent resolution recognizing the importance of children and families in the United States and expressing support for the goals of National KidsDay and National Family Month; to the Committee on Government Reform and Oversight.

By Mr. TORRES (for himself, Mr. Pastor, Mr. Kildee, Mr. Becerra, Mr. Kennedy of Rhode Island, Mr. Rangel, Mr. Towns, Mr. Faleomavaega, Mr. Frost, Mr. Filner, Mrs. Maloney of New York, Mr. Gutierrez, Ms. Velázquez, Mr. Menendez, Mr. Romero-Barceló, Mr. Underwood, Mr. Hinojosa, Mr. Ortiz, Mr. Serrano, Ms. Roybal-Allard, Ms. Sanchez, and Mr. Martinez):

H. Con. Res. 303. Concurrent resolution expressing the sense of the Congress that the President should declare Kneeling Nun Mountain in Grant County, New Mexico, to be a national monument, and for other purposes; to the Committee on Resources.

By Mr. FALEOMAVAEGA (for himself, Mr. Gilman, Mr. Hamilton, Mr. Bereuter, Mr. Berman, Mr. Smith of New Jersey, Mr. Lantos, and Mr. Hastings of Florida):

H. Res. 505. A resolution expressing the sense of the House of Representatives with respect to the importance of diplomatic relations with the Pacific Island nations; to the Committee on International Relations.

By Mr. HANSEN (for himself and Mr. Berman):

H. Res. 506. A resolution providing amounts for further expenses of the Committee on Standards of Official Conduct in the second session of the One Hundred Fifth Congress; to the Committee on House Oversight.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 45: Mr. Vento.

H.R. 71: Mr. Blunt.

H.R. 296: Mr. Foley.

H.R. 677: Mr. Pappas and Mr. Royce.

H.R. 687: Ms. Roybal-Allard.

H.R. 1032: Mr. Horn.

H.R. 1126: Mr. Kucinich and Mr. Bilirakis.

H.R. 1288: Mr. Canady of Florida.

H.R. 1320: Mr. Miller of California.

H.R. 1321: Mr. Dooley of California.

H.R. 1338: Mr. Burton of Indiana.

H.R. 1404: Mr. Jackson of Illinois and Ms. Lee.

H.R. 1636: Ms. Lee and Mr. Farr of California.

H.R. 1689: Mr. Chambliss.

H.R. 2397: Mr. Allen, Mr. Brown of Ohio, Mr. Thompson, Mr. Bilbray, Mr. Upton, Mr. Skeen, Mr. Shays, and Mr. Pastor.

H.R. 2409: Ms. Norton.

H.R. 2509: Mr. Goodling.

H.R. 2579: Mr. Hayworth.

H.R. 2869: Mr. Scarborough.

H.R. 2914: Mr. Foley and Mr. Thompson.

H.R. 2944: Mr. Frank of Massachusetts.

H.R. 2955: Mr. Delahunt, Mr. Rodriguez, Ms. Slaughter, and Mr. Gutierrez.

H.R. 2968: Mr. Pitts, Mr. Sessions, Mr. Baker, and Mr. Stump.

H.R. 2982: Mrs. Morella and Mrs. Kelly.

H.R. 3022: Mr. Davis of Virginia.

H.R. 3234: Mrs. Bono.

H.R. 3248: Mr. Gutknecht and Mrs. Wilson.

H.R. 3251: Mr. Berman, Mr. Snyder, Mr. Etheridge, and Mr. McGovern.

H.R. 3262: Ms. Kilpatrick.

H.R. 3281: Mr. Matsui, Ms. Woolsey, Mr. Dicks, Mr. Gutierrez, and Mr. Stark.

H.R. 3572: Mr. Hayworth, Mr. Martinez, Mr. Gillmor, Mr. Aderholt, Mr. McDermott, Ms. Lee, and Mr. Hinchey.

H.R. 3610: Mr. Brown of Ohio and Ms. Hooley of Oregon.

H.R. 3710: Mr. Bentsen, Mr. Boyd, Ms. Christian-Green, Mr. Condit, Mr. Ensign, Mr. Greenwood, Mr. Jones, Mr. Lampson, Mr. Lantos, Ms. Lee, Mr. Lipinski, Mrs. Meek of Florida, Mr. Moran of Virginia, Mr. Pastor, Ms. Sanchez, Mr. Shays, Mr. Wexler, Mr. Stenholm, Mr. Olver, Mr. Price of North Carolina, Mr. McInnis, Mr. Stump, Mrs. Thurman, Mr. Bilbray, Mr. Kleczka, Mr. Hobson, Mr. Traficant, and Ms. Brown of Florida.

H.R. 3779: Mr. Meeks of New York, Mr. Bass, Mr. Delahunt, Mr. Neal of Massachusetts, Mr. Towns, Mr. Kennedy of Massachusetts, Mr. Kennedy of Rhode Island, Mr. Gilman, Mr. Fazio of California, Mr. Kleczka, Mr. Sanders, Mr. Costello, and Ms. Millender-McDonald.

H.R. 3782: Ms. Christian-Green.

H.R. 3790: Mr. Allen, Mr. Bentsen, Mr. Blagojevich, Mr. Blumenauer, Mr. Boehner, Mr. Boehlert, Mrs. Bono, Mr. Boyd, Mr. Calvert, Mrs. Capps, Ms. Christian-Green, Mr. Clement, Mr. Cramer, Ms. DeLauro, Mr. Dixon, Mr. Doyle, Mr. English of Pennsylvania, Mr. Goode, Mr. Goodling, Ms. Harman, Mr. Hayworth, Mr. Hoyer, Mr. Hutchinson, Mr. Jackson of Illinois, Ms. Jackson-Lee, Mr. Jefferson, Mr. Kildee, Mr. Lazio of New York, Mr. Linder, Mr. Lewis of Georgia, Mrs. Mink of Hawaii, Ms. Norton, Mr. Pascrell, Mr. Radanovich, Mr. Rangel, Ms. Rivers, Mr. Sanford, Mr. Saxton, Mr. Bob Schaffer, Mr. Skaggs, Mr. Skelton, Mr. Stokes, Mr. Underwood, Mr. Walsh, Mr. Watt of North Carolina, Mr. White, Mr. Deal of Georgia, and Mr. McIntosh.

H.R. 3792: Mr. Metcalf.

H.R. 3815: Mr. Sherman, Ms. Eshoo, Mr. Goss, Mr. Frost, Mr. Klug, and Ms. Pelosi.

H.R. 3821: Mr. Gallegly, Ms. Wilson, Mr. Lipinski, Mr. Etheridge, Mrs. Bono, Mr. Cooksey, Mr. Porter, and Mr. Boyd.

H.R. 3862: Mrs. Kennelly of Connecticut.

H.R. 3879: Mr. Pitts, Mr. Hyde, and Ms. Pryce of Ohio.

H.R. 3905: Mr. Sensenbrenner.

H.R. 3985: Mr. Sandlin.

H.R. 4006: Mr. Calvert, Mrs. Emerson, Mr. Chabot, Mr. Brady of Texas, Mr. Snowbarger, Mr. Bob Schaffer, and Ms. Roybal-Allard.

H.R. 4035: Ms. Rivers, Mr. Schumer, Mr. Strickland, Mrs. Thurman, Ms. Slaughter, and Mr. McDermott.

H.R. 4036: Ms. Rivers, Mr. Deutsch, Mr. Christensen, Mr. Schumer, Mr. Strickland, Mrs. Thurman, Ms. Slaughter, Mrs. Kelly, Mr. Baldacci, Ms. Carson, and Mr. McDermott.

H.R. 4071: Mr. Gordon.

H.R. 4084: Mr. Manton, Mr. Hilliard, Mr. Faleomavaega, Mr. Olver, and Ms. Pelosi.

H.R. 4095: Ms. Lee, Mr. Stark, and Mr. Shays.

H.R. 4121: Mr. Martinez.

H.R. 4125: Mr. Hulshof, Mr. Hostettler, and Mr. Crapo.

H.R. 4147: Mr. McGovern, Ms. Rivers, Mr. Thompson, and Mr. Hostettler.

H.R. 4151: Mr. Brady of Pennsylvania.

H.R. 4155: Mr. McHugh.

H.R. 4188: Mr. Allen.

H.R. 4196: Mr. Ensign, Mrs. Chenoweth, Mrs. Linda Smith of Washington, Mr. Tiahrt, Mr. Sununu, Mr. English of Pennsylvania, Mr. Watts of Oklahoma, and Mr. Gibbons.

H.R. 4197: Mr. Ballenger, Mr. English of Pennsylvania, and Mr. Ensign.

H.R. 4206: Mr. Bonior, Ms. Brown of Florida, Mr. Kleczka, Ms. Slaughter, Mr. Evans, Mr. Walsh, Ms. Danner, Mrs. Thurman, Mr. Horn, Mr. Maloney of Connecticut, Mr. Doyle, and Mr. King of New York.

H.R. 4217: Mr. English of Pennsylvania.

H.R. 4220: Mr. Rodriguez and Mr. Bilbray.

H.R. 4224: Mr. Rahall and Mr. Abercrombie.

H.R. 4232: Mr. Calvert and Mr. English of Pennsylvania.

H.R. 4236: Mr. Dooley of California.

H.R. 4248: Mr. Sessions, Mr. Markey, and Mr. Baldacci.

H.R. 4250: Ms. Dunn of Washington, Mr. Solomon, Mr. Hyde, Mr. Canady of Florida, Mr. Graham, Mr. Wamp, Mr. Linder, Mr. McCollum, Mr. Cunningham, Mr. Wicker, Mr. Dickey, Mr. Riggs, and Mr. Hayworth.

H.R. 4257: Mr. Regula.

H.J. Res 40: Mr. Doolittle.

H. Con. Res. 224: Mr. Brady of Texas.

H. Con. Res. 229: Mr. Saxton.

H. Con. Res. 278: Mr. Cook and Mr. Riley.

H. Con. Res. 290: Mrs. Myrick and Mr. Poshard.

H. Con. Res. 292: Mr. Sherman.

H. Res. 98: Mrs. Bono.

H. Res. 421: Mr. Sherman.

H. Res. 459: Mr. Bereuter, Mr. Berman, and Mr. Sherman.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2183

Offered By: Mr. DeLay

(To the Amendment Offered By: Mr. Shays or Mr. Meehan)

Amendment No. 172: Add at the end of title V the following new section (and conform the table of contents accordingly):

SEC. 510. REQUIRING EXPRESS ADVOCACY TO BE DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section:

"DETERMINATION OF EXPRESS ADVOCACY WITHOUT REGARD TO BACKGROUND MUSIC

"Sec. 326. In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music used in such broadcast.".

H.R. 4193

Offered By: Mr. Gallegly

Amendment No. 12: Add after the final section the following new section:

Sec. ____. None of the funds appropriated or otherwise made available by this Act may be used to collect entrance fees, or to pay the salaries of personnel of the Forest Service who collect entrance fees, pursuant to the recreation fee demonstration program authorized by section 315 of the Department of the Interior and Related Agencies Appropriations Act, 1996 (section 101(c) of Public Law 104–134; 16 U.S.C. 4601–6a note), for a unit of the National Forest System from a person who resides within such unit or within 20 miles of any entrance to such unit.

H.R. 4193

Offered By: Mr. Gutierrez

Amendment No. 13: Page 2, line 13, insert after the dollar amount the following: "(reduced by $1,000,000)".

Page 56, line 2, insert after the dollar amount the following: "(increased by $1,000,000)".

H.R. 4193

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 14: Add after the final section the following new section:

SEC. ___. The amounts otherwise provided by this Act are revised by reducing the amount made available for "MANAGEMENT OF LANDS AND RESOURCES" under the heading "BUREAU OF LAND MANAGEMENT" and increasing the amount for "STATE AND PRIVATE FORESTRY" under the heading "FOREST SERVICE" (for removal of trees in Chicago, Illinois, infected with the Asian Longhorn Beetle and for replacement of such trees), both by $1,000,000.

H.R. 4193

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 15: Page 68, beginning at line 13, strike "for indirect" and all that follows through line 16 and insert the following: "may not be used for indirect support activities (as defined in the Forest Service Handbook).".

H.R. 4193

OFFERED BY: MR. MILLER OF CALIFORNIA

AMENDMENT NO. 16: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC.—. None of the funds made available in this Act may be used to construct any road in the Tongass National Forest.

H.R. 4193

OFFERED BY: MR. PAPPAS

AMENDMENT NO. 17: Page 19, line 7, insert after the dollar amount the following: "(increased by $50,000,000)".

Page 88, line 14, insert after the dollar amount "(reduced by $25,000,000)".

H.R. 4193

OFFERED BY: MR. PARKER

AMENDMENT NO. 18: Page 81, line 8, strike "*Provided further*" and all that follows through "funding agreements:" on line 21.

EXTENSIONS OF REMARKS

SGT. DONALD WAYNE SLOVER'S SACRIFICE

HON. LINDA SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mrs. LINDA SMITH of Washington. Mr. Speaker, recently, a friend forwarded a copy of this personal letter to us. The thoughts expressed in the letter hit close to home. We hope everyone can take a moment and reflect upon Sgt. Slover's sacrifice.

DEAR AMERICA: I am writing this letter to extend thanks to all the American people who still, despite the recent headlines undermining the ethics and morality of the military, understand that our jobs and way of life are necessary to preserve the "American" way of life. I once thought that "America" viewed us as most media portrays us; immoral, unethical, and uncivilized. My recent travels led me to conclude that the opposite is true. You, the American people, that honor and respect what we do, deserve a public "thank you."

Just a few weeks ago, a tragedy embedded itself in the tall evergreen forests at the Joint Readiness Training Center in Fort Polk, LA. As a tank slowly slalomed through the trees after sunset on January 14, 1998, the tank commander fell victim to the inherent danger of the military.

Sgt. Donald Wayne Slover passed away that night as he was guiding his tank through the thickest of trees, fog, and rain. The tank's edge clipped and uprooted a tree, which sent it crashing to the ground. The medics, arriving on site only minutes later, felt Sgt. Slover's last pulse.

As one of two military escorts, I was required to accompany the remains from the training area to the burial site, ensuring the proper and unimpaired delivery to the next of kin. The obligation required a two day journey from Fort Hood, TX, to Williamsburg, KY, via Fort Polk, LA. Loading unloading and transportation of the remains required our physical presence. This particular trip entailed a three hour van ride, a connecting flight in Atlanta en route to Knoxville, and a 1 hour drive to Williamsburg, KY.

Upon boarding initial flight out of Houston we informed the flight attendant of our duties. After explaining that it was necessary for us to depart the plane first upon landing (so as not to delay the cargo personnel unloading the casket), two gentlemen offered their seats in the first row of the plane for our last row seats.

This gesture left me speechless. I'm not so sure they even knew our purpose for having to be first off the plane, but with no questions immediately sacrificed their front row seats. After arriving in Atlanta, we were escorted by airport personnel off the plane and down to the tarmac. Standing in our dress green uniforms, we watched as the airline employees carefully unloaded the casket onto the cargo truck. The truck drove off to the departing gate and we made our way back inside the terminal. We met the cargo truck at the departure gate and again were escorted down to the tarmac to supervise the loading of our final flight. Following the loading, we turned and headed back to the terminal. As we made that walk, I noticed that we were being watched by the crowd awaiting the outbound flight. Not thinking much about it at the time, I scurried out of the cold and awaited the boarding call.

We boarded the plane and again informed the flight attendant of our duties and departure requirements. The flight was booked, every seat filled, and she told us that she would make an announcement upon landing that we were to exit the plane first.

Having been on full flights before, I was certain that this announcement would be ignored. Passengers are normally elbow deep in the overhead compartments as soon as the wheels touch the ground. I was 100% positive I would be the last person off that flight. But I took my seat in the back of the plane, my partner 10 rows in front, and with all of my military skills tried to devise a plan that could project me to the front of that plane upon landing. I concluded that even generals would have a rough time planning such an operation.

As the plane touched down in Knoxville, the flight attendant gave the standard "keep your seat-belts fastened until the captain turns off the seat-belt sign" announcement. She then led into the fact that two military escorts were on-board and that everyone must remain in their seats until we departed the plane. The plane parked and to my astonishment, not a soul moved. I'd never witnessed such absolute silence in my life.

Many of the passengers turned their heads to the rear of the plane but not a sound was made as myself and the other escort donned our jackets, grabbed our bags, and headed down the aisle. I realized then that all eyes were on us. As we neared the exit an older gentleman leaned toward us and broke the silence with something I will never forget, "God bless you both," he said. I am, sir, most truly blessed. I have been afforded the opportunity to work alongside some of the greatest sons and daughters of our nation.

We know and understand that each day presents the possibility of injury and/or death and we take all precautions to prevent them. But we sacrifice that possibility because you depend on us. We train through the roughest of conditions, with minimum sleep and limited resources, anywhere at anytime, to ensure we are always ready. We, sir, are most honored that you entrust us to defend your country.

So I'm writing this letter to say thanks. Thank you, Delta Airlines, thank you gentlemen for your seats, thank you sir for your blessings, and thank you America for your support. You see . . . we as soldiers don't expect you to understand the ways in which we live, train, and fight; we just ask for a thank you from time to time. A little appreciation from the people we're defending weighs more than a chestful of awards and medals.

Sgt. Donald Wayne Slover gave his life training to defend the very code of morality and ethics he exemplified and believed in. Sgt. Slover believed in the Army and his country. I worked alongside Sgt. Slover for over a year. He was good at his job and he loved it. He never complained and always did what was asked of him. Sgt. Slover always maintained the courage of his convictions. I hope he is laid to rest knowing he was appreciated. If not, we failed as a nation and we owe it to him.

Sgt. Slover . . . thank you! You will be missed!

DANIEL ASHLEY,
1–10 CAVALRY:
READY AND FORWARD.

TRIBUTE TO ELSIE BUCHENAU

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to Elsie Buchenau for her dedicated service to the Madera County Central Committee and to the Republican Party.

Elsie Buchenau was born on October 5, 1907 in Firebaugh, California. Her family consisting of four girls and one boy, moved to a Madera vineyard in the La Vina area in 1912. She attended La Vina Grammar School, then Madera High School where she graduated in 1924. After working for a prominent attorney and a Realtor she moved to San Francisco for five years. She then married Herb Buchenau, a local cattleman and farmer, in 1937 and then moved to the Buchenau home ranch northeast of Madera, where she still lives.

Mrs. Elsie Buchenau has been active in the Republican Party for many years and served as chairperson for the Madera County Central Committee for eight years, and vice president of the California Republican Party. She has also been a member of the Madera Republican Women and a delegate and twice an alternate to the Republican National Convention.

Elsie Buchenau is also a member of the Madera County Cattleman's Association and was named Cattle woman of the Year in 1979. In 1994, Elsie Buchenau was named Farmer of the Year by the Madera District Chamber of Commerce. Mrs. Buchenau has also volunteered her time with the Madera Community Hospital League and the St. Vincent de Paul Store, which supports Catholic charities.

Mr. Speaker, it is with great honor that I pay tribute to Elsie Buchenau for her decades of service to the Republican Party, the Madera County Central Committee, and to her community. I ask my colleagues to join me in wishing Elsie Buchenau best wishes for the future.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

WINFIELD SCOTT STRATTON: A GREAT HUMANITARIAN

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. HEFLEY. Mr. Speaker, July 22, 1998, will mark the 150 anniversary of the birth of Winfield Scott Stratton, a great Colorado humanitarian.

In Colorado, this date will be recognized by 25 different events celebrating his life and good deeds. It is appropriate that we commemorate the deeds of this distinguished humanitarian from Colorado Springs, Colorado.

He reached out to his fellow man in so many ways during his lifetime. His biggest contribution and blessing was his endowment of the Myron Stratton Home. Some of his benevolent good deeds include buying the old courthouse in Colorado Springs and furnishing the county with the money to build a new courthouse on a city block that he provided. He also purchased a corner lot downtown for $70,000 offering it to the federal government for half of its value in order to build a new post office. It was recently named the Winfield Scott Stratton Post Office by a new Congressional Act. In addition to these contributions, Stratton also built a convention hall and pavilion seating 35,000 people for the use of the city and gave five thousand dollars a year to keep it maintained. He donated supplies worth $50,000 when the fire of 1896 in Cripple Creek Colorado left 5,000 people without shelter or goods. He also gave $25,000 to the Colorado School of Mines to complete the "Hall of Metallurgy", recognized by Colorado's 13th General Assembly. He made gifts of $70,000 to Colorado College and $25,000 to the Colorado Deaf and Blind School. Stratton donated approximately $85,000 to feed and house the homeless; made substantial contributions to churches, supported miners, laborers, laundry women and others in need.

Stratton's most lasting gift was a bequest in his handwritten will directing that his wealth be delivered to the trustees of a charitable institution for acting and maintaining a free home, "for poor persons without means of support, and who are physically unable by reason of old age, youth, sickness or other infirmity to earn a livelihood." This home is called the Myron Stratton Home in honor of his father.

After Stratton "stuck it rich" he continued to live frugally and simply by helping the poor, saying "I count my money as a gift from the father of us all, and I am responsible for its administration as a good steward." Stratton backed his philosophy with action and no other individual gave so generously to so many individuals and organizations. Stratton's benevolent gifts in today's world would be astronomical. Before he died in 1902, he gave away over $3 million. In any time of prosperity there will be many children from broken homes who could be helped by homes like the Myron Stratton Home. Winfield Scott Stratton, was a man of vision and one of Colorado's greatest humanitarians. His good deeds continue to be a good example of our need to help one another.

ALLSTATE FOUNDATION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. PORTER. Mr. Speaker, I rise today to recognize the ongoing efforts of the Allstate Foundation, which works in partnership with national and local nonprofit organizations in the areas of community and economic development, automobile and highway safety, and personal safety and security. Through corporate investment, marketing initiatives, and employee volunteer projects, the Allstate Foundation delivers on its commitments to build and strengthen our communities. I am proud to have Allstate headquartered in my District.

Since 1991, Allstate Foundation has been working in conjunction with the National Crime Prevention Council (NCPC) and the Department of Justice to help spread the message to families across the nation that identifying and practicing effective crime prevention methods is essential to their safety and welfare. In the eight-year history of this partnership, the Allstate Foundation has consistently supported the efforts of the National Crime Prevention Council by identifying and funding innovative and prevention and awareness tools. The Foundation first demonstrated its outstanding level of commitment to community safety by providing significant funding for the further enrichment and distribution of a 1993 Council auto theft prevention publication.

In 1996, Allstate helped to create the NCPC's growing presence on the world wide web, giving more people more crime prevention know-how than ever before. Today, five sites are on-line because of Allstate's contributions. These sites offer answers to basic questions about what one individual—or ten—can do to help stop crime and build better, stronger communities. The web sites engage teens, parents, teachers, law enforcement officials, grandparents, and business owners in fighting crime—giving them concrete examples of what they can do, outlining proven strategies, and informing them about training opportunities and events.

Since May 1, 1997, the National Crime Prevention Council's On-Line Resource Center has welcomed more than 100,000 visitors. Visits have skyrocketed to more than 16,000 a month, and this number is growing every day, a testament to the site's quality and effectiveness in spreading the Council's crime prevention message.

The partnership among the NCPC, the Department of Justice, and the Allstate Foundation deserves much credit for their successful on-line project. There are already plans to expand the website's content and exposure as part of a multi-million dollar public service campaign on radio and TV, and in print and on billboards across the country. The Allstate Foundation's safety team has also worked with NCPC to adapt the video, Are You Safe: A National Test on Crime Prevention for use by its agents as a public service to help educate individuals on personal and home security.

With further input from law enforcement, criminal justice, and private sector communities, and with Allstate's continued involvement, the web project and other National Crime Prevention Council initiatives will continue to serve as great tools for all Americans in the fight to prevent crime. I commend the Allstate Foundation for their contributions to this noble cause.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4194) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes:

Mr. GUTIERREZ. Mr. Chairman, my amendment is simple. It accomplishes a goal that America's veterans believe is important and that Congress should strongly support.

My amendment has been endorsed by the American Legion, AMVETS, the Veterans of Foreign Wars of the United States and the Vietnam Veterans of America.

Almost identical legislation that I introduced last year received strong bipartisan support.

As the ranking Democrat on the Veterans Affairs Committee, Subcommittee on Health, I have become very familiar with the serious problem of sexual abuse and harassment in the military.

The Department of Veterans Affairs (VA) is responsible for treating the victims of these crimes and abuses. In my oversight role on the Health Subcommittee I have had the opportunity to speak with and learn from women veterans who suffered from this abuse.

The high rate of sexual abuse in the armed services requires continued action on this issue.

In 1996, approximately 190,000 women served in our armed services.

That year, the Pentagon conducted a survey of active duty women and found that five percent of women had been the victims of sexual assault during their period of military service.

National surveys conducted by the VA indicate that approximately 20 percent of women seeking services from VA medical facilities report having experienced a rape or other form of assault on active duty while 35 to 50 percent report suffering some form of sexual harassment.

Such findings—and high profile news reports of incidents of abuse—have made clear the existence of a very serious problem in our armed forces and the need to move more aggressively to end the tragedy of sexual violence and harassment.

Rick Schultz, the executive director of the Vietnam Veterans of America, which supports this initiative, said, "in our nation's fervor to prosecute the offenders, we must not forget to attend to the needs of the victims."

This amendment puts those words into law.

This amendment also is smart policy.

The prevalence of substance abuse, homelessness, family breakdown, poverty and the receipt of public assistance is higher among women veterans who suffered from abuse during their military service than it is among the general women veterans population.

The women veterans that I have spoken with told me that the VA's program had helped them turn their lives around. Helped them get off public assistance, to treat their addictions and become active in their families and communities once again.

Sadly, the VA's sexual trauma treatment program is scheduled to expire at the end of this year.

The possible termination of this program would be tragic for the thousands of women who have benefited from the services provided by the VA.

More than 18,000 women veterans and 200 male veterans have sought and received therapeutic counseling at hundreds of VA medical facilities throughout America.

I believe we have an obligation to maintain these services.

Our failure to ensure a safe environment for women in the armed services compels us to reauthorize this vital program.

Unfortunately, current law also does not enable all the victims of sexual abuse in the military to receive counseling at the VA.

Current law excludes active and former reservists and national guard members from seeking this vital care.

This is a serious oversight that needs correction.

Female reservists have been the victims of sexual abuse while on active duty in the Gulf and in Bosnia. They have come back with the scars of these crimes and have not been afforded care at VA facilities.

Reservists have also been the victims of these serious crimes during their active training.

Unfortunately, these crimes often go unreported because the Defense Department refuses to investigate offenses that affect nonactive duty soldiers.

Because of this policy, no recourse exists for reservists and no care is provided.

This is wrong and my amendment will correct this loophole.

The Department of Veterans Affairs wants this program reauthorized until 2002 and Congress should comply with this request.

The veterans community wants this program reauthorized and wants all the victims of sexual abuse during their military service to be eligible for proper treatment.

As Josephus Vandengoobergh (VAN–DEN–GO–BER), the National Commander of AMVETS, states in a letter of support for my amendment, "AMVETS strongly supports Congressman Guiterrez's amendment to HR 4194, to reauthorize and improve the VA's sexual trauma program. If nothing is done, this program will expire in December. We would like to see it established as a permanent program, we believe it has proved its worth."

Today, our nation has more than 1.2 million women veterans.

This amendment would respond to their needs and help them gain the recognition they deserve and care they have earned.

I urge my colleagues to support this amendment and honor our obligations to women veterans.

Mr. Chairman, I ask unanimous consent to enter in the RECORD the letter from Josephus Vandengoobergh, the National Commander of AMVETS, in support of my amendment.

AMVETS
Lanham, MD, July 14, 1998.

Hon. GERALD SOLOMON,
House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN: AMVETS strongly supports Congressman Luis Gutierrez's amendment to H.R. 4194 (the VA/HUD Appropriations Bill) to reauthorize and improve the "Veterans Sexual Trauma Treatment Act."

AMVETS, along with other veterans service organizations, the Department of Veterans Affairs and the Government Accounting Office, testified earlier this year to the House Veterans Affairs Subcommittee on Health that this program needs to be reauthorized. We would like to see it established as a permanent program; we believe it has proved its worth.

Enclosed is our testimony, as well as the testimony of the VA and GAO. Mr. Gutierrez's amendment would reauthorize the program and expand its scope to cover Reservists and National Guard who experienced sexual trauma during military duty. Currently VA includes these groups in the program; therefore, no additional costs will be incurred by their addition.

If nothing is done, the program will expire in December of this year. According to VA, more than 18,000 women veterans and 200 male veterans have accessed sexual trauma counseling services. Please help save this viable program.

Sincerely,
JOSEPHUS C. VANDENGOOBERGH,
National Commander.

CONGRATULATIONS TO ANNE SPEAKE

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to Anne Speake for being selected to receive the Central California Women in Business Advocate of the Year Award by the U.S. Small Business Administration. Ms. Speake is viewed as a role model for all women owning businesses. Not only is she a tremendous asset as a mentor, but she is also a leader in our business community.

Anne Speake is the owner and operator of the International English Institute. Anne started this business over 15 years ago, and is successful not only here in the Valley but globally through the International English Institute. Most recently she was selected as the Fresno Chamber of Commerce President. As Chamber President, Anne will be influential in shaping and molding the Valley's policy toward small businesses.

The Women in Business Advocate Award is presented annually to individuals who fulfill a commitment to the advancement of women's business ownership. Selection criteria for the award is based on the following areas: 1) Efforts to increase business and financial opportunities for women; 2) Legal, financial or managerial assistance; 3) Voluntary efforts to strengthen the role of women business owners within the community; 4) Advocacy of the women-owned business community as a whole.

Anne Speake was nominated for this award by Glendale Federal Bank. Anne Speake is viewed as a consensus builder and a leader. She commands respect from others, because she leads by example. Ms. Speake is deeply committed to our community, through her active involvement in the Fresno Business Council and the Fresno Chamber of Commerce.

Mr. Speaker, it is with great honor that I pay tribute to Anne Speake of the International English Institute. Mrs. Speake exemplifies what it means to be an advocate for small business. I ask my colleagues to join me in wishing Anne Speake many more years of success.

NEEDED: GOOD HELICOPTERS, NOT ACADEMIC DEBATE IN COLOMBIA; EIGHT ANTI-DRUG POLICE DIE IN HUEY CRASH

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. GILMAN. Mr. Speaker, this week in northern Colombia, eight Colombian National Police (CNP) officers from the eilte DANTI anti-drug unit died following a crash of one of the U.S.-provided, Vietnam-era Huey helicopters. These anti-drug police officers died flying a worn out 35-year-plus chopper after a take down operation against a rightwing paramilitary cocaine lab in the Uraba region, near the border with Panama.

Congress has argued that these good police officers fighting our fight against drugs before they reach our streets and kill our kids, deserve the best helicopter equipment we can provide. The House International Relations Committee has long argued for better and crash-survivable helicopters. Regrettably the State Department has resisted these efforts.

This aged helicopter fleet puts at risk the few good men and women of DANTI (only 3,000). CNP leader General Serrano doesn't have an unlimited number of good police officers. He no longer will have the courageous and dedicated service of Major Vodmar Galeano, the Chief of Operations for DANTI, and Captain Martin Sierra, Chief Helicopter Instructor Pilot, among the others killed in the most recent crash.

Their loss diminishes our national interests, as well as that of Colombia, where these illicit drugs finance all sides in a raging narco-based war, threatening South America's oldest democracy.

AMERICA'S LOOKING FOR ITS MISSING CHILDREN PROGRAM

HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. McHUGH. Mr. Speaker, I rise today to call attention to a very important program. It's not a government program, but an example of our private sector partnering effectively with the public sector to tackle pressing social problems.

In 1985, ADVO, Inc., the nation's largest direct mail marketing company, partnered with The National Center for Missing and Exploited Children. The Adam Walsh Child Resource Center, the Juvenile Division of the Department of Justice, and the U.S. Postal Service to lend a hand in the recovery of missing and exploited children. One of the leaders of that partnership, ADVO Senior Vice President Vincent Giuliano, recently came to Capitol Hill to share with the Congressional Missing and Exploited Children's Caucus this amazing success story. I encourage my colleagues and every citizen to take an interest in this important program, which is doing so much to help the nation's missing and exploited children.

As a direct result of this innovative program, ADVO has helped the authorities recover 88 children and to reunite them with their families. Approximately one out of every seven children featured in the program has been recovered.

How was this amazing success possible? First, a bit of background about ADVO's business. In delivering its advertising circulars, ADVO utilizes a little white card that functions as the address label and is detached from the advertising package itself. Most of us probably wouldn't have seen much in those cards. But Vince Giuliano saw in those cards an opportunity. Because he realized that those cards reach a huge portion of the American public—today they are seen by over 150 million Americans living in more than 60 million homes every week, and reach another 13 million homes through ADVO's direct mail partners—he saw possibility. He saw in that huge distribution network an opportunity to help find America's missing and exploited children.

Mr. Giuliano developed a public service program through which ADVO printed the pictures of missing children on those address cards. The U.S. Postal Service is a proud partner with ADVO, having changed its regulations in 1985 to allow pictures and data provided by the National Center for Missing and Exploited Children to appear on the cards.

In addition to the obvious benefit of finding missing children, the program makes other contributions. The pictures of the missing children on the cards help raise public awareness and sensitivity to the problem of missing and exploited children. In addition, the program serves as a powerful deterrent to would-be abductors, to whom this program states, "You can run, but you can't hide." And, this program makes sure that no child is forgotten no matter how long he or she has been missing.

Accompanying Mr. Giuliano as he spoke to the Caucus was Krystle Bondello of Warminister, Pennsylvania. She is the living embodiment of the success of this program. She was abducted by her non-custodial father in 1993 and has been the subject of a nationwide search by police and the FBI. After no leads turned up in the case, Krystle appeared on one of the ADVO fliers which at that time reached 57 million homes.

Within a couple of hours of the deliveries of those cards, the FBI tracked her father to California and Krystle was ultimately recovered and reunited with her mother.

Because of so many success stories like Krystle's, this program has been widely and deservedly praised. It won the award of excellence from the Adam Walsh Child Resource Center on January 28, 1986. On July 23, 1987, President Reagan presented ADVO the Steuben Glass Tetrahedron, the most prestigious Presidential Award for Private Sector Initiatives. On September 24, 1987 he honored ADVO with the President's Child Safety Partnership Award.

President Bush and Congressional leaders celebrated National Missing Children's Day and the fifth anniversary of the program by honoring three "Unsung Heroes" for their role in helping to reunite missing children with their families with a Capitol Hill ceremony on May 25, 1990.

ADVO recently added an innovative enhancement to the program in hopes of recovering more missing children. It now targets its photo distribution to leverage the NCMEC's and the FBI's intelligence, when possible, on the likely whereabouts of a missing child. A photo can now be pinpointed to one of six regions in the country, or distributed nationwide over a six-week period.

If imitation is, indeed, the most sincere form of flattery, the folks at ADVO deserve to feel flattered. Other organizations—including several Members of Congress—have recognized the effectiveness of ADVO's program and are starting spin-off programs of their own. For example, my office recently began working with NCMEC and the New York State Missing & Exploited Children Clearinghouse to identify three children from my congressional district who are currently missing. Soon, the envelopes sent from my office will bear the photos of those kids in an effort to raise awareness and perhaps locate and recover them.

I want to take this opportunity to praise ADVO for its spirit of innovation and for caring enough to work to tackle this heartbreaking and seemingly intractable problem. I also want to commend the United States Postal Service, for amending its regulations to allow that creative spirit to flourish. The National Center for Missing and Exploited Children, The Adam Walsh Child Resource Center, and The Juvenile Division of the Department of Justice are all cooperating organizations and are also deserving of our thanks. Finally, I wish to commend and to thank all of the noble Americans who took it upon themselves to look at these cards and contact the authorities with information. Without this final ingredient of citizen participation, these amazing results would not have been possible.

HONORING THE FILIPINO COMMUNITY OF DELANO, CA, ON THEIR 24TH ANNUAL PHILIPPINE WEEKEND FESTIVAL

HON. CALVIN M. DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. DOOLEY of California. Mr. Speaker, I rise today to honor an entire community in Kern County, California, at the Southern end of the 20th district. For twenty-four years, the unique Philippine Weekend Festival has been a way for the Filipino community of Delano to celebrate their culture and traditions over three full days.

The festival is the largest Filipino cultural event held in the state of California, attracting over 10,000 people each year. Founded in 1975 by members of the Filipino Athletic League in Delano, the concept sought to bring community unity to the local Filipino populations: the manongs, or island-born, the mestizos, or U.S.-born, and the younger new immigrants in addition to already established and emerging Filipino organizations.

Today, twenty-four years after its grassroots beginnings, a formal board of directors and two standing committees (the Philippine Weekend Committee and the Filipino Athletic League) oversee the more than twenty events which make up the celebration. A dynamic mix of young and old, male and female, rich and poor, gather together in an annual show of driving energy and creativity to celebrate Kern County's rich Filipino heritage.

I am proud to be able to attend this remarkable event this year, as I have in years past, to join in celebrating the Filipino culture and traditions, and to take part in helping to keep those traditions alive. The Filipino community of Delano, and all across the San Joaquin Valley, is to be commended for their hard work on continuing to sponsor this wonderful event, and their profound sense of community strength and cultural unity. Congratulations on the 24th Annual Philippine Weekend Festival, and may there be many more to come!

* * *

HONORING ADMIRAL THOMAS T. MATTESON

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. ACKERMAN. Mr. Speaker, I rise today to honor RADM Thomas T. Matteson, USMS, who, on July 21, 1998, will retire from the position of Superintendent of the Merchant Marine Academy (USMMA) after a total of 41 years of federal service to our nation.

While others might have sought permanent retirement after 36 years of active duty in the Coast Guard, RADM Matteson chose to continue to serve America at the United States Merchant Marine Academy. RADM Matteson was on the bridge for five years navigating through perilous and uncharted waters. As he quickly became familiar with the dynamics of the vast maritime and intermodal transportation industry, he strove to ensure that the

USMMA's program produced graduates that would serve America's global economic and defense needs.

His time as Superintendent has not been easy. Early in his command he faced the possible closure of the Academy. Congressional action resolved this issue at the same time that RADM Matteson ensured the Academy received its ten-year accreditation. In addition, tight federal fiscal policy required good and sometimes creative stewardship to ensure the effects of level funding did not adversely impact the Academy's academic program.

During his tenure at the Merchant Marine Academy, Admiral Matterson strove to create a better learning and personal environment for the midshipmen. His guiding hand enhanced the curriculum by creating the new Shipyard and Engineering Management, and Intermodal Transportation majors, and by planning the evolution of a trimester system. Along with his wife Dottie, RADM Matteson strengthened the bond between the Academy's leadership and the regiment by personally cooking hundreds of meals in his home for the future leaders of America, the academy's midshipmen.

By traveling around the country to meet with the Academy's alumni body, RADM Matteson discussed the needs of the Academy and supported the need for the Alumni Associations Superintendents Campaign for Excellence, an endowment campaign to fund academic excellence, curriculum development, new technology and learning systems, and leadership training at the United States Merchant Marine Academy.

Today, thanks to the devotion of RADM Matteson, the United States Merchant Marine Academy continues to be the most cost-effective federal academy, whose graduates serve our nation for many years beyond their required commitment. Therefore, Mr. Speaker, I ask my colleagues in the House of Representatives to rise and join with me today in wishing RADM Matteson and his wife fair winds, following seas, a joyous retirement.

TRIBUTE TO BOBBIE BYRD

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to Bobbie Byrd on the occasion of her 100th Birthday. The event will be celebrated on August, 1, 1998.

Bobbie Byrd was born in Linden, Tennessee on August 1, 1898. She spent the first 35 years of her life performing the rugged chores of farm life with her family. After marriage to Hurshell M. Byrd, she moved to Fresno, California.

Bobbie Byrd's grandfather fought in the Civil War, and her brother J.E. Marvin served in the U.S. Navy during World War I. Her husband, H. M. Byrd, was in the Naval battle at Pearl Harbor on December 7, 1941. After her husband was discharged from the United States Navy because of wounds he received in the battle in the South Pacific theatre, Mrs. Byrd and family moved to Richmond, California. There the entire family worked hard to support the war effort in the U.S. Navy ships yards. Bobbie Byrd played the role of babysitter for several children so that family members could work to build ships in support of the national defense.

At the end of World War II, the Byrd family returned to Fresno and Mrs. Byrd's time was completely occupied with caring for her family and installing in them a value system which formed a strong family and therefore a strong nation. She is still a vital part of her family which includes two granddaughters and four great grandsons.

Mr. Speaker, it is with great honor that I pay tribute to Bobbie Byrd on her 100th birthday. Mrs. Byrd's dedication to her family and her country serve as a great role model for all Americans. I ask my colleagues to join me in wishing Mrs. Byrd best wishes for the future.

IN HONOR OF PIPEFITTERS LOCAL UNION #120

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. KUCINICH. Mr. Speaker, I rise today in honor of Pipefitters Local Union, #120, in Cleveland, Ohio. After one hundred years in existence, the union still successfully protects the lives, health, and honor of its members and their families.

Since its beginning, Pipefitters Local Union #120 has worked to defend its members' rights by advocating reasonable working hours, higher pay, and increased job security. After WWII, the union was one of the first locals to champion the novel idea of incorporating more apprenticeships and training programs in their field. This promising idea resulted in literally tens of thousands of new talented Americans becoming apprentice pipefitters. Having witnessed the day-to-day hard work and dedication to their craft, it is clear to me that members of the Pipefitters Local Union #120 bring skills, training and integrity to every job.

As technology has changed, pipefitters have used new methods and materials, meeting demands for safer and more efficient systems. Pipefitters bring the technology to ensure safety, improve health, and protect lives to each new home or office in Cleveland. Pipefitters Local #120 is responsible for parts in the heating, air conditioning and fire safety systems in Cuyahoga County, and its four surrounding counties. Every day, every citizen of northeast Ohio is touched by the good work of this union local.

Currently, Pipefitters Local #120 is working on many new and exciting projects, such as Cleveland's new football stadium, NASA, and renovations at the Cleveland Clinic and Cleveland Hopkins Airport. Their mark is surely being left on the Greater Cleveland area, and I applaud them for the contributions they make to the local community.

After a century, Pipefitters Local still stands strong, prepared and willing to meet the challenges that await. One hundred years of hard work surely deserves recognition, and I wish the men and women of Pipefitters Local Union #120 the best in the years to come.

We owe them a debt of gratitude.

MAINTAIN INTERNATIONAL SPACE STATION FUNDING

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. GILMAN. Mr. Speaker, today I rise to oppose the proposed amendment by Rep. Roemer, eliminating the funding for an International Space Station (ISS). The funding for this project has undergone a thorough investigation and found to be justifiable. Having developed much of the hardware that is needed for the ISS, it is senseless to eliminate the funding that would have allowed NASA to utilize this hardware. As we debate this amendment, the hardware for the first three flights are awaiting a launch in Florida.

Each NASA launch brings a tremendous amount of research benefits back to our country. Medical research done in space, and technology developed for astronauts by NASA, have substantially benefited medical care here on Earth. NASA's research has led to the development of a voice activated wheelchair for paralyzed patients who cannot control a chair manually. Symptoms that arise from diseases such as multiple sclerosis, cerebral palsy, and spina bifida, have been improved due to a custom-made cooling suit used in astronaut space suits. Modern methods of examining breast tissue, without a surgical biopsy, can be attributed to NASA, as well as Ultrasound scanners that play a key role in diagnosing the treatment of severe burns.

We often take for granted information that is available to us on a regular basis because of NASA and space exploration. Accurate weather reports of severe storms, down to the exact time a high or low pressure system will hit a certain locale, are derived from the Barorator, a tool developed for the Space Shuttle. Alternative farming methods such as hydroponics are worked on in space because of the potential uses on and off of the orbiters.

The desire for renewable energy methods has become more prevalent around the world. Solar energy, through a photo-voltaic power system, was developed for various spacecraft applications. This system has been used to supply power to isolated villages, communication systems, various military systems, and a variety of other services in areas where no conventional power source exists. This photovoltaic system is constantly being improved.

Aside from these practical medical and social benefits to the ISS, there is a clear political benefit. It serves as a force to unify all of the space-faring nations of the world. The International Space Station is the largest scientific cooperative program in history, bringing together 16 nations, thus providing international commercial opportunities for the United States. It would become a serious problem for the United States to withdraw from their commitment to the Space Station. It would cost a significant amount of money, almost a billion dollars, just to terminate the program contracts.

An independent cost evaluation team went through a detailed, exact investigation of the

ISS program. This Cost Assessment and Validation Task Force praised the ISS management team because of its resourceful methods of managing the challenges associated with an international partnership of this magnitude.

There is so much empirical evidence that the benefits from space exploration outweigh the costs. Cutting future funding would not just be a sheer waste of hardware already developed, but a huge waste of potential as well. Accordingly, I urge my colleagues to celebrate our space work and applaud NASA's efforts by voting against the Roemer amendment.

CONGRATULATING THE JESUITS OF THE MISSOURI PROVINCE

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. TALENT. Mr. Speaker, I rise today to pay tribute to Jesuits of the Missouri Province as they celebrate the 175th anniversary of the arrival of Jesuits to the St. Louis area. It is a true privilege for me to recognize the many important accomplishments and achievements which have marked the Jesuit presence in the St. Louis area and throughout the entire Midwest.

In May of 1823, a small group of Belgian Jesuits completed their journey from Maryland to St. Louis, to take possession of a farm given to them by the Bishop of the Territory, William Louis Valentine DuBourg. They had originally come here to assist Bishop DuBourg in the establishment of an Indian School, an effort which was endorsed by President Monroe and Indian Commissioner General William. Although the Indian School proved to be an unsuccessful venture, the school was converted into the St. Stanislaus Seminary and would train young Jesuits until 1968.

In 1840, the Jesuit brothers and priests began work on a permanent structure made of limestone. This structure, known as the "Rock Building," still stands today and is the current home of the Jesuit Museum. The Jesuit Museum houses memorabilia of numerous Jesuits who have lived there since 1823. One of the more famous residents of the site was Father Peter John DeSmet, who served as a missionary with many Indian tribes in the plains and northwest. Among his many accomplishments, was a detailed map he provided the U.S. Department of the Interior indicating the location of various Indian tribes. Other famous Jesuits include Fr. Peter Verhaegen who became president of St. Louis University, and Fr. John Elet, who also served as president of St. Louis University and was the founder of Xavier University in Cincinnati.

Countless other Jesuits of the Missouri Province have made a lasting impact in this region by serving as missionaries and founding a number of parishes in the lower Missouri River Valley. Little did that small group of Jesuits realize that their arrival in 1823, would lead to the expansion of the Jesuit presence throughout the Midwest.

Mr. Speaker, I ask that you join me in congratulating the Jesuits of the Missouri Province on their 175th anniversary in St. Louis. I also ask that you join me in thanking them for their countless contributions to this region. Their efforts are truly an inspiration and source of pride for all residents of Missouri.

MR. RONALD A. BELFIGLIO'S RETIREMENT FROM CITIBANK

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. MANTON. Mr. Speaker, I rise today to recognize the vital contributions to New York City made by Mr. Ronald A. Belfiglio throughout his distinguished career with Citibank. Mr. Belfiglio is today celebrating his retirement from the position of Division Executive for Citibank's Corporate Realty Services.

As the head of the Corporate Realty Services Division, Mr. Belfiglio was responsible for 2,500 office and branch locations in 33 countries, in-house architectural, engineering and construction supervision, acquisition and divestiture of space, long range space planning, oversight of 900 employees, and an operations and capital budget totaling over $3.5 billion.

It is through Ronald Belfiglio's vision and leadership that Citibank continues to be a model corporate citizen. The budget of the Corporate Realty Services Division allowed for all the amenities and services provided to the community in the eight years since Citibank's Court Square headquarters has been in existence. These amenities include the construction of a Public Library in Citibank's Court Square building, art exhibition space, as well as providing a welcoming environment at Citibank for the Queens community,.

Further, because of Mr. Belfiglio's concern for Court Square's neighbors, Citibank has provided generous grants to various community and civic organizations. In fact, since 1989, over $500,000 in grants has been given to neighborhood organizations within my Congressional District's local Community Planning Board #2.

It is with gratitude that I rise today to recognize Mr. Belfiglio's distinguished career and indispensable contributions to the Queens' community. His leadership and awareness have ensured that Citibank's Court Square is not simply an impersonal corporate center, but a vital part of and generous contributor to the surrounding community.

Mr. Speaker, I know my colleagues join me in congratulating Mr. Ronald Belfiglio on his outstanding achievements and wishing him well on his retirement.

FEDERAL EMPLOYEE CHILD CARE AFFORDABILITY ACT

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mrs. MORELLA. Mr. Speaker, I rise to introduce legislation to allow agencies to use their salary and expense accounts to help federal employees pay for child care. Balancing work and family has become increasingly difficult for families, and federal employees are no exception.

My legislation will provide opportunities for federal agencies to help provide quality child care for their employees' children. The legislation I am introducing today will be marked up in the Civil Service Subcommittee, on which I serve, on Tuesday, July 21, and in the Government Reform and Oversight Committee on Thursday, July 23.

I have worked with the Office of Personnel Management to develop this legislation. Several agencies, including the Social Security Administration, Department of Justice, Department of Defense, and the Office of Personnel Management, have requested such authority from OPM. OPM cannot grant this authority; we must legislate this simple change.

This legislation does not require any additional appropriations. It would be up to individual agencies to determine whether or not to use funds from their salary and expense appropriations to help provide child care. Agencies—not employees—would make payments to child care providers to help lower-income federal employees pay for their child care.

Such child care benefits are already being provided to military employees—with a separate line item, which is more than my legislation would provide. The Department of Defense, one of the agencies seeking such authority to help its employees with child care costs, has pointed out that they can provide child care benefits to their military employees but not the civil servants working side by side.

Many federal employees are caught in a serious child care crunch. A recent study showed that one-quarter of all federal workers had children under the age of six needing care at some time during the work day. During a recent hearing in Congressman Steve Horn's subcommittee, testimony revealed that some federal child care facilities charge up to $10,000 or more per child per year. Many federal employees simply cannot afford quality child care. By allowing agencies the flexibility to help their workers meet their child care needs, we will be encouraging family-friendly workplaces and higher productivity. I encourage my colleagues to join me in supporting this legislation to help federal employees and agencies meet their child care needs.

SONNY BONO MEMORIAL SALTON SEA RECLAMATION ACT

SPEECH OF

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. BROWN of California. Mr. Speaker, I fully support the restoration of the Salton Sea and have worked with my colleagues for some time in furtherance of that goal. I am a cosponsor of this bill, the Sonny Bono Salton Sea Reclamation Act, and when it was introduced I had hoped that we could proceed quickly in a bipartisan effort to produce a bill that all Members of the House could support. The introduced bill had provisions I was not happy with, but in the spirit of compromise I went along, believing that it could be improved as it moved through the Resources Committee. Obviously, that has not happened. In fact, the bill has picked up more contention, leaving us with much work to do to resolve the differences of opinion about how we should proceed to restore this unique and valuable ecosystem.

I would like to highlight the fact that despite the differences that have been discussed, there is much we agree upon. At the start of this Congress, there were few Members who had ever heard of the Salton Sea. Now, thanks to the efforts of our departed colleague, Representative Sonny Bono, and the other Members of the Salton Sea Task Force, Congress is aware, not only of its location, but of its catastrophic problems.

I believe we have a unanimous bipartisan commitment to address the Salton Sea's problems. We all want to see the Salton Sea restored and maintained as a viable ecosystem which enhances the quality of life for the residents of southern California and which supports a diversity of economic activity in this region. Our challenge is to work together to achieve that goal.

The Salton Sea is a valuable national and international resource. It is an important resting and feeding area for birds migrating along the Pacific flyway. It once supported a vibrant recreational economy. It is, can be, and should be much more than a receptacle for agricultural runoff and for polluted New and Alamo River water.

While there are those who have been aware for some time that the Sea was in trouble, there has been a failure to act. The death of migratory birds and repeated fish-kills has brought national attention to this issue. If we continue our present policy of no action, I fear the bird and fish deaths will be but a few of the negative environmental consequences that will become apparent to all of us.

One of those negative consequences, in a slightly longer time frame, will result from the export of conserved agricultural water to urban users, and the treatment and re-use by Mexico of water now flowing across the U.S.-Mexico border which may cause the Salton Sea to shrink by as much as one quarter. This will expose a hundred square miles or more of highly polluted sea bottom to blowing winds, as has already happened in the very similar case of Owen's Lake. The cost of mitigating the environmental damage resulting from such decrease in area of the sea could easily reach 100 million dollars per year, far more than the cost of stabilizing the level of the sea at an elevation close to its present elevation.

Now with all of the agreement on the need for rapid environmental mitigation, I am deeply disappointed in the bill produced by the Resources Committee and the manager's amendment which was adopted last Wednesday. A number of provisions in the reported bill and the amendment cause problems: the inappropriate authorization of EPA funds; the Clean Water Act permit exemption; the broad liability exemption for local water district activities; the complex and probably unconstitutional provisions for triggering a construction authorization for a not yet defined, or designed, technological fix. These provisions are all inappropriate. They have drawn severe criticism from the environmental community and the Administration and that criticism is warranted.

Some of what my colleagues may view as my abandonment of this bill is due to my naïve faith that the problems which I have described would be corrected. It was not apparent to me until I reviewed a copy of the substitute amendment early last week that such was not the case. Some of the fault is mine and I regret that I was not clearer in emphasizing the failings of the reported bill to my fellow members of the Task Force. However, I would point out that these issues had been raised to us and in the Resources Committee by the Administration and the environmental community for some time prior to this bill's coming to the floor.

Last week I found myself in the unfortunate situation of seeking to fix a bill on the floor that should have been fixed by the manager's amendment. Although the substitute that Mr. Miller and I offered failed, I reluctantly supported the bill, fully aware that it has no real opportunity to be enacted into law and still having major concerns with its provisions. I realize that my fellow Task Force Members are disappointed that I cosponsored a substitute amendment, but I felt I had to take the last opportunity I had in the House to produce a bill that could proceed beyond House passage; a bill that would have a chance to gain broad, bipartisan support; a bill that would gain the endorsement, and not the wrath, of the environmental community; a bill that would be rapidly moved through the Senate and enthusiastically received by the Administration. In short, a bill that could become a law.

As an original co-sponsor of this legislation, I feel an obligation to move the process forward in this Congress. It is my hope that we can find a clear bipartisan solution in the Senate. I supported the bill last week on final passage with great reluctance, hoping that the Senate will perfect the bill. However, should the remaining legislative work on this bill in the Senate return a Conference Report that has not removed the provisions I have mentioned or return the existing bill, I will oppose enactment of the legislation.

I want my colleagues to know what a painful situation this puts me in. I grew up in the Salton Sea basin, in the Imperial Valley. I feel some sense of history and personal responsibility in cleaning up the Salton Sea and in finishing the work in which our former colleague, Sonny Bono, was so deeply involved. But I cannot stand by and let this effort be endangered by legislation that has failed to meet the standard that Sonny would have set, namely to be meritorious enough to gain easy bipartisan and bicameral support. It is my hope that we can accomplish that goal in the near future.

RECOGNIZING CHARLES B. ALLISON UPON HIS RETIREMENT

HON. ED BRYANT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. BRYANT. Mr. Speaker, it is always an honor to recognize outstanding citizens out of my own 7th district of Tennessee. Today, it is indeed an honor and a privilege for me to recognize one such citizen.

Charles B. Allison was born on December 12, 1942, in Austinville, Virginia. He graduated with an accounting degree from Ben Franklin University in Washington, D.C. while being employed by the Bureau in a clerical capacity, having entered on duty June 19, 1961. Chuck's first duty assignment as a Special Agent was in 1968 in Louisville, Kentucky, where he also served several months in the Richmond Resident Agency.

He thereafter was transferred to Newark, New Jersey, in 1969 and served in the Newark Division until June of 1977. He was then transferred to the Memphis, TN, FBI Office where he is currently serving as a Supervisory Special Agent of the Organized Crime and Drug Squad. Mr. Allison is retiring on July 31, 1998 after 37 years of dedicated service to the FBI.

Mr. Allison and his wife, Janet, have two children, Jill and Greg. Jill, a registered nurse, is married to Dr. Camp Newton and they are both employed at Baxter County Regional Hospital in Mountain Home, Arkansas. Greg is a graduate of the University of Tennessee, Knoxville, and is currently employed by the C.H. Robinson Company in Nashville, TN.

I would like to thank the Chair for this time to recognize this exceptional American citizen.

PERSONAL EXPLANATION

HON. ADAM SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. ADAM SMITH of Washington. Mr. Speaker, on June 22 this House voted to approve H. Res. 452, expressing the sense of the House that the Postal Service should not raise its rates. My vote was mistakenly recorded as "No." I would like to express my support for the H. Res. 452 and emphasize that I do not believe the Postal Service should raise its rates at this time.

PERSONAL EXPLANATION

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. DOOLITTLE. Mr. Speaker, due to an illness I was absent on Friday, July 17, 1998. Had I been present, I would have voted "Nay" on rollcall vote No. 295 and "Aye" on rollcall vote No. 296.

TRIBUTE TO THE BETANCES CADETS FOR ITS FIRST GRADUATION CEREMONY

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to the Betances Cadets, an invaluable

Bronx institution, which celebrated its First Graduation Ceremony on Saturday, July 18, 1998.

Six months ago, under the leadership of "General" Carlos Quintana and his staff, the Betances Cadets was established. The program takes kids off the street and prepares them for real-life experience through a military-style program. It gives them the opportunity to apply academic lessons as they experience real-life situations, bring real-life lessons back to the classroom, become problem solvers, understand the need for responsibility, and develop leadership ability. Today, the program has 64 students and 9 staff members.

Three cadets, Amanda Perez, Jose Barreto and Tanairis Noriega were recognized for academic achievement during the graduation.

Mr. Speaker, I have the privilege of representing the 16th district of New York where the Betances Cadets is located and I am delighted by its early success. I ask my colleagues to join me in paying tribute to the Betances Cadets, to the staff and parents, and to the students, whose ambition and hard work will make this great institution a tremendous source of pride and success for years to come.

CELEBRATING THE SESQUICENTENNIAL OF DOWAGIAC, MI

HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. UPTON. Mr. Speaker, it is a great pleasure for me to rise today to mark the one hundred and fiftieth anniversary of the City of Dowagiac, Michigan. On February 16, 1848, the city's founding fathers received official recognition, giving birth to a dynamic community that has been thriving ever since.

Over the past century and a half, Dowagiac has served as a focal point for southwest Michigan's progress and development. Many industries have found Dowagiac a great place to do business. They know that if you want the job done right, you get it done in Dowagiac. Home to the campus of Southwest Michigan College and a great school district, Dowagiac is helping the next generation chart a course to the future.

Dowagiac has seen a lot of change during the years. But in times of war and peace, prosperity and tough times, there is one thing that remains constant. The people of Dowagiac have always cared for each other as neighbors and as a community. We realize that we cannot move forward until we move together. The city was founded in this spirit—it has allowed our town to thrive and will ensure its continued success for many years to come.

I urge my colleagues to join me in recognizing this great American town and wishing the entire community another one hundred and fifty years of success.

U.S.-TAIWAN RELATIONS

HON. LINDA SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mrs. LINDA SMITH of Washington. Mr. Speaker, I was appalled to hear on June 30, 1998 President Clinton affirm China's "three noes" concerning Taiwan. Specifically, he said: "We don't support independence for Taiwan, or two Chinas; or one Taiwan, one China; and we don't believe that Taiwan should be a member in any organization for which statehood is a requirement."

Sadly, the President turned his back on 22 million people who live in a democracy. What kind of message are we sending to the emerging democracies of the world? Are we going to turn our backs on these nations for political expediency?

Today, by a vote of 390 to 1 the House of Representatives voted to affirm U.S. commitment to Taiwan in accordance with the Taiwan Relations Act. The Taiwan Relations Act, passed by Congress and signed into law in the immediate aftermath of the 1979 recognition of mainland China, says that the United States will view any attempt to determine Taiwan's future by other than peaceful means, including by boycotts or embargoes, as a threat to the peace and security of the Western Pacific area and of grave concern to the United States.

Furthermore, H. Con. Res. 301 expresses the sense of Congress that the future status of Taiwan will be determined by peaceful means and that Chinese on both sides of the Taiwan Strait should determine their own future. Importantly, it states that we should make available to Taiwan "defense articles and defense service," including appropriate ballistic missile defenses. Taiwan should also be able to have appropriate membership in international financial institutions.

The people of Taiwan have worked hard and sacrificed for their democracy. Taiwan transformed itself into a democracy with a multiparty parliament and a popularly elected head of state, the first in all the millenniums of Chinese political experience. In the end, Taiwan's future is not a matter for President Clinton, the American government or Beijing. It is a matter soley for the government and people of Taiwan to decide.

JUDGE SILBERMAN'S ATTACK ON THE ATTORNEY GENERAL COMES UNDER CRITICISM

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. CONYERS. Mr. Speaker, I ask unanimous consent to enter into the RECORD the following editorial that appeared today in the Washington Post. This article quite rightly criticizes D.C. Court of Appeals Judge Laurence Silberman's opinion issued last week in response to the Justice Department's request for a stay of the lower court order requiring several Secret Service agents to testify before the grand jury.

As this editorial makes clear, Judge Silberman's broad view of the powers of the independent counsel is completely insupportable. The editorial also helpfully reminds us that Judge Silberman once struck down the Independent Counsel Act as unconstitutional, but was later reversed by the Supreme Court. Judge Silberman's insistence on construing the Independent Counsel Act as broadly as possible, therefore, appears to be another chapter in an old argument that has long since been lost. This editorial provides some important context to Judge Silberman's intemperate attacks on the Justice Department's good-faith representation of the Secret Service.

[From the Washington Post, July 20, 1998]

A POWER NOT VESTED IN THE CONSTITUTION

(By Benjamin Wittes)

Judge Laurence Silberman's extraordinary concurrence in last week's Court of Appeals decision concerning grand jury testimony by Secret Service agents grabbed headlines for its vituperative rhetoric. The judge cast aspersions on Attorney General Janet Reno, saying she was "acting as the President's counsel under the false guise of representing the United States." And Silberman also accused "the President's agents [of] literally and figuratively 'declar[ing] war' on the Independent Counsel."

Silberman's overheated rhetoric, however, was not the most remarkable aspect of his opinion—which, as a mere concurrence, fortunately does not have the force of law. As a prominent conservative jurist, Silberman is an advocate of judicial restraint, yet his opinion Thursday was almost a prototype of activist judging. Indeed, the judge opined on a matter the parties had not squarely presented him. And, having reached its merits unnecessarily, he issued an opinion with constitutional implications for the independent counsel statute, a law that was upheld unequivocally by the Supreme Court in the 1988 case known as Morrison v. Olson. Silberman's opinion is more dramatic still, because the high court's holding in Morrison reversed an appeals court decision written by none other than Laurence Silberman himself.

Silberman's opinion does not directly attack the constitutionality of the independent counsel statute. Though he gripes about it, the judge is, after all, bound by the Morrison precedent. But by asserting that the attorney general legally cannot litigate against Kenneth Starr on behalf of the Secret Service, he attacks the statute through a back door. Silberman's opinion, were it actually law, would grant Starr such immense power that his role could no longer be constitutional under the vision of the independent cunsel the Supreme Court upheld in Morrison.

Silberman's decision 10 years ago held that the independent law unconstitutionally breached the separation of powers. The theory of his lengthy and elegant decision was that the Constitution vests the power of the executive branch in the president and that an executive branch officer independent of the president is a derogation of the president's exclusive sphere. The independent counsel, as a prosceutor named by a panel of judges, he reasoned, cannot constitutionally wield the prosecutorial powers of the executive branch.

The Supreme Court, however, disagreed. In Morrison, Chief Justice William Rehnquist held that an independent counsel is a constitutional beast known as an "inferior officer" of the executive branch. Inferior officers, under the Constitution, can be appointed by courts. And the high court deemed Independent Counsel Alexia Morrison to have this subordinate status because of her limited jurisdiction, her being subject to removal by the attorney general under certain circumstances, and her obligation to follow the policies of the Department of Justice. Starr, in other words, can exist constitutionally only as long as he remains such an "inferior officer." The moment he becomes anything grander, his independence from the president would render him constitutionally defective.

Silberman understands the requirements of Morrison as well as anyone. Yet his latest opinion would inflate the balloon of Starr's authority well past the point where his constitutionality would burst. The law gives the independent counsel "full power and independent authority to exercise all investigative and prosecutorial functions and powers of the Department of Justice [and] the Attorney General." And Silberman reasons that if Starr is acting as the attorney general in the areas within his mandate, Reno cannot also be the attorney general for those areas. She must, therefore, bow out: "It seems clear to me then that no one in the United States Government, speaking for the government, has standing to oppose the Independent Counsel in [the Secret Service] proceeding. . . . That, as should be apparent, means that it is up to the Independent Counsel—the surrogate Attorney General in this matter—to decide whether the 'privilege' asserted by the Secret Service as a government entity should be recognized."

This description of Starr's power hardly sounds like an inferior officer. Quite the contrary. In Silberman's vision, Starr is an officer of titanic executive power, who can operate not only entirely as he pleases with respect to Justice Department policies (for no one can oppose him) but can also decide the behavior of other parts of the executive branch. If Starr really can arbitrate his own dispute with the Secret Service—and, by extension, with any other federal agency—he would usurp enormous executive authority. But were this the true scope of his power, the constitutionality under Morrison of his office would evaporate.

Silberman's history on this issue makes his recent opinion all the more astonishing. By describing Starr's power in such a way as to make it inconsistent with the limited independence on which the Supreme Court predicated the constitutionality of the law, Silberman subtly would rehabilitate his own earlier opinion striking down the law. So even while Silberman bashes the integrity of the administration, his logic would make its greatest adversary impossible.

The writer is a member of the editorial page staff.

HONORING DON A. HORN

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. GREEN. Mr. Speaker, I rise today to pay special tribute to a community leader, a friend, and a legend in Houston's labor movement. Don Horn became a union member in 1945 when he joined the International Brotherhood of Electrical Workers in Houston. Don's leadership positions in Local 716 included President, member of the Executive Board, and Business Representative.

In recognition of his hard work and dedication to the members of Local 716, the Harris County AFL–CIO Executive Board elected him as Secretary-Treasurer in 1965, a position he held until his retirement in 1995. During his 30 years as Secretary-Treasurer, he also served the Texas AFL–CIO, both as a member of the Executive Board and as a Trustee.

Don has not only been a leader in the labor movement, he has been a leader in the community. He served for many years on the United Way Board of Trustees and as a Boy Scout Leader. In addition, Don served 10 years on the Harris County Hospital Board and was instrumental in the creation of the Neighborhood Health Centers, which have brought quality medical care to all parts of Harris County.

Don continued his work for quality health care as Consumer Representative of the Texas State Health Board. In fact, he once took former Texas Lieutenant Governor Bill Hobby with him on an unannounced inspection of a nursing home, a trip which led to a statewide reexamination of nursing home practices.

Don is a graduate of the University of Houston. Currently, he serves on the City of Houston's Ethics Committee. Three years after his retirement, he is still active in the labor movement and still organizes union retirees for the Harris County AFL–CIO.

Mr. Speaker, Don's work as a labor leader and as a community leader has earned him a special place in the hearts of all Texans. The Nation could use more people like Don Horn.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, July 21, 1998, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 22

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to examine how the Year 2000 computer conversion will affect agricultural businesses.

SR–332

Environment and Public Works

Business meeting, to consider pending calendar business.

SD–406

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine China's missile transfer issues.

SR–253

Energy and Natural Resources

To hold hearings on the nomination of Bill Richardson, of New Mexico, to be Secretary of Energy.

SH–216

Finance

To hold hearings to examine new directions in retirement security policy, focusing on social security, pensions, personal savings and work.

SD–215

Labor and Human Resources

Business meeting, to mark up S. 1380, to amend the Elementary and Secondary Education Act of 1965 regarding charter schools, S. 2112, to make the Occupational Safety and Health Act of 1970 applicable to the United States Postal Service in the same manner as any other employer, and S. 2213, to allow all States to participate in activities under the Education Flexibility Partnership Demonstration Act.

SD–430

Indian Affairs

To hold joint hearings with the House Resources Committee on S. 1770, to elevate the position of Director of the Indian Health Service to Assistant Secretary of Health and Human Services, and to provide for the organizational independence of the Indian Health Service within the Department of Health and Human Services, and H.R. 3782, to compensate certain Indian tribes for known errors in their tribal trust fund accounts, and to establish a process for settling other disputes regarding tribal trust fund accounts.

SD–106

10:00 a.m.

Armed Services

Business meeting, to consider the nomination of Daryl L. Jones, to be the Secretary of the Air Force.

SR–222

Banking, Housing, and Urban Affairs

To hold hearings to examine the 1946 Swiss Holocaust Assets Agreement.

SD–538

2:00 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 2136, to provide for the exchange of certain land in the State of Washington, S. 2226, to amend the Idaho Admission Act regarding the sale or lease of school land, H.R. 2886, to provide for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System, and H.R. 3796, to convey the administrative site for the Rogue River National Forest and use the proceeds for the construction or improvement of offices and support buildings for the Rogue River National Forest and the Bureau of Land Management.

SD–366

4:00 p.m.

Foreign Relations

To hold hearings on the nominations of David G. Carpenter, of Virginia, to be Assistant Secretary of State for Diplomatic Security, and to be Director of the Office of Foreign Missions, and to have the rank of Ambassador during his tenure of service, Bert T. Edwards, of Maryland, to be Chief Financial Officer, Department of State, and Jonathan H. Spalter, of the District of Columbia, to be an Associate Director (Bureau of Information) of the United States Information Agency.

SD–419

JULY 23

9:00 a.m.

Environment and Public Works

Clean Air, Wetlands, Private Property, and Nuclear Safety Subcommittee

To hold hearings to examine proposals to reform the Federal Emergency Management Agency.

SD–406

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on S. 2238, to reform unfair and anticompetitive practices in the professional boxing industry.

SR–253

Energy and Natural Resources

To hold oversight hearings to examine the results of the Arctic National Wildlife Refuge, 1002 Area, Petroleum Assessment, 1998, conducted by the United States Geological Survey.

SD–366

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings to examine the problem of telephone cramming—the billing of unauthorized charges on a consumer's telephone bill.

SD–342

Judiciary

To hold hearings to examine the current status of, and prospects for, competition and innovation in certain segments of the software industry.

SH–216

Special on Special Committee on the Year 2000 Technology Problem

To hold hearings to examine the Year 2000 computer conversion as related to the health care industry.

SD–192

10:00 a.m.

Budget

To hold hearings to examine long-term economic and budgetary effects of social security.

SD–608

Foreign Relations

International Operations Subcommittee

To hold hearings to examine whether the United Nations international criminal court is in the United States national interest.

SD–419

Labor and Human Resources

To hold hearings on the nominations of Ida L. Castro, of New York, to be a Member of the Equal Employment Opportunity Commission, and Paul M. Igasaki, of California, to be a Member of the Equal Employment Opportunity Commission.

SD–430

Joint Economic

To hold hearings to examine the financial structure of the International Monetary Fund.

2220 Rayburn Building

2:00 p.m.

Energy and Natural Resources

National Parks, Historic Preservation, and Recreation Subcommittee

To hold hearings on S. 2109, to provide for an exchange of lands located near Gustavus, Alaska, S. 2257, to reauthorize the National Historic Preservation Act, S. 2276, to amend the National Trails System Act to designate El Camino Real de los Tejas as a National Historic Trail, S. 2272, to amend the boundaries of Grant-Kohrs Ranch National Historic Site in the State of Montana, S. 2284, to establish the Minuteman Missile National Historic Site in the State of South Dakota, and H.R. 1522, to extend the authorization for the National Historic Preservation Fund.

SD–366

2:30 p.m.

Foreign Relations

Business meeting, to consider pending calendar business.

S–116, Capitol

3:00 p.m.

Armed Services

To hold hearings on the nominations of Patrick T. Henry, of Virginia, to be Assistant Secretary of the Army for Manpower and Reserve Affairs, Carolyn H. Becraft, of Virginia, to be Assistant Secretary of the Navy for Manpower and Reserve Affairs, and Ruby Butler DeMesme, of Virginia, to be Assistant Secretary of the Air Force for Manpower, Reserve Affairs, Installations and Environment.

SR–222

4:00 p.m.

Foreign Relations

To hold hearings on the nominations of Robert C. Felder, of Florida, to be Ambassador to the Republic of Benin, James Vela Ledesma, of California, to be Ambassador to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador to the Democratic Republic of Sao Tome and Principe, Joseph H. Melrose Jr., of Pennsylvania, to be Ambassador to the Republic of Sierra Leone, George Mu, of California, to be Ambassador to the Republic of Cote d'Ivoire, Robert Cephas Perry, of Virginia, to be Ambassador to the Central African Republic, Joseph Gerard Sullian, of Virginia, to be Ambassador to the Republic of Angola, and William Lacy Swing, of North Carolina, to be Ambassador to the Democratic Republic of the Congo.

SD–419

JULY 27

1:00 p.m.

Special on Aging

To hold hearings to examine allegations of neglect in certain California nursing homes and the overall infrastructure that regulates these homes.

SH–216

JULY 28

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine why cable rates continue to increase.

SR–253

Energy and Natural Resources

To hold hearings to examine the March 31, 1998 Government Accounting Office report on the Forest Service, focusing on Alaska region operating costs.

SD–366

10:00 a.m.

Special on Aging

To continue hearings to examine allegations of neglect in certain California nursing homes and the overall infrastructure that regulates these homes.

SH–216

JULY 29

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold oversight hearings on the Department of Agriculture's progress in consolidating and downsizing its operations.

SR–332

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR–253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD–366

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to mark up S. 1405, to provide for improved monetary policy and regulatory reform in financial institution management and activities, to streamline financial regulatory agency actions, and to provide for improved consumer credit disclosure.

SD–538

Governmental Affairs

To hold hearings on S. 2161, to provide Government-wide accounting of regulatory costs and benefits, and S. 1675, to establish a Congressional Office of Regulatory Analysis.

SD–342

JULY 30

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review a recent concept release by the Commodity Futures Trading Commission on over-the-counter derivatives, and on related proposals by the Treasury Department, the Board of Governors of the Federal Reserve System and the Securities and Exchange Commission.

SD–106

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings to examine international satellite reform.

SR–253

SEPTEMBER 10

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To resume hearings to examine international satellite reform.

SR–253

OCTOBER 6

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans Affairs on the legislative recommendations of the American Legion.
345 Cannon Building

POSTPONEMENTS

JULY 21

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 1964, to provide for the sale of certain public land in the Ivanpah Valley, Nevada, to the Clark County Department of Aviation, and S. 1509, to authorize the Bureau of Land Management to use vegetation sales contracts in managing land at Fort Stanton and certain nearby acquired land along the Rio Bonita in Lincoln County, New Mexico.
SD–366

JULY 22

9:30 a.m.
Judiciary
To hold oversight hearings to examine the Department of Justice's implementation of the Violence Against Women Act.
SD–226

HOUSE OF REPRESENTATIVES—*Tuesday, July 21, 1998*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. DEAL of Georgia).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 21, 1998.

I hereby designate the Honorable NATHAN DEAL to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 21, 1997, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

The Chair recognizes the gentleman from Florida (Mr. MILLER) for 5 minutes.

URGING THE PRESIDENT TO WORK WITH CONGRESS TO SAVE THE CENSUS

Mr. MILLER of Florida. Mr. Speaker, I rise today to address the increasing partisanship of the White House over their embattled Census plan. Last week the White House made two comments that demonstrated how far they will go to get their way.

First, they announced their intention to shut down a huge part of government over the Census, and later in the week the Vice President made some racially divisive and inaccurate comments.

Let me begin by making the majority position on the Census very clear. We want to save the Census from failure. The General Accounting Office and the Commerce Department's own Inspector General have warned that the Clinton administration is risking a failed Census plan. Their plan is too complicated and relies on unrealistic assumptions and timelines. We cannot allow the Census to fail. The 2000 Census will cost about $4 billion, and we cannot risk that kind of money on a plan that probably will not work.

What Republicans want to do is work with the administration to save the Census. We have some very specific problems with the administration's plan. Experience has shown that sampling used on a large scale just is not accurate enough for a Census.

In 1990 the Census Bureau tested sampling and compared it to the actual enumeration. For cities and towns with populations under 100,000, the actual enumeration, that is, counting everyone, proved to be more accurate and reliable. So we do not believe we should spend $4 billion on a plan that has failed its only test. That does not seem to make much sense.

Another major problem is the deletion of Americans from the official Census count. Again, when they tried this in 1990, 1.46 million Americans were removed from the sampled Census. Under the Clinton Census plan, it will happen again. It is wrong to use statistics to remove individuals from the Census count. Because statistics is an imprecise science, real Americans who exist will be removed from the count, and cities and towns all across America will lose representation.

If Members are concerned about the undercount, as I am, then they have to be equally concerned about a Census that removes real people from the official count. They, too, would be undercounted under sampling.

We are concerned that the administration is moving forward without the consent of Congress. They simply ignore the fact that the Constitution gives Congress the responsibility to direct how the Census is conducted. Much of the Census is about trust. The American people have to trust the outcome of the Census or else it is worthless.

If the administration ignores Congress, they will guarantee a failed Census. They need to work with us so all Americans have faith that the process was inclusive and open.

That is why I was disappointed to hear last week that President Clinton wants to shut down the government over the Census. He wants to sign a bill that provides 6 months of funding for the whole Commerce Department, the whole State Department, and Justice Department, so he can have leverage over the Census.

Can Members believe the President wants to take cops off the street to get his way over the Census? Can Members believe the President wants to hold U.S. foreign policy hostage to the Census? Why would he want to shut down the Border Patrol over the Census? It is irresponsible, and goes against his 1995 statement when he said, "It is wrong, deeply wrong, to shut down the government while we negotiate." Work with Congress, Mr. Speaker, and we will have a better Census.

I was, along with many of my colleagues, saddened by comments made by Vice President GORE at the annual NAACP convention. He told the participants that the Republicans "don't even want to count you in the Census." These outrageous comments do nothing to unite America, and do nothing to help save the 2000 Census from failure.

Congressional Republicans are prepared to make an unprecedented effort to count all Americans. We have provided more money than the President requested so we can do a much better job of counting minorities. I hope the administration stops trying to divide America over the Census, because that will not lead to a more accurate Census, and it certainly will not increase trust in the Census.

Mr. President, work with Congress. I ask the President to stop holding the rest of government hostage to getting his way on the Census. Stop trying to divide America against one another. Work with Congress, and together we can save the 2000 Census.

THE WELL-BEING OF AMERICA'S FAMILIES DEPENDS UPON THE HEALTH OF OUR SCHOOLS AND LIBRARIES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, the goal of those of us here in Congress should be to be a full partner for the American people, who really care about the essentials. They want their children to be safe when they go out the door to school in the morning, they are concerned about the family's economic security, and they want them to be healthy, physically and environmentally.

This well-being of our families depends upon the health of our schools. There are some in Congress who would turn their back upon the historic responsibility that the Federal Government has had with education, claiming

☐This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

that this is exclusively a State or a local responsibility. Nothing could be further from the truth. The Federal Government has always played a major role in education, starting from the Land Ordinance Act of 1785 through the GI bill to school lunches today.

There are three critical areas that we must address here in this Congress: assistance for the children who are the most difficult and expensive to educate; the reduction of gun violence, so that families can have peace of mind when the children go to school; and the promotion of computer skills and access that are so essential for success in today's world.

Congress mandated, appropriately so, in the 94th Congress that there would be special education access for children with severe learning disabilities, but along with that mandate came a promise of 40 percent funding from the Federal Government, appropriately, for these children are the most difficult and expensive to educate. Yet, we are contemplating only 9 percent Federal funding in place of that 40 percent commitment.

In the area of gun safety, we have seen example after example across this country where carnage has erupted on our schoolyards. Yet, at the same time, this Congress has a number of bills before it that are designed to reduce the incidence of gun violence. So far, not one has been scheduled to come to this floor.

Finally, in the area of Internet connection, that promise was to be made through the mechanism of the E-Rate, a heavily discounted fee that would be available particularly to inner city schools, rural schools, but all American schools and libraries would benefit, to some degree. This was the promise of the Telecommunications Act of 1996, and yet this promise has yet to be fully implemented. Indeed, today there are some in Congress who are threatening to repeal that provision, leaving behind the most needy children from the information superhighway.

There is no reason for us to shrug our shoulders, no excuse for inaction. We know the problems. We in Congress have made the commitments. We currently have the strongest economy of a generation. Indeed, some of my friends in the Republican leadership feel we have so much money that they feel comfortable contemplating a $1 trillion tax cut over the next 10 years.

I would suggest that, first and foremost, we tend to knitting by first fully funding our commitment to special education; by passing commonsense legislation to reduce gun access, the cap laws that would mandate safe storage and responsible gun ownership; and finally, keep our commitments to our schools and libraries by fully funding the E-Rate. Americans and their children deserve no less from this Congress.

FOLLOWING THROUGH ON THE COMMITMENT OF THE HOUSE TO ELIMINATE THE MARRIAGE TAX PENALTY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Mr. Speaker, earlier this summer this House made a commitment to eliminate the marriage tax penalty. I thought this morning that I would talk about why it is so important that we follow through on that commitment, and follow through on that commitment with a series of simple questions that I hear in the South suburbs and the South Side of Chicago, the area that I have the privilege of representing.

That is, do Americans feel that it is fair that our tax code imposes a higher tax on married working couples? Do Americans feel it is fair that 21 million married working couples pay, on average, $1,400 more in higher taxes just because they are married? Do Americans feel that is fair that this couple pays higher taxes than an identical couple that lives together outside of marriage? Do Americans feel it is fair that our tax code actually provides an incentive to get divorced, because the only way today to avoid the marriage tax penalty is to get divorced and to file that paperwork?

That is wrong. It is unfair. Frankly, really, it is immoral that our tax code punishes society's most basic institution for 21 million married working couples; that is, $1,400 in higher taxes.

Let me give an example of a south suburban couple from Illinois that suffers the marriage tax penalty. The gentleman in the couple is a machinist at Caterpillar. That is where they make the big heavy earth-moving equipment in Joliet. This machinist makes $35,500. If he is single, under our tax code he files and, of course, with the standard exemption and deduction, he is in the 15 percent tax bracket.

He meets a schoolteacher, a schoolteacher in the public schools. She has an identical income of $35,500. If she stayed single, just like her machinist fiance, she would be in the 15 percent tax bracket. Under our tax code, if they choose to get married, they will file jointly. When they file jointly, because they combine their income, and their combined income is $61,000, that pushes them into a higher tax bracket. They are now taxed in the 28 percent tax bracket just because they are married, producing an almost $1,400 marriage tax penalty just because they are married.

That is wrong that this couple, just because they choose to get married, pay higher taxes. If we think about it, what is the bottom line, here? We propose the Marriage Tax Elimination Act which puts a working married couple like our machinist and schoolteacher on parity with an identical married couple that lives outside marriage.

In 1996 this House of Representatives led the way by working to provide an adoption tax credit to help families provide a loving home for a child in need of adoption. In 1997 this House led the way in convincing the President and the Senate that we should provide a $500 per child tax credit which will benefit 3 million Illinois children. That helped families. Of course, this year we can help families again by strengthening marriage and no longer punishing marriage.

Let me share how we propose eliminating the marriage tax penalty. The Marriage Tax Elimination Act, H.R. 3734, is very simple. It is legislation which essentially doubles relief for working married couples by doubling the standard deduction from its current level of $4,150 to $8,300, and also doubling the income tax threshold, which of course you file in the 15 percent if you are single, and just over 24,000, doubling that to a little over 49,000.

So when you are single and you choose to get married, your tax essentially doubles. Your rates are double the income. That brings fairness to the tax code. That is a very simple way of eliminating the marriage tax penalty under the Marriage Tax Elimination Act, doubling the standard deduction, doubling rates, so married taxpayers are not punished just because they are married. That is a simple solution.

This House, of course, made a commitment about 2 months ago to address and eliminate the marriage tax penalty. Our friend, the President, he has a proposal of his own which he says is a better idea. He says we should just expand the child care tax credit for families that are lower-income and, of course, happen to have children. So I thought I would compare, for this machinist and this schoolteacher in Joliet, Illinois, which is really better.

Under the President's proposal, under the President's proposal for a child tax credit, those couples or families that have qualified for the President's expanded tax credit, and they already have one, he just wants to make it a little bigger, they would see about a $350 net increase on take-home pay, money to spend on child care.

I looked into this and asked some local day care providers in Joliet, what does that mean? They said that the average weekly day care cost is about $127 in Joliet, so under the President's proposal, for a working married couple with a child who goes to day care, they would see just less than 3 weeks of day care financed by the President's proposal. If we compare this with this machinist and schoolteacher, eliminating the marriage tax penalty, $1,400, with the same weekly day care costs for this machinist and schoolteacher, if they have a child in day care, it is almost 3 months' worth of day care. So which is better, 3 months or 3 weeks?

Mr. Speaker I ask Members to make a bipartisan commitment to eliminate the marriage tax penalty. This House of Representatives made a commitment earlier this summer to address the marriage tax penalty, and make elimination the centerpiece of this year's budget.

Let us follow through on that commitment. Let us help working families. Let us eliminate the marriage tax penalty. For 21 million couples, $1,400, that is real money for real people. Let us help married couples, and eliminate the marriage tax penalty now.

Mr. Speaker, I rise today to highlight what is arguably the most unfair provision in the U.S. tax code: the marriage tax penalty. I want to thank you for your long term interest in bringing parity to the tax burden imposed on working married couples compared to a couple living together outside of marriage.

In January, President Clinton gave his State of the Union Address outlining many of the things he wants to do with the budget surplus, a surplus provided by the bipartisan budget agreement which: cut waste, put America's fiscal house in order, and held Washington's feet to the fire to balance the budget.

While President Clinton paraded a long list of new spending totaling at least $46–$48 billion in new programs—we believe that a top priority should be returning the budget surplus to America's families as additional middle-class tax relief.

This Congress has given more tax relief to the middle class and working poor than any Congress of the last half century.

I think the issue of the marriage penalty can best be framed by asking these questions: Do Americans feel it's fair that our tax code imposes a higher tax penalty on marriage? Do Americans feel it's fair that the average married working couple pays almost $1,400 more in taxes than a couple with almost identical income living together outside of marriage? Is it right that our tax code provides an incentive to get divorced?

In fact, today the only form one can file to avoid the marriage tax penalty is paperwork for divorce. And that is just wrong!

Since 1969, our tax laws have punished married couples when both spouses work. For no other reason than the decision to be joined in holy martrimony, more than 21 million couples a year are penalized. They pay more in taxes than they would if they were single. Not only is the marriage penalty unfair, it's wrong that our tax code punishes society's most basic institution. The marriage tax penalty exacts a disproportionate toll on working women and lower income couples with children. In many cases it is a working woman's issue.

Let me give you an example of how the marriage tax penalty unfairly affects middle class married working couples.

For example, a machinist at a Caterpillar manufacturing plant in my home district of Joliet, makes $30,500 a year in salary. His wife is a tenured elementary school teacher, also bringing home $30,500 a year in salary. If they would both file their taxes as singles, as individuals, they would pay 15%.

MARRIAGE PENALTY EXAMPLE IN THE SOUTH SUBURBS

	Machinist	School Teacher	Couple	Weller/McIntosh II
Adjusted Gross Income	$30,500	$30,500	$61,000	$61,000
Less Personal Exemption and Standard Deduction	6,500	6,500	11,800	13,100 (Single2)
Taxable Income	23,950	23,950	49,200	47,900
	(.15)	(.15)	(Partial .28)	(.15)
Tax Liability	3,592.5	3,592.5	8,563	7,185
		Marriage Penalty: $1,378		Relief: $1,378

Weller-McIntosh II Eliminates the Marriage Tax Penalty

But if they chose to live their lives in holy matrimony, and now file jointly, their combined income of $61,000 pushes them into a higher tax bracket of 28 percent, producing a tax penalty of $1,400 in higher taxes.

On average, America's married working couples pay $1,400 more a year in taxes than individuals with the same incomes. That's serious money. Millions of married couples are still stinging from April 15th's tax bite and more married couples are realizing that they are suffering the marriage tax penalty, particularly if you think of it in terms of: a down payment on a house or a car, one year's tuition at a local community college, or several months' worth of quality child care at a local day care center.

To that end, Congressman DAVID MCINTOSH and I have authored the Marriage Tax Penalty Elimination Act.

The Marriage Tax Penalty Elimination Act will increase the tax brackets (currently at 15% for the first $24,650 for singles, whereas married couples filing jointly pay 15% on the first $41,200 of their taxable income) to twice that enjoyed by singles; the Weller-McIntosh proposal would extend a married couple's 15% tax bracket to $49,300. Thus, married couples would enjoy an additional $8,100 in taxable income subject to the low 15% tax rate as opposed to the current 28% tax rate and would result in up to $1,053 in tax relief.

Additionally the bill will increase the standard deduction for married couples (currently $6,900 to twice that of singles (currently at $4,150). Under the Weller-McIntosh legislation the standard deduction for married couples filing jointly would be increased to $8,300.

Our new legislation builds on the momentum of their popular H.R. 2456 which enjoyed the support of 238 cosponsors and numerous family, women and tax advocacy organizations. Current law punishes many married couples who file jointly by pushing them into higher tax brackets. It taxes the income of the families' second wage earner—often the woman's salary—at a much higher rate than if that salary was taxed only as an individual. Our bill already has broad bipartisan cosponsorship by Members of the House and a similar bill in the Senate also enjoys widespread support.

It isn't enough for President Clinton to suggest tax breaks for child care. The President's child care proposal would help a working couple afford, on average, three weeks of day care. Elimination of the marriage tax penalty would give the same couple the choice of paying for three months of child care—or addressing other family priorities. After all, parents know better than Washington what their family needs.

We fondly remember the 1996 State of the Union address when the President declared emphatically that, quote "the era of big government is over."

We must stick to our guns, and stay the course. There never was an American appetite for big government, but there certainly is for reforming the existing way government does business. And what better way to show the American people that our government will continue along the path to reform and prosperity than by eliminating the marriage tax penalty.

Ladies and Gentleman, we are on the verge of running a surplus. It's basic math. It means Americans are already paying more than is needed for government to do the job we expect of it.

What better way to give back than to begin with mom and dad and the American family—the backbone of our society. We ask that President Clinton join with Congress and make elimination of the marriage tax penalty, a bipartisan priority. Of all the challenges married couples face in providing home and hearth to America's children, the U.S. tax code should not be one of them.

Let's eliminate The Marriage Tax Penalty and do it now!

THE PATIENTS' PROTECTION ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from West Virginia (Mr. WISE) is recognized during morning hour debates for 4 minutes.

Mr. WISE. Mr. Speaker, I say to my friend, the gentleman from Illinois, perhaps the ultimate test of the marriage tax is that it truly shows that couples love each other if they are still willing to get married, knowing they are going to pay more for the privilege.

Mr. Speaker, I want to talk about the Patients' Protection Act. It is essential that it be debated on this floor, and I mean a full Patient Protection Act that protects patients who are in managed care plans. That is why I was number 29 out of 159 that have so far signed the discharge petition, an extraordinary remedy, to bring this bill to the floor, to force it to the floor so this entire House can vote on it, because it is very likely that the House will not get to vote on this bill unless we get this discharge petition signed by 218 Members. One hundred fifty-nine of us signed it yesterday. I was pleased to be the 29th in line to sign it.

We support a bipartisan Patients' Protection Act, a Patients' Protection Act that works and protects people in managed care plans. Managed care plans can be health maintenance organizations, HMOs. They can be PPOs, preferred provider options. They can be other plans in which you pay less, but you also give up some of your choice in terms of choosing providers and where you go to get your care.

The Patients' Protection Act that I support, and that so far we have 159 Members who have signed the discharge petition on, would say, for instance, that a person going to the emergency room cannot be denied reimbursement for that if they use a prudent layperson's standard, if they had reasonable grounds to go to that emergency room. No insurance company can come behind them and say, no, those pains really were not justified. You do not get paid.

This would also grant a patient a fast appeal, so if an insurance company turns down the doctor and said, no, you cannot give that test, or you cannot perform that procedure, that patient has a right to a fast appeal on that.

It eliminates gag rules. In other words, physicians cannot be told by insurance companies and managed care plans that they cannot tell patients about certain procedures that might assist them, even though those procedures are not covered by the plan. It also guarantees access to specialists. If you do not like the specialist they send you to, it provides you access to other specialists. That is not the case in all managed care plans.

It has prohibitions on financial incentives given to physicians not to provide care. The physician should not be rated on the basis of whether or not they were able to divert people from the care they need. They should be paid on the basis of the excellent care they are capable of giving.

The Patients' Protection Act also has accountability. It has enforceability, for the patient to enforce the provisions on insurance plans. It is not fair that that a physician, in the best exercise of his or her judgment, would try to prescribe a treatment, say a CAT scan, and the insurance company refuses to pay for it, therefore making it not available to that physician to prescribe and to that patient.

Should something happen, who is it that gets sued? The physician gets sued, but the people who actually put it into motion do not. What this would say is that everybody is going to be held accountable in the same way.

The Congressional Budget Office, no friend of the Democratic Party but run by the Republican Party, has estimated the increased cost would be, at the most, about $2 per month to consumers, $4 per month overall. That is not very much to pay for an adequate Bill of Rights.

The plan that we support would apply to 161 million Americans. Regrettably, the one the Republican leadership wants to put forward would apply to only 48 million Americans. In West Virginia, this is a fast-growing area of concern. We have seven HMOs alone that now take up about 11 percent of all patients covered by insurance, around 202,000 people. Those are just the HMOs. They do not deal with the other managed care plans.

While 73 percent of Americans are now covered by some kind of managed care plan, we have not seen that kind of deep penetration yet in our State, but we will, so I want to head problems off in managed care plans before they get to the mountain State. That is why I support a Patients' Protection Act, and why I think it is essential that this Congress vote on it this week.

Mr. Speaker, we urge all Americans to rally around a Patients' Protection Act. It is vitally important that we get a Patients' Protection Act that has true accountability in it, that makes insurance companies responsible, the same way our doctors and providers and nurses and hospitals are responsible.

We want to make sure that we have access to specialists under these insurance plans, these managed care plans. We want to make sure that there are no gag rules. We want to make sure that doctors are not discouraged from providing the treatment that they know they want to be providing.

That is why it is important that this Congress vote, Mr. Speaker, on a Patients' Protection Act that really does something for America.

URGING MEMBERS' SUPPORT FOR THE BASE CAMPAIGN FINANCE REFORM BILL, THE BIPARTISAN CAMPAIGN INTEGRITY ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Arkansas (Mr. HUTCHINSON) is recognized during morning hour debates for 5 minutes.

Mr. HUTCHINSON. Mr. Speaker, in the midst of our important work on appropriation bills in this body we are engaged in another struggle, in a historic debate on campaign finance reform. I say it is historic because of the depth of the problem we are addressing, but also because of the length of the debate. It has been a long debate. We have engaged in over 20 hours of debate on this floor on the reform legislation.

I rise today in support of the base bill, which is the Bipartisan Campaign Integrity Act. It is Hutchinson-Allen, the freshman bill that has been offered to this body on which all of the 11 substitute amendments hinge.

Presently we have debated three of the substitute amendments. We are presently on the Shays-Meehan substitute. We are going to have a vote on that in the near future, and then, before the August recess, we will have final action on the campaign finance reform legislation. We will have a vote on the Hutchinson-Allen freshman bill.

I ask my colleagues to join me in continuing to keep our eye and our focus on the Bipartisan Campaign Integrity Act, because I believe it is the best hope for reform that this body will consider. After months of debate, I am more optimistic than ever that this House will pass real reform. The best opportunity for that reform will be the Hutchinson-Allen freshman bill.

I wanted to point out this morning an article that was published in the National Journal by Stewart Taylor, Junior, an excellent examination of the campaign finance reform issue. It outlines four different reasons why the freshman bill is unique among all the proposals, offers something different, is a new direction, and merits our close examination and support.

This article in the National Journal by Stewart Taylor, Junior, was published on July 18, 1998. It says, "The good news is that after a long winnowing process, the two principal campaign finance proposals now before the House of Representatives looked pretty promising."

Of course, he is referring to the Shays-Meehan bill that is presently being debated, but also the freshman bill. But he says that his personal favorite is the freshman bill, the Hutchinson-Allen bill. He goes through four different points that I think merit our consideration.

The first one is that the freshman bill would provide for campaign finance reform without seriously risking judicial invalidation. In other words, the author is saying that the freshman bill is constitutional, does not push that extra limit, infringe upon our constitutional liberties.

If we want something that will pass this House and the Senate, be signed by the President, and be upheld by the United States Supreme Court, then it is the freshman bill. That is the first point that he makes.

The second point that he makes that is unique about the freshman bill is that it significantly bans soft money, as the Shays-Meehan bill also does. But the freshman bill bans the soft money to the Federal parties. He points out that the soft money loophole, whereas perhaps well-intentioned at the beginning, over the years has been abused. It has been. That is the greatest abuse in our system, the soft money loophole that allows the money that flows outside the regulated system from corporations, from labor unions, from wealthy individuals. That is what is addressed in the freshman bill very significantly.

A third point that he makes is the political realities. The freshman bill passes the political realism test. We are going to have to avoid the extremes. We do that, whether we are talking about free TV or whether you are talking about public financing. The freshman bill is realistic reform that can pass this body in a bipartisan fashion.

The fourth point that he makes that is significant is that the freshman bill breaks the relationship between the Federal officeholder and the chase for soft money. I believe that is unique about the freshman bill, because we prohibit a Federal candidate from soliciting soft money for the Federal parties, but as well as any State party other than his own, I think for any soft money at all; breaks the link between the Federal candidate and the chase for soft money.

These are four important, unique aspects about the freshman bill. It is good legislation that I urge my colleagues to support. First of all, it strengthens the individual role in our campaign system. It does that by preventing the individual role from being drowned in a sea of soft money, so it strengthens the individual; also by providing more information, increasing disclosure, information as to the timeliness of where the money is coming from. Then it stops the erosion of the value of the individual contribution by indexing benefits to the rate of inflation, indexing the contribution limits. That is what is good.

I urge my colleagues to support the freshman bill when it comes up for a vote on the floor.

AMERICANS NEED A PATIENT BILL OF RIGHTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Maine (Mr. BALDACCI) is recognized during morning hour debates for 5 minutes.

Mr. BALDACCI. Mr. Speaker, I am pleased to rise this morning to discuss one of the most important issues facing this Congress, the need to adopt a meaningful, comprehensive Patient Bill of Rights. For too long patients have been forced to wage lonely battles against sometimes callous managed care companies. We have heard too many cases where insurance actuaries, not doctors, make the final decision about a patient's medical care. This is wrong, and we must change it.

For years we have tried to help in the health care debate, and we have tried to adjust here or there to try to help people, working families, throughout Maine and America. Constantly the boxes have changed, and as soon as we try to work on something, the managed care companies figure out a way around it.

The best thing that we can do is to give every single American a bill of rights as it pertains to their health care policies, so regardless of whether the company is putting forward a PPO, an HMO, or whatever they wanted to call it, every single American will have a bill of rights as it pertains to their health care, so they will have their rights, regardless of the policies that a company or individual government entities would like to put forward; every American would have these basic rights.

It is a very important issue for all Americans. As they are being denied care in emergency rooms, as they are being denied the proper drug treatment that has been prescribed by a physician, and as they have been having insurance company bureaucrats making medical decisions and determining where and when and what type of health care individuals should receive, then those insurance companies, those insurance company bureaucrats, ought to be held medically liable. If physicians have to get medical malpractice insurance to protect themselves in their duties, and if insurance company executives are going to make those same decisions, they should also be held medically liable for that decision.

In my State, where there are many seniors that require many prescription drugs, between Parkinson's and other types of drugs that must be taken, they are expensive, and physicians are saying that the right treatment, the right mix has to be given. If it is upset or they cannot use the right medications, it is going to upset that person's health care.

In many cases, insurance companies give lists of drugs that can be given, and no other drugs. In order to appeal those decisions, to have the right treatment, we need to make sure that we have an enforcement mechanism, holding people medically responsible if they are not going to give seniors the types of prescription medication they need to have.

As far as information, it is so vitally important that a patient have the information as to their health care, as to their needs, and not to have that information kept from the patient because of the agreements and contracts that have been worked out behind the scenes between insurance companies and between some physicians. We as patients, as health care consumers, need to have that information.

I think this is a very important piece of legislation. I have signed the discharge petition that Members have signed to force this issue, in an unprecedented move to have over 218 Members forcing this issue to be debated before this House this week, because it is the most important issue in America today, to make sure that people have an individual Patient Bill of Rights, regardless of the health care they are being offered.

We must have this. It is a bipartisan effort. It knows no party. It is supported throughout America by Republicans, Democrats, Independents, people of all political stripes. It is something we need to do.

In my own State of Maine, where we have approximately 1.2 million people, over 200,000 are enrolled in HMO plans, and more is yet to come. Medicare is being formed into managed care. Other types of insurance companies and business are grouping together.

It is so important and imperative that we get this passed by this Congress this week. If they are going to make the decisions which harm individuals, then insurance companies are going to have to be held medically responsible and medically liable if they are going to be making these decisions. This will make sure that insurers are accountable for their actions.

As we become increasingly dependent upon computers and computerized records, this legislation makes important steps towards insuring confidentiality of medical records. We cannot allow the misuse of private medical information.

Finally, I am pleased that this bill takes steps to insure that plans which cover the drugs are going to cover all drugs which are medically indicated.

Later this week we are going to have an opportunity to vote on this plan offered by our Republican colleagues. While I am pleased that they have offered a plan, their plan leaves many millions uninsured and uncovered. I believe their plan comes up short because not only does it leave them uncovered, but it also does not have an enforcement mechanism to hold the insurance company and team making the decision to a responsible treatment and liability.

This is a bipartisan, comprehensive bill that will give Americans meaningful rights.

URGING MEMBERS TO STUDY THE ARTICLE "STATESMANSHIP AND ITS BETRAYAL"

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Georgia (Mr. BARR) is recognized during morning hour debates for 5 minutes.

Mr. BARR of Georgia. Mr. Speaker, very infrequently I come across an article written by a person that rises so far above and beyond the normal, mundane literature we read daily in newspapers and see and hear visually and verbally on television that it bears special attention.

I rise today to share with my colleagues an article which appeared in the Wall Street Journal on July 2 by Mark Helprin entitled "Statesmanship and Its Betrayal."

Mr. Speaker, I will read just a few eloquent passages of Mr. Helprin's exposition on statesmanship, and then urge all of my colleagues, indeed, all who peruse the CONGRESSIONAL RECORD, to do likewise.

He speaks, in part, as follows:

> We had men of integrity and genius: Washington, Hamilton, Franklin, Jefferson, Madison, and Monroe. These were men who were in love with principle as if it were an art, which, in their practice, they made it. They studied empires that had fallen, for the sake of doing what was right in a small country that had barely risen, and were able to see things so clearly that they surpassed in greatness each and every one of the classical models that they had approached in awe.
>
> Now. . . when we desperately need their high qualities of thought, their patience for deliberation, and their unerring sense of balance, we have only what we have.
>
> Which is a political class that in the main has abandoned the essential qualities of statesmanship, with the excuse that these are inappropriate to our age. They are wrong. Not only do they fail to honor the principles of statesmanship, they fail to recognize them, having failed to learn them, having failed to have wanted to learn them.
>
> In the main, they are in it for themselves. This constitutes not merely a failure, but a betrayal, and not only of statesmanship and principle, but of country and kin.
>
> And why is that? It is because things matter. Even though it be played like a game, by men who excel at making it a game, our life in this country, our history in this country, the sacrifices that have been made for this country, the lives that have been given to this country, are not a game. My life is not a game. My children's lives are not a game. My parents' lives were not a game. Your life is not a game.
>
> Yes, it is true, we do have great accumulated stores of power and wealth and decency—against which those who pretend to lead us can draw when as a result of their vanity and ineptitude they waste and expend the gifts of previous generations. The margin of error bequeathed to them allows them to present their failures as successes.
>
> They say, "As we are still standing, and a chicken is in the pot, what does it matter if I break the links between action and consequence, work and reward, crime and punishment, merit and advancement?" I myself cannot imagine a military threat (and never could), so what does it matter if I weld shut the silo hatches on our ballistic missile submarines? What does it matter if I weld shut my eyes to weapons of mass destruction in the hands of lunatics who are building long-range missiles? Our jurisprudence is the envy of the world, so what does it matter if now and then I perjure myself, a little? What is an oath? What is a pledge? What is a sacred trust? Are not these things the province of the kinds of people who were foolish enough to do without all their lives, to wear the ruts into the Oregon Trail, to brave the seas, to die on the beaches of Normandy and Iwo Jima and on the battlefields of Shiloh and Antietam, for me, so that I can draw from America's great accounts, and look good, and be presidential, and have fun, in all kinds of ways?

Mr. Speaker, Mr. Helprin goes on at some length to use words that conjure up, as few in American history, perhaps only most recently President Reagan could, to reach down into the soul of America, to remind us once again, we are and were and should and must be a Nation of principle, personified by statesmen, not crass political leaders looking only for themselves, only for today, and forgetting not only the great history of an America past, but looking forward to a great history of America future.

I commend Mark Helprin's article, which appeared in the Wall Street Journal on July 2 of this year, entitled "Statesmanship and Its Betrayal," to be read and reread by my colleagues and by every American who cares about this great country, its history, and its future.

The article referred to is as follows:

STATESMANSHIP AND ITS BETRAYAL

(By Mark Helprin)

When Marco Polo entered Xanadu, the capital of the Great Khan, he crossed ring after ring of outer city, each more splendid and interesting than the one that had come before. He was used to greatness of scale, having traveled to the limits of the ordered world and then twice as far into the unknown, where no European had ever set foot, over the Hindu Kush and beyond the Pamir, and through the immense empty deserts of Central Asia. And yet after passing through the world's most ethereal regions he was impressed above all by Xanadu, a city of seemingly infinite expanse, the end of which he could not see no matter in which direction he looked.

For almost 1,000 years, this city floated at the peak of Western imagination. Unlike Jerusalem, it had vanished. Unlike Atlantis, someone had actually seen it. Even during the glory of the British Empire, Coleridge held it out for envy. But no more. Now it has been eclipsed, with ease, by this, our country, founded not as a Xanadu but with the greatest humility, and on the scale of yeomen and their small farms, and as the cradle of simple gifts.

This country was not expected to be what it became. It was expected to be infinite—seeming in its rivers, prairies and stars, not in cities with hundreds of millions of rooms, passages, halls, and buildings a quarter-mile high. It was expected to be rich in natural silence and the quality of light rather than in uncountable dollars. It was expected to be a place of unfathomable numbers, but of blades of grass and grains of wheat and the crags of mountains, rather than millions upon millions of motors spinning and humming at any one time, and wheels turning, fires burning, voices talking and lights shining.

But this great inventory of machines, buildings, bridges, vehicles and an incomprehensible number of smaller things, is what we have. A nation founded according to a vision of simplicity has become complex. A nation founded with disdain for power has become the most powerful nation.

THE ESSENTIAL QUALITIES

When letters took a month by sea and the records of the U.S. government could be moved in a single wagon pulled by two horses, we had great statesmanship. We had men of integrity and genius: Washington, Hamilton, Franklin, Jefferson, Adams, Madison and Monroe. These were men who were in love with principle as if it were an art, which, in their practice, they made it. They studied empires that had fallen, for the sake of doing what was right in a small country that had barely risen, and were able to see things so clearly that they surpassed in greatness each and every one of the classical models that they had approached in awe.

Now, lost in the sins and complexity of a Xanadu, when we desperately need their high qualities of thought, their patience for deliberation, and their unerring sense of balance, we have only what we have.

Which is a political class that in the main has abandoned the essential qualities of statesmanship, with the excuse that these are inappropriate to our age. They are wrong. Not only do they fail to honor the principles of statesmanship, they fail to recognize them, having failed to learn them, having failed to have wanted to learn them.

In the main, they are in it for themselves. Were they not, they would have a higher rate of attrition, falling with the colors of what they believe rather than landing always on their feet—adroitly, but in dishonor. In light of their vows and responsibilities, this constitutes not merely a failure but a betrayal, and not only of statesmanship and principle but of country and kin.

And why is that? It is because things matter. Even though it be played like a game, by men who excel at making it a game, our life in this country, our history in this country, the sacrifices that have been made for this country, the lives that have been given to this country, are not a game. My life is not a game. My children's lives are not a game. My parents' lives were not a game. Your life is not a game.

Yes, it is true, we do have great accumulated stores—of power, and wealth, and decency—against which those who pretend to lead us can draw when as a result of their vanity and ineptitude they waste and expend the gifts of previous generations. The margin of error bequeathed to them allows them to present their failures as successes.

They say, "As we are still standing, and a chicken is in the pot, what does it matter if I break the links between action and consequence, work and reward, crime and punishment, merit and advancement? I myself cannot imagine a military threat (and never could), so what does it matter if I weld shut the silo hatches on our ballistic missile submarines? What does it matter if I weld shut my eyes to weapons of mass destruction in the hands of lunatics who are building long-range missiles? Our jurisprudence is the envy of the world, so what does it matter if, now and then, I perjure myself, a little? What is an oath? What is a pledge? What is a sacred trust? Are not these things the province of the kinds of people who were foolish enough to do without all their lives, to wear the ruts into the Oregon Trail, to brave the seas, to die on the beaches of Normandy and Iwo Jima and on the battlefields of Shiloh and Antietam, for me, so that I can draw from America's great accounts, and look good, and be presidential, and have fun, in all kinds of ways?

BLOOD ONTO SAND

That is what they say, if not in words then, indelibly, in actions. They who, in robbing Peter to pay Paul, present themselves as payers and forget that they are also robbers. They who, with studied compassion, minister to some of us at the expense of others. They who make goodness and charity a public profession, depending for their election upon a well-mannered embrace of these things and the power to move them not from within themselves or by their own sacrifices but, by compulsion, from others. They who, knowing very little or next to nothing, take pride in eagerly telling everyone else what to do. They who believe absolutely in their recitation of pieties not because they believe in the pieties but because they believe in themselves.

Nearly 400 years of America's hard-earned accounts—the principles we established, the battles we fought, the morals we upheld for century after century, our very humility before God—now flow promiscuously through our hands, like blood onto sand, squandered and laid waste by a generation that imagines history to have been but a prelude for what it itself will accomplish. More than a pity, more than a shame, such a thing is despicable. And yet, this parlous condition, this agony of weak men, this betrayal and this disgusting show, are not the end of things.

Principles are eternal. They stem not from our resolution or lack of it but from elsewhere, where in patient and infinite ranks they simply wait to be called. They can be read in history. They arise as if of their own accord when in the face of danger natural courage comes into play and honor and defiance are born. Things such as courage and honor are the mortal equivalent of certain laws written throughout the universe. The rules of symmetry and proportion, the laws of physics, the perfection of mathematics, even the principle of uncertainty, are encouragement, entirely independent of the vagaries of human will, that not only natural law but our own best aspirations have a life of their own. They have lasted through far greater abuse than abuses them now. They can be neglected, but they cannot be lost. They can be thrown down, but they cannot be broken.

Each of them is a different expression of a single quality, from which each arises in its hour of need. Some come to the fore as others stay back, and then, with changing circumstance, those that have gone unnoticed rise to the occasion. Rise to the occasion. The principle suggests itself from a phrase, and such principles suggest easily and flow generously. You can grab them out of the air, from phrases, from memories, from images.

A statesman must rise to the occasion. Even Democrats can do this. Harry Truman had the discipline of plowing a straight row 10, 12 and 14 hours a day, of rising and retiring with the sun, of struggling with temperamental machinery, of suffering heat and cold and one injury after another. After a short time on a farm, presumptions about ruling others tend to vanish. It is as if you are pulled to earth and held there.

The man who works the land is hard put to think that he would direct armies and nations. Truman understood the grave responsibility of being the president of the United States, and that it was a task too great for him or for anyone else to accomplish without doing a great deal of injury—if not to some, then to others. He understood that, therefore, he had to transcend himself. There would be little enjoyment of the job, because he had to be always aware of the enormous consequences of everything he did. Contrast this with the unspeakably vulgar pleasure in office of President Clinton.

Truman, absolutely certain that the mantle he assumed was far greater than he could ever be, was continually and deliberately aware of the weight of history, the accomplishments of his predecessors, and, by humble and imaginative projection, his own inadequacy. The sobriety and care that derived from this allowed him a rare privilege for modern presidents, to give to the presidency more than he took from it. It is not possible to occupy the Oval Office without arrogantly looting its assets or nobly adding to them. May God bless the president who adds to them, and may God damn the president who loots them.

America would not have come out of the Civil War as it did had it not been led by men like Lincoln and Lee. The battles raged for five years, but for 100 years the country, both North and South, modeled itself on their characters. They exemplified almost perfectly Churchill's statement that "public men charged with the conduct of the war should live in a continual stress of soul."

This continual stress of soul is necessary as well in peacetime, because for every good deed in public life there is a counterbalance. Benefits are given only after taxes are taken. That is part of governance. The statesman, who represents the whole nation, sees in the equilibrium for which he strives a continual tension between victory and defeat. If he did not understand this, he would have no stress of soul, he would be merely happy—about money showered upon the orphan, taken from the widow. About children sent to day care, so that they may be long absent from their parents. About merciful parole, of criminals who kill again. Whereas a statesman knows continual stress of soul, a politician is happy, for he knows not what he does.

It is difficult for individuals or nations to recognize that war and peace alternate. But they do. No matter how long peace may last, it will end in war. Though most people cannot believe at this moment that the United States of America will ever again fight for its survival, history guarantees that it will. And, when it does, most people will not know what to do. They will believe of war, as they did of peace, that it is everlasting. The statesman, who is different from everyone else, will, in the midst of common despair, see the end of war, just as during the peace he was alive to the inevitability of war, and saw it coming in the far distance, as if it were a gray wave moving quietly across a dark sea.

The politician will revel with his people and enjoy their enjoyments. The statesman, in continual stress of soul, will think of destruction. As others move in the light, he will move in darkness, so that as others move in darkness, he may move in the light. This tenacity, that is given to those of long and insistent vision, is what saves nations.

A statesman must have a temperament that is suited for the Medal of Honor, in a soul that is unafraid to die. Electorates rightly favor those who have endured combat, not as a matter of reward for service, as is commonly believed, but because the willingness of a soldier to give his life is a strong sign of his correct priorities, and that in the future he will truly understand that statesmen are not rulers but servants. It seems clear even in these years of squalid degradation that having risked death for the sake of honor is better than having risked dishonor for the sake of life.

HUNGER FOR A STATESMAN

No matter what you are told by the sophisticated classes that see virtue in every form of corruption and corruption in every form of virtue, I think you know, as I do, that the American people hunger for acts of integrity and courage. The American people hunger for a statesman magnetized by the truth, unwilling to give up his good name, uninterested in calculation only for the sake of victory, unable to put his interests before those of the nation. What this means in practical terms is no focus groups, no polls, no triangulation, no evasion, no broken promises and no lies. These are the tools of the chameleon. They are employed to cheat the American people of honest answers to direct questions. If the average politician, for fear that he may lose something, is incapable of even a genuine yes or no, how is he supposed to rise to the great occasions of state? How is he supposed to face a destructive and implacable enemy? How is he supposed to understand the rightful destiny of his country, and lead it there?

At the coronation of an English monarch, he is given a sword. Elizabeth II took it last, and as she held it before the altar, she heard these words: "Receive this kingly Sword, brought now from the altar of God and delivered to you by us, the Bishops and servants of God, though unworthy. With this Sword do justice, stop the growth of iniquity, protect the holy Church of God, help and defend widows and orphans, restore the things that are gone to decay, maintain the things that are restored, punish and reform what is amiss, and confirm what is in good order; that doing these things you may be glorious in all virtue; and so faithfully serve our Lord."

Would that we in America come once again to understand that statesmanship is not the appetite for power but—because things matter—a holy calling of self-abnegation and self-sacrifice. We have made it something else. Nonetheless, after and despite its betrayal, statesmanship remains the manifestation, in political terms, of beauty, and balance, and truth. It is the courage to tell the truth, and thus discern what is ahead. It is a mastery of the symmetry of forces, illuminated by the genius of speaking to the heart of things.

Statesmanship is a quality that, though it may be betrayed, is always ready to be taken up again merely by honest subscription to its great themes. Have confidence that even in idleness its strengths are growing, for it is a providential gift given to us in times of need. Evidently we do not need it now, but as the world is forever interesting the time will surely come when we do. And then, so help me God, I believe that, solely by the grace of God, the corrupt will be thrown down and the virtuous will rise up.

THE IMPORTANT DIFFERENCES BETWEEN THE DEMOCRATIC AND REPUBLICAN HEALTH CARE REFORM BILLS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, for months now the movie "As Good as It Gets" has become symbolic here in Washington with the debate over managed care reform.

Everyone knows by now that in the movie, actress Helen Hunt unleashes an epithet-laden attack on her HMO after her HMO gives her trouble when she is trying to get treatment for her asthmatic son.

In an effort to stop getting beat over the head with this example and what it symbolizes, last Friday the Republican leadership unveiled the language of its long-awaited managed care reform bill. To state it simply, Mr. Speaker, this Republican bill is as bad as it gets.

The Republican leadership has really outdone itself with this bill. It is easily one of the worst speaks pieces of legislation they have put forward since they took control of the House in 1994. It is an unabashed sell-out to the insurance industry. In fact, it looks as if it were written by the insurance industry itself.

Although it is called the Patient Protection Act, in an attempt to confuse it with the Democrats' Patients' Bill of Rights, a more appropriate title for the Republican bill would be the Profit Protection Act.

The worst aspect of this bill is that it allows the insurance companies, and not doctors and patients, to make medical choices. Remarkably, the Republican bill actually reaffirms the status quo and allows insurance company bureaucrats to decide what is medically necessary, so under the Republican plan, HMOs can define "medically necessary" any way they wanted. If you get sick and your insurance company decides the treatment you need is not medically necessary, you are simply out of luck.

This is, in my opinion, truly a sell-out of the highest proportions. It ignores the central catalyst of the whole managed care debate, the strongly held belief among Americans that medical decisions should be made by doctors and their patients.

The Democrats' Patient Bill of Rights, by contrast, insures that medical decisions would be made by doctors and patients. The Democratic bill defines "medically necessary care" based on the generally accepted principles of professional medical practice. What that means is that under the Democratic plan, patients and doctors determine what is the best course of treatment, not HMOs and insurance company bureaucrats.

The Republican bill also fails to ensure access to specialists. If your child gets an illness and you want to bring your son or child to a specialist, you cannot, under the Republican bill. You may not be able to go to that specialist, depending on what the insurance company decides. But the Patient Bill of Rights, the Democratic bill, guarantees patients access to specialists when such access is needed.

Another thing, the Republican plan does not even guarantee you full access to the nearest emergency room if you need emergency care, which has been a big issue during the course of this debate. The Republican bill includes a reasonable person's standard for access to emergency care, but it does not list severe pain as a reason why a person might determine that he or she needs to go to the emergency room.

I want to repeat that, because it is really kind of mind-boggling. Under the Republican plan, severe pain is not considered a symptom of a possible emergency. So that means if you are suffering from severe pain and you rush to the emergency room to receive treatment for a legitimate problem, your HMO can still refuse to pay for it.

The Democrats' Patient Bill of Rights also guarantees patients coverage if they go to an emergency room because they are suffering from severe pain. So regardless of the reason you go to the emergency room that is closest, if you get the emergency room care, the HMO has to pay for it.

The Republican bill is also a failure when it comes to gag clauses. This is particularly interesting, because we passed prohibitions on gag rules here in the House of Representatives. But under the Republican bill, it would still allow a health plan to restrict communications between doctors and patients.

The Democrats, on the other hand, prohibit plans from gagging doctors to inform patients about treatment options that are not covered by their health plan, and protects providers from retribution by the HMO for telling their patients the truth.

When it comes to accountability, the GOP plan also is riddled with loopholes and omissions. The bill includes an external appeals process, but limits access to that process to individuals in plans under ERISA; in other words, only if your employer is self-insured. If you are covered by ERISA, you get the external review. Otherwise, you are out of luck.

Then finally, and I want to stress this, the GOP plan also denies patients the right to sue their HMOs if they are denied needed care. Again, the right to sue is an enforcement mechanism that is necessary if these patient protections really are going to be enforced.

The Democratic bill enforces all of the patient protections it provides by giving the patients the right to sue their HMO, and holding the HMOs accountable for the decisions they make. Again, this is an extremely important difference between the Democratic and the Republican plans.

CALLING FOR BIPARTISAN HEALTH CARE LEGISLATION, AND FOR SUPPORT OF THE MEEHAN-SHAYS CAMPAIGN FINANCE REFORM MEASURE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Connecticut (Mr. SHAYS) is recognized during morning hour debates for 5 minutes.

Mr. SHAYS. Mr. Speaker, there is a Democrat health care bill and there is a Republican health care bill, but ultimately, if we are to have a bill, there will have to be a Republican and Democrat bill. I urge both sides on this issue, once the posturing of our various positions is known, to work in a bipartisan agreement to pass meaningful health care reform.

Mr. Speaker, I stand before the Members to thank this Chamber for its support for campaign finance reform legislation that is moving before the House; the Meehan-Shays bill as it is sometimes referred to, or McCain-Feingold.

We have had an extraordinary process that has allowed Members to debate this issue fairly extensively, and before last night we had 55 amendments. We have dealt with 20 of them. We dealt with the one that would have been a killer amendment, and I appreciate the House defeating it.

The bottom line to campaign finance reform is that we need to ban soft money, not just on the Federal level but on the State level, for Federal elections. Soft money are the unlimited sums that individuals, corporations, labor unions, and other interest groups give to the political parties, unlimited sums. They ultimately get rerouted right back to the candidates to help them in their election, making a mockery of our campaign finance laws.

The second major element, and the Meehan-Shays bill deals with soft money both on the Federal and State level, for Federal elections, it also deals with the sham issue ads and calls them what they are, campaign ads.

It does not mean that if it is a campaign ad, people do not have their voice. They just come under the campaign law. They have to disclose contributions. Contributions are limited but expenditures are not, because the Supreme Court has found that you cannot limit expenditures.

What we do is recognize that a sham issue ad that clearly is a campaign ad, 60 days prior to an election is a campaign ad if it mentions the name of the person or shows a picture or the name of the individual, and is intended to affect the election.

We also codify the court decision on Beck. That was the decision where an individual who was not a member of a union argued that he should not have to make political contributions in his agency fee to the union to be used for candidates that a person opposed. The court heard this case and determined that if you are not a member of a union, your money does not have to go for political purposes, and therefore, your agency fee is less than what the union fee would be.

We also significantly improve FEC disclosure and enforcement, particularly as it relates to disclosure. Any expenditure over $1,000, 20 days to an election, has to be noted within 24 hours, and then is put on the Internet.

We require, and in terms of enforcement, we give the FEC the ability to dismiss cases that do not have any merit, and to take up cases more quickly that do, before an election, and we also provide for audits of campaign expenditures.

In addition, we make sure it is clear in the law that foreign money cannot be raised, and that we cannot raise money on government property. Members may think that is the law today, but soft money is not deemed campaign money, and therefore, does not come under the Pendleton Act.

So many have argued that they can accept soft money from foreigners, and on government property they can raise money. They do not want people to know they are doing this, because they know morally it is wrong, but legally and technically it is not. That is why we need to amend the law.

Mr. Speaker, we have, as I said earlier, 55 bills or amendments coming before this Chamber. We dealt with 20 last night. I would like to say that we have dealt with a few before. One of the things we are trying hard to do is, as both Republicans and Democrats, to find where we have common ground.

We found common ground with those who supported the commission bill, and urged them to vote against their own substitute commission bill, but then support the commission bill, attach it to our bill. Also the gentlewoman from Washington (Mrs. LINDA SMITH) took her 6 amendments last night and put them into one, and helped us write a better bill to guarantee, without question, and to satisfy those groups that are concerned, that voter guides are in fact legal and do not come under the campaign law.

There is no ambiguity on this issue. She wrote the law in a tough way. We accepted her six amendments into one, and thank her for her work in this area. She really has been a leader on campaign finance reform, and has played a tremendous role in helping us move this bill forward.

CALLING UPON HOUSE LEADERSHIP TO BRING FORWARD FOR DEBATE THE PATIENTS' BILL OF RIGHTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentlewoman from Michigan (Ms. STABENOW) is recognized during morning hour debates for until 9:50 a.m.

Ms. STABENOW. Mr. Speaker, this morning a hearing is being held by the Democratic Health Care Task Force on the critical issue of managed health care. We are going to hear this morning from families across the country who have been denied care, who have had very difficult situations occur because they have not had the opportunity to receive the care their doctor recommended because they are in a managed care system. We are going to hear from small businesspeople. We are going to hear from other Americans speaking out.

I only wish that we were doing this within the regular committee structure. I would call upon the House leadership this morning to bring forward the Patients' Bill of Rights, the comprehensive bill to protect American families, to bring it to a full hearing, to bring it to this House for a vote, because it is absolutely critical that in this day and age, when we have the best health care in the world, that we make sure our families can truly receive that care when in fact it is recommended by their physician or other health care provider.

What we are talking about today is a basic set of principles that will allow us as Americans to be sure that the quality of care that is available in this country is truly available to each of us. I would urge strongly that the leadership take this bill up immediately.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 50 minutes a.m.), the House stood in recess until 10 a.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 10 a.m.

PRAYER

The Reverend Dr. Kevin Shrum, Pastor, Inglewood Baptist Church, Nashville, Tennessee, offered the following prayer:

Gracious Father, I humbly approach You today in the name of the one and only true God, our Lord and Saviour, Jesus Christ. In His name and with the aid of the Holy Spirit, I ask for Your bountiful blessings and godly wisdom to anoint this law-making body in their daily tasks. For, Lord, great is their task in leading this Nation to honor its noble heritage and secure the possibilities of a future as one Nation under God. May we understand, as did President George Washington, that of all dispositions and habits which lead to political prosperity, religion and morality are indispensable supports.

Assist this esteemed assembly and our beloved Nation as a whole to honor Your justice, mercy and righteousness in all that we say and do. If godly righteousness exalts a Nation, then let us be that Nation that leads the nations in seeking Your righteous standards.

When we err, forgive us. If we succeed, let our successes honor You and humbly lead us to further successes. And may every action of this law-making body reflect the absolute character and gracious benevolence of Your biblical law and love. Ultimately may all that we do and say as a unified people bring glory and honor to You who is able to keep us from falling and not failing and to present us before His glorious presence without fault and great joy, to the only God our Saviour be glory, majesty, power and authority, through Jesus Christ our Lord, I pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from New Jersey (Mr. PAPPAS) come forward and lead the House in the Pledge of Allegiance.

Mr. PAPPAS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize 15 one-minutes on each side.

WELCOME TO THE REVEREND DR. KEVIN SHRUM

(Mr. CLEMENT asked and was given permission to address the House for 1 minute.)

Mr. CLEMENT. Mr. Speaker, I stand to welcome Dr. Kevin Shrum to the Chamber of the U.S. House of Representatives and to thank him for opening our session today with a heartfelt prayer.

Dr. Shrum is a devout Christian and an inspiring pastor. His church is in Nashville, Tennessee. Inglewood Baptist Church is one of the fastest growing Southern Baptist churches in the Fifth Congressional District.

Dr. Shrum graduated with a bachelor of arts from Missouri Baptist College in 1984, received his master's of divinity in 1987 and earned his doctor of ministry in 1991 from the Southern Baptist Theological Seminary.

Dr. Shrum comes from a rich heritage of spiritual leaders. My administrative assistant Dottie Moore has been an active member of his church for many years. It is a great honor to have him with us today. God bless you.

TWINKLE, TWINKLE KENNETH STARR

(Mr. PAPPAS asked and was given permission to address the House for 1 minute.)

Mr. PAPPAS. Mr. Speaker,

Twinkle, twinkle Kenneth Starr,
Now we see how brave you are.
Up above the Pentagon sting,
Like a fair judge in the ring.
Twinkle, twinkle Kenneth Starr,
Now we see how brave you are.
When subpoenas and lies are gone,
When obstruction shines upon,
Then you throw your trump cards down,
Twinkle, twinkle all brought down.
Twinkle, twinkle Kenneth Starr,
Now we see how brave you are.
Then the Congress in the dark
Thanks you for your courage and spark;
We could not see which way to go,
If you did not lead us so.
Twinkle, twinkle Kenneth Starr,
Now we see how brave you are.

DEMOCRATIC PATIENTS' BILL OF RIGHTS

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, in view of those last comments, I would point out that although we have investigations in this House galore, we have not had one hearing on the subject of managed care reform.

Health care financing is in transition and the shift to managed care has raised concerns about implications for health care quality. Managed care must be more than managed cost. Every American deserves quality health care. Managed care reforms are necessary at the Federal level to ensure that managed care is quality care. Even in my home State of Maine where strong patient protections have been enacted at the State level, my constituents know that we need a national solution to a national problem.

The Republican legislation only applies to Americans in self-insured plans. They ignore two-thirds of Americans with private health insurance. One hundred thirteen million Americans are left out in the cold by the Republican bill.

The Republicans have a patchwork approach to dealing with the real problems such as access to specialty care and the choice of physicians. Furthermore, the Republican bill is laced with poison pills such as health marts and malpractice limits.

My constituents want real protections. They do not want a watered down bill. They want the Democratic Patients' Bill of Rights Act.

WITHER THE BUDGET SURPLUS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the Congressional Budget Office estimates that the Federal budget will be in surplus for the foreseeable future. Leaving aside the fact that this is not entirely accurate given that the Social Security surplus is masking the true size of the budget deficit, the question before us is what to do with the surplus.

The Democrats, naturally, want to spend it. The Republicans, not surprisingly, want to see it used to begin paying down the national debt or they want to use it for a tax cut. I will leave it to the other side to explain to the American people why they want to spend more money on failed, wasteful social programs and I will only consider the real choice for Congress, paying down the debt or tax relief.

My instinct is to go 50–50, half towards tax cuts and half towards a down payment on our $5.4 trillion national debt. But then I think about the likelihood that liberal spending politicians in Washington will keep their hands off the budget surplus and I start to lean more strongly towards tax relief.

The bottom line is this: Do not spend the surplus.

PASS THE DEMOCRATIC PATIENTS' BILL OF RIGHTS

(Mr. STUPAK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUPAK. Mr. Speaker, Democrats want to make sure that good health care is the right of every American. You pay for it. You deserve it. And you should have the right to demand the medical treatment you need.

The Republican leadership and insurance companies believe that they and not you will determine your medical coverage. So the insurance companies and the Republican leadership continue to allow gag orders on doctors and nurses in managed care plans. HMOs tell doctors and nurses and you what medical treatment you will receive, not what medical treatment you need. They gag your doctor.

Democrats believe you and your doctor should decide what medical treatment you need. No more gag orders. The Republican leadership continue to place a gag order on the American people and refuse to hold hearings on the Patients' Bill of Rights. So Democrats want to lift the GOP gag order. We are holding hearings on the Patients' Bill of Rights in Room 2237 of the Rayburn Building.

Democrats want to make sure that health care is the right of every American. You pay for it, you deserve it. You have the right to demand the medical treatment you need. Lift the gag order, Mr. Speaker. Pass the Democratic Patients' Bill of Rights.

SCHOOL CHOICE

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, we Republicans find ourselves in a strange position. On the one hand, we benefit politically when the defenders of the status quo oppose choice in public schools. We benefit politically because school choice is something their own constituents favor. But on the other hand we Republicans despair at finding leftist opposition to school choice because many kids are denied the opportunity of attending a good school and thereby are forced into failing schools. And so we have this bizarre situation where left-wing opposition to school choice means that Republicans win politically but we win at a terrible social cost.

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The remarkable thing about this bizarre situation is that the defenders of the bureaucracy accept this national disgrace, because it benefits their union monopolies. No wonder so many Americans are fed up with many posturing politicians and the special interests they protect. We need to give parents control over their kid's education, and that will only come from school choice. That is what we Republicans are fighting for.

E-RATE WEEK

(Mr. REYES asked and was given permission to address the House for 1 minute.)

Mr. REYES. Mr. Speaker, I rise to announce E-Rate week. Today I join many Members of Congress in kicking off a week of discussion, information, and emphasis about the importance of the E-Rate program to our schools, our children, and our country. The E-Rate is designed to bring discounted Internet services to children in schools and libraries across America.

In the world of tomorrow, technology and the Internet will be the tools essential to our Nation's workforce. Technical literacy will determine whether a person has a high-paying job or whether that person is frozen into a low-wage, low-opportunity profession.

Currently, only a few wealthy school districts can afford this technology. The E-Rate ensures that needy schools receive discounted services so that every American child has an equal chance to succeed.

Those who attack the E-Rate undercut the future of our children and of our country. Americans want to provide their children the skills and tools of the 21st Century. Through the E-Rate, this is one way we can accomplish this goal.

JUDGE STARR ONCE PRAISED BY DEMOCRATS

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, let us listen to what some people have said about Judge Ken Starr's character and integrity. I quote, "Starr has the confidence of most of those of us who know him and, I suspect, the confidence of most of us in the Senate." A Republican? No. That was Senator JAMES EXON, Democrat of Nebraska.

Here is another, and I quote, "Judge Starr is certainly a neutral party. No one, I think, has accused him of being on a fishing expedition." A Republican? No. That was Senator JOHN KERRY, Democrat of Massachusetts.

Mr. Speaker, these two comments represent many, many comments made by Democrats about Judge Ken Starr's character back in 1993 when Judge Starr was asked to investigate sexual misconduct charges against former Senator Bob Packwood on behalf of the Ethics Committee.

Democrats once praised Judge Starr, but now they either criticize him or stand silent in the face of White House attacks on his character. What has changed? Well, it could be that Democrats praised Judge Starr because he was investigating a Republican. We can only wonder.

SCHOOL VIOLENCE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, today I rise to address the very important issue of school violence. I was recently pleased to learn that this administration will finally hold a national conference on school safety sometime in October of this year.

Because no community in America is immune to the plague of school violence, and because we, as a Nation can no longer sit idly by while violence in our schools continue to rise, I sent a letter to the President on June 24th encouraging him to listen to the solutions of the American people from coast to coast and border to border.

For America to achieve success in combating school violence in our local communities, we must first address three important issues. First, the Federal Government must redirect its resources to States to focus on this problem at the local level. Secondly, our communities must continue to improve cooperative relations among local agencies whose job it is to address this problem associated with school violence.

Finally, it is important that any conference bring together, in a round table discussion, several representatives from local and Federal law enforcement agencies, courts, city councils, and school boards to develop local solutions to a national problem. Mr. Speaker, our children deserve no less.

AGRICULTURE EXPORT ENHANCEMENT ACT OF 1998

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, with 40 percent of American agricultural commodities and products being exported, the American farmer is more reliant on international markets than any other sector of the U.S. economy. That is why it is so important that the U.S. lay out specific agricultural trade negotiation objectives.

Today, I am pleased to introduce the Agricultural Export Enhancement Act of 1998. Until recently, farm exports had soared over the past several years. However, too many trade barriers prevent billions of people from buying our products. Our trade negotiators need to focus their attention on eliminating tariffs, subsidies, and other foreign regulations that limit what we sell overseas.

This legislation would establish those negotiating objectives. I would suggest that it is a good bill for many Members of this House to support.

MANAGED CARE

(Mrs. CLAYTON asked and was given permission to address the House for 1 minute.)

Mrs. CLAYTON. Mr. Speaker, the way that Americans choose and obtain and pay their physician has changed drastically over the last 10 years.

Ten years ago, less than 30 percent of the people with health care insurance coverage were in managed care programs. Today, approximately 75 percent of insured employees are covered by managed care plans. A large amount of that 75 percent is questioning whether they are served well by that system.

The result is a health care system which is dominated by economic tools, limited budgets, limited hospital budgets, waiting hospital lines, waiting lines also with the managed care program. Many managed care constraints now limit what we can do.

Our goal must be to provide health care with increased health care coverage for this country. This is a national challenge. In Congress, we need to meet that challenge.

Supporting H.R. 3605, the Patients' Bill of Rights Act, is a first step in achieving health care reform. This bill will allow patients and doctors, not the insurance company, to control the length of stay, the quality of care. Mr. Speaker, I encourage you and my colleagues to join me in supporting of this bill.

FALSELY ACCUSED BEHAVIOR VERSUS GUILTY BEHAVIOR

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, imagine you are falsely accused of crimes. You know that you are innocent, but the people who know the truth simply are not talking. People who could prove you are innocent, it turns out, are the Secret Service personnel who are constantly by your side and that could testify that all of the scurrilous accusations are, in fact, untrue. So your task is to convince everyone you know to come forward, to prove your innocence, and to clear your name.

Let us think about this for a minute. If a person is falsely accused of wrongdoing, clearly what must be done is to demand the people who know the truth to come forward and tell the whole world what they know. On the other hand, someone who is guilty of wrongdoing acts in a strikingly different manner. In such a case, all manner of excuse is given to prevent people from coming forward to tell what they know.

You do not have to be a Perry Mason fan to know the difference between a behavior of a falsely accused person and one that is guilty.

PROTECT MEDICAL PRIVACY: REJECT BIG BROTHER

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, Big Brother is back, this time in the form of a previously unpublicized provision in the law that would require every single American to have a special identification number. That number would allow every notation in his or her medical record to be tracked. Tracked by who knows who.

We have seen it before. We have seen it in the 1–800–Big Brother scheme that would require the Federal Government to sign off on each and every job hiring in this Nation. We have seen it in proposals for some sort of national ID card. Now we are witnessing an unprecedented attempt to invade the privacy of one's medical records.

When most of us voted for legislation that would allow individuals to take their health care insurance with them when they changed jobs, we were not voting for a hidden provision to allow medical ID numbers.

Let us face it, medical records are extremely sensitive. This Member is going to work vigorously to protect the medical privacy of every American. Let us reject this latest example of Big Brother.

PATIENTS' BILL OF RIGHTS

(Mr. HINCHEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HINCHEY. Mr. Speaker, all across New York and across America, many people are being denied access to the health care that they need. They are also being denied access to the doctor of their choice and the health care professional that they would like to consult and be advised by in order to get the health care they need.

Access to prescription drugs also is being denied to Americans. These drugs are needed to alleviate the health care conditions that they have. The problem is that our health care delivery system is out of control because it is increasingly controlled by bureaucrats and insurance companies.

We need a Patients' Bill of Rights which will allow Americans to get the health care they need, access to health care professionals and the professional medical advice they need, not from insurance company bureaucrats, but from health care professionals, the doctors that they want to consult.

That is why the Democratic proposal for a Patients' Bill of Rights is so important. The hearing is going on now. We need to get that bill to the floor and get it passed.

BABY PHOENIX

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I rise today to share the story of Baby Phoenix, first known survivor of a partial-birth abortion. Last week, in the A-Z Women's Center in Phoenix, Arizona, a 17-year-old was scheduled to abort her baby.

The abortionist began a partial-birth abortion on what he thought was a 23-week-old baby. However, as he continued the procedure, he realized that he was actually committing a partial-birth abortion on a 6-pound, 2-ounce baby girl.

Instead of continuing this procedure in which the doctor would stick scissors into the back of the girl's head and then vacuum her brains out, the abortionist decided to stop the abortion and deliver the 6-pound, 2-ounce little girl.

What if this abortionist had continued the partial-birth abortion? Would he have been convicted of killing Baby Phoenix? Absolutely not. Under our Nation's abortion law, the doctor could have continued the partial-birth abortion and delivered Baby Phoenix dead.

Our Nation's law protects this infanticide, the right of the doctor to kill a baby just because she is not fully outside her mother's body. Like Baby Phoenix, my son Dan was only 6 pounds when he was born. I remember cradling him in my hands. He was so tiny, but so perfect.

Those that oppose the Partial-Birth Abortion Ban Act support the right to kill babies like these. We should vote to override the President's veto of the Partial-Birth Abortion Ban Act and pass it into law this year.

IRS REFORM BILL

(Mr. JONES asked and was given permission to address the House for 1 minute.)

Mr. JONES. Mr. Speaker, my constituents in the third district of North Carolina have expressed their appreciation for this Congress for passing the Internal Revenue Service Restructuring and Reform bill, which awaits the President's signature.

This is an opportunity for President Clinton to sign into law legislation that protects American taxpayers from IRS abuse and prove to the American people that he is willing to work with this Congress to provide substantial tax reform for all Americans.

The IRS Reform bill is long overdue legislation that would shift the burden of proof from the hard-working American taxpayer back to the IRS where it belongs. In addition, taxpayers will receive 74 new rights and protections that will help reduce the power of the Internal Revenue Service and bring fairness to a corrupt system.

I urge the President to sign the IRS Reform bill and to work with the 105th Congress to continue providing hard-working Americans with a tax relief they need and rightly deserve.

PROVIDING FOR CONSIDERATION OF H.R. 4193, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 504 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 504

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with section 306 or 401 the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The amendments printed in part 1 of the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. Points of order against provisions in the bill, as amended, for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: page 88, line 10, through page 89, line 6. If an unprotected provision is stricken on a point of order, the Committee of the Whole shall immediately consider the amendment printed in part 2 of the report of the Committee on Rules if offered by Representative Johnson of Connecticut or her designee. That amendment shall be considered as read, be debatable for 30 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The amendment printed in part 3 of the report of the Committee on Rules may be offered only by Representative Young of Alaska or his designee, may be offered only at the appropriate point in the reading of the bill, shall be considered as read, shall be debatable for 30 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report are waived. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. During consideration of the bill, points of order against amendments for failure to comply with clause 2(e) of rule XXI are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

☐ 1030

The SPEAKER pro tempore (Mr. NEY). The gentleman from Washington (Mr. HASTINGS) is recognized for one hour.

Mr. HASTINGS of Washington. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, H. Res. 504 is an open rule which waives all points of order against consideration of the bill for failure to comply with section 306 or section 401 of the Budget Act of 1974. The rule provides one hour of general debate, equally divided between the chairman and ranking minority member of the Committee on Appropriations. The rule further provides that the amendments printed in the Committee on Rules report accompanying the resolution shall be considered as adopted.

The rule also waives clause 2, prohibiting unauthorized appropriations and legislative provisions, and clause 6, prohibiting reappropriations in an appropriations bill, of rule XXI against the bill, except as follows: Page 88, line 10, through page 89, line 6.

The rule makes in order those amendments printed in the Committee on Rules report, which shall be considered as read, shall be debatable for the time specified in the report, equally divided between a proponent and an opponent, and shall not be subject to amendment. The rule also waives all points of order against amendments printed in the Committee on Rules report.

Mr. Speaker, the rule permits the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. It allows the Chair to postpone recorded votes and reduce to five minutes the minimum time for electronic voting on any postponed votes, provided that voting on the first of any series of questions shall be not less than 15 minutes.

The rule waives points of order against amendments for failure to comply with clause 2(e) of rule XXI, prohibiting non-emergency amendments to be offered to a bill containing an emergency designation under the Budget Act.

Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 4193, the Department of the Interior and Related Agencies Appropriations Bill for fiscal year 1999 was reported by the Committee on Appropriations by voice vote. The bill appropriates a total of $13.4 billion for fiscal year 1999, which is roughly $800 million less than the President's request and roughly $700 million less than what was appropriated last year.

The bill's spending level is equal to the subcommittee's 302(b) allocation for discretionary budget authority. Approximately one-half of the bill's funding finances Interior Department programs to manage and study the Nation's animal, plant and mineral resources. The balance of the measure's funds support other non-interior agencies that perform related functions. These include the Forest Service, conservation and fossil energy programs run by the Department of Energy, and the Indian Health Services, as well as the Smithsonian and other cultural organizations.

Mr. Speaker, I commend the chairman of the Committee on Appropriations, the gentleman from Louisiana (Mr. LIVINGSTON), for requesting an open rule on this important legislation. Recognizing that certain members have particular concerns about the bill, the Committee on Rules has reported a rule which permits those wishing to offer amendments to do so.

Accordingly, Mr. Speaker, I urge my colleagues to support both the rule and the underlying legislation, H.R. 4193.

Mr. Speaker, I reserve the balance of my time.

POINT OF ORDER

Mr. YATES. Mr. Speaker, I make a point of order that a quorum is not present and move a call of the House.

The SPEAKER pro tempore. Under clause 6, rule XV of the House, the Chair cannot entertain a point of no quorum at this stage.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. YATES. Mr. Speaker, at what stage then can the point of no quorum be made?

The SPEAKER pro tempore. At such time as the Chair is putting the question to a vote.

Mr. YATES. Mr. Speaker, we have a very important debate coming up on the rule itself, and I would think that this is the proper time for the Chair to consider that Members of the House ought to hear the debate. I respectfully ask the Chair to have that in mind when it makes the ruling.

The SPEAKER pro tempore. Clause 6 of rule XV restrains the Chair from entertaining the point of order at this point in time.

The gentlewoman from New York (Ms. SLAUGHTER) is recognized for 30 minutes.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Washington (Mr. HASTINGS) for yielding me the customary half hour.

Mr. Speaker, this rule has many good features. It is an open rule that will allow Members to work their will. It self-executes important amendments that deal with vital issues, such as the wildland fire suppression, forest health and Indian health care. In fact, I would have been pleased to vigorously support this rule if it had protected all portions of the committee-reported bill from points of order and if it had allowed the precedents of the House to determine the order in which Members would be recognized to offer amendments.

However, the rule reported by the Committee on Rules leaves unprotected a single provision of the bill, allowing that provision of the bill to be struck, but then the rule allows a specified majority member to offer an amendment to put the same provision back in the bill.

Now, why do we go through this charade? Because apparently they wanted to mollify a segment of the conference while simultaneously allowing a majority Member, who is not a member of the Committee on Appropriations or the authorizing committee, to appear to take a leadership role on the arts.

As the Chair of the Congressional Member Organization for the Arts, I encourage all Members to support the arts and welcome their active participation and leadership in the ongoing efforts to fund the National Endowment for the Arts at a reasonable level.

However, this year in particular, the decision to award this important amendment to a majority Member is extremely unfortunate. This is the last year in which debate on Federal support of the arts will be led by the distinguished ranking member of the Subcommittee on Interior of the Committee on Appropriations, the gentleman from Illinois (Mr. YATES). Known as the champion of the National Endowment for the Arts and credited for keeping it alive by the shear force of his will, the gentleman from Illinois (Mr. YATES) is retiring at the end of the year. Under the normal procedures of the House, the gentleman would have had the honor of offering amendments to strengthen the arts, but this rule deliberately snatches that honor from him, for purely partisan reasons.

Of course, this disappointment can never obscure the debt that artists, arts, educators and arts institutions across the Nation owe to their long time champion.

Mr. YATES. Mr. Speaker, will the gentlewoman yield?

Mrs. SLAUGHTER. I yield to the gentleman from Illinois.

MOTION TO ADJOURN

Mr. YATES. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. Does the gentlewoman from New York (Ms. SLAUGHTER) yield for that purpose?

Ms. SLAUGHTER. Mr. Speaker, I yield.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

> Mr. YATES of Illinois moves that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from Illinois (Mr. YATES).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 7, nays 382, not voting 45, as follows:

[Roll No. 309]

YEAS—7

Conyers
DeFazio
Filner
Gephardt
McDermott
Miller (CA)
Nadler

NAYS—382

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doyle
Dreier
Duncan
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Etheridge
Everett
Farr
Fattah
Fawell
Fazio
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E.B.
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Nussle
Oberstar
Obey
Olver
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Peterson (PA)
Petri
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sánchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates

NOT VOTING—45

Armey
Baker
Bilirakis
Burton
Cardin
Crapo
Danner
DeLay
Dixon
Doolittle
Dunn
Engel
Evans
Ewing
Ford
Gonzales
Harman
Hefner
Hill
John
Kaptur
Kennelly
Markey
McCrery
McDade
McHale
McNulty
Northup
Norwood
Ortiz
Owens
Pelosi
Peterson (MN)
Pickering
Pickett
Porter
Poshard
Roukema
Sanders
Schumer
Stenholm
Turner
Weldon (PA)
Young (AK)
Young (FL)

□ 1102

Messrs. HASTINGS of Florida, ISTOOK, LINDER, SAXTON, NUSSLE, WHITE, KLUG and COOKSEY changed their vote from "yea" to "nay."

Mr. MINGE changed his vote from "present" to "nay."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PROVIDING FOR CONSIDERATION OF H.R. 4193, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Ms. SLAUGHTER. Mr. Speaker, this is the last year in which debate on the Federal support for the arts will be led by the distinguished gentleman from Illinois (Mr. YATES), the ranking member of the Subcommittee on Interior of the Committee on Appropriations. Renowned as the champion of the NEA and credited for keeping it alive by the sheer force of his will, the gentleman from Illinois is retiring at the end of the year.

Under the usual procedures of the House, the gentleman would have the honor of offering amendments to strengthen the arts. But this rule takes that honor away from him. Of course, this disappointment can never obscure the debt that artists, art educators, and art institutions across the Nation owe to their long-time champion. History will record SID YATES' legacy, the vitality of the arts across our Nation.

This rule cannot tarnish SID YATES' leadership on the issue, but it does demonstrate the nature of the leadership so caught up in its power that it has the audacity to deny the foremost supporter of the arts one last chance to lead the battle for the NEA survival.

Mr. Speaker, I would like to take a few moments to talk about the National Endowment for the Arts. It has been 32 years since President Johnson signed into law the bill legislation that would create the National Endowment for the Arts. He, along with most Americans, believed that the Federal Government must have a role in supporting arts.

Since then we have seen a profound impact on the nonprofit arts community in this country. The number of arts agencies has risen from five in 1965 to 56 today. Local arts agencies have grown from 400 to 4,000. Nonprofit theaters from 56 to 425. Orchestras from 1,000 to 1,800, and opera companies from 27 to 120.

From an economic perspective, the benefits of the NEA are unmistakable. Last year, the $98 million allocated to the NEA provided the cornerstone for a $37 billion industry. For the price of one hundredth of one percent of the Federal budget, we helped create 1.3 million full-time jobs in States, cities, towns, and villages across the country, generating $3.4 billion for the Federal Treasury in income taxes.

The U.S. Conference of Mayors, and more than 100 CEOs of major corporations, all support the NEA because they recognize the contribution of the arts to our economy and to our culture.

Most importantly, we must not forget the impact of the arts on our Nation's most precious resource, our children. Providing students access to art has a significant impact on their overall development, including academic achievement and behavior. In fact, a study conducted by the College Entrance Examination Board showed that students with 4 or more years of arts classes raised their SAT scores by 53 points on the verbal and 35 points on the math portions of the test. For 36 cents per capita, how can we not even consider making this investment?

The NEA is also instrumental in making sure all Americans have access to the arts. Through its innovative new program, ArtsREACH, the agency is working to stimulate participation in areas that are often underserved by the arts grants. This program, which will be announcing its first set of grants later this year, provides funding directly to communities and States that receive fewer than five grants during the preceding year. With help from the NEA, communities develop a cultural plan with input from the local Chamber of Commerce, social service agencies, police departments, mayors, local artists and other community leaders. Outreach grants will enable communities to undertake such endeavors as building performance and exhibit spaces, enhancing opportunities in arts education, and developing arts alternatives for youth at risk.

Mr. Speaker, we may hear opponents of the NEA argue that the agency is no longer needed, that the private sector is fully capable of supporting the arts in America. I respectfully beg to differ.

Every Federal dollar spent by the National Endowment for the Arts leverages many additional public dollars at the State and local levels, as well as multiple private donations. Funding for the arts rests on a delicate balance of Federal, State, and local government funding, ticket sales, other earned income, as well as corporate and individual philanthropic giving. No arts organization can survive on earned income alone. In fiscal year 1997, the $99.5 million contributed by the Federal Government helped leverage $280 million in State funding and more than $675 million from local governments. The Federal Government needs to continue to do its share.

Mr. Speaker, it is time to stop holding the NEA a political hostage. We owe this to the agency, to the artists, and most importantly to our constituents.

In the 1996 Louis Harris poll, a majority of all Americans supported a Federal role in funding the arts. Federal funding for the arts has been and will continue to be a hallmark of civilized societies around the world. The benefits that we receive for our economy, for our children, and for our communities far outweigh our small financial investment. I urge my colleagues to oppose any efforts to shrink this important responsibility.

Mr. Speaker, the bill reported by the Committee on Appropriations recognized the benefits of the arts by providing $98 million, nearly level funding. That funding should have remained in the bill, making an amendment to restore it unnecessary.

However, this rule allows the funding to be struck and then allows an amendment to restore it. If the rule passes, I ask my colleagues to vote for the amendment to restore the NEA funding.

Mr. Speaker, I regret that the Committee on Rules chose this procedure; however, in the end, the rule does allow a straight up-or-down vote to provide funding for the National Endowment for the Arts.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New York (Mr. SOLOMON), chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Washington (Mr. HASTINGS) for yielding me this time.

Mr. Speaker, I was upstairs in my office up in the Committee on Rules preparing for some Rules meetings so that the House can expedite all of these appropriation bills that keep coming down here on us, and I heard the word "partisanship" mentioned several times.

Mr. Speaker, I am going to retire from this body come December 31, and the one thing I guess I will not miss about this body is when people stand up any time there is a disagreement and they start yelling partisanship. It should not be that way.

We can disagree. Reasonable people can disagree. But we ought to come down here and we ought to argue it out on a friendly basis. I say that with all due respect to the gentlewoman from New York (Ms. SLAUGHTER) who represents one of the nicest places in New York State, as I do. She represents Rochester, New York.

But let me explain why we are here in the first place. And I do so because there are not many Members, like the gentleman from Missouri (Mr. GEPHARDT) and myself and many others, who have been around here for a period of time. Two-thirds of the House is new in the last couple of elections, and maybe they do not understand. But, Mr. Speaker, we have rules in this House. And when we have appropriation bills, we generally bring those appropriation bills right to the floor and we let the House work its will.

Now, there is a problem with that because if we do that, then there are many items in these bills that are subject to points of order. That means they can be stricken out without any debate whatsoever. We have two Members of this body, one is departed, deceased now, and the other is about to leave with me in December. And his name is SID YATES, and the other was a man named Bill Natcher of Kentucky. They used to bring these bills right to the floor and let the House work their will.

If we did that we, of course, would not have a debate on an issue that is terribly important to many Members of the House on both sides of the aisle, and especially to the gentleman from Illinois (Mr. YATES) who is without a question the personification of the word "gentleman" in this body.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I thank the gentleman from New York (Mr. SOLOMON) very, very much, both for his very kind words and for yielding me this time.

Mr. Speaker, the gentleman from New York is incorrect in asserting that, like Bill Natcher, my good friend and his as well, I brought the Interior bill when I was chairman, to the floor, the Interior bill when I was chairman, without a rule. That is not correct.

I brought the bill to the floor asking for waivers of the unauthorized programs that were in the bill, including the National Endowment for the Arts. The gentleman from Massachusetts (Mr. MOAKLEY), who was then in the position now occupied by the distinguished gentleman from New York, gave us a waiver on all of those. The gentleman differs in that respect by refusing to grant that waiver to the National Endowment for the Arts.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, I thank the gentleman from Illinois for his clarification. Let me just point out the difference now between the current majority and the old Democratic majority.

In the past, the Committee on Appropriations would overrule the standing committees, the authorizing committees, of which there are 13 in this body. They would legislate in their appropriation bills. This would create a lot of animosity on both sides of the aisle.

We now have a protocol where if an issue appears in an appropriation bill, and it has not been authorized by the authorizing committee which, under the rules of this House, has the obligation to deal with these authorization programs, then we just do not protect them unless we do have the support of the authorizing committee.

Mr. Speaker, here is the letter from the gentleman from Pennsylvania (Mr. GOODLING), chairman of the Committee on Education and the Workforce. The gentleman points out that his committee has not authorized the National Endowment for the Arts, nor do they intend to this year. That means, under normal protocol then, we would simply leave this issue unprotected and that would be the end of it because some Member, like myself who opposes Federal funding of the National Endowment for the Arts, and we can differ on that whether that is right or wrong, but I or any other Member should stand up and strike it. There would be no debate on this issue.

Now, instead of that, in trying to be fair to Members on both sides of the aisle, Republicans and Democrats both divided on this issue, we issued a rule and we lived up to the protocol, our obligation to the authorizing committees and we left the NEA funding exposed.

Now, we also wrote into the rule, and I have the language right here, that if someone, myself or anyone else, should strike the funding for the NEA because it had not been authorized, we would then make in order an amendment by the gentlewoman from Connecticut (Mrs. NANCY JOHNSON), wherever she is here, that would restore $98 million, the entire funding match from last year, to this issue, and we would have a debate, up or down, on this bill.

Now, we did something else earlier on, because in the Committee on Appropriations I think our good friend, the gentleman from Wisconsin (Mr. OBEY), who is also one of the highly respected Members of this body, saw fit to offer an amendment where he placed in the appropriation bill money for this unauthorized program, and he took it out of the account which funds fire fighting on Federal lands in this country. Now, that to me is a high priority. We know the heat wave that is striking this country. We need those funds in the bill.

We have self-executed into this bill the funds that were taken out of it for fire fighting, at the request of the gentlewoman from Idaho (Mrs. HELEN CHENOWETH). It is her amendment. And I want to commend her highly, because if it were not for her, right now these funds would not be in this bill. So I highly commend the gentlewoman for what she has done.

Now, her amendment, once this rule passes, is in the bill. It restores the $67 million. Now, then, the House is going to have the opportunity, whether Members are for or against the NEA, to work its will on an up or down vote. We cannot be any more fair than that. And we have attempted to be as fair as we possibly could.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Could the gentleman claim some time from the gentlewoman from New York (Ms. SLAUGHTER)?

Mr. OBEY. Since the gentleman used my name, I want the gentleman to yield to me.

Mr. SOLOMON. Well, I am cutting into other Members' time, but I will yield for 30 seconds.

Mr. OBEY. Thirty seconds is all I need.

I would simply point out that money was taken from the fire fighting account because that was where money was intentionally parked by the committee, which they knew was above the amount that they were going to be asked to be spent on that item anyway. So we took the money from the account that the gentleman's own committee leadership planned to take it from to do the very thing that we did. I do not know how we can be blamed for that.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, I do not think the gentleman can explain that to the 21 fire fighters from my district that went out to fight fires and were gone for 3 months in this country.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. GEPHARDT), the minority leader of the House of Representatives.

Mr. GEPHARDT. Mr. Speaker, I rise today to speak against the Republican rule on the National Endowment for the Arts and in support of full funding for the NEA. We must make this commitment not only to fulfill our Nation's cultural life but also to nourish the local economic development efforts which rise from our investments in the arts.

I hope that the majority of the House will eventually support funding for the National Endowment for the Arts, but we can only get there by crossing an obstacle course put in place by the Republican leadership. Their Byzantine maneuvering on this rule is a waste of the House's precious time.

Support for NEA is more than just about the love of art or high-minded support of cultural endeavors. It is about supporting the efforts of State and local governments to create economic growth. The NEA's funding goes to projects which increase economic opportunity by promoting the cultural and artistic activities of local citizens. The arts enhance a community's quality of life, thereby attracting industry, jobs, and increasing the tax base. Investment in the arts is both economically prudent and wise.

Federal funds are leveraged by localities to bring about a bigger bang for the NEA buck. The $98 million invested in the NEA by the Federal Government stimulated State and local governments to provide more than $975 million to the arts. This is big business: The nonprofit arts industry generates $36 billion of business annually and supports 1.3 million full-time jobs.

And the NEA benefits rural as well as urban areas. The NEA's partnerships foster rural community revitalization, downtown development, and historic revitalization. The cultural traditions of local communities can serve as a strategy for economic development of economically depressed rural communities.

Also, funding for the NEA is about supporting a full and rich education for our children. In 1997, 10 percent of its annual grant dollars were spent in support of pre-K through 12 arts education programs. NEA grants are used to provide educational opportunities for millions of children to learn and be enriched by the arts, opportunities that would not exist without the NEA.

So we need to fund the NEA to make sure that we nurture the artistic capabilities of all Americans. Funding for the NEA is a small investment in the spiritual and intellectual health of our country. It has and will continue to pay great dividends for our Nation, far beyond its modest cost.

I urge my colleagues to reject this rule and support full funding for the National Endowment for the Arts.

Mr. HASTINGS of Washington. Mr. Speaker, how much time is there on both sides?

The SPEAKER pro tempore (Mr. NEY). Both sides have 19 minutes remaining.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 5 minutes to the gentlewoman from Idaho (Mrs. CHENOWETH).

Mrs. CHENOWETH. Mr. Speaker, I thank the gentleman from Washington for yielding me this time.

Mr. Speaker, I first want to express my heartfelt appreciation to the chairman of the Committee on Rules, my friend, the gentleman from New York (Mr. JERRY SOLOMON), and I will miss him terribly. The gentleman from New York worked tirelessly to guarantee that my amendment to increase wild land fire fighting capabilities is considered as adopted, and I thank the chairman for recognizing the importance of the funding of this account and for his leadership.

Mr. Speaker, as chairman of the Subcommittee on Forests and Forest Health of the Committee on Resources, it is easy to understand my elation when I learned that the Subcommittee on Interior of the Committee on Appropriations increased the wild land fire management account. With roughly a half million acres burned and burning in Florida, and I guess just the recent rains have just finally put those fires out, and with one and a half million acres burned so far this year nationwide, the subcommittee properly funded the fire fighting account and they funded it at a higher level.

This should be a national priority, to make sure that our national resources do not burn. We very well may have a record fire year this year, even exceeding the fire year of 1910. I would not be surprised to see more acres burn this year than in 1910. The subcommittee's response was very proper. So, Mr. Speaker, when the full appropriations legislation left the fire fighting budget seriously underfunded, my disappointment and distress should come as no surprise.

Now, let me say that I appreciate the arts. Let me also say that I declared a major in music. Let me also say I received a scholarship in music. My whole family is very, very musical. I appreciate the arts. But this is a Nation that must have its funds in order and its priorities in order as to how we expend these funds.

When we are a Nation that can meet the necessary services, like a national defense, fire fighting for our public lands, and take good care of the resources that we already have, such as our forests, then, absent pornographic arts, maybe there is a case that can be made for the National Endowment for the Arts, but only after we have taken care of all the necessary services.

I am not sure that this should ever be a function of the Federal Government. The ultimate irony is that funding for the National Endowment for the Arts came from the fire fighting account. Now, that is a misprioritization of our funds. It would be especially odd considering that the NEA is an organization this body has elected to terminate. But to fund the NEA at the cost of the wild land fire fighting capabilities is unacceptable.

I appreciate the Committee on Rules accepting my amendment to reconfirm our priorities. I do not intend to engage in a debate in the validity of using taxpayers' monies at this point in time for the arts. Suffice it to say that I do not support the NEA in its present form. I will say, though, that when the Federal Government controls vast amounts of land and absolutely refuses to take steps to prevent and control wildfires, steps such as thinning or harvesting dead and dying timber, and steps such as providing roads, like they admit now they needed in Florida in order to prevent the wildfires from spreading, the Federal Government must pay for fire suppression and protect communities, forests, wildlife habitat and the State and private forests and private property.

The Clinton Administration's hands-off approach to forest management is coming back to haunt us. The administration's poor management has resulted in some very serious fires. In 1996 we burned 3 million acres. How many more acres will it take for them to wake up and change their management priorities? We are, at the beginning of this summer, at 1.5 million acres already and counting, and it is only mid-July. Their attitude has been let it burn, but just be sure and get a good picture.

I am pleased again, Mr. Speaker, that our chairman of the Committee on Rules, the gentleman from New York (Mr. SOLOMON), worked so hard to help me in restoring funding.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, this is a strange rule. In almost 50 years in the House, I have seen a lot of strange rules, but I think this is probably the strangest and probably the most political.

The Committee on Appropriations had gone out of its way to approve the amendment offered by the gentleman from Wisconsin (Mr. OBEY) to re-fund the National Endowment for the Arts. This rule kills the action of the subcommittee.

And, incidentally, that vote was a bipartisan one. Not only the Democrats, but five Republicans helped pass the Obey amendment. This rule kills the action of the Committee by denying a waiver that would bar a point of order for lack of authorization of the program.

Then the rule turns around, having taken the money away from NEA, and tries to put it back by giving the gentlewoman from Connecticut (Mrs. JOHNSON) the opportunity to offer an amendment to restore it.

My good friend, the chairman of the Committee on Rules, says "What could be fairer than that?" I will tell the gentleman that, in my opinion, what could be fairer than that would be if he had provided the waiver for NEA that he gave to about 30 other unauthorized programs in the bill. NEA was unfairly singled out for the denial of a waiver.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. YATES. The gentleman yielded to me. I will be very glad to yield to the gentleman from New York.

□ 1130

Mr. SOLOMON. Mr. Speaker, I would just point out to the respected gentleman that no other authorizing committee had asked to leave a point of order stand except this one.

Let me say to the gentleman, the only fair thing was to do it the way we did it. The other alternative, and I will say this to the gentleman from Missouri (Mr. GEPHARDT), wherever he may be, because he argued to defeat the rule: If we defeat the rule, the bill comes on the floor without a rule; under regular order of the House, someone stands up and strikes the funding for the NEA, and then there is no debate and there is no funding.

I do not think the gentleman wants that, and the gentleman from Missouri (Mr. GEPHARDT) should reconsider.

Mr. YATES. Mr. Speaker, reclaiming my time, I think that does not vitiate the error that took place in not having waived the rule of the House for NEA, as was done for the other programs.

For 10 years we have brought our bill to the Committee on Rules asking for a waiver of all the unauthorized programs. When the gentleman from Massachusetts (Mr. MOAKLEY) occupied the Chairman's seat now claimed by the gentleman from New York (Mr. SOLOMON), he gave this waiver to NEA and we brought it to the floor and we handled it successfully.

The SPEAKER pro tempore (Mr. NEY). The time of the gentleman from Illinois (Mr. YATES) has expired.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, I thank the gentleman for yielding, and I thank both him and the chairman of the committee as well for their cooperation.

Mr. Speaker, I just wanted the additional time so I could advise the House that I intend to fight the previous question when the rule comes up for a vote. We have prepared an amended rule with a waiver for NEA that will be presented to the House, to place it in the same equal status as the other unauthorized programs, and I would hope that the House would approve that amended rule.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, I rise today in support of this rule and for this legislation, the FY 1999 Interior appropriations bill.

I also want to thank the chairman, the gentleman from Ohio (Mr. REGULA), and the gentleman from Illinois (Mr. YATES), the ranking member, for their bipartisan support of the Midewin National Tallgrass Prairie at the former Joliet Arsenal in Illinois, what we call the Land of Lincoln.

The former Joliet Arsenal in my congressional district was converted to peacetime uses by way of legislation passed by this House and signed into law by the President in 1996. Out of this legislation came the Midewin National Tallgrass Prairie, the largest conservation area of its kind, 19,000 acres, which will be available for generations to come.

The Midewin Prairie was established to conserve and enhance native populations and habitats of fish, wildlife, and plants; to provide opportunities for environmental education and scientific research; and to provide recreational opportunities for the millions of people in the Chicago Midwest and throughout our Nation.

This committee has been very helpful in support of the development of the Midewin. The Midewin is now on its way to becoming what some have called the Yellowstone of the Midwest. This legislation contains $2.7 million for operations, planning and design and for development so that visitors can be coming in the coming year.

As my colleagues know, this is a high priority environmental initiative. This project has long had bipartisan support, including support from the entire Illinois delegation. My friend and colleague the gentleman from Illinois (Mr. YATES) has been a great advocate and supporter of the Midewin, and I salute him for that.

Creation of the Midewin Tallgrass Prairie was widely supported by business, labor, veterans, the environmental community, local elected officials, and our outgoing Governor Jim Edgar. The U.S. Forest Service, in partnership with the Illinois Department of Natural Resources, has been working with various agencies, organizations and individuals, including to the point where "Team Midewin" has obtained $2.3 million in private sector support for the development of the Midewin Prairie.

This is an excellent example of a public-private partnership. I again want to thank the Committee on Appropriations, under the leadership of the gentleman from Ohio (Mr. REGULA) and the gentleman from Illinois (Mr. YATES), for funding this project. It is important to Illinois. It is important to our Nation. It is a top environmental priority. I thank them for supporting the Midewin Tallgrass Prairie. I urge support of this legislation.

Ms. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I take the floor today not so much in anger as in bemusement. This rule is the most blatantly partisan manipulation of the House rules that I have seen in my 29 years' service here. And I guess what I feel more than anything else is simply sorrow for those who feel that they have to engage in such manipulations in order to claim political victories.

I think we ought to take a look at the history of the arts to understand what is being done here today and why. The history is that, for the last 2 years and really for a number of years before that, a large segment of the Republican Caucus in this House has had as its number one mission the elimination of all Federal funding for the arts. Last year no money was provided for funding for the arts in this bill by the majority party, and it took a clear veto threat from the President and a clear bipartisan resistance to their position by the Senate and an insistence by House Democrats that funding be restored before the conference committee on this bill last year did in fact restore the money.

This year, the Republican majority gave zero dollars for the arts in the original bill that came before our committee. In committee, I offered the amendment to restore funding. It was adopted by a virtually unanimous Democratic vote with, I believe, 5 additional Republican friends supporting us to create a bipartisan majority for funding the arts.

This rule under which the bill will now be debated simply allows a single Member to eliminate the funding for the arts under the excuse that they are not technically authorized. And then it makes it in order to restore the very money which they will have just stricken, but only if that amendment is offered by a Republican.

Is there anyone on the House floor who does not see through that charade? Is there anyone who does not understand that what this indicates more than anything else is that this House, in the closing days before the election, is being turned by the majority leadership from a legislative body into a reelection machine? Does anybody really believe there is any other game but that going on?

It is really, in my view, this kind of manipulation that makes so many people back home think that politics in this Congress has become more a question of what politicians do to each other rather than what we are supposed to be doing for the people we represent. And in my view, it is a regrettable chapter in the history of the House.

The rule has only one purpose. It knocks out funding put in the bill on a Democratic motion for the purpose of giving a Republican Member a chance to claim credit for putting it back, and it also has the parliamentary effect of raising the number of votes required to preserve the arts because we have to have a majority to put the money back in rather than a majority to take it out. That is all it does.

And all I would say to my friends on the Republican side is that if that is what it takes to make them feel good, if that is what it takes to make them feel a little bit more secure from public opinion, by all means, go ahead. But it is not going to fool anybody, not on this floor and not anybody watching.

So go ahead, play the partisan games. It is amazing to me to see what some people will do in order to try to claim a political victory. But in the end, what counts is not these partisan manipulations; it is whether or not the arts are funded. That is a grace note this society needs.

And so, regardless of the ludicrousness of the rule, I expect to support the amendment when the time comes.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. GOSS), a member of the Committee on Rules.

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from Washington (Mr. HASTINGS) for yielding me the time.

Mr. Speaker, I rise in strong support of the rule. It is also a rule that keeps our word to those who desired an up or down vote on the controversial subject of the NEA.

I know that the NEA supporters are upset that the burden has shifted. I have been a supporter of the NEA in the past. I know it is well-championed. But I happen to believe under this rule we are going to end up in the right place, if we do it even a different way, and I think we are going to have a good debate.

I am also pleased that the rule self-executes an amendment to fully fund the wild land fire suppression operation, which is of course a critical issue for the folks in my home State of Florida, given the horrible experience we have just had there.

As usual, the gentleman from Ohio (Mr. REGULA) has done an extraordinarily good job of balancing very difficult issues, and I want to publicly thank him. This year's bill provides much needed funding increases for the national parks, the national forest system, and the national wildlife refuges.

I am especially appreciative of the committee's attention to a number of initiatives important to my home State of Florida, not only the fires, but the Everglades, the OCS Moratorium, and the Coastal Barrier Resources system. These are all things that are vital to our quality of life, and they are all truly national assets.

While we have an opportunity to discuss the Coastal Barrier Resources issue in more detail later on if my colleague the gentleman from Maryland (Mr. GILCHREST) offers an amendment, I hope that people will reject the Gilchrest amendment if it is offered.

I generally support the efforts of the gentleman from Maryland (Mr. GILCHREST) to promote our barrier islands. He is a true champion in that respect. But the particular amendment that he is proposing today, or may propose today, strips out a provision in the bill that ensures that a law that has already been signed by the President, 2 years ago in fact, making technical corrections to the Coastal Barrier system maps goes forward. It seems to me that we have already fixed that problem and we do not need to go back.

I agree with what the gentleman from Maryland (Mr. GILCHREST) is saying prospectively, but I hope that his amendment today will not pass because it unties the fixes that we have made to settle the maps correctly and get them done properly in a fair interest between private-property rights' interests and the public's interest.

I urge support for the rule and the underlying bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I would be remiss if I did not start off by congratulating the gentleman from Illinois (Mr. YATES) for his over 30 years of leadership in funding for the arts and on many other subjects.

Mr. Speaker, I know there is a great deal of controversy surrounding this rule, but rise today because I think it is necessary to restate the vital importance of the National Endowment for the Arts.

Thanks in part to the NEA, the non-profit arts industry now generates more than $36 billion of business annually, supports 1.3 million full-time jobs, and returns $3.4 billion in federal taxes every year.

Many local agencies have formed partnerships with local school districts, law enforcement, parks and recreation departments, chambers of commerce, libraries, and neighborhood organizations. Together they have used the arts to address local community development issues.

The NEA, however, does much more than just fund local arts agencies. The NEA supports nationally important work like the Vietnam Veterans Memorial, public television programs, and numerous touring artist groups that bring excellent art to local communities all across the nation. What state arts agency would spend its limited funds on touring dance or theater groups outside of their state? Only the NEA would support these types of touring arts groups who travel across the country bringing the arts to the American people.

The NEA also supports arts education, which is essential in developing critical thinking skills such as reading, math and science. Last year, the NEA invested $8.2 million, 10% of its annual grants, in kindergarten through grade 12 arts programs. The U.S. Labor Department report of the Secretary's Commission on Achieving Necessary Skills cites the important role of arts education in achieving many "core competencies" for the workplace, including creative problem solving, allocating resources, team building and exercising individual responsibility.

In short, the NEA is good for education and good for our children. NEA funds help every State in the country. The NEA is a sound economic investment by the federal government, and it plays a critical role in improving our everyday lives and promoting the general welfare. I personally feel that one thing that has been proven by its distinguished history is that, when it comes to fostering the arts, the NEA is the best option there is, the best there was, and the best that—for the foreseeable future—there ever will be.

Mr. Speaker, the arts are vital in American life, and the NEA is vital to promote the arts. It has contributed to the tremendous growth of professional orchestras, nonprofit theaters, dance companies and opera companies throughout the country. Before the NEA, there were 58 orchestras in the country. Today there are more than 1,000. Before the NEA, there were 37 professional dance companies. Now there are 300. Before the NEA, only 1 million people attended theater each year. Today more than 55 million attend a year.

The NEA also stimulates the growth of local arts agencies and investment in the arts by State and local government. Before the NEA, only 5 States had State-funded arts councils. Today all 50 States do.

Mr. Speaker, we should not only continue funding the NEA; we ought to increase its funding substantially. That is why it is unfortunate we are considering this vital program under this silly rule. The Committee has already voted to restore the NEA's funding, and now we are here playing games with the rule that takes out this funding precisely so that we can debate putting it back in. What is most important today is that we live up to our constitutional obligation to promote the general welfare, and that means protecting and promoting the National Endowment for the Arts.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Speaker, I rise in strong support of this rule; and I do so with the greatest respect for my very good friend, the gentleman from Illinois (SID YATES) who, as the gentleman from New York (Mr. SOLOMON) said earlier, is going to be retiring.

The gentleman from Illinois (Mr. YATES) has over the last several weeks been insisting that the genes that have come from my late father will continue, because it is no secret that my father, who was very active as the head of the Lyric Opera Company in Kansas City, Missouri and several other organizations, was a strong supporter of the National Endowment for the Arts and encouraged me to do that.

But let me just talk for a moment about this rule. I have heard words like "Byzantine" and "extreme partisanship" used to describe this rule, and I think it is important for us to note that there is a great deal of controversy about the National Endowment for the Arts.

□ 1145

I am on record in the past saying while I am a very strong supporter of the arts, I make personal contributions to different efforts around the country, I do believe that when we look at the limited resources that we have here in Washington, D.C. and the fact that priorities need to be established, I think it is a very justifiable debate to say that expending hard-working taxpayer dollars on the arts is in fact not the most responsible use of those dollars when we have a very strong economy and voluntary contributions, with tax deductibility, can in fact be expanded.

But as far as this rule is concerned, Mr. Speaker, it seems to me that with this controversy we have without an authorization run by this structure that we have put into place saying that we should not have this measure protected in the appropriations bill but we will still, when it is struck out, have the opportunity for an up-or-down vote to be made with the Johnson amendment that will be made in order. So I think that the rhetoric is what has troubled me in saying that this is somehow Byzantine and extremely partisan when we are giving the debate an opportunity to be heard in the House. I do support this rule and the final bill as it comes forward.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. TANNER).

Mr. TANNER. Mr. Speaker, I too want to thank the gentleman from Ohio (Mr. REGULA) and the gentleman from Illinois (Mr. YATES) for what they have done with the underlying bill. But I want to talk about a matter that involves part of our district in Tennessee, the Land Between the Lakes, because there is a legislative provision protected in the rule that makes little economic sense, is unfair to the people of the country and is punitive toward the Tennessee valley.

LBL, Land Between the Lakes, is currently managed by the Tennessee Valley Authority with an annual budget of about $11 million, $4.5 million of that coming from user fees. It draws more than 2 million visitors each year and is the hub of our local economy.

TVA's management, policies and employees' performance at LBL has been under a thinly disguised attack by the House leadership for more than 2 years, notwithstanding the fact that virtually every objective person who has an interest in its future agrees that TVA is doing a good job of stewardship. The TVA Caucus, the National Wild Turkey Federation, the Tennessee Conservation League, and the Land Between the Lakes Association all say so.

This record of sound management now depends on the outcome of a House-Senate conference reconciling fiscal year 1999 energy and water appropriations.

What is protected in this rule is the backup plan, what they characterize as a backup plan. It is part of the continued attack on TVA in general and in my judgment will ultimately imperil LBL's future as the national treasure as a wilderness area in the eastern United States it is. It sets in motion a transfer of LBL's management to the National Forest Service.

Given the budget considerations that the Forest Service has in respect to the problems it has budgetarily outlined in the Public Lands Funding Initiative, I would hate to see LBL get lost in the Forest Service backlog.

Let me just say this. Transferring LBL to the Forest Service or perhaps other Federal agencies in my judgment will not save the taxpayers of this country one single dime. This is not the way to go on LBL.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 6 minutes to the gentleman from Ohio (Mr. REGULA), the distinguished subcommittee chairman who is responsible for this legislation.

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding me this time. First of all I want to say I have been pleased with the debate we have had on this rule. I think we have had many different points of view expressed. I hope that the entire bill will be treated with the same courtesy and respect for the opinions of others.

It is clear that one of the major issues in the bill is the National Endowment for the Arts. We have wrestled with this issue, the gentleman from Illinois and myself, for several years. Last year we went through a rather convoluted procedure to get to a final disposition.

So I started out 6 months ago doing some missionary work to reach a solution on the NEA. I talked to those on our side who would like to abolish it, I talked to the leadership on the other side and to the gentleman from Illinois (Mr. YATES). We finally reached an agreement that we would come to the floor with a zero funding for the NEA. There was an agreement that we would get a waiver on an amendment so to put the funding in and the Members of the House could have an up or down vote.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, when the gentleman from Ohio and I came to that agreement, I had the impression that the effort for the vote would be led by the Democrats, as it has been over the last several years, and I was unaware of the convoluted structure that the rule was going to take.

Mr. REGULA. I understand. I think he has some legitimate concerns, and I had not really said particularly who should offer the amendment. My mission was to get a clean vote so we would know where 435 Members of this House stood on the basic issue, and, that is, Is it the government's role to fund the NEA? With all the restrictions, we have put on the NEA, most recently the original Senate amendment on obscenity upheld by the Supreme Court last month, plus the fact that we have three Members of the House and three of the Senate sitting on the National Council. I know that a couple of these Members are not very big fans of the arts, to say the least.

So we have worked out the arrangement to come to the floor with zero funding, and I think in good faith the gentleman from Wisconsin (Mr. OBEY) offered the amendment in the full committee, not being sure that this agreement would stick in the House. That is what brought us to where we are today. We are going to have the clean vote on the NEA.

Let me say to my friends on the other side of the aisle, there is a difference. Had the gentleman from Wisconsin's language been given a waiver, we would have had a series of amendments from this side, to cut the NEA by 2 percent, 3 percent, 4 percent. The gentleman from Illinois and I went through that before, with attempts made to cut it, and then obviously an amendment to take it out completely.

What the Committee on Rules has done here is something unique, to give us that clean vote that the gentleman from Illinois and I had agreed was an important element of all this, and, the rule provides for this vote. This makes it different than the Obey amendment, since there can be no amendments to the amendment putting the money back in. That is a different dynamic than would have been the case had there been a waiver on the Obey language. So I think this is an important difference.

I think given all those circumstances, I hope my friends will not push the issue on the previous question, that they will support the rule. Other than that issue and it is clear from the discussion this morning, that is the issue in many respects because most of the statements here have been directed to the NEA rather than the merits or demerits, of the rule itself. We are going to have that opportunity.

There are a lot of other good things in this bill. It is a very balanced bill, it is very fair, it is totally nonpartisan as I think the gentleman from Illinois would agree. We did not ask on projects or programs, "Is this a Democratic or Republican program?", we asked, "Does it have merit?" Because we had a limited amount of money. We had $200 million less this year than last year to meet the needs of what probably are the most popular programs in our government, parks, forests, fish and wildlife, the Bureau of Land Management.

I hope Members will read the report. We have a section on the recreation on all of our land agencies plus the cultural agencies, the Smithsonian, the National Gallery, the Holocaust Memorial Council, the Kennedy Center, and others.

So it is a very good bill. It is very reasonable in the way we have approached things. I think we have been fair in the allocation of the resources and fair to the Members. Most importantly we have been fair to the people of this Nation, because we have tried to preserve the jewels of our cultural heritage, as well as our ecological, our natural heritage.

I would urge all the Members to support the previous question and support the rule. Let us have a debate on the merits of NEA. Let us have a debate on the merits of other programs and the way in which we have allocated the funds available to us.

I urge both sides to vote "yes" on the previous question and "yes" on the rule.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I support funding for the Endowment for the Arts.

On the central coast of California, thousands of people of all ages have been thrilled and inspired by a variety of programs, exhibits and performances made possible by NEA funding. For example, the Children's Creative Project, the Cal Poly Arts Program, the Cuesta College Public Events Program and the Santa Barbara Museum of Arts all have benefited from NEA seed money.

I have worked in schools for over 20 years and I have also seen firsthand the advantages of our education. Art opportunities teach our children rhythm and design. But they also teach critical thinking skills and portable creativity. My State, a leader in computer technology and programming, demands a workforce that can think and work innovatively. These skills do not begin in college with an engineering class but in a child's elementary art class or a class trip to the museum.

I urge my colleagues to restore funding for the NEA. It is matching funds but it allows private dollars to grow.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, what an embarrassment. Once again NEA is under attack here in the House of Representatives. Opponents of NEA cry fiscal discipline. The majority party employs procedural wizardry, as if the richest Nation in the world needs to be the most culturally impoverished. We know that the dollars we invest in the NEA multiply many times over.

So what are we really witnessing here? We are witnessing an assault on free expression, a war on culture, a rule that denies the gentleman from Illinois (Mr. YATES) his earned right. This is a battle as old as the stockades in puritan times and just as wrongheaded.

I urge my colleagues, oppose this rule, support a bipartisan effort to fully fund the NEA. It is a small investment with a return as vast as your imagination.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Speaker, I rise to acknowledge that this appropriations issue is probably led in this House by two of the finest gentlemen in here, the gentleman from Ohio and the gentleman from Illinois. It is indeed a beautiful relationship between two senior men in this legislature who have done such an outstanding job in this appropriation, one of the most important for our country because it is really about our soul, about the land and the culture.

□ 1200

What I am concerned about is that we again have to bring to the floor and go through a very difficult debate on funding the NEA. The National Endowment for the Arts is not a debate just about arts. It is a debate about whether we are willing to be creative in America. If we are not creative, we are going to lose the competitive advantage.

There is not an industry in the United States that does not depend on the arts, does not depend on the imagination, does not depend on the ability to look at things, as they say, outside the box.

The people with that creativity come through the art world. It is as the same fingers that operate the computers that operate the piano keys. We have to realize in this country that, if we forgo support for the arts, we forgo our culture.

Look at this room and this building. Is this not about art and history of our country? So the National Endowment should not be coming to the floor struggling. We are appropriating $98 million.

A few weeks ago, we had a debate which I supported on giving support for marketing our agricultural crops abroad. We are appropriating more money to sell oranges than we appropriate for the National Endowment for the Arts. I think that is a pity in a country that is probably the most creative country in the world.

So when we talk about the arts, let us talk about business. Let us talk about why all of Wall Street supports the National Endowment for the Arts. Anything less hurts America.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to join my colleagues in expressing my disagreement with the proposed rule. But first of all, I would like to thank my colleague from Illinois who, for 48 years, has consistently fought for citizens' access to the arts. His dedication and assistance have been essential to the preservation of the NEA.

I have heard many miscalculated and illusory statements from those who want to destroy the National Endowment for the Arts. The arts and humanities are an important component to American life. The NEA brings the arts to communities all across America regardless of geographic location.

The arts and humanities can speak of things that cannot be spoken of in any other way. They foster a sense of community by advancing an understanding of history, culture, and ideas. It instills social values by helping people identify common bonds and connections.

While not large in terms of budget, these programs serve as an important catalyst and source of recognition for artists and programs throughout the country. Back in my own community, they are many: The West Side Cultural Arts Council, the Chicago Symphony Orchestra, Chicago Black Ensemble Theater Corporation, the School of the Art Institute of Chicago, the Black Ensemble's Little City Program, the Museum of Contemporary Art, Illinois Arts Alliance, and Field Museum.

I urge my colleagues to vote against the rule and vote for the preservation of, not just the arts, but the preservation of a way of life.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, why would we target a program like the NEA when it costs so little for our country but provides such a great benefit across this wide country?

We engage in a continual debate about cutting funding to this agency that increases citizens' access to the arts, helps us preserve our diverse cultural heritage, and stimulates private and local funding for the arts.

In many States, like Colorado, NEA funding provides the necessary funds for small museums in tiny towns, for school programs, for children who would never have any arts education, and for a variety of arts programs across the country.

This is an incredibly beneficial program. We should not be talking about cutting it. We should be talking about finding increased funding to provide this necessary public benefit across the country.

Ms. SLAUGHTER. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, I just want to say that I propose to have a vote on the previous question as I indicated when I addressed the House formerly. I would hope that, with the favorable vote on the previous question, I will then offer an amendment to provide the waiver for NEA that it deserves.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to make four points after hearing the debate here on the rule.

First of all, most of the debate here has been regarding NEA, which is only a small part of this bill. This is an open rule in all other areas. Members that have disagreements with what the committee has come up with will have an opportunity on the floor following this to perfect the bill as they see fit.

The second point is that we have protected the protocol of not authorizing on an appropriation bill without leave of the authorizers. We have tried to maintain that. We think that is good policy in the Committee on Rules under Chairman SOLOMON, and we have protected that. That is why the NEA is not protected.

Third, in the short time that I have been in this Congress, there has been a great deal of debate, I will not say dissension, but maybe that is a proper word, regarding NEA.

If I heard it once, I heard it a number of times, why do we not just have an up or down vote on this issue and be done with it. At the end of the day, that is precisely what we are going to have is an up or down vote on NEA.

Finally, I would like to make this observation. It was said in debate that the gentleman from Illinois who is retiring at the end of this year has worked very hard on this question. I do not think his work on this question will be forgotten because of the way this rule is structured at all. In fact, I think he will probably be remembered.

I might say that I happen to be one that disagrees with his position as far as Federal funding, but the gentleman's work will certainly be remembered; and I think that is important. Certainly when he leaves here, he can have some solace in that.

So I think this is a good rule. It provides an open rule. Mr. Speaker, I ask my colleagues to vote yes on the previous question, yes on the rule.

Mr. Speaker, I include the following explanation of ordering the previous question:

THE PREVIOUS QUESTION VOTE: WHAT IT MEANS

House Rule XVII ("Previous Question") provides in part that: "There shall be a motion for the previous question, which, being ordered by a majority of the Members voting, if a quorum is present, shall have the effect to cut off all debate and bring the House to a direct vote upon the immediate question or questions on which it has been asked or ordered."

In the case of a special rule or order of business resolution reported from the House Rules Committee, providing for the consideration of a specified legislative measure, the previous question is moved following the one hour of debate allowed for under House Rules.

The vote on the previous question is simply a procedural vote on whether to proceed to an immediate vote on adopting the resolution that sets the ground rules for debate and amendment on the legislation it would make in order. Therefore, the vote on the previous question has no substantive legislative or policy implications whatsoever.

Mr. MORAN of Virginia. Mr. Speaker, I rise in opposition to this rule because it does not protect the NEA funding included in the bill against points of order. Republicans will argue that the NEA should not be protected against a point of order because it is not currently authorized. That is utterly disingenuous and they know it. There are eight other unauthorized programs with funding totaling nearly $2 billion contained in this bill that are protected from points of order by this rule. The NEA is the only unauthorized program not protected by the rule. The fact of the matter is that if the rules committee was truly concerned about unauthorized programs, it wouldn't have allowed $2 billion in funds to be protected from a point of order, while singling out the $100 million included for the NEA.

Mr. Speaker, this rule allows funding for the NEA to be stripped from the bill because the Republicans want to cut the NEA. It's that simple. Every year since the Republicans gained the majority in Congress, we have had a divisive fight over arts funding, and every year the NEA has managed to survive those battles. This year, proponents of the arts were promised a clean vote on NEA funding, but they became concerned about that promise when the full committee voted to include funding for the arts in the bill. The Republicans know that if a bill came to the floor that included funding for the arts, it would put proponents of arts funding in a stronger position than if the bill did not include funding. So, instead of allowing the funding to be included in the bill, as it was reported out of full committee, the Republicans have put forth a rule that allows funding to be stripped, putting supporters of arts funding in the weaker position of putting arts funding back in the bill. This is a truly cynical procedure that this House should reject.

Mr. Speaker, as a member of the Interior Appropriations subcommittee, I have learned a great deal about the NEA in the last few years. I know that the NEA would admit it has made mistakes in the past, but it has instituted a series of management reforms to ensure that those types of problems will not recur. Even given those problems, opponents of the NEA can point to only a handful of questionable grants out of hundreds of thousands that have been awarded during the 32-year history of the NEA. After hearing real people and real artists discuss what the NEA has brought to them and to their communities, I know that the NEA is an incredible catalyst for bringing people together and expressing, in a creative fashion, the full range of the human experience. The National Endowment for the Arts is successfully working to bring arts to underserved communities, through after school youth programs that are introducing our young people to the power of creative expression as an alternative to violence, and through folk and traditional arts they remind us of our common bond and what it means to be an American.

I urge my colleagues to vote against this rule so that we can have a fair debate on the NEA and honor the views of the full committee, which voted to report a bill to this House that included $98 million in funding for the NEA. A vote against this rule is a vote for the arts.

Mr. HASTINGS of Washington. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. NEY). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. YATES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 5 of rule XV, the Chair will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 223, nays 196, not voting 15, as follows:

[Roll No. 310]

YEAS—223

Aderholt
Archer
Armey
Bachus
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—196

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—15

Baker
Bilirakis
Canady
Dixon
Ford
Gekas
Gonzalez
Hinojosa
John
Kennelly
McDade
McNulty
Norwood
Ortiz
Peterson (PA)

□ 1227

Ms. KILPATRICK, Mr. KILDEE and Mr. TURNER changed their vote from "yea" to "nay."

Mr. GILLMOR changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 224, noes 191, not voting 19, as follows:

[Roll No. 311]

AYES—224

Aderholt
Archer
Armey
Bachus
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (CA)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Granger
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug

Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—191

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (OH)
Harman
Hefner
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—19

Baker
Bilirakis
Dixon
Ford
Gekas
Gonzalez
Graham
Hastings (FL)
Hilliard
Hinchey
Hinojosa
John
Kennelly
Livingston
McDade
McNulty
Norwood
Ortiz
Rodriguez

☐ 1234

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. HINOJOSA. Mr. Speaker, during rollcall vote No. 310, and rollcall No. 311, I was unavoidably detained. Had I been present, I would have voted "no" on 310 and "no" on 311.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1891

Mr. LEWIS of Georgia. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1891.

The SPEAKER pro tempore (Mr. NEY). Is there objection to the request of the gentleman from Georgia?

There was no objection.

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, which we are about to consider, and that I may be permitted to include tables, charts, and other material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore (Mr. NEY). Pursuant to House Resolution 504 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4193.

☐ 1236

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. REGULA) and the gentleman from Illinois (Mr. YATES) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to introduce my statement with a quote from the Indian lore, from the Native Americans, and I think it sums up what this bill is all about. I quote: "We do not inherit this land from our ancestors; we borrow it from our children." That is a profound truth, and that is what we have tried to keep in mind as we have dealt with this legislation. I like to call this bill the "Take Pride in America" bill, because we can take pride in what has happened in this great land of ours, in the preservation of our great natural resources.

Several members of our committee had an opportunity to tour some of the parks in the system this last month, and I think we agreed that we found great pride on the part of the people that staff these facilities. I think the gentleman from Wisconsin (Mr. OBEY) would agree. He was part of our delegation, and saw that people in the land agencies are proud of their work and they put in a lot of extra time. We saw this in Yosemite where the storm damage has been repaired, a lot of it on time donated by members of the Park Service staff.

I also think that the record of volunteers in the land agencies is enormously impressive, and something we can all take pride in. Mr. Chairman, 94,000 people volunteered to work in our national parks without any compensation, but because they care about the land, they care about the parks. Mr. Chairman, there are 112,000 volunteers in the Forest Service; 28,000 volunteers in Fish and Wildlife; 17,000 volunteers in the Bureau of Land Management; and we of course are talking about a total of 617 million acres of the United States, about 30 percent of the land area.

We get a lot of foreign visitors. In our meeting with park officials, we learned that people come here from all over the world to view the national treasures, to view the unique ecological characteristics of our national parks, forests and other facilities.

We have extended the recreation fee program for two. We will talk more about that in general debate. It is anticipated to generate $500 million over a 5-year period. This is additional money, in fact, and the public has accepted it. One of the superintendents told me on our trip that people often want to give more. They say, "That is not enough," $2 to visit a park or $20 for a car load of people. They say, "We would like to contribute more." The same park people said that vandalism has been reduced because people become stakeholders. We can take pride in that.

We can take pride in the fact that as a Nation we commit almost $8 billion to programs for the Native Americans, not all in our bill, but across the board in many different bills.

Now, this has been a remarkable success story. I do not mention this in terms of just today, but I want to say it is there because of the leadership over the years of the gentleman from Illinois (Mr. YATES) and the gentleman from Pennsylvania (Mr. MCDADE). They are both going to leave the committee, and I think that is something we should note.

I could say a lot about the gentleman from Illinois (Mr. YATES) and his leadership. I have served 24 years with him. We have been partners, and as partners often will, we may have disagreed on policies, but never in a disagreeable way. He served on this committee for 48 years, 20 years as chairman.

Just to illustrate his leadership, I will give my colleagues a couple of instances. I remember the hearing on the National Endowment for the Arts when the gentleman brought in a group from Jessup, Iowa. Now, that is not exactly New York City; Jessup, Iowa is a pretty rural community. These young people came to our subcommittee and testified on how a string quartet had been sent there for a 6-month period, funded one-half by the National Endowment for the Arts, the other half by the local community. Obviously, this would not be a wealthy community, and yet they were willing to put up half the money to bring this cultural experience to their students. We had one of the students testify from Jessup about what an impact this grant, along with what his own community had spent, had made on the students in Jessup, Iowa.

The gentleman from Illinois (Mr. YATES) brought many examples such as this one during our period on the committee. Likewise, in terms of our natural resources, the redoing of the minerals management system was leadership that the gentleman provided. He really has truly lived and personified in his role on this subcommittee of the Indian saying, that we borrow this land from our children, and I know that he has always had a concern for it.

Likewise, the gentleman from Pennsylvania (Mr. MCDADE), who has been a member of this committee for 20 years. He always brought to the committee a desire to enhance the natural heritage that is a legacy for all of us and has given us wonderful service. We will miss these two individuals a great deal in terms of the subcommittee and the leadership they have provided over the years.

Also, we have had the thoughtful work of the gentleman from Colorado (Mr. SKAGGS), our friend who always brings to this committee intellectual curiosity. He always says, "is this the right thing to do?" and always I felt challenged as a chairman. Many times, after reflecting on what he had to say, I might disagree, but always he made a very good point in bringing a concern that he might have for some of the activities of our subcommittee.

Well, we could spend a lot of time on the three Members who have done so much to contribute to the strength of our committee and to the good work that it has done. The gentleman from Illinois (Mr. YATES), the gentleman from Pennsylvania (Mr. MCDADE), and the gentleman from Colorado (Mr. SKAGGS) will be missed from the committee's thoughtful deliberations.

Finally, I have some of charts, which will illustrate what we have done on the Native Americans. I think it outlines it very well. We do not have a lot of time to spend on the various activities of the bill.

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I would say at the outset, we were given $14 billion-plus in budget authority and $13 billion-plus in outlays. We have tried to manage our resources carefully. In fact, we are spending $2 million less this year than last. And that in the face of enormous backlog maintenance problems, in the face of great needs to expand the programs within the parks.

One item I would like to mention is that we have included the money to complete the Appalachian Trail, and the gentleman from Illinois (Mr. YATES) has been a leader for many years. Here we have a trail that is over 2,000 miles long and, thanks to the gentleman's leadership and follow-up as my partner, our team effort, this will be the last payment in the Appalachian Trail which is one of the great resources of the trails program in this Nation, and it will be totally public in terms of its land access.

I want to mention the recreation fee program in more detail. We extend it for 2 years, because we have had great support from the public, from the park leadership. Over a 5-year period, it will provide $500 million which will be used to enhance the visitor experience and will be used to deal with some of the backlog maintenance problems.

In terms of management, we are changing the structure somewhat. We do not want any more Delaware Water Gap outhouse projects. I say that because it is debilitating to the public support for the parks. And, therefore, we need to manage the construction programs in a way that people have confidence in the continued leadership.

Thanks to Members on both sides of the aisle on the Forest Service issue, we have eliminated the Purchaser Road Credit. This was always a problem in the past. This year we will not have any amendments on Purchaser Road Credit, because we took it out.

I must say these things were something that, as the gentleman from Illinois (Mr. YATES) always called me "a partner," and I likewise call him a partner, and it is just that we have agreed on that for good management.

With regard to SPR oil, we are no longer going to create money. We are not going to go in and invade the SPR oil account and sell oil just to provide us some additional funding. And, of course, because of that, in part, we are funding this bill with a reduced amount of money.

The "crown jewels," the Grand Canyon, Yellowstone and Yosemite, are being protected. We are recognizing their needs. But also, I think in the Bureau of Land Management and the Forest Service, we recognize the potential there for recreation. I would urge all Members to see the section in the report dealing with recreation. This is a new section, and it is a recognition that there has been an explosion of recreation usage by the public.

We often think of the Forest Service in terms of America's lumber needs. But in reality, the Forest Service has the largest number of visitor days, and the reason being that they offer a wide variety of opportunities to hunt, fish, snowmobile, camp, bird watch, whatever the desire might be in the use of public lands. And they have 192 million acres in federal land.

I think we have tried to have a responsible harvesting of fiber in the national forests. About 20 percent of the lumber used in the Nation comes from the national forests. And so I think it is important that we manage this resource carefully. We have vastly reduced the cut. About 7 years ago, the allowable cut was 11 billion board feet. We have reduced it to 3.6 billion, because we recognize the public is concerned about the environmental impact of heavy cutting.

But I would point out that we are growing 20 billion board feet every year. So even though we might harvest 3 billion-plus board feet, we are getting an additional 17 billion added to the stock of our national forests.

So this is important as we talk about reducing CO_2. There is no better way to reduce CO_2 than to have a tree, because it takes in the CO_2, and gives off oxygen. And that is part of what the Kyoto Agreement is all about, to reduce CO_2. I think we need to continue the expansion of our national forests.

The BLM lands get very little attention, but they had 65 million visitor days last year. One-third of the Nation's coal supply comes from BLM lands. That is from the public lands. Also, they preserve a lot of our recreation, natural historical and cultural resources, and they do have a very broad scope of land opportunities.

Something that I am very pleased to see happen is that our agencies are working together. The Bureau of Land Management and the Forest Service are consolidating their activities at the field level. They realize we all serve the same taxpayers, we all have the same mission, which is to preserve our public lands, and the public does not know whether this has a tag on it that says BLM or Forest Service. They just want this land to be taken care of.

In terms of saving money, this is terrific, I think, that they work together. And, likewise, the Department of Agriculture and Interior are coordinating their efforts on the Joint Fire Science Plan. This is good management, and it is good for the way in which we use our public lands.

Revenues, this is one of the few bills that produces revenues. Sale of the resources from our public lands totals about $8 billion. And that goes into the Treasury, helping defer the cost of providing the services that are part of our land usage.

I have mentioned the recreation fee program and we are getting a growing land usage. One of the things that we observed when we were visiting the parks this summer as a committee is the pressures that are growing for parking space, for traffic management, for the use of the facilities.

One of the things that we hope to address prospectively is ways in which we can better enhance the visitors' experience and avoid some of these problems of too many people loving their parks too much. We want to manage the parking problem. We want to manage the traffic problem so that the visitors can get the maximum amount of enjoyment out of their asset, the national public lands.

We looked at some of the construction needs of our parks. Housing is one that requires attention so that we can give the employees of the Park Service, the Forest Service, and the other land management agencies, an opportunity to live in a comfortable way.

We are changing the way in which we manage construction. Historically for the parks, the Denver Service Center has done this and their fees have come from overhead on the project. That does not provide a desirable accountability. So we are going to reduce the numbers of employees there.

We found that there are 500 people at Denver, whereas the other land management agencies have about 25 people each. We are putting them on-line, so that their budget will be part of the line-item budget and will have accountability for what they do.

These changes are the result of recommendations from the National Academy of Public Administration, who did an extensive oversight of the way in which we manage construction project. Again, this is an effort to stretch our dollars. Prospectively, we will require the Park Service to contract out 90 percent of construction projects to local architectural and engineering firms. Hopefully, we will get more efficient use of these construction dollars.

I mentioned the Purchaser Road Credit, we have eliminated it. But I want to point out also that we have include $91 million for road maintenance and decommissioning. That is to eliminate these roads which are of concern to people.

We put an increase of $6 million for road reconstruction and $93 million also as part of the road reconstruction program. This is an increase over last year, a statement that we recognize that these roads are important to the recreation user and we want them to be able to get in and out of the forest in a safe way. We only have $1 million for new roads and we provided $5 million for road obliteration. I think that is a positive direction in terms of those who are concerned about the environment.

Mr. Chairman, I mentioned about the amount of board feet that come out of the national forests, part of our resources, which allows us to reduce housing costs. In terms of fire, we heard discussion on the fire issue in the debate on the rule, but we had put in additional money for fire suppression and fire science so that we can deal with fire in the best possible way. There is a substantial amount of money left over from previous years, and I think we have very adequately taken care of our fire needs.

$2 million from the Department of Agriculture bill has been added to this bill to help with volunteer fire companies, recognizing that in communities where they have volunteer firefighting units, they need a little help, and they, in turn, can help the forestry people in dealing with fires. And we had $21.5 million in fire assistance to the States, places like Florida.

I think it should be pointed out that the Florida fires are pretty much on State lands, but nevertheless the Federal Government is helping as much as possible.

On Native Americans, I was disappointed in the administration's request. They reduced the amount on Indian Health Services and had we funded at the administration's level, only 25 percent of the Indian population would have dental services. This is from testimony from the American Dental Society.

We have tried to correct this gross inequity, and we have increased Indian Health Services by $147 million. And we have increased $50 million for facilities, clinics and so on and recognized our responsibility.

Some of you will remember some years ago we transferred the Biologic Resources Program to U.S. Geological Survey and I think they are doing a remarkably efficient job of providing science to all the land agencies. We tried to meet their budget needs, as well.

In Ecological Services of the Fish and Wildlife Service, we have included funding for the Endangered Species Act, to administer it. I hope the administration will come up with a bill to reauthorize the Endangered Species Act. It is not authorized. It needs reauthorization, and I would hope that we can get a bill from the administration, along with others that have offered bills, to deal with this problem because we have to just appropriate in light of the absence of an authorization program.

Energy programs. Obviously to meet the needs of the parks and the forests and the other agencies, we did cut back on the amount of funding in energy. And I might mention at this point that one of the things that we have emphasized in our programs is matching funds. We have said to those who want to have experimental programs in energy, for those who want to have other programs, "Okay, we will put up a dollar, but you have to put up a matching dollar from the private sector, or from a State, or whatever it might be." Therefore we have maximized considerably the amount money that we have had available to do energy programs.

Obviously, everyone who goes to the gas pump know that energy prices are relatively low. Part of this is the result of efficiency in the production of gasoline. I think the fact that we have low energy costs contributes very substantially to our strong economy.

We have to keep this success going. It is not a given. We are importing over half our petroleum. And, therefore, it is important that we maintain the SPR oil. And I think it is important that we maintain the programs that will give a more efficient use. I was struck by the fact that for every barrel that is extracted from wells, two barrels are left there. And if we can develop technology to get at least part of that extra two barrels, we will tremendously expand our domestic resources of petroleum.

Again, we have emphasized partnerships in these programs in terms of energy efficiency. We have increased energy efficiency funding 14 percent since 1996, and we recognize that energy efficiency is important in terms of using the resources to the best possible advantage.

In terms of weatherization, we have flat-funded it. The Federal Energy Management Program has got an increase because, again, this is a partnership that has been very effective in working with Federal agencies.

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National Endowment for the Arts. We will have plenty of opportunity to debate the NEA later on, so I will not take time on it now, other than to say to all the Members that they will have an opportunity to vote up or down on whether they think it is a proper function of the United States Government to provide funding for the cultural heritage of this Nation, for the enhancement of it, for the expansion, for the education of young people in terms of what they have as a cultural heritage.

We will have that vote, and I will mention at that time the fact that we have changed the NEA. We have six Members of the Congress that serve on the Council. We put a cap on funds that can go to any one State. Forty percent of the funding goes for set-aside programs for State grants. We have reduced the administrative funds. We have established priorities for grants for education, particularly in music.

And I would point out also that the obscenity restrictions adopted in 1990 are still part of the law. The Supreme Court, most recently in the Finley decision, upheld these obscenity restrictions. And we have eliminated grants to individuals for seasonal support and subgranting.

I think I can say categorically that there will be no more Maplethorps; that there will not be a "Corpus Christi," as has been alleged. That cannot happen under the restrictions that we have put on the National Endowment for the Arts. And I think one of the Members on our side who has been appointed as one of the three appointees will have something to say on the functioning of this.

Very briefly I would like to highlight the cultural agencies. We have funded the Smithsonian. We have tried to address backlog maintenance as much as possible. But what I really find pleasing, and this is the result of our subcommittee members working together, is that our cultural agencies are expanding their outreach. Secretary Heyman, from the Smithsonian, testified that their web site gets over 12 million hits per month from all over the world. People are benefiting from the scientific research that is done there, and benefiting from the cultural dimensions of this institution.

In tribute to the gentleman from Illinois (Mr. YATES), the gentleman from Colorado (Mr. SKAGGS) and the gentleman from Pennsylvania (Mr. MCDADE) have all been strong proponents of these programs. This wonderful asset is more than an asset for the District of Columbia. It is a world asset because of the outreach that they are doing. Twelve million hits per month. Imagine how many lives and how many individuals are being touched by that. Twenty percent of these internet hits are from overseas.

Likewise, the Kennedy Center has developed an outreach program called the Millennium Stage. They provide a free performance each day in the Kennedy Center. I think it is at 6 o'clock in the evening. Because we forget that the Kennedy Center is more than just the opera house and the film institute. The Kennedy Center is a monument, in addition to other things. When people go there, most of them do not go to any performance, they go to just see the Kennedy Center. In fact, they wear out the carpeting with so many visitors, and we have to provide for that.

And, again, these are things that were brought about under the leadership of the gentleman from Illinois (Mr. YATES) much more than myself or others on this subcommittee.

Last year 130,000 visitors to this city, as well as people who live here locally, went to the free performances at the Millennium Stage, and at the anniversary in March, they had 10,000 people. I do not know how they got 10,000 people in that hallway for this Millennium program, but I think it is wonderful that these agencies are reaching out to the people all across the Nation. And I know they too have a web site where people can plug in.

The National Gallery of Art and the Holocaust Museum both offer extensive outreach programs, and, of course, the Holocaust Museum was directly there as a result of the leadership of the gentleman from Illinois. I guess when it is all said and done, we know he will be sorely missed because he has been such an important part of providing a legacy for future generations.

Over 23 million people receive services of the National Gallery's extension programs. They loaned over 150 different programs on the Gallery's permanent art collection. The Holocaust Museum has a traveling exhibition. They were in Canton, Ohio, recently, attracting an enormous crowd.

Canton, I might mention, is in the 16th District, and many of my colleagues already know about the Pro Football Hall of Fame, but we do have other things. We have a great art institute. We have a great symphony. We have a lot of strong cultural enrichment programs.

The Holocaust Museum brought "The Nazi Olympics: Berlin 1936," to Canton. People came from all over Ohio and even from other States to view this exhibit. The Holocaust Museum has four traveling exhibits going around the Nation telling the story to remind people of how important the message is.

This is a good bill. It is fair. We had input from every member of the subcommittee. We had the leadership of the gentleman from Illinois and other Members on the minority side. We had the challenges of the gentleman from Colorado (Mr. SKAGGS). The gentleman from Washington (Mr. DICKS), did yeoman's service in solving the problem of the timber and the purchaser road credit so we do not have that issue this year. On balance, I would urge the Members to support this bill.

And let me just close again with a quote from our Native American friends. This is repetitious but it bears repeating: "We do not inherit this land from our ancestors. We borrow it from our children." And I want to say that the members of our subcommittee live that every day as we deal with the challenges of this committee. This truly is a bill in which we can take pride in America.

At this point I would like to submit a table detailing the various accounts in the bill.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4193)

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management					
Management of lands and resources	582,082,000	660,310,000	596,425,000	+14,343,000	-63,885,000
Wildland fire management	280,103,000	298,353,000	286,895,000	+6,792,000	-11,458,000
Central hazardous materials fund	12,000,000	10,000,000	10,000,000	-2,000,000	
Construction	5,091,000	4,175,000	6,975,000	+1,884,000	+2,800,000
Payments in lieu of taxes	120,000,000	120,000,000	120,000,000		
Land acquisition	11,200,000	15,000,000	10,000,000	-1,200,000	-5,000,000
Oregon and California grant lands	98,906,000	98,966,000	98,407,000	-499,000	-559,000
Range improvements (indefinite)	9,113,000	10,000,000	10,000,000	+887,000	
Service charges, deposits, & forfeitures (indefinite)	8,706,000	8,055,000	8,055,000	-651,000	
Miscellaneous trust funds (indefinite)	8,800,000	8,800,000	8,800,000		
Total, Bureau of Land Management	1,136,001,000	1,233,659,000	1,155,557,000	+19,556,000	-78,102,000
United States Fish and Wildlife Service					
Resource management	594,592,000	675,828,000	607,106,000	+12,514,000	-68,722,000
Construction	76,636,000	37,000,000	66,100,000	-10,536,000	+29,100,000
Land acquisition	62,632,000	60,500,000	30,000,000	-32,632,000	-30,500,000
Cooperative endangered species conservation fund	14,000,000	17,000,000	15,000,000	+1,000,000	-2,000,000
National wildlife refuge fund	10,779,000	10,000,000	10,779,000		+779,000
North American wetlands conservation fund	11,700,000	14,700,000	12,700,000	+1,000,000	-2,000,000
Wildlife conservation and appreciation fund	800,000	800,000	800,000		
Multinational species conservation fund	1,400,000	2,400,000	2,400,000	+1,000,000	
Total, United States Fish and Wildlife Service	772,539,000	818,228,000	744,885,000	-27,654,000	-73,343,000
National Park Service					
Operation of the national park system	1,234,004,000	1,320,828,000	1,333,328,000	+99,324,000	+12,500,000
National recreation and preservation	44,259,000	46,575,000	41,939,000	-2,320,000	-4,636,000
Historic preservation fund	40,812,000	100,612,000	40,812,000		-59,800,000
Construction	222,769,000	175,000,000	149,000,000	-73,769,000	-26,000,000
Land and water conservation fund (rescission of contract authority)	-30,000,000	-30,000,000	-30,000,000		
Land acquisition and state assistance	143,290,000	138,087,000	69,000,000	-74,290,000	-69,087,000
Urban park and recreation fund		2,000,000			-2,000,000
Total, National Park Service (net)	1,655,134,000	1,753,102,000	1,604,079,000	-51,055,000	-149,023,000
United States Geological Survey					
Surveys, investigations, and research	760,358,000	806,883,000	774,838,000	+14,480,000	-32,045,000
Minerals Management Service					
Royalty and offshore minerals management	144,196,000	222,402,000	216,402,000	+72,206,000	-6,000,000
Additions to receipts		-100,000,000	-100,000,000	-100,000,000	
Oil spill research	6,118,000	6,118,000	6,118,000		
Total, Minerals Management Service	150,314,000	128,520,000	122,520,000	-27,794,000	-6,000,000
Office of Surface Mining Reclamation and Enforcement					
Regulation and technology	94,937,000	93,265,000	93,074,000	-1,863,000	-191,000
Receipts from performance bond forfeitures (indefinite)	500,000	275,000	275,000	-225,000	
Subtotal	95,437,000	93,540,000	93,349,000	-2,088,000	-191,000
Abandoned mine reclamation fund (definite, trust fund)	177,624,000	183,416,000	185,416,000	+7,792,000	+2,000,000
(By transfer)	(3,163,000)			(-3,163,000)	
Total, Office of Surface Mining Reclamation and Enforcement	273,061,000	276,956,000	278,765,000	+5,704,000	+1,809,000
Bureau of Indian Affairs					
Operation of Indian programs	1,529,638,000	1,638,681,000	1,558,425,000	+28,787,000	-80,256,000
Construction	125,279,000	152,054,000	121.695,000	-3,584,000	-30,359,000
Indian land and water claim settlements and miscellaneous payments to Indians	43,352,000	38,396,000	28,396,000	-14,956,000	-10,000,000
Indian guaranteed loan program account	5,000,000	5,005,000	5,001,000	+1,000	-4,000
(Limitation on guaranteed loans)	(34,615,000)	(59,682,000)	(59,682,000)	(+25,067,000)	
Indian land consolidation pilot		10,000,000			-10,000,000
Total, Bureau of Indian Affairs	1,703,269,000	1,844,136,000	1,713,517,000	+10,248,000	-130,619,000
Departmental Offices					
Insular Affairs:					
Assistance to Territories	39,794,000	38,555,000	38,455,000	-1,339,000	-100,000
Northern Marianas Islands Covenant	27,720,000	27,720,000	27,720,000		
Subtotal, Assistance to Territories	67,514,000	66,275,000	66,175,000	-1,339,000	-100,000
Compact of Free Association	8,545,000	8,445,000	8,545,000		+100,000
Mandatory payments	12,000,000	12,000,000	12,000,000		
Subtotal, Compact of Free Association	20,545,000	20,445,000	20,545,000		+100,000
Total, Insular Affairs	88,059,000	86,720,000	86,720,000	-1,339,000	
Departmental management	58,286,000	60,871,000	58,286,000		-2,585,000
Office of the Solicitor	35,443,000	37,304,000	37,304,000	+1,861,000	

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4193)—Continued

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Office of Inspector General	24,500,000	25,684,000	24,499,000	-1,000	-1,185,000
National Indian Gaming Commission	1,000,000			-1,000,000	
Office of Special Trustee for American Indians	38,557,000	42,000,000	39,499,000	+942,000	-2,501,000
Natural resource damage assessment fund	4,228,000	8,100,000	4,492,000	+264,000	-3,608,000
Total, Departmental Offices	250,073,000	260,679,000	250,800,000	+727,000	-9,879,000
Total, title I, Department of the Interior:					
New budget (obligational) authority (net)	6,700,749,000	7,122,163,000	6,644,961,000	-55,788,000	-477,202,000
Appropriations	(6,730,749,000)	(7,152,163,000)	(6,674,961,000)	(-55,788,000)	(-477,202,000)
Rescission	(-30,000,000)	(-30,000,000)	(-30,000,000)		
(Limitation on guaranteed loans)	(34,615,000)	(59,682,000)	(59,682,000)	(+25,067,000)	
(By transfer)	(3,163,000)			(-3,163,000)	
TITLE II - RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
Forest and rangeland research	187,796,000	198,122,000	197,444,000	+9,648,000	-678,000
State and private forestry	209,178,000	162,900,000	156,167,000	-53,011,000	-6,733,000
National forest system	1,357,744,000	1,417,708,000	1,298,421,000	-59,323,000	-119,287,000
Wildland fire management	586,559,000	554,437,000	564,737,000	-21,822,000	+10,300,000
Emergency appropriations		102,000,000			-102,000,000
Reconstruction and construction	166,015,000	160,914,000	271,444,000	+105,429,000	+110,530,000
Land acquisition	52,976,000	56,057,000	30,000,000	-22,976,000	-26,057,000
Acquisition of lands for national forests special acts	1,069,000	1,069,000	1,069,000		
Acquisition of lands to complete land exchanges (indefinite)	210,000	210,000	210,000		
Range betterment fund (indefinite)	3,811,000	3,300,000	3,300,000	-511,000	
Gifts, donations and bequests for forest and rangeland research	92,000	92,000	92,000		
Midewin national tallgrass prairie restoration fund	100,000			-100,000	
Total, Forest Service	2,565,550,000	2,656,809,000	2,522,884,000	-42,666,000	-133,925,000
DEPARTMENT OF ENERGY					
Clean coal technology:					
Rescission	-101,000,000			+101,000,000	
Deferral		-40,000,000			+40,000,000
Subtotal	-101,000,000	-40,000,000		+101,000,000	+40,000,000
Fossil energy research and development	362,403,000	383,408,000	320,558,000	-41,845,000	-62,850,000
Alternative fuels production (indefinite)	-1,500,000	-1,300,000	-1,300,000	+200,000	
Naval petroleum and oil shale reserves	107,000,000	22,500,000	14,000,000	-93,000,000	-8,500,000
Energy conservation	611,723,000	808,500,000	630,250,000	+18,527,000	-178,250,000
Economic regulation	2,725,000	1,801,000	1,801,000	-924,000	
Strategic petroleum reserve	207,500,000	160,120,000	160,120,000	-47,380,000	
(By transfer)	(207,500,000)			(-207,500,000)	
Energy Information Administration	66,800,000	70,500,000	68,000,000	+1,200,000	-2,500,000
Elk Hills school lands fund		36,000,000			-36,000,000
Total, Department of Energy:					
New budget (obligational) authority (net)	1,255,651,000	1,441,529,000	1,193,429,000	-62,222,000	-248,100,000
Appropriations	(1,356,651,000)	(1,481,529,000)	(1,193,429,000)	(-163,222,000)	(-288,100,000)
Rescission	(-101,000,000)			(+101,000,000)	
Deferral		(-40,000,000)			(+40,000,000)
(By transfer)	(207,500,000)			(-207,500,000)	
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Indian Health Service					
Indian health services	1,841,174,000	1,843,873,000	1,932,953,000	+91,779,000	+89,080,000
Indian health facilities	257,538,000	274,476,000	313,175,000	+55,637,000	+38,699,000
Total, Indian Health Service	2,098,712,000	2,118,349,000	2,246,128,000	+147,416,000	+127,779,000
OTHER RELATED AGENCIES					
Office of Navajo and Hopi Indian Relocation					
Salaries and expenses	15,000,000	15,000,000	13,000,000	-2,000,000	-2,000,000
Institute of American Indian and Alaska Native Culture and Arts Development					
Payment to the Institute	4,250,000	3,188,000		-4,250,000	-3,188,000
Smithsonian Institution					
Salaries and expenses	333,408,000	357,300,000	346,449,000	+13,041,000	-10,851,000
Construction and improvements, National Zoological Park	3,850,000	4,500,000	4,500,000	+650,000	
Repair and restoration of buildings	32,000,000	40,000,000	44,500,000	+12,500,000	+4,500,000
Construction	33,000,000	18,000,000	2,000,000	-31,000,000	-16,000,000
Total, Smithsonian Institution	402,258,000	419,800,000	397,449,000	-4,809,000	-22,351,000
National Gallery of Art					
Salaries and expenses	55,837,000	57,938,000	57,938,000	+2,101,000	
Repair, restoration and renovation of buildings	6,192,000	6,311,000	6,311,000	+119,000	
Total, National Gallery of Art	62,029,000	64,249,000	64,249,000	+2,220,000	

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4193)—Continued

	FY 1998 Enacted	FY 1999 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
John F. Kennedy Center for the Performing Arts					
Operations and maintenance	11,375,000	13,000,000	12,187,000	+812,000	-813,000
Construction	9,000,000	20,000,000	9,000,000		-11,000,000
Total, John F. Kennedy Center for the Performing Arts	20,375,000	33,000,000	21,187,000	+812,000	-11,813,000
Woodrow Wilson International Center for Scholars					
Salaries and expenses	5,840,000	6,040,000	5,840,000		-200,000
National Foundation on the Arts and the Humanities					
National Endowment for the Arts					
Grants and administration	81,240,000	120,500,000	81,240,000		-39,260,000
Matching grants	16,760,000	15,500,000	16,760,000		+1,260,000
Total, National Endowment for the Arts	98,000,000	136,000,000	98,000,000		-38,000,000
National Endowment for the Humanities					
Grants and administration	96,800,000	122,000,000	96,800,000		-25,200,000
Matching grants	13,900,000	14,000,000	13,900,000		-100,000
Total, National Endowment for the Humanities	110,700,000	136,000,000	110,700,000		-25,300,000
Institute of Museum and Library Services/ Office of Museum Services					
Grants and administration	23,280,000	26,000,000	23,405,000	+125,000	-2,595,000
Total, National Foundation on the Arts and the Humanities	231,980,000	298,000,000	232,105,000	+125,000	-65,895,000
Commission of Fine Arts					
Salaries and expenses	907,000	898,000	898,000	-9,000	
National Capital Arts and Cultural Affairs					
Grants	7,000,000	7,500,000	7,000,000		-500,000
Advisory Council on Historic Preservation					
Salaries and expenses	2,745,000	3,000,000	2,800,000	+55,000	-200,000
National Capital Planning Commission					
Salaries and expenses	5,740,000	6,212,000	5,954,000	+214,000	-258,000
United States Holocaust Memorial Council					
Holocaust Memorial Council	31,707,000	32,607,000	31,707,000		-900,000
Presidio Trust					
Presidio trust fund		39,913,000	39,913,000	+39,913,000	
Total, title II, related agencies:					
New budget (obligational) authority (net)	6,709,744,000	7,146,094,000	6,784,543,000	+74,799,000	-361,551,000
Appropriations	(6,810,744,000)	(7,084,094,000)	(6,784,543,000)	(-26,201,000)	(-299,551,000)
Emergency appropriations		(102,000,000)			(-102,000,000)
Rescission	(-101,000,000)			(+101,000,000)	
Deferral		(-40,000,000)			(+40,000,000)
(By transfer)	(207,500,000)			(-207,500,000)	
TITLE V - PRIORITY FEDERAL LAND ACQUISITIONS AND EXCHANGES					
Priority land acquisitions and exchanges	699,000,000			-699,000,000	
Grand total:					
New budget (obligational) authority (net)	14,109,493,000	14,268,257,000	13,429,504,000	-679,989,000	-838,753,000
Appropriations	(14,240,493,000)	(14,236,257,000)	(13,459,504,000)	(-780,989,000)	(-776,753,000)
Emergency appropriations		(102,000,000)			(-102,000,000)
Rescissions	(-131,000,000)	(-30,000,000)	(-30,000,000)	(+101,000,000)	
Deferral		(-40,000,000)			(+40,000,000)
(Limitation on guaranteed loans)	(34,615,000)	(59,682,000)	(59,682,000)	(+25,067,000)	
(By transfer)	(210,663,000)			(-210,663,000)	
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management	1,136,001,000	1,233,659,000	1,155,557,000	+19,556,000	-78,102,000
United States Fish and Wildlife Service	772,539,000	818,228,000	744,885,000	-27,654,000	-73,343,000
National Park Service	1,655,134,000	1,753,102,000	1,604,079,000	-51,055,000	-149,023,000
United States Geological Survey	760,358,000	806,883,000	774,838,000	+14,480,000	-32,045,000
Minerals Management Service	150,314,000	128,520,000	122,520,000	-27,794,000	-6,000,000
Office of Surface Mining Reclamation and Enforcement	273,061,000	276,956,000	278,765,000	+5,704,000	+1,809,000
Bureau of Indian Affairs	1,703,269,000	1,844,136,000	1,713,517,000	+10,248,000	-130,619,000
Departmental Offices	250,073,000	260,679,000	250,800,000	+727,000	-9,879,000
Total, Title I - Department of the Interior	6,700,749,000	7,122,163,000	6,644,961,000	-55,788,000	-477,202,000
TITLE II - RELATED AGENCIES					
Forest Service	2,565,550,000	2,656,809,000	2,522,884,000	-42,666,000	-133,925,000
Department of Energy	1,255,651,000	1,441,529,000	1,193,429,000	-62,222,000	-248,100,000
Indian Health Service	2,098,712,000	2,118,349,000	2,246,128,000	+147,416,000	+127,779,000
Office of Navajo and Hopi Indian Relocation	15,000,000	15,000,000	13,000,000	-2,000,000	-2,000,000
Institute of American Indian and Alaska Native Culture and Arts Development	4,250,000	3,188,000		-4,250,000	-3,188,000
Smithsonian Institution	402,258,000	419,800,000	397,449,000	-4,809,000	-22,351,000

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4193)—Continued

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Woodrow Wilson International Center for Scholars	5,840,000	6,040,000	5,840,000		-200,000
National Endowment for the Arts	98,000,000	136,000,000	98,000,000		-38,000,000
National Endowment for the Humanities	110,700,000	136,000,000	110,700,000		-25,300,000
Institute of Museum and Library Services	23,280,000	26,000,000	23,405,000	+125,000	-2,595,000
Commission of Fine Arts	907,000	898,000	898,000	-9,000	
National Capital Arts and Cultural Affairs	7,000,000	7,500,000	7,000,000		-500,000
Advisory Council on Historic Preservation	2,745,000	3,000,000	2,800,000	+55,000	-200,000
National Capital Planning Commission	5,740,000	6,212,000	5,954,000	+214,000	-258,000
Holocaust Memorial Council	31,707,000	32,607,000	31,707,000		-900,000
Presidio Trust		39,913,000	39,913,000	+39,913,000	
Total, Title II - Related Agencies	6,709,744,000	7,146,094,000	6,784,543,000	+74,799,000	-361,551,000
TITLE V - PRIORITY FEDERAL LAND ACQUISITIONS AND EXCHANGES					
Priority land acquisitions and exchanges	699,000,000			-699,000,000	
Grand total	14,109,493,000	14,268,257,000	13,429,504,000	-679,989,000	-838,753,000

Mr. YATES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, once again we are here to consider the Interior appropriations bill, for fiscal year 1999. I have come before this House many times to present the Interior bill, for a number of years as chairman of the Subcommittee on Interior of the Committee on Appropriations, and for the past several years as the ranking member. However, this time it is a little different, because it is the last time that I will take the floor on behalf of the Interior bill.

I want to say that I have been on the subcommittee, I would guess, for about 30 or 32 years, and I was chairman for about 20 years during that time. So much for term limits, Mr. Chairman.

I was asked by a reporter whether I favored term limits, and I told him I did not favor a constitutional amendment for term limits, except perhaps if I could designate the number of terms that a Member might be limited to 24 terms. And that, Mr. Chairman, is about what I will have at the conclusion of this session of the Congress.

And it has been a happy time, Mr. Chairman, over all the years. It has been happy because of the character and quality of the Members of the House of Representatives. I think when I first came down here there were three women who were Members of the House, one Democrat and two Republican Members. One was from Ohio, from Cleveland. I forget her name. Perhaps the chairman would remember it. And there was another lady from New York.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think the woman the gentleman was thinking of was Frances Bolton.

Mr. YATES. Yes. Her son Oliver subsequently became a Member of the House when she retired. I thank the gentleman for reminding me of that.

I do not know how many women Members there are of the House at the present time, but I think there must be about 50. And I believe that the House has made and the country has made progress in that respect, because I consider that the women Members are among the ablest Members of the House and they make a real contribution.

I think the speech that the gentlewoman from Connecticut (Mrs. JOHNSON) made last week on female contraceptives was one of the great speeches I have heard during my career in the House of Representatives. And I am pleased that if the Republicans want to follow the rule that the Committee on Rules voted out, that they had the good sense to select the gentlewoman from Connecticut to offer the funding for the NEA amendment, because I think she is so eminently qualified in so many respects.

The gentleman from Ohio (Mr. RALPH REGULA), what can I say about the current chairman? His eloquence, of course, was just made visible when he presented the bill. He and I have been thinking alike since he became a member of this subcommittee. When I was chairman, I considered the gentleman, and I have told him so, as cochairman of the Subcommittee on Interior, and we brought the bill to the floor in that spirit.

We had our differences, and those are represented, of course, in the bills that have come up since he became chairman. He and I differ on omitting the funds for NEA. And over the years when I was chairman, I would talk to the gentleman about his interest in the arts.

I think basically he is a lover of the arts. I do not think there is any doubt about it. He takes such pride in the Canton Symphony, and I think that extends even to the point that he goes to see the Cleveland Symphony on occasion. I remember that even on one occasion he went to New York and was a guest at the Metropolitan Opera, he and my good friend the gentleman from Pennsylvania (Mr. JACK MURTHA), who is also a member of the subcommittee.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. REGULA. The gentleman is a very persuasive teacher.

Mr. YATES. I thank the gentleman very much.

I remember the line from Gilbert and Sullivan. Does the gentleman remember it? I think it was from "Patience." "If you are looking for to shine in a transcendental line, as a man of culture rare." And the rest of the song goes on. I think the gentleman is almost qualified for that right now.

Certainly he is qualified to handle this bill, not only for the cultural aspects of it, which I think are, indeed, a most important part of the bill, but as well for the natural resources part of the bill, because he has really developed all these programs and made his presence felt. And it has been a good presence, it has been a fine presence, because the gentleman has the great qualifications of mind and of instinct that are so necessary in a good chairman.

I want to commend also the other members of the Subcommittee on Interior, who are really outstanding members of this House. It was a pleasure to serve with them and to work with them, particularly the gentleman from Pennsylvania (Mr. JOE MCDADE), who joins me in retirement this year. The House will surely miss him because he has been an outstanding chairman of the Subcommittee on Energy and Water Development of the Committee on Appropriations.

I will vote for the Johnson amendment as it takes shape later in the bill, after one of the opponents of NEA funding will have taken the floor to make a point of order against the bill. I think we can bet that is going to happen.

□ 1315

I am sorry that the Committee on Rules did not support the amendment by the gentleman from Wisconsin (Mr. OBEY).

I call the gentleman from Wisconsin (Mr. OBEY) who loves the arts, who is a great lover of music, a legislative maestro. I think he is a legislative maestro because he has such a keen interest in the legislation. And I cannot think of what the Committee on Appropriations would be like without the great strengths that he possessed as chairman of the committee and now possess as ranking member. His service to the House and to the country has been outstanding.

I can understand his great interest in the milk price legislation, coming from Wisconsin as he does, but I am not sure I always understood the purport of that legislation as it came to the floor and traveled through the House.

I leave the gentleman from Wisconsin (Mr. OBEY) with a great sense of loss, because he and I have been such great friends through the years, both on and off the committee. And I will say that about every member of the committee.

The gentleman from Colorado (Mr. SKAGGS) I think is an outstanding constitutional expert. His touch was always present in connection with the legislation as we came forward. He was always a gentleman and he took onto himself, along with the gentleman from Illinois (Mr. LAHOOD), the indomitable task, the practically impossible task of trying to bring the Members of the House together as brothers and sisters. I think perhaps he has succeeded to a far greater extent than seems apparent, because I think the sense of camaraderie in the House has in some measure overcome what I have felt was a cloud of partisanship that has seized the House on occasion.

At any rate, I have been ruminating, Mr. Chairman, and I am sorry that I have taken the time to try to express a few feelings on this occasion. I have not given the gentleman from Pennsylvania (Mr. MURTHA) all the credit that he deserves. I think he is one of the great Members of the House in being able to bring people together. And I surely have not said the nice things I should be saying about the Republican members of our committee, who are very, very able members and good people. It was a pleasure to work with them.

I want to return for a few seconds to NEA. We have received letters from opponents of NEA. And I notice, Mr.

Chairman, that contrary to what I thought was the agreement that the gentleman from Ohio (Mr. REGULA) and I had, there will be an amendment offered by the gentleman from New Jersey (Mr. PAPPAS), I am told. And I have a copy of it, which reads as follows:

> The amounts otherwise provided by this act are revised by increasing the amount for land acquisition and state assistance under the heading National Park Service to provide the funds for State assistance programs and reducing the amounts for grants administration under the National Endowment for the Arts by $50 million.

Of course, that is not nickel-and-diming, as some of the amendments would have, but this is a major program cut, and I would hope that the chairman would stand by his agreement and oppose the Pappas amendment.

Mr. Chairman, the names go first. We always make a mistake when we try to specify people. I momentarily forgot the gentleman from Washington (Mr. DICKS).

I do want to laud my colleague for his service to the committee, as I should. But as Justice Leonard Hand said, the names go first. Then he said the knees go. Then he said the nouns go. And then we go.

At any rate, I want to close by acknowledging the great friendship that the gentleman from Washington (Mr. DICKS) and I have had over the years and his many, many contributions not only in the field of national defense but in the Interior bill.

Because of time limitations, I have not covered a number of the items I wanted to cover. But with that, Mr. Chairman, I say thank you, thank you to the Members of the House for the privilege of having associated with them over the years, and those who have come and those who have gone.

It was a very, very wonderful experience. Public service is a great vocation. I do not understand why anybody would impose term limits, as they try to do in various parts of the country. Public service is a great tradition and a great opportunity to serve the public, and I am very grateful for having had that opportunity.

Mr. Chairman, I yield such time as she may consume to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, I rise to especially congratulate the chairman, the gentleman from Ohio (Mr. REGULA) for the fine work that he has done here on behalf of the Delaware Water Gap National Recreation Area Service and the Denver Service Center and the reforms that are written into this bill. It is a major accomplishment.

Mr. Chairman, I greatly appreciate your willingness to work with me to secure funds for projects on the New Jersey side of the Delaware Water Gap National Recreation Area and the Wallkill River National Wildlife Refuge. These will bring greater use and expand the opportunities for all people who use these park facilities.

As you know, Congressman JOSEPH MCDADE and I share in the benefits of one of the most beautiful recreation areas in the country, the Delaware Water Gap National Recreation Area (DWGNRA). Unfortunately, recent media reports have highlighted the National Park Service's expenditure of $800,000, waste if not fraud, for a single restroom facility at the Ramondskill Falls site on the Pennsylvania side of the Delaware Water Gap.

I know we agree that there was simply no justification for this scandalous squandering of taxpayer dollars. I am proud to have worked with Chairman REGULA to include provisions in this bill that are designed to put an end to the scandalous waste in the National Park Service.

This bill includes major reforms for the National Park Service's Denver Service Center. The Denver Service Center is an arm of the National Park Service which assists all regions with planning and support. A recent report commissioned by Chairman REGULA proved that the Denver Service Center is inefficient and wasteful of taxpayer dollars. There is little accountability for the costs of the projects it designs and little, if any, oversight of the design and construction process. Rather than creating standardized designs that would be expected of a central design office, the DSC needlessly reinvents the wheel over and over again.

The reforms included in this bill make sense. First the DSC will be required to adopt standard practices common to the private sector and other government agencies. Second, they will be required to consult outside experts and give more control to local park superintendents. Finally, the DSC must cut its staff in half and contract out 90 percent of construction projects to local architectural and engineering firms.

Despite the problems with the Denver Service Center and the $800,000 toilet, there are many worthwhile projects in the DWGNRA that should be funded. In the past, New Jersey has not gotten its fair share of the money for projects in the Delaware Water Gap. I had hoped that the Committee would agree to divide the money for Delaware Water Gap on a more equitable basis between New Jersey and Pennsylvania. However, I do appreciate the $300,000 included in this bill for much needed maintenance work on the New Jersey side of the Delaware Water Gap.

I was disappointed that we were unable to include funding for the rehabilitation of the Depew Recreation Site and money for the long-awaited Weygadt Visitors Center. Unfortunately, we still do not have a formal boat ramp on the New Jersey side, and many of the New Jersey recreation sites do not have modern restroom facilities. Chairman REGULA has agreed to work with me as this bill moves through the legislative process to see if we can secure additional funds to address these fundamental needs on the New Jersey side of the Delaware Water Gap. Delaware Water Gap is a national treasure, not just a Pennsylvania treasure.

Finally, I want to thank you for, once again, recognizing the significance of our wildlife refuges and specifically the Wallkill River National Wildlife Refuge by including $1 million to ensure the future preservation of the valuable resource.

Since its establishment, the refuge has received appropriations through your subcommittee to begin protecting the most critical habitat within its borders, especially along the Wallkill River itself. Funding has allowed for the acquisition of undeveloped frontage along the Wallkill River, as well as riparian wetlands, meadows and upland areas, all of which support large populations of numerous wildlife. In addition to enhancing habitat protection, acquisition of additional property enhances the refuge's effort to open up to the public. The natural resources found at the refuge lend themselves to environmental education programs that would benefit local school districts as well as other visitors to the refuge. By ensuring that a large manageable block of critical habitat is created at the refuge, acquisition of willing-seller lands will significantly enhance the refuge's programmatic goals and help bring the refuge closer to the public.

Mr. YATES. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY) the very distinguished legislative maestro.

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding.

At a later point, I will make the appropriate comments concerning my own views of the shortcomings of this bill and the administration's views of the shortcomings of this bill. For a moment, I would simply like to say something about our good friend the gentleman from the great State of Illinois (SID YATES).

As everyone understands, he came to this House in 1948. And were it not for the fact that he ran for the Senate and lost by 1 percent and so had 2 years of interrupted service before he returned to this body, were it not for that fact, he would be recognized as the Dean of the House today.

He has served this House with extraordinary skills on at least two subcommittees. Since the beginning of the Marshall Plan, he has been involved in foreign policy. SID was one of the Members here who helped shape the Marshall Plan in its early years. And also, on the Foreign Operations Subcommittee, he gave a lifetime of effort to assure the national security of the State of Israel. He recognized that the United States, having been a party to the creation of that country, that we had undertaken a long-term obligation to defend the security of that country, and he has done so with fervor and grace in all the years that he has been a Member of this Congress.

At home he has been a champion of civil liberties. He has understood that the Constitution's most important provision is that it guarantees citizens the right to be wrong; it even guarantees Members of Congress the right to be wrong. And I can think of few Members whose passion for individual liberty and whose passion for constitutional rights have been more fervent.

I would also say that more than any Member I have known, SID has been a champion of what he felt to be sensible budget priorities, almost without exception putting the needs of regular working people, putting the needs of education, putting the needs of health care, putting the needs of the environment before the needs of wasteful weapons systems or aid to foreign dictators or other provisions of money that did not as well reflect our national values.

He has served this subcommittee as Chair for 20 years, and in the last two Congresses as ranking Democratic member; and in that time there has been no greater defender of the public interest in terms of protecting the environment, in terms of protecting public lands, in terms of recognizing our obligations to Native American tribes.

And he also has, in my view, been the single best debater I have ever seen in the years I have been in this House. He has stood for a decent and just society. And in connection with this bill, most of all, he has been the quintessential champion of Federal support for and funding for the arts and humanities, recognizing that even with their occasional faults those programs make a great contribution to giving society the grace notes that make this society a little better and a little more human society in which individuals can function.

So I am grateful for the years of service he has provided here, as we all are, and we wish him Godspeed in his retirement.

Mr. YATES. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Colorado (Mr. SKAGGS) who will join me in retirement at the conclusion of this Congress and whose loss will be felt very deeply by the House and by the country.

Mr. SKAGGS. Mr. Chairman, I thank the gentleman from Illinois (Mr. YATES) both for the yielding of time and his kind thoughts.

I want to begin by expressing my respect and affection for our chairman, the gentleman from Ohio (Mr. REGULA), and my appreciation for all the consideration he has given to me and all the members of the subcommittee in putting the bill together, and thanks and appreciation to staff on both sides as well. It has been a great pleasure and privilege to have worked with everybody associated with this subcommittee.

But I, too, wish primarily to say a word or two about SID YATES. I was 5 years old when SID came to Congress, and I wish I knew then how much I should have appreciated what he was already doing for this country. There are many issues that come before us in which I think each Member yearns for a special eloquence to be able to express how they feel. But, we love you, SID.

□ 1330

Mr. YATES. Mr. Chairman, if the gentleman will yield, I join him in the expression of friendship that he has exhibited. I will not go beyond that because I will probably react the same way the gentleman did.

Mr. SKAGGS. Trying to regain my composure, and I thank the gentleman for interrupting me, perhaps just a couple of quantitative observations will capture how we are blessed and graced with the gentleman from Illinois being really an example of living history among us.

While commenting on the fact that he has graced the planet for 40 percent of the existence of the Republic may make him feel old, he is indomitably young at heart. He has served this country in Congress for nearly 25 percent of the Congresses of the United States. And so we applaud and cherish the gentleman from Illinois and his service to this place.

Mr. YATES. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I thank the gentleman from Illinois for yielding me this time. I want to start by thanking the gentleman from Ohio again for his great cooperation and support on a whole host of issues that are beneficial to the Pacific Northwest, the region of the country that I have the honor of representing. I also want to congratulate the staff. This staff is one of the very best. I appreciate the fact that they work with all the members of the committee on both sides of the aisle. That is a good standard.

Mr. Chairman, I, too, want to say a few words about the gentleman from Illinois. We have had a few differences of opinion over the years. The gentleman from Wisconsin talks about his great debating skills going back to the days of Eddie Boland. I had the misfortune at that time to be the assistant for Senator Magnuson of the other body at the time who was the great author of the SST. So the gentleman from Illinois' great eloquence cost us dearly because ultimately he won. But I will say this. The day after that great victory for the gentleman from Illinois and Senator Proxmire from the gentleman from Wisconsin's home State, a senior member of the Boeing Company came in and said, "Those two guys saved the company because if we had built the SST, we would have been in deep trouble."

So the gentleman's judgment was good. It was correct, and I have learned a great deal from him. Our styles are probably, some people would say, completely different. But I would say to a young political science student, if you want to have a history of somebody who has been what I consider the best subcommittee chairman I have ever seen in this House, it was the gentleman from Illinois. He was fair to every witness that came before our committee and respected the individuals that came before the committee and treated them with dignity.

Also he had tremendous passion and concern for the issues, such as the National Endowment for the Arts. He and I have been on this floor defending the Endowment over the last 20 years. What has happened is we would have the greatest hearings in our committee on the Endowment, and one day I got a call from the gentleman from Illinois. He said, "I need you to cover me this afternoon on the hearing for the Endowment for the Arts." He forgot to tell me it was the opposition to the Endowment for the Arts. So I had to come in and be the acting subcommittee chairman. There were quite a list of very interesting individuals. The gentleman was good at handing things off when he did not particularly want to have to listen to all these people who were in opposition.

But the main thing is that I think he has left behind on our committee a whole series of members who have had the ability to see him and how he handles situations, and I think it has built a camaraderie on the Interior subcommittee. I agree with our chairman, this is a committee where we care about the culture of our country, we care about the natural resources, we care about the tribes, and the gentleman from Illinois has been the real glue on our committee. We are going to miss him. He has done a great job for the country and a great job for the Interior subcommittee.

Mr. YATES. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Chairman, I thank the gentleman for yielding me this time. I hope the gentleman from Illinois will allow me to pay my tribute to him by speaking in support of something that he has fought for his whole career and, that is, full funding for the National Endowment for the Arts. We must allow the Endowment to continue its exercise of national leadership towards our goal of making the Nation's artistic resources available to all.

A civilized society as the gentleman from Illinois has taught us for many years must include art and cultural enrichment, and I believe it is one of the responsibilities of government to support that aspect of our civilization. We simply cannot rely exclusively on the good will of a few private individuals to fund the arts. It is impractical and unreasonable to expect a single city or an individual State to support the national availability of important cultural resources. It is the duty of all of us.

The NEA can act to sustain and increase funding for the arts by providing incentive funding to other government levels. I see it in my own city of San Diego. I see it around the country. NEA helps to build alliances between the arts and related interests such as community revitalization, downtown development and historical preservation. That is what is occurring in San Diego. It is occurring all over this Nation.

The collaboration of NEA with other agencies to contribute to national goals is paramount. Ultimately, Mr. Chairman, as the gentleman from Illinois has taught us again, we are judged by the heritage we leave our children. I hope we leave them more than soap operas and talk shows, attack submarines and assault rifles, gangs and drugs. By supporting the NEA, we ensure that the arts will continue to be here helping to build our economy and trade opportunities, helping to keep our youth from misbehavior, helping to increase public awareness and understanding of culture, not just for those with money, not just for the elite but for all of us. I thank the gentleman from Illinois for keeping this inspiration alive for so many years for all of us to keep it going.

Mr. YATES. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Chairman, I thank the gentleman from Illinois for yielding me this time. I want to concur with the gentleman from California (Mr. FILNER) on his comments on the NEA to say I hope to speak on that shortly when it comes up, but I want to take this opportunity to join my colleagues in paying tribute to the gentleman from Illinois.

One of the things that has not really been emphasized in the long career that the gentleman from Illinois has had in this House is his steadfast stewardship over the trust responsibility that this government has to our Native Americans, our first Americans. Whenever issues came up with respect to this government fulfilling its obligations to provide for our Native Americans, the gentleman from Illinois was there, long before others ever stood on behalf of Native Americans. I think for those of us today who are carrying on the fight, we need to look no further for an example of what kind of person we need to emulate than the gentleman from Illinois when it comes to standing up for our Native Americans.

Finally, Mr. Chairman, many people have remarked about how long the gentleman from Illinois has served in this esteemed body. I would like to say for me it gives me a great deal of pleasure to serve with such a titan of legislators like the gentleman from Illinois given the fact that he served in this House of Representatives with my uncle, John F. Kennedy, when he was a Member of the United States Congress in 1948. To think that I would have the opportunity to serve with someone who served with President Kennedy in the House of Representatives is truly something that I will always cherish and remember.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Rhode Island. I yield to the gentleman from Illinois.

Mr. YATES. I will tell the gentleman that he is carrying on the great tradition of his uncle and of his father.

Mr. KENNEDY of Rhode Island. I thank the gentleman very much.

Mr. RAHALL. Mr. Chairman, the pending legislation proposes $7.8 million for the Abandoned Mine Reclamation Program and I commend the gentleman from Ohio, RALPH REGULA, for seeking to accommodate the request I and others have made in this matter.

Indeed, this year I spearheaded a Coalfield Jobs, Environmental Justice and Trust Campaign to increase appropriations from the Abandoned Mine Reclamation Fund.

This is a trust fund with about $266 million a year in receipts and a balance approaching $1.5 billion. Yet, during this decade, appropriations for State Reclamation Grants have averaged only $140 million a year.

The purpose of the Abandoned Mine Reclamation Program, obviously, is not to collect fees assessed on coal production so they can sit idle in a government trust fund.

Rather, it is to make these funds available for the reclamation of abandoned coal mine lands thereby mitigating health, safety and environmental threats to coalfield citizens while creating jobs and bringing these lands back to productive uses.

Joining me in the effort to liberate a greater amount of the reclamation funds this year are the Associated General Contractors of America, the United Mine Workers and the Citizens Coal Council.

With that stated, I do want to express concern over bill language included in this appropriation measure that would authorize $7 million from the balance of interest earned on the Fund for the Appalachian Clean Streams Initiative.

There is more than a sufficient unappropriated balance in the Federal share of the Fund to provide for this $7 million appropriation without tampering with the accrued interest.

Specifically, interest payments to the Fund are reserved, in part, for transfer payments to the United Mine Workers Combined Fund. In light of a recent Supreme Court decision, I am loath to see any diversion of these interest payments to new endeavors.

While I had contemplated offering an amendment on this matter, in light of the great degree of cooperation Chairman REGULA has shown on the Abandoned Mine Reclamation Program this year I would rather work with him and his Senate counterparts to address this issue during conference.

Mr. SENSENBRENNER. Mr. Chairman, H.R. 4193, the Department of Interior and Related Agencies Appropriations Act for Fiscal Year 1999, includes funding for the Department of Energy's (DOE's) Clean Coal Technology, Fossil Energy and the Energy Conservation Research and Development programs.

Without the benefit of the increased revenues from a non-existent tobacco settlement, and notwithstanding the very tight budget caps, the Appropriations Committee has maintained or increased spending on important energy research and development programs.

I am particularly pleased that the Committee has included report language directing the DOE to address in its FY 2000 budget, the House Science Committee's recommendation in H.R. 1277, the Civilian Energy Research and Development Act of 1997, with respect to peer-reviewed, cost-shared research.

I also want to express my strong support for the bill's report language prohibiting any funds from being used to implement the Kyoto Protocol. This language is consistent with the Administration's assurances that Senate ratification must precede actions to implement the Kyoto Protocol. Given the obvious problems with this unfunded, unsigned, and unratified Protocol, such a limitation is essential and timely.

Mr. MORAN of Virginia. Mr. Chairman, I want to thank the Chairman of the Committee, Congressman RALPH REGULA, for putting this bill together and conducting the business of this subcommittee in a spirit of bipartisanship and cooperation. I know that his interest is ensuring that, within current budget allocations, programs are funded in a way to help protect our environment and preserve our natural resources. It has also been a distinct privilege to serve on this committee with our distinguished ranking member, Congressman SIDNEY YATES. His passion for the things in which he believes, including the National Endowment of the Arts, is a testament to what a man of principle can do through the force of his convictions. It is truly by the force of his intellect, and in many instances, the strength of his wit, that the NEA has survived attack after attack through all of these years.

As a member of this subcommittee, I will miss SID YATES, and the spirited debate, as well as humor, he injects into our hearings. As an individual with tremendous respect for this institution and those who have served in it, I can think of no better example of selfless dedication and commitment to public service embodied in SID YATES. This institution is a reflection of those who serve in it. Congressman YATES brings an air of dignity, of civility, of goodwill to this body that is in short supply. We will be weaker for his loss, but hope that we can attempt to live up to the high standards he has set for individual leadership and conduct in this body.

Mr. Chairman, this bill is the primary funding mechanism for our nation's natural resources. Together, the four primary land management agencies funded under this bill—the National Park Service, the U.S. Forest Service, the Fish and Wildlife Service, and the Bureau of Land Management—manage approximately 628 million acres of public land. Our nation's commitment to protection of animals, plants and mineral resources is largely carried out through this bill. In addition, our commitment to Native Americans is carried out through funding of the Indian Health Services and the Bureau of Indian Affairs. Finally, research to improve our energy efficiency, and identify better renewable energy sources, are also included in this bill.

While I clearly support certain funding priorities included in this bill, I remain concerned about others. This bill contains only $139 million of the $900 million authorized funding for the Land and Water Conservation Fund, with no funding for state matching grants. As the primary funding source for conserving our natural resources, protecting open space, and enhancing recreation opportunities, this fund should be a priority in our federal budget. I know that amendments will be offered to increase funding for the LWCF and I believe they deserve serious consideration.

Mr. SKAGGS and Mr. FOX will offer an amendment to increase funding for energy efficiency programs. Despite the success of these programs in conserving energy and saving money, the bill includes damaging cuts for building technology, the Federal energy management program, and transportation, among other programs. The amendment helps to restore funds to these important programs that actually result in cost savings, through reduced energy bills, and environmental protection through decreased energy use. I support this amendment and hope it will be approved.

In addition, I remain concerned about providing appropriate funding to support recreation activities on our public lands. The total economic benefit to the economy from outdoor recreation exceeds $100 billion and includes more than 2.5 million jobs. Yet, the funding we pour into our forest system, for example, is tilted largely in favor of timber production, rather than conservation. While the agreement to end the purchaser road credit is an important step in reducing the dominance of money losing timber programs, it is only one program among many that deserve scrutiny and reconsideration. Currently, only one percent of the forest service budget is spent on watershed restoration and compared to the economic investment generated, a very small portion of the budget is spent on recreation.

Congresswoman FURSE will offer an amendment that would redirect more Forest Service funds to watershed improvements and recreation management. This is an important amendment and it should be approved.

In addition, Mr. Chairman, I am concerned about some of the legislative provisions that have been added to this bill. I offered an amendment at full committee which was accepted by Chairman REGULA to reduce the size of the road through the Chugach National Forest that was authorized in this bill. While I appreciate the Chairman for accepting this language, it would be even better if this language were not in the bill at all because it circumvents an ongoing process between the stakeholders to determine the best location for the road. In addition, I am concerned that this bill may allow for new road construction on the Tongass National Forest and allows the use of K–V funds for administrative overhead expenses, which encourages timber salvage activities on federal lands. I hope that these issues can be addressed as we move toward conference in this bill.

In addition, I hope that the wisdom of the Chairman in not including certain damaging provisions in this bill will maintain through conference. The Administration has already threatened a veto of several provisions included in the Senate version which are, thankfully, not included in this bill. The Interior Appropriations bill should not be used as a vehicle for failed ideas and proposals that did not have enough support to pass out of the authorizing committee.

Mr. Chairman, putting a bill together of this scope and magnitude is a tremendous task. I want to thank Chairman REGULA, Mr. YATES and the committee staff for the important work they have done in putting this bill together and hope that we can continue to work to ensure that we have a bill that has the support of Congress and this administration.

Mr. VENTO. Mr. Chairman, I want to acknowledge the work of the members of this subcommittee today led by Chairman REGULA, who throughout his service has been a conscientious worker on the substance of these Interior Appropriations.

Without question, the principal advocate for this measure has been SIDNEY YATES, a member who will complete his service of 48 years in Congress this year, one of the longest and most able members of the House—who has set the standards and positive temperament in which this measure has been shaped and the key programs that it funds. We will miss him. But SID YATES has made a big difference and an indelible positive mark on these key programs. He indeed has given generously and without reserve to this service. We should also acknowledge JOSEPH MCDADE, a long time in service as a ranking member and key participant regarding the topics before this subcommittee, again retiring. He will be missed.

Nevertheless, Mr. Chairman, I rise with significant concerns regarding the substance, funding and policy embraced in this 1999 Interior Appropriations bill. This provides 3% less funding than the 1998 measure, and that translates into less funding for many of America's most well-known and revered assets: our national parks, forests and public lands. This means that construction of needed facilities and partnerships will not be accomplished, and that key land parcels that will become available will not be purchased, and inholdings and problems will occur, depreciating these key land parcels.

One good measure continued is the fee demonstration program in the absence of authorization and limited funds. This helps in numerous ways to augment the shortfall of funding. Numerous measures are included, which hamstring the land management agencies and the implementation of policy based upon professional land management practices and solid study and science in which it is rooted. Hopefully, the amendments to reject these limits where it is possible to change these appropriation riders will be positively acted upon.

I am also interested in the curtailment of the timber roads policy, the timber road credits, that has been included in this measure and the emphasis upon road closure and maintenance; this is positive and much-needed, and I hope to be able to vote for additional limits on timber roads. I'm concerned about the projected 3.6 billion board foot target number included in the measure. The tendency to include legislated numbers or quotas for timber harvest have had the effect historically of distorting the use and mission of our national forests and result in the loss of the forest and taxpayer dollars.

Timber harvest should be left to the varied management plans and process, rather than attempting to superimpose a political judgment upon our nation's forest eco-systems.

While this rule for consideration of this measure has attempted to make a virtue of what is and isn't authorized this measure has gone to extraordinary lengths to permit repeated votes on pet projects and protect others from votes and help to special interests—all at the expense to our natural resources, parks, wilderness and the legacy of future generations, such as the Chugach Road, which mandates a twenty-six mile long, 250-foot-wide easement through an Alaska wilderness and spurns the current negotiations to resolve this matter. And proceeds with this road notwithstanding the result.

Mr. Chairman, the reduced role of the N.P.S. Denver Service Office is being advanced as a panacea, as if it alone were responsible for the high cost of construction, and of some celebrated projects like the Delaware Water Gap "outhouse." The fact is when we look behind these projects, we will find in many instances the U.S. Congress as advocate, not the N.P.S. Denver Service Office who was cast to do the bidding of those in public office.

The Denver Service Office has been a whipping post for a lot of projects that have been costly, and perhaps the employment of some private sector incentives and professionals will help, but this will bear close oversight to be certain as to quality and standards which today have been the prerequisite for the N.P.S. will be attained.

Mr. Chairman, I support the moratoria included in this measure on patenting of new mining claims, which literally provide for the give-away of our public land to special interests, often fragmenting the ecosystems and undercutting logical management of our public lands, and the moratoria on further leasing of the oil and gas leases on the U.S. Outer Continental Shelf (OCS). Congress needs to address these long-term problems with law, not these yearly moratoria. But until we have permanent policy, these actions and moratoria are essential.

I am certainly concerned that the appropriation process has been focused in numerous measures to undercut the Kyoto agreement, a treaty which hasn't even been voted upon. The purpose in these bills appears to prevent objective scientific research, monitoring and analysis, to in essence interfere with the nonpartisan attainment of facts to stop the progress to disarm the advocates of such a needed global agreement. This effort is improved and reflects badly on this Congress. We need such information and work now more than ever.

Mr. Chairman, finally, no doubt today this chamber will ring with arguments against funding the National Endowment for the Arts. Interestingly enough, one argument offered by those opposed to funding is how insignificant the federal commitment is. At less than one percent of the total $9 billion spent on the arts in America—and less than one hundredth of one percent of our total federal budget—they argue the money won't be missed. They try to minimize the action and effort to cut and its adverse impact.

Since the NEA figures are relatively small, I can understand some of the temptation to minimize the NEA's importance. The NEA works as the catalyst in each state, providing cultural activity throughout the nation. Nonprofit arts organizations depend on a partnership of multiple sources for funding. Private funding sources are more willing to match funding when a federal commitment is present. When the federal commitment backs out, often private funding dries up.

The arts are important to Americans. In my home state of Minnesota, one million children were served by non-profit arts organizations last year. In 1994, by investing $255 million of total arts spending by Minnesota arts organizations, we saw a $900 million economic impact in our communities, both rural and urban. Only about $5 million of that money came from the NEA, but the message was clear that the federal commitment was there as the foundation and endorsement of state, local and non-profit participation.

Money from the NEA enables organizations to provide services that would otherwise not exist. It is important to communities without a philanthropic or corporate funding base for cultural activities. The less visible arts such as a "poet in residence" in a small town or visiting a school are greatly empowered by the NEA. Since NEA funding to Minnesota was cut in half in 1996, many small and mid-sized organizations are not receiving funding—and unfortunately none in rural areas.

In 1996, all NEA funding for a program in St. Paul called COMPAS was cut. COMPAS is an organization that sponsors hands-on arts activities that strengthen communities and individuals through creative self-expression. Their program includes Writers and Artists in the Schools, arts projects at Battered Women's Shelters, urban neighborhood arts projects, and programs to support creative expression among the elderly through writing, just to name a few. These programs stimulate important parts of the brain and provide tools for better communication skills in special needs populations. According to COMPAS, getting money from the NEA is like a Good Housekeeping seal of approval—it validates their function so they can secure other funding sources. Without the NEA funding, other prospects for funding are actually diminished—not enhanced as some NEA critics maintain!

Many may not realize that the NEA sponsors grants to Public Radio International. Prairie Home Companion, the weekly radio broadcast out of my hometown in St. Paul, was started through funding from the NEA. Top-notch, world-class arts organizations like the Minnesota Orchestra, the St. Paul Chamber Orchestra, the Minnesota Opera and the Guthrie Theater suffered serious setbacks from 1996 NEA funding cuts. And many may not realize that the Fourth of July celebration on the Mall here in Washington was entirely sponsored by the NEA. Half a million people won't hear the Blues & Roots show and the National Symphony next year if NEA funding is eliminated.

Successful programs today that are proven may achieve alternative funding and be commercially viable, but what about the nourishment for tomorrow's American creativity that would be lost without NEA funding? It's time to recognize some of the ways so many Americans will be affected if this small amount of money is defunded. What some portray as a negligible amount is one of America's most profitable investments in itself. The NEA is a great bargain at $0.36 per person, both culturally and economically, with immeasurable returns. I urge my colleagues to vote in support of the NEA and to reject the bogus argument to defund the NEA.

Mr. NUSSLE. Mr. Chairman, I would like to commend Chairman REGULA and his colleagues on the Appropriations committee on their efforts to prepare this appropriations bill.

While the Subcommittee was not able to fund this project, I wanted to take this opportunity to draw everyone's attention to the efforts going on to provide an interpretive center for the Upper Mississippi. The Upper Mississippi River is a national treasure because of its unique ecological and historical value which is shared by no other part of the world. An interpretive center would allow visitors to explore the social, economic and environmental history of the Upper Mississippi in an integrated and compelling way. This truly is a great American venture which would benefit the entire nation and provide an educational and cultural base for future generations. There currently is no other project or facility along the Upper Mississippi River which celebrates this rare heritage.

On March 3 of this year, Mayor Terry Duggan, Jerry Enzler, Teri Goodmann and other Mississippi River Museum officials testified before your Subcommittee about their efforts to create a world-class interpretive center that will provide visitors a unique view of the Mississippi River. I commend the entire Mississippi River Museum staff and all of the many people in Iowa, along the Mississippi and around the country for all their hard work and efforts for this noble project.

The other body of this Congress has decided to provide funding for this project at a level of $1.2 million. As the appropriations process continues, I hope the benefits of the Upper Mississippi River National Wildlife and Fish Refuge Interpretative Center will be fully considered.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

The amendments printed in part 1 of House Report 105–637 are adopted.

If an unprotected provision is stricken on a point of order, the Committee of the Whole shall immediately consider the amendment printed in part 2 of that report, if offered by the gentlewoman from Connecticut (Mrs. JOHNSON) or her designee. That amendment shall be considered read, shall be debatable for 30 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

The amendment printed in part 3 of the report may be offered only by the gentleman from Alaska (Mr. YOUNG) or his designee, may be offered only at the appropriate point in the reading of the bill, shall be considered read, shall be debatable for 30 minutes, equally divided and controlled by a proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he or she has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1999, and for other purposes, namely:

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do so only to make clear to the House what the concerns are of the administration as we move into the consideration of this bill. The Statement of Administration Policy indicates that on the committee bill as modified by the rule and associated motion, if it were presented to the President, the President's senior advisers would recommend that he veto the bill at this point.

They do so for a number of reasons. First of all, they obviously object to the rule which has put at risk the funding for the arts. Secondly, they object to the shortchanging of a variety of programs in the jurisdiction of this bill because of the inadequate allocation to the subcommittee which results in a serious shortfall of funds in a number of key programs. They specifically object to, for instance, the fact that funds are reduced by more than half of the $270 million administration request for the Land and Water Conservation Fund. They object to the fact that there is provided no funding for the millennium program protecting artifacts of our national heritage. They object to the fact that the bill denies most of the requested $128 million increase for Interior and the Forest Service to implement the Clean Water Action Plan. They object to the lack of adequate funding to deal with the Year 2000 computer problem. And they object to a number of legislative riders in the bill, as well, as they affect various environmental programs.

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They also object to the fact that the administration's requested increase in energy conservation for development of technologies to improve industrial transportation and building efficiencies and to reduce carbon emissions are also significantly reduced.

So I would simply say, as we move into this debate, this bill has a long way to go before it reaches a condition in which it would receive a Presidential signature. I think the committee needs to recognize that point today.

I would also question the earmarking of several projects in this House that are a very low priority given the very deep reductions that were made in the overall accounts in which those same projects are found.

It seems to me that, for a variety of reasons, this bill, at this point, despite the best efforts of the chairman of the subcommittee, the bill is not in the condition at this point that it would receive a Presidential signature. I urge the House to correct that as it moves through the process if it wants to avoid yet another appropriations bill which seems to be headed for a confrontation with the White House rather than a compromise.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

I just want to comment in response to the gentleman from Wisconsin (Mr. OBEY) and the points that he makes. We have increased the Everglades restoration effort up to $20 million. Park Operations are up $99 million, which is the administration's request. The Bureau of Land Management is up $20 million. These are all increases. BIA tribal priority allocations are up $14 million. The National Wildlife Refuge account is up $18 million. This is all over last year's bill. BIA education and law enforcement, $20 million. In the Indian Health Services, where the administration was requesting less than last year, we have increased it $147 million. We have fully funded wildland fire fighting.

I think the steps that we have taken in management with the Denver Service Center will allow us to have additional funds in the future for construction.

So I am simply saying it may not be perfect by some definitions, but we have made a lot of very substantial increases and improvements over management in the past years.

Mr. NETHERCUTT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we ran out of time in the general debate, because I wanted to lend my words of respect and admiration to not only our chairman of our subcommittee, who has done such a wonderful job of putting this bill together, but certainly the gentleman from Illinois (Mr. YATES) for all of his service and humor and wisdom in our subcommittee.

But, also, I think the fact that he made the statement that the members of the subcommittee are of high character and quality is personified, not only in him, but in the chairman of our committee as well as the gentleman from Washington (Mr. DICKS), and the gentleman from Wisconsin (Mr. OBEY), and other Members on our side, especially the gentleman from Colorado (Mr. SKAGGS), who worked so hard on the Democrat side to make this committee a success.

Mr. Chairman, I do support this bill. It is a good bill, crafted well. When many Americans think of the natural beauty of our country, they think of the area as managed by the agencies funded by this bill, our national parks, our forests, our monuments, our cultural treasures. The bill also provides funding for Native Americans through the Bureau of Indian Affairs and the Indian Health Service.

I am pleased that our chairman, along with our subcommittee, have made Native American health a priority in this bill. The lowest life expectancies in this country exist among Indian populations, and they are the lowest of any nation in this hemisphere except Haiti.

Despite the President's emphasis on health care, this is an area that was miserably overlooked in the President's request to Congress. He really shortchanged the Indian population and their health needs. The Indian Health Service received the lowest funding increase in the Department of Health and Human Services budget request at less than 1 percent, while the overall funding request for HHS averaged a 7 percent increase.

In the area of diabetes, the chairman has included language tightening reporting requirements for Native American tribes receiving funds for diabetes prevention and treatment to monitor the usage and effectiveness of the program. Also in the bill is $1 million for an innovative diabetes program to be administered by the Joslin Diabetes Center, a leading center in diabetes research in our country.

I also want to bring Members' attention to the provisions in the bill addressing the Interior Columbia Basin Ecosystem Management Project. There may be an amendment to modify or strike the provisions contained in this bill through the subcommittee and then again through the full committee.

This project started as a simple scientific assessment of the public lands in eastern Washington and Oregon. Once begun, it took on a life of its own. This occurred back in 1994. Money was inserted into the Interior bill without authorization.

And 4 years later, now, we have spent at least $40 million on the planning process of ecosystem management, whatever that really means to whoever wants to define it, and there is no end in sight.

The implementation, according to the agencies involved, would cost upwards of $125 million a year for 10 years. That is not possible in this bill. It will not be possible over the next 10 years.

The language in the bill brings this unauthorized regional planning process, and that is really what it is, back down to the local level where managers better understand the capabilities and the challenges facing the land in a particular area. The administration has objected to this concept. If they would come forward in a constructive manner, I, speaking for myself only, would be willing to work with the administration on appropriate language. But I cannot support the imposition of a one-size-fits-all standards on our forests and BLM districts from northern Nevada to western Montana.

So I hope that the Members in this body will take particular care to look into the Interior Columbia Basin Ecosystem Management Project itself, understand what those of us in the West face regarding ecosystem management, and support the committee's version of this particular provision.

I also encourage my colleagues to support this bill and approve of all of the provisions within it, because it is a finely balanced and finely tuned bill.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of an amendment that will be offered in a few minutes to provide full funding for the National Endowment for the Arts at the level of $98.5 million and urge my colleagues to join me in casting an important vote in support of the Nation's arts programs.

As a member of the Subcommittee on Interior of the Committee on Appropriations for 22 years, I have been privileged to work closely with my distinguished colleague, the gentleman from Illinois (Mr. YATES) and other supporters over the years to ensure the survival of the National Endowment for the Arts.

The National Endowment for the Arts is a critical institution for our Nation. This important organization has served as a catalyst for the expansion of arts institutions throughout our Nation. The NEA is responsible for building the cultural infrastructure of our country. Over the last 30 years, the NEA has nurtured a healthy infrastructure of cultural institutions in order to better serve the unique needs of each community.

In 30 years, the number of State arts councils increased from 5 to 56, the number of local arts councils grew from 600 to 3,800, the number of orchestras increased from 110 to 230, the number of nonprofit theater companies increased from 56 to 425, the number of dance companies grew from 37 to 450, and the number of operas grew from 27 to 120.

Since its creation in 1965, the NEA has awarded over 100,000 grants, and less than 40 have been considered to be controversial. It is estimated that the endowment cost each American just 64 cents a year. However, with this modest investment, the agency helps enhance the quality of life for all of our citizens.

I really think, when you analyze this, you see that the Endowment has been a catalyst. It has helped spread the arts all over this country. Instead of attacking it, we should be applauding it for a job well done.

I want to compliment both the gentleman from Illinois (Mr. YATES) and also the gentleman from Ohio (Mr. REGULA), our chairman, for the work that they have done to try to fashion a way for the House to be able to work its will on this issue.

I just feel so strongly. In my own State of Washington, to see all of the various arts institutions grow and develop with small seed money from the NEA has really been something that I am proud of and I think everyone from our State is proud of. So I would like to see the money left in under the Obey amendment, but if that does not occur then we certainly want to support the gentlewoman from Connecticut (Mrs. JOHNSON) when she offers an amendment to restore the money.

It is certainly, in my judgment, one of the high priorities for this bill.

I rise in support of the amendment to provide full funding for the National Endowment for the Arts (NEA) at the level of $98.5 million, and urge my colleagues to join me in casting an important vote in support of our nation's arts programs.

As a Member of the Interior Appropriations Subcommittee, I have been privileged to work closely with my distinguished colleague SIDNEY YATES, and other supporters over the years to ensure the survival of the National Endowment for the Arts (NEA).

The National Endowment for the Arts (NEA) is a critical institution for our nation. This important organization has served as a catalyst for the expansion of arts institutions throughout our nation. The NEA is responsible for building the cultural infrastructure of our country. Over the last 30 years, the NEA has nurtured a healthy infrastructure of cultural institutions in order to better serve the unique needs of each community. In 30 years, the number of state arts councils increased from 5 to 56; the number of local arts councils grew from 600 to 3,800; the number of orchestras increased from 110 to 230; the number of nonprofit theatre companies increased from 56 to 425; the number of dance companies grew from 37 to 450; and the number of opera companies grew from 27 to 120.

Since its creation in 1965, the NEA has awarded over 100,000 grants and less than 40 have been considered to be very controversial. It is estimated that the Endowment costs each American just 64 cents a year. However, with this modest investment, the agency helps enhance the quality of life for our citizens, by supporting theaters, touring dance companies, folk festivals, arts education, orchestras, museums, and a wide variety of other programs.

Many widely acclaimed programs began with the talent of individuals who had received seed money from the NEA, and many rural areas of our nation would not be able to enjoy arts programs without outreach by the Endowment.

We must recognize that the small investment made by the federal government in funding the NEA creates tremendous leverage in obtaining private investment. For every dollar spent by the Endowment, it attracts $11 in investment from the private sector. In fact, many private sector contributors rely heavily on the NEA's grant selection process as a guide to the kinds of programs that should be supported.

Endowment support has helped to increase audience support for all art forms. For example, the annual audience for professional dance has grown from one million to more than 16 million over the past 28 years. Audiences for the work of professional opera companies have grown to over 7.6 million, compared to only 5 million a decade ago.

Non-profit theaters serve an audience that has grown to over 20 million. Symphony performance attendance has risen to over 27 million annually. All of this has occurred with seed support from the NEA.

Also, support for the arts is support for the economy. The NEA's modest budget has annually generated matching funds estimated at over $1.2 billion. These monies permeate the economy. At least 1.3 million full time jobs are supported by the arts; $25.2 billion is earned through salaries, wages, and entrepreneurial income; local governments receive $790 million in taxes and fees; state governments receive $1.2 billion; and the Federal government receives $3.4 billion in income tax revenue.

It is clear that the outreach and support granted by the NEA to the arts has an incredible ripple effect throughout our economy, and restricting or eliminating the NEA's ability to perform that outreach would be both economically and culturally devastating.

In my home state of Washington, many arts and cultural institutions have benefited from NEA grants, including: Tacoma's Broadway Theater, the Pacific Northwest Ballet, the Seattle Art Museum, the Spokane Symphony, and the Seattle Childrens Theater.

Throughout the nation, the National Endowment for the Arts (NEA) is serving the interests of the American people. It is important for our future, and it should continue to receive the support of Congress. Let's do what's right for the nation, and vote for the amendment to restore funding to the NEA.

Mr. BOEHLERT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this bill and I want to particularly congratulate the gentleman from Ohio (Mr. REGULA), the chairman, for the excellent balancing act he has accomplished, although a few more changes will need to be made and we are going to address the National Endowment for the Arts very shortly.

I am especially pleased that the bill eliminates the Purchaser Road Credit program. That is a major environmental victory. We were able to accomplish that with the help of our Western colleagues. We worked together. We reasoned together. This shows that when people sit down and reason together and try to work things out, we can actually make some serious progress.

The Purchaser Road Credit is being eliminated as part of an agreement under which Easterners and Westerners agreed to forgo other changes to amend the bill. That is a fair deal, and I urge my colleagues to support it.

There are some timber amendments that fall outside the agreement, those concerning the Chugach and the K–V Fund, and I urge my colleagues to support those amendments.

I also want to clarify language we agreed to have in the bill that enables the Forest Service to use the Roads and Timber Trails Fund for some new purposes. This could be a great plus for the environment if the Forest Service uses this money for true forest health projects as section 334 requires.

We will be watching very closely to see that this section is not violated by using the funds for salvage logging or road building.

Turning to the National Endowment for the Arts, this is something we go over time and time again. I think it is a sad commentary that we have to engage in this debate yet once again. We have already made NEA selection criteria more stringent. We have already limited grants to individual artists. We have already reduced NEA funding to about half of its peak level, and I think that is cutting too much but the will of the House has to be worked.

Yet even though we have addressed every legitimate concern raised by NEA opponents, and some that were not as legitimate, they are still hell bent on destroying an agency whose programs educate and enrich the lives of Americans in all regions and in all walks of life.

I simply do not understand it. I look at what NEA has done in my district in upstate New York, a rural area. We have the world class Glimmerglass Opera. It gets support. We have small county organizations like the Chenango County Council for the Arts doing magnificent work to introduce youngsters in their formative years to the arts.

It helps schools bring in a wide variety of arts programs. It enables our small cities to support symphonies and museums, all designed to enrich their lives. I do not see anything wrong with that. As a matter of fact, I think that is exactly what we should be supporting. These are institutions that would have a difficult time surviving without the small contributions that they receive from the NEA.

I think the Federal Government ought to undertake these sorts of legitimate activities through which the American public working collectively can enrich our culture in a way that is difficult for individuals working alone.

So I urge my colleagues to support the Johnson amendment. It is well thought out. It is well reasoned and it is good for this bill and it is good for America.

Finally, just let me say that this Member, along with so many of my colleagues, will miss the gentleman from

Illinois (Mr. YATES) when he is not here in the next Congress. I hope I am. The gentleman from Illinois (Mr. YATES) has been a tower of strength. He has been a person that you can talk to who will listen to you. He has just done so much for so many for so long and he will be sorely missed.

I thank the gentleman from Illinois (Mr. YATES) for serving America so well.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I move to strike the last word.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Rhode Island. I yield to the gentlewoman from Texas.

□ 1400

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman from Rhode Island for his kindness.

I rise for two particular reasons, and that is to support the National Endowment for the Arts and the National Endowment for the Humanities. It is a sad story that the amendment offered by the Democrats could not have been left in, that provided the $98.5 million, and that we will be subjected to a point of order of which then the Johnson amendment will hopefully be offered and supported to provide for the Endowment for the Arts.

But I would say that the American people stand alongside of those of us who enthusiastically continue to support the National Endowment for the Arts and Humanities. In fact, for every dollar the NEA invests in communities, there is a 20-fold return in jobs, services and contracts, and corporate America believes it is important to have a public-private partnership.

In Houston, Texas, the symphony, the opera, the ballet, all of my indigenous and community-based arts groups stand alongside of support. I hope we do not have to go through these shenanigans again, and I hope we vote enthusiastically for supporting the arts again for $98.5 million.

Mr. KENNEDY of Rhode Island. Mr. Chairman, reclaiming my time, I want to join those who have already stood in support of the National Endowment for the Arts. It has been spoken to in many instances already, but let me say, for our State of Rhode Island, this is an issue of particular importance, because we are very proud in Rhode Island that our former Senator, Claiborne Pell, was amongst the champions of NEA when he first got here to the Congress in 1960 and, with the help of my uncle, President Kennedy, was able to fashion the National Endowment of the Arts early on. And what a success it has been.

In my State of Rhode Island, we have a program called Arts Talk that focuses on dropouts in our schools. We have found students in the Vo-Tech schools, who have no exposure to the arts, are able to get exposure through the programs like Arts Talk, which expand the arts to people that do not ordinarily have access to the arts.

What this has done is, it has helped awaken their imaginations, helped them have a better self-image, because in many instances they learn about their own cultural heritage expressions within the arts. In addition to that, they may find some inherent talent in their own being that will allow them to express themselves through the arts, either by playing an instrument, acting in a play or painting a picture.

These things may sound esoteric to us, but I can tell you in Rhode Island they have had a marked impact on helping reduce juvenile delinquency in the schools. We have actually seen students that we have paired up with this program have a greater attendance in the schools, because they feel good about what they are doing.

Mr. Chairman, I think this is a program that really does not just meet the eye with respect to the arts. The implications of this program go well beyond just the immediacy of having our young people exposed to the arts.

I would ask my colleagues to keep this in mind when we have the point of order on the Obey language which will strike it and, therefore, strike the $98 million for NEA; and I would hope we support the amendment of the gentlewoman from Connecticut (Mrs. JOHNSON) to restore that funding, because I think it is so critical for our future generations to build their self-esteem and sense of self, which is so powerfully done through the arts.

Mr. Chairman, I thank the gentleman from Ohio (Chairman REGULA) for the work that he has done on this bill and on two other issues related in this bill, the Blackstone Valley Heritage Quarter and the support he gave Indian health services, which I must say was drastically underfunded, but thanks to the work that the chairman and the committee members provided, we are going to see an increase in Indian health services, which is something that I think we should all applaud.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to also associate my words with the words about the gentleman from Ohio (Chairman REGULA) and this bill being a good bill, and also with the distinguished gentleman from Illinois (Mr. YATES). Though we have opposed each other on many issues, the gentleman from Illinois (Mr. YATES) reminds me of the gentleman from Kentucky, Mr. Natcher.

One time when the gentleman from Wisconsin (Mr. OBEY) was on the floor and I was mad as a hornet, Mr. Natcher, being from Kentucky, who was in the majority at the time and in control of the bill and, with me, fuming right there at that microphone, said "Mr. CUNNINGHAM," he said, "I am from Kentucky and we have race horses. Quite often they come out of the block so fast that they break their legs, and we then have to shoot them. If you will settle down, I will help you pass your amendment." So I got the word of the then-chairman, Mr. Natcher.

But I would say that I am proud of what the Republican majority has done with the balanced budget, welfare reform, and tax relief for working families, and I am proud of this bill.

I have a potential sadness with this bill, in the fact that in 1995, on the Interior appropriations bill and the rule, the Republican Party was at an impasse. There was a group that wanted to increase the funding for the NEA and there was a group that wanted to strike the funding for the NEA. The result would have been that we would have lost that rule and the other side of the aisle would have taken over that rule and written it as they saw fit.

So then the majority leader, the gentleman from Texas (Mr. ARMEY), got the Republicans of both groups in a room for 4 hours and we came to an agreement. That agreement was that we would continue to fund the National Endowment for the Arts for a certain period of time.

Then the problem was that they could not use the funding within the year and they would lose that amount of funding, so we agreed to let them keep it so they could establish a true endowment that would fund the NEA, and we also promised to work for a tax break where you could give to the arts and get an additional tax break.

That was a word and that was a bond. My view of a principles of your word is that if I give, say, the gentleman from Washington (Mr. DICKS) my word, I would fall on my sword before I would break that word, unless I came to the gentleman from Washington (Mr. DICKS) and looked him in the eye and said, I cannot follow that because of these reasons, and let him respond.

But once an agreement had been executed, like the National Endowment for the Arts agreement, you cannot come back on your word.

I would ask the committee, many Members feel very strongly on both sides of this issue. That is fine, and they have fought for that. But the agreement was not just to reduce the NEA, it was not just to compel it to follow certain rules; it was, after the agreement, to eliminate it from the taxpayers, and Joe Six-pack would not have to pay for the NEA, but it could become its own endowment.

I would ask this House and those Members that signed and agreed, I was in the room, you can spin it any way that you want. I am not talking about the Democrats, they were not part of this agreement, I am talking about my own party.

You can spin it any way you want. I was in the room, I know the agreement, I know the acknowledgment, and I know how it was carried out. My potential sadness is that that word would be broken in this amendment.

Mr. Chairman, I ask my colleagues to live up to their word and vote against the Johnson amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I understand the gentleman, but I would point out, we came to the floor of the House from the committee with zero funding 3 years in a row; 1997 and 1998 and this year would have been zero had there not been an amendment in the full committee supported by some Republicans.

We got to the Senate for a conference on the bill, and the Senate made it very clear that they were not bound by any agreement made by the House.

The CHAIRMAN. The time of the gentleman from California (Mr. CUNNINGHAM) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mr. CUNNINGHAM was allowed to proceed for 1 additional minute.)

Mr. CUNNINGHAM. In my humble opinion, it should be struck, the point of order, the Johnson amendment should not be offered, or if it is offered, those Members should stick to their word. The chairman of the committee in conference should not yield and accede to the Senate provision, and then the word would be kept.

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, it is rather difficult. The Senate has dug in, the other body, and also the President made it very clear that a $14 billion bill, which affects a lot of things in your State as well as others, would be vetoed over this issue. So it is pretty complicated.

Mr. CUNNINGHAM. I understand.

Mr. REGULA. We kept our part of the bargain. We came with the zero.

The CHAIRMAN. The committee will rise informally.

The Speaker pro tempore (Mr. BALLENGER) assumed the chair.

SENATE ENROLLED BILL SIGNED

The SPEAKER pro tempore announced the Speaker's signature to an enrolled bill of the Senate of the following title:

S. 318. To require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes.

The SPEAKER pro tempore. The Committee will resume its sitting.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The committee resumed its sitting.

Mr. REGULA. Mr. Chairman, I ask unanimous consent to move to page 88, line 8, through line 6 on page 89, for the purpose of making a point of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. SANDERS. Mr. Chairman, reserving the right to object, some of us have amendments in title I. How does the gentleman's proposal affect those amendments getting heard today?

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, it would in no way affect the other amendments. We are doing this at the request of the gentleman from Illinois (Mr. YATES), who would like to deal with the issue of NEA, is my understanding.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, it is not my request. It was my understanding that the request was, would I agree to it? If the gentleman wants to continue at another stage of the bill, it is all right with me, but to place this in my pocket is the wrong approach. I would just as soon hear it or just as soon postpone it.

Mr. REGULA. If the gentleman will yield further, let us move on and dispose of this issue. Most of the speeches thus far have been on that issue, so I think it is important that we deal with it expeditiously. It will not affect in any way the gentleman's ability to offer amendments.

Mr. SANDERS. Mr. Chairman, reclaiming my time, is the gentleman saying he wanted to go to the NEA and for how long a period?

Mr. REGULA. Mr. Chairman, 30 minutes has been allowed in the rule.

Mr. SANDERS. Then we will come back to the beginning of the bill?

Mr. REGULA. Yes.

Mr. SANDERS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. DICKS. Mr. Chairman, reserving the right to object, we will go right back to the start of the bill after we finish this?

Mr. REGULA. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. DICKS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $81,250,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to section 5(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $16,760,000, to remain available until expended, to the National Endowment for the Arts: *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

POINT OF ORDER

Mr. ADERHOLT. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ADERHOLT. Mr. Chairman, the two paragraphs beginning on page 88, line 10, and all that follows through page 89, line 6, include unauthorized appropriations in violation of clause 2 of House Rule XXI.

The language I have just specified is an appropriation of $98 million for the necessary expenses for the National Endowment of the Arts. Authorization in law for the National Endowment for the Arts expired in fiscal year 1993. Clause 2 of House Rule XXI states "No appropriation shall be reported in a general appropriations bill for any expenditure not previously authorized by law."

Since the National Endowment of the Arts is clearly not authorized in law and the bill includes an appropriation of funds in this agency, I make a point of order that the language is in obvious violation of clause 2 of Rule XXI.

The CHAIRMAN. Does any member wish to be heard on the gentleman's point of order?

Mr. OBEY. Mr. Chairman, as the author of the language which is proposed to be stricken under the point of order, I would simply ask, is this the point of order that would allow the House to put back by recorded vote exactly what will be stricken 5 minutes earlier so that one party can claim victory over another, or is this a serious legislative approach?

The CHAIRMAN. The Chair would ask that the gentleman confine his remarks to the point of order.

Does anyone wish to be heard on the point of order?

Mr. DICKS. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The point of order is conceded, and the Chair is prepared to rule.

Mr. GOODLING. Mr. Chairman, I rise in support of the point of order.

Mr. Chairman, as chairman of the committee of jurisdiction over NEA, I would like to speak on the point of order with respect to funding for the National Endowment for the Arts, and want to make a few comments to put NEA funding in context.

Last year the Interior appropriations bill that came to the House floor provided continued funding for NEA for fiscal year 1998.

□ 1415

The point of order was made that constituted funding for a nonauthorized program. The point of order prevailed and the bill left the House with zero funding for the NEA, and then the master of all arts came into play, Houdini. When we found this bill again, we discovered that there was an appropriation, even though it was not authorized.

This year we find ourselves in much the same position. The appropriations bill has been reported to the House with $98 million for the NEA, yet the NEA has not been authorized since 1993. For the past few years it has been continuing on a year-by-year basis only by virtue of the appropriations process. A point of order has been made that the $98 million should be struck on the grounds it constitutes funding of a nonauthorized program. Some of my colleagues may ask, well, what has the authorizing committee been doing? Let me explain.

Back in 1995 the committee reported an NEA authorization bill. It would have permitted the NEA to exist for 3 more years, phasing it out over that same 3-year period, giving plenty of time for the private sector, local States and municipalities to take over the program. In fact, the NEA would have ceased to exist as of October 1 of this year had that bill become law. However, there was no floor action taken on it.

POINT OF ORDER

Mr. YATES. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. YATES. Mr. Chairman, the gentleman is not addressing the question of the current legislation and I think his attention should be directed to that fact. I think if he wants to state the history of the appropriations, the point of order should be disposed of and the gentleman permitted to strike the last word or participate in the debate.

The CHAIRMAN. The gentleman is correct, and the Chair would ask the gentleman from Pennsylvania (Mr. GOODLING) to confine his remarks to the point of order made by the gentleman from Alabama.

Mr. GOODLING. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The Chair is entertaining debate on the point of order made by the gentleman from Alabama (Mr. ADERHOLT).

Mr. GOODLING. Mr. Chairman, I was merely pointing out that there is a lot of history in relationship to what we are discussing today in relation to the point of order, so that someone does not fault the committee because we have not taken action, because we have taken action.

So I would suggest that it is definitely out of order to move ahead with legislation that has not been authorized by the authorizing committee, and I would hope that we would sustain the point of order.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

The gentleman from Alabama (Mr. ADERHOLT) makes a single point of order that the two paragraphs appropriating funds for the National Endowment for the Arts violate clause 2(a) of rule XXI by providing for an unauthorized appropriation.

As stated by the Chair on July 11, 1997, the authorization for the National Endowment of the Arts lapsed in 1993. The National Endowment of the Arts has not been reauthorized since the ruling of the Chair last year. Accordingly, the point of order is sustained and the two paragraphs are stricken from the bill.

AMENDMENT OFFERED BY MRS. JOHNSON OF CONNECTICUT

Mrs. JOHNSON of Connecticut. Mr. Chairman, I offer an amendment made in order by the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. JOHNSON of Connecticut:

Page 88, after line 9, insert the following:

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $81,240,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to section 5(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $16,760,000, to remain available until expended, to the National Endowment for the Arts: *Provided*. That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

The CHAIRMAN. Pursuant to House Resolution 504, the gentlewoman from Connecticut (Mrs. JOHNSON) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself 2 minutes.

I am proud to offer my amendment to restore $98 million in level funding for the NEA. I would have been equally proud to have risen to oppose a motion to strike NEA funding as adopted in the committee bill, and I salute my colleague, the gentleman from Illinois (Mr. YATES), for his successful committee amendment, yet another sign of the breadth of support there is for the NEA.

I also salute the gentleman from Illinois (Mr. YATES) for his long and consistent leadership in support of the arts and for his deep dedication to responsible stewardship of our Nation's resources. In this House we often refer to each other as the gentleman from a certain State or the gentlewoman from a certain State. Indeed, the gentleman from Illinois (Mr. YATES) has been a gentleman; not only a gentleman, but a wise gentleman and a leader, and I thank the gentleman for his fine service over so many years.

Mr. Chairman, I ask my colleagues to support my amendment. The reforms adopted last year directly addressed the causes of past problems, as the gentleman from Ohio (Mr. REGULA) will make clear in a few minutes. Therefore I ask those 150 Republicans who supported the Republican amendment last year, which supported a Federal role for the arts to support my amendment this year.

I have been a lifelong supporter of the arts, because truly man does not live by bread alone. The arts are a medium through which we publicly discuss profound and great matters of life and death, love and duty, freedom and bondage, man's relationship to God and nature. NEA dollars help new plays to be written, new symphonies to be conceived, performing arts groups to develop and thrive, and the performing arts to reach our most rural communities and our most isolated neighborhoods.

Mr. Chairman, I reserve the balance of my time.

Mr. LARGENT. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Oklahoma (Mr. LARGENT) is recognized for 15 minutes.

Mr. LARGENT. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. PITTS).

Mr. PITTS. Mr. Chairman, I rise in opposition to the Johnson amendment to the Interior Appropriations.

As my colleagues know, this amendment would restore funding to the National Endowment for the Arts, an organization which has wasted U.S. taxpayer dollars on art which has often been objectionable to Americans. By ending funding to the NEA, we are not ending Federal funding for the arts.

Contrary to popular belief, the National Endowment for the Arts is not the sole recipient of Federal funding for the arts. There are an estimated 200 arts and humanities programs or activities funded by and administered through various departments and agencies of the Federal Government, but are not getting one dime of NEA funding. These programs are programs such as the Commission of Fine Arts, the Holocaust Memorial Council, JFK Center for the Performing Arts, the National Gallery of Art, the Smithsonian, and many others.

The Federal Government also provides support for the arts through tax expenditures, such as the deduction for charitable contribution to the arts, humanities, culture, on income, gift and estate taxes. Zeroing out funding for the NEA will not end Federal funding for the arts. It simply ends a program which has misused taxpayer dollars with some of the sickening attempts to subsidize blasphemous, offensive and pornographic depictions.

In addition, I might point out that the NEA administrative overhead and bureaucrats earn about twice as much as the artists they seek to subsidize, and much of their subsidy goes to just a few large cities in our country. I do not know if this is what is called fleecing of America, but it is objectionable, and I urge the defeat of this amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I just want to make it clear the reforms that have been instituted in the past couple of years. They are listed here, and in addition, there are some others. First of all, we now have six Members of our Congress, three House, three Senate, that serve on the Arts Council: The gentleman from California (Mr. DOOLITTLE), the gentleman from North Carolina (Mr. BALLENGER), and the gentlewoman from New York (Mrs. LOWEY) from the House; Mr. SESSIONS, Mrs. COLLINS and Mr. DURBIN from the Senate.

We put a 15 percent cap on funds that any one State may receive in order to ensure a more equitable distribution. We also added a requirement that 40 percent of the funds must go for State grants and set-aside programs. We put in a requirement that there would be a reduction of administrative funds, and we provided authority for the NEA to solicit and invest private funds. The gentleman from California (Mr. CUNNINGHAM) mentioned earlier one of the agreements. We have implemented that agreement. The gentleman from Pennsylvania (Mr. PITTS) mentioned about one city getting too much and we put restrictions on this, to broaden it all across America.

In response to the gentleman from Pennsylvania (Mr. GOODLING), in this year's bill there is the establishment of a priority for grants for education for underserved populations and community music, and I mentioned earlier Jessup, Iowa had a group out there. They paid half for this, this small community, the NEA paid half, and they had a string quartet that spent 6 months with students in Jessup.

In 1996 Congress eliminated grants to individuals, seasonal support and subgranting so that we would not have a repetition of what happened in Minneapolis. These reforms have had a strong impact on the organization and the kind of grants it supports. In addition, Senator HELMS put obscenity restrictions in the NEA legislation in 1990, and just recently the United States Supreme Court upheld these restrictions in the Finley case as being constitutional.

So I just want to be sure that we are recognizing the enormous changes that have been made in the NEA.

Mr. LARGENT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Chairman, I wanted to leave that chart, because I think it is very important. I appreciate the chairman of the subcommittee showing us all the good reforms, and they are good reforms. The problem is, even with all of these reforms, we still have a bad NEA in place. That is the problem, and that is why I rise in opposition to this amendment to add funding back for the National Endowment for the Arts.

I am not under any illusions about this amendment. We are going to have a tough time defeating it. But I think there are very important principles at stake here, principles that supporters of the NEA simply gloss over. Fiscal responsibility of course is one principle. Is it fiscally responsible to give taxpayers' dollars to some artists who produce art that offends many of the taxpayers? Time and time again, even with all of the reforms, NEA money trickles out to so-called artists who go out of their way to offend the sensibilities of working Americans. Is this a fiscally responsible use of taxpayers dollars? I do not think so.

Another principle is censorship, and I contend that the NEA censors artists by doling out money only to those artists that know how to work the system. The NEA picks winners and losers, just by the very virtue of being a government agency. It thereby censors those who do not meet their particular tests.

Artists need to have the freedom to produce their art and they should do so in a free market setting. By allowing the continued government interference in the arts, we risk compromising the artistic freedom of this country.

The Federal Government has no business in an agency like this. The Federal Government is producing art, culture through the Smithsonian, through the museums, through our art galleries and things like that. Those are legitimate concerns. But this is the National Endowment for the Arts that, in my opinion, does nothing to promote artistic freedom.

Mr. Chairman, I believe that the Federal Government should get out of the arts business entirely, so I urge my colleagues to vote for fiscal responsibility and against government censorship.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I yield myself 1 minute if I may do that, and reserve the balance of my time.

The CHAIRMAN. The gentleman may not reserve time; the time is controlled by the gentlewoman from Connecticut.

Mr. YATES. Mr. Chairman, I thought she just yielded me 5 minutes.

Mrs. JOHNSON of Connecticut. Mr. Chairman, if I may, I would say to the gentleman I do have a lot of requests for time. I thought the gentleman wanted 5 minutes to speak.

Mr. YATES. Mr. Chairman, I do, but I just wanted to yield myself 1 minute of the 5 minutes because I had requests for time from other people, and that is why I asked whether I may do that as a parliamentary inquiry.

The CHAIRMAN. From the gentlewoman from Connecticut, the gentleman had been yielded 5 minutes. To yield the gentleman control of that time, so that he may control the dispensation of time, would require a unanimous-consent request.

Mr. YATES. Mr. Chairman, she has yielded me 5 minutes.

The CHAIRMAN. That is correct.

Mr. YATES. Will I be able to yield time to other people?

The CHAIRMAN. Not absent a unanimous-consent request.

Mr. YATES. Mr. Chairman, I would have to ask unanimous consent in order to yield that time to others?

The CHAIRMAN. To be able to control the 5 minutes and its distribution (as by reserving time or being seated), that is correct.

Mr. YATES. I do not understand that.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I would say to the gentleman, I certainly would be happy to have him yield time on his side; I also have them on my list.

Mr. YATES. Mr. Chairman, I will take the 5 minutes now. I thank the gentlewoman very much for that opportunity, and I thank the chair for what I believe was a misapprehension of my rights under the rules.

□ 1430

The gentleman from Texas (Mr. DELAY) who preceded me, the minority whip, in connection with the speech he made is just wrong, wrong, wrong. The government does not actually control the giving of the grants. That is in the hands of panels, of civilians who are expert in the field. They are the ones who make the original selections.

It is true that there has to be a censorship because there just is not enough money made available under the appropriations for the National Endowment of the Arts to provide grants for as many applications as they receive. They, therefore, have to be selective.

The second statement of the gentleman was that the Federal Government should not be in this business. Well, the general welfare is the government's business. I remember statements like the gentleman's being made before 1957 in connection with Federal aid for education. The Republicans were opposed to Federal aid for education and they prevented that program from being enacted by the Congress.

Then in 1957 the Russians launched Sputnik and General Eisenhower, who was President at the time, President Eisenhower, sent a request to the Congress for Federal aid for education in mathematics and in science. The Congress quickly passed that. But no mention was made for education in the civilian sense. That took a later date.

Now, we do not have the Federal Government making grants for the purpose of studying the languages, history, philosophy, ethics, religion, legislature or the arts, as such, other than through the NEA. We do have the National Science Foundation. The National Science Foundation does an excellent job for mathematics and for the sciences.

But insofar as the political sciences are concerned, the National Science Foundation does not engage in that. In other words, the National Science Foundation does not contribute to the disciplines that will educate our children in the ways of peace. Only the arts and humanities represent the Federal Government in making those kinds of grants and in teaching in that respect.

Does the committee believe that education in science and math is enough? I do not think so. I think that the endowments have done a remarkably fine job over the years and I am constrained to support the amendment offered by the gentlewoman from Connecticut (Mrs. JOHNSON) to restore the funding for the arts.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me simply say that this amendment simply restores funding to the NEA that my amendment originally placed in the bill last week, funding that was just stricken by the Republican point of order.

Of course this amendment should be supported, even if the procedure being used is Mickey Mouse. If we have to support a Mickey Mouse procedure in order to provide funding for the arts, then that is what we will have to do.

Mr. LARGENT. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. CRANE).

Mr. CRANE. Mr. Chairman, first I thank the gentleman from Oklahoma (Mr. LARGENT) for yielding me this time.

Mr. Chairman, this is a little repetitious. We have been through this so many times. But I want to take advantage of an opportunity to pay tribute to a very distinguished colleague who was first elected to Congress when I graduated from high school. That is the gentleman from Illinois (Mr. YATES).

The gentleman is a dear friend. He has been a devoted and committed Member of this body. We sometimes have our disagreements on all kinds of issues, but I respect him profoundly and I wish him all the best.

Let me add that I am totally opposed to this amendment. At the Constitutional Convention, the whole question came up of funding the arts and it was overwhelmingly rejected on the grounds that that is not an appropriate function of the national government.

In 1965 we got into "guns and butter." We got into funding everything. The national government swelled enormously, penetrating virtually every aspect of our lives. This is not a time to revive it; this is a time for downsizing, getting the national government out of our lives and getting folks back home more involved in participating in funding such things as the arts and humanities.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I thank the gentlewoman from Connecticut (Mrs. JOHNSON) for yielding me this time.

Mr. Chairman, I am pleased to rise in support of the Johnson amendment restoring full funding to the National Endowment for the Arts in the amount of $98 million.

I strongly support full funding for the National Endowment for the Arts. Over the past 30 years our quality of life has been improved by the NEA. Support for the arts proves our dedication to freedom of expression, one of the fundamental beliefs that our Nation has been built upon.

Full funding for the National Endowment for the Arts will not detract from the quality of life in our Nation as a whole. The NEA is a dynamic investment in the economic growth of our Nation's communities. Arts are extremely important to the constituents of our districts, and by supporting them I know that I am ensuring that our rich, diverse American culture will continue to be memorialized and celebrated.

In addition, the cultural benefit they provide, arts organizations make a direct economic impact on our communities, providing jobs, often fueling a vital flow of patrons to restaurants and shops.

Accordingly, I urge my colleagues to fully support the Johnson amendment restoring full funding to the arts, and I commend my friend, the gentleman from Illinois (Mr. YATES), for his support of this endeavor.

I am pleased to rise today in support of the Johnson amendment, restoring full funding to the National Endowment for the Arts in the amount of $98 million.

I strongly support full funding for the National Endowment for the Arts. Over the past 30 years our quality of life has been improved by the NEA. Support for the arts proves our dedication to freedom of expression, one of the fundamental beliefs our great country is built on. Full funding for the National Endowment for the Arts will not detract from the quality of life in our Nation as a whole.

The NEA is a dynamic investment in the economic growth of our Nation's communities. Arts are extremely important to the constituents of my district, and by supporting them, I know that I am ensuring that our rich, diverse American culture will continue to be memorialized and celebrated. In addition to the cultural benefit they provide, arts organizations make a direct economic impact on the community, providing jobs and often fueling a vital flow of patrons to restaurants and shops.

The NEA brings the arts to our young people. Each year, the arts endowment opens the door to the arts to millions of school children, including "at-risk" youth. An education through the arts improves overall student learning, and instills self-esteem and discipline. The arts also help prepare America's future work force by helping students develop reasoning and problem-solving skills, and enhancing communication ability—all important career skills for the 21st century.

The NEA has worked diligently for the past 8 years to create a more accountable and efficient system. In 1994 the NEA constricted the grantmaking process by eliminating subgrants to third party artists and organizations. The following year, the NEA eliminated seasonal operating support grants, and in the fiscal year 1996 and 1997 appropriations bills, Congress banned nearly all grants to individual artists.

Furthermore, the recent decision by the Supreme Court to uphold the decency standard passed by Congress in 1990 is a victory for both the National Endowment for the Arts and for the Congress. This decision is a significant step to protecting the caliber of art funded by the NEA.

The arts foster a common appreciation of history and culture that are essential to our humanity. Accordingly, I urge my colleagues to do the right thing by restoring full funding for the arts by supporting the Johnson amendment.

Mr. LARGENT. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Chairman, I will try and do two quotes here to perhaps change the mind of the gentleman from Illinois (Mr. YATES) and others on this subject.

Let us go back to the year 1787. During the Constitutional Convention, Charles Pinckney of South Carolina offered a motion to authorize the government to spend money on the promotion of literature and the arts and sciences. The motion was put up before the members and it was defeated overwhelmingly.

From that point on through the years of 1960, Americans enjoyed a vibrant and successful art community. Successful not because of the government, but without the government. Is the gentleman from Illinois repudiating all of that history?

Suddenly, almost 200 years later in 1965, Congress started talking about supporting the arts through Federal funding. But do my colleagues know which President said he was against funding for the arts? President Kennedy, who stated, "I do not believe Federal funds should support symphony orchestras or opera companies."

NEA has gotten very political. Everybody who is going to support the NEA would have to agree it has gotten very political, and the Federal Government has been the primary endorser of very controversial pieces of art. This art has been antithetical to our traditions and to our mores.

One of the great publishers of magazines and newspapers and a candidate for President, H.L. Mencken, said it best in this quotation:

> After 20 years, he said, of active magazine publishing and newspaper publishing, I cannot recall a single writer who really needs government assistance. That is, not one of any talent whatsoever. A great many pretenders, of course, are doing badly. But I cannot see that it would be of any public benefit to encourage them in their bad work.

Mr. Chairman, the bottom line is the NEA has often not provided art that we can be proud of. It has been in large part social experiment for the elite. Some of the art produced was antithetical to our values. I do not support the Johnson amendment. Let's remember our history for almost 200 years when the government did not provide federal funding for the arts.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, I must say I find it most unfortunate that we are still here listening to continuing political attacks on the NEA. I strongly support, and I think it goes without saying, the contributions the NEA has made to cultural standards in this country.

But I want to say now, as one who served as the Republican leader on the subcommittee that wrote the reforms in the early 1990s to deal with those questions of standards of decency and to protect against the controversial sexual and religious themes and, indeed, blasphemous themes, I want to say that as the Republican leader who wrote the reforms we put in protections and reforms in that legislation so that we would not be violating the community standards of decency. In fact, just last month the U.S. Supreme Court upheld the right of Congress to have those standards of decency.

Now, with respect to this question of whether or not abuses are continuing in the so-called Corpus Christi project, I can tell my colleagues categorically that no NEA funding was used under that, and let us not use this as a stalking horse or as a diversion. Let us support the Johnson amendment.

Mr. Chairman, I rise to urge this House to vote to support the NEA and vote for this amendment. I find it most unfortunate, and cannot explain the irrational political attacks on the NEA. These attacks are bred of ignorance or willful, crass, and disingenuous political abuse.

Since its formation over thirty years ago, 2nd National Endowment of the Arts has provided the public side of a very valuable public-private partnership to foster the arts. The people in this room represent the private side of that partnership. For urban, suburban, and rural areas alike.

Nevertheless, there were abuses in recent years that became public in the early 1990's. There were blasphemous and irreverent productions that clearly violated community standards.

"CORPUS CHRISTI"

Now, all of us have been hearing from constituents about a play "Corpus Christi," which many people mistakenly believe was supported by the NEA. I want you to know that NEA funding did not support this play!

Should this event prove to show that the reforms we instituted have to be strengthened, then I can assure all our members that I will lead that effort and close any loopholes in current law.

In 1990, I served as Republican leader of the subcommittee that re-wrote NEA regulations to establish new decency standards and outlawed NEA support for projects with controversial sexual and religious themes, and those which violated community standards of decency.

In the past month, the U.S. Supreme Court upheld these standards, saying the federal government can consider general standards of decency and the "values of the American public" in deciding which projects should receive cash grants.

The NEA has provided the critical support which allowed production of such American classics as the original "Driving Miss Daisy," "The Great White Hope," and a "Chorus Line." The NEA has brought us the television programs "Live from the Lincoln Center" and "American Playhouse."

All told, over 11,000 artists have received fellowships from the Endowment. They've won dozens upon dozens of Pulitzer Prizes, MacArthur Awards, and National Book Club Awards.

Let's continue to support this worthwhile organization. Vote for this amendment. Support the Arts.

Mr. LARGENT. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina (Mr. GRAHAM).

Mr. GRAHAM. Mr. Chairman, I thank the gentleman from Oklahoma (Mr. LARGENT) for yielding me this time.

Mr. Chairman, I want to bring back a chart that we looked at just a few minutes ago and have kind of a little different perspective on what we were doing. The gentlewoman from New Jersey (Mrs. ROUKEMA) just mentioned some of the reforms.

When we go down this chart of NEA reforms, the gentleman from Florida and the gentleman from Illinois, the CLIFF STEARNS and the PHIL CRANES of the world who have been fighting this fight for dozens of years, and other people in this conference, trying to highlight the abuses of this program, I think here are some dividends that have been paid.

There is a $400,000 grant in Kansas in March of 1997, a review of that art project. It was called "Santa's Workshop" and it had Santa Claus masturbating. So this fairly recent phenomenon here of 1997, of where we do not quite have it right.

But the people who have the courage to come up here and say that this is not a proper thing to spend taxpayer money on, and have highlighted the abuse and the way the NEA is run, should be proud that we have made progress.

The subcommittee chairman should be proud of what he has been able to do, because that $400,000 grant to produce art showing Santa masturbating is more money than the entire arts agencies in Arkansas, Delaware, Idaho, North Dakota, Wyoming, the District of Columbia, Puerto Rico and all the U.S. territories received combined.

Whether we consider that program art or not, whether we consider it the proper role of the Federal Government, this has been a poorly run Federal agency where 25 cents of every dollar goes into administration and most congressional districts receive little, if any, support from it.

It is an elitist organization, out of touch with the American people in terms of business management, out of touch with the American public in terms of what art is. We are making small progress, and that is something to be thankful for. But we can set our watches by this debate, because it will happen again next year, and one year we will take this pot of money and give it to the communities to let them come up with programs better than we can do here. That day is coming.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. BALLENGER).

Mr. BALLENGER. Mr. Chairman, I rise in support of the Johnson amendment. As a congressional appointee by the Speaker to the National Council of the Arts, I have been monitoring the NEA and found that significant and positive changes have been made by this agency and Congress to ensure that taxpayers' funds are spent wisely and not on obscene and offensive art.

Like many others, before the NEA undertook these changes, some of which were internal and some of which were dictated by Congress, before that time I supported efforts to reduce, prioritize, or eliminate funding for the Endowment. I now think we should give the NEA a chance to work under new guidelines and mandates of law that now govern the agency and that we should level-fund it.

□ 1445

In recent weeks I have heard reports that NEA funded a theater called Project Corpus Christi, a play portraying Jesus as having sex with his apostles. I am glad to report the NEA did not fund this project. The Manhattan Theater Club, the theater involved in this controversy, did receive funds from the NEA but for a separate and noncontroversial play.

I think we should support, level fund this endowment.

Mr. LARGENT. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama (Mr. ADERHOLT).

Mr. ADERHOLT. Mr. Chairman, when we are on a tight budget, we have to make choices. We cannot buy expensive tickets to the theater or even go to the movies if we can barely afford to buy our food and pay our rent.

At a time when we are talking about a debt in this Nation of $5.5 trillion, when we are talking about balancing the budget, it is difficult to explain to the American people why we need to spend $98 million for such a program as we are talking about here today.

We all support the arts, but it does not seem fair to make the hardworking people of this country pay for exhibits that are only art by name, because in many cases they are pornographic, they are profane, and would be viewed with disgust by the majority of the people who see it.

When we are trying to balance the budget, as I mentioned, when we are trying to reduce the size and the scope of the Federal Government, can anyone honestly place arts on the same level as, say, providing for our national defense and improving our Nation's infrastructure, improving or saving Medicare and Social Security?

The National Endowment for the Arts has proven time and time again that they cannot be trusted as good stewards of the people's money. This is a travesty and a slap in the face of those people who call themselves Christians and who believe in the Christian faith and the religious values that have made this Nation great. I think we must show the American people that we are serious about changing the way Washington spends their money, and I think we should eliminate the National Endowment for the Arts.

I urge my colleagues to vote against the Johnson amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Ms. SLAUGHTER).

Ms. SLAUGHTER. Mr. Chairman, I thank the gentlewoman for yielding me this time.

As cochair of the Congressional Members Organization on the Arts, I represent over 140 Members of this House, bipartisan Members, who are dedicated to the survival of the NEA because we know that one of the greatest benefits is that it touches a broad spectrum of the population, both rural and urban, young and old, rich and poor, and everyone in between.

The arts are an important part of our economy, recognized by the Conference of Mayors of the United States, which has given us its strongest support and said that NEA must survive because of the economic benefits it means to every city in the United States.

When we spend $98 million on the NEA, we provide the first link in a delicate system that supports 1.3 million full time jobs in all the 50 States, providing $3.4 million back to the Federal treasury in income taxes. I know of no other investment we make as Members of Congress that brings back to the treasury such an incredible return.

But it is more than that. Test after test has shown that each child exposed to the arts is a better student.

Mr. LARGENT. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky (Mr. LEWIS).

Mr. LEWIS of Kentucky. Mr. Chairman, I rise today in opposition to the Johnson amendment. There is no question that art serves many purposes. It communicates powerful emotions that are often difficult to express in other ways.

Yet art is best judged in the context of individual creativity and independent thought, not through a Federal bureaucracy. And freedom of artistic thought is very important to our society. We do not need a Federal agency determining which art is worthy of government funding and which is not. Citizens and private groups should decide what they think is quality art and spend their money to fund it accordingly. When the NEA gives grants to art projects, taxpayers are put in the position of supporting art they may find objectionable.

A recent congressional oversight study found private giving to the arts is at an all-time high. In fact, private individuals outspent the NEA 100-to-1. When it comes to supporting the arts, the private sector is where it is at. Local and State governments do likewise. Art thrives not on government handouts but on thousands of individual acts of creativity.

The NEA is no longer needed to fund art. Instead, it serves as a prime example of government overreaching its sphere of influence.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentlewoman for yielding and I rise in support of Federal funding for the arts and funding for the NEA.

Mr. Chairman, I find it appalling that we are even debating whether to cut the funding of the National Endowment of the Arts today.

We spend more on the Marine Corp Band than we do on the NEA. In fact, we give less to the arts than any other western country. Even during the Middle Ages the arts were something to be protected and preserved and their importance was understood.

They were not mistaken. The arts are good for the public, and study after study shows that children who are exposed to the arts do better in school and have higher self-esteem.

The money from the National Endowment for the Arts touches the lives of millions of Americans.

At the Metropolitan Museum of Art, thousands of people flood in and out of their doors each day.

The American Ballet Company travels around the country bringing the grace of ballet to every area of our country.

Before the NEA was created in 1965, there were only 58 orchestras in the country; today there are more than 1,000.

Before the NEA, there were 37 professional dance companies in America; now there are 300.

Before the NEA, only one million people attended the theater each year; today over 55 million attend annually.

Mr. Chairman, the benefits of the arts and the NEA are evident, and I urge my colleagues to join me in supporting full funding for the National Endowment for the Arts.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Chairman, as one of the members of the Council on the Arts, I rise in strong support of the Johnson amendment and want to associate myself with the remarks of my colleague, the gentleman from North Carolina (Mr. BALLENGER).

Mr. Chairman, I rise in very strong support of the NEA, and I do so not only as a proponent of federal support for the arts, but also as one who has seen first-hand the inner workings of the NEA.

Along with Mr. BALLENGER and Mr. DOOLITTLE, I have the privilege of serving as one of six Congressional members on the National Council on the Arts, which basically serves as the Board of Directors for the NEA. Among the distinguished members of the National Council are Father Leo O'Donovan, the president of Georgetown University; and Wallace McRae, a third generation livestock rancher from Montana and the author of four volumes of poetry. Let me also point out that the new chairman of the NEA, William Ivey, is the former director of the Country Music Foundation.

This is not a radical group, needless to say. In reviewing and voting on NEA grant applications, the members of the National Council take their responsibilities to U.S. taxpayers very seriously. They are united by their commitment to making the arts accessible to all Americans—which is what this debate is all about.

Now we all know that NEA opponents delight in telling tabloid-like stories about objectionable projects funded by the NEA. But let's be clear on the facts. Out of more than 112,000 NEA-funded grants over the past 32 years, only 45 were controversial. That's less than four one-hundredths of one percent of all grants. Most importantly, reforms instituted by Congress and internally by the NEA have restructured the grant process so that the mistakes of the past will not be repeated.

We didn't abolish the Department of Defense because of $500 toilet seats and we didn't abolish the Navy because of the Tailhook scandal. We certainly shouldn't abolish the NEA because a few projects years ago were controversial. It's simply absurd.

One of the standards by which we judge a civilized society is the support it provides for the arts. In comparison to other industrialized nations, the United States falls woefully behind in this area—even with a fully-funded NEA. In a nation of such wealth and cultural diversity, it is a tragic commentary on our priorities that year after year we must engage in a protracted debate about an agency that spends less than 40 cents per American each year—and in return benefits students, artists, teachers, musicians, orchestras, theaters, and dance companies and their audiences across the country.

But let's be honest—this isn't a fight over money. The Republican leadership wants to eliminate the NEA because they are afraid of artistic expression in a free society. This battle isn't about defending the values of mainstream America—this is about the GOP pandering to Pat Robertson and the Religious Right.

Polls overwhelmingly show that the American public supports federal funding for the arts. And if those reasons are not compelling enough for some, let's just talk dollars and cents. For every $1 the NEA spends, it generates more than 11 times that in private donations and economic activity. That is a huge economic return on the government's investment. And you certainly don't need to be from New York to see the impact of the arts on a region's economy.

The Republican assault on the arts—on cultural expression itself—is an outrage—and it must be defeated.

Mrs. JOHNSON of Connecticut. Mr. Chairman, who has the right to close?

The CHAIRMAN. The gentlewoman from Connecticut, as the proponent of the amendment, has the right to close.

Mrs. JOHNSON of Connecticut. And how much time do I have remaining, Mr. Chairman?

The CHAIRMAN. The gentlewoman from Connecticut (Mrs. JOHNSON) has 3 minutes remaining, and the gentleman from Oklahoma (Mr. LARGENT) has 3¼ minutes remaining.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, the government has an important role in funding the arts. Two years ago some of us thought we could combine two good principles; fund the arts, but do it by replacing the NEA with a block grant directly to the State arts commissions. We thought we had a viable compromise that would end the annual debate; an honorable effort to broaden the base. That failed. The block grants are not viable.

We need to fund the NEA and we need to increase the funding for the NEA. I appreciate the efforts of my colleague from Connecticut in making sure that will happen.

Mr. LARGENT. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. HOEKSTRA).

Mr. HOEKSTRA. Mr. Chairman, I thank the gentleman for yielding me this time.

I would encourage my colleagues to read the report that we issued last year: A Creative and Generous America, The Healthy State of the Arts in America. Because the arts in America are healthy. What is failing is the continued failure of the National Endowment for the Arts.

It is not a broad-based program. The NEA has failed in its primary mission to make that happen. More than one-third of NEA funds go to six cities, and one-third of all congressional districts fail to get any direct funding. That means one-third of America does not even see the NEA. In short, the NEA makes up a minuscule portion of arts support in America.

There is no credible evidence that the NEA has had anything to do with the recent growth and explosion in the arts. It is a failed small agency. And before my colleagues say how well it works, just a year ago 63 percent of NEA grantees could not reconcile their project costs, 79 percent had inadequate documentation of personnel costs, and 53 percent had failed to engage independent auditors.

This agency needs to be overhauled if not eliminated.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I rise in very strong support of the amendment offered by my good friend, the gentlewoman from Connecticut (Mrs. NANCY JOHNSON), to restore funding for the NEA.

Mr. Chairman, the arguments in favor of limited funding are hollow and without merit. Government support for the arts is not a program for the elite. Eliminating the endowment will do nothing to reduce the deficit. The private sector cannot and will not provide sufficient funding to make up this loss in the credibility.

Some of the many reasons most Americans believe in government support for the arts is it stimulates economic growth, it invests in our communities, they are basic to a thorough education. We know that student achievement and test scores in academic subjects improve when the arts are used to assist learning in math, social studies, creative writing and communication skills. We know SATs and ACTs are elevated by students who have had the arts training.

I invite anyone who thinks the NEA is not needed to visit the Puppet Company Playhouse in Glen Echo Park, just a few miles from the Capital.

It's a two-hundred seat theater created out of a portion of an historic ballroom at Glen Echo Park. The audience is usually made up of children accompanied by their families and teachers, representing the cultural and economic diversity of Maryland, Virginia and the District of Columbia. An NEA grant allows the Puppet Co. to keep the ticket prices low so that many young families can attend the performances. The associates who run the Company work hard for modest salaries in the true spirit of keeping their company non-profit.

I think most taxpayers would be pleased to know that they support such a worthwhile project.

Mr. Chairman, I urge my colleagues to support the Johnson amendment. It is the right thing to do.

Art is how we remember. It is important, even vital, that we support and encourage the promotion of the arts so that the rich and cultural story of our past can be made available to future generations.

Mr. LARGENT. Mr. Chairman, I yield 1 minute to the gentlewoman from New Mexico (Ms. WILSON).

Ms. WILSON. Mr. Chairman, for those of us who find ourselves supporting a gradual change, this is a difficult vote and a difficult amendment.

I am rising today in opposition to this amendment for a variety of reasons but, in particular, I would have supported the efforts of the gentleman from Pennsylvania (Mr. GOODLING) several years ago to gradually privatize the National Endowment for the Arts, and I believe as a politician who also loves the arts, that politics and art rarely mix. And if there is one thing that this debate has shown us today, it is that.

I think that the National Endowment of the Arts should move towards being a private national endowment over time. Unfortunately, having talked to the National Endowment of the Arts this morning, I found that while they were given authorization to begin development programs to raise independent funds a year ago, in that year they have only raised $50,000. That is not a real effort, in my view, towards moving toward a truly independent national endowment, and my vote today should be seen by supporters of the arts and seen by the National Endowment of the Arts as a clear encouragement to them to move towards privatization.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. ETHERIDGE).

Mr. ETHERIDGE. Mr. Chairman, I thank the gentlewoman from Connecticut for yielding me this time, and I certainly support her amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Chairman, I consider myself one of the most conservative Members of this body, and my record as one of the fiscal conservatives is a matter of record. But let me tell my colleagues, regarding the arguments I have heard today, this is a question about whether or not we give any money to the arts. It is that basic; that simple.

This government has always supported the arts. From Washington, from Thomas Jefferson, from Abraham Lincoln, we have always, as a Nation and its founding leaders and through every administration, supported the arts.

Now, I admit that some mistakes have been made, and I have highlighted those mistakes. But it is not our responsibility or duty here to abolish Federal Government participation in the arts. With those mistakes that have been made, it is our responsibility to correct those mistakes. If we need tax credits, if we need to change the project basis, let us do that. But this is about funding our museums, this is about funding our symphonies.

Mr. Chairman, I have never seen a child who has attended or heard a symphony or visited a museum who would not benefit from this effort to fund the arts.

Mr. LARGENT. Mr. Chairman, I yield myself the balance of my time.

As I listened to the debate, one thought kept crossing my mind, and that is how easy it is to be a philanthropist with other people's money. It is really easy to give away other people's money, $9.5 million.

The impression some Members would give us, and the movie stars, is that the arts and arts programs in this country are hanging by a thread, and if we do not fund the NEA all of the arts are going to go away. Well, the truth is that is not true.

The fact is there are several people that are contributing to the arts community in our country today. One is the Federal Government. Now, not just the $98.5 million that we are trying to stop being funded to the NEA. There are over 200 programs funded by taxpayers that go to the arts: Holocaust Museum, Commission of Fine Arts, Indian Arts and Crafts Board, JFK Center for the Performing Arts, National Endowment for Children's Educational TV, NEH, National Gallery of Arts, the Smithsonian.

How much money is the Federal Government spending of our tax dollars on the arts? Well, in 1997, it was $696 million, in 1998 it was $710 million, and in 1999 it will be $815 million that is going to go to fund the arts. So we are great philanthropists with other people's money.

Mr. Chairman, I will just finish by urging my colleagues to vote "no" on the Johnson amendment.

□ 1500

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself the 30 remaining seconds.

I urge support of my amendment in the strongest terms possible. This body votes R&D tax credits to support the creativity necessary to an entrepreneurial society. We support NIH funding to create the knowledge base for medical innovations.

We must support NEA dollars to support the infrastructure for a strong, vital, national, creative culture and community of the arts. We must do no less if we are to have the quality of inspired leadership that this Nation needs to sustain our democracy.

If my colleagues have never been in a HOT school, a higher order of thinking school, go. It will demonstrate why NEA dollars count, now and in the future.

Mrs. KENNELLY of Connecticut. Mr. Chairman, I rise in strong support of my colleague NANCY JOHNSON's amendment to restore $98 million in funding to the National Endowment for the Arts. For a small and carefully safeguarded investment of taxpayer money, NEA funds activities that enrich all aspects of our society.

We will hear a good deal today about the economic benefits NEA offers to our local communities—and that's right. Last year, we invested $98 million in the NEA. This investment supported 1.3 million full-time jobs in local communities, generated an estimated $37 billion in economic activity, and returned almost three and one half billion dollars to the federal treasury in income taxes. Clearly, any investment which provides a return of nearly 35 times your initial investment is worth continuing. Since FY96, the NEA has directly contributed over $3 million in awards to the Connecticut economy, and 19 individual awards were recommended last year.

But more important is the immeasurable contribution that NEA makes to our nation's art and music, creativity and talent. When we invest in NEA, we add to the store of artistic expression in the world. We add to the human spirit. And that is the most important investment of all.

I urge my colleagues to support this amendment and fund this important program.

Ms. STABENOW. Mr. Chairman, I rise today to express my strong support for continued funding for the National Endowment for the Arts because the NEA broadens public access to the arts for all Americans.

The latest Lou Harris poll found that 79% of Americans support a governmental role in funding the arts. Furthermore, 57% said they favor the federal government funding the arts. Federal funding for the arts is a good investment because the arts contribute to our society both financially and educationally.

From a financial standpoint, the NEA is an investment in the economic growth of our communities because the non-profit arts community generates an estimated $37 billion in economic activity, returns $3.4 billion in income taxes to the federal government each year, and supports 1.7 million jobs.

Federal funding for the arts is also a catalyst for leveraging private funding since recipients of NEA grants are required to match federal grants up to 3 to 1. It is also important to recognize that the NEA's budget represents less than one one-hundredth of 1 percent of the federal budget and costs each American less than 38 cents per year.

Our communities benefit from an investment in the arts when art is a part of a comprehensive educational program and last year, the NEA made arts education a top priority. In 1997, the NEA invested $8.2 million in support of K–12 arts programs. Through these programs, the NEA opens creative doors to millions of school children, including "at-risk" youth. Participation in the arts improves overall student learning, instills self-esteem and discipline and provides creative outlets for self expression. The arts also help prepare America's future high-tech workforce by helping students develop problem-solving and reasoning skills, hone communication ability and expand career skills for the 21st century. In my extensive work with education and technology, I see how important arts education is to developing our future workforce.

Exposing children to the arts is even more important now that we know how crucial the first 3 years of a child's life are to full mental and emotional development. Even at the very beginning of life, children respond to music and visual stimuli. The NEA increases opportunities for parents and teachers to share art with children who may not otherwise have such opportunities.

In Michigan, the NEA supports mentoring programs, in-school performances and apprenticeships in local school districts, colleges and universities. These programs have enriched the cultural fabric of our community. Mr. Chairman, I urge my colleagues to support the continued funding for the National Endowment for the Arts.

Mr. LAZIO of New York. Mr. Chairman, I rise today, in ardent support of the National Endowment for the Arts. I commend my colleague, NANCY JOHNSON, for her perseverance on this issue and thank Chairman REGULA for bringing to the floor a fine Interior Appropriations bill.

Every day, arts programs across the United States are helping Americans. CityKids is an educational program in New York City, and let me describe for you what one of the students told me:

Chayka wrote:

> My grandfathers, grandmother, father and uncle were all alcoholics. I lived in the projects oldest of 5 girls to a single mother and all I had was my ambition, drive, determination, and talent. The arts . . . has kept me sane. Now I've taken these skills that I've learned and through the arts I educate thousands of youths. It makes communicating to my peers about teen pregnancy, drugs, abuse, and racism heard effectively.

The National Endowment for the Arts is a powerful symbol for improving the quality of our lives and the refining of our communities. The arts clearly enhance community livability; attract industry; create jobs; increase the tax base; and enrich us all. Dance, theater, and music encourage personal achievement in our communities. In a time when we have balanced the budget, lowered taxes, and improved education in our country, we can take the time to appreciate the creative opportunities made possible by local arts organizations and the NEA.

The NEA does touch us in our communities. For instance, this weekend the 21st Annual New York Philharmonic Free Concert will take place at Heckscher State Park in my district on Long Island. Every year, this concert brings together 40,000 people and this free concert is made possible because the NY Philharmonic receives a grant from the NEA to offer free concerts throughout New York State and the region. 40,000 people take advantage of this opportunity and benefit from the NEA—families who otherwise may not have the occasion or the money to hear classical music.

As a result of Federal arts funding, the American people have gained access to a greater range of nonprofit arts organizations. Since 1965, the number of professional nonprofit theaters has grown from 56 to over 425; large orchestras have increased from 100 to over 230; opera companies from 27 to over 120; and dance companies from 37 to over 400. Additionally, countless small chamber and choral groups, museums, art centers, cultural festivals, cultural organizations and writers guilds have sprouted up in small towns, rural communities, medium-sized cities and suburbs throughout every corner of America. A Congressional initiative that allocated 7.5 percent of all NEA arts funding to help develop arts programming in under-served areas specifically helped us reach this outcome.

Over the past few years, Congress has instituted changes that have allowed for important reforms. I'd like to take a moment to highlight an excellent program that has been instituted in response to Congressional concerns about the fairness of the distribution of NEA grants. The new ArtsREACH program is designed to send grants to states that have historically been under-served. Specifically, ArtsREACH will provide direct planning and technical assistance grants to communities in targeted states to create coalitions of cultural organizations, local government and community arts agencies. They will work together to ensure that the arts are an integral part of achieving community goals. ArtsREACH will target local arts and civic leaders and help them to use the arts to build stronger communities. In fact, the United States Conference of Mayors recently passed a unanimous resolution endorsing ArtsREACH.

The arts make a difference in helping to solve everyday challenges. I have seen firsthand how the arts build communities. Public funding for the arts combined with private sector giving has had a profound impact upon the health, education and economy of our nation. Business leaders are building upon the economic stimuli and social problem-solving abilities created by the arts to nurture further growth at the local level. The arts enrich the lives of all Americans because they speak to our economic, intellectual and spiritual well-being. In my home state of New York, organizations supported by the arts provide 174,000 jobs. Nonprofit arts organizations alone have an economic impact of nearly $4.1 million.

Not only do the arts contribute to a stronger community, they also help prepare job-seekers and enhance creativity in the workplace. When hiring employees, more and more businesses are looking for those qualities developed through education and exposure to the arts.

The U.S. Department of Labor's report on the Secretary's Commission on Achieving Necessary Skills recently highlighted the important role of arts education in achieving many "core competencies" for the workplace, including creative problem solving, allocating resources, team building, and exercising individual responsibility. Employers recognize that individuals with a strong background in arts have the creative talent to innovatively approach challenges.

The arts inspire me and millions of Americans. On the cusp of a new millennium, when we are actually aware of our legacy and our future, the time is right to reinvest in our identity and to ensure that we remain a world leader culturally as well as economically.

I urge my colleagues to continue funding the National Endowment for the Arts. Help the arts flourish in small towns and inner cities across our great nation.

Ms. DELAURO. Mr. Chairman, I am proud to rise in strong support of the amendment by my colleague from Connecticut. The arts enrich our culture, our humanity, our communities, and our economy, and I am pleased to vote for this amendment to restore funding to the National Endowment for the Arts.

The small investment the government makes in the NEA—its budget is only .01 of our national budget—serves as a catalyst for local, state and private investment in the arts, and bolsters an industry that provides millions of jobs across the nation.

We see the results of this investment in Connecticut's thriving arts community. Connecticut's nonprofit arts industry—and it truly is an industry—contributed an estimated $1.3 billion to the state's economy in 1996, and provided jobs for roughly 30,500 people.

Just last month, New Haven demonstrated again how the arts can both build our economy and bring our community together. Performers from around the world came to New Haven for the annual International Festival of Arts and Ideas. An estimated 80,000 people traveled to New Haven to visit this summer's festival and enjoyed the artists, dancers, musicians and craftsmen. The arts means travel and tourism, money and jobs for the city of New Haven.

The arts build our economy, enrich our culture and feed the minds of adults and children alike. I urge my colleagues to support this amendment.

Mr. CASTLE. Mr. Chairman, as a Member of Congress who supports the arts, I believe that the Federal government should remain an important contributor in this area.

Critics point to a few controversial grants that the National Endowment for the Arts (NEA) has made, and I agree that some funding decisions may have been unwise. However, in recent years, the NEA has taken strides to eliminate controversy from the grant process by eliminating "individual grants" and "subgrants."

In fact, most of the funding from the agency is directed toward the cultural life and diversity of our country—to people of all ages, to people in our inner cities, in our suburbs, and in our rural communities.

In Delaware, the NEA provides assistance to the Delaware Division of the Arts and the Delaware Humanities Forum so they may grant funding to the Delaware Symphony Orchestra, the Delaware Theater Company, Opera Delaware and many other community and school activities.

When it comes to partnership between private, state, and Federal funding of the arts the NEA sets an outstanding example. According to the agency, one endowment dollar attracts twelve dollars or more from state and regional arts agencies as well as corporations, businesses and individuals.

In fact, NEA funded programs generate economic activity through tourism, urban renewal and economic development throughout the nation. According to the NEA, non-profit arts programs contribute an estimated $37 billion to the economy and are responsible for 1.3 million jobs.

It is also important to note that most industrial countries have a national budget for the arts and humanities. The United Kingdom, Canada, the Netherlands, France, Germany and Sweden not only have national budgets for the arts, but in most cases, provide more funding for the arts than the United States.

Federal support of the NEA opens the door to the arts for all Americans, sets a standard for private and public investment partnerships and generates economic development in our communities. In light of these facts, the Federal government can not neglect its responsibility in continued support of the arts, and I urge my colleagues to support the Johnson amendment to restore NEA funding.

Mr. MCGOVERN. Mr. Chairman, I rise in support of the amendment offered by the gentlelady from Connecticut [Mrs. JOHNSON] to restore $98 million in funding for fiscal year 1999 for the National Endowment for the Arts.

Many speakers today will describe the overall value and worth of the NEA. They will note how we all benefit from the NEA, in every single one of our congressional districts and states.

We all know the NEA devotes 40% of its budget to partnerships with state and regional arts agencies, funding that is directed to projects tailored to those communities.

Before the NEA existed, only five states had state-funded arts councils. Today, all fifty states have such councils.

All of our constituencies benefit from NEA funds, programs that only cost taxpayers 36 cents each year.

In return, arts agencies, arts organizations, and arts programs and activities provide substantial social, educational and economic benefits.

I would like to speak, however, about two NEA grants to small local and regional museums in my district, the 3rd Congressional District of Massachusetts.

This year, the NEA awarded the Worcester Art Museum in Worcester, MA, a grant of $120,000 to support the creation and presentation of an exhibition on the lost Roman city of Antioch.

It is very fitting that the NEA supported this exhibition, which is the culmination of archaeological and artistic effort by the Worcester Art Museum undertaken throughout this century. One of the many breath-taking sights in the museum is to come upon the Antioch mosaics, which were installed around 1937, the result of a partnership between the Worcester Art Museum and various universities and museums in the United States and France to excavate the Antioch site between 1932 and 1939. Building on this work over the following decades, the Worcester Art Museum has become renown for one of the finest collections of Roman mosaics in the United States.

The NEA grant will support the creation of the exhibition, the accompanying catalogue, and the education programs—especially those for children—that will be part of this major exhibition of art and artifacts from Antioch. The exhibition will then travel to Texas and Ohio, where it will also enrich the lives of citizens, scholars and school children in those communities, as well.

Another smaller grant by the NEA was also awarded this year to the Higgins Armory Museum, a small museum in Worcester, MA that is among the best armory collections in the world. The exhibition schedule of the Higgins Armory Museum includes a series of professional development workshops for teachers, and visits by approximately 25,000 students from some 500 public and private schools throughout the six-state New England region.

The NEA provided a modest $5,000 grant to support an upcoming exhibition entitled, "Road Warriors: Knight Riders." This unique and creative exhibit will educate the general public about the medieval period of armor worn by mounted knights with a more contemporary icon, namely the various uniforms of motorbike culture. The exhibit will especially reach out to young people with education programs.

I am proud of the strong artistic and cultural heritage of central Massachusetts, and I am equally proud of the vibrant artistic community that is actively engaged in cities and towns throughout my district today.

On behalf of them and on behalf of the communities of Central Massachusetts that benefit economically, culturally and socially from their presence, I urge all my colleagues to support the Johnson amendment to restore funding for the National Endowment for the Arts.

WORCESTER ART MUSEUM,
Worcester, MA, June 19, 1998.

Hon. JAMES P. MCGOVERN,
U.S. House of Representatives,
Washington, DC.

DEAR JIM: I am writing to encourage your support of the President's proposed increase in funding for the National Endowment of the Arts to $136 million for FY 1999. As a strong supporter of the arts in our community, you already realize how important federal funding is to the Worcester Art Museum's ability to sustain a high caliber of exhibitions and services.

As you know, the Worcester Art Museum has recently received a grant award from the NEA to support its upcoming exhibition, Antioch: The Lost Roman City, scheduled to begin its national tour in Worcester in the Fall of 2000. This matching award not only signifies a level of project excellence on a national level but provides the leverage for securing additional funding sources needed for the execution of this exhibition. When an exhibition or project receives the NEA's "stamp of approval," other funders are more inclined to follow suit. This federal funding will enable approximately 170,000 viewers the opportunity to understand and learn about the ancient city and culture of Antioch, an opportunity that would not be possible without the initial support of the NEA.

I thank you in advance for your advocacy on behalf of the Worcester Art Museum and cultural institutions nation-wide and encourage your continued efforts to reinforce the importance of federal arts funding and its impact on the economic and cultural health of our communities.

Sincerely,

JAMES A. WELU,
Director.

HIGGINS ARMORY MUSEUM,
Worcester, MA, June 30, 1998.

Hon. JAMES P. MCGOVERN,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN MCGOVERN: The Higgins Armory Museum was the recipient recently of a $5,000 grant from the National Endowment for the Arts helping to fund the Museum's 1998–1999 winter and spring special exhibition. These annual events are an integral part of the Museum's ongoing educational programming which is designed not only as a benefit for the Museum's general audiences, but also as a collaborative effort with local and regional educators to tie in with public and private school interdisciplinary curriculum. The exhibition schedule each year includes a series of professional development workshops for teachers, and visits to the Museum by approximately 25,000 students representing some 500 public and private schools throughout Massachusetts and the entire six-state New England region.

I am writing to you on behalf of our Board of Trustees to express appreciation to you and your colleagues in Congress for the important part you play in making this kind of financial support available. It is extremely meaningful to institutions like ours if we are to continue providing the kind of educational and cultural programs to the audiences we serve.

When you are in the Worcester area and your schedule permits, we would welcome the opportunity to show you the Museum and how these federal dollars are being used. We'd also like to express our very sincere thanks in person. We are extremely proud of our institution, and I'm confident that you would be also. So please consider this an official invitation, and let me know whenever you can come to see us.

Sincerely,

KENT DUR RUSSELL,
Executive Director.

Mr. MORAN of Virginia. Mr. Chairman, I rise in support of the Johnson amendment to restore $98 million in funding for the National Endowment for the Arts. As a member of the Interior Appropriations subcommittee, I have learned a great deal about the NEA in the last few years. I know that the NEA would admit it has made mistakes in the past, but it has instituted a series of management reforms to ensure that those types of problems will not recur. Even given those problems, opponents of the NEA can point to only a handful of questionable grants out of hundreds of thousands that have been awarded during the 32-year history of the NEA. After hearing real people and real artists discuss what the NEA has brought to them and to their communities, I know that the NEA is an incredible catalyst for bringing people together and expressing, in a creative fashion, the full range of the human experience.

The National Endowment for the Arts is successfully working to bring arts to underserved communities, through after school youth programs that are introducing our young people to the power of creative expression as an alternative to violence, and through folk and traditional arts that remind us of our common bond and what it means to be an American.

Moreover, the American public supports public funding for the arts. A Louis Harris poll indicates that, by a decisive 79 percent to 19 percent margin, a better than 3-to-1 majority of the American people is convinced that it is important that there should be federal, state, and local councils for the arts to develop new programs, research and provide financial assistance to worthy arts organizations. By 57 percent to 39 percent, a clear majority of the American people favor the Federal Government funding the arts.

Let's stop playing politics with this agency and follow the direction of the American people on this issue. Support the Johnson amendment and restore funding for the arts.

Mr. STUPAK. Mr. Chairman, today we have the opportunity to continue funding for the National Endowment for the Arts. The fact is that the NEA is an essential component of cultural programs across the country. Not only in big cities, but in rural communities and small towns. In northern Michigan, where communities are rich with pride in their unique culture and heritage, eliminating the NEA's role as a source of state endowments and grant funding will effectively silence many quality programs. I have received many letters from local arts councils, senior centers, community theaters, youth programs and museums detailing the positive effect their programs have had and how even a small amount of federal funding can impact their program. The arts draw these communities together to celebrate and to educate each other. The past controversy over the NEA has led to reform and restructuring of that organization. The NEA has a new Chairman, Bill Ivey. These reforms and this chairman should be given the opportunity to prove themselves, not be stripped of their funding. Support the Johnson Amendment.

The CHAIRMAN (Mr. LATOURETTE). The question is on the amendment offered by the gentlewoman from Connecticut (Mrs. JOHNSON).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LARGENT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 253, noes 173, not voting 8, as follows:

[Roll No. 312]

AYES—253

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Ballenger
Barcia
Barrett (WI)
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Conyers
Cook
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Ehlers
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Gilchrest
Gillmor
Gilman
Goode
Gordon
Goss
Granger
Green
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Klug
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHale
McHugh
McInnis
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Regula
Reyes
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Saxton
Schumer
Scott
Serrano
Shaw
Shays
Sherman
Sisisky
Skaggs
Skeen
Slaughter
Smith (MI)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Sununu
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Upton
Velázquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOES—173

Aderholt
Archer
Armey
Bachus
Baker
Barr
Barrett (NE)
Barton
Bateman
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Deal
DeLay
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehrlich
Emerson
Ensign
Everett
Ewing
Fossella
Gallegly
Gekas
Gibbons
Goodlatte
Goodling
Graham
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kasich
Kim
King (NY)
Kingston
Knollenberg
Largent
Latham
Lewis (KY)
Linder
Livingston
Lucas
Manzullo
McCrery
McIntosh
McKeon
Metcalf
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Radanovich
Redmond
Riggs
Riley
Rogan
Rogers
Rohrabacher
Royce
Ryun
Salmon
Sanford
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Skelton
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Turner
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)

NOT VOTING—8

Dixon
Ford
Gonzalez
John
McDade
McNulty
Norwood
Young (FL)

□ 1521

Mrs. BONO changed her vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BARTLETT of Maryland. Mr. Chairman, today during the fiscal year 1999 Interior appropriations bill vote on the amendment by the gentlewoman from Connecticut (Mrs. JOHNSON) to continue funding for the National Endowment for the Arts, I intended to vote "no" for her amendment. I thought I voted "no" for her amendment. The voting machine indicated a "yes" vote. I would like the RECORD to show that I intended to vote "no" on this amendment.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, for the Members that are asking, it is our plan to roll votes until 5:30. At that time we will catch up whatever amendments would be pending and we may have to rise for a suspension that has to be done today. When we reconvene, we will then roll votes again until 8, or let us say 8:30. Hopefully if everybody works at it, I think we can finish this bill today.

Mr. Chairman, I yield to the gentleman from North Carolina (Mr. JONES) for a colloquy at this point.

Mr. JONES. Mr. Chairman, I thank the gentleman for this opportunity to discuss the Cape Hatteras Lighthouse which is owned and operated by the National Park Service. The lighthouse, the tallest in the world, is located along the Outer Banks of North Carolina, which is a beautiful part of my district.

The lighthouse is being threatened by the ocean and beach erosion. Two proposals are currently being debated on how best to save this historical structure. Either relocate the lighthouse inland or to stabilize the lighthouse where it is by building an additional groin to complement the three that are already in place.

As we have both mentioned in previous conversations, the moving of the lighthouse would change the character and the historical importance of this structure. At this time, I am curious if the subcommittee has taken a stance on how best to save the lighthouse.

Mr. REGULA. The subcommittee has not taken an official stance. However, the subcommittee believes the historical structure can be saved in a more cost-effective way than relocating it inland.

Mr. JONES. Mr. Chairman, as the gentleman from Ohio knows, the Senate Interior appropriations bill provides $9.8 million for the relocation of the lighthouse. However, the House bill does not address the issue. When the Interior conference convenes, does the gentleman intend to accept the Senate position or choose an alternative?

Mr. REGULA. Mr. Chairman, I am committed to supporting a proposal to save the taxpayer money while protecting the lighthouse. I am currently working with other Appropriations Committee members to provide the appropriate money necessary for the construction of the fourth groin during the conference committee.

Mr. JONES. Mr. Chairman, I appreciate the gentleman's commitment and look forward to working with him during this process.

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Colorado (Mr. BOB SCHAFFER) for a colloquy.

Mr. BOB SCHAFFER of Colorado. Mr. Chairman, I would like to ask the manager of the bill for a moment of his time to discuss a program of particular importance to me and many of my colleagues, the National Black Footed Ferret Conservation Center.

Mr. REGULA. I would be pleased to join in a colloguy with the gentleman from Colorado.

Mr. BOB SCHAFFER of Colorado. Mr. Chairman, as the gentleman knows, the National Black Footed Ferret Conservation Center is of critical importance to these highly endangered species. The U.S. Fish and Wildlife Service has decided to relocate this facility to an area near Fort Collins, Colorado, to take advantage of the area's habitat, infrastructure and proximity to educational and research institutions. I am grateful for the chairman's support of $1 million for the construction of the facility. However, I respectfully request full funding of the President's request in order to construct this important facility. An additional $800,000 was appropriated in the Senate bill.

Mr. Chairman, I recognize the many challenges the gentleman faces with balancing competing needs and projects, but I would like to emphasize the importance of this facility and the role that it plays in the survival of the species. I respectfully ask the gentleman to work in conference to secure full funding for this important project.

Mr. REGULA. As the gentleman from Colorado pointed out, there are many competing demands on the limited funds provided in this bill. I feel we have done as well as we could. However, I recognize the importance of the National Black Footed Ferret Conservation Center in recovering endangered species as well as its importance to public education. While we cannot meet every request, I assure the gentleman that I will keep his concerns in mind as we reconcile the differences between the House and Senate bills in conference.

Mr. BOB SCHAFFER of Colorado. Mr. Chairman, I appreciate the gentleman's commitment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman from Guam (Mr. UNDERWOOD) has asked me to engage in a colloquy with the distinguished chairman of the subcommittee.

Mr. Chairman, 1998 marks the centennial of Guam's relationship with the United States. As the gentleman knows, during World War II, Guam was the only American territory occupied by the Japanese. The people of Guam were steadfast in their desire for Americans to return to the island. The Japanese were aware of this loyalty. As a result, many islanders were persecuted and tortured for their loyalty to the United States. The gentleman from Guam (Mr. UNDERWOOD) has stated his concern that, unlike other Americans, the people of Guam have never received full reparations for the atrocities they experienced during World War II. He has fought for recognition and eventual reparations to the people of Guam.

Mr. REGULA. I am aware of the gentleman from Guam's concerns and efforts in this area.

Mr. YATES. The gentleman from Guam has also noted that $400,000 has been added to the technical assistance program in the Insular Affairs account without specific designation.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(On request of Mr. YATES, and by unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. YATES. Mr. Chairman, the gentleman from Guam has expressed his interest in having $300,000 of those funds allocated to establish a War Restitution Study Commission to verify claims from the people of Guam for the purpose of determining amounts of individual compensation for those who suffered atrocities. Is the gentleman aware of the gentleman from Guam's request?

Mr. REGULA. I am aware of the gentleman from Guam's request that funds be made available for this purpose, and I believe that once such a commission is authorized, consideration should be given to providing funds to meet this need, along with consideration of other territorial needs.

□ 1530

Mr. YATES. I thank the gentleman, and I agree with him. I thank him for entering into this colloquy.

The CHAIRMAN. The Clerk will read the first paragraph.

The Clerk read as follows:

TITLE I—DEPARTMENT OF THE INTERIOR

Bureau of Land Management

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96–487 (16 U.S.C. 3150(a)), $596,425,000, to remain available until expended, of which $2,062,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of Public Law 96–487 (16 U.S.C. 3150); and of which $3,000,000 shall be derived from the special receipt account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601-6a(1)); and of which $1,500,000 shall be available in fiscal year 1999 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation, to such Foundation for cost-shared projects supporting conservation of Bureau lands; in addition, $32,650,000 for Mining Law Administration program operations, including the cost of administering the mining claim fee program, to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than $596,425,000, and $2,000,000, to remain available until expended, from communication site rental fees established by the Bureau for the cost of administering communication site activities: *Provided*, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burrows in the care of the Bureau or its contractors.

AMENDMENT OFFERED BY MR. SKAGGS

Mr. SKAGGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SKAGGS:

Page 2, line 13, insert "(decreased by $1,000,000)" after "$596,425,000".

Page 3, line 6, insert "(decreased by $1,000,000)" after "$596,425,000".

Page 69, line 15, insert "(decreased by $500,000)" after "$320,558,000".

Page 70, line 17, insert "(decreased by $3,000,000)" after "$630,250,000".

Page 70, line 22, insert "(increased by $20,000,000)" after "$150,000,000".

Page 71, line 4, insert "(increased by $16,000,000)" after "$120,000,000".

Page 71, line 5, insert "(increased by $4,000,000)" after "$30,000,000".

Mr. SKAGGS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. SKAGGS. Mr. Chairman, this amendment is sponsored by me and my colleague, the gentleman from Pennsylvania (Mr. FOX). It will remedy, I believe, one of the major imbalances in this otherwise pretty good bill, producing savings in energy and money and, in the process, providing some real benefits to the environment.

The amendment that we are offering would shift funds from elsewhere in the bill to add $40 million to the energy conservation and efficiency accounts. That includes a $16 million increase for weatherization, $4 million for State energy grants, another $10 million for building technology programs, and increases of $5 million each for the industry and transportation energy conservation programs in the bill.

These are investments we need to make as a country, because the track record that has already been established shows that they pay off many, many times over. The President's Committee of Advisors on Science and Technology, for instance, has estimated that past investments in these areas have produced improvements in efficiency that are already saving

American consumers $170 billion a year. Even if they have exaggerated this by 50 percent, which I do not believe they have, this is clearly a great return on investment.

It is also not just about money. The companies that, for instance, make home appliances, report that new appliances benefited by the kind of R&D that these programs support use significantly less energy than older ones, 50 percent less for refrigerators, for example. A 1995 study by the Department of Energy shows that well over three quads, that is, I believe, three quadrillion Btu's of energy, can be saved if the department and industry can continue to work in this area to replace old appliances with efficient new ones.

Similarly, experts at the National Renewable Energy Laboratory estimate we can save another 10 quads of energy by the year 2020 if we will accelerate, as these programs will do, if we can accelerate the use of advanced energy efficient building, heating, lighting, and related technologies in new housing and other construction in this country, all of which can be done without increasing building costs.

Transportation is another area where increased efficiency pays off, even when, as now, oil prices remain low. Transportation accounts for fully two-thirds of this country's oil consumption. The Department of Energy and industry are working to reduce this by a million barrels a day which will, in turn, greatly aid in our efforts to bring down air pollution.

There are also immediate payoffs for the weatherization and State grants programs. The Oak Ridge National Labs reports that in 1996 weatherization meant a savings of 33 percent in the gas used to heat weatherized homes while, overall, that program and State energy programs have a favorable cost benefit ratio of about two to one.

We really need to maintain momentum in these areas. That is why, while I regret that I need to suggest to the Members that we have offsets in some other accounts, this will really move the country ahead in dealing with these pressing needs for energy conservation.

The offsets that are included in this amendment include a million dollars from BLM's Wild Horse and Bureau Program and from two of DOE's programs, Oil Technology and Advanced Turbine Research, both of which, I think, do not produce the kind of returns on investment that we have enjoyed in the efficiency and conservation areas. They are not bad programs, but I think it will serve us well to give them somewhat less emphasis while we beef up in these other conservation areas.

In closing, Mr. Chairman, let me just point out to my colleagues, that, while the bill now nominally funds these programs at about $630 million, a big piece of that really is an accounting change from last year's approach. An apples to apples comparison would be $586 million, down significantly from this fiscal year.

By comparison, if we were really just keeping on the course that we were on as recently as 1995, adjusted for inflation, we would be spending about $860 million this coming fiscal year on these programs. I think that would have been a wise investment. But at least let us keep making the progress that this amendment will enable us to make. I urge my colleagues' support for it.

Mr. FOX of Pennsylvania. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise today with the gentleman from Colorado (Mr. SKAGGS) in offering the Skaggs-Fox energy conservation amendment. I have been a strenuous supporter of funding, as many of my colleagues have, for the Low-Income Weatherization Assistance Program and the State Energy Conservation Program funded through the Department of Energy accounts in the Interior Appropriations bill. These programs go to the heart, Mr. Chairman, of the Federal Government's cooperation and community based solution to the needs of the people.

I want to thank the gentleman from Colorado (Mr. SKAGGS) for working with me on this amendment in supporting increased funding for these important programs. I also want to commend the gentleman from Ohio (Mr. REGULA) and his excellent staff for their work on this very difficult appropriations bill.

I am concerned that, under the bill, energy efficiency programs at the Department of Energy will be reduced by $25 million below fiscal year 1998 levels and approximately $200 million under the budget request.

We urge the support of the House for a reallocation of funding within the bill in order to better serve our Nation's energy, economic, environmental, and security needs. This is the most important vote in favor of energy efficiency during the past 5 years, and we need Members' help.

The bipartisan amendment will add about $16 million for the Low-Income Weatherization Program, which helps over 60,000 low-income, elderly and disabled citizens weatherize their homes each year, in both cold and hot climates.

We propose to add back $4 million to the State Energy Program, which produces enormous energy savings for schools, hospitals, and other partners with State government and the private sector. We propose to add another $20 million to energy conservation programs in transportation, buildings, and industry. Major innovations in lighting, windows, building design, industrial energy efficiency, and automotive technology can be traced to these programs. A recent study estimated that these types of programs save our economy over $170 billion per year.

The proposed cuts will actually hurt real people and will hurt our Nation's important environmental, economic, and energy security goals. Weatherization helps low-income Americans through the installation of insulation and otherwise improving the energy efficiency of homes. On average, these improvements can save poor households over $200 a year in energy costs. That can make a huge difference in each family.

The State Energy Program provides leveraging of funds to conduct energy improvements in schools and hospitals so that more money can go into education and health care. This program reaches into small business and homes to reduce energy costs and apply innovative technologies to solve our energy challenges.

Our amendment is supported by a broad coalition, Mr. Chairman, of low-income advocates, business groups, and energy and environmental groups, including the National Association of State Energy Officials, the National Community Action Foundation, the National Association of State Community Services Programs, the National Association of State and Utility Consumer Advocates, the American Council for an Energy Efficient Economy, the Alliance to Save Energy, the U.S. Public Interest Research Group, the Substantial Energy Coalition, the Sierra club, and the list goes on.

I urge my colleagues to support the Skaggs-Fox amendment and place a higher priority on people, our environment, and our national energy strategy.

Mr. GUTIERREZ. Mr. Chairman, I move to strike the last word.

Mr. Chairman, once again, this Congress has failed to adequately support energy efficiency programs that work for the American people. This is a failure born of shortsightedness and is particularly troublesome given the challenges our Nation confronts in the next century. With regions around the world competing to develop the most efficient economies possible, we are holding ourselves back in this race by declining to support energy conservation.

The Department of Energy's renewable energy and efficiency programs have been extremely successful. These programs have saved American consumers billions, and I underscore the word billions, of dollars in utility bills. They have made housing more affordable for low and moderate income families, and these vital programs have helped communities nationwide reduce air pollution levels that burden local industry and threaten public health.

The evidence is clear, energy efficiency is a wise investment, an investment with substantial return for consumers, business and the environment.

Every dollar cut from energy efficiency programs represents a lost opportunity to make our buildings and motor vehicles more efficient and less costly for manufacturers and owners. These cuts in energy funding take dollars directly out of the pockets of our constituents.

I believe that the American people want government that works. They want a government that saves money and improves our quality of life. The amendment before us will restore adequate funding for programs that achieve these important goals.

Mr. Chairman, a wise man once said that those who fail to see the forest through the trees are doomed to get lost in the woods. We are lost indeed. I ask all my colleagues to support the Skaggs-Fox amendment so that we may find a way to a cleaner environment and a stronger economy.

I ask simply that we look at the heat waves that are affecting our cities across this Nation, how it is we are handing out simple fans to people and how many senior citizens are suffering because of lack of energy efficiency to the point where they will not put on their air conditioning system because the energy costs are so hard for them to burden. That is but one example across our Nation. From Massachusetts to Illinois to California to Texas and Florida, energy efficiency is important if we are going to deal with global change.

Mr. MURTHA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this committee over the last number of years has already reduced the fossil energy funding by 30 percent over the last 3 years. Over the same period, we have increased conservation funding by 14 percent.

I represent an area which has extreme coal reserves. We had 10 years ago 12,000 coal miners. We have today 2,500 coal miners. They do not work in eastern Pennsylvania. They work in western Pennsylvania.

We have done everything we could to increase the efficiency of burning coal. We have 600 years of coal deposits so we are trying to find ways to use this energy resource. We right now are more dependent on foreign oil than we were in 1974 when I came to Congress.

We actually had long lines. We had to line up at a gas station to get gas in part of the time when I first came to Congress because of the shortage. Gasoline prices were over $2.00, and at the time the Saudis told us, you had better increase your fossil fuel research, do it more efficiently or you are not going to have the reserves, you are not going to burn coal efficiently and consequently you are going to depend on us more and more.

We started a program. Because we could not work fast enough, we were not as efficient as quickly as we would like, we have not been able to accomplish our goal. On the other hand, we have come up with what we feel is reasonable funding over a long period of time so that when this oil from overseas dries up, we will have the reserves and the efficient energy from coal that we need.

If we have further cuts in fossil energy, it will result in increased emissions and increased energy consumption due to continued reliance on outdated technology.

We have done a marvelous job over the years in reducing emissions. In the area I represent, in all of western Pennsylvania, as a matter of fact, you had big globs of coal dust and steel deposits, iron ore deposits on the automobiles at one time. We have cleaned all that up. Ninety-eight percent of what goes in the air has been cleaned up substantially, and this has come about because of the research that we have done.

This would be a drastic blow to the areas that are doing research on fossil energy if we were to cut the money from this area to increase conservation.

So I would ask the Members to consider very carefully that we have these massive deposits of coal which we need to increase the efficiency and effectiveness, and the only way we can do it is by fossil fuel research. We want to continue that program. I would hope we would defeat this amendment.

□ 1545

Mr. SKAGGS. Mr. Chairman, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, I appreciate the gentleman yielding.

Mr. Chairman, I just wanted to make clear that the amendment that the gentleman from Pennsylvania (Mr. FOX) and I are proposing does not touch the $113 that is in the bill for coal. It deals with oil recovery research and the gas turbine program, a big piece of which was once managed by Westinghouse, which I think now has been sold off to a foreign company, Siemens. So we are trying to look for the most bang for the buck and are not going after the coal account.

Mr. MURTHA. Mr. Chairman, reclaiming my time, I appreciate what the gentleman is saying. Even though that company was sold off with less than 50 percent to Siemens, it will still be run by an American company. Of course, that research ties in. We are continually trying to work with fossil fuel, oil research and so forth to increase the efficiency of these resources in the United States. So that is the reason I am so concerned about cutting fossil research.

Mr. SKAGGS. If the gentleman would yield further, I do not think we are in disagreement at all about the goal. I believe it can be demonstrated that the kind of payback we get, already demonstrated by technology in use in the economy, has really made a much greater contribution toward oil independence, for instance, than is likely to come from the other programs that we are cutting.

Mr. MURTHA. Mr. Chairman, reclaiming my time, I know the gentleman may think that, but we are over 50 percent dependent today. Then we were 34 percent dependent. So it is all relative, in how dependent we are.

In the short term the gentleman may be right. But, long-term, we could have a breakthrough with one of these research projects and reduce the emissions and increase the efficiency substantially. So we think this is a counterproductive amendment, and we would hope Members would vote against it.

Mr. DOYLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise against the Fox-Skaggs amendment. The committee's recommendation for energy conservation is over $630 million. This is an increase of 14 percent above the 1996 level. By comparison, the other Department of Energy programs in the bill, fossil energy research, Strategic Petroleum Reserve operations and the Naval Petroleum Reserve operations have been decreased by 34 percent since 1996.

The General Accounting Office has been monitoring the use of funds in the Energy Conservation Program and reports that there is more than $265 million in funding appropriated in prior years for energy conservation programs that is yet to be spent by DOE. That is on top of the $630 million recommended by the committee for fiscal year 1999.

I know there are those who say that fossil energy research is bad, but energy conservation and energy efficiency research is good. Let me remind my colleagues that traditional fossil fuels will continue to account for the vast majority of our energy needs for the foreseeable future. Improved technology for extracting and using fossil fuels will do more to improve energy efficiency and reduce emissions than most of the programs funded under the energy conservation account.

The advanced turbine system program has great potential for improving efficiency and lowering emissions. The portion of this program that has traditionally been funded in the energy conservation account receives great support; however, the portion traditionally funded in the fossil energy account does not. That just does not make sense.

Again, we have that old false argument: fossil is bad, conservation is good. The fossil energy research program, the Strategic Petroleum Reserve operation and the Naval Petroleum Reserve operation have all tightened their belts. They are focused; they have streamlined their operations and substantially reduced their appropriations requirements over the past 3 years.

On the other hand, the energy conservationists have displayed an attitude that "we want to continue to do everything we have done in the past, and any new programs that require more funding." That attitude is unacceptable.

Mr. Chairman, the committee has done the responsible job of providing funding for energy conservation programs. The proposed offsets to increase energy conservation funding are totally unacceptable, and I urge my colleagues to vote "no" and defeat this amendment.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when I was a kid, my mother always told me to work smarter, not harder. For the largest part of the 20th Century, the United States has worked harder, not smarter. We have fought making automobiles more efficient, we have fought making homes more efficient, we have fought making industry more efficient because we felt we lived in a world of inexhaustible energy.

We also believed simultaneously that this fossil fuel or nuclear fuel which we were consuming would have no impact upon the environment. Well, it turns out that there is a negative impact on both the economy and upon the environment if we use fuels that are not as efficient, not as smart, as those that are the best available.

But what has happened over the years is that the energy conservation strategy, one which over the last 20 years since the first oil shock has proven to be very effective as a mechanism for having us rethink our relationship with energy, still is battled by the forces of old energy, shall we call it, and that old energy is so powerful that notwithstanding their dominant role in the provision of energy in our country and around the world, they still believe that they should be beneficiaries of handouts inside of the Federal budget.

Now, what the gentleman from Colorado (Mr. SKAGGS) is offering this afternoon is a very modest amendment, one which will adjust the Federal budget in terms of our priorities so that the energy conservation, the "working smarter, not harder" strategy which does not get the rest of the subsidies, the rest of the benefits that the other more powerful energy industries in America receive, move just a little bit of this money, just a very small amount of the money over into this agenda. This is ultimately the way in which, it seems to me, we should be wanting to deal with Kyoto, that we should be wanting to deal with this global warming issue.

Mr. Chairman, the CO_2 that is emitted up into the atmosphere is a relatively small percentage, yes, of the overall atmospheric gasses, but because it creates a cover over our sky, it creates a greenhouse effect, as the earth's warming sends up these rays which then are reflected back down.

Now, how long do we want to go? How many weather forecasts are we going to have to see before we begin actually investing in an alternative strategy; not displacing the old strategy, but having a better and more sensible mix for the 21st Century?

That is what the Skaggs amendment is all about. It is moving our energy agenda to the 21st Century, so that we have the proper strategy to deal with these environmental issues, and, ultimately, economic issues which will face our country.

So I congratulate the gentleman from Colorado (Mr. SKAGGS) for his amendment, and I hope that it is adopted by all the Members here today. There could be no more important amendment. In fact, if the President was ever going to veto a bill, I would hope it would be over an issue like this, because it is so directly related to the future of our relationship between energy and the environment.

Mr. SKAGGS. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, I appreciate the gentleman's support for the amendment. I know the gentleman is extending his remarks to the gentleman from Pennsylvania (Mr. FOX) as well.

Mr. Chairman, I just wanted to make sure Members understood, I am sure the gentleman from Massachusetts does, that these accounts in this bill this year have been cut by about $24 million under fiscal year 1998, and that is a very important fact to keep in mind.

There was some reference to the fact that we had increased funding here. We have not. The bill proposes to cut it by $24 million. The amendment we are offering would make that up plus a little bit more, but it is not as if it is anything more, as the gentleman pointed out, than a modest change.

Finally, I am sure the gentleman's mother instructed him as well that the cheapest energy is the energy you save, which is what this amendment is all about.

Mr. MARKEY. Mr. Chairman, reclaiming my time, the gentleman is absolutely correct. When we pass legislation out here mandating better appliance standards, after all, what is a utility? What is a coal or oil or nuclear power plant? All it is is the combined demand of refrigerators and stoves and toasters. If we make them more efficient, we reduce the need for us to have to pollute the atmosphere for the children of the next generation. Support the Skaggs amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is very important that we get the facts out. The committee has heard all of this and we made a balanced judgment. We already have $265 million in that account for efficiency from prior years that is unspent. You add that to the fact that in our bill efficiency gets twice as much as fossil research. With the $265 million that is unspent, energy efficiency would have three times as much as fossil.

We need balance. Obviously the committee does not quarrel with efficiency, or we would not have given double the amount of money to efficiency that we gave to fossil. But, on the other hand, we want to have some security.

We are spending $200 million a year on the Strategic Petroleum Reserve and the oil that is there. Why? To be secure from oil shortfalls from the Middle East. We fought a war called Desert Storm. Do you think we would have been there had there not been oil under the desert? No way.

So there are a lot of factors that have to be considered. Obviously efficiency is important, but security is also important.

I am struck by the fact that for every barrel of oil we take out, we leave two in the ground. Now, with research on fossil energy, we will improve that record. If we could just get two barrels out for every barrel we leave in the ground, we would have a lot more oil, and we would be a lot less dependent on foreign sources for petroleum.

It is a matter of balance. Efficiency is great, but I likewise say fossil research is great. Some of the money that would be in the Skaggs amendment and the Fox amendment would go to the big three auto makers. Do you think they need to have additional money to do research so they can make their vehicles more efficient? We found out that simply by mandating the miles per gallon, that we are getting the efficiency and competition from around the world that has brought that about. They do not need to have additional subsidies.

Where does this money come from? For those of you that are concerned about the environment, it comes out of the Bureau of Land Management's Wild Horse and Burro Program. That program has enough problems without reducing their funding. Instead of taking money out of that, we ought to see how we can better manage the BLM wild horse program. It takes money out of the turbine program. Why are we spending money on turbine research? So we can use our fossil energy sources more efficiently.

Anyone will tell you we are going to be dependent on coal, we are going to be dependent on petroleum, we are going to be dependent on the fossil sources. So let us concentrate on not only efficiency, but how to make fossil energy more efficient, in getting it out of the ground and making it available.

The turbine program is very effective, as the gentleman from Pennsylvania (Mr. MURTHA) has pointed out. The other programs in fossil I think are giving us a better handle on resources.

When you look down the road with a growing economy and a growing population, the need for fossil resources will be much larger, and if we do not put money in fossil research, we are going to become more and more dependent on other nations, other sources, for our security, because petroleum is essential to every facet of life.

Therefore, I think it would be very unwise as national policy to not just double efficiency, but because of the $265 million in unspent funds, we would triple it.

□ 1600

I think it ought to be 50–50, frankly. Fifty percent on efficiency, 50 percent on fossil, and perhaps we should have an amendment that takes some out of energy efficiency and puts it in fossil.

Mr. Chairman, we have tried to strike a reasonable balance in the committee, and the Members endorsed this policy as we have it today. I urge the Members to vote "no" on this amendment. Vote for security in terms of our access to petroleum domestically, our access to the more efficient way to use our coal resources, and at the same time recognize that we have a balance in terms of efficiency.

I think the bill is a common sense, responsible approach, and I urge Members to vote "no" on the Skaggs-Fox amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had not originally intended to speak on this amendment because it involves dear friends on both sides of the issue. But I had intended to speak on the importance of the fossil energy R&D programs which, in the Committee on Science, which I have the privilege of serving on, we have consistently tried to support over the years. We have recognized the value of increased efficiency brought about by research on fossil energy.

I am also one of the greatest exponents of energy conservation R&D because I understand the importance of saving energy.

So what we have here is a situation which requires balance. Now, on balance, I am inclined to support the position taken by the chairman of the committee. I would point out that what he has had to do in the House is to take a substantially smaller allocation than in the Senate and make that allocation cover in some reasonable way a number of accounts which have to be covered. Now, obviously, his decision is somewhat short of absolute perfection, but I am not sure that we have the wisdom in this body to achieve absolute perfection.

Mr. Chairman, I would point out, as the gentleman from Ohio (Mr. REGULA) said, that the allocation for fossil energy R&D only represents half as much as the allocation for energy conservation, and it may not be wise to take even more from fossil energy R&D in order to increase some of these very valuable energy conservation R&D programs.

I would suggest that we focus on an end-game strategy whereby in conference with the Senate we may be able to reach agreement on some slight increases in both of these accounts. It will not be a great deal, I am sure, but we are about $75 million under what the Senate has appropriated in these 2 areas. I think that the Chairman might be able to figure some way to squeeze an extra few million into these accounts as the bill comes out of the conference so we can come a little bit closer to the Senate figures. This is what I am going to urge and I think it is a reasonable approach.

I would be very concerned if I had to make a judgment between how to divide scarce dollars between these two accounts, because both of them are very important to me. We have had to face a situation where the committee has recommended considerably less than the President has recommended for both of these accounts. If I had my way, I would accept what the President recommends on both of these accounts. However, I am unlikely to have my way.

Mr. SKAGGS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, I have enormous respect for the gentleman's analytic insights in all of this and was privileged to serve on his committee for a few years, so I hesitate to challenge him in this respect.

Mr. BROWN of California. Mr. Chairman, the gentleman hesitates, but he will go ahead.

Mr. SKAGGS. But I will go ahead, Mr. Chairman.

I assume the gentleman does recognize that we are already getting huge payoffs, real money, real energy saved presently from the conservation and efficiency efforts, whereas the prospects for eventual savings down the road for some of these other programs in the fossil area are just that. We believe they will produce these results, but they really do not have anything like the track record on energy saved presently that we are able to get from these dollars going into conservation.

Mr. BROWN of California. Mr. Chairman, I appreciate the gentleman's point of view on this, and I would not quarrel with it, but I would point out that there are other factors here. The gentleman from Massachusetts (Mr. MARKEY), in his usual eloquent way, pointed out that we have a situation here where energy conservation is being battled by the forces of old energy, old energy being of course fossil energy. Well, being sort of old myself, I think I tend to come down on the side of the forces of old energy. There are some old people working in these old energy fields that need jobs.

The CHAIRMAN. The time of the gentleman from California (Mr. BROWN) has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. Mr. Chairman, there is a matter of the social dislocation caused by the impact of what we are spending here, and I recognize that, as I think all of us should recognize, that in the long run, fossil energy is what we may have to depend upon when all of the more esoteric forms of energy have contributed as much as they can to our economy.

Coal, as a practical matter of fact, is still the largest source of energy that we have in this country or in the world, and we might as well learn to get the absolute, most effective use of that coal in the long run without neglecting of course the importance of saving energy, which I cannot quarrel with.

Mr. SKAGGS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, our amendment does not touch coal.

Mr. BROWN of California. I accept that. Now let us get together and fight to get a little bit more money for these accounts when we go to conference with the Senate, and I trust the gentleman from Colorado (Mr. SKAGGS) will be a conferee.

Mr. BOEHLERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do so to express in the strongest possible terms support for the Fox-Skaggs amendment which will restore needed funds for energy conservation programs, including low-income weatherization. That is very important, if one comes from the northeast part of the United States. Even with these added funds, the programs will still be funded at significantly lower levels than they were 4 years ago.

Now, I know it is not easy to be in the position of the gentleman from Ohio (Mr. REGULA), as the chairman, to deal with all of the competing requests. I think he has done a magnificent job overall, but I think the bill needs a little tweaking and I would think that he would not mind a little tweaking.

These programs are needed now more than ever before. We are actually more dependent today in 1998 on foreign oil than we were at the time of the Arab oil embargo, and we know even more how burning fossil fuels can harm the environment. That is a serious consideration, and we are in a more competitive economic environment, which makes efficiency of the essence.

These conservation programs take a sensible approach to addressing those needs. They do not mandate any actions; they underwrite efforts that create new methods to save energy, help get those methods put into practice, and particularly important, help poor Americans take advantage of these methods.

Mr. Chairman, I urge my colleagues to do what they have done in the past and restore funding for these important programs. Let me commend the gentleman from Pennsylvania (Mr. FOX), particularly. He has been a real leader in this effort since he first came to the Congress, and I think emphasizing programs that try to demonstrate that government is compassionate and can appreciate the problems of those who are in special circumstances is very important, and the gentleman from Pennsylvania (Mr. FOX), has done that. I think it is also very important to encourage the type of research into energy conservation that we are calling for here.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, would not the gentleman agree, though, that if we spend 3 dollars on conservation efficiency, for every 1 dollar we spend on fossil research, that that is a pretty hefty balance in favor of efficiency. They have to go together, because the boilers, for example, will allow us to burn coal, get more Btus out of a lump of coal, and it gives us more security rather than depending on imports. We are faced with 60 percent of our petroleum coming from offshore here in the very near future, and we do not want that to happen.

Mr. BOEHLERT. Mr. Chairman, that is a cause for real concern, and as my dear friend and colleague knows, I have been a supporter of the clean coal technology program that some of my friends who probably were labeled green are somewhat offended by that, and I never could quite understand the logic.

But let me say in terms of this amendment, this bill here today, the gentleman from Pennsylvania (Mr. FOX), and the gentleman from Colorado (Mr. SKAGGS), have done an outstanding job. They deserve our support.

Mr. MOLLOHAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I must rise in opposition to the gentleman's amendment. However well-intentioned, the gentlemen's turbine research offset is unfortunate.

In 1992, the Federal Government entered into a commitment with the Nation's gas turbine developers to develop a new generation of turbine. It would break through the temperature barriers that limit today's turbines; it would be more efficient, it would be more economical, and it would be much cleaner, so clean that it could be placed in the most environmentally constrained regions of the country.

Together, government and industry took the risk, and it is about to yield terrific results. The United States is on the verge of having turbine technology that no competitor can touch. In the coming year, the first prototypes will be assembled. In the year 2000 they will be tested, fulfilling the government's 1992 commitment. By 2001, the United States will be building and using a turbine that will be superior to any other in the world. Once that is done, our Nation will have a large share of what is expected to be a huge and growing market for advanced turbine technologies.

As the program has progressed, the developers who moved forward have been expected to pick up larger and larger shares of the costs. As the concepts have matured, industry's cost-sharing has exceeded 60 percent. Although industry now provides the major funding, our government's commitment must be honored.

If Congress withdraws its support, U.S. leadership in this field will be jeopardized. It is possible the program can be completed without government backing, but no one knows how long that would take, and we would run the risk of having this program caught up, passed up by foreign competition.

But if we honor our commitment, when the program is completed, we will have the best turbine in the market. Government support is still a critical part of this program. It is still a part of our commitment of 1992, and therefore, I urge my colleagues to oppose the amendment.

Mr. DAVIS of Florida. Mr. Chairman, I rise in support of the Skaggs amendment on energy efficiency and conservation programs.

I appreciate the difficulty in balancing the critical needs of our country in preparing the Interior Appropriations Bill for Fiscal Year 1999. However, today I rise in strong support of the Skaggs amendment to restore much needed funding for our country's energy conservation programs. Of particular interest to my home state of Florida is the recommended $10 million increase in funding for building technologies.

The windows and glazing programs, which is funded through the Building Technology Category, provides funding for a promising new technology with enormous energy saving potential for the commercial windows market. I am hopeful that the Skaggs amendment will lead to a funding increase in the windows and glazing programs, which would allow the further development of plasma enhanced chemical vapor deposition (PECVD) techniques for electrochromic technologies. This technology provides a flexible means of controlling the amount of heat and light that pass through a glass surface providing significant energy conservation opportunities. The Department of Energy estimates that placing this technology on all commercial building windows in the United States would produce yearly energy savings equivalent of the amount of oil that passes through the Alaskan pipeline each year.

In recognition of the importance of this technology, the State of Florida has provided over $1.2 million toward the advancement of PECVD techniques for electrochromic applications. The program is being undertaken in conjunction with the University of South Florida and utilizes the expertise and patented technology of the National Renewable Energy Laboratory in Colorado. The State of Florida's program has made significant progress toward making electrochromic windows a reality. This program is an excellent example of successful technology transfer from a national laboratory as well as an example of a successful public/private partnership.

The Florida program is consistent with industry priorities and goals of the Department of Energy's windows program. Earlier this year, twelve other members of the Florida Congressional Delegation joined me in sending a letter to Chairman REGULA and Ranking Member YATES in support of PECVD funding to help further the development of this important technology. A significant portion of our country is experiencing the hottest summer on record. I believe this only helps illustrate the importance of our conservation programs.

Mr. Chairman, I thank Mr. SKAGGS for his commitment to energy conservation in his years in this House, and I urge my colleagues to join me in support of the Skaggs amendment.

The CHAIRMAN pro tempore (Mr. PEASE). The question is on the amendment offered by the gentleman from Colorado (Mr. SKAGGS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. REGULA. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from Colorado (Mr. SKAGGS) will be postponed.

Mr. GUTIERREZ. Mr. Chairman, I move to strike the last word for the purpose of entering into a colloquy with the gentleman from Ohio (Mr. REGULA), chairman of the committee.

Mr. Chairman, today I intended to offer an amendment to provide funding to prevent the spread of a serious threat to our Nation's urban ecology. Action to stem the incursion of these pests is required immediately if we are to control and isolate this ecological hazard.

Humans are not directly threatened by this insect; nevertheless, the flora that makes our communities livable and aesthetically pleasing places to inhabit is imperiled.

The Asian Longhorn is a tree killer. The beetle prefers to gestate in the leafy, deciduous trees that line roads and avenues in urban and suburban neighborhoods. In killing our trees, the beetles implant their larvae in the bark of healthy trees. The larvae feeds off the tree's wood to grow, eventually felling their hosts, and then moving on to repeat this devastating cycle elsewhere.

The ability of this insect to multiply and spread rapidly throughout our entire region is what makes the prompt action of our government, in conjunction with local authorities, so necessary. Currently, a 12-block area on Chicago's north side has been infected with the Asian Longhorn. Local ecologists fear that the zone of infestation may be larger than this area and are currently conducting expansive searches throughout the city to identify other infestations.

Dealing with this threat is no easy task. The remediation of this intruder requires a painful solution. The felling of inspected trees is the only proven means of preventing the spread of Asian Longhorn throughout America.

□ 1615

To date, there is no known usable pesticide to eradicate the beetles.

Sadly, infected trees will have to come down. In parts of New York City, the site of an early infestation last year, more than 1,000 trees were felled to prevent the beetle's spread. The Federal Government provided technical support and $500,000 in assistance to New York with replanting efforts in affected communities.

Mr. Chairman, I urge us to do the same in Illinois. The amendment I intended to offer would have appropriated $1 million for beetle eradication and the replacing of trees in infected areas. I feel strongly that our potential spread of this foreign intruder and the danger it poses to our urban ecology warrant Federal assistance to avert ecological disaster.

Our memory of past ecological disasters should serve us well in rising to the challenges presented by the Asian Longhorn. As all baby boomers remember, our Nation's trees were visited by another alien pestilence in the 1960s. During that decade, Dutch Elm Disease killed hundreds of thousands of graceful elm trees in cities and towns throughout America. The quality of life was diminished. Property values declined.

Since that period, many urban areas have never recovered their forestry resources. We can ill afford another blight of this nature.

In Chicago, an aggressive tree planting program works to make the city green once again. The Asian Longhorn beetle threatens to derail our community's effort to make a beautiful, ecologically safe landscape.

Stopping this pest before it spreads and replacing the trees lost to accomplish this goal are enterprises worth funding by Congress. Future generations will thank us for our foresight.

Mr. BLAGOJEVICH. Mr. Chairman, will the gentleman yield?

Mr. GUTIERREZ. I yield to the gentleman from Illinois.

Mr. BLAGOJEVICH. Mr. Chairman, I thank the gentleman from Illinois (Mr. GUTIERREZ) for yielding me this time.

Mr. Chairman, it was in the early 1960s, I think 1963 or 1964, that the United States was invaded by Beatles from abroad. It was a different kind of "beetle" back then. Now, we have beetles in the congressional district that I represent. Asian Longhorn beetles.

Mr. Chairman, let me echo some of the comments that the gentleman from Illinois (Mr. GUTIERREZ) just made. Last week, the Asian Longhorn beetles were found infecting a dozen blocks in the Ravenswood neighborhood in Chicago's North Side in my congressional district. City officials and scientists from the United States Department of Agriculture are still trying to determine the extent of the infestation.

This threat is very real. This beetle came to the United States in wooden packing crates from Asia. A few years ago the Asian Longhorn beetle turned up in New York. It killed thousands of trees and cost more than $4.3 million to kill them.

Experts tell us this invader could wreak the same kind of destruction in Chicago and, if allowed to spread, pose a threat to hardwood forests around the country.

Because this problem was just discovered, we did not have time to work with the subcommittee to find a way to address this issue. But we would appreciate any effort that the chairman could make as this bill goes to conference with the other body to find funding or a way to help the City of Chicago address this problem.

Mr. GUTIERREZ. Mr. Chairman, reclaiming my time, I will not offer my amendment today, but instead will ask that the honorable gentleman from Ohio (Mr. REGULA) chairman of the Subcommittee on Interior of the Committee on Appropriations, encourage the Forest Service to consider the situation in Chicago concerning the Asian Longhorn beetle infestation, and urge the Forest Service to devote necessary resources to eradicate the beetle and help the City of Chicago quickly replace the trees lost during this undertaking.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. GUTIERREZ) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. GUTIERREZ was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. GUTIERREZ. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I might say to the gentleman from Illinois, I am very sympathetic because Ohio's elms have been devastated by the Dutch Elm disease, which is an infestation carried by beetles. The gentleman understands that limited resources are available to the Forest Service for this purpose. However, I recognize the threat posed by the Asian Longhorn beetle, and we will encourage the Forest Service to examine this situation, along with other similar problems, because one of the things that makes our cities beautiful are the trees.

Mr. GUTIERREZ. Mr. Chairman, I thank the gentleman from Ohio (Mr. REGULA), the chairman of the Subcommittee on Interior of the Committee on Appropriations.

The CHAIRMAN pro tempore (Mr. PEASE). The Clerk will read.

The Clerk read as follows:

WILDLAND FIRE MANAGEMENT

For necessary expenses for fire preparedness, suppression operations, emergency rehabilitation; and hazardous fuels reduction by the Department of the Interior, $286,895,000, to remain available until expended, of which not to exceed $6,950,000 shall be for the renovation or construction of fire facilities: *Provided*, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: *Provided further*, That unobligated balances of amounts previously appropriated to the "Fire Protection" and "Emergency Department of the Interior Firefighting Fund" may be transferred and merged with this appropriation: *Provided further*, That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation: *Provided further*, That notwithstanding 42 U.S.C. 1856d, sums received by a Bureau or office of the Department of the Interior for fire protection rendered pursuant to 42 U.S.C. 1856 et seq., Protection of United States Property, may be credited to the appropriation from which funds were expended to provide that protection, and are available without fiscal year limitation.

CENTRAL HAZARDOUS MATERIALS FUND

For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), $10,000,000, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to section 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: *Provided further*, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.

CONSTRUCTION

For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $6,975,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901-6907), $120,000,000, of which not to exceed $400,000 shall be available for administrative expenses: *Provided*, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than $100.

AMENDMENT NO. 6 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 Offered by Mr. SANDERS:

In the item relating to "DEPARTMENT OF THE INTERIOR—BUREAU OF LAND MANAGEMENT—PAYMENTS IN LIEU OF TAXES", after the first dollar amount, insert the following: "(increased by $20,000,000)".

In the item relating to "DEPARTMENT OF ENERGY—FOSSIL ENERGY RESEARCH AND DEVELOPMENT", after the dollar amount, insert the following: "(reduced by $50,000,000)".

Mr. SANDERS. Mr. Chairman, this tripartisan amendment is also supported by the gentleman from Kentucky (Mr. LEWIS), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Utah (Mr. CANNON), and the gentleman from Michigan (Mr. STUPAK), and does two important things that I believe most Members of this body agree with.

First, it deals with a very serious problem of underfunded mandates, of forcing citizens in close to 1,800 counties in 49 States to pay more in local property taxes than they should be paying because the Federal Government has fallen very far behind in its payment in lieu of taxes on federally owned land.

In my own State of Vermont, over 50 towns in our southern counties are affected, including Bennington, Rutland, Addison, Windham, and Windsor Counties. This amendment addresses the overall problem of underfunded payments in lieu of taxes by increasing funding for this program by $20 million, from $120 to $140 million.

Mr. Chairman, in real dollars, PILT payments to counties and towns all across this Nation have been decreasing for a very long time. In real dollars since 1980, appropriations for payment in lieu of taxes have decreased by nearly $60 million, a one-third decline. And while this amendment will not rectify by any means the entire problem, it will at least allow communities around this country to know that we understand their problem and that we are making some real attempts to address it by appropriating an additional $20 million.

Mr. Chairman, I should add that the authorization level for PILT today is approximately $257 million, over twice the appropriation level. In other words, the authorizers understand the problems facing the communities, but unfortunately in recent years the appropriation process has not followed suit.

Mr. Chairman, the PILT program was established to address the fact that the Federal Government does not pay taxes on the land that it owns. These Federal lands can include National Forests, National Parks, Fish and Wildlife Refuges, and land owned by the Bureau of Land Management.

Like local property taxes, PILT payments are used to pay for school budgets, law enforcement, search and rescue, fire fighting, parks and recreation, and other municipal expenses.

Mr. Chairman, this is the important point that I think has to be made. There has been a lot of talk in this body in recent years about fiscal responsibility and about devolution, respect for counties, towns, and cities; saying we are the Federal Government, we have all the power, but you have got to respect the other agencies of government throughout America.

If we are serious about these concepts, then it is time for Congress to pay its bills. That is what this issue is about. The U.S. Government owns property and we should begin making the payments in lieu of taxes that we are supposed to.

Mr. Chairman, this amendment would begin to address the unfunded mandate by increasing the payments in lieu of taxes program to approximately where it was 10 years ago. That is all we are trying to do.

Mr. Chairman, the $50 million that we are using for these purposes, the purposes include $20 million for payment in lieu of taxes, $30 million for deficit reduction. Over a $5 trillion national debt; this amendment begins to address that issue. The funds would be transferred and offset from the Fossil Energy Research and Development Program.

In this regard, let me quote from the report of the fiscal year 1997 budget resolution, the Republican resolution. And this is what that resolution says:

"The Department of Energy has spent billions of dollars on research and development since the oil crisis in 1973 triggered this activity. Returns on this investment have not been cost-effective, particularly for applied research and development which industry has ample incentive to undertake. Some of this activity is simply corporate welfare for the oil, gas, and utility industries. Much of it duplicates what industry is already doing. Some has gone to fund technology in which the market has no interest."

That is the Republican budget resolution, not BERNIE SANDERS.

I should mention, Mr. Chairman, that over the years we have put $15 billion into fossil energy programs. That is a lot of money.

Let me conclude by saying this. This amendment is endorsed by the National Association of Counties, by the Taxpayers for Common Sense, by Friends of the Earth, by Rural Public Lands Council, by the Sierra Club, by USPERG and Public Citizens.

This amendment is good environmental policy and it is good public policy in the sense that it tells communities all over America that we are going to pay our bills.

Mr. LEWIS of Kentucky. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in support of this amendment to help accomplish what I believe is long overdue, to begin addressing an inequity to the taxpayers in over 1,700 counties whose homes are located near lands owned by the Federal Government.

In fiscal year 1998 my home State of Kentucky is anticipating an estimated decrease of $62,000 in PILT funding to eligible county governments. While I do not doubt the benefits of continued investments in fossil fuel developments, I remind my colleagues that we are looking at an authorized program that is only funded at an estimated level of 46 percent.

In my own district, it is difficult to justify to the good citizen of Edmonson County, the home of Mammoth Cave National Park, that it must accept a decrease in PILT funds while the Congress continues to fund $320 million to research activities and programs that ought to be borne mostly by the private sector.

The fact is PILT funding is critically important to county governments that must rely on these annual payments to provide many basic services to their citizens, from education to solid waste management.

These services, by the way, often benefit the Federal lands and facilities. In fact, Edmonson County today is providing a costly 24-hour ambulance service for the National Park Service, as well as its own residents.

Unfortunately, Edmonson County was one of 56 counties in my State of Kentucky that experienced a decrease in PILT payments in 1997. With an annual budget of $629,000, a cut of $3,000 translates into either reduced public services or higher local taxes. In a county with a per capita income of less than $7,200, the importance of PILT funds cannot be overestimated.

These dollars are stretched to help pay county employees' salaries, administrative expenses, and the modest salaries paid to the local magistrates. At a time when Congress is encouraging State and local governments to accept more responsibility, an increase of PILT payments becomes more essential to help provide public services and much-needed relief to local taxpayers in Edmonson County and the thousands of other counties in which Federal lands are located.

However, let me assure my colleagues that the case of Edmonson County is not a unique situation. Without the increased funding proposed in the Sanders amendment, hundreds of county governments will again be shortchanged by the Federal Government. In the current fiscal year, an estimated 190 counties will have to absorb cuts in PILT funding greater than $100. Even worse, 11 States will see reductions of $1,000 or more.

I want to remind my colleagues that the Payments in Lieu of Taxes Act calls on the Federal Government to compensate local governments to offset losses in property taxes due to Federal ownership of lands within their boundaries. The 105th Congress now has the opportunity to finally honor that commitment and to help reduce our deficit. A vote for the Sanders amendment is a vote for taxpayer fairness.

Mr. HOLDEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment, not because of the merits of the proposal put forth by the sponsors but because of the offsets that they are proposing.

They are proposing $50 million in reductions in the Fossil Fuel Research and Development Program. I say, Mr. Chairman, we in this country are dependent upon research and development in our fossil fuel program. We have a tremendous problem in this country in that we are dependent upon foreign oil. My colleague, the gentleman from Pennsylvania (Mr. MURTHA), highlighted that a few moments ago.

In the United States we purchase 6.8 billion barrels of oil per year. Half of that is imported. That situation is probably only going to get worse with the recent discovery of oil in the Caspian Sea. We should not be reducing research and development into our fossil fuel program; we should be increasing it.

We now have the technology to convert coal and waste coal into liquid fuels; however, that needs to be perfected. As was mentioned many times during the debate on the last amendment, we have between 300 and 500 million years of coal reserves right here in the United States. That is more in coal reserves than the rest world has in oil reserves. I ask my colleagues to think about that.

Mr. Chairman, if we are going to be dependent upon our coal reserves, we need to invest in research and development so we can perfect technologies that we already know and so we can be looking into the next century to find alternative uses for the huge coal deposits that we have in this country.

□ 1630

I am very proud to represent northeastern Pennsylvania, where we have the largest anthracite coal deposit in North America, arguably the largest deposit in the world. It is a high Btu, low sulfur fuel that we cannot continue to turn our backs on by reducing the investment in research and development in fossil fuels. Because, quite frankly, that is what we have been doing over the last several appropriation cycles.

So I encourage all my colleagues to reject this amendment, to continue to invest in our own natural resources so we can be prepared for the next century.

Mr. STUPAK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to thank my colleagues, the gentleman from Vermont (Mr. SANDERS), the gentleman from Minnesota, (Mr. OBERSTAR), the gentleman from Kentucky (Mr. LEWIS), and the gentleman from Utah (Mr. CANNON) for their hard work and diligence on this issue.

Mr. Chairman, as a cosponsor I rise in strong support of this amendment, which would restore desperately needed funding for the PILT program. Each year thousands of counties across the Nation lose out on millions of dollars in property tax revenue simply because the Federal Government owns the property. In my district, the Federal Government owns large portions of the land. For example, approximately 70 percent of Gogebic County is in the Ottawa National Forest.

Since the Federal Government does not pay property taxes on its own land, the PILT program was established to compensate our counties for the land the Federal Government owns. Since its adoption in 1976, the PILT program has neither kept pace with its authorized funding level nor with the true cost of providing services in support of Federal lands. In fact, the PILT program is currently funded at less than half of its authorized level.

Rural counties rely on PILT payments to provide essential services, such as education, law enforcement, emergency fire and medical research, search and rescue, solid waste management, road maintenance, and other health and human services that need to be provided on Federal property. Without adequate funding for this program, rural counties will struggle to provide these vital services.

Mr. Chairman, if the Federal Government was required to pay taxes on the property it owns like any other individual or corporation, it would have been delinquent a long time ago for failure to pay taxes. The Federal Government has decided that it is in the best interest of this Nation to own and protect and to keep certain land. This does not mean that we must penalize our local communities because they have the fortune that the Federal Government has jurisdiction over these lands. It is irresponsible for the Federal Government to take these lands off the tax roles and then not justly compensate these local communities.

Mr. Chairman, this is only a small increase in the PILT program, but its impact and importance to rural counties is tremendous. In fact, Mr. Chairman, 49 of the 50 States receive PILT payments. I urge my colleagues to cast a vote for equity by voting in favor of this amendment.

Mr. Chairman, once again I wish to thank the gentleman from Vermont for his authorship of this amendment.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. STUPAK. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding, and I just want to add one point.

The subsidies for fossil fuels are targeted in the Green Scissors 1998 report, which is supported by organizations representing more than 8.5 million environmentalists, taxpayers and deficit hawks. So this is a popular concept that we are addressing, and I thank the gentleman from Michigan (Mr. STUPAK) for his strong support.

Mr. HERGER. Mr. Chairman, I move to strike the requisite number of words to speak in support of the Sanders amendment.

Mr. Chairman, this amendment increases payments in lieu of taxes funding for counties and schools by $20 million for fiscal year 1999. More than 20 years ago this Congress recognized a serious inequity that existed in areas containing a high percentage of Federal property. Because the Federal Government does not pay taxes on its own property, these areas were left without any source of funding to provide for local schools and county services.

In 1976, we attempted to correct this inequity and provided funding in the form of payments in lieu of taxes, or PILT payments. However, since providing these payments, this Congress has failed to fully fund the PILT program. Each year 1,789 communities in 49 States lose needed Federal payments due to the failure of the Federal Government to appropriately compensate these communities for lost property tax revenue on federally owned lands. The Sanders amendment corrects this shortcoming and provides an increase of necessary funding for communities in my own State of California.

To put this into perspective, many of the areas that will receive this funding were under water in January of 1997, when midwinter storms caused severe flooding. At that time the State of California suffered approximately $1.8 billion in damage. Each of the 10 counties in my district was declared a natural disaster area. The additional dollars in PILT payments are sorely needed to rebuild after the serious disaster.

There are other reasons, however, to support this amendment. This money goes directly to local schools and rural counties who can least afford any loss of funding. In one California county recent funding losses have forced a school district to completely cut out extracurricular activities, including sports and field trips, food service for one of its elementary schools, library services, two-thirds of its transportation services, all fine arts programs, teacher training courses, its school nurse program and all capital expenditures.

If these same cuts had been made in an urban and inner city area, lawsuits would have been filed and services leveled would have necessarily been restored.

Mr. Chairman, we hear a lot of discussion over the need for Medicare and the need to provide medical services for many of our elderly residents. Before any of our citizens can receive Medicare or Medicaid assistance, they first must have roads to travel on to get to the hospitals, ambulances to carry them in, when needed, and hospitals to go to. By underfunding our rural counties, we have forced these counties to cut back on these kinds of county services.

Other county services that have been cut include search and rescue, law enforcement, snow plowing, bridge maintenance and all local ground support for maintenance of Federal lands. If these county services were to go away, the Federal Government would not have an infrastructure in place to service its public lands. When visitors get lost on public lands, it is the county search and rescue that comes to their aid, and when visitors on public lands need police protection, that need is filled by county services.

Mr. Chairman, I support the Sanders amendment because it gives necessary assistance to counties otherwise left without a source of funding. I urge my colleagues to vote for public schools and county services by supporting this amendment.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I want to thank the gentleman from California for his support and for his eloquent remarks. I would just mention, Mr. Chairman, that in terms of the offset that we are talking about, fossil energy programs have received over $15 billion in 1995 dollars in Federal funding since 1974.

Maybe it is about time we pay attention to the counties and the small towns in California and Vermont.

Mr. DOYLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Vermont.

The gentleman from Vermont is attempting to increase funding for the Payment in Lieu of Taxes program to reimburse localities for their lost tax revenue because of national parks, military installations and other Federal lands within their borders. This is an important issue, and the gentleman from Vermont and his colleagues raise some important arguments. I know that in my State of Pennsylvania there are some worthy local governments that are hoping to see a needed increase in their Payment in Lieu of Taxes. But I cannot support this amendment because of what is being cut in order to pay for this.

The fossil energy program at the Department of Energy is very important for the work it does to support cost-shared research and development to make the energy resources we use the cleanest and cheapest they can be. This program is not very well known, except maybe here in the House around July of every year when it seems to be the most convenient and popular offset for a number of other important programs that deserve funding. But the fossil energy research at the Department of Energy is fulfilling the vital function of protecting our energy security, increasing efficiency, and making our energy use cleaner.

Domestically, the simple fact is that U.S. resources, like oil, coal and natural gas, are the main sources we rely on. The Department of Energy's Energy Information Administration reports that 85 percent of our energy currently comes from fossil fuels. This figure will go up, not down, in the coming years. By 2015, 88 percent of the energy we consume will come from fossil fuels. Our national appetite for energy continues to grow and it is expected that by the year 2015 our energy needs will grow by almost 20 percent.

Internationally, in the new post-Cold War world, I think we all know what a wide range of uncertainties that the U.S. faces that have the potential to disrupt our energy imports. Fossil energy research helps make us make the most of our domestic energy resources as well as stretch to the maximum the fuels we do import. Here at home, fossil energy is the biggest thing we have going, so we ought to make the most of it.

Renewable fuel research, solar, wind, geothermal, nuclear, and a lot of other options make a lot of sense too, and I think we should do more work in those areas. But oil, natural gas and coal are what our domestic energy distribution is currently based on, and that fact is not going to change overnight no matter what advancements we make in using other energy sources.

The emerging renewables, solar, wind and geothermal, currently supply less than 1 percent of the energy needs in the United States. I have nothing against these alternative energy sources, and I think they can help diversify our Nation's energy mix, but under any realistic scenario they will only supply a small fraction of our energy needs for the next decades. On the other hand, our Nation is going to rely more and more on natural gas in the future. It is a clean burning fuel, and it can solve many of our energy and environmental problems.

But where are we going to get this gas and how much are we going to pay for it? We still need technological advancements to economically produce the trillions of cubic feet of natural gas located in difficult-to-access geological settings within our borders, and that is the work that fossil fuel research is doing.

There is also coal, our most abundant energy resource. I am sure most Americans do not realize that coal supplies 55 percent of our electricity. Increasingly stringent environmental regulations are making coal power generation and pollution control more expensive. Innovative, low-cost approaches to environmental controls are needed. The efficiency of power generation also needs to be improved to make sure we get every bit of available energy out of the coal we burn.

There is simply no way we can give up the use of our vast domestic coal deposits and yet still keep energy prices affordable and keep our economy competitive. That is also something that the fossil fuel research program is working on.

Finally, the amendment offered by the gentleman from Vermont cuts $50 million from the fossil energy research to pay for only a $20 million increase in the Payment in Lieu of Taxes program. The remaining $30 million would go to deficit reduction. I would like to say that I think we all know there has been a lot of good work on this issue of cutting the deficit, and there is definitely a lot more work to do, but the way this amendment is structured, I am concerned that this may simply be a gratuitous swipe at this year's easy target, fossil energy research, depositing the $30 million in change for deficit reduction.

Fossil energy research offers tangible benefits to the American economy and does not deserve to be viewed in this light. Fossil energy research does not deserve this $50 million cut. Mr. Chairman, I urge defeat of this amendment.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

The splendid argument of the gentleman from Pennsylvania misses the mark. We are not talking about fossil fuel research, we are talking about adequate funding and fair funding of payment in lieu of taxes, and our amendment on this matter in no way is a reflection adversely on the splendid work of the chairman of the subcommittee and the ranking member of the subcommittee.

The gentleman from Ohio has done a splendid job balancing all these interests. We understand the extremely difficult job he has had to do, and we appreciate the consideration for payment in lieu. We are just trying to rearrange the chairs on the deck of Good Ship Regula here.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I would say to the gentleman, I think it is money instead of chairs.

Mr. OBERSTAR. Well, Mr. Chairman, the money in the bank of Good Ship Regula, then.

But I was not only an author, original coauthor of payment in lieu of taxes. When I was administrative assistant, my predecessor, John Blatnik, actually wrote the language that became in 1976 the payment in lieu of taxes legislation based on a very simple, elemental principle.

□ 1645

These lands: national forests, national wilderness areas, national parks, scenic waterways, are held in trust for all Americans to use and enjoy. But what about the neighbors to those wonderful national treasures, the neighbors, the communities, the people that live next to them who have to support the services provided for all those national treasures?

Take a look in my own district. Cook County is 82 percent in public ownership. Lake County is 92 percent in public ownership. St. Louis County, which is about the size of the State of Massachusetts, is 62 percent public ownership. That remaining small amount of land held in private hands has to provide the property taxes to support the services for all those 6-million-plus people who come from all over America to see these great national treasures.

We have debated on this floor many times the Boundary Waters Canoe Area Wilderness in the Superior National Forest, land with water so pure that you can paddle along and drink the water right fresh from the rivers and the lakes, and they want it preserved for all Americans. That is terrific. But in order to do that, there are expensive landfills, there are expensive sanitation programs that St. Louis County and Lake County and Cook County all have to support that cost hundreds of thousands of dollars every year.

St. Louis County's budget has gone up $77 million since we enacted the Payment in Lieu of Taxes. That is a 30-percent increase, even with being very frugal. But Payment in Lieu of Taxes has not gone up at all for them.

And yet, when the fisherman with the fish hook caught in the eye from Iowa or Illinois who has gone up there to go fishing needs rescue, it is the St. Louis County, the Lake County and the Cook County sheriff's department and rescue department that are going to have to send the people out to haul those people out of the woods and save their lives. They have to be paid. Those services have to be paid for, and we are not keeping up with the cost.

St. Louis County has 3,000 miles of county roads to support the Superior National Forest and the Boundary Waters Canoe Area and the Voyageurs National Park. They are not getting any increase in funds for those counties to provide the support services that are necessary. That is what this amendment is all about. It is not us against them. It is not Minnesota or Vermont against Pennsylvania. It is all of us together.

It is unfortunate we have had to deal with this account for coal research. But there has been, as has been said previously, billions of dollars in coal research, plenty of money for that and still plenty of money available for it.

What we are saying is, keep faith and trust with the people who live in these national treasures to whom we said, "We are going to help you keep pace."

The value of lands in St. Louis County in those areas that are held in national trust is 27 cents an acre, authorized funding under Payment in Lieu of Taxes. If those same lands were in timber production, as they well should be and could be, they would be valued at $2.59 an acre.

Counties certainly take care of all the road and rescue and fire and safety and other needs of the county to provide for all the services that would be necessary to support that activity. We are not saying return those lands to private commercial development. We are saying keep them in national trust, but also keep our trust with the people who are neighbors to those national lands and let them keep pace. Why should they have to continue to dig ever deeper in the property tax that stretches them too far?

This amendment restores a measure of fairness and equity to all those neighbors of these great national treasures.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to support the Sanders amendment. The offset is not my first choice, but the issue of PILT is so important, I think, to rural America that I am supporting this amendment.

The only thing sure in life is death and taxes. That is for my colleagues and I. But for the Federal Government, for 2 decades I feel they have straight-armed, they have stiffed rural America, because they took lands into public ownership with a promise to pay and have never delivered in 20 years what is a fair Payment in Lieu of Tax payment. The Federal Government today continues to purchase private land and remove it from the tax rolls and continues not to pay its fair share of taxes or PILT.

What happens to my colleagues or I if we do not pay our taxes? Our property is sold, our taxes get paid. Maybe it is time for a Federal land tax sale to pay the debt that I think is owed to rural America. The Federal Government is the largest owner of land in America, where we are approaching 40 percent. We are the most delinquent taxpayer in the history of America.

The Sanders amendment is a small step in the right direction. It does not solve the problem. And the question is asked, what is the impact when land is taken out of the tax base? It is the following: It has been devastating to rural America. Zero economic growth. Zero job creation. No aid for roads, water, sewer, and public schools and local services. A devastating impact.

There are 1,789 counties involved, 49 states affected by this lack of Payment in Lieu of Taxes. Now, in Pennsylvania, where I come from, we pay $1.20 an acre. It was 60 cents in one of the last bills I helped get through. I had sponsored it for 6 or 8 years. I gave up sponsorship to get a House bill through the Senate, doubling it to $1.20.

Now, we own 840 million acres approximately. If we were paying $1.20, the bill would be in excess of a billion dollars.

Now, someone mentioned a few moments ago that this included military bases. That is not true, if my understanding is correct. There is impact aid which got a $40-million increase, a different budget or different part of the budget, different appropriations bill. But it is urban and suburban and it has been increased with some regularity and they get $640 million.

Now, as I look at it, when we remove property from the tax base of rural America, with no chance of economic growth, military bases bring jobs to the community, they bring stimulus to the community and the spin-off is tremendous, yet we are giving them $640 million. And that is a fairness issue.

For two decades we have underfunded PILT. In 1994, when PILT was reauthorized, Congress developed a 5-year phase-in to make up for the forgone revenues caused by 17 years of inflation and they raised the authorization to $255.5 million for this year. Despite those good intentions, we are still stuck at $120 million, which is inadequate for the communities that have been shortchanged. $135 million is needed just to bring us to level funding.

The Sanders amendment gives us a shot in the arm. I am from the East and I know this is a Western issue, but it affects Pennsylvania and it affects this country. Public land owners need to contribute to local services, and for those of us who continue to support more and more ownership of land by the Federal Government, it is time to pay up.

Too often issues affecting rural America are overlooked and subsequently underfunded. I am here to say today, as a new Member of this Congress, it is no different than when I went to the State senate. Rural America has been getting the short end of the stick in a lot of ways, and this is just one of them, because they do not have the united voice of urban-suburban America.

It is time for the Government to pay up or turn back to the States or local governments this public land. And if we continue to not pay our share, maybe it is time for a tax sale, where we sell some of the Federal land to pay the tax base back to the local governments where it should be in the first place.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Pennsylvania. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I want to thank the gentleman for his perceptive remarks. He is right on the money, and I would again reiterate that since 1974 the Federal Government has put in over $15 billion in fossil energy research while we are shortchanging rural America.

According to the CBO, the beneficiaries of the Petroleum Research and Development program are some of the largest multinational corporations in the world, including Exxon, Chevron, Conoco, Texaco, Amoco, Phillips Petroleum, etc., shortchanging rural America, providing corporate welfare for large corporations that do not need it.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Pennsylvania. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I ask the gentleman, does Allegheny National Forest get many visitors?

Mr. PETERSON of Pennsylvania. Reclaiming my time, yes, it gets visitors.

Mr. REGULA. If the gentleman would yield further, do the visitors spend a lot of money in the communities?

The CHAIRMAN (Mr. LATOURETTE). The time of the gentleman from Pennsylvania (Mr. PETERSON) has expired.

(By unanimous consent, Mr. PETERSON of Pennsylvania was allowed to proceed for 1 additional minute.)

Mr. PETERSON of Pennsylvania. Mr. Chairman, this would not affect the Allegheny National Forest. The PILT payments do not affect the Allegheny National Forest. They affect some other land in my district.

To the gentleman from Ohio (Mr. REGULA), who I consider a good friend and an outstanding chairman, I think the PILT issue does not really affect the NF because they get timber payments. But it is so unfair, when we have taken all of this land out of the local tax base across this country. I am arguing for it for fairness for rural America.

I come from the most rural district east of the Mississippi, and I will be tough on rural issues. I just think somehow this Congress has to pay up at some point in time and pay what should go back to local communities.

Mr. REGULA. Mr. Chairman, if the gentleman would yield further, would he favor putting this public land on the market and getting it back in the private sector?

Mr. PETERSON of Pennsylvania. Mr. Chairman, reclaiming my time, I think there is public land owned in America, yes, that should go back. It would be better served in local communities' ownership, local, State government, yes.

I think the Federal Government should not own 40 percent of America. I think we own too much land, and we have been accumulating it for decades, and that is a policy that should change.

Mr. KLINK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was not planning on coming here to speak on this, but I have to. Simply sitting back in my office and listening to this discussion, my feelings, and the time that I worked with the gentleman from Vermont (Mr. SANDERS), my feelings for him are of great affection and normally I am on the same side. And in fact, as it comes to the Payment in Lieu of Taxes issue, my heart is with him.

However, when they come after the fossil research, we are in a situation right now, I happened to be in Kyoto last December, and everybody is jumping up and down and screaming to us that the sky is falling, that we have to come up with alternative methods and cleaner methods of providing energy.

I thought that the Skaggs amendment was interesting, because we were talking just previous to this about the comparison of conservation to doing clean fossil fuel technology. And the fact of the matter is, in conservation we can only do so much. It takes energy to run the world. It takes energy to run industry, to run our everyday lives. With conservation, we can do a lot but we can only do so much.

The question then is going to be where will this energy come from? Will it be from domestic production? We have got so much coal, and if we have the ability, the fact of the matter is, yes, we have spent a lot of money on fossil technology and we have not hit the home run yet, but we are getting closer and closer every day.

Just yesterday on the way down here I traveled through the district of the gentleman from Pennsylvania (Mr. GOODLING). I was down at Peach Bottom Nuclear Power Plant. And the fact of the matter is that even those who are proponents of nuclear energy say that they realize we are not going to build in our lifetime any more nuclear power plants. And right now we happen to have cheap oil. So at a time when 85 percent of the energy of this Nation is coming from fossil fuels, the question is where are we going to go?

And by the year 2015, as my friend the gentleman from Pennsylvania (Mr. DOYLE) and others have said, we predict it is going to be up to 80 percent of our fuel usage from fossil fuel. We are going to see more and more nuclear power plants come off line.

So if in fact global warming is a reality, how are we going to deal with this? How are we going to develop the kind of technology that is going to let this Nation be self-sufficient?

Everyone wants to go after the fossil fuel technology. That is what is running this country. And, yes, I come from the coal fields of southern Ohio. I come from the coal fields of southwestern Pennsylvania. I lived in those two States almost all of my life. My family were miners of coal. And it was their labors beneath the soil of this country that gave this energy, this cheap energy to this country that allowed the industrial revolution to move forward. It allowed us to have the kind of life-style that we enjoy and have the power that this great country has today, because they went under the earth to dig that coal. And now we want to say to them, forget about it. We have got a problem with Payment in Lieu of Taxes. Let us forget about the coal miners.

I am going to tell my colleagues what. When those capitalists in other parts of the world, like the Middle East, finally figure out how to get control of us, when they finally figure out how indeed they can hold us hostage like they did in the 1973 oil embargo, in the 1979 oil embargo, I sat in those lines, as many Members here did, waiting for fuel. We could get fuel on odd days if we happened to have an odd number, in even days if we happened to have an even number. We forgot about that because the price of oil has gone down.

□ 1700

But now we are going to attack the fossil fuels in order to solve a problem that has nothing at all to do with the fossil fuels.

If in fact we are worried about global warming, if we are worried about having a certain style of life for our children and their children's children, we have to continue to invest in this technology. For the foreseeable future, we are dependent upon these fossil fuels. There is no way around it.

I wish that my friends, who have a very valid point on payment in lieu of taxes, would have come up with a different offset. I would like to be able to support them. But what they are doing, I think, in my estimation is wrong-headed, and I would urge the Members of this House to soundly reject my friends' amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is important that we get the facts out. I understand the concern of my colleagues who would like to have more payment in lieu of taxes, but let me point out that their public lands generate an enormous flow of visitors, all of whom spend money and pay taxes on the purchases they make which flow to the respective governments. Two hundred seventy-eight million visitor days in the Park Service, 850 million visitor days in the Forest Service, 30 million visitor days in the Fish and Wildlife, 65 million visitor days in BLM.

Let me point out something else. This committee has cut fossil energy research by over 30 percent over the past 3 years in spite of the fact that we have become less secure as far as our energy needs. At the same time while we were cutting fossil research by 30 percent, we were adding 18 percent to PILT.

It would be nice to have more PILT money obviously, but we have to strike a balance. We have to be less dependent on other resources around the world. We have to make our country's energy secure. None of this will mean anything if we do not have security as far as the access to energy.

Electric utilities have made dramatic reductions thanks to fossil research. Let me point out that the fossil research is all matched. It is not all Federal money. That is the reason that the gentleman's amendment puts $20 million into PILT but takes $50 million out of fossil, because PILT spends out every dollar. Fossil will be spent out over a period of years as the research develops being matched by the private sector. This is not an unfunded mandate that we are addressing. That is an erroneous use of a term. This is giving counties money to compensate.

These Federal lands do not send children off of the lands into the school system. They do generate an enormous flow of money from the visitors that come into the communities. Therefore, I think it is important that we keep the fossil programs going.

EPA is proposing to reduce the small particulate requirement from 10 to 2.5 PM. That is .04, the diameter of a human hair. How are we going to get to these mandates, imposed by EPA unless we continue a program of fossil research? Keep in mind we have reduced it already 30 percent over the 3-year period while we were increasing PILT by 18 percent. In 22 eastern and midwestern States, the regulations will require a reduction in ozone and smog. How are we going to keep these plants operating unless we continue the research?

Certainly, the private sector is committed to this. They match the money that we put into energy research dollar for dollar. I think it is vitally important to this Nation's future that we maintain this research in fossil. The new regulations are going to cost utilities $7 billion. You talk about cost to your taxpayers if we do not give them more PILT. They are going to pay it in the electric bills if we do not do the fossil energy research.

One of the great values of fossil energy research is the fact that we are holding down the cost of gasoline at the pump. We are holding down the cost of electricity, items that contribute substantially to the cost of living. That is a benefit to everybody in the United States. We have the world's strongest economy today on a per capita basis. Why? Because we have cheap energy, because our industries have modernized, because the people in this country work hard and they work smart, as one Member said earlier. But to do this we need to support the fossil energy research programs. I do not think it makes good sense in terms of national policy to reduce energy research further. We already are cutting it by 30 percent over the past 3 years.

I understand why the Members who have public lands would like to have more money for their programs. But nevertheless we have to strike a balance. That is what we have tried to do in this subcommittee.

I would urge Members to vote against this amendment. I do not think it is responsible public policy in terms of the 265 million Americans that would be affected adversely by failure to continue a strong program of fossil energy research.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from Vermont (Mr. SANDERS) will be postponed.

The Clerk will read.

The Clerk read as follows:

LAND ACQUISITION

For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94–579, including administrative expenses and acquisition of lands or waters, or interests therein, $10,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $98,407,000, to remain available until expended: *Provided*, That 25 percent of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

FOREST ECOSYSTEMS HEALTH AND RECOVERY FUND

(REVOLVING FUND, SPECIAL ACCOUNT)

In addition to the purposes authorized in Public Law 102–381, funds made available in the Forest Ecosystem Health and Recovery Fund can be used for the purpose of planning, preparing, and monitoring salvage timber sales and forest ecosystem health and recovery activities such as release from competing vegetation and density control treatments. The Federal share of receipts (defined as the portion of salvage timber receipts not paid to the counties under 43 U.S.C. 1181f and 43 U.S.C. 1181f–1 et seq., and Public Law 103–66) derived from treatments funded by this account shall be deposited into the Forest Ecosystem Health and Recovery Fund.

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 percent of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $10,000,000, to remain available until expended: *Provided*, That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94–579, as amended, and Public Law 93–153, to remain available until expended: *Provided*, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94–579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: *Provided further*, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $100,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: *Provided*, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards.

Section 28f(a) of title 30, U.S.C., is amended by striking beginning with the words "The holder" and continuing through "$100 per claim." and inserting in lieu thereof: "The holder of each unpatented mining claim, mill or tunnel site, located pursuant to the mining laws of the United States before October 1, 1998 shall pay the Secretary of the Interior, on or before September 1, 1999 a claim maintenance fee of $100 per claim site.".

Section 28g to title 30, U.S.C., is amended by striking "1998" and inserting in lieu thereof "1999".

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For necessary expenses of the United States Fish and Wildlife Service, for scientific and economic studies, conservation, management, investigations, protection, and utilization of fishery and wildlife resources, except whales, seals, and sea lions, maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, general administration, and for the performance of other authorized functions related to such resources by direct expenditure, contracts, grants, cooperative agreements and reimbursable agreements with public and private entities, $607,106,000, to remain available until September 30, 2000, except as otherwise provided herein, of which $11,648,000 shall remain available until expended for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976, to compensate for loss of fishery resources from water development projects on the Lower Snake River, and of which not less than $2,000,000 shall be provided to local governments in southern California for planning associated with the Natural Communities Conservation Planning (NCCP) program and shall remain available until expended: *Provided*, That not less than $1,000,000 for high priority projects which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended: *Provided further*, That not to exceed $6,256,000 shall be used for implementing subsections (a), (b), (c), and (e) of section 4 of the Endangered Species Act, as amended, for species that are indigenous to the United States (except for processing petitions, developing and issuing proposed and final regulations, and taking any other steps to implement actions described in subsections (c)(2)(A), (c)(2)(B)(i), or (c)(2)(B)(ii)): *Provided further*, That of the amount available for law enforcement, up to $400,000 to remain available until expended, may at the discretion of the Secretary, be used for payment for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activity, authorized or approved by the Secretary and to be accounted for solely on his certificate: *Provided further*, That hereafter, all fees collected for 'Federal migratory bird permits shall be available to the Secretary, without further appropriation, to be used for the expenses of the U.S. Fish and Wildlife Service in administering such Federal migratory bird permits, and shall remain available until expended: *Provided further*, That hereafter, pursuant to 31 U.S.C. 9701 and notwithstanding 31 U.S.C. 3302, the Secretary shall charge reasonable fees for the full costs of the U.S. Fish and Wildlife Service in operating and maintaining the M/V Tiglax and other vessels, to be credited to this account and to be available until expended: *Provided further*, That of the amount provided for environmental contaminants, up to $1,000,000 may remain available until expended for contaminant sample analyses.

CONSTRUCTION

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands and interests therein; $66,100,000, to remain available until expended.

LAND ACQUISITION

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $30,000,000, to be derived from the Land and Water Conservation Fund and to remain available until expended.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

For expenses necessary to carry out the provisions of the Endangered Species Act of 1973 (16 U.S.C. 1531–1543), as amended, $15,000,000, for grants to States, to be derived from the Cooperative Endangered Species Conservation Fund, and to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $10,779,000.

NORTH AMERICAN WETLANDS CONSERVATION FUND

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101–233, as amended, $12,700,000, to remain available until expended.

WILDLIFE CONSERVATION AND APPRECIATION FUND

For necessary expenses of the Wildlife Conservation and Appreciation Fund, $800,000, to remain available until expended.

MULTINATIONAL SPECIES CONSERVATION FUND

For expenses necessary to carry out the African Elephant Conservation Act (16 U.S.C. 4201–4203, 4211–4213, 4221–4225, 4241–4245, and 1538), the Asian Elephant Conservation Act of 1997 (Public Law 105–96), and the Rhinoceros and Tiger Conservation Act of 1994 (16 U.S.C. 5301–5306), $2,400,000, to remain available until expended: *Provided*, That unexpended balances of amounts previously appropriated to the African Elephant Conservation Fund, Rewards and Operations account, and Rhinoceros and Tiger Conservation Fund may be transferred to and merged with this appropriation: *Provided further*, That in fiscal year 1999 and thereafter, donations to provide assistance under section 5304 of the Rhinoceros and Tiger Conservation Act, subchapter I of the African Elephant Conservation Act, and section 6 of the Asian Elephant Conservation Act of 1997 shall be deposited to this Fund: *Provided further*, That in fiscal year 1999 and thereafter, all penalties received by the United States under 16 U.S.C. 4224 which are not used to pay rewards under 16 U.S.C. 4225 shall be deposited to this Fund, to be available to provide assistance under 16 U.S.C. 4211: *Provided further*, That in fiscal year 1999 and thereafter, not more than three percent of amounts appropriated to this Fund may be used by the Secretary of the Interior to administer the Fund.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 104 passenger motor vehicles, of which 89 are for replacement only (including 38 for police-type use); repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are used pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: *Provided further*, That the Service may accept donated aircraft as replacements for existing aircraft: *Provided further*, That notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in the report accompanying this bill: *Provided* *further*, That hereafter the Secretary may sell land and interests in land, other than surface water rights, acquired in conformance with subsections 206(a) and 207(c) of Public Law 101-618, the receipts of which shall be deposited to the Lahontan Valley and Pyramid Lake Fish and Wildlife Fund and used exclusively for the purposes of such subsections, without regard to the limitation on the distribution of benefits in subsection 206(f)(2) of such law: *Provided further*, That section 104(c)(50)(B) of the Marine Mammal Protection Act (16 U.S.C. 1361-1407) is amended by adding the words "until expended" after the word "Secretary" in the second sentence.

AMENDMENT OFFERED BY MR. SANFORD

Mr. SANFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SANFORD:

Page 16, after line 17, insert the following, and renumber all lines accordingly:

TECHNICAL CORRECTIONS

(a) UNIT SC-03.—(1) The Secretary of the Interior shall, before the end of the 30-day period beginning on the date of the enactment of this Act, make such corrections to the map described in paragraph (2) as are necessary to ensure that depictions of areas on that map are consistent with the depictions of areas appearing on the map entitled "Amendments to the Coastal Barrier Resources System", dated May 15, 1997, and on file with the Committee on Resources of the House of Representatives.

(2) The map described in this paragraph is the map that—

(A) is included in a set of maps entitled "Coastal Barrier Resources System" and dated October 24, 1990; and

(B) relates to unit SC-03 of the Coastal Barrier Resources System.

(b) UNIT FL-35P.—(1) The Secretary of the Interior shall, before the end of the 30-day period beginning on the date of the enactment of this Act, make such corrections to the map described in paragraph (2) as are necessary to ensure that depictions of areas on the map are consistent with the depictions of areas appearing on the map entitled "Amendments to the Coastal Barrier Resources System", dated October 22, 1997, and on file with the Committee on Resources of the House of Representatives.

(2) The map described in this paragraph is the map that—

(A) is included in a set of maps entitled "Coastal Barrier Resources System", dated October 24, 1990; and

(B) relates to unit FL-35P of the Coastal Barrier Resources System.

(c) UNIT FL-35.—The Secretary of the Interior shall, before the end of the 30-day period beginning on the date of the enactment of this Act, revise the map depicting unit FL-35 of the Coastal Barrier Resources System to exclude Pumpkin Key from the System.

Mr. SANFORD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. SANFORD. Mr. Chairman, this is a technical correction that has been brought to our attention by the Fish and Wildlife Service. It is one offered by myself and the gentleman from Florida (Mr. DEUTSCH). It is one that has been discussed with the majority and the minority without objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina (Mr. SANFORD).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by 16 U.S.C. 1706, $1,333,328,000, of which not to exceed $12,500,000 may be used for salaries and expenses of the Denver Service Center, and of which not less than $600,000 is for salaries and expenses associated with new hires of mineral examiners at the Mojave National Preserve, and of which $12,800,000 for research, planning and interagency coordination in support of land acquisition for Everglades restoration shall remain available until expended, and of which not to exceed $10,000,000, to remain available until expended, is to be derived from the special fee account established pursuant to title V, section 5201 of Public Law 100-203.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, heritage partnership programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for, $41,939,000, of which $4,500,000 is for grants to Heritage areas in accordance with section 606 of title VI, division I and titles I-VI and VIII-IX, division II of Public Law 104-333.

AMENDMENT OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California:

Page 17, line 22, after the first dollar amount insert "(increased by $2,000,000)"

Page 37, line 10, after the first dollar amount insert "(decreased by $2,000,000)".

Mr. MILLER of California. Mr. Chairman, I rise to offer this important amendment to the Interior appropriations bill which will provide urgently needed recreation and after-school opportunities for our Nation's youth. This amendment will rejuvenate the Urban Park Recreation and Recovery Program, or UPARR program which has languished for the last couple of years.

The UPARR program, the Urban Park Recreation and Recovery Program, provides competitive matching grants of up to $200,000 to local communities to help them design programs to meet youth recreation needs. Research shows that many of our most serious youth-related problems, including juvenile crime, drug use, gang activity and teenage sexual activity occur most frequently during the hours immediately after the end of school when 5 to 7 million children go home alone every afternoon. The Urban Parks Program helps local communities to fund programs to reduce juvenile crime, to provide safe havens for our youth and to offer constructive academic or recreational opportunities after school. That is why the Urban Park Program is supported by the U.S. Conference of Mayors, the Sporting Goods Manufacturers Association, the National Association of Police Athletic Leagues, Major League Baseball, the National Recreation and Park Association and the National Council of Youth Sports. Many other organizations support this effort.

This program enables and makes small grants to communities to try to recover, to revitalize, to rehabilitate the recreational facilities in their communities so that they will then be able to offer young people an alternative to doing nothing or to getting into trouble in after-school hours and on the weekends. This is an effort to try to reclaim a baseball field, to try to reclaim maybe a tennis court, to reclaim a recreational area for young people, swimming pools, bathhouses. Very often some of our older facilities have fallen into disuse. They have not been kept up. Now, what we see is in partnership with organizations like the Professional Golf Association, in partnership with the National Basketball Association, with the Sporting Goods Manufacturers, with Major League Baseball, we are coming together, attracting private money with these grants to revitalize these recreational facilities.

This money is offset because I take it from an account where we are giving $11 million to the Northern Mariana Islands, and I am reducing that by $2 million for the purposes of the Urban Parks and Recreation Program. I am doing that because the money that goes to the Northern Marianas to date, they have been unwilling to match that money and that is a requirement of that money. Yet what we see is communities all over the country seeking to match the money from the Urban Parks Program. They have put up their money, they have gotten local sponsors, they have gotten the private sector to buy into these, and they want to use the money. But we see an account with respect to the Northern Marianas where there is over $80 million that is sitting there, sitting in their account, and they are unwilling to match it and now we are going to add another $11 million.

What I am suggesting is we would be better to give that money to the city of Phoenix or to Pueblo or to Bridgeport or to Savannah or to Peoria or to Kokomo or Kalamazoo, where these communities are hungry to do something for their young people, they are hungry to try to combat crime problems, to combat drug problems, to create sporting activities, to create sporting teams, to create academic programs combined with sports programs so that young people will have these kinds of alternatives.

□ 1715

Rather than have this money languish in an account where the recipient of the money refuses to match it, we ought to give it to those communities that they are seeking to match it.

There is a huge backlog of communities that are desiring this effort that have gone out and made the push, made the push within their private sector to gather resources to get in-kind contributions or to get monetary programs that have worked with citizen programs where people volunteer to rebuild, to paint facilities, to recapture much of what many of us have experienced when we grew up when we knew the importance that recreation played in our childhood, and teaching us the rules of sportsmanship, and teaching us the discipline of practice, and teaching us how to engage with other individuals, and giving us productive time to use when we were not in school or not engaged in other activities.

That is why it is important that we adopt this amendment. It will not harm. It will not harm the account with respect to the Marianas because, as I pointed out, they have a huge backlog of money that they have been unwilling to match for the purposes for which Congress has appropriated that money.

So I would urge my colleagues, many of you have heard from your mayors, many of you have heard from the sporting good manufacturers, many of you have heard from volunteer organizations in your communities that are struggling, struggling to try to rebuild and recapture and revitalize these facilities.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. MILLER of California. Mr. Chairman, we owe it to our children. We now understand, there are studies, there, you stack them up, they are taller than I am, that tell us the most important time to capture the time of young people is that time from after school until the time that their parents or guardians come home. That is when most of the crime is committed by young people. That is when young people get into trouble most of the time.

But in many, many communities, and if you look at the list of the communities that are making applications for this program, in many communities they simply do not have a constructive alternative to offer to these young people.

We have done this with the UPARR program. We can continue to do it with the UPARR program, and we can do it in the constructive fashion so that we can take advantage of the energies of these young people and the willingness of the local communities to come up with the matching money, to come up with the local energy to create these facilities. I would hope that the House would approve this amendment, and I ask for an aye vote on this amendment.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

The gentleman from California (Mr. MILLER) has said we have heard from the manufacturers of tennis rackets, from the manufacturers of basketballs, tennis balls, guns, you name it, all these sporting goods outfits. Now we are going to hear from the people that work in the parks, that work in the forests, that work in the fish and wildlife, that work in BLM, and I am going to speak for them.

The gentleman is asking them to fix the roof in their spare time. He is asking them to go out and repair bridges in their spare time. We saw that when we were out in Yosemite. The employees told us "we did a lot of the work here to offset the damage from the big flood ourselves in our free time."

We had oversight hearings this year. We have $10 billion, not million, $10 billion of backlog maintenance. That is not my number. That is a number from the Director of the parks, from the Director of the Forest Service, from the Directors of the Fish and Wildlife Services, and from BLM, $10 billion of maintenance left undone.

One of the people testified that, for every dollar of maintenance that is neglected, it costs $5 down the road. Let us not take money out of these programs. If we have extra money, let us address the backlog maintenance. Let us not worry about manufacturers of tennis rackets or baseball bats.

That is what UPARR is. Build tennis courts. Build baseball fields. It is nice. But 47 States have surpluses. It is about time for them to come into this program. Let the States work with the local communities to provide these recreational facilities. I have not had any State offer money to deal with backlog maintenance on Federal lands. If you want to take care of those precious crown jewels that we keep talking about, we need any extra money that we have to be spent on backlog maintenance.

Mr. Chairman, I yield to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding. Nobody has been more diligent in trying to warn this Congress and the country about the backlog in the national parks and in the public lands with respect to maintenance and even, to some extent, and clearly, in acquisition.

But let me say that is not the competition that this amendment is. This is money that is put into an account for the Northern Marianas. They have been unwilling over the last several years to match that money; and there is now, according to the budget, about $80 million sitting in that account.

All I am suggesting is that we take that $2 million and help these cities. People are volunteering their time here. I work every weekend with organizations and try to help organizations that are paying for the ball fields and trying to recover these facilities so that they can use them for their children. So we are not matching volunteers here. We are matching an account that has more money in it than they can possibly use as opposed to this program where people can use it for recreational opportunities for the young people.

Mr. REGULA. Reclaiming my time, I understand the gentleman's point. Frankly, since the gentleman mentioned it, I am going to take a quick look at that and see if we cannot get that $80 million to put into backlog maintenance. I think that is a wonderful idea.

Mr. MILLER of California. Mr. Chairman, I would support the gentleman. We can do it right now.

Mr. DICKS. But, Mr. Chairman, if the gentleman will yield, why does the gentleman not, for the gentleman's diligence and good work, at least give him the $2 million?

Mr. REGULA. Mr. Chairman, I am going to suggest to the National Governors' Association that they adopt the Miller amendment. I think, with their surpluses and all but maybe a handful of States, 47 to be exact, they ought to take care of this. I do appreciate the gentleman calling to my attention this money that is available.

Mr. MILLER of California. Now the gentleman is going to steal the money from me. No good deeds go unrewarded.

Mr. REGULA. It could end up with about $9 billion of backlog instead of $10 billion if we can get that $80 million the gentleman has been telling us about.

I realize it is not exactly apples and oranges. But all I am saying is that, when we are faced with $10 billion in backlog, when we are faced with our employees who are spending their free time, many of them, doing this work in our public lands facilities, I do not think we should start building tennis courts and golf courses and baseball fields in our communities. That is a local responsibility.

Mr. MILLER of California. I appreciate that.

Mr. REGULA. Mr. Chairman, I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, we can make that argument about a lot of efforts. But when we address the crime bill and we are looking at the priorities, this was one of them. The point is, this provides, you know, a small match that brings together a lot of private resources and some public resources at the local level. The governors of the State, unfortunately, this is not on their agenda. These are a lot of cities that are trying to provide some local recreation opportunities.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 30 additional seconds.)

Mr. REGULA. Mr. Chairman, I would suggest that this ought to be in the crime bill.

Mr. MILLER of California. It was.

Mr. REGULA. I think that is a logical place to put it rather than to take money from our parks and our forests.

Mr. MILLER of California. I am not taking them.

Mr. REGULA. I understand, but the gentleman from California is not offsetting. But if that money is available, we would like to get it and use it for public lands.

Mr. MILLER of California. But that is not my amendment.

Mr. McDERMOTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Miller amendment. Not to get into a fight with the chairman or anyone else, but I think that, in other parts of this budget, we are taking out all the money for summer jobs in this country.

We are looking at cities filled with kids where, on the one hand, we are not going to help them get a summer job, and, on the other hand, we are not willing to put some money to invest in recreational facilities so that they can be involved in organized activities that will keep them out of difficulty.

We all know from our own childhood, if not from someplace else, that idle hands are the devil's workshop. I remember in the crime bill discussion, we had an awful lot of people out here jumping up and down saying that midnight basketball was not a good idea. But if we go by the places even in this city at night where there is a light and a hoop, we will see kids playing basketball. I think we would rather have them doing that than some of the other things they can think of doing.

For us to take $2 million out of $80 million that is sitting somewhere being unused because we have a law that says we have to put the money in there, we made some kind of deal, but they never match it. I am up here because Seattle put in a grant for $250,000, and we know how to use it. We have got the matched money ready to go, but we would like access to this money.

I think there are cities all over this country where, whether you like it or not, as we have devolved programs from the Federal level down to the State level, there are lots of States dealing with lots of things they did not use to deal with, so they are unwilling to take care of the needs of cities.

If somebody does not take care of the needs of cities, we are going to be in serious trouble in this country. So I urge the adoption of this bill.

Mr. DICKS. Mr. Chairman, will the gentleman yield to me for a brief moment?

Mr. McDERMOTT. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, since the gentleman mentions Seattle, Washington, I wanted to point out that in the past, funding has also contributed to the development of programs and projects such as the innovation project established in Tacoma, Washington. The goals of this innovative project were to provide at-risk youth alternatives to gangs and drugs through participation in outdoor recreation activities and to develop life skills such as self-esteem, leadership, decision-making and cooperation.

The program was designed to operate as an extensive partnership involving professionals from the disciplines of parks and recreation, education, city government, social services and criminal justice.

It was designed to operate year round with expanded activity during the summer months and over extended holiday periods. Youth participants were involved through various avenues such as schools, home school associations, youth service agencies, and neighborhood community centers.

The program has provided various activities such as backpacking in Olympic National Park; whitewater rafting on the Thompson River in British Columbia; cross-country skiing in Mount Ranier National Park; winter camping, inner-tubing and snow shoeing in various winter sports areas; water safety instruction; fishing, canoeing, boating and swimming, mountain packing on designated State and Federal lands; weekly environmental education outdoor skills workshops, leadership training for advanced youth participants and youth hosteling and meeting travelers from around the world.

I have listened carefully to my chairman, and it seems to me for this small investment if we can do and provide more opportunities for kids after school to be in programs like this, and if the Park Service can play a role in this, I certainly support the gentleman from California.

I will work as hard as anyone on the backlog, but if we have got $80 million sitting in a trust fund and the chairman can get $78 million of it for the backlog and we can get $2 million for this urban recreation thing, I think that is the kind of program the American people support. It is prevention of crime that we should be focusing on, and having some opportunities out there through this bill seems to me to be a good idea.

I appreciate the gentleman yielding.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. McDERMOTT. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, on the point both he and the gentleman from Washington (Mr. DICKS) have made, if we go back into our childhoods, we all know the value of a coach, the value of the mentor, the value of the after-school recreation director that helped us get over some trouble spots when we were young children, when we were adolescents. That opportunity and that relationship is being denied to too many children today in America.

This is a small effort. This is not going to solve a problem, but this has been an effective effort when we put the money into it. Unfortunately, the last couple of years it has languished, and I just think it is an important one that should be embraced by the House.

Mr. ROHRABACHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose the amendment of my good friend and colleague, the gentleman from California (Mr. MILLER). People should understand what is going on here, and again I will have to say that my understanding is limited as well, but my understanding of what we are talking about is an agreement that was reached with the Northern Mariana Islands as part of a change of their status that they used to be like all the other people who were appendages of the United States but they were not independent, nor were they States.

In order to change their status and become not dependent on American welfare programs and not dependent on other social benefit programs, they decided to become somewhat independent and have more of a free enterprise approach to their economy.

Part of the agreement that we made with them was to provide them certain infrastructure projects that cost a certain amount of money, and what we are talking about here is breaking an agreement or not setting aside the funds that are necessary or taking advantage of funds that may or may not be available that are in contradiction, and this is in contradiction to an agreement we have reached with these people in the Northern Mariana Islands.

This stems from and, again, the gentleman from California (Mr. MILLER) and I have an honest disagreement on this, as do Republicans and Democrats have honest disagreements, as to what labor policy should take place in the United States but also in the Northern Mariana Islands.

□ 1730

I happen to believe in a less regulated society and less regulations dealing with labor law, and the gentleman from California (Mr. MILLER) believes in more regulations for labor law to protect the interests of labor and protect the interests of various working people. I disagree with that philosophy. That is not the philosophy of the Republican Party, but I respect the concern of the gentleman from California (Mr. MILLER) about that.

Unfortunately, the amendment we are talking about now, however, based on this opposition to this labor policy in the Northern Mariana Islands, is negating an agreement that we have reached with those islanders in order to have a change in their legal status.

I would suggest that this is not the fair approach, not a judicious approach. Even though it can be argued that the funds may be better spent someplace else, an agreement has been reached. We would not want to break any other agreement with any other peoples around in order to fulfill these same obligations and opportunities for spending money that have been talked about today.

So I reluctantly rise in disagreement, but I understand the honest philosophical motivations that the gentleman has in making his approach.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I would just say to the gentleman, two points. One, I have been working on UPARR for many years, both on the resources side and on the crime bill side, and the only reason we are tapping this account is that this account is now building up an amount that is supposed to be matched on an annual basis. It has not been matched for the last several years, so we are just putting money into an account, when money is now hard to come by. It has $80 million in it unmatched, and to take $2 million for this fiscal year, if they spend the money, there is no harm to them. But there is no indication they can spend anywhere close to the $80 million because of the matching requirement that other communities have. It is an effort to try to address the crime problem here and use the money without harm.

Mr. ROHRABACHER. Mr. Chairman, reclaiming my time, I think it is clear that the gentleman is accomplishing two things with one move, and that the gentleman honestly disagrees with some of the labor practices on the Northern Mariana Islands and is able to express that through this amendment, which also transfers funds to a program that the gentleman appreciates.

However, I would say that I oppose this amendment still, but understand my colleague's desire in this attempt. But I would oppose it, because, number one, I do disagree with his theory on labor practices, as is happening in the Northern Marianas; and, number two, I would think we should make sure if we have reached an agreement with the Northern Mariana Islands and it takes a certain amount of money to fulfill that agreement, that we keep that in the budget so we can fulfill our pledge, rather than trying to do other things.

There are many other things we can do with this money that we can argue are very beneficial to the people of the United States, but we made an agreement with these people and we should keep it. So I oppose the amendment.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to say a few words in support of the amendment which would place $2 million in the Urban Recreation and Recovery Program. I think the gentleman from California (Mr. MILLER) has done something very good here, and I think the House recognizes there is no one among us who is more expert about this particular program, the value of it, the efficacy of the work that is done through this program and the need to put money into it.

The gentleman from California (Mr. MILLER) has identified a source of funding which is not going to hurt anyone. The $2 million out of this $80 million from the Northern Mariana fund is money which is not being used. There is no likelihood this money is going to be matched by the Northern Marianas at any time in the near future. This is a very good program, and we really need to be funding it.

There is a great deal of willingness on the part of many Members of the House, it seems, to spend money on prisons, but not as much willingness to spend money on parks; not as much willingness to spend money on prevention, rather than waiting until after the problem has arisen before we deal with it. That, I think, is a very serious mistake.

There has been a recent study that was done by the Federal Bureau of Investigation that said that if young people, high school age, are going to get into trouble, they are going to do so in those hours right after school lets out, the hours between 3 and 7 o'clock or so in the evening.

One of the reasons people in those situations get into trouble is because there is nothing for them to do when school lets out. There are millions of young people in urban areas and in rural areas alike across this country that have no access to recreational facilities after school is out. By spending a few dollars on recreational programs, we can avoid the need to spend a great deal of money later on the construction of prisons and for other purposes in the criminal justice system.

We know very clearly that if young people have access to recreational programs, if young people can hook up with a mentor, some older person that can establish a relationship with them, that their life is much less likely to take a bad turn and they are much more likely to develop into good, sound, solid citizens.

Money spent on these recreational programs, money spent for these parks, is money well spent, and we are well advised to adopt this amendment. It is a good, sound, solid amendment, a good use for this funding.

I urge all Members to get behind this amendment and support this expenditure of $2 million for our Urban Recovery and Parks Program. It is a very good purpose, a very good idea.

Mr. OLVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also rise in support of the Miller amendment. This is an amendment that would provide a very tiny amount of money for an authorized program, the Urban Park Recreation and Recovery Program. $2 million is what would be proposed here, what is proposed here in the amendment. It has an offset, which is as benign as any offset that anybody could come up with in trying to fund something that is entirely legitimate.

We are trying to find $2 million out of a $10-plus billion bill. That is $2 million. That is not two percent, it is 2/100ths of one percent of the $10-plus billion bill that we are talking about.

Every Member in this body, from whatever district they hail from, whatever State, whatever kind of district, they have communities which could benefit from this kind of legislation.

In my area, there are two communities that have asked for just $50,000 and $100,000 respectively under the Urban Park Recreation and Recovery Program, which has not been possible because there are no funds in that authorized program. They would, of course, have to match it. It is one of those cases where you build a partnership on the part of the Federal Government and the State or local government, particularly in this instance the local government, to do something which is of great benefit to people.

So I would urge Members to listen to their mayors in those communities, or whoever is their chief operating officer, in those communities that are struggling to find recreational opportunities for their youth.

It is summertime. There are so many opportunities for kids to find trouble. It is in the ballparks and the playgrounds, those active places for recreation, that kids go and stay out of trouble. Our public parks are where the McGwires and the Griffeys hit their first home runs, where the Grant Hills played their first competitive basketball.

But beyond that, urban parks offer families brief refuge from urban decay, from bus exhaust and traffic congestion. The urban park, with its water fountains and little league baseball fields, is the place where the vast majority of Americans are going to be spending their leisure time this summer and around the clock, not just in the summertime, but around the clock. It is a place where many children first learn team sports. It is the place where families get together to fly a kite or bike or walk or rollerblade along a river greenway.

One of my particular interests, Mr. Chairman, has been that many of our urban centers, particularly in the earlier settled parts of the country, many of our urban centers run along riverways that not so long ago functioned as industrial sewers. Because we have put billions of dollars, billions upon billions of dollars into the Clean Water Act over a period of years, and because of the more recent industrial restructuring that has gone on, these riverways now are a place that could be restored as green space to provide for recreation, a true wealth of recreation for use by our urban families.

In those cases, communities that I could name one right after the another, and, again, every Member could name in their own districts, these communities need some help with the restoration to make these areas available for their families for recreation. That help could come clearly from the Urban Park Recreation and Recovery Program that we are proposing here, the gentleman from California (Mr. MILLER) is proposing, just $2 million, with a benign offset to be used.

Some communities have recreational facilities that are in such poor shape they endanger kids' safety and health. These dollars could help repair, reconstruct and rehabilitate such facilities. In the past, these grants have been provided recreation for the disabled, repaired swimming pools, resurfaced tennis and basketball courts, purchased picnic tables, created arts and craft areas, fitness trails and bocci courts for senior citizens.

The public knows that this is money that is well spent. They expect money well spent to be appropriated by their government. So I urge support for the Miller amendment.

Mr. PALLONE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today also in support of the Miller amendment to fully fund the administration's request of $2 million for the Urban Parks Recreation and Recovery, or UPARR. This invaluable program provides competitive matching grants for the revitalization of local recreation areas and the improvement of recreation programs and services in low income inner-city neighborhoods. These opportunities are targeted at urban youth and the expansion of pre- and after-school activities.

Mr. Chairman, in my own district in the City of New Brunswick, which is located in the central part of New Jersey, UPARR grants have been used to renovate jogging paths and playing fields and to construct new playing fields at Buccleuch Park. The park is used as a recreational facility by local high school sports teams, as well as sports teams from Rutgers, the State University of New Jersey.

In addition, a UPARR grant made additional renovations possible so that senior citizens and disabled persons from the senior citizen resource center next door could make use of the park's facilities. Other UPARR grants have facilitated similar activities at Feaster Park, Joyce Kilmer Park and Recreation Park, also located in New Brunswick.

The National Park Service anticipates applications from 100 to 150 urban localities across the country for UPARR grants in fiscal year 1999, requests which will total approximately $20 million. The $2 million that we are trying to add to the bill today with this amendment will enable the Park Service to award 10 to 15 grants, only 10 percent of those requested. This, as has been mentioned by my colleagues, is a modestly funded program, but one that has a large impact on those communities that are fortunate enough to receive these grants, as I know from my own City of New Brunswick.

I urge my colleagues to support urban neighborhoods and urban youth by voting for the Miller UPARR amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. MILLER).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), $40,812,000, to be derived from the Historic Preservation Fund, to remain available until September 30, 2000, of which $7,700,000 pursuant to section 507 of Public Law 104–333 shall remain available until expended: *Provided*, That, notwithstanding any other provision of law, the National Park Service may hereafter recover all costs of providing necessary services associated with historic preservation tax certification, and such funds shall remain available until expended.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, including the modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989, $149,000,000, to remain available until expended: *Provided*, That the Denver Service Center may not levy any assessments against specific construction projects.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 1999 by 16 U.S.C. 460l–10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, $69,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $500,000 is to administer the State assistance program: *Provided*, That any funds made available for the purpose of acquisition of the Elwha and Glines dams shall be used solely for acquisition, and shall not be expended until the full purchase amount has been appropriated by the Congress: *Provided further*, That from the funds made available for land acquisition at Everglades National Park and Big Cypress National Preserve, the Secretary may provide for Federal assistance to the State of Florida for the acquisition of lands or waters, or interests therein, within the Everglades watershed (consisting of lands and waters within the boundaries of the South Florida Water Management District, Florida Bay and the Florida Keys) under terms and conditions deemed necessary by the Secretary, to improve and restore the hydrological function of the Everglades watershed: *Provided further*, That funds provided under this heading to the State of Florida shall be subject to an agreement that such lands will be managed in perpetuity for the restoration of the Everglades.

AMENDMENT OFFERED BY MR. MCGOVERN

Mr. McGOVERN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCGOVERN:

Page 19, line 7, insert after the dollar amount the following: "(increased by $30,000,000)".

Page 70, line 17, insert after the dollar amount "(reduced by $30,000,000)".

The CHAIRMAN. Before recognizing the gentleman from Massachusetts (Mr. MCGOVERN), the Committee will rise informally to receive a message.

The SPEAKER pro tempore (Mr. PAPPAS) assumed the chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Committee resumed its sitting.

□ 1745

The CHAIRMAN. The gentleman from Massachusetts (Mr. MCGOVERN) is recognized for 5 minutes in support of his amendment.

Mr. McGOVERN. Mr. Chairman, I rise today along with my colleague from New Jersey (Mr. PAPPAS), in support of an initiative that is vital to our children, our families and our Nation: Reestablishing the Stateside program of the Land and Water Conservation Fund.

I want to thank the gentleman from Ohio (Mr. REGULA) for his graciousness as we take up debate on this important issue. He and his staff have always extended every courtesy to me and my office, and I also want to thank the gentleman from Illinois (Mr. YATES), the ranking member, and the gentleman from Washington (Mr. DICKS) and their staff for all of the help that they have provided me.

The Land and Water Conservation Fund has a proven track record and strong bipartisan support. The Land and Water Conservation Fund is a simple idea. It uses money from nonrenewable public resources like offshore oil and gas drilling and reinvests the money into a renewable resource: Public open space.

A trust fund was established over 30 years ago to meet the need for more open space and in that time, over 37,000, over 37,000 park and recreation projects, from neighborhood parks and ballfields to scenic trails, nature reserves and historical sites, have all been developed. This is a real American success story.

Unfortunately, the spirit of this program has been misdirected in recent years. Though Congress has funded the Federal program which has protected Federal lands, the Stateside program has been zeroed out. For those who believe that the Stateside program is better provided by the States, I would respectfully disagree and say that the States cannot do it alone. The Stateside program is already a partnership, as States and towns match every Federal dollar. We can leverage good money on good projects.

The Stateside program acknowledges State leadership on parks and open space projects and works in lock step with what I would say is a Republican philosophy to devolve power back to the States. It is a nonregulatory program that lets States take the lead, a successful program with a successful track record administered at the State level. That is why governors from all over the country support the Stateside fund.

Not funding the Stateside program amounts to a broken promise made to the American people. When we decided to open the Outer Continental Shelf to oil drilling, exploitation of a nonrenewable resource, we pledged to use some of the revenues for the public good, to protect open space. Every year, the Land and Water Conservation Fund takes in $900 million from oil and gas receipts, but less than 25 percent of this has been appropriated over the last decade. We are breaking our promise to the American people by not spending this money in the way in which it was intended.

This amendment that we are offering today is a step in the right direction toward renewing that promise. It is the perfect time to revitalize the Land and Water Conservation Fund program. Right now, States are developing their own plans to invest in open spaces. With our strategic investment, we can help them fight sprawl, revitalize urban areas, and conserve cherished cultural heritage sites.

In some low-income urban communities, such as Chelsea in Summerville, Massachusetts, the Stateside program is responsible for virtually all parks in the city. Without the Stateside fund, there would literally be no public open space in those communities.

Kids in cities need safe green spaces to play in. Without safe, healthy parks, they go from home to school and back without ever interacting with a natural area: Trees, grass, places to explore. Unused open space in rural areas is natural area. Unused space in a city is a vacant lot with garbage, glass, dirty needles and possibly drug dealing. Vacant lots also increase childhood asthma by increasing airborne dust. Transforming a dangerous vacant lot into a community garden or neighborhood playground gives a neighborhood hope and increases public health and safety.

I have seen some of the great things the Stateside program can do. In my home city of Worcester, Massachusetts there are about 40,000 annual visits to Green Hill Park, an innercity green space which received $225,000 in the 1980s to revamp a farm zoo in that park. This is the kind of investment we need to save our urban neighborhoods.

Our amendment proposes to take $30 million from the fossil energy turbine program and redirect it to the National Park Service for the purpose of funding the Stateside program. What will $30 million do? It gives the States something to work with. They have not seen Stateside funding since 1995. It will help get grant programs back on line, and it will help further demonstrate the need and support for the program by using the $30 million strategically.

Mr. Chairman, I ask that my colleagues support this bipartisan effort to reinstate the Stateside program with the Land and Water Conservation Fund to ensure we have a better environment for everybody. Please support the McGovern-Pappas amendment.

Mr. PAPPAS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this amendment offered by my colleague from Massachusetts (Mr. MCGOVERN). This Interior appropriations bill contains within it the appropriations for the Land and Water Conservation Fund. However, only $139 million is appropriated for this important fund, despite it reaching levels of $5 billion. Moreover, there are no funds in this bill for the Stateside matching grant program.

In my State of New Jersey, there is much debate about the future of urban sprawl, loss of open space and farmland, and the need recreational opportunities. This fund was originally intended to be a Federal complement to State efforts to provide for parks, recreation and open space. The Federal component, however, is gone.

This issue is critical to the Northeast and every region across this country with urban sprawl. I have even introduced my own bill to help further address this problem in my region, H.R. 3566. Open space is critically important to preserve the quality of life for those that live in high-growth areas. The Federal Government can play an important role in providing money to cash-strapped States and local governments that seek to fund efforts to improve their quality of life.

This amendment is a much-needed amendment to provide an additional $30 million for the Stateside of the Land and Water Conservation Fund. Under the formula written in the law, States, through the Stateside program, would receive up to $2 million each to help improve quality of life for communities and families.

Finally, I want to thank the chairman for crafting an overall good bill. It is a very lean year, I understand, and represents a $200 million reduction from last year. Offsets such as the one identified in this amendment are harder to find in lean bills. However, I must respectfully state my opinion through this amendment that the Land and Water Conservation Fund in general, and State grant program in specific, must reflect a higher priority of this Congress and administration.

This amendment will help save an important Federal program that helps States. It is consistent with Republican priorities by giving power to States. It does not create more Federal land ownership; it allows flexibility on the local level, and as a former local elected official, this is the type of program that will help existing open space and recreational efforts of local governments.

This is an amendment that this Congress should support, the Stateside program. I strongly urge passage of the McGovern amendment.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wanted to rise in support of this amendment and others that seek to enhance the utilization of resources from the Land and Water Conservation Fund. The fact is that there is from the offshore oil and gas revenues a commitment until appropriated of $900 million a year. The measure before us appropriates only a small portion of those dollars.

Now, I understand the limitations that the subcommittee members face, but I think that completely terminating, and it has been done in past Congresses, the funding for the State set-aside for the Land and Water Conservation Fund is the wrong way to go.

I think we have a commitment here. I know that this amendment is really only a modest beginning as we try to restore the integrity and the necessity for the funds to the States for these particular programs. I mean the basic tenet is that as we deplete resources from the Outer Continental Shelf, both oil and gas, that the resources of some of the dollars that come from those resources are provided for setting aside and purchasing some lands for the legacy of those that come after us.

So I strongly support this, empowering and providing the States this opportunity.

I want to commend the gentleman from Massachusetts (Mr. McGOVERN), and the gentleman from New Jersey (Mr. PAPPAS) for raising this. I just wanted to comment briefly that I recognize our colleague from Illinois' distinguished service and had noted that in my earlier remarks that I put in the RECORD, as well as the continued good work of the chairman of this committee and others that have served here, including the gentleman from Pennsylvania (Mr. McDADE). While over the years we have had our differences about how to proceed with policy, I think that they have been conscientious Members, especially of course the gentleman from Illinois (Mr. YATES), who has left I think an indelible mark on many of the special programs that exist in this subcommittee of appropriations on Interior.

I have concerns about the bill, especially the underfunding, and I think that that needs to be remedied in terms of how we have allocated the dollars so that this subcommittee would have the funding that would reflect the will of the American people in terms of the concerns that they have with these programs. I am concerned about some elements in the rule where some amendments are given favored treatment, others are ruled out of bounds in terms of reaching them, but generally, there is a lot positive in this bill and I am really torn in terms of a decision to support it.

But I am not torn about this amendment. This is a good amendment, and I urge the Members to support it and hope that we can restore some full spending at some time to the Land and Water Conservation Fund, and I again commend the gentleman.

So I rise in support of the amendment offered by my colleagues to increase funding for the Land and Water Conservation Fund for stateside matching grant program. I do regret the decision to offset the funding from the Energy Conservation Program, but do support the opportunity to discuss the unmet commitment represented in the Conservation Fund.

When Congress first passed the Land and Water Conservation Act in 1965, they recognized the need to "assist in preserving, developing, and assuring accessibility to all citizens of the United States of America of present and future generations . . . To outdoor recreation resources . . . " To insure that access, the Congress pledged to provide funds for States in planning, acquisition, and development of needed areas and facilities. The fund was also to be used for Federal acquisition and development.

While the funding source for LWCF has produced a more than generous level to conduct both portions of the program, the program has been too successful. The $900 million authorized level has been diverted to fund other programs with minimal funding for the Federal funding and, since 1995, no money for State matching grants.

The State matching program has been an integral component of State and local recreation programs. I am certain that many of my colleagues have visited recreation centers, wildlife areas, and parks funded in part by LWCF.

Unfortunately the lack of matching Federal funds has created a major backlog in State and local community programs. The McGovern amendment would be a start to address those pressing needs.

While I support the restoration of funding for LWCF, I am concerned about the source of the offset. It is my hope that should this amendment be successful, other options will be considered by a conference committee as offsets.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, how quickly we forget. I can remember not too many years ago when people stood in this well wondering where were we going to get energy, when we had OPEC tying up petroleum, lines at the gasoline stations. We said, let us not let that happen again. We had a special commission meeting all hours of the day and night trying to address the problem. Industries closed down, hospitals and schools were suffering problems. How quickly we forget. We forget we sent soldiers, disrupted families, spent billions of dollars in Desert Storm to protect our energy supply, and now we want to take another hit at energy conservation.

These programs result from the experience of OPEC tying up our energy supply. They result from an understanding that we have to conserve. The gentleman from Colorado (Mr. SKAGGS) not long ago was making a strong case for energy conservation. Here we have a bill that says, let us take another bite out of energy conservation to fund local facilities, golf courses. We remember when the Land and Water Conservation funds went to the States. It was easy money. It came from the "Federal Government."

So they did not worry too much. The State built swimming pools, golf courses, tennis courts. That is not a wise investment when we are threatening the energy security of this Nation. That is what this amendment boils down to.

We have enormous needs in our Federal lands. We are the Federal Government. Forty-seven States advised the National Governors' Association that they have surpluses. If they have surpluses, they should be building the tennis courts, the swimming pools and the golf courses in their communities. We have $10 billion of backlog maintenance. This is the testimony of the administration. We have land management agencies that are trying to deal with in-holdings. We need whatever funds we can get to buy in-holdings where people are living in the center of parks and forests and other government facilities.

Given the backlog of maintenance of $10 billion, given the backlog of in-holding purchases that we should make of $8.6 billion, it certainly makes absolutely no sense to take money out of the Land and Water Conservation Fund. We do not have enough.

See that stack of three looseleaf notebooks? They represent requests from Members of this body, some 2,000 letters we received, many of them are multiple, of course, from Members saying, buy this land, do this project. The gentleman from Utah (Mr. HANSEN) is here, and he hears the same thing over in the Committee on Resources.

We are already, woefully short of the funds that we need to meet the needs brought to our attention by Members in testimony. We had an entire day of Members testifying in front of our committee about the needs in their districts on Federal programs, and 47 States with surpluses, and we are proposing to give them money to build golf courses, tennis courts, swimming pools? Forget it. And to take it out of energy conservation?

Mr. McGOVERN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Massachusetts.

Mr. McGOVERN. Mr. Chairman, I would agree with the gentleman in enforcing accountability in this program, but I would simply say that this is not what we are talking about when we are talking about the importance of this program. We are talking about open spaces for families, we are talking about areas in inner cities that otherwise would be left vacant.

□ 1800

The beauty of this program is, kind of like the State revolving fund, it would leverage more money from the State. It is not just the Federal Government giving money, but we are getting money from the State, and that is in keeping with the spirit that you believe.

Mr. REGULA. Mr. Chairman, reclaiming my time, we are talking about open spaces on Federal lands too. And we are talking about all those millions of visitors that want to go to our Federal lands, and I think it is the responsibility of the cities to fund these programs. Most of them have income tax programs, they have other sources of revenue. And from what I read, many of the cities are doing pretty well and the States are doing well because the economy is strong.

One of the reasons the economy is strong is because energy is cheap. Of course, the gentleman was not here, but if he had been here when we had these debates, when gasoline was $1.50 a gallon, he would understand that this is an unwise proposal.

Mr. MCGOVERN. Mr. Chairman, if the gentleman would continue to yield, I appreciate that, and I also appreciate the importance of protecting Federal lands, but I think we can do both. And what we are talking about here is really a very modest investment to try to help leverage State funds to protect open spaces in States all across this country, and I would again urge support of this amendment.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, I think while this is a noble cause, and while it would be nice if we had the money, we do not. We do not have the money to meet the Federal responsibility. We do not have the money to do the backlog. We do not have the money to buy the in-holdings. We do not have enough money to meet Federal needs, as evidenced by those hundreds of requests from all of my colleagues for additional programs.

If we had a great amount of money, it would be different. If we had energy security, it would be different. If we had a stable Middle East, which is an enormous source of petroleum, it would be different. But I hope we have learned our lessons in the past, and I would strongly urge Members to vote "no" on this amendment.

Ms. CHRISTIAN-GREEN. Mr. Chairman I rise in strong support of the amendment of my fellow Freshman Class colleague, Mr. MCGOVERN and would urge all of my colleagues to support it as well.

Mr. Chairman since its enactment in 1964, over $3 billion have been appropriated from the Land and Water Conservation Fund for matching grants to the 50 States and U.S. Insular areas for land acquisition and recreation development. Through this program more than 2.3 million acres have been acquired and recreation facilities have been built on some 25,000 sites.

In my own district, LWCF funds have been used for very important land acquisitions at the VI National Park on St. John and hopefully, very soon, to create a National Park Service presence at the recently authorized Salt River National Park on the island of St. Croix.

Equally and vitally important are the funds provided from the LWCF for State and local recreation programs, known as the Urban Parks and Recreation Program. When the LWCF was enacted over thirty years ago, one of its stated purposes was to assist in the preservation, development and assuring the accessibility to outdoor recreation resources. Using this mandate, the LWCF has been used to build ballparks in urban settings from Oakland, California to Washington, DC to my own area in the Virgin Islands.

In years past, the UPAR program received bipartisan support for increased funding every year, because members on both sides of the aisle recognized the importance of recreation in the development of our young people. That is why I strongly support the amendment of my colleague from Massachusetts which would restore funding for the LWCF program to the level requested by the Administration.

Mr. Chairman, I also want to urge my colleagues to again resist efforts to eliminate funding for the National Endowment for the Arts. Every federal dollar spent by the NEA leverages many additional public dollars at the state and local level. Last year, the $98 million dollars allocated to the NEA helped create a system that supports 1.3 million full time jobs in states, cities, towns and villages across the country, providing $3.4 billion back to the federal treasury in income taxes.

We must continue to support the NEA not only because of the untold benefits this agency has on our culture but also because of the importance that artistic expression and creativity has on the development of our children.

In closing, Mr. Chairman, I want to pay tribute to the Gentleman from Illinois, the Ranking Member on the Interior Appropriation Committee, Mr. YATES. My colleagues, those of us from the U.S. offshore areas are very thankful to Mr. YATES for the support he has given to our needs over the years. Whether it has been for disaster assistance as was the case with Hurricanes Hugo and Marilyn in my district or to our many other important needs, Chairman YATES as he was known for so many years, was always willing to come to our aid.

And so I want to say to Mr. YATES on behalf of the people of the Virgin Islands, whom I am privileged to represent, thank you for your support. You will be sorely missed in this body but we wish you a very enjoyable retirement and come and visit us in the Virgin Islands. God Speed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. MCGOVERN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MCGOVERN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from Massachusetts (Mr. MCGOVERN) will be postponed.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask the gentleman from Ohio (Mr. REGULA), as the manager of the bill, to discuss for a moment a program of particular interest to me, the gentleman from New Hampshire (Mr. BASS), the gentleman from Delaware (Mr. CASTLE), the gentleman from New York (Mr. BOEHLERT), and many others of my colleagues. It is a subject which has broadly been discussed, the Land and Water Conservation Fund.

As the gentleman knows, the Land and Water Conservation Fund, which uses revenue from offshore oil and gas drilling for the protection of recreation, historic and natural resource lands across the country, is of critical importance to the State of New Jersey and other States across the Nation.

I appreciate the historic support offered by the gentleman from Ohio (Chairman REGULA) for this program. Funding levels for the Land and Water Conservation Fund in recent years, however, have resulted in a backlog of unmet acquisition needs at many parks, forests, and wildlife refuges.

I am grateful the Congress finally addressed this need last year by appropriating an additional $699 million to the Land and Water Conservation Fund funds, and I know that that could not have happened without the support of the gentleman from Ohio.

I would like to ask the gentleman a question related to the $699 million contained in last year's Interior Appropriations bill. Of the $699 million appropriated, it is my understanding that $362 million will be used to address high priority land acquisitions and backlog maintenance needs around the country, but the final decision of what projects will be funded has not yet been made.

Mr. Chairman, I would inquire, is it the gentleman's intention to finalize the list of acquisitions before the end of the fiscal year 1998?

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I would tell the gentleman that yes, it is. I can assure the gentleman from New Jersey that it would be my intent, and I think my colleague in the Senate feels the same way, to spend these funds this year on high priority land, such as inholdings, high priority land acquisition and backlog maintenance projects.

Mr. FRELINGHUYSEN. Mr. Chairman, reclaiming my time, I thank the gentleman, and would ask his indulgence for one more question.

Despite the extraordinary funding for Land and Water Conservation projects, there will continue to be an annual need to address ongoing acquisitions within Federal units. In fiscal year 1999 the administration requested $270 million, which is in line with regular funding levels in recent years, but the House bill was unable to achieve this level this year.

I realize the chairman of the subcommittee has worked on under strict budgetary constraints and in fact received a lower 302(b) allocation than last year. However, it is my fervent hope that the conferees from this body can work to arrive at a final Land and Water Conservation level that is at least consistent with the Senate's appropriation.

Is it the gentleman's intention to move in this direction?

Mr. REGULA. Yes, it is. As the gentleman from New Jersey pointed out, there are many competing demands on the limited funds provided in this bill, and I feel that we have done as well as we could.

However, I certainly recognize the importance of the Land and Water Conservation Fund, particularly in meeting the need for purchase of in-holdings and in meeting ongoing acquisition needs, as well as its importance to many Members of this body who support projects in their district. Here is an example, all three of these are Member projects letters.

While we cannot meet every request, the subcommittee will certainly strive to work with the Senate to reach a more adequate funding level in conference. And let me say parenthetically that we imposed moratoria on a great deal of offshore drilling which, of course, substantially reduced the flow of money into the Land and Water Conservation Fund.

Mr. FRELINGHUYSEN. Mr. Chairman, I appreciate the commitment of the gentleman from Ohio (Chairman REGULA) and look forward to working with him on this important issue.

Mr. GUTIERREZ. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I intended to offer an amendment this afternoon that I believe makes dollars and makes sense. My amendment was based on the simple premise that government agencies responsible for administering programs with similar and complementary purposes can achieve greater success by working together in our urban communities.

Interagency cooperation, the wise use of tax dollars and the development of innovative approaches that employ ideas from a variety of disciplines and sciences, should be promoted more often by this Congress. That is what my amendment sought to accomplish.

Also, I believe that my amendment would have been timely. We are currently in the middle of what scientists predict will be the hottest July in some 600 years. We have never recorded a month hotter than the one we are currently experiencing. In the Midwest and New England, major utility corporations do not have the power to deal with the added costs of cooling urban areas. Rolling burnouts have already occurred and are predicted to occur with more regularity as the summer progresses and the heat rise.

In Chicago, Commonwealth Edison says they are not sure who is going to get electricity at what point. However, the heat wave that currently grips our Nation, raising temperatures above 100 and the heat index above 110 in cities throughout America, is not an anomaly. This decade has witnessed the six hottest summers on record.

We should begin to expect these types of weather effects more often. We should also note that excessive summer heat is worse in our cities and metropolitan areas. Thus we should focus our attention to our urban communities where dangerous summer heat has become a public health hazard.

Currently, the Department of Energy conducts research into the causes, consequences, and possible solutions to the urban heat-island phenomenon. This research demonstrates that summer temperatures are 5 to 10 degrees higher in central cities than in surrounding areas.

As my colleagues can imagine, the energy costs and air pollution resulting from these heat islands present critical problems for urban communities and their residents. But beyond the higher utility bills and air quality that heat islands foster are serious public health concerns that must also be addressed.

I represent an urban constituency. Asphalt, brick and tar are common in my community. In 1995, in my congressional district alone, 100 people died because of excessive summer heat. Throughout the City of Chicago in mid-July of 1995, nearly 600 people died during the worst heat wave this decade. The National Oceanic and Atmospheric Administration study of heat waves demonstrates that in certain sections of the city the mercury was 10 degrees higher than in the suburbs of the City of Chicago. The heat index, which also factors in humidity as well, was nearly 15 degrees higher.

Now, this year the Dallas area has witnessed the effects of urban heat island. For 15 straight days in Dallas the heat has reached 100 degrees or more. More than 80 people have died as a direct result of heat-related illnesses in the Dallas area and across the South.

DOE research has shown that the heat-island phenomenon is prevalent throughout the country. I believe we should look for solutions to this serious public health concern. The Forest Service currently administers a program that should be integrated with the Energy Department's heat-island research to help lessen the effects of summer heat in urban areas. Between these two agencies, we understand the problem and we can come to an important solution.

The DOE can supply the data that helps local communities plan where urban green space must be improved and expanded. The Forest Service can help local communities plant and maintain trees and flora. By cooperating, sharing, and working together, these agencies can fulfill their missions more effectively.

I do not believe that additional appropriations are required by this amendment. The programs in question also will not have to be changed. What the amendment would have required is coordination and innovation, not dollars and regulation.

Mr. Chairman, I feel strongly that this is a win-win situation for our government and cities. Developing solutions to problems of urban heat and pollution cannot be put off any longer. Let us get the agencies working together on this.

Mr. Chairman, I will not offer my amendment today, but instead would ask to engage in a colloquy with the gentleman from Ohio (Mr. REGULA), chairman of the Subcommittee on Interior Appropriations.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. GUTIERREZ) has expired.

(By unanimous consent, Mr. GUTIERREZ was allowed to proceed for 30 additional seconds.)

Mr. GUTIERREZ. Mr. Chairman, I would ask that the members of the subcommittee work with me to compel the Forest Service and the Department of Energy to sit down and coordinate their efforts to reduce heat and pollution in order to save energy and to save lives. I would urge the gentleman from Ohio (Mr. Regula), the manager of the bill, to follow the progress of these agencies towards achieving that goal.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. GUTIERREZ. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, we will urge them to do that. I do not know if the gentleman heard my opening statement, but I pointed out that we have pushed all agencies to coordinate wherever possible to gain efficiencies in the expenditure of monies as well as to serve the public better.

So this is an example, I think, where two agencies can coordinate their efforts to meet the needs that the gentleman from Illinois has outlined in his remarks.

Mr. GUTIERREZ. Mr. Chairman, reclaiming my time, I thank the gentleman from Ohio, and I look forward to working with him.

Mr. GUTKNECHT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to engage in a colloquy with the distinguished gentleman from Ohio (Mr. REGULA), chairman of the Subcommittee on Interior Appropriations, concerning the proposed National Eagle Center in Wabasha, Minnesota.

Many of my colleagues may recall a CBS report last winter concerning efforts in the City of Wabasha, Minnesota, to construct a National Eagle Center. In his news report, anchorman Harry Smith stated that it makes his heart quicken to see this magnificent symbol of our Nation in its natural environment: Hundreds of bald eagles perched in the cottonwoods and fishing along the banks of the Mississippi River near Wabasha, a community of 2,500 people made famous by the movie, "Grumpy Old Men."

Mr. Chairman, Harry Smith is not unlike millions of Americans who are thrilled to have a rare chance to see a bald eagle in the wild. In fact, CBS News officials said the network received more phone calls requesting copies of this story of Smith's than any other.

For the past 9 years, 70 volunteers from in and around Wabasha, Minnesota, have generously donated their time and talent in order to share this once-in-a-lifetime experience with the thousands of visitors who come each year to see this remarkable bird. These thousands of visitors come to Wabasha because nowhere else in the lower 48 States can one find a better view of this, our national symbol.

□ 1815

Nowhere else can visitors benefit, free of charge, from a trained staff of volunteers who help them spot and learn more about the Bald Eagle.

But as my colleague knows, Minnesota can get very cold in the winter, and that is why the City of Wabasha and the State of Minnesota have joined forces and contributed $1.9 million, about half the amount necessary, to construct an indoor eagle viewing and educational facility for the benefit of visitors from all over the country.

Mr. Chairman, I have asked the gentleman from Ohio (Mr. REGULA), the chairman of the subcommittee, if he would lend his support for the National Eagle Center. I understand the chairman will consider this request as the Interior bill is taken up in conference with the Senate.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. GUTKNECHT. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentleman from Minnesota is correct in his understanding. Recognizing the level of commitment on the part of the State of Minnesota and the community of Wabasha, as well as the national interests served by this center, I will work with the gentleman from Minnesota in his efforts to include supportive language in a statement of managers to accompany the conference report on the Interior bill.

Mr. GUTKNECHT. Mr. Chairman, I greatly appreciate the chairman's willingness to work with me on this project, which is so important to my home State, the community of Wabasha, me and, most importantly, to millions of Americans eager to see this remarkably beautiful symbol of our Nation.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that the bill through page 55, line 14, be considered as read, printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the bill from page 20, line 4 through page 55, line 14 is as follows:

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 375 passenger motor vehicles, of which 291 shall be for replacement only, including not to exceed 305 for police-type use, 12 buses, and 6 ambulances: *Provided*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.

The National Park Service may distribute to operating units based on the safety record of each unit the costs of programs designed to improve workplace and employee safety, and to encourage employees receiving workers' compensation benefits pursuant to chapter 81 of title 5, United States Code, to return to appropriate positions for which they are medically able.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, and the mineral and water resources of the United States, its territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332, and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; $774,838,000 of which $68,096,000 shall be available only for cooperation with States or municipalities for water resources investigations; and of which $16,400,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries; and of which $150,871,000 shall be available until September 30, 2000 for the biological research activity and the operation of the Cooperative Research Units: *Provided*, That none of these funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: *Provided further*, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the United States Geological Survey shall be available for the purchase of not to exceed 53 passenger motor vehicles, of which 48 are for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302 et seq.: *Provided further*, That the United States Geological Survey may contract directly with individuals or indirectly with institutions or nonprofit organizations, without regard to 41 U.S.C. 5, for the temporary or intermittent services of science students or recent graduates, who shall be considered employees for the purposes of chapter 81 of title 5, United States Code, relating to compensation for work injuries, and chapter 171 of title 28, United States Code, relating to tort claims, but shall not be considered to be Federal employees for any other purposes.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; $116,402,000, of which $72,729,000 shall be available for royalty management activities; and an amount not to exceed $100,000,000, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for Outer Continental Shelf administrative activities performed by the Minerals Management Service over and above the rates in effect on September 30, 1993, and from additional fees for Outer Continental Shelf administrative activities established after September 30, 1993: *Provided*, That $3,000,000 for computer acquisitions shall remain available until September 30, 2000: *Provided further*, That funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721(b) and (d): *Provided further*, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: *Provided further*, That notwithstanding any other provision of law, $15,000 under this heading shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of the Minerals Management Service concurred with the claimed refund due, to pay amounts owed to Indian allottees or Tribes, or to correct prior unrecoverable erroneous payments.

OIL SPILL RESEARCH

For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, $6,118,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; $93,074,000, and notwithstanding 31 U.S.C. 3302, an additional amount shall be credited to this account, to remain available until expended, from performance bond forfeitures in fiscal year 1999 and thereafter: *Provided*, That the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected in fiscal year 1999 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further*, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training: *Provided further*, That beginning in fiscal year 1999 and thereafter, cost-based fees for the products of the Mine Map Repository shall be established (and revised as needed) in Federal Register Notices, and shall be collected and credited to this account, to be available until expended for the costs of administering this program.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, $185,416,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to $7,000,000, to be derived from the cumulative balance of interest earned to date on the Fund, shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines, and for associated activities, through the Appalachian Clean Streams Initiative: *Provided*, That grants to minimum program States will be $1,500,000 per State in fiscal year 1999: *Provided further*, That of the funds herein provided up to $18,000,000 may be used for the emergency program authorized by section 410 of Public Law 95–87, as amended, of which no more than 25 percent shall be used for emergency reclamation projects in any one State and funds for federally administered emergency reclamation projects under this proviso shall not exceed $11,000,000: *Provided further*, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 percent limitation per State and may be used without fiscal year limitation for emergency projects: *Provided further*, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That funds made available to States under title IV of Public Law 95–87 may be used, at their discretion, for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: *Provided further*, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: *Provided further*, That the State of Maryland may set aside the greater of $1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects: *Provided further*, That hereafter, donations received to support projects under the Appalachian Clean Streams Initiative and under the Western Mine Lands Restoration Partnerships Initiative, pursuant to 30 U.S.C. 1231, shall be credited to this account and remain available until expended without further appropriation for projects sponsored under these initiatives, directly through agreements with other Federal agencies, or through grants to States, and funding to local governments, or tax exempt private entities.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For expenses necessary for the operation of Indian programs, as authorized by law, including the Snyder Act of November 2, 1921 (25 U.S.C. 13), the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), as amended, the Education Amendments of 1978 (25 U.S.C. 2001–2019), and the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), as amended, $1,558,425,000, to remain available until September 30, 2000 except as otherwise provided herein, of which not to exceed $96,028,000 shall be for welfare assistance payments and notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, not to exceed $114,881,000 shall be available for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts, grants, compacts, or annual funding agreements entered into with the Bureau prior to or during fiscal year 1999, as authorized by such Act, except that tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, or compacts, or annual funding agreements and for unmet welfare assistance costs, and of which not to exceed $383,451,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 1999, and shall remain available until September 30, 2000; and of which not to exceed $52,256,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, self-governance grants, the Indian Self-Determination Fund, land records improvement, the Navajo-Hopi Settlement Program: *Provided*, That notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, and 25 U.S.C. 2008, not to exceed $42,160,000 within and only from such amounts made available for school operations shall be available to tribes and tribal organizations for administrative cost grants associated with the operation of Bureau-funded schools: *Provided further*, That hereafter funds made available to tribes and tribal organizations through contracts, compact agreements, or grants, as authorized by the Indian Self-Determination Act of 1975 or grants authorized by the Indian Education Amendments of 1988 (25 U.S.C. 2001 and 2008A) shall remain available until expended by the contractor or grantee: *Provided further*, That hereafter to provide funding uniformity within a Self-Governance Compact, any funds provided in this Act with availability for more than two years may be reprogrammed to two year availability but shall remain available within the Compact until expended: *Provided further*, That hereafter notwithstanding any other provision of law, Indian tribal governments may, by appropriate changes in eligibility criteria or by other means, change eligibility for general assistance or change the amount of general assistance payments for individuals within the service area of such tribe who are otherwise deemed eligible for general assistance payments so long as such changes are applied in a consistent manner to individuals similarly situated and, that any savings realized by such changes shall be available for use in meeting other priorities of the tribes and, that any net increase in costs to the Federal Government which result solely from tribally increased payment levels for general assistance shall be met exclusively from funds available to the tribe from within its tribal priority allocation: *Provided further*, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 2000, may be transferred during fiscal year 2001 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: *Provided further*, That any such unobligated balances not so transferred shall expire on September 30, 2001: *Provided further*, That hereafter tribes may use tribal priority allocations funds for the replacement and repair of school facilities in compliance with 25 U.S.C. 2005(a), so long as such replacement or repair is approved by the Secretary and completed with non-Federal tribal and/or tribal priority allocation funds.

CONSTRUCTION

For construction, repair, improvement, and maintenance of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87–483, $121,695,000, to remain available until expended: *Provided*, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: *Provided further*, That not to exceed 6 percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: *Provided further*, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a nonreimbursable basis: *Provided further*, That for fiscal year 1999, in implementing new construction or facilities improvement and repair project grants in excess of $100,000 that are provided to tribally controlled grant schools under Public Law 100–297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: *Provided further*, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed: *Provided further*, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(a), with respect to organizational and financial management capabilities: *Provided further*, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2505(f): *Provided further*, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2508(e): *Provided further*, That funds appropriated in Public Law 105–18, making emergency supplemental appropriations for the Bureau of Indian Affairs for the repair of irrigation projects damaged in the severe winter conditions and ensuing flooding, are available on a nonreimbursable basis.

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, $28,396,000, to remain available until expended; of which $27,530,000 shall be available for implementation of enacted Indian land and water claim settlements pursuant to Public Laws 101–618 and 102–575, and for implementation of other enacted water rights settlements; and of which $866,000 shall be available pursuant to Public Laws 99–264, and 100–580: *Provided*, That in fiscal year 1999 and thereafter, the Secretary is directed to sell land and interests in land, other than surface water rights, acquired in conformance with section 2 of the Truckee River Water Quality Settlement Agreement, the receipts of which shall be deposited to the Lahontan Valley and Pyramid Lake Fish and Wildlife Fund, and be available for the purposes of section 2 of such agreement, without regard to the limitation on the distribution of benefits in the second sentence of paragraph 206(f)(2) of Public Law 101–618.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

For the cost of guaranteed loans, $4,501,000, as authorized by the Indian Financing Act of 1974, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $34,615,000.

In addition, for administrative expenses to carry out the guaranteed loan programs, $500,000.

ADMINISTRATIVE PROVISIONS

The Bureau of Indian Affairs may carry out the operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts and grants, either directly or in cooperation with States and other organizations.

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase of not to exceed 229 passenger motor vehicles, of which not to exceed 187 shall be for replacement only.

Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations or pooled overhead general administration (except facilities operations and maintenance) shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103–413).

Notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska.

Appropriations made available in this or any other Act for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1996. No funds available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995.

In the event any tribe returns appropriations made available by the Act to the Bureau of Indian Affairs for distribution to other tribes, this action will not diminish the Federal Government's trust responsibility to that tribe, or the government-to-government relationship between the United States and that tribe, or the tribe's right to future appropriations.

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, $66,175,000, of which: (1) $62,326,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) $3,849,000 shall be available for salaries and expenses of the Office of Insular Affairs: *Provided*, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the General Accounting Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: *Provided further*, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 99–396, or any subsequent legislation related to Commonwealth of the Northern Mariana Islands grant funding: *Provided further*, That of the Covenant grant funding for the Government of the Northern Mariana Islands $5,000,000 shall be used for the construction of prison facilities and $500,000 shall be used for construction and equipping of a crime laboratory unless the Secretary determines that acceptable alternative financing for these projects is already in place: *Provided further*, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: *Provided further*, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure in American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia through assessments of long-range operations maintenance needs, improved capability of local operations and maintenance institutions and agencies (including management and vocational education training), and project-specific maintenance (with territorial participation and cost sharing to be determined by the Secretary based on the individual territory's commitment to timely maintenance of its capital assets): *Provided further*, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, and for economic assistance and necessary expenses for the Republic of Palau as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, $20,545,000, to remain available until expended, as authorized by Public Law 99–239 and Public Law 99–658.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for management of the Department of the Interior, $58,286,000, of which not to exceed $8,500 may be for official reception and representation expenses, and of which up to $1,000,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $37,304,000.

Office of Inspector General

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General, $24,499,000.

Office of Special Trustee for American Indians

FEDERAL TRUST PROGRAMS

For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, $39,499,000, to remain available until expended: *Provided*, That funds for trust management improvements may be transferred to the Bureau of Indian Affairs: *Provided further*, That funds made available to Tribes and Tribal organizations through contracts or grants obligated during fiscal year 1999, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: *Provided further*, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: *Provided further*, That hereafter the Secretary shall not be required to provide a periodic statement of performance pursuant to 25 U.S.C. 4011(b), nor to invest pursuant to 25 U.S.C. 161a, any Indian trust account managed by the Secretary that has not had activity for at least eighteen months and has a balance of $1.00 or less: *Provided further*, That hereafter the Secretary shall maintain a record of any such accounts and amounts in such accounts will remain available upon request to the accountholder.

Natural Resource Damage Assessment and Restoration

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (Public Law 101–380), and Public Law 101–337; $4,492,000, to remain available until expended: *Provided*, That obligated and unexpended balances in the United States Fish and Wildlife Service, Natural Resource Damage Assessment Fund account at the end of fiscal year 1998 shall be transferred to and made a part of the Departmental Offices, Natural Resource Damage Assessment and Restoration, Natural Resource Damage Assessment Fund account and shall remain available until expended.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: *Provided*, That notwithstanding any other provision of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: *Provided further*, That no programs funded with appropriated funds in the "Departmental Management", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further*, That all funds used pursuant to this section are hereby designated by Congress to be "emergency requirements" pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oilspills; for response and natural resource damage assessment activities related to actual oilspills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99–198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That for emergency rehabilitation and wildfire suppression activities, no funds shall be made available under this authority until funds appropriated to "Wildland Fire Management" shall have been exhausted: *Provided further*, That all funds used pursuant to this section are hereby designated by Congress to be "emergency requirements" pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible: *Provided further*, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, United States Code: *Provided*, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902 and D.C. Code 4–204).

SEC. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

SEC. 107. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore leasing and related activities placed under restriction in the President's moratorium statement of June 26, 1990, in the areas of northern, central, and southern California; the North Atlantic; Washington and Oregon; and the eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude.

SEC. 108. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore oil and natural gas preleasing, leasing, and related activities, on lands within the North Aleutian Basin planning area.

SEC. 109. No funds provided in this title may be expended by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing and related activities in the eastern Gulf of Mexico planning area for any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997–2002.

SEC. 110. No funds provided in this title may be expended by the Department of the Interior to conduct oil and natural gas preleasing, leasing and related activities in the Mid-Atlantic and South Atlantic planning areas.

SEC. 111. Advance payments made under this title to Indian tribes, tribal organizations, and tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) or the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) may be invested by the Indian tribe, tribal organization, or consortium before such funds are expended for the purposes of the grant, compact, or annual funding agreement so long as such funds are—

(1) invested by the Indian tribe, tribal organization, or consortium only in obligations of the United States, or in obligations

or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States or securities that are guaranteed or insured by the United States; or

(2) deposited only into accounts that are insured by an agency or instrumentality of the United States, or are fully collateralized to ensure protection of the Funds, even in the event of a bank failure.

SEC. 112. (a) Employees of Helium Operations, Bureau of Land Management, entitled to severance pay under 5 U.S.C. 5595, may apply for, and the Secretary of the Interior may pay, the total amount of the severance pay to the employee in a lump sum. Employees paid severance pay in a lump sum and subsequently reemployed by the Federal Government shall be subject to the repayment provisions of 5 U.S.C. 5595(i)(2) and (3), except that any repayment shall be made to the Helium Fund.

(b) Helium Operations employees who elect to continue health benefits after separation shall be liable for not more than the required employee contribution under 5 U.S.C. 8905a(d)(1)(A). The Helium Fund shall pay for 18 months the remaining portion of required contributions.

(c) The Secretary of the Interior may provide for training to assist Helium Operations employees in the transition to other Federal or private sector jobs during the facility shut-down and disposition process and for up to 12 months following separation from Federal employment, including retraining and relocation incentives on the same terms and conditions as authorized for employees of the Department of Defense in section 348 of the National Defense Authorization Act for Fiscal Year 1995.

(d) For purposes of the annual leave restoration provisions of 5 U.S.C. 6304(d)(1)(B), the cessation of helium production and sales, and other related Helium Program activities shall be deemed to create an exigency of public business under, and annual leave that is lost during leave years 1997 through 2001 because of, 5 U.S.C. 6304 (regardless of whether such leave was scheduled in advance) shall be restored to the employee and shall be credited and available in accordance with 5 U.S.C. 6304(d)(2). Annual leave so restored and remaining unused upon the transfer of a Helium Program employee to a position of the executive branch outside of the Helium Program shall be liquidated by payment to the employee of a lump sum from the Helium Fund for such leave.

(e) Benefits under this section shall be paid from the Helium Fund in accordance with section 4(c)(4) of the Helium Privatization Act of 1996. Funds may be made available to Helium Program employees who are or will be separated before October 1, 2002 because of the cessation of helium production and sales and other related activities. Retraining benefits, including retraining and relocation incentives, may be paid for retraining commencing on or before September 30, 2002.

SEC. 113. In fiscal year 1999 and thereafter, the Secretary may accept donations and bequests of money, services, or other personal property for the management and enhancement of the Department's Natural Resources Library. The Secretary may hold, use, and administer such donations until expended and without further appropriation.

SEC. 114. Notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, funds available under this title for Indian self-determination or self-governance contract or grant support costs may be expended only for costs directly attributable to contracts, grants and compacts pursuant to the Indian Self-Determination Act and no funds appropriated in this title shall be available for any contract support costs or indirect costs associated with any contract, grant, cooperative agreement, self-governance compact or funding agreement entered into between an Indian tribe or tribal organization and any entity other than an agency of the Department of the Interior.

SEC. 115. Notwithstanding any other provisions of law, the National Park Service shall not develop or implement a reduced entrance fee program to accommodate non-local travel through a unit. The Secretary may provide for and regulate local non-recreational passage through units of the National Park System, allowing each unit to develop guidelines and permits for such activity appropriate to that unit.

SEC. 116. (a) Denver Service Center employees who voluntarily resign or retire from the National Park Service on or before December 31, 1998, shall receive, from the National Park Service, a lump sum voluntary separation incentive payment that shall be equal to the lesser of an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section; or $25,000.

(1) The voluntary separation incentive payment—

(A) shall not be a basis for payment, and shall not be included in the computation of any other type of Government benefit; and

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employee.

(2) Employees receiving a voluntary separation incentive payment and accepting employment with the Federal Government within five years of the date of separation shall be required to repay the entire amount of the incentive payment to the National Park Service.

(3) The Secretary may, at the request of the head of an Executive branch agency, waive the repayment under paragraph (2) if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(4) In addition to any other payment which it is required to make under subchapter III of chapter 83 of title 5, United States Code, the National Park Service shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the National Park Service—

(A) who retires under section 8336(d)(2) of title 5, United States Code; and

(B) to whom a voluntary separation incentive payment has been or is to be paid under the provisions of this section.

(b) Employees of the Denver Service Center entitled to severance pay under 5 U.S.C. 5595, may apply for, and the National Park Service may pay, the total amount of severance pay to the employee in a lump sum. Employees paid severance pay in a lump sum and subsequently reemployed by the Federal Government shall be subject to the repayment provisions of 5 U.S.C. 5595(i) (2) and (3), except that any repayment shall be made to the National Park Service.

(c) Employees of the Denver Service Center who voluntarily resign on or before December 31, 1998, or who are separated in a reduction in force, shall be liable for not more than the required employee contribution under 5 U.S.C. 8905a(d)(1)(A) if they elect to continue health benefits after separation. The National Park Service shall pay for 12 months the remaining portion of required contributions.

SEC. 117. Notwithstanding any other provision of law, the Secretary is authorized to permit persons, firms or organizations engaged in commercial, cultural, educational, or recreational activities (as defined in section 612a of title 40, United States Code) not currently occupying such space to use courtyards, auditoriums, meeting rooms, and other space of the main and south Interior building complex, Washington, D.C., the maintenance, operation, and protection of which has been delegated to the Secretary from the Administrator of General Services pursuant to the Federal Property and Administrative Services Act of 1949, and to assess reasonable charges therefore, subject to such procedures as the Secretary deems appropriate for such uses. Charges may be for the space, utilities, maintenance, repair, and other services. Charges for such space and services may be at rates equivalent to the prevailing commercial rate for comparable space and services devoted to a similar purpose in the vicinity of the main and south Interior building complex, Washington, D.C. for which charges are being assessed. The Secretary may without further appropriation hold, administer, and use such proceeds within the Departmental Management Working Capital Fund to offset the operation of the buildings under his jurisdiction, whether delegated or otherwise, and for related purposes, until expended.

SEC. 118. The 37 mile River Valley Trail from the town of Delaware Gap to the edge of the town of Milford, Pennsylvania located within the Delaware Water Gap National Recreation Area shall hereafter be referred to in any law, regulation, document, or record of the United States as the Joseph M. McDade Recreational Trail.

The CHAIRMAN. Are there amendments to the bill through page 55, line 14?

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 504, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: the amendment offered by the gentleman from Colorado (Mr. SKAGGS), the amendment offered by the gentleman from Vermont (Mr. SANDERS), and the amendment offered by the gentleman from Massachusetts (Mr. MCGOVERN).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. SKAGGS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado (Mr. SKAGGS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 212, noes 213, not voting 9, as follows:

[Roll No. 313]

AYES—212

Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bass
Becerra
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Boucher
Boyd
Brown (FL)
Brown (OH)
Camp
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Conyers
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Duncan
Ehlers
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Farr
Fawell
Fazio
Filner
Foley
Forbes
Fossella
Fox
Frank (MA)
Franks (NJ)
Furse
Ganske
Gekas
Gephardt
Gilman
Goode
Gordon
Greenwood
Gutierrez
Hastert
Hastings (FL)
Hayworth
Hilliard
Hinchey
Hinojosa
Hooley
Hoyer
Hulshof
Jackson (IL)
Jefferson
Johnson (WI)
Johnson, E.B.
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klug
LaFalce
LaHood
Lantos
Lazio
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moran (VA)
Morella
Nadler
Neal
Neumann
Nussle
Oberstar
Obey
Olver
Owens
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pitts
Porter
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Rivers
Rodriguez
Roemer
Rogers
Rothman
Roybal-Allard
Rush
Sabo
Salmon
Sánchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith, Adam
Smith, Linda
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Sununu
Tanner
Tauscher
Thompson
Thune
Tierney
Torres
Towns
Upton
Velázquez
Vento
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wise
Woolsey
Wynn
Yates

NOES—213

Abercrombie
Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bereuter
Bliley
Blunt
Boehner
Bonilla
Bono
Borski
Boswell
Brady (PA)
Brady (TX)
Brown (CA)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehrlich
Everett
Ewing
Fattah
Fowler
Frelinghuysen
Frost
Gallegly
Gejdenson
Gibbons
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Granger
Green
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastings (WA)
Hefley
Hefner
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kennelly
Kim
Kingston
Klink
Knollenberg
Kolbe
Kucinich
Lampson
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Maloney (CT)
Mascara
McCollum
McCrery
McDade
McInnis
McIntosh
McKeon
Mica
Miller (FL)
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Ortiz
Oxley
Packard
Paxon
Pease
Peterson (PA)
Pickering
Pickett
Pombo
Pomeroy
Portman
Poshard
Pryce (OH)
Radanovich
Redmond
Regula
Reyes
Riggs
Riley
Rogan
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Snowbarger
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thurman
Tiahrt
Traficant
Turner
Visclosky
Wamp
Watkins
Watts (OK)
Weldon (FL)
White
Wicker
Wilson
Wolf
Young (AK)

NOT VOTING—9

Dixon
Ford
Gonzalez
Harman
John
McNulty
Solomon
Stokes
Young (FL)

□ 1839

Messrs. WATKINS, MOAKLEY, LATHAM, SMITH of Michigan, and Ms. ROS-LEHTINEN changed their vote from "aye" to "no."

Mr. SKELTON and Mr. METCALF changed their vote from "no" to "aye."

□ 1840

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. PEASE). Pursuant to House Resolution 504, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 6 OFFERED BY MR. SANDERS

The CHAIRMAN pro tempore. The question is on amendment No. 6 offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 241, noes 185, not voting 8, as follows:

[Roll No. 314]

AYES—241

Abercrombie
Ackerman
Allen
Andrews
Archer
Armey
Baesler
Baldacci
Barcia
Barr
Barrett (WI)
Bass
Becerra
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Boswell
Boucher
Boyd
Brown (FL)
Brown (OH)
Bryant
Bunning
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Capps
Carson
Chabot
Chenoweth
Clay
Clayton
Clyburn
Coble
Collins
Condit
Conyers
Cox
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehrlich
Emerson
Ensign
Etheridge
Evans
Fazio
Filner
Foley
Fowler
Franks (NJ)
Furse
Ganske
Gekas
Gibbons
Goode
Goodlatte
Goodling
Graham
Gutierrez
Hansen
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hoekstra
Hooley
Horn
Hostettler
Houghton
Hulshof
Hutchinson
Jackson (IL)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kolbe
LaFalce
Latham
LaTourette
Leach
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Luther
Maloney (NY)
Manton
Manzullo
Markey
Martinez
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKinney
Meehan
Meek (FL)
Menendez
Metcalf
Millender-McDonald
Minge
Mink
Moran (KS)
Morella
Myrick
Nadler
Neal
Nethercutt
Neumann
Northup
Norwood
Nussle
Oberstar
Obey
Owens
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Payne
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pombo
Portman
Quinn
Radanovich
Rahall
Ramstad
Riggs
Rivers
Rogers
Rohrabacher
Rothman
Roukema

Roybal-Allard
Royce
Rush
Salmon
Sanders
Scarborough
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Shadegg
Shays
Sherman
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)

Smith, Adam
Smith, Linda
Snyder
Solomon
Spratt
Stabenow
Stearns
Stokes
Strickland
Stump
Stupak
Sununu
Tanner
Taylor (MS)
Taylor (NC)
Thompson
Thune
Thurman

Torres
Towns
Velázquez
Vento
Waters
Watt (NC)
Waxman
Weldon (FL)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Woolsey
Wynn
Young (AK)

NOES—185

Aderholt
Bachus
Baker
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bereuter
Berman
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Borski
Brady (PA)
Brady (TX)
Brown (CA)
Burr
Burton
Callahan
Cardin
Castle
Chambliss
Christensen
Clement
Coburn
Combest
Cook
Cooksey
Costello
Coyne
Cramer
Davis (VA)
DeLay
Diaz-Balart
Dickey
Dingell
Doggett
Doyle
Edwards
Ehlers
Engel
English
Eshoo
Everett
Ewing
Farr
Fattah
Fawell
Forbes
Fossella
Fox
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gephardt
Gilchrest

Gillmor
Gilman
Gordon
Goss
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hastert
Hilleary
Hobson
Holden
Hoyer
Hunter
Hyde
Inglis
Istook
Jackson-Lee (TX)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kennelly
Kim
King (NY)
Kingston
Klink
Klug
Knollenberg
Kucinich
LaHood
Lampson
Lantos
Largent
Lazio
Lee
Levin
Lewis (CA)
Linder
Livingston
Lowey
Lucas
Maloney (CT)
Mascara
Matsui
McCrery
McDade
McDermott
McKeon
Meeks (NY)
Mica
Miller (CA)
Miller (FL)
Mollohan
Moran (VA)
Murtha
Ney
Olver
Ortiz

Oxley
Packard
Paxon
Pelosi
Pickett
Pitts
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Rangel
Redmond
Regula
Reyes
Riley
Rodriguez
Roemer
Rogan
Ros-Lehtinen
Ryun
Sabo
Sánchez
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Scott
Sessions
Shaw
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Smith (TX)
Snowbarger
Souder
Spence
Stark
Stenholm
Talent
Tauscher
Tauzin
Thomas
Thornberry
Tiahrt
Tierney
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (PA)
Wilson
Wise
Wolf
Yates

NOT VOTING—8

Dixon
Ford
Gonzalez

Harman
John
McNulty

Moakley
Young (FL)

□ 1848

Mr. FOSSELLA changed his vote from "aye" to "no."

Messrs. McCOLLUM, SCHUMER and DICKS changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MCGOVERN

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Massachusetts (Mr. McGOVERN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 203, noes 221, not voting 10, as follows:

[Roll No. 315]

AYES—203

Abercrombie
Ackerman
Allen
Andrews
Bachus
Baesler
Baldacci
Barcia
Barrett (WI)
Bass
Becerra
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Boyd
Brown (FL)
Brown (OH)
Burton
Camp
Campbell
Capps
Cardin
Carson
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Ehrlich
Engel
Ensign
Eshoo
Etheridge
Evans
Farr
Fawell
Filner
Forbes
Fox

Frank (MA)
Furse
Gekas
Gephardt
Gilman
Goode
Graham
Greenwood
Gutierrez
Hastings (FL)
Hayworth
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hulshof
Hunter
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klink
Klug
LaFalce
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott

McGovern
McHale
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (CA)
Mink
Moran (VA)
Morella
Myrick
Nadler
Neal
Nethercutt
Neumann
Oberstar
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Pastor
Pease
Pelosi
Petri
Pitts
Poshard
Price (NC)
Quinn
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sánchez
Sanders
Schumer
Scott
Serrano
Shays
Sherman
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith, Adam
Snowbarger
Snyder
Spratt
Stabenow
Stark
Strickland

Stupak
Sununu
Tauscher
Thompson
Thune
Thurman
Tierney
Torres

Towns
Turner
Upton
Velázquez
Vento
Waters
Watt (NC)
Waxman

Weldon (PA)
Weller
Wexler
Weygand
Woolsey
Wynn

NOES—221

Aderholt
Archer
Armey
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bliley
Blunt
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Brady (PA)
Brady (TX)
Brown (CA)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Everett
Ewing
Fattah
Fazio
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske

Gejdenson
Gibbons
Gilchrest
Gillmor
Goodlatte
Goodling
Gordon
Goss
Granger
Green
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hoyer
Hutchinson
Hyde
Istook
Jenkins
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kim
Kingston
Knollenberg
Kolbe
Kucinich
LaHood
Largent
Latham
LaTourette
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
Mascara
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Miller (FL)
Minge
Mollohan
Moran (KS)
Murtha
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Parker
Paul
Paxon
Payne

Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Ramstad
Redmond
Regula
Riggs
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Sabo
Salmon
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Smith (OR)
Smith (TX)
Smith, Linda
Solomon
Souder
Spence
Stearns
Stenholm
Stokes
Stump
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Traficant
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
White
Whitfield
Wicker
Wilson
Wise
Wolf
Yates
Young (AK)

NOT VOTING—10

Dixon
Ford
Gonzalez
Harman

John
Kanjorski
McNulty
Moakley

Radanovich
Young (FL)

□ 1858

Mr. HASTERT and Mr. MINGE changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1900

Mr. WHITE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage the chairman of the subcommittee in a colloquy if I could do that, please.

Mr. REGULA. If the gentleman will yield, yes, I will be happy to engage in a colloquy.

Mr. WHITE. Mr. Chairman, I thank the gentleman from Ohio for the opportunity to speak in support of resolving the Elwha River Restoration Project. I appreciate the committee's leadership over the past three years in helping secure funding toward the acquisition of Elwha and Glines dams. This project is something we have been trying to get started since 1995, and I am pleased that we are finally starting to move in the right direction.

Mr. REGULA. Mr. Chairman, if the gentleman will yield, I appreciate the gentleman from Washington's leadership on this issue over the past 3 years. It is very clear that the gentleman is deeply committed to seeing this project through to the end. I hope we can continue to look for ways to build on the support for the Elwha project.

Mr. WHITE. Mr. Chairman, as the gentleman knows, I have been a strong proponent of providing funding for restoration efforts on the Elwha River in the Olympic Peninsula in Washington State. We spend about $435 million every year on the Columbia and Snake Rivers and do not have as much to show for it as we would like. In the case of the Elwha, a one-time payment of a much smaller amount will create a pristine river and perfect salmon habitat from glacier to salt water, and it is an investment well worth making.

For the past 3 years, I have been working with the gentleman, Senator GORTON, who is the chairman of the Senate Interior Committee on Appropriations, and my good friend and colleague the gentleman from Washington (Mr. DICKS) on this issue. When we started this process in 1995, there was not much interest in the Elwha project and Senator GORTON had strong reservations about moving forward.

But a lot has changed over the past 3 years. Through some blood, sweat, and tears, we have made considerable progress in securing funding for the Elwha project and moving a little closer to salmon restoration on the Elwha River. We started this process with authorizing language in the fiscal year 1997 Budget Resolution recognizing the environmental benefits of restoring this pristine and unique river system. Since 1995, we have been successful in securing $11 million in funding toward acquiring these dams.

As the gentleman may know, Mr. Chairman, during consideration of the Senate Interior Appropriations bill for fiscal year 1999, Senator GORTON included language authorizing acquisition of both the Elwha and Glines dams and authorized the removal of both dams subject to the availability of appropriations.

In the process, however, Senator GORTON made clear that the uses of the Federal hydroelectric facilities on the Columbia and Snake Rivers would not be affected by actions on the Elwha. I agree wholeheartedly with the Senator's intention.

Senator GORTON and I have not always agreed on the details of this project. However, I am very pleased that he has indicated a willingness to make changes to his current position and will continue to encourage him to act sooner rather than later on the Elwha River project.

That is why today I introduced legislation that modifies the language that Senator GORTON included in the Senate Interior Appropriations bill. My legislation will authorize acquisition of both facilities and will authorize the removal of the lower Elwha dam subject to the availability of appropriations. My bill also includes an independent scientific review on the benefits of removal prior to removal of the upper Glines dam so that whatever decision we make is based on good, sound science.

Mr. Chairman, I strongly share Senator GORTON's concerns that the actions taken on the Elwha dam set absolutely no precedent on dam removal on the Columbia or Snake Rivers or their tributaries. For that reason, my bill specifically states that dam removal on the Elwha River will not set a precedent on the Columbia or Snake River systems. Finally, my bill provides that no hydroelectric facility can be removed or significantly modified structurally without congressional approval.

Mr. Chairman, it is my hope that, as we work out the final details on the Interior Appropriations bill that you will consider the bill I introduced today as a balanced solution to restoring salmon on the Elwha River.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I am happy to yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for his leadership on this issue. I am familiar with it, and I certainly will look with interest at his suggestions and look forward to working with him in an effort to keep the Elwha project moving ahead.

Ms. DUNN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to enter into a colloquy with the chairman of the Subcommittee on the Interior.

Mr. Chairman, I would like to take a moment to congratulate the gentleman for all of his very successful work during his chairmanship to prioritize funding for the National Park Service, especially for the crown jewels of the service, our national parks.

Under the gentleman's leadership, the National Park System has continued to see increased funding that has helped to mitigate terrible backlogs in operations and maintenance in all of the National Park Service units.

As the gentleman knows, my congressional district is home to one of our oldest national parks, Mt. Rainier. In fact, Mt. Rainier will turn 100 years old in March of 1999 and has been the recipient of much-needed funds to take care of severe maintenance backlog and construction needs.

Unfortunately, it is far too difficult for the average park enthusiast to find out how much money his or her favorite park needs in any given year. Separating the funding of the national parks into its own category would make it much easier for the public to track the annual funding levels.

On January 7, 1997, I introduced the Crown Jewel National Parks Act to accomplish this common sense reform.

As chairman of the Subcommittee on Interior of the Committee on Appropriations, however, the gentleman has the authority to require that the administration create a separate category for all project funding requests for our 54 national parks.

If I am correct, Mr. Chairman, I respectfully request that the gentleman instruct the administration to make this change beginning in the next fiscal year. This change will give the public the ability to more clearly see how their hard-earned dollars are being spent.

Mr. REGULA. Mr. Chairman, will the gentlewoman yield?

Ms. DUNN. I yield to the gentleman from Ohio.

Mr. REGULA. Yes, that is true. As the chairman of the Subcommittee on the Interior, I do have the authority to require that the administration separate national park funding from the other units under the National Park Service.

I am pleased that the gentlewoman from Washington brought this to my attention and agree that creating a separate category for the national parks will greatly benefit the ability of the public to understand what is happening. In addition, it will enable them to more easily discover that this Congress is committed to taking care of what we have in the public trust.

This year, we have again increased the operating budget of the National Park Service. Under this bill, the National Park Service will receive $99.3 million more than last year.

This subcommittee will continue to make every effort to spend the taxpayers' dollar wisely and exercise appropriate fiscal constraint in carrying out programs financed by the public. We will also continue to encourage the administration to do the same as they compile and submit their budget to Congress.

The gentlewoman from Washington State has my assurance that I will make this request of the administration before the next budget cycle begins.

Ms. DUNN. Mr. Chairman, I thank the subcommittee chairman and congratulate him on his fine work in increasing the budget of the National Park Service.

Mr. DEAL of Georgia. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage the distinguished chairman of the Subcommittee on the Interior in a colloquy regarding the language to encourage the U.S. Forest Service to continue the Pinhoti Trail into the Cohutta region of the Chattahoochee National Forest in the State of Georgia.

In the Interior Appropriations bill for fiscal year 1995, I was successful in allocating funds for construction of the Pinhoti Trail in the Armuchee Division of the forest. As the population of Atlanta continues to grow, the Pinhoti Trail has become a high-use recreational area. This trail is now overused, so we really need to see that it is extended.

Does the committee encourage that the Pinhoti Trail be continued in the Cohutta region of the Chattahoochee National Forest?

Mr. Chairman, I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, let me say before responding that we have put substantial funding in the trails generally, and I am a strong proponent of trails.

As I mentioned earlier, we, this year, thanks to leadership of the gentleman from Illinois (Mr. YATES) and past years, we are making the final payment on the Appalachian Trail, and I think it ends in Georgia, if I am not mistaken.

Mr. DEAL of Georgia. It either ends or begins, whichever way you look at it.

Mr. REGULA. That is, the glass is half full or half empty.

The gentleman understands that there are limited resources available to the committee. However, due to the increasing population growth in Georgia, we will encourage the U.S. Forest Service to consider extending the Pinhoti Trail into the Cohutta region of the Chattahoochee National Forest.

Mr. PORTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this bill contains an historic agreement that has been worked out over many months of negotiations that permanently eliminates the Purchaser Road Credit program that currently subsidizes timber companies to build logging roads in our national forests. As a result, I and others will oppose other amendments to this section this year.

I want to take this opportunity to thank the chairman, a gentleman for whom I have the greatest admiration and respect, for his willingness to participate and carry this provision in this bill and I want to thank Members on both sides of this issue who have spent a great deal of time and effort, and most particularly their staff members who have done such a fine job in working this out.

Katharine Fisher of my staff spent many, many hours in negotiations, as did many others, to carefully craft this agreement. I believe that it is historic in its achievements, and I thank the chairman for his patience and willingness to help us enact it into law.

Mr. Chairman, I would like to engage the gentleman from Ohio (Mr. REGULA) in a colloquy.

Mr. Chairman, am I correct that our intention in reaching this agreement on Forest Service roads in section 330 is to change who pays for the construction and reconstructions of roads necessary to access timber sales in our national forests by eliminating the Purchaser Credit Program?

No longer will it be the responsibility of U.S. taxpayers but rather the timber purchasers themselves will pay for the construction and reconstructions of roads needed to access their national forest timber sales?

Further, is it our intention that those roads constructed and reconstructed by timber purchasers will continue to comply with all environmental laws and minimize the impact on natural resource values, such as water quality?

Finally, Mr. Chairman, do we also intend that the Secretary may not require timber purchasers to pay for the construction and reconstruction of roads beyond those standards used for timber roads, such as for recreation or for frequent use, without compensating the timber purchaser?

Mr. REGULA. Mr. Chairman, will the gentleman from Illinois yield?

Mr. PORTER. I yield to the gentleman from Ohio.

Mr. REGULA. The gentleman from Illinois is correct.

Mr. PORTER. I thank the gentleman very much.

Mr. GREENWOOD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask the chairman of the Subcommittee on the Interior of the Committee on Appropriations to enter into a colloquy to discuss legislation of particular importance to me and many of my colleagues, the Neotropical Migratory Bird Conservation Act.

Mr. REGULA. Mr. Chairman, if the gentleman will yield, I would be very pleased to join in a discussion with the gentleman from Pennsylvania.

Mr. GREENWOOD. Mr. Chairman, as the chairman knows, the Neotropical Migratory Bird Conservation Act would provide safeguard for this Nation's precious and delicate migratory bird population. This program fosters nontraditional partnerships among the business community, nongovernmental organizations and Western Hemisphere nations.

Joining private enterprise with international environmental organizations combines their capital and know-how needed for a successful venture. Partnering these entities with local organizations in the targeted countries encourages and trains local people to carry out the preservation of habitat critical to migratory birds.

In the event that this legislation is enacted before the bill is conferenced with the Senate, I would like to request that consideration be given to funding by the conferees. However, if that is not the case, I would encourage the Department of Interior to consider the funding of this program a priority in its fiscal year 2000 budget.

Mr. Chairman, I recognize the many challenges you face in balancing competing needs and projects in the Interior bill but I would like to emphasize the importance this program plays in arresting the decline of our Nation's neotropical migratory bird population.

□ 1915

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I am familiar with this. I have martins that come visit us every summer, and, of course, they migrate to South America. So this kind of thing affects the bird population that moves back and forth between North and South America.

As the gentleman from Pennsylvania points out, there are many competing demands on the limited funds in this bill, but I do recognize the importance of protecting the Neotropical migratory bird population. While we cannot meet every request, as evidenced by these three books with letters from Members, I assure the gentleman that I will work with the gentleman and the Department of Interior to ensure appropriate funding for the program once the legislation is enacted.

I might say I congratulate the gentleman from Pennsylvania (Mr. GREENWOOD) on making this effort. I think it is very important.

Mr. GREENWOOD. Mr. Chairman, I appreciate the commitment and support of the chairman.

The CHAIRMAN. The Committee will rise informally.

The SPEAKER pro tempore (Mr. RIGGS) assumed the chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Committee resumed its sitting.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to my distinguished friend, the gentleman from Massachusetts (Mr. KENNEDY), who, along with the gentleman from Illinois (Mr. PORTER), have been two of the people who worked the hardest to try to bring their vision of reform to the National Forest system, to ensure sustainability, to ensure the fact that timber roads are built properly, that we have the highest environmental standards and that we improve these roads and protect our natural heritage.

I regret very much that the gentleman and I have not always seen eye to eye, but I regret the fact he is not going to be with us next year. I have enjoyed working with the gentleman.

Mr. KENNEDY of Massachusetts. Mr. Chairman, first of all, let me just thank my good friend from Washington (Mr. DICKS). Everyone in the country listening to the debate should understand that there is no one in the Congress of the United States that is responsible for cutting down more trees than the gentleman from Washington (Mr. DICKS).

Mr. DICKS. No, that is not true.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I want to congratulate the gentleman for his phenomenal victory that he has been able to maintain over the course of the last many, many years in this body.

But, on a serious note, we ought to recognize a great warrior in politics, and the gentleman from Washington (Mr. DICKS) certainly fulfills that description. His defense of making certain that we do have proper forestry management in this country is something that I have come to understand better because of the debates that he has fostered on the House floor, and it is important for those of us who want to protect our Nation's forests to understand that our forests have to be managed.

But also it is important for us to make certain that we are not providing taxpayer subsidies to lumber companies that do not need them, lumber companies that have made tremendous profits as a result of the largess of the taxpayers and the people of our Nation and the national heritage of our country, which has the most phenomenal and beautiful forests of any country on the face of the Earth.

I recognize that we need to strike a balance in terms of the types of policies and recognize that it does take taxpayer revenues to support the management of our forests, and we ought to be honest and the Forest Service ought to be honest about what accounts they really need to have, and how much money they need to have, in order to properly manage our forests.

If there are roads that need to be improved, if there are damaged areas of our forest that need to be tended to, if there are fire roads that need to be built, we ought to build those roads, and we ought to put the money in the account that the Forest Service needs. But what we ought not to do is turn around and give subsidies to lumber companies that simply do not need them. Far too often in the past we have commingled those funds and had a complete misunderstanding about what actually we were paying for.

I believe that the administration's policy, which I know the chairman of the committee has now gone along with, as well as my friend the gentleman from Washington (Mr. DICKS), which gets rid of the purchase-a-road credit program, which suspends the forest subsidies, the lumber subsidies we were giving to the timber companies, which recognizes that we ought to have and continue this moratorium into the future, until we get an honest accounting of what in fact the Forest Service needs and what they do not need.

I have never backed away from asking for taxpayer dollars for legitimate needs of the people of this country. Where there are legitimate needs of our forests, we ought to provide the funding. But we ought not to be mixing up and providing funding to lumber companies that are simply using subsidies that they do not need in order to make more and more profits.

I want to commend the gentleman from Washington (Mr. DICKS), the chairman of the committee, the gentleman from Ohio (Mr. REGULA), and the gentleman from Illinois (Mr. PORTER) for the efforts they have made, and also want to say the gentlewoman from Oregon (Ms. FURSE) has an amendment which is coming up which I believe will once again highlight some of the discrepancies and issues that need to be addressed further in order to clarify exactly what accounts we ought to be putting money in and what accounts we should not be putting money in.

I do want to thank my good friend the gentleman from Washington (Mr. DICKS), and recognize the great contribution he makes.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I just want to associate myself with the remarks of the gentleman from Washington (Mr. DICKS) and compliment all the parties and the goodwill of the gentleman from Massachusetts (Mr. KENNEDY). We had a spirited debate on this issue last year, as we all know, and I think we have reached a reasonable compromise. I hope that the gentleman from Massachusetts (Mr. KENNEDY) will look at the numbers. I think we have done in the bill much of what the gentleman is suggesting there in terms of funding reconstruction of roads, trying to improve forest health, and making the forest a viable part of our Nation's recreation resources.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for one additional minute.)

Mr. DICKS. Mr. Chairman, I yield to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, the forest is a viable part of our Nation's recreational resource, as well as a source of wood fiber under proper circumstances. Unfortunately, I will not be able to use my two-by-four as evidence this year, so I will point out, so I have not wasted all this time, that the price of a two-by-four eight feet long has gone in 10 years from $1.75 to $3.09, so that has an impact on the cost of housing.

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman will yield further, I would just like to point out once again that that poor old piece of board that the gentleman is holding there that came from some lovely tree that was growing in one of our Nation's wonderful forests did not end up in fact costing a whole lot more. What ended up costing a lot more was the profits to the lumber company, was the profits to the guys that are cutting the trees, was the profits to the guys that are marketing that lumber, and none of it went to the taxpayer. But we could have this debate all over again, if the gentleman wants to get into it.

Mr. SKAGGS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there are a couple of points in the bill that we expect to get to in conference that I hoped I might be able to discuss with the chairman of the subcommittee.

In particular the bill already includes, Mr. Chairman, as you know, an increase in funding for the management of the National Wildlife Refuge System. I strongly support that increase, among other reasons because it is my understanding that such sites as the Rocky Mountain Arsenal Refuge and the Two Ponds Refuge, both located in the metropolitan Denver area, would be examples of the kind of refuges that would benefit from this increase. I hope the chairman can confirm my view in that respect.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentleman is correct. The increase provides for addressing operational and maintenance backlog requirements for all the refuges.

Mr. SKAGGS. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments on that. I also anticipate that the gentleman's bill will pass and we will get to conference, and anticipate this is something that may come up when we do reach conference with the Senate. Section 118 of the Senate bill addresses funds transferred for activities aimed at the recovery of endangered fish species in the upper Colorado River Basin and the San Juan River Basin, and limits what is termed the overhead that can be charged against those funds.

I hope the chairman would review this matter when we do go to conference to see if a similar provision could be included in the final version of the bill, which I think would be a good idea.

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, of course, the gentleman will be a conferee, and I think we will all be pleased to take a closer look at this provision in the conference.

Mr. SKAGGS. Mr. Chairman, I appreciate the gentleman's consideration, and thank him for the opportunity to have this conversation.

Mr. RIGGS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me tell my colleagues, who I know are waiting patiently to offer further amendments to this bill, that I rise for the purposes of engaging in a colloquy with the subcommittee chairman, who a year ago at this time worked long and hard with me and other concerned Members of Congress on a bicameral and bipartisan basis to secure the congressional authorization and appropriation of $260 million to do a major forest land acquisition in my congressional district. The forest land in question includes the acreage known as the Headwaters Forest, one of the last if not the last unentered, unlogged stand of old growth redwood and Douglas fir forest land in private ownership.

We believed a year ago, as we believe today, that this is a very important land acquisition for the American people, worthy of Federal taxpayer support. The agreement also included participation by the State of California government and by State taxpayers to the tune of $130 million in order to consummate this particular acquisition.

Again, I want to emphasize to my colleagues how important the chairman's leadership was on this issue and how diligently and for many, many days we worked, again on a bipartisan, bicameral basis, to secure the necessary congressional approvals for this agreement.

In light of that, Mr. Chairman, I am very dismayed that the State government has not approved their share of the funding to date. In fact, as we meet and deliberate this annual spending bill, the State legislature and the Governor of California, Pete Wilson, continue in deliberations over the State budget for the fiscal year 1999 that was due on July 1st of this particular year.

Mr. Chairman, I want to confirm tonight through this colloquy my understanding that the Headwaters Forest, or this forest land acquisition, was, again, only agreed to after many, many weeks of negotiations among the gentleman's committee, the authorizing committees, the staff that worked very hard on this particular provision of last year's Interior appropriations spending bill, and the Clinton Administration, and that the terms and conditions of this proposed acquisition are fair to all parties, including the private landowners who are party to this agreement.

Mr. Chairman, is it your intention to change any of these conditions or deadlines that are called for in the agreement that was inserted into last year's Interior appropriations spending bill and, therefore, effectively codified into law?

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I agree with my colleague that these negotiations were very difficult, and, of course, the gentleman from California (Mr. RIGGS) played a major role in achieving an agreement. But, in the end, we struck an agreement that addressed the concerns of all parties.

Let me assure my colleague, I will not support any efforts by the administration or the Congress to change any of the deadlines that were negotiated as part of this very costly and very controversial acquisition.

Mr. RIGGS. Reclaiming my time, Mr. Chairman, I know that we had to convince the chairman that this acquisition was worthwhile to get his personal support, and, again, Federal taxpayer funding in the hundreds of millions of dollars.

So I would ask the gentleman from Ohio (Chairman REGULA) to again confirm my understanding: Before the Federal Government provides the $260 million that was authorized and appropriated for the Headwaters Forest acquisition, including $10 million in mitigation to the local government in Humbolt County, California, that the State of California is required to provide $130 million as its share of this acquisition.

As I mentioned, currently certain legislators, the Democratic leadership of the California State legislature, are holding up funding for Headwaters in an effort to obtain further environmental concessions beyond those agreed to by the Federal Government and the State of California Government, in conjunction with the property owner.

Therefore I am rising tonight, Mr. Chairman, to express that concern that these efforts will in fact kill the agreement that was worked out a year ago, and I would like to know if the gentleman from Ohio (Chairman REGULA) shares these concerns?

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Mr. REGULA. I agree with the gentleman that it would be a shame if this agreement falls apart after all the laborious negotiations because some people wish to make changes at the eleventh hour.

Mr. RIGGS. Mr. Chairman, reclaiming my time, once again I want to thank the gentleman for his help and his vision and his good counsel.

I will wrap up very briefly by saying I really believe this is our last best chance to see this particular forest land acquisition become a reality. I am concerned when I see newspaper headlines, and I intend to insert these articles in the RECORD under general leave, but I am concerned when I see newspaper headlines as recently published: "Activists' Demands Jeopardize Deal for Headwaters Forest;" "Headwaters Forest Plan Has Politicians at Loggerheads," again referring to the State budget deliberations in Sacramento.

[From the Press Democrat, June 29, 1998]

ACTIVISTS' DEMANDS JEOPARDIZE DEAL FOR HEADQUARTERS

(By Mike Geniella)

As recently as late February, negotiators trying to complete public purchase of the target tract of ancient redwoods in private ownership were patting themselves on the back, confident the North Coast's longest running environmental controversy had been resolved.

Four months later, a $380 million agreement to buy Headquarters Forest from Pacific Lumber Co. is on the verge of collapse, the result of the increased demands by environmental leaders who felt frozen out of the process and vanishing patience on the part of a tough Texas tycoon who owns the trees.

At stake is the future of 3,000 acres of old growth redwoods in southern Humboldt County that have become a national symbol of environmental problems and, for environmentalists, a harbinger of a "mass extinction" of plants and animals that some wildlife biologists say is already underway.

Originally destined to be turned into lumber Headwaters Forest helped galvanize antilogging protests in the early 90s and prompted Sen. Dianne Feinstein D-Calif., and the Clinton administration to make the controversy a personal challenge. After months of tough negotiations, Feinstein eventually brokered a purchase arrangement with Pacific Lumber that would create a 7,500-acre redwood preserve with Headwaters as it centerpiece.

But environmentalists, who were not privy to most of the negotiations, felt shut out of the process and now are demanding further review of the settlement.

Sierra Club representative Elyssa Rosen said because critical environmental provisions were negotiated behind closed doors, "The loopholes in the deal are so big you could drive a logging truck through them.

Environmentalists have enlisted the support of Democrat state legislators, including Assemblywoman Virginia Strom-Martin of Duncans Mills, who are now holding up the state's $130 million share of the purchase price in hopes of increasing protections for 200,000 acres of other redwoods owned by Pacific Lumber.

"Proponents are saying adequate protections are there, but we really don't know that," said Strom-Martin.

To Pacific Lumber officials, criticism of the agreement is simply another example of a familiar political gambit in which environmentalists seek and get concessions, then up the ante again, knowing that in the meantime Headwaters trees are not being cut.

"They keep moving the goal posts," Charles Hurwitz, whose Maxxam Inc. owns Pacific Lumber, complained earlier this year.

Pilloried by environmentalists for not agreeing to more environmental safeguards, Hurwitz and Pacific Lumber are also coming under fire from their own industry for making too many concessions to state and federal agencies, which industry executives fear will become standard for all.

Meanwhile, Feinstein and other public officials who support the pact are increasingly frustrated, arguing that if it is not consummated soon, any practical chance of permanently protecting Headwaters may be lost.

"This is it. We're not going to get another chance," said Feinstein.

The senator, who presided over the Washington, D.C. talks on behalf of the Clinton administration, said last week that she's deeply concerned that the agreement might collapse if critics persist in their tactics.

"If this agreement fails at the state level, it will send a very strong signal to the federal government. I can assure you a $250 million congressional authorization to protect Headwaters won't happen again," said Feinstein.

Saying she's respectful of state lawmakers' concerns Feinstein said, "I truly hope we can find a way to work this out. But the bottom line is that time is marching on, and if we don't do this deal now, it will never be done."

Representatives of the Wilson administration say the same political stopwatch is running at the state level.

"If the Legislature doesn't include the state funding in this year's budget, the chances are virtually nil we can ever resolve this controversy," said state Resources Secretary Doug Wheeler.

Hurwitz representatives said last week they're done dealing.

"We've negotiated this deal over many, many months, and along the way won bipartisan support in Congress and approval from state and federal scientists. What more could anyone ask?" said Hurwitz spokesman Bob Irelan.

If the Headwaters deal falters, Pacific Lumber and Hurwitz vow to renew claims in federal court that the government, through regulatory constraints, has effectively confiscated its old-growth timberlands.

Critics argue that Hurwitz couldn't possibly win such a case—known in legal parlance as a "takings" argument—because he still can derive economic benefit from Pacific Lumber's remaining timberlands.

But legal experts suggest the issues are more complex.

"Frankly, there continues to be a state of confusion surrounding the 'takings' issue," said Jerold Kaplan, a Harvard University professor and former senior fellow at the Lincoln Institute of Land Policy in Cambridge, Mass.

Based on recent court cases, including Supreme Court rulings, Kaplan said, "Government still has the upper hand, and has since the 1920s. But there has been a slight shift in the direction of granting further protections to property owners since 1987, although I must emphasize slight," said Kaplan.

Hurwitz has hired a high-profile Southern California attorney who specializes in takings cases, and he's more sanguine about Pacific Lumber's chances, saying the company could win $500 million or more in damages if its takings lawsuit is pursued.

"What the critics don't get is that we're not alleging the government is ?????? ing regulatory restraints on our operation," said lawyer Michael Berger of Santa Monica. "What's wrong is that government is protecting the environment at the expense of a private property owner."

"The real issue is, who's going to pay for that protection?"

Environmentalists, however, argue that the stakes are so high that the Headwaters agreement must be modified.

State Sen. Byron Sher, a Palo Alto Democrat, said if the public looks beyond "the hype over the deal to save the Headwaters Forest, you'll see that taxpayers may not be getting their money's worth."

Outlining his position in a recent opinion piece, Sher said he believes the proposed 7,500-acre Headwaters preserve alone is not worth the $380 million price tag.

Sher argued the price can only be justified "if the public can be assured that the side agreement—a giant string attached to the purchase known as a habitat conservation plan—won't imperil the future of endangered species on Pacific Lumber's 200,000 acres.

Because funding of the state's $130 million share of the Headwaters deal is dependent on a required two-thirds majority in the Legislature, Sher is confident critics can muster enough votes to block legislative approval.

But Feinstein and other proponents argue it's unfair for Sher and his supporters to try to renegotiate key provisions of an agreement that was reached only after more than 100 hours of intense, face-to-face negotiations among state, federal and Pacific Lumber Co., representatives in Washington, D.C.

Wheeler, Pete Wilson's chief negotiator during the Headwaters talks, said he finds it "troubling that at this late date a few members of the Legislature are attempting to substitute their judgment for that of state and federal scientists who have negotiated very stringent requirements."

According to Wheeler, the choice is clear.

"Either legislators seize the opportunity now, or lose it for all time to come," he said.

Ultimately, for environmentalists, the question may be whether no deal is better than a bad deal.

"That's a tough call," said the Sierra Club's Rosen. "I think most parties would really like to see the agreement go forward. But the Sierra Club is going to have to see something better on the table before we can support state approval."

[From the San Jose Mercury News, July 18, 1998]

HEADWATERS FOREST PLAN HAS POLITICIANS AT LOGGERHEADS

SAYING IT'S NOT ENOUGH, SHER HOLDS UP AGREEMENT

(By Paul Rogers)

For the past 12 years, environmental activists have chained themselves to trees and hung off the Golden Gate Bridge trying to save the ancient redwoods of Northern California's Headwaters Forest from logging.

Yet in perhaps the most important showdown yet, the struggle has moved away from the TV cameras and the police in riot gear to a new arena: Gov. Pete Wilson's office.

And now it's crunch time.

A $380 million deal to buy 7,500 acres of the forest from Pacific Lumber Co. of Humboldt County is tangled up in negotiations this weekend among "The Big Five"—Wilson and the top Sacramento lawmakers haggling over the state's budget.

One person more than any other is responsible for holding up the redwood deal: state Sen. Byron Sher, D–Redwood City. And environmentalists couldn't be happier.

Congress already has approved $250 million for the deal. The remaining $130 million must come from Sacramento.

But the deal shortchanges taxpayers and doesn't go far enough to protect salmon streams or old-growth trees, Sher says. So, the 70-year-old Standford University law professor, widely viewed as the environmental dean of the Legislature, earlier this year succeeded in pulling the state's $130 million share out of the budget, where Wilson wanted it. Instead, Sher wrote a separate bill demanding tougher logging rules across the Pacific Lumber's remaining 200,000 acres as a condition of receiving the money.

But he has found himself caught in a powerful bipartisan squeeze from Wilson—California's most powerful Republican—and U.S. Sen. Dianne Feinstein—the state's most powerful Democrat—both of whom painstakingly negotiated the deal with Pacific Lumber owner Charles Hurwitz and now want to see it survive.

"It's high noon for this deal," said Carl Pope, national executive director of the Sierra Club. "Byron Sher is under a tremendous amount of pressure. I'm delighted he has been firm."

The question now is who will blink. The answer could come any day now. Wilson and the Republicans could go along with Sher and require the tougher standards. That could happen under a scenario where Wilson compromises on Headwaters to win from Democrats his top goal, a cut in the state's car licensing fees. But one risk is that Hurwitz will walk away from the table. Or top Democratic negotiators—Senate President Pro Tem John Burton, D-San Francisco, and Assembly Speaker Antonio Villaraigosa, D-Los Angeles—could abandon Sher, cutting a deal with Wilson that gives them what they want on issues such as education funding.

Environmental and timber lobbyists have spent weeks frenetically trying to sway lawmakers.

"Of course I'm nervous," said John Campbell, president of Pacific Lumber, based in Scotia, near Eureka. "We've spent over 10 years at this. And now at the 11th hour people are saying it's not enough."

Sher's bill, said Campbell "is too restrictive. The company could not remain economically viable."

Feinstein also says Sher is driving too hard a bargain.

"There have been at least 10 separate efforts to save Headwaters over the last 12 years," she said, describing herself as "incredulous." "Every one of them has failed. This saves virtually more redwood than any other effort I know of."

If Sher keeps pushing for a stricter deal, she said, that could endanger $250 million in federal money already approved by Congress and signed by President Clinton.

FUNDS COVETED

"There are murmurs back here from other senators about what they would like to do with the money instead," said Feinstein. "I can say 100 percent that if this doesn't go through, then the federal money is gone. I feel I've done everything I could over a long period of time to get the best I could. At some point people have to trust that and recognize that."

Headwaters Forest, 15 miles south of Eureka, is the world's largest privately owned old-growth redwood forest. It has been a flash point of national controversy since 1985, when Hurwitz, chairman of Houston-based Maxxam Inc., acquired Pacific Lumber in a hostile takeover, doubled the rate of logging and threatened to clear-cut Headwaters Grove.

After huge protests, Feinstein and other officials reached an agreement with Hurwitz in 1996 to buy 7,500 acres—about half of it old growth—for parkland.

The deal also requires Pacific Lumber to prepare a "habitat conservation plan" for managing its remaining 200,000 acres of forest during the next 50 years.

This week, details emerged in a 2,000-page document from the U.S. Fish and Wildlife Service, negotiated with Pacific Lumber.

The plan calls for banning logging within 30 feet of endangered salmon streams. By contrast, Sher's bill calls for 170-foot buffer zones.

And although the plan would preserve 11 smaller old-growth groves, Sher wants another, Owl Creek.

He said he's not scuttling any deal, just representing the taxpayers of California.

"I know that Senator Feinstein has invested a lot in this," Sher said. "She deserves credit for getting the agreement. And she was instrumental in getting the appropriation.

"But I don't believe I was elected by my constituents to rubber-stamp a deal that was made behind closed doors in Washington. The Legislature had no influence over it, and then they say OK, give us $130 million."

If he were almost any other Senate member, Sher probably would have been steamrollered by now.

But on environmental topics, he carries considerable influence.

As an assemblyman in 1988, Sher wrote the state's Clean Air Act. In 1989 he wrote the law that required California cities and counties to reduce by 50 percent their trash, through recycling, by 2000. He also has written laws to toughen drinking water standards, monitor acid rain and put scenic rivers off limits to dams.

"We have a responsibility to see if this is a good deal for the state of California," said Sher. "And frankly it has serious flaws in it, particularly in protecting coho salmon."

So far, Sher appears to be winning.

In a key test on Thursday, Republican Cathie Wright of Simi Valley attempted to put the $130 million in Headwaters money back in the budget bill. She was rebuffed by budget conference committee Chairman Mike Thompson, D-Napa.

DEAL IS POSSIBLE

Thompson, who is running for Congress this November to represent the North Coast district that includes Headwaters Forest, signed on two weeks ago as a co-sponsor to Sher's bill.

"Senator Thompson thinks the Sher bill makes the agreement stronger," said Ed Matovcik, chief of staff for Thompson.

Meanwhile, Wilson's staff hinted on Friday that he may be willing to wheel and deal on Headwaters.

"It has been the administration's preference to pay for the Headwaters agreement out of the general fund," said Ron Low, a spokesman for the governor. "That's the governor's preference. But as to any deals, negotiations are ongoing."

To approve the funding in any form will require a two-thirds vote of the Legislature.

If the entire deal collapses, environmentalists will be in court fighting Hurwitz on each timber cutting plan. They say that would be better than the precedent-setting deal.

But the company says having the deal fall through would be a disaster.

"I just hope the issue is put to bed," said Campbell. "It's crucial to our 1,500 employees. It will finish a very divisive period on the North Coast. Otherwise, we're back to square one."

So, Mr. Chairman, I appreciate the chairman sharing my concerns and supporting me in entering into this colloquy so that hopefully, we can send a message to our counterparts in Sacramento that they need to get the job done and we should not miss this opportunity, because it is, in fact, our last best opportunity to make this forest land acquisition a reality.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from Washington, the distinguished ranking member of the subcommittee.

Mr. DICKS. Mr. Chairman, let me just say this to my friend from California. We had a major debate a few years ago on the Riggs amendment. I stood up and urged that the company develop a multi-specie habitat conservation plan.

Now, they negotiated for 2 years with the Federal Government. This is the most difficult negotiation that I can think of. I think the standards here are the highest in the entire country, including some of the standards that are developed in Washington State and are going to be imposed in this agreement.

So I think the company, the Pacific Lumber Company, has been acting in complete good faith, and I would just hope that the legislature in California would provide the resources that they have committed from the State in order to bring this together. If anybody thinks that the standards here of a multi-specie agency are not really high, they just do not understand what is required under the Endangered Species Act.

The CHAIRMAN. The time of the gentleman from California (Mr. RIGGS) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. RIGGS was allowed to proceed for 30 additional seconds.)

Mr. DICKS. Mr. Chairman, if the gentleman will yield, I think it is almost miraculous that they made it, and I hope that we can put this together, because I think it is a good agreement.

Mr. RIGGS. Mr. Chairman, reclaiming my time and finishing this colloquy, I appreciate the gentleman's sentiments and I appreciate him joining with me and the chairman in sending that bipartisan message to Sacramento.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, $197,444,000, to remain available until expended.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, $156,167,000, to remain available until expended, as authorized by law.

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for administrative expenses associated with the management of funds provided under the headings "Forest and Rangeland Research", "State and Private Forestry", "National Forest System", "Wildland Fire Management", "Reconstruction and Construction", and "Land Acquisition", $1,231,421,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 460l–6a(i)).

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned-over National Forest System lands and waters, $631,737,000, to remain available until expended: *Provided*, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes.

RECONSTRUCTION AND CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, $271,444,000, to remain available until expended for construction, reconstruction and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: *Provided*, That up to $15,000,000 of the funds provided herein for road maintenance shall be available for the planned obliteration of roads which are no longer needed: *Provided further*, That the Forest Service may make an advance of up to $200,000 from the funds provided under this heading in this Act and up to $800,000 provided under this heading in Public Law 105–83 to the city of Colorado Springs, Colorado for the design and reconstruction of the Pikes Peak Summit House in accordance with terms and conditions agreed to.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C.

4601–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $30,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,069,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), $92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed 177 passenger motor vehicles of which 22 will be used primarily for law enforcement purposes and of which 176 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at 198 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901–5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the advance consent of the House and Senate Committees on Appropriations.

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 105–163.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report 105–163.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Notwithstanding any other provision of law, hereafter any appropriations or funds available to the Forest Service may be used to disseminate program information to private and public individuals and organizations through the use of nonmonetary items of nominal value and to provide nonmonetary awards of nominal value and to incur necessary expenses for the nonmonetary recognition of private individuals and organizations that make contributions to Forest Service programs.

Notwithstanding any other provision of law, hereafter money collected, in advance or otherwise, by the Forest Service under authority of section 101 of Public Law 93–153 (30 U.S.C. 185(1)) as reimbursement of administrative and other costs incurred in processing pipeline right-of-way or permit applications and for costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities, may be used to reimburse the applicable appropriation to which such costs were originally charged.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93–408.

None of the funds available in this Act shall be used for timber sale preparation using clearcutting in hardwood stands in excess of 25 percent of the fiscal year 1989 harvested volume in the Wayne National Forest, Ohio: *Provided*, That this limitation shall not apply to hardwood stands damaged by natural disaster: *Provided further*, That landscape architects shall be used to maintain a visually pleasing forest.

Any money collected from the States for fire suppression assistance rendered by the Forest Service on non-Federal lands not in the vicinity of National Forest System lands shall hereafter be used to reimburse the applicable appropriation and shall remain available until expended as the Secretary may direct in conducting activities authorized by 16 U.S.C. 2101 note, 2101–2110, 1606, and 2111.

Of the funds available to the Forest Service, $1,500 is available to the Chief of the Forest Service for official reception and representation expenses.

Notwithstanding any other provision of law, hereafter the Forest Service is authorized to employ or otherwise contract with persons at regular rates of pay, as determined by the Service, to perform work occasioned by emergencies such as fires, storms, floods, earthquakes or any other unavoidable cause without regard to Sundays, Federal holidays, and the regular workweek.

To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even-aged management in hardwood stands in the Shawnee National Forest, Illinois.

Pursuant to sections 405(b) and 410(b) of Public Law 101–593, of the funds available to the Forest Service, up to $2,250,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That of the Federal funds made available to the Foundation, no more than $400,000 shall be available for administrative expenses: *Provided further*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: *Provided further*, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of enactment of this Act) on Federal funds to carry out the purposes of Public Law 101–593: *Provided further*, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98–244, up to $2,225,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16 U.S.C. 3701–3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least a one-for-one basis funds advanced by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-

Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the "National Forest System" and "Reconstruction and Construction" accounts and planned to be allocated to activities under the "Jobs in the Woods" program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: *Provided*, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: *Provided further*, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101–612).

For purposes of the Southeast Alaska Economic Disaster Fund as set forth in section 101(c) of Public Law 104–134, the direct grants provided in subsection (c) shall be considered direct payments for purposes of all applicable law except that these direct grants may not be used for lobbying activities.

No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

The amount obligated during fiscal year 1999 from the Knutson-Vandenberg fund provided in section 3 of the Act of June 9, 1930 (commonly known as the Knutson-Vandenberg Act; 16 U.S.C. 576b), for indirect support activities (as defined in the Forest Service Handbook) may not exceed 25 percent of total amount obligated from such fund during such fiscal year.

The amount obligated during fiscal year 1999 from the timber salvage sale fund provided in section 14(h) of the National Forest Management Act of 1976 (16 U.S.C. 472a(h)) for indirect support activities (as defined in the Forest Service Handbook) may not exceed 25 percent of total amount obligated from such fund during such fiscal year.

DEPARTMENT OF ENERGY

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95–91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), performed under the minerals and materials science programs at the Albany Research Center in Oregon, $320,558,000, to remain available until expended: *Provided*, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

ALTERNATIVE FUELS PRODUCTION

(INCLUDING TRANSFER OF FUNDS)

Moneys received as investment income on the principal amount in the Great Plains Project Trust at the Norwest Bank of North Dakota, in such sums as are earned as of October 1, 1998, shall be deposited in this account and immediately transferred to the general fund of the Treasury. Moneys received as revenue sharing from operation of the Great Plains Gasification Plant shall be immediately transferred to the general fund of the Treasury.

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, $14,000,000, to remain available until expended: *Provided*, That the requirements of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal year 1999: *Provided further*, That, notwithstanding any other provision of law, funds available pursuant to the first proviso under this head in Public Law 101–512 shall be immediately available for all naval petroleum and oil shale reserve activities.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $630,250,000, to remain available until expended, including, notwithstanding any other provision of law, the excess amount for fiscal year 1999 determined under the provisions of section 3003(d) of Public Law 99–509 (15 U.S.C. 4502): *Provided*, That $150,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507) and shall not be available until excess amounts are determined under the provisions of section 3003(d) of Public Law 99–509 (15 U.S.C. 4502): *Provided further*, That notwithstanding section 3003(d)(2) of Public Law 99–509 such sums shall be allocated to the eligible programs as follows: $120,000,000 for weatherization assistance grants and $30,000,000 for State energy conservation grants.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Office of Hearings and Appeals, $1,801,000, to remain available until expended.

STRATEGIC PETROLEUM RESERVE

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $160,120,000, to remain available until expended.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $68,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.

In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.

The Secretary, in fiscal year 1999 and thereafter, shall continue the process begun in fiscal year 1998 of accepting funds from other Federal agencies in return for assisting agencies in achieving energy efficiency in

Federal facilities and operations by the use of privately financed, energy savings performance contracts and other private financing mechanisms. The funds may be provided after agencies begin to realize energy cost savings; may be retained by the Secretary until expended; and may be used only for the purpose of assisting Federal agencies in achieving greater efficiency, water conservation and use of renewable energy by means of privately financed mechanisms, including energy savings performance contracts and utility incentive programs. These recovered funds will continue to be used to administer even greater energy efficiency, water conservation and use of renewable energy by means of privately financed mechanisms such as utility efficiency service contracts and energy savings performance contracts. The recoverable funds will be used for all necessary program expenses, including contractor support and resources needed, to achieve overall Federal energy management program objectives for greater energy savings. Any such privately financed contracts shall meet the provisions of the Energy Policy Act of 1992, Public Law 102–486 regarding energy savings performance contracts and utility incentive programs.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Indian Health Service

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $1,932,953,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: *Provided*, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further*, That $12,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: *Provided further*, That $377,363,000 for contract medical care shall remain available for obligation until September 30, 2000: *Provided further*, That of the funds provided, up to $17,000,000 may be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: *Provided further*, That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further*, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): *Provided further*, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 2000: *Provided further*, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: *Provided further*, That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed $194,781,000 shall be for payments to tribes and tribal organizations for contract or grant support costs associated with contracts, grants, self-governance compacts or annual funding agreements between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, prior to or during fiscal year 1999.

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $313,175,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided*, That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: *Provided further*, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended: *Provided further*, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further*, That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further*, That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: *Provided further*, That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: *Provided further*, That with respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis, including payment in advance with subsequent adjustment, and the reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding, said amounts to remain available until expended: *Provided further*, That, heretofore and hereafter and notwithstanding any other provision of law, funds available to the Indian Health Service in this Act or any other Act for Indian self-determination or self-governance contract or grant support costs may be expended only for costs directly attributable to contracts, grants and compacts pursuant to the Indian Self-Determination Act and no funds appropriated by this or any other Act shall be available for any contract support costs or indirect costs associated with any contract, grant, cooperative agreement, self-governance compact, or funding agreement entered into between an Indian tribe or tribal organization and any entity other than the Indian Health Service: *Provided further*, That, notwithstanding any other provision of law, hereafter any funds appropriated to the Indian Health Service in this or any other Act for payments to tribes and tribal organizations for contract or grant support costs for contracts, grants, self-governance compacts or annual funding agreements with the Indian Health Service pursuant to the Indian Self-Determination Act of 1975, as amended, shall be allocated and distributed to such contracts, grants, self-governance compacts and annual funding agreements each year on a pro-rata proportionate basis regardless of amounts allocated in any previous year to such contracts, grants, self-governance compacts or annual funding agreements: *Provided further*, That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: *Provided further*, That the appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93–531, $13,000,000, to remain available until expended: *Provided*, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: *Provided further*, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further*, That no relocatee will be provided with more than one new or replacement home: *Provided further*, That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d–10.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed 30 years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; $346,449,000, of which not to exceed $48,076,000 for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended, and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, $4,500,000, to remain available until expended.

REPAIR AND RESTORATION OF BUILDINGS

For necessary expenses of repair and restoration of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $44,500,000, to remain available until expended, of which $4,500,000 is for the Security System Modernization Program: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or restoration of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

CONSTRUCTION

For necessary expenses for construction, $2,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

None of the funds in this or any other Act may be used to initiate the planning or design of any expansion of current space or new facility without the advance approval of both the House and Senate Appropriations Committees.

None of the funds in this or any other Act may be used to prepare a historic structures report, or for any other purpose, involving the Holt House located at the National Zoological Park in Washington D.C.

None of the funds in this or any other Act may be used to pay any judgment resulting from a complaint filed by Geddes, Brecher, Qualls & Cunningham in the United States Court of Federal Claims regarding the National Museum of the American Indian Mall Museum.

The Smithsonian Institution shall not use Federal funds in excess of the amount specified in Public Law 101–185 for the construction of the National Museum of the American Indian.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901–5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $57,938,000 of which not to exceed $3,026,000 for the special exhibition program shall remain available until expended: *Provided*, That all functions and activities of the National Gallery of Art funded herein shall be subject to the requirements for a Federal entity under the Inspector General Act of 1978 (5 U.S.C. App. 3).

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $6,311,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $12,187,000.

CONSTRUCTION

For necessary expenses for capital repair and rehabilitation of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $9,000,000, to remain available until expended.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $5,840,000.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $96,800,000, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $13,900,000, to remain available until expended, of which $9,900,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

For carrying out subtitle C of the Museum and Library Services Act of 1996, as amended, $23,405,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided*, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses: *Provided further*, That funds from nonappropriated sources may be used as necessary for official reception and representation expenses.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $898,000.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956(a)), as amended, $7,000,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89–665, as amended), $2,800,000: *Provided*, That none of these funds shall be available for compensation of level V of the Executive Schedule or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71–71i), including services as authorized by 5 U.S.C. 3109, $5,954,000: *Provided*, That all appointed members will be compensated at a rate not to exceed the rate for level IV of the Executive Schedule.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96–388 (36 U.S.C. 1401), as amended, $31,707,000, of which $1,575,000 for the museum's repair and rehabilitation program and $1,264,000 for the museum's exhibitions program shall remain available until expended.

PRESIDIO TRUST

PRESIDIO TRUST FUND

For necessary expenses to carry out Title I of the Omnibus Parks and Public Lands Management Act of 1996, $14,913,000 shall be available to the Presidio Trust, to remain available until expended. The Trust is authorized to issue obligations to the Secretary of the Treasury pursuant to section 104(d)(3) of the Act, in an amount not to exceed $25,000,000.

Mr. REGULA (during the reading). Mr. Chairman, I ask unanimous consent that the bill through page 92, line 11 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDMENT OFFERED BY MR. ENSIGN

Mr. ENSIGN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENSIGN:

Page 56, line 2, after "$156,167,000" insert "(increased by $5,300,000)".

Page 40, line 14 after "$37,304,000" insert "(decreased by $5,300,000)".

Mr. ENSIGN. Mr. Chairman, I rise today to offer this amendment because we need this extra money to go into this account so that we can bring this extra money to Lake Tahoe. The Tahoe Regional Planning Agency, which is a bistate agency, has said that we need $6 million for clarity improvement in Lake Tahoe.

First, Mr. Chairman, I would like to recognize the efforts of the chairman of the subcommittee who has included $700,000 in the bill for erosion control around Lake Tahoe, and I know that the people of Nevada thank the chairman for doing this. However, I think that it is important to point out the dire situation Lake Tahoe is experiencing.

First let me say that I grew up at Lake Tahoe. It is a wonderful area and it is still. Even with the decrease in the quality of the clarity of the water, Lake Tahoe is still one of the jewels of the entire world. It is a place where people come from all over this country and literally around the world to see its magnificent beauty.

However, in the last 20 years the lake has lost 25 percent of its clarity. If one flies over Lake Tahoe, one used to be able to see so far down just from the naked eye from an airplane and be able to see huge boulders. There is a visible difference, just with the naked eye, where one can see the difference in the clarity in the last 20 years.

We are at a crossroads. Each sediment particle carries nutrients that spur algae growth in the lake, and this hurts the clarity. We all need to work together. Commitments have been made and it is time for Congress to step up to the plate in our efforts.

Lake Tahoe is an area rich in history and heritage, and we must protect the tranquility of not only the lake itself, but of the surrounding areas. Protection of environmentally sensitive lands and maintenance of water quality should be our highest priority.

The list of activities that are necessary to protect this natural pristine treasure is very long. Supporting this amendment and supplying this much-needed funding is the first step in our long journey to protect the lake.

Millions visit this Alpine community each year, while thousands of families call it home every day. Environmental groups and grassroots organizations have recognized the importance of immediate action to save Lake Tahoe, and just last year, the President and Vice President traveled to Lake Tahoe to personally listen to the challenges in protecting this national treasure.

Nevada, California, and the administration have made strong efforts to focus on the lake and take further actions, whatever actions are necessary for its preservation. It is time for the Members of this body to do the same and support this environmental initiative to save our beloved treasure before it is too late.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. ENSIGN. I yield to the gentleman from Nevada.

Mr. GIBBONS. Mr. Chairman, I thank my colleague and commend him for his leadership role in helping to preserve Lake Tahoe and the environment surrounding it. The gentleman has been a leader on this issue during his term in the United States Congress and certainly all of us appreciate that.

There is no doubt that Lake Tahoe is a national treasure. In fact, over 130 years ago, Mark Twain, when he first crossed the Sierras and set gaze upon the Lake Tahoe Basin, said that Lake Tahoe was the fairest land in all the world, and that remains so today.

However, today the health of the lake is at risk. As my colleagues have heard, algae growth is reducing the visibility by more than 30 feet today in the lake. Algae growth is primarily due and responsible from erosional runoff. It is the health of the forest that is responsible for that algae growth due to runoff.

Today, one out of every three trees is either dead, dying or decayed, which sets up a rare fuel environment for wildland fire, which will have a catastrophic effect on not only the human loss of life in the area, but also property loss, as well as increasing the erosional runoff by an enormous proportion.

The resulting massive erosion will only add to the problems of the lake clarity. This money will go to improving the health of that forest, which will ultimately help the health of the lake as well.

Mr. Chairman, I urge my colleagues to support this measure, and I thank the gentleman from Nevada for his leadership on this issue.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. ENSIGN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentleman, and I appreciate the efforts of the gentlemen, both gentlemen from Nevada, to protect Lake Tahoe. In fact, it is in large part due to their efforts that the $700,000 appropriated in this bill for erosion control is the largest amount of money ever dedicated to this effort.

While I regret that I cannot support the gentleman's amendment, if he would agree to withdraw the amendment, I will work with him in conference to address his concerns.

Mr. ENSIGN. Mr. Chairman, reclaiming my time, I appreciate the chairman's remarks.

The CHAIRMAN. The time of the gentleman from Nevada (Mr. ENSIGN) has expired.

(By unanimous consent, Mr. ENSIGN was allowed to proceed for 1 additional minute.)

Mr. ENSIGN. Mr. Chairman, let me just close by saying that Lake Tahoe, let us not forget, is a place where people come from all over the world and they think it is incredible beauty when they look at the lake. But those of us who grew up there and have been there for any length of time can see with our visible eye the decreasing clarity in the lake, and this is a treasure we cannot afford to lose. It is too important.

So I appreciate the work that the chairman is going to do on behalf of Lake Tahoe.

The CHAIRMAN. The time of the gentleman from Nevada (Mr. ENSIGN) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mr. ENSIGN was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, if the gentleman will yield to me briefly, I was interested in both of the gentleman's comments about apparently unification taking place in the lake. Is it caused by runoff from the surrounding national forests bringing nutrients in?

Mr. ENSIGN. Mr. Chairman, there are several causes for the increase in the clarity. The nutrients that are coming in due to erosion is probably one of the biggest parts. There is also, unfortunately, from northern California the air pollution coming over the Sierras is also causing the nitrogen to get down, which is food for the algae. So there are two problems that are really kind of almost exacerbating each other and decreasing clarity is the result.

So we need to work on this. Erosion control is a very important part, but we also need it in other places.

Mr. REGULA. Mr. Chairman, I thank the gentleman for the clarification.

Mr. ENSIGN. Mr. Chairman, I ask unanimous consent at this time to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

There was no objection.

AMENDMENT NO. 8 OFFERED BY MS. FURSE

Ms. FURSE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Ms. FURSE:

Page 56, line 18, insert before the period at the end the following: : *Provided*, That, of the funds made available in this paragraph, $130,176,000 shall be for timber sales management, $87,654,000 shall be for watershed improvements, and $168,018,000 shall be for recreation management.

Ms. FURSE. Mr. Chairman, what I would like to do is tell my colleagues what this amendment does.

This amendment takes $80.5 million from the timber management line item and the National Forest Service section of the Interior Appropriations bill and it reallocates that money to watershed improvement and recreational management.

Let me also say what it does not do. It does not cut money for road maintenance; it does not eliminate the Federal commercial timber program; it does not affect forest stewardship or personal use sales, and it does not prevent Americans from obtaining fire wood and Christmas trees.

How did I arrive at the $80.5 million? That number is derived from adding together the money lost, lost, I repeat, on commercial timber sales in individual forests in all nine Forest Service regions. I added them together and we have a total of $80.5 million. It allocates that money to some things that will really improve our forests.

What does it do? It allocates money to restoration, to restoration of watershed. Why do we do that? Because not only are watersheds vital to drinking water supply, they are critical to the survival and restoration of healthy fish populations in the West and in other parts of the country.

It puts money to recreation management; $20 million is sent to recreational management, because recreation is going to be more and more the use of our national forests, and we need to get our Forest Service ready and able to deal with that. Recreation is a huge contributor. It contributes over $105 billion to the GDP, or nearly 85 percent of the total forest system contribution. It results in over 2.7 million jobs.

Mr. Chairman, a study by the American Sports Fishing Association says that angling in the national forests generates $8.1 billion. Fishing and other wildlife activities generate more than $200,000 of full-time equivalent jobs in the United States.

So my amendment is sensible; it is environmentally sensible, and it is economically sensible.

Mr. Chairman, I will tell my colleagues why I am not alone in thinking that. I have here over 40, 40 editorials from national newspapers across the country supporting the Furse amendment. Organizations and groups have worked together to support this amendment.

Now, I believe that the national forest is getting on the right track. I believe that it is going that way. However, I think that we need to go a little further.

Now, unfortunately, Mr. Chairman, sometimes circumstances, circumstances make having the right thing happen impossible, despite goodwill and good intentions. When I joined this Congress, the gentleman from Washington (Mr. MCDERMOTT) said to me, he said, "You know, Elizabeth, victory comes not to the pretty, but to the persistent."

Well, under these circumstances I think it is wise to be persistent and patient, although I will continue, I hope, to be pretty. Eventually the outcome is what I am striving for: Better forests, better forest management.

My mentor, my personal mentor and hero, Nelson Mandela, President of South Africa, knew that it was important to be persistent. He added 2 years, stayed in jail 2 years longer in order to achieve what he thought was the best thing for South Africa, for his beloved South Africa.

☐ 1945

And so although it is very difficult for me because of the heroic work of the environmental movement and the activists, I have decided today in order to protect my beloved forests that they can better get the overwhelming support that they need and deserve in another area. Because we already have a very good agreement in this bill, I think that it is important for me to announce my intention to withdraw my amendment so that another time it will get a majority of support.

Mr. Chairman, I hope that people will not forget that these forests do not belong to the timber companies or to the forest agencies or even to Members of Congress

Mr. MILLER of California. Mr. Chairman, will the gentlewoman yield?

Ms. FURSE. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I would just want to commend the gentlewoman from Oregon (Ms. FURSE) for offering her amendment. Persistence is a word that we will long identify with her in this effort. The gentlewoman from Oregon and the gentleman from Massachusetts (Mr. KENNEDY), who was here earlier, have been two very, very persistent people who have started off in amendments that received very few votes. The gentlewoman did it on the rider. The gentleman from Massachusetts has done it on forest roads.

We saw this Congress arrive at a point where both of those policies have been discredited. They have been dramatically changed. And as was pointed out, we are headed in a direction now for the first time with this agreement that recognizes what I believe is the reality of the forests, the reality of the West.

The CHAIRMAN. The time of the gentlewoman from Oregon (Ms. FURSE) has expired.

(On request of Mr. DICKS, and by unanimous consent, Ms. FURSE was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, if the gentlewoman would continue to yield, that reality is that our populations, along with the national populations, seek to have these forests properly managed, not there just for a single purpose.

Many of our colleagues on the other side and many on our side have talked about multiple use. For the first time we are talking about real multiple use that recognizes the watershed value of these forests, that recognizes the timber value of these forests, that recognizes the habitat value of these forests, that recognizes the recreational value of these forests.

Many of the problems that the gentleman from Ohio (Mr. REGULA) and the members of the committee are having to deal with and spend money on are having to make up for very bad forest policy in the past, where we have huge scars on our landscape and huge scars on our waterscape. Now we are spending billions of dollars to go back and try to restore these forests, to reclaim these forests, to replant these forests. And it is much more expensive to do it this way than to do it right the first time, the kind of policy that has been articulated on behalf of our forests in the past by the gentlewoman.

This amendment that the gentlewoman is offering to move these monies toward those priorities, recognizing the need, recognizing the urgency, I do not have to tell the gentlewoman as a resident of the Northwest, or myself as a resident of California, we are on an urgency timetable here if we are, in fact, going to salvage some of these species that are at risk in terms of the fisheries and in terms of that habitat.

So, I also want to recognize the gentlewoman's very serious and pragmatic judgment about the withdrawal of this amendment because of the agreement that is in place. But that agreement is in place because of her persistence over the years, along with others, on these amendments.

Mr. Chairman, it was lonely in the beginning, but it turned out to be the majority position, and I think clearly recognizes in the agreement in this bill that this is the majority position of this Congress.

I think we have further to go. I think we have more to do. And we do really in fact have to make these multiple use lands so they recognize all of the competing values for these forest lands. It is not just the value of timber, as important as that is.

So, I thank the gentlewoman from Oregon, one, for offering the amendment; two, for her decision here; but thirdly, for her service in Congress and especially on these issues where I have had a chance to work with her. For really being a voice of reason and a voice of change with respect to forest policy in this country, I thank the gentlewoman.

Ms. FURSE. Mr. Chairman, reclaiming my time, it is a great joy to have worked with the gentleman from California (Mr. MILLER). I think that we send today a message that the United States is a trustee. It is a trustee and has a legal duty, an enforceable legal duty to manage the public resources in the most responsible manner. And that means getting the best value for our resources.

So, Mr. Chairman, I hope next year, and I feel very confident that this issue will come again. I will not be in this Congress next year. I will be watching from the sidelines. But I think that next year we will move our forests to the way that it was supposed to be, for public use, not for private use.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I very much appreciate the decision of the gentlewoman from Oregon (Ms. FURSE) to withdraw this amendment. I think that the gentleman from California (Mr. MILLER), the gentleman from Washington, the gentlewoman from Oregon, we all share a common goal, and that is a sustainable forest policy.

Mr. Chairman, I held the first watershed restoration conference in the Pacific Northwest, the Vice President attended, to try and help work with the administration as they spent $1.2 billion over 5 years to try and not only implement Option 9, but to help the communities in this region that had been hurt by the decision to dramatically reduce.

I can remember, as can the gentleman from Oregon (Mr. SMITH), the chairman of the Committee on Agriculture, when we harvested around 4 billion board feet. That is now down to less than a billion board feet. That I think is about a 75 or 80 percent reduction. The National Timber Program has been reduced from 10 billion board feet down to 3.5 billion board feet. So I think there has been a recognition on the part of the Congress that what we were doing was not sustainable.

Now we have the job, the daunting challenge to deal with some of the problems, one of which the Assistant Secretary of Agriculture laid on us this year, that we need to do road maintenance repair work of about $10 billion.

So, we have got serious problems out there. And I compliment the gentlewoman from Oregon for her persistence and her judgment. We have not always agreed on every single issue, but we have agreed on many. And I think that my hope here is that we can work together, that we can end an era of confrontation and bring people together, work out reasonable solutions from the grassroots up and restore these ecosystems, restore these watersheds, restore these salmon runs. That should be our goal. And the gentlewoman's support for the fish has been probably the hallmark of her career, and that is something that we all agree upon.

Ms. FURSE. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentlewoman from Oregon.

Ms. FURSE. Mr. Chairman, I wonder if I might use this time to enter into a colloquy with the gentleman from Ohio (Mr. REGULA).

Mr. Chairman, as the gentleman knows, for a number of years the Members of this House, including the gentleman from Illinois (Mr. PORTER), of the Committee on Appropriations, and the gentleman from Massachusetts (Mr. KENNEDY), have advocated for the elimination of Federal funding for the Purchaser Road Credit program, a program which used Federal funds to subsidize timber companies for the roads they built. I would like to say that I respect the long-standing commitment of the gentleman from Illinois and the gentleman from Massachusetts to this issue.

It is my understanding that the bill before the House does not include any funding for this particular program. Is that the Chairman's understanding?

Mr. REGULA. Mr. Chairman, if the gentlewoman would yield, that is correct.

Ms. FURSE. Mr. Chairman, as part of the agreement on the Purchaser Road Credit that has been struck, I understand that several Members who would otherwise have supported this amendment are been forced to vote against my amendment. And so although 40 editorials across the country is a good beginning in educating the public and the House on the taxpayer losses associated with the commercial program, it is my understanding that the gentleman from Illinois (Mr. PORTER) and the gentleman from California (Mr. MILLER) may revisit this issue next year.

Mr. Chairman, I encourage the House to support fiscally and environmentally responsible forest management reform.

Mr. REGULA. Mr. Chairman, if the gentlewoman would continue to yield, I thank her for her comments and I would say that that is it what we attempted to do the bill.

Ms. FURSE. Mr. Chairman, is it the gentleman's intention that once the Interior Appropriations bill reaches the conference committee, that he will advocate to maintain the House's position with respect to eliminating the funding for the Purchaser Road Credit?

Mr. REGULA. Mr. Chairman, yes, that is correct. It is my intention to strongly advocate the House position on this and all other matters when this bill reaches the conference committee.

Ms. FURSE. Mr. Chairman, I thank the gentleman from Ohio (Chairman REGULA) and the gentleman from California (Mr. MILLER). As we see this movement towards responsible management, it is absolutely necessary that the forest be better managed for wildlife, for recreation, and for public good.

Mrs. EMERSON. Mr. Chairman, I rise in strong opposition to the amendment proposed by Representative FURSE to cut funding for the federal timber sales program. This amendment attempts to force the Forest Service into a "zero-cut" policy, which would be disastrous for many rural communities as well as the health of our national forests.

The federal timber sales program is a critical component of the Forest Service's active management of our national forests. Lacking reasonable harvesting of timber and scientific management practices, our forests become vulnerable to a host of health threats. In fact, Missouri's State Forester and the President of the National Association of State Foresters, Marvin Brown, recently wrote in a letter to Agriculture Chairman BOB SMITH that, "Timber sales are being used to accomplish many goals, including reducing vulnerability to wildlife, eliminating pests, and improving fish and wildlife habitat." The essential point here is that timber sales are consistent with achieving our environmental goals for our forests.

It is also important to note that logging activities in our national forests are not at all excessive, as some members of the extremist environmental community would have us believe. The fact of the matter is that there will be 18 Billion Board Feet of NEW growth in our national forests this year, while the Forest Service proposes to harvest less than ¼ of that, approximately 4 Billion Board Feet.

Finally, I urge the House to consider the damaging economic consequences of this amendment. The timber industry in the state of Missouri accounts for approximately 20,000 jobs and $3 billion in economic activity. These are family-owned businesses, hard-working folks. Their work is an important part of our local economies in Southern Missouri and a key element in the wise management of our National Forests. If the Furse amendment were to pass, the lives and livelihoods of good people would be disregarded in favor of an extremist agenda. I urge a strong NO vote on this amendment.

Ms. DUNN. Mr. Chairman, I rise today in opposition to an amendment that will be offered during consideration of the Fiscal Year 1999 Interior Appropriations bill by the gentlewoman from Oregon, Ms. FURSE.

This amendment would decimate the U.S. Forest Service timber sale program by reducing the budget for forest management.

Over the last few years, we have endured contentious debate on the floor of the House regarding the Forest Service's Purchaser Road Credit Program.

Last year, a commitment was made by several Members of Congress on both sides of the debate to reach a compromise that would eliminate the program, while still providing funding for road maintenance.

After many months of discussion, a good faith agreement was reached that removed the Purchaser Road Credit program from this year's Forest Service budget with the understanding that no further amendments would be offered on this issue.

It is imperative that we allow this compromise to move forward unchanged.

Too often, Members with divergent points of view have difficulty coming together to find solutions to problems pitting rural America against those advocating stricter public land use policies. Today, we have an opportunity to defend a compromise that clears this hurdle.

I urge my colleagues to reject the Furse Amendment. The hard work that went into crafting this delicate compromise should not be wiped out by arbitrary cuts to important forest management activities.

Mr. STUPAK. Mr. Chairman, I rise in strong opposition to the Furse amendment. We have heard many arguments today on both sides of this issue about topics like the environment and the economics of the timber program.

While these are certainly important issues, I am afraid that lost in this debate is the impact this amendment would have on working families and rural communities.

In my district in northern Michigan, and in districts like mine across the Nation, our national forests are a vital part of our economy and livelihood.

Timber is one of the largest industries in northern Michigan, especially in the Upper Peninsula, and is an integral part of its economic base.

With three national forests in my district, thousands of working families literally rely on these forests and the timber program to put food on the table.

Many people think of the timber industry as giant businesses that slash and clear cut forests simply for profit.

The truth is, however, that the majority of people in the timber industry are family businesses—"mom and pop" operations that are struggling to make ends meet and that truly care about the forests and the environment.

The timber program has already been reduced by 70 percent since 1991. The Furse amendment would only serve to further hurt these family-run businesses.

In addition, the Furse amendment would severely impact rural communities across this nation.

By law, counties with national forest lands receive payments equaling 25 percent of federal timber revenues. These communities rely on these payments to provide funding for schools, roads, and emergency services.

In FY 1997, local governments received $220 million for these important programs. Because of this, the National Association of Counties strongly opposes this amendment.

Mr. Chairman, this amendment is bad for working families, bad for rural communities, and bad for schools. I urge my colleagues to oppose the Furse amendment.

Ms. FURSE. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mr. SMITH of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the recently withdrawn amendment certainly should have been withdrawn, because the gentlewoman from Oregon (Ms. Furse), my friend, had this amendment exactly correct. There will be room with her amendment, should her amendment have passed, to harvest firewood and Christmas trees. That will be the end of any harvest practically on the public forests.

We know that there are more than 40 million acres, Mr. Chairman, that are in jeopardy of catastrophic fire in this country. We also have followed Chief Dombeck's suggestion that unless we manage forests, quote, manage forests, we indeed will lose our public forests.

The most effective tool we have, obviously, to fight catastrophic fire or to eliminate insect disease, is a timber sale program and managing forests. The amendment would have basically eliminated all U.S. timber sales and that, indeed, threatens the health of our forests.

I want to quote Chief Dombeck because he is right on point on this issue.

> We are hearing calls increasingly for a zero-cut policy for the National Forests. I am opposed to this position. Both science and common sense support active management of National Forests.

And he is right.

Now, this idea went so far that it should have been withdrawn, but it also indeed threatens the health of our forests. It is not only economically unreasonable; it jeopardizes jobs throughout the United States nationwide. It places economic and social stability problems within communities, and it interferes with public education floor funds. It is an extreme, extreme position. It is a Sierra Club position. That is what it is.

I point to the charts to indicate to my colleagues what has occurred here since 1982, but specifically since 1997 and 1998. As my colleagues can see, the timber program has dramatically decreased, and with the Furse amendment in 1999, we can see the yellow would be almost in half. And then in the year 2000, almost no harvest in our public forests.

So, what has happened? What has happened is obvious to everyone. What has happened in this country is our imports have dramatically increased. Obviously, we need the wood. The demand for wood is there. So here go the imports up to almost 12 billion board feet and timber sold, as reported in 1996, almost 3.5 billion in the United States. Almost 12 billion imported, 3.5 billion from our forests. Beyond that it has placed greater pressure, of course, upon private timber lands and our State lands.

Yes, every forest lost money. Well, if we eliminate 85 percent of the harvest, they are going to lose money. What else lost money? The wildlife and fisheries program lost money. The forest fire suppression program lost money. The wilderness program lost money. Every Forest Service program lost money. They are below cost. Maybe we ought to eliminate the whole thing. That is the theory. Should we eliminate the management of forests in America because we have reduced, of course, the impact of harvest? Therefore, they are all below cost. Obviously, that is the wrong way to go, of course.

This amendment is about eliminating the timber sale completely. Zero-cut is not protecting our national forests, it is wasting them.

The national forests are growing over 16 billion board feet every year, plus another 6 billion of timber that dies from insects and disease every year. Yet in 1997 we harvested only 3.3 billion board feet and again we may lose many millions of acres to fire. Certainly we would if an amendment like this were ever adopted.

The zero-cut policy, as I have indicated, would shift production to other countries, cost Americans jobs, hurt communities, injure the forests, and is certainly no benefit to anyone, even those who believe that the wildlife and the environment are the most cherished parts of our national heritage. This amendment would destroy even those cherished items.

□ 2000

It is a good idea for her to withdraw this amendment, and it is a bad idea for it to be brought up ever again.

Mr. HERGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it has come to my understanding that after debating this issue the gentlewoman from Oregon (Ms. FURSE) is going to pull her amendment without allowing it to go for a vote. I understand why the gentlewoman is not going to let this come to a vote. She clearly does not have the votes in the House to support this extreme radical measure.

For years we have argued and debated over possible corporate welfare within the Forest Service road credit purchaser program. As of this year, this program no longer exists. Now we learn the argument was really not over the road credit purchaser program but was really over the extremist agenda of advocating zero cut on our national forests, a euphemism for which is below-cost timber sales.

This policy strips the Forest Service of its single most effective tool for maintaining forest health and reducing the risk of catastrophic fire. The Forest Service estimates that more than 40 million acres of our national forests are threatened with destruction by catastrophic wildfire. With a full range of management options, the Forest Service can reduce this threat of catastrophic fire.

I would like to ask my colleagues which of these two forests that we have pictures of would they want for their children? On the left we see a forest that is not managed.

Now, I might mention that I represent a district in northern California that has 11 national forests in it. I have examples of both of these forests within my district. Again, the picture on the left is an unmanaged forest. We know a lot about all the rain we have been receiving, at least in California, this year. What we do not remember, sometimes we forget that of the last 12 years, 7 of those 12 years have been drought years.

California, unlike so much of the rest of the Nation, is a desert during the summertime, and when there is this competition for moisture, what we see is this unnatural type of state that we see on the left. Without the ability to be able to go in and thin these forests out and remove the dead and dying timber, what we will see, rather than the forest on the right, which is a managed forest, where we remove dead and dying timbers, what we see is a situation like this.

In 1994, in the United States, we had 5 million acres of timber that burned; that were catastrophic; where there is nothing left. In 1996 we had 6 million acres burned. So it is really up to us. Are we going to manage our forests in a prudent way or are we going to allow them to burn, as we see in this picture to my left?

I am very pleased, again, that the gentlewoman from Oregon has removed this very ill thought out amendment of hers, but I believe it is time that we begin to bring balance to the management of our forests and not allow the extreme environmentalists to run it by politics.

Mr. HINCHEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, what the gentlewoman from Oregon (Ms. FURSE) was trying to do in bringing her amendment before the House was to give us the opportunity to talk about the future direction of the Forest Service. Specifically, we need to determine what its priorities are; that is to say, what the Forest Service priorities should be in managing the national forests and how the Forest Service should spend the money allocated to it.

Historically, the Forest Service has brought a great emphasis on timber production. The gentlewoman from Oregon was not saying in her amendment that timber production should be shut down entirely, as some have inferred, that is not the case, but that it should be put in context among the other purposes of the Forest Service. Commercial timber harvests should pay their own way and should not receive direct or indirect subsidies from the taxpayer.

Here are a few principles that we support: The national forests are owned by all the American people and should serve the diverse interests the American people have in the forests. Those diverse interests include watershed protection, recreational use, wildlife habitat, as well as timber production.

Watershed protection probably serves the greatest number of people today. According to the Forest Service, the greatest number of direct forest users are recreational users, and recreational users produce the greatest amount of forest revenues. These facts should be taken into account in planning the Forest Service budget.

According to the Forest Service's own recent report, it lost $88.6 million on below-cost timber sales last year alone, where the costs of arranging these sales exceeded by that amount the revenue derived from those sales. We should face facts: Below-cost sales are subsidized. We have been giving away our jointly-owned resources.

There are cases where a below-cost sale may clearly support a public good, such as improving a watershed. But more often it is simply a giveaway of public resources to a private interest; what has been called corporate welfare. We have heard a lot of rhetoric about how people should stand on their own and not get help from the government. We have heard a lot of talk about how efficient private industry is in creating jobs. We have heard lots of rhetoric about the futility of propping up uneconomical activities and how we should let the market rule. Well, it is time to apply all of that rhetoric to resource extraction. It is time to say that if a timber operation is not economical and cannot survive without free or cheap public timber, maybe it needs to change.

We are pleased to see the plan to end purchaser road credits. We hope it holds and we hope that all the people who pledge to support it will pledge to keep it in the conference version of this bill, but we do need to go beyond that. We have to modernize the Forest Service and modernize its budget to take into account what we have learned about forests, to take into account and give a much more prominent role to the other purposes of forests that more and more Americans care about, and to stop giving trees away just to keep the machine running or just because that is the way we have always done it.

Mr. KASICH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to take a minute to just direct the attention of the House to the fact that we have been able to work out a very thorny issue here in the House; namely, this whole business of the road credits.

As my colleagues know, there was a debate on this floor, I think, for a period of about 3 years, with people really lined up against themselves and 180 degrees apart. The gentleman from California (Mr. HERGER) deserves an awful lot of credit for the effort to try to bring people together. He met with the gentleman from Pennsylvania (Mr. GREENWOOD) and the gentleman from New York (Mr. BOEHLERT), people who were in direct opposition to him and, through a long process of negotiation and talk, we have essentially been able to reach an agreement that will give us a more market-oriented approach to the way in which we, in fact, do these timber roads.

Now, not everybody is thoroughly happy with the solution, but I have to tell my colleagues that this is one of those times when we fought for 2 or 3 years and I happen to believe that the gentleman from California (Mr. HERGER) is the guy that deserves the most amount of credit because he said we ought not to keep fighting on this. The other side has some legitimate points, we have some legitimate points, and let us try to work it out.

For those environmentalists who have been worried about the road building, if, in fact, it is true that there are subsidies, there will be fewer roads built. They will only be built where it makes economic sense. At the same time, for those who are concerned that we not shut down all appropriate road building, it also will make economic sense to those whenever they move forward, and to those who are worried about saving some money and not providing subsidies to anybody, we have been able to deal with that.

So I think this is a win, win, win. For one of the few times in this House on a very tough environmental issue, I think we have had successful regulation. I want to praise the gentlewoman from Oregon (Ms. FURSE) for agreeing not to pursue her amendment. That would not be the wise thing to do. My understanding is she has withdrawn her amendment, will not have a vote on it, which is entirely appropriate, and maybe this is the model that we can use to resolve a number of environmental issues where people of good heart all feel the same way.

I would like to say one other thing about the gentleman from California. He feels very strongly about the fact that sometimes those on the other side do not understand that there is actually some destruction done in the name of environmental protection when, in fact, he has a view that there are things that we can do to make the environment more secure. He has been able to lead the way and stand in the breach, at times under very emotional issues on the environment, and to be a real leader. So I want to compliment him.

I am very happy that I was in the middle of this for the period of the last 3 years, and I think this is a very good success, and I want to thank the chairman of the subcommittee, the great Member, the gentleman from Ohio (Mr. REGULA), for his outstanding work.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the last word.

I wish to thank the chairman for his kindness, and also I do believe, although we disagree, that the first amendment had merit. Obviously, I would have supported it, but I hope we can recognize that even though the amendment was not put to the floor for a vote, that there are issues that we should all discuss about saving our forests and our trees and hope that we will continue this discussion.

Mr. Chairman, my only concern, and I would like to yield to the gentleman as we rise, we are still continuing in title II for tomorrow as we resume; is that my understanding?

Mr. REGULA. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentlewoman's understanding is correct.

I would also add that I think we have an agreement among many people that the forests have a multipurpose potential for the public. It is a matter of how we achieve that in the best possible way.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I appreciate the chairman's kindness and I think we can continue to go forward and work these issues out.

Mr. REGULA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, had come to no resolution thereon.

EDUCATION SAVINGS AND SCHOOL EXCELLENCE ACT OF 1998—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States.

To the House of Representatives:

I am returning herewith without my approval H.R. 2646, the "Education Savings and School Excellence Act of 1998."

As I have said before, we must prepare our children for the 21st century by providing them with the best education in the world. To help meet this goal, I have sent the Congress a comprehensive agenda for strengthening our public schools, which enroll almost 90 percent of our students. My plan calls for raising standards, strengthening accountability, and promoting charter schools and other forms of public school choice. It calls for reducing class size in the early grades, so our students get a solid foundation in the basic skills, modernizing our schools for the 21st century, and linking them with the Internet. And we must strengthen teaching and provide students who need additional help with tutoring, mentoring, and after-school programs. We must take these steps now.

By sending me this bill, the Congress has instead chosen to weaken public education and shortchange our children. The modifications to the Education IRAs that the bill would authorize are bad education policy and bad tax policy. The bill would divert limited Federal resources away from public schools by spending more than $3 billion on tax benefits that would do virtually nothing for average families and would disproportionately benefit the most affluent families. More than 70 percent of the benefits would flow to families in the top 20 percent of income distribution, and families struggling to make ends meet would never see a penny of the benefits. Moreover, the bill would not create a meaningful incentive for families to increase their savings for educational purposes; it would instead reward families, particularly those with substantial incomes, for what they already do.

The way to improve education for all our children is to increase standards, accountability, and choice within the public schools. Just as we have an obligation to repair our Nation's roads and bridges and invest in the infrastructure of our transportation system, we also have an obligation to invest in the infrastructure needs of our public schools. I urge the Congress to meet that obligation and to send me instead the legislation I have proposed to reduce class size; improve the quality of teaching; modernize our schools; end social promotions; raise academic standards; and hold school districts, schools, and staff accountable for results.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 21, 1998.*

□ 2015

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The objections of the President will be spread at large upon the Journal, and the veto message and the bill will be printed as a House document.

Mr. HERGER. Mr. Speaker, I ask unanimous consent that the veto message of the President, together with the accompanying bill, H.R. 2646, be referred to the Committee on Ways and Means.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the motion to suspend the rules if a recorded vote or the yeas and nays are ordered or if the vote is objected to under clause 4 of rule XV.

Such a rollcall vote, if postponed, will be taken tomorrow.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1689) to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Securities Litigation Uniform Standards Act of 1998".

TITLE I—SECURITIES LITIGATION UNIFORM STANDARDS

SEC. 101. LIMITATION ON REMEDIES.

(a) AMENDMENTS TO THE SECURITIES ACT OF 1933.—

(1) AMENDMENT.—Section 16 of the Securities Act of 1933 (15 U.S.C. 77p) is amended to read as follows:

"SEC. 16. ADDITIONAL REMEDIES; LIMITATION ON REMEDIES.

"(a) REMEDIES ADDITIONAL.—Except as provided in subsection (b), the rights and remedies provided by this title shall be in addition to any and all other rights and remedies that may exist at law or in equity.

"(b) CLASS ACTION LIMITATIONS.—No covered class action based upon the statutory or common law of any State or subdivision thereof may be maintained in any State or Federal court by any private party alleging—

"(1) an untrue statement or omission of a material fact in connection with the purchase or sale of a covered security; or

"(2) that the defendant used or employed any manipulative or deceptive device or contrivance in connection with the purchase or sale of a covered security.

"(c) REMOVAL OF COVERED CLASS ACTIONS.—Any covered class action brought in any State court involving a covered security, as set forth in subsection (b), shall be removable to the Federal district court for the district in which the action is pending, and shall be subject to subsection (b).

"(d) PRESERVATION OF CERTAIN ACTIONS.—

"(1) ACTIONS UNDER STATE LAW OF STATE OF INCORPORATION.—

"(A) ACTIONS PRESERVED.—Notwithstanding subsection (b) or (c), a covered class action described in subparagraph (B) of this paragraph that is based upon the statutory or common law of the State in which the issuer is incorporated (in the case of a corporation) or organized (in the case of any other entity) may be maintained in a State or Federal court by a private party.

"(B) PERMISSIBLE ACTIONS.—A covered class action is described in this subparagraph if it involves—

"(i) the purchase or sale of securities by the issuer or an affiliate of the issuer exclusively from or to holders of equity securities of the issuer; or

"(ii) any recommendation, position, or other communication with respect to the sale of securities of the issuer that—

"(I) is made by or on behalf of the issuer or an affiliate of the issuer to holders of equity securities of the issuer; and

"(II) concerns decisions of those equity holders with respect to voting their securities, acting in response to a tender or exchange offer, or exercising dissenters' or appraisal rights.

"(2) STATE ACTIONS.—

"(A) IN GENERAL.—Notwithstanding any other provision of this section, nothing in this section may be construed to preclude a State or political subdivision thereof or a State pension plan from bringing an action involving a covered security on its own behalf, or as a member of a class comprised solely of other States, political subdivisions, or State pension plans that are named plaintiffs, and that have authorized participation, in such action.

"(B) STATE PENSION PLAN DEFINED.—For purposes of this paragraph, the term 'State pension plan' means a pension plan established and maintained for its employees by the government of the State or political subdivision thereof, or by any agency or instrumentality thereof.

"(3) ACTIONS UNDER CONTRACTUAL AGREEMENTS BETWEEN ISSUERS AND INDENTURE TRUSTEES.—Notwithstanding subsection (b) or (c), a covered class action that seeks to enforce a contractual agreement between an issuer and an indenture trustee may be maintained in a State or Federal court by a party to the agreement or a successor to such party.

"(4) REMAND OF REMOVED ACTIONS.—In an action that has been removed from a State court pursuant to subsection (c), if the Federal court determines that the action may be maintained in State court pursuant to this subsection, the Federal court shall remand such action to such State court.

"(e) PRESERVATION OF STATE JURISDICTION.—The securities commission (or any agency or office performing like functions) of any State shall retain jurisdiction under the laws of such State to investigate and bring enforcement actions.

"(f) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) AFFILIATE OF THE ISSUER.—The term 'affiliate of the issuer' means a person that directly or indirectly, through 1 or more intermediaries, controls or is controlled by or is under common control with, the issuer.

"(2) COVERED CLASS ACTION.—

"(A) IN GENERAL.—The term 'covered class action' means—

"(i) any single lawsuit in which—

"(I) damages are sought on behalf of more than 50 persons or prospective class members, and questions of law or fact common to those persons or members of the prospective class, without reference to issues of individualized reliance on an alleged misstatement or omission, predominate over any questions affecting only individual persons or members; or

"(II) 1 or more named parties seek to recover damages on a representative basis on behalf of themselves and other unnamed parties similarly situated, and questions of law or fact common to those persons or members of the prospective class predominate over any questions affecting only individual persons or members; or

"(ii) any group of lawsuits filed in or pending in the same court and involving common questions of law or fact, in which—

"(I) damages are sought on behalf of more than 50 persons; and

"(II) the lawsuits are joined, consolidated, or otherwise proceed as a single action for any purpose.

"(B) EXCEPTION FOR DERIVATIVE ACTIONS.—Notwithstanding subparagraph (A), the term 'covered class action' does not include an exclusively derivative action brought by 1 or more shareholders on behalf of a corporation.

"(C) COUNTING OF CERTAIN CLASS MEMBERS.—For purposes of this paragraph, a corporation, investment company, pension plan, partnership, or other entity, shall be treated as 1 person or prospective class member, but only if the entity is not established for the purpose of participating in the action.

"(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to affect the discretion of a State court in determining whether actions filed in such court should be joined, consolidated, or otherwise allowed to proceed as a single action.

"(3) COVERED SECURITY.—The term 'covered security' means a security that satisfies the standards for a covered security specified in section 18(b)(1) at the time during which it is alleged that the misrepresentation, omission, or manipulative or deceptive conduct occurred, except that such term shall not include any debt security that is exempt from registration under this title pursuant to rules issued by the Commission under section 4(2) of this title.".

(2) CIRCUMVENTION OF STAY OF DISCOVERY.—Section 27(b) of the Securities Act of 1933 (15 U.S.C. 77z–1(b)) is amended by inserting after paragraph (3) the following new paragraph:

"(4) CIRCUMVENTION OF STAY OF DISCOVERY.—Upon a proper showing, a court may stay discovery proceedings in any private action in a State court as necessary in aid of its jurisdiction, or to protect or effectuate its judgments, in an action subject to a stay of discovery pursuant to this subsection.".

(3) CONFORMING AMENDMENTS.—Section 22(a) of the Securities Act of 1933 (15 U.S.C. 77v(a)) is amended—

(A) by inserting "except as provided in section 16 with respect to covered class actions," after "Territorial courts,"; and

(B) by striking "No case" and inserting "Except as provided in section 16(c), no case".

(b) AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.—

(1) AMENDMENT.—Section 28 of the Securities Exchange Act of 1934 (15 U.S.C. 78bb) is amended—

(A) in subsection (a), by striking "The rights and remedies" and inserting "Except as provided in subsection (f), the rights and remedies"; and

(B) by adding at the end the following new subsection:

"(f) LIMITATIONS ON REMEDIES.—

"(1) CLASS ACTION LIMITATIONS.—No covered class action based upon the statutory or common law of any State or subdivision thereof may be maintained in any State or Federal court by any private party alleging—

"(A) a misrepresentation or omission of a material fact in connection with the purchase or sale of a covered security; or

"(B) that the defendant used or employed any manipulative or deceptive device or contrivance in connection with the purchase or sale of a covered security.

"(2) REMOVAL OF COVERED CLASS ACTIONS.—Any covered class action brought in any State court involving a covered security, as set forth in paragraph (1), shall be removable to the Federal district court for the district in which the action is pending, and shall be subject to paragraph (1).

"(3) PRESERVATION OF CERTAIN ACTIONS.—

"(A) ACTIONS UNDER STATE LAW OF STATE OF INCORPORATION.—

"(i) ACTIONS PRESERVED.—Notwithstanding paragraph (1) or (2), a covered class action described in clause (ii) of this subparagraph that is based upon the statutory or common law of the State in which the issuer is incorporated (in the case of a corporation) or organized (in the case of any other entity) may be maintained in a State or Federal court by a private party.

"(ii) PERMISSIBLE ACTIONS.—A covered class action is described in this clause if it involves—

"(I) the purchase or sale of securities by the issuer or an affiliate of the issuer exclusively from or to holders of equity securities of the issuer; or

"(II) any recommendation, position, or other communication with respect to the sale of securities of an issuer that—

"(aa) is made by or on behalf of the issuer or an affiliate of the issuer to holders of equity securities of the issuer; and

"(bb) concerns decisions of such equity holders with respect to voting their securities, acting in response to a tender or exchange offer, or exercising dissenters' or appraisal rights.

"(B) STATE ACTIONS.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subsection, nothing in this subsection may be construed to preclude a State or political subdivision thereof or a State pension plan from bringing an action involving a covered security on its own behalf, or as a member of a class comprised solely of other States, political subdivisions, or State pension plans that are named plaintiffs, and that have authorized participation, in such action.

"(ii) STATE PENSION PLAN DEFINED.—For purposes of this subparagraph, the term 'State pension plan' means a pension plan established and maintained for its employees by the government of a State or political subdivision thereof, or by any agency or instrumentality thereof.

"(C) ACTIONS UNDER CONTRACTUAL AGREEMENTS BETWEEN ISSUERS AND INDENTURE TRUSTEES.—Notwithstanding paragraph (1) or (2), a covered class action that seeks to enforce a contractual agreement between an issuer and an indenture trustee may be maintained in a State or Federal court by a party to the agreement or a successor to such party.

"(D) REMAND OF REMOVED ACTIONS.—In an action that has been removed from a State court pursuant to paragraph (2), if the Federal court determines that the action may be maintained in State court pursuant to this subsection, the Federal court shall remand such action to such State court.

"(4) PRESERVATION OF STATE JURISDICTION.—The securities commission (or any agency or office performing like functions) of any State shall retain jurisdiction under the laws of such State to investigate and bring enforcement actions.

"(5) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

"(A) AFFILIATE OF THE ISSUER.—The term 'affiliate of the issuer' means a person that directly or indirectly, through 1 or more intermediaries, controls or is controlled by or is under common control with, the issuer.

"(B) COVERED CLASS ACTION.—The term 'covered class action' means—

"(i) any single lawsuit in which—

"(I) damages are sought on behalf of more than 50 persons or prospective class members, and questions of law or fact common to those persons or members of the prospective class, without reference to issues of individualized reliance on an alleged misstatement or omission, predominate over any questions affecting only individual persons or members; or

"(II) 1 or more named parties seek to recover damages on a representative basis on behalf of themselves and other unnamed parties similarly situated, and questions of law or fact common to those persons or members of the prospective class predominate over any questions affecting only individual persons or members; or

"(ii) any group of lawsuits filed in or pending in the same court and involving common questions of law or fact, in which—

"(I) damages are sought on behalf of more than 50 persons; and

"(II) the lawsuits are joined, consolidated, or otherwise proceed as a single action for any purpose.

"(C) EXCEPTION FOR DERIVATIVE ACTIONS.—Notwithstanding subparagraph (B), the term 'covered class action' does not include an exclusively derivative action brought by 1 or more shareholders on behalf of a corporation.

"(D) COUNTING OF CERTAIN CLASS MEMBERS.—For purposes of this paragraph, a corporation, investment company, pension plan, partnership, or other entity, shall be treated as 1 person or prospective class member, but only if the entity is not established for the purpose of participating in the action.

"(E) COVERED SECURITY.—The term 'covered security' means a security that satisfies the standards for a covered security specified in section 18(b)(1) of the Securities Act of 1933, at the time during which it is alleged that the misrepresentation, omission, or manipulative or deceptive conduct occurred, except that such term shall not include any debt security that is exempt from registration under the Securities Act of 1933 pursuant to rules issued by the Commission under section 4(2) of such Act.

"(F) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to affect the discretion of a State court in determining whether actions filed in such court should be joined, consolidated, or otherwise allowed to proceed as a single action.".

(2) CIRCUMVENTION OF STAY OF DISCOVERY.—Section 21D(b)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78u–4(b)(3)) is amended by inserting after subparagraph (C) the following new subparagraph:

"(D) CIRCUMVENTION OF STAY OF DISCOVERY.—Upon a proper showing, a court may stay discovery proceedings in any private action in a State court as necessary in aid of its jurisdiction, or to protect or effectuate its judgments, in an action subject to a stay of discovery pursuant to this paragraph.".

(c) APPLICABILITY.—The amendments made by this section shall not affect or apply to any action commenced before and pending on the date of enactment of this Act.

SEC. 102. PROMOTION OF RECIPROCAL SUBPOENA ENFORCEMENT.

(a) COMMISSION ACTION.—The Securities and Exchange Commission, in consultation with State securities commissions, shall seek to encourage the adoption of State laws providing for reciprocal enforcement by State securities commissions of subpoenas issued by another State securities commission seeking to compel persons to attend, testify in, or produce documents or records in connection with an action or investigation by a State securities commission of an alleged violation of State securities laws.

(b) REPORT.—Within 24 months after the date of enactment of this Act, the Commission shall submit a report to the Congress—

(1) identifying the States that have adopted laws described in subsection (a);

(2) describing the actions undertaken by the Commission and State securities commissions to promote the adoption of such laws; and

(3) identifying any further actions the Commission recommends for such purposes.

SEC. 103. REPORT ON CONSEQUENCES.

The Securities and Exchange Commission shall include in each of its first 3 annual reports submitted after the date of enactment of this Act a report regarding—

(1) the nature and the extent of the class action cases that are preempted by, or removed pursuant to, the amendments made by section 101 of this title;

(2) the extent to which that preemption or removal either promotes or adversely affects the protection of securities investors or the public interest; and

(3) if adverse effects are found, alternatives to, or revisions of, such preemption or removal that—

(A) would not have such adverse effects;

(B) would further promote the protection of investors and the public interest; and

(C) would still substantially reduce the risk of abusive securities litigation.

TITLE II—REAUTHORIZATION OF THE SECURITIES AND EXCHANGE COMMISSION

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended to read as follows:

"SEC. 35. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—In addition to any other funds authorized to be appropriated to the Commission, there are authorized to be appropriated to carry out the functions, powers, and duties of the Commission $351,280,000 for fiscal year 1999.

"(b) MISCELLANEOUS EXPENSES.—Funds appropriated pursuant to this section are authorized to be expended—

"(1) not to exceed $3,000 per fiscal year, for official reception and representation expenses;

"(2) not to exceed $10,000 per fiscal year, for funding a permanent secretariat for the International Organization of Securities Commissions; and

"(3) not to exceed $100,000 per fiscal year, for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives, and staff to exchange views concerning developments relating to securities matters, for development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings, including—

"(A) such incidental expenses as meals taken in the course of such attendance;

"(B) any travel or transportation to or from such meetings; and

"(C) any other related lodging or subsistence.".

SEC. 202. REQUIREMENTS FOR THE EDGAR SYSTEM.

Section 35A of the Securities Exchange Act of 1934 (15 U.S.C. 78ll) is amended—

(1) by striking subsections (a), (b), (c), and (e); and

(2) in subsection (d)—

(A) by striking the subsection designation;

(B) by striking "; and" at the end of paragraph (2) and inserting a period; and

(C) by striking paragraph (3).

TITLE III—CLERICAL AND TECHNICAL AMENDMENTS

SEC. 301. CLERICAL AND TECHNICAL AMENDMENTS.

(a) SECURITIES ACT OF 1933.—The Securities Act of 1933 (15 U.S.C. 77 et seq.) is amended as follows:

(1) Section 2(a)(15)(i) (15 U.S.C. 77b(a)(15)(i)) is amended by striking "section 2(13) of the

Act" and inserting "paragraph (13) of this subsection".

(2) Section 11(f)(2)(A) (15 U.S.C. 77k(f)(2)(A)) is amended by striking "section 38" and inserting "section 21D(f)".

(3) Section 13 (15 U.S.C. 77m) is amended—

(A) by striking "section 12(2)" each place it appears and inserting "section 12(a)(2)"; and

(B) by striking "section 12(1)" each place it appears and inserting "section 12(a)(1)".

(4) Section 18 (15 U.S.C. 77r) is amended—

(A) in subsection (b)(1)(A), by inserting ", or authorized for listing," after "Exchange, or listed";

(B) in subsection (c)(2)(B)(i), by striking "Capital Markets Efficiency Act of 1996" and inserting "National Securities Markets Improvement Act of 1996";

(C) in subsection (c)(2)(C)(i), by striking "Market" and inserting "Markets";

(D) in subsection (d)(1)(A)—

(i) by striking "section 2(10)" and inserting "section 2(a)(10)"; and

(ii) by striking "subparagraphs (A) and (B)" and inserting "subparagraphs (a) and (b)";

(E) in subsection (d)(2), by striking "Securities Amendments Act of 1996" and inserting "National Securities Markets Improvement Act of 1996"; and

(F) in subsection (d)(4), by striking "For purposes of this paragraph, the" and inserting "The".

(5) Sections 27, 27A, and 28 (15 U.S.C. 77z–1, 77z–2, 77z–3) are transferred to appear after section 26.

(6) Paragraph (28) of schedule A of such Act (15 U.S.C. 77aa(28)) is amended by striking "identic" and inserting "identical".

(b) SECURITIES EXCHANGE ACT OF 1934.—The Securities Exchange Act of 1934 (15 U.S.C. 78 et seq.) is amended as follows:

(1) Section 3(a)(10) (15 U.S.C. 78c(a)(10)) is amended by striking "deposit, for" and inserting "deposit for".

(2) Section 3(a)(12)(A) (15 U.S.C. 78c(a)(12)(A)) is amended by moving clause (vi) two em spaces to the left.

(3) Section 3(a)(22)(A) (15 U.S.C. 78c(a)(22)(A)) is amended—

(A) by striking "section 3(h)" and inserting "section 3"; and

(B) by striking "section 3(t)" and inserting "such section 3".

(4) Section 3(a)(39)(B)(i) (15 U.S.C. 78c(a)(39)(B)(i)) is amended by striking "an order to the Commission" and inserting "an order of the Commission".

(5) The following sections are each amended by striking "Federal Reserve Board" and inserting "Board of Governors of the Federal Reserve System": subsections (a) and (b) of section 7 (15 U.S.C. 78g(a), (b)); section 17(g) (15 U.S.C. 78q(g)); and section 26 (15 U.S.C. 78z).

(6) The heading of subsection (d) of section 7 (15 U.S.C. 78g(d)) is amended by striking "EXCEPTION" and inserting "EXCEPTIONS".

(7) Section 14(g)(4) (15 U.S.C. 78n(g)(4)) is amended by striking "consolidation sale," and inserting "consolidation, sale,".

(8) Section 15 (15 U.S.C. 78o) is amended—

(A) in subsection (c), by moving paragraph (8) two em spaces to the left;

(B) in subsection (h)(2), by striking "affecting" and inserting "effecting";

(C) in subsection (h)(3)(A)(i)(II)(bb), by inserting "or" after the semicolon;

(D) in subsection (h)(3)(A)(ii)(I), by striking "maintains" and inserting "maintained";

(E) in subsection (h)(3)(B)(ii), by striking "association" and inserting "associated".

(9) Section 15B(c)(4) (15 U.S.C. 78o–4(c)(4)) is amended by striking "convicted by any offense" and inserting "convicted of any offense".

(10) Section 15C(f)(5) (15 U.S.C. 78o–5(f)(5)) is amended by striking "any person or class or persons" and inserting "any person or class of persons".

(11) Section 19(c) (15 U.S.C. 78s(c)) is amended by moving paragraph (5) two em spaces to the right.

(12) Section 20 (15 U.S.C. 78t) is amended by redesignating subsection (f) as subsection (e).

(13) Section 21D (15 U.S.C. 78u–4) is amended—

(A) by redesignating subsection (g) as subsection (f); and

(B) in paragraph (2)(B)(i) of such subsection, by striking "paragraph (1)" and inserting "subparagraph (A)".

(14) Section 31(a) (15 U.S.C. 78ee(a)) is amended by striking "this subsection" and inserting "this section".

(c) INVESTMENT COMPANY ACT OF 1940.—The Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.) is amended as follows:

(1) Section 2(a)(8) (15 U.S.C. 80a–2(a)(8)) is amended by striking "Unitde" and inserting "United".

(2) Section 3(b) (15 U.S.C. 80a–3(b)) is amended by striking "paragraph (3) of subsection (a)" and inserting "paragraph (1)(C) of subsection (a)".

(3) Section 12(d)(1)(G)(i)(III)(bb) (15 U.S.C. 80a–12(d)(1)(G)(i)(III)(bb)), by striking "the acquired fund" and inserting "the acquired company".

(4) Section 18(e)(2) (15 U.S.C. 80a–18(e)(2)) is amended by striking "subsection (e)(2)" and inserting "paragraph (1) of this subsection".

(5) Section 30 (15 U.S.C. 80a–29) is amended—

(A) by inserting "and" after the semicolon at the end of subsection (b)(1);

(B) in subsection (e), by striking "semi-annually" and inserting "semiannually"; and

(C) by redesignating subsections (g) and (h) as added by section 508(g) of the National Securities Markets Improvement Act of 1996 as subsections (i) and (j), respectively.

(6) Section 31(f) (15 U.S.C. 80a–30(f)) is amended by striking "subsection (c)" and inserting "subsection (e)".

(d) INVESTMENT ADVISERS ACT OF 1940.—The Investment Advisers Act of 1940 (15 U.S.C. 80b et seq.) is amended as follows:

(1) Section 203(e)(8)(B) (15 U.S.C. 80b–3(e)(8)(B)) is amended by inserting "or" after the semicolon.

(2) Section 222(b)(2) of (15 U.S.C. 80b–18a(b)(2)) is amended by striking "principle" and inserting "principal".

(e) TRUST INDENTURE ACT OF 1939.—The Trust Indenture Act of 1939 (15 U.S.C. 77aaa et seq.) is amended as follows:

(1) Section 303 (15 U.S.C. 77ccc) is amended by striking "section 2" each place it appears in paragraphs (2) and (3) and inserting "section 2(a)".

(2) Section 304(a)(4)(A) (15 U.S.C. 77ddd(a)(4)(A)) is amended by striking "(14) of subsection" and inserting "(13) of section".

(3) Section 313(a) (15 U.S.C. 77mmm(a)) is amended—

(A) by inserting "any change to" after the paragraph designation at the beginning of paragraph (4); and

(B) by striking "any change to" in paragraph (6).

(4) Section 319(b) (15 U.S.C. 77sss(b)) is amended by striking "the Federal Register Act" and inserting "chapter 15 of title 44, United States Code,".

SEC. 302. EXEMPTION OF SECURITIES ISSUED IN CONNECTION WITH CERTAIN STATE HEARINGS.

Section 18(b)(4)(C) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)(C)) is amended by striking "paragraph (4) or (11)" and inserting "paragraph (4), (10), or (11)".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. BLILEY) and the gentleman from Michigan (Mr. STUPAK) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

(Mr. BLILEY asked and was given permission to revise and extend his remarks.)

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1689 and to insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLILEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in strong support of H.R. 1689, the Securities Litigation Uniform Standards Act of 1998. This legislation has been carefully constructed and refined throughout the legislative process on a bipartisan basis. We now have a bill that is ready to be considered by this Congress that will protect our Nation's investors and shareholders from needless expenses companies incur from meritless lawsuits.

Congress thought we would stop the flow of frivolous securities lawsuits with the enactment of the Private Securities Litigation Reform Act of 1995. The number of cases in Federal court has declined, but the explosion of cases being brought in state courts since the Reform Act demonstrates that the problem has not been eliminated, it has just changed venue.

It is unfortunate that additional legislation is needed to plug a loophole that undermines the intentions of Congress. Nevertheless, it is our job to ensure that the laws we pass work in the manner we intended. Based on the number of cosponsors of this legislation, I think it is safe to say that the law is not working the way it was intended.

The Uniform Standards Act will permit meritorious claims to continue to be filed while preventing the migration of baseless class actions to state courts. The standard provided in this legislation builds on the simple nature of our capital markets. If the alleged violation is national and it is filed on behalf of a class, then the case should be brought in Federal court. If the case is of a local nature, then it is more appropriately handled at the state level.

This legislation will put a stop to the inappropriate use of state courts to circumvent the protections that Congress deemed appropriate in 1995. H.R. 1689 will not prevent individual claims from being filed in state courts but will simply set a standard to determine when the Reform Act of 1995 is applied.

The legislation also includes a title to reauthorize the Securities and Exchange Commission for Fiscal 1999. This language is substantially similar to H.R. 1262, the SEC Reauthorization Act of 1997, which passed the House unanimously last session.

At the suggestion of the gentleman from New York (Mr. LAZIO), technical changes were included to this title to eliminate provisions in the Securities Exchange Act that have been identified as an impediment to the possibility of future privatization of the EDGAR system. I commend the gentleman for his efforts and suggestions in the pursuit of good government and a more efficient, more cost-effective EDGAR system.

I would also like to commend the original author of the legislation the gentleman from Washington (Mr. WHITE). His tireless work and pursuit of good public policy has improved this legislation from day one. I also would like to commend the gentlewoman from California (Ms. ESHOO) for all of her efforts as a leading proponent of this legislation.

Many of the changes that have improved this legislation so significantly are a result of the work and compromise of the gentleman from Ohio (Mr. OXLEY) the chairman of the Subcommittee on Financial and Hazardous Materials. I commend him for his leadership and skill in developing these important refinements.

Some of the changes included were at the suggestion of the ranking member the gentleman from Michigan (Mr. DINGELL) of the Committee on Commerce. Notwithstanding his opposition to the legislation, his continued pursuant of good public policy has improved the bill.

I would also commend the gentleman from New York (Mr. MANTON) the ranking member of the Subcommittee on Finance and Hazardous Material, whom I am very distressed to see has announced his retirement from this body, for his cooperation and support. At his suggestion, the Committee on Commerce included a provision to provide the SEC with nationwide enforceability of subpoenas served in our districts. Unfortunately, the concerns by the Committee on the Judiciary about this provision have not been worked out and it is not included in H.R. 1689. I would tell the gentleman from New York that I will work with him to see that the provision makes it into the final legislation.

Mr. Speaker, I urge my colleagues to join me in support of H.R. 1689.

Mr. Speaker, I reserve the balance of my time.

Mr. Speaker, I yield myself such time as I may cosume.

Mr. Speaker, I rise in opposition to the bill before us tonight.

Mr. Speaker, 2 years ago, Congress passed the Private Securities Litigation Reform Act, that changed all the rules for the investors like people who invest in today's stock market. Now proponents of this legislation want to extend an untested federal system upon all the states.

If we pass this bill, Congress will place all investors into a largely untested, untried new federal system that will make it very difficult for investors to prove fraud. Many of the proponents of this bill claim that it corrects an oversight from the Private Securities Litigation Act of the last Congress. This claim is disingenuous and false. These same Members claim that during the debate over the Private Securities Litigation Reform Act that investors would continue and would always have available to them the protection afforded by the state courts.

The prime sponsor of the previous legislation explicitly stated that state courts would continue to be an avenue for defrauded investors to recoup their losses. Now these Members are seeking to preempt these state laws.

If this legislation passes, it will overrule, do away, with the aiding and abetting statutes in 49 states. It will do away with 33 statute of limitations provisions that we are now telling states that forget about their own statute of limitations to protect their investors, they will now have to protect their citizens with an untried, untested federal system. The Federal Government will now tell them what protections states can afford their citizens.

It is important to remember throughout this debate tonight that the blue sky laws predated the existence of federal securities law. When Congress wrote the Securities Act of 1933 and the Securities Exchange Act of 1934, they did not impose liability on aiders and abettors or insert an adequate statute of limitation. They declined to take these steps because Congress felt that it was necessary to allow states to decide these issues at the state level. But yet, tonight, if we vote for this bill, we will take away from these investors protections they have enjoyed for over 60 years under state law.

Chairman Arthur Levitt of the Securities Exchange Commission, consumer groups, municipal officers all supported maintaining these two simple provisions, extending the statute of limitations and maintaining the states' aiding and abetting statutes, but they were denied that request by the supporters of this bill.

As we look at the market today, we see record numbers of small investors are entrusting their life savings to the stock market. There are a number of proposals to allow the Social Security Trust Fund to be invested in the stock market. Now more than ever, these small investors need to be protected from fraudulent securities transactions. 28 million Americans over the age of 65 depend on investment income to meet part of their expenses.

The proponents of this bill claim its passage will actually benefit these investors. I am flabbergasted by this statement because consumer groups, institutional investors, state pension boards, retirement plan administrators, county officials and many other groups oppose this legislation.

This federal preemption is not necessary. Proponents argue that this bill is necessary because there has been an increase in the number of suits in state courts since the passage of the Private Securities Litigation Reform Act 2 years ago. Yet in 1997 there was a decrease in private securities as compared to levels before the passage of the Private Securities Litigation Reform Act in 1995.

Nationwide, private security litigation state filings account for less than 100th of 1 percent of state filings nationwide. I believe that it is irresponsible and unnecessary to supersede the law of all 50 states. The joint system of state and federal causes of action have existed for over 60 years. At a time when a market has joined its bullish run, I do not believe that we need now to preempt the 50 state laws with an untried, untested federal system.

Mr. Speaker, I believe this bill will make it easier for charlatans and rip-off artists to defraud investors, especially senior citizens. I truly hope that I am wrong. But before we pass this bill, I ask all Members to contemplate whether or not they want to make it easier for their constituents to become victims of fraud. I urge them to vote against this bill and protect our investors.

Mr. Speaker, I include for the RECORD letters from the Consumer Federation of America and the Government Finance Officers Association in opposition to this bill.

CONSUMER FEDERATION OF AMERICA,
July 20, 1998.

Hon. BART STUPAK,
House of Representatives,
Washington, DC.

OPPOSE H.R. 1689, SECURITIES LITIGATION REFORM BILL

DEAR REPRESENTATIVE STUPAK: It is our understanding that the full House of Representatives will vote as early as today or tomorrow on H.R. 1689, the "Securities Litigation Uniform Standards Act." I am writing on behalf of the Consumer Federation of America (CFA) to express our strong opposition to this legislation and to urge you to oppose it.

CFA shares the view expressed by state and federal securities regulators that the current federal law, as articulated in the Private Securities Litigation Reform Act (PSLRA), tilts the balance too far in favor of securities fraud defendants and threatens the ability of defrauded investors to recover their losses. For this reason, we strongly oppose extending that standard to lawsuits currently being brought in state court. Even those who are more optimistic about the effects of the federal law, however, must acknowledge that this preemption legislation would deprive investors of important protections, such as aiding and abetting liability and longer statutes of limitation, that are available only under state law.

Because it is fundamentally unjustified, would further undermine defrauded investors' access to justice, and could leave defrauded investors with no effective means of recovering their losses, CFA strongly opposes H.R. 1689 and urges you to vote against it.

Sincerely,

BARBARA L.N. ROPER,
Director of Investor Protection,
Consumer Federation of America.

JULY 20, 1998.

Re H.R. 1689, Securities Litigation Uniform Standards Act of 1998.

MEMBER OF CONGRESS,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE: The state and local government organizations listed above write in opposition to H.R. 1689, the Securities Litigation Uniform Standards Act of 1998, as reported by the House Committee on Commerce, which is scheduled to be considered by the full House early this week. Our most significant concerns are the following:

Despite the preservation of the right of state and local governments and their pension plans to pursue class actions in state courts which is included in H.R. 1689, the limitation on this right that those in the class must be named plaintiffs and authorize such participation will severely limit the ability of the most vulnerable public entities to recover their losses. State and local governments support the underlying provision to preserve the fundamental right of a state or local government or public pension plan to bring a class action in state court. However, we believe that the limitation placed on that right in H.R. 1689 will effectively exclude the most vulnerable public entities, such as small pension plans. These fraud victims are the least likely to be aware of a pending class action and may be unable to initiate a suit on their own. These parties potentially have the most to lose in case of fraud, yet this provision virtually eliminates their ability to recover their losses.

H.R. 1689 fails to reinstate liability for secondary wrongdoers who aid and abet securities fraud. Despite two opportunities to do so since the Supreme Court struck down for private actions aiding and abetting liability for wrongdoers who assist in perpetrating securities fraud, Congress appears to be on the verge of not only failing to reinstate such liability but extending it to the states.

H.R. 1689 fails to reinstate more a reasonable statute of limitations for defrauded investors to file a claim. As in the case of aiding and abetting, Congress has now had two opportunities to reinstate a longer, more reasonable statute of limitations for defrauded investors to bring suit. Many frauds are not discovered within this shortened time period, but this bill misses the opportunity to make wronged investors whole by not including this provision in H.R. 1689 and by extending the existing unreasonably narrow time period in which suits may be brought to the states.

The definition of "class action" contained in H.R. 1689 is overly broad. We believe that the definition of class action in H.R. 1689 would allow single suits filed by individual plaintiffs to be rolled into a larger class action that was never contemplated or desired by individual plaintiffs and have it removed to federal court. Claims by the bill's proponents that individual plaintiffs would still be able to bring suit in federal court are undercut by this provision. We believe that no showing has been made of the need for a securities law definition of class action which differs from that of other types of class actions under the Federal Rules of Civil Procedure.

There have been few state securities class actions filed since the Private Securities Litigation Reform Act of 1995 (PSLRA) was passed. Despite the claims of the bill's proponents, tracking by the Price Waterhouse accounting firm shows that only 44 securities class actions were filed in state court for all of 1997, compared with 67 in 1994 and 52 in 1995. Most of these cases were filed in California, indicating that, if there is a problem in that state, it is one which should be dealt with at the state level. Citizens of the other 49 states should not be penalized as a result of a unique situation in a single state.

The PSLRA was opposed by state and local governments because the legislation did not strike an appropriate balance, and this legislation extends that mistake to state courts. As both issuers of debt and investors of public funds, state and local governments seek to not only reduce frivolous lawsuits but to protect their investors who are defrauded in securities transactions. The full impact of that statute on investor rights and remedies remains unsettled because even now many parts of the PSLRA have not been fully litigated; however, this untested law would now be extended to state courts.

The above organizations believe that states must be able to protect state and local government funds and their taxpayers and that H.R. 1689 inhibits these protections. We urge you to oppose preemption efforts which interfere with the ability of states to protect their public investors and to maintain investor protections for both public investors and their citizens.

> Government Finance Officers Association; Municipal Treasurers' Association; National Association of Counties; National Association of County Treasurers and Finance Officers; National Association of State Retirement Administrators; National Conference on Public Employee Retirement Systems; National League of Cities.

Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I am happy to yield 3 minutes to the gentleman from Washington (Mr. WHITE) an instrumental force in bringing this bill to the floor.

Mr. WHITE. Mr. Speaker, I thank the chairman very much for yielding me the time and also for his patience and wonderful leadership in bringing this bill to the point where it is today. It is a real testament to his leadership in our committee.

Mr. Speaker, we spend a lot of time in this House complaining about lawyers. And as a former lawyer, I would have to say that sometimes our complaints are justified. But when we pass a bill that intelligent lawyers can use to a purpose other than what we intended, it is not the lawyers' fault; it is our fault.

□ 2030

Frankly that is what this bill, H.R. 1689, is all about. In 1995, two-thirds of this House, in fact more than two-thirds of this House voted for the Private Securities Litigation Reform Act of 1995. We passed it over President Clinton's veto. The whole idea of this legislation was to let good suits go forward but to try to slow down frivolous lawsuits so they did not cause too much harm in our economy, especially to the smaller companies that are the provider of so many jobs and so many innovations in our economy. But as luck would have it, we left a few loopholes in that bill. One thing we discovered is that suits that were formerly brought in Federal court under the old days were now being brought in State court as a way of getting around the statute that we passed. Not only were these suits being brought in State court, it was clear from the testimony of lawyers who testified in our committee that they had to advise their clients to bring these suits in State court because it was a more favorable environment.

H.R. 1689 is simply designed to fix that particular problem. Now, we will hear some things today as some potential problems that people have with H.R. 1689. Frankly, Mr. Speaker, it is quite logical that people who did not support the law that we passed in 1995 are not going to support this law, either. This law is designed to perfect what we did in 1995, to make it work right. But this is a limited bill designed to accomplish a very good purpose.

Make no mistake about it, Mr. Speaker, this bill only applies to national lawsuits. It only applies to securities that are traded on the three national exchanges in our country. It only applies to class actions. State lawsuits will still be permitted under this bill.

Mr. Speaker, I urge my colleagues in the House to vote for this bill and finish the job that we started in 1995 so that we can bring some order and responsibility to shareholder lawsuits in our country.

Mr. STUPAK. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. KLINK).

Mr. KLINK. Mr. Speaker, back in 1995 the Committee on Commerce developed and this Congress passed and approved over a presidential veto the Private Securities Litigation Reform Act which put strict limits on Federal investor class action lawsuits. At the time we were being told by our friends who argued in favor of that that these victims would still have State redress. They could go to the State courts. Well, here we go again. From on high in Washington, D.C., dictating back to the States, "You can't do this."

I did not dream that my Republican colleagues would ever want to start telling the State courts what they could and could not do. My question is, what next do we tell them? That you cannot hear tobacco suits? That you cannot hear real estate suits? This comes at a time when an increased number of unsophisticated investors are getting into the stock market. An increased number of unsophisticated investors are getting into all marketplaces. We fear that these unsophisticated investors, many of them our constituents, might be victimized and not have redress at the Federal level and now being told by this Congress they would not have redress at the State level.

Now, there appears to be no explosion of State securities class actions. I do not see any need for this bill. I would point to last year when there were only 44 cases throughout this entire Nation, the lowest number in 5 years. We have a situation back in Pennsylvania where not exactly unsophisticated investors, many school districts, were taken for a ride by a company called Devon Capital Management. They defrauded 100 municipal clients in Pennsylvania and elsewhere. Those clients included 75 school districts, mostly in western and central Pennsylvania. Are these unsophisticated investors? I do not think so. Many of these municipal governments, school districts included, will be lucky if they can get 10 cents on the dollar. A few may get lucky enough to get 50 cents on the dollar.

Mr. Speaker, this is a bad bill and I would suggest that the Members of this Congress vote against it.

Mr. BLILEY. Mr. Speaker, I yield 3½ minutes to the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Speaker, let me first thank the gentleman from Virginia (Mr. BLILEY) and those that worked with him to bring this bill to the floor. As many of my colleagues know, the securities litigation reform bill was first filed way back in 1992. It was a bill that we crafted, in fact I was the lead sponsor of it then, to put an end to strike lawsuits in this country of which 94 percent were settled out of court at 10 cents on the dollar. When lawsuits are filed and settled at that rate, 94 percent of them, at 10 cents on the dollar, it paints the picture that I think in a bipartisan way this Congress responded to in 1995. It paints a picture of strike lawsuits, frivolous lawsuits that do not have value except to force the people who have been sued to divvy up, to pay up 10 cents on the dollar just to end the lawsuit, to end the abusive lawsuits.

When were they filed? They were filed immediately when any stock prices changed up or down. They were filed in cookie cutter fashion, very often with the same plaintiffs on the front of the class action lawsuits, very often by the same set of lawyers in America, a unique set of lawyers who constantly brought these strike lawsuits aimed at the directors of corporations, aimed at the corporations themselves, aimed at the accountants and the law firms that represented those corporations, aimed at as many people as they could gather in a lawsuit so at 10 cents on the dollar the lawyers can make a killing.

Did the shareholders who supposedly were defrauded do well in these lawsuits? Absolutely not. We found out that the shareholders got as little as four cents of the claims, four cents of the supposedly defrauded amounts. The truth was that the law before 1995 existed for the benefit of a few lawyers who literally were abusing the system with these strike suits. And abusing who? The corporations, their investors, their pension fund investors, all of us who invested in these corporations thinking that we were making a legitimate investment in a corporation that was going to go out and try to earn a profit for their American stockholders. Instead these corporations were having to pay tribute time after time at 10 cents on the dollar for these strike suits aimed at the heart of corporate America and aimed at the heart of all of us who invest, from the poorest American who invests through their pension funds to the richest who invest in Wall Street directly.

The bottom line was that in 1995, this Congress in a bipartisan fashion not only passed that bill but overrode a presidential veto, a bill that had the support then of the chairman of the Securities and Exchange Commission. But what did we find out after passing the bill even over a presidential veto with such a huge bipartisan majority of over two-thirds? We found out that the same lawyers attempted in the State of California to overcome that Federal law and set up a regime in California to file all the same lawsuits simply in State court in California. We found that time and again the same lawyers were filing the same cookie cutter lawsuits in State courts around America. In short, they were avoiding the reforms we passed over a presidential veto in Congress by using other jurisdictions to accomplish it.

So we are here tonight to perfect that law, to say you cannot use the State courts to do the same illicit, abusive strike suits that you were formerly doing in Federal court.

Have we taken away any legitimate rights of people who have been harmed? No. Lawsuits brought on fraud charges both in State and Federal courts can go forward. They simply go forward under the reforms we passed both on the Federal law and now conforming that Federal law to the 50 States. In short, this bill perfects the work of the 104th Congress in 1995. I urge the passage of this bill and the end of these abusive lawsuits.

Mr. STUPAK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I include for the RECORD a letter from the Government Finance Officers Association, Municipal Treasurers' Association, National Association of Counties, National Association of County Treasurers and Finance Officers, National Association of State Retirement Administrators, National Conference of Public Employee Retirement Systems, and National League of Cities, all signed this letter in opposition to this legislation.

The text of the letter is as follows:

GOVERNMENT FINANCE OFFICERS ASSOCIATION, MUNICIPAL TREASURERS' ASSOCIATION, NATIONAL ASSOCIATION OF COUNTIES, NATIONAL ASSOCIATION OF COUNTY TREASURERS AND FINANCE OFFICERS, NATIONAL ASSOCIATION OF STATE RETIREMENT ADMINISTRATORS, NATIONAL CONFERENCE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS, NATIONAL LEAGUE OF CITIES

July 20, 1998.

MEMBER OF CONGRESS,
House of Representatives, Washington, DC.

RE: H.R. 1689, Securities Litigation Uniform Standards Act of 1998

DEAR REPRESENTATIVE: The state and local government organizations listed above write in opposition to H.R. 1689, the Securities Litigation Uniform Standards Act of 1998, as reported by the House Committee on Commerce, which is scheduled to be considered by the full House early this week. Our most significant concerns are the following:

Despite the preservation of the right of state and local governments to their pension plans to pursue class actions in state courts which is included in H.R. 1689, the limitation on this right that those in the class must be named plaintiffs and authorize such participation will severely limit the ability of the most vulnerable public entities to recover their losses. State and local governments support the underlying provision to preserve the fundamental right of a state or local government or public pension plan to bring a class action in state court. However, we believe that the limitation placed on that right in H.R. 1689 will effectively exclude the most vulnerable public entities, such as small pension plans. These fraud victims are the least likely to be aware of a pending class action and may be unable to initiate a suit on their own. These parties potentially have the most to lose in case of fraud, yet this provision virtually eliminates their ability to recover their losses.

H.R. 1689 fails to reinstate liability for secondary wrongdoers who aid and abet securities fraud. Despite two opportunities to do so since the Supreme Court struck down for private actions aiding and abetting liability for wrongdoers who assist in perpetrating securities fraud, Congress appears to be on the verge of not only failing to reinstate such liability but extending it to the states.

H.R. 1689 fails to reinstate more a reasonable statute of limitations for defrauded investors to file a claim. As in the case of aiding and abetting, Congress has now had two opportunities to reinstate a longer, more reasonable statute of limitations for defrauded investors to bring suit. Many frauds are not discovered within this shortened time period, but this bill misses the opportunity to make wronged investors whole by not including this provision in H.R. 1689 and by extending the existing unreasonably narrow time period in which suits may be brought to the states.

The definition of "class action" contained in H.R. 1689 is overly broad. We believe that the definition of class action in H.R. 1689 would allow single suits filed by individual plaintiffs to be rolled into a larger class action that was never contemplated or desired by individual plaintiffs and have it removed to federal court. Claims by the bill's proponents that individual plaintiffs would still be able to bring suit in federal court are undercut by this provision. We believe that no showing has been made of the need for a securities law definition of class action which differs from that of other types of class actions under the Federal Rules of Civil Procedure.

There have been few state securities class actions filed since the Private Securities Litigation Reform Act of 1995 (PSLRA) was passed. Despite the claims of the bill's proponents, tracking by the Price Waterhouse accounting firm shows that only 44 securities class actions were filed in state court for all of 1997, compared with 67 in 1994 and 52 in 1995. Most of these cases were filed in California, indicating that, if there is a problem in that state, it is one which should be dealt with at the state level. Citizens of the other 49 states should not be penalized as a result of a unique situation in a single state.

The PSLRA was opposed by state and local governments because the legislation did not strike an appropriate balance, and this legislation extends that mistake to state courts. As both issuers of debt and investors of public funds, state and local governments seek to not only reduce frivolous lawsuits but to protect their investors who are defrauded in securities transactions. The full impact of that statute on investor rights and remedies remains unsettled because even now many parts of the PSLRA have not been fully litigated; however, this untested law would now be extended to state courts.

The above organizations believe that states must be able to protect state and local government funds and their taxpayers and that H.R. 1689 inhibits these protections. We urge you to oppose preemption efforts which interfere with the ability of states to protect their public investors and to maintain investor protections for both public investors and their citizens.

Mr. STUPAK. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, I rise in opposition to H.R. 1689, the Securities Litigation Uniform Standards Act. I too believe that strike suits can be a problem, but I believe more importantly that defrauded investors who cannot recover their losses is a greater problem, and furthermore the way we are superseding long established State laws is a problem as well.

I am concerned like everyone else that many of these lawsuits are being pursued by a very small number of attorneys who are only looking to make money for themselves at the expense of newly emerging high tech firms. These lawsuits can cost a company millions. The issue needs to be addressed. But frankly the issue to this date has been quite limited.

Both proponents and opponents of the bill agree that the number of suits have actually declined in the last year. I believe we would be setting a dangerous precedent by going in and blatantly preempting State securities laws, many of which were passed before the Federal Securities Act of 1933, and many of these States which have long established bodies of blue sky laws and securities cases in their own States.

I have significant federalism concerns about this bill. I think anybody on either side of the aisle who cares about States rights ought to have significant federalism concerns. This is an issue which is important but it is also an issue that is limited in its impact to date and it is an issue where if we pass legislation today, we will severely restrict State laws that protect investors and protect small investors most importantly. For that reason, I urge rejection of this bill. It is premature, and we need to find out a way that States can pass appropriate laws without having them be preempted by Federal law.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. ESHOO) who has been most helpful in this legislation.

Ms. ESHOO. Mr. Speaker, I rise today in support of this legislation which I am very proud to have been the chief Democratic sponsor of, H.R. 1689. This is a narrowly focused bipartisan bill that closes a loophole in the 1995 Private Securities Litigation Reform Act that allowed for, or created really, a circumvention to State courts.

The migration to State courts is not a minor problem. It represents an undermining of the core reforms that this Congress implemented in 1995 because the reform act relied on uniform application and enforcement of the law in order to be effective. The bill is needed because as long as frivolous strike suits are threatening high growth companies, they will be held hostage. Consumers are hurt because the companies will not use the safe harbor provision in the 1995 law.

Mr. Speaker, I have a very limited amount of time, one minute, to try to summarize a year and a half's work, and so I want to spend the remaining seconds to thank the gentleman from Virginia (Mr. BLILEY), the gentleman from Michigan (Mr. DINGELL), the gentleman from Ohio (Mr. OXLEY), the gentleman from New York (Mr. MANTON), the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Massachusetts (Mr. MARKEY). I also want to thank my very effective partner the gentleman from Washington (Mr. WHITE). It has been a pleasure to work with him and all that have been a part of this. I urge adoption of this legislation. I think the 105th Congress will distinguish itself by doing so.

Mr. STUPAK. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, this is a terrible bill. I mean really a bad one, a stinker. Write it down, top 10 this year, Bad Bills.

When I was reviewing the legislation, I was reminded of a poem that I once learned as a child:

As I was going up the stair
I met a man who wasn't there.
He wasn't there again today;
Oh, how I wish that he'd stay away.

□ 2045

The proponents of this bill would have you believe that a man has appeared on the stair in the form of investors flocking from Federal to State courts pursuing frivolous class action suits against honest corporate chieftains.

But the fact is that the number of class actions filed in the States is lower this year than it was last year. In fact, it is lower this year than it was in the year before this Congress passed their Federal Securities Litigation Reform Act in 1995. Fewer State class actions, this year. So there is no increase in State class action suits. People are not looking for that as a loophole around the Federal class action law. It is just not happening.

In fact, what is happening is the loophole that is being closed is the one that the authors of this bill in 1995 told us would still be open, which is that they were not going to touch the State securities laws, that we should not complain, because people can still go to their own home States.

That is the loophole. The loophole is that people who do not want ordinary citizens to be able to ban together in order to protect themselves against fraud are going to have that final door shut in their face with a much-heightened standard, making it much more difficult than ever before for individuals banding together to go in if they have been defrauded.

And believe me, when the market goes up 4,000 or 5,000 points in 3 or 4 years, the bad stocks and the fraudulent stocks go up with the good stocks. You do not find out which ones were the fraudulent ones until the market goes down. Believe me, Newton's law of gravity will take hold here, working in combination with Adam Smith in the future. We will find out that that is the case.

But what do they do? They say, if you find out that you have been defrauded, you cannot any longer rely upon your State's laws for how much time you have. In Massachusetts right now, my home State, by the way, there have only been three class action suits brought in Massachusetts in the last 3 years. Three in 3 years, none of them against high-tech companies. What an epidemic. Three in 3 years. None against high-tech companies.

There are 65 in California. If they have got a problem in California, go to Sacramento. That is why we have State legislatures. Devolution, have you heard about it? It is a big movement in the 1990s. Go to the State legislatures. If you have got a problem, go there.

We should be voting on this. The assembly? The Senate? California? Big debate? Have you heard about it? No, I have not. They come to Washington. I do not get it.

We do not have a problem in Massachusetts. By the way, none in Pennsylvania, Virginia, Louisiana, across most of the country, no suits. What are we doing here? We should be in Sacramento. It is cooler. It is 95 degrees here in Washington. We should be watching the California State legislature in California debating this great crisis.

No, there is no man on the stair except for those who are trying to cut away those rights and privileges that for 60 years have been given to all investors across this country.

Mr. Speaker, I include the following comparison for the RECORD:

STATE BY STATE COMPARISON OF STATUTE OF LIMITATIONS AND AIDING AND ABETTING LIABILITY

Locality	Statute of Limitations	Aiding and Abetting
Federal	1 year after discovery/3 years from sale.	No.
Alabama	2 years after discovery of the facts.	Yes.
Alaska	3 years from the contract for sale	Yes.
Arizona	2 years after discovery of the facts.	Yes.
Arkansas	5 years after discovery	Yes.
California	1 year after discovery/4 years from sale.	Yes.
Colorado	3 years after discovery/5 years from sale.	Yes.
Connecticut	1 year after discovery/3 years from sale.	Yes.
Delaware	3 years from the contract for sale	Yes.
D.C.	2 years from the transaction upon which it is based.	Yes.
Florida	2 years after discovery/5 years from sale.	Yes.
Georgia	2 years from the transaction upon which it is based.	Yes.
Hawaii	2 years after discovery/5 years from sale.	Yes.
Idaho	3 years from the contract of sale	Yes.
Illinois	3 years after discovery/5 years from sale.	Yes.
Indiana	3 years after discovery of the facts.	Yes.
Iowa	2 years after discovery/5 years from sale.	Yes.
Kansas	3 years after discovery of the facts.	Yes.
Kentucky	3 years from the contract for sale	Yes.
Louisiana	2 years from the transaction upon which it is based.	Yes.
Maine	2 years after discovery of the facts.	Yes.
Maryland	1 year after discovery/3 years from sale.	Yes.
Massachusetts	4 years after discovery	Yes.
Michigan	2 years after discovery/4 years from sale.	Yes.
Minnesota	3 years from the contract for sale	Yes.
Mississippi	2 years after discovery of the facts.	Yes.
Missouri	3 years from the contract for sale	Yes.
Montana	2 years after discovery/5 years from sale.	Yes.
Nebraska	3 years from the contract for sale	Yes.
Nevada	1 year after discovery/5 years from sale.	Yes.
New Hampshire	6 years from the contract for sale	Yes.
New Jersey	2 years after discovery of the facts.	Yes.
New Mexico	2 years after discovery/5 years from sale.	Yes.
New York	6 years after sale	Yes.
North Carolina	2 years after discovery of the facts.	Yes.
North Dakota	5 years after discovery of the facts.	Yes.
Ohio	2 years after discovery/4 years from sale.	Yes.
Oklahoma	2 years after discovery/3 years from sale.	Yes.
Oregon	2 years after discovery/3 years from sale.	Yes.
Pennsylvania	1 year after discovery/4 years from sale.	Yes.
Rhode Island	1 year after discovery/3 years from sale.	Yes.
South Carolina	3 years from the contract for sale	Yes.
South Dakota	2 years after discovery/3 years from sale.	Yes.
Tennessee	1 year after discovery/2 years from sale.	Yes.
Texas	3 years from discovery/5 years from sale.	Yes.
Utah	2 years after discovery/4 years from sale.	Yes.
Vermont	6 years from the contract for sale	Yes.
Virginia	2 years from the transaction upon which it is based.	Yes.
Washington	3 years after discovery of the facts.	Yes.
West Virginia	3 years from the contract for sale	Yes.
Wisconsin	3 years after discovery of the facts.	Yes.
Wyoming	2 years from the transaction	Yes.

Mr. BLILEY. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. DICKEY). The gentleman from Virginia (Mr. BLILEY) has 7¾ minutes remaining.

Mr. BLILEY. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. COX).

Mr. COX of California. Mr. Speaker, I appreciate, too, my colleague's remarks. I have not heard that poem for a while, even though I have little kids age 5 and 4. But I do think of Little Red Riding Hood. Do you remember when the wolf is licking his chops and so on? Here, it is not the investors that the wolf is worried about. The wolf wants to eat the investors.

The stockholders here are being taken advantage of by lawyers who bring lawsuits for their own benefit, and that is what the 1995 Private Securities Litigation Reform Act was all about.

There are a lot of these suits. There have been a lot of these suits. Over half of the top 150 companies in Silicon Valley alone were hit by such suits that were regulated by the 1995 Private Securities Regulation Reform Act.

The enormous price that investors had to pay in these suits, according to one study, amounted on average to $9 million for each settlement. That comes out of the company, out of the investors' hides. But it goes to the lawyers. The plaintiffs, the supposed beneficiaries of this system, on average, received from these $9 million, on average, settlements between 6 cents and 14 cents on the dollar.

That is why such a strong bipartisan majority of the House and the Senate have acted first to bring us the 1995 Private Securities Litigation Reform Act and now to bring us this very, very worthy legislation, the White-Eshoo Securities Litigation Uniform Standards Act of 1998.

I want to join in congratulating my colleagues, the gentleman from Washington (Mr. WHITE) and the gentlewoman from California (Ms. ESHOO) for their tireless efforts on behalf of this legislation as well as the gentleman from Virginia (Mr. BLILEY) and the gentleman from Ohio (Mr. OXLEY) for their leadership in bringing to us this point.

In addition, finally, I want to highlight a provision added in the committee by the gentleman from Virginia (Mr. BLILEY) that gets directly to the point raised by my colleague, the gentleman from Massachusetts (Mr. MARKEY), and that is giving States the opportunity themselves to handle the implementation of their own laws.

The continued viability of the section 3(a)(10) of the Securities Act of 1933 is unwritten in this legislation, as well as it should be, and I thank my colleagues for doing such good and worthy work.

A strong bipartisan majority of the House and Senate acted in 1995 to reorient federal securities litigation to encourage investors to bring meritorious claims while protecting innocent employers from meritless extortion suits. We acted to protect the millions of innocent investors who were bearing the cost of meritless lawsuits while gaining little or no recompense for genuine fraud.

In 1996, strong bipartisan majorities of the House and Senate again turned to the issue of securities law, this time addressing the appropriate division of labor between state and federal securities regulators. In that historic bill we determined that "covered securities"—basically, those traded on national exchanges—would be subject to federal regulation, while non-covered securities would be regulated by the states.

Today we are going to continue our work in this field of law by protecting the gains we made in the 1995 Reform Act from circumvention by entrepreneurial trial lawyers, and by harmonizing the 1995 Reform Act and the 1996 National Markets legislation.

Trial lawyers have sought to get around our 1995 reforms by bringing their suits in state courts, where those reforms do not apply. Yet as our capital markets are national, and thus investors may live in any of the 50 states, bringing a suit in one state unfairly imposes a financial burden on residents of another state. To address this inequity and assert that national markets require nationally applied rules, this legislation will make federal courts the exclusive venue for large-scale securities fraud lawsuits involving securities subject to federal regulation under the 1996 National Markets Act.

Because questions have been raised about the 1995 Reform Act both in Committee and in the other body, I would like to take this opportunity—as a principal proponent of the Act—to discuss what Congress did, and did not, do in 1995.

First, with respect to scienter under the 1934 Act: In *Ernst & Ernst* v. *Hochfelder*, the Supreme Court made clear that, as a necessary element of a cause of action under Rule 10b–5, a plaintiff must show that the defendant acted with "scienter," which the Court described as "a mental state embracing intent to deceive, manipulate, or defraud." [425 U.S. 185 (1976)] The Court in *Hochfelder* expressly left open the question whether extreme recklessness could ever supply this necessary intent element, although subsequent judicial decisions have noted that the language and structure of the Act "evidenced a purpose to proscribe knowing or intentional misconduct." [*Aaron* v. *SEC*, 680, 691 (1980)]

Many Members of Congress and of the Conference Committee that considered the Reform Act believed then, and believe today, that recklessness—the oxymoronic "unintentional fraud"—is not an appropriate or workable basis for Rule 10b–5 liability. In practice, it has proven difficult to distinguish from certain forms of negligence, and has resulted in little uniformity of treatment among even courts that purport to follow the same standard of scienter.

However, other House and Senate Members felt differently, and the Act as enacted left to the courts the determination of the scienter standard on the basis of the pre-existing, unamended 1934 Act. I, for one, believe that the Supreme Court will ultimately determine that the text, structure, and legislative history of the 1934 Act clearly require intentional conduct to impose liability.

With respect to the pleading standard in the 1995 Act, here again the legislative intent is quite clear that we intended to codify a pleading standard higher than that of the Second Circuit, and that we did not intend to codify or incorporate by reference the Second Circuit's caselaw interpreting that caselaw. As explained in the Statement of Managers, "The Conference Committee language is based in part on the pleading standard of the Second Circuit . . . Because the Conference Committee intends to strengthen existing pleading requirements, it does not intend to codify the Second Circuit's caselaw interpreting this pleading standard." And we went on to specifically explain that this was the reason why we dropped the so-called Specter Amendment on motive, opportunity, and recklessness—because we wanted a standard higher than the Second Circuit's, not because the Specter language was implicit in our own Act's language.

The President was certainly quite clear about our Conference Report language: In his December 20, 1995 veto message, he wrote, and I am quoting:

> I am prepared to support the high pleading standard of the U.S. Court of Appeals for the Second Circuit—the highest pleading standard of any Federal circuit court. But the conferees make crystal clear in the Statement of Managers their intent to raise the standard even beyond that level. I am not prepared to accept that. The conferees deleted an amendment offered by Senator Specter and adopted by the Senate that specifically incorporated Second Circuit case law with respect to pleading a claim of fraud. Then they specifically indicated that they were not adopting Second Circuit case law but instead intended to "strengthen" the existing pleading requirements of the Second Circuit. All this shows that the conferees meant to erect a higher barrier to bringing suit than any now existing . . .

The President correctly described the 1995 Reform Act's intent though not its effect. It's ironic that he and other Members of his party, having failed to kill reform openly in 1995, now seek to rewrite the history of the battle they lost.

In addition, I want to again highlight a provision added in the Committee by Chairman BLILEY that makes a technical correction to the 1996 Fields bill. This correction restores the viability of Section 3(a)(10) of the Securities Act of 1933, which provides a voluntary state-law alternative to federal securities registration. This provision—which has been an unamended part of the 1933 Act since the enactment of that legislation, exempts from federal registration securities issued in exchange for other securities, claims, or property interests, if the terms and conditions of the issuance and exchange have been approved as fair by state authorities. It is purely voluntary; issuers may still seek federal registration if they wish. Although the 1996 Act does not amend Section 3(a)(10), it inadvertently impeded its operation. I appreciate the Chairman's consideration in including a curative technical amendment endorsed by the California securities regulatory authority in the manager's amendment.

I look forward to the House's passage of this legislation, and I thank the Chairman and my colleagues for their tireless efforts on behalf of this legislation. Together we have protected investors from frivolous lawsuits in the past, and today we shall ensure that this stands in the future.

Mr. STUPAK. Mr. Speaker, I yield 1½ minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, 1995 is a part of Speaker GINGRICH's Contract With America as Congress passed a bill that was called the Private Securities Litigation Reform Act.

The net result of it was that the only way that a person who intentionally defrauded hard working Americans or retirees of their pension funds can be convicted of doing so would be to walk into a courtroom and say "I stole from you." Just a handful of us voted against it. The President vetoed it. Then a handful of us voted against it again.

Some people who care about working people who do not hang out at the Republican National Committee fund-raising headquarters or the Democratic National Committee fund-raising headquarters but actually care about working people have discovered there is still one chance to keep these people from defrauding working people; and that is if we take them to State court.

Now they want to take even that away because they do not want to protect them because there is no big money in it. The big money is in defrauding people. Ask Michael Milliken. This is a horrible bill. It hurts people that live in my district. It hurts people that live in your district.

They count on us to protect them. They count on us to protect them. They do not have any money. They cannot write us $1,000 checks for our campaign. But they count on us to pass laws that are going to look out for them because they are too busy making a living to do it themselves. So if you want to defraud them of their pension, vote for it. But if you do not, vote against it.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. COX).

Mr. COX of California. Mr. Speaker, I rise for a colloquy with the gentlewoman from California, the principal Democratic sponsor of H.R. 1689.

I note that some question was raised during consideration of her legislation about the 1995 Reform Act's effect on standards of liability under the Exchange Act.

Is it the gentlewoman's understanding that, in adopting her legislation today, Congress does not intend to alter standards of liability under the Exchange Act?

Mr. Speaker, I yield to the gentlewoman from California.

Ms. ESHOO. Mr. Speaker, it is my clear understanding that, adopting this legislation, Congress does not intend to alter standards of liability under the Exchange Act.

I would further like to ask the gentleman from California, who was author of the '95 Reform Act, whether it is his understanding that Congress did not, in adopting the Reform Act, intend to alter standards of liability under the Exchange Act?

Mr. COX of California. The gentlewoman is correct. It is my clear understanding that Congress did not, in adopting the Reform Act, intend to alter standards of liability under the Exchange Act.

Mr. STUPAK. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from Michigan has 5½ minutes remaining.

Mr. STUPAK. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL), the ranking member of the Committee on Commerce.

Mr. DINGELL. Mr. Speaker, as Yogi Berra said, this is deja vu all over again. In 1995, my Republican colleagues came up with a splendid idea that we should close the courthouse door to innocent investors who had been wronged by scoundrels, rogues and rascals. They found that there was a loophole, however. That loophole is that, guess what, could investors still go to the State courts. But that was exactly what the citizens were told they could do when we passed that earlier legislation.

Now we are closing that loophole and we are going to nail shut the courthouse doors of the State courts so a citizen wronged cannot now go to a State court.

The 1995 act imposed extraordinary pleading standards, a stay of discovery so that special facts necessary to meet those heightened pleading standards could not be reached, and an unreasonably short time limit or statute of limitations for filing a fraud claim, and no ability existed under that law to fully recover from professionals such as accountants and lawyers who aided and abetted in stealing funds from innocent investors.

Those same standards are now extended to State courts by fiat of the Federal Government.

I am curious why it is my colleagues on the Republican side, who talk about States rights, are so diligently imposing this kind of mandate on investors and upon the States.

There may be no real ability now, if this passes, for innocent investors to procure the relief that they are entitled to, and. The Chairman of the SEC wrote that: "it is too early to assess with any confidence the important effects of the Reform Act and, therefore, on this basis, it is premature to propose legislative changes."

The assessment of what we did in 1995 is going to take a long time, but it is very clear that now Federal courts are ruling so restrictively that they threaten almost all private enforcement.

The SEC has filed complaints with the courts pointing out in amicus curiae briefs the evils of this situation. What are we doing today? Nailing shut the State court doors, and we are fixing it so that no little investor can expect much relief in State courts any more than he can in Federal courts.

We do this at a time when the market is at an all time high. We also do it at a time when securities fraud is up, way up. The New York Attorney General has reported that investor complaints have risen 40 percent per year in the last 2 years. The U.S. Attorney in New York City has stated that she has witnessed an explosion of securities fraud; and organized crime has now infiltrated Wall Street.

Why then are we passing legislation to give immunity baths to wrongdoers and also to aiders and abetters?

Finally, I note that Members have not had adequate time to review the committee report. I want to commend my good friend the gentleman from Virginia (Mr. BLILEY) and the distinguished gentlewoman from California (Ms. ESHOO) for their part in this. We narrowly avoided a train wreck over the last 2 days because there was an effort made to insert language into the committee report that would have made the plight of investors totally hopeless, and I do commend my friend, the chairman of the committee and of the subcommittee, and the bill's sponsors for blocking that effort.

During the hearing before the subcommittee, the SEC expressed clear concern about District Court cases interpreting the 1995 pleading standards. All 10 Courts of Appeals have considered that question and held that recklessness gives rise to liability.

I note that the legislative history for H.R. 1689 will not seek to alter the standard of liability under the Exchange Act.

Mr. Speaker, I include copies of important letters from the White House, the SEC, the leadership of the Senate Banking Committee on this matter, as follows:

THE WHITE HOUSE,
Washington, April 28, 1998.

Hon. ALFONSE M. D'AMATO,
Chairman, Committee on Banking, Housing & Urban Affairs, U.S. Senate, Senate Hart Office Building, Washington, DC.

Hon. PHIL GRAMM,
Chairman, Subcommittee on Securities, U.S. Senate, Senate Russell Office Building, Washington, DC.

Hon. CHRISTOPHER J. DODD,
Ranking Member, Subcommittee on Securities, U.S. Senate, Senate Russell Office Building, Washington, DC.

DEAR CHAIRMAN D'AMATO, CHAIRMAN GRAMM, AND SENATOR DODD: We understand that you have had productive discussions with the Securities and Exchange Commission (SEC) about S. 1260, the Securities Litigation Uniform Standards Act of 1997. The Administration applauds the constructive approach that you have taken to resolve the SEC's concerns.

We support the amendments to clarify that the bill will not preempt certain corporate governance claims and to narrow the definition of class action. More importantly, we are pleased to see your commitment, by letter dated March 24, 1998, to Chairman Levitt and members of the Commission, to restate in S. 1260's legislative history, and in the expected debate on the Senate floor, that the Private Securities Litigation Reform Act of 1995 did not, and was not intended to, alter the scienter standard for securities fraud actions.

As you know, uncertainty about the impact of the Reform Act on the scienter standard was one of the President's greatest concerns. The legislative history and floor statements that you have promised the SEC and will accompany S. 1260 should reduce confusion in the courts about the proper interpretation of the Reform Act. Since the uniform standards provided by S. 1260 will provide that class actions generally can be brought only in federal court, where they will be governed by federal law, it is particularly important to the President that you be clear that the federal law to be applied includes recklessness as a basis for pleading and liability in securities fraud class actions.

So long as the amendments designed to address the SEC's concerns are added to the legislation and the appropriate legislative history and floor statements on the subject of legislative intent are included in the legislative record, the Administration would support enactment of S. 1260.

Sincerely,

BRUCE LINDSEY,
Assistant to the President and Deputy Counsel.
GENE SPERLING,
Assistant to the President for Economic Policy.

U.S. SENATE,
Washington, DC, March 24, 1998.

Hon. ARTHUR LEVITT,
Chairman, Securities & Exchange Commission, Washington, DC.

DEAR CHAIRMAN LEVITT AND MEMBERS OF THE COMMISSION: We are writing to request your views on S. 1260, the Securities Litigation Uniform Standards Act of 1997. As you know, our staff has been working closely with the Commission to resolve a number of technical issues that more properly focus the scope of the legislation as introduced. We attach for your review the amendments to the legislation that we intend to incorporate into the bill at the Banking Committee mark-up.

On a separate but related issue, we are aware of the Commission's long-standing concern with respect to the potential scienter requirements under a national standard for litigation. We understand that this concern arises out of certain district courts' interpretation of the Private Securities Litigation Reform Act of 1995. In that regard, we emphasize that our clear intent in 1995—and our understanding today—was that the PSLRA did not in any way alter the scienter standard in federal securities fraud suits. It was our intent, as we expressly stated during the legislative debate in 1995, particularly during the debate on overriding the President's veto, that the PSLRA adopt the pleading standard applied in the Second Circuit. Indeed, the express language of the statute itself carefully provides that plaintiffs must "state with particularity facts giving rise to a strong inference that the defendant acted with the required state of mind"; the law makes no attempt to define the state of mind. We intend to restate these facts about the '95 Act in both the legislative history and the floor debate that will accompany S. 1260, should it be favorably reported by the Banking Committee.

Sincerely,

ALFONSE M. D'AMATO,
Chairman, Committee on Banking, Housing & Urban Affairs.
PHIL GRAMM,
Chairman, Subcommittee on Securities.
CHRISTOPHER J. DODD,
Ranking Member, Subcommittee on Securities.

U.S. SECURITIES
AND EXCHANGE COMMISSION
Washington, DC, March 24, 1998.

Hon. ALFONSE M. D'AMATO,
Chairman, Committee on Banking, Housing & Urban Affairs, U.S. Senate, Senate Hart Office Building Washington, DC.

Hon. PHIL GRAMM,
Chairman, Subcommittee on Securities, U.S. Senate, Senate Russell Office Building, Washington, DC.

Hon. CHRISTOPHER J. DODD,
Ranking Member, Subcommittee on Securities, United States Senate, Senate Russell Office Building, Washington, DC.

DEAR CHAIRMAN D'AMATO, CHAIRMAN GRAMM, AND SENATOR DODD: You have requested our views on S. 1260, the Securities Litigation Uniform Standards Act of 1997, and amendments to the legislation which you intend to offer when the bill is marked-up by the Banking Committee. This letter will present the Commission's position on the bill and proposed amendments. (We understand that Commissioner Johnson will write separately to express his differing views. Commissioner Carey is not participating.)

The purpose of the bill is to help ensure that securities fraud class actions involving certain securities traded on national markets are governed by a single set of uniform standards. While preserving the right of individual investors to bring securities lawsuits wherever they choose, the bill generally provides that class actions can be brought only in federal court where they will be governed by federal law.

As you know, when the Commission testified before the Securities Subcommittee of the Senate Banking Committee in October 1997, we identified several concerns about S. 1260. In particular, we stated that a uniform standard for securities fraud class actions that did not permit investors to recover losses attributable to reckless misconduct would jeopardize the integrity of the securities markets. In light of this profound concern, we were gratified by the language in your letter of today agreeing to restate in S. 1260's legislative history, and in the expected debate on the Senate floor, that the Private Securities Litigation Reform Act of 1995 did not, and was not intended to, alter the well-recognized and critically important scienter standard.

Our October 1997 testimony also pointed out that S. 1260 could be interpreted to preempt certain state corporate governance claims, a consequence that we believed was neither intended nor desirable. In addition, we expressed concern that S. 1260's definition of class action appeared to be unnecessarily broad. We are grateful for your responsiveness to these concerns and believe that the amendments you propose to offer at the Banking Committee mark-up, as attached to your letter, will successfully resolve these issues.

The ongoing dialogue between our staffs has been constructive. The result of this dialogue, we believe, is an improved bill with legislative history that makes clear, by reference to the legislative debate in 1995, that Congress did not alter in any way the recklessness standard when it enacted the Reform Act. This will help to diminish confusion in the courts about the proper interpretation of that Act and add important assurances that the uniform standards provided by S. 1260 will contain this vital investor protection.

We support enactment of S. 1260 with these changes and with this important legislative history.

We appreciate the opportunity to comment on the legislation, and of course remain committed to working with the Committee as S. 1260 moves through the legislative process.

Sincerely,

ARTHUR LEVITT,
Chairman.
ISSAC C. HUNT, JR.,
Commissioner.
LAURA S. UNGER,
Commissioner.

U.S. SECURITIES
AND EXCHANGE COMMISSION,
Washington, DC, March 24, 1998.

Hon. ALFONSE M. D'AMATO,
Chairman, Committee on Banking, Housing & Urban Affairs, U.S. Senate, Senate Hart Office Building, Washington, DC.

Hon. PHIL GRAMM,
Chairman, Subcommittee on Securities, U.S. Senate, Senate Russell Office Building, Washington, DC.

Hon. CHRISTOPHER J. DODD,
Ranking Member, Subcommittee on Securities, U.S. Senate, Senate Russell Office Building, Washington, DC.

DEAR CHAIRMAN D'AMATO, CHAIRMAN GRAMM, AND SENATOR DODD: It is with regret that I find myself unable to join in the views expressed by my esteemed colleagues in their letter of today's date. For that reason I feel compelled to write separately to express my own differing views.

Consistent with the opinion the Commission and its staff have repeatedly taken, I believe that there has been inadequate time to determine the overall effects of the Private Securities Litigation Reform Act of 1995, and that the proponents of further litigation reform have not demonstrated the need for preemption of state remedies or causes of action at this time.

In the last few years, we have experienced a sustained bull market virtually unmatched at any time during this nation's history. I therefore question the necessity of the displacement of state law in favor of a single set of uniform federal standards for securities class action litigation. The Commission is the federal agency charged with protecting the rights of investors. In my opinion, S. 1260, the Securities Litigation Uniform Standards Act of 1997, does not promote investors' rights. I share in the views of 27 of this country's most respected securities and corporate law scholars who have urged you and your colleagues not to support S. 1260 or any other legislation that would deny investors their right to sue for securities fraud under state law.

In addition, data amassed by the Commission's staff, compiled in unbiased external studies, indicate that the number of state securities class actions has declined during the last year to pre-Reform Act levels. Indeed, a report by the National Economic Research Associates concluded that the number of state court filings in 1996 was "transient." Under these circumstances, S. 1260 seems premature at the least.

This country has a distinguished history of concurrent federal and state securities regulation that dates back well over 60 years. Given that history, as well as the strong federalism concerns that S. 1260 raises, I believe that much more conclusive evidence than currently exists should be required before state courthouse doors are closed to small investors through the preclusion of state class actions for securities fraud.

Sincerely,

NORMAN S. JOHNSON,
Commissioner.

Mr. Speaker, in closing, this is an outrageously bad bill. The Wall Street and our financial markets do not run on money. They run on public confidence. When you take away the public confidence, no one makes money. If you allow the people of this country to have confidence in their investments and in the marketplace, the market will produce a lot of money for everyone.

This bill strikes at one of the most fundamental rights that the people of this country have, the ability to sue to protect themselves from wrongdoing and to collect damages from wrongdoing and from wrongdoers. I would observe that this bill takes away that right.

It also attacks public confidence in the securities market, something which is going to cost this country dearly. I urge a no vote on the outrageous legislation.

□ 2100

Mr. BLILEY. Mr. Speaker, I yield one minute to the gentleman from New York (Mr. MANTON), the ranking member of the subcommittee.

Mr. STUPAK. Mr. Speaker, I yield the balance of my time, 30 seconds, to the gentleman from New York, in appreciation for the time the gentleman has served in this House.

The SPEAKER pro tempore (Mr. DICKEY). The gentleman from New York (Mr. MANTON) is recognized for 1½ minutes.

Mr. MANTON. Mr. Speaker, I thank the gentlemen for yielding me time.

Mr. Speaker, I rise in reluctant support for the legislation before the House. While I support the underlying goals of the measure to bring greater uniformity to the rules governing securities fraud class action suits, I am concerned that in our rush to bring this bill to the floor for consideration, we are not following the normal legislative process.

Mr. Speaker, this is an important and complicated piece of legislation which will have far-reaching effects. The bill requires and deserves appropriate review by the House. However, both proponents and opponents of this legislation are being denied this opportunity because we are considering the legislation under suspension of the rules.

I am especially disappointed in the process we are following, because it will result in a provision I strongly support and believe brought much-needed balance to this measure being stripped from the bill as part of the motion to suspend. This provision would have granted nationwide service of process authority to the SEC, thus providing the Commission a greater ability to prosecute cases involving securities fraud.

Mr. Speaker, while we look at ways to create national uniform standards for securities fraud litigation, we should also certainly look at ways to give State and Federal securities regulators the means necessary to seek out and stop dishonest operators that perpetuate securities fraud across State lines. My language, a provision which was part of an overall agreement, a compromise, if you will, to move this legislation forward, would have addressed this very issue.

Mr. Speaker, I understand that the decision to strike this provision rests primarily on jurisdictional grounds, not necessarily substantive ones. I hope we can work this out with our colleagues as the process moves along.

Mr. BLILEY. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. DEUTSCH), a member of the committee.

Mr. DEUTSCH. Mr. Speaker, I want to focus in on two issues that my colleagues raised. The first is that frivolous lawsuits have a cost. They have a cost for all Americans. They have a cost in access to capital, they have a cost in lack of job creation.

That is what this issue is really about. We have seen it, we have seen an actual cost. The strike lawsuits that still exist in this country that found a loophole that this legislation is trying to correct have a terrible effect on the country, and the only way to prevent it is through this legislation.

The second thing I want to respond to is really some of the comments about the number of lawsuits, that it is a problem that does not exist. Let me be very clear about this, how you can use numbers and sort of play around with numbers.

In 1992, there were only four State cases that were brought on this issue. In 1993 there was one. In 1994 there was one. After we passed the legislation, there were 59 in 1995. In 1996, there were 40. So, yes, there was a decrease between 1995 and 1996, but the only reason we saw a 6,000 percent increase over 1995 levels and 4,000 percent increase over 1995 levels was because of the loophole that this legislation needs to be able to solve.

Mr. Speaker, I urge its support.

Mr. BLILEY. Mr. Speaker, I yield the balance of my time to the gentleman from Ohio (Mr. OXLEY), the chairman of the subcommittee, to close debate on our side.

Mr. OXLEY. Mr. Speaker, I rise in support of this legislation to close the loophole that enables plaintiff's lawyers to continue to sue for what Judge Friendly called "blackmail settlements." Blackmail settlements occur, of course, when trial lawyers attempt to hold up very effective companies who have had particular problems with their stock and end up spending a great deal of money that could be used for more useful purposes, like research and development and creating jobs, aiding economic expansion. And who pays for that? Really investors do. The company's shareholders and employees lose every time that the company has to pay off a passel of lawyers just to settle a case based on nothing other than one fact, that the company's stock dropped in value, along with some vague nonspecific and baseless allegations of fraud.

The Private Securities Litigation Reform Act put into place protections against these types of claims, and, indeed, what we have seen over the last several months has been a deterioration of that, and, indeed, the loophole that the gentleman from Michigan pointed out has been widening as the days go by.

Since passage of that Reform Act, however, we have seen a dramatic change in that securities litigation. But like a teenager who cleans his room by putting everything under the bed, we have not really eliminated the problem, it just moved. In this case it moved to the State court.

The shift to State court means that investors, employees and the companies seeking capital are wasting valuable resources paying off lawyers, who continue to be successful in extracting blackmail settlements from companies who cannot afford to fight even baseless securities fraud claims.

This legislation before us today eliminates the State court loophole by creating a set of uniform standards for class action lawsuits and eliminates a lot of these fishing expeditions that take place as a result. It does this by granting Federal judges the power to quash discovery in State actions if that discovery conflicts with the order of the Federal court.

I want to thank particularly my good friend, the gentleman from Washington (Mr. WHITE), as well as the gentlewoman from California (Ms. ESHOO), the lead Democrat sponsor, for their indefatigable efforts on the part of this legislation.

I want to thank the chairman of the committee, the gentleman from Virginia (Mr. BLILEY), for leading the committee to develop and improve this legislation.

Mr. Speaker, I want to pay particular thanks to the gentleman from New York (Mr. MANTON), the ranking member of my subcommittee, who has been very helpful in this area. Let me first of all say that we will all miss the gentleman from New York (Mr. MANTON) and his good work here, and we hope to have words later for him in honoring him. But let me say to my friend from New York that I pledge to work with him as we go to conference on the provision that the gentleman had inserted into this legislation. It is important, not only for the State of New York, but for the SEC and for states in general. We want to make certain. It is unfortunate because of a jurisdictional dispute that we had this.

This is good legislation that closes a major loophole. I am proud of the bipartisan support that this bill has engendered.

Ms. ESHOO. Mr. Speaker, I ask unanimous consent to extend the debate by 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

Mr. DINGELL. Mr. Speaker, reserving the right to object, how is the time to be divided and why we are doing this?

The SPEAKER pro tempore. The Chair recognizes that there is an equal division of the time, 1 minute on either side. The gentlewoman from California (Ms. ESHOO) will control 1 minute, and the gentleman from California (Mr. COX) will control 1 minute.

PARLIAMENTARY INQUIRIES

Mr. DINGELL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DINGELL. Mr. Speaker, the gentleman from California (Mr. COX) is for the bill and the gentlewoman from California (Ms. ESHOO) is for the bill. They are going to share the time equally, half the time over there and half the time to the supporters on this side? I am curious, is that a fair ruling?

The SPEAKER pro tempore. The Chair heard no objection to the unanimous consent request.

Mr. STUPAK. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. STUPAK. Mr. Speaker, it is my understanding that the proponents of the bill would like to insert a statement to put in as an addition to the debate. Instead of taking up 2 minutes, can we just do it by unanimous consent? That way we do not have to worry about division of time.

The SPEAKER pro tempore. Colloquy must be spoken and not inserted in the record.

Mr. DINGELL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The SPEAKER pro tempore. The gentlewoman from California (Ms. ESHOO) is recognized for 1 minute.

Ms. ESHOO. Mr. Speaker, I yield myself 1 minute, and would ask the gentleman from California (Mr. COX) to begin the colloquy.

Mr. COX of California. Mr. Speaker, will the gentlewoman yield?

Ms. ESHOO. I yield to the gentleman from California.

Mr. COX of California. Mr. Speaker, I thank my colleague from California, the coauthor of the bill, for yielding.

Mr. Speaker, earlier on the floor we had discussed our understanding, our clear understanding, that Congress did not, in adopting the Reform Act, intend to alter standards of liability under the Exchange Act. I would add, and I believe the gentlewoman is in agreement, that in Ernst and Ernst v. Hochfelder, the Supreme Court left open the question of whether conduct that was not intentional was sufficient for liability under the Federal securities laws. The Supreme Court has never answered that question. The court expressly reserved the question of whether reckless behavior is sufficient for civil liability under section 10(b) and Rule 10b-5 in a subsequent case, Herman & Maclean v. Huddleston, where it stated, "We have explicitly left open the question of whether recklessness satisfies of the scienter requirement."

The Reform Act did not alter the standard for liability under the Exchange Act. The question was expressly left open by the Reform Act for resolution by the Supreme Court on the basis of the statutory language of the Exchange Act.

The SPEAKER pro tempore. The time of the gentlewoman from California (Ms. ESHOO) has expired.

The gentleman from California (Mr. COX) is recognized for 1 minute.

Mr. COX of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Mr. Speaker, I will just ask the gentlewoman from California (Ms. ESHOO), if that is her understanding as well?

Ms. ESHOO. Mr. Speaker, will the gentleman yield?

Mr. COX of California. I yield to the gentlewoman from California.

Ms. ESHOO. Mr. Speaker, that is my understanding. I thank everyone concerned for the additional time in the debate. This is important language supported by certainly the Chairman of the Securities and Exchange Commission, and I think it will serve the House well.

Mr. DAVIS of Florida. Mr. Speaker, as a cosponsor of this legislation, I rise in strong support of H.R. 1689, the Securities Litigation Uniform Standards Act. This bipartisan initiative is narrowly tailored to address a problem which has arisen since enactment of the 1995 Private Securities Litigation Reform Act. While the 1995 Act was designed to help end abuses in Federal securities class actions, these reforms have been subverted through the use of State courts, undermining the potential benefits to investors, consumers, workers, and the overall economy.

This bill prevents plaintiffs from circumventing the reforms enacted in 1995 by creating a uniform standard for class action lawsuits involving nationally traded securities. The principle behind this legislation is simple. Nationally traded securities, which are primarily regulated by the Federal Government, should be subject to Federal securities law. By establishing fair and consistent rules, Congress not only will protect companies from abuses in class action lawsuits but also will improve the climate for greater forward-looking disclosures for investors.

Mr. Speaker, I urge all of my colleagues to support this common-sense legislation and reinforce the reforms that Congress passed by an overwhelming majority in 1995.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 1689, as amended.

The question was taken.

Mr. STUPAK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

REPORT ON DEVELOPMENTS CONCERNING NATIONAL EMERGENCY WITH RESPECT TO TERRORISTS THREATENING TO DISRUPT MIDDLE EAST PEACE PROCESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on the developments concerning the national emergency with respect to terrorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c).

1. On January 23, 1995, I signed Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process" (the "Order") (60 Fed. Reg. 5079, January 25, 1995). The Order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorist organizations that threaten the Middle East peace process as identified in an Annex to the Order. The Order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, who are found (1) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor, or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the Order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the Order (collectively "Specially Designated Terrorists" or "SDTs").

The Order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering.

Designations of persons blocked pursuant to the Order are effective upon the date of determination by the Secretary of State or her delegate, or the Director of the Office of Foreign Assets Control (OFAC) acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the Federal Register, or upon prior actual notice.

Because terrorist activities continue to threaten the Middle East peace process and vital interests of the United States in the Middle East, on January 21, 1998, I continued for another year the national emergency declared on January 23, 1995, and the measures that took effect on January 24, 1995, to deal with that emergency. This action was taken in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)).

2. On January 25, 1995, the Department of the Treasury issued a notice listing persons blocked pursuant to Executive Order 12947 who have been designated by the President as terrorist organizations threatening the Middle East peace process or who have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations (60 Fed. Reg. 5084, January 25, 1995). The notice identified 31 entities that act for or on behalf of the 12 Middle East terrorist organizations listed in the Annex to Executive Order 12947, as well as 18 individuals who are leaders or representatives of these groups. In addition, the notice provided 9 name variations or pseudonyms used by the 18 individuals identified. The list identifies blocked persons who have been found to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process or to have assisted in, sponsored, or provided financial, material or technological support for, or services in support of, such acts of violence, or are owned or controlled by, or act for or on behalf of other blocked persons. The Department of the Treasury issued three additional notices adding the names of three individuals, as well as their pseudonyms, to the list of SDTs (60 Fed. Reg. 41152, August 11, 1995; 60 Fed. Reg. 44932, August 29, 1995; and 60 Fed. Reg. 58435, November 27, 1995).

3. On February 2, 1996, OFAC issued the Terrorism Sanctions Regulations (the "TSRs" or the "Regulations") (61 Fed. Reg. 3805, February 2, 1996). The TSRs implement the President's declaration of a national emergency and imposition of sanctions against certain persons whose acts of violence have the purpose or effect of disrupting the Middle East peace process. There have been no amendments to the TSRs, 31 C.F.R. Part 595, administered by the Office of Foreign Assets Control of the Department of the Treasury, since my report of January 28, 1998.

4. Since January 25, 1995, OFAC has issued six licenses pursuant to the Regulations. These licenses authorize payment of legal expenses and the disbursement of funds for normal expenditures for the maintenance of family members, the employment and payment of salary and educational expenses, payment for secure storage of tangible assets, and payment of certain administrative transactions, to or for individuals designated pursuant to Executive Order 12947.

5. The expenses incurred by the Federal Government in the 6-month period from January 23 through July 22, 1998, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to organizations that disrupt the Middle East Peace process, are estimated at approximately $165,000. These data do not reflect certain costs of operations by the intelligence and law enforcement communities.

6. Executive Order 12947 provides this Administration with a tool for combating fundraising in this country on behalf of organizations that use terror to undermine the Middle East peace process. The Order makes it harder for such groups to finance these criminal activities by cutting off their access to sources of support in the United States and to U.S. financial facilities. It is also intended to reach charitable contributions to designated organizations and individuals to preclude diversion of such donations to terrorist activities.

Executive Order 12947 demonstrates the determination of the United States to confront and combat those who would seek to destroy the Middle East peace process, and our commitment to the global fight against terrorism. I shall continue to exercise the powers at my disposal to apply economic sanctions against extremists seeking to destroy the hopes of peaceful coexistence between Arabs and Israelis as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 21, 1998.*

□ 2115

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. DICKEY). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

STARR'S CANDOR IN PLEDGING NOT TO LEAK INVESTIGATIVE INFORMATION IS CALLED INTO QUESTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, according to media reports, a hearing was held this morning on the issue of leaks by the Office of Independent Counsel Kenneth Starr.

The issue of leaks by the Independent Counsel and his staff is not new. Last month, Mr. Starr acknowledged in an interview that he has talked to reporters on an "off the record basis," and that his chief deputy, Mr. Jackie Bennet, Jr., spends much of his time talking to the media.

The Independent Counsel argues that there is nothing improper about his contacts with the media because he did not disclose any information coming directly from the grand jury. According to him, there is nothing wrong with talking to the press about his investigation so long as the information he reveals has not yet come before the grand jury. I find that overly technical distinction to be unpersuasive.

In the past, Mr. Starr has flatly denied leaking to the press. In fact, his earlier public statements took a hard line on the issue. He has said the following about the release of confidential information by his office:

"The release of any investigative information by a member of this office or any other law enforcement agency would constitute a serious breach of confidentiality." Ken Starr, Washington Times, April 30, 1996.

"Consistent with its historical practice, the Department of Justice does not ordinarily disclose the evidence gathered during an investigation except through the mechanism of indictment and trial. *See* 28 CFR §50.2." Annual Status Report to Congress By The Office of Independent Counsel Kenneth W. Starr, p. 13 (Aug. 9, 1997).

"[A]n independent counsel 'shall, except to the extent that to do so would be inconsistent with the purposes of the statute, comply with the written or other established policies of the Department of Justice respecting enforcement of the criminal laws.' 28 U.S.C. §594(f)(1)." Annual Status Report to Congress By The Office of Independent Counsel Kenneth W. Starr, p. 13 (Aug. 9, 1997).

"As much as I understand the questions that you have, I am operating under constraints of confidentiality. It is simply inappropriate, it's simply improper for me to be addressing questions in the course of an investigation." Ken Starr Press Conference, Jan. 22, 1998.

"I'm not going to comment on the status of our negotiations [with Ms. Lewinsky's lawyers]. That again, if you ask specific facts, Linda, which you're entitled to do, I just hope you understand, especially when you ask a kind of question about the status of someone who might be a witness, that goes to the heart of the grand jury process." Ken Starr Press Conference, Feb. 5, 1998.

The obligation of laws, I cannot answer some of the questions that you understandably have. I'm sympathetic with that. But I am under a legal obligation not to talk about facts going before the grand jury. Ken Starr Press Conference, Feb. 5, 1998.

I believe in having testimony and evidence put before 23 men and women drawn at random. That's our system. That is government by the people. It's not government by prosecutors. It's putting evidence before a grand jury. That is our system. It's a sound system. It's centuries old. It was ordained at the founding of the American republic. Part of that is, guard the confidentiality of that. Ken Starr Press Conference, Feb. 5, 1998.

"In my service as Independent Counsel, particularly with regard to the secrecy of the grand jury, I have insisted on a high commitment to professional conduct. I have expressed this commitment to you repeatedly. From the beginning, I have made the prohibition of leaks a principal priority of the Office. It is a firing offense, as well as one that leads to criminal prosecution. In the case of each allegation of improper disclosure, we have thoroughly investigated the facts and reminded the staff that leaks are utterly intolerable." Letter from Ken Starr to David Kendall, February 6, 1998, at p.1.

"In light of the unclear press attributions in some examples cited in your letter, I have undertaken an investigation to determine whether, despite my persistent admonitions, someone in this Office may be culpable. I have no factual basis—as you likewise do not have—even to suspect anyone at this juncture." Letter from Ken Starr to David Kendall, February 6, 1998, at p.1.

Mr. Starr's earlier statements to the public appear inconsistent with his more recent admission that he and his deputy routinely talk to the press. The changing positions he has taken raise questions about whether he has been fully candid about the extent of his dealings with the media.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING REVISIONS TO THE ALLOCATION FOR THE HOUSE COMMITTEE ON APPROPRIATIONS PURSUANT TO SECTION 2 OF THE HOUSE RESOLUTION 477

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio, Mr. KASICH, is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, pursuant to Sec. 314 of the Congressional Budget Act, I hereby submit for printing in the Congressional Record revisions to the allocation for the House Committee on Appropriations pursuant to section 2 of House Resolution 477 to reflect $475,000,000 in additional new budget authority and $475,000,000 in outlays for fiscal year 1999.

As reported by the House Committee on Appropriations, H.R. 4276, a bill making appropriations for Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Bill for Fiscal Year 1999, includes $475,000,000 in budget authority and $475,000,000 in outlays for international arrearages.

These adjustments shall apply while the legislation is under consideration and shall take effect upon final enactment.

Questions may be directed to Art Sauer or Jim Bates at x6–7270.

PATIENTS' BILL OF RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, there are times when issues impacting this country and the concerns of Americans and the concerns of our constituents, in this instance, my constituents in Houston and those in Texas, really grab hold of us. Frankly, I think the debate that we will have this week on the question of the Patients' Bill of Rights is one that really goes directly to the heart of the matter. Frankly, it is no issue to take lightly; it is no issue to take frivolous sides, to be partisan and to not come to a resolution. It is a very serious discussion.

Mr. Speaker, I am saddened by the fact that we have now thrown the gauntlet down on the Republican legislation and the Patients' Bill of Rights. I say Republicans over here, and the Patients' Bill of Rights, because that legislation truly represents what the American people want. It is disappointing to me that this House would rise to do something as important as answering the concerns of so many Americans about the abuses of HMOs and to design legislation with absolutely no hearings. I am very gratified today, however, that Democrats saw fit to hold hearings so that testimony could be heard in this Congress on the tragedy of some of the abuses of HMOs.

I think it is important to emphasize the positive, and that is that the Patients' Bill of Rights is centered around a major concept, and that is the sanctity of the patient-physician relationship. So there is no intervener who comes in and says, you are denied service. There is no one who closes the door to an injured loved one when one comes to the emergency room. There is no one who says to you that this service is not going to be paid for.

So many tragedies have occurred because HMOs have taken upon themselves to emphasize business decisions and cost decisions which certainly have merit for more efficient medical care, but they have decided to do that over the needs of those who need the kind of care that is important in America.

We have had women who have been denied the use of an OB-GYN as a primary caretaker. We have had people who have been turned away from the emergency rooms. We have had doctors who have been intimidated by bureaucrats in some other State saying, no, that service is denied. We have had those doctors and nurses who want to give real quality care being refused the ability to serve their respective patients, and then we have had a very funny system: Well, if you do not like what the HMOs have done, why do you not just appeal? Mr. Speaker, 2 weeks at a time to take an appeal. The Patients' Bill of Rights gives a little extra clout to the patient.

Mr. Speaker, we stand on the side of those who are intimidated and who are denied the service by giving them the ability to sue the HMOs. Is that the anchor of our legislation? Absolutely not. But we do recognize that the health care in America is broken and it needs to be fixed.

Let me suggest to my colleagues why, because today Democrats took a real bold step and listened to those individuals who wanted to tell us what had happened to them with HMOs.

Sharon Crossley of Wallingford, Connecticut. In 1997, Sharon was diagnosed with breast cancer. Four days before her surgery was scheduled, the HMO medical review doctor denied that surgery. After making countless calls to her HMO, she was told by a customer service agent that if she did not agree with her medical review doctor's decision, she could follow the internal written appeals procedure. HMO members were not allowed to speak to the medical review doctor. Time was running out. Sharon was 3 weeks into biopsy, and after a biopsy is performed, there is only a 3 or 4 week window to take the next course of action. Sharon contacted a local Member of Congress who got her the surgery.

In 1989 Florence and Wayne Cocoran tragically lost their baby boy when Florence's managed care plan denied hospitalization over her obstetrician's objections during her eighth month of high-risk pregnancy. Florence was faced with a high-risk pregnancy; her obstetrician ordered her hospitalized, as she had been successfully in a previous high-risk pregnancy, which resulted in a healthy baby, yet her managed care company overruled her doctor and denied the hospitalization, even though they had a second opinion agreeing with the doctor's advice. Instead, Cocoran's insurer ordered home nursing for only 10 hours each day. During the last month of Cocoran's pregnancy, when no nurse was on duty, the baby went into distress and the baby died.

The Republican plan leaves out 100 million Americans who need medical insurance and medical coverage.

Mr. Speaker, I simply say, let us pass a real Bill of Rights for the patients of America. Let us stand with those who count: Caretakers and patients and Americans.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BILIRAKIS (at the request of Mr. ARMEY) until 2:30 p.m. today on account of illness.

Mr. FORD (at the request of Mr. GEPHARDT) for Tuesday, July 21, on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. DEGETTE) to revise and extend their remarks and include extraneous material:)

Mr. FILNER, for 5 minutes, today.
Mr. CONYERS, for 5 minutes, today.
Mr. HOYER, for 5 minutes, today.
Mrs. TAUSCHER, for 5 minutes, today.
Ms. JACKSON-LEE of Texas, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Mrs. MALONEY of New York, for 5 minutes, today.

(The following Members (at the request of Mr. OXLEY) to revise and extend their remarks and include extraneous material:)

Mr. RAMSTAD, for 5 minutes, today.
Mr. SOUDER, for 5 minutes, today.
Mr. KASICH, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. DEGETTE) and to include extraneous material:)

Mr. BERMAN.
Ms. LEE.
Mr. KIND.
Mr. SANDERS.
Mr. SKELTON.
Mr. ROTHMAN.
Mr. CONYERS.
Mr. BERRY.

(The following Members (at the request of Mr. OXLEY) and to include extraneous material:)

Mr. CUNNINGHAM.
Mr. PAUL.
Mr. FRANKS of New Jersey.
Mr. RADANOVICH.
Mrs. EMERSON.
Mr. HANSEN.
Mr. SAXTON.
Mr. WHITE.
Mr. SHAW.
Mr. SMITH of New Jersey.
Mrs. MORELLA.
Mr. BASS.
Mr. WALSH.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1439. An act to facilitate the sale of certain land in Tahoe National Forest in the State of Colorado to Placer County, California.

H.R. 1460. An act to allow for the election of the Delegate from Guam by other than separate ballot, and for other purposes.

H.R. 1779. An act to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing improvements.

H.R. 2165. An act to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 3862 in the State of Iowa, and for other purposes.

H.R. 2217. An act to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 9248 in the State of Colorado, and for other purposes.

H.R. 2841. An act to extend the time required for the construction of a hydroelectric project.

H.R. 2676. An act to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2316. An act to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

ADJOURNMENT

Ms. JACKSON-LEE of Texas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 22, 1998, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

10102. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Brucellosis in Cattle; State and Area Classifications; Louisiana [Docket No. 98–068–1] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10103. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Bifenthrin; Pesticide Tolerances for Emergency Exemptions [OPP–300677; FRL–5797–7] (RIN: 2070–AB78) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10104. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Gliocladium Catenulatum Strain J1446; Exemption from the Requirement of a Tolerance [OPP–300665; FRL–5794–3] (RIN: 2070–AB78) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10105. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Myclobutanil; Pesticide Tolerances for Emergency Exemptions [OPP–300678; FRL–5798–6] (RIN: 2070–AB78) received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10106. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the Administration's rule—Organization; Loan Policies and Operations; Disclosure to Shareholders; Disclosure to Investors in Systemwide and Consolidated Bank Debt Obligations of the Farm Credit System; Other Financing Institutions (RIN: 3052–AB67) received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10107. A letter from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing Benefits [29 CFR Part 4044] received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10108. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Final Theft Data; Motor Vehicle Theft Prevention Standard [Docket No. NHTSA–97–3125; Notice 02] (RIN: 2127–AH04) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10109. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Montana; Control of Landfill Gas Emissions from Existing Municipal Solid Waste Landfills [MT–001–004a; FRL–6122–2] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10110. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Designation of Area for Air Quality Planning Purposes; State of California; Redesignation of the San Francisco Bay Area to Nonattainment for Ozone [CA–008–BU, FRL–6120–4] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10111. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Underground Storage Tank Program: Approved State Program for Nevada [FRL—6118–1] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10112. A letter from the Secretary of the Commission, Federal Trade Commission, transmitting the Commission's final rule—Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act ("Appliance Labeling Rule") [16 CFR Part 305] received July 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10113. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12–380, "Assault on an Inspector or Investigator and Revitalization Corporation Amendment Act of 1998" received July 2, 1998, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

10114. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 12–382, "Official Dinosaur Act of 1998," pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform and Oversight.

10115. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Pacific Halibut Fisheries; Washington Sport Fishery [Docket No. 980225048–8059–02; I.D. 062398A] received July 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10116. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Technical Amendment to Passenger Train Emergency Preparedness Docket; Safety Glazing Standards; Correction [FRA Docket No. PTEP–1, Notice No. 4] (RIN: 2130–AA96) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10117. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Agusta S.p.A. Model A109C and A109K2 Helicopters [Docket No. 97–SW–65–AD; Amendment 39–10619; AD 98–13–28] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10118. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter Deutschland GmbH Model EC 135 Helicopters [Docket No. 98–SW–18–AD; Amendment 39–10632; AD 98–09–11] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10119. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS 332C, L, and L1 Helicopters [Docket No. 97–SW–39–AD; Amendment 39–10630; AD 98–13–39] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10120. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS332C, L, and L1 and Model SA330F, G, and J Helicopters [Docket No. 98–SW–11–AD; Amendment 39–10633; AD 98–06–04] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10121. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model SA 330F, G, and J Helicopters [Docket No. 97–SW–06–AD; Amendment 39–10631; AD 98–13–40] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10122. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Youngstown Elser Metro Airport, OH [Airspace Docket No. 98–AGL–24] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10123. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Griffith, IN [Airspace Docket No. 98–AGL–22] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10124. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Fort Atkinson, WI [Airspace Docket No. 98–AGL–23] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10125. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of

Class E Airspace; Roxboro, NC [Airspace Docket No. 98–ASO–5] received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10126. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directive; British Aerospace (Jetstream) Model 4101 Airplanes [Docket No. 98–NM–115–AD; Amendment 39–10629; AD 98–13–38] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10127. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A, SAAB 340B, and SAAB 2000 Series Airplanes [Docket No. 96–NM–212–AD; Amendment 39–10627; AD 98–13–36] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10128. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9 and DC–9–80 Series Airplanes, Model MD–88 Airplanes, and C–9 (Military) Series Airplanes [Docket No. 96–NM–203–AD; Amendment 39–10626; AD 98–13–35] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10129. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB 2000 Series Airplanes [Docket No. 97–NM–145–AD; Amendment 39–10622; AD 98–13–31] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10130. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 0100 Series Airplanes [Docket No. 97–NM–329–AD; Amendment 39–10623; AD 98–13–32] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10131. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300, A300–600, and A310 Series Airplanes [Docket No. 97–NM–257–AD; Amendment 39–10624; AD 98–13–33] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10132. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce Limited, Aero Division-Bristol, S.N.E.C.M.A. Olympus 593 Series Turbojet Engines [Docket No. 98–ANE–15–AD; Amendment 39–10612; AD 98–13–21] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10133. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300–600 Series Airplanes [Docket No. 95–NM–78–AD; Amendment 39–10614; AD 98–13–23] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10134. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL–600–2B19 (Regional Jet Series 100) Airplanes [Docket No. 97–NM–83–AD; Amendment 39–10615; AD 98–13–24] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10135. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328–100 Series Airplanes [Docket No. 98–NM–89–AD; Amendment 39–10618; AD 98–13–27] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10136. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace Model BAC 1–11 200 and 400 Series Airplanes [Docket No. 98–NM–51–AD; Amendment 39–10617; AD 98–13–26] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10137. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 1000, 2000, 3000, and 4000 Series Airplanes [Docket No. 98–NM–16–AD; Amendment 39–10616; AD 98–13–25] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10138. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce Limited, Aero Division-Bristol, S.N.E.C.M.A., Olympus 593 Series Turbojet Engines [Docket No. 98–ANE–12–AD; Amendment 39–10609; AD 98–13–20] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10139. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company Model 1900D Airplanes [Docket No. 97–CE–86–AD; Amendment 39–10599; AD 98–13–11] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10140. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319 and A321–100 Series Airplanes [Docket No. 98–NM–75–AD; Amendment 39–10606; AD 98–13–18] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10141. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F27 Mark 100, 200, 300, 400, 500, 600, and 700 Series Airplanes [Docket No. 98–NM–102–AD; Amendment 39–10607; AD 98–13–19] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10142. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasileira de Aeronautica, S.A. (EMBRAER) Model EMB–145 Series Airplanes [Docket No. 98–NM–65–AD; Amendment 39–10604; AD 98–13–16] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10143. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; AERMACCHI S.p.A. Models F.260, F.260B, F.260C, and F.260D Airplanes [Docket No. 97–CE–143–AD; Amendment 39–10597; AD 98–13–09] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10144. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 Series Airplanes [Docket No. 97–NM–250–AD; Amendment 39–10602; AD 98–13–14] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10145. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 and A300–600 Series Airplanes [Docket No. 98–NM–81–AD; Amendment 39–10628; AD 98–13–37] (RIN: 2120–AA64) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10146. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Independence Day Celebration Fireworks, Wards Island, East River, New York [CGD01–98–070] (RIN: 2115–AA97) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10147. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Election Not to Apply Look-Back Method in De Minimis Cases [TD 8775] (RIN: 1545–AV79) received July 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 1689. A bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes; with an amendment (Rept. 105–640). Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H.R. 2281. Referral to the Committees on Commerce and Ways and Means extended for a period ending not later than July 22, 1998.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. MORELLA (for herself, Mrs. Wilson, Mr. Gilman, Mr. Davis of

Virginia, Mr. MORAN of Virginia, Ms. LEE, Mrs. LOWEY, Ms. DELAURO, Mr. DAVIS of Illinois, Mr. CUMMINGS, Ms. DEGETTE, Ms. ROYBAL-ALLARD, Mr. DREIER, Mrs. MALONEY of New York, and Ms. EDDIE BERNICE JOHNSON of Texas):

H.R. 4280. A bill to provide for greater access to child care services for Federal employees; to the Committee on Government Reform and Oversight.

By Mr. PAUL (for himself, Mr. STUMP, and Mr. HILL):

H.R. 4281. A bill to repeal sections 1173(b) and 1177(a)(1) of the Social Security Act; to the Committee on Ways and Means.

By Mr. HORN (for himself, Mrs. MORELLA, Mr. CONYERS, Mr. COSTELLO, Mr. STUPAK, Mr. RAMSTAD, Mrs. KELLY, Ms. CARSON, Mr. CALVERT, Ms. DANNER, Mr. THOMPSON, Mr. BROWN of Ohio, Mr. FORD, and Mr. PAPPAS):

H.R. 4282. A bill to amend title 18, United States Code, with respect to police badges; to the Committee on the Judiciary.

By Mr. BEREUTER (for himself, Mr. HAMILTON, Mr. GILMAN, Mr. LEACH, Mr. HALL of Ohio, Mr. KANJORSKI, Mr. WALSH, Mrs. CLAYTON, Mr. EHLERS, Ms. WATERS, Mr. SANDERS, Mr. RODRIGUEZ, Mr. SCOTT, Mr. DICKS, Mr. MORAN of Virginia, Mr. TOWNS, Ms. CARSON, Mr. ABERCROMBIE, Ms. NORTON, Mr. SNYDER, Mr. LIPINSKI, Ms. SLAUGHTER, Mr. SABO, Mr. LEWIS of Georgia, Mr. WEXLER, Ms. FURSE, Mrs. CAPPS, Ms. BROWN of Florida, Mr. HINCHEY, Mr. BENTSEN, Mr. ACKERMAN, Mr. GEJDENSON, Mr. MCHALE, Mr. BROWN of Ohio, Mr. ENGEL, Mr. SHERMAN, Mr. ROTHMAN, Mr. MENENDEZ, Mr. LANTOS, Mr. CHABOT, Mr. CUMMINGS, Mr. GOODLING, Mrs. MORELLA, Mr. BERMAN, Mr. HORN, Mr. METCALF, Mr. ALLEN, Mr. PETRI, Mr. PORTER, Mr. DIXON, Mrs. MALONEY of New York, Mr. STARK, Mr. OXLEY, Ms. MILLENDER-MCDONALD, Mr. HINOJOSA, Ms. STABENOW, Ms. CHRISTIAN-GREEN, Mr. DAVIS of Illinois, Ms. KILPATRICK, Ms. MCKINNEY, Mr. WATT of North Carolina, and Mr. BARRETT of Nebraska):

H.R. 4283. A bill to support sustainable and broad-based agricultural and rural development in sub-Saharan Africa, and for other purposes; to the Committee on International Relations, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MCCOLLUM (for himself and Mr. PALLONE):

H.R. 4284. A bill to authorize the Government of India to establish a memorial to honor Mahatma Gandhi in the District of Columbia; to the Committee on Resources.

By Mr. SHAW (for himself, Mr. MATSUI, Mr. PORTMAN, Mr. NEAL of Massachusetts, Mr. CAMP, Ms. DUNN of Washington, Mr. HERGER, Mr. BUNNING of Kentucky, Mr. LEVIN, Mr. THOMAS, Mr. HOUGHTON, Mr. HALL of Texas, Mr. KLECZKA, Mr. WATKINS, and Mr. ENSIGN):

H.R. 4285. A bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes; to the Committee on Ways and Means.

By Mr. ANDREWS:

H.R. 4286. A bill to amend the Federal Rules of Evidence to establish a parent-child privilege; to the Committee on the Judiciary.

By Mr. CANNON:

H.R. 4287. A bill to make technical corrections and minor adjustments to the boundaries of the Grand Staircase-Escalante National Monument in the State of Utah; to the Committee on Resources.

By Mr. EWING:

H.R. 4288. A bill to establish the negotiating objectives of the United States with respect to the WTO Agreement on Agriculture, to establish criteria for the accession of state trading regimes to the WTO, and for other purposes; to the Committee on Ways and Means.

By Mr. HANSEN:

H.R. 4289. A bill to provide for the purchase by the Secretary of the Interior of the Wilcox ranch in Eastern Utah for management as wildlife habitat; to the Committee on Resources.

By Mr. KENNEDY of Rhode Island (for himself and Mr. BLAGOJEVICH):

H.R. 4290. A bill to assist State and local governments in conducting community gun buy back programs; to the Committee on the Judiciary.

By Mrs. MORELLA (for herself, Mrs. JOHNSON of Connecticut, Ms. NORTON, Mr. SMITH of New Jersey, Mr. BERMAN, Ms. ROS-LEHTINEN, Ms. ROYBAL-ALLARD, Ms. LOFGREN, and Mr. FOX of Pennsylvania):

H.R. 4291. A bill to amend the Immigration and Nationality Act to eliminate, for alien battered spouses and children, certain restrictions rendering them ineligible to apply for adjustment of status, suspension of deportation, and cancellation of removal, and for other purposes; to the Committee on the Judiciary.

By Mr. SAXTON (for himself, Mr. BURTON of Indiana, Mr. PASCRELL, Mr. WATTS of Oklahoma, Mr. SALMON, Mr. SESSIONS, Mr. FORBES, Mr. ENGEL, Mr. HAYWORTH, Mr. FOX of Pennsylvania, Mr. FRELINGHUYSEN, Mr. PAPPAS, Mr. FRANKS of New Jersey, Mr. BOB SCHAFFER, Mr. SNOWBARGER, Mr. ROHRABACHER, Mr. EHRLICH, Mr. HORN, and Mr. LOBIONDO):

H.R. 4292. A bill to amend title 28, United States Code, to allow attachment of certain property of foreign states in execution of judgements for acts of terrorism; to the Committee on the Judiciary.

By Mr. WALSH (for himself, Mr. NEAL of Massachusetts, Mr. GILMAN, Mr. KING of New York, Mr. MANTON, Mr. SCHUMER, Mr. QUINN, Mrs. MALONEY of New York, Mr. FORBES, Mr. KENNEDY of Rhode Island, Mr. KENNEDY of Massachusetts, Mrs. KELLY, Mr. MCGOVERN, Mr. ENGLISH of Pennsylvania, Mr. BORSKI, Mr. CALLAHAN, Mr. ABERCROMBIE, Mr. LEWIS of California, Mrs. MCCARTHY of New York, Mr. PASCRELL, Mr. MCDERMOTT, Mr. MARKEY, Mr. LANTOS, Mr. ENGEL, Mr. PAYNE, Mr. LAZIO of New York, Mr. PASTOR, Mrs. KENNELLY of Connecticut, Mr. MALONEY of Connecticut, and Mr. HORN):

H.R. 4293. A bill to establish a cultural and training program for disadvantaged individuals from Northern Ireland and the Republic of Ireland; to the Committee on the Judiciary, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WHITE:

H.R. 4294. A bill to amend the Elwha River Ecosystem and Fisheries Restoration Act to provide further for the acquisition and removal of the Elwha dam and acquisition of Glines Canyon dam and the restoration of the Elwha River ecosystem and native anadromous fisheries, and for other purposes; to the Committee on Resources.

By Mr. SMITH of New Jersey (for himself, Mr. HOYER, Mr. PORTER, Mr. ROHRABACHER, Mr. ENGEL, Mr. OLVER, Mr. KING of New York, and Mr. MCGOVERN):

H. Con. Res. 304. Concurrent resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes; to the Committee on International Relations.

By Mr. GOODLING (for himself, Mr. HOEKSTRA, Mr. NORWOOD, Mr. HILLEARY, Mr. BALLENGER, Mr. BOB SCHAFFER, and Mr. PARKER):

H. Res. 507. A resolution providing special investigative authority for the Committee on Education and the Workforce; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. JOHNSON of Wisconsin introduced A bill (H.R. 4295) for the relief of Juan Antonio Manrique; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 457: Mr. ENGLISH of Pennsylvania.

H.R. 612: Mr. WATT of North Carolina and Mr. CRAPO.

H.R. 693: Mr. ROHRABACHER.

H.R. 836: Mr. DOYLE, Ms. LEE, and Mrs. BONO.

H.R. 922: Mr. SMITH of New Jersey and Mr. SALMON.

H.R. 923: Mr. SMITH of New Jersey and Mr. SALMON.

H.R. 979: Mr. GOODLING, Mrs. BONO, Mr. KIND of Wisconsin, Mr. PEASE, Mr. HINCHEY, and Ms. NORTON.

H.R. 1134: Mr. FILNER and Mr. PITTS.

H.R. 1234: Mr. BOUCHER.

H.R. 1321: Mr. LAFALCE.

H.R. 1378: Mr. SHAW.

H.R. 1401: Ms. CHRISTIAN-GREEN and Mr. GUTIERREZ.

H.R. 2021: Mr. COBURN and Mr. TOWNS.

H.R. 2070: Mr. SKEEN.

H.R. 2409: Mr. WISE and Mr. BERMAN.

H.R. 2588: Ms. ROYBAL-ALLARD and Mr. PETERSON of Minnesota.

H.R. 2714: Mr. DOYLE.

H.R. 2715: Mrs. BONO.

H.R. 2720: Mr. INGLIS of South Carolina.

H.R. 2840: Mr. MANZULLO and Mrs. EMERSON.

H.R. 2896: Ms. CHRISTIAN-GREEN.

H.R. 2912: Ms. CHRISTIAN-GREEN.

H.R. 2949: Mr. SNOWBARGER.

H.R. 2955: Mrs. MINK of Hawaii and Mr. SMITH of Michigan.

H.R. 2990: Mr. FARR of California, Mr. BARTON of Texas, Mr. RIGGS, Mr. PAXON, Mr. GOODLING, Mrs. BONO, Mr. BISHOP, and Mr. BOSWELL.

H.R. 2995: Mr. BROWN of California and Mr. MARTINEZ.

H.R. 3008: Mr. OBERSTAR.

H.R. 3048: Ms. CHRISTIAN-GREEN.

H.R. 3081: Mr. BROWN of Ohio, Mr. YATES, Mr. BROWN of California, Ms. CHRISTIAN-GREEN, Mr. BRADY of Pennsylvania, Mr. STOKES, Ms. WATERS, Mr. WYNN, Mr. POSHARD, and Mr. KILDEE.

H.R. 3125: Mr. KENNEDY of Massachusetts, Mrs. THURMAN, Mr. MCCOLLUM, Ms. PRYCE of Ohio, Ms. DANNER, Mr. WATT of North Carolina, Mrs. MEEK of Florida, Mr. DEUTSCH, and Mr. SABO.

H.R. 3127: Mr. GEJDENSON.

H.R. 3159: Mr. CANADY of Florida.

H.R. 3205: Ms. CHRISTIAN-GREEN.

H.R. 3230: Mrs. LINDA SMITH of Washington.

H.R. 3248: Mr. WHITFIELD.

H.R. 3279: Ms. CHRISTIAN-GREEN.

H.R. 3284: Mr. MINGE.

H.R. 3464: Mr. HINCHEY.

H.R. 3500: Mr. ENGLISH of Pennsylvania, Mr. WELLER, Mr. THOMAS, Mr. NEAL of Massachusetts, Mr. SAM JOHNSON, and Mr. MCCRERY.

H.R. 3523: Mr. HILLIARD and Ms. WOOLSEY.

H.R. 3571: Ms. CHRISTIAN-GREEN.

H.R. 3577: Ms. CHRISTIAN-GREEN.

H.R. 3598: Mr. EDWARDS, Ms. ROYBAL-ALLARD, Mr. FAZIO of California, Mr. HEFNER, Mr. BONIOR, and Mr. MCGOVERN.

H.R. 3602: Mr. MCINTOSH.

H.R. 3608 Mr. HILLIARD.

H.R. 3636: Mr. CUMMINGS, Mr. FATTAH, Mr. GOODLING, and Mr. OBERSTAR.

H.R. 3641: Mrs. NORTHUP.

H.R. 3659: Mr. CONDIT, Mr. CANNON, Ms. WOOLSEY, Mr. GORDON, and Mr. GIBBONS.

H.R. 3785: Mr. TRAFICANT, Mr. TIAHRT, Mr. WELDON of Florida, Mr. CALVERT, and Mr. SAM JOHNSON.

H.R. 3803: Mr. REDMOND.

H.R. 3814: Mr. CALVERT, Mr. HINCHEY, Mr. WYNN, Mr. COOK, Mr. DELAHUNT, Mr. FILNER, Mr. MARTINEZ, Ms. DEGETTE, Mr. SHIMKUS, and Mr. RAHALL.

H.R. 3862: Mr. HILLIARD.

H.R. 3865: Mr. MARTINEZ, Mr. GILLMOR, Mr. SPRATT, Mr. ADERHOLT, Mr. WICKER, and Mr. BARCIA of Michigan.

H.R. 3895: Ms. CHRISTIAN-GREEN.

H.R. 3925: Ms. CHRISTIAN-GREEN and Mr. HILLIARD.

H.R. 4010: Mr. NETHERCUTT.

H.R. 4016: Ms. SLAUGHTER.

H.R. 4070: Mr. RODRIGUEZ.

H.R. 4151: Mr. WATTS of Oklahoma and Ms. RIVERS.

H.R. 4181: Mr. POSHARD and Mr. FROST.

H.R. 4204: Mr. HASTERT and Mr. RILEY.

H.R. 4213: Mr. HOBSON and Mr. FORBES.

H.R. 4217: Mr. HILL.

H.R. 4219: Mr. MORAN of Kansas.

H.R. 4220: Mr. ENGLISH of Pennsylvania.

H.R. 4232: Mr. WATTS of Oklahoma, Mr. HASTERT, Mrs. CHENOWETH, and Mr. NETHERCUTT.

H.R. 4235: Mr. ENGLISH of Pennsylvania, Mr. BONIOR, and Mr. MILLER of California.

H.R. 4240: Mr. ENGLISH of Pennsylvania, Mr. EHRLICH, Mr. HILLIARD, and Mr. SOLOMON.

H.R. 4250: Mr. COOKSEY and Mr. HORN.

H.R. 4251: Mr. COLLINS.

H.R. 4258: Mr. BUNNING of Kentucky, Mr. NUSSLE, Mrs. MYRICK, and Mr. ADAM SMITH of Washington.

H. Con. Res. 19: Mr. NADLER, Mr. BERMAN, Mr. EVANS, and Mrs. LOWEY.

H. Con. Res. 27: Mr. LAMPSON.

H. Con. Res. 52: Mr. HUTCHINSON, Mr. MENENDEZ, and Mr. STRICKLAND.

H. Con. Res. 80: Mrs. BONO.

H. Con. Res. 126: Mr. BOYD, Ms. RIVERS, Ms. SÁNCHEZ, and Mr. PALLONE.

H. Con. Res. 203: Mr. GOODLING and Mr. WHITFIELD.

H. Con. Res. 224: Mr. SHERMAN.

H. Con. Res. 273: Mr. PAUL.

H. Con. Res. 286: Ms. RIVERS, Mr. LUTHER, and Mr. BONIOR.

H. Con. Res. 299: Mr. RAMSTAD, Mr. ENGLISH of Pennsylvania, Mr. KNOLLENBERG, and Mr. RYUN.

H. Con. Res. 302: Mr. ROTHMAN and Mr. CRAMER.

H. Res. 362: Mr. SHERMAN.

H. Res. 415: Mr. BERMAN, Mr. JEFFERSON, and Mr. SHERMAN.

H. Res. 460: Mr. GREEN, Mr. FOSSELLA, Ms. SLAUGHTER, Mr. REYES, Mr. COOK, Mr. HOLDEN, Mr. DOOLEY of California, Mr. BLAGOJEVICH, Ms. CHRISTIAN-GREEN, Mr. WHITFIELD, and Ms. RIVERS.

H. Res. 479: Mrs. LOWEY and Mr. NADLER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1891: Mr. LEWIS of Georgia.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the clerk's desk and referred as follows:

68. The SPEAKER presented a petition of Gregory D. Watson of Austin, Texas, relative to protesting the cost-of-living adjustment increase in the compensation of Members of Congress which took effect in January 1998; to the Committee on House Oversight.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4193

OFFERED BY: MR. ENSIGN

AMENDMENT NO. 19: Page 56, line 2, after "$156,167,000" insert "(increased by $5,300,000)".

Page 40, line 14, after "$37,304,000" insert "(decreased by $5,300,000)".

H.R. 4193

OFFERED BY: MR. GILCHREST

AMENDMENT NO. 20: Page 122, beginning on line 24, strike section 337 and insert the following new section:

SEC. 337. (a) FLOOD INSURANCE COVERAGE FOR CERTAIN STRUCTURES LOCATED IN COASTAL BARRIER RESOURCES SYSTEM.—Section 6 of the Coastal Barrier Resources Act (16 U.S.C. 3505) is amended by adding at the end the following new subsection:

"(e) PROVISION OF FLOOD INSURANCE COVERAGE FOR CERTAIN STRUCTURES IN SYSTEM UNITS.—Section 5 shall not apply to financial assistance in the form of flood insurance coverage provided under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) for a structure referred to in paragraph (2) (A) or (B), if—

"(1) a completed application for flood insurance coverage under that Act for that structure is submitted within the 1-year period beginning on the effective date of this subsection; and

"(2) the Director of the Federal Emergency Management Agency determines that construction of that structure was completed by not later than—

"(A) October 1, 1983, in the case of a structure located in System unit PO5, PO5A, P10, or P18; or

"(B) November 16, 1990, in the case of a structure located on lands added to System unit P11, P11A, or P25 on that date.".

(b) CONFORMING AMENDMENT.—Section 1321(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4028(a)) is amended in the first sentence by inserting before the period the following: ", except that this sentence does not prohibit the provision of flood insurance coverage if section 5 of the Coastal Barrier Resources Act does not apply to provision of that coverage by reason of section 6(e) of that Act.".

H.R. 4193

OFFERED BY: MR. GILCHREST

AMENDMENT NO. 21: Page 122, beginning on line 24, strike section 337.

H.R. 4193

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 22: Page 12, line 20, insert "(decreased by $18,000,000)" after the dollar figure.

Page 17, line 4, insert "(decreased by $9,200,000)" after the first dollar figure.

Page 89, line 11, insert "(increased by $25,200,000)" after the dollar figure.

H.R. 4193

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 23: Page 57, line 6, insert "(decreased by $62,850,000)" after "$271,440,000".

Page 69, line 15, insert "(increased by $62,850,000)" after "$320,558,000".

H.R. 4193

OFFERED BY: MR. MCGOVERN

AMENDMENT NO. 24: Page 19, line 7, insert after the dollar amount the following: "(increased by $30,000,000)".

Page 70, line 17, insert after the dollar amount "(reduced by $30,000,000)".

H.R. 4193

OFFERED BY: MR. REDMOND

AMENDMENT NO. 25: Insert after the final section the following:

SEC. ___. The amounts otherwise provided by this Act are revised by increasing the amount for "LAND ACQUISITION" under the heading "FOREST SERVICE" and reducing the amount for "GRANTS AND ADMINISTRATION" under the heading "NATIONAL ENDOWMENT FOR THE ARTS", by $25,000,000.

H.R. 4194

OFFERED BY: MR. RIGGS

AMENDMENT NO. 30: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds appropriated by this Act may be used to implement Chapter 12B of the Administrative Code of San Francisco, California.

H.R. 4276

OFFERED BY: MR. BARTLETT OF MARYLAND

AMENDMENT NO. 1: Page 78, strike line 15, and all that follows through line 6 on page 79.

H.R. 4276

OFFERED BY: MR. FOX

AMENDMENT NO. 2: At the end of the bill, insert after the last section (preceding the short title) the following:

TITLE IX—ADDITIONAL GENERAL PROVISIONS

SEC. 901. None of the funds made available in this Act may be used by the Department of State or the United States Information Agency to provide equipment, technical support, training, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

SENATE—*Tuesday, July 21, 1998*

The Senate met at 9 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, our morning prayer is like being amazed by deposits in our checking account from unexpected sources. We are astounded by Your goodness. You know what we will need for today and You deposit the required amounts of insight, discernment, and vision in our minds. You fill the wells of our hearts to overflowing with the added courage and determination that are necessary for the demands of today. Even now, we feel fresh strength as Your Spirit energizes our bodies. We should not be surprised. You have promised that, "As your days, so shall your strength be."—Deuteronomy 33:25.

Bless the women and men of this Senate and all who work with and for them that this will be a day in which we draw on Your limitless resources for dynamic leadership. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

Mr. BOND. Good morning, Mr. President.

SCHEDULE

Mr. BOND. Mr. President, this morning, there will be a period for the transaction of morning business until 10 a.m. Following morning business, the Senate will vote on the motion to invoke cloture on the legislative branch appropriations bill. After disposition of the legislative branch bill, the Senate will resume consideration of the Commerce-Justice-State appropriations bill. The majority leader has indicated that he is hopeful that Members will come to the floor during today's session to offer and debate amendments as the Senate attempts to make good progress on the Commerce-Justice-State bill. The Senate may also consider any other legislative or executive items that may be cleared for action.

ORDER FOR RECESS

Mr. BOND. Mr. President, I ask unanimous consent that the Senate stand in recess from 12:30 p.m. until 2:15 p.m. to allow the weekly party caucuses to meet.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BOND. Seeing no other Members wishing to speak, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REED. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BOND). Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will now be in a period of morning business.

Mr. REED. Mr. President, I ask unanimous consent to speak in morning business for 5 minutes of the time allocated to Senator DORGAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REED. Thank you, Mr. President.

NOMINATION OF JAMES HORMEL

Mr. REED. Mr. President, I rise this morning to speak briefly on the nomination of Mr. James Hormel to be the United States Ambassador to Luxembourg.

Mr. Hormel has a distinguished record as a businessperson, as a lawyer, as a former dean of the University of Chicago Law School, and as a philanthropist. His family owns one of the largest agriculture companies in our country.

He has, throughout his distinguished career, been a contributor and supporter of many worthy organizations. His philanthropy is well known throughout the United States. He has contributed significantly to the Catholic Youth Organization, to the United Negro College Fund, Swarthmore College, Breast Cancer Action, and to many, many other associations. He has also served as the alternate representative to the United Nations General Assembly on behalf of our country, the United States of America.

Mr. Hormel's nomination was favorably reported out by the Committee on Foreign Relations and is widely supported here in the U.S. Senate.

Indeed, hundreds of distinguished Americans have favorably commented on his nomination, and they have stated that Mr. Hormel has the ability and skills to successfully represent the United States in Luxembourg.

Now, there are many who are watching this proceeding who would ask, given all these qualifications, why would Mr. Hormel be denied a vote on his nomination to be Ambassador to Luxembourg? The simple answer comes down to the fact of Mr. Hormel's sexual orientation.

There are many—the vast majority of Americans and the vast majority of Senators—who feel that this is irrelevant to the duties that he will perform as Ambassador to Luxembourg, and we should look not to his sexual orientation, but to his record of achievement and to his ability and to his responsibilities throughout his career in terms of advancing not his personal agenda, but in fact serving well both the institutions he represented, such as the University of Chicago, and many, many philanthropic activities which he has been involved in.

But there are some in this Chamber who I fear would rather not have an Ambassador, but would rather have a political issue. My preference is to have an Ambassador serving the United States with distinction in Luxembourg. And I believe Mr. Hormel will do that.

Mr. President, the Providence Journal newspaper in my home State of Rhode Island put it best when they headlined the editorial by simply saying "Vote on Hormel."

Mr. Hormel does not want this ambassadorship as a pulpit to advance any agenda. What he wants to do is represent our country with distinction and great diligence. I believe he will do that.

In his own words, in a letter to Senator GORDON SMITH, our colleague, he said:

> I will not use, nor do I think it appropriate to use, the office of ambassador to advocate any personal views I may hold on any issue. . . . I assure you that my public positions will be those of the U.S. Government.

I believe that however one feels about Mr. Hormel's qualifications, this institution deserves to give him a vote, to give him an opportunity to have his case decided openly here on the floor of this Chamber, allowing individual Senators to make whatever point they may choose to make about his qualifications, about his potential to serve. But to deny him his vote, I think, is to deny not only one individual but this country the opportunity to make a decision about his qualifications to serve.

I hope that we can quickly bring his nomination to the floor for a vote and then let the will of the majority prevail. I believe it is wrong and unfortunate that we retain this nomination and not allow it to come to the floor for the vote. I hope in the days ahead we will vote on Mr. Hormel and we will vote favorably.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I ask unanimous consent to be permitted to yield myself 10 minutes of the time of Senator DORGAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

PATIENTS' BILL OF RIGHTS

Mr. KERRY. Mr. President, countless Americans have come to understand that the health care system in this country is in a total state of disarray, if not crisis. It is a crisis of confidence. It is a crisis of coverage, bought and paid for with hard-earned dollars from our fellow taxpayers, but a coverage that seems to disappear when you need it the most.

Our fellow citizens no longer believe that their insurance companies are prepared to provide them with the quality of service or the choice of doctors that they were promised or that they paid for with their premiums. Some health insurers have put saving costs way ahead of the prospect of saving lives.

I think most people in the Senate have come to understand the nature of this crisis. The impact of the decisions of the insurance companies in countless stories across America and across my State of Massachusetts is immeasurable. Americans are suffering because the system puts the choices of the insurance company administrator far ahead of the choice of a doctor.

The story of Ellen O'Malley, a mother of two, from Canton, MA, underscores the full measure of the problem that we face today. Ellen passed away in the summer of 1994, a victim of breast cancer at the age of 38. Her husband, Steve, a schoolteacher in Canton, and her two daughters, could tell anybody in the Senate about the trouble that people face today as a result of the way in which choices are made for the delivery of health care. They could also tell you about the struggle of what it is like to live without a mother and wife. I think all of us understand that happens and that there are sometimes unavoidable consequences of some diseases. But clearly there are totally avoidable consequences of what kind of care is delivered to somebody in the course of an illness.

The O'Malley family's story is even more tragic than the loss of Ellen because they would tell every Senator about the new language that they learned, the experience that they went through, as a consequence of her illness—a vocabulary of the HMOs. Ellen O'Malley should not have had to spend her last year of life jumping through bureaucratic hoops just to get treatment for breast cancer. She shouldn't have had to be shuttled around the city of Boston from one hospital to another hospital, from one doctor to another doctor, because an HMO refused to take the word of her own family doctor or her oncologist. Ellen O'Malley was very, very brave in facing the struggle with a killer disease. She should not have been asked to be brave in facing a different struggle with the bureaucracy.

The simple fact is that health insurers should not make the decisions that are fundamentally the decision of a doctor or a trained health care professional. The truth is that in times of family crisis, people should not have to worry about whether or not a bureaucrat is going to allow them to be able to see a doctor in whom they have placed trust. That is precisely the kind of turmoil that Ellen O'Malley suffered every single day of her illness.

Steve O'Malley remembers his wife hearing the promises from their HMO when they were signing up, promising that she would undergo care with her doctor, Dr. Erban, who had treated her for the past 10 years, and the promise that she would be able to continue to be treated at the New England Medical Center.

But the O'Malleys found that when push came to shove, when it came time for the promise to be delivered on, the promise disappeared. Steve O'Malley knows full well about an HMO that sent Ellen all over the city, to one hospital for a mammogram, to another hospital for a biopsy, and to still another hospital for treatment. Steve O'Malley remembers hours spent painstakingly writing lengthy appeal letters to the HMO, begging them to reconsider their decisions. He also remembers what it felt like to receive a 5-line form letter rejecting his wife's appeal.

Steve would tell you that the personal and painful decisions for his family were merely business decisions for the HMO, and that is unacceptable. It is unacceptable for the O'Malleys, as Steve remembers his late wife saying, "HMOs are great unless you're sick. They're fine if you have a cold, get the flu, break your arm, or stub your toe, but they are not fine if you're dying."

Steve and Ellen O'Malley and their two daughter suffered an enormous personal tragedy when breast cancer dashed their hopes and dreams for the future. I believe they should have been able, as a family, to endure that tragedy secure in the knowledge that Ellen could make her medical decisions side by side with the doctor she trusted—not a bureaucrat who never went to medical school and, more importantly, never knew Ellen O'Malley.

I believe that no HMO should rob a family of peace of mind in times of crisis. HMOs should be more than organizations that are great unless you are sick. For every person who buys into an insurance program, there ought to be the confidence that the coverage that you buy is the coverage that you will get. That is why we have proposed the Patients' Bill of Rights. We recognize we have built a system that currently puts paperwork ahead of patients and ignores the real life-and-death decisions being made in our health care system. We have to do better.

All across Massachusetts, I hear from people who are angry at how hard it is to find the health care that they believe they have purchased. And they are frustrated with policies that say that our elderly can't go to the doctor of their choice. They are convinced their HMOs don't give them straight answers about their coverage, and working families across the country believe it is time to take decisions out of the hands of the insurance companies and put them back with patients and doctors where they belong.

The U.S. Senate should agree with them. I believe it is vital for us to take up and pass meaningful patient protections now, in this Congress. There are judges all across the country who have watched in their courts as patients and families, victimized by HMOs, come before them, to beg for restitution, for a fair shake in getting the health care they were promised in the terms of the policy that they purchased. Those judges were helpless because they didn't write the laws that limit the ability of working families to appeal the decisions by HMOs.

In Boston, we have a U.S. district judge, William Young, a Reagan appointee to the bench, who ruled on an HMO case not very long ago.

Judge Young knew the law and he knew that insurers could, in our current structure, put paperwork and profit ahead of patients. He knew he could send a message to those of us who write the laws in this country. That is why he wrote in his highly publicized decision in Clarke v. Baldplate Hospital that "while the insurer's conduct is extraordinarily troubling, even more disturbing to the court is the failure of Congress to amend the laws." Judge Young was challenging us to act on behalf of hundreds of thousands of families left unprotected today. He had never met Ellen O'Malley, but he challenged the Congress of the United States to stand up for her.

Mr. President, we have the Patients' Bill of Rights, S. 1890, which would prevent senseless tragedies in the health care system from happening. Under our plan, Ellen O'Malley would have been able to immediately appeal her insurer's rejection of her doctor's prescribed treatment. Under our plan, the decision of Ellen O'Malley's doctors would have come first in the insurer's decisions. There is little, obviously, we can do for the O'Malley family, except to perhaps in her memory pass a bill that will change the way in which all of these choices are made in the future. We could pass a Patients' Bill of Rights. The clock is ticking. I hope this Congress will do so in the next days.

I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Missouri is recognized.

Under the previous order, there are 22 minutes remaining on the time that was equally divided by a previous order.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that we be able to speak until 10 o'clock on the issue of the marriage penalty.

The PRESIDING OFFICER. Without objection, it is so ordered.

ELIMINATION OF THE MARRIAGE PENALTY

Mr. ASHCROFT. Mr. President, we are here this morning—myself and several other Senators—because the American people should experience a tax cut before Congress gets its funding for the year.

We are here this morning to oppose cloture on the legislative branch appropriations bill. On Friday, Senator BROWNBACK of Kansas, and I attempted to enter into an agreement to offer the marriage penalty elimination amendment to the legislative appropriations measure.

Marriage penalty elimination means that we simply want to stop penalizing people, tax-wise, because they are married. A cloture motion was filed because the Democrats would not allow us to offer that amendment to this bill. Therefore, a vote against cloture is a vote for eliminating the marriage penalty tax. If we are not going to be able to offer this amendment to the bill, we will be back on other pieces of legislation, because this issue of providing equity to people who are married, and returning the hard-earned money of American taxpayers is too important to ignore.

In 1948, President Harry Truman called the Republicans in Washington a "do-nothing Congress." Now the President and Senate Democrats are resurrecting Truman's phrase. I don't worry about being called a "do-nothing Congress." We have done plenty of things. But if we tried to do nothing about taxes, that label just might stick.

Last April, a group of like-minded Senators and I stated our intentions to oppose the Senate budget resolution unless meaningful tax cuts were included. We were promised that eliminating the marriage penalty would be the Senate's top tax priority for 1998. Mr. President, today, the 21st day of July, there are less than 40 legislative days left in this session of the Congress; yet, we are no closer to giving the American people the tax cuts than we were 3 months ago.

We stand here in mid- to late-July with the real possibility that Congress will not pass a budget reconciliation and will not deliver on the tax cut promise that was made to the American people. I think we ought to put this into context. This isn't a situation where cutting taxes would be a strain or be difficult. To add insult to injury, last week the Congressional Budget Office indicated that there would be $520 billion of surplus over the next 5 years. Now, the $520 billion of surplus over the next 5 years would be $63 billion of surplus in this year alone.

We have not asked for the Moon. We have asked for a modest opportunity to cut and eliminate the marriage penalty. It would not take $520 billion. It would not take $420 billion. It would not take $320 billion. It would not take $220 billion. It would take about $1 out of every $5 that is to be provided in surplus, according to the Congressional Budget Office. So we are just asking that the American people have the opportunity to have, in return, $1 out of every $5 of surplus. This isn't asking that we have massive, Draconian cuts, or that we displace some Government program—although there are plenty of Government programs I would be happy to seek to displace. We are merely saying that, over the course of the next 5 years, some fraction—a minority fraction, as a matter of fact, not the major portion of it—of this rather substantial surplus be devoted to providing equity on the part of our taxation program, which is an insult to the values of America. I don't know of anyplace in the country you could go, or any group of individuals you could talk to that would not tell you that the families of America are simply fundamental, that if we have strong families in the next century, we are very likely to have a strong country. If we don't have strong families, it is going to be very difficult for our country to survive.

I believe that when moms and dads, as families, do their job, governing America is easy. If moms and dads can't do their jobs, if we pull the rug out from under families and make it tough for them, governing America could well be impossible. The truth of the matter is that families mean more to America than Government means to America, because the fundamental restraints of a culture, the values and precepts, are taught in families.

Government can try to do all those things. We have tried to replace families with Government before. The tremendous failure of the social experiment called the "Great Society" of the 1960s and 1970s told us that checks and Government programs weren't substitutes for moms and dads. They didn't work. What we need to do is make it possible for the culture to survive and to thrive, for the culture to prevail and to stop penalizing the most important institution in the culture—the family. Durable marriages and strong families are absolutely necessary if we are to succeed in the 21st century.

Starting in the sixties is when the marriage penalty became prevalent. For about 30 years, we have systematically penalized millions of people. The truth of the matter is that there are 21 million couples—about 42 million taxpayers—who collectively have paid $29 billion. It is so easy to forget how much money a billion dollars is. A billion dollars is a thousand millions. Now, these 42 million taxpayers have collectively paid "29-thousand-million-dollars" more than they would have paid had they been single. That is an average marriage penalty of about $1,400 per family. Think of that. We go into a family and, simply because the mom and dad happen to be married instead of single, we take $1,400 off their table; we take $1,400 out of that family's budget. These are not pretax dollars, these are aftertax dollars. It would go right to the bottom line.

Think of what a family could do with an extra $130 or $125 a month. Think of what it means to the family, the capacity of that family to fend for itself and to be able to survive as a family. We are attacking that family. The policy of America is attacking the principles of the American people. And it's easy. We can do it. CBO has told us that we are going to have five times as much money, or four times as much—a lot more money—well, $520 billion extra. We said we have to have a minimum $101 billion to begin this relief. That is five times as much as we have asked for. Yet, we are so focused on providing for the Congress, so focused on providing for the legislative branch, and we are ignoring the people of America. The families of America are more important than the legislative branch of Government.

As much as I think our country needs the House and Senate, why we should provide all the funding the House and Senate need and not provide any of the relief that we have promised to the American family, why we should continue to attack the American family, is beyond me. Discriminating against Americans who wish to engage in marriage is—well, it is just against everything we stand for.

The penalizing of income at the median- and lower-income levels is greatest for married households with dependent children. The obligation to file a combined income means that the one spouse working to earn the second half of the income is working largely to feed Government coffers. Often the couple would pay a lower percentage of their income to the Government if one of its spouses was not employed outside the home. The marriage penalty is a grossly unfair assault on the bedrock of our civilization—married couples.

Does the Tax Code really influence people's moral decisions to prevent couples from getting married? Unfortunately, there are individuals who simply have gotten divorced, set aside their marriages, in order to avoid the penalty that we impose for being married. Some couples even divorce and remarry to avoid paying the penalty.

The Senator from Kansas brought up an example last week of two economists who divorce and remarry every year to avoid paying the higher taxes. The facts point to tragic instances of where couples simply cannot afford to get married because the Government is going to charge them $1,400 for the privilege of being married. Sharon Mallory and Darryl Pierce of Connorsville, IN, were ready to get married when they learned from their accountant that it would cost them $3,700 more a year. The amount results from the forfeiting of a tax refund check of $900 and an additional $2,700 to be owed to the IRS as a married couple. A growing number of married couples are in a similar position according to a recent study by the nonpartisan Congressional Budget Office.

(Mr. SMITH of Oregon assumed the Chair.)

Mr. ASHCROFT. Now, the incentive effects of the current Tax Code were not intentional. I have to say this. I do not believe that the Congress ever set out——

Mr. BROWNBACK. Mr. President, will my colleague from Missouri yield for a question?

Mr. ASHCROFT. I would be most pleased to yield for a question from my colleague from Kansas.

Mr. BROWNBACK. Last week when we put forward this notion of doing away with the marriage penalty, one of my Democrat colleagues said, "I would be willing to do that if you offset it by doing away with the marriage bonus." He raised the question of the marriage bonus in the Tax Code. I told him I am not about raising taxes. But I wonder if the Senator has thought about this issue. Is there a marriage bonus that is in the Tax Code? Is that something that should be addressed?

Mr. ASHCROFT. Our Tax Code has and still operates in some instances to allow combining, by having a joint return, combined return, to have a lower tax for married people, and that really results from the conscious decision we make to recognize the value to our culture of a stay-at-home spouse. It focuses attention on the children and says we ought to give some benefit taxwise for doing that. And you do that by allowing the spouse who works to attribute some income to the stay-at-home spouse.

I don't think there are very many of us who are married who, when one or the other has had to stay at home, doesn't realize that the one who focuses on the homeplace and undertakes that responsibility is really responsible for income and is responsible for the benefit of the family.

I believe that the ability to split the income so that you get to the lowest tax bracket is something that should be provided to everybody in marriage. I wouldn't call it a bonus as if it were giving something out. It is a recognition of the value of the spouse who stays at home and the contribution that spouse makes, not only to the marriage and to the family but the contribution they make to the country.

Most of the data we are seeing now about children—and I am sure my friend from Kansas agrees with this data and has witnessed the articles and all the expounding—indicate that when one of the spouses can stay at home and spend a lot of time with the children, it is a big investment in the children and it results in children having lower incidences of bad health and lower incidences of school failure, dropout, lower incidences of juvenile delinquency and all. So that kind of attention from the family really is a social benefit to the entire culture, because if there are fewer dropouts, it means that your education system works better; if there is better health, it means the cost of the benefits of the health providers are lower; and if there is lower juvenile delinquency, it certainly means we benefit.

Mr. BROWNBACK. If my colleague will yield for another question, it seems the bonus is to America; it is not necessarily to the married couple that we are talking about in this.

The other thing I would ask my colleague about is, the marriage penalty that we are talking about affects nearly 21 million American families, most of them young, starting families. These are all families that make between $20,000 and $70,000 a year. They are two-wage-earner families. So you are really talking about that group of young Americans just getting started, both working, both struggling, both trying to make this family go, and we actually penalize them on an average of $1,400 per year. My colleague is familiar with that. Also, this is a relatively new tax. We have only put it on since 1969. That was the year of Woodstock. I don't know if there is a significance to any of that, but perhaps this is now the time that we should get away from that sort of penalty.

I just was curious; I know my colleague knows of those statistics and the importance of trying to help those struggling young families that are just now getting a foundation started for their families.

Mr. ASHCROFT. I am aware of that. I thank the Senator from Kansas for the question. I am desperately aware of it. This is the time when the stress on families is the hardest. If you look at the things that break up families, if you go to data that tells us whether or not a family is going to make it past the threshold and be able to persist as a strong family with the kind of durability that has the capacity to really help our culture with the lasting relationships of support that families bring, one of the biggest items is financial problems.

So here we have tender families at the very beginning, when they are struggling, they have kids, they are torn between responsibilities at the homeplace and the workplace, and what do we do? Instead of easing that financial burden, we zero in. It is almost like these families are staggering under the load they are bearing, because children are expensive, we know that—it costs a lot of money to clothe them, feed them, provide for them —and as they are struggling under that load, we come in and take another $1,400 a year off their table, out of their budgets, out of their capacity to provide for their children.

It is an anomaly. It certainly wasn't something that I think the Congress ever intended. I have absolutely every faith the Congress of the United States did not intend to hurt families with the Tax Code. But it has kind of grown this way, and here is where we are. The question is not what we intended. The question is what we are going to do about this. Are we going to, at a time of $520 billion of surplus, decide we would rather feed the bureaucracy than relieve the families of America of this burden? That is plain and simple. Are we going to have new programs and more Government or are we going to have stronger families with less tax burden?

Mr. BROWNBACK. If my colleague will yield, I would also note the individuals who have contacted various offices around here signing on to this very issue. This is a lady from Indiana who said this:

> I can't tell you how disgusted we both are over this tax issue. If we get married, not only would I forfeit my $900 refund check, we would be writing a check to the IRS for $2,800. Darryl and I would very much like to be married, and I must say it broke our hearts when we found out we can't afford to get married.

This is from Indiana.

This gentleman from Ohio said:

> I have been engaged to be married. My fiancee and I have discussed the fact we will be penalized financially. We have postponed the date of our marriage in order to save up and have a running start in part because of this nasty unfair tax structure.

Those are just two. And I have a number of other letters of people saying: "What is this? You guys are talking about family values and you penalize us for getting married." And particularly the youngest couples just getting started.

All we are asking for today is to let us vote on this issue, and we are being blocked. I am asking people not to vote for this cloture motion, in order that we can vote to do away with this extraordinarily bad tax that is taxing those fundamental family-building units, the marriage institution that we need so much to be so much stronger.

Mr. ASHCROFT. I have to answer the question of the Senator from Kansas in the affirmative. I understand that. I am aware of it, and I really think that we have a chance to say to the American people: Look, we want to give you a wedding present. We would like to say to you that we are no longer going to make it tough on you if you do the most important thing to sustain this culture in the time to come.

I am a little distressed that this body does not want to let us confront that issue—I mean, there are Members of the body who do not—and that cloture would keep us from being able to make a priority the well-being of America's families, so we do not take care of ourselves in the legislative appropriations bill and ignore the families of America with the elimination of the marriage penalty tax. I hope Members of this body will vote against cloture. Let us vote so we have the possibility of addressing the needs of American families.

I, for one, commend the Senator from Kansas for his outstanding effort in this respect. At some point we simply have to stop business as usual, continuing to tax these families, taking an average of $1,400 a year off their tables, out of their budgets. When they sit down to figure out, "What can we spend this year," $1,400 is more than a vacation. Lots of families can take a little time off. But it may be school books, it may be school clothing, it may have to do with whether they can—well, I am sure there are many things that individuals look at, for $1,400 a year.

It is time for us simply to say: Before we continue to balloon Government, before we consume this $520 billion surplus, before we rush to governmentalize that, we should say at least some portion of this, a modest portion, far less than half, far less than a third, could sustain total relief for America's families by eliminating the marriage penalty—and it ought to be done. It should provide individuals the opportunity to say, "We will be married, we will have durable families," and it should stop taking from families who are staggering under the tax load, it should stop those families from being further injured when the Government comes and says, "We simply think we are more important than you are," especially as it relates to the surplus money that is supposed to be here—as a result of the hard work of the American people. I started to say this money is coming as a result of the Congressional Budget Office's estimation. What arrogance that would be. We do not bring money to Washington. Money comes to Washington because people work hard, because they are entrepreneurs, because they get up early and stay up late—take care of their kids.

I thank the Senator from Kansas. I know there are others here wishing to speak. I just say eliminating the marriage penalty is important to the future of the United States of America. We should vote against cloture because we need to have the opportunity to provide this relief to America's families.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I rise this morning to support, in a small way, the efforts of my colleagues from Kansas and from Missouri, talking about how to abolish the marriage penalty and help instill American values into the U.S. Tax Code. I applaud them for their continual efforts to bring this issue to the floor, to continue to talk about the need for us to take a very hard look at this and hopefully create the means of eliminating this very unfair tax on American families.

Since the founding days of this Nation, the family has always been considered to be the bedrock of American society, the first unit of Government. Strong families make strong communities, and strong communities are what has made a strong America. For generations, our ancestors built this country on that very foundation, and the Government respected that tradition by ensuring that its laws did not usurp the family role.

Then how do we explain the existence of the marriage penalty, a piece of Government tax trickery that actually penalizes couples who choose to commit to a family through marriage? Let me read to you, this morning, from a study of the marriage penalty prepared by the National Center for Policy Analysis.

> Prior to 1948, the Tax Code made no distinction between married couples and individuals. In that year, Congress changed the law to allow income splitting. In effect, couples were taxed like two single taxpayers even if only one had earned income. The result was to sharply lower taxes for married couples. In short, a de facto subsidy for marriage was created.
>
> By 1969, the magnitude of this subsidy had grown to such an extent that it was possible for a single person to pay 40 percent more in taxes than a married couple with the same income.
>
> This led Congress to create, for married and unmarried people, separate tax schedules [that were] designed to reduce the subsidy to no more than 20 percent.
>
> An unintended consequence of the 1969 law change was to create a marriage penalty for the first time.

Mr. DURBIN. Will the Senator yield for a question?

Mr. GRAMS. Go ahead.

Mr. DURBIN. It is my understanding that there are more couples who benefit from the Tax Code when they get married than those who are penalized, is that correct?

Mr. GRAMS. I am not sure, but when you look at couples across the country who are unfairly paying $29 billion or 21 million couples across the country who are unfairly paying about $29 billion a year in taxes—if there are some discrepancies, we should look at all of it. But what we should not do is penalize those families who are paying an average of $1,400 a year more, just because of the way the codes are set up.

Mr. DURBIN. So, let me ask the Senator a question. If the code, in fact, benefits more families who get married—in other words, their taxes go down—than those who are penalized by getting married, the Senator from Minnesota is not suggesting that we want to change the code and make it so that it will be the opposite, is he?

Mr. GRAMS. No, I am not. What I want to do is reduce the tax burden on families all across the board, but to start right away with what is the most unfair tax.

Mr. DURBIN. I say to the Senator, I certainly support that. I think we did vote—did we not vote on this when it came to the tobacco legislation? Didn't Senator GRAMM, from Texas, offer an amendment on this marriage penalty?

Mr. GRAMS. Yes, it did pass.

Mr. DURBIN. It did pass. And we have already had a vote on this question. And that became one of the burdens carried by the tobacco bill, if I am not mistaken, was it not?

Mr. GRAMS. That was part of that legislation.

Mr. DURBIN. I would just say to the Senator as well, that I have listened carefully to the speeches and I marvel at the suggestion that there are people who are so much in love and ready to get married, and next check that with accountants and decide not to. I haven't run into those folks, but I am sure there are some out there like them. But I thank the Senator.

Mr. GRAMS. When my colleague says he hasn't run into those folks, I have, and I concur with what the other Senators said, that they have. I have had a number of couples come up to me, whether at airports or at meetings or at other times, and tell me exactly the same thing the other Senators have said. They have actually planned around this, whether they have delayed the marriage for a year—I even had one elderly gentleman tell me he called his wife from the accountant, he was 79 years old, and he said to his wife, "I think we need to get a divorce." She was kind of shocked by it and she said, "Why?" And he said, "Because we would be much better off if we were filing single." And then he went through the explanation.

So this is not something that has gone by Americans, and especially families, and especially dual-income families. So I think there are many out there who are aware of this. When it comes to a difference of $3,500 a year, for those first years I think a lot of families are thinking very strongly about it.

But just briefly, I want to wrap this up and give a couple of minutes to my other colleagues here. But I just think, when we look at the numbers, Washington created this "unintended consequence" within the Tax Code, that, as I mentioned, penalized some 21 million American couples to a tune of about $29 billion a year. I remember President Clinton saying at a news conference not too long ago that he agreed this was an unfair tax, but he also had to put in a qualifier, "But Washington cannot do without money. This $29 billion is too important for Washington to give up." In other words, we are willing, bottom line, to impose an unfair tax on many of our American families just so Washington can have a few additional dollars—if you count $29 billion as a few additional dollars—to have that at the end of the year.

According to the CBO, couples at the bottom end of the income scale who incur penalties paid in, on an average, nearly $800. When we talk about low income and we want go give them a tax break—they paid an additional $800 in taxes. That represented about 8 percent of their income. Repeal the penalty and those low-income families will immediately receive an 8-percent increase in their income.

So my constituents have been very clear on this issue. As I mentioned, many have come and talked to me. Many have written letters. One wrote:

> This tax clearly penalizes those who marry and are trying to possibly raise a family by working two jobs just to make ends meet. Our tax laws need to give the proper incentives encouraging marriage and upholding its sacred institutions.

Mr. President, I couldn't agree more.

Also, we began to add some real reform last year with the passage of a $500-per-child tax credit. It is a small step, but in the right direction. This Congress should do everything in its power to promote family life, to return the family to its rightful place as the center of American society. Whether lawmakers intended it or not, Congress created the marriage penalty and it rests on Congress to take it back.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas?

Mr. BROWNBACK. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Kansas has 57 seconds.

Mr. BROWNBACK. I want to explain to Members what is taking place here. Yesterday I filed an amendment to the legislative appropriations bill that would eliminate the marriage penalty we have been talking about this morning. My amendment, which is being cosponsored by several Senators, would reinstate income splitting and provide married couples who currently labor under this Tax Code with some relief. I tried to offer my amendment last Friday with spending legislation that was originally supposed to be debated. However, because of objections from the Democrat side of the aisle to the unanimous consent request that would have guaranteed a vote on eliminating the marriage penalty, we have not been able to get a vote on the elimination of the marriage penalty.

Later in the day, another UC was propounded that would have allowed the Senate to move forward with the legislative branch appropriations bill but without my amendment, and to that UC I objected. Subsequently, the cloture motion was filed to bring debate about tax relief to a close and move forward with this legislation.

I am asking my colleagues today to vote against this cloture motion so we can consider the marriage penalty that is being objected to by my colleagues on the other side of the aisle. Thank you, Mr. President.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. The Senate will now resume consideration of the Legislative Branch Appropriations bill, which the clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 4112) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

> McCain amendment No. 3225, to make available on the Internet, for purposes of access and retrieval by the public, certain information available through the Congressional Research Service web site.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

> We, the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the legislative appropriations bill:
>
> Trent Lott, Robert F. Bennett, Ted Stevens, Don Nickles, Bill Frist, Jesse Helms, Pete Domenici, Richard Shelby, Rod Grams, Kit Bond, Thomas A. Daschle, Orrin G. Hatch, Larry Craig, Strom Thurmond, Paul Coverdell, and Chuck Hagel.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 4112, the legislative branch appropriations bill, shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Oklahoma (Mr. INHOFE) is necessarily absent.

The yeas and nays resulted—yeas 83, nays 16, as follows:

[Rollcall Vote No. 213 Leg.]

YEAS—83

Abraham
Akaka
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bryan
Bumpers
Burns
Byrd
Chafee
Cleland
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
Dodd
Domenici
Dorgan
Durbin
Enzi
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thurmond
Torricelli
Warner
Wyden

NAYS—16

Allard
Ashcroft
Brownback
Campbell
Coats
DeWine
Faircloth
Helms
Hutchinson
Kempthorne
Kyl
McCain
Sessions
Smith (NH)
Thompson
Wellstone

NOT VOTING—1

Inhofe

The PRESIDING OFFICER. On this vote the yeas are 83, the nays are 16.

Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

AMENDMENT NO. 3225

The PRESIDING OFFICER. The pending business is amendment No. 3225 by the Senator from Arizona, Senator McCain.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

POINT OF ORDER

Mr. BENNETT. Mr. President, I raise a point of order that the pending McCain amendment is not germane post-cloture.

The PRESIDING OFFICER. The amendment proposes new subject matter not dealt with in the underlying bill and therefore is not germane and falls for that reason.

Mr. BENNETT. Mr. President, I know of no further amendments or debate at this time. I ask the Chair to put the question before the Senate, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Oklahoma, [Mr. INHOFE], is necessarily absent.

The result was announced—yeas 90, nays 9, as follows:

[Rollcall Vote No. 214 Leg.]

YEAS—90

Abraham
Akaka
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NAYS—9

Allard
Ashcroft
Baucus
Brownback
Faircloth
Feingold
Gramm
Kyl
Smith (NH)

NOT VOTING—1

Inhofe

The bill (H.R. 4112), as amended, was passed.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the bill was passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from North Carolina.

Mr. HELMS. Mr. President, are we now in morning business?

The PRESIDING OFFICER. No. The Senator needs to make that request, if he wishes.

MORNING BUSINESS

Mr. HELMS. Mr. President, I ask unanimous consent that we now begin a period for morning business to be concluded at 12 o'clock noon.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I ask unanimous consent that I be recognized for no more than 20 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

CREDIT UNION MEMBERSHIP ACCESS ACT

Mr. HELMS. Mr. President, I have asked for this time this morning because this is the last week I will be here for a while. As of a week from today, I will have traded in my 1921 knees for some 1998 models. And during the time that I will be absent, the credit union issue will come up before the Senate. Now, I could duck the issue and probably make out all right, but I do not operate that way, and I feel I should not merely lay out for the record my views about this piece of legislation, but I should speak them publicly so that they can be known.

Mr. President, I suspect that most, if not all, Senators will agree that a certain type of democracy has, without question, been at work in terms of the astounding number of postcards and letters, faxes, telephone calls, et cetera, et cetera, et cetera, from representatives of the credit union industry at all levels. It would be an understatement, in fact, to describe the deluge as merely an impressive campaign. It is far more than that.

I have been around this place for quite a while, and I have spent many hours meeting with citizens on both sides of the credit union legislation that the Senate will shortly consider. I have seen North Carolinians who support H.R. 1151, the Credit Union Membership Access Act, and I have seen and visited with North Carolinians who are opposed to it.

In any case, the supporters of this bill are an important segment of our community. Credit unions provide basic, efficient, and affordable financial services. And I have to say for the record that North Carolina's credit unions do good work in providing for the needs of countless of their fellow hard-working Tar Heels.

Mr. President, it may be of interest to Senators from other States that this debate began in Randolph County, NC, which is the home of Richard Petty. And anybody who does not know who Richard Petty is, see me after I finish these remarks and I will fill them in on who Richard Petty is.

In February of this year, after a 7-year court battle, the Supreme Court handed down its decision on the case titled National Credit Union Administration v. First National Bank & Trust Co., which was a lawsuit involving several North Carolina financial institutions.

It may be that a bit of history will be useful at this point. Credit unions, as clarified in the preamble of the Federal Credit Union Act of 1934, were created by Congress "to make more available to people of small means credit for provident purposes."

In order to serve these individuals of "small means," credit unions were awarded back then specific benefits that others did not have in connection with their carrying out a clearly defined purpose, which was to provide essential basic financial services.

Now then, these benefits, including exemptions from Federal taxes and the extraordinarily burdensome Community Reinvestment Act, CRA, as it is known around this place—have enabled the credit union industry to serve their customers with a marketplace advantage—very clearly an advantage—not allowed to other insured depository competitors which must pay taxes and which must abide by complex Federal regulations, which credit unions do not have to do.

In the early 1980s, the National Credit Union Administration used its regulatory power for significant alteration and expansion of the original intent of the Federal Credit Union Act.

Specifically, in 1982, the NCUA allowed credit unions to expand their memberships to include multiple employer groups, an action which effectively eliminated the meaning of the common bond. This, in fact, was the precise holding of the Supreme Court's February 1998 decision.

When this debate started, some shrewd Washington lobbyists—and that is about the best I can describe them—these lobbyists circulated the notion that the Supreme Court's intent was—now get this, Mr. President—the intent of the Supreme Court, they said, was to kick people out of their credit unions.

But what happened? Credit union members promptly began calling and writing to me, and all other Senators, I am sure, pleading with us to protect their right to remain members of their credit unions.

Mr. President, that of course never was in doubt, and these lobbyists knew it. But they struck fear in the hearts of the credit union members; hence the deluge of telephone calls and faxes and letters and visits and all the rest of it.

In no way—let me say this as plainly as I can—in no way will these membership rights be revoked from citizens who were credit union account holders prior to the February 25, 1998, Supreme Court decision. I hope I have nailed down that falsehood pretty well.

Parenthetically, Mr. President, it should be made clear that such revocation has never—never—been remotely considered by anybody. It would have been fundamentally unfair for anybody to even think of it. It should also be emphasized that the banking industry is unanimously supportive of the position that it would be unfair.

Mr. President, I am persuaded that many Senators may have been incorrectly persuaded by the deluge of contacts with their constituents that small bankers are attempting to take away the account rights of credit union members, which, in fairness, Mr. President, is an absolute falsehood, and even the lobbyists who contend otherwise are bound to have known and know to this moment that it is false.

Let the record be clear, nobody—nobody—has a membership in a credit union where that membership depends on passing legislation that will allow the unrestrained expansion of credit unions.

Now, the fact is, most traditional credit unions were not, nor ever will be, affected by the Supreme Court decision of last February. The fact is, in that decision the Supreme Court supported the original statutory intent of the Federal Credit Union Act of 1934 that credit unions must have a common bond, that is to say, some reason to be considered as a group. In fact, the Court was unanimous in its interpretation of the law, identical in effect to the way it was written way back in 1934.

All right. You see, Mr. President, most credit unions operate under the definition of a "common bond," as was clearly the intent of the Federal Credit Union Act.

Mr. President, most credit unions will continue to operate and the members will continue to benefit from their regulatory tax-exempt status—taxes that their competitors have to pay.

Now, the point is unmistakably clear. The only credit unions affected are credit unions that have expanded, in clear violation of the Federal Credit Union Act of 1934 which the Court upheld this year. The violation of this Federal Credit Union Act has been done in several ways—primarily by the unlawful inclusion of hundreds of groups, large and small, and thousands upon thousands of employees of these hundreds of groups.

Now, the change in the National Credit Union Administration regulatory policy launched the credit union industry into an era of unprecedented growth. For example, in the 8 months following the regulatory change, one credit union added more than 1,000 different groups. That was done in less than 8 months' time.

No longer were credit unions required to represent groups of individuals with common workplace or geographic interests, but hundreds of unrelated groups not joined by any commonality. Larger credit unions have used this newfound freedom to an advantage at the expense of their financial competitors.

This legislation—and the name of it, just for the record, is the Credit Union Membership Access Act; the number is H.R. 1151—this legislation proposes to codify, to place into law, the NCUA 1982 regulatory interpretation and thereby invite another major expansion of the credit union industry. H.R. 1151 proposes to authorize multibonded credit unions to bring in groups of up to 3,000 members—a number, by the way, which NCUA can waive at its discretion—and would effectively allow credit unions to target every entity in the United States.

Now, the Bureau of the Census has declared that 99.9 percent of the businesses in the United States employ fewer than 3,000 workers. So you see the practical effect of allowing multibonded credit unions to bring into their membership groups which have less than 3,000 members would effectively repeal all limits of expansion on the credit unions which pay no taxes.

In summary, H.R. 1151, the Credit Union Membership Access Act, soon to be the pending business in the Senate, is a long way from the original concept and intent of the very clear common bond. According to the NCUA, to qualify for this tax-subsidized service—and that is what it is—one would simply have to walk in and sign up. It follows that many credit unions are moving beyond their original purpose of aiding individuals of "small means" with basic services. In fact, already such things as professional sports teams, yacht clubs, law firms, country clubs, and many, many others now have their own credit unions. I suggest that this exceeds any rational definition of individuals living by "small means."

In all fairness, the reason I am here this morning is H.R. 1151 does not qualify as simply a pro-credit union bill. It is really, if you want to call it what it is, an anti-competitiveness bill. If Congress wants to alter the intended dimensions of credit unions, Congress should be willing to say so clearly and not hide behind the guise—and that is what it is—that the intent of the soon-to-be pending legislation is to protect credit unions following the Supreme Court's ruling.

Now, then, in realty, Congress is setting the stage for the expansion and growth of the credit union industry into thousands upon thousands of new markets well into the 21st century, while continuing to be exempt from paying the Federal taxes that the competitors down Main Street have to pay.

If the credit union industry wants to expand its presence in the financial marketplace and increase its ability to offer various services to more and more groups—in short, if they want to operate like community banks—I commend their ambition because I believe that the banking industry will and should welcome them into the marketplace as long as credit unions are required to live under the very same tax structure and the very same regulatory morass that America's small community banks and small town bankers live with every day.

Let me be clear, as I wind up, that I oppose both higher taxes and burdensome regulation. If Congress chooses to allow credit union growth without taxation and without costly regulations, then let's be fair and do the same for America's community bankers, the small bankers who are competing for the same core of business without the benefit of a Federal subsidy paid by the American taxpayer.

It is unfortunate that the debate on this legislation up to now has pitted the banking interests versus the interests of the credit union industry. The debate should be about the willingness of Congress to provide a level and fair playing field for all financial interests. Is it equitable for credit unions, comprised of countless hundreds of groups and assets in the billions, to have a competitive advantage over small bankers who are competing for the same business? I am convinced the obvious answer to that is no. Unless and until this becomes a debate about fairness in the marketplace instead of a politically expedient response to a shrewd and energetic lobbying campaign, I cannot and will not support such misguided and tragically misunderstood legislation.

In closing, a few personal observations: Earlier, I mentioned the enormous public relations campaign crafted by lobbyists for the credit union industry. I am confident that every Senator's office has experienced this full court press.

This past week, in fact, a rally was staged right here on Capitol Hill by several thousand credit union supporters who had been brought to Washington to demand immediate passage of H.R. 1151, without amendments.

Now, I am genuinely impressed by the willingness of the credit union industry's supporters to travel to Washington to express their support for H.R. 1151. However, I must question the actions of some of the lobbyists who staged this demonstration on the Capitol steps and used distortion and half-truths and even untruths to get their message across. This undermines the integrity of the people who they purport to represent. I hope in the future they will use greater care in representing their constituencies.

So this debate boils down to an issue of fairness. Most Senators, including myself, have friends on both sides. I take great care in trying to ensure that the small guy, whether he is a bank customer or a credit union member, is given a fair and equal deal, the level playing field that we so often hear so much about. This bill does not represent a level playing field. Congress amended the Federal Credit Union Act in 1937 to give tax-exempt status to federally chartered credit unions to serve a narrow purpose, not to give a distinct market advantage over their competition with the small bank down the street.

Now, it must be said that many credit unions such as the U.S. Senate Federal Credit Union, right here on Capitol Hill, have used this advantage judiciously in serving their clearly defined customer base.

The employees of the Senate are their customer base. They won't lose their membership. Nobody is about to lose their membership. That is all hogwash. Unfortunately, too many other large credit unions have expanded the reach of their tax-exempt status far beyond the original congressional intent—extending their Government-subsidized services to include hundreds upon hundreds of unrelated groups and businesses.

I say again, as a result of this tax-free status and their exemption from Federal regulations that require other financial institutions to reinvest in low-income areas, credit unions are able to offer deals on loan rates and checking accounts that most community banks simply cannot match.

It gives me no pleasure to stand here and take this stand, Mr. President. I could have kept silent and gone on down to North Carolina to have my sore knees fixed. But I am obliged to say, in conclusion, that if we allow credit unions to expand tax free and act more and more like banks, then we should at least try to ensure that there is a level playing field for all similar financial institutions. If we tax the banking industry, the small bankers, we should tax the credit unions—but I don't think we should tax either one of them. If we are to force banks to function under burdensome community reinvestment regulations, shouldn't we support equally demanding regulations for credit unions? Is this not, in the final analysis, just an issue of fairness? It would be simpler and easier for me to keep silent, but my conscience would not let me do so. I cannot engage in that luxury. I felt obliged to take my stand and I have done so.

Thank you, Mr. President, I yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent for 15 minutes to speak in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES-RUSSIAN RELATIONS

Mrs. FEINSTEIN. Mr. President, at the end of this week, Vice President GORE is scheduled to depart for Moscow to conduct meetings in preparation for a summit meeting between President Clinton and President Yeltsin in September. I believe this meeting and the future summit is really long overdue and extraordinarily important. I would like to take a few minutes to speak about the relationship between our country and the new Russia.

United States-Russian relations today stand at a critical juncture. It has been almost a decade since the end of the cold war, and although we have made great strides in reestablishing the friendship that characterized relations between our two countries in the recent past, we have yet to establish the basis for the kind of partnership that is adequate to guide our two nations into the next century.

The Russian Federation is nearly twice the size of the continental United States. It covers 11 time zones, with a population of close to 150 million people. Lest we not forget, Russia is a country with a nuclear arsenal capable of annihilating the Earth many times over.

Few countries on this Earth have undergone the sort of wrenching political, economic, and social transformation that Russia is now going through. While China has moved slowly and carefully to release centralized control over its economy, the Russian model has moved rapidly, in a macro way, to embrace both economic and social democracy.

Today, Russia remains fragile. The United States has a huge stake in what happens now. Our goal must be to see that Russia remains a stable, modern state, democratic in its governance, abiding by its constitution and its laws, market-oriented and prosperous in its economic development, at peace with itself and with the rest of the world. A Russia that reflects these aspirations is likely to be part of the solution, rather than part of the problem, to world peace.

Conversely, a Russia that erects barriers against what it sees as a hostile world, that believes the best defense is a good offense—such a Russia could be in the 21st century just as it was for much of the 20th century—one of the biggest problems the United States and the rest of the world will face.

Russia may be down as a major power, but it is far from out. Although it is all too easy for some to look at Russia today and conclude that it is not a country that demands attention as a top U.S. foreign policy priority, that, in my mind, would be a grievous error in judgment. To place United States-Russian relations in a secondary category of concern is a surefire recipe for disaster. The United States has an enormous stake in the outcome of the present Russian struggle for democracy and free markets.

I believe that it is in Russia's own interests to conduct a concerted effort against the antidemocratic forces and the ultra nationalistic ones, against crime and corruption and, yes, against old Soviet attitudes and habits. This is the course which the government of President Yeltsin has undertaken, and he has done it despite many impediments that still stand in the way.

Too often we have been quick to point out the shortcomings and imperfections of the Yeltsin government and of Russia—and as recent questions regarding Russian assistance to the Iranian missile program indicate, there is some reason for deep concern.

I am fully supportive of the President's decision last week to sanction nine Russian companies for cooperation with Iran. In my mind, Russia's assistance to Iran indicates just how far Russia has yet to travel if it wants to be a full partner with the United States in the international community. But I must also note that the cooperation that Russia now provides is a welcome reversal of its stance of a few years ago. I hope that this new level of cooperation is a major harbinger of things to come.

Indeed, for those who care to look, there have been many positive developments in Russia over the past years—positive developments that include President Yeltsin's constitutionally based election and reelection in 1996, the defeat of hyperinflation, the end of the war in Chechnya in 1997, the signing of the NATO-Russia Founding Act, and successful Russian participation in joint peacemaking operations in Bosnia.

Russia has also made enormous strides in integrating into global economic and regional economic institutions, including the World Bank, the International Monetary Fund, the ASEAN Regional Forum, the Council of Europe, the Paris Club, and more. Russia has strengthened its ties to the European Union and is active in the United Nations and Organization for Security and Cooperation in Europe.

That is not to say Russian reform has scored a knockout blow against crime and corruption, or that the Russian economy is home free. In fact, the current economic crisis and resulting political instability presents the new democracy with its greatest challenge to date.

The package agreed to last week by Russia and the International Monetary Fund provides significant funding, we hope, to stabilize the Russian economy, and it contains major fiscal reform elements, including tax reform, some of which are going to be put in place, as well as far-reaching structural reforms to increase growth and free-market competition. It represents an important pledge by Russia to continue the development of a free-market democracy, and it is an important vote by the international community in the importance of this new Russia.

Russia may still be struggling, but it is my belief that it is on the cusp of a constructive interaction in the international community as a democracy. This must be encouraged. As one analyst wrote about World War II era Germany and Japan, "There are no dangerous peoples; there are only dangerous situations, which are the result, not of laws of nature or history, or of national character or charter, but of political arrangements."

In Russia today, there is a growing ultranationalism which represents a major threat to its progress as a democracy, and we must be cognizant of that.

It will take courage for Russia to look to the future positively, to abandon obsolete thinking, to reassess its national security needs and interests in light of new alliances. It will require a high level of determination and hard work by our country to work with Russia to develop these institutions, institutions which can encourage the growth of democracy and free markets and lead to a more stable and cooperative and prosperous new Russia.

But if future generations are to be spared the danger, the expense, and the terror faced by my generation in dealing with Russia, if we are truly to reap the benefits of the end of the cold war, we cannot stand by and wait to see whether democracy and free markets will survive in Russia.

In more concrete terms, I believe that the time is ripe for a full-scale, high-level, new initiative towards Russia as we approach the 21st century.

The Vice President's trip and this September's summit, I hope, will contribute greatly toward this process, but the Senate bears a special responsibility for the conduct of our Nation's foreign policy. We must play a role, too.

This initiative, I believe, should focus on ways in which the United States can work effectively with the new Russia to strengthen and encourage democratization; to support efforts by the IMF and the international community to assist Russia's economy to make the full transition to free markets; to examine and revise outdated legislation which has created roadblocks and bottlenecks in United States-Russian relations and which place United States firms doing business in Russia at a competitive disadvantage; to provide help in the fight against corruption and organized criminal enterprise in Russia; to expedite existing United States resources now available through OPIC, the Eximbank, and other financial institutions through the development of fast-track type programs which cut red tape for worthy business projects and investments; to encourage and expand existing academic, cultural, and other exchange programs, including those between the Congress and the Duma which aim to support Russia's reformers; and, finally, to work to fully integrate Russia as an equal partner in the international political, economic, and security institutions.

We must understand how the right kind of foreign assistance can play a crucial role in assuring Russian economic growth and vitality. And we must understand how our assistance can help create the ability for Russia to consolidate its gains and provide the opportunity for Russia to work out its national identity and destiny in ways which will complement American interests.

None of this will be easy and all of it will require sustained effort. To that end, the Vice President's trip this week is a first major step. And to that end also, I hope to be able to work with the chairman and ranking member of the Foreign Relations Committee of this body to conduct hearings to examine the nature and future direction of United States policy toward Russia. From these hearings I hope we can develop legislation to address United States policy in the areas I have outlined above, and to strengthen United States-Russian ties in an appropriate way.

I deeply believe that this relationship needs the most intensive concern and interaction at the present time. We must give Russia both time and opportunity to consolidate the reforms that constitute the good news of the past few years, to work with them to beat back the forces that threaten this progress, and to assist them to become a stable, prospering, democratic republic which can be a partner for world peace in the next century.

I thank the Chair and I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

(The remarks of Mr. CRAIG pertaining to the introduction of S. 2337 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

HONORING THE DRAKES ON THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. Individuals from strong families contribute to society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken seriously the commitment of "till death us do part", demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Elsie and David Drake of Springfield, Missouri, who on July 26, 1998, will celebrate their 50th wedding anniversary. Many things have changed in the 50 years this couple has been married, but the values, principles, and commitment this marriage demonstrates are timeless. As this couple celebrates their 50th year together with family and friends, it will be apparent that the lasting legacy of this marriage will be the time, energy, and resources invested in their children, church, and community. My wife, Janet, and I look forward to the day we celebrate a similar milestone.

The Drakes exemplify the highest commitment to the relentless dedication and sacrifice. Their commitment to the principles and values of their marriage deserves to be saluted and recognized.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I don't foresee there is any additional morning business to come, so I ask unanimous consent the period for morning business be brought to a close.

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

> A bill (S. 2260) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from New Hampshire.

Mr. GREGG. Mr. President, let me begin to address this issue. I know Senator HOLLINGS is on his way to the floor, the ranking Democrat, who has worked so conscientiously on this, along with his staff and my staff. This is the appropriations bill which covers some very core agencies that the Federal Government has responsibility for, specifically areas of Justice, things like the FBI, the DEA, the INS; areas within Commerce—many areas, of course, are covered by the Commerce Department including, of course, the census issue. Equally important, in fact more important in many ways are ITA and NOAA, two agencies that deal with the manner in which the U.S. economy functions and the manner in which our environment is reviewed. We try to stay ahead of weather conditions.

In addition, this bill has the State Department—obviously the State Department is a core function of the Federal activity—and the judiciary, which is the third branch of the Government, that is also under this bill, along with a number of independent agencies, agencies like the FCC and the FTC and the Small Business Administration. So this is a bill that has broad reach and is a very significant item for the Senate to take up.

This funding bill has been put together as a result of the hard work of a lot of people. I especially thank my ranking member, Senator HOLLINGS, whose input and assistance is always invaluable on this issue. His background and knowledge of the questions which are raised on this bill are extraordinary. I look to him for advice and counsel on many issues. When we agree, we make great progress, which we have on this bill. This bill was reported out of the committee unanimously.

In addition, I thank my staff which has worked so hard, and minority staff which has worked so hard, and the other members of the committee.

PRIVILEGE OF THE FLOOR

Mr. GREGG. During the pendency of this bill, I ask unanimous consent floor privileges be made available to Jim Morhard, Paddy Link, Kevin Linskey, Carl Truscott, Dana Quam, Vas Alexopoulos, Kris Pickler, Lila Helms, Emelie East, Dereck Orr, and Virginia Wilbert.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. That request also included members of the minority staff.

Mr. President, this bill, S. 2260, is, as I mentioned, a bipartisan bill. It was reported out of committee unanimously. It is a bill that allocates $33.2 billion for fiscal year 1999. The bill provides $1.1 billion more than was spent on these agencies last year. I will explain the reasons for those increases as we go on. It is $3.6 billion less than what the President requested.

It is a lean bill. There were difficult decisions that had to be made. But the legislation supports the core functions which are required of these agencies while improving a number of activities pursued by these agencies.

We provide $17.8 billion for the Justice Department. This includes funds to combat terrorism, violence against women and children, illegal drug running, and cybercrime, along with many other worthwhile programs.

I am proud to say the committee included a total of $17.2 million to bolster programs that help law enforcers find and care for missing children. This bill furthers our goals of making communities safer for our children.

You may recall last year the committee increased funding for the FBI and the National Center for Missing and Exploited Children to prevent the use of the Internet to exploit children. Based on the follow-up hearings we held this year, I believe those funds have been put to good use. The Center was involved in recovering 4,878 children this year with an overall recovery rate of 90.3 percent. The Center increased the hours of operation for their phone tip hotline and created a web site on the Internet for public use. The hotline, in conjunction with the web site, should lead to more pedophile apprehension. The Center also provides special training for local law enforcement people at the Jimmy Ryce Law Enforcement Training Center about how to pursue missing children. This is a serious issue, missing children, and we are trying to address it aggressively in this bill.

As part of this effort, we have recommended $5.2 million for the FBI to combat child abductions and serial killing.

The FBI has put together an exceptional task force to address the issue of child abductions and serial killings.

The tragic school shootings in the past few months that have shocked the Nation are also a concern of ours. According to the National School Safety Center, 25 students have been killed in U.S. schools since January 1 of this year. This is the same number of students who were killed for the full 1996 school year, but in half the time.

For this reason, the Senator from South Carolina and I created a new Safe Schools Initiative which provides $210 million to introduce a positive law enforcement presence in our school systems. By working together with educators and local communities, we believe law enforcers can find ways to stop the escalation of murders and violence in our schools. The funding is found in three Department of Justice accounts: $175 million from Community Orientated Policing (COPS) for additional officers; $25 million for the Juvenile At-Risk Children's Program for prevention efforts; and $10 million from the National Institute of Justice to develop new, more effective safety technologies. These funds will be used by local law enforcers in partnership with schools and communities to develop programs to improve safety in our schools.

I congratulate and appreciate the support of the Senator from South Carolina in developing this new initiative. Our intention is to provide educators with the means to improve hostile environments. We must make sure that violence does not become a commonplace event in our school systems.

In addition to this new Safe Schools Initiative, we fund many of the out-of-school programs for children that will likely be familiar to you. We increase funding for the Boys and Girls Clubs of America, for the Big Brothers/Big Sisters program which brings young people together with responsible adults willing to serve as long-term mentors. These programs give students positive reinforcement while expanding their horizons while taking up those hours of the day when students are most at risk —the time right after school.

There are prevention programs, such as the National Crime Prevention Council, whose well known mascots of McGruff and Scruff make learning safety tips fun, or Parents Anonymous which advocates prevention of child abuse and which will be creating an immediate-response system with the fiscal year 1999 funding.

Many States have youth programs tailored to their communities, and these communities may be eligible for Federal grants to assist in the areas of education, research, prevention, and rehabilitation. These are the types of programs the committee is supporting by placing $284 million in the juvenile justice programs account.

I stress here that we have not tried to reinvent the wheel. We have supported programs that work, and we have turned to communities to give us their ideas as to how these funds should be allocated.

Also in line with youth support, the committee is recommending $12 million to expand the Youth Gang Program and $95 million for incentive grants for local delinquency programs, including $25 million to enforce underage drinking laws.

Most of the programs I have mentioned are prevention programs to work with youth, but there is more to this process. The committee, with help from the chairman of the Judiciary Subcommittee on Youth Violence, added $100 million for the juvenile accountable incentive block grant. These funds will go towards functions that are in place to emphasize accountability to juveniles after they have committed crimes, such as detention facilities and probation officers.

The committee recommends an increase to $282 million for the Violence Against Women Program. According to the Justice Department, violence by an intimate accounts for 21 percent of the violent crime experienced by women. Our legislation increases the number of law enforcers and prosecutors who will address these crimes. Our intent is to develop and implement effective arrest and prosecution policies in order to provide better handling of crimes against women. Women ages 16 to 24 experience the highest per capita crime rates of intimate violence. Therefore, the committee is providing $10 million within the funding level for the prevention of violence on college campuses. By doing so, we will be helping the women who are most at risk.

Many of our colleagues are familiar with the story of Megan Kanka who was killed by her neighbor, a convicted sex offender, in New Jersey in 1994. Congress subsequently passed Megan's law that asks States to require its violent sex offenders to register their address with government officials upon their release from prison. To further this effort, this bill contains $25 million for the National Sex Offender Registry to identify, collect, and exchange sex offender data from the States through an automated registry.

Further, the bill includes $45 million to assist States in improving the automation, accuracy, and completeness of criminal history records. This will facilitate the exchange of interstate information.

In addition, we add money for the DNA programs so that States will be able to communicate effectively with each other on the issues of DNA.

The balance that we tried to reach was between those areas of prevention where we can assist children, especially children in school, and give them leadership when they are out of school during those difficult hours, with the need to have a tough enforcement process, and that enforcement process has been adequately funded and aggressively funded as a result, in large part, of the Senator who is sitting in the Chair right now whose leadership on the issues of juvenile justice is primary in this body.

Another area of Justice activity we have addressed is the terrorism issue. Terrorism continues to be a primary concern and threat to our country, so the committee is continuing to support a strong counterterrorism policy, something we began a couple of years ago with the work of Senator HOLLINGS and myself.

The Attorney General is working on a counterterrorism strategy that should be completed by the end of the year. We look forward to the completion of that plan, and we are recommending $224 million for counterterrorism initiatives.

Our counterterrorism recommendation is comprehensive. A portion of this funding will go to the first-responder training and equipment as the Nation must be able to quickly react to a terrorist incident. Another portion will provide funding for specific programs to build this capacity, such as metropolitan medical strike team training and equipment, the acquisition of equipment for the largest cities and localities in the United States, the implementation of situational exercises, State and local bomb detection and technician equipment, and equipment grants for local fire and emergency agencies. The intent of the committee is to provide direct assistance to the first responders as well as to guide our national policy toward a coordinated and effective response.

We also recommend significant funding for State and local law enforcers to have the same training and equipment as their Federal counterparts. The committee recognizes the need for the Federal, State, and local law enforcers to work together, especially in addressing a terrorist attack.

We provide funding for the FBI to prepare for terrorist attacks. The issue of terrorism is a two-fold event—one of trying to stop it and anticipate it through intelligence and, second, trying to react when such an unfortunate incident occurs. We have aggressively funded the FBI initiatives.

As part of the counterterrorism effort, we enable the Attorney General to quickly receive reimbursements from other agencies as well as to acquire the necessary equipment and services during a terrorist crisis.

We have further requested the Attorney General to conduct a no-notice, counterterrorism-readiness exercise involving the leadership of all pertinent agencies. We look forward to the results of that exercise.

This is just a brief summary of some of the elements of our counterterrorism strategy. Obviously, some parts of it have to remain classified, but our purpose is to have a comprehensive, all-encompassing response to what is clearly one of the biggest issues facing our country.

Are we prepared for a terrorist attack at this time? No, we are not. Are we moving in the right direction to get prepared for such an attack? Yes, we are. Having visited almost all the agencies that are involved, those that are in our purview of jurisdiction and those outside our purview of jurisdiction, the one thing I have been most impressed with is a sincere and genuine effort to have a coordinated response to this issue, and there appears to be very little in the way of a turf fight going on, which is absolutely critical that we avoid in trying to address this issue.

In the area of drugs, we also have a major effort. The strategy includes $24 million for DEA's methamphetamine initiative and $13 million for the heroin strategy. To also combat methamphetamine production and trafficking, we are recommending a $15.5 million methamphetamine program through the COPS program.

The Senator from South Carolina and I have worked with the DEA Administrator to create regional drug enforcement teams to address the strategies of the cartels. The committee directs $21.8 million for this effort, and there is an additional $5.6 million provided to handle the influx of violent drug-trafficking groups based in the Caribbean.

We included also $25 million for S. 1605, the "Bulletproof Vest Partnership Act," sponsored by my friend and colleague from Colorado, Senator CAMPBELL, and signed by the President on June 16. This funding will go to law enforcement officers for the purchase of bulletproof vests.

The committee recommends a new initiative which provides $144 million to improve law enforcement in Native American communities. The funds come from a variety of agencies. However, we have seen, unfortunately, that adequate law enforcement in Native American communities is woefully lacking, and there are a number of initiatives which we have undertaken in this bill to try to assist those communities.

In the area of the INS, the Immigration and Naturalization Service, this bill provides $3.9 billion. We want to equip the INS with the means to manage its two-pronged duty of law enforcement and legal immigration. On the enforcement end, we are recommending an additional 1,000 Border Patrol agents for the borders and a 100-person integrated team designed to intercept illegal aliens traveling on highways in the South and Midwest in order to counteract problems arising in the interior of the country.

When we take these 1,000 agents and add them on top of the 1,000 agents we put in last year, we are making a huge personnel expansion in the INS in the area of the Border Patrol where the problem exists.

For the second prong, the administrative portion, we provide sufficient funding that is enhanced by technology. The INS construction and maintenance has been woefully under funded in the past years, and we recommend more than a 33 percent increase. The $110 million level will strengthen training, border control, and detention and deportation.

Detention space shortfalls and the naturalization backlog will benefit from the increased revenues from revived fees. Where possible, new technology should ease the burden on our overworked personnel.

Of note, this bill does not address the INS reform issue. Reform is needed in that agency, but it is too complex an issue to address in the context of this appropriations bill. Clearly, it needs to be addressed in the future and, hopefully, in the near term.

In the Commerce Department we have provided $4.9 billion. The committee provides funding requested by the President for the U.S. Trade Representative and the International Trade Commission, and a variety of other international trade activities, including ITA, at funding levels which are more than adequate to address the concerns in trade which are so critical to strong commerce. Commerce Department programs are supported specifically at a level that will adequately do the job that is required.

In the area of the census, we have put in $848 million, over a half-million dollars. This is the amount that was requested. We have not addressed the issue of the question of the proper way to count the census. The decennial census is important not just for the apportionment of Representatives in the House of Representatives but for many of the formulas that create grants to the States.

The dress rehearsal for the census raised several issues which deserve congressional scrutiny. This occurred recently in two cities in the United States. Going into the dress rehearsal, the Census Bureau did not have in place software which could detect duplicate or fraudulent census forms. The inability of the Bureau to test such an important system during the dress rehearsal is troubling.

The keystone of any census is the mailing list. In this bill, additional funds are provided to assist the Bureau in "re-engineering" its mailing list. The forms returned as "undeliverable as addressed" during the rehearsal were twice the number estimated by the Census Bureau. Mailing list problems varied in three locations in which the dress rehearsal was conducted.

The purpose of the dress rehearsal is, of course, to identify shortcomings which must be corrected in order for the decennial census to be successful. The Census Bureau is behind in its efforts to create its Master Address File for the decennial census. Also, reports of mail address problems from the dress rehearsal do nothing to increase the confidence that the address list "re-engineering" will be successful. During the dress rehearsal, maps for enumerators to follow up with those not responding to the census were found to be hard to read and, in some instances, inaccurate.

A successful census will require a good mailing list, a way to detect fraudulent or duplicate forms, and maps to permit enumerators to follow up on nonresponsive citizens. We will spend billions of dollars on the year 2000 census. We should expect these basic elements to be in place for the dress rehearsal. They were not, and this should concern every Senator.

We need to know what is going to happen with the census when it occurs. Clearly, there is a fight going on over whether there should be sampling. But one thing is obviously clear from the dress rehearsal: Whether there was sampling or whether there was not sampling—whether there was a head count or not—the census is not ready to go forward and a lot needs to be done.

The bill funds the National Institute of Standards and Technology (NIST) programs at a level of $646.7 million. This level will enable NIST to upgrade its facilities and to build a state-of-the-art Advanced Measurement Laboratory. NIST's activities are actually critical to American industry. They are especially important now where exporters are running into trade barriers which are sometimes technically applied to them, and this can assist them in being more responsive to these technical barriers.

The committee also funds the National Oceanic and Atmospheric Administration (NOAA) at $2.2 billion. This exceeds the requested level. This committee is totally committed to being sure that we have a first-class NOAA effort. Clearly, in light of what we have seen from El Nino and other weather events in this country in recent times, it is absolutely critical that we have a strong Weather Service. And the need to expand our activity in the area of ocean activities is also equally critical.

NOAA advises us that they are getting near to the ability to adequately forecast an El Nino type of event, and we intend to make sure they have the funds to accomplish that. In addition, this year's budget request includes the Advanced Hydrological Prediction System, which should assist in forecasting floods in the Missouri flood basin, an absolutely critical issue, as well as the Advanced Weather Interactive Processing System which the National Weather Service needs.

Further, we have created a new Oceans Policy Commission. This is basically the outgrowth of an initiative of, again, the Senator from South Carolina. As some may recall, NOAA was initially created under the Nixon administration by Executive order. The idea for an agency to conduct research on oceans and atmosphere came as an outgrowth of the Stratton Commission, which was created in the 1960s. I think it is fair to say that the Senator from South Carolina and I believe the time has come to reinvigorate and assess the state of U.S. ocean policy and research. This commission will accomplish that.

In the area of the State Department and its related agencies, we have provided $5.6 billion. We are totally committed to modernizing the information technology and facilities, and especially housing, of the State Department. The committee recommended $118 million, the full request, for computers and communications equipment. This funding is an essential part of achieving the year 2000 compliance. Another $5 million is provided for systems unique to the United States Information Agency. And $550 million, approximately, is provided for the security and maintenance account, and $52.9 million is allocated for desperately needed housing. Finally, we fund the design of two new chanceries in Beijing and Berlin and anticipate funding the construction in next year's bill.

As for the international accounts, the committee recommends $1.1 billion for international organizations and $431 million for peacekeeping. Though the administration did not request it, the committee recommendation includes $475 million for arrears. The $475 million is consistent with the State Department authorization bill and the 1998 budget resolution. This year's payment brings the total available for arrears to $575 million. That is the amount that the U.N. requested. And we are on course to full funding of the arrears. With a stroke of the pen, the President can restore the credibility of the United States at the U.N. by simply signing the appropriate legislation —specifically, the State Department authorization bill which was agreed to. So the Congress has done its part and continues to do its part on funding the arrears issue.

The problem lies with the White House.

Finally, because of the crisis in India and Pakistan, we fully fund the Arms Control and Disarmament Agency.

In the area of the Judiciary, out of a total of $3.6 billion, we recommended full funding for the Judiciary's highest priorities: court security, defender services, and the Supreme Court. The remaining accounts receive increases across the board, although not all at levels that they were requested. We also include a cost-of-living adjustment for the justices and the judges.

We, as I mentioned, have a number of independent agencies. In regard to the Federal Communication Commission (FCC), we are funding that at the levels they requested. However, there remains the issue of the Portals II building. I am sure there will be considerable discussion of that before we complete this bill, but the fact is that there has been gross mismanagement relative to the Portal II building. The FCC should not be forced into moving into a building that does not meet its requirements from the standpoint of technology or security, and that building is really a total affront to the taxpayers of this country—that being the fact that we continue to pay for uninhabited space which is uninhabitable space as well as being uninhabited.

In the Federal Trade Commission, we have aggressively worked with the leadership of the Federal Trade Commission, Chairman Pitofsky, to pursue an aggressive program on telemarketing fraud. Consumers lose anywhere from $3 billion to up to $40 billion a year as a result of telemarketing fraud. We are seeing a great expansion of this activity, especially on the Internet. The committee is working with the Commission and has set up a new program to try to address this, including an 800 number. The Commission feels quite confident this will have a significant impact on the problem.

The Small Business Administration is also funded at a high level, $613 billion. Of this, $240.8 million goes to business loans and $94 million goes for the disaster loan account.

Of concern to the committee is the administration's request to increase the disaster loan interest rate. This request was soundly rejected. The committee has made it clear to the SBA and the administration that increasing the interest rates on loans to Americans who have experienced disasters is unacceptable. The administration should reverse its ill-considered proposal to make disaster victims pay market rates for assistance in recovering from economic injury.

I thank the Senator from South Carolina for his strong assistance in helping with this bill. There is a great deal more to talk about, and I am sure we will have plenty of time to do that as we proceed forward.

I thank the Senator from South Carolina for his courtesy for that long statement. I understand we may break at 12:30, so he may want to reserve his statement.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I think the distinguished chairman has stated it extremely well.

Mr. President, I am pleased to join my Subcommittee Chairman and colleague, Senator GREGG, in presenting to the Senate S. 2260, the Fiscal Year 1999 Commerce, Justice, and State, the Judiciary and related agencies appropriations bill. Once again, I would like to commend Chairman GREGG for his outstanding efforts and bipartisan approach in bringing to the floor a bill that—given the number of priorities we have been asked to address within our limited 302(b) allocations—is good and balanced.

In the Commerce, Justice, and State appropriations bill, we fund a wide variety of Federal programs. We fund the FBI, the DEA, the State Department and our embassies overseas, fisheries research, the National Weather Service and weather satellites, the Supreme Court, the Federal Communications Commission, and the list goes on and on. In total, this bill provides $33.2 billion in budget authority which is a little over a billion above last year's appropriated levels and a little over a billion below the President's request. The bill is right at our section 302(b) allocation.

Chairman GREGG has touched on many of the funding specifics in this bill, so I will not repeat the details; however, I would like to point out to our colleagues some of the highlights of this bill:

JUSTICE AND LAW ENFORCEMENT

This bill provides appropriations totaling $17.8 billion for the Department of Justice. Within the Justice Department, the bill provides $2.95 billion for the FBI, $1.2 billion for the DEA, and $1.08 billion for the U.S. attorneys.

Safe Schools Initiative—The bill also includes a new initiative, the Safe Schools Initiative for which Senator GREGG and I have provided $210 million in an effort to combat violence in our schools.

This past spring it seemed like there wasn't a week that went by without the country having to suffer through the trauma of watching on the news another story of school shootings or school violence unfold. And the ages of the victims and the violent youth get younger and younger with each report.

National statistics provided by the Justice Department indicate that between 1989 and 1995, there has been a 37 percent increase in the number of students age 12–19 reporting violent crimes at school. In 1995, there were 3 million students age 12–19 reporting that they knew a student who brought a gun to school, and over 1.2 million students reported seeing a student with a gun at school.

The idea behind this initiative is to stop violence from spreading throughout our Nation's schools like so many drugs have.

This initiative is aimed at protecting our children by putting more police in the school setting. The bill provides $175 million through the COPS Program, for local police departments and sheriff's offices to work with schools and other community-based organizations to develop programs to improve the safety of elementary and secondary school children and educators in and around our nation's schools.

In Richland County, Columbia, I recently visited a school that employed a police officer as both a teacher and a mentor—serving as an authoritarian figure while at the same time establishing friendships with the kids. We need more programs like this—and this initiative is a step in that direction.

This initiative is also aimed at creating prevention programs for our young people to stop this violence before it begins. The bill provides $25 million from the Juvenile Justice At-Risk Children Program for communities to implement approaches unique to their particular problems. For example: State centers may provide accountability and responsibility training, violence reduction training, juvenile mentoring, training for teachers to recognize troubled children, parent accountability and family strengthening education.

In Richland County, Columbia, the same program that puts the policeman in the classroom has him out of the school fields after classes are over, teaching students about responsibility, cooperation, and positive interaction.

Mr. President, three years ago, Richland County began a program of placing police officers in the school setting. This program, operating out of the Sheriff's office, places 20 certified police officers in high schools and middle schools throughout Richland County. The police officers are called "School Resource Officers" and basically serve as counselors, role models, and teachers. The officers assist teachers in the school by developing and teaching lesson plans that include: conflict resolution, law related education, psychology classes on drug abuse, and how to vocalize concerns rather than act out violence, etc.

This program is a proven success. Officer David Soto of Richland County, just named School Resource Officer of the Year, made 126 arrests at the school in his first year, 56 is the second, and only 36 this past year. His presence is most certainly making a difference. And this new initiative will too.

For grants, the bill provides $1.4 billion for the Community Oriented Policing Services (COPS) Program, $282.7 million for Violence Against Women Program, $711 million for State prison grants, $552 million for the Local Law Enforcement Block Grant Program, $40 million for drug courts, and $284 million for juvenile justice programs.

DEPARTMENT OF COMMERCE

The bill provides $4.823 for the Commerce Department, an increase of $572 million over this year.

$451 million of that increase for the Department of Commerce went to the Bureau of the Census to fund the decennial census at the President's request level of $848.5 million. The bill does not take a position on whether the Bureau should use statistical sampling or enumeration.

NIST's Advance Technology Program (ATP) is funded at last year's appropriated level of $192.5 million, and the Manufacturing Extension Partnership (MEP) program is funded at a level of $106 million. Funding is extended for those centers affected by the existing sunset provision. The bill supports the bipartisan efforts of the 17 members of the Commerce Committee who voted to report out a reauthorization bill and the 20 cosponsors of that legislative proposal.

The International Trade Administration is funded at $304 million.

The bill provides $2.2 billion for NOAA, an increase of $200 million over this year's funding level. Chairman GREGG and I have continued to work bipartisanly to keep a focus on our Oceans.

Oceans Commission funding. Senator GREGG and I have also included in this bill $3.5 million in funding for the creation of an Oceans Commission. Thirty-two years ago, Congress enacted legislation that created a national commission (Stratton Commission) whose ideas have shaped our ocean policy for almost thirty years. Resulting from the Commission was the creation of

NOAA and enactment of such vital legislation as the Coastal Zone Management Act, and the Marine Sanctuaries program. This Commission—modeled after the successful Stratton Commission—will look at U.S. ocean and coastal activities and report within 18 months on recommendations for a national policy.

Today half of the U.S. population lives within 50 miles of our shores and more than 30 percent of the Gross Domestic Product is generated in the coastal zone. Our ocean and coastal resources that were once considered inexhaustible are severely depleted, and our wetlands and other marine habitats are threatened by pollution and human activities. Meanwhile, recent technological advances related to the oceans offer us new economic and scientific opportunities. In an effort to address the increasing environmental, economic, and scientific demands on our oceans, our ocean-related government bureaucracy has grown rapidly during the past three decades into a patchwork of regulations and programs. This Commission will give us insight into what direction our national policy should take to preserve, manage and use this limited resource during the next thirty years.

A number of marine user and interest groups have endorsed our efforts to create a new Ocean Commission, including: The American Coastal Coalition; the American Oceans Campaign; the American Sportfishing Association; the Center for Marine Conservation; the Coastal States Organization; the Consortium for Oceanographic Research and Education; the H. John Heinz III Center for Science, Economics, and the Environment; the Jason Foundation; the National Fisheries Institute; the Pacific Coast Federation of Fishermen's Associations; and the World Wildlife Fund.

It is time for this country to reassess our national policy toward our oceans and this provision takes the first necessary step to get us moving in the right direction.

STATE DEPARTMENT AND INTERNATIONAL PROGRAMS

The bill includes $5.6 billion for the Department of State and related agencies. Within the State Department, the bill provides $550 million—an additional $146.8 million above this year's level of funding—for security and maintenance of U.S. missions, including funding for the chancery in Beijing, China and Berlin, Germany.

The funding level also includes payment of international organization and peacekeeping funds, including $475 million for U.N. arrears, subject to authorization.

International broadcasting is funded at $333 million which includes voice of America, Radio Free Europe, and Radio Free Asia.

Mr. President, in summary, given the allocation we received, this is a good bill. Many—but not all—of the administration's priorities were addressed to some extent. Likewise many—but not all—of the priorities for members were addressed to some extent. Tough decisions were made because of, on the one hand, the limited allocation, and on the other hand, the critical need to fund the Census, and 1,000 Border Patrol agents, and counterterrorism efforts, and the FBI's capabilities to combat child abductions, and DEA's continued war on drugs, and weather satellites, and critical fisheries research, and peacekeeping and the list goes on and on and on.

Mr. President, let me emphasize a couple of things. One, of course, is my gratitude for the outstanding leadership that Chairman GREGG has given our subcommittee in submitting this measure to the U.S. Senate. We worked around the clock to get this done, and no one has been more conscientious in trying to hold back spending.

The appropriation for State-Justice-Commerce is $33.2 billion, slightly over a $1 billion increase from this present year. This increase is accounted for by the fact that we had to provide for the Census, and what is due and owed to the United States, and for law enforcement. This increase, however, is actually $1 billion less than what was requested of us by the President of the United States.

As should be emphasized, the Safe Schools Initiative, under the leadership of Chairman GREGG, provides a good $175 million increment in the overall $210 million appropriations with respect to school resource officers within the school system.

Some three years ago, in my own backyard of Richland County, SC, Sheriff Leon Lott came upon the idea of putting some of his deputies in troubled schools, rather than putting them all on the streets. Sheriff Lott's idea has been a tremendous success. There now are about 20 officers, school resource officers, in Richland County schools. In one particular school, one officer has made almost 250 arrests in one year. He made 156 arrests the first year, and then some 56 the second year, and now down to 36 this year—the dramatic decline in arrests shows that this program works, it reduces crime.

What really occurs is that these officers teach courses in law enforcement, teach respect for the law, and engage the students and the administration. Also, of course, they talk to the administration and know when a child is troubled or doesn't have any help from home and everything else of that kind, and they can more or less become a friend and mentor to the child.

In this day and age, we hear much talk about the family on the floor of the U.S. Senate. Three out of four women with children in school have a job. Now I don't believe that is the fault of the U.S. Senate and I don't believe that will be solved by the U.S. Senate. There are children who come to school who don't have a father, and whose mother works. In essence, they don't have parental guidance. The teacher is called upon not just to teach but to substitute as a parent and keep law and order in the classroom. Teaching class, these officers will come to know the students well. They will serve as mentors and their understanding of the students will help them combat crime and prevent it before it starts. And in the afternoon they will participate in athletic events. Around the clock, these officers will become known and become role models.

Three million students last year attested that they knew of someone who brought a pistol or a knife onto school grounds, but that they didn't tell anyone because they didn't want to get involved and get themselves in trouble. But now with that officer engaged as he is around the classes and in the exercises in the afternoon, becoming a role model, trusted and known, these students just nudge, just point. The officer knows why they are pointing. They don't have to say anything. They are right on top of these situations. I think it is a tried and true, valid approach now to this problem of violence and death in America's public schools.

I commend Chairman GREGG on this particular initiative, the Safe Schools Initiative. I commend, of course, the leadership that we had under Sheriff Lott back in my own backyard that has gained acceptance for this particular program. Also, I think that you have to be able to mention the fact that we are taking care of the United Nations. We have not gotten into that Census sampling problem. That will have to be solved in conference. We do have an oceans initiative that the Ocean Commission—that was passed by the U.S. Senate almost unanimously. We reinstate more or less the old Stratton Commission of 32 or 33 years ago.

We need to update that. And we find that we have billions and billions to go up into space, but we can't find, seemingly, enough money for the National Oceanic and Atmospheric Administration for research and to get the attention of the public generally with respect to seven-tenths of the Earth's surface.

I would like to take a moment before closing to acknowledge and thank Senator GREGG's staff—Jim Morhard, Kevin Linsky, Paddy Link, Dana Quam, Karl Truscott, and Virginia Wilbert—and to my staff—Lila Helms, Emelie East, and Dereck Orr—for their hard work and diligence in bringing together a bill that does everything I have just mentioned and more. They have worked nonstop in a straightforward and bipartisan manner, and those efforts are evident in the product before the Senate today.

Mr. Prsident, in closing I would like to make a few final comments about Scott Gudes who left my staff several weeks ago after working as minority clerk on this subcommittee for the last 4 years, and as majority clerk for the 4 years prior.

TRIBUTE TO SCOTT GUDES

As Senator BYRD said about Scott Gudes 2 years ago, nobody knows better. Scott has worked with me on the Commerce, Justice, State bill for 8 years and it has been a prvilege working with such an intelligent, diligent, hard-working, and genius staff member. Senator BYRD hit the nail on the head—Scott knows appropriations; Scott knows Senate procedure; and Scott has common sense better than anyone. His departure from my committee staff is a geuine loss to me, to everyone who had the opportunity to work with him, and to the United States Senate.

Scott began working with me in 1990 as majority clerk for the CJS Subcommittee and stayed with me in this position through this year. Before that he was hired by Senator STEVENS and worked for him, Senator Stennis, and Senator INOUYE on the Defense Appropriations Subcommittee from 1986 to 1990 where he was responsible for all Department of Defense Operation and Maintenance accounts. During 1989 and 1990 he served as a subcommittee branch chief/assistant staff director and in this tenure on the Defense Subcommittee, Scott earned a reputation as handling the broadest and largest portfolio of any House or Senate appropriations staff.

This reputation followed him to the Commerce, Justice, State Subcommittee, where Scott became responsible for knowing the policy context and daily operations of a vast array of programs operated by four cabinet departments, the Departments of Justice, Commerce, State, and USTR, the Federal Judiciary, and 24 independent Federal agencies such as the FCC, SEC, FTC, LSC, EEOC—he was in a world of acronyms, yet he was able to tell you the current and historical status of each and every one of these agencies, he could assess their budgetary concerns, identify future year needs, and quickly determine the political astuteness of contemplated legislative action on any of the programs or agencies in the bill. He was our utility player—able to jump from satellites to fisheries to telecommunication to immigration policy to small business development, demonstrating his technical expertise and political acumen in the broadest array of programs imaginable.

Scott deserves the credit for a number of innovative and forward-thinking initiatives on the CJS bill during his tenure. His creativity compelled the subcommittee to consider and adopt such important initiatives as the NOAA fleet modernization program, acquisition of a high-altitude hurricane reconnaissance aircraft for the National Weather Service, methods of supporting the COPS on the Beat program, ways to hire and keep funding more border patrol agents, successfully integrating the 1994 Violence Against Women Act into our appropriations bill, finding ways to make the GOES satellite program start working under the necessary time table—the list could go on. But the important thing to note is that more often than not, Scott's recommendations at how best to technically and politically institute these initiatives were the recommendations we would follow, whether in the majority or minority.

Scott is now working for the Department of Commerce at NOAA, the National Oceanic and Atmospheric Administration, as Deputy Undersecretary of NOAA. Scott has followed his passions—the oceans, fisheries, atmospheric science—and NOAA, the Department of Commerce, and we as U.S. citizens reaping the benefits of NOAA's programs are all the better for Scott's high position in this agency. Scott will undoubtedly excel at this position just as he had here in the Senate, before that at OMB, as a Presidential Management Intern working in the Office of the Secretary of Defense, and at the city manager's office for the city of Costa Mesa, California. Scott is indeed a fine, fine person—NOAA is lucky to have him, and I expect to see his star shine for many, many years to come. I wish Scott all the best in the world—and know that in whatever position in life Scott finds himself, his decency, intelligence, and integrity will continue to be synonymous with his name. Congratulations, Scott. You will truly be missed.

Mr. INOUYE. Mr. President, I wish to congratulate Chairman GREGG and Senator HOLLINGS on their leadership in crafting the Fiscal Year 1999 Commerce, Justice, and State, the judiciary, and related agencies appropriation bill. Given the broad reach of this measure and our budgetary constraints, this was no easy task.

From a parochial standpoint, I wish to thank the Chairman and Senator HOLLINGS for their sensitive consideration of programs of importance to the State of Hawaii, including the East-West Center, Hawaiian monk seal recovery, endangered sea turtle research, and coral reef research, assessment, monitoring and management, to name a few.

I would also like to acknowledge the outstanding work of the staff: Jim Morhard, Kevin Linskey, Paddy Link, Dana Quam, Vasiliki Alexopoulos, Lila Helms, and Emelie East.

Finally, I would like to thank Scott Gudes for his many years of dedication to the Senate Appropriations Committee, and in particular, the Defense and Commerce, Justice, and State Subcommittees. Throughout the years, Scott worked tirelessly and conscientiously, and garnered the deep respect of Members and staff who had the privilege of working with him. Scott recently left the Senate to become Deputy Under Secretary at the National Oceanic and Atmospheric Administration. I wish him much success and fulfillment in this new endeavor.

AMENDMENT NO. 3227

(Purpose: To establish a prohibition on commercial distribution on the World Wide Web of material that is harmful to minors, to persons under 17 years of age)

Mr. COATS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Indiana [Mr. COATS] proposes an amendment numbered 3227.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 135, between lines 11 and 12, insert the following:

Title I. —

SEC. 620. (a) PROHIBITION.—

(1) IN GENERAL.—Section 223 of the Communications Act of 1934 (47 U.S.C. 223) is amended—

(A) by redesignating subsections (e), (f), (g), and (h) as subsections (f), (g), (h), and (i), respectively; and

(B) by inserting after subsection (d) the following new subsection (e):

"(e)(1) Whoever in interstate or foreign commerce in or through the World Wide Web is engaged in the business of the commercial distribution of material that is harmful to minors shall restrict access to such material by persons under 17 years of age.

"(2) Any person who violates paragraph (1) shall be fined not more than $50,000, imprisoned not more than six months, or both.

"(3) In addition to the penalties under paragraph (2), whoever intentionally violates paragraph (1) shall be subject to a fine of not more than $50,000 for each violation. For purposes of this paragraph, each day of violation shall constitute a separate violation.

"(4) In addition to the penalties under paragraphs (2) and (3), whoever violates paragraph (1) shall be subject to a civil fine of not more than $50,000 for each violation. For purposes of this paragraph, each day of violation shall constitute a separate violation.

"(5) It is an affirmative defense to prosecution under this subsection that the defendant restricted access to material that is harmful to minors by persons under 17 years of age by requiring use of a verified credit card, debit account, adult access code, or adult personal identification number or in accordance with such other procedures as the Commission may prescribe.

"(6) This subsection may not be construed to authorize the Commission to regulate in any manner the content of any information provided on the World Wide Web.

"(7) For purposes of this subsection:

"(A) The term 'material that is harmful to minors' means any communication, picture, image, graphic image file, article, recording, writing, or other matter of any kind that—

"(i) taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion;

"(ii) depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and

"(iii) lacks serious literary, artistic, political, or scientific value.

"(B) The terms 'sexual act' and 'sexual contact' have the meanings assigned such terms in section 2246 of title 18, United States Code.".

(2) CONFORMING AMENDMENT.—Subsection (h) of such section, as so redesignated, is amended by striking "(e), or (f)" and inserting "(f), or (g)".

(b) AVAILABILITY ON INTERNET OF DEFINITION OF MATERIAL THAT IS HARMFUL TO MINORS.—The Attorney General, in the case of the Internet web site of the Department of Justice, and the Federal Communications Commission, in the case of the Internet web site of the Commission, shall each post or otherwise make available on such web site such information as is necessary to inform the public of the meaning of the term "material that is harmful to minors" under section 223(e) of the Communications Act of 1934, as amended by subsection (a) of this section.

AMENDMENT NO. 3228 TO AMENDMENT NO. 3227

(Purpose: To direct the Federal Communications Commission to study systems for filtering or blocking matter on the Internet, to require the installation of such a system on computers in schools and libraries with Internet access, and for other purposes)

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN], for himself, Mr. COATS and Mrs. MURRAY, proposes an amendment numbered 3228 to Amendment No. 3227.

Mr. COATS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the pending amendment, add the following:

TITLE II.—INTERNET FILTERING

SECTION 1. NO UNIVERSAL SERVICE FOR SCHOOLS OR LIBRARIES THAT FAIL TO IMPLEMENT A FILTERING OR BLOCKING SYSTEM FOR COMPUTERS WITH INTERNET ACCESS.

(a) IN GENERAL.—Section 254 of the Communications Act of 1934 (47 U.S.C. 254) is amended by adding at the end thereof the following:

"(l) IMPLEMENTATION OF A FILTERING OR BLOCKING SYSTEM.—

"(1) IN GENERAL.—No services may be provided under subsection (h)(1)(B) to any elementary or secondary school, or any library, unless it provides the certification required by paragraph (2) or (3), respectively.

"(2) CERTIFICATION FOR SCHOOLS.—Before receiving universal service assistance under subsection (h)(1)(B), an elementary or secondary school (or the school board or other authority with responsibility for administration of that school) shall certify to the Commission that it has—

"(A) selected a system for computers with Internet access to filter or block matter deemed to be inappropriate for minors; and

"(B) installed, or will install as soon as it obtains computers with Internet access, a system to filter or block such matter.

"(3) CERTIFICATION FOR LIBRARIES.—Before receiving universal service assistance under subsection (h)(1)(B), a library that has a computer with Internet access shall certify to the Commission that, on one or more of its computers with Internet access, it employs a system to filter or block matter deemed to be inappropriate for minors. If a library that makes a certification under this paragraph changes the system it employs or ceases to employ any such system, it shall notify the Commission within 10 days after implementing the change or ceasing to employ the system.

"(4) LOCAL DETERMINATION OF CONTENT.—For purposes of paragraphs (2) and (3), the determination of what matter is inappropriate for minors shall be made by the school, school board, library or other authority responsible for making the required certification. No agency or instrumentality of the United States Government may—

"(A) establish criteria for making that determination;

"(B) review the determination made by the certifying school, school board, library, or other authority; or

"(C) consider the criteria employed by the certifying school, school board, library, or other authority in the administration of subsection (h)(1)(B).".

(b) CONFORMING CHANGE.—Section 254(h)(1)(B) of the Communications Act of 1934 (47 U.S.C. 254(h)(1)(B)) is amended by striking "All telecommunications" and inserting "Except as provided by subsection (l), all telecommunications".

Mr. McCAIN. Mr. President, I know the hour of 12:30 has arrived, but I ask unanimous consent to speak for 1 minute past the recess time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I thank the manager and the Democrat ranking member for allowing us to lay down these two amendments. We will be glad to discuss and debate them at a time most convenient for the managers of the bill.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:31 p.m., recessed until 2:14 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ROBERTS).

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3228

The PRESIDING OFFICER. The business before the Senate is Amendment No. 3228 offered by Senator McCAIN of Arizona.

Mr. SMITH of Oregon. Mr. President, I thank Senator GREGG for giving me a few minutes to speak in morning business. I ask unanimous consent that I might do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SMITH of Oregon pertaining to the introduction of the legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Several Senators addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Washington is recognized.

Mrs. MURRAY. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the McCain No. 3228 amendment to Amendment No. 3227.

Mrs. MURRAY. Mr. President, I come to the floor today to join my colleague from Arizona, Senator McCAIN, in urging the Senate to adopt our Internet filtering amendment, the Childsafe Internet bill.

We come here today for one simple reason: to find a way to protect children on the Internet. The Internet is growing and expanding faster than we ever thought possible. It has become a daily tool for many Americans. As the Internet continues to grow, I believe it is our responsibility to do something to protect children from harmful material.

I have worked hard over the last 6 years to get computers and technology into our schools. I have sponsored legislation to allow surplus Government computers to be put into schools. The Senate, in fact, just passed my Teacher Technology Training Act, to make sure teachers can incorporate technology into their curriculum.

I have worked hard to establish the e-rate to help our schools get connected to the Internet. I have been out in schools, and I know personally what a great educational tool the Internet can be. And I represent a state that is leading the way in many of these new technologies.

I want our students and I want our teachers to have access to this information. But, as we continue to see, there is a small amount of information on the Internet to which children should simply not have access.

In fact, a 1997 national survey of U.S. public libraries and the Internet revealed that students often unintentionally download pornography while on the Net. Mr. President, 22 percent of the children surveyed admitted that this had happened in school, while 25 percent admitted it had occurred in a public library.

I understand no solution is perfect. Technology alone won't filter every objectionable item on the Internet. We must remember, though, that this technology has made enormous strides in just a short amount of time.

I have heard from people who say health information, such as breast cancer, would be blocked from viewing. That may have been the case, but filtering companies have developed new technologies and are employing new procedures that do protect children while allowing more and more educational information to be used.

Our legislation is a first step. It is the right thing to do. The Childsafe Internet bill would simply require any school or library that gets reduced Internet access, the e-rate, to install some technology on their computers that keeps inappropriate material away from young children.

What is great about our bill is that it gives power to local school districts and libraries to determine which filtering device to use and what constitutes inappropriate material. Decisions must remain at the local level with those who best know their students.

Mr. President, let me give a few examples I have heard of the need for the Childsafe Internet Act.

Last month, a seventh grade teacher in Washington state told me that it was impossible to watch 30 young students at their computers all of the time. She did not want a situation in which a child found inappropriate material, complained to their parents, and then have a parent come screaming back to the classroom, where the teacher was ultimately responsible. She turned off the Internet.

I do not want that to happen. I ask unanimous consent to have printed in the RECORD a number of letters I have received from parents about the need for this bill.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 19, 1998.

DEAR SENATORS: You were both in Vancouver this week, and I wasn't able to reach you through your office. Would you please update me on the status of SB 1619 the Internet School Filtering Act? In SW Washington, the regional group reported that they are the state internet provider service is looking at filtering at the state level as a result of SB 1619. As you can see from this report, filtering isn't perfect. However, without any filtering, far more youth at much younger ages come up with inappropriate material.

In Camas, pop. 9000, elementary students are not allowed to do searches on the internet for this reason. There is no reason to allow technology to serve as an excuse for lowering standards of acceptable material in publicly funded institutions. The Camas library continues to fight filtering, and points to the schools lack of one as justification. The Ft. Vancouver library board most recently on Monday April 13 though optional filtering was a good idea. That defeats the whole purpose and keeps the porn option wide open to kids. I hope you got my report of abuses noted. If they had a log like this, I'm sure the number of accesses reported would be much higher. Please continue to work so that our tax dollars do not found porn and inappropriate material to children. Thank you for your time to reply please. E-mail is best, since it is faster, and a number of meetings are coming up the first week in May.

Sincerely,

MARGARET TWEET.

MAY 29, 1998.

Senator Patty Murray,
Attn: Kay

DEAR KAY: This also came out today. Ft. Vancouver records show one employee who quit rather than provide porn to minors with that as the stated reason. At the KOMO Town Hall, another Washington librarian announced she made the same decision after 6 months of wrangling over whether providing access to internet porn to a 14 year old patron was a part of her job she could live with. Adult businesses cannot sell pornography to children, an indication of public policy. It should not be an option for youth in libraries either. Thank you again for your time.

Sincerely,

MARGARET TWEET.

MAY 17, 1998.

To: Senator Murray,
Subject: Filtering Library Internet Access.

DEAR SENATOR MURRAY: I just finished watching Town Meeting on ABC. You go girl! I am a parent of a 17 month old. I am horrified that she could go to the library in 4 years and pull up pornography or any other sexual sites. Yes, the library is a public place, that does not mean they have to provide information about such things. Why protect the bad guys when children are our future. And people wonder how this world came to what it is now with these kind of issues. If someone wants to look at pornography let them buy their own computer and do it in the privacy of their own home, not expose our kids to it, that's just what the sickos want. I'm with you all the way. Even if the filtering isn't perfect, software companies will continue to upgrade and patch their software, and why not do what we can now to protect our children!!!!

Good luck June 9th, you have our prayers.

SHELTON, WA,
May 30, 1998.

To: Senator Murray.
Subject: Cyber porn.

SENATOR MURRAY: You and I disagree on most issues, but on the issues of limiting access to highly graphic pornography to children on the Internet is something we do agree upon.

I support the concept of schools mandated to utilize an electronic block to preclude elementary, middle school, and high school students from entering pornographic websites. There isn't any defensible reason why these websites should be available for the children to explore. I am certain most parents do not allow their children to surf porn sites so at home, and the same expectation is needed to protect the children while they are in school.

The technology is currently available for school districts to block out websites which are deemed pornographic. This does not in anyway impede the purveyors and pimps of this demeaning material of their First Amendment rights. You would defend these children if some individual were to turn the school into a toxic waste dump. The same fervor is needed to prevent pornographic pollutants from being introduced into the minds of impressionable children.

Since the educational establishment benefits from taxpayer dollars, it is not an onerous request to have this country's school system voluntarily act upon this issue in a responsible manner. School districts which are non-compliant may have their federal funding significantly impacted until compliance is gained.

Thank you for taking this time to read my this piece of email.

JEFFREY K. MEYERS.

BELLEVUE, WA,
February 11, 1998.

Hon. PATTY MURRAY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MURRAY: My family has a concern regarding pornography on the Internet that is dramatically different than you may have been asked to look into or even aware of. A few days ago, our fifteen year old daughter was doing school work using the Internet. The address for one of the most popular search engines is, "www.infoseek.com." She made a one adjacent character key typing error and typed, "www.infoseel.com."

She was shocked, stunned, and nauseated at the vile explicit pictures that instantly were presented on the screen. Enclosed are black and white print outs. As you can see the first shows anal intercourse with the text, "Free Live Fucking, Now With Sound." The second is a gynecological close-up with the text, "hot hole, enter free." This brought our traumatized daughter running out of the room in tears.

This kind of revolting garbage has no place in our home and no place in American society. There are two aspects of this issue that warrant federal action. One, the people behind this website, by their intentional choice of their URL address, were seeking to put their pornography in front of those who made reasonably foreseeable typing errors. This amounts to intentional interstate delivery of pornography to minors. It should be immediately prosecuted as such.

Second, the National Science Foundation assigns the Internet URL addresses. It should be a simple matter for Congress to legislate the denial of URL addresses to people and organizations who engage in this kind of malicious perversion.

The apologists for the present laissez faire state of affairs on the Internet are fond of telling us parents that it's our responsibility to supervise our own children. This disgusting incident proves that to be a totally inadequate approach, and is in fact a self serving ruse. My family sees this as nothing less than visual child rape. Please let me know what actions you can take to quickly curtail this abuse and protect our children from this kind of intrusive filth.

Sincerely,

DOCK BROWN.

BOTHELL, WA,
February 26, 1998.

Subject: Childsafe Internet Bill.

I am writing to urge your support of the Childsafe Internet Bill being pushed by Senators JOHN MCCAIN, PATTY MURRAY and others which will limit the right of access by children to smut on the internet when federally funded commuters are used in classrooms.

This one is a "no-brainer". Institutions who want federal money to buy computers must agree to block and/or filter pornography when children are using computers in the classroom.

Will you support the Childsafe Bill?

Respectfully,

VINCENT T. SAULIN.

OAK HARBOR, WA,
November 4, 1997.

TOM MAYER,
Director,
Marysville, WA.

DEAR MR. MAYER: For over a year people in our community have been doing research on children's access to pornography on the Internet at public libraries. Among other material such as feature articles in "The Wall Street Journal," and "New York Times, " and numerous news magazines, we have studied the "Report and Recommendation on Internet Filtering Software and Its Use in Public Libraries, July 1997", prepared by the Sno-Isle Regional Library System.

We sincerely hope that we can persuade the Sno-Isle Library system to install filters on the juvenile computers. We believe that the filters are a sensible and reasonable way of copying with the problem.

A list of our concerns is attached, but the basis of our decision is as follows:

1. Public libraries have always been held accountable for their resource material, especially where children's sections are concerned.

2. The Internet should pass the same criteria as all other material.

3. Filtering software is available to block child pornography and other smut sites, and libraries all across the country have installed this software without any legal challenges so far.

We urge the Sno-Isle Library system to follow the advice of your internal staff report of July 1997, which recommended filtering software on juvenile computers.

Someone has to speak for our children. We the parents, grandparents, teachers, law enforcement officers and social service workers are doing just that.

May we hear from you soon?

Sincerely yours,

TRUDY J. SUNDBERG,
Founder, Save Our Kids Crusade.

Mrs. MURRAY. My concern is if we don't act now to do something about this issue, teachers and librarians across the country will begin turning computers off, preventing children access to this valuable educational tool. None of us wants that to happen.

The Childsafe Internet bill is the right way to go. It allows local schools districts to make important decisions about Internet content. It is a common sense solution. We have provided this Internet access through the E-rate. Now we must finish the job by providing our teachers and parents with the right tools to help educate our children.

Most parents would not send a child to a playground in their local community unsupervised. We cannot allow our young children to be in the Internet unsupervised.

Lets give our teachers and librarians some help, our parents some control, and truly pass legislation that will protect America's next generation.

I yield the floor.

Mr. LEAHY. Mr. President, I oppose Senator MCCAIN's amendment, originally introduced as S. 1619, to require schools and libraries wired with federal funds to install Internet filtering software. Congress has wisely seen fit to make the Internet widely available to young people throughout the country by subsidizing school and library access to the Internet through "E-rate" discounts. The McCain amendment would undermine the benefits of that access by forcing schools and libraries to use filtering technologies to remove a significant percentage of material available on-line. Internet filtering issues should be discussed and implemented locally, not nationally, and certainly not by piggybacking a filtering bill onto a crime bill and spiriting them to the Senate floor as amendments to an appropriations bill.

While we can all agree that some material available on the Internet may be unsuitable for certain age groups, there is serious disagreement concerning the best approach to the challenge of protecting our children from exposure to unsuitable material. Fundamentally, this is a decision that should be made at the local level, by families and school boards, librarians and educators in their own communities. Although I share the deep concerns about children's access to obscenity and other harmful materials on the Internet, in the rush to protect children, we should not unnecessarily chill the freedom of expression that occurs on-line.

The intention of this amendment is good. But good intentions do not always make for the best policy. The primary problem with this amendment is that it usurps local authority on whether to use filtering technologies on computers with Internet access. That's why educators oppose it. The National Education Association and the American Association of School Administrators testified before the Commerce Committee that they opposed making E-rate discounts contingent upon installation of blocking or filtering software. Imposing a top-down mandate requiring schools to install filtering software as a condition for accessing E-rate discounts violates the principle of local control of curricular matters.

Placing the burden on libraries, schools, and other public institutions to supervise our children's access to information is also counterproductive. Schools have already been forced to comply with extensive congressional and FCC requirements to participate in the E-rate program. Forcing schools to comply with further requirements would strain the already overburdened financial and staff resources of the nation's schools. Although at first blush this requirement does not appear to be overburdensome, given the number of federal requirements with which schools and libraries receiving Federal assistance already must comply, the mandate would require extensive research, installation and implementation. Some of our local schools already have their own systems in place to monitor Internet access. The McCain amendment could force them to scrap these systems and start from scratch. A number of schools and libraries have not yet even received the computers and technologies to gain access to the Internet, and are in the process of applying for E-rate funding to obtain infrastructure, such as wiring and connectivity. Schools may be unable to make the requisite demonstration as to how the filtering software will be implemented if their computers are not yet in place.

The goal of the federal Internet subsidies is to give our schools, libraries and public institutions open and universal access to the technology and information that will help prepare our children and young adults for the challenges that lie ahead in the next century. By making the subsidy available, we are helping to bridge the gap between wealthier and poorer communities' access to information. The McCain amendment would widen the gap. Wealthier schools that do not receive the subsidy are permitted, within First Amendment bounds, to decide for themselves whether or not to place limits on Internet use. Requiring use restrictions is one more way of telling subsidized schools that they are not trusted to make these decisions for themselves. This is precisely the type of access inequality that the federal E-rate subsidy was designed to cure, not foster.

Wresting control of educational and informational access from the local communities that are best equipped to make these decisions is not going to solve the problem of inappropriate material on the Internet. Filtering software is one way of restricting the access by minors to such material, but other options exist. Local school boards, administrators, and librarians more familiar with their own systems and culture are the proper people to decide how best to implement any programs restricting access to information.

I would support efforts to address these issues that allow more flexibility at the local level. Instead of a blanket mandate requiring filtering and blocking technology in all schools and libraries that receive E-rate subsidies, we should have more research into how to combat the problem of minors receiving inappropriate information over the Internet in e-mail messages and in chatrooms. We should encourage schools and libraries to distribute their policies to parents, educators, children, and community members, and to state whether they use any technological means to block access to inappropriate materials.

There are more sensible approaches. We should alert our communities to the potential problems of inappropriate materials on the Internet, and allow and encourage informed decisionmaking at the local level. That is why I have created a page on my website dedicated to providing guidance to parents and educators on how to protect children from inappropriate material online. But above all, we should support the mission behind the E-rate subsidy: open and universal access to technology and information.

Our children and our schools need as much support as we can possibly offer to help prepare the next generation to meet the challenges that lie ahead.

Mr. President, with reference to the amendment offered by Senator COATS, less than three years ago, during the 104th Congress, the Senate voted overwhelmingly to adopt the Communications Decency Act as part of the telecommunications deregulation bill. The CDA, like the current amendment, sought to criminalize the transmission of constitutionally protected speech over the Internet. I opposed the CDA from the start as fatally flawed and flagrantly unconstitutional. I predicted that the CDA would not pass constitutional muster and, along with Senator FEINGOLD, I introduced a bill to repeal the CDA so that we would not have to wait for the Supreme Court to fix our mistake.

We did not fix the mistake and so, as I predicted, the Supreme Court eventually did our work for us. All nine Justices agreed that the CDA was, at least in part, unconstitutional. Justice Stevens, writing for seven members of the Court, called the CDA "patently invalid" and warned that it cast "dark shadow over free speech" and "threaten[ed] to torch a large segment of the Internet community."

The Court's decision came as no surprise to me, and it should have come as no surprise to the 84 Senators who supported the legislation. One of the sponsors of the current amendment said in a floor statement last Friday that the Supreme Court should have approved the CDA because the law used the same indecency standard that the Court had previously approved in connection with the dial-a-porn statute. This statement puzzled me because, as I recall, the Court did not approve the indecency standard in the dial-a-porn statute. The Court approved that statute only insofar as it applied to obscene communication, which can be banned totally because it is not protected by the First Amendment. The Court invalidated the dial-a-porn statute as it applied to indecent communication, which does enjoy First Amendment protection. This is precisely the same distinction that the Court drew in the CDA case, where it struck down the restrictions on indecent material, but left the restrictions on obscene material standing. The CDA decision followed the dial-a-porn decision; it did not break new ground in that regard.

Now here we are, again, taking another stab at censoring constitutionally protected speech on the Internet, again, in the name of protecting children. Of course, we all want to protect children from harm. I prosecuted child abusers as State's Attorney in Vermont, and have worked my entire professional life to protect children from those who would prey on them. But we have a duty to ensure that the means we use to protect our children do not do more harm than good. As the Supreme Court made clear when it struck down the CDA, laws that prohibit protected speech do not become constitutional merely because they were enacted for the important purpose of protecting children.

The amendment makes a valiant effort to address many of the Supreme Court's technical objections to the CDA. But while it is more narrowly drawn, it still raises substantial constitutional questions. The core holding of the CDA case was that "the vast democratic fora of the Internet" deserves the highest level of protection from government intrusion—the highest level of First Amendment scrutiny. Courts will assess the constitutionality of laws that regulate speech over the Internet by the same demanding standards that have traditionally applied to laws affecting the press.

The current amendment does not meet those standards. For one thing, it calls for a single, national definition of the "harmful to minors" standard, which until now has always been defined at the State or local community level. We should not forget the Supreme Court's admonition in Miller versus California that: "our Nation is simply too big and too diverse . . . to reasonably expect that such standards could be articulated for all 50 States in a single formulation. . . . It is neither realistic nor constitutionally sound to read the First Amendment as requiring that the people of Maine or Mississippi accept public depiction of conduct found tolerable in Las Vegas, or New York City."

In addition, the way in which the amendment defines "material that is harmful to minors" is not altogether consistent with prior law. The sponsor says that the definition was taken "word for word" from the Ginsberg case, but the fact is that several important terms were altered or omitted. This could be confusing, and it could well have the unintended consequence of limiting the meaning of state "harmful to minors" laws.

The strict liability provisions of the amendment are another matter of concern. The amendment imposes criminal liability and authorizes severe criminal and civil sanctions on anyone who fails to take affirmative steps to restrict access of certain materials by minors. There is no requirement that the person acted knowingly, willfully, or even with criminal intent. The strict liability imposed by the amendment would chill content on the Web. Also, since this amendment only applies to the Web, I am concerned that if it becomes law it would pressure Internet content providers and users to use or develop other protocols with which they would be able to exercise their First Amendment rights unfettered by the threat of strict liability criminal prosecution.

There are other problems with the scope of the amendment. It does not define who would be covered by the crucial phrase "engaged in the business of the commercial distribution of material." Would the amendment cover companies that offer free Web sites, but charge for their off-line services? Also, if we restrict coverage to commercial distributions, are we just encouraging people to post the very same obnoxious materials on the Web for free? Is that what we want?

Further, it is entirely unclear whether the amendment's affirmative defense provision can be used in the civil context, since it states that it is a defense to "prosecution" under the amendment. Would companies that restrict access to their Web sites in accordance with FCC procedures nonetheless be exposed to the stiff civil penalties established by the amendment?

We can and must do better. There are other more effective and less restrictive solutions—solutions like filtering technology, which empower individual Internet users without reducing the level of discourse over the Web to what would be suitable for a sandbox. This amendment, like its predecessor, places an unacceptably heavy burden on protected speech. We should not run another ambiguous speech regulation up the flagpole and expect the courts to salute. We owe it to the millions of Americans who use the Web not to make the same mistake a second time.

Finally, I note that the Senate is considering this important measure, including its creation of new federal crimes, as part of an annual appropriations bill. Until recently the Senate had rules and precedent against this kind of legislating on an appropriations bill. Under Republican leadership, that discipline has been lost and we are left to consider significant legislative proposals as amendments to annual appropriations. These matters are far-reaching. They deserve full debate and Senate consideration before good intentions lead the Senate to take another misstep in haste.

Mr. BURNS. Mr. President, I would like to state for the record that I continue to have serious reservations about the federal government mandating the use of specific technologies to solve the problem of schoolchildren's access to inappropriate material on the Internet. I believe that school boards are much more effective in making decisions about appropriate policy or technology when dealing with Internet access for students than Washington. Advances in technology have brought wonderful opportunities, but we must not rely on technology to deal with complex public policy questions. Congress sets a dangerous precedent by stamping its "seal of approval" on software that may be obsolete next year or even next week.

I initially expressed my reservations about a bill which would require mandated filtering systems, S. 1619, during the Commerce Committee markup that was held this past March. I considered offering an amendment during the markup that would have required schools and libraries to certify that they had appropriate Internet Acceptable Use Policies in place in order to receive universal service funding. The Chairman of the Commerce Committee assured me that if I were to pull my amendment he would be open to working with me to reach a compromise on the issue. Upon receiving this assurance, I withdrew my amendment.

Over the last several months, I have held numerous meetings among all of the parties involved in the markup in an effort to reach consensus. My office has had an open door policy and had significantly altered the original language to expand its scope to reflect the concerns of my colleagues. The draft compromise amendment I was prepared to offer required that schools have Internet use policies in place that address not only access to the World Wide Web, but also the security of schoolchildren when using E-mail and chat rooms. These policies would have to be public, widely distributed and effective. Furthermore, the compromise amendment would significantly expand criminal penalties on "cyberstalkers"—criminals who use computers to exploit or abuse children.

The compromise amendment has achieved significant support because of its inclusion of these vital matters and its reliance on local communities rather than federal mandates.

I am deeply disappointed that the Chairman of the Commerce Committee chose not to compromise on this very important issue. I had anticipated that this issue would be dealt with in its own right and that we would have several hours of debate to deal with S. 1619 and the amendment I had planned to offer along with several of my colleagues. Instead, it was attached to the Commerce-Justice-State appropriations bill today. I did not express my opposition to the inclusion of S. 1619 because I did not want to hold up the passage of crucial Commerce-State-Justice appropriations. However, I want to make it very clear that I remain steadfastly opposed to big government mandates on the filtering issue and I will work closely with my colleagues as S. 2260 heads to conference to perfect the bill to reflect these concerns.

I continue to believe that local communities acting through their school and library boards, rather than software programs that are at best questionable or the federal government, are in the best position to make decisions on this critical issue.

The PRESIDING OFFICER. The distinguished Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I urge the pending amendment to the amendment, by Senator McCAIN, be accepted.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I think the distinguished Senator from Washington has really outlined the concerns of both sides of the aisle. The Senator from Arizona has a good initiative here. Without further comment on our side we accept the amendment.

The PRESIDING OFFICER. Without objection, the second-degree and first-degree amendments are agreed to.

The amendment (No. 3228) was agreed to.

The amendment (No. 3227), as amended, was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The distinguished Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I do not want to interfere with the managers and their schedule. I wonder if the manager would be in disagreement if I sent an amendment to the desk at this time or did he have other plans?

I ask unanimous consent to yield to the distinguished manager.

Mr. GREGG. I understood the Senator from California was going to offer an amendment, and the Senator from Minnesota was going to offer an amendment. We were going to alternate. I ask the Democratic floor manager how he feels about it.

Mr. HOLLINGS. I think the Senator from Arizona should proceed.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 3229

(Purpose: To amend the Communications Act of 1934 to promote competition in the market for delivery of multi-channel video programming and for other purposes)

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Arizona (Mr. McCAIN), for himself and Mr. BURNS, proposes an amendment numbered 3229.

Mr. McCAIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . MULTICHANNEL VIDEO PROGRAMMING.

(a) FINDINGS.—

(1) The Congress finds that:

(A) Signal theft represents a serious threat to direct-to-home satellite television. In the Telecommunications Act of 1996, Congress confirmed the applicability of penalties for unauthorized decryption of direct-to-home satellite services. Nevertheless, concerns remain about civil liability for such unauthorized decryption.

(B) In view of the desire to establish competition to the cable television industry, Congress authorized consumers to utilize direct-to-home satellite systems for viewing video programming through the Cable Communications Policy Act of 1984.

(C) Congress found in the Cable Television Consumer Protection and Competition Act of 1992 that without the presence of another multichannel video programming distributor, a cable television operator faces no local competition and that the result is undue market power for the cable operator as compared to that of consumers and other video programmers.

(D) The Federal Communications Commission, under the Cable Television Consumer Protection and Competition Act of 1992, has the responsibility for reporting annually to the Congress on the state of competition in the market for delivery of multichannel video programming.

(E) In the Cable Television Consumer Protection and Competition Act of 1992, Congress stated its policy of promoting the availability to the public of a diversity of views and information through cable television and other video distribution media.

(F) Direct-to-home satellite television service is the fastest growing multichannel video programming service with approximately 8 million households subscribing to video programming delivered by satellite carriers.

(G) Direct-to-home satellite television service is the service that most likely can provide effective competition to cable television service.

(H) Through the compulsory copyright license created by section 119 of the Satellite Home Viewer Act of 1988, satellite carriers have paid a royalty fee per subscriber, per month to retransmit network and superstation signals by satellite to subscribers for private home viewing.

(I) Congress set the 1988 fees to equal the average fees paid by cable television operators for the same superstation and network signals.

(J) Effective May 1, 1992, the royalty fees payable by satellite carriers were increased through compulsory arbitration to $0.06 per subscriber per month for retransmission of network signals and $0.175 per subscriber per month for retransmission of superstation signals, unless all of the programming contained in the superstation signal is free from syndicated exclusivity protection under the rules of the Federal Communications Commission, in which case the fee was decreased to $0.14 per subscriber per month. These fees were 40–70 percent higher than the royalty fees paid by cable television operators to retransmit the same signals.

(K) On October 27, 1997, the Librarian of Congress adopted the recommendation of the Copyright Arbitration Royalty Panel and approved raising the royalty fees of satellite carriers to $0.27 per subscriber per month for both superstation and network signals, effective January 1, 1998.

(L) The fees adopted by the Librarian are 270 percent higher for superstations and 900 percent higher for network signals than the royalty fees paid by cable television operators for the exact same signals.

(M) To be an effective competitor to cable, direct-to-home satellite television must have access to the same programming carried by its competitors and at comparable rates. In addition, consumers living in areas where over-the-air network signals are not available rely upon satellite carriers for access to important news and entertainment.

(N) The Copyright Arbitration Royalty Panel did not adequately consider the adverse competitive effect of the differential in satellite and cable royalty fees on promoting competition among multichannel video programming providers and the importance of evaluating the fees satellite carriers pay in the context of the competitive nature of the multichannel video programming marketplace.

(O) If the recommendation of the Copyright Arbitration Royalty Panel is allowed to stand, the direct-to-home satellite industry, whose total subscriber base is equivalent in size to approximately 11 percent of all cable households, will be paying royalties that equal half the size of the cable royalty pool, thus giving satellite subscribers a disproportionate burden for paying copyright royalties when compared to cable television subscribers.

(b) DBS SIGNAL SECURITY.—Section 605(d) of the Communications Act of 1934 (47 U.S.C. 605) is amended by adding after "satellite cable programming," the following: "or direct-to-home satellite services,".

(c) NOTICE OF INQUIRY; REPORT.—Section 628 of the Communications Act of 1934 (47 U.S.C. 548) is amended by adding at the end of subsection (g): "The Commission shall, within 180 days after enactment of the Act making appropriations for the Department of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year evolving September 30, 1998, initiate a notice of inquiry to determine the best way in which to facilitate the retransmission of distant broadcast signals such that it is more consistent with the 1992 Cable Act's goal of promoting competition in the market for delivery of multichannel video programming and the public interest. The Commission also shall within 180 days after such date of enactment report to Congress on the effect of the increase in royalty fees paid by satellite carriers pursuant to the decision by the Librarian of Congress on competition in the market for delivery of multichannel video programming and the ability of the direct-to-home satellite industry to compete.".

(d) EFFECTIVE DATE.—Notwithstanding any other provision of law, the Copyright Office is prohibited from implementing, enforceing collecting or awarding copyright royalty fees, and no obligation or liability for copyright royalty fees shall accrue pursuant to the decision of the Librarian of Congress on October 27, 1997, which established a royalty fee of $0.27 per subscriber per month for the retransmission of distant broadcast signals by satellite carriers, before January 1, 2000.

Mr. McCAIN. Mr. President, today I offer an amendment to H.R. 2260 that will keep consumer prices for satellite TV service from abruptly increasing and, thereby, promote competition in the market for delivery of multichannel video programming. This amendment was originally introduced as S. 1422, the Federal Communications Commission Satellite Carrier Oversight Act. Twenty-seven Members of the Senate are cosponsors of S. 1422. I ask unanimous consent that the list of cosponsors be printed.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

S. 1422

SPONSOR

Senator McCain (introduced 11/07/97)

27 COSPONSORS

Senator Burns—11/07/97
Senator Dorgan—11/07/97
Senator Collins—01/28/98
Senator Craig—01/28/98
Senator Hutchinson—01/28/98
Senator Murkowski—01/28/98
Senator Inouye—02/03/98
Senator Bryan—02/09/98
Senator Hollings—02/23/98
Senator Gorton—02/23/98
Senator Baucus—02/24/98
Senator Kerrey—02/27/98
Senator Enzi—03/11/98
Senator Cleland—05/07/98
Senator Conrad—11/07/97
Senator Brownback—01/28/98
Senator Coverdell—01/28/98
Senator Hagel—01/28/98
Senator Inhofe—01/28/98
Senator Roberts—01/28/98
Senator Allard—02/04/98
Senator Snowe—02/11/98
Senator Robb—02/23/98
Senator Johnson—02/24/98
Senator Kerry—02/24/98 (withdrawn—02/27/98)
Senator Sessions—03/09/98
Senator Chafee—03/31/98
Senator Smith, Bob—06/01/98

Mr. McCAIN. Mr. President, the bill was reported unanimously by the Commerce Committee.

Mr. President, with cable television rates increasing at seven times the Consumer Price Index and three times the rate of inflation, Congress has an urgent interest in assuring that consumers have a choice of video providers at competitive rates. However, recent regulatory action threatens to raise the rates consumers pay for satellite television service, and therefore will hurt the ability of satellite television operators to compete effectively with cable operators.

On October 27, 1997, the Librarian of Congress adopted a precipitous and unjustified increase in the copyright fees satellite carriers pay for superstation and network affiliate signals delivered to satellite TV households.

Before this increase, satellite copyright rates were 14 cents per subscriber per month for each superstation signal and 6 cents per subscriber per month for each network signal. Cable operators, by comparison, pay much less for the same signals—an average of 9.7 cents for the exact same superstations and 2.7 cents for the exact same network signals. But, under the new copyright rates adopted last October, satellite carriers are forced to pay almost 270% more than cable pays for superstation signals, and 900% more than cable pays for network signals.

These new copyright rates would add substantially to the regulatory and technical barriers satellite carriers already face in providing service that customer consider a fair substitute for cable television. They will hit consumers in rural areas particularly hard, because residents in those areas have traditionally relied on reasonably-priced satellite TV service as their only source of multichannel TV.

This amendment rolls this unreasonable satellite TV copyright rate increase back to the rates in effect prior to January 1st of this year, and it delays the effective date of the rate increase to January 1, 2000.

Mr. President, the 7.5 million U.S. households who currently subscribe to satellite television deserve to have the effect of this copyright fee increase on video competition reconsidered to ensure a less arbitrary and more consumer friendly result. This delay will give the FCC an opportunity to analyze the impact increased copyright fees would have on satellite's ability to compete with cable, and it will give Congress an opportunity to evaluate the FCC's report and respond accordingly.

The bill also addresses an issue of continuing concern to the satellite TV industry. Signal theft represents a serious threat to satellite TV operators. In the Telecommunications Act of 1996, Congress confirmed the applicability of penalties for unauthorized decryption of satellite TV services. The amendment we propose would confirm the judicial interpretation that civil suits may be brought by satellite TV operators for signal theft.

I thank the 27 Senators who co-sponsored this bill which affects every single consumer of multichannel video service.

Mr. President, I thank the managers for allowing me to propose this amendment. Let me say briefly, we all know that cable rates are on the rise, that the American consumers are very angry about it and they want competition. This will provide more competition.

There are other areas where we can provide more competition, such as the ability to broadcast local news and local weather. Even the cable industry does not oppose this move, because they know that in the interest of fairness, we need to have a better equalization of these copyright fees.

I hope we can have the amendment adopted. I thank the managers of the bill. I thank the Senator from California if I went ahead of her in the queue. Mr. President, I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I am not sure if the Senator from South Carolina wants to make a statement, but we are ready to accept this amendment.

Mr. HOLLINGS. I urge adoption of the amendment.

Mr. GREGG. I ask unanimous consent that the amendment be adopted.

The PRESIDING OFFICER. Is there further debate on the amendment? Hearing none, without objection, the amendment is agreed to.

The amendment (No. 3229) was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from California is recognized.

Mrs. BOXER. Thank you very much, Mr. President.

AMENDMENT NO. 3230

(Purpose: To amend chapter 44 of title 18, United States Code, to improve the safety of handguns)

Mrs. BOXER. Mr. President, I send an amendment to the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from California [Mrs. BOXER], for herself and Mr. KOHL, proposes an amendment numbered 3230.

Mrs. BOXER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title I of the bill, insert the following:

SEC. 1 . CHILD SAFETY LOCKS.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'locking device' means a device or locking mechanism—

"(A) that—

"(i) if installed on a firearm and secured by means of a key or a mechanically, electronically, or electromechanically operated combination lock, is designed to prevent the firearm from being discharged without first deactivating or removing the device by means of a key or mechanically, electronically, or electromechanically operated combination lock;

"(ii) if incorporated into the design of a firearm, is designed to prevent discharge of the firearm by any person who does not have access to the key or other device designed to unlock the mechanism and thereby allow discharge of the firearm; or

"(iii) is a safe, gun safe, gun case, lock box, or other device that is designed—

"(I) to store a firearm; and

"(II) to be unlocked only by means of a key, a combination, or other similar means; and

"(B) that is approved by a licensed firearms manufacturer for use on the handgun with which the device or locking mechanism is sold, delivered, or transferred.".

(b) UNLAWFUL ACTS.—

(1) IN GENERAL.—Section 922 of title 18, United States Code, is amended by inserting after subsection (x) the following:

"(y) LOCKING DEVICES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any licensed manufacturer, licensed importer, or licensed dealer to sell, deliver, or transfer any handgun to any person other than a licensed manufacturer, licensed importer, or licensed dealer, unless the transferee is provided with a locking device for that handgun.

"(2) EXCEPTIONS.—Paragraph (1) does not apply to—

"(A) the—

"(i) manufacture for, transfer to, or possession by, the United States or a State or a department or agency of the United States, or a State or a department, agency, or political subdivision of a State, of a firearm; or

"(ii) transfer to, or possession by, a law enforcement officer employed by an entity referred to in clause (i) of a firearm for law enforcement purposes (whether on or off duty); or

"(B) the transfer to, or possession by, a rail police officer employed by a rail carrier and certified or commissioned as a police officer under the laws of a State of a firearm for purposes of law enforcement (whether on or off duty).".

(2) EFFECTIVE DATE.—Section 922(y) of title 18, United States Code, as added by this subsection, shall take effect 150 days after the date of enactment of this Act.

(c) LIABILITY; EVIDENCE.—

(1) LIABILITY.—Nothing in this section shall be construed to—

(A) create a cause of action against any firearms dealer or any other person for any civil liability; or

(B) establish any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity, except with respect to an action to enforce this section.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to bar a governmental action to impose a penalty under section 924(p) of title 18, United States Code, for a failure to comply with section 922(y) of that title.

(d) CIVIL PENALTIES.—Section 924 of title 18, United States Code, is amended—

(1) in subsection (a)(1), by striking "or (f)" and inserting "(f), or (p)"; and

(2) by adding at the end the following:

"(p) PENALTIES RELATING TO LOCKING DEVICES.—

"(1) IN GENERAL.—

"(A) SUSPENSION OR REVOCATION OF LICENSE; CIVIL PENALTIES.—With respect to each violation of section 922(y)(1) by a licensee, the Secretary may, after notice and opportunity for hearing—

"(i) suspend or revoke any license issued to the licensee under this chapter; or

"(ii) subject the licensee to a civil penalty in an amount equal to not more than $10,000.

"(B) REVIEW.—An action of the Secretary under this paragraph may be reviewed only as provided in section 923(f).

"(2) ADMINISTRATIVE REMEDIES.—The suspension or revocation of a license or the imposition of a civil penalty under paragraph (1) does not preclude any administrative remedy that is otherwise available to the Secretary.".

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 150 days after the date of enactment of this Act.

Mrs. BOXER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 3231 TO AMENDMENT NO. 3230

(Purpose: To provide that the amendments made to title 18, United States Code, shall take effect 180 days after enactment)

Mrs. BOXER. Mr. President, I send a second-degree amendment to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from California (Mrs. BOXER) proposes an amendment numbered 3231 to amendment No. 3230.

Mrs. BOXER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first word and insert the following:

1 . CHILD SAFETY LOCKS.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'locking device' means a device or locking mechanism—

"(A) that—

"(i) if installed on a firearm and secured by means of a key or a mechanically, electronically, or electromechanically operated combination lock, is designed to prevent the firearm from being discharged without first deactivating or removing the device by means of a key or mechanically, electronically, or electromechanically operated combination lock;

"(ii) if incorporated into the design of a firearm, is designed to prevent discharge of the firearm by any person who does not have access to the key or other device designed to unlock the mechanism and thereby allow discharge of the firearm; or

"(iii) is a safe, gun safe, gun case, lock box, or other device that is designed—

"(I) to store a firearm; and

"(II) to be unlocked only by means of a key, a combination, or other similar means; and

"(B) that is approved by a licensed firearms manufacturer for use on the handgun with which the device or locking mechanism is sold, delivered, or transferred.".

(b) UNLAWFUL ACTS.—

(1) IN GENERAL.—Section 922 of title 18, United States Code, is amended by inserting after subsection (x) the following:

"(y) LOCKING DEVICES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any licensed manufacturer, licensed importer, or licensed dealer to sell, deliver, or transfer any handgun to any person other than a licensed manufacturer, licensed importer, or licensed dealer, unless the transferee is provided with a locking device for that handgun.

"(2) EXCEPTIONS.—Paragraph (1) does not apply to—

"(A) the—

"(i) manufacture for, transfer to, or possession by, the United States or a State or a department or agency of the United States, or a State or a department, agency, or political subdivision of a State, of a firearm; or

"(ii) transfer to, or possession by, a law enforcement officer employed by an entity referred to in clause (i) of a firearm for law enforcement purposes (whether on or off duty); or

"(B) the transfer to, or possession by, a rail police officer employed by a rail carrier and certified or commissioned as a police officer under the laws of a State of a firearm for purposes of law enforcement (whether on or off duty).".

(2) Effective date.—Section 922(y) of title 18, United States Code, as added by this subsection, shall take effect 180 days after the date of enactment of this Act.

(c) Liability; Evidence.—

(1) Liability.—Nothing in this section shall be construed to—

(A) create a cause of action against any firearms dealer or any other person for any civil liability; or

(B) establish any standard of care.

(2) Evidence.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity, except with respect to an action to enforce this section.

(3) Rule of construction.—Nothing in this subsection shall be construed to bar a governmental action to impose a penalty under section 924(p) of title 18, United States Code, for a failure to comply with section 922(y) of that title.

(d) Civil Penalties.—Section 924 of title 18, United States Code, is amended—

(1) in subsection (a)(1), by striking "or (f)" and inserting "(f), or (p)"; and

(2) by adding at the end the following:

"(p) Penalties Relating to Locking Devices.—

"(1) In general.—

"(A) Suspension or revocation of license; civil penalties.—With respect to each violation of section 922(y)(1) by a licensee, the Secretary may, after notice and opportunity for hearing—

"(i) suspend or revoke any license issued to the licensee under this chapter; or

"(ii) subject the licensee to a civil penalty in an amount equal to not more than $10,000.

"(B) Review.—An action of the Secretary under this paragraph may be reviewed only as provided in section 923(f).

"(2) Administrative remedies.—The suspension or revocation of a license or the imposition of a civil penalty under paragraph (1) does not preclude any administrative remedy that is otherwise available to the Secretary.".

(e) Effective Date.—This section and the amendments made by this section shall take effect 180 days after the date of enactment of this Act.

The PRESIDING OFFICER. The Senator is recognized.

Mrs. BOXER. Thank you very much, Mr. President.

The amendment in the second degree I have just sent to the desk requires that all handguns sold in the United States include a child safety lock. I am offering this amendment for one extremely simple reason: to keep our children safe.

The Centers for Disease Control reports that 1.2 million children have access to guns in the home, and a survey sponsored by the National Institutes of Justice found that 34 percent of handgun owners store their guns unlocked and loaded. As long as this continues to be the case, our children are not safe.

I have on this chart just some numbers. In one year, firearms killed no children in Japan—no children; 19 in Great Britain; 57 in Germany; 109 children were killed in France; 153 children were killed in Canada; and in the United States of America, the greatest democracy in the world, the greatest nation in the world, 5,285 children have been killed.

I know that some of my colleagues prefer that I not offer this amendment at this time. They will argue that my amendment is not germane under a strict definition of the term "germane," and I should wait until an authorization bill reaches the floor.

To those colleagues I say today that I have tried. For more than a year, I have waited for the Senate to consider a firearms bill or a crime bill, a juvenile justice bill, any bill to which I could attach this amendment.

As the Senate waited, our schools have exploded in an unprecedented series of shootings, many of which involved unlocked handguns stolen from the home of a friend or family member. As we waited, Mr. President, children across the country have died violent deaths.

I see my colleague from Illinois is here. He has worked on so many important issues, and he is working hard on this issue.

We were together just a few weeks ago with a mother who lost a child in the Arkansas shootout. She approached the microphone and, barely audibly, told us that we have to act. She understands, better than any of us, that our kids are dying. More kids are dying in this country than any other country. And it would be so simple to lower those numbers if we could get these safety locks on these weapons.

So we have waited. I think it is time that we stopped waiting. We have to ask ourselves, How many children must die before we decide it is time to act? We cannot wait. We cannot delay. We must act now. The safety of our children depend on it. I do not think any American wants to turn on the television and witness another one of these shootings that could have been prevented had there been a safety lock on the gun. I am not saying it would prevent every single accident. But, Mr. President, we know it would definitely prevent many of those shootings. We cannot delay.

Of these 5,285 children who were killed by firearms, Mr. President, 440 died as a result of accidental shootings—kids, little kids, usually shot by other little kids, playing with a gun, found in their parents' bedroom or at a friend's home. That is over one child per day.

Look at this chart, Mr. President.

"Boy paralyzed in a gun accident. Cousin, 9, mistakenly thought he removed the bullets from the gun, police say."

"Avra Valley boy shot to death as his best friend handled handgun."

"3-year-old finds gun, kills sister."

You know, we cannot be so jaded that we forget about the personal tragedies every family goes through when this happens. The mother from Arkansas, Suzann Wilson, told us, "I taught my daughter so many things," because she said that "it's a dangerous world." She said, "I taught her never to take a ride from a stranger. I told her, when you walk down the street at night, be with a friend." She said, "I taught her everything I thought I had to. But," she said, "I never taught her, 'Don't go outside when the fire alarm rings in school because some kid may have triggered the alarm and has a gun and is going to kill you.' "

And just listening to her words, we knew we had to act as soon as we could. I know my colleague from Illinois has been a leader in the area of the Brady bill and in the area of making parents responsible when children use a gun. All of these things together are important. And this is very important.

Mr. President, over one child a day—more than one child a day—dies by accident because they are doing what normal children do. Normal children, they explore, they are curious; they find a gun, and they shoot it.

I want to put back the other chart which shows those numbers one more time, because I hope Senators will take a look at these. I am going to expand on some of the stories that I talked about here.

The 3-year-old who found a gun and killed his sister from Fort Myers, FL. Colton Hinke and his 2-year-old sister Kaile were playing in their parents' bedroom when Colton found an unlocked, loaded handgun in a drawer. A neighbor who heard the shot rushed to the scene, found Kaile on her back—her face pale, her lips blue, a small hole in her chest. She was in shock. She was rushed to the hospital, but it was too late.

The neighbor told the Fort Myers News:

> She was a beautiful little girl. She had the biggest blue eyes. . . . The boy didn't even know what was going on. The hardest thing is that they are both innocent victims.

A little 3-year-old brother—it is unbelievable, an accidental shooting of probably the little human being in his life he loved more than anything else.

From Kansas City, KS, a 1-year-old Kansas City girl, shot in the head. Here it is. "1-year-old Kansas City, Kansas, girl shot in the head." This article tells the story of a 1-year-old girl critically injured when shot in the head by her 3-year-old brother.

Mr. President, something is desperately wrong. Their mother kept an unlocked, loaded handgun under her mattress to protect her family against intruders. But one evening, when she was changing the linens on her bed, she removed the handgun and placed it on a nightstand. It took a few seconds for the 3-year-old son to pick up the gun and shoot his little sister.

A neighbor took the baby to the hospital and later said that the mother "had the baby all covered up, but I could see a lot of blood. I haven't seen that much blood for a long, long time." Miraculously, Mr. President, the little girl survived.

And from Salt Lake City, UT, "Boy Playing With Gun Shoots and Kills 13-year-old Friend." Here it is—Salt Lake City. Three boys were playing in a Salt Lake City home when one found a loaded, unlocked handgun hidden behind the headboard in the master bedroom. You know, kids are very smart. You think you are hiding something from them, but they can find these things. They were horsing around in the bedroom and the gun fired. The victim was transported by helicopter to the hospital too late—he was declared dead an hour later.

Mr. President, I could go on and on. I am not going to take the time of the Senate to repeat all of these stories, because to repeat a story, behind every headline, it would just take too much of the Senate's time. And the other reason is that when you keep telling these stories, you get so sad that you do not want to keep on focusing on the past. But let us talk about what we can do, what we can do to prevent similar tragedies in the future.

My amendment does that. Again, it was carefully crafted by Senator KOHL, Senator DURBIN, and myself. Just think, if the parents of those children, whose terrible stories I have told, were given a safety lock when they bought their handguns, these senseless tragedies—every one of them that I cited here—could have been avoided.

So what is a child safety lock? And how does it work? A child safety lock is simple; it is inexpensive device, designed to prevent the use of a firearm by unauthorized users—very simple. The most common are trigger locks, which fit over the trigger of a gun; and chamber locks, which fit into a firearm's chamber, preventing it from discharging. I have seen these locks. I have used these locks. They are very, very simple to use.

My amendment also defines lockboxes—which are storage cases designed to hold guns securely—as child safety locks. If someone does not want to put a lock physically on the gun, they can lock it in a lockbox and it will qualify under the amendment. These devices are generally locked with a key, although combination and other kinds of locks are acceptable.

Safety locks work. But do not take my word for it. Listen to what Gun Tests magazine, a publication for gun enthusiasts, said about safety locks:

> If a lock is properly designed, it will ward off the curious fingers of those too young to handle firearms responsibly, while conveniently preserving access to guns used for self protection.

So if you need to have the gun for self-protection, it is there.

Even Charlton Heston, president of the National Rifle Association, expressed qualified support for safety locks during an appearance on "Meet the Press" last month.

It is important. We all love children here. Most of us are parents; many are grandparents. I think of my 3-year-old grandson. As responsible parents we ought to make sure that these lethal weapons cannot be used by children.

This amendment is not about taking people's guns away. It aims only to protect children while preserving a citizen's right to keep a firearm in the home for self-defense or any other legitimate purpose.

Again, Senator KOHL actually authored this bill and many of us are cosponsors. The good news is that many of the handgun makers have decided to do this voluntarily, about 75 percent of them. This is good news. The bad news is, 25 percent have not. That means there will be 350,000 guns sold which will not be sold with a safety lock.

If we pass this legislation, the voluntary agreement will move forward and we will make sure that those 350,000 guns that will not be covered by the voluntary agreement will be covered by a child safety lock.

If we pass this amendment, children will live who would otherwise die as a result of accidental gun shootings. Exactly how many? I don't know; let's look at those numbers again. Out of the 5,000 deaths of children, 440 were accidents. Mr. President, I believe of those accidents, we could stop the majority.

I am proud to stand here for the children, to protect them from safety and harm. Child safety locks will do that. I hope we will get an overwhelming vote.

I am happy to yield to my colleague.

Mr. DURBIN. I thank the Senator from California.

I rise in support of the Senator's amendment, first and second degree.

Mr. President, at this point, does the Senator from California retain the floor or is the correct procedure for me to ask for recognition under my own right?

The PRESIDING OFFICER. If the Senator from California is not going to yield the floor, the Senator can respond; if the Senator from California chooses to yield the floor, the Senator may rise and seek recognition.

Mrs. BOXER. I yield for a question to my friend so I can retain the right to the floor at this time.

Mr. DURBIN. I certainly rise in strong support of what the Senator from California is setting out to do. I want to acknowledge that she shares the important position that the Senator from Wisconsin, Senator KOHL, has taken on this legislation.

I have a query of the Senator from California. Many of the critics who come here saying this is unnecessary, it is impractical, are the same people who have lamented, along with all of America, the tragic loss of life involved in children picking up guns. I will offer another amendment later on dealing with what I believe to be the responsibility of gun owners when they have a gun in the presence of a child.

The Senator from California, though, really raises this question about a very important mechanical part of this equation: Shall we put on each handgun in America a device which will protect it so that if the gun owner is not present and a child picks it up, the child can't hurt himself?

I brought with me evidence of that, which I am happy to share with the Senator from California, to show exactly what we are talking about. This is a trigger lock. And this trigger lock, as the Senator from California has noted, is easily disengaged, just with the turn of the key, and opened.

I first saw one of these when I went to Elgin, IL, and the chief of police showed me that every officer going home in the evening takes a trigger lock and puts it on the gun. Of course, the officer may need the gun for self-defense or law enforcement; they don't think a trigger lock is an impediment. With the key not in it, that gun can't be used.

I pose this question to the Senator from California: Is the Senator from California aware that the Federal Bureau of Investigation requires that all of its agents have trigger locks on the guns that they take home in the evening?

Mrs. BOXER. I answer my friend in this way. I heard that is their advice. I was unaware it was a rule. Is my friend saying it is a rule?

Mr. DURBIN. Yes, it is. As a matter of fact, is the Senator aware of the fact that when Mr. Freeh, the Director of the Federal Bureau of Investigation, testified before the Senate Judiciary Committee last year, I asked point blank, "What has your experience been at the FBI with this policy that requires child safety locks or trigger locks to be used by every FBI agent?" And Director Freeh said, "I think it has worked very well. I think it hasn't impeded any readiness or ability to protect. I think it is a very simple but very wholesome requirement. Having five small boys myself, I think it is a very good idea, whether or not it is mandated."

I just ask the Senator from California, is she aware of any of the critics of this legislation who can overcome this testimony from the Director of the Federal Bureau of Investigation that they already use these trigger locks for law enforcement agents who take the guns home in an evening?

Mrs. BOXER. I think it is very difficult to take the other side of this issue. I am sure we will hear it, but try as I might, I can't understand one reason why we shouldn't do this. Seventy-five percent of the makers of guns, I say to my friend, have agreed to do this voluntarily, but still there are 25 percent of the guns that will come on to the market with no safety lock.

Mr. DURBIN. Can the Senator from California tell me what is the cost of one of these trigger locks?

Mrs. BOXER. Five to ten dollars each.

Mr. DURBIN. In my home State of Illinois, the City of Elgin, which has decided to pass a local law, actually subsidized the trigger lock sales so anyone coming to the police department could buy one for $3. So anywhere from $3 for a subsidized trigger lock to a maximum of $10 buys this peace of mind that I think is so important when we consider this trigger lock legislation.

I might ask the Senator from California, your legislation would require, then, a trigger lock be sold with each handgun?

Mrs. BOXER. That is correct. It would be part of the purchase, yes.

Mr. DURBIN. At this point, I yield the floor back to the Senator from California, and at such time as she is finished, I will address it myself.

Mrs. BOXER. I ask unanimous consent that at the conclusion of my remarks the Senator from Illinois be recognized for 15 minutes.

Mr. GREGG. Reserving the right to object, I believe there are other people who wish to address this issue. It would seem fair that we alternate from side to side.

There is nobody on our side now who wants to address it right now. How much longer does the Senator from California plan to talk?

Mrs. BOXER. I have completed my remarks at this time. I am happy to enter into a time agreement on this issue if the managers would like. It is not my intention to hold up this bill as a member of the Appropriations Committee, so if you want to put together a time agreement, it would be excellent.

I know my colleague has been trying to get the floor; we can continue to do questions and answers, because that is another way we could go, but I would prefer if he had an opportunity to speak, following my remarks.

Mr. GREGG. I have no objection.

The PRESIDING OFFICER (Mr. KEMPTHORNE). Without objection, it is so ordered.

Mrs. BOXER. Mr. President, I will get ready to yield the floor to my colleague from Illinois for 15 minutes of his remarks, but I want to take this opportunity to thank him and again to thank Senator KOHL, who I know will be coming to the floor at some point to talk about this.

I ask unanimous consent that Senator TORRICELLI be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. I simply say this: If ever there was a matter that was a commonsense matter, this is it. We are losing kids; 5,000 kids are dying. In my State, gunshot wounds are the No. 1 cause of death among children. So anything we can do to prevent that is worth doing.

My colleague has shown a typical safety lock. It is not expensive. Many companies have agreed to do this voluntarily. It seems to me we need to give a boost to those others to join. This law would not adversely impact those who are voluntarily moving forward with these locks.

I am interested to hear the argument against this because it will be hard for me to understand how we could look at this figure, say that we love our children, say that we should be protectors of our children, and still not stand up for our children. We can do it with this amendment. It isn't rocket science, it is a simple child safety lock. Just as we would keep out of the reach of our children anything dangerous, this is the only way to keep guns out of the reach of children.

I want to thank my colleagues for their patience. I am looking forward to an overwhelming vote on this.

I ask unanimous consent Senator MIKULSKI be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized for 15 minutes.

Mr. DURBIN. Mr. President, can I say something at the outset? There are people on the floor who oppose this amendment. I will be happy to yield during the course of my statement to debate it. I know they have strong feelings on the other side. I think we can add something to this issue if we have a real debate instead of just monologues on both sides. I invite any Senator on the floor who opposes the Boxer-Durbin-Kohl-Torricelli amendment to feel free at any moment to engage us in a question and debate. I think that would help the public in the galleries and those watching television to follow this debate and to understand the simplicity and the honesty of the amendment offered by the Senator from California.

Let me say that we should look at the scope of this challenge. We are a Nation of 265 million people. We are a Nation of 300 million guns—300 million guns. As we stand here today in the midst of this debate, approximately half of those guns at this moment in time are accessible to children. They are accessible in the drawer behind the socks, in the closet up on the shelf, down in the bottom of the closet behind the shoes—accessible to kids.

As the Senator from California will tell you—and I can attest to it having been a father and now a grandparent—children will always find Christmas gifts and guns. I don't care where you hide them, they are going to find them. When they find a loaded gun, tragic occurrences happen. In fact, in this Nation that we live in, 14 times a day we lose a child to a gun—14 times a day.

What the Senator from California is suggesting is something that is so simple and practical that I think this Senate should go on the record with a vote in support of our amendment. This little trigger lock can save a life. It can save the life of that baby who you love so dearly—the grandchild who means so much to you.

I am going to make a little confession here. I have a conflict of interest in this case, as does the Senator from California. She is the proud grandmother of 3-year-old Zack. I am the proud grandfather of 2-year-old Alex. I am reminded every time we get in this debate of how much of a heartbreak it must have been for the parents and grandparents of those children who came home to find they had lost this baby they loved so much because of a tragic accident. Could it have been avoided? Yes. For the lack of a trigger lock like this one, lives were lost.

Let me tell you something else that troubles me about this debate. The National Rifle Association, to no one's surprise, opposes this. The gun lobby opposes this. Yet, I have spoken to gun owners about this issue, and I get an interesting response from them. How concerned are they about children who are being injured with guns? They are very concerned. They are also troubled that these gun lobby spokesmen stand up in Washington and say, "This is none of your business, you should not be passing laws to do this," because the gun owners I speak to say, to a person, "We never want a single firearm that we own to ever harm anybody in our household or any innocent victim, regardless of their age." These are responsible gun owners who understand their responsibility under the law when they exercise their right to use guns safely and legally.

What the Senator from California is trying to do——

Mr. GREGG. Will the Senator yield?

Mr. DURBIN. Yes.

Mr. GREGG. Mr. President, I bring to the Senator's attention that it is inappropriate under the Rules Committee's rules to bring an item for demonstration to the floor. So I say that if this debate is going to continue, we will not proceed with the demonstration.

Mr. DURBIN. The Senator objects to my showing a trigger lock on the floor?

Mr. GREGG. That is correct. The Senate rules object to your showing that on the floor.

Mr. DURBIN. I am relatively new here, and I am happy to be advised. I will try not to violate the rules.

I ask unanimous consent to display a trigger lock during the course of this debate.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. I object.

Mr. DURBIN. All right. I think you saw what I showed you, in violation of the rules, a few minutes ago. I think you understand that this tiny object, which could fit in my hand, which I can't pick up under the rules of the Senate and under objection on the floor, is something that is not a major investment by any gun owner, but could bring peace of mind not only to the gun owner, but to other people.

When I held a press conference in Chicago, IL, and invited a friend of mine who had been, unfortunately, a statistic in this debate, he told a story that chilled me about his 10-year-old son. He said, "My wife and I never had a gun in our house because we were afraid that with children around something might happen. We thought we were a safe family. Our son went next door to play with another child. . ." and I guess you can come to a conclusion as to what happened. His child was killed when the neighbor boy picked up a gun, playing with it, shot his son and killed him.

Suzanne Wilson, who testified 2 weeks ago, a mother from Jonesboro, AR, who would have faded into the background of all of the American people who do their duty and raise their families, now has become a national spokesperson. She will not let the death of her daughter in Jonesboro, AR, be forgotten. She is supporting this legislation by Senator BOXER, as well as many other efforts to reduce the likelihood that guns will be fired accidentally or will harm some young person.

I will tell you what. I cannot believe the opponents of this legislation could stand and look this woman in the eye—a woman who sent her daughter to grade school, who loved her with all her heart, kissed her good-bye in the morning, and never saw her alive again. I don't know if we will avoid the tragedy in Springfield, OR, or Pearl, MS, or Jonesboro, AR, or somebody else's hometown, tomorrow if we pass this law, but I know it is the right step forward.

I know this Senate is capable of coming to the conclusion that we can pass laws that will save lives. I know that we are willing to say to certain special interest groups, "No, you have gone too far." We have to use a trigger lock—which I can't show you—to protect our kids. I think that is something that is just basic. How many people in America now buy these clubs that they put on their steering wheels to protect their cars? This is a club to be put on a gun that is easily accessible. I can't show it to you, but you can turn the key and pull it off. Under the rules of the Senate, I can't show you that anymore.

I think you understand what I am saying. This is not a major investment, nor a complicated issue for people who dearly love these children and understand what is at stake. Believe me, this debate is about you, not about States rights, not about the Bill of Rights. This debate is about our children and their lives. That is what is at stake here. This U.S. Senate can come together in a bipartisan fashion and do the right thing for families across America. We will all join in lamenting any gun violence. We will give speeches on the floor, and at home we will send letters of regret and condolences, as we should. But when it comes to the bottom line, how are we going to vote? Representing the people of Illinois, I will vote in favor of this Boxer amendment. I think she is right that we need a new day in this country, which says that we are not going to take guns away but we are going to take guns seriously, and guns not taken seriously become, unfortunately, the objects of crime and the objects of accidents, which break hearts and destroy families forever.

This is not too much to ask. What the Senator from California has proposed should be supported. I have been waiting for those who oppose the amendment to engage me in debate. I hope they will. I am still waiting. Even without my trigger lock, I am waiting. I would be happy to engage any of them in a debate on this issue. I see they are not ready to do so.

I yield the remainder of my time.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, we have before us this afternoon an amendment offered by the Senator from California that is one of those feel-good amendments. Obviously, the Senator from Illinois has taken the feel-good debate to its ultimate. All of us are dramatically concerned and frustrated when anyone dies in this country accidentally. There is no question that there is always a quick rush to mind saying that there ought to be a law against that—especially if it appears to be an accidental death that occurred because somebody was negligent. Even more reason to want to do something to disallow that kind of an accident from happening.

Now, I do not apologize for the fact that I am an active member of the National Rifle Association, and I believe in trigger locks. I agree with the Senator from Illinois and the Senator from California that trigger locks ought to be employed in the storage of a gun for safekeeping reasons, but I do not believe trigger locks ought to be used on loaded guns.

The gun that killed the child that the Senator from California so dramatically spoke of was a loaded gun, and therein lies the difference. No FBI agent, no Federal agent of law enforcement in our country or State or local law enforcement agent with proper firearm training ever puts a trigger lock on a loaded gun. Why? Because the manufacturer says don't do it. And why does the manufacturer say don't do it? Because trigger locks are not a guarantee of safety—a jostling of the trigger lock, a dropping of the gun, a jamming of the trigger lock object that surrounds the encasing for the trigger could cause it to fire.

That is the reality. I know. I am a pistol shooter. I know about which I speak. But I am for trigger locks. I am for gun safes. I am for drawers with locks on them because I want firearms safely stored in this country so that the citizens who use firearms legally under the second amendment can be guaranteed that that right will never be abridged.

What the Senator from Illinois talks about this afternoon is, in fact, tragic, and, of course, the Judiciary Committee spoke to this issue and said that everyone ought to be made aware of them. Certainly everyone who purchases a gun ought to have a full understanding and knowledge of the use of trigger locks for safekeeping. Should it be a Federal mandate? I don't think so.

Most importantly, it should not offer a sense of false security. That is what is important. And yet I will tell you that the Senator from California speaks of panaceas: But for the trigger lock no child will die. The Senator from Illinois: But for a trigger lock the world will be safer. No, it won't be if the gun is loaded. Now, if the person who owns the firearm is responsible, if the person who owns the firearm does not plan to use it for personal protection and needs it immediately for their access or personal protection, that gun ought to be unloaded. The ammunition ought to be stored separately from the firearm. That is the rule of the game. That is what you are supposed to do as a law-abiding citizen. That is how you properly handle a firearm.

Well, let's talk about tragedies in this country. There is no question that when a small child finds a firearm which a parent has left loaded, and that small child plays with it and either kills him or herself or kills a brother or sister, oh, my goodness, what a phenomenal tragedy. I mourn; we all mourn. Parents who have acted so irresponsibly as to cause their child to die under those circumstances are the responsible parties. The gun should have been unloaded. The gun should have been properly stored. If it were unloaded, it should have a trigger lock on it. But it does not happen that way all the time. Cars are never intended to kill people, but they kill people every day. Teenagers should drive safely, but they don't. They are very irresponsible at that age. Dramatic accidents happen such as just happened on the East-West Highway locally and teenagers are killed by a very safe car. They acted irresponsibly. They should not have done what they did.

While the number of privately owned firearms in this country has quadrupled since 1930, the annual number of accidental fatalities—and that is what the Senator from Illinois is talking about, accidents—not intentional shootings, accidents—the number of accidents involving fatalities with firearms has declined 56 percent nationwide, against a phenomenal increase in the number of firearms owned by citizens, law-abiding citizens. We don't count the criminals.

Firearms are involved in 1.5 percent of accidental fatalities nationwide, and they are oftentimes the most dramatic or they are oftentimes the most dramatized on the front page of a local, State or national newspaper. And I know why. Because the Senators from Illinois and California speak with the same emotion I do, especially when it is a small child who is involved in that kind of a situation. But let me tell you what is going to kill small children this summer on a 5-to-1, 6-to-1, 10-to-1 basis. It is not going to be a gun. It is not going to be a gun. It is going to be the very thing that the Senator from Illinois has in his drinking glass right now. It is going to be water. More children are going to drown this summer in neighborhood pools and backyard swimming pools—by the hundreds—than will die by a gunshot. And yet the Senator from Illinois is not proposing to outlaw or put locks on swimming pools.

Now, all of those deaths are just as accidental. But, you know, one size fits all and if we have a Federal law, it is going to take care of everybody, and everybody will be safe and the world will be better, and politics will be more clear.

It does not work that way. It should not work that way. We are supposed to be a land without Federal mandates, and yet this year more children are going to die by drowning. Remember, accidental fatalities this year: 4.8 percent by drowning, 1.5 percent by a firearm. But if you really want to get big numbers, more children are going to die this year by falling, probably out of the high chair under the supervision of a careful mother who accidentally turns away or inadvertently turns away or momentarily turns away from her infant child, or maybe the father, and that number is going to be about 13.5 percent, but that does include older people, too. In other words, the reality with which we speak this afternoon is not all black and white, not at all. Death by falling, 13.5 percent; vehicles, cars, 47 percent; poisoning, 11 percent.

When somebody dies by poisoning or by accidental poisoning, it isn't as dramatic because the national media isn't as intent on getting rid of our second amendment rights, so they don't publicize that as much. And they really don't have anything against backyard swimming pools so that only usually is covered by the local or the State media simply because of the tragedy of the loss.

Well, those are the realities with which we speak on this issue. Proper storage of firearms is the responsibility of every gun owner, and also education, safety, training and careful consideration.

All factors that relate to an individual's particular needs are key to this responsibility. That is really the issue here. And I know the Senator from Illinois and I would wish that everybody was appropriately educated on gun ownership, had been through the right schooling or the right training, would always unload their firearm and store it a long way away from its ammunition.

That is not what happens. People oftentimes become not careless, but they just assume. We have seen teenagers breaking into homes. That is stealing. That is theft. And yet we pass laws on that. We have laws against teenagers breaking into homes and stealing things, including guns, and yet they still do it. That is why it is important that we talk about this issue this afternoon. Oh, it is politically very popular. It is the right thing to do in an election year, but it may be the wrong thing to do when it comes to safety and security if it isn't appropriately handled. I recommend trigger locks. If I owned a pistol—and I don't—I would have a trigger lock on it. And it would be empty with a trigger lock on it. But that is the reality of the kind of issues that we debate here.

A general firearm safety rule that must be applied to all conditions is that a firearm should be stored so that it is not accessible to untrained or unauthorized people.

That is the right rule. That is the one that really fits. That is the one that really works well. And then you don't have the accidents to talk about.

Antigun groups overstate the number of firearm-related deaths among children by defining "children" to include anyone through the age of 19. The statistics that have been talked about here on the floor include teenagers acting violently. The reason is, 84 percent of firearm-related deaths—that includes homicide, suicides, and accidents among persons zero to 19 years of age—are accounted for by adolescents and young adults from 15 to 19; 84 percent, 15 to 19 years of age.

No; the examples cited by the Senator from California, while very dramatic and very emotional, are clearly the exception, the horrible exception, and not the rule. So, when we talk statistics this afternoon, and we talk about children, we are talking about zero to 19, by those statistics. At least that is what I am told.

The anti-firearm Children's Defense Fund and other gun control advocates have applied, if you will, the trick to all of the national statistics and data relating to that 1 child for every 90-odd minutes, 10 children out of 5,000—all of those figures. The reality is zero to 19, if anyone listening is interested in those kinds of statistics.

So a few moments ago I was giving you figures about these dramatic deaths that occur when a firearm is misused. The annual number of firearm accidents among children in 1995 fell to an all-time low in 1995—181 children. That is below the age of 15. We are pleased about that number, although terribly saddened, because I think some of the educational programs that some independent groups are using out there right now are helping educate young people to stay away from firearms if they don't understand them and if they have not been properly trained to use them.

Other types of accidental fatalities among children—children of the same category—where there were 181 killed by firearms, there were 3,095 killed in auto accidents. The Senator who is presiding at this moment has worked to dramatically lessen the impact of airbags when they are deployed because mishandled, and the child in an improper seat can be killed by an airbag in a car. I am not sure this Congress has responded to that in a timely and appropriate fashion, although Senator KEMPTHORNE has worked over time to make that happen. It just so happens, it is a 30-to-1 relationship of children who will be killed in auto accidents every year compared to those young people who might be killed by the mishandling of a gun.

I mentioned the local swimming pool. It is a hot day out there. We are fortunate being in an air-conditioned building. Tragically enough, there will probably be more children drowned today across this country accidentally than will be killed by a firearm. The statistics bear it out—1,024 in 1995 killed by drowning.

Fires, suffocation, falling—I have talked percentagewise. Let's talk statistics. Fires: 833 children burned to death in 1995; suffocation, ingestion of an object—we have all—not all of us, many of us—have raised small children. We know how frightened we are about a child's choking on an object, getting something in that mouth, picking up something and swallowing it.

Mr. President, 213 will die, on an average basis, annually because of that. We haven't outlawed small objects, I guess because we cannot, although some here might want to try. But that is the reality of what we deal with.

And the statistics go on and on. There were 44,583 deaths amongst children in 1995; .04 percent firearms. All the rest were the kinds of things that we can do very little about. We should try where we can. We can change the deployment impact of airbags. We probably cannot outlaw backyard swimming pools. We probably cannot mandate better caretakership at the community swimming pool. And somehow, we just can't teach moms and dads about child safety seats and not putting young children in the front seats of their cars. And that still goes on.

So, those are some of the facts and statistics that we will talk about today, probably more than once, as we deal with this issue.

I do not in any way try to misrepresent the intent of the Senators who have offered the amendment. But I will speak to reality based on knowledge. Manufacturers and anyone else knowledgeable in the use of a firearm will say not a trigger lock on a loaded gun—no, no, not at all—because you risk even a greater chance of accidental death. Trigger locks are recommended and should be used on unloaded guns. But that is the reality. So if we mandate it by Federal law, we risk even greater numbers of accidents. You even risk a great number of people violating laws because of the inability to accommodate or live up to this. That is the issue we deal with. That is the issue we will debate for a substantial period of time today.

It is very important that we understand it, because, try as we may as a Congress with good intent, as a Senate and Senators who care a great deal, we cannot legislate out of this life of ours accidental death or we wouldn't have any of the 44,000 children who will die this year die, be it by gun or by car or by drowning or by falling or by choking.

Let me close by saying I forgot to talk about the bicycle and the tricycle and the accidents that occur when children use those in an unsupervised way. We read about that on a regular basis, tragically enough. But I don't think the Senate is going to try to outlaw the tricycle or bicycle today—only the gun—or at least legislate it being mandated as to its management, its handling. That is the issue.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I come to the floor to support this amendment which would require the sale of a child safety lock with every handgun. This amendment is based on the Child Safety Lock Act which we produced last year with bipartisan support from Senators CHAFEE, DURBIN, and BOXER.

It is a commonsense measure, obviously, and it is not an extreme measure. It is a measure that will reduce gun-related accidents, suicides, and homicides by young people. It will make children safer and it will make mothers and fathers feel more secure in dropping off their children at their neighbors' homes after school.

In brief, all it will do is bring all the industry up to the level of most manufacturers who have already agreed to include safety locks with their guns. Our amendment is simple, effective, and it is straightforward. It requires that whenever a handgun is sold, a child safety device—or a trigger lock—also be sold.

These devices vary in form, but the most common resemble a padlock that wraps around the gun trigger and immobilizes it.

While we want people to use safety locks, we do not require it. In that sense, we treat safety locks like States used to treat seatbelts: You have to buy them, but you don't have to use them.

This amendment is sorely needed. Mr. President, 2,000 young people are killed each year in firearms accidents and suicides. This is not only wrong, it is unacceptable.

While our proposal is not a panacea, it will prevent many of these tragedies. Just today, in the Washington Post there is a story about a Prince George's boy of 4 who shot himself while playing with a handgun that was left laying around by his grandfather. Had that handgun been secured by a child-safety-lock device, this needless tragedy just yesterday would not have occurred.

Safety locks will also reduce violent crime. Juveniles commit more than 7,000 crimes each year with guns taken from their own homes. That doesn't include incidents like the school shooting in Jonesboro, AR, where the guns were taken from the home of one student's grandfather, again, because most of "dad's guns were locked up."

If parents and relatives would use safety locks on these guns, then at least some of these incidents will be prevented. To be sure not all, but some. The fact is that a child with a handgun is an accident or a crime just waiting to happen. Of course, we should commend the gun manufacturers who already have voluntarily agreed to comply with this proposal. But we still need this legislation because too many manufacturers still resist common sense.

The voluntary agreement covers about 77 percent of all new handguns manufactured in the U.S. each year, which is an impressive number. But it still leaves at least 350,000 handguns for sale each year without safety locks. This proposal brings hundreds of thousands more handguns up to the industry standard.

Mr. President, this amendment deserves our support. I thank you, and I yield my time back.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Thank you, Mr. President. I thank the Senator from Wisconsin who, in the Judiciary Committee, has shown exceptional leadership on this issue, along with the Senator from California.

I defer to my friend from Idaho who spoke earlier about the member of the National Rifle Association executive board. I am certain his knowledge of firearms and handguns surpasses mine. But I will say that his statement, "No one should use a trigger lock on a loaded gun" apparently depends on the type of lock involved.

I have in my hand from the Safety Lock Company an advertisement that says:

> Lock for life. Hopefully, the garden hose is your kid's most powerful weapon. You no longer have to choose between your home security and your children's safety. Safety Lock is the only child safety lock for guns that can be locked safely while the gun is loaded, permanently installed on a handgun, unlocked in a few seconds, even in total darkness.

It appears it depends on the type of trigger lock or safety lock we are discussing as to whether or not the gun should be loaded.

I would like to address what I think is the more central argument made against this amendment by the Senator from Idaho. I am not surprised by the argument, because we hear it all the time. In legislative circles, it is known as the argument that the best is always the enemy of the good. Someone will come in and say, "Yes, you may save, oh, 5,000 kids' lives a year, but there are 44,000 other lives out there that you ought to try to save, too." I am not going to argue with the Senator from Idaho. I think we should take every reasonable step we can to protect all children in all circumstances.

In this particular case, though, the Senator from California and the Senator from Wisconsin come forward with a practical answer to a problem which haunts families across America with the proliferation of guns in our Nation. They have suggested trigger locks be sold with handguns. It is not an outrageous and radical idea. Law enforcement in America, including the Federal Bureau of Investigation, already uses these trigger locks, and they work.

For the Senator from Idaho to say, well, kids drown in swimming pools, that is a sad reality, too, but we are not about to close down swimming pools. We talk about children being trained, but we also talk about lifeguards and parents' responsibility.

I say to my colleagues, this is about a parent's responsibility, too. No parent is going to take a 2-year-old toddler who has never been in the water and toss him in the swimming pool and walk away. They would never consider it.

Would that parent leave a loaded gun where a 2 or 3-year-old can grab it? Sadly, that is happening time and time again. What we are saying is put a device on that gun that lessens the likelihood that a child is going to be injured.

The National Rifle Association's opposition to this seems to be that it means there is too much Government—too much Government—to ask that we put a safety trigger lock, a child-safety device with each handgun. In States across the United States now, we are adopting laws to mandate children's car seats to protect kids riding in a car. We don't consider that too much Government. We consider that common sense. It is common sense when we are talking about seatbelts, children's car seats, children's seats in airplanes. It is common sense—protect the children. They are too young and immature to protect themselves. A trigger lock does that, too. It is not a matter of too much Government.

The other argument from the National Rifle Association and others is this is too much to ask. You are asking a gun owner to spend another $3, $5 or even $10 to make their gun safe at home?

I don't think that is too much to ask. I really don't. I think this is a reasonable suggestion. I think what you will find is as it becomes commonplace across America, the cost will go down and quality will go up on these trigger locks. That is something that is a reality of life. It is something that is not too much to ask.

The seatbelt analogy, I think, is a good one. The Senator from Idaho made reference to it earlier. What we are talking about here is not putting every gun owner in jail who doesn't have a trigger lock. We are talking about creating an environment of thinking in America.

Let me confess here that when I grew up, the first car I owned didn't have seatbelts in it. I guess you know how old I am. Then for a number of years, I bought cars with seatbelts and promptly sat on them every time I got in the car. Then somebody in my State said, "Let's pass a law and say you have to buckle your seatbelt." I never got arrested for that, and I started using seatbelts. I don't feel all that comfortable without it.

What we are trying to do is say to gun owners across America, "Please join us. This is not taking your guns away. It is trying to create an environment of safety around children." What the Senator from California and the Senator from Wisconsin are suggesting is taking guns seriously. I will offer an amendment later along the same lines, but much like seatbelts, we want people to think twice about those guns.

The Senator from Idaho criticized the bill and said, "Oh, there are so many teenagers who are misusing guns." He is right. There are so many things we need to do about it, and he and I will join in increasing criminal penalties and so many other things that can be done.

In most instances, we are talking about immature children, children who pick up a gun and don't have a clue as to the danger of this weapon, turn it on a playmate, turn it on a sister or brother and tragedy follows.

I think the American people don't believe this is an unreasonable intrusion in their lives. They think it is common sense.

I salute both Senators from California and Wisconsin for their leadership on this. I am happy to stand as a cosponsor of this amendment, and I hope Members of the Senate, gun owners and those who are not gun owners—Democrats and Republicans—will step back for a minute and say this just makes sense. Let us at least save some of these children's lives. Let us put safety into the equation. Let us understand that an industry that has basically fought off every effort to put safety standards on the guns they manufacture should at least not stand in the way of trigger locks to save lives.

I yield back the remainder of my time.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank Senators KOHL and DURBIN for their eloquent remarks and, again, say to my colleagues, it is Senator KOHL's bill that we essentially have here with very few changes. It almost passed the Judiciary Committee. It was defeated by a very narrow margin.

We are going to get a vote up or down on this amendment. I am very pleased about that.

Every single one of us on both sides of this issue absolutely love children. It is just very hard for me to understand that we cannot come together on this commonsense approach.

This amendment does no violence to the right to own a gun, to the right to buy a gun, to the right to use a gun lawfully. It merely says that we are going to make sure that parents, when they buy a gun, have with it a safety lock that is easy to put. And I have to tell my friends and colleagues here, I know if you could meet with just one of the parents of these children who were killed accidentally, you support this amendment.

Of the 5,285 children killed every year by gunfire, more than 440 are completely accidental deaths. And let us think about 400 kids dying accidentally every year and what that means—kids who would have grown up and had families of their own and given joy to their parents and grown to be grandparents. This is a small thing to do. I am always amazed, I say to my friends, that we cannot come together and reach across the party lines on these issues.

I want to put into the RECORD a letter that I received today from the International Brotherhood of Police Officers, or IBPO. And this is what they write. This is important because these are the law enforcement officers:

> On behalf of the entire membership of the IBPO, I want to thank you for the amendment that will require that all licensed manufacturers, importers or dealers must include a separate child safety lock or locking device with each handgun purchased. The IBPO strongly endorses your legislation and looks forward to working with you on this important matter.
>
> The IBPO represents street cops.

So these are cops who are on the beat and on the street.

Police officers, the letter goes on are out in the community every day.

> By far, the most difficult part of their job is to arrive at home where a gun is left out, unsecured and tragedy has occurred. This legislation simply put will save lives. Each day in America, 16 children, age 19 and under are killed with firearms. Many of these deaths could have been avoided with a simple trigger lock attached to the gun.

My colleagues have shown those trigger locks here. They are very inexpensive. They are very easy to use. And, yes, there is one company that makes them so you could place it on a loaded handgun. So the argument you would have to leave your gun unloaded is simply not correct. However, it should be noted that all law enforcement agencies recommend storing firearms locked, unloaded, and out of the reach of children.

The letter from Kenneth Lyons, the National President of the IBPO, goes on to say: The Centers for Disease Control estimates that nearly 1.2 million unsupervised children have access to loaded and unlocked firearms in the home.

Let me repeat what he writes to us: "1.2 million unsupervised children have access to loaded and unlocked firearms in the home."

> It is because of these numbers that this legislation is needed.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL BROTHERHOOD OF
POLICE OFFICERS,
Alexandria, VA, July 21, 1998.

Hon. BARBARA BOXER,
U.S. Senate, Washington, DC.

DEAR SENATOR BOXER: The International Brotherhood of Police Officers (IBPO) is an affiliate of the Service Employees International Union, the third largest union in the AFL–CIO. The IBPO is the largest police union in the AFL–CIO representing over 50,000 police officers nationwide.

On behalf of the entire membership of the IBPO, I want to thank you for amendment that will require that all licensed manufacturer, importer or dealer must include a separate child safety or locking device with each handgun purchase. The IBPO strongly endorses your legislation and looks forward to working with you on this important matter.

The IBPO represents street cops. Police officers who are out in the community every day. By far, the most difficult part of their job is to arrive at home where a gun is left out, unsecured and tragedy has occurred. This legislation simply put will save lives. Each day in America, 16 children, age 19 and under are killed with firearms. Many of these deaths could have been avoided with a simple trigger lock attached to the gun.

I must note for those opponents of child safety locks that the Center for Disease Control estimate that nearly 1.2 million unsupervised children have access to loaded and unlocked firearms in the home. It is because of these numbers that this legislation is needed.

Sincerely,

KENNETH T. LYONS,
National President.

Mrs. BOXER. Another letter comes to us from a heroine of mine, Sarah Brady, whose husband Jim, as you remember, was gunned down when he was the press secretary to President Reagan. She is the head of Handgun Control and writes us a letter today.

DEAR SENATOR BOXER: I am writing to commend you for all your efforts to ensure that every handgun sold in the United States be sold with a child safety lock or other safety device designed to prevent unauthorized use. Jim and I urge all Senators to support this amendment to the Commerce, State, Justice Appropriations.

And she reiterates the facts that we have gone over today.

Every day in America, 14 children, age 19 and under, are killed with firearms. Many of those deaths—accidents, suicides, and homicides—are preventable. One of the best ways of preventing these tragedies is to keep children from gaining access to a gun in the home. Public opinion surveys reveal that almost half of all households own firearms. Regrettably, a substantial number of gun owners improperly store their weapons, leaving them loaded, unlocked or both. A National Institute of Justice survey showed that 55% of all handgun owners keep their handguns loaded, and 34% keep a handgun that is loaded and unlocked.

As Senator KOHL has said—this is recipe for disaster. Unfortunately, we know this isn't a disaster just waiting to happen at some time in the future. If you look at this collage of headlines, this is a disaster that is happening in every city in every town in every suburb. There isn't a day that goes by that I do not get something in a clip from California. And these are from around the country. So this is a disaster that is happening now. Sarah Brady quite understands this. She goes on to write:

. . . the rate of firearm deaths among children 0 to 14 years of age is nearly twelve times higher in the U.S. than in 25 other industrialized countries combined.

So let us look at the other chart one more time, because you can see these numbers: Zero children killed in Japan; 19 in Great Britain; 57 in Germany; 109 in France; 153 in Canada; and 5,285 children killed by handguns in a year in the United States.

We can sit back and say, "So what." We could sit back and say, "Oh, we just have to give another piece of paper that talks about it." Or we can vote for this important amendment and make sure that when the parents buy the gun, it includes a child safety lock.

Now, I think it is important to laud some of the gun companies that have decided to volunteer to put these locks on guns and sell them with those locks without a law. I think it is wonderful that they have done it. They came to the White House and they reached an agreement with the President, and we are going to see more handguns sold with these locks.

However, the problem we have is that about 25 percent of handguns will not have these locks because the companies, including several in my state, have not agreed to this voluntary agreement. This means that about 350,000 guns every year will not be covered—350,000 guns—will not be covered by the voluntary agreement. So we are saying, good for the companies that volunteered to do this. Now let us make sure that everybody does it.

I ask unanimous consent that Sarah Brady's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HANDGUN CONTROL, INC.,
Washington, DC, July 21, 1998.

Hon. BARBARA BOXER,
U.S. Senate, Washington, DC.

DEAR SENATOR BOXER: I am writing to commend you for all your efforts to ensure that every handgun sold in the United States be sold with a child safety lock or other safety device designed to prevent unauthorized use. Jim and I urge all Senators to support the Boxer Amendment to. S.2260, the Fiscal Year 1999 Commerce, State, Justice Appropriations.

Every day in America, 14 children, age 19 and under, are killed with firearms. Many of those deaths—accidents, suicides, and homicides—are preventable. One of the best ways of preventing them is to keep children from gaining access to a gun in the home. Public opinion surveys reveal that almost half of all households own firearms and that, regrettably, a substantial number of gun owners improperly store their weapons, leaving them loaded, unlocked or both. A May 1997 study sponsored by the National Institute of Justice showed that 55% of all handgun owners keep their handguns loaded, and 34% keep a handgun that is loaded and unlocked.

The Centers for Disease Control and Prevention (CDC) estimate that nearly 1.2 million latch key children have access to loaded and unlocked firearms. It is no surprise, therefore, that children and teenagers cause over 10,000 unintentional shootings each year in which at least 800 people die.

According to a February 1997 CDC study, the rate of firearm deaths among children 0 to 14 years of age is nearly twelve times higher in the U.S. than in 25 other industrialized countries combined. Mandating the sale of trigger locks or other safety devices with each handgun purchase is an important first step toward preventing these senseless tragedies.

Yes, great progress has been made. As you know, in October, President Clinton reached agreement with most, but not all, handgun manufacturers that they would voluntarily include a child safety lock with the weapon that they manufacture and sell. Your legislation will ensure that all handguns sold in the United States include this important safety device.

Again, thank you for your efforts to ensure that our children are safe from unintentional gun violence.

Sincerely,

SARAH BRADY,
Chair.

Mrs. BOXER. Mr. President, what we have here is a very straightforward amendment. It simply says, when a handgun is sold, include a lock. If a customer prefers a lockbox, that is acceptable to us, that is fine. And it is endorsed by the police, one of the largest organizations of cops on the beat, Handgun Control, and Sarah Brady. This is something that we can do.

We don't want to wake up in the morning and see these headlines anymore, we don't: "6-year-old Boy Shot at Friend's House." That is in Allentown, Pennsylvania. In New Orleans: "Boy, 6, Shot by his Brother." "Boy Accidentally Shot by Cousin." "17-month-old Shot Accidentally by Boy." "9-year-old Oasis Boy Accidentally Shot." That is in California. "Boy Paralyzed in a Gun Accident."

There is something I want to point out. When we look at the statistics, we don't show the wounded, we show only the fatalities. For every death, up to eight victims are wounded and often live their lives nursing chronic injuries. So what we do here just doesn't deal with preventing deaths, but also with preventing debilitating injuries.

I think I have stated the case as best as I can. I don't know if my colleague from New Hampshire is going to take to the floor, but I do know that Senator BIDEN will be here at 4 o'clock, I say to the chairman. He would like to have an opportunity to speak. If Chairman GREGG would like to enter into unanimous consent that we can set this aside until Senator BIDEN comes, I am happy to do that. That would be, I think, a good way.

Mr. GREGG. That is up to other Members who wish to take the floor. I have no objection.

Mrs. BOXER. There are no other colleagues here.

I ask unanimous consent that Senator SMITH be recognized for 20 minutes, and at that time Senator BIDEN immediately follow.

Mr. GREGG. Reserving the right to object, I just noticed the Senator from Idaho. Did the Senator desire further time? There is a unanimous consent request by the Senator from California. The essence of the request was that this amendment be set aside, that Senator SMITH from New Hampshire go forward for 20 minutes, then Senator BIDEN would be next, and we would be back on your amendment, with Senator BIDEN speaking at the conclusion.

Mrs. BOXER. And if Senator CRAIG wants to come in at that point, that is fine, and Senator KOHL has some time.

Mr. CRAIG. I have no objection.

Mrs. BOXER. If I could amend the request, Senator KOHL wanted 2 minutes, and then Senator SMITH for 20 minutes, and then Senator BIDEN, and then go back on the bill.

Mr. SMITH of New Hampshire. Reserving the right to object, just to clarify. I have remarks that would not be more than 15 or 20 minutes. The only thing is, I don't know if there are others who may wish to speak for or against the amendment. I didn't want to preclude that opportunity. I certainly have no objection to going back to your amendment. That is perfectly appropriate, and I appreciate your offer—if we could somehow get the timeframe to make my remarks but not to preclude other people coming back to speak for or against my amendment.

Mrs. BOXER. Does the Senator have a different amendment he is about to offer? Is that what this is about?

Mr. SMITH of New Hampshire. I have a separate amendment.

Mrs. BOXER. I am trying to accommodate my friend because I thought he had a statement to make, a 20-minute statement to make.

Mr. SMITH of New Hampshire. No; I have an amendment.

Mrs. BOXER. Is it an amendment that would be accepted?

Mr. SMITH of New Hampshire. No.

Mrs. BOXER. I was trying to accommodate my colleague, but I think it is better to go with the flow of this amendment. I know Senator KOHL wants to speak, Senator DURBIN, Senator CRAIG, so I suggest we stay on this amendment.

I am trying to accommodate my colleague.

Mr. GREGG. The Senator has the floor. When the Senator yields the floor, it will be up to the Chair as to who gets recognized. At this time there doesn't seem to be a unanimous consent that is agreeable.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. I object.

Mr. SMITH of New Hampshire. Could I suggest a unanimous consent request. Let me make one and see if it is acceptable.

I make a unanimous consent request that I be allowed to offer my amendment to speak not more than 20 minutes, after which time we would go back to the amendment of the Senator from California.

Mrs. BOXER. I have no objection, but I would ask my friend if he could give just one minute to Senator KOHL, then set aside the BOXER amendment, go to the SMITH amendment, and then return for Senator BIDEN's discussion of the BOXER amendment.

Mr. SMITH of New Hampshire. But not to preclude additional time after your amendment is completed.

Mrs. BOXER. Absolutely not.

The PRESIDING OFFICER. Does the Senator from California withdraw the unanimous consent?

Mrs. BOXER. I will go along with Senator SMITH's unanimous consent request, as I modified, so Senator KOHL can speak for 1 minute.

The PRESIDING OFFICER. The Senator withdraws.

Mrs. BOXER. I withdraw.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from New Hampshire?

Without objection, it is so ordered.

The Senator from Wisconsin is recognized for 1 minute.

Mr. KOHL. Thank you, Mr. President.

Just a couple of brief points. Even though Senator CRAIG and those of us on the other side differ on this amendment, I have no doubt that Senator CRAIG is committed to ensuring gun safety. In fact, he was instrumental in passing our 1994 law, the Youth Handgun Safety Act that prohibits kids from having handguns.

Second, we have really come a long way in the last few years. Today everybody, from the NRA to the gun manufacturers to police advocates, is advocating for handgun control because all believe that trigger locks, child safety locks, are helpful in preventing gun-related harm.

No matter what the outcome is on this vote, I am sure we will continue to work for a consensus. Someday, I believe we will reach one on the issue of kids and guns.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

AMENDMENT NO. 3233

Mr. SMITH of New Hampshire. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. SMITH] proposes an amendment numbered 3233.

Mr. SMITH of New Hampshire. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

"SEC. . None of the funds appropriated pursuant to this Act or any other provision of law may be used for (1) any system to implement 18 U.S.C. 922(t) that does not require and result in the immediate destruction of all information, in any form whatsoever, submitted by or on behalf of any person who has been determined not to be prohibited from owning a firearm; (2) the implementation of any tax or fee in connection with the implementation of 18 U.S.C. 922(t); provided, that any person aggrieved by a violation of this provision may bring an action in the federal district court for the district in which the person resides; provided, further, that any person who is successful with respect to any such action shall receive damages, punitive damages, and such other remedies as the court may determine to be appropriate, including a reasonable attorney's fee. The provisions of this section shall become effective one day after enactment."

Mr. SMITH of New Hampshire. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 3234 TO AMENDMENT NO. 3233

Mr. SMITH of New Hampshire. Mr. President, I send a second-degree to my own amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. SMITH] proposes an amendment numbered 3234 to amendment No. 3233.

Mr. SMITH of New Hampshire. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment, strike all after the word "SEC." and insert in lieu thereof the following:

"SEC. . None of the funds appropriated pursuant to this Act or any other provision of law may be used for (1) any system to implement 18 U.S.C. 922(t) that does not require and result in the immediate destruction of all information, in any form whatsoever, submitted by or on behalf of any person who has been determined not to be prohibited from owning a firearm; (2) the implementation of any tax or fee in connection with the implementation of 18 U.S.C. 922(t); provided, that any person aggrieved by a violation of this provision may bring an action in the federal district court for the district in which the person resides; provided, further, that any person who is successful with respect to any such action shall receive damages, punitive damages, and such other remedies as the court may determine to be appropriate, including a reasonable attorney's fee. The provisions of this section shall become effective upon enactment."

Mr. SMITH of New Hampshire. Mr. President, this amendment relates to the Federal Bureau of Investigation's new National Instant Criminal Background Check System, otherwise known as the NICS, which is scheduled to take effect on December 1 of this year.

The so-called Brady Act had two provisions. One of those provisions was an interim provision, and the other was a permanent provision. In the interim provision is the waiting period for gun purchases that is now in effect but which will expire on November 29 of this year.

Now, the permanent provision, which takes effect on December 1, mandates—I emphasize the word "mandate"—mandates the establishment of a National Instant Criminal Background Check System, known as the NICS, which is to be operated by the Department of Justice.

The purpose of this National Instant Criminal Background Check is to prevent the purchase of guns by persons with criminal backgrounds who are prohibited otherwise from owning firearms. Under this new system, persons seeking to buy guns will be required to submit certain identifying information for clearance through this NICS.

Now, this raises serious concerns. I have concerns here that the FBI has stated that in cases where the NICS background check does not locate a disqualifying record, information about that individual, according to the language, will only be retained temporarily for audit purposes and will be destroyed after 18 months.

My question to my colleagues is this: Why hold on to this information for 18 months? These are innocent people who have no disqualifying record. They are entitled, under the second amendment, to own their firearms. I don't think any records ought to be kept for 18 minutes, let alone 18 months. There is simply no reason that the FBI needs to retain private information on law-abiding American citizens—in this case, gun owners—for any time at all, let alone for 18 months.

There are no legitimate audit purposes for retaining private information on law-abiding gun owners in the FBI. Now, we have seen abuses. We have seen files turning up from the FBI on individuals who happen to appear in the White House, and on and on and on. This is an opportunity to abuse the privacy rights of millions of American gun owners. It is simply wrong if you didn't do anything. If your record is clear and there is no disqualifying information, then there should be no record kept, period.

I have heard a lot from law-abiding gun owners in the country who view this FBI gun owners ID record retention scheme as an ominous step toward national gun registration, which I believe is probably the ultimate goal here. Justifiably, in my view, they see this plan as a threat to their second amendment right under the Constitution of the United States. I agree with them. I feel deeply about this. I emphasize again that FBI files have been abused, and to keep, for any period of time—especially as long as 18 months—files on people who have done nothing wrong, in the FBI, is wrong.

Stated simply, my legislation will put a stop to the FBI's plan to keep records of private identifying information on law-abiding citizens who buy guns. My amendment will require the immediate destruction of all information submitted by or on behalf of any person who has been determined not to be prohibited from owning a firearm.

Mr. President, my amendment has another purpose as well. The Department of Justice has proposed to charge fees—a gun tax, if you will—for the NICS, using the authority of a provision in the 1991 Commerce, Justice, State Appropriations Act.

As Appropriations Committee Chairman STEVENS noted when he introduced the No Gun Tax Act of 1998 earlier this year, the 1991 Appropriations Act was passed 2 years before the law establishing the National Instant Criminal Background Check System.

Moreover, as Chairman STEVENS properly observed, the 1991 act "was never intended to allow fees under the NICS program." "This limited 1991 authority," Senator STEVENS noted, "allowed fees only 'to process fingerprint identification records and name checks for noncriminal justice * * * and licensing purposes.'" "It was not intended," concluded Senator STEVENS, "to apply to programs like the NICS program, which checks the criminal background of purchasers and has nothing to do with licensing."

In introducing his No Gun Tax Act of 1998, which I was honored to cosponsor, Senator STEVENS also aptly observed that, "The imposition of a fee would encourage some to try to obtain firearms on the black market." "No matter how you feel about gun control," Senator STEVENS said, "we should all do what we can to make sure that the new background check system works."

My amendment would prevent the use of funds by the Department of Justice for the "implementation of any tax or fee" in connection with the implementation of this new National Instant Criminal Background Check System.

Under the second amendment, law-abiding American citizens have the right to own a firearm. And if the Congress, in its wisdom, decides that we are going to have this background check and a person is not disqualified, he or she should not have to pay for it. It is their constitutional right to have a weapon if they are honest, law-abiding citizens, and they should not have to pay a fee because somebody said they needed to check to find out if they were honest people or not. It is wrong. This is "big brother," Mr. President, and it is wrong.

So my amendment would create a civil cause of action, as well, on behalf of any person who is aggrieved by a violation of this act, which can be brought in the Federal district court for the district in which the person resides. So if your rights are violated, then you have a right to take this matter to court, as any citizen would. If successful, such a lawsuit would entitle the gun owner wronged by a violation of the provisions of my amendment to an award of damages and any other remedies deemed to be appropriate by the court, including attorney's fees.

We must not allow a trampling of the second amendment. We must not allow fees to be charged to people who have done nothing except own a firearm and be legal, law-abiding citizens. They should not have to pay a fee. I hope this amendment will have broad support. The sound operation of the new National Instant Criminal Background Check requires neither the retention of ID records on law-abiding gun purchasers nor the imposition of a user-fee gun tax.

So, in conclusion, let me just say, No. 1, my amendment says if the background check is conducted, no record is kept if you have done nothing wrong, you are a law-abiding person, and you are entitled to that gun. No record is kept, period. Secondly, no fee is charged. Thirdly, if records are kept in violation of this act, then you have a remedy in court.

That is the amendment, Mr. President. So I say to my colleagues, if you support the second amendment and the rights of law-abiding people not to be harassed, you will support my amendment. We have seen harassment by the IRS, and this will invite harassment by the FBI if we do not stop this process. How many files will be retained? What information will be used on these people in these files? When I think of the FBI and I think of a file held in the FBI on somebody, I think of someone perhaps doing something wrong or being accused of doing something wrong. These people have done nothing wrong, except own a gun. That is not wrong; that is legal under the Constitution of the United States.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. GORTON). Is there a sufficient second?

There is not a sufficient second.

Mr. GREGG. Mr. President, is the Senator asking for the yeas and nays on the second-degree amendment?

Mr. SMITH of New Hampshire. Yes.

Mr. GREGG. You are going to want yeas and nays on both?

Mr. SMITH of New Hampshire. The second-degree amendment will be the first one voted on. I would be happy to vitiate them on the second vote, but I need to have a vote on the second-degree amendment.

Again, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, we will go back to the Boxer amendment.

Mrs. BOXER. Mr. President, Senator BIDEN has sent word over that his time can be taken by Senator KOHL and myself. Senator BIDEN was going to talk for 15 minutes. I ask that that time be divided between Senator KOHL and myself.

The PRESIDING OFFICER. There is no order to that effect.

Mrs. BOXER. I want to give some time to Senator KOHL. I have no need to talk on and on.

The PRESIDING OFFICER. Does the Senator from Wisconsin seek recognition?

Mr. KOHL. Yes, I do.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I oppose this amendment for two reasons. First, while I have a great deal of respect for Senator SMITH—I was in the room when we wrote the Brady Act—along with Senators Dole, Mitchell and Metzenbaum. Certainly no one in that room believed that you couldn't charge fees under Brady. If anything, we expected that fees would be charged for doing checks. Nothing in Brady's legislative history leads me to change my mind.

Fees for background checks are nothing new. In fact, when we negotiated Brady, all of us were aware that the FBI charged fees for other background checks. And no one was surprised that, once Brady became law, 39 States authorized fees for State-run Brady checks. No one is questioning these other fees.

Second, prohibiting fees—without otherwise providing the funding necessary to support the instant check system—would endanger the Brady Act. The instant check system, which was originally proposed by the NRA itself, is an essential part of Brady that is scheduled to replace the State-run system at the end of this year.

Of course, these instant checks will cost money. The FBI believes it will need about $75 million to pay for additional staff and resources. Unless the instant check system gets funded, these checks will not happen. No funding, no checks. And no checks means more criminals with guns and more violence.

Now, in my opinion, it doesn't matter whether the funding for instant checks comes from fees or from a separate appropriation, but we need funding from somewhere, and we should not make the FBI choose between cracking down on violent gangs and doing instant checks. But this amendment provides no alternative funding.

Mr. President, the real issue before us is this. We can pay for instant checks and build on the Brady Act's record of stopping nearly 150,000 criminals from buying guns, or we can leave Brady's future up in the air and risk putting more guns in the hands of dangerous felons. In my view, the choice is easy. I do not want to see the FBI make a "profit" on these fees, but we need to make sure that background checks continue saving lives by defeating this amendment.

I thank the Chair. I yield for the Senator from California.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I thank the Chair.

AMENDMENT NO. 3231

I assume we are getting close to a vote on this amendment. I want to make a point here. I do not believe that this child safety lock amendment is a panacea—the cure-all, which will stop all kids from dying. But it will help. And I believe we must do whatever we can to help.

I want to talk to you about a survey that was done by the Violence Policy Center called "Kids Shooting Kids." These are stories from across the Nation of unintentional shootings among children and youth. This is a 9-month period in 1996. You read a story and you think, "This is horrible," and you don't realize the extent to which this is affecting our families and hurting our children.

So what I would like to do is read a number of these cases with this point in mind, to show you how widespread this crisis truly is. It is not a panacea, but I believe it will save children's lives—maybe 100, maybe 200, a year.

As you hear these stories, what I want you to do is ask yourself a question, I say to my colleagues: If there was a lock on that gun, would this accident have happened? That is what I am asking you to do. Put the common-sense test to it.

"Two boys hurt when pistol fires." This one is in Mobile, AL.

Two boys looking under a mattress for loose change found a pistol instead. When the weapon discharged, Jacob Lewis, 7, lost a finger. His friend, Michael Moore, was hit in the face, the neck and the abdomen. Jacob's grandfather, Art Lewis, kept spare change under his mattress, along with a handgun. "They knew I kept some change there, but they had no business going back into that bedroom," Jacob's grandfather said.

Jacob was treated and released. Michael was still in the hospital listed in stable condition. Lewis said his son gave him the gun two weeks ago for protection because he was alone. He said, "I have never had a pistol." He kept the handgun loaded. He says, "I don't want a pistol. I don't want anything like this in my life."

That is what happened after the accident.

Valdez, AK. This is a picture of this little child, 8 years old. Front page story:

> An 8-year-old Valdez boy died Saturday of a gun shot wound after he and his 10-year-old brother had been playing with a handgun in their Aleutian village home. Steven Lind Johanson was pronounced dead at Valdez Community Hospital of a single shot to the head.

They said the results would be known later. "All we know at this point is they were playing with guns." For whatever reason, the little boy got shot.

So here you have this cute little boy with a little space in between his teeth. He hadn't even gotten all of his teeth yet. He is dead:

> Boy 15, shot in the face with a .357 in stable condition.

This is in Alaska. He was playing with a gun.

My understanding is he may lose some of his hearing. The boy thought the chamber was empty and happened to pull the trigger. The gun was stolen.

It goes on: A 14-year-old Amber Valley boy shot in the head and killed while he and his best friend were handling a handgun.

These are not kids in gangs. These are not kids who are vicious. These are ordinary children who are doing what ordinary children do, which is to be curious, which is to imitate what they see in the movies. Had there been a safety lock, these little children might be alive today.

These stories go on and on:

> Glendale boy finds gun. Accidentally shot, .22 caliber revolver.
>
> 9-year-old Oasis boy accidentally shot. Victim in serious condition.
>
> 3-year-old finds gun, kills sister.

Unbelievable.

> Boy paralyzed in gun accident.

That is in Atlanta, GA.

> 17-month-old shot accidentally by boy, 3.

Accidentally shot by a playmate.

> Boy, 11, dies in a gun mishap.

It just goes on and on.

So we can say there is nothing we can do, and we could say let's pass a sense-of-the-Senate that parents should be shown all of this. That is fine. I don't have any problem with that. But we have to do something real, and that thing is to put locks on guns.

So I was hoping against hope that we could, Senator CRAIG and I, join hands on this one, that we could agree on this one, because I know we have certainly argued on other issues. I am quite surprised that we can't reach agreement on this. I think it is common sense. I think it is good law.

Mr. President, I hope we can have a vote on this. I hope we will succeed on this. It is not my hope to speak much longer, only to respond if there is something that is put out that I think is merits a response. But I ask unanimous consent that the rest of these stories be printed in the RECORD, not the entire group but a representative sample of stories that I have shared with my colleagues.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Macon Telegraph, Dec. 17, 1995]

17-MONTH-OLD SHOT ACCIDENTALLY BY BOY, 3

(By Joe Kovac, Jr.)

A 17-month-old girl who was accidentally shot in her arm was recovering in a Macon hospital Saturday night. The shooter, police said, was a 3-year-old playmate.

The victim, Yanita Grier, was shot one time with a .38-caliber revolver apparently left lying out in a bedroom, detectives said.

The child was in "stable" condition at The Medical Center of Central Georgia late Saturday.

The 3-year-old boy who'd been handling the gun told an investigator he'd picked it up and that it fired when he dropped it.

"My heart dropped when I went in and saw (what had happened)," said officer Cornelius Pendleton. "There shouldn't have been a gun there like that."

The 7 p.m. shooting happened in a two-bedroom apartment at 709–A Patton Ave., a block east of Henderson Stadium, where between 10 and 13 children were living with three adults, police said.

The wounded girl's mother, Denita Grier, 28, along with other adults there, told police she didn't know there was a gun in the apartment.

"They were shocked to hear the shot," said detective Capt. Henry Gibson.

He said the gun belonged to the boyfriend of one of the residents.

Initially, police were trying to figure out how the 3-year-old, whose name was not released, managed to squeeze the trigger.

Only when a detective was able to talk to the child did the shooting become more comprehensible.

"It was very disturbing, kind of nerve-racking, when you arrive on the scene and they tell you a 17-month-old has been shot with a .38," Gibson said. "When we asked who the suspect was, they said it was a 3-year-old child."

No charges are expected to be filed in the incident.

[From the Okawville (IL) Times, Mar. 6, 1996]

CHILD SHOT WHILE PLAYING WITH GUN

Zach Muncy, 12, was shot in the chest as he and friend Josh Mathews were playing with a small gun at the home of his grandmother, Voneda Impastato, Thursday evening.

The bullet hit Muncy's sternum. He was taken by ambulance to the Washington County Hospital, where he underwent emergency surgery to have the bullet removed. He was released the next day, and was able to return to school Tuesday.

The bullet struck only a half-inch from Muncy's heart, which would have proved fatal.

Mathews received only minor injuries on his chest from fragments of the ammunition that exploded. He was treated and released at the hospital the same evening.

According to the Okawville Police report, the youths were handling a small caliber pistol. They had apparently placed old (and perhaps ammunition not designed for the gun) in the chamber. A round was fired and exploded in the weapon itself.

Voneda Impastato said that the boys had found the gun. She was not at home when the accident occurred.

Zach Muncy moved in February from Taylorville to live with his grandmother at the Senior Apartments in Okawville. He had formerly lived in Okawville with his parents, Dennis Muncy and Jean Muncy Gaynor, who have since divorced and live in Taylorville.

Mathews lives with his father, Randy Mathews in Okawville.

No charges are pending in the incident.

[From the Chicago Daily Southtown, Apr. 27, 1996]

BOY, 11, DIES IN GUN MISHAP

(By Stephanie Gehring and Janis Parker)

A 15-year-old Auburn-Gresham neighborhood boy was charged with involuntary manslaughter Thursday after he accidentally shot and killed an 11-year-old friend while playing with a handgun.

Bryant Suttles, 7842 S. Winchester Ave., was shot once in the head with a 9mm semiautomatic handgun while the two boys were in Suttles' basement about 5:30 p.m. Thursday.

The 15-year-old, whom police would not identify, first told police he and his friend had found the gun in a drawer. The 11-year-old took it out, pointed it at his head and shot himself. But the 15-year-old later admitted he was the one handling the gun, Calumet Area violent crimes Sgt. Larry Augustine said.

[From the Atlanta (GA) Constitution, Feb. 16, 1996]

BOY PARALYZED IN GUN ACCIDENT—COUSIN, 9, MISTAKENLY THOUGHT HE REMOVED BULLETS, POLICE SAY

(By Bill Montgomery)

A 10-year-old College Park boy was paralyzed when shot accidentally by a 9-year-old cousin playing with a handgun he thought was unloaded, police said.

Somari Smith was paralyzed from the chest down in the shooting Wednesday at his home at Harbour Towne Apartments on Riverdale Road, Clayton County police said.

Somari was listed in critical but stable condition at Eggleston Children's Hospital on Thursday evening.

Clayton County police Lt. Doug Jewett would not identify the boy who fired the shot, pending further investigation. Jewett said the shooting apparently was an accident.

The 9-year-old thought he had unloaded the .25-caliber semiautomatic pistol by removing the magazine and did not realize a round remained in the chamber, Jewett said.

Somari's stepfather, Michael Williams, 32, had left the boys and a 2-year-old cousin alone at the apartment while he went to pick up his wife from her job in Atlanta, Jewett said.

The 9-year-old called 911 for help, police said, and met the officer who responded at the door. Officer B.E. Kelley found Somari lying in an upstairs bathroom. The officer saw blood on Somari's chest, arms and the rug beneath him, and the boy complained he had no feeling in his legs.

[From the Fort Myers, FL News-Press, Jan. 15, 1995]

3-YEAR-OLD FINDS GUN, KILLS SISTER—PARENTS COULD FACE CHARGES

(By Bob Norman)

Three-year-old Colton Hinke was sitting in the corner of his parent's dark bedroom Sunday night, silent and trembling, a .25-caliber pistol having just gone off in his hand.

His 2-year-old sister, Kaile Hinke, was on her back on the apartment's family room floor at Player's Club, staring upward, her lips blue, her face pale, a little hole in her upper right chest.

Kaile was in shock after being shot by Colton at about 7:15 p.m. Thirty minutes later she would be declared dead at Lee Memorial Hospital, surrounded by her grieving parents, who under state law could be charged in her death.

Colton had pulled the loaded gun out of a drawer in the bedroom, said Chris Robbins, a neighbor who heard the gunshot and discovered the little girl.

"The boy didn't even know what was going on," Robbins said, "The hardest thing is that they are both innocent victims."

Colton and Kaile were in their parents' bedroom playing while their mother, Sherri Hinke, 24, was in another room, according to police. The father, 27-year-old Michael Hinke, was at work at Domino's Pizza.

When Robbins heard the gunshot, he ran to the apartment and found the mother in hysterics, kneeling over her daughter, who still was breathing.

"Where has she been shot?" he asked her.

"I don't know," cried the mother.

"Lift up her shirt," he instructed.

When she did so, he saw the little hole in her chest. Robbins then ran into the bedroom to see Colton.

"I just picked him up and took him outside," Robbins said, "He was just scared, shaking. I rubbed his back and told him everything's going to be OK and that he had to be a good boy."

Michael Hinke rushed from his job to the apartment off Colonial and Evans avenues, and he and his wife were taken by police to the hospital.

"My daughter is dying," Sherri Hinke said, overcome with emotion.

Robbins, 33, a former Army Ranger who was visibly shaken by the tragedy, followed the family to the hospital.

"She was a beautiful little girl," a red-eyed Robbins said after leaving Kaile's bedside. "She had big . . . she had the biggest blue eyes. But I'm so worried about the little boy. I hope he gets help."

Colton was put in his grandmother's care after the shooting, Robbins said, adding that he apparently had realized what had happened.

"The family told me that he said, 'Nana, I shot my sister,'" he said.

Under a state law passed in June 1989, parents can be charged with a misdemeanor if they leave loaded firearms where children can get to them. If a child injures or kills someone with a gun, the parents could be charged with a felony punishable by five years in prison.

Fort Myers police hadn't filed any charges as of Sunday night.

"Until they get done with all the interviewing and find out all the facts of the case, there won't be any charges," Sgt. Kevin Anderson said.

Accidental gunfire deaths have been a leading cause of death of children aged 5–14 for years. It is rare, however, for children younger than 5 to die in accidental gunfire, according to state statistics.

Neightors, many of whom heard the gunshot, were shocked when they heard what had happened.

"Maybe you just might want to part with your firearms when you have children in the house," said neighbor Chris Marsella, 29. "Or at least keep them locked up somewhere."

[From the Palm Springs, CA Desert Sun, Feb. 19, 1996]

9-YEAR-OLD OASIS BOY ACCIDENTALLY SHOT

(By Kenny Klein)

OASIS—A 9-year-old boy was shot in the chest Sunday while he and a 14-year-old friend played with a loaded handgun in the older boy's home, sheriff's deputies reported. No adults were in the mobile home when the shooting occurred, deputies said.

The younger boy, Angel Gomez of Oasis, was listed in serious condition at Desert Hospital in Palm Springs late Sunday after having surgery to remove the bullet, which entered his left arm and passed into his chest, Riverside County sheriff's deputies said.

The 14-year-old Oasis boy who deputies would not identify, was detained and turned over to Riverside County Child Protective Services because his guardians, believed to be an aunt and uncle, could not be located Sunday afternoon.

"He's not walking away from this," sheriff's Sgt. John Carlson said. The boy is "terrified and scared out of his wits."

The shooting, which deputies believe was accidental, happened about noon inside the mobile home in the 72-7090 block of Pierce Street, deputies said. The two boys apparently found the medium- to large-caliber handgun and began playing with it, deputies said.

The gun went off and struck the 9-year-old, Carlson said. The 14-year-old boy ran to a nearby mobile home where the neighbor called 911, Carlson said.

"When questioned, the 14-year-old said that the other boy shot himself," Carlson said. "The location of the wound makes that story extremely unlikely."

Deputies and an investigator waited at the mobile home for the older boy's aunt and uncle to return, but hadn't located them by 9 p.m. Investigators planned to search the mobile home for the weapon, they said, because the older boy refused to tell them where it was.

The aunt and uncle could face a felony charge of leaving a loaded firearm where a child can obtain and improperly use it, Carlson said. The maximum sentence for a conviction would be three years, he said.

The 9-year-old boy lives near the park and often hangs around the area, deputies said.

"Angel is such a nice boy but the other boy is a little wild," said trailer park resident Raquel Sanchez, 39. "I can't believe this happened."

Angel's family feared for his life.

"I hope my brother is going to be OK," said 13-year-old Blanca Gomez, the boy's sister. "I'm so worried."

Both boys attend Oasis School, she said.

Mrs. BOXER. I yield the floor at this time.

Mr. CRAIG. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTION TO COMMIT WITH AMENDMENT NO. 3235

(Purpose: To provide for firearms safety, and for other purposes)

Mr. LOTT. Mr. President, I move to commit the pending legislation to the Judiciary Committee to report back forthwith in status quo with an amendment as follows.

I send the text to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] moves to commit the pending bill to the Judiciary Committee with instructions to report back forthwith in status quo and with the following amendment, No. 3235.

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3235) is as follows:

In the appropriate place insert the following:

SEC. . FIREARMS SAFETY.

(a) SECURE GUN STORAGE DEVICE.—

Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

"(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.".

(b) CERTIFICATION REQUIRED IN APPLICATION FOR DEALER'S LICENSE.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).".

(c) REVOCATION OF DEALER'S LICENSE FOR FAILURE TO HAVE SECURE GUN STORAGE OR SAFETY DEVICES AVAILABLE.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: "or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)".

(d) STATUTORY CONSTRUCTION; EVIDENCE.—

(1) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. . FIREARM SAFETY EDUCATION GRANTS.

(a) IN GENERAL.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) undertaking educational and training programs for—

"(A) criminal justice personnel; and

"(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;";

(2) in the first sentence of subsection (b), by inserting before the period the following: "and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)"; and

(3) by adding at the end the following:

"(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

"(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

"(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

"(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

"(A) is not of a sufficient size to justify an evaluation; or

"(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of—

(1) October 1, 1998; or

(2) the date of enactment of this Act.

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 3236 TO INSTRUCTIONS

(Purpose: To provide for firearms safety, and for other purposes)

Mr. LOTT. I send an amendment to the desk to the instructions and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 3236 to the instructions.

Mr. LOTT. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first word of the amendment, and insert the following:

SEC. . FIREARMS SAFETY.

(a) SECURE GUN STORAGE DEVICE.—

Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

"(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.".

(b) CERTIFICATION REQUIRED IN APPLICATION FOR DEALER'S LICENSE.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).".

(c) REVOCATION OF DEALER'S LICENSE FOR FAILURE TO HAVE SECURE GUN STORAGE OR SAFETY DEVICES AVAILABLE.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: "or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)".

(d) STATUTORY CONSTRUCTION; EVIDENCE.—

(1) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. . FIREARM SAFETY EDUCATION GRANTS.

(a) IN GENERAL.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) undertaking educational and training programs for—

"(A) criminal justice personnel; and

"(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;";

(2) in the first sentence of subsection (b), by inserting before the period the following: "and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)"; and

(3) by adding at the end the following:

"(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

"(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

"(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

"(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

"(A) is not of a sufficient size to justify an evaluation; or

"(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of—

(1) October 2, 1998; or

(2) the date of enactment of this Act.

Mr. LOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 3237 TO AMENDMENT NO. 3236

(Purpose: To provide for firearms safety, and for other purposes)

Mr. LOTT. I now send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] proposes an amendment numbered 3237 to amendment No. 3236.

The amendment is as follows:

Strike all after the word "Firearms" and insert the following:

SAFETY.

(a) SECURE GUN STORAGE DEVICE.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

"(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.".

(b) CERTIFICATION REQUIRED IN APPLICATION FOR DEALER'S LICENSE.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).".

(c) REVOCATION OF DEALER'S LICENSE FOR FAILURE TO HAVE SECURE GUN STORAGE OR SAFETY DEVICES AVAILABLE.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: "or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)".

(d) STATUTORY CONSTRUCTION; EVIDENCE.—

(1) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. . FIREARM SAFETY EDUCATION GRANTS.

(a) IN GENERAL.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) undertaking educational and training programs for—

"(A) criminal justice personnel; and

"(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;";

(2) in the first sentence of subsection (b), by inserting before the period the following: "and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)"; and

(3) by adding at the end the following:

"(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

"(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

"(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

"(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

"(A) is not of a sufficient size to justify an evaluation; or

"(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.".

UNANIMOUS CONSENT REQUEST

Mr. LOTT. Mr. President, I will be happy to withdraw this action just taken if the Senator from California would be willing to agree to the following consent, which I will now propound. This consent would allow for a vote in relation to the Craig gun safety issue as well as the Boxer trigger lock issue. I hope the Senator would consider and would agree to the consent.

I ask unanimous consent, then, that the pending Boxer second-degree amendment be withdrawn and the motion to commit be withdrawn and the first-degree amendment be laid aside and Senator CRAIG be immediately recognized to offer a first-degree amendment relative to gun safety.

I further ask that there be 90 minutes for debate on both the Boxer and the Craig amendments combined, to be equally divided between Senators CRAIG and BOXER, with no second-degree amendments in order to either amendment, and following the conclusion or yielding back of time, the Senate proceed to a vote on or in relation to the Craig amendment, to be followed immediately by a vote on or in relation to the Boxer amendment.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Mr. President, reserving the right to object, this may work out fine, I say to the majority leader. We just want a little time to share it with a few Senators here who are very involved in this amendment. So at the moment I will object, keeping the door wide open to eventual agreement, but we would like to have about 15 minutes to look it over.

Mr. LOTT. If I might say to the Senator's objection, I think this is a fair way to consider this issue. The Senators have time to state their position on both sides of the issue and we could then come to a vote on both of them. My effort here is to try to get it set up in that way where each side gets a fair vote, each side gets a fair time to debate it. I hope the Senator will give consideration to that. If the Senator likes, until we can decide exactly how we might proceed, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The majority leader.

UNANIMOUS CONSENT AGREEMENT

Mr. LOTT. Mr. President, I ask unanimous consent that the pending Boxer second-degree amendment be withdrawn and the motion to commit be withdrawn and the first-degree amendment be laid aside and Senator CRAIG be immediately recognized to offer a first-degree amendment relative to gun safety.

I further ask unanimous consent that there be time between now and 4:45 for debate on both the Boxer and the Craig amendments combined, to be equally divided between Senators CRAIG and BOXER, with no second-degree amendments in order to either amendment; that following the conclusion or yielding back of time, the Senate proceed to a vote on, or in relation to, the Craig amendment, to be followed immediately by a vote on, or in relation to, the Boxer amendment; further, that there be 2 minutes of debate prior to the vote in relation to the Boxer amendment.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Reserving the right to object, and I shall not object, I ask the majority leader if he will be willing to allow a straight up-or-down vote on both measures and rule out the tabling motion. Will he be willing to incorporate that in the UC?

Mr. LOTT. First of all, I thank the Senator for working with us to get what I believe to be a fair amount of time and a vote on each issue. We will not be able to amend it to allow for that vote. We have to have the option for a motion to table.

Mrs. BOXER. I am disappointed, because I think it is a very clear vote: Either you are for child safety locks or not. I would have preferred that, but in the interest of moving this bill forward, I do not object to the unanimous consent request.

Mr. CRAIG. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. I will be offering a first-degree amendment in a few moments if this is accepted. I think for the sake of all Senators understanding what is in that amendment, I will require an additional 5 minutes of time for the explanation of that amendment.

Mr. LOTT. Mr. President, can we amend the unanimous consent request to take it then to 4:50 p.m.?

Mrs. BOXER. As long as it is equally divided—you get the extra time, and we get the extra time—that is fine with us.

Mr. LOTT. I make that request then.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Idaho is recognized.

(Amendment No. 3231, Lott motion to commit with amendment No. 3235, Amendment Nos. 3236 and 3237 were withdrawn.)

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 3238

(Purpose: To provide for firearms safety, and for other purposes)

Mr. CRAIG. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. Craig], for himself and Mr. Hatch, proposes an amendment numbered 3238.

Mr. CRAIG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . FIREARMS SAFETY.

(a) Secure Gun Storage Device.—

Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

"(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.".

(b) Certification Required in Application for Dealer's License.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).".

(c) Revocation of Dealer's License for Failure To Have Secure Gun Storage or Safety Devices Available.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: "or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)".

(d) Statutory Construction; Evidence.—

(1) Statutory construction.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) Evidence.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) Effective Date.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. . FIREARM SAFETY EDUCATION GRANTS.

(a) In General.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) undertaking educational and training programs for—

"(A) criminal justice personnel; and

"(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;";

(2) in the first sentence of subsection (b), by inserting before the period the following: "and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)"; and

(3) by adding at the end the following:

"(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

"(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

"(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

"(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

"(A) is not of a sufficient size to justify an evaluation; or

"(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.".

(b) Effective Date.—The amendments made by this section shall take effect on the earlier of—

(1) October 1, 1998; or

(2) the date of enactment of this Act.

Mr. CRAIG. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CRAIG. Mr. President, I have sent the amendment to the desk. I thank my colleagues from California and Illinois for raising the issue of firearms safety. All of us are concerned about it. We should be. There is no question that this Senate should express itself. But I think it is wrong to suggest that one size fits all and that Washington has the right answer. Even as the Senator from California was speaking, she was talking about local community and State law that was changing the character of gun ownership and the management or the safe handling of guns. And that is exactly what my amendment offers.

It recognizes that there is no quick fix to the tragedy of juvenile crime and firearm accidents. But it does recognize the importance of making available safety devices of all kinds to fit all circumstances, not just a trigger lock but a safe, a box, a lockbox, all of those kinds of things that should be required and made available to gun purchasers by the community of interests that sells guns and small business people who offer those types of firearms to the public.

First, it expands the definition of "safety devices" to include, as I have mentioned, a variety of devices besides just trigger locks. I think it is important that we do that.

My amendment requires that vendors have these safety devices available for sale, but it does not require that a vendor sell a safety device along with every firearm. It certainly does say that a vendor must make these available and that the purchasing public become aware of it.

It is also important that my amendment helps to ensure that this new requirement is entirely tort neutral. The amendment provides that it does not establish a standard of care or it further states that evidence regarding compliance or noncompliance with this requirement is inadmissible in court. The amendment, therefore, does not hurt nor help a plaintiff or a defendant.

Finally, my amendment helps to ensure that State and local authorities are prepared to train members of the public in the safe possession, carrying, and use of firearms. As you know, 34 States have now passed and empowered our citizens to carry concealed weapons for protection. Therefore, it is critical that we as a citizenry advance the cause of education.

My amendment allows for Byrne grant funds to be used by State and local law enforcement agencies to train the public in the safe handling of firearms and to make a positive contribution in that education. The statistics that are real that I have spoken to this afternoon and that the Senator from California has spoken to can be dramatically reduced by education, by training, and by understanding. It is evident because we see the decline in gun accidents today.

We also know that there are a variety of organizations out there that are actively involved in working to train our citizens as it relates to the safe use of firearms. So my amendment is much broader. It is not a mandate, but it certainly requires the full complement of gun safety equipment and necessary attributes to be sold and made available to gun owners, and it provides education and educational moneys for local and State law enforcement agencies to begin to train and educate our citizenry as it relates to this important issue.

More and more States are moving to the right of citizens to carry guns. Thirty-four States have now said, by their action, that the citizen is empowered to carry a weapon for the purpose of protection; yet there is a decline in the number of accidental deaths by guns. That can come, as it is coming, by education. We are empowering, by this amendment, our State and local governments to do just that.

Let me close by saying this: The provision that I offer is an amendment that was offered and adopted by the Judiciary Committee last year during its markup on S. 10, the juvenile crime bill. I urge my colleagues to agree with the consideration and the judgment of the Judiciary Committee. Senator ORRIN HATCH, the chairman of the Judiciary Committee, is a cosponsor with me of this amendment. It has had full consideration and acceptance by that committee.

So it is not something that is quick to judge. It is something to recognize that as we debate the safety of the use of firearms, that we assure the public the availability of equipment and devices to ensure and broaden that safety and, most importantly, it provide the necessary educational components to offer that.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from California.

Mrs. BOXER. Mr. President, it is my understanding that I will be controlling 5 minutes at this time, correct?

The PRESIDING OFFICER. Five-and-a-half minutes.

Mrs. BOXER. Five-and-a-half minutes.

It is my intention to yield most of my time to my colleague from Illinois. When I first heard about the Craig amendment and looked it over, without getting into the details, I thought this looked like something I could support. Now I am having doubts about it due to the enforcement provisions.

I am going to turn it over to my friend and colleague from Illinois.

I yield 4 minutes to the Senator from Illinois.

Mr. DURBIN. I thank the Senator from California.

For those who missed a few innings and would like to know what the score is, what happened, the Senator from California offered an amendment which requires a trigger lock be sold with each handgun in America. And she does a few things procedurally so we are going to have an up-or-down vote. And, of course, there are people who do not want to vote on that. They are afraid of—well, let us not say that. There are people who disagree with her. There are people who don't want to vote on it.

The Senator from Idaho, who openly opposes her amendment, comes in with what he considers to be a substitute amendment. That is what we are debating now. The good part is, when it is all over, we get to vote on both of them: The proposal of the Senator from Idaho, which I have in my hand, that he just described, and then the proposal of the Senator from California, which says, "Sell a handgun in America, sell with it a trigger lock."

Originally, the Senator from California and I thought: No harm, no foul; we will take the Craig amendment and get a vote on her important trigger lock amendment. And then we took a closer look. Do you know what this says? This says to comply with the law in America, a federally licensed firearm dealer must have available on the premises for sale a trigger lock or safety device—available on the premises.

Then it has some words, some escape-hatch words in there that says, "unless it is tough for you to buy them." If you cannot get them on the market, and such, then you do not have to have them on the premises. Do you have to sell them with the handguns? No; you just have to have them on the premises. I have to tell you, quite frankly, most of them probably have them on the premises now, but if people aren't buying them, then there is no safety aspect to this. We aren't protecting anybody.

So what it boils down to is, we are putting a requirement in the law that really does nothing. Then there is an interesting provision in here—and I do not know why the Senator from Idaho included it—but I might call him to reference page 4 of his amendment, section (2). It says, incidentally, if the federally licensed firearm dealer does not live up to the requirements of this law and keep trigger locks on the premises for sale, and you find evidence of that and want to use it against him to remove his license—guess what?—under section (2) you can't—you can't. "Notwithstanding any other provision of law, [any] evidence regarding compliance or noncompliance with the amendments . . . [none of it is] admissible as evidence in [the court or any agency.]"

Mr. CRAIG. Will the Senator yield?

Mr. DURBIN. I will yield when I have completed. I thank the Senator.

I think that really tells the story. First, there is no requirement, and if there were, it is unenforceable. So this really is eyewash. This is an opportunity to have something to vote for, but the real something is coming. It is the amendment by the Senator from California.

Basically, what we are talking about now is whether or not we are for trigger locks to protect children. I am in favor of firearms safety and education. But the bottom line is that little trigger lock put on a revolver or a handgun keeps it from destroying another child's life.

We can vote for or against the amendment of the Senator from Idaho, but after it is all said and done, the real deal here is the amendment by the Senator from California, Senator BOXER. She is the one who says, you do not just have to have trigger locks on the premises, you have to sell them with the gun. You have to make sure the gun owner walks out with a trigger lock, not just a nod and a shelf with a trigger lock on it. I am afraid that nod is all we get from the Senator from Idaho. It is not good enough. It will not save a life. It is, in fact, an effort by some to find something for which to vote. I hope they will find in their hearts enough empathy for the real problems facing America to support the Senator from California.

Mr. HATCH. Mr. President, I rise to oppose this amendment offered by the Senator from California, and to join Senator CRAIG in offering our own amendment on this issue. I want to commend my colleague for raising the issue of firearms safety, but I believe that there is a better approach to this issue than the one size fits all, Washington knows best proposal offered by the Senator from California.

At the outset, let me say that I understand the strongly held views of my colleagues. My colleagues who are offering this amendment are searching for easy answers and quick fixes to the tragedies of juvenile crime and firearms accidents. I would tell them this: there are no easy answers, and there are no quick fixes. In the face of difficult problems, it is always tempting to look for easy answers. I do not believe that we should succumb to this temptation.

We can pass another federal law adding this gun control measure or that, but the problem won't go away. Because, Mr. President, the problem isn't guns, or a lack of safety devices, or the lack of any other gun control measure.

We are faced, I believe, with a problem which cannot be solved by the enactment of more federal gun control laws. It is at its core a moral problem. Somehow, in too many instances, we have failed as a society to pass along to the next generation the moral compass that differentiates right from wrong. This cannot be legislated. It will not be restored by the enactment of a new law or the implementation of a new program. But it can be achieved by communities working together to teach accountability by example and by early intervention when the signs clearly point to violent and antisocial behavior, as seems to be the case in some of these tragedies.

Now, I would like to debate this issue. I think the Senate should be debating juvenile crime legislation. The Judiciary Committee spent eight weeks last summer marking up the most comprehensive reform of the Juvenile Justice and Delinquency Prevention Act in that law's twenty-five year history. We could debate how to restore accountability to a broken juvenile justice system. We could debate how to fix a broken system that fails too many of our young people, so that it protects society. But we are not doing that. Instead, we will debate more gun control.

I should note for my colleagues that this particular provision has already been debated. The Judiciary Committee considered it last summer, and defeated it. Well, here it is again. So, we will debate it yet again.

This amendment would require a particular safety device to be sold with every firearm. My colleagues who are considering supporting this amendment should understand that no safety device is a substitute for firearm safety training and responsible firearm handling. Relying on a trigger lock as a panacea for firearm safety is irresponsible and short-sighted.

As an initial matter, there is no locking device that can be placed on a loaded firearm which can render it failsafe. Most locking device manufacturers specifically advise against the use of locking devices on a loaded gun. Requiring firearm manufacturers and licensed gun dealers to provide locking devices may send a dangerous message to the American public that it is "OK" to use the locking device on a loaded firearm. In fact, tests show that a loaded firearm affixed with a locking device can still fire. Requiring manufacturers to provide trigger locks with each firearm, therefore, takes a "one size fits all" approach to firearm safety. Because of firearm design differences, not all firearms can be properly safeguarded with a trigger lock.

Firearms safety training emphasizes personal responsibility in handling a firearm. Education and safety training has been instrumental in lowering firearm accidents and accidental deaths to its lowest point since 1904 (National Safety Council, Accidental Facts, 1996). In 1995 alone, accidental firearm fatalities fell 7%. Due in large part to firearms education, promoted by organizations like the National Rifle Association, the Hunter Education Association, and other volunteer groups, firearms were involved in 1.5% of all accidental deaths nationwide. This percentage is lower than deaths due to motor vehicle accidents (47%), falling (13.5%), poisoning (11.4%), fire 4.4%), and choking (3%) (National Safety Council, National Center for Health Statistics).

Additionally, different circumstances dictate how an individual stores his firearm. While some people may choose to lock their firearms in a safe, someone else may choose to keep their firearm readily accessible for self-protection. Thus, locking devices may or may not be compatible with a person's lifestyle and reason for owning a firearm.

Mr. President, safety locks are already widely available, as are a wide range of other firearms safety devices. Industry is already making strides in offering these devices for sale. We do not need yet another federal mandate imposing a one size fits all safety "solution" on America's law abiding gun owners.

Instead, I offer my colleagues an alternative. My proposal will do far more to promote true firearms safety, and it is far more respectful of the common sense of the American people, than my friend's proposal. My amendment does three things. First, it expands the definition of safety devices to include not only devices that render a firearm temporarily unusable, but also temporarily inaccessible. As a result, my second degree amendment includes safety devices, such as safes and lock boxes, that do not disable a firearm, but make it at least temporarily inaccessible to a person.

Second, my amendment requires that vendors have safety devices available for sale, but it does not require that a vendor sell a safety device along with every firearm. Having them available for sale will help to ensure that purchasers will obtain, and thereafter will use, a safety device, without necessarily increasing the cost of the purchase. The Administration's provision embodied in my colleague's proposal would increase the cost of purchasing a firearm, which is unnecessary. Some safety devices, such as a safe or lock box, can hold more than one firearm, so there is no need to require that a person buy a new safety device if buying a second firearm.

Third, my amendment helps to ensure that this new requirement is entirely tort neutral. The amendment provides that it does not establish a standard of care, and it further states that evidence regarding compliance or noncompliance with this requirement is inadmissible in court. The amendment therefore does not help or hurt a plaintiff or a defendant.

Finally, my amendment helps to ensure that state and local law enforcement authorities can train members of the public in the safe possession, carry, and use of firearms. This is valuable. Training is the best way to ensure that firearms are treated with respect, but not with fear. Firearms handling is an important part of the training process for every soldier and every law enforcement officer, and it can be a valuable tool for private citizens. After all, about 34 States—including my home state of Utah—now empower citizens to carry concealed firearms for protection. Allowing Byrne grant funds to be used by state and local law enforcement agencies to train the public in the safe handling of firearms will make a positive contribution to safety and to crime prevention.

Taken together, all of these provisions deal with the issue of firearms safety in a far better manner than the amendment offered by my colleague. Moreover, this is the provision adopted by the Judiciary Committee last year, during the mark-up of S. 10, the Juvenile crime bill. I urge my colleagues to agree with the considered judgment of the Judiciary Committee, and support my alternative to this amendment.

Mrs. BOXER. Mr. President, it is very hard for me to vote for something that has so many loopholes in it. Maybe during the time in the well the Senator from Idaho can convince me of this, but basically you can't use evidence as evidence. That is what the words say. Here it is:

> Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence.

So you can't use evidence as evidence. I don't know—this is confusing.

I just say to my friends and colleagues, there is only one reason we have taken so much time on this. I was wondering what was going on here, because I came to the floor very early this morning and said let's vote up or down to require that child safety locks be put on handguns, because 5,000 kids are dying in America in a year and no kids are dying in Japan of gunshots. As you look at this chart, you can see that.

This is a figleaf, a cover. I don't think it does anything. People can vote the way they want. The next vote is the key vote.

The PRESIDING OFFICER. All time has expired. Under the previous order, the question is on agreeing to the Craig amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 72, nays 28, as follows:

[Rollcall Vote No. 215 Leg.]

YEAS—72

Abraham
Allard
Ashcroft
Baucus
Bennett
Bingaman
Bond
Breaux
Brownback
Bryan
Burns
Campbell
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Domenici
Dorgan
Enzi
Faircloth
Feingold
Ford
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords

Johnson
Kempthorne
Kerrey
Kyl
Leahy
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Moseley-Braun
Murkowski
Murray
Nickles
Reid
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—28

Akaka
Biden
Boxer
Bumpers
Byrd
Chafee
Cleland
Dodd
Durbin
Feinstein
Glenn
Harkin
Inouye
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Levin
Mikulski
Moynihan
Reed
Robb
Rockefeller
Sarbanes
Torricelli
Wellstone
Wyden

The amendment (No. 3238) was agreed to.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent that following the next vote, the Senate resume consideration of the Smith amendment No. 3234, and there be 20 minutes equally divided, with the vote occurring on or in relation to the amendment at 6 o'clock this evening.

Mr. HOLLINGS. Mr. President, I have no objection, with the understanding that 10 minutes on this side be reserved for the distinguished Senator from Illinois, Mr. DURBIN. I have no objection.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 3230

Mr. CRAIG. Mr. President, I move to table the Boxer amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There are 2 minutes evenly divided.

Who yields time?

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, colleagues, please vote for this regardless of how you voted before. Too many children are dying in America because we are not——

The PRESIDING OFFICER. Will the Senator please suspend for a moment.

The Senate will be in order.

The Senator from California is recognized.

Mrs. BOXER. We are not acting to make sure that there are these safety locks placed for children, specifically to stop their deaths from handguns sold in America.

Look at these numbers. Look at this collage of headlines. How many more deaths do we need to see before we act?

I yield the remainder of my time to Senator BIDEN.

Mr. BIDEN. Mr. President, let's stop being hypocritical. We just passed an amendment saying safety is important; the NRA is eligible for Federal funds to teach safety. If the ultimate safety of children is what we are concerned about, why are we so upset about the idea that trigger locks will be placed on guns? How can you vote, as I will and have, to give the NRA eligibility to teach gun safety, which I want them to do, and say that is important, but it is not important to take the one step we can that will at least incrementally increase safety of children in the United States of America?

Please vote no on the motion to table.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Idaho.

Mr. CRAIG. Mr. President, 72 of you have just said that gun safety is important, and that we ought to educate, and we ought to use Byrne funds to do so—local law enforcement, State law enforcement, and private entities that teach licensed gun safety.

We have also said that gun dealers ought to have safety devices available. But we have also said there is a States rights issue here. Thirty-four States now have consent to carry. Safety is an issue. And guess what. Accidental deaths are declining, and they are declining because of education, not because of Federal mandates. Even manufacturers say you put a trigger lock on a loaded gun and it is dangerous.

Trigger locks I agree with. They are for empty guns. They are for stored guns. They are not called child locks, they are called safety locks. We believe in that. But why should it be a Federal mandate? It should not be.

The vote you just cast is the right vote. It mandates certain requirements at the local level be provided, and it allows education, and, more importantly, it says train and educate, don't control from the Federal level. Do the right thing. Vote to table. You have cast a sound vote; 72 Senators have said that the right action was the action you have just taken.

The PRESIDING OFFICER. The Senator's time has expired.

The question is on agreeing to the motion to table. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 61, nays 39, as follows:

[Rollcall Vote No. 216 Leg.]

YEAS—61

Abraham
Allard
Ashcroft
Baucus
Bennett
Bond
Breaux
Brownback
Bryan
Burns
Campbell
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Domenici
Dorgan
Enzi
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Leahy
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Reid
Robb
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond

NAYS—39

Akaka
Biden
Bingaman
Boxer
Bumpers
Byrd
Chafee
Cleland
Daschle
DeWine
Dodd
Durbin
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Rockefeller
Sarbanes
Torricelli
Warner
Wellstone
Wyden

The motion to lay on the table the amendment (No. 3230) was agreed to.

Mr. GREGG. I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, there will now be 20 minutes of debate divided evenly on amendment No. 3234.

Who seeks recognition? Who yields time?

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Is there an order established at this point?

The PRESIDING OFFICER. There is a time limit. Time is controlled by the Senator from New Hampshire.

Mr. HOLLINGS. And the Senator from Illinois.

The PRESIDING OFFICER. And the Senator from Illinois.

Mr. DOMENICI. I ask unanimous consent that I be permitted to speak for 2 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPROPRIATIONS BILLS

Mr. DOMENICI. Mr. President, the last couple of weeks we have all been on the floor trying to get appropriations bills completed. I would just like to submit to the U.S. Senate that we ought not be doing this every year.

Don't we have enough knowledge and wisdom and information to appropriate every 2 years instead of every year? Don't we have enough information about budgets and estimating that we could do a budget that lasted for 2 years and make automatic economic adjustments? Of course we do.

Mr. President, if the authorizing committees are wondering why they do not have a chance to do things around here, this is one reason. Because we hardly have enough time to do the appropriations bills. Because they are up every year as if we were in constant motion. In fact, I defy even Senators with the best recollection to recall one appropriations bill from another year by year. They are so often that they are all one big glob of votes.

Frankly, the Senator from New Mexico had made a mistake this year, because there is a bill at the desk saying we ought to do this every 2 years. We would get our job done better and we would have oversight time and the Senate would be a better place to work in and could do its business better. I should have started 4 months ago insisting that that bill for 2-year budgets and 2-year appropriations be voted on by the U.S. Senate.

But I can tell the Senate, it will be voted on the next opportunity when our leader has some time, and it may be early next year. We are going to get that bill out of committee, and we are going to vote on this issue of whether we have to do this every single year.

Frankly, we now have evidence that these bills are 90 to 95 percent similar one year over another. I know chairmen feel they have made dramatic changes year over year; and, yes, they may have. They also passed the appropriated money for bills that have not been authorized, and they know that. And their response is, "Nobody's doing it, so we have to do it." Well, nobody is doing it because there is no time for anybody to do it.

Mr. President, I believe many Senators agree with this. I have talked to them at length on it. Frankly, we are going to decide in the Senate pretty soon whether we are going to keep on doing this. I am not sure we will win, but surely we are going to present this issue.

I thank the Chair and yield the floor.

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 3234

Mr. DURBIN. Could I have a clarification? I want to make sure the Senator from New Hampshire and I have an understanding about the pending amendment. It is my understanding—I hope the Senator from New Hampshire would follow me in this—that we have some 20 minutes left in debate, equally divided between the Senator from New Hampshire and myself, at which point at the end of that debate there will be a vote. Is that the Chair's understanding?

The PRESIDING OFFICER. The Senator is correct.

Mr. DURBIN. I thank the Chair and ask the Senator from New Hampshire——

Mr. GREGG. Will the Senator yield?

Mr. DURBIN. Yes.

Mr. GREGG. I understand the vote is to occur at 6 o'clock.

The PRESIDING OFFICER. That was the order, but Senator DOMENICI took 2 minutes as in morning business which will push back the vote.

Mr. SMITH of New Hampshire. Mr. President, I would be willing to have the 2 minutes that Senator DOMENICI used come off of my 10 minutes in order to keep the vote at 6 o'clock. I ask unanimous consent to do that.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Who yields time?

Mr. DURBIN. Mr. President, thank you. I will take a portion of the 10 minutes to start with and then allow my colleague from New Hampshire to state his side of the case on behalf of this amendment.

Let me try to explain where we are in terms of what this amendment is doing. We are trying to set up a computer check across the United States, so if you purchase a firearm, there is a way for States or the Federal Government to check and see whether you have a history of having committed a felony or a history of mental illness, and in that situation States are saying, "Of course we do not want to sell a gun to you." And that is the basic Brady law.

Most people support it because it is eminently sensible that we want to keep guns out of the hands of people who are likely to misuse them. I think everybody supports that. The NRA and the people on the other side of the issue even support it.

The Senator from New Hampshire comes before us, though, with a very interesting proposition. The Federal Bureau of Investigation does these background checks by computer. They have said that, "When we do these background checks, we will charge the prospective gun purchaser, the one who wants to buy the gun, for our cost in doing the background check." And of course that sounds reasonable to me.

If I want to purchase a gun, and I want to have a background check to qualify me for a gun, it is not unreasonable for me to expect to pay for what it costs for that to happen. Why should this be the burden of every taxpayer in America, those who do not own guns and those who are not purchasing guns? It really is a decision that I want to buy a gun; and, therefore, I am going into the system to prove that I am eligible to own a gun.

The Senator from New Hampshire says: Wait a minute. Why do we want to charge the prospective gun purchaser for this background check? Shouldn't the Treasury pay for that? Shouldn't all the taxpayers pay for these people who want to buy guns?

I do not think so. And the practical result of the amendment of the Senator from New Hampshire is to take from the Federal Bureau of Investigation the amount of money they would have collected to do these background checks. And you know what that means? It means basically the Federal Bureau of Investigation will have anywhere from $50 to $75 million less in their appropriation to do their job.

Well, can they absorb a $50 to $75 million hit? I think we can all answer that question, because we all come to this floor and come up with wonderful ideas for the FBI to get involved. We want the FBI to fight terrorism. Of course we do. We want to make sure that they are fighting it around the world and protecting people across the United States. And so we say, "We're assigning that responsibility to you." The Senator from New Hampshire says, "Yes, we give you the responsibility. We're not going to give you the money you need to do the job."

We also say we want the FBI to go after some serious issues. Let me give you an example—crimes against children, to enhance the FBI's capabilities to combat child abductions, and serial killings. This is the responsibility we give to the FBI. The Senator from New Hampshire says: It is a great responsibility, but take the money away from them—$50 to $75 million less each year.

How about narcotics? Is there a more serious criminal problem in America? What is filling our prisons? What is tempting our children? What is leading to the kinds of degradation in lifestyle that we see around this country, but basically the war on drugs, the war on narcotics?

So the Senator from New Hampshire says: Let us take some money away from that, too, because we want people who apply for a gun not to have to pay for it. We want the Treasury to pay for it. We want the FBI to take this money from other sources. I do not think that is fair.

I do not think it is fair for an agency with this sort of responsibility. And I do not think it is fair for those who want to purchase a gun to say, "We want a free ride." For goodness' sakes, it is their decision to purchase a gun. They are going forward in the system to purchase it. Shouldn't they pay their own freight?

Would you think twice about buying a car and trying to get a license and say, "I just decided to buy a car, but as far as the cost of the license for my car, why should I have to pay for that? Taxpayers ought to pay for that. I just want to drive the car"? That is what the Senator from New Hampshire is arguing.

Mr. BIDEN. Will the Senator yield?

Mr. DURBIN. I will be happy to.

Mr. BIDEN. Isn't it true that there are a number of background checks. Years ago I drafted a law which became law that requires certain background checks, for example, for people who wish to work in day-care centers with young children, to try to figure out and ferret out child predators.

Now, the way it works now is if, in fact, you are going to be hired at a boys' club, a girls' club or a day care center, and they—the day care center—say they want a background check, and you have to go through the FBI, the FBI now charges the person seeking employment the cost to run the background check.

I don't understand why, if we are going to say on a background check for an employee—where the employee is seeking a job but is required by that agency to have a background check to prove, in effect, they are not a child predator or do not have any sex crime history—why it is appropriate to charge the prospective employee and it is not appropriate to charge a person purchasing a gun. There is nothing exceptional about this.

My question to my friend is, Isn't this all about reneging on a commitment everyone said they are for, which was to have an instant background check, so there is no 7-day, 5-day or 1-day waiting period, so every single gun seller in America, when they go to sell you a gun, can push a button, tap into a computer, and have the computer say you can or cannot sell it? It seems to me this is about doing away with the instant check.

Mr. DURBIN. The Senator from Delaware is correct. The instant check system was proposed by the National Rifle Association as a way of avoiding the Brady law. They said, "We will do this by computer; we will punch it in."

The fellow who is selling the gun, the dealer, will punch in the information and find out if you are a dangerous person; if not, they can sell it to you.

Now they have decided they want the computer check but they don't want to pay for it, they want the taxpayers to pay for it, and take the money out of the FBI.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, I yield 2 minutes to the distinguished Senator from Alabama.

Mr. SESSIONS. Mr. President, there has been a lot of talk recently about more and more gun laws, more and more complicated and esoteric, having less and less ability to protect the safety of the American people.

Let me tell you we have some outstanding, effective gun laws on the books now that allow people who are felons to be prosecuted for possessing a gun, that allow the prosecution of people who carry a gun during a felony to receive 5 years without parole, consecutive to any other offense.

Look at what this administration that is always talking about gun prosecutions has done. In 1992, when they took office, there were 7,048 "triggerlock prosecutions" of serious gun offenders in this country; now, 1997, 3,765. It has plummeted that percent.

What they need to do is enforce the laws they have and quit worrying about passing laws that are not very relevant and not going to have any impact on crime in America. I think the American people need to understand that.

I yield back the remainder of my time.

Mr. SMITH of New Hampshire. I yield 1 minute to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I thank my colleague for yielding.

Let's talk money. The program has been fully funded. Some $37.5 million in the last 4 years has been provided. The FBI budget has been almost tripled in the last 10 years.

Let me talk about Janet Reno. Here is what Attorney General Janet Reno said, on May 26, 1994: She does not intend to charge for such access, provided that there is sufficient appropriations.

Guess what? We have given them every dime they requested and many, many millions more. Sorry, Janet Reno. Why don't you stay with your word? That is what you told us. That is what we believed when we passed the Brady bill.

What is this? This is a gun tax. Let's talk about it for what it is. The FBI asked for money and we gave them money. In fact, we tripled their budget in the last 10 years. Why? Because we are interested in law enforcement. We want criminals caught. Most importantly, we want criminals prosecuted. We do not want law-abiding citizens taxed.

Mr. SMITH of New Hampshire. How much time remains on this side?

The PRESIDING OFFICER. The Senator has 4 minutes 14 seconds.

Mr. SMITH of New Hampshire. Mr. President, let me explain this amendment. I have heard some very interesting remarks on the other side about Brady and registration. That is not what my amendment is—very eloquent, but that is not what my amendment is.

My amendment does three things. First, it prevents the FBI from keeping a file on a law-abiding citizen who, after he had the gun checked, came up fine, clear. Why would we want the FBI to maintain a file on a law-abiding gun owner who did nothing wrong except exercise his constitutional right to own a gun? They want 18 months to keep these files. I don't want 18 seconds. I want these files destroyed immediately. That is point one in my amendment.

Second, my amendment prevents the FBI from imposing a tax on people who use this national instant criminal background check system because they want simply to exercise their right to own a gun. That is the second point. Why should they be taxed for that? Why should they pay this fee? It could be up to $20 to $25 just to do this—maybe more. That is to start. There is no reason why anybody should pay a fee. You are an individual who has a constitutional right to own a gun. Somebody in the Government decides that they want to check you out, fine. You check out clear. Why should you have to pay for that? You didn't ask for it; it is your right. The person who is a criminal or a person who is not entitled to have that gun because of something they did, fine, they can pay for it, and they should pay for it and they shouldn't get the gun. But that is not the people about whom we are talking.

Third, if the Government, in violation of the law, holds these files, you have the right to pursue this matter in court, which is the proper procedure.

I simply ask my colleagues, Why would you keep a file in the FBI on an innocent person who did nothing except own a gun, which is his constitutional right to do so? That is what this amendment is about. If you want those files maintained, then you would vote against this amendment. This is Big Brother at its worst. It is Big Brother at its worst.

It is coming in and taking privacy—your privacy; you have the right not to have that file in the FBI, and they don't have the right to put it there, because you did nothing wrong. That is what this amendment is about.

Secondly, it is about a tax. If you want to charge these fees, so be it. But then you can vote against my amendment.

I yield the floor.

Mr. DURBIN. How much time do I have remaining?

The PRESIDING OFFICER. Two minutes 45 seconds.

Mr. DURBIN. If I understand the argument of the Senator from New Hampshire, because we have a constitutional right to bear arms, all of the Federal taxpayers have to subsidize that right.

I suppose since we have a constitutional right to exercise our religious belief, then it is the responsibility of taxpayers to pay for my priest or minister. I don't think so. I don't think so.

In this situation, the American people are coming forward and saying, "We want to exercise our right to own a gun." We are saying, "Fine, so long as you don't misuse it and you are not a person with a background where you are likely to misuse it." And if you are going to submit yourself to this background check, be prepared to pay for it.

The Senator from Delaware makes a good point. If we are going to hire people to work in nursing homes and child care facilities that need background checks—and that is not a bad idea—why shouldn't they, as a condition of employment, pay for the background check? Why should this be the responsibility of every taxpayer?

The Senator from New Hampshire wants to say to the prospective gun owners they have the right to come to the Government and say, "I want it for nothing." When you get it for nothing, someone will pay for it. In this situation, the FBI pays for it.

Do you know why the FBI appropriation has gone up, as the Senator from Idaho has said? Because we keep giving them more responsibilities—do fingerprint checks on anybody who wants to be a new citizen in the United States; get serious about dealing with drugs across borders, make certain that you have the wherewithal to do it; fight terrorism. We tell them to do all of these things and now the Senator from Idaho says they should have enough money to absorb this $50 to $75 million loss. I think they are wrong.

I think those who are for law and order and for law enforcement have to vote against this amendment offered by the Senator from New Hampshire. Let those who want to purchase a gun and exercise their right, exercise their responsibility to pay for this check, to make certain that those people who worry about gun violence have less to worry about.

I hope my colleagues will join me in opposing this amendment from the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire has 1 minute 22 seconds.

Mr. SMITH of New Hampshire. I respond to my friend by repeating what Senator CRAIG said a moment ago. There is $100 million in the law to do this, so we don't need to be charging additional fees. That is No. 1.

No. 2, it is interesting how we pick out certain constitutional rights and say we are going to tax them and not others. Maybe we should tax everybody for having free speech. Or maybe we should tax everybody for reading the newspaper. Maybe we should tax everybody for going to church.

It doesn't make sense. It is our constitutional right.

Let me repeat, again. No. 1, this amendment prevents the FBI from keeping files on innocent people who simply had a background check done on them who did nothing wrong and were perfectly entitled to own a gun.

Secondly, the amendment prevents the FBI from imposing a tax on these people. Thirdly, it allows a person to go to court if the FBI does that. We have seen abuses by the FBI. We have seen files held in the White House. Do you want this to go on? That is what this issue is about. That is what my amendment is about. I hope my colleagues will support me on this amendment because this is more than a gun issue—this is a privacy issue.

I yield the remainder of my time.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Illinois has 30 seconds.

Mr. DURBIN. Mr. President, the $100 million we have invested is for the hardware for the computers. It now costs $13 to $16 every time they do a background check. I think the people should pay for it. The Senator from New Hampshire would take the money out of FBI for other law enforcement. I think the FBI needs these funds to do important tasks. I hope the Senator will agree that the FBI is an agency that we need to be strong in the United States. Taking $50 million to $75 million away from them is not going to make them a stronger agency or make Americans any safer at home.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to amendment No. 3234 offered by the Senator from New Hampshire, Mr. SMITH.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 31, as follows:

[Rollcall Vote No. 217 Leg.]

YEAS—69

Abraham
Allard
Ashcroft
Baucus
Bennett
Bingaman
Bond
Breaux
Brownback
Burns
Campbell
Chafee
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Domenici
Dorgan
Enzi
Faircloth
Feingold
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kempthorne
Kerrey
Kyl
Leahy
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Murray
Nickles
Reid
Roberts
Rockefeller
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—31

Akaka
Biden
Boxer
Bryan
Bumpers
Byrd
Cleland
Dodd
Durbin
Feinstein
Ford
Glenn
Graham
Harkin
Inouye
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Reed
Robb
Sarbanes
Torricelli
Wellstone
Wyden

The amendment (No. 3234) was agreed to.

Mr. SMITH of New Hampshire. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3233, AS AMENDED

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on the underlying amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3233), as amended, was agreed to.

The PRESIDING OFFICER. The Senator from Texas.

THE HEALTH CARE DEBATE

Mr. GRAMM. Mr. President, while we are waiting for someone to come over with an amendment, I want to say something about health care and about the health care debate. As long as I have been in the Senate, the minority party has always sought to have the opportunity to have an up-or-down vote on their alternatives. Senator KENNEDY has now for months demanded that he have an opportunity to offer his proposal to remake the American health care system.

We on the majority side of the aisle have spent tremendous amounts of time putting together our proposal to strengthen patients' rights to empower consumers——

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator is correct. The Senator from Texas deserves to be heard. Will Members please take their conversations off the floor?

Mr. GRAMM. I thank the Senator from West Virginia, and I thank the Chair.

Mr. President, on this side of the aisle, we have spent a tremendous amount of time, individual Members' time—not just the time of our staffs—in putting together our bill to promote patients' rights, to get the gatekeepers of Health Maintenance Organizations out of the examining rooms where medical care is being provided in America.

We now have a situation where we have Senator Kennedy's proposal, which is strongly supported by our Democratic colleagues, and we have our proposal, which is strongly supported by our Republican colleagues. What we have sought to do since we have a limited number of legislative days—we have many appropriations bills to pass—is to try to reach an agreement where we would allow something that majorities normally do not do under the Senate rules, and that is to allow the minority to have an up-or-down vote on their so-called Patients' Bill of Rights. Then, if they are unsuccessful, to have an up-or-down vote on our bill, and if we are successful, that would be the bill.

We now find that our colleagues say, "No; we want 20 amendments," or, "We want 10 amendments." I wanted to explain to my colleagues why I am going to object to any unanimous consent request that does not allow us to simply have the two choices. It is unusual in the sense that someone would object to narrowing down amendments, so I would like to explain my concern.

First of all, I don't think it is unreasonable, given our legislative schedule, to say to those who have a health care bill that we are going to give them an up-or-down vote on their bill. I don't think that is unreasonable. Obviously, a unanimous consent request alters the basic procedures of the Senate, and any Senator has the right to object to doing that.

Secondly, I am not interested in amending Senator Kennedy's bill. I don't want to try to change his bill. I want him to write the best bill he can write to try to improve our health care system and enhance the rights of health care consumers, and I don't have any interest in amending his bill.

Now, let me tell you why I don't have any interest in Senator KENNEDY and others amending our bill. I have not forgotten that the Senator from Massachusetts and many of the supporters of the Kennedy bill 5 years ago were for a Government-run HMO, the Clinton health care bill. I have not forgotten that the President was not only in favor of the Government taking over and running the health care system 5 years ago; within the past year he has said that he had not changed his objective in having a Government-run system but that he was now simply trying to implement it piece by piece.

Here is the problem this late in the legislative session of getting into endless amendments on the two bills: Not only do we not have time to do it, but we have a very unequal situation. Let me explain, and I will try to do it briefly so we can get on with this bill.

I am not interested, and I don't believe anyone on our side of the aisle is interested, in amending the Kennedy bill. I believe that we have a better bill. I think he ought to write the best bill he can, we will write the best bill we can, and then, with the limited time we have, give people a choice. But there is an additional problem here, and the problem is the unequal situation we are in.

I desperately do not want to do anything to destroy the private practice of medicine in America. I don't believe that a Government-run system is the best system. In offering amendments and writing our bill, we are constrained in that we don't want to do anything that is going to drive up costs, cost millions of American families their health insurance, and ultimately force people into a Government-run HMO.

It appears that many of our colleagues, including the author of the Democratic alternative, support a Government-run HMO, support a Government takeover, so that while we are constrained in amendments that we can offer by our desire to be certain that we don't end up killing off private medicine, many on the other side of the aisle seem to believe that private medicine should be killed off so that we can have a system that they sincerely believe will work better, and that is a system where the Government would run health care in America.

The best analogy, interestingly enough, is biblical. Some of my colleagues will remember the story in the Bible about the two women who had infants. While they slept, one infant died, and the lady whose child had died got up and took the dead baby and put the dead baby by the mother of the living baby and took the living baby herself. When the mother woke up and saw the dead child, she realized it was not her child.

To make a long biblical story short, the women appeared before King Solomon. Solomon, being wise, asked that a sword be brought. He suggested that since there was no way that anybody other than the two mothers would know whose child was really alive, that he would take the sword and divide the child. When he proposed that this be done, the real mother, of course, as all of us remember from our schooldays and reading the story in the Bible, the real mother said, "No; give her the child." The woman who was not the real mother said, "No; divide the child." Solomon, of course, then knew who the real mother was, gave her the child, and the people were awed by his wisdom.

Here is our problem. We are debating over a child on the health care bill, and the child is the private practice of medicine in America. The child is a viable system run in the private sector by doctors and nurses and hospitals that are not run by the Government, but we are in an unequal debate because many on the other side seem to want that system to die so that we can have a Government-run system.

Under those circumstances, to simply have endless amendments would not serve any purpose, given not only the limited amount of time we have, but also because, more importantly, it puts us at a disadvantage because we have no interest in offering amendments that would drive up cost, kill off private health insurance, and leave people uninsured, whereas those who really believe that you first have to prove that the private health care sector cannot work and therefore you must have a Government-run system would view such an amendment exercise potentially as a step toward improving the health care system.

I simply state to my colleagues while this negotiating is going on, I will certainly support, and do support, a unanimous consent request where Senator KENNEDY and those who support him write the very best proposal they can write to strengthen patients' rights. We have written—and if we come up with better ideas, we will incorporate them—the best bill we can write that we believe achieves those objectives. Let's give Senator KENNEDY and those who support him an up-or-down, freestanding vote, unamended, to put before the Senate his best proposal, and let us vote yea or nay. Then give us an opportunity to put our bill—our best proposal—in front of the Senate and vote yea or nay.

But I am not interested in allowing amendments where one side of the debate can view it as positive to kill off the private sector of medicine in America and whereas those of us who believe that its survival is critical to quality medicine in America would be forever disadvantaged in that debate.

So I want to call on those who have for 6 months said to us: "The No. 1 issue in the country is patients' rights. Give us an opportunity to vote on our bill." I want to call on them to bring their bill to the floor of the Senate and let us vote on it. Let us vote up or down. We will not amend Senator KENNEDY's bill. If he has reached legislative perfection, at least in terms of what he thinks he can pass, then let us vote on it. And then let us vote on our bill.

But I intend to object to any unanimous consent request that would have the effect I've described. I hope that reason will prevail and we will have an up-or-down vote on the two alternatives. Those who want a bill, I do not see how they could view that as being an unfair proposal. It is a proposal that 6 months ago I would think that the minority would have jumped at.

Today, they want the ability to have 20 amendments. They do not want to set a calendar time limit. That process could go on and on and on. I do not have any desire to amend their bill. We want an opportunity to vote on ours. Let the Senate choose. I think it would be the right way to go about it, and the only way we can be successful in the end.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, we are going to have a lot of time to debate health care. I suspect the Senator from Kentucky may want to respond to the Senator.

Mr. FORD. Thirty seconds.

The Senator from Texas said time and time again that we were destroying the medical system. With the AMA and 170 medical organizations in this country for our particular bill, I do not believe there is any indication that we are trying to destroy the medical profession in this country.

Several Senators addressed the Chair.

Mr. GREGG. Reclaiming my time.

Mr. FORD. I said 30 seconds.

Mr. GRAMM. Will the Senator yield?

Mr. GREGG. Did the Senator from Kentucky get his 30 seconds?

The PRESIDING OFFICER. The Senator from Kentucky used 18 seconds.

Mr. GRAMM. Will the Senator yield——

Mr. GREGG. I would like to move on with the bill, to be quite honest with you. I will yield the floor, but I hope we can move to the completion of this bill.

The Senator from Arizona has been waiting, along with the Senator from Utah, to get an amendment completed that we worked on for a few hours here. It would be nice if we could wrap that up. Then, if you want to come back to the health care debate, that is great.

I ask unanimous consent that the next Member to be recognized be the Senator from Arizona.

The PRESIDING OFFICER. Is there objection?

Mr. GRAMM. I object and suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection to the request?

Mr. HATCH. Could I ask the distinguished Senator from Texas to withhold his objection? This should not——

Mr. GRAMM. Mr. President, I withhold. I withhold my suggestion of the absence of a quorum.

The PRESIDING OFFICER. The Senator from New Hampshire has asked for unanimous consent. Is there objection?

Mr. GREGG. I withdraw the unanimous consent request.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield the floor?

Mr. GREGG. I yield the floor.

Mr. HATCH. Will the Senator yield 30 seconds to me?

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. I will be 20 seconds. If the Senator has support, if he has a good bill, let us bring it before the Senate and vote on it.

Mr. FORD. In my strategy and not yours.

Mr. GRAMM. If we are going to have a unanimous consent request, we have to have the agreement of the Members. And I am not going to agree to that particular process.

I yield the floor.

Mr. McCAINN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. McCAIN. Mr. President, I certainly was entertained by the exchange. And I know that the Senator from Utah is going to speak right after me. I hope he will have some biblical stories as well. The biblical lesson that I am about to propound has to do with the fact that two well-meaning and well-intentioned Americans can join together and resolve our problems and differences.

Mr. President, earlier today an amendment of mine was accepted that unintentionally the Senator from Utah, the distinguished chairman of the Judiciary Committee, was unaware of. After vigorous discussion, the Senator from Utah and I have agreed, along with the Senator from Vermont, the ranking member of the Judiciary Committee, that we would modify that amendment and that basically what this means is that the cable rates would be held in moratorium until March 31, 1999.

Mr. President, this is a serious issue. The chairman of the Judiciary Committee and I also know that it is serious, and we intend to work together and get this issue resolved so that there is meaningful competition to the rising cable rates in America which have gone up 9 percent last year and 8 percent again this year.

I think we reached an agreement that makes both of us slightly unhappy but I think will move this process along. I look forward to working with him in the weeks ahead, and hopefully by perhaps September we can get an agreement and move forward on this issue.

VITIATION OF VOTE—AMENDMENT NO. 3229

Mr. President, before the Senator from Utah speaks, I ask unanimous consent that the vote on amendment No. 3229 be vitiated.

The vote on amendment (No. 3229) was vitiated.

AMENDMENT NO. 3229, AS MODIFIED

Mr. McCAIN. I further ask unanimous consent that a modification of the amendment which is at the desk be agreed to.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 3229), as modified, was agreed to as follows:

At the appropriate place, insert the following:

SEC. . MULTICHANNEL VIDEO PROGRAMMING.

(a) Notwithstanding any other provision of law, the Copyright Office is prohibited from implementing, enforcing, collecting or awarding copyright royalty fees, and no obligation or liability for copyright royalty fees shall accrue pursuant to the decision of the Librarian of Congress on October 27, 1997, which established a royalty fee of $0.27 per subscriber per month for the retransmission of distant broadcast signals by satellite carriers, before March 31, 1999. This shall have no effect on the implementing, enforcing, collecting, or awarding copyright royalty fees pursuant to the royalty fee structure as it exists prior to October 27, 1997.

Mr. McCAIN. I thank the Senator from Utah for his continued cooperation and offer my commitment to work with him and his staff.

I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I thank my friend and colleague from Arizona for being willing to work out this difficulty. There was, I think, a misunderstanding on this matter. We have reached an acceptable compromise that will encourage us to work together on these issues for the benefit of all of our constituents and the affected industries with deliberate speed. I hope that we can work together to fashion a comprehensive reform of the relevant laws and regulations that will increase the range of options that television viewers will have.

The rates will be rolled back until early next year; that is, until March 31, when we would hope and expect Congress to be able to adopt meaningful comprehensive reform of the issues affecting the satellite industries and their customers.

So, again, I want to thank my colleague for being willing to vitiate the prior vote, being willing to work out this compromise, and I express my desire to work together with him as chairman of the Judiciary Committee, and I believe my colleagues on the Judiciary Committee will as well with him, as chairman of the Commerce Committee, and hopefully we can resolve the matters in the best interests of all Americans—both individuals and affected industries. And, again, I just express my appreciation.

Parliamentary inquiry. Is that modification accepted?

The PRESIDING OFFICER. The amendment was agreed to, as modified.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 3240

(Purpose: To prohibit foreign nationals admitted to the United States under a nonimmigrant visa from possessing a firearm)

Mr. DURBIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 3240.

Mr. DURBIN. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title I of the bill, insert the following:

SEC. . FIREARMS.

Section 922 of title 18, United States Code, is amended—

(1) in subsection (d), by striking paragraph (5) and inserting the following:

“(5) who, being an alien—

“(A) is illegally or unlawfully in the United States; or

“(B) except as provided in subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));”;

(2) in subsection (g), by striking paragraph (5) and inserting the following:

"(5) who, being an alien—

"(A) is illegally or unlawfully in the United States; or

"(B) except as provided in subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));";

(3) in subsection (s)(3)(B), by striking clause (v) and inserting the following:

"(v) is not an alien who—

"(I) is illegally or unlawfully in the United States; or

"(II) subject to subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));"; and

(4) by inserting after subsection (x) the following:

"(y) Provisions Relating to Aliens Admitted Under Nonimmigrant Visas.—

"(1) Definitions.—In this subsection—

"(A) the term 'alien' has the same meaning as in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3)); and

"(B) the term 'nonimmigrant visa' has the same meaning as in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)).

"(2) Exceptions.—Subsections (d)(5)(B), (g)(5)(B), and (s)(3)(B)(v)(II) do not apply to any alien who has been lawfully admitted to the United States under a nonimmigrant visa, if that alien is—

"(A) admitted to the United States for lawful hunting or sporting purposes;

"(B) an official representative of a foreign government who is—

"(i) accredited to the United States Government or the Government's mission to an international organization having its headquarters in the United States; or

"(ii) en route to or from another country to which that alien is accredited;

"(C) an official of a foreign government or a distinguished foreign visitor who has been so designated by the Department of State; or

"(D) a foreign law enforcement officer of a friendly foreign government entering the United States on official law enforcement business.

"(3) Waiver.—

"(A) Conditions for waiver.—Any individual who has been admitted to the United States under a nonimmigrant visa may receive a waiver from the requirements of subsection (g)(5), if—

"(i) the individual submits to the Attorney General a petition that meets the requirements of subparagraph (C); and

"(ii) the Attorney General approves the petition.

"(B) Petition.—Each petition under subparagraph (B) shall—

"(i) demonstrate that the petitioner has resided in the United States for a continuous period of not less than 180 days before the date on which the petition is submitted under this paragraph; and

"(ii) include a written statement from the embassy or consulate of the petitioner, authorizing the petitioner to acquire a firearm or ammunition and certifying that the alien would not, absent the application of subsection (g)(5)(B), otherwise be prohibited from such acquisition under subsection (g).

"(C) Approval of petition.—The Attorney General shall approve a petition submitted in accordance with this paragraph, if the Attorney General determines that waiving the requirements of subsection (g)(5)(B) with respect to the petitioner—

"(i) would be in the interests of justice; and

"(ii) would not jeopardize the public safety.".

Mr. DURBIN. Mr. President, I would like to explain this amendment. It is rather simple, straightforward. It is, again, on the issue of guns. I am hoping now, for the first time today, that we can find some consensus on that issue. And I have spoken to some of my former adversaries, and there may be a chance. But I would like to explain what this amendment does.

Earlier today, we have said in our votes on this floor—this body has said—that when it comes to requiring people who purchase guns in the United States when they purchase a handgun to buy a trigger lock, we voted no, they should not be required to buy a trigger lock. Then we said, if you are going to have a criminal background check when you buy a gun in this country, you do not have to pay for it; other taxpayers have to pay for it; it is free. Those are the two votes so far.

I hope that I am going to broach a subject here where we can find some common ground on the issue of owning guns. Remember with me, for a moment, last year when there was a terrible killing at the Empire State Building. Gun violence in America, unfortunately, is not novel. We read about it every day, and we see it on the news.

But it struck me as odd when I heard about this case because, if you will remember—and I think I have the sequence correctly—a resident of the Nation of Lebanon came to the United States on a nonimmigrant visa, such as a tourist visa. When he arrived in the United States, he visited the State of Florida, which has relatively lax laws in terms of the purchase of firearms. He bought a firearm in Florida, took it up to the Empire State Building, and gunned down several innocent people, other tourists at the Empire State Building.

It struck me as odd that while we enshrine the right of American citizens to own firearms, we apparently have few, if any, ways to check when people come into this country to buy a gun as to whether or not they are citizens of this country.

So in this case, a man from another nation, a tourist, bought a gun and killed innocent Americans. I think that goes too far. I think, frankly, we ought to say that if you come into this country as our guest, not as a citizen of the United States, that we are going to restrict your right to purchase a firearm. You are not a citizen of our country; we have a right to impose such restrictions on you.

So here is what we do: We say to the Immigration and Naturalization Service, send over, through your computers, the names of those who are in this country legally on these visas; we will put them into our background check. If this individual had shown up at a gun store and said, "I want to purchase a gun," they would put his name in the computer. And if he came up as a nonimmigrant visa holder, not a citizen of the United States, they would have said, "No"; and had they said no to this man, several Americans might be alive today.

I don't think that is an unreasonable requirement. In considering this amendment, I should think that people might question whether or not it is our obligation in this Nation, under the Constitution or otherwise, to arm people who come to visit us. I am not sure it is.

Now, we do make exceptions, and I want to make certain that those who read this amendment understand the exceptions. We tried to imagine the exceptions of those coming to the United States on nonimmigrant visas who might need to own a gun for very real and legal purposes.

Here are the exceptions that we included: We said if you are someone who has come to the United States for lawful hunting or sporting hunts—so you have someone who enjoys hunting and can legally do so in the United States, who comes here for that purpose, goes to the far west, wherever it might be, that person is exempt. That person may purchase a gun while here for that purpose.

An official representative of foreign governments—certainly, any head of state brings a security contingent with him and that person may possess a gun.

Those who are credited with the U.S. Government's mission to an international organization; those en route from one country to another; an official of a foreign government or a distinguished foreign visitor, a foreign law enforcement officer.

We try to say these are categories of people which might in the ordinary course of events have a gun, need to purchase a gun, for very legitimate purposes.

Now, what about those who are there on a nonimmigrant visa for a longer period of time? I am willing to concede that some are here for maybe even years legally on nonimmigrant visas and may need a gun at some point. We even put a provision in for that.

A waiver of this requirement—if a person has resided in the United States for 180 days and can provide a statement to our Government from his Embassy or consulate that says he is authorized to acquire a firearm and he doesn't have a criminal record in his home country.

So I think we have created exceptions which will allow those people who are here on nonimmigrant visas, who are not here to commit a crime, an opportunity to purchase or own a firearm. Yet we have said that tourists from any nation who comes in, buys a firearm, commits an act of terrorism or murder, is not welcome. We are not going to make it easy for them.

That is the amendment which I have offered. I hope that those who are mulling over its provisions will come to the conclusion that it is not an unreasonable suggestion. I hope those who visit our country understand they are welcome. When it comes to purchasing a gun, which may lead to a violent crime, we are at least going to ask some questions. I think the people of America expect us to ask those questions.

I yield back the remainder of my time.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. DURBIN. Has there been a unanimous consent agreement in terms of this pending amendment or any others considered this evening?

Mr. GREGG. No.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

AMENDMENT NO. 3240, AS MODIFIED

Mr. DURBIN. Mr. President, I have sent a modification of my amendment to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The amendment is so modified.

The amendment (No. 3240), as modified, is as follows:

At the appropriate place in title I of the bill, insert the following:

SEC.   . FIREARMS.

Section 922 of title 18, United States Code, is amended—

(1) in subsection (d), by striking paragraph (5) and inserting the following:

“(5) who, being an alien—

“(A) is illegally or unlawfully in the United States; or

“(B) except as provided in subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));”;

(2) in subsection (g), by striking paragraph (5) and inserting the following:

“(5) who, being an alien—

“(A) is illegally or unlawfully in the United States; or

“(B) except as provided in subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));”;

(3) in subsection (s)(3)(B), by striking clause (v) and inserting the following:

“(v) is not an alien who—

“(I) is illegally or unlawfully in the United States; or

“(II) subject to subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));”; and

(4) by inserting after subsection (x) the following:

“(y) PROVISIONS RELATING TO ALIENS ADMITTED UNDER NONIMMIGRANT VISAS.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘alien’ has the same meaning as in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3)); and

“(B) the term ‘nonimmigrant visa’ has the same meaning as in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)).

“(2) EXCEPTIONS.—Subsections (d)(5)(B), (g)(5)(B), and (s)(3)(B)(v)(II) do not apply to any alien who has been lawfully admitted to the United States under a nonimmigrant visa, if that alien is—

“(A) admitted to the United States for lawful hunting or sporting purposes or is in possession of a hunting license or permit lawfully issued in the United States;

“(B) an official representative of a foreign government who is—

“(i) accredited to the United States Government or the Government's mission to an international organization having its headquarters in the United States; or

“(ii) en route to or from another country to which that alien is accredited;

“(C) an official of a foreign government or a distinguished foreign visitor who has been so designated by the Department of State; or

“(D) a foreign law enforcement officer of a friendly foreign government entering the United States on official law enforcement business.

“(3) WAIVER.—

“(A) CONDITIONS FOR WAIVER.—Any individual who has been admitted to the United States under a nonimmigrant visa may receive a waiver from the requirements of subsection (g)(5), if—

“(i) the individual submits to the Attorney General a petition that meets the requirements of subparagraph (C); and

“(ii) the Attorney General approves the petition.

“(B) PETITION.—Each petition under subparagraph (B) shall—

“(i) demonstrate that the petitioner has resided in the United States for a continuous period of not less than 180 days before the date on which the petition is submitted under this paragraph; and

“(ii) include a written statement from the embassy or consulate of the petitioner, authorizing the petitioner to acquire a firearm or ammunition and certifying that the alien would not, absent the application of subsection (g)(5)(B), otherwise be prohibited from such acquisition under subsection (g).

“(C) APPROVAL OF PETITION.—The Attorney General shall approve a petition submitted in accordance with this paragraph, if the Attorney General determines that waiving the requirements of subsection (g)(5)(B) with respect to the petitioner—

“(i) would be in the interests of justice; and

“(ii) would not jeopardize the public safety.”.

Mr. DURBIN. Mr. President, I have been working with the Senator from Idaho, and I think we have reached an agreement on this, in which we provide language that says if a person who comes to the United States on a nonimmigrant visa is in possession of a hunting license or permit lawfully issued within the United States, they then would not be covered by the provisions of this law. That is consistent with the original language of the amendment.

At this point, I yield to the Senator from Idaho.

Mr. CRAIG. Mr. President, I appreciate the willingness of the Senator from Illinois to modify his amendment. I think it is necessary and appropriate, and certainly the public understands that hunting is a lawful right and opportunity in this country. Certainly, foreign citizens who are here that go through the legal and necessary steps should be allowed that opportunity, and to acquire a gun for that purpose while here is necessary and fitting.

I agree with the Senator from Illinois that he deals with a very important area of the law. We have seen it misused by aliens in this country. Our second amendment is something that we honor, that many of us feel is a very important right of our citizens under the Constitution. It should not be abused by those who are guests in our country, legally or illegally. I think the Senator from Illinois speaks clearly to that in the amendment. I appreciate his offering it.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I think the Senator from Illinois has proposed a strong amendment here, and it has been strengthened further by the Senator from Idaho.

I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3240), as modified, was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BORDER PATROL AVIATION

Mr. BIDEN. Mr. President, I would ask to engage the Senator from New Hampshire, Mr. GREGG, in a brief colloquy regarding a portion of the report which accompanies the bill, calling on the Border Patrol to examine the potential cost savings and border surveillance capabilities of a variety of types of aircraft. I support the committee's effort to seek more information to improve the cost effectiveness and efficiency of our border surveillance effort—against both illegal immigration and drugs. But, I also believe that we must review all types of aircraft, including both manned and unmanned airships. Is it the Committee's intent that such airships also be considered in the study and report?

Mr. GREGG. I appreciate the Senator's concerns on this subject. The committee believes that the full range of aircraft options, including airships, should be examined by the Border Patrol to assist our efforts to ensure the most cost-effective and efficient ways to protect our borders from both illegal immigration and the flow of drugs.

Mr. BIDEN. I thank the Senator for his interest in this matter and for his clarification of the committee report.

CONGRESS-BUNDESTAG YOUTH EXCHANGE PROGRAM

Mr. LUGAR. Mr. President, I would like to engage the distinguished chairman of the subcommittee in a brief colloquy on the Congress-Bundestag Youth Exchange Program (CBYX). I would like to hear his thoughts about German-American student exchanges and the reasons why the bill before us does not include any appropriation for these important exchanges.

Let me assert first of all that I am a strong and enthusiastic supporter of the CBYX program that has been in existence now for 15 years. I recall the enthusiasm in the Senate when, in 1983, the late Senator Heinz introduced the bill authorizing this exchange program. Many of us rose to endorse it and the legislation received unanimous support.

The legislation was inspired by the events surrounding the critical decision by the German Government to deploy United States Pershing-II missiles in Germany—a decision which, in my judgment accelerated the end of the Cold War. At the time, it became evident that there were fundamental misunderstandings within Germany of United States intentions and equally shallow perceptions about Germany in the United States.

The German Government felt the need for correcting misperceptions about the United States most acutely and initiated a process to establish and fund a youth exchange program with the United States. The Congress-Bundestag exchange program that emerged from those efforts was not just another bilateral exchange program. Rather, it has become an essential component of American foreign policy. With the imminent expansion of NATO eastward, it takes on an even more important role in promoting understanding between our two countries.

The Congress-Bundestag Youth Exchange program was launched jointly in 1983 by the U.S. Congress and the German Bundestag and has been funded by both governments in roughly equal amounts ever since.

Many of us on both sides of the aisle who were in Congress in 1983 spoke passionately in support of these exchanges. Those of us who follow the program closely and meet with the exchange students believe it is an essential component of American foreign policy.

Apart from expanding awareness of German and American institutions and culture, the international experiences and increased proficiency in language have become valuable assets in the students' continuing education and community life.

One of the unique features of the Congress Bundestag Youth Exchange Program is that the German Government virtually matches our contributions on a dollar-for-dollar basis. They try to match the number of students they send to the United States to those we send Germany. They would like to send many more students. When we increase or decrease our funding, they tend to increase or decrease their funding. Thus, if we zero out or decrease funding for this program, the German Government may do the same. In effect, that would be a double hit and a double calamity for United States-German relations.

Thousands of young people from Germany and from the United States are able to spend a year in the other country, live with host families and learn about one another. Thousands have become young Ambassadors for their country. They have strengthened our mutual interests.

Germany's strategic importance in Europe is self-evident. It enjoys the strongest economy in Europe and has cooperated in expanding both the European Union and NATO toward the East. It is poised to play an even greater role in international peacekeeping, international commerce, and the global economy. Moreover, there are more than 60 million Americans who trace their heritage to German origins, one of the largest, if not the largest, ethnic groups in the United States.

Could I ask the distinguished chairman of the subcommittee what has been the recent funding levels for the Congress-Bundestag Program and if the bill before us eliminates or reduces funding for the Congress-Bundestag program for fiscal year 1999?

Mr. GREGG. Funding for this program was at $2.75 million for several years in the past but it declined to $2.4 million and has been at or below that level in recent years. The current bill does not include any funding for the Congress-Bundestag Program but it does not prohibit any funding either. We suggest in the report language that there are other competing priorities which make it difficult to fund all requests for cultural and educational exchanges.

Mr. LUGAR. It is my understanding that this program is a very high priority of the administration and that the President has publicly stated that he wants to increase funding for the Congress-Bundestag Program in fiscal year 2000 to a level at least $2.8 million—an amount substantially above recent levels.

Mr. GREGG. Yes. The President has announced his intention to request an increase for this program in the year following the current fiscal year. I will look forward to that request.

Mr. LUGAR. I understand the companion House bill includes funding for this exchange program at about $2 million. Therefore, funding for the Congress-Bundestag Youth Exchange program for fiscal year 1999 will be an issue in conference. Is it the chairman's intention to restore funds for the CBYX program in conference?

Mr. GREGG. I would like very much to restore funding for this program—and for other exchanges as well. Unfortunately we are operating under tight budgetary constraints. As the senior Senator from Indiana knows, the number of international exchange programs have grown over the years and that is a reflection of their popularity and importance. Overall appropriations have not kept pace with the growth in the number of programs. The regrettable result of this shrinkage of funds and growth in demand for them means that some programs must be reduced.

But, I very much appreciate the Senator's strong argument in support of the Congress-Bundestag Youth Exchange program, particularly the foreign policy role it plays in strengthening our ties with an important European ally, Germany. I will keep your arguments very much before me when we negotiate with our House counterparts in conference.

Mr. LUGAR. I thank the chairman and appreciate his explanation. My original intention was to introduce an amendment to restore funding for the CBYX program but do not want to burden the managers with a specific earmark. Could the chairman give assurance that he will do all he can to restore funding for these exchanges. If he does, I will withdraw my amendment.

Mr. GREGG. You have made a strong argument on behalf of the program. And I will do my best to adjust existing programs to provide funding for the United States-German exchange program.

Mr. LUGAR. I appreciate your assurances. Mr. President, I would like to made a few additional comments on the Congress-Bundestag Youth Exchange Program.

For the past 15 years, some 11,000 young students from Germany and the United States have participated in these exchanges. German and American families have hosted these students in their homes and communities and formed enduring friendships and nurturing the ability to see each other through the other's eyes. The earliest of these participants are mature adults now and have assumed responsible positions in their communities. I'm impressed that senior members of the German Government, including Chancellor Kohl and the President of the German Bundestag, Rita Sussmuth are personally involved in the program. Many others have invited American students to work in their offices, invited them into their homes and arranged for specific events on their behalf. Our German counterparts value this program very highly and promote it with enthusiasm.

In the end, we should support this program because it is in our interests to do so. It is one of our smallest international exchange programs but it reaps substantial foreign policy benefits. We should be sending more American students to Germany on this program. The German Government wants to increase the number of students they send here.

I should add that most of the American students selected for this exchange program are juniors or sophomores in high school. The standards are high. To be eligible, a student must have a 3.0 grade point or better and be a citizen or permanent resident of the United States.

Once again, I want to thank the distinguished chairman of the subcommittee. He has a difficult task of balancing growing and competing demands with increasingly sparse resources. I appreciate his understanding and courtesy and look forward to working with him and the committee to restore funding for the Congress-Bundestag Youth Exchange Program (CBYX).

IMPROVING SCHOOL SAFETY AND FIGHTING SCHOOL CRIME

Mr. ROBB. Mr. President, as many of my colleagues are aware, support for education has been at the top of my priorities since I began my career as a public servant.

I've worked for many years, and on several fronts, to strengthen our public schools and universities, and I've focused as well on an essential prerequisite for improving educational opportunities—a safe learning environment. Unfortunately, not all students share the privilege of attending a safe school.

Over the past year, tragic murders at schools across the Nation have chilled parents' hearts. Perhaps even more chilling are figures from a spring 1998 Department of Justice study, which indicates just how many schools, and schoolchildren, are at risk. In the past year, nearly 60 percent of all elementary and secondary schools reported at least one incident of criminal activity to the police. Roughly 20 percent of schools reported six crimes or more. One out of every ten schools reported a serious violent crime during the past year.

Mr. President, crime in school is a double threat—a threat not just to safety and property, but to our entire educational system. Parents should worry about their children dodging homework, not dodging bullets. Teachers should be able to devote their energy to promoting academic achievement, not counseling victims. And students should be focused on their next exam, not on making it safely to the next class.

While the States have the primary responsibility for both education and criminal justice, and the Federal Government cannot give every neighborhood crime-free schools, I believe the Congress should do more. The Federal Government can help by supporting innovative efforts by local communities and law enforcement to improve safety, by sharing insights gained from these efforts with communities across the Nation, and simply by focusing attention on this problem.

During past Congresses, I supported prevention programs to assist local communities, including drug resistance education, school security grants, and the Gun Free School Zones Act. In 1993, I worked to create a Commission on Violence in Schools to study school safety. I've also voted for additional deterrence measures, including adult prosecution of armed juveniles who commit violent crimes, and increased funding for juvenile prisons.

Last fall, I proposed an amendment to permit funds available under the Community Oriented Policing Services Program (COPS) to go to school safety initiatives. COPS funding has been restricted in the past to hiring new police officers. The amendment I proposed, and the Senate adopted, expanded the use of COPS funding to reward innovative crime-reduction efforts by communities and law enforcement, to share knowledge about successful school-safety programs, and to raise public awareness about school crime. Thanks to the support of Senators GREGG AND HOLLINGS, $17.5 million in grants were made available in fiscal year 1998. The grants will be awarded later this fall to communities across the Nation.

This spring, I spoke with Senators HOLLINGS and GREGG and urged them to continue and expand this program in fiscal year 1999, and I am grateful for their generosity and their commitment to the cause. The chair and ranking member provided more than $210 million for a Schools Safety Initiative. Under this initiative, $10 million will support research in technology to improve school safety, such as weapons detection equipment. Another $25 million will fund community efforts to promote nonviolent dispute resolution, to train teachers and parents to recognize troubled children, and to strengthen families.

The bulk of the School Safety Initiative, $175 million, will be administered under the COPS school safety program that I initiated last fall. I believe this funding level is a strong statement to students, parents, teachers, and law enforcement. This program indicates that school safety is a national priority, and I hope schools and communities across the Nation will respond.

A number of schools in Virginia have already taken action. Some have set up anonymous crime tip lines for their students. Police in Richmond work with students to promote peaceful conflict resolution and drug resistance education. Other communities, such as Pulaski County, have actually placed police officers in schools.

One remaining concern I have is the attention to this issue will receive from future Congresses. In my view, the matter of school safety deserves sustained attention, and continuing support from the this body. There are several juvenile justice reform bills pending before the Senate, and I'd like to move forward on legislation in this area this year. Unfortunately, that appears unlikely.

Therefore, I look forward to working with my colleagues next year to schedule a full debate on juvenile justice issues, as a well as to provide continued support for school safety through the appropriations process during conference with the House this year and next.

Mr. GREGG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3243

(Purpose: To amend the Federal Rules of Criminal Procedure, relating to counsel for witnesses in grand jury proceedings, and for other purposes)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 3243.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title II of the bill, insert the following:

SEC. 2 . GRAND JURY RIGHT TO COUNSEL.

(a) IN GENERAL.—Rule 6 of the Federal Rules of Criminal Procedure is amended—

(1) in subdivision (d), by inserting "and counsel for that witness (as provided in subdivision (h))" after "under examination"; and

(2) by adding at the end the following:

"(h) COUNSEL FOR GRAND JURY WITNESSES.—

"(1) IN GENERAL.—

"(A) RIGHT OF ASSISTANCE.—Each witness subpoenaed to appear and testify before a grand jury in a district court, or to produce books, papers, documents, or other objects before that grand jury, shall be allowed the assistance of counsel during such time as the witness is questioned in the grand jury room.

Mr. BUMPERS. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. BUMPERS addressed the Chair.

Mr. GREGG. Will the Senator yield for a question?

Mr. BUMPERS. Yes.

Mr. GREGG. We were working on a unanimous consent agreement that would allow a second degree to be offered to the Senator's amendment, which would be reserved to the majority. Does the Senator object to such an option? It would be a relative second degree.

Mr. BUMPERS. I don't know. I need to meditate on that.

Mr. GREGG. That is why we are meditating on the yeas and nays.

Mr. BUMPERS. I noticed there was no prompt response on that side of the aisle to a request for the yeas and nays, so I assumed some sort of cabal was in the works.

Mr. GREGG. We would look forward to a vote on the Senator's amendment, but we do want to reserve the right to a second degree.

Mr. BUMPERS. I am not sure I look forward to voting on a second-degree amendment, but then it may be, if we are going to have a unanimous consent agreement of any kind, it might preclude a second-degree amendment.

Let me think about it.

Mr. GREGG. I thank the Senator.

Mr. BUMPERS. I want to suggest to each Senator that they meditate on this proposition.

The doorbell rings and the Senator's wife answers the door. There is a nicely dressed person, in a suit and tie, standing at the door. He hands her a paper, and she says, "What is this?"

He says, "That's a subpoena."

She says, "What does that mean?"

He says, "That means that the district attorney, the United States attorney wants to question you."

"Well, about what?"

"I don't know."

"What does this paper mean?"

"It means that you don't have any choice. You must go down and appear before the grand jury."

"Well, how long will that take?"

"Well, as a matter of fact, sometimes it takes several days. Some witnesses have been known to have to appear for 5 and 6 and 7 days, different times."

"But I don't know anything. What can I testify to?"

"Ma'am, I'm just a functionary. I have been requested, and it is my official duty to present you with this subpoena. Incidentally, the U.S. attorney also wants you to bring all of your telephone calls and also any other documents or letters you may have in your possession that would relate to anything."

"Well," she says, "Do I get to bring a lawyer with me?"

"Oh, yes, ma'am, you can bring a lawyer."

Then she says, "Well, can my lawyer sit in the grand jury room with me?"

"No, ma'am, I'm afraid not. Your lawyer can sit outside the grand jury room but he can't come in the room with you."

Now, to a lot of people, this is a real story. This is not an Orwellian bad dream. This is what happens to a lot of innocent people in this country on a daily basis. She doesn't have any choice but to show up.

If she had been arrested and charged with a crime, and she was a possible criminal who was about to go on trial and serve jail time if convicted, she would have a constitutional right to a lawyer, or to remain silent. She would not have to tell the U.S. attorney anything. She could remain silent. She could not only remain silent; she would be provided a lawyer if she could not afford one.

How many times has every person in the Senate stood on this floor and said criminals have more rights than ordinary citizens?

In this case, it is true. I just gave you a classic illustration of why it is true. If this woman were arrested by the police, or charged with a crime, they couldn't treat her in such a way. But, because she is an ordinary witness, an innocent citizen, she can be made to go and testify. She can be made to bring any documents the U.S. attorney chooses to make her bring. She can be required to walk in the grand jury room and sit alone on the stand in abject terror because her lawyer is not permitted in the room with her; he must sit outside.

It is true that she can ask for a recess, leave the witness stand and say to the court, say to the U.S. attorney:

"Before I answer that question, I would like to talk to my lawyer."

He says, "OK."

So she goes outside and she asks her lawyer, to whom she has just paid a $5,000 retainer because she is terrified—not because she has done anything wrong—she has just paid this lawyer $5,000. They are people of very modest means. He cannot go in the grand jury room, but she can go out and ask him a question. She is not a lawyer and she is not sophisticated enough to know on what questions should she defer to her lawyer. She could answer the most incriminating question in the world, in all of her legal ignorance, and not know she had just implicated herself.

What if she says to the man who appeared at her door with a subpoena:

"You say you don't know what they want to talk to me about?"

He says, "Well, it's about the parking meter scandal."

"I don't know anything about any parking meter scandal."

"Well, I'm sorry, ma'am."

She says, "If they asked me something and I can't remember it, or if I try to remember and I give them an answer and it turns out to be wrong, then what happens?"

"Oh, then in that case, ma'am, they may charge you with perjury."

Here is a classic case of a criminal justice system that is not working. I heard all these lamentations about human rights in China, but you tell me, how much worse can a situation get, when innocent people every day in this country are called to testify—and, frankly, as good citizens they should be willing to testify—but when they get in the grand jury room with the U.S. attorney, they are subject to his mercy. He can ask them—he can ask this woman, first crack out of the bat, in this investigation of a parking meter scandal:

"Have you been faithful to your husband ever since you got married?" He can do this because there is no requirement of relevancy in the grand jury.

"Well, as a matter of fact, I think that's personal."

"Ma'am, I'm asking you a question. I want an answer. I understand that one of your children is gay; is that true?"

"Well, what's that got to do with anything?"

"Ma'am, I'm asking you the questions. I'm the U.S. attorney here, and I can ask anything I want. Is it true one of your children got picked up one time on a pot charge when he was a senior in high school?"

"What is that relevant to?"

"Ma'am, as I said, I'm asking the questions here. Now, I'm asking you, and you are legally required to answer truthfully."

Senators, I'm going to tell you something. You think this is farfetched? Believe me, believe me, it is not. It happens all the time.

You ask yourself this question: How would you like to be in the grand jury room without a lawyer—nobody—and you ask the U.S. attorney:

"Look, I would like to go outside the room. My lawyer is sitting just outside the door. I would like to talk to him and ask him whether I should answer this question or not."

"You have a right to do that, ma'am. Go right ahead."

She goes out. After awhile, he asks her another one of those silly questions. And she says, "You know, I don't know how to answer that. I need to talk to my lawyer again."

The third time she does that, these grand jurors start nudging each other. "This woman is hiding something. She knows a lot more than she is willing to talk about. Why is she going outside to talk to that lawyer so much if she doesn't have something to hide?"

That is the psychological part of trying lawsuits. I am telling you, I was a trial attorney for 18 years before I became Governor. I have seen prosecuting attorneys, I have seen local district attorneys, I have seen U.S. attorneys, eaten up with political ambition. And when they are eaten up with political ambition, do you know what they want? All the notches in their belt they can get. They want to be able to boast, "I never failed to get an indictment I asked for."

The chief judge of the State of New York once said, "You can get a grand jury to indict a ham sandwich if you ask them to." I had a U.S. attorney tell me one time, "I have never failed to get an indictment from a grand jury." I can tell you, if he had ever failed to get one, that would be one of the most abysmal failures I have ever heard of, because I know all kinds of U.S. attorneys and DA's all over this country who have been able to get an indictment every time they ask for one. Do you know why? Because there are 23 grand jurors sitting there who know nothing except what the U.S. attorney proposes to tell them, only what the witnesses he decides to call will tell them.

Mr. President, I am not talking as any bleeding-heart liberal. I have defended a few criminals in my life. A couple of them I felt pretty sure were guilty, but the first thing I learned in law school is that this is a nation of laws; everybody is entitled to a lawyer, and to a fair trial.

The grand jury system has gotten so bad that 27 States in this Nation have abolished grand juries. You think about that. The States are always ahead of us in Congress. Mr. President, 27 States have abolished the grand jury system, and 18 States have laws that allow the attorney for a witness to sit in the grand jury room with the witness. Now, what do these states know that we don't know?

My amendment is just about as simple as you can make it. It says one thing, that a witness who has an attorney and wishes that attorney to sit in the grand jury room with them may do so. What is wrong with that? You tell me. Anybody, tell me.

If a U.S. attorney is afraid to ask questions because he doesn't want her attorney to hear, what is objectionable about it? And why should he? Why should a U.S. attorney fear asking any question that he is going to ask later, perhaps, in the courtroom anyway? This is supposed to be a fair fight. Is he afraid of the truth?

Do you know why we have a grand jury system? Because the Federal Government was not to be trusted and the Founding Fathers put the requirement in the Fifth Amendment: We will have a grand jury system. And the reason we cannot abolish it is because it is in the Constitution, and I would not change that. The States are not so fettered, and they are abolishing it right and left because they know that grand jury system is often not fair. It is just short of a Star Chamber proceeding because only one side of the case is heard.

In medieval England people were tried by ordeal—they were thrown into the lake or had their hand dunked in boiling water. If they survived the ordeal, they were innocent. If they didn't, it didn't make any difference. That is what was called a Star Chamber proceeding. That is what people used to go through when they missed church. They were put in the stocks or they were subjected to boiling water or a whole host of other things.

So that is the reason that many of the Founding Fathers came here after being abused and abused and abused in England. Because they were mostly a poor class, and they didn't trust Government. Because they had not trusted the King, they knew the King had all the cards, and they wanted to level the playing field and they wanted it to be a fair fight. I can tell you, we do not have a fair fight now in the grand jury.

So, isn't this just simple justice, to allow a witness to have a lawyer? Is this complicated for anybody listening, that a witness who is not charged with anything should have a right to a lawyer in the courtroom, not sitting outside? Do you think a U.S. attorney would start off asking a Senator's wife if she had been faithful to him all of her life if her attorney was sitting there? I promise you he wouldn't. Do you think he would ask if her children were gay or had ever smoked pot if her lawyer was sitting in the room? Of course, he wouldn't. This is about simple deterrence of misconduct.

I ask those who will oppose this amendment, What is the prohibition now under existing law to keep a U.S. attorney from asking those kinds of abusive questions, and worse? There is none.

I remember one time talking with Senator McGovern when he was a Senator. One of these questions came up about charging everybody with everything and vetting everybody who came through. If you get nominated to an executive position, you have to go through a kind of inquisition. George McGovern said, "I want it on the record right now: I stole a watermelon when I was 12 years old."

I can tell you, what we have right now in the grand jury system is not fair, and every Member of this body knows it. I am not defending criminals. I am not saying give criminals an upper hand. What I am saying is give witnesses the same choices you give a defendant, the criminal, which is the right to the assistance of counsel, as guaranteed in the Sixth Amendment.

Mr. President, I hope everybody understands this issue. I don't want to belabor it. It is the kind of amendment that doesn't need a lot of discussion. But you think about this, I say to Senators, your wife or family member who is as innocent as a newly ordained nun, who never did anything wrong in her life, is going before the grand jury system hardly knowing why she has been called and then subjected to day after day after day of testimony, or even 2 hours of testimony—whatever it is. At least put her on a par with the criminal defendants who are arrested and have to be placed on trial, who have a right to an attorney.

Mr. GREGG. Will the Senator from Arkansas yield for a unanimous consent request?

Mr. BUMPERS. I will be happy to yield.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent that the Senate proceed to debate the following amendments—one which we are now debating—with votes in relation to the issues to be postponed to occur on Wednesday, July 22, at 9:40 a.m.

I further ask unanimous consent that no second-degree amendments be in order, and that all debate be concluded this evening; that there be 2 minutes for debate for closing remarks prior to each vote in the stacked sequence, with the exception of the vote in relation to the Bumpers amendment, on which there will be 10 minutes for closing remarks. The amendments to be debated are as follows: Moseley-Braun, an Internet prevention amendment; Graham of Florida, sheriff's auction; and Bumpers amendment on grand juries, which we are presently debating.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. In light of this agreement, there will be no further votes this evening, and the next votes will be in a stacked sequence beginning at 9:40 a.m.

Mr. BUMPERS. Mr. President, that is a perfectly fair, legitimate undertaking, and I will not be much longer. Senator LEVIN is here and wishes to speak on the amendment, and any other cosponsors of the amendment who are listening should feel free to come over and speak, if they choose.

The point I was about to make, and I will close on this—is this: The American people are fairly happy right now because the economy is going well. But I can tell you, there is one underlying sentiment in this country that is undeniable, and it is that the vast majority of the people in this country don't think we, who live in this rarefied atmosphere, know what their everyday lives are like, and they are right. They are right.

Here is an opportunity to restore people's confidence in the system. It doesn't happen often. One of the reasons this amendment may not prevail is because in the scheme of things, with 268 million people in this country and probably no more than, what should I say, 10,000, 20,000 at most will appear before grand juries in any given year and answer questions, who cares about 10,000 people out of 268 million? I care. If I didn't, I wouldn't be staying here tonight to offer this amendment.

I first started to object to voting on this in the morning, but the more I thought about it, the more I thought that it might be good. It might be good for Senators to reflect on this overnight and to think about the fact that justice denied to one single soul is an aberration to a free nation.

I sincerely hope people will think about this and think about it in terms of their own personal lives—not some obscure thing you read in the Washington Post every morning or the New York Times—but you think about some of these things happening to people, and ask yourself: How would I feel about that? And, if a member of your family were involved, wouldn't you wish that this amendment was in place as a matter of law?

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. BUMPERS. I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have been listening to my distinguished colleague from Arkansas and his very literal discussion of the grand jury process. It isn't quite as simple as my colleague is explaining.

The reason we have a grand jury process and the reason we don't allow attorneys in there is because that process is to remain secret. Under rule 6(e) of the Federal rules, people are not allowed to talk about what happens within the grand jury—certainly the prosecutors are not allowed to talk about it. That doesn't mean they have to be totally, meticulously unable to talk about the cases that they are handling. But basic 6(e) grand jury testimony is not permitted to be talked about, and there is a reason for that. There is a reason for not allowing attorneys into the grand jury proceedings.

The distinguished Senator from Arkansas seems to have the opinion that in almost every case, or at least in many cases, prosecutors will act irresponsibly, improperly, will take advantage of witnesses, will abuse the law. And I do not believe that is the case.

But one reason why grand jury proceedings have been basically secretive is because, let us say the prosecution was doing a major investigation of organized crime. You can bet your bottom dollar with every witness who goes before that grand jury they would have the same organized crime attorney or attorney representing organized crime or those organized criminals in that grand jury proceeding. Every one of them would want that attorney there, except those who are blowing the whistle on the criminals for whom the grand jury is being held to begin with.

In other words, it would be almost impossible to ever get a witness to come forward in grand jury proceedings of any consequence involving organized crime, and sometimes not so organized crime, because the minute that person appeared, it would be known who literally was testifying against the people whom the prosecutors were trying to bring the actions against.

So it isn't quite as simple as the distinguished Senator has said, although I share some of his concerns. If there is any evidence that grand jury proceedings have been used to abuse witnesses or have been used to seduce witnesses into incriminating themselves, or have been used to ask questions that are irrelevant, such as some of those suggested by my distinguished colleague, then, yes, I agree with him, something ought to be done to prevent those types of things from happening, and perhaps we should look at this whole area.

On the other hand, we have suggested to him that the way to do this would be, of course, to let the judicial conference look at this and make recommendations and really look at all sides of this issue so we do not go into this half cocked and throw out a system that has served this country well over 200 years just because there are some alleged occasional prosecutors who might abuse the process.

It is not quite as simple as people try to make it seem. The grand jury proceeding has served this country well for well over 200 years. And, yes, some of these issues that are raised are ones that trouble me as well. But before we throw this out and before we decide to allow attorneys in the room, then it seems to me we ought to at least have a thorough study to determine whether throwing it out is the thing to do, whether that is going to really be a better process than what we have today. I don't think it will be.

But it does not take many brains to realize the current grand jury process is one-sided. The prosecutor can present whatever the prosecutor wants. And unscrupulous prosecutors can bring an indictment against almost anybody by just basically asking the grand jury to do it, because there is nobody in there to represent the rights of the accused.

The distinguished Senator does raise some very important issues, but I would prefer that we look at this in a very broad-based study that really looks at the pros, the cons, the good, the bad, and helps us to make a determination here. If, after a study like that, we find that the distinguished Senator is primarily right, and that there are many injustices that occur through grand jury proceedings, then I would be the first to join him in making the changes that he would request here this evening.

But frankly, I think that is the type of thing that should be done, that should be done carefully and deliberately. And we should not throw out 200 years of history and 200 years of grand jury proceedings that have served this country at least ostensibly very well because we are concerned that there may be some abuses of this particular process in some instances.

My experience has been that there are very seldom abuses, that the system works well, that it is a system that can bring indictments against those who deserve indictments brought against them; and especially in the area of organized crime, it is a very useful and worthwhile system.

Having said that, that does not mean that I am ignoring what my distinguished friend and colleague has said or what he believes, because I myself have some concerns, as he does. Personally, I believe that in most instances it is a good thing to give people the right to have their counsel there. And remember, grand jury proceedings can bring down indictments but they cannot convict people.

On the other hand, once the indictment is brought down, that amounts to a criminal defense that must be waged in almost every case. So I hope that I can talk my colleague into having a major, major review and study of this rather than doing something that literally throws out the system or at least changes the system dramatically in such a way that might have very detrimental effects in our getting to the bottom of organized crime, to the bottom of organized criminal conduct with regard to drugs, to the bottom of criminal activity in general where witnesses might be intimidated or afraid to even appear before grand juries.

The more we do this, I think the more we are going to find that some of those concerns may outweigh some of the concerns that the distinguished Senator has, because I do not believe that you can point to many instances as a whole—as a whole—where the feelings or complaints of the distinguished Senator from Arkansas are actually fulfilled.

Currently, all witnesses may leave the grand jury proceeding or grand jury room to consult with their attorneys anytime they want. Now the Senator makes a good point when he says, How is that person going to know whether they are incriminating themselves if they are not skilled in the law, if you have a skillful grand jury prosecutor in there asking questions? And that is a tough question to answer.

But the fact of the matter is that if they have an attorney to begin with, that attorney is going to say, "Don't answer anything unless you talk to me, so tell them after each question you want to come out and talk to me." That has been my experience where you have attorneys who are concerned about their clients going in before the grand jury. And there is a way to be represented by an attorney to not say one word or to answer one question without continuously going out and discussing it with your attorney. So there is a protection.

The difference is that, if I am correct—and I believe I am—there are instances where the grand jury proceeding works better than any other system we have ever had, especially in the area of organized crime. I would be very hesitant to throw out that system without the study by those who are experts in this field and those who really can make a difference in determining just what is right and what is wrong here.

But having said that, I have raised these concerns. I hope my colleague will consider having a study. I would join with him in that. We can place a limited period of time on it, and if that study proves to augment his feelings and proves his thesis here, then I may very well join with him in making the changes that he would like to make here today.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 3243, AS MODIFIED

Mr. BUMPERS. I ask unanimous consent that I be permitted to send a modification to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, is as follows:

At the appropriate place in title II of the bill, insert the following:

SEC. 2 . GRAND JURY DUE PROCESS.

(a) IN GENERAL.—Rule 6 of the Federal Rules of Criminal Procedure is amended—

(1) in subdivision (d), by inserting "and counsel for that witness (as provided in subdivision (h))" after "under examination"; and

(2) by adding at the end the following:

"(h) COUNSEL FOR GRAND JURY WITNESSES.—

"(1) IN GENERAL.—

"(A) RIGHT OF ASSISTANCE.—Each witness subpoenaed to appear and testify before a grand jury in a district court, or to produce books, papers, documents, or other objects before that grand jury, shall be allowed the assistance of counsel during such time as the witness is questioned in the grand jury room.

"(2) POWERS AND DUTIES OF COUNSEL.—A counsel retained by or appointed for a witness under paragraph (1)—

"(A) shall be allowed to be present in the grand jury room only during the questioning of the witness and only to advise the witness;

"(B) shall not be permitted to address the attorney for the government or any grand juror, or otherwise participate in the proceedings before the grand jury; and

"(C) shall not represent more than 1 client in a grand jury proceeding, if the exercise of the independent judgment of the counsel on behalf of 1 or both clients will be, or is likely to be, adversely affected by the representation of another client."

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I would like to say a few things about grand juries. I spent 15 years as a Federal prosecutor working with grand juries on a regular basis. And people say, "Oh, it's a secret proceeding." Well, would you rather have your witnesses have to go and testify in open court?

You see, the purpose of a grand jury is simply to determine whether there is probable cause to believe a crime has been committed and whether the defendant probably committed it, to set that case for trial. It is a protection. Some say, "Well, just let the prosecutors indict and eliminate the grand jury because the grand jury will indict a ham sandwich." I heard that here today. Grand juries will not indict a ham sandwich.

You have to present evidence to them sufficient for them to understand the charge; and the evidence that is presented is before they will return an indictment and set the case for trial. At trial, the burden of proof is not "probably committed a crime"; at trial the burden of proof is "beyond a reasonable doubt"; to a moral certainty sometimes the judge charges the jury. So that is where the trial takes place.

Now, I recall a line by Justice Macklin Fleming in California. He said, "Perfect justice is not achievable in this life. In the pursuit of perfect justice, we destroy what justice is achievable."

Well, I just say that an obsession with everything becoming more and more complicated is not the history of our Nation and its criminal law. The founders of our country realized you needed a trial and that people who are accused of crimes ought to have a chance to present their defense fully before a jury of 12 citizens, with their lawyer there to argue, debate, object, and do everything possible to defend that client in that trial, but there ought to be a vehicle to decide whether a case should go forward. They decided it was better for the defendant and for the witnesses when a charge is brought by virtue of a grand jury investigation before citizens of the community, if the testimony is taken in secret, so that if the evidence is not sufficient, the public may never even know that the individual was under investigation and his reputation would not be stained.

I submit to you that sometimes grand juries will not indict. And also, in the course of an investigation, a prosecutor may discover, as his witnesses are called and put under oath, that the good case he thought he might have had was not sufficient. Many times I have pulled a case after presenting evidence before a grand jury because I was not confident, and the grand jury wasn't confident, that there was enough evidence to proceed to indictment. Sometimes I presented grand jury indictments to a grand jury and thought there was evidence to indict and a grand jury declined to do so. That is the power and privilege they have been given under our laws in this country.

Based on my experience, the grand jury system certainly is working. It has served us well for 200 years. I think we ought not to, this late night, without any debate or without any analysis or without any hearings, alter this historic principle, which I believe protects citizens from embarrassment as well as unfounded charges.

I have to suggest and note for the Record, Mr. President, that the Department of Justice strongly opposes this Bumpers amendment. They don't think it is the way we ought to be going now. I share that feeling, and that shows that both I, as a Republican Senator, and the Department of Justice agree on this. I think we are making a big mistake to go forward at this time without having considered precisely what we are doing.

There are a number of important reasons. The chairman of the Judiciary Committee has stated quite a number of those in his excellent legal way, demonstrating his legal skill and analysis of important issues that come before us. He has made that point. I will not take any more time on it. I feel very, very strongly about this issue. I think it would be a colossal error for this body, without any hearings, to change this historic principle, because I will tell you, it will tie the grand jury in knots. You will have another adversarial hearing. You will have two trials instead of one. It will not further the ascertainment of truth, which is the purpose and nature of a grand jury.

I know others need to talk, Mr. President. I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I support the amendment of the Senator from Arkansas. It embodies a historical principle that has been embedded in most of our psyches and consciousness, which is that an individual has a right to counsel—particularly an individual involved in the criminal justice system has a right to counsel.

Our good friend from Utah says, well, someone appearing before a grand jury can leave the room and get counsel. Indeed, he knows of cases, as do I, where somebody who is in front of a grand jury leaves the room after every question to go outside the door and talk to an attorney.

What is the common sense of requiring somebody who is entitled to counsel not to be able to get that counsel inside the grand jury room? What is the common sense of forcing somebody in front of the jury to leave at the end of each question—leave the grand jury room to go talk to his or her attorney? How does that meet the ends of either common sense or justice—to force that rigmarole, that process, when we come to something as fundamental and basic as the right to counsel?

I don't think anyone here questions that there is a right to counsel under our Constitution. The question is, Why not then permit that right to be exercised inside the grand jury room? Why not permit the advice to be given to somebody inside the grand jury room, rather than to force that person at the end of each question to say, "Excuse me, I want to go outside the grand jury room to consult with my counsel"?

The only argument that I have heard against permitting that is that, somehow or other, that would tie a grand jury in knots, as our good friend from Alabama just said. But under this amendment, that is not possible, because under this amendment, as modified, it carries out the original language of this amendment, which says that, "A counsel for a witness shall be allowed to be present in the grand jury room only during the questioning of the witness and only to advise the witness, and shall not be permitted to address the attorney for the government, or any grand juror, or otherwise participate in the proceedings before the grand jury."

That is it. This amendment would only permit the attorney, which every person under this Constitution has a right to at least hire, to give advice to a citizen inside the grand jury room instead of forcing that person to leave each time. I think it is a modest amendment. It is a modest amendment because it makes sure that we will not tie up a grand jury in knots. It is a modest amendment because it only says that what we know is right, that someone ought to have a right to counsel when they become involved in the criminal justice system—something that we know is right and something that we know is guaranteed, which is the right to counsel, to be exercised in a sensible way, in a way that doesn't undercut and diminish that very right.

To be forced to leave the grand jury room after each question, in front of that grand jury, it seems to me, undermines the very right to counsel which is guaranteed in the Constitution. But, at a minimum, we, it seems to me, as people who want to defend this Constitution, should say, if there is a right—and there is one—that it ought to be exercisable in a commonsense way.

In 90 percent of the grand jury proceedings, the witnesses are law enforcement officers or other governmental officials who are not likely even to have an attorney or want an attorney. But in those other 10 percent of the cases, it seems to me only fair, only common sense, to avoid the absurdity of making a witness leave the grand jury room after every question in order to exercise a constitutional right to the advice of counsel.

I want to close by emphasizing the words of this amendment, because I think they are very important: "The counsel that a witness is allowed to have in the grand jury room under this amendment is present only during the questioning of the witness and"—these are the key words—"only to advise the witness and not to address the attorney for the government or address any grand juror, or to otherwise participate in the proceedings before the grand jury."

Many of our States allow the attorney to be inside of the grand jury room. Some States do, some States don't. But we have to make up our own minds as to what makes the most sense in this Federal system. It seems to me the most fundamental form of common sense. Forcing a person to get up, walk through the door, and leave the room to talk to someone, I believe, diminishes and undermines the very fundamental right that people have to the advice of counsel.

So there is no tying up in knots in this amendment.

This amendment precludes any possibility that an attorney inside the grand jury room will address the court, will address the grand jurors, will address the prosecutor. All that is permitted under this amendment, and all that is required under this amendment, is that the counsel for the witness be allowed to be present in the grand jury room, and only to advise his or her client.

I want to commend the Senator from Arkansas for his extraordinary courage and, as always, his eloquence in presenting a case.

I think that if we will all think about this basic right overnight, hopefully the majority of this body will do what at least a number of States have done, and that is to permit the attorney to be inside the grand jury room solely for the purpose of advising the witness.

I thank the good Senator for his leadership.

TECHNICAL ASSISTANCE FUNDING

Mr. STEVENS. Mr. President, one of the most significant economic problems facing Alaska is the underdevelopment of the business sector in our rural areas. Alaska's vast size, lack of highway infrastructure, and numerous small, remote communities present unique problems requiring unique solutions. If we want to empower people to move from assistance to self-sufficiency we have to grow small businesses in rural Alaska. During the conference on the Commerce, Justice and State appropriations bill, I will ask the conferees to address these issues.

Specifically, my State is suffering from an acute shortage of technical assistance funding to provide training and other services specific to rural needs. This is a need that can be satisfied under SBA's 7(j) program. Additionally, I am informed that regulations promulgated in 1995 have virtually eliminated all small business lending by banks and other financial institutions in Alaska under SBA's 7(a) lending program. Before 1995, the 7(a) program provided critical financing in rural Alaska, and I intend to explore ways to make the program viable once again in Alaska. Finally, Alaska's size and remoteness will require SBA to adopt high-tech solutions to facilitate service delivery. I will seek to create an electronic assistance center within the SBA specifically designed to provide Internet connectivity, outreach and training to rural areas specifically in Alaska.

I look forward to working with Senator GREGG and his staff and others on this issue. It will be within the scope of the conference, I believe.

IDAHO'S VERY HIGH PERFORMANCE BACKBONE NETWORK SYSTEM

Mr. KEMPTHORNE. Mr. President, I rise today to discuss Idaho's Very High Performance Backbone Network system (vBNS).

The State of Idaho is in a strategic position to increase its economic base by strengthening collaboration on research and development projects between the state's universities, state government and business and industry. The U of I was approved, pursuant to a July 31, 1997, submission, for connection to the National Science Foundation's very high performance Backbone Network Service (vBNS). The proposed statewide network would connect the University of Idaho with Idaho State University, Boise State University, state government and industrial partners such as Micron and Hewlett-Packard. For appropriate research purposes, this Intranet could connect through the UI to the vBNS. The Intranet could also be used for distance learning, conferencing, collaborative and other related purposes.

With an Idaho Intranet, Idaho educators will have access to the next generation of teaching/learning tools and materials available under Internet2 (I2), to be used for K–12 and higher education. It will support continuing professorial education, as well as industry workforce development, training and re-training.

With the Idaho Intranet, Idaho businesses will be able to take advantage of the advanced networking capabilities that is the goal of the I2 program. The Intranet would provide a tremendous opportunity to strengthen Idaho's rural economic base. The state's businesses will have access to ground floor participation in the next level of internet commerce. Abilene and vBNS will provide access to early product development, testing and market entry. Access to virtual conferencing would give businesses like Jerome Cheese Company in Jerome, Idaho, the opportunity to be in "real-time" video contact with its customers in Tokyo, Japan.

Also, the Idaho Intranet will help telemedicine become a reality, improving rural healthcare and helping to address the shortage of doctors in rural Idaho. Idaho ranks last in the nation in numbers of doctors serving rural population healthcare needs—the national average is 93 physicians per 100,000 people. Idaho stands at 63 per 100,000, a third less than the national average, according to a recent study. We must change that and the Intranet will help.

With this funding, the state's schools, colleges and businesses will have access to the I2 to test new products and materials. The UI WWAMI program, for example, is developing an advanced web site with videos of animal anatomy that will allow students to learn about anatomy without using live animals. Current internet technology is not adequate to handle the amount of information placed on the site, but I2 access will make it a viable educational tool available around the state.

The result of an Idaho Intranet will be not only research and learning opportunities, but job creation and business competitiveness for the state of Idaho, and improved quality of life for the people of Idaho. It is for this reason, Mr. President, that I ask for the Senate's support for this project.

IDAHO INTRANET

Mr. KEMPTHORNE. Mr. President, I would like to ask the distinguished floor manager of the bill a question. Potentially, one of the most important programs funded under the Commerce, State and Justice appropriations bill is the Information Infrastructure Grants program. This grants program recognizes the need for assistance to ensure that the American public has full access to and benefits from the technological advances that are taking place in telecommunications and networking. Certainly, the new universal service provisions will make many contributions to the K–12 education community, the library community and the health care community. But, there are also a number of other telecommunications and networking activities which could be of particular benefit, especially in some of the more rural states, such as mine.

In my home State of Idaho, for example, the University of Idaho recently was awarded a vBNS high speed connections grant by the National Science Foundation and accepted an invitation to participate in the Internet2 program. This will give our university researchers access to databases throughout the nation and world, allow for promote use of scientific instruments and set the stage for many new collaborations. The UI has proposed establishing an Idaho Intranet to ensure that the people of rural Idaho will be able to benefit from the resulting access to education, medical information, and business opportunities, which are anticipated as a result of the advanced networking capacity.

I believe the distinguished floor manager and his subcommittee have reviewed the information infrastructure grants program in some detail and believe it has a particular role to play in our telecommunications and networking efforts.

Mr. GREGG. Yes, that is true. In fact, in the report, the Committee identified several projects in rural states around the country and encouraged the NTIA to give particular attention to these requests for funding assistance under the IIG program.

Mr. KEMPTHORNE. Mr. Speaker, the UI's proposal would give rural Idahoans, who must deal with the lowest physician to patient ratio in the nation, access to better health care. It would give my state's rural economy a boost with real-time access to its customers. It would provide key communications links between the state's education institutions, businesses and state governments. Would you agree that the University of Idaho's proposal, to establish an Idaho Intranet and provide access to the benefits of the information and technology to be available under programs such as the vBNS and Abilene, is consistent with the Committee's proposals under the Information Infrastructure Grants program?

Mr. GREGG. Yes, I would agree that the NTIA should give the same consideration to the UI's proposal as to the listed proposals.

COORDINATED DRUG STRATEGY

Mr. HATCH. Mr. President, I would ask to engage the Senator from New Hampshire, Mr. GREGG, and the Senator from Delaware, Mr. BIDEN, in a brief colloquy regarding a portion of the report which accompanies the bill, directing the Attorney General to develop a 5-year interdepartmental drug control strategy. Both Senator BIDEN and I believe that this provision may be misinterpreted, and I request the Senator's assistance in providing some clarification. As a general matter, I have long believed that an effective national drug strategy can best be developed and implemented if we have one responsible official charged with that duty.

Mr. BIDEN. I agree. And, as both my colleagues know, the Office of National Drug Control Policy (ONDCP) was established by Congress in 1988 for precisely the purpose of coordinating the federal government's anti-drug program.

Mr. HATCH. That is true, but the report language seems to suggest that the Attorney General assume some of these responsibilities. Is this how the Committee meant for its guidance to be interpreted?

Mr. GREGG. I appreciate both Senators' concerns on this subject. Although I see how it might be possible to read this into the Committee's Report, this is not the Committee's intent. The Department of Justice, like all Executive Agencies, is to develop a meaningful strategic plan and performance measures under the Government Performance and Results Act (GPRA). In so doing, the Committee wants to be certain that these GPRA efforts are consistent with the National Drug Control Strategy and the ONDCP's Performance Measures of Effectiveness System (PME). The Department of Justice must demonstrate how its own drug programs contribute to the achievement of outcomes articulated in the ONDCP's PME system. To ensure this, the Attorney General must work closely with ONDCP on the further implementation of the National Drug Control Strategy and PME system, particularly by linking its drug control budget resources to the outcomes articulated by the PME system. The Justice Department should also consult with other departments with expertise in particular drug control areas, to the extent that it needs assistance in meeting PME system goals.

Mr. HATCH. As the sponsor, along with the Senator from Delaware, of legislation pending on the floor which would reauthorize the Office of National Drug Control Policy, and maintain its duty to formulate and implement the National Drug Control Strategy and Performance Measures of Effectiveness System, I agree that the Department of Justice should assist ONDCP in these important tasks.

Mr. BIDEN. I concur.

Mr. HATCH. So, if I correctly understand the Senator from New Hampshire, it is not then the Committee's intent to place the Attorney General in charge of formulating the National Drug Control Strategy?

Mr. GREGG. No, quite the contrary. ONDCP is to continue in its important work, and the Department of Justice is to provide ONDCP with such assistance as it may need to develop and implement the National Drug Control Strategy and the Performance Measures of Effectiveness System.

Mr. BIDEN. I thank the Senator for clarifying the Committee's intent on this important issue.

Mr. HATCH. I also thank the Senator from New Hampshire for addressing my concerns on this issue.

GRAVEYARD OF THE ATLANTIC MUSEUM

Mr. FAIRCLOTH. I wish to enter into a colloquy with Senator GREGG in order to clarify a spending item in the pending Commerce, Justice, State Appropriations bill.

I commend the Chairman on this bill, and for his attention to providing funding to the Graveyard of the Atlantic Museum, a public, nonprofit, educational institution, designed for Hatteras Island, one of North Carolina's Outer Bank islands. The Museum is dedicated to the preservation, advancement and presentation of the maritime history and shipwrecks of the Outer Banks, from 1524 until the present.

Over three million tourists visit the Outer Banks each year, the vast majority of them interstate visitors. It is expected that approximately 100,000 tourists would visit the Museum, thus paying the full cost of running it, since a modest fee would be charged.

The Museum has received federal, state, local and private funding in the past. Earlier this decade, Congress appropriated $800,000 from NOAA's construction budget towards this project.

I wish to clarify that the bill's provision of $1,500,000 from NOAA's facilities budget to the "Outer Banks Community Foundation on the condition that these funds are matched by a non-Federal source" is intended solely to be passed through to the Museum.

Mr. GREGG. That is correct, and I appreciate my colleague from North Carolina bringing this matter to my attention. I look forward to working with him until this worthy project is completed.

Mr. BENNETT. Mr. President, the distinguished Chairman is aware of the importance of weather forecasting support for the 2002 Winter Olympics in Salt Lake City. I appreciate the continued support of the Committee with these important preparations for the 2002 Winter Olympics. Millions of spectators will gather in mountain venues. Obviously, accurate and timely weather forecasting support is critical to ensure the safety of both the spectators and the athletes. As you know, the Committee directs the National Weather Service to provide support to the NOAA Cooperative Institute at the University of Utah. It is my understanding that the committee expects the National Weather Service to work with the Cooperative Institute to develop a plan and budget which will help ensure public safety and assist with the operations of the Games. The 2002 Winter Games represents an excellent opportunity for the National Weather Service and the Cooperative Institute to work with private meteorological firms and federal, state, and local agencies to provide accurate weather forecasting for the Games.

Mr. GREGG. The Senator from Utah is correct in his understanding. The Committee appreciates the importance of the involvement of the National Weather Service in preparing for the 2002 Winter Olympic Games.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 3244

(Purpose: To amend section 40102 of title 49, United States Code, to modify the definition of the term "public aircraft.")

Mr. GRAHAM. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the Bumpers amendment will be set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] for himself and Mr. DEWINE, proposes an amendment numbered 3244.

Mr. GRAHAM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title II, insert the following:

SEC. 2 . PUBLIC AIRCRAFT.

The flush sentence following subparagraph (B)(ii) of section 40102(37) of title 49, United States Code, is amended by striking "if the unit of government on whose behalf the operation is conducted certifies to the Administrator of the Federal Aviation Administration that the operation was necessary to respond to a significant and imminent threat to life or property (including natural resources) and that no service by a private operator was reasonably available to meet the threat" and inserting "if the operation is conducted for law enforcement, search and rescue, or responding to an imminent threat to property or natural resources".

Mr. GRAHAM. Mr. President, this evening I rise to offer an amendment with my distinguished colleague, Senator DEWINE. This amendment is intended to assist law enforcement in doing a better job of protecting our citizens and the public safety.

The background of this amendment goes back to 1994. Congress made what I think was an error when it passed Public Law 103–411. Under this law, aircraft belonging to law enforcement agencies are considered to be "commercial" if costs incurred from flying missions to support neighboring jurisdictions are reimbursed.

Unfortunately, this law has placed unnecessary restrictions and costly burdens on Government agencies which operate public aircraft, particularly law enforcement agencies. The law restricts those agencies from using their aircraft resources in assistance of Government agencies and severely limits their ability to recover costs from those agencies which they are assisting. This law even limits the ability of neighboring jurisdictions to enter into mutual aid agreements.

Let me give a typical example of how the current law is operating. In my State of Florida, it is not uncommon to have one medium-sized county which is surrounded by a number of smaller jurisdictions. That medium-sized county has the capability to make an application and secure surplus Government property, frequently a helicopter. That helicopter is used in a variety of public safety and law enforcement activities, often under the jurisdiction of the local sheriff. It may be that one of those smaller counties has a need for a helicopter or other aviation support.

An example of that is, in the northern part of our State we have had instances in which locally grown marijuana has become a serious law enforcement problem. In order to identify that marijuana and effectively eradicate it, the helicopter is an enormous law enforcement asset. Yet, under the current law, if the sheriff from that smaller community wishes to contract, either on an individual case basis or through a mutual aid agreement, with that medium-sized county to get a certain number of hours of utilization of the helicopter and they agree to reimburse the medium-sized county for the cost of that operation, they are in violation of the conditions under which the medium-sized county secured the helicopter in the first place and sanctions might be imposed upon the medium-sized county's sheriff and their capacity to provide effective law enforcement for their smaller neighboring communities.

At the very time when law enforcement faces the growing sophistication and organization of criminals, the Federal Government should not be placing increased mandates on our law enforcement officials. Today, law enforcement officials are forced to call around and check the availability of a private pilot and commercial aircraft before sending out the helicopter of that medium-sized county. Only if no one is available can law enforcement officials respond to the scene.

Under this amendment, public agencies would be permitted to recover costs incurred by operating aircraft to assist other jurisdictions for the purposes of law enforcement, search and rescue, or imminent threat to property or natural resources.

I might say, we just have had a dramatic example of that threat to property or natural resources in the number of wildfires we have experienced across our State, many of them occurring in precisely these smaller counties that are limited in their capability to respond.

Mr. President, law enforcement organizations are strongly supporting this amendment. This legislation has been endorsed by the National Sheriffs Association, the Airborne Law Enforcement Association, the International Association of Chiefs of Police, the Florida Sheriffs Association, and the California State Sheriffs Association.

Some months ago, sheriffs from throughout the country contacted my office seeking help. From my home State of Florida, I have heard from Sheriff Stephen M. Oelrich of Alachua County. Sheriff Oelrich stated, "Public Law 103–411 restricts the ability of a law enforcement aviation unit to assist

Government jurisdictions or other governmental agencies. Instead, it mandates that a local government must first turn to a costly private operator for air service."

This is by no means a problem in my State of Florida alone. I have heard this from sheriffs across the country. Specifically, we have a resolution from the sheriffs of California.

In the words of Sheriff Larry Carpenter of Ventura County CA, Public Law 103–411 has had "a chilling effect on the ability of local governments to provide safe, cost-effective and professional air support capabilities to the very citizens we serve." Let me further quote from an article that Sheriff Carpenter wrote in the Summer 1996 issue of California Sheriff:

> The issue of "compensation" fuels this issue to a large degree. According to the FAA interpretation of this law, a sheriff cannot simply recover costs for flying a governmental mission . . . which is "outside a common treasury." This flies in the face of mutual aid agreements between public safety agencies. For example, let's say the Santa Barbara Sheriff's Department, which has no aviation unit, contacts my aviation unit and requests our helicopter fly an observation and surveillance flight of a suspected drug lab which their narcotics and SWAT teams plan to raid in a few days. We fly the mission, undoubtedly with the Santa Barbara deputy sheriff on board, and charge Santa Barbara County only our cost. There is no profit involved. Obviously, this is a sensitive law enforcement mission. Public Law 103–411 says we can no longer do this. Instead, a private operator would need to be contracted at a higher cost to taxpayers.

This is only common sense that instead of restricting the ability of local law enforcement agencies to assist each other, we should be facilitating their ability to serve the public good in as efficient and economical manner as possible.

I urge the adoption of this amendment.

Mr. President, I ask unanimous consent that support from the California State Sheriffs' Association, from the Western States Sheriffs' Association, from the Airborne Law Enforcement Association, from the National Sheriffs' Association, and from the Florida Sheriffs Association be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Resolution

Whereas, the California State Sheriffs' Association has many members who manage public service aviation operations; and

Whereas, Sheriffs' Aviation operations are critical to their ability to provide life-saving service to their constituents; and

Whereas, in 1994 Congress passed and the President signed Public Law 103–411, which severely restricted Sheriffs' ability to effectively utilize their aircraft in their mission; and

Whereas, the ostensible purpose for enactment of Public Law 103–411 was the promotion of aviation safety and that Public Law 103–411 accomplished no appreciable aviation safety purpose; and

Whereas, restrictions on the sharing of aviation resources result in reduced public safety and are poor fiscal and public policy; and

Whereas, the California State Sheriffs' Association, in cooperation with the National Sheriffs' Association, the International Association of Chiefs of Police, the Western State Sheriffs' Association, the National Association of State Foresters, the Airborne Law Enforcement Association, and many other State Sheriffs' Associations support amendments to Public Law 103–411 to correct the law's deficiencies; and

Whereas, Representative Elton Gallegly of California has sponsored a bill in Congress and that bill is H.R. 1521, the Public Services Aviation Act of 1997, now therefore; be it

Resolved, That the California State Sheriffs' Association supports the passage and enactment of H.R. 1521, the Public Services Aviation Act of 1997 or its equivalent; and be it also further

Resolved, That the California State Sheriffs' Association executive director or her designee be authorized to transmit a copy of this resolution to all interested parties including, but not limited to California's congressional delegation, House Speaker Newt Gingrich, Senate Leader Trent Lott and the Members of the House Committee on Transportation and Infrastructure.

Resolution

The Western States Sheriffs' Association represents over 200 Sheriffs of the eleven western states. This association exists to promote the professionalism and dedication of law enforcement and works to ensure that the public we serve receives the best in public safety services.

Public Law 103–311 became law in April of 1995. This measure has negatively impacted may publicly operated aviation units around the United States. For years, these units have provided safe, effective and life-saving services to the public.

Public Law 103–411 sought to increase the level of regulation among aviation units which operate surplus military aircraft. Public Law 103–411 fails to enhance safety regulations in any significant way. The regulations now in place serve only to increase the marketplace of commercial aviation operators who have chosen to conduct government business. Profit has been prioritized over public safety.

The Western States Sheriff's Association (WSSA) has recognized that Public Law 103–411, and the interpretation of this law by the Federal Aviation Administration, are not in the best interests of the American public. Further, it is recognized that several public safety aviation associations have formed task groups, networked, and made all efforts at initiating regulatory reform that is effective and meets the needs of the FAA in safety reporting and regulation.

The Western States Sheriffs' Association resolves that Public Law 103–411 is in need of serious review and/or immediate repeal. It is the view of the WSSA that the specific legislative relief suggested by the Aviation Committee of the National Sheriff's Association provides the most realistic solution to this issue.

Aviation public safety members and representatives remain eager to work with any group to enhance the fair regulation and safety of publicly operated aviation units, while at the same time ensuring the legitimate duties of government to provide the most effective, cost efficient and professional aviation services to the public.

Therefore be it resolved, This 30th day of November, 1995, that the Western States Sheriffs' Association at their annual meeting in Mesquite, Nevada go on record in support of legislation that would modify Public Law 183–411 as set forth in this Resolution or to repeal the law in its entirety.

Resolution

Whereas, the Airborne Law Enforcement Association has as a majority of its members persons who are employed in all aspects of law enforcement aviation operations; and

Whereas, those law enforcement aviation operations are a critically essential component of modern law enforcement, especially as they relate to reducing crime, protecting and saving lives, and apprehending dangerous criminals; and

Whereas, in 1994 the United States Congress passed and the President signed Public Law 103–411, severely restricting United States law enforcement's ability to effectively utilize aircraft in legitimate law enforcement missions; and

Whereas, the stated purpose for enactment of P.L. 103–411 was the promotion of aviation safety and P.L. 103–411 accomplished no appreciable aviation safety purpose; and

Whereas, restrictions on the sharing of aviation resources imposed by P.L. 103–411 has resulted in reduced public safety and is poor fiscal and public policy; and

Whereas, the Airborne Law Enforcement Association, in cooperation with the International Association of Chiefs of Police, the National Sheriffs' Association and many other similar associations, supports legislation which would correct the deficiencies of P.L. 103–411; and

Whereas, Representative Elton Gallegly of California has sponsored a bill in Congress and that bill is H.R. 1521, the Public Services Aviation Act of 1997; and

Whereas, at its Annual Meeting on July 19, 1997, the ALEA general membership by unanimous vote authorized the Board of Directors to issue a Resolution in support of H.R. 1521: Therefore be it:

Resolved, That the Airborne Law Enforcement Association supports passage and enactment of H.R. 1521, the Public Services Aviation Act of 1997; and be it:

Resolved, That the Airborne Law Enforcement Association, failing passage and enactment of H.R. 1521, the Public Service Aviation Act of 1997, supports passage and enactment of legislation equivalent to H.R. 1521, the Public Services Aviation Act of 1997; and be it:

Resolved, That the Executive Director is authorized to transmit a copy of this resolution to all interested parties including, but not limited to, Members of the United States House of Representatives and Members of the United States Senate.

Resolution

Whereas, the National Sheriffs' Association has many members who manage public service aviation operations; and

Whereas, sheriffs' aviation operations are critical to their ability to provide life-saving service to their constituents; and

Whereas, in 1994 Congress passed and the President signed P.L. 103–411, which severely restricted sheriffs' ability to effectively utilize their aircraft in their mission; and

Whereas, the ostensible purpose for enactments of P.L. 103–411 was the promotion of aviation safety and P.L. 103–411 accomplishment no appreciable aviation safety purpose; and

Whereas, restrictions on the sharing of aviation resources result in reduced public safety, and are poor fiscal and public policy; and

Whereas, the National Sheriffs' Association at San Antonio, Texas passed resolution 1995-13 strongly opposing the Independent Safety Board Act of 1994, now designated P.L. 103-411; and

Whereas, the National Sheriffs' Association, in cooperation with the International Association of Chiefs of Police, the Airborne Law Enforcement Association, the National Association of State Foresters, the Western States Sheriffs' Association, and many other state sheriffs' associations, supports amendments to P.L. 103-411 to correct the law's deficiencies; and

Whereas, Representative Elton Gallegly of California has sponsored a bill in Congress and that bill is H.R. 1521, the Public Services Aviation Act of 1997; and therefore, be it

Resolved, That the National Sheriffs' Association supports passage and enactment of H.R. 1521, the Public Services Aviation Act of 1997 or its equivalent; and therefore, be it further

Resolved, That the NSA Executive Director or his designee be authorized to transmit a copy of this resolution to all interested parties including, but not limited to, Members of the United States House of Representatives and Members of the United States Senate.

FLORIDA SHERIFFS ASSOCIATION,
Tallahassee, FL, May 28, 1998.

Hon. BOB GRAHAM,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR GRAHAM: The purpose of this correspondence is to thank you for your support and personal involvement in correcting the problems created by the passage of Public Law 103-441. The correction of these problems will allow not only the Sheriffs of Florida, but also the Sheriffs across this Nation, to carry out their lawful duties and to utilize agency aircraft to better serve the public safety of our citizens.

Sheriff Tom Mylander, Hernando County, has requested that I forward to you the enclosed information concerning the utilization of aircraft as it relates to juvenile or gang related activities. This information was requested by a member of your staff.

Please let us know if there is anything further that we might do to assist you in your efforts.

Sincerely,
J.M. "BUDDY" PHILLIPS,
Executive Director.

SUPPORT OF PUBLIC SERVICES AVIATION ACT OF 1997

Whereas, air support is a vital component of police operations; and,

Whereas, hundreds of law enforcement agencies at the local, state and federal level operate aircraft; and,

Whereas, in 1994 the United States Congress passed and the President signed Public Law 103-411, which severely restricted law enforcement's ability to effectively utilize aircraft in legitimate law enforcement missions; and,

Whereas, the stated purpose of P.L. 103-411 was the promotion of aviation safety yet of P.L. 103-411 accomplished no appreciable gain in aviation safety; and,

Whereas, restrictions on the sharing of aviation resources imposed by P.L. 103-411 has resulted in reduced public safety and is poor fiscal and public policy; and,

Whereas, the National Sheriff's Association, Airborne Law Enforcement Association and many other associations representing public aircraft operators support legislation that would correct P.L. 103-411; and,

Whereas, H.R. 1521, the Public Services Aviation Act of 1997; is currently before Congress, and

Whereas, H.R. 1521 corrects the deficiencies of P.L. 103-411; now, therefore be it,

Resolved, That the International Association of Chiefs of Police supports the passage and enactment of H.R. 1521, the Public Services Aviation Act of 1997 or its equivalent; and be it further,

Resolved, That the Executive Director or his designee be authorized to transmit a copy of this resolution to all interested parties including, but not limited to, members of the United States House of Representatives and the United States Senate.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, the Senator from Florida has brought forward a very good amendment. It is our hope we could agree to it. At this time, because of the potential of a CBO scoring which could impact the underlying bill, it is impossible for us to do so. So our proposal would be we keep this on the list for a vote tomorrow morning, and if we have not gotten the proper response we are comfortable with from CBO, we can take the issue up at that time and try to resolve it at that point.

PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent that Ms. Laurie Zastrow and Ms. Diane Trewin of our office be granted the privilege of the floor for the duration of the consideration of the Commerce-State-Justice appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, the Senate-reported Commerce, Justice, State, and the Judiciary Appropriations bill, S. 2260, represents the excellent work of my distinguished colleague from New Hampshire, Subcommittee Chairman GREGG. It is a difficult task to balance the competing program requirements funded in this bill, and he and his staff are to be commended for their efforts to present a sound and equitable measure for the Senate's consideration.

When outlays from prior-year budget authority and other completed actions are taken into account, the bill totals $33.2 billion in budget authority and $31.8 billion in outlays for fiscal year 1999.

The bill is within the revised Senate Subcommittee's Section 302(b) allocation for both budget authority and outlays. It is $10 million in budget authority and $6 million in outlays below the 302(b) allocation. It is $1.4 billion in budget authority and $2.6 billion in outlays above the 1998 level.

I today submit a table displaying the Budget Committee scoring of this bill.

It is a pleasure serving on the Appropriations Subcommittee with Chairman GREGG. I appreciate the consideration he gave to issues I brought before the Subcommittee, as well as his attention to the many important programs contained in this bill.

I ask unanimous consent the table be printed in the RECORD.

There being no objection, the table was ordered to be pritned in the RECORD, as follows:

S. 2260, COMMERCE-JUSTICE APPROPRIATIONS, 1999—SPENDING COMPARISONS—SENATE-REPORTED BILL

(Fiscal Year 1999, $ millions)

	Defense	Nondefense	Crime	Mandatory	Total
Senate-Reported Bill:					
Budget authority	335	26,775	5,514	554	33.178
Outlays	320	26,285	4,688	555	31,848
Senate 302(b) allocation:					
Budget authority	335	26,775	5,524	554	33,188
Outlays	326	26,285	4,688	555	31,854
1998 level:					
Budget authority	265	25,725	5,225	522	31,737
Outlays	346	24,627	3,779	532	29,284
President's request:					
Budget authority	336	27,534	5,513	554	33,937
Outlays	331	27,030	4,590	555	32,506
House-passed bill:					
Budget authority	....	....	....	....	....
Outlays	....	....	....	....	....
SENATE-REPORTED BILL COMPARED TO:					
Senate 302(b) allocation:					
Budget authority	....	....	−10	....	−10
Outlays	−6	....	....	....	−6
1998 level:					
Budget authority	70	1,050	289	32	1,441
Outlays	−26	1,658	909	23	2,564

S. 2260, COMMERCE-JUSTICE APPROPRIATIONS, 1999—SPENDING COMPARISONS—SENATE-REPORTED BILL—Continued

(Fiscal Year 1999, $ millions)

	Defense	Non-defense	Crime	Mandatory	Total
President's request:					
Budget authority	−1	−759	1	....	−759
Outlays	−11	−745	98	....	−658
House-passed bill:					
Budget authority	335	26,775	5,514	554	33,178
Outlays	320	26,285	4,688	555	31,848

NOTE: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. GRAMS. Mr. President, I don't wish to interrupt the debate on this bill, but as no one desires to speak right now, I ask unanimous consent I be allowed to speak for up to 20 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMS. Thank you, Mr. President.

RETIREMENT SYSTEM: THE INTERNATIONAL EXPERIENCE

Mr. GRAMS. Mr. President, in my most recent statements before this Chamber about the Social Security system, I have taken time to discuss its history and the looming crisis, that it will shatter the retirement dreams of our hard-working Americans.

Mr. President, in my most recent statements before this chamber about the Social Security system, I discussed its history and the looming crisis that will shatter the retirement dreams of hard-working Americans. Tonight, I would like to discuss Social Security from a different perspective, by turning our focus away from the coming crisis to look at the steps other nations have taken to improve their own retirement systems. I realize that it may be hard to look outside ourselves for possible solutions to the problems our Social Security system is facing—after all, we are a nation that is typically at the forefront of innovation. But if we set aside our pride, we can learn volumes about the viable international options before us.

Retirement security programs throughout the world will face a serious challenge in the 21st century due to a massive demographic change that is now taking place. The World Bank recently warned that, across the globe, "old-age systems are in serious financial trouble and are not sustainable in their present form." Europe, Japan, and the U.S. share the identical problem of postwar demographic shifts that cannot sustain massively expensive social welfare programs. How to meet this challenge is critical to providing retirement security while maintaining sustainable, global, economic growth.

The crisis awaiting our Social Security system is nearly as serious as that faced by the European Union and Japan. What is equally serious is that, while many other countries have moved far ahead of us in taking steps to reform their old-age retirement systems, Congress has yet to focus on this problem. Some of the international efforts are extremely successful; those reforms may offer useful models as we explore solutions to our Social Security system.

Currently, there are three basic models being implemented abroad that deserve our attention. The "Latin American" model primarily follows Chile's experience. The Organization for Economic Cooperation and Development model, or "OECD," is underway in the United Kingdom, Australia, Switzerland, and Denmark. There is even a third model—the "Notional Account" model—that has been adopted in countries such as Sweden, Italy, Latvia, China, and is on the verge of adoption in Poland.

These models have differences, and the nations implementing them have differences as well—economic, political, and demographic. But they all share a common theme and were born out of the same fiscal crisis that is facing the United States within the next decade. Like the U.S., each of these countries has an aging population, and—before the reforms—had an inability to meet the future retirement needs of their workforce. So in an effort to avoid economic devastation for their people and their nation as a whole, they undertook various reforms that are proving to be a win-win for both current and future retirees.

How did they do it? And what lessons can we—as policy leaders—take from their experiences and apply here at home as we grapple with the shortcomings of our own retirement system? These are some of the questions I will address today in my remarks. The bottom line is that each nation faced the key challenges of taking care of those already retired or about to reach retirement age, ensuring that future retirees benefitted from the changes, and finding an affordable means of funding the transition from a pay-as-you-go government retirement system to a future financing mechanism.

Mr. President, I'll begin with the Latin American model and in particular, focus on Chile's experiences. Back in the late 1970s, Chile realized that its publicly financed pay-as-you-go retirement system would soon be unable to meet its retirement promises. After a national debate and extensive outreach, the Chilean government approved a law to fully replace its system with a system of personalized Pension Savings Accounts by 1980. Nearly two decades later, pensions in Chile are between 50 to 100 percent higher than they were under the old government system. Real wages have increased, personal savings rates have nearly tripled, and the economy has grown at a rate nearly double what it had prior to the change.

Under the Chilean plan, Pension Savings Accounts, or PSAs, were created to replace the old system and operate much like a mutual fund. Like the old government plan, PSAs were to provide workers with approximately 70 percent of their lifetime working income. That is where the similarities between Chile's old and improved retirement programs ends.

When Chile created the PSA system, the existing system of having workers and employers pay social security taxes to the government was completely eliminated. Instead, workers began to make a mandatory contribution in the amount of 10 percent of their income to their own PSA. The old employer taxes were then available to workers in the form of higher wages. Through this evolution from the old, hidden labor tax on workers to the new PSA system, workers saw real gross wages increase by five percent. Furthermore, it reduced the cost of labor—and the economy prospered.

Under the PSA system, a worker has great control over his or her retirement savings account. First, the worker has the ability to choose who will manage their fund from a pool of government-regulated companies known as "AFPs." This provides the worker with the ability to move between managers, while maintaining protections from serious losses resulting from undiversified risk portfolios, theft, or fraud. The resulting competition between AFPs results in lower fees for workers, higher returns averaging 12 percent annually, and better service—something that rarely occurs with government plans.

Second, each worker is empowered to ensure the level of retirement income they desire. Armed with a passbook and account statements, these workers have the information necessary to follow their earnings growth and decide how to adjust their tax-free voluntary contributions in order to yield a specific annual income upon their retirement. For example, the Chilean system was established to provide an annual income equivalent to 70 percent of lifetime income. However, under the PSA system, income is averaging 78 percent.

Third, workers can choose from two payout options upon retirement. A worker can leave his or her funds in the PSA and take programmed withdrawals from the account with the only limitation based upon projected lifetime expectancy. Should the retiree die prior to exhausting the PSA fund, any excess amount is transferred to his or her estate. The other scenario allows a worker to use the PSA funds to purchase an annuity from a private insurance company. These annuities guarantee a monthly income as well, and is indexed for inflation. In the event of death, survivor benefits are provided to the workers' dependents. They build an estate for their heirs.

And finally, PSA accounts are not automatically forfeited to the government in the case of premature death or disability of a worker. Under the Chilean system, the fund managers provide an insurance protection through private insurance companies. The fee is in addition to the 10 percent mandatory savings contribution, and ensures the PSA funds are not lost should a worker not reach full retirement age.

Personal accounts have brought personal freedom to Chile's retirement system. Today, more than 93 percent of the workforce participates in the PSAs, which boast an accumulated investment fund of $30 billion. This is remarkable when you consider Chile is a developing nation of 14 million people with a GDP of $70 billion. Chile's success has paved the way for other Latin American countries such as Argentina, Peru, and Columbia and has sparked the momentum for reform in Mexico, Bolivia, and El Salvador.

While individual accounts are proving successful in Latin America, the OECD model utilizes a "group" choice approach as a key element. Rather than allowing an individual to choose his or her own fund manager, the employer or union trustee chooses for the company or occupational group as a whole. This approach most likely developed from the fact that these reforms were politically easier to "add-on" to the existing government pay-as-you-go pension tier. Furthermore, reform leaders worked closely with union leaders when they began to implement the next tier of private plans, and then moved the reform sector by sector.

The movement began during the 1980s in the United Kingdom. Since the end of World War II, the British had a basic, flat rate, non-means tested government pension for all who paid into the national insurance plan. By the 1970s, a new tier was added to bridge a gap between those covered by private pensions and those without them. This State Earnings Related Pension Scheme, or SERPS, promised—in exchange for a payroll tax—an earnings-based pension of 25 percent of the best 20 years of earnings, in addition to the Basic State Pension.

However, like other nations, the government pension plan was facing bankruptcy and reform was critical to the future security of its workers and of the nation as a whole. Under the leadership of Social Security Secretary Peter Lilley, the British system evolved and began to enable individuals to choose the option of a new, self-financing private pension plan.

Under the British plan, current retirees were protected, but current workers were given a choice of pension plans. Those workers had the option of either staying in the SERPS program or contracting out to a private fund. If a worker chose to remain within SERPS, they would receive a reduced pension amounting to 20 percent of their best 20 years of earnings. However, if a worker contracted out of the SERPS, they were given the opportunity to participate in an occupational pension plan, and were eventually allowed to take part in a new private, portable pension plan much like a 401(k).

To pay for the plan, a worker who chooses to contract out receives a rebate equivalent to a portion of their payroll taxes. This rebate amounts to about 4.6 percent of earnings and must be invested in an approved plan. Additional contributions can be made—tax free—by employers and employees up to a combined total limit of 17.5 percent of the individual's income. As a safety net, companies are required to guarantee that workers who contract out will receive a pension at least equivalent to what they would have under SERPS, and are limited as to the amount that can be invested in the employer's own company.

To address changing workforce trends and not hold workers captive to employer plans, the British government created the "appropriate personal pension," or APP, plan which would be available to workers, as well as to the self-employed or unemployed. These fully portable plans are much like the employer plans, funded by the 4.6 percent rebate in payroll taxes, and are an alternative to the occupational plan or the SERPS. As an incentive, the British government offered an additional "payroll tax rebate" above the standard rebate during the APPs infancy. This made these fully portable APPs attractive options for younger workers.

While there are many safeguards—including the ability for former SERPS workers to opt back into the government-run program—the success of the English system has been overwhelming. When the transformation began, analysts expected a participation rate of a half million workers, growing to 1.75 million over time. Today, nearly 73 percent of the workforce participates in private plans, boasting a total pool worth more than $1 trillion. The resulting economic growth and ability to control entitlement spending has analysts predicting the United Kingdom will pay off its national debt by 2030. In case any of my colleagues have forgotten, that is about the same time our Social Security trust fund is anticipated to go bankrupt.

Similarly, Australia has found much success in transforming its government pay-as-you-go pension plan to a more self-directed plan. By the 1980s, its existing retirement plan offered a full pension for all Australians over age 69, although most qualified to begin drawing benefits by age 60 for women and 65 for men. Like its international neighbors, Australia was facing a future financial situation that threatened worker retirement security and Australia's standing in the global economy.

As Australia began to review its options, three goals emerged. Whatever changes were made, the new system had to provide more benefits for future retirees than they would receive under the current plan; it had to increase national savings, and any new plan had to reduce budgetary pressures facing the system. By the mid-1980s, the Australian government instituted a mandatory savings plan called "superannuation funds." In 1992, the program matured into a new Superannuation Guarantee that is still a work in progress.

During the transformation process, the Australian government took key steps to change its course. First, it strengthened the income means-testing for the old age pension. In doing so, the government also added an asset test in the calculations process. This was critical since the dependence on Social Security had contributed to the decline in national savings. Second, the government made the new superannuation savings portable, and instituted a penalty for withdrawals before age 55. This provided new incentives for savings since workers could take their funds with them, and disincentives for spending one's nest egg prior to retirement. Third, the government took steps to build union investment into the savings program. Rather than giving workers wage increases, negotiators reached an agreement to provide a 3-percent contribution into a superannuation fund for all employees and called for such guarantees to be built into all future labor contracts. Fourth, the government expanded coverage of the superannuation fund to virtually all workers, and every employer is required to contribute a set amount to the fund on the employees' behalf. The required amount is currently 3 percent and will grow to 9 percent by 2002.

Since the beginning of the Australian reform, additional changes have occurred. Today, workers have more choices between which superannuation fund their mandatory savings can be invested in. Additional tax relief has been provided for voluntary savings, but savings are not tax-free when invested. As Australia reviews its overall tax structure, however, there have been discussions about making contributions tax-free and deferring taxation until the funds are withdrawn. Another key issue was the total elimination of early withdrawal. Because a retirement safety net remains in place, the goal here was to eliminate a worker from "double dipping"—collecting from the savings fund, then coming back to the government for a pension at age 65.

The Australian reforms are considered a successful example of the OECD model. And as more initiatives are implemented, it will likely continue to prove profitable for future retirees "down under."

The final example I would like to touch upon is the "notional account" model—like the system in Sweden. Under this plan, workers receive a passbook that reflects their defined contributions and the interest being accumulated over time, but there are no real assets in the account. The fund is just a "notion" of what it would be if it were funded. In some respects, it might be compared to the Personal Earnings Benefit Statements U.S. workers receive from the Social Security Administration. The up-side is there is no transition cost for a nation to move from a government-run, pay-as-you-go system to a notional pay-as-you-go system. The downside is that the funds remain at risk, as do future retirees. The bottom line here is that reforms have to be real if we are going to see any long-term benefit for workers.

Mr. President, it is clear that whatever the specifics, reforms are being implemented abroad that are proving to be a great success for both today's retirees and tomorrow's. I hope we have learned that we are not operating in a vacuum here—that there are real models out there for us to review and consider.

For the United States to be successful in the reforms it undertakes to ensure retirement security, there are four key principles we must uphold. First, we must protect all current and near-term retirees. Our government made a promise to them, and we must ensure any transformation we pursue does not impact the decisions they have made for their golden years.

Second, we must ensure that any proposal holds the promise of improved benefits—and greater retirement security—for future retirees.

Today's younger generations have every right to be skeptical about government promises to revamp a system they expect to go bankrupt. They need to know there is a solution that provides retirement security for them.

Third, any proposal should encourage personal choice by allowing individuals to establish personal retirement accounts.

Fourth, the government must not turn to tax increases to fund our pursuit of retirement security.

Finally, we must recognize that any change will require courage. We must admit to ourselves we have a system that is fine today but is a time bomb waiting to explode. The decisions ahead will not be easy; if they were, they would have been made already. But the debate must begin somewhere.

On August 14, this nation will recognize the 63rd anniversary of Congress' approval of the Social Security system. It is my hope that we will mark the occasion by engaging in a national debate over how we can transform our ailing system into a vibrant retirement program for generations to come.

I thank the Chair. I yield the floor.

Mr. GREGG. Mr. President, even though it has nothing to do with this bill, I would like to congratulate the Senator from Minnesota for his truly superb analysis of the Social Security issue and especially the information he brings to this Senate relative to other countries that have pursued reform of their pension programs.

There is no question but if there is a single issue of fiscal policy which most threatens this country's economic well-being in the future and, as a result, threatens our well-being today, it is the Social Security crisis. That occurs as a function of demographics; beginning in the year 2008, the Social Security system in this country pays more out than it is taking in. It begins that cost expansion dramatically as it moves into the period 2015, and by the year 2029–2030 the system is bankrupt and the Nation is unable to afford the costs of it.

It is absolutely essential that we guarantee our children and the postwar baby-boom generation which is about to go into the system a chance to have a viable Social Security system.

Some of the ideas the Senator from Minnesota has outlined are excellent approaches to this. I congratulate him, obviously, for the intensity of thought and energy he has put into this issue. I hope he will take an opportunity to review a bill which I have cosponsored along with Senator BREAUX from Louisiana to try to address this, which bill provides long-term solvency for the next 100 years. I include some of the ideas outlined by the Senator from Minnesota.

In any event, the thoughts of the Senator from Minnesota were extremely insightful and very appropriate, and I hope people have a chance to read them and review them as we go forward.

I yield the floor.

MORNING BUSINESS

Mr. GREGG. Mr. President, I ask unanimous consent that there now be a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM, Mr. GRASSLEY, and Mr. BAUCUS, pertaining to the introduction of S. 2339 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

SENATOR JEFF SESSIONS RECEIVES GOLDEN GAVEL AWARD

Mr. LOTT. Mr. President, today, the Senate pauses to recognize Senator JEFF SESSIONS, who has now presided over the Senate for one hundred hours during the 105th Congress. It is a long-standing tradition in the U.S. Senate to award these members with the golden gavel.

Since the 1960's, the golden gavel has served to mark a Senator's 100th presiding hour and continues to represent our appreciation for the time that these dedicated members contribute to presiding over the U.S. Senate—a very important duty.

With respect to presiding, Senator SESSIONS and his conscientious staff have worked to assist with presiding difficulties when scheduling difficulties arose.

It is with sincere appreciation that I announce to the Senate the latest recipient of the Golden Gavel Award—Senator JEFF SESSIONS.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, July 20, 1998, the federal debt stood at $5,532,950,037,759.42 (Five trillion, five hundred thirty-two billion, nine hundred fifty million, thirty-seven thousand, seven hundred fifty-nine dollars and forty-two cents).

Five years ago, July 20, 1993, the federal debt stood at $4,335,448,000,000 (Four trillion, three hundred thirty-five billion, four hundred forty-eight million).

Ten years ago, July 20, 1988, the federal debt stood at $2,553,113,000,000 (Two trillion, five hundred fifty-three billion, one hundred thirteen million).

Fifteen years ago, July 20, 1983, the federal debt stood at $1,329,282,000,000 (One trillion, three hundred twenty-nine billion, two hundred eighty-two million).

Twenty-five years ago, July 20, 1973, the federal debt stood at $455,844,000,000 (Four hundred fifty-five billion, eight hundred forty-four million) which reflects a debt increase of more than $5 trillion—$5,077,106,037,759.42 (Five trillion, seventy-seven billion, one hundred six million, thirty-seven thousand, seven hundred fifty-nine dollars and forty-two cents) during the past 25 years.

HONORING BRUCE ABSHEER

Mr. ASHCROFT. Mr. President, I rise today to commend Bruce Absheer for his lifetime service to the Federal Bureau of Alcohol, Tobacco, and Firearms (ATF) in St. Louis, Missouri. On July 4, 1998, Mr. Absheer retired as ATF Inspector from the St. Louis Office of the Bureau, ending 31 years of dedicated service as a federal employee.

Mr. Absheer began his career with the Federal Bureau of Alcohol, Tobacco, and Firearms on May 1, 1967. During his long tenure as an Inspector, Bruce conducted on-site alcohol, tobacco, firearms, and explosives inspections of these regulated industries. The inspections included examinations, analysis, and reports on operations to evaluate compliance with the applicable laws and regulations.

Through his work, Mr. Absheer represented ATF with integrity, loyalty, and professionalism. His commitment to excellence earned him the ATF Employee of the Year for the Midwest region in 1987, setting new standards.

As our nation looks to individuals to become more active in the workforce, I commend Bruce Absheer for his outstanding performance and service and thank him for his dedication to America. We wish him the very best as he moves on to face new challenges, opportunities, and rewards.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting two withdrawals and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT CONCERNING THE NATIONAL EMERGENCY WITH RESPECT TO TERRORISTS WHO THREATEN THE MIDDLE EAST PEACE PROCESS—MESSAGE FROM THE PRESIDENT—PM 146

The **PRESIDING OFFICER** laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

I hereby report to the Congress on the developments concerning the national emergency with respect to terrorists who threaten to disrupt the Middle East peace process that was declared in Executive Order 12947 of January 23, 1995. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c).

1. On January 23, 1995, I signed Executive Order 12947, "Prohibiting Transactions with Terrorists Who Threaten To Disrupt the Middle East Peace Process" (the "Order") (60 Fed. Reg. 5079, January 25, 1995). The Order blocks all property subject to U.S. jurisdiction in which there is any interest of 12 terrorists organizations that threaten the Middle East peace process as identified in an Annex to the Order. The Order also blocks the property and interests in property subject to U.S. jurisdiction of persons designated by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, who are found (1) to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process, or (2) to assist in, sponsor, or provide financial, material, or technological support for, or services in support of, such acts of violence. In addition, the Order blocks all property and interests in property subject to U.S. jurisdiction in which there is any interest of persons determined by the Secretary of the Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any other person designated pursuant to the Order (collectively "Specially Designated Terrorists" or "SDTs").

The Order further prohibits any transaction or dealing by a United States person or within the United States in property or interests in property of SDTs, including the making or receiving of any contribution of funds, goods, or services to or for the benefit of such persons. This prohibition includes donations that are intended to relieve human suffering.

Designations of persons blocked pursuant to the Order are effective upon the date of determination by the Secretary of State or her delegate, or the Director of the Office of Foreign Assets Control (OFAC) acting under authority delegated by the Secretary of the Treasury. Public notice of blocking is effective upon the date of filing with the FEDERAL REGISTER, or upon prior actual notice.

Because terrorist activities continue to threaten the Middle East peace process and vital interests of the United States in the Middle East, on January 21, 1998, I continued for another year the national emergency declared on January 23, 1995, and the measures that took effect on January 24, 1995, to deal with that emergency. This action was taken in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)).

2. On January 25, 1995, the Department of the Treasury issued a notice listing persons blocked pursuant to Executive Order 12947 who have been designated by the President as terrorist organizations threatening the Middle East peace process or who have been found to be owned or controlled by, or to be acting for or on behalf of, these terrorist organizations (60 *Fed. Reg.* 5084, January 25, 1995). The notice identified 31 entities that act for or on behalf of the 12 Middle East terrorist organizations listed in the Annex to Executive Order 12947, as well as 18 individuals who are leaders or representatives of these groups. In addition, the notice provided 9 name variations or pseudonyms used by the 18 individuals identified. The list identifies blocked persons who have been found to have committed, or to pose a significant risk of committing, acts of violence that have the purpose or effect of disrupting the Middle East peace process or to have assisted in, sponsored, or provided financial, material or technological support for, or services in support of, such acts of violence, or are owned or controlled by, or act for or on behalf of other blocked persons. The Department of the Treasury issued three additional notices adding the names of three individuals, as well as their pseudonyms, to the List of SDTs (60 *Fed. Reg.* 41152, August 11, 1995; 60 *Fed. Reg.* 44932, August 29, 1995; and 60 *Fed. Reg.* 58435, November 27, 1995).

3. On February 2, 1996, OFAC issued the Terrorism Sanctions Regulations (the "TSRs" or the "Regulations") (61 *Fed. Reg.* 3805, February 2, 1996). The TSRs implement the President's declaration of a national emergency and imposition of sanctions against certain persons whose acts of violence have the purpose or effect of disrupting the Middle East peace process. There have been no amendments to the TSRs, 21 C.F.R. Part 595, administered by the Office of Foreign Assets Control of the Department of the Treasury, since my report of January 28, 1998.

4. Since January 25, 1995, OFAC has issued six licenses pursuant to the Regulations. These licenses authorize payment of legal expenses and the disbursement of funds for normal expenditures for the maintenance of family members, the employment and payment of salary and educational expenses, payment for secure storage of tangible assets, and payment of certain administrative transactions, to or for individuals designated pursuant to Executive Order 12947.

5. The expenses incurred by the Federal Government in the 6-month period from January 23 through July 22, 1998, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to organizations that disrupt the Middle East peace process, are estimated at approximately $165,000. These data do not reflect certain costs of operations by the intelligence and law enforcement communities.

6. Executive Order 12947 provides this Administration with a tool for combating fundraising in this country on behalf of organizations that use terror to undermine the Middle East peace process. The Order makes it harder for such groups to finance these criminal activities by cutting off their access to sources of support in the United States and to U.S. financial facilities. It is also intended to reach charitable contributions to designated organizations and individuals to preclude diversion of such donations to terrorist activities.

Executive Order 12947 demonstrates the determination of the United States to confront and combat those who would seek to destroy the Middle East peace process, and our commitment to the global fight against terrorism. I shall continue to exercise the powers at my disposal to apply economic sanctions against extremists seeking to destroy the hopes of peaceful coexistence between Arabs and Israelis as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 21, 1998.*

MESSAGES FROM THE HOUSE

At 12:25 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 8. An act to amend the Clean Air Act to deny entry into the United States of certain foreign motor vehicles that do not comply with State laws governing motor vehicle emissions, and for other purposes.

H.R. 3249. An act to provide for the rectification of certain retirement coverage errors affecting Federal employees, and for other purposes.

H.R. 3874. An act to amend the National School Lunch Act and the Child Nutrition Act of 1996 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to extend certain authorities contained in those acts through fiscal year 2003, and for other purposes.

H.R. 4058. An act to amend title 49, United States Code, to extend the aviation insurance program, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 208. Concurrent resolution expressing the sense of Congress regarding access to affordable housing and expansion of homeownership opportunities.

H. Con. Res. 298. Concurrent resolution expressing deepest condolences to the State and people of Florida for the losses as a result of the wild land fires occurring in June and July 1998, expressing support to the State and people of Florida as they overcome the effects of the fires, and commending the heroic efforts of firefighters from across the Nation in battling the fires.

H. Con. Res. 301. Affirming the United States commitment to Taiwan.

The message further announced that the House has passed the following bill, without amendment:

S. 2316. An act to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 1853) to amend the Carl D. Perkins Vocational and Applied Technology Education Act, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House for the consideration of the House bill and Senate amendment, and modifications committed to conference: Mr. GOODLING, and Mr. MCKEON, Mr. RIGGS, Mr. PETERSON of Pennsylvania, Mr. SAM JOHNSON of Texas, Mr. CLAY, Mr. MARTINEZ, and Mr. KILDEE.

ENROLLED BILLS SIGNED

At 2:22 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 318. An act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purpose.

S. 2316. An act to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

H.R. 1439. An act to facilitate the sale of certain land in Tahoe National Forest in the State of Colorado to Placer County, California.

H.R. 1460. An act to allow for the election of the Delegate from Guam by other than separate ballot, and for other purposes.

H.R. 1779. An act to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing certain improvements.

H.R. 2165. An act to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 3862 in the State of Iowa, and for other purposes.

H.R. 2217. An act to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 9248 in the State of Colorado, and for other purposes.

H.R. 2676. An act to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes.

H.R. 28841. An act to extend the time required for the construction of a hydroelectric project.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 8. An act to amend the Clean Air Act to deny entry into the United States of certain foreign motor vehicles that do not comply with State laws governing motor vehicle emissions, and for other purposes; to the Committee on Environment and Public Works.

H.R. 3249. An act to provide for the rectification of certain retirement coverage errors affecting Federal employees, and for other purposes; to the Committee on Finance.

H.R. 4058. An act to amend title 49, United States Code, to extend the aviation insurance program, and for other purposes; to the Committee on Commerce, Science, and Transportation.

The following concurrent resolutions were read and referred as indicated:

H. Con. Res. 208. Concurrent resolution expressing the sense of Congress regarding access to affordable housing and expansion of homeownership opportunities; to the Committee on Banking, Housing, and Urban Affairs.

H. Con. Res. 298. Concurrent resolution expressing deepest condolences to the State and people of Florida for the losses as a result of the wild land fires occurring in June and July 1998, expressing support to the State and people of Florida as they overcome the effects of the fires, and commending the heroic efforts of firefighters from across the Nation in battling the fires; to the Committee on Environment and Public Works.

H. Con. Res. 301. Affirming the United States commitment to Taiwan; to the Committee on Foreign Relations.

Pursuant to the order of July 21, 1998, the following bill was referred to the Committee on Finance for a period not to extend beyond July 30, 1998:

S. 442. A bill to establish a national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second time, and placed on the calendar:

H.R. 3874. An act to amend the National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to extend certain authorities contained in those Acts through fiscal year 2003, and for other purposes.

The following bill was read the second time, and placed on the calendar:

H.R. 1432. An act to authorize a new trade and investment policy for sub-Saharan Africa.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on July 21, 1998, he presented to the President of the United States the following enrolled bills:

S. 318. An act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes.

S. 2316. An act to require the Secretary of Energy to submit to Congress a plan to ensure that all amounts accrued on the books of the United States Enrichment Corporation for the disposition of depleted uranium hexafluoride will be used to treat and recycle depleted uranium hexafluoride.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

Report to accompany the bill (S. 1301) to amend title 11, United States Code, to provide for consumer bankruptcy protection, and for other purposes (Rept. No. 105–253).

By Mr. FAIRCLOTH, from the Committee on Appropriations, without amendment:

S. 2333: An original bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1999, and for other purposes (Rept. No. 105–254).

By Mr. McCONNELL, from the Committee on Appropriations, without amendment:

S. 2334: An original bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1999, and for other purposes (Rept. No. 105–255).

By Mr. JEFFORDS, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 2206: A bill to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes (Rept. No. 105–256).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with amendments:

H.R. 1836: A bill to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes (Rept. No. 105–257).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. FAIRCLOTH:

S. 2332. A bill to limit the ability of prisoners to challenge prison conditions; to the Committee on the Judiciary.

S. 2333. An original bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1999, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. McCONNELL:

S. 2334. An original bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1999, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. HARKIN (for himself and Mr. Hollings):

S. 2335. A bill to amend title XVIII of the Social Security Act to improve efforts to combat medicare fraud, waste, and abuse; to the Committee on Finance.

By Mr. SANTORUM (for himself and Mr. Specter):

S. 2336. A bill to amend chapter 5 of title 28, United States Code, to transfer Schuylkill County, Pennsylvania, from the Eastern Judicial District of Pennsylvania to the Middle Judicial District of Pennsylvania; to the Committee on the Judiciary.

By Mr. SMITH of Oregon (for himself, Mr. Wyden, Mr. Craig, Mr. Graham, Mr. Gorton, Mr. Bumpers, Mr. Hatch, Mr. McConnell, and Mr. Mack):

S. 2337. A bill to establish a system of registries of temporary agricultural workers to provide for a sufficient supply of such workers and to amend the Immigration and Nationality Act to streamline procedures for the admission and extension of stay of nonimmigrant agricultural workers, and for other purposes; to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself, Mr. D'Amato, and Mr. Specter):

S. 2338. A bill to amend the Harmonized Tariff Schedule of the United States to provide for equitable duty treatment for certain wool used in making suits; to the Committee on Finance.

By Mr. GRAHAM (for himself, Mr. Grassley, Mr. Baucus, Mr. Hatch, Mr. Breaux, Mr. Jeffords, and Mr. Kerry):

S. 2339. A bill to provide for pension reform, and for other purposes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FAIRCLOTH:

S. 2332. A bill to limit the ability of prisoners to challenge prison conditions; to the Committee on the Judiciary.

CRIME DOESN'T PAY PRISON ACT

• Mr. FAIRCLOTH. Mr. President, today I am introducing the Crime Doesn't Pay Prison Act, a bill to curb the flood of frivolous prisoner lawsuits over prison conditions.

The primary purpose of this act is to articulate an objective national standard for measuring the minimum decency of prison conditions. The Constitution does not dictate a minimum standard of living for inmates, much less an enjoyable comfortable level of living. This should be Congress' job.

In addition to the initial goal of a national prison standard, this bill has other purposes. It would ensure that State governments are required to spend only that amount necessary to achieve the minimum standard for conditions of confinement mandated by the Constitution. It would further ensure that the Federal courts require only that prison conditions do not constitute the unnecessary infliction of pain or neglect upon inmates, such that they are deprived of the minimum civilized measure of life's basic necessities.

Absent a national standard, convicted criminals enjoy a standard of living higher than that of the law-abiding, working poor. According to the federal government, the standard of living for the law-abiding poor is $8,000 a year. Yet for a convicted criminal, the average expenditure per prisoner amounts to an unbelievably high $23,000 a year.

Absent a national standard, the standard of living in prison will continue to escalate. Since 1960, the average total state expenditure per inmate has increased almost twice as fast as median income, and more than twice as fast as the poverty threshold. This is unacceptable.

Many unnecessary amenities, such as regulation softball fields, video games, and premium pay cable channels are provided to criminals, contribute to the increasing standard of living in prisons. Other amenities include expensive musical instruments for traveling "choirs," not to mention martial arts training and boxing. Perhaps here is a primary cause of prison violence. How can one counter the violence if taxpayers' dollars are being spent on the very classes which teach and encourage it?

Absent a national standard, criminals will continue to fight for their "right" to amenities in prison, claiming that denial of same "violates" their Eighth Amendment right against "cruel and unusual punishment." Any violation of our Bill of Rights is, most assuredly, a vital concern and should not be tolerated.

Nor, however, should frivolous claims which do nothing but clog our court systems and deny our citizens speedy access to justice for legitimate cases. Several actual cases demonstrate this. One includes a Utah criminal who claimed that his Eighth Amendment rights were violated when he was provided with Converse tennis shoes, rather than L.A. Gear or Reebok. Another case dealt with an Arkansas criminal who was appalled that he was given paper napkins during meals instead of cloth napkins. Yet another ludicrous example involves a Missouri criminal, who claimed cruel and unusual punishment when he was not provided with salad bars or brunches on weekends. This is absolutely preposterous.

The benefits of this "Crime Doesn't Pay Prison" Act are extensive. As of right now, 25% of the state and federal courts' civil dockets are comprised of inmate challenges to conditions of confinement. This bill would reduce this number considerably. It also frees state Attorneys General to pursue litigation on behalf of the citizenry.

The bill would drastically reduce the increasing cost of incarceration, allowing the money saved thereby to be used instead for the expansion of existing prisons.

It puts an end to the injustice of convicted criminals enjoying a higher standard of living, by mere virtue of their imprisonment, than the law-abiding working poor.

In addition to giving the prison administrators the flexibility to find that medium of good order and discipline within the prisons, perhaps most importantly, this bill would demonstrate to prisoners that criminal behavior will not be rewarded with luxuries beyond the reach of law-abiding, poor Americans.

I strongly urge my colleagues to support this bill.•

By Mr. HARKIN (for himself and Mr. HOLLINGS):

S. 2335. A bill to amend title XVIII of the Social Security Act to improve efforts to combat Medicare fraud, waste, and abuse; to the Committee on Finance.

MEDICARE WASTE TAX REDUCTION ACT OF 1998

• Mr. HARKIN. Mr. President, today I am introducing with my colleague from South Carolina, Senator HOLLINGS, an important piece of legislation that will help to protect and preserve Medicare. The bill is entitled the Medicare Waste Tax Reduction Act of 1998.

For nearly ten years now, I have worked to combat fraud, waste and abuse in the Medicare program. As Chairman and now Ranking Member of the Senate Appropriations Subcommittee with oversight of the administration of Medicare, I've held hearing after hearing and released report after report documenting the extent of this problem. While virtually no one was paying attention to our effort for many years, we've succeeded in bringing greater attention and focus to this problem in the past several years.

Part of our effort has been to try to quantify the scope of the problem. Several years ago, the General Accounting Office reported that up to 10 percent of Medicare funds could be lost to fraud, waste and abuse each year.

Many questioned that estimate as too large. They said the problem existed, but it wasn't nearly as big as 10 percent. Then, as you know, last year the Inspector General conducted the first-ever detailed audit of Medicare payments. That Chief Financial Officer Act audit found that fully 14 percent of Medicare payments in 1996, or $23 billion, had been made improperly.

That's a $23 billion "waste tax" on the American people. And the purpose of today's summit to figure out the best way to cut that tax. So, how do you cut this tax? I know there are no "magic-wand" solutions—this is a complex problem with many components. But basically, you need four things: well thought out laws, adequate resources, effective implementation and the help of seniors and health providers. We've made progress on each of these fronts over the last couple of years, but much more remains to be done.

First, the reforms embodied in the Health Insurance Portability Act and the Balanced Budget Act must be effectively implemented. Effective implementation of these new reforms are vital and must be given high priority. And, Medicare, the Inspector General and the Justice Department must continue to aggressively use new authority to crack down on Medicare fraud.

The Medicare Waste Tax Reduction Act I am introducing today will take a number of important steps to stop the ravaging of Medicare.

This Bill for example, would direct HCFA to double and better target audits and reviews to detect and discourage mispayments. Currently only a tiny fraction of Medicare claims are reviewed before being paid and less than 2 percent of providers receive a comprehensive audit annually. We must have the ability to separate needed care from bill padding and abuse.

It would also require Medicare to aggressively use it's newly improved "inherent reasonableness" authority. It is vitally important that Medicare carriers be held accountable for their performance in protecting the program from abuse. Preventing abuse and other inappropriate payments should be the most important performance criteria these entities are measured by.

Our bill would also expand the Medicare Senior Waste Patrol Nationwide. Seniors are our front line of defense against Medicare fraud, waste and abuse. However, too often, seniors don't have the information they need to detect and report suspected mistakes and fraud. By moving the Waste Patrol nationwide, implementing important BBA provisions and assuring seniors have access to itemized bills we will strike an important blow to Medicare waste.

The bill would also give Medicare the authority to be a more prudent purchaser. As passed by the Senate, the Balanced Budget Act gave Medicare the authority to quickly reduce Part B payment rates (except those made for physician services) it finds to be grossly excessive when compared to rates paid by other government programs and the private sector. In conference, the provision was limited to reductions of no more than 15 percent. This bill would restore the original Senate language. In addition, to assure that Medicare gets the price it deserves given its status as by far the largest purchaser of medical supplies and equipment, Medicare would pay no more than any other government program for these items. Finally, overpayments for prescription drugs and biologicals would be eliminated by lowering Medicare's rate to the lowest of either the actual acquisition cost or 95% of the wholesale cost.

The Medicare Waste Tax reduction Act of 1998 would also ensure that Medicare does not pay for claims owed by other plans. Too often, Medicare pays claims that are owed by private insurers because it has know way of knowing a beneficiary is working and has private insurance that should pay first. This provision would reduce Medicare losses by requiring insurers to report any Medicare beneficiaries they insure. Also, Medicare would be given the authority to recover double the amount owed by insurers who purposely let Medicare pay claims they should have paid.

Additionally, coordination between Medicare and private insurers would be strengthened. Often, those ripping off Medicare are also defrauding private health plans. Yet, too little information on fraud cases is shared between Medicare and private plans. In order to encourage better coordination, health plans and their employees could not be held liable for sharing information with Medicare regarding health care fraud as long as the information is not false, or the person providing the information had no reason to believe the information was false.

Another critical component of any successful comprehensive plan to cut the Medicare waste tax is to focus on prevention. Most of our efforts now look at finding and correcting the problem after they occur. While this is important and we need to do even more of it, we all know that prevention is much more cost effective. The old adage "A stitch in time saves nine" was never more true. A major component of an enhanced prevention effort would be the provision of increased assistance and education for providers to comply with Medicare rules.

A good deal of the mis-payments made by Medicare are the result not of fraud or abuse, but of simple misunderstanding of Medicare billing rules by providers. Therefore, this bill provides $10 million a year to fund a major expansion of assistance and education for providers on program integrity requirements. This bill would also ensure the reduction of paperwork and administrative hassle that could prove daunting to providers. Health professionals have to spend too much time completing paperwork and dealing with administrative hassles associated with Medicare and private health plans. In order to reduce this hassle and provide more time for patient care, the Institute of Medicine would be charged with developing a comprehensive plan by no later than June 1, 1999. Their recommendations are to include the streamlining of variations between Medicare and other payers.

Mr. President, while we have made changes to medicare in attempts to extend its solvency thru the next decade, we urgently need to take other steps to protect and preserve the program for the long-term. We should enact the reforms in this bill to weed out waste, fraud and abuse as a first priority in this effort. I urge all my colleagues to review this proposal and hope that they will join me in working to pass it yet this year.

Mr. President, I also ask unanimous consent a summary of my bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

MEDICARE WASTE TAX REDUCTION ACT OF 1998—SUMMARY

Doubling and Better Targeting Audits and Reviews To Detect and Discourage Abuse. Only a tiny fraction of Medicare claims are reviewed before being paid and less than 2 percent of providers receive a comprehensive audit annually. In order to better detect mistakes and abuses and to provide a more significant deterrent to abuse, the number of medical, utilization and fraud reviews would be doubled. In addition, at least 15% of provider cost reports submitted by home health agencies, skilled nursing facilities and durable medical equipment would be subject to annual audits. The increased reviews would be targeted at services and providers most likely to be subject to abuse.

Expanding Medicare Senior Waste Patrol Nationwide—Seniors are our front line of defense against Medicare fraud, waste and abuse. However, too often, seniors don't have the information they need to detect and report suspected mistakes and fraud. A program to recruit and train retired nurses, doctors, accountants and others to serve as volunteer resources to meet this need at the local level was established as part of the FY 97 Labor-HHS appropriations bill. This 12 state program has proven successful and would be expanded nationwide.

Increased Assistance and Education for Providers to Comply with Medicare Rules—A good deal of the mispayments made by Medicare are the result not of fraud or abuse, but of simple misunderstanding of Medicare billing rules by providers. Therefore, this bill provides $10 million a year to fund a major expansion of assistance and education for providers on program integrity requirements.

Reducing Paperwork and Administrative Hassle for Providers—Health professionals have to spend too much time completing paperwork and dealing with administrative hassles associated with Medicare and private health plans. In order to reduce this hassle and provide more time for patient care, the Institute of Medicine would be charged with developing a comprehensive plan by no later than June 1, 1999. Their recommendations are to include the streamlining of variations between Medicare and other payers.

Making Medicare a More Prudent Purchaser—As passed by the Senate, the Balanced Budget Act gave Medicare the authority to quickly reduce Part B payment rates (except those made for physician services) it finds to be grossly excessive when compared to rates paid by other government programs and the private sector. In conference, the provision was limited to reductions of no more than 15 percent. This bill would restore the original Senate language. In addition, to assure that Medicare gets the price it deserves given its status as by far the largest purchaser of medical supplies and equipment, Medicare would pay no more than any other government program for these items. Finally, overpayments for prescription drugs and biologicals would be eliminated by lowering Medicare's rate to the lowest of either the actual acquisition cost or 95% of the wholesale cost.

Using State of the Art Private Sector Technology to Reduce Billing Errors and Abuse—The GAO and Medicare agree that taxpayers could save over $400 million a year simply by employing up to date computer software developed by the private sector to detect and stop billing errors and abuse. This bill would require Medicare to promptly employ private sector edits determined compatible with Medicare payment policy.

Improving Oversight of Home Health Agencies—Medicare oversight of home health care services would be strengthened. The Secretary would be required to conduct validation surveys of at least 5 percent of the agencies surveyed by every state. This would provide greater assurance that problem agencies are identified and help to reduce variation among states in inspection and enforcement.

Closing Loophole in Anti-Kickback Law for Managed Care—Provisions of HIPAA created a broadened exception from Medicare's anti-kickback rules for any arrangement where a medical provider is at "substantial financial risk" through "any risk arrangement." This broad exception may be serving as a loophole to get around important anti-kickback protections. It would be eliminated, returning to pre-HIPAA law.

Expanding Criminal Penalties For Kickbacks—Criminal penalties upon persons violating the federal anti-kickback provisions with respect to private health care benefit programs. It will also authorize the Attorney General to bring civil actions in U.S. District Courts to impose civil penalties and treble damages on violators. There will be no diminution of the existing authority of any agency of the U.S. Government to administer and enforce the criminal laws of the United States.

Extending Subpoena And Injunction Authority—Medicare's ability to gather evidence in fraud and abuse cases would be strengthened by extending the Secretary's testimonial subpoena power and injunctive authority for civil monetary penalties to other administrative sanctions such as exclusions from the program.

Stopping Abusive Billings for Services Ordered by Excluded Providers—While current law provides for penalties against billing for services directly rendered by a provider who has been excluded from Medicare for criminal or other serious violations, no such authority exists for services or items prescribed or ordered by these providers. This provision would close the loophole by establishing civil monetary penalties for anyone who knows or should know that they are submitting claims for services ordered or prescribed by an excluded provider.

Combating Abuse of Hospice and Partial Hospitalization Benefits—Recent reviews have identified significant waste and abuse in the new Medicare partial hospitalizatio benefit. Abuse would be deterred by making a number of reforms to this benefit and authorize the Secretary to begin a prospective payment system. A new civil monetary penalty against doctors who knowingly provide false certification that an individual meets Medicare requirements to receive these services would also be established. A similar provision already exists for false certification of home health services.

Protecting Medicare Against Bankruptcy Abuses—Under current law it is possible for providers to use bankruptcy as a shield against Medicare and Medicaid penalties and overpayment recoveries. This provision would protect Medicare in a number of ways, including: A provider would still be liable to refund overpayments and pay penalties and fines even if he or she filed for bankruptcy. If Medicare law and bankruptcy law conflict, Medicare law would prevail. Bankruptcy courts would not be able to re-adjudicate Medicare coverage or payment decisions.

Ensuring Medicare Does Not Pay for Claims Owed by Other Plans—Too often, Medicare pays claims that are owed by private insurers because it has no way of knowing a beneficiary is working and has private insurance that should pay first. This provision would reduce Medicare losses by requiring insurers to report any Medicare beneficiaries they insure. Also, Medicare would be given the authority to recover double the amount owed by insurers who purposely let Medicare pay claims they should have paid.

Improving Coordination with Private Sector in Combating Medicare Fraud—Often, those ripping off Medicare are also defrauding private health plans. Yet, too little information on fraud cases is shared between Medicare and private plans. In order to encourage better coordination, health plans and their employees could not be held liable for sharing information with Medicare regarding health care fraud as long as the information is not false, or the person providing the information had no reason to believe the information was false.

Self-Funding Plan for Medicare Provider and Supplier Agreements—In order to provide the resources necessary to stop bogus or unqualified providers from billing Medicare, the Secretary may impose fees for the initial and or renewal of provider agreements. This will allow for more on-site visits of those seeking provider numbers to assure that the provider or supplier actually exists and is legitimate.

Balanced Budget Act Technical Changes—Several technical changes to Balanced Budget Act provisions relating to health care fraud are made.●

By Mr. SANTORUM (for himself and Mr. SPECTER):

S. 2336. A bill to amend chapter 5 of title 28, United States Code, to transfer Schuylkill County, Pennsylvania, from the Eastern Judicial District of Pennsylvania to the Middle Judicial District of Pennsylvania; to the Committee on the Judiciary.

UNITED STATES DISTRICT COURT LEGISLATION

• Mr. SANTORUM. Mr. President, today I introduce legislation transferring Schuylkill County from the Eastern Judicial District of Pennsylvania to the Middle District. I am pleased to work on this needed effort with the senior Senator from Pennsylvania Senator SPECTER, who has signed on as an original cosponsor.

Many of the residents of Schuylkill County have voiced concern about the hardship they face in performing jury duty as they are often forced to travel as far as Philadelphia. Most of the counties adjacent to Schuylkill County are in the Middle District, where courtrooms are generally twice as close as those in Philadelphia. In addition, transferring Schuylkill County will help relieve the Eastern District of its much larger caseload.

Both the Chief Judge of the Eastern District, Edward Cahn, and of the Middle District, Sylvia Rambo, have raised no objections with this transfer. The Schuylkill County Bar Association, the Schuylkill County District Attorney, and numerous judges and attorneys have expressed strong support.

This legislation serves as a companion bill to H.R. 2123, a bill introduced by my esteemed colleague in the House of Representatives, Representative TIM HOLDEN, whose district includes Schuylkill County. Representative HOLDEN has worked diligently on passage of his bill for over a year, including a successful effort at incorporating its provisions into the Federal Courts Improvement Act of 1998, H.R. 2294, which passed the House on March 18, 1998. I congratulate my colleague on his success. Now, it is the responsibility of myself and Senator SPECTER to shepherd this legislation through the Senate.

I look forward to working with the Chairman of the Judiciary Committee, Senator HATCH, and the Ranking Member, Senator LEAHY, and the rest of my colleagues in securing passage of much needed legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2336

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TRANSFER OF COUNTY.

Section 118 of title 28, United States Code, is amended—

(1) in subsection (a) by striking "Philadelphia, and Schuylkill" and inserting "and Philadelphia"; and

(2) in subsection (b) by inserting "Schuylkill," after "Potter,".

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall take effect 180 days after the date of the enactment of this Act.

(b) PENDING CASES NOT AFFECTED.—This Act and the amendments made by this Act shall not affect any action commenced before the effective date of this Act and pending on such date in the United States District Court for the Eastern District of Pennsylvania.

(c) JURIES NOT AFFECTED.—This Act and the amendments made by this Act shall not affect the composition, or preclude the service, of any grand or petit jury summoned, impaneled, or actually serving on the effective date of this Act.•

By Mr. SMITH of Oregon (for himself, Mr. WYDEN, Mr. CRAIG, Mr. GRAHAM, Mr. GORTON, Mr. BUMPERS, Mr. HATCH, Mr. MCCONNELL, and Mr. MACK):

S. 2337. A bill to establish a system of registries of temporary agricultural workers to provide for a sufficient supply of such workers and to amend the Immigration and Nationality Act to streamline procedures for the admission and extension of stay of nonimmigrant agricultural workers, and for other purposes; to the Committee on the Judiciary.

AGRICULTURE JOB OPPORTUNITY BENEFITS AND SECURITY ACT OF 1998

Mr. CRAIG. Mr. President, today legislation is being introduced by my colleague from Oregon, GORDON SMITH, along with Senators WYDEN, GRAHAM of Florida, GORTON, BUMPERS, and MCCONNELL. This bill would deal with a situation that is a problem today and could well be a crisis tomorrow. The Senate now has an opportunity to do what our Federal Government does all too rarely, and that is fix a problem in a timely and commonsense fashion before it inflicts great hurt on millions of Americans.

Mr. President, I am talking about agricultural growers and their need for a stable, predictable, legal workforce that would receive good, fair, market-based compensation.

I am talking about unemployed workers and those hoping to move from welfare to work, who want and need to be matched up with agricultural jobs, if possible. American citizens should have first claim to American jobs. All workers would rather be working legally and know they can claim full legal protections only when their employment situation is open and lawful.

Farm employers need to be provided with a secure work force. Workers need to be assured of basic legal and labor standard protections.

These goals are not being met today. In fact, current federal law, and its bureaucratic implementation, are hurting growers and workers.

In fact, current Federal laws and their bureaucratic implementation are hurting both growers and workers. This is why I am pleased to join with my colleagues in the introduction of what we will call AgJOBS. This stands for the Agricultural Job Opportunity, Benefits and Security Act.

This bill will represent the culmination of work that has been going on for years amongst our colleagues, to resolve the issue of the necessary labor force for American agriculture. We have examined all of the issues involved with trying to ensure a supply of legal temporary and seasonal labor. We understand that that employers in many cases need guest workers and that employees, domestic and guest workers, need more and better jobs. We have looked at all sides. The result is a consensus bill that we think is nothing less than remarkable, and I commend my colleagues on this very important bipartisan effort.

The key elements of our bipartisan proposal would include the following: The creation of a new, voluntary, national registry of migrant farm workers to which growers can turn for workers they know are legal. If enough domestic workers could not be supplied through the registry, growers could apply for legal guest workers through an expedited, reformed H–2A program. The new program would resemble the current H–2A program, but it would have much, much faster turnaround, less red tape, and greater certainty for employers, continued protections for workers, and greater flexibility for employers, related to conditions of employment such as housing, transportation, and market-based wages.

The crisis is at hand not only on the farm but with the worker who is attempting to get across our borders today. With the tremendous heat in the South right now, there are warnings out to workers hoping for a job opportunity in this country: Do not try to traffic the area or you could die—simply by using the transportation methods in which so many workers are travelling today. Current law has created a phenomenal situation that is most inhumane.

Two years ago, Senators WYDEN, GORTON, and others joined with me in requiring the General Accounting Office to study the current H–2A Guest Worker Program.

As a result, the GAO has estimated that at least 37 percent of all farm workers in the United States are not here legally, not legally qualified to work. How they got the figure is amazing: They went out and asked, and the workers, by self-disclosure, admitted that they were here illegally.

The current H–2A program has been a red tape nightmare.

Too often, when growers need a timely response to their needs, with produce in the field, it cannot be done.

Even when growers meet all the deadlines the Government sets for them, then the Government fails to meet its own deadlines. In fact, GAO's study found that, when growers made timely applications, the Department of Labor still missed statutory deadlines 40 percent of the time.

The bureaucracy grinds to a halt sometimes because it doesn't understand the needs in the field, and sometimes because it doesn't want to supply the workforce.

Current H–2A has been completely ineffective as a means of obtaining temporary and seasonal workers, supplying only about 24,000 out of the 1.6 million farm workers necessary on an annual basis.

In the 1996 immigration law, and in appropriations over recent years, Congress has made it a priority to secure our borders and crack down on illegal immigrants.

That is exactly what we want and what our citizens want.

But as a result, serious spot shortages of farm labor are multiplying from Florida to New England, Kentucky to Colorado—to California and Idaho, and across the Nation.

For example, California growers and local officials have made a real effort to address the shortfall with welfare-to-work efforts. But it is not happening. We are at near full employment in our economy. People are simply not available to do agricultural-style work. And sometimes the needs of agriculture are uniquely not matched to the needs or capabilities of available domestic workers.

Because of the robust counterfeit ID industry and current Federal laws, we have many of these illegals moving into our country who are, in fact, carrying what appear to be legal credentials. Employers do not want that to happen, but the law actually punishes them if they are too diligent in inquiring about the legal status of job applicants. Current law has created an unwinnable Catch-22 for employers. Most have no realistic way of ensuring their work force is entirely legal.

A single Immigration and Naturalization Service raid, netting a handful of illegal workers, can scare and clean out thousands of workers in surrounding counties. It happened just a few weeks ago in the Georgia onion fields. The employers in such cases typically have complied with the law. But, of course, the crops were left rotting in the fields. That is not what the American farmer needs. It is certainly not what the American consumers need.

As workers disappear from U.S. fields, and crops stay there instead of moving to the stores, not only are the farmers hurt, as I mentioned, but consumers are hurt. And then we have to reach inevitably toward an effort to import foods, much of which may not meet our health and safety standards. This means a mainstay of our economy, the U.S. agriculture industry, is threatened with a major breakdown. This means that our families are threatened with the increased risk of exposure to food-borne illnesses on imported, foreign foods. And it happens simply because the current H–2A system won't supply the kind of labor that is necessary.

Let's be humane and let's be responsible. Let's move the AgJOBS bill introduced today, so it can be signed on the President's desk and become law this year. It is critically necessary that we do this.

We have reached out to the Department of Labor to work with them and be sensitive to their concerns in the crafting of this legislation to streamline the H–2A program. We have tried to anticipate and answer every objection that might be raised to this kind of reform. We have tried to solve problems before bringing this bill to the floor.

I thank my colleagues for this tremendous effort, especially Senator GORDON SMITH of Oregon, Senator WYDEN, Senator GRAHAM of Florida, and Senator GORTON, who have worked very closely, to make this legislation a reality.

We think this bill will create a win-win situation so those who wish to enter our country to work at our agricultural jobs can enter legally, so they can enter in a safe way instead of in the backs of trucks or almost literally in tin cans where, as a result of tragic accidents, they oftentimes lose their lives. We saw another tragic example of this in recent days.

We can do better. We can pass the AgJOBS reforms. I am pleased to be a part of the introduction of this legislation today.

Mr. SMITH of Oregon. Mr. President, I rise today with Senators WYDEN, CRAIG, GRAHAM of Florida, GORTON, BUMPERS, HATCH, MCCONNELL, and MACK to introduce the Agricultural Job Opportunity Benefits and Security Act of 1998, also known as AgJOBS. Our bill will create a streamlined guest worker program to allow for a reliable supply of legal, temporary, agricultural workers.

Mr. President, we are facing a crisis in agriculture—a crisis born of an inadequate labor supply. For many years, farmers and nurserymen have struggled to hire enough legal agricultural workers to harvest their produce and plants. The labor pool is competitive, especially in my state of Oregon, where jobs are many and domestic workers willing to do farm work are few. The General Accounting Office even confirmed that there have been local, regional and crop-based labor shortages and losses.

Labor intensive agriculture is the most rapidly growing area of agricultural production in this country and we can only expect the demand for agricultural labor jobs to continue to rise. When coupled with the lowest unemployment rates in decades and a crackdown on illegal immigration, the agriculture industry—and ultimately its consumers—face a crisis.

Currently, the H–2A program is the only legal, temporary, foreign agricultural worker program in the United States. This program is not practicable for the agriculture and horticulture industries because it is loaded with burdensome regulations, excessive paperwork, a bureaucratic certification process and untimely and inconsistent decision-making by the U.S. Department of Labor. Also, as reported by the recent Department of Labor Inspector General, the H–2A program does not meet the interests of domestic workers because it does a poor job of placing domestic workers in agricultural jobs.

I am proud to announce legislation that is the product of a bipartisan effort put forth today by several of my colleagues. With their help, we have been able to develop a consensus solution that will create a workable system for recruiting workers domestically and preventing crops from rotting in the fields. The bipartisan support for this bill reflects months of hard work by members of both parties.

Mr. President, as we introduce this balanced bill, we have two goals in mind—to make it easier for employers to hire legal workers to harvest their crops, and to ensure that workers are treated fairly in the process. These workers deserve the dignity of legal status when they are here doing work that benefits all of us.

I'm very concerned that workers are protected, but let's not forget that growers have been victimized by this process too. In order to feed their families—and ours—the growers need to harvest their crops on time, meet payroll, and ultimately maintain their bottom line. Without achieving those things, farms go out of business and the jobs they create are lost along with them. So it is in all of our best interests—workers, growers, and consumers alike—that growers have the means by which to hire needed workers. I believe our legislation will help achieve that goal.

Mr. President, let me briefly summarize the improvements our bill makes over the current H–2A program.

First and foremost, all of the labor protections currently in place for workers have been preserved. In fact, they have been improved substantially. Domestic workers under the new program will now receive unemployment insurance and all complaints filed by workers will be investigated by the Department of Labor. Also, foreign workers under the new program will retain their ability to transfer to other H–2A farms once they've completed work with their current employer. These provisions will ensure that the rights of workers—both foreign and domestic—continue to be protected.

We've also improved the housing provision in the existing H–2A program, currently another barrier for many farmers. For instance, in my state of Oregon, our strict land use laws prohibit building on farm land. This means that many farms do not have housing to offer and therefore cannot use the H–2A program. Under our new bill, we allow employers the option of providing a housing allowance to workers if housing cannot be provided. This change will make it possible for many more farmers to use the guest worker program, and guest workers will still receive housing benefits.

To be fair to domestic workers, we also created a process that would make agriculture jobs available to them first. The bureaucratic and untimely labor certification process of the H–2A program will be replaced by a registry which uses existing DOL job bank computers to match domestic workers seeking jobs with employers seeking workers. If job openings still exist, then employers will be allowed to bring in temporary foreign workers to fill the open jobs.

In order for employers to offer these and other protections, the program has to be more practical to use. In our bill, we have streamlined the impractical time-frame requirements for applying to the program. Currently, farmers must apply for H–2A workers 60 days before they think they will need workers. In a very unpredictable industry, this requirement is a barrier for many farmers. In our bill, we have reduced this time period to 21 days, making the program much more responsive to the unpredictable nature of agriculture crops and much more practical for use by farmers.

Our legislation makes many other improvements to the existing H–2A program—for both employers and workers. As a result, we can expect more growers to use it, and consequently, we can expect more domestic and foreign workers to benefit from the ample wage and labor protections afforded by it.

Let's not make fugitives out of farmworkers and felons out of farmers. That is the effect of our current guest worker program.

I urge my fellow colleagues to join Senators WYDEN, CRAIG, GRAHAM, GORTON, BUMPERS, HATCH, FEINSTEIN, MCCONNELL, MACK and me as we introduce this important bipartisan legislation.

Mr. President, I ask unanimous consent that this legislation, along with the list of over 100 agriculture-related associations that endorse this bill, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2337

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Agricultural Job Opportunity Benefits and Security Act of 1998".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Agricultural worker registries.
Sec. 4. Employer applications and assurances.
Sec. 5. Search of registry.
Sec. 6. Issuance of visas and admission of aliens.
Sec. 7. Employment requirements.
Sec. 8. Enforcement and penalties.
Sec. 9. Alternative program for the admission of temporary H–2A workers.
Sec. 10. Inclusion in employment-based immigration preference allocation.
Sec. 11. Migrant and seasonal Head Start program.
Sec. 12. Regulations.
Sec. 13. Funding from Wagner-Peyser Act.
Sec. 14. Effective date.

SEC. 2. DEFINITIONS.

In this Act:

(1) ADVERSE EFFECT WAGE RATE.—The term "adverse effect wage rate" means the rate of pay for an agricultural occupation that is 5-percent above the prevailing rate of pay for that agricultural occupation in an area of intended employment, if the average hourly equivalent of the prevailing rate of pay for the occupation is less than the prior year's average hourly earnings of field and livestock workers for the State (or region that includes the State), as determined by the Secretary of Agriculture. No adverse effect wage rate shall be more than the prior year's average hourly earnings of field and livestock workers for the State (or region that includes the State), as determined by the Secretary of Agriculture.

(2) AGRICULTURAL EMPLOYMENT.—The term "agricultural employment" means any service or activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) or section 3121(g) of the Internal Revenue Code of 1986 and the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state.

(3) ELIGIBLE.—The term "eligible" as used with respect to workers or individuals, means individuals authorized to be employed in the United States as provided for in section 274A(h)(3) of the Immigration and Nationality Act (8 U.S.C. 1188).

(4) EMPLOYER.—The term "employer" means any person or entity, including any independent contractor and any agricultural association, that employs workers.

(5) JOB OPPORTUNITY.—The term "job opportunity" means a specific period of employment for a worker in one or more specified agricultural activities.

(6) PREVAILING WAGE.—The term "prevailing wage" means with respect to an agricultural activity in an area of intended employment, the rate of wages that includes the 51st percentile of employees in that agricultural activity in the area of intended employment, expressed in terms of the prevailing method of pay for the agricultural activity in the area of intended employment.

(7) REGISTERED WORKER.—The term "registered worker" means an individual whose name appears in a registry.

(8) REGISTRY.—The term "registry" means an agricultural worker registry established under section 3(a).

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) UNITED STATES WORKER.—The term "United States worker" means any worker, whether a United States citizen, a United States national, or an alien who is authorized to work in the job opportunity within the United States other than an alien admitted pursuant to section 101(a)(15)(H)(ii)(a) or 218 of the Immigration and Nationality Act, as in effect on the effective date of this Act.

SEC. 3. AGRICULTURAL WORKER REGISTRIES.

(a) ESTABLISHMENT OF REGISTRIES.—

(1) IN GENERAL.—The Secretary of Labor shall establish and maintain a system of registries containing a current database of eligible United States workers who seek to perform temporary or seasonal agricultural work and the employment status of such workers—

(A) to ensure that eligible United States workers are informed about available agricultural job opportunities;

(B) to maximize the work period for eligible United States workers; and

(C) to provide timely referral of such workers to temporary and seasonal agricultural job opportunities in the United States.

(2) COVERAGE.—

(A) SINGLE STATE OR GROUP OF STATES.—Each registry established under paragraph (1) shall include the job opportunities in a single State, or a group of contiguous States that traditionally share a common pool of seasonal agricultural workers.

(B) REQUESTS FOR INCLUSION.—Each State requesting inclusion in a registry, or having any group of agricultural producers seeking to utilize the registry, shall be represented by a registry or by a registry of contiguous States.

(b) REGISTRATION.—

(1) IN GENERAL.—An eligible individual who seeks employment in temporary or seasonal agricultural work may apply to be included in the registry for the State or States in which the individual seeks employment. Such application shall include—

(A) the name and address of the individual;

(B) the period or periods of time (including beginning and ending dates) during which the individual will be available for temporary or seasonal agricultural work;

(C) the registry or registries on which the individual desires to be included;

(D) the specific qualifications and work experience possessed by the applicant;

(E) the type or types of temporary or seasonal agricultural work the applicant is willing to perform;

(F) such other information as the applicant wishes to be taken into account in referring the applicant to temporary or seasonal agricultural job opportunities; and

(G) such other information as may be required by the Secretary.

(2) VALIDATION OF EMPLOYMENT AUTHORIZATION.—No person may be included on any registry unless the Attorney General has certified to the Secretary of Labor that the person is authorized to be employed in the United States.

(3) WORKERS REFERRED TO JOB OPPORTUNITIES.—The name of each registered worker who is referred and accepts employment with an employer pursuant to section 5 shall be classified as inactive on each registry on which the worker is included during the period of employment involved in the job to which the worker was referred, unless the worker reports to the Secretary that the worker is no longer employed and is available for referral to another job opportunity. A registered worker classified as inactive shall not be referred pursuant to section 5.

(4) REMOVAL OF NAMES FROM A REGISTRY.—The Secretary shall remove from all registries the name of any registered worker

who, on 3 separate occasions within a 3-month period, is referred to a job opportunity pursuant to this section, and who declines such referral or fails to report to work in a timely manner.

(5) VOLUNTARY REMOVAL.—A registered worker may request that the worker's name be removed from a registry or from all registries.

(6) REMOVAL BY EXPIRATION.—The application of a registered worker shall expire, and the Secretary shall remove the name of such worker from all registries if the worker has not accepted a job opportunity pursuant to this section within the preceding 12-month period.

(7) REINSTATEMENT.—A worker whose name is removed from a registry pursuant to paragraph (4), (5), or (6) may apply to the Secretary for reinstatement to such registry at any time.

(c) CONFIDENTIALITY OF REGISTRIES.—The Secretary shall maintain the confidentiality of the registries established pursuant to this section, and the information in such registries shall not be used for any purposes other than those authorized in this Act.

(d) ADVERTISING OF REGISTRIES.—The Secretary shall widely disseminate, through advertising and other means, the existence of the registries for the purpose of encouraging eligible United States workers seeking temporary or seasonal agricultural job opportunities to register.

SEC. 4. EMPLOYER APPLICATIONS AND ASSURANCES.

(a) APPLICATIONS TO THE SECRETARY.—

(1) IN GENERAL.—Not later than 21 days prior to the date on which an agricultural employer desires to employ a registered worker in a temporary or seasonal agricultural job opportunity, the employer shall apply to the Secretary for the referral of a United States worker through a search of the appropriate registry, in accordance with section 5. Such application shall—

(A) describe the nature and location of the work to be performed;

(B) list the anticipated period (expected beginning and ending dates) for which workers will be needed;

(C) indicate the number of job opportunities in which the employer seeks to employ workers from the registry;

(D) describe the bona fide occupational qualifications that must be possessed by a worker to be employed in the job opportunity in question;

(E) describe the wages and other terms and conditions of employment the employer will offer, which shall not be less (and are not required to be more) than those required by this section;

(F) contain the assurances required by subsection (c); and

(G) specify the foreign country or region thereof from which alien workers should be admitted in the case of a failure to refer United States workers under this Act.

(2) APPLICATIONS BY ASSOCIATIONS ON BEHALF OF EMPLOYER MEMBERS.—

(A) IN GENERAL.—An agricultural association may file an application under paragraph (1) for registered workers on behalf of its employer members.

(B) EMPLOYERS.—An application under subparagraph (A) shall cover those employer members of the association that the association certifies in its application have agreed in writing to comply with the requirements of this Act.

(b) AMENDMENT OF APPLICATIONS.—Prior to receiving a referral of workers from a registry, an employer may amend an application under this subsection if the employer's need for workers changes. If an employer amends an application on a date which is later than 21 days prior to the date on which the workers on the amended application are sought to be employed, the Secretary may delay issuance of the report described in section 5(b) by the number of days by which the filing of the amended application is later than 21 days before the date on which the employer desires to employ workers.

(c) ASSURANCES.—The assurances referred to in subsection (a)(1)(F) are the following:

(1) ASSURANCE THAT THE JOB OPPORTUNITY IS NOT A RESULT OF A LABOR DISPUTE.—The employer shall assure that the job opportunity for which the employer requests a registered worker is not vacant because a worker is involved in a strike, lockout, or work stoppage in the course of a labor dispute involving the job opportunity at the place of employment.

(2) ASSURANCE THAT THE JOB OPPORTUNITY IS TEMPORARY OR SEASONAL.—

(A) REQUIRED ASSURANCE.—The employer shall assure that the job opportunity for which the employer requests a registered worker is temporary or seasonal.

(B) SEASONAL BASIS.—For purposes of this Act, labor is performed on a seasonal basis where, ordinarily, the employment pertains to or is of the kind exclusively performed at certain seasons or periods of the year and which, from its nature, may not be continuous or carried on throughout the year.

(C) TEMPORARY BASIS.—For purposes of this Act, a worker is employed on a temporary basis where the employment is intended not to exceed 10 months.

(3) ASSURANCE OF PROVISION OF REQUIRED WAGES AND BENEFITS.—The employer shall assure that the employer will provide the wages and benefits required by subsections (a), (b), and (c) of section 7 to all workers employed in job opportunities for which the employer has applied under subsection (a) and to all other workers in the same occupation at the place of employment.

(4) ASSURANCE OF EMPLOYMENT.—The employer shall assure that the employer will refuse to employ individuals referred under section 5, or terminate individuals employed pursuant to this Act, only for lawful job-related reasons, including lack of work.

(5) ASSURANCE OF COMPLIANCE WITH LABOR LAWS.—

(A) IN GENERAL.—An employer who requests registered workers shall assure that, except as otherwise provided in this Act, the employer will comply with all applicable Federal, State, and local labor laws, including laws affecting migrant and seasonal agricultural workers, with respect to all United States workers and alien workers employed by the employer.

(B) LIMITATIONS.—The disclosure required under section 201(a) of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1821(a)) may be made at any time prior to the time the alien is issued a visa permitting entry into the United States.

(6) ASSURANCE OF ADVERTISING OF THE REGISTRY.—The employer shall assure that the employer will, from the day an application for workers is submitted under subsection (a), and continuing throughout the period of employment of any job opportunity for which the employer has applied for a worker from the registry, post in a conspicuous place a poster to be provided by the Secretary advertising the availability of the registry.

(7) ASSURANCE OF CONTACTING FORMER WORKERS.—The employer shall assure that the employer has made reasonable efforts through the sending of a letter by United States Postal Service mail, or otherwise, to contact any eligible worker the employer employed during the previous season in the occupation at the place of intended employment for which the employer is applying for registered workers, and has made the availability of the employer's job opportunities in the occupation at the place of intended employment known to such previous worker, unless the worker was terminated from employment by the employer for a lawful job-related reason or abandoned the job before the worker completed the period of employment of the job opportunity for which the worker was hired.

(8) ASSURANCE OF PROVISION OF WORKERS COMPENSATION.—The employer shall assure that if the job opportunity is not covered by the State workers' compensation law, that the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

(9) ASSURANCE OF UNEMPLOYMENT INSURANCE COVERAGE.—The employer shall assure that if the employer's employment is not covered employment under the State's unemployment insurance law, the employer will provide unemployment insurance coverage for the employer's United States workers at the place of employment for which the employer has applied for workers under subsection (a).

(d) WITHDRAWAL OF APPLICATIONS.—

(1) IN GENERAL.—An employer may withdraw an application under subsection (a), except that, if the employer is an agricultural association, the association may withdraw an application under subsection (a) with respect to one or more of its members. To withdraw an application, the employer shall notify the Secretary in writing, and the Secretary shall acknowledge in writing the receipt of such withdrawal notice. An employer who withdraws an application under subsection (a), or on whose behalf an application is withdrawn, is relieved of the obligations undertaken in the application.

(2) LIMITATION.—An application may not be withdrawn while any alien provided status under this Act pursuant to such application is employed by the employer.

(3) OBLIGATIONS UNDER OTHER STATUTES.—Any obligation incurred by an employer under any other law or regulation as a result of recruitment of United States workers under an offer of terms and conditions of employment required as a result of making an application under subsection (a) is unaffected by withdrawal of such application.

(e) REVIEW OF APPLICATION.—

(1) IN GENERAL.—Promptly upon receipt of an application by an employer under subsection (a), the Secretary shall review the application for compliance with the requirements of such subsection.

(2) APPROVAL OF APPLICATIONS.—If the Secretary determines that an application meets the requirements of subsection (a), and the employer is not ineligible to apply under paragraph (2), (3), or (4) of section 8(b), the Secretary shall, not later than 7 days after the receipt of such application, approve the application and so notify the employer.

(3) REJECTION OF APPLICATIONS.—If the Secretary determines that an application fails to meet 1 or more of the requirements of subsection (a), the Secretary, as expeditiously as possible, but in no case later than 7 days after the receipt of such application, shall—

(A) notify the employer of the rejection of the application and the reasons for such rejection, and provide the opportunity for the prompt resubmission of an amended application; and

(B) offer the applicant an opportunity to request an expedited administrative review or a de novo administrative hearing before an administrative law judge of the rejection of the application.

(4) REJECTION FOR PROGRAM VIOLATIONS.—The Secretary shall reject the application of an employer under this section if the employer has been determined to be ineligible to employ workers under section 8(b) or subsection (b)(2) of section 218 of the Immigration and Nationality Act (8 U.S.C. 1188).

SEC. 5. SEARCH OF REGISTRY.

(a) SEARCH PROCESS AND REFERRAL TO THE EMPLOYER.—Upon the approval of an application under section 4(e), the Secretary shall promptly begin a search of the registry of the State (or States) in which the work is to be performed to identify registered workers with the qualifications requested by the employer. The Secretary shall contact such qualified registered workers and determine, in each instance, whether the worker is ready, willing, and able to accept the employer's job opportunity and will commit to work for the employer at the time and place needed. The Secretary shall provide to each worker who commits to work for the employer the employer's name, address, telephone number, the location where the employer has requested that employees report for employment, and a statement disclosing the terms and conditions of employment.

(b) DEADLINE FOR COMPLETING SEARCH PROCESS; REFERRAL OF WORKERS.—As expeditiously as possible, but not later than 7 days before the date on which an employer desires work to begin, the Secretary shall complete the search under subsection (a) and shall transmit to the employer a report containing the name, address, and social security account number of each registered worker who has committed to work for the employer on the date needed, together with sufficient information to enable the employer to establish contact with the worker. The identification of such registered workers in a report shall constitute a referral of workers under this section.

(c) NOTICE OF INSUFFICIENT WORKERS.—If the report provided to the employer under subsection (b) does not include referral of a sufficient number of registered workers to fill all of the employer's job opportunities in the occupation for which the employer applied under section 4(a), the Secretary shall indicate in the report the number of job opportunities for which registered workers could not be referred, and promptly transmit a copy of the report to the Attorney General and the Secretary of State, by electronic or other means ensuring next day delivery.

SEC. 6. ISSUANCE OF VISAS AND ADMISSION OF ALIENS.

(a) IN GENERAL.—

(1) NUMBER OF ADMISSIONS.—The Secretary of State shall promptly issue visas to, and the Attorney General shall admit, a sufficient number of eligible aliens designated by the employer to fill the job opportunities of the employer—

(A) upon receipt of a copy of the report described in section 5(c);

(B) upon receipt of an application (or copy of an application under subsection (b));

(C) upon receipt of the report required by subsection (c)(1)(B); or

(D) upon receipt of a report under subsection (d).

(2) PROCEDURES.—The admission of aliens under paragraph (1) shall be subject to the procedures of section 218A of the Immigration and Nationality Act, as added by this Act.

(3) AGRICULTURAL ASSOCIATIONS.—Aliens admitted pursuant to a report described in paragraph (1) may be employed by any member of the agricultural association that has made the certification required by section 4(a)(2)(B).

(b) DIRECT APPLICATION UPON FAILURE TO ACT.—

(1) APPLICATION TO THE SECRETARY OF STATE.—If the employer has not received a referral of sufficient workers pursuant to section 5(b) or a report of insufficient workers pursuant to section 5(c), by the date that is 7 days before the date on which the work is anticipated to begin, the employer may submit an application for alien workers directly to the Secretary of State, with a copy of the application provided to the Attorney General, seeking the issuance of visas to and the admission of aliens for employment in the job opportunities for which the employer has not received referral of registered workers. Such an application shall include a copy of the employer's application under section 4(a), together with evidence of its timely submission. The Secretary of State may consult with the Secretary of Labor in carrying out this paragraph.

(2) EXPEDITED CONSIDERATION BY SECRETARY OF STATE.—The Secretary of State shall, as expeditiously as possible, but not later than 5 days after the employer files an application under paragraph (1), issue visas to, and the Attorney General shall admit, a sufficient number of eligible aliens designated by the employer to fill the job opportunities for which the employer has applied under that paragraph.

(c) REDETERMINATION OF NEED.—

(1) REQUESTS FOR REDETERMINATION.—

(A) IN GENERAL.—An employer may file a request for a redetermination by the Secretary of the needs of the employer if—

(i) a worker referred from the registry is not at the place of employment on the date of need shown on the application, or the date the work for which the worker is needed has begun, whichever is later;

(ii) the worker is not ready, willing, able, or qualified to perform the work required; or

(iii) the worker abandons the employment or is terminated for a lawful job-related reason.

(B) ADDITIONAL AUTHORIZATION OF ADMISSIONS.—The Secretary shall expeditiously, but in no case later than 72 hours after a redetermination is requested under subparagraph (A), submit a report to the Secretary of State and the Attorney General providing notice of a need for workers under this subsection.

(2) JOB-RELATED REQUIREMENTS.—An employer shall not be required to initially employ a worker who fails to meet lawful job-related employment criteria, nor to continue the employment of a worker who fails to meet lawful, job-related standards of conduct and performance, including failure to meet minimum production standards after a 3-day break-in period.

(d) EMERGENCY APPLICATIONS.—Notwithstanding subsections (b) and (c), the Secretary may promptly transmit a report to the Attorney General and Secretary of State providing notice of a need for workers under this subsection for an employer—

(1) who has not employed aliens under this Act in the occupation in question in the prior year's agricultural season;

(2) who faces an unforeseen need for workers (as determined by the Secretary); and

(3) with respect to whom the Secretary cannot refer able, willing, and qualified workers from the registry who will commit to be at the employer's place of employment and ready for work within 72 hours or on the date the work for which the worker is needed has begun, whichever is later.

(e) REGULATIONS.—The Secretary of State shall prescribe regulations to provide for the designation of aliens under this section.

SEC. 7. EMPLOYMENT REQUIREMENTS.

(a) REQUIRED WAGES.—

(1) IN GENERAL.—An employer applying under section 4(a) for workers shall offer to pay, and shall pay, all workers in the occupation or occupations for which the employer has applied for workers from the registry, not less (and is not required to pay more) than the greater of the prevailing wage in the occupation in the area of intended employment or the adverse effect wage rate.

(2) PAYMENT OF PREVAILING WAGE DETERMINED BY A STATE EMPLOYMENT SECURITY AGENCY SUFFICIENT.—In complying with paragraph (1), an employer may request and obtain a prevailing wage determination from the State employment security agency. If the employer requests such a determination, and pays the wage required by paragraph (1) based upon such a determination, such payment shall be considered sufficient to meet the requirement of paragraph (1).

(3) RELIANCE ON WAGE SURVEY.—In lieu of the procedure of paragraph (2), an employer may rely on other information, such as an employer-generated prevailing wage survey and determination that meets criteria specified by the Secretary.

(4) ALTERNATIVE METHODS OF PAYMENT PERMITTED.—

(A) IN GENERAL.—A prevailing wage may be expressed as an hourly wage, a piece rate, a task rate, or other incentive payment method, including a group rate. The requirement to pay at least the prevailing wage in the occupation and area of intended employment does not require an employer to pay by the method of pay in which the prevailing rate is expressed, except that, if the employer adopts a method of pay other than the prevailing rate, the burden of proof is on the employer to demonstrate that the employer's method of pay is designed to produce earnings equivalent to the earnings that would result from payment of the prevailing rate.

(B) COMPLIANCE WHEN PAYING AN INCENTIVE RATE.—In the case of an employer that pays a piece rate or task rate or uses any other incentive payment method, including a group rate, the employer shall be considered to be in compliance with any applicable hourly wage requirement if the average of the hourly earnings of the workers, taken as a group, the activity for which a piece rate, task rate, or other incentive payment, including a group rate, is paid, for the pay period, is at least equal to the required hourly wage.

(C) TASK RATE.—For purposes of this paragraph, the term "task rate" means an incentive payment method based on a unit of work performed such that the incentive rate varies with the level of effort required to perform individual units of work.

(D) GROUP RATE.—For purposes of this paragraph, the term "group rate" means an incentive payment method in which the payment is shared among a group of workers working together to perform the task.

(b) REQUIREMENT TO PROVIDE HOUSING.—

(1) IN GENERAL.—An employer applying under section 4(a) for registered workers shall offer to provide housing at no cost (except for charges permitted by paragraph (5)) to all workers employed in job opportunities to which the employer has applied under that section, and to all other workers in the same occupation at the place of employment, whose permanent place of residence is beyond normal commuting distance.

(2) TYPE OF HOUSING.—In complying with paragraph (1), an employer may, at the employer's election, provide housing that meets applicable Federal standards for temporary labor camps or secure housing that meets applicable local standards for rental or public accommodation housing or other substantially similar class of habitation, or, in the absence of applicable local standards, State standards for rental or public accommodation housing or other substantially similar class of habitation.

(3) WORKERS ENGAGED IN THE RANGE PRODUCTION OF LIVESTOCK.—The Secretary shall issue regulations that address the specific requirements for the provision of housing to workers engaged in the range production of livestock.

(4) LIMITATION.—Nothing in this subsection shall be construed to require an employer to provide or secure housing for persons who were not entitled to such housing under the temporary labor certification regulations in effect on June 1, 1986.

(5) CHARGES FOR HOUSING.—

(A) UTILITIES AND MAINTENANCE.—An employer who provides housing to a worker pursuant to paragraph (1) may charge an amount equal to the fair market value (but not greater than the employer's actual cost) for maintenance and utilities, or such lesser amount as permitted by law.

(B) SECURITY DEPOSIT.—An employer who provides housing to workers pursuant to paragraph (1) may require, as a condition for providing such housing, a deposit not to exceed $50 from workers occupying such housing to protect against gross negligence or willful destruction of property.

(C) DAMAGES.—An employer who provides housing to workers pursuant to paragraph (1) may require a worker found to have been responsible for damage to such housing which is not the result of normal wear and tear related to habitation to reimburse the employer for the reasonable cost of repair of such damage.

(6) REDUCED USER FEE FOR WORKERS PROVIDED HOUSING.—An employer shall receive a credit of 40 percent of the payment otherwise due pursuant to section 218(b) of the Immigration and Nationality Act on the earnings of alien workers to whom the employer provides housing pursuant to paragraph (1).

(7) HOUSING ALLOWANCE AS ALTERNATIVE.—

(A) IN GENERAL.—In lieu of offering housing pursuant to paragraph (1), subject to subparagraphs (B) through (D), the employer may on a case-by-case basis provide a reasonable housing allowance. An employer who offers a housing allowance to a worker pursuant to this subparagraph shall not be deemed to be a housing provider under section 203 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1823) solely by virtue of providing such housing allowance.

(B) LIMITATION.—At any time after the date that is 3 years after the effective date of this Act, the governor of the State may certify to the Secretary that there is not sufficient housing available in an area of intended employment of migrant farm workers or aliens provided status pursuant to this Act who are seeking temporary housing while employed at farm work. Such certification may be canceled by the governor of the State at any time, and shall expire after 5 years unless renewed by the governor of the State.

(C) EFFECT OF CERTIFICATION.—If the governor of the State makes the certification of insufficient housing described in subparagraph (A) with respect to an area of employment, employers of workers in that area of employment may not offer the housing allowance described in subparagraph (A) after the date that is 5 years after such certification of insufficient housing for such area, unless the certification has expired or been canceled pursuant to subparagraph (B).

(D) AMOUNT OF ALLOWANCE.—The amount of a housing allowance under this paragraph shall be equal to the statewide average fair market rental for existing housing for nonmetropolitan counties for the State in which the employment occurs, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

(c) REIMBURSEMENT OF TRANSPORTATION.—

(1) TO PLACE OF EMPLOYMENT.—A worker who is referred to a job opportunity under section 5(a), or an alien employed pursuant to this Act, who completes 50 percent of the period of employment of the job opportunity for which the worker was hired, may apply to the Secretary for reimbursement of the cost of the worker's transportation and subsistence from the worker's permanent place of residence (or place of last employment, if the worker traveled from such place) to the place of employment to which the worker was referred under section 5(a).

(2) FROM PLACE OF EMPLOYMENT.—A worker who is referred to a job opportunity under section 5(a), or an alien employed pursuant to this Act, who completes the period of employment for the job opportunity involved, may apply to the Secretary for reimbursement of the cost of the worker's transportation and subsistence from the place of employment to the worker's permanent place of residence (or place of next employment, if the worker travels from the place of current employment to a subsequent place of employment and is otherwise ineligible for reimbursement under paragraph (1) with respect to such subsequent place of employment).

(3) LIMITATION.—

(A) AMOUNT OF REIMBURSEMENT.—Except as provided in subparagraph (B), the amount of reimbursement provided under paragraph (1) or (2) to a worker or alien shall not exceed the lesser of—

(i) the actual cost to the worker or alien of the transportation and subsistence involved; or

(ii) the most economical and reasonable transportation and subsistence costs that would have been incurred had the worker or alien used an appropriate common carrier, as determined by the Secretary.

(B) DISTANCE TRAVELED.—No reimbursement under paragraph (1) or (2) shall be required if the distance traveled is 100 miles or less.

(4) USE OF TRUST FUND.—Reimbursements made by the Secretary to workers or aliens under this subsection shall be considered to be administrative expenses for purposes of section 218A(b)(4) of the Immigration and Nationality Act, as added by this Act.

(d) ESTABLISHMENT OF PILOT PROGRAM FOR ADVANCING TRANSPORTATION COSTS.—

(1) IN GENERAL.—The Secretary shall establish a pilot program for the issuance of vouchers to United States workers who are referred to job opportunities under section 5(a) for the purpose of enabling such workers to purchase common carrier transportation to the place of employment.

(2) LIMITATION.—A voucher may only be provided to a worker under paragraph (1) if the job opportunity involved requires that the worker temporarily relocate to a place of employment that is more than 100 miles from the worker's permanent place of residence or last place of employment, and the worker attests that the worker cannot travel to the place of employment without such assistance from the Secretary.

(3) NUMBER OF VOUCHERS.—The Secretary shall award vouchers under the pilot program under paragraph (1) to workers referred from each registry in proportion to the number of workers registered with each such registry.

(4) REIMBURSEMENT.—

(A) USE OF TRUST FUND.—Reimbursements for the cost of vouchers provided by the Secretary under this subsection for workers who complete at least 50 percent of the period of employment of the job opportunity for which the worker was hired shall be considered to be administrative expenses for purposes of section 218A(b)(4) of the Immigration and Nationality Act, as added by this Act.

(B) OF SECRETARY.—A worker who receives a voucher under this subsection who fails to complete at least 50 percent of the period of employment of the job opportunity for which the worker was hired under the job opportunity involved shall reimburse the Secretary for the cost of the voucher.

(5) REPORT AND CONTINUATION OF PROGRAM.—

(A) COLLECTION OF DATA.—The Secretary shall collect data on—

(i) the extent to which workers receiving vouchers under this subsection report, in a timely manner, to the jobs to which such workers have been referred;

(ii) whether such workers complete the job opportunities involved; and

(iii) the extent to which such workers do not complete at least 50 percent of the period of employment the job opportunities for which the workers were hired.

(B) REPORT.—Not later than 6 months after the expiration of the second fiscal year during which the program under this subsection is in operation, the Secretary, in consultation with the Secretary of Agriculture, shall prepare and submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives, a report, based on the data collected under subparagraph (A), concerning the results of the program established under this section. Such report shall contain the recommendations of the Secretary concerning the termination or continuation of such program.

(C) TERMINATION OF PROGRAM.—The recommendations of the Secretary in the report submitted under subparagraph (B) shall become effective upon the expiration of the 90-day period beginning on the date on which such report is submitted unless Congress enacts a joint resolution disapproving such recommendations.

(d) CONTINUING OBLIGATION TO EMPLOY UNITED STATES WORKERS.—

(1) IN GENERAL.—An employer that applies for registered workers under section 4(a) shall, as a condition for the approval of such application, continue to offer employment to qualified, eligible United States workers who

are referred under section 5(b) after the employer receives the report described in section 5(b).

(2) Limitation.—An employer shall not be obligated to comply with paragraph (1)—

(A) after 50 percent of the anticipated period of employment shown on the employer's application under section 4(a) has elapsed; or

(B) during any period in which the employer is employing no aliens in the occupation for which the United States worker was referred; or

(C) during any period when the Secretary is conducting a search of a registry for job opportunities in the occupation and area of intended employment to which the worker has been referred, or other occupations in the area of intended employment for which the worker is qualified that offer substantially similar terms and conditions of employment.

(3) Limitation on requirement to provide housing.—Notwithstanding any other provision of this Act, an employer to whom a registered worker is referred pursuant to paragraph (1) may provide a reasonable housing allowance to such referred worker in lieu of providing housing if the employer does not have sufficient housing to accommodate the referred worker and all other workers for whom the employer is providing housing or has committed to provide housing.

(4) Referral of workers during 50-percent period.—The Secretary shall make all reasonable efforts to place a registered worker in an open job acceptable to the worker, including available jobs not listed on the registry, before referring such worker to an employer for a job opportunity already filled by, or committed to, an alien admitted pursuant to this Act.

SEC. 8. ENFORCEMENT AND PENALTIES.

(a) Enforcement Authority.—

(1) Investigation of complaints.—

(A) In general.—The Secretary shall establish a process for the receipt, investigation, and disposition of complaints respecting an employer's failure to meet a condition specified in section 4 or an employer's misrepresentation of material facts in an application under that section. Complaints may be filed by any aggrieved person or any organization (including bargaining representatives). No investigation or hearing shall be conducted on a complaint concerning such a failure or misrepresentation unless the complaint was filed not later than 12 months after the date of the failure or misrepresentation, as the case may be. The Secretary shall conduct an investigation under this paragraph if there is reasonable cause to believe that such a failure or misrepresentation has occurred.

(B) Statutory construction.—Nothing in this Act limits the authority of the Secretary of Labor to conduct any compliance investigation under any other labor law, including any law affecting migrant and seasonal agricultural workers or, in the absence of a complaint under this paragraph, under this Act.

(2) Written notice of finding and opportunity for appeal.—After an investigation has been conducted, the Secretary shall issue a written determination as to whether or not any violation described in subsection (b) has been committed. The Secretary's determination shall be served on the complainant and the employer, and shall provide an opportunity for an appeal of the Secretary's decision to an administrative law judge, who may conduct a de novo hearing.

(b) Remedies.—

(1) Back wages.—Upon a final determination that the employer has failed to pay wages as required under this section, the Secretary may assess payment of back wages due to any United States worker or alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act employed by the employer in the specific employment in question. The back wages shall be equal to the difference between the amount that should have been paid and the amount that actually was paid to such worker.

(2) Failure to pay wages.—Upon a final determination that the employer has failed to pay the wages required under this Act, the Secretary may assess a civil money penalty up to $1,000 for each failure, and may recommend to the Attorney General the disqualification of the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act for a period of time determined by the Secretary not to exceed 1 year.

(3) Other violations.—If the Secretary, as a result of an investigation pursuant to a complaint, determines that an employer covered by an application under section 4(a) has—

(A) filed an application that misrepresents a material fact; or

(B) failed to meet a condition specified in section 4,

the Secretary may assess a civil money penalty not to exceed $1,000 for each violation and may recommend to the Attorney General the disqualification of the employer for substantial violations in the employment of any United States workers or aliens described in section 101(a)(15)(ii)(a) of the Immigration and Nationality Act for a period of time determined by the Secretary not to exceed 1 year. In determining the amount of civil money penalty to be assessed, or whether to recommend disqualification of the employer, the Secretary shall consider the seriousness of the violation, the good faith of the employer, the size of the business of the employer being charged, the history of previous violations by the employer, whether the employer obtained a financial gain from the violation, whether the violation was willful, and other relevant factors.

(4) Program disqualification.—

(A) 3 years for second violation.—Upon a second final determination that an employer has failed to pay the wages required under this Act or committed other substantial violations under paragraph (3), the Secretary shall report such determination to the Attorney General and the Attorney General shall disqualify the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act for a period of 3 years.

(B) Permanent for third violation.—Upon a third final determination that an employer has failed to pay the wages required under this section, or committed other substantial violations under paragraph (3), the Secretary shall report such determination to the Attorney General, and the Attorney General shall disqualify the employer from any subsequent employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

(c) Role of Associations.—

(1) Violation by a member of an association.—An employer on whose behalf an application is filed by an association acting as its agent is fully responsible for such application, and for complying with the terms and conditions of this Act, as though the employer had filed the application itself. If such an employer is determined to have violated a requirement of this section, the penalty for such violation shall be assessed against the employer who committed the violation and not against the association or other members of the association.

(2) Violation by an association acting as an employer.—If an association filing an application on its own behalf as an employer is determined to have committed a violation under this subsection which results in disqualification from the program under subsection (b), no individual member of such association may be the beneficiary of the services of an alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act in an occupation in which such alien was employed by the association during the period such disqualification is in effect, unless such member files an application as an individual employer or such application is filed on the employer's behalf by an association with which the employer has an agreement that the employer will comply with the requirements of this Act.

SEC. 9. ALTERNATIVE PROGRAM FOR THE ADMISSION OF TEMPORARY H–2A WORKERS.

(a) Amendments to the Immigration and Nationality Act.—

(1) Election of procedures.—Section 214(c)(1) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(1)) is amended—

(A) by striking the fifth and sixth sentences;

(B) by striking "(c)(1) The" and inserting "(c)(1)(A) Except as provided in subparagraph (B), the"; and

(C) by adding at the end the following new subparagraph:

"(B) Notwithstanding subparagraph (A), in the case of the importing of any nonimmigrant alien described in section 101(a)(15)(H)(ii)(a), the importing employer may elect to import the alien under the procedures of section 218 or section 218A, except that any employer that applies for registered workers under section 4(a) of the Agricultural Job Opportunity Benefits and Security Act of 1998 shall import nonimmigrants described in section 101(a)(15)(H)(ii)(a) only in accordance with section 218A. For purposes of subparagraph (A), with respect to the importing of nonimmigrants under section 218, the term 'appropriate agencies of Government' means the Department of Labor and includes the Department of Agriculture.".

(2) Alternative program.—The Immigration and Nationality Act is amended by inserting after section 218 (8 U.S.C. 1188) the following new section:

"ALTERNATIVE PROGRAM FOR THE ADMISSION OF TEMPORARY H–2A WORKERS

"Sec. 218A. (a) Procedure for Admission or Extension of Aliens.—

"(1) Aliens who are outside the United States.—

"(A) Criteria for admissibility.—

"(i) In general.—An alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act shall be admissible under this section if the alien is designated pursuant to section 6 of the Agricultural Job Opportunity Benefits and Security Act of 1998, otherwise admissible under this Act, and the alien is not ineligible under clause (ii).

"(ii) Disqualification.—An alien shall be ineligible for admission to the United States or being provided status under this section if the alien has, at any time during the past 5 years—

"(I) violated a material provision of this section, including the requirement to promptly depart the United States when the alien's authorized period of admission under this section has expired; or

"(II) otherwise violated a term or condition of admission to the United States as a nonimmigrant, including overstaying the period of authorized admission as such a nonimmigrant.

"(iii) INITIAL WAIVER OF INELIGIBILITY FOR UNLAWFUL PRESENCE.—An alien who has not previously been admitted to the United States pursuant to this section, and who is otherwise eligible for admission in accordance with clauses (i) and (ii), shall not be deemed inadmissible by virtue of section 212(a)(9)(B).

"(B) PERIOD OF ADMISSION.—The alien shall be admitted for the period requested by the employer not to exceed 10 months, or the ending date of the anticipated period of employment on the employer's application for registered workers, whichever is less, plus an additional period of 14 days, during which the alien shall seek authorized employment in the United States. During the 14-day period following the expiration of the alien's work authorization, the alien is not authorized to be employed unless an employer who is authorized to employ such worker has filed an extension of stay on behalf of the alien pursuant to paragraph (2).

"(C) ABANDONMENT OF EMPLOYMENT.—

"(i) IN GENERAL.—An alien admitted or provided status under this section who abandons the employment which was the basis for such admission or providing status shall be considered to have failed to maintain nonimmigrant status as an alien described in section 101(a)(15)(H)(ii)(a) and shall depart the United States or be subject to removal under section 237(a)(1)(C)(i).

"(ii) REPORT BY EMPLOYER.—The employer (or association acting as agent for the employer) shall notify the Attorney General within 7 days of an alien admitted or provided status under this Act who prematurely abandons the alien's employment.

"(D) ISSUANCE OF IDENTIFICATION AND EMPLOYMENT ELIGIBILITY DOCUMENT.—

"(i) IN GENERAL.—The Attorney General shall cause to be issued to each alien admitted under this section a card in a form which is resistant to counterfeiting and tampering for the purpose of providing proof of identity and employment eligibility under section 274A.

"(ii) DESIGN OF CARD.—Each card issued pursuant to clause (i) shall be designed in such a manner and contain a photograph and other identifying information (such as date of birth, sex, and distinguishing marks) that would allow an employer to determine with reasonable certainty that the bearer is not claiming the identity of another individual, and shall—

"(I) specify the date of the alien's acquisition of status under this section;

"(II) specify the expiration date of the alien's work authorization; and

"(III) specify the alien's admission number or alien file number.

"(2) EXTENSION OF STAY OF ALIENS IN THE UNITED STATES.—

"(A) EXTENSION OF STAY.—If an employer with respect to whom a report or application described in section 6(a)(1) of the Agricultural Job Opportunity Benefits and Security Act of 1998 has been submitted seeks to employ an alien who has acquired status under this section and who is present in the United States, the employer shall file with the Attorney General an application for an extension of the alien's stay or a change in the alien's authorized employment. The application shall be accompanied by a copy of the appropriate report or application described in section 6 of the Agricultural Job Opportunity Benefits and Security Act of 1998.

"(B) LIMITATION ON FILING AN APPLICATION FOR EXTENSION OF STAY.—An application may not be filed for an extension of an alien's stay for a period of more than 10 months, or later than a date which is 3 years from the date of the alien's last admission to the United States under this section, whichever occurs first.

"(C) WORK AUTHORIZATION UPON FILING AN APPLICATION FOR EXTENSION OF STAY.—An employer may begin employing an alien who is present in the United States who has acquired status under this Act on the day the employer files an application for extension of stay. For the purpose of this requirement, the term 'filing' means sending the application by certified mail via the United States Postal Service, return receipt requested, or delivered by guaranteed commercial delivery which will provide the employer with a documented acknowledgment of the date of sending and receipt of the application. The employer shall provide a copy of the employer's application to the alien, who shall keep the application with the alien's identification and employment eligibility document as evidence that the application has been filed and that the alien is authorized to work in the United States. Upon approval of an application for an extension of stay or change in the alien's authorized employment, the Attorney General shall provide a new or updated employment eligibility document to the alien indicating the new validity date, after which the alien is not required to retain a copy of the application.

"(D) LIMITATION ON EMPLOYMENT AUTHORIZATION OF ALIENS WITHOUT VALID IDENTIFICATION AND EMPLOYMENT ELIGIBILITY CARD.—An expired identification and employment eligibility document, together with a copy of an application for extension of stay or change in the alien's authorized employment, shall constitute a valid work authorization document for a period of not more than 60 days from the date of application for the extension of stay, after which time only a currently valid identification and employment eligibility document shall be acceptable.

"(E) LIMITATION ON AN INDIVIDUAL'S STAY IN STATUS.—An alien having status under this section may not have the status extended for a continuous period longer than 3 years unless the alien remains outside the United States for an uninterrupted period of 6 months. An absence from the United States may break the continuity of the period for which a nonimmigrant visa issued under section 101(a)(15)(H)(ii)(a) is valid. If the alien has resided in the United States 10 months or less, an absence breaks the continuity of the period if its lasts for at least 2 months. If the alien has resided in the United States 10 months or more, an absence breaks the continuity of the period if it lasts for at least one-fifth the duration of the stay.

"(b) TRUST FUND.—

"(1) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund (in this section referred to as the 'Trust Fund') for the purpose of funding the costs of administering this section and, in the event of an adverse finding by the Attorney General under subsection (c), for the purpose of providing a monetary incentive for aliens described in section 101(a)(15)(H)(ii)(a) to return to their country of origin upon expiration of their visas under this section.

"(2) TRANSFERS TO TRUST FUND.—

"(A) IN GENERAL.—There is appropriated to the Trust Fund amounts equivalent to the sum of the following:

"(i) Such employers shall pay to the Secretary of the Treasury a user fee in an amount equivalent to so much of the Federal tax that is not transferred to the States on the earnings of such aliens that the employer would be obligated to pay under the Federal Unemployment Tax Act and the Federal Insurance Contributions Act if the earnings were subject to such Acts. Such payment shall be in lieu of any other employer fees for the benefits provided to employers pursuant to this Act or in connection with the admission of aliens pursuant to section 218A.

"(ii) In the event of an adverse finding by the Attorney General under subsection (c), employers of aliens under this section shall withhold from the wages of such aliens an amount equivalent to 20 percent of the earnings of each alien and pay such withheld amount to the Secretary of the Treasury.

"(B) TREATMENT OF AMOUNTS.—Amounts paid to the Secretary of the Treasury under subparagraph (A) shall be treated as employment taxes for purposes of subtitle C of the Internal Revenue Code of 1986.

"(C) TREATMENT AS OFFSETTING RECEIPTS.—Amounts appropriated to the Trust Fund under this paragraph shall be treated as offsetting receipts.

"(3) ADMINISTRATIVE EXPENSES.—Amounts transferred to the Trust Fund pursuant to paragraph (2)(A)(ii), shall, without further appropriation, be paid to the Attorney General, the Secretary of Labor, the Secretary of State, and the Secretary of Agriculture in amounts equivalent to the expenses incurred by such officials in the administration of section 101(a)(15)(H)(ii)(a) and this section.

"(4) DISTRIBUTION OF FUNDS.—In the event of an adverse finding by the Attorney General under subsection (c), amounts transferred to the Trust Fund pursuant to paragraph (2)(A)(ii), and interest earned thereon under paragraph (6), shall be held on behalf of an alien and shall be available, without further appropriation, to the Attorney General for payment to the alien if—

"(A) the alien applies to the Attorney General (or the designee of the Attorney General) for payment within 30 days of the expiration of the alien's last authorized stay in the United States;

"(B) in such application the alien establishes that the alien has complied with the terms and conditions of this section; and

"(C) in connection with the application, the alien tenders the identification and employment authorization card issued to the alien pursuant to subsection (a)(1)(D) and establishes that the alien is identified as the person to whom the card was issued based on the biometric identification information contained on the card.

"(5) MIGRANT AGRICULTURAL WORKER HOUSING.—Such funds as remain in the Trust Fund after the payments described in paragraph (4) shall be used by the Secretary of Agriculture, in consultation with the Secretary, for the purpose of increasing the stock of in-season migrant worker housing in areas where such housing is determined to be insufficient to meet the needs of migrant agricultural workers, including aliens admitted under this section.

"(6) REGULATIONS.—The Secretary of the Treasury, in consultation with the Attorney General, shall prescribe regulations to carry out this subsection.

"(7) INVESTMENT OF PORTION OF TRUST FUND.—

"(A) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the amounts transferred to the Trust Fund pursuant to paragraph (2)(A)(i), and, if applicable paragraph (2)(A)(ii), as is not, in the Secretary's judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired—

"(i) on original issue at the price; or

"(ii) by purchase of outstanding obligations at the market price.

The purposes for which obligations of the United States may be issued under chapter 31 of title 31, United States Code, are hereby extended to authorize the issuance at par of special obligations exclusively to the Trust Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt, except that where such average rate is not a multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

"(B) SALE OF OBLIGATION.—Any obligation acquired by the Trust Fund (except special obligations issued exclusively to the Trust Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

"(C) CREDITS TO TRUST FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the amounts transferred to the Trust Fund pursuant to paragraph (2)(A)(i).

"(D) REPORT TO CONGRESS.—It shall be the duty of the Secretary of the Treasury to hold the Trust Fund, and (after consultation with the Attorney General) to report to the Congress each year on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the next fiscal year. Such report shall be printed as both a House and a Senate document of the session of the Congress to which the report is made.

"(c) STUDY BY THE ATTORNEY GENERAL.—The Attorney General shall conduct a study to determine whether aliens under this section depart the United States in a timely manner upon the expiration of their period of authorized stay. If the Attorney General finds that a significant number of aliens do not so depart and that a financial inducement is necessary to assure such departure, then the Attorney General shall so report to Congress and, upon receipt of the report, subsections (b)(2)(A)(ii) and (b)(4) shall take effect.".

(b) NO FAMILY MEMBERS PERMITTED.—Section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)) is amended by striking "specified in this paragraph" and inserting "specified in this subparagraph (other than in clause (ii)(a))".

(c) CONFORMING AMENDMENT.—The table of contents of the Immigration and Nationality Act is amended by inserting after the item relating to section 218 the following new item:

"Sec. 218A. Alternative program for the admission of H-2A workers.".

(d) REPEAL AND ADDITIONAL CONFORMING AMENDMENTS.—

(1) REPEAL.—Section 218 of the Immigration and Nationality Act is repealed.

(2) TECHNICAL AMENDMENTS.—(A) Section 218A of the Immigration and Nationality Act is redesignated as section 218.

(B) The table of contents of that Act is amended by striking the item relating to section 218A.

(C) The section heading for section 218 of that Act is amended by striking "ALTERNATIVE PROGRAM FOR".

(3) TERMINATION OF EMPLOYER ELECTION.—Section 214(c)(1)(B) of the Immigration and Nationality Act is amended to read as follows:

"(B) Notwithstanding subparagraph (A), the procedures of section 218 shall apply to the importing of any nonimmigrant alien described in section 101(a)(15)(H)(ii)(a).".

(4) MAINTENANCE OF CERTAIN SECTION 218 PROVISIONS.—Section 218 (as redesignated by paragraph (2) of this subsection) is amended by adding at the end the following:

"(d) MISCELLANEOUS PROVISIONS.—(1) The Attorney General shall provide for such endorsement of entry and exit documents of nonimmigrants described in section 101(a)(15)(H)(ii) as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(2) The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.".

(5) EFFECTIVE DATE.—The repeal and amendments made by this subsection shall take effect 5 years after the date of enactment of this Act.

SEC. 10. INCLUSION IN EMPLOYMENT-BASED IMMIGRATION PREFERENCE ALLOCATION.

(a) AMENDMENT OF THE IMMIGRATION AND NATIONALITY ACT.—Section 203(b)(3)(A) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(3)(A)) is amended—

(1) by redesignating clause (iii) as clause (iv); and

(2) by inserting after clause (ii) the following:

"(iii) AGRICULTURAL WORKERS.—Qualified immigrants who have completed at least 6 months of work in the United States in each of 4 consecutive calendar years under section 101(a)(15)(H)(ii)(a), and have complied with all terms and conditions applicable to that section.".

(b) CONFORMING AMENDMENT.—Section 203(b)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(3)(A)) is amended by striking "subparagraph (A)(iii)" and inserting "subparagraph (A)(iv)".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to aliens described in section 101(a)(15)(H)(ii)(a) admitted to the United States before, on, or after the effective date of this Act.

SEC. 11. MIGRANT AND SEASONAL HEAD START PROGRAM.

(a) IN GENERAL.—Section 637(12) of the Head Start Act (42 U.S.C. 9832(12)) is amended—

(1) by inserting "and seasonal" after "migrant"; and

(2) by inserting before the period the following: ", or families whose incomes or labor is primarily dedicated to performing seasonal agricultural labor for hire but whose places of residency have not changed to another geographic location in the preceding 2-year period".

(b) FUNDS SET-ASIDE.—Section 640(a) (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (2), strike "13" and insert "14";

(2) in paragraph (2)(A), by striking "1994" and inserting "1998"; and

(3) by adding at the end the following new paragraph:

"(8) In determining the need for migrant and seasonal Head Start programs and services, the Secretary shall consult with the Secretary of Labor, other public and private entities, and providers. Notwithstanding paragraph (2)(A), after conducting such consultation, the Secretary shall further adjust the amount available for such programs and services, taking into consideration the need and demand for such services.".

SEC. 12. REGULATIONS.

(a) REGULATIONS OF THE ATTORNEY GENERAL.—The Attorney General shall consult with the Secretary and the Secretary of Agriculture on all regulations to implement the duties of the Attorney General under this Act.

(b) REGULATIONS OF THE SECRETARY OF STATE.—The Secretary of State shall consult with the Attorney General on all regulations to implement the duties of the Secretary of State under this Act.

SEC. 13. FUNDING FROM WAGNER-PEYSER ACT.

If additional funds are necessary to pay the start-up costs of the registries established under section 3(a), such costs may be paid out of amounts available to Federal or State governmental entities under the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

SEC. 14. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect 180 days after the date of enactment of this Act.

ENDORSING ORGANIZATIONS

National Council of Agricultural Employers; American Farm Bureau Federation; AgriBank; Agricultural Affiliates, Inc.; Agricultural Council of California; Agricultural Producers; Allied Grape Growers; Almond Hullers & Processors Association, Inc.; American Mushroom Institute; American Nursery & Landscape Association; American Sheep Industry Association; Apple Growers of Dutchess County; California Apple Commission; California Association of Winegrape Growers; California Beet Growers Association; California Citrus Mutual; California Cherry Export Association; California Cotton Ginners & Growers Association; California Cotton Growers Association; California Cut Flower Commission; California Farm Bureau Federation; California Floral Council; California Grape & Tree Fruit League; California Tomato Growers Association; Colorado Onion Association; Colorado Sugarbeet Growers Association; Fagerberg Produce; Farm Credit Services of North Central Wisconsin; Florida Citrus Mutual; Florida Citrus Packers; Florida Citrus Processors Association; Florida Farm Bureau Federation; Florida Fruit & Vegetable Association; Florida Nurserymen & Growers Association; Florida Strawberry Growers Association; Frederick County Fruit Growers Association, Inc.; Fresno County Farm Bureau; Georgia Agribusiness Council, Inc.; Grower-Shipper Vegetable Association of Central California; Grower-Shipper Vegetable Association of San Luis Obispo & Santa Barbara Counties; Gulf Citrus Growers Association, Inc.; Hood River Grower-Shipper Association; Idaho Grower Shippers Association; Imperial Valley Vegetable Growers Association; Jackson County Fruit Growers League; Marsing Agriculture Labor Association; Michigan Asparagus Advisory Board; Michigan Farm Bureau; Midwest Food Processors

Association; Midwest Sod Council; National Christmas Tree Association; National Cotton Council of America; National Cotton Ginners' Association; National Watermelon Association; New England Apple Council; New Jersey Farm Bureau Federation; New York Apple Association, Inc.; New York Cherry Growers Association, Inc.; New York Farm Bureau; Nisei Farmers League; North Carolina Growers Association, Inc.; North Carolina Sweet Potato Commission, Inc.; Northern California Growers Association; Northern Christmas Trees & Nursery; Northwest Horticultural Council; Ohio Farm Bureau Federation, Inc.; Ohio Fruit Growers Society; Ohio Vegetable & Potato Growers Association; Olive Growers Council; Oregon Association of Nurserymen, Inc.; Oregon Farm Bureau Federation; Oregon Hop Growers Association; Oregon Raspberry & blackberry Commission; Oregon Strawberry Commission; Peach Commission; Raisin Bargaining Association; San Joaquin Valley Dairymen; Snake River Farmers Association; Society of American Florists; Sod Growers Association of Mid-America; South Carolina Farm Bureau Federation; Southeast Cotton Ginners Association, Inc.; Southeast Forestry Contractors' Association; Southern Cotton Growers Association; State Horticultural Association of Pennsylvania; Sugar Cane Growers Cooperative of Florida; Texas Cotton Ginners Association; Texas Produce Association; Turfgrass Producers International; United Fresh Fruit & Vegetable Association; United States Apple Association; United States Sugar Corporation; Vegetable Growers Association of New Jersey; Ventura County Agricultural Association; Wasco County Fruit & Produce League; Washington Growers Clearing House Association; Washington Growers League; Washington State Farm Bureau; Washington Women for Agriculture; Wenatchee Valley Traffic Association; Western Growers Association; Western Range Association; Western United Dairymen; Wisconsin Christmas Tree Producers; Wisconsin Farm Bureau; and Yakima Valley Grower-Shipper Association.

Mr. GORTON. Mr. President, a recent GAO report concluded that approximately one-third of the U.S. agricultural labor force in the United States is illegal. Many estimate that the percentage is in fact much higher. For too long, Congress has failed to respond to the lack of legal agricultural workers, and simply left on the books, and largely unused, a guestworker program that is too administratively complex and expensive to be workable. With recent crackdowns by INS, our farmers and growers face a labor shortage crisis. Congress must act, and it must act now.

I rise today, and join my colleagues on both sides of the aisle in introducing the Agricultural Job Opportunity Benefits and Security Act of 1998, a bill to address this problem. This legislation is long past due and urgently needed. As the Senator from Florida described earlier today, the bill is a win-win-win proposition. It is a win for farmers and growers because it provides them a method of obtaining a legal, reliable workforce. It is a win for workers both domestic and foreign. For domestic workers, the bill, through a work registry, gives them first preference on jobs, benefits above those they are currently receiving, and continued employment by ensuring that American farms remain economically viable and that production is not lost to other countries. For foreign workers, the bill provides the dignity, freedom from fear, and mobility that attends a legal status, as well as significant worker protection and benefits. Finally, the bill is a win for consumers because it ensures them a ready, affordable supply of American agricultural products. I applaud this carefully considered, balanced legislation and will work actively for its quick enactment.

Mr. McCONNELL. Mr. President, the Kentucky Farm Bureau and the hundreds of farmers that I met with on my recent farm belt tour convinced me that one of the most pressing issues facing Kentucky farmers is the problem of finding legal, migrant farm workers.

Kentucky farmers depend heavily on migrant agricultural workers that come to Kentucky under H-2A visas to help harvest tobacco and other crops. Kentucky depends on the H-2A visa program more than every other state, except North Carolina and Virginia.

The current H-2A process is slow, tedious and complex. It subjects farmers to unreasonable costs, excessive bureaucracy, and mountains of paperwork.

To add to the injustice, farmers are faced with frivolous lawsuits and IRS raids—often at the peak time of the harvest.

The Agriculture Job Opportunity Benefits and Security Act would lift the unfair burdens placed on farmers by reforming the H-2A visa program and reducing: the mountains of paperwork, the excessive bureaucracy, and the unfair threats of frivolous litigation.

In order to get migrant workers, a Kentucky farmer has to find his way through the Kentucky Department of Labor, the U.S. Department of Labor, and the Immigration and Naturalization Service—paying fees and filling out cumbersome, confusing paperwork all along the way.

Most farmers will tell you that it's easier to wade through the tax code and file a 1040 tax form every year than it is to slog through multiple government agencies and mountains of paperwork just to hire a migrant farm worker to help bale hay.

In fact, the Department of Labor needs a 325-page handbook to help farmers find their way to migrant farm workers. The Government Accounting Office managed to get through this handbook and found it to be outdated, incomplete and very confusing.

You shouldn't have to hire a lawyer just to hire a migrant farmer.

I'd like to take a couple of minutes to walk through some of the common problems faced by farmers and the common sense solutions offered by the bill we are introducing today.

Problem: Farmers are hesitant to use the process because it is too slow and complicated.

Solution: A simplified, streamlined H-2A visa program would encourage more farmers to go through the system to hire legal migrant farm workers.

Problem: Farmers must pay multiple fees, go through multiple agencies, and fill-out multiple documents.

Solution: A Department of Labor computer registry would be established to replace the current cumbersome and bureaucratic process. Farmers would submit a simple form asking for a certain number of workers at a specified time. If there is an insufficient number of domestic workers available, then the DOL would contact the INS to initiate an expedited visa approval process for migrant farm workers. (All program costs would be paid for by employer user fees.)

Problem: Farmers must apply for workers 60 days in advance—even though they may not know exactly how many workers they will need or exactly when they will need them.

Solution: Farmers do not have to begin process two months in advance. They may apply any time prior to actually hiring foreign workers. The total process from initial application to actual hiring should take no more than 21 days.

Problem: DOL slows the process by failing to timely process applications. A GAO study found that DOL missed statutory deadlines in at least 40 percent of the cases.

Solution: Farmers do not have to wait for DOL. If the DOL does not either meet the deadline or issue a specific objection, then the INS is authorized to go ahead and issue visas for migrant workers.

Problem: Farmers have to spend hundreds of dollars advertising in the newspaper or on the radio to prove what they already know—that is, there is a shortage of domestic workers who will labor in the fields.

Solution: Farmers will not be required to engage in costly radio and newspaper advertising, but may recruit domestic workers by simply using the existing DOL job bank for available domestic workers. DOL will match domestic workers with jobs.

Problem: Farmers are required to pay wages that are often higher than both the minimum wage and the prevailing wage because the legal wage is calculated based on wages paid for all farming jobs, not the specific job in which the migrant worker employed.

Solution: Farmers would not have to pay exorbitant wages to migrant farm workers. They would be required to pay wages only up to the prevailing wage for the type of occupation in which the grower is actually employed. The wage would not be based on the wages earned by all persons in all farming jobs.

Problem: Farmers are faced with the threat of frivolous litigation for failing to meet vague and open-ended statutory and regulatory requirements.

Solution: The threat of litigation would be reduced by removing unfair burdens on farmers and by clearly spelling out statutory requirements.

Finally, let me respond to the critics of this compromise bill.

Critics wrongly claim the new alternative program has no labor protections.

The alternative program provides foreign and domestic workers with all the labor protections of federal and state labor laws. In addition, it imposes special obligations on participating employers such as payment of at least the prevailing wage.

The pilot program is modeled after the existing H-1B program for specialty and high-tech occupations. It requires employers to recruit domestic workers, and assures that domestic workers receive first preference for jobs.

Finally, the new program provides strict penalties for employers who fail to meet labor standards, including fines, back wages, and debarment from future program participation.

I wanted to commend the bipartisan group of Senators, led by GORDON SMITH, who have worked together to craft a comprehensive and meaningful solution for our nation's farmers.

I was proud to be a cosponsor of Senator SMITH's original bill, S. 1563, and am equally pleased to be a part of this compromise bill.

I look forward to working with the American Farm Bureau and the Kentucky Farm Bureau to move this bill in the Senate as soon as possible.

Mr. GRAHAM. Mr. President, I rise today to join my colleagues in introducing legislation that will simplify and streamline one of the most frustrating aspects in the life of a farmer: Finding qualified, legal farmworkers.

There are two large issues that cause this problem: (1) According to the December 1997 GAO report, there are at least 600,000 farm workers in the United States illegally—and most have false, but realistic-looking, documents.

The farmer can go to extreme lengths to verify his workforce, and still be vulnerable to INS enforcement action.

Our bill, through an Agricultural Registry of workers, ensures that a farmer is able to get a legal, reliable workforce, and our bill ensures that these American workers are paid a premium wage and receive the benefits that they deserve.

(2) Under the current system, if a farmer cannot find available American workers and does need to find temporary foreign help through H-2A visas, he or she must navigate a maze of complex regulations, so much so that it takes a 300-page guidebook to explain the process.

He or she also has little assurance that, even after successfully completing the forms and initiating the process, that the Department of Labor will approve or deny the petitions in a timely manner.

It may seem notable that we are all here together, in a bipartisan manner, from every geographic region of our great Nation.

In the past, discussion of the H-2A program has broken down into a partisan, polarized, gridlocked debate, and no one wins. Wages are still low for workers, and growers still need legal reliable help.

I commend my colleagues, Senator WYDEN, Senator BUMPERS, Senators SMITH, CRAIG, and GORTON for helping bring common sense reality to the table, and together, crafting a bill that helps all sides.

I thank Senator ABRAHAM for holding a fair, educational and timely hearing on this issue, and for bringing all sides together to discuss what works and what doesn't work under the current system.

We, as a bipartisan group, want to accomplish several goals, and I ask my colleagues in the Senate to support what we feel will bring order to the current chaos, bring honor to the farming community, and bring needed benefits to hard working farmworkers. Our goals are simple:

1. Make the H-2A system simple. With our agricultural registry, anyone can start the process by picking up the phone.

Turnaround time can be counted in minutes and hours instead of weeks or months. Give our farmers the chance to choose between legal domestic workers, and legal foreign workers, with the domestic workers getting the first choice at all jobs. But the choice can be made to have a legal workforce.

2. Ensure that American workers get the first choice of every job opening. Under the Registry system—not a single foreign worker will come to the United States until every domestic worker on the Registry is employed in the area he or she has requested.

American farmworkers will be able to easily link together a year's worth of work—moving from Florida to Kentucky to New England, if that is what they want.

3. Ensure that American workers receive premium wages and benefits. Under the Registry program, every legal domestic worker is guaranteed at least prevailing wage, plus a 5 percent premium.

The growers will pay a higher price than they may be paying currently, but they have the added value of knowing with certainty that they are not vulnerable to INS enforcement action. Registry workers also will receive housing benefits, either on-site housing, or a housing allowance.

4. Put a stop to the horrible practice of smuggling human lives. Under the current state of affairs, every day, human beings are dying—crammed into the back of vans, dehydrating in the California deserts, or murdered for the thousand dollars they are willing to pay for a secretive trip across the border and a set of false documents.

They are drawn here by the jobs, many of them farmwork jobs. They put their lives on the line to work in an underground economy. They keep food on our table, and our economy growing.

Let us take this underground system above ground. Offer a simple, reliable way to bring temporary, legal foreign workers here, paid at wages that will not disadvantage any American workers and protected by all labor laws and standards.

5. Don't hurt any other immigration category. All of this can be accomplished without taking away from any current immigration numbers.

H-2A workers workers, by definition, are in our country for temporary, seasonal work—and they return home when the job is done. They will not swell the population of the United States, or become a burden on our social safety net.

They will work side by side with the domestic workforce in one of the most important, but difficult, jobs in our society: putting fresh fruit, fresh vegetables, perishable delicacies on our plates each and every meal.

Please join me in this bipartisan effort to simplify this complex system.

By Mr. MOYNIHAN (for himself, Mr. D'AMATO, and Mr. SPECTER):

S. 2338. A bill to amend the Harmonized Tariff Schedule of the United States to provide for equitable duty treatment for certain wool used in making suits; to the Committee on Finance.

LEGISLATION TO PROVIDE EQUITABLE TREATMENT FOR CERTAIN WOOL FABRIC

• Mr. MOYNIHAN. Mr. President, today I introduce a bill to correct a glaring competitive imbalance that has arisen because of an anomaly in our tariff schedule. Hickey-Freeman has produced fine tailored suits in Rochester, New York since 1899. Nearly a century. However, the U.S. tariff schedule currently makes it difficult for Hickey-Freeman to continue producing such suits in the United States.

The facts are straight-forward. Companies like Hickey-Freeman that must import the very high quality wool fabric used to make men's and boys' suits pay a tariff of 31.7 percent. They compete with companies that import finished wool suits from a number of countries. If these imported suits are from Canada, the importers pay no tariff whatever. If the suits are imported from Mexico, the tariff is 11 percent. From other countries, the importers pay a duty of 20.2 percent. Clearly, domestic manufacturers of wool suits are put at a significant price disadvantage. Indeed, the tariff structure provides an incentive to import finished suits from abroad, rather than manufacture them in the United States.

The bill I am introducing today, along with Senators D'AMATO and SPECTER, would correct this problem, at least temporarily. It suspends through December 31, 2004 the duty on the finest wool fabrics (known in the trade as Super 90s or higher grade—fabrics that are produced in only very limited quantities in the United States. And it would reduce the duty for slightly lower grade but still very fine wool fabric (Super 70's and Super 80's) to 20.2 percent—the same duty as on finished wool suits. The bill also provides that, in the event the President proclaim a duty reduction on wool suits, corresponding changes would be made to the tariffs applicable to 'Super 70's' and 'Super 80's' grade wool fabric.

This bill would correct a troublesome tariff inversion that puts U.S. wool suit producers at a serious competitive disadvantage. It is a small step toward modifying a tariff schedule that favors foreign producers of wools suits at the expense of U.S. suit makers. I therefore urge my colleagues to join me in supporting its adoption, and ask for unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2338

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DUTY TREATMENT OF CERTAIN FABRICS.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended—

(1) by adding at the end of the U.S. notes the following new note:

"13. For purposes of headings 9902.51.11 and 9902.51.12, the term 'suit' has the same meaning such term has for purposes of headings 6203 and 6204."; and

(2) by inserting in numerical sequence the following new headings:

"9902.51.11	Fabrics, of carded or combed wool or fine animal hair, all the foregoing certified by the importer as 'Super 70's' or 'Super 80's' intended for use in making suits, suit-type jackets or trousers (provided for in subheadings 5111.11.70, 5111.19.60, 5112.11.20, or 5112.19.90) ...	20.2%	No change	No change	On or before 12/31/2004
9902.51.12	Fabrics, of carded or combed wool or fine animal hair, all the foregoing certified by the importer as 'Super 90's' or higher grade intended for use in making suits, suit-type jackets or trousers (provided for in subheadings 5111.11.70, 5111.19.60, 5112.11.20, or 5112.19.90) ...	Free	Free (CA, IL, MX)	No change	On or before 12/31/2004".

(b) STAGED RATE REDUCTION.—Any staged reduction of a rate of duty set forth in heading 6203.31.00 of the Harmonized Tariff Schedule of the United States that is proclaimed by the President shall also apply to the corresponding rate of duty set forth in heading 9902.51.11 of such Schedule (as added by subsection (a)).

(c) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of enactment of this Act.●

● Mr. D'AMATO. Mr. President, today I support this important legislation to eliminate tariff duties on certain wool fabrics. Currently, there exists a disparity in the tariff schedule which forces companies like Hickey-Freeman, in Rochester, New York and Learbury in Syracuse, New York, who import very high quality wool fabric, to pay a tariff of 31.7 percent.

These same finished suits imported from Canada come into the United States tariff free. If the suits are imported from Mexico, there is an 11 percent tariff and from other countries, the tariff rate is 20.2 percent. This inverted tariff schedule actually provides an incentive to import suits rather than produce them here in the United States with domestic labor and domestic wool.

This straightforward, clear legislation would suspend through December 31, 2004 the duty on the finest wool fabrics (known specifically as Super 90s weight or higher grade wool). These higher quality fabrics are produced in very limited quantities in the United States, so this tariff reduction would have no negative impact on domestic producers.

Clearly, if there were enough of this wool fabric produced domestically, there would be no need for this legislation since suitmakers would not need to import wool and pay the extortionately high rate of 31.7 percent. Indeed, if the U.S. suit manufacturing industry is allowed to compete fairly with imported suits, and not forced to reduce costs just to pay for inverted tariff rates, domestic wool use will actually increase with the additional suits that will be manufactured in the United States.

Additionally, the provision would reduce the duty for slightly lower grade, fine wool fabric (Super 70s and 80s) to 20.2 percent—the same duty as on finished wool suits.

Mr. President, under current law, if two fabric buyers, one American and the other Canadian, purchase fabric from a foreign country, say Italy, they each pay the exact same price. Yet when they bring the fabric back to their country to be made into suits that is where the problem occurs.

The American is forced to pay a tariff of 31.7 percent on the imported fabric, which then must be absorbed into the cost of the suit, or eaten by the manufacturer. The Canadian buyer pays no tariff. Additionally, the Canadian suit maker can then export to the U.S., and because of the NAFTA agreement, they pay no tariff. As a result, Canadian shipments of men's suits into the United States has gone from 0 to 1.5 million in only ten years.

Mr. President, I am extremely concerned with the current wool tariff because this inverted tariff policy has negatively impacted U.S. jobs. U.S. production has fallen by 40 percent and jobs by 50 percent. And, Mr. President, this additional tariff raises the costs for consumers as well.

I am proud to join with Senators MOYNIHAN and SPECTER in this important legislation, and look forward to its early passage and enactment into law.●

● Mr. SPECTER. Mr. President, today I join my colleagues, Senators DANIEL PATRICK MOYNIHAN and ALFONSE D'AMATO, to introduce a bill that will keep high paying jobs in the domestic tailored wool apparel industry in America. This bill will suspend the duty on certain high quality wool fabrics used in American garment manufacturing.

The duty rates on imported wool fabrics continued to be among the highest rates imposed on products in the U.S. tariff schedules. Because the duty on these fabrics exceeds the duty on imported garments by about 20 percent, the duty schedule penalizes those American companies which keep their production here in the U.S.

A special "finished product" concession made in the Canada Free Trade Agreement (and later NAFTA) has greatly exacerbated the problem. The concession allows Canadian companies to use imported, duty-free wool fabric to manufacture men's suits, which are in turn shipped duty-free into the U.S. As a result, over the past decade Canadian shipments of suits into the U.S. have surged from nearly zero to approximately one and a half million units shipped annually.

During the same time frame, production by the U.S. tailored clothing industry has dropped 40 percent and the number of employees has been cut in almost half, from 58,000 to 30,000 employees. In my home state of Pennsylvania, the high-end tailored men's clothing industry provides high paying jobs in the cities of Reading, Ashland, Easton, Shippensberg and Philadelphia, but since 1991, Pennsylvania has lost over 3000 jobs due to plant closings.

This duty has a real, direct and substantial effect on American jobs. Suspension of the duty on these fabrics will level the playing field with foreign manufacturers and allow the U.S. industry to compete, saving American jobs. I therefore urge my colleagues to join me in supporting its adoption.●

By Mr. GRAHAM (for himself, Mr. GRASSLEY, Mr. BAUCUS, Mr. HATCH, Mr. BREAUX, Mr. JEFFORDS, and Mr. KERRY):

S. 2339. A bill to provide for pension reform, and for other purposes; to the Committee on Finance.

THE PENSION COVERAGE AND PORTABILITY ACT OF 1998

Mr. GRAHAM. Mr. President, earlier today a group of my colleagues representing both sides of the aisle joined together to announce that we would be introducing legislation to increase the security in the retirement of Americans. I want to especially recognize my colleague, Senator GRASSLEY, who has put a tremendous amount of effort into this legislation and, through his position as Chair of the Aging Committee, has demonstrated his commitment to the well-being of older Americans. Senator GRASSLEY and I recognize that for our Nation to solve what would be one of this generation's greatest challenges, building a retirement security for today's workers, we need to move in a commonsense, bipartisan fashion.

Many of the original cosponsors of this bill were key in crafting the sections of this legislation. Senator GRASSLEY's efforts have expanded fairness for women and families and focused on the benefits of retirement education. Senator BAUCUS has brought the ideas that expanded pension coverage and eased administration burdens on America's small businesses. Portability, so important as we become a more mobile society, received the specific attention of Senator JEFFORDS. All businesses will have the hard work of Senator HATCH to thank for many of the regulatory relief and administrative simplification elements of this bill. And Senator BREAUX, who focused on the big picture of retirement security leading the CSIS task force, has incorporated some of his ideas and the ideas of that task force into the legislation that we introduced this evening.

Throughout this process of putting the bill together, our principal task has been one to listen and attempt to understand what we were hearing. We listened at the recent SAVER Summit, which was held here in Washington, DC, held at the direction of this Congress. We listened at town hall meetings throughout our States. We have listened at the Retirement Security Summit, which I held in January of this year in Tampa, FL, and the Women's Summit, which I held in Orlando in April.

The ideas have come from pension actuaries, tax attorneys, Cabinet leaders, and some of the best ideas from everyday Americans. I want to thank those who have endorsed our proposal.

Mr. President, with reason, much of the public debate has now focused on President Clinton's call to "Save Social Security first." I wish to say, as the Senator from New Hampshire has just commented, I, too, benefited by the remarks that were made this evening by the Senator from Minnesota on what is happening on a global basis, in terms of meeting the type of problems which we face in providing retirement security for Americans. We all agree, on both sides of the aisle, that we need to assure that Social Security is as viable for my nine grandchildren and all of their peers, as it was for my parents and will be for me. However, Social Security is only one part of the picture. Pensions and personal savings will make up an ever-increasing part of retirement security. So, when Congress takes action to assure the future of Social Security, we are only addressing one-third of the problem. Our bill addresses the other two-thirds of the problem.

Social Security will play less of a role for each succeeding generation of Americans. We must develop personal savings. We must assure that years of work pay off in reliable pensions. Our bill will help hard-working Americans build personal retirement savings through their employers, through 401(k)s, through payroll deduction IRAs, through higher limits on savings. The employers and workers both will win. Employers get simpler pension systems with less administrative burden and more loyal employees, and workers build a secure retirement and watch savings accumulate over their years of work.

How, specifically, will our bill help? The first focus of our bill is small business. The reason for this primary focus is because this is where the greatest difficulties in achieving retirement security are lodged.

Fifty-one million American workers have no retirement plan at work—51 million Americans without any retirement plan at the place of their employment; 21 million of these employees work in small businesses. The problem: Statistics indicate that only a small percentage of workers in firms of less than 100 employees have access to a retirement plan.

This chart indicates that there is a direct correlation between the number of employees in a business and the likelihood that there will be a pension retirement plan. Firms with less than 25 employees have a retirement plan of 20.2 percent. Firms of 100 or more have a proportion of retirement plans of almost 85 percent.

We are particularly focusing our attention on these smallest firms which are the least likely to have retirement plans, but which are the fastest growing segment of our economy. In the State of Florida, these firms of less than 25 have represented well over 70 percent of the job growth in our State in the last 5 years.

We take a step forward in eliminating one of the principal hurdles that small businesses face when establishing a pension plan.

What is that problem? It is the Federal Government having two hands: On the one hand, the Federal Government is encouraging these businesses to start pension plans, but when they hand out the second hand, they find that the Federal Government wants a palm turned up because the Federal Government is asking for up to $1,000 for a small business to register its plan with the Internal Revenue Service.

We eliminate this fee for small businesses. We need to encourage small businesses to start plans, not discourage them with high registration fees.

Mr. President, the second target of our legislation is women and families. Historically speaking, women live longer than men. Therefore, they need greater savings for retirement because they will have to stretch those savings over more years of life. Yet, our pension and retirement laws do not reflect this fundamental reality. Women are more mobile than men, moving in and out of the workforce due to family responsibilities. Thus, they are less likely to vest in a retirement system. Most retirement systems require a minimum period of time before the employee becomes eligible and has a legal entitlement to the retirement funds. Women are the least likely to meet those minimum years of employment.

As this chart indicates, of women retirees today, 68 percent of women who retire have no retirement benefits; fewer than 32 percent have a pension for their retirement.

Currently, two-thirds of working women are employed in sectors of the economy that are unlikely to offer a retirement plan—service and retail and small businesses.

What is the solution? In an effort to address one of the problems of preparing for a longer life expectancy, we realistically adjust upward the age at which you must start withdrawing funds from your own 401(k) or other similar pension instrument.

Under the current law, you must, you are obligated to start withdrawing money from your retirement plan once you reach the age of 70½, 70 years and 6 months. At the age of 70 years and 6 months, you are obligated to commence the process of withdrawing funds from your retirement plan. However, a woman at the age of 70 can still have three decades to look forward to in retirement. I know this because I represent many of these wonderful people in my State of Florida.

At the retirement summit I hosted in Tampa, several retirees mentioned that they wanted to keep their money in retirement savings for as long as possible. We propose to raise the 70 years and 6 months age to 75 for mandatory distribution. We do this for both genders, because I am happy to say that men are also living longer. It just happens that women will be the most affected group of Americans by this proposal.

We go beyond raising the age from 70 years and 6 months to 75 years by also providing that $300,000 of any defined benefit contribution plan will be exempt from minimum distribution rules.

This accomplishes several important objectives: Simplifying the bureaucracy for thousands of Americans who have less than $300,000 in their retirement fund, and protecting a vital nest egg for the last years of retirement so that items such as long-term care and other expenses that are part of the aging process can be covered.

Next, Mr. President, we deal with the issue of increasing portability. Over an average 40-year career, the current U.S. worker will have seven different employers. This represents a dramatic shift from the current worker's employment pattern from that of their grandparents where it was common for a person to commence their career and end their career with the same employer.

We have the possibility of a generation of American workers who retire with many small retirement accounts, creating a complex maze of statements and features different for each account.

The solution that we propose includes addressing one element of this by allowing employees, such as teachers, who happen to move from one State to another, to buy into their current locality's defined benefit pension system through the purchase of service credits so that when they retire, they will have one retirement account. It is easier to monitor, less complicated to maintain records about and builds a more secure retirement for the worker.

The next issue that our legislation confronts is that of reducing red tape and administrative complexities. As I mentioned earlier, 51 million Americans have no pensions. The main obstacle that companies face in establishing a retirement program is often bureaucratic administrative burden.

For example, for a small plan, the plan that would deal with companies that have 25 or fewer employees—in this case, the specific example is for a plan with 15 employees—it costs $228 per employee per year just to comply with all the forms, tests and regulations required to maintain a pension plan.

We have a commonsense remedy to one of the most vexing problems in pension administration: figuring out how much money to contribute to the company's plan. It is a complex formula of facts, statistics and assumptions under the current law. We want to be able to say to plans that you have no problem with underfunding. To help make these calculations, you can use the prior year's data to make the proper contribution, and if you do so, you will not be subject to any after-the-fact sanctions. You don't have to re-sort through the numbers each and every year. If your plan is sound, use reliable data from the previous year and then verify when all the final details are available. Companies will be able to calculate and then budget, not wait until figures and rates out of their control are released by external sources.

Another issue is pension security. Under current law, companies cannot fully fund their pension determination liability; that is, provide for a sufficient amount of funding in their pension retirement trust fund to be able to fund that particular pension to its full actuarial amount.

The inability to do so puts workers at risk that the appropriate funds will not be available when their workforce retires. Solution? It makes little sense for the Federal Government to discourage companies from fully funding their pension plans. We propose to repeal this limit, the limit that keeps companies from fully funding their plan. In last year's tax bill we phased this limit up. Now we have a chance to take the final step and allow companies the flexibility to put more money in their pension plans when their economic circumstances allow.

The next provision in our legislation, Mr. President, encourages retirement education. The unfortunate reality is that many Americans do not prepare for retirement because they just do not know that they need to. It has been said in jest, but unfortunately it happens in too many cases—it is true—that Americans spend more time planning a 2-week summer vacation than they do 20 or 30 or more years of retirement.

Studies show that with education, participation rates in retirement savings vehicles jump dramatically. Eighty-one percent of Americans say retirement education has encouraged them to earmark more money for the future. So as Americans have a better understanding of what is involved in retirement—the financial aspects of retirement, the issues of personal health, issues of utilization of leisure time, and all of the other challenges that come in retirement—Americans respond as we would expect, with intelligence and appropriate steps to protect their and their families' interests.

Our solution is to let the Federal Government serve as a role model. Programs already in place to educate our own Federal employees about the need to prepare for retirement should be broadly shared with other firms, both private and public. We ask that the paradigm for these discussions be made available to the general public so that they can be used by American workers who are employed by organizations beyond the Federal Government.

We also ask that the Small Business Administration, which is so helpful to America's entrepreneurs in getting ventures off the ground and expanding when times are right, be involved in outreach in the retirement arena. Through web sites, brochures, whatever means they feel best, the Small Business Administration can help spread the word on what has already been accomplished—simple accounts, payroll deduction IRAs, and more—and keep businesses up to date with each opportunity to save for a secure retirement.

Mr. President, I thank my colleagues who have worked so hard on this measure. I ask for the support of those in this Chamber on this important legislation.

Mr. GRASSLEY. Mr. President, I rise to join my colleagues, Senator GRAHAM, Senator HATCH, Senator BREAUX, Senator BAUCUS, and Senator JEFFORDS to introduce bipartisan pension reform legislation. This legislation, the Pension Coverage and Portability Act of 1998, will go a long way toward improving the pension system in this country.

Promoting retirement income security seems to be on everyone's mind these days if the number of pension bills now pending in Congress is any indication. But I think that our leaders need to understand that pension legislation should be a priority for prompt action by Congress and the President.

Let me try to explain: For better or worse, the most important component of retirement income is the Social Security program. But our nation is about to experience a demographic shift of very large proportions that will have a very negative impact on Social Security. My state is already feeling the impact of this shift.

The state of Iowa has the most people over the age of 85 as a percent of the population. Iowa has the third highest percentage of people over the age of 65. There is a popular statistic relating to the incomes of elderly households we hear a lot—that Social Security is the most important source of income for more than 80 percent of elderly Americans. Knowing the demographics of my state, you can imagine how often I hear about Social Security and the feeling that Social Security isn't enough.

It's hard to tell an 82 year old widow that Social Security was never supposed to be enough. Future retirees seem to understand this, as we have seen a number of surveys indicating that Gen Xers do not believe Social Security will be the most important source of income once they retire.

But their income will have to come from somewhere. Many workers will be able to rely on increased income from pensions. Unfortunately, right now, one half of our workforce is not participating in a pension plan.

Mr. President, you know the statistics just as well as I do. Coverage levels have been consistent over the last decade but among small employers, coverage is low.

In June, the Employee Benefit Research Institute released the Small Employer Retirement Survey. This survey is very instructive for legislators.

Small employers identified three main reasons for not offering a plan. The first reason is that small employers believe their employees prefer increased wages or other types of benefits. The second reason employers don't offer plans is the administrative costs. And the third most important reason for not offering a plan: uncertain revenue, which makes it difficult to commit to a plan.

Combine these barriers with the responsibilities of a small employer, and we can understand why coverage among small employers has not increased. Small employers who may just be starting out in business are already squeezing every penny. These employers are also people who open up the business in the morning, talk to customers, do the marketing, pay the bills, and just do not know how they can take on the additional duties, responsibilities, and liabilities of sponsoring a pension plan.

I firmly believe that an increase in the number of people covered by pension plans will occur only when small employers have more substantial incentives to establish pension plans.

The Pension Coverage and Portability Act contains provisions which will provide more flexibility for small employers, relief from burdensome rules and regulations, and a tax incentive to start new plans for their employees. One of the new top heavy provisions we have endorsed is an exemption from top heavy rules for employers who adopt the 401(k) safe harbor. This safe harbor will take effect in 1999. When the Treasury Department wrote the regulations and considered whether safe harbor plans should also have to satisfy the top heavy rules, they answered in the affirmative. As a result, a small employer would have to make a contribution of 7 percent of pay for each employee, a very costly proposition.

My colleagues and I also have included a provision which repeals user fees for new plan sponsors seeking determination letters from the IRS. These fees can run from $100 to more than $1,000, depending on the type of plan. Given the need to promote retirement plan formation, we believe this "rob Peter to pay Paul" approach needs to be eliminated.

We have also looked at the lack of success of SIMPLE 401(k) plans. A survey by the Investment Company Institute found that SIMPLE IRAs have proven successful, with almost 100,000 participants. However, SIMPLE 401(k)s just haven't taken off. A couple of the reasons may be that the limits on SIMPLE 401(k)s are tighter than for the IRAs.

Our bill equalizes the compensation limits for these plans; in addition, we have also increased the annual limit on both SIMPLEs to $8,000.

One of the more revolutionary proposals is the creation of a Salary Reduction SIMPLE with a limit of $4,000. Unlike other SIMPLEs, the employer makes no match or automatic contributions. The employer match is usually a strong incentive for a low-income employee to participate in a savings plan. We hope that small employers will look at this SIMPLE as a transition plan, in place for just a couple of years during the initial stages of business operation—then adopt a more expansive plan when the business is profitable.

The other targeted areas in the legislation include: Enhancing pension coverage for women.

Women are more at risk of living in poverty as they age. They need more ways to save because of periodic departures from the workforce. To increase their saving capacity, we have also included a proposal similar to legislation I sponsored earlier this year, S. 1856, the Enhanced Savings Opportunities Act. Like S. 1856, the proposal repeals the 25% of salary contribution limit on defined contribution plans. This limit has seriously impeded savings by women, as well as low- and mid-salary employees.

I prefer this approach to a catch-up provision. Catch-ups would most likely be voluntary on the part of the employer, do not encourage savings over working life, and do not necessarily help low and mid-salary people. Repealing 415(c) is a simplifier, and will allow anyone covered by a defined contribution plan to benefit.

The bill also contains proposals which promote new opportunities to rollover accounts from an old employer to a new employer. The lack of portability among plans is one of the weak links in our current pension system. This new bill contains technical improvements which will help ease the implementation of portability among the different types of defined contribution plans.

Finally, I would like to point out a couple of other provisions in the bill. The first is the new requirement that plan sponsors automatically provide benefit statements to their participants on a periodic basis. For defined contribution plans, the statement would be required annually. For defined benefit plans, a statement would be required every three years. There is a very strong lack of understanding among participants about how their pensions work. There is also a high percentage of people who have done nothing to plan for their retirement.

Providing clear and understandable benefit statements to pension plan participants would encourage people to think about how much money they can expect to receive in retirement. Further, a benefit statement will help people ensure that the information their employer maintains about them is accurate. Almost 80 percent of employers who sponsor defined benefit plans are providing some type of benefit statement automatically. All participants need these statements.

This provision joins other proposals in a new section targeted at encouraging retirement education. Education can make a difference to workers. In fact, in companies which provide investment education, we know workers benefitted because many of them changed their investment allocations to more accurately reflect their investment horizons.

A new provision that I encourage my colleagues to carefully consider targets the problem of participation by proposing an incentive for negative enrollment or "opt-out" plans. My staff and I were familiar with the example set by McDonald's Corp. which utilizes opt-out plans for their employees. But McDonald's was concerned that they might get in trouble with government regulators for operating their plan as an opt-out. President Clinton announced that McDonald's plan was legal—and encouraged other employers to try opt-out plans. This bill includes an incentive for employers to create opt-out plans that we hope will increase participation among low-salary workers.

This legislation joins a number of other strong proposals now pending in the House and here in the Senate. This legislation includes provisions which reflect some of those same proposals. I want to commend the sponsors of those bills. Our legislation has a lot in common with these other pension bills and we need to push for fast and favorable consideration of, at a minimum, the similar provisions in our legislation.

We have a window of opportunity to act. The Baby Boomers are coming. The letters from AARP are starting to arrive in their mailboxes. The Social Security Administration is starting to stagger the delivery of benefit checks in preparation for their retirement. Many elderly households rely too heavily on Social Security. Future retirees will not be able to rely on all of the benefits now provided by Social Security. We can look to the pension system to pick up where Social Security leaves off, but we need to act.

I thank the other co-sponsors of this legislation for all of their work, and I encourage our colleagues to give strong consideration to co-sponsoring this bill. With concerted, bipartisan action, we can improve the pension system. Pensions for today's workers will substantially improve the retirement outlook for millions of Americans. But we have some work to do if pensions are going to fulfill their promise.

Mr. BAUCUS. Mr. President, most people my age have known the heartache of having to watch their parents grow old. It is a sad day in a person's life when they see their father get his first gray hair. Or the day you notice lines in your mother's face where previously, there were none.

This aging process is made worse by the scary and very real possibility that too many people who will become senior citizens in the next several years are not at all prepared for the transition from work to retirement.

To be honest, it isn't our parents who we need to worry about so much. They survived the Depression. They know what it takes to get by during the lean years—it takes planning and saving. Putting money aside, when it might be easier to spend it in the moment.

Those are the values that our parents live by. They are the values we would do well to heed. And even better to teach those who will follow us.

We as a nation have lost our imperative to save. Personal savings rates have dropped to 3.8 percent of our Gross Domestic Product, the lowest in 58 years.

Fifty-one million Americans in our nation's workforce have no pension coverage. But statistics like those don't tell the whole story. They don't do justice to the hardscrabble struggles that real people go through every day. Struggles that involve agonizing questions like: "Should I eat today or take my medication?" or "Will I be able to heat my house this winter?"

Make no mistake, our nation's lack of saving for retirement is a tragedy in the making.

That is why I am so proud to join my colleagues in introducing this legislation.

A bill that will make it easier for Americans to put money aside, and a bill that will help move pension issues to the forefront of Americans' minds. A bill that will:

Expand coverage for small businesses because they have a harder time affording health care and retirement plans;

Enhance pension fairness for women because they fall into categories that have a harder time saving;

Increase the portability of pension plans so that when you change jobs you don't have to worry about where your savings will go;

Strengthen pension security and enforcement so you can rest easy at night, knowing your money is safe;

Reduce red tape so it's easier for employers to give their workers retirement options;

And encourage retirement education so that husbands and wives, parents and children, talk to each other—make plans for their future. And know what to expect tomorrow and down the road.

One aspect of the bill I am particularly proud of are the small business provisions. Thirty-eight million of the people in this country who do not have a pension plan work at small businesses. Eighty percent of all small business employees have no pension coverage.

In my state of Montana, more than 95 percent of our businesses are small businesses. And almost 9 out of 10 offer no pension plans. We cannot let these hard-working Americans down.

Currently, most small businesses can't afford pension plans. They would like to, but they just can't make ends meet.

Our bill makes it a smart business decision for small business owners to offer retirement plans.

I have made it my priority to work with members of the small business community, both back in Montana and nationally, to identify legislative solutions that will most readily enable small businesses to offer pension plans to their employees. While this bill does not include every recommendation we received, it does represent a collection of high-priority proposals which we believe could be supported by a bi-partisan majority of Congress.

The major provisions in this bill which would help small businesses start and maintain pension plans include the following:

To help make pension plans more affordable we have included two new tax credits: one to help defray start-up costs and the other to defray the cost of employer contributions to pension plans;

In addition, we provide for the elimination of some fees.

To address the problems the small business community has identified as a major impediment to establishing pension plans, we make significant changes in the top-heavy rules that limit employer contributions to plans.

To address concerns of our smallest businesses, who want to provide pensions but can only afford 'start-up' plans at first, we provide increases in income limits that apply to SIMPLE pension plans, along with a new, salary-reduction SIMPLE plan;

And for those employers that want to provide the security of a defined benefit plan for their employees but cannot because of the increased regulatory burden, we create a simplified defined benefit plan for small business.

These provisions are designed to address the problems of cost and complexity that are a barrier to so many small businesses. They will help small employers establish a pattern of saving for themselves and their employees.

Mr. President, I hope the Pension Coverage and Portability Act will spearhead a national debate on how to improve employer-provide pensions in this country.

This debate is essential if we are to achieve our goal of making America in the next century, not only strong as a nation, but strong as a community of individuals confident in the security of their financial futures.

This is a good, bi-partisan bill. It takes the positive steps we as a nation need to put our future in safe hands.

I am eager for the coming debate on this bill.

I hope it sparks a debate in the coffee shops and kitchen tables all across the country. Working together, and with this bill, we can turn a nation of spenders, into a nation of savers.

Mr. GRAHAM. Mr. President, I ask unanimous consent to have printed in the RECORD letters from the Profit Sharing 401(k) Council of America, the American Society of Pension Actuaries, the Association of Private Pension and Welfare Plans, and the National Association of State Retirement Administrators, all of whom endorse this legislation.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PROFIT SHARING 401(K)
COUNCIL OF AMERICA,
Chicago, IL, July 21, 1998.

THE PENSION COVERAGE AND PORTABILITY ACT OF 1998

The Profit Sharing/401(k) Council of America commends Senators GRAHAM, GRASSLEY, BAUCUS, BREAUX, JEFFORDS, D'AMATO, HATCH, and KERREY for this comprehensive reform and updating of the regulation of private pensions. We believe that this legislation identifies and removes many barriers to increasing retirement security for working Americans. Areas of particular interest to our members include the modification of top-heavy rules, the elimination of the percentage of salary limit, and the removal of elective deferrals from the employer deduction calculation.

The Profit Sharing/401(k) Council of America (PSCA) is a non-profit association that for the past fifty years has represented companies that sponsor profit sharing and 401(k) plans for their employees. PSCA has approximately 1200 company-members who employ approximately 3 million plan participants throughout the United States. PSCA's members range in size from a six employee parts distributor to firms with hundreds of thousands of employees.

We look forward to working together to achieve implementation of this important bill.

AMERICAN SOCIETY OF
PENSION ACTUARIES,
Arlington, VA, July 21, 1998.

Hon. BOB GRAHAM,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR GRAHAM: On behalf of the American Society of Pension Actuaries, I am writing to express our strong support for the Pension Coverage and Portability Act of 1998. This comprehensive legislation recognizes the important role played by the private pension system in providing retirement savings for Americans.

By simplifying the complicated tax laws governing retirement plans, your legislation is a significant step in the right direction that will encourage retirement plan formation and expansion. Current law, and the thousands of pages of accompanying regulations, have gone too far. Though intended to increase access to private pension savings, these laws and regulations have actually had an opposite effect, leaving millions of American workers without an easy way to save adequately for retirement.

ASPA represents over 3,000 pension professionals who provide services to approximately one-third of the qualified retirement plans in the United States. The vast majority of these plans are maintained by small businesses. Our members have first-hand knowledge of the existing regulatory barriers preventing retirement plan formation and retention by employers. We believe the provisions in your legislation, including the new simplified defined benefit plan for small business called the SAFE plan, the elimination of the 25 percent of compensation limit on plan contributions, and the relaxation of the top-heavy rules, will encourage employers to offer pension plans for their employees, and will make it easier for employees to increase their own retirement savings.

Again, ASPA thanks you for your work on retirement issues. The Pension Coverage and Portability Act sends a strong message that current regulations have gone too far. We look forward to working with you to move this bill through the legislative process.

Sincerely,

Brian Graff,
Executive Director.

Association of Private Pension
and Welfare Plans
Washington, DC, July 21, 1998.

Hon. Bob Graham,
U.S. Senate, Washington, DC.

Dear Senator Graham: I am writing on behalf of the Association of Private Pension and Welfare Plans (APPWP) to express our support for the Pension Coverage and Portability Act. We commend you for your leadership in addressing the need to strengthen the employer-sponsored retirement system. The APPWP is the national trade association for companies concerned about federal legislation and regulations affecting all aspects of the employee benefits community. APPWP members either sponsor directly or provide to employee benefit plans covering more than 100 million Americans.

Your legislation represents a significant step towards improving the rules governing the employer sponsored retirement system upon which millions of Americans rely for a majority of their retirement income. More specifically, we believe that passage of this legislation will expand coverage, particularly among small businesses, allow employers to design their plans to more effectively meet their workers' needs and increase portability and preservation of retirement income.

In particular, we are pleased that you recognize the need to include provisions that reduce the complexity and improve the incentives for maintaining a retirement plan such as repeal of the "same desk rule," relief from the overly restrictive "anti-cut back rules," modification of the top-heavy and minimum distribution rules, simplification of the ESOP dividend reinvestment rules and relief from the anomalies of the mechanical nondiscrimination rules.

However, as you continue your work on an improved employer-sponsored retirement system, we urge you to consider two major savings incentives that regrettably have not been included in the bill. As we discussed with you when you spoke to our Board of Directors last September, increasing the contribution limits and adding a "catch-up" contribution provision would encourage plan participants to save more for retirement. The need for American workers to save more effectively was recently highlighted at the National Summit on Retirement Savings and we believe it is critical that Congress acknowledge its importance by providing increased incentives. As you have recognized by the Pension Coverage and Portability Act, the employer-sponsored retirement system plays a vital role in assuring that Americans have adequate retirement incomes. We look forward to working with you to improve the savings incentives in employer-sponsored retirement plans.

Sincerely,

James A. Klein,
President.

National Association of State
Retirement Administrators,
Washington, DC, July 21, 1998.

Hon. Bob Graham,
Senate Hart Office Building, Washington, DC.

RE: Support Public Pension Portability Provisions the Senate Bipartisan Pension Tax Package

Dear Senator Graham: On behalf of our nation's State retirement plans and the millions of public employees, retirees and beneficiaries who they cover, the National Association of State Retirement Administrators (NASRA) supports public pension provisions contained in the Senate Bipartisan Pension Tax Package.

In particular, we support provisions in your legislation that promote portability between various defined contribution and deferred compensation plans, and that allow funds from all of these plans to be used to purchase permissive service credits in public defined benefit plans. We also applaud provisions that would remove certain pension limitations.

All of these provisions would help employees build and strengthen their retirement savings, especially those who have worked among various public, non-profit and private institutions. Our organization is very grateful for your leadership on former public pension legislation, and commends you on your continued work in this area.

Sincerely,

M. Dee Williams,
President.
Richard E. Schumacher,
Immediate Past President, Chair, Legislative Committee.

● Mr. JEFFORDS. Mr. President, I am glad to cosponsor the Pension Coverage and Portability Act of 1998, (PCPA). I cosponsored the predecessor bill, S. 889 with senators Graham, Hatch, and others, and PCPA is a natural follow-on to S. 889.

This bill will encourage pension plan sponsorship among small businesses and make it easier for the small business man or woman to have greater confidence in government oversight of their plan and that they will not have to constantly hire services of actuaries, accountants and tax attorneys and investment advisers once they establish it. The bill makes it easier to implement a payroll deduction IRA, it provides for a simplified defined benefit pension plan, it allows a payroll deduction SIMPLE plan with limits twice as high as those currently available to IRAs, it eliminates IRS registration fees for new plans and provides a tax credit for plan start up, as well as many other things.

The bill also eases the top-heavy rules. In the days when the only small pension plans belonged to doctor's and lawyer's offices, the top heavy rules were needed to assure non-discrimination in provision of benefits. But instead of expanding coverage, the top heavy rules now tend to impose harsh requirements on the small business owner which deters him or her from even offering a plan. This bill makes changes to the top heavy rules in constructive and thoughtful ways, such as by changing the family aggregation rules, taking employee elective contributions into account for purposes of meeting the standards and simplifying the definition of 'key employee'.

The bill makes pension plans more portable, a feature that is desperately needed in today's highly mobile workforce. Senator Graham has incorporated the body of S. 2329, the bill that he, Senator Bingaman and I introduced recently, as Title III of PCPA. Our bill eases rollovers, allows rollovers of after-tax contributions, waives the 60-day rule under certain circumstances, modifies the "same-desk" rule, rationalizes distribution rules and allows governmental workers to purchase service credit with defined contribution plan money to increase their benefits in their defined benefit plans. This bill makes essentially the same changes.

In addition to encouraging plan sponsorship among small businesses and facilitating pension portability, the bill encourages retirement savings education. It also reduces the regulatory burdens associated with maintaining a plan, such as providing coverage test flexibility and freedom from the requirement to use mechanical nondiscrimination testing rules.

Although I believe the vast majority of this measure takes positive steps forward, I do have some misgivings about the staffing firms provision included in section 108. I am cosponsoring PCPA despite the inclusion of section 108 in the bill, but I hope that Senator Graham and the other cosponsors will work with me to air the issues and try to address the concerns of those who oppose this provision in as constructive a manner as is appropriate.●

ADDITIONAL COSPONSORS

S. 10

At the request of Mr. ENZI, his name was withdrawn as a cosponsor of S. 10, a bill to reduce violent juvenile crime, promote accountability by juvenile criminals, punish and deter violent gang crime, and for other purposes.

S. 657

At the request of Mr. DASCHLE, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 657, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with veterans' disability compensation.

S. 769

At the request of Mr. LAUTENBERG, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 769, a bill to amend the provisions of the Emergency Planning and Community Right-To-Know Act of 1986 to expand the public's right to know about toxic chemical use and release, to promote pollution prevention, and for other purposes.

S. 1321

At the request of Mr. TORRICELLI, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1321, a bill to amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, to reauthorize appropriations to carry out the program, and for other purposes.

S. 1427

At the request of Mr. FORD, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1427, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve lowpower television stations that provide community broadcasting, and for other purposes.

S. 1647

At the request of Mr. BAUCUS, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1647, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 1862

At the request of Mr. DEWINE, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1862, a bill to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 1890

At the request of Mr. DASCHLE, the name of the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 1890, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 1891

At the request of Mr. DASCHLE, the name of the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 1891, a bill to amend the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

S. 1924

At the request of Mr. MACK, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 1924, a bill to restore the standards used for determining whether technical workers are not employees as in effect before the Tax Reform Act of 1986.

S. 2035

At the request of Mr. BAUCUS, the names of the Senator from North Dakota (Mr. CONRAD), the Senator from North Dakota (Mr. DORGAN), and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 2035, a bill to amend title 39, United States Code, to establish guidelines for the relocation, closing, or consolidation of post offices, and for other purposes.

S. 2128

At the request of Mr. STEVENS, the names of the Senator from South Carolina (Mr. THURMOND) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 2128, a bill to clarify the authority of the Director of the Federal Bureau of Investigation regarding the collection of fees to process certain identification records and name checks, and for other purposes.

S. 2162

At the request of Mr. MACK, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 2162, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment.

S. 2180

At the request of Mr. LOTT, the names of the Senator from Idaho (Mr. KEMPTHORNE), the Senator from Florida (Mr. GRAHAM), the Senator from South Carolina (Mr. HOLLINGS), the Senator from South Carolina (Mr. THURMOND), the Senator from North Carolina (Mr. HELMS), and the Senator from Michigan (Mr. ABRAHAM) were added as cosponsors of S. 2180, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to clarify liability under that Act for certain recycling transactions.

S. 2259

At the request of Mr. MURKOWSKI, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 2259, a bill to amend title XVIII of the Social Security Act to make certain changes related to payments for graduate medical education under the medicare program.

S. 2295

At the request of Mr. MCCAIN, the names of the Senator from Ohio (Mr. GLENN) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 2295, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

S. 2296

At the request of Mr. MACK, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 2296, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which may be treated as exempt foreign trade income.

S. 2330

At the request of Mr. NICKLES, the names of the Senator from Kentucky (Mr. MCCONNELL) and the Senator from New Hampshire (Mr. GREGG) were added as cosponsors of S. 2330, a bill to improve the access and choice of patients to quality, affordable health care.

SENATE RESOLUTION 193

At the request of Mr. REID, the names of the Senator from Rhode Island (Mr. REED), the Senator from West Virginia (Mr. ROCKEFELLER), and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of Senate Resolution 193, a resolution designating December 13, 1998, as "National Children's Memorial Day."

AMENDMENTS SUBMITTED

DEPARTMENT OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

BROWNBACK AMENDMENT NO. 3226

(Ordered to lie on the table.)

Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill (S. 2260) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related programs for the fiscal year ending September 30, 1999; as follows:

On page 62, lines 3 through 16, strike "That if the standard build-out" and all that follows through "covered by those costs." and insert the following: "That the standard build-out costs of the Patent and Trademark Office shall not exceed $36.69 per occupiable square feet in year 2000 dollars (which constitutes the amount specified in the Advanced Acquisition program of the General Services Administration), including any above-standard costs: *Provided further*, That the moving costs of the Patent and Trademark Office (which shall include the costs of moving furniture, telephone, and data installation) shall not exceed $135,000,000.".

COATS AMENDMENT NO. 3227

Mr. COATS proposed an amendment to the bill, S. 2260, supra; as follows:

On page 135, between lines 11 and 12, insert the following:

TITLE I.—

SEC. 620. (a) PROHIBITION.—

(1) IN GENERAL.—Section 223 of the Communications Act of 1934 (47 U.S.C. 223) is amended—

(A) by redesignating subsections (e), (f), (g), and (h) as subsections (f), (g), (h), and (i), respectively; and

(B) by inserting after subsection (d) the following new subsection (e):

"(e)(1) Whoever in interstate or foreign commerce in or through the World Wide Web is engaged in the business of the commercial distribution of material that is harmful to minors shall restrict access to such material by persons under 17 years of age.

"(2) Any person who violates paragraph (1) shall be fined not more than $50,000, imprisoned not more than six months, or both.

"(3) In addition to the penalties under paragraph (2), whoever intentionally violates paragraph (1) shall be subject to a fine of not more than $50,000 for each violation. For purposes of this paragraph, each day of violation shall constitute a separate violation.

"(4) In addition to the penalties under paragraphs (2) and (3), whoever violates paragraph (1) shall be subject to a civil fine of not more than $50,000 for each violation. For purposes of this paragraph, each day of violation shall constitute a separate violation.

"(5) It is an affirmative defense to prosecution under this subsection that the defendant restricted access to material that is harmful to minors by persons under 17 years of age by requiring use of a verified credit card, debit account, adult access code, or adult personal identification number or in accordance with such other procedures as the Commission may prescribe.

"(6) This subsection may not be construed to authorize the Commission to regulate in any manner the content of any information provided on the World Wide Web.

"(7) For purposes of this subsection:

"(A) The term 'material that is harmful to minors' means any communication, picture, image, graphic image file, article, recording, writing, or other matter of any kind that—

"(i) taken as a whole and with respect to minors, appeals to a prurient interest in nudity, sex, or excretion;

"(ii) depicts, describes, or represents, in a patently offensive way with respect to what is suitable for minors, an actual or simulated sexual act or sexual contact, actual or simulated normal or perverted sexual acts, or a lewd exhibition of the genitals; and

"(iii) lacks serious literary, artistic, political, or scientific value.

"(B) The terms 'sexual act' and 'sexual contact' have the meanings assigned such terms in section 2246 of title 18, United States Code.".

(2) CONFORMING AMENDMENT.—Subsection (h) of such section, as so redesignated, is amended by striking "(e), or (f)" and inserting "(f), or (g)".

(b) AVAILABILITY ON INTERNET OF DEFINITION OF MATERIAL THAT IS HARMFUL TO MINORS.—The Attorney General, in the case of the Internet web site of the Department of Justice, and the Federal Communications Commission, in the case of the Internet web site of the Commission, shall each post or otherwise make available on such web site such information as is necessary to inform the public of the meaning of the term "material that is harmful to minors" under section 223(e) of the Communications Act of 1934, as amended by subsection (a) of this section.

McCAIN (AND OTHERS) AMENDMENT NO. 3228

Mr. McCAIN (for himself, Mr. COATS, and Mrs. MURRAY) proposed an amendment to amendment No. 3227 proposed by Mr. COATS to the bill, S. 2260, supra; as follows:

At the end of the pending Amendment, add the following:

TITLE II.—INTERNET FILTERING

SECTION 1. NO UNIVERSAL SERVICE FOR SCHOOLS OR LIBRARIES THAT FAIL TO IMPLEMENT A FILTERING OR BLOCKING SYSTEM FOR COMPUTERS WITH INTERNET ACCESS.

(a) IN GENERAL.—Section 254 of the Communications Act of 1934 (47 U.S.C. 254) is amended by adding at the end thereof the following:

"(l) IMPLEMENTATION OF A FILTERING OR BLOCKING SYSTEM.—

"(1) IN GENERAL.—No services may be provided under subsection (h)(1)(B) to any elementary or secondary school, or any library, unless it provides the certification required by paragraph (2) or (3), respectively.

"(2) CERTIFICATION FOR SCHOOLS.—Before receiving universal service assistance under subsection (h)(1)(B), an elementary or secondary school (or the school board or other authority with responsibility for administration of that school) shall certify to the Commission that it has—

"(A) selected a system for computers with Internet access to filter or block matter deemed to be inappropriate for minors; and

"(B) installed, or will install as soon as it obtains computers with Internet access, a system to filter or block such matter.

"(3) CERTIFICATION FOR LIBRARIES.—Before receiving universal service assistance under subsection (h)(1)(B), a library that has a computer with Internet access shall certify to the Commission that, on one or more of its computers with Internet access, it employs a system to filter or block matter deemed to be inappropriate for minors. If a library that makes a certification under this paragraph changes the system it employs or ceases to employ any such system, it shall notify the Commission within 10 days after implementing the change or ceasing to employ the system.

"(4) LOCAL DETERMINATION OF CONTENT.—For purposes of paragraphs (2) and (3), the determination of what matter is inappropriate for minors shall be made by the school, school board, library or other authority responsible for making the required certification. No agency or instrumentality of the United States Government may—

"(A) establish criteria for making that determination;

"(B) review the determination made by the certifying school, school board, library, or other authority; or

"(C) consider the criteria employed by the certifying school, school board, library, or other authority in the administration of subsection (h)(1)(B).".

(b) CONFORMING CHANGE.—Section 254(h)(1)(B) of the Communications Act of 1934 (47 U.S.C. 254(h)(1)(B)) is amended by striking "All telecommunications" and inserting "Except as provided by subsection (l), all telecommunications".

McCAIN (AND BURNS) AMENDMENT NO. 3229

Mr. McCAIN (for himself and Mr. BURNS) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place, insert the following:

SEC. —. MULTICHANNEL VIDEO PROGRAMMING.

(a) FINDINGS.—

(1) The Congress finds that:

(A) Signal theft represents a serious threat to direct-to-home satellite television. In the Telecommunications Act of 1996, Congress confirmed the applicability of penalties for unauthorized decryption of direct-to-home satellite services. Nevertheless, concerns remain about civil liability for such unauthorized decryption.

(B) In view of the desire to establish competition to the cable television industry, Congress authorized consumers to utilize direct-to-home satellite systems for viewing video programming through the Cable Communications Policy Act of 1984.

(C) Congress found in the Cable Television Consumer Protection and Competition Act of 1992 that without the presence of another multichannel video programming distributor, a cable television operator faces no local competition and that the result is undue market power for the cable operator as compared to that of consumers and other video programmers.

(D) The Federal Communications Commission, under the Cable Television Consumer Protection and Competition Act of 1992, has the responsibility for reporting annually to the Congress on the state of competition in the market for delivery of multichannel video programming.

(E) In the Cable Television Consumer Protection and Competition Act of 1992, Congress stated its policy of promoting the availability to the public of a diversity of views and information through cable television and other video distribution media.

(F) Direct-to-home satellite television service is the fastest growing multichannel video programming service with approximately 8 million households subscribing to video programming delivered by satellite carriers.

(G) Direct-to-home satellite television service is the service that most likely can provide effective competition to cable television service.

(H) Through the compulsory copyright license created by section 119 of the Satellite Home Viewer Act of 1988, satellite carriers have paid a royalty fee per subscriber, per month to retransmit network and superstation signals by satellite to subscribers for private home viewing.

(I) Congress set the 1988 fees to equal the average fees paid by cable television operators for the same superstation and network signals.

(J) Effective May 1, 1992, the royalty fees payable by satellite carriers were increased through compulsory arbitration to $0.06 per subscriber per month for retransmission of network signals and $0.175 per subscriber per month for retransmission of superstation signals, unless all of the programming contained in the superstation signal is free from syndicated exclusivity protection under the rules of the Federal Communications Commission, in which case the fee was decreased to $0.14 per subscriber per month. These fees were 40–70 percent higher than the royalty fees paid by cable television operators to retransmit the same signals.

(K) On October 27, 1997, the Librarian of Congress adopted the recommendation of the copyright Arbitration Royalty Panel and approved raising the royalty fees of satellite carriers to $0.27 per subscriber per month for both superstation and network signals, effective January 1, 1998.

(L) The fees adopted by the Librarian are 270 percent higher for superstations and 900 percent higher for network signals than the royalty fees paid by cable television operators for the exact same signals.

(M) To be an effective competitive to cable, direct-to-home satellite television must have access to the same programming carried by its competitors and at comparable rates. In addition, consumers living in areas where over-the-air network signals are not available rely upon satellite carriers for access to important news and entertainment.

(N) The Copyright Arbitration Royalty Panel did not adequately consider the adverse competitive effect of the differential in satellite and cable royalty fees on promoting competition among multichannel video programming providers and the importance of evaluating the fees satellite carriers pay in the context of the competitive nature of the multichannel video programming marketplace.

(O) If the recommendation of the Copyright Arbitration Royalty Panel is allowed to stand, the direct-to-home satellite industry, whose total subscriber base is equivalent in size to approximately 11 percent of all cable households, will be paying royalties that equal half the size of the cable royalty pool, thus giving satellite subscribers a disproportionate burden for paying copyright royalties when compared to cable television subscribers.

(b) DBS SIGNAL SECURITY.—Section 605(d) of the Communications Act of 1934 (47 U.S.C. 605) is amended by adding after "satellite cable programming," the following: "or direct-to-home satellite services,".

(c) NOTICE OF INQUIRY; REPORT.—Section 628 of the Communications Act of 1934 (47 U.S.C. 548) is amended by adding at the end of subsection (g): "The Commission shall, within 180 days after enactment of the Act making appropriations for the Department of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year evolving September 30, 1998, initiate a notice of inquiry to determine that best way in which to facilitate the retransmission of distant broadcast signals such that it is more consistent with the 1992 Cable Act's goal of promoting competition in the market for delivery of multichannel video programming and the public interest. The Commission also shall within 180 days after such date of enactment report to Congress on the effect of the increase in royalty fees paid by satellite carriers pursuant to the decision by the Librarian of Congress on competition in the market for delivery of multichannel video programming and the ability of the direct-to-home satellite industry to compete.".

(d) EFFECTIVE DATE.—Notwithstanding any other provision of law, the Copyright Office is prohibited from implementing, enforcing, collecting or awarding copyright royalty fees, and no obligation or liability for copyright royalty fees shall accrue pursuant to the decision of the Librarian of Congress on October 27, 1997, which established a royalty fee of $0.27 per subscriber per month for the retransmission of distant broadcast signals by satellite carriers, before January 1, 2000.

BOXER (AND OTHERS) AMENDMENT NO. 3230

Mrs. BOXER (for herself, Mr. KOHL, Mr. TORRICELLI, Mr. LAUTENBERG, Mr. MOYNIHAN, and Ms. LANDRIEU) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place in title I of the bill, insert the following:

SEC. 1___. CHILD SAFETY LOCKS.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'locking device' means a device or locking mechanism—

"(A) that—

"(i) if installed on a firearm and secured by means of a key or a mechanically, electronically, or electromechanically operated combination lock, is designed to prevent the firearm from being discharged without first deactivating or removing the device by means of a key or mechanically, electronically, or electromechanically operated combination lock;

"(ii) if incorporated into the design of a firearm, is designed to prevent discharge of the firearm by any person who does not have access to the key or other device designed to unlock the mechanism and thereby allow discharge of the firearm; or

"(iii) is a safe, gun safe, gun case, lock box, or other device that is designed—

"(I) to store a firearm; and

"(II) to be unlocked only by means of a key, a combination, or other similar means; and

"(B) that is approved by a licensed firearms manufacturer for use on the handgun with which the device or locking mechanism is sold, delivered, or transferred.".

(b) UNLAWFUL ACTS.—

(1) IN GENERAL.—Section 922 of title 18, United States Code, is amended by inserting after subsection (x) the following:

"(y) LOCKING DEVICES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any licensed manufacturer, licensed importer, or licensed dealer to sell, deliver, or transfer any handgun to any person other than a licensed manufacturer, licensed importer, or licensed dealer, unless the transferee is provided with a locking device for that handgun.

"(2) EXCEPTIONS.—Paragraph (1) does not apply to—

"(A) the—

"(i) manufacture for, transfer to, or possession by, the United States or a State or a department or agency of the United States, or a State or a department, agency, or political subdivision of a State, of a firearm; or

"(ii) transfer to, or possession by, a law enforcement officer employed by an entity referred to in clause (i) of a firearm for law enforcement purposes (whether on or off duty); or

"(B) the transfer to, or possession by, a rail police officer employed by a rail carrier and certified or commissioned as a police officer under the laws of a State of a firearm for purposes of law enforcement (whether on or off duty).".

(2) EFFECTIVE DATE.—Section 922(y) of title 18, United States Code, as added by this subsection, shall take effect 150 days after the date of enactment of this Act.

(c) LIABILITY; EVIDENCE.—

(1) LIABILITY.—Nothing in this section shall be construed to—

(A) create a cause of action against any firearms dealer or any other person for any civil liability; or

(B) establish any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity, except with respect to an action to enforce this section.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to bar a governmental action to impose a penalty under section 924(p) of title 18, United States Code, for a failure to comply with section 922(y) of that title.

(d) CIVIL PENALTIES.—Section 924 of title 18, United States Code, is amended—

(1) in subsection (a)(1), by striking "or (f)" and inserting "(f), or (p)"; and

(2) by adding at the end the following:

"(p) PENALTIES RELATING TO LOCKING DEVICES.—

"(1) IN GENERAL.—

"(A) SUSPENSION OR REVOCATION OF LICENSE; CIVIL PENALTIES.—With respect to each violation of section 922(y)(1) by a licensee, the Secretary may, after notice and opportunity for hearing—

"(i) suspend or revoke any license issued to the licensee under this chapter; or

"(ii) subject the licensee to a civil penalty in an amount equal to not more than $10,000.

"(B) REVIEW.—An action of the Secretary under this paragraph may be reviewed only as provided in section 923(f).

"(2) ADMINISTRATIVE REMEDIES.—The suspension or revocation of a license or the imposition of a civil penalty under paragraph (1) does not preclude any administrative remedy that is otherwise available to the Secretary.".

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 150 days after the date of enactment of this Act.

BOXER (AND OTHERS) AMENDMENT NO. 3231

Mrs. BOXER (for herself, Mr. KOHL, Mr. TORRICELLI, Mr. LAUTENBERG, Mr. MOYNIHAN, Ms. LANDRIEU, and Ms. MIKULSKI) proposed an amendment to amendment No. 3230 proposed by Mrs. BOXER to the bill, S. 2260, supra; as follows:

Strike all after the first word and insert the following:

1___. CHILD SAFETY LOCKS.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'locking device' means a device or locking mechanism—

"(A) that—

"(i) if installed on a firearm and secured by means of a key or a mechanically, electronically, or electromechanically operated combination lock, is designed to prevent the firearm from being discharged without first deactivating or removing the device by means of a key or mechanically, electronically, or electromechanically operated combination lock;

"(ii) if incorporated into the design of a firearm, is designed to prevent discharge of the firearm by any person who does not have access to the key or other device designed to unlock the mechanism and thereby allow discharge of the firearm; or

"(iii) is a safe, gun safe, gun case, lock box, or other device that is designed—

"(I) to store a firearm; and

"(II) to be unlocked only by means of a key, a combination, or other similar means; and

"(B) that is approved by a licensed firearms manufacturer for use on the handgun with which the device or locking mechanism is sold, delivered, or transferred.".

(b) UNLAWFUL ACTS.—

(1) IN GENERAL.—Section 922 of title 18, United States Code, is amended by inserting after subsection (x) the following:

"(y) LOCKING DEVICES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any licensed manufacturer, licensed importer, or licensed dealer to sell, deliver, or transfer any handgun to any person other than a licensed manufacturer, licensed importer, or licensed dealer, unless the transferee is provided with a locking device for that handgun.

"(2) EXCEPTIONS.—Paragraph (1) does not apply to—

"(A) the—

"(i) manufacture for, transfer to, or possession by, the United States or a State or a department or agency of the United States, or a State or a department, agency, or political subdivision of a State, of a firearm; or

"(ii) transfer to, or possession by, a law enforcement officer employed by an entity referred to in clause (i) of a firearm for law enforcement purposes (whether on or off duty); or

"(B) the transfer to, or possession by, a rail police officer employed by a rail carrier and certified or commissioned as a police officer under the laws of a State of a firearm for purposes of law enforcement (whether on or off duty).".

(2) EFFECTIVE DATE.—Section 922(y) of title 18, United States Code, as added by this subsection, shall take effect 180 days after the date of enactment of this Act.

(c) LIABILITY; EVIDENCE.—

(1) LIABILITY.—Nothing in this section shall be construed to—

(A) create a cause of action against any firearms dealer or any other person for any civil liability; or

(B) establish any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity, except with respect to an action to enforce this section.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to bar a governmental action to impose a penalty under section 924(p) of title 18, United States Code, for a failure to comply with section 922(y) of that title.

(d) CIVIL PENALTIES.—Section 924 of title 18, United States Code, is amended—

(1) in subsection (a)(1), by striking "or (f)" and inserting "(f), or (p)"; and

(2) by adding at the end the following:

"(p) PENALTIES RELATING TO LOCKING DEVICES.—

"(1) IN GENERAL.—

"(A) SUSPENSION OR REVOCATION OF LICENSE; CIVIL PENALTIES.—With respect to each violation of section 922(y)(1) by a licensee, the Secretary may, after notice and opportunity for hearing—

"(i) suspend or revoke any license issued to the licensee under this chapter; or

"(ii) subject the licensee to a civil penalty in an amount equal to not more than $10,000.

"(B) REVIEW.—An action of the Secretary under this paragraph may be reviewed only as provided in section 923(f).

"(2) ADMINISTRATIVE REMEDIES.—The suspension or revocation of a license or the imposition of a civil penalty under paragraph (1) does not preclude any administrative remedy that is otherwise available to the Secretary.".

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 180 days after the date of enactment of this Act.

BAUCUS AMENDMENT NO. 3232

(Ordered to lie on the table.)

Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill, S. 2260, supra; as follows:

On page 56, line 16, insert before the period at the end the following: ": *Provided further*, That of the amounts available under this heading, $150,000 shall be made available to the Bear Paw Development Council, Montana, for the management and conversion of the Havre Air Force Base and Training Site, Montana, for public benefit purposes, including public schools, housing for the homeless, and economic development".

SMITH (AND ENZI) AMENDMENT NO. 3233

Mr. SMITH of New Hampshire (for himself and Mr. ENZI) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place, insert the following:

"SEC. . None of the funds appropriated pursuant to this Act or any other provision of law may be used for (1) any system to implement 18 U.S.C. 922(t) that does not require and result in the immediate destruction of all information, in any form whatsoever, submitted by or on behalf of any person who has been determined not to be prohibited from owning a firearm; (2) the implementation of any tax or fee in connection with the implementation of 18 U.S.C. 922(t); provided, that any person aggrieved by a violation of this provision may bring an action in the federal district court for the district in which the person resides; provided, further, that any person who is successful with respect to any such action shall receive damages, punitive damages, and such other remedies as the court may determine to be appropriate, including a reasonable attorney's fee. The provisions of this section shall become effective one day after enactment."

SMITH AMENDMENT NO. 3234

Mr. SMITH of New Hampshire proposed an amendment to amendment No. 3233 proposed by him to the bill, S. 2260, supra; as follows:

In the pending amendment, strike all after the word "SEC." and insert in lieu thereof the following:

None of the funds appropriated pursuant to this Act or any other provision of law may be used for (1) any system to implement 18 U.S.C. 922(t) that does not require and result in the immediate destruction of all information, in any form whatsoever, submitted by or on behalf of any person who has been determined not to be prohibited from owning a firearm; (2) the implementation of any tax or fee in connection with the implementation of 18 U.S.C. 922(t); provided, that any person aggrieved by a violation of this provision may bring an action in the federal district court for the district in which the person resides; provided, further, that any person who is successful with respect to any such action shall receive damages, punitive damages, and such other remedies as the court may determine to be appropriate, including a reasonable attorney's fee. The provisions of this section shall become effective one day after enactment."

LOTT AMENDMENT NO. 3235

Mr. LOTT proposed an amendment to the motion to commit proposed by him to the bill, S. 2260, supra; as follows:

In the appropriate place insert the following:

SEC. . FIREARMS SAFETY.

(a) SECURE GUN STORAGE DEVICE.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

"(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.".

(b) CERTIFICATION REQUIRED IN APPLICATION FOR DEALER'S LICENSE.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).".

(c) REVOCATION OF DEALER'S LICENSE FOR FAILURE TO HAVE SECURE GUN STORAGE OR SAFETY DEVICES AVAILABLE.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: "or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)".

(d) STATUTORY CONSTRUCTION; EVIDENCE.—

(1) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. FIREARM SAFETY EDUCATION GRANTS.

(a) IN GENERAL.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) undertaking educational and training programs for—

"(A) criminal justice personnel; and

"(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;";

(2) in the first sentence of subsection (b), by inserting before the period the following: "and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)"; and

(3) by adding at the end the following:

"(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

"(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

"(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

"(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

"(A) is not of a sufficient size to justify an evaluation; or

"(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of—

(1) October 1, 1998; or

(2) the date of enactment of this Act.

LOTT AMENDMENT NO. 3236

Mr. LOTT proposed an amendment to amendment No. 3235 proposed by him to the bill, S. 2260, supra; as follows:

Amendments intended to be proposed by Mr. CRAIG, strike all after the first word of the amendment and insert the following:

FIREARMS SAFETY.

(a) SECURE GUN STORAGE DEVICE.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

"(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.".

(b) CERTIFICATION REQUIRED IN APPLICATION FOR DEALER'S LICENSE.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).".

(c) REVOCATION OF DEALER'S LICENSE FOR FAILURE TO HAVE SECURE GUN STORAGE OR SAFETY DEVICES AVAILABLE.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: "or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)".

(d) STATUTORY CONSTRUCTION; EVIDENCE.—

(1) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) EVIDENCE.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. FIREARM SAFETY EDUCATION GRANTS.

(a) IN GENERAL.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) undertaking educational and training programs for—

"(A) criminal justice personnel; and

"(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;";

(2) in the first sentence of subsection (b), by inserting before the period the following: "and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)"; and

(3) by adding at the end the following:

"(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

"(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

"(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

"(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

"(A) is not of a sufficient size to justify an evaluation; or

"(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of—

(1) October 2, 1998; or

(2) the date of enactment of this Act.

LOTT AMENDMENT NO. 3237

Mr. LOTT proposed an amendment to amendment No. 3236 proposed by him to the bill, S. 2260, supra; as follows:

Strike all after the word "Firearms" and insert the following:

SAFETY.

(a) SECURE GUN STORAGE DEVICE.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

"(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.".

(b) Certification Required in Application for Dealer's License.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).".

(c) Revocation of Dealer's License for Failure To Have Secure Gun Storage or Safety Devices Available.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: "or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)".

(d) Statutory Construction; Evidence.—

(1) Statutory construction.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) Evidence.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) Effective Date.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. . FIREARM SAFETY EDUCATION GRANTS.

(a) In General.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) undertaking educational and training programs for—

"(A) criminal justice personnel; and

"(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;";

(2) in the first sentence of subsection (b), by inserting before the period the following: "and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)"; and

(3) by adding at the end the following:

"(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

"(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

"(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

"(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

"(A) is not of a sufficient size to justify an evaluation; or

"(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.".

CRAIG (AND HATCH) AMENDMENT NO. 3238

Mr. CRAIG (for himself and Mr. Hatch) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place insert the following:

SEC. . FIREARMS SAFETY.

(a) Secure Gun Storage Device.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, is designed to prevent the firearm from being operated without first deactivating the device;

"(B) a device incorporated into the design of the firearm that is designed to prevent the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that is designed to be unlocked only by means of a key, a combination, or other similar means.".

(b) Certification Required in Application for Dealer's License.—Section 923(d)(1) of title 18, United States Code, is amended—

(1) in subparagraph (E), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(G) in the case of an application to be licensed as a dealer, the applicant certifies that secure gun storage or safety devices will be available at any place in which firearms are sold under the license to persons who are not licensees (subject to the exception that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement under this subparagraph to make available such a device).".

(c) Revocation of Dealer's License for Failure To Have Secure Gun Storage or Safety Devices Available.—The first sentence of section 923(e) of title 18, United States Code, is amended by inserting before the period at the end the following: "or fails to have secure gun storage or safety devices available at any place in which firearms are sold under the license to persons who are not licensees (except that in any case in which a secure gun storage or safety device is temporarily unavailable because of theft, casualty loss, consumer sales, backorders from a manufacturer, or any other similar reason beyond the control of the licensee, the dealer shall not be considered to be in violation of the requirement to make available such a device)".

(d) Statutory Construction; Evidence.—

(1) Statutory construction.—Nothing in the amendments made by this section shall be construed—

(A) as creating a cause of action against any firearms dealer or any other person for any civil liability; or

(B) as establishing any standard of care.

(2) Evidence.—Notwithstanding any other provision of law, evidence regarding compliance or noncompliance with the amendments made by this section shall not be admissible as evidence in any proceeding of any court, agency, board, or other entity.

(e) Effective Date.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act.

SEC. . FIREARM SAFETY EDUCATION GRANTS.

(a) In General.—Section 510 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3760) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) undertaking educational and training programs for—

"(A) criminal justice personnel; and

"(B) the general public, with respect to the lawful and safe ownership, storage, carriage, or use of firearms, including the provision of secure gun storage or safety devices;";

(2) in the first sentence of subsection (b), by inserting before the period the following: "and is authorized to make grants to, or enter into contracts with, those persons and entities to carry out the purposes specified in subsection (a)(1)(B) in accordance with subsection (c)"; and

(3) by adding at the end the following:

"(c)(1) In accordance with this subsection, the Director may make a grant to, or enter into a contract with, any person or entity referred to in subsection (b) to provide for a firearm safety program that, in a manner consistent with subsection (a)(1)(B), provides for general public training and dissemination of information concerning firearm safety, secure gun storage, and the lawful ownership, carriage, or use of firearms, including the provision of secure gun storage or safety devices.

"(2) Funds made available under a grant under paragraph (1) may not be used (either directly or by supplanting non-Federal funds) for advocating or promoting gun control, including making communications that are intended to directly or indirectly affect the passage of Federal, State, or local legislation intended to restrict or control the purchase or use of firearms.

"(3) Except as provided in paragraph (4), each firearm safety program that receives funding under this subsection shall provide for evaluations that shall be developed pursuant to guidelines that the Director of the National Institute of Justice of the Department of Justice, in consultation with the Director of the Bureau of Justice Assistance and recognized private entities that have expertise in firearms safety, education and training, shall establish.

"(4) With respect to a firearm safety program that receives funding under this section, the Director may waive the evaluation requirement described in paragraph (3) if the Director determines that the program—

"(A) is not of a sufficient size to justify an evaluation; or

"(B) is designed primarily to provide material resources and supplies, and that activity would not justify an evaluation.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the earlier of—

(1) October 1, 1998; or

(2) the date of enactment of this Act.

MOSELEY-BRAUN (AND DURBIN) AMENDMENT NO. 3239

(Ordered to lie on the table.)

Ms. MOSELEY-BRAUN (for herself and Mr. DURBIN) submitted an amendment intended to be proposed by them to the bill, S. 2260, supra; as follows:

On page 51, between lines 9 and 10, insert the following:

SEC. 121. INTERNET PREDATOR PREVENTION.

(a) PROHIBITION AND PENALTIES.—Chapter 110 of title 18, United States Code, is amended by adding at the end the following:

"§2261. Publication of identifying information relating to a minor for criminal sexual purposes

"(a) DEFINITION OF IDENTIFYING INFORMATION RELATING TO A MINOR.—In this section, the term 'identifying information relating to a minor' includes the name, address, telephone number, social security number, or e-mail address of a minor.

"(b) PROHIBITION AND PENALTIES.—Whoever, through the use of any facility in or affecting interstate or foreign commerce (including any interactive computer service) publishes, or causes to be published, any identifying information relating to a minor who has not attained the age of 17 years, for the purpose of soliciting any person to engage in any sexual activity for which the person can be charged with criminal offense under Federal or State law, shall be imprisoned not less than 1 and not more than 5 years, fined under this title, or both.".

(b) TECHNICAL AMENDMENT.—The analysis for chapter 110 of title 18, United States Code, is amended by adding at the end the following:

"2261. Publication of identifying information relating to a minor for criminal sexual purposes.".

DURBIN AMENDMENT NO. 3240

Mr. DURBIN proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place in title I of the bill, insert the following:

SEC. ___. FIREARMS.

Section 922 of title 18, United States Code, is amended—

(1) in subsection (d), by striking paragraph (5) and inserting the following:

"(5) who, being an alien—

"(A) is illegally or unlawfully in the United States; or

"(B) except as provided in subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));";

(2) in subsection (g), by striking paragraph (5) and inserting the following:

"(5) who, being an alien—

"(A) is illegally or unlawfully in the United States; or

"(B) except as provided in subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));";

(3) in subsection (s)(3)(B), by striking clause (v) and inserting the following:

"(v) is not an alien who—

"(I) is illegally or unlawfully in the United States; or

"(II) subject to subsection (y)(2), has been admitted to the United States under a nonimmigrant visa (as that term is defined in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)));"; and

(4) by inserting after subsection (x) the following:

"(y) PROVISIONS RELATING TO ALIENS ADMITTED UNDER NONIMMIGRANT VISAS.—

"(1) DEFINITIONS.—In this subsection—

"(A) the term 'alien' has the same meaning as in section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3)); and

"(B) the term 'nonimmigrant visa' has the same meaning as in section 101(a)(26) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(26)).

"(2) EXCEPTIONS.—Subsections (d)(5)(B), (g)(5)(B), and (s)(3)(B)(v)(II) do not apply to any alien who has been lawfully admitted to the United States under a nonimmigrant visa, if that alien is—

"(A) admitted to the United States for lawful hunting or sporting purposes;

"(B) an official representative of a foreign government who is—

"(i) accredited to the United States Government or the Government's mission to an international organization having its headquarters in the United States; or

"(ii) en route to or from another country to which that alien is accredited;

"(C) an official of a foreign government or a distinguished foreign visitor who has been so designated by the Department of State; or

"(D) a foreign law enforcement officer of a friendly foreign government entering the United States on official law enforcement business.

"(3) WAIVER.—

"(A) CONDITIONS FOR WAIVER.—Any individual who has been admitted to the United States under a nonimmigrant visa may receive a waiver from the requirements of subsection (g)(5), if—

"(i) the individual submits to the Attorney General a petition that meets the requirements of subparagraph (C); and

"(ii) the Attorney General approves the petition.

"(B) PETITION.—Each petition under subparagraph (B) shall—

"(i) demonstrate that the petitioner has resided in the United States for a continuous period of not less than 180 days before the date on which the petition is submitted under this paragraph; and

"(ii) include a written statement from the embassy or consulate of the petitioner, authorizing the petitioner to acquire a firearm or ammunition and certifying that the alien would not, absent the application of subsection (g)(5)(B), otherwise be prohibited from such acquisition under subsection (g).

"(C) APPROVAL OF PETITION.—The Attorney General shall approve a petition submitted in accordance with this paragraph, if the Attorney General determines that waiving the requirements of subsection (g)(5)(B) with respect to the petitioner—

"(i) would be in the interests of justice; and

"(ii) would not jeopardize the public safety.".

ABRAHAM (AND LEVIN) AMENDMENT NO. 3241

(Ordered to lie on the table.)

Mr. ABRAHAM (for himself and Mr. LEVIN) submitted an amendment intended to be proposed by them to the bill, S. 2260, supra; as follows:

At the appropriate place in title II, insert the following:

SEC. 2___. SEDIMENT CONTROL STUDY.

Of the amounts made available under this Act to the National Oceanic and Atmospheric Administration for operations, research, and facilities that are used for ocean and Great Lakes programs, $50,000 shall be used for a study of sediment control at Grand Marais, Michigan.

ABRAHAM (AND ALLARD) AMENDMENT NO. 3242

(Ordered to lie on the table.)

Mr. ABRAHAM (for himself and Mr. ALLARD) submitted an amendment intended to be proposed by them to the bill, S. 2260, supra; as follows:

At the appropriate place, insert the following:

In lieu of the pending amendment, insert the following:

SECTION . SHORT TITLE.

This Act may be cited as the "Powder Cocaine Mandatory Minimum Sentencing Act of 1998".

SEC. . SENTENCING FOR VIOLATIONS INVOLVING COCAINE POWDER.

(a) AMENDMENT OF CONTROLLED SUBSTANCES ACT.—

(1) LARGE QUANTITIES.—Section 401(b)(1)(A)(ii) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(A)(ii)) is amended by striking "5 kilograms" and inserting "500 grams".

(2) SMALL QUANTITIES.—Section 401(b)(1)(B)(ii) of the Controlled Substances Act (21 U.S.C. 841(b)(1)(B)(ii)) is amended by striking "500 grams" and inserting "50 grams".

(b) AMENDMENT OF SENTENCING GUIDELINES.—Pursuant to section 994 of title 28, United States Code, the United States Sentencing Commission shall promulgate guidelines or amend existing guidelines to reflect the amendment made by subsection (a).

BUMPERS AMENDMENT NO. 3243

Mr. BUMPERS proposed an amendment to the bill, S. 2260, supra; follows:

At the appropriate place in title II of the bill, insert the following:

SEC. 2___. GRAND JURY RIGHT TO COUNSEL.

(a) IN GENERAL.—Rule 6 of the Federal Rules of Criminal Procedure is amended—

(1) in subdivision (d), by inserting "and counsel for that witness (as provided in subdivision (h))" after "under examination"; and

(2) by adding at the end the following:

"(h) COUNSEL FOR GRAND JURY WITNESSES.—

"(1) IN GENERAL.—

"(A) RIGHT OF ASSISTANCE.—Each witness subpoenaed to appear and testify before a grand jury in a district court, or to produce books, papers, documents, or other objects before that grand jury, shall be allowed the assistance of counsel during such time as the witness is questioned in the grand jury room."

GRAHAM (AND DEWINE) AMENDMENT NO. 3244

Mr. GRAHAM (for himself and Mr. DEWINE) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place in title II, insert the following:

SEC. 2 . PUBLIC AIRCRAFT.

The flush sentence following subparagraph (B)(ii) of section 40102(37) of title 49, United States Code, is amended by striking "if the unit of government on whose behalf the operation is conducted certifies to the Administrator of the Federal Aviation Administration that the operation was necessary to respond to a significant and imminent threat to life or property (including natural resources) and that no service by a private operator was reasonably available to meet the threat" and inserting "if the operation is conducted for law enforcement, search and rescue, or responding to an imminent threat to property or natural resources".

NOTICES OF HEARINGS

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that a hearing of the Senate Committee on Labor and Human Resources will be held on Thursday, July 23, 1998, 10:00 a.m., in SD-430 of the Senate Dirksen Building. The subject of the hearing is Presidential Nominees Ida Castro and Paul Igasaki to be Members of the Equal Employment Opportunity Commission. For further information, please call the committee, 202/224-5375.

SUBCOMMITTEE ON WATER AND POWER

Mr. KYL. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Water and Power of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, August 4 at 9:30 a.m. at the Pendleton Convention Center located at 1601 Westgate, Pendleton, OR 97801.

The purpose of the hearing is to receive testimony on S. 2111, to establish the conditions under which the Bonneville Power Administration and certain Federal agencies may enter into a memorandum of agreement concerning management of the Columbia/Snake River Basin, to direct the Secretary of the Interior to appoint an advisory committee to make recommendations regarding activities under the memorandum of understanding, and for other purposes.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources. U.S. Senate, Washington, D.C. 20510. For further information, please contact Ms. Julia McCaul or Mr. Howard Useem at 202-224-7875.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, July 21, 1998, at 5:30 p.m. in closed session, to consider certain pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, July 21, 1998, to conduct a hearing on the monetary policy report to Congress pursuant to the Full Employment and Balanced Growth Act of 1978.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, July 21, 1998, at 9:30 a.m. on discretionary spending at the Department of Transportation and Department of Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Tuesday, July 21, 1998 beginning at 10:30 a.m. in room SH-215, to conduct a markup.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on S. 766, Insurance Coverage of Contraceptives during the session of the Senate on Tuesday, July 21, 1998, at 10:00 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. HELMS. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Tuesday, July 21, 1998, at 9:00 a.m., to hold a hearing on the nominations of:

Scott E. Thomas, of the District of Columbia, to be a member of the Federal Election Commission for a term expiring April 30, 2003 (reappointment);

David M. Mason, of Virginia, to be a member of the Federal Election Commission for a term expiring April 30, 2003, vice Trevor Alexander McClurg Potter, resigned;

Darryl R. Wold, of California, to be a member of the Federal Election Commission for a term expiring April 30, 2001, vice Joan D. Aikens, term expired; and,

Karl L. Sandstrom, of Washington, to be a member of the Federal Election Commission for a term expiring April 30, 2001, vice John Warren McGarry, term expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

150TH ANNIVERSARY OF THE SENECA FALLS CONVENTION

• Mrs. HUTCHISON. Mr. President, I rise to recognize and remember the importance of the previous two days in American history. July nineteenth and twentieth, 1998, mark the one hundred and fiftieth anniversary of the Seneca Falls Convention in Seneca Falls, New York. This gathering of American women and men began a movement in our nation that changed the role of women in this country and, ultimately, around the world. Because of the convention's tremendous impact on the American way of life, I joined Senator TORRICELLI and several other Senate colleagues in recently introducing a Senate resolution honoring the women's rights movement and saluting those who made it all happen. Today I speak in honor of this occasion.

Women's struggle for equality had very humble beginnings. Elizabeth Cady Stanton, a housewife and mother of three sons, and Lucretia Mott, a Quaker teacher and staunch abolitionist, were ejected from the 1840 World Anti-Slavery Convention in London simply because they were women. Outraged at such an injustice, they were compelled to call attention to the many freedoms denied to women, including the right to vote or hold elective office, the right to own property if married, the right to obtain a professional education and the basic right to protect oneself from an abusive spouse.

Mrs. Stanton and Miss Mott, along with Jane Hunt, Martha Coffin Wright and Mary Ann McClintock, called for a public convention to discuss the social, civil and religious rights of women. The first meeting of the women's rights movement convened at the Wesleyan Methodist Chapel in Seneca

Falls, New York. Over 300 men and women attended the two day conference, including Susan B. Anthony and Frederick Douglass.

The highlight of the convention was the reading of the Declaration of Sentiments, a document composed on Mrs. McClintock's kitchen table. The statement was based on the words of our Declaration of Independence, applying its self-evident truths to both males and females and declaring all men and women equal. The document even called for a woman's right to vote, a revolutionary idea at the time. In fact, while 68 women and 32 men signed the Declaration of Sentiments, more than 200 attendees refused to endorse such an outrageous notion. Today, it is difficult to imagine a democratic society that would not permit women to hold elective office, sign legal documents or attend the church of their choice, much less exercise the basic right to vote.

Elizabeth Cady Stanton, Lucretia Mott, and the other founders of the women's rights movement epitomized the strength of the American woman and exhibited the courage necessary to put an end to a great injustice. They understood the road before them would be long and hard. Little did they know, however, that it would be more than 70 years before women would be granted suffrage in the United States. Today the movement is symbolized by the unfinished marble carving of the Suffrage advocates now displayed in the Capitol Rotunda.

The calling of the Seneca Falls Convention and the passion of those involved forever changed the course of American history. All Americans should honor the efforts of these intrepid women and learn from their commitment to a cause in which they so deeply believed. Without the fortitude shown throughout this arduous struggle for equality, I could not be standing before you on the Senate floor today.●

RECOGNITION OF OZANAM IN KANSAS CITY, MISSOURI

● Mr. BOND. Mr. President, I rise today to recognize Ozanam in Kansas City, Missouri for its service to the community. For fifty years, Ozanam has been helping children and families in turmoil. Ozanam facility and staff help children reach their full potential and become productive members of society.

Ozanam began in the home of Mr. Al Allen, a Catholic Welfare Staff member, who after noticing the lack of help for emotionally disturbed adolescents, took it upon himself to bring six boys into his own home to give them long-term care, education and guidance. However, in just a year's short time, the need for a larger facility became apparent. Presently, the agency occupies 95 acres including two dormitories, a campus group home, a special education center that contains vocational training classrooms, indoor and outdoor recreation facilities and a spiritual life center.

During its existence, Ozanam has had some outstanding staff and administration to help the more than 4,000 children who have stayed there. Paul Gemeinhardt, President, Judith Hart, Senior Vice President of Development and Doug Zimmerman, Senior Vice President of Agency Operations, deserve special recognition for their undying commitment and service to Ozanam.

I commend the staff of Ozanam for their untiring dedication to helping children and their families in their time of need. I join the many in Missouri who thank Ozanam for its good work and continuing efforts to better the community. Congratulations for fifty years of service.●

THE U.S.S. "CONSTITUTION"

● Mr. KERRY. Mr. President, I would like to take this opportunity to pay tribute to a pillar of American history, a symbol of the proud sacrifices that forced the birth of a nation, and which makes its home in Massachusetts. I speak of course of the vessel that carried into battle the hopes of the early republic for freedom and a lasting independence, the ship that generation upon generation of schoolchildren have come to know as "Old Ironsides"—the U.S.S. *Constitution*.

Two hundred and four years ago, six frigates were constructed for the United States Navy. One ship remains to this day to symbolize the strength and endurance that lies at the heart of this country's experiment in democratic ideals. The U.S.S. *Constitution*—docked in historic Charlestown Navy Yard in Boston—is a living monument to our proud history and to the values which endure in this country.

Like the Constitution written in Philadelphia that unified so many voices bound by a common spirit, this frigate itself carries in its mighty structure materials from all the original states of the union. Built by Colonel George Claghorn at Edmond Hartt's shipyard in Boston's North End, its hull of live oak, red cedar, white oak and pitch pine come from as far north as the deep woods of Maine and as far south as the forests of South Carolina and Georgia. The masts come from Maine. South Carolina pine gave the *Constitution* its decks, and canvas from Rhode Island formed the sails that pushed it on its historic journey. New Jersey contributed its keel and cannon balls, and the gun carriages and anchors came from Massachusetts tradespeople. We must never forget that it was Boston's Paul Revere, among the strongest voices in the chorus of revolution, who provided the spikes and copper sheathing that fortified the ship in battle. The U.S.S. *Constitution* belongs to all of us, from every state—and it belongs to every one around the world who believes in freedom.

Although this mighty ship was officially retired from naval duty in 1881, it continues to remind us of the work ahead of us in making the world safe for those who dare to dream, who dare to give voice to new ideas. The U.S.S. *Constitution* is launched into a new battle each time it reminds us of the full measure of sacrifice that our love of freedom demand for its protection. For hundreds of thousands of visitors each year, the U.S.S. *Constitution* is an inspiration—reminding us not just of where America has been, but where America is going. With its sails filled with the winds of freedom, I know the *Constitution* will take us all on endless journeys towards a new horizon, with our only boundaries lying in the limits of mankind's hopes for a better world.●

A NEW APPROACH FOR SOUTH ASIA

● Mr. MOYNIHAN. Mr. President. With the recent nuclear tests in South Asia, we are closer to nuclear war than we have been at any time since the Cuban Missile Crisis. This is a challenge which will compel the highest attention and the most subtle diplomacy. It requires extensive discussion with India and Pakistan. Deputy Secretary of State Strobe Talbott has begun such a dialogue. He is a gifted diplomat; however, I must emphasize that despite the considerable talents of the Deputy Secretary, this is an issue which requires the President's close involvement.

Congress must also be involved in addressing the issues which arise from the nuclear tests in South Asia. Legislation is required to lift the sanctions which these actions triggered. As such, I was pleased that my friend from Delaware, the ranking member of the Foreign Relations Committee, has set out a very sensible approach to South Asia. In a recent speech to the Carnegie Endowment for International Peace, Senator BIDEN challenges us to think anew about South Asia and calls on Congress to provide the President with the flexibility to negotiate in South Asia. This must entail providing him with broad authority to waive the present sanctions.

Most importantly, Senator BIDEN calls on the President to make "arrangements to go to India." This is paramount and I hope that the President will note this wise counsel. The actions which we take to address this volatile situation will have profound repercussion on the future of the subcontinent and the world. Such stakes require the President's active participation. We must talk with them as a matter not just of their survival, but of our own as well. And we must stop supposing that sanctions are the answer. They are not.

Mr. President, I commend the remarks of our colleague, Senator BIDEN, and ask that they be printed in the RECORD.

The remarks follow:

A NEW APPROACH FOR SOUTH ASIA

(By Joseph R. Biden, Jr.)

Two months ago, in the Rajasthan desert, the Government of India claimed to have exploded five nuclear devices. Just 15 days later, the Government of Pakistan followed suit.

These events, in a few short weeks, expanded the acknowledged nuclear club by forty percent. They confront the United States, as well as the rest of the international community, with a monumental challenge, calling into question decades of U.S. non-proliferation policy.

Addressing this challenge—devising a new approach toward South Asia—is the subject of my remarks today. I thank you for the kind invitation.

We can expect the policy community to dramatically increase the time and attention it devotes to South Asia in the coming months, but you at the Carnegie Endowment can credibly claim that you were focusing on nuclear tensions long before it was even remotely fashionable. If only more had listened.

Clearly the tests by India and Pakistan require us to reexamine many aspects of our foreign and national security policy. We need to jettison some long-held beliefs that have acted as self-imposed constraints on U.S. policy.

Traditional approaches have not worked in the past in South Asia and will not work in the present situation. We need to think "outside the box." Most of all, our national interests throughout Asia dictate that we end our benign neglect of South Asia. Let me outline the shortcomings of our policy:

First, we have not acknowledged or addressed the fundamental sense of insecurity felt by both India and Pakistan since the end of the Cold War.

It is both facile and misleading to blame India's decision to test solely on the election of the BJP government. While the BJP certainly had a domestic political imperative to test, there was already a consensus across the political spectrum in India (except for the Communists) that India needed to conduct tests.

Why? Because of India's underlying perception in the aftermath of the Cold War that it was isolated, vulnerable, and not taken seriously.

For much of the Cold War, but especially after the 1971 Indo-Pakistan war, a measure of stability prevailed with China and the United States as key supporters of Pakistan, and the Soviet Union as the chief ally of India. This set of power relationships, combined with the threat of U.S. sanctions, restrained India and Pakistan from either testing or deploying nuclear weapons.

With the end of the Cold War and the demise of the Soviet Union, India could no longer rely on Moscow to balance China. In addition, India perceives us—falsely, I believe—as cultivating China as the regional hegemon that will preserve Asian stability.

The perceived U.S. preoccupation with China generates deep concern in New Delhi. Remember: China defeated India in the 1962 war and occupied several thousand square kilometers of disputed territory, a humiliation from which India has yet to recover. And a decade ago Indian and China massed several hundred thousand troops along their disputed border.

India's sense of strategic encirclement was heightened by reports of Chinese missile and nuclear transfers to Pakistan and budding Chinese military and security ties to Burma throughout the 1990s. Pakistan's test of a missile with a 1,000 kilometer range last April appeared to fit this pattern even though U.S. officials pointed to North Korea as the real source of the missile.

To put this in context, how would China feel if the tables were turned? What if India transferred its missiles to Vietnam, fighter planes to Mongolia, or a nuclear bomb design to Taiwan?

In such an environment, India felt that it was on its own and needed to demonstrate its capabilities, change the strategic landscape, in order to be taken more seriously by China, the United States, and other powers.

Pakistan's motives for testing are far less complicated than India's, but no less serious. Its strategic aim has been to resist Indian hegemony and guarantee its survival. Just as India's drive for a nuclear device can be traced to the defeat it suffered at the hands of China in 1962 and China's subsequent nuclear test in 1964, Pakistan's nuclear program can be traced to the role India played in splitting Pakistan into two with the creation of Bangladesh in 1971.

Many in Pakistan believe that India has never accepted the partition of the Indian subcontinent back in 1947. In Pakistan, therefore, nuclear capability is seen as the ultimate guarantor of its statehood.

It should come as no surprise, then, that Pakistan felt it needed to test to reestablish the deterrence that was disrupted by India's tests.

The end of the Cold War also made Pakistan feel abandoned and isolated. The United States no longer needed Pakistan to contain Soviet power. The Pressler amendment, invoked in 1990, banned aid to Pakistan and led directly to the erosion of Pakistan's conventional arsenal. This was seen as a betrayal, and has limited our influence with Pakistan ever since.

Unfortunately, we failed to acknowledge or act upon these fundamental shifts affecting Pakistan, just as we ignored the changes in India's security perceptions.

The second shortcoming of our South Asia policy is that its two chief elements—commerce and sanctions—are contradictory. We use sanctions to punish proliferation at the same time we are promoting commercial ties to take advantage of long-overdue market openings in both countries.

This policy is half right. The expansion of trade and investment ties with India and Pakistan will help these countries realize their full potential as well as benefit our own economic interests.

But the application of a one-size-fits-all non-proliferation policy is not appropriate to the special circumstances in South Asia. It lumps India and Pakistan with the far more dangerous outlaw states such as Libya and Iraq. It ignores the great lengths both countries have been prepared to go in order to achieve a basic sense of security. It presumes our influence is much greater than it actually is. Finally, it has prevented us from developing creative approaches to stabilize nuclear and missile development in the region.

Legislation initiated by the Congress, and signed by successive Presidents, is the basis for this rigid approach. I voted for that legislation. But when viewed in the context of Pakistan's and India's decision to test, I have to conclude that while our approach worked for many years, it is no longer working. It didn't stop them from testing, and it provides no incentive for India and Pakistan to take positive steps now.

To be sure, sanctions, when carefully calibrated, are a valuable policy tool. But I think it is clear that multilateral sanctions are more effective than unilateral sanctions. For example, the recent decision by the Group of Eight to delay indefinitely World Bank loans for India and Pakistan is more likely to produce results than unilateral U.S. action.

Given these defects in our policy, I believe we have no choice but to construct a new conceptual framework. Here are our options.

First, we could maintain the status quo. That is, we retain sanctions on India and Pakistan indefinitely, not recognize their nuclear status, and keep the fundamentals of our Asia policy unchanged. That would "keep the faith" on non-proliferation, but leave the underlying tensions in place and set the stage for the next, perhaps more dangerous, crisis.

A second approach that has been suggested is bolder: why not enlist India as a potential strategic ally against a "China threat?" But this runs the risk of becoming a self-fulfilling prophecy. China does not show signs of becoming hostile, nor are china's interests necessarily in conflict with our own. China prizes peace, stability, and economic development above all else.

I suggest a third approach. First, we should abandon our one-size-fits-all non-proliferation policy that we have applied to South Asia. We need to make distinctions between India, Israel, and Pakistan on the one hand, and nations that flout international norms such as Iraq and Libya on the other. The former should not concern us as much as the latter.

We are better served by bringing India and Pakistan into non-proliferation arrangements than by simply expecting them to foreswear their nuclear programs. In practical terms, this means that Congress should provide the President with the flexibility to negotiate a package that would lift sanctions in exchange for restraint by India and Pakistan in the areas that matter most to us.

We should seek agreement on five items: Formal commitments, preferably through adherence to the Comprehensive Test Ban Treaty, to refrain from further nuclear testing; pledges to enter negotiations for a Fissile Material Cut-off Treaty; Assurances that both countries will continue to refrain from spreading nuclear and missile technology; verifiable commitments not to deploy nuclear weapons on missiles, submarines, or aircraft; and a resumption of comprehensive bilateral discussions between India and Pakistan aimed at reducing tensions.

Such a package would serve our twin objectives of repairing the damage to the global non-proliferation regime, while not indefinitely isolating one-fifth of humanity.

Second, we need to distinguish between the relative importance of India and Pakistan to our interests over the long-term. Pakistan has been a good friend in the past, and we should not forget that. Moreover, a policy that dismisses Pakistan's legitimate security needs is bound to fail.

In fact, I believe that when we eventually ease the recently-imposed sanctions on India and Pakistan, we should simultaneously waive the Pressler and Symington amendments, which restrict military and economic aid to Pakistan. The time has come to clear the decks in our relationship with Pakistan and end a policy which is perceived as discriminatory by Islamabad.

Nor should we overlook the important strategic role Pakistan could play as a secure transit route for the vast oil and gas reserves of the Caspian Basin, if, and this is a big if, peace can be secured in Afghanistan.

But American national interests in the new multipolar world dictate a different level of relations with India. Because of its growing economic and political weight, India will become a significant player in Asia and at the global level.

Already India has a middle class approaching 200 million people. If Indian governments make policy decisions that continue to unleash the latent potential of a talented population, then India will in time achieve the great power status to which it has long aspired.

Furthermore, if current trends hold, I believe that it is only natural for some form of rivalry to persist, if not intensify, between a growing India and China. Obviously, this would diminish security and threaten U.S. interests across Asia.

To prevent it, two things must be done. First, the Sino-Indian rivalry must be channeled into a healthy and constructive competition. Second, as both India and China achieve great power status, they will need to ease the anxieties of lesser powers.

To deal with this emerging regional picture we must move away from a focus on discrete bilateral relationships in Asia, and broaden our vision with a more integrated region-wide approach that regards South Asia as an integral part of Asia.

I propose a new framework that would give a "seat at the table" to all of the major players in Asia—India, China, Japan, Russia, and the United States. The emphasis should not be so much on formal structures, but on substance. The goal of this new framework would be to promote greater consultation and transparency among the countries.

The two emerging powers in this group—India and China—should be encouraged to set an example of cooperation for the rest of Asia. Such a system would also help them to realize that along with great power status comes responsibility. They must convince smaller nations of their peaceful intentions; they must act to strengthen, not weaken, international norms; and they must be seen as supporting an international environment that promotes peace and prosperity for all.

The "Gujral doctrine" demonstrates that India has the potential to mature into a responsible great power. As espoused by the previous Indian Prime Minister, this doctrine called for India, as the dominant power in South Asia, to go more than halfway in easing the fears of its smaller neighbors. I hope that the new Indian government will not stray from this far-sighted policy adopted by its predecessor.

The United States will need to take the lead in setting this regional security mechanism into motion. It could begin today with the President picking up the phone and speaking to the leaders of India, Russia, and Japan about the insights he gained from his trip to China and making arrangements to go to India.

Regular consultation among the key Asian countries could go a long way toward dispelling anxieties and suspicions. It would give everyone a stake in maintaining stability. It would provide an incentive for regional powers to work toward the settlement of long-standing disputes such as those over the Sino-Indian border, the Kurile islands, the Korean peninsula, and the South China Sea.

Key countries could be encouraged to share information about their armaments and defense budgets. If the other side does not have information, it will assume the worst. This inevitably leads to decisions and potentially dangerous cycles of action and reaction that are predicated upon assumptions that may be false.

Let me conclude. Devising a new approach to South Asia will not be easy, especially considering that it is being done in response to actions we don't approve of—namely, the Pakistan and Indian nuclear tests. But we have no choice, because the status quo is not an option.

We must show India and Pakistan that while we condemn their tests, we understand their security concerns and are willing to deal with them. If we don't devise a new approach, tensions will grow and South Asia's endemic security problems will undermine our long-term interests. And one thing is clear: South Asian security is becoming inseparable from Asian security.

And, of course, Asia matters to the United States. Despite recent economic setbacks, Asia will continue to be the most dynamic region into the next century. Our economic links will continue to grow. The regional balance of power and security perceptions will also undergo dramatic changes. I believe that we will need to find new mechanisms to preserve our security interests.

An effort that begins today in enlisting the key Asian powers in advancing our common objectives of peace, stability, and prosperity is one that could pay dividends far into the next century. Now is the time to begin.●

UNANIMOUS CONSENT AGREEMENT—S. 442

Mr. GREGG. I ask unanimous consent that S. 442 be referred to the Committee on Finance and, further, if the bill has not been reported by July 30, it be automatically discharged from the Finance Committee and placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

Mr. GREGG. I ask unanimous consent that the Senate insist on its amendment to H.R. 4112, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer appointed Mr. BENNETT, Mr. STEVENS, Mr. CRAIG, Mr. COCHRAN, Mr. DORGAN, Mrs. BOXER, and Mr. BYRD conferees on the part of the Senate.

ORDERS FOR WEDNESDAY, JULY 22, 1998

Mr. GREGG. I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. on Wednesday, July 22. I further ask that when the Senate reconvenes on Wednesday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then resume consideration of S. 2260, the Commerce-State-Justice appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GREGG. For the information of all Senators, when the Senate reconvenes on Wednesday, there will be potentially two back-to-back votes beginning at 9:40 a.m. In addition, I ask unanimous consent that following the stacked votes, Senator SESSIONS be recognized to offer an amendment relative to juvenile justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE PLACED ON THE CALENDAR—H.R. 1432

Mr. GREGG. I understand there is a bill at the desk awaiting its second reading.

The PRESIDING OFFICER. The clerk will read the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1432) to authorize a new trade and investment policy for sub-Saharan Africa.

Mr. GREGG. I object to further consideration of the bill at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. GREGG. The Senate will be in session late tomorrow in an effort to conclude the pending bill by the close of business tomorrow. Therefore, votes will occur throughout the day and into the evening on Wednesday.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. GREGG. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

Thereupon, the Senate, at 8:55 p.m., adjourned until Wednesday, July 22, 1998, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 21, 1998:

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

Thomasina V. Rogers, of Maryland, to be a Member of the Occupational Safety and Health Review Commission for a term expiring April 27, 2003, vice Velma Montoya, term expired.

CORPORATION FOR PUBLIC BROADCASTING

Ritajean Hartung Butterworth, of Washington, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2004. (Reappointment)

IN THE ARMY

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

COL. BRUCE W. PIERATT, 4901.

DEPARTMENT OF DEFENSE

Bernard Daniel Rostker, of Virginia, to be Under Secretary of the Army, vice Robert M. Walker.

DEPARTMENT OF STATE

John Melvin Yates, of Washington, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Equatorial Guinea.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Robert C. Randolph, of Washington, to be an Assistant Administrator of the Agency for International Development, vice Margaret V. W. Carpenter, resigned.

EXECUTIVE OFFICE OF THE PRESIDENT

Sylvia M. Mathews, of West Virginia, to be Deputy Director of the Office of Management and Budget, vice Jacob Joseph Lew.

DEPARTMENT OF JUSTICE

James A. Tassone, of Florida, to be United States Marshal for the Southern District of Florida for the term of four years, vice Daniel J. Horgan.

Scott Richard Lassar, of Illinois, to be United States Attorney for the Northern District of Illinois for the term of four years vice James B. Burns, resigned.

DEPARTMENT OF VETERANS AFFAIRS

Leigh A. Bradley, of Virginia, to be General Counsel, Department of Veterans Affairs, vice Mary Lou Keener, resigned.

WITHDRAWALS

Executive messages transmitted by the President to the Senate on July 21, 1998, withdrawing from further Senate consideration the following nominations:

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

THOMASINA V. ROGERS, OF MARYLAND, TO BE A MEMBER OF THE OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING APRIL 27, 2001, VICE DANIEL GUTTMAN, WHICH WAS SENT TO THE SENATE ON JUNE 24, 1998.

DEPARTMENT OF DEFENSE

BERNARD DANIEL ROSTKER, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE, VICE FREDERICK F. Y. PANG, RESIGNED, WHICH WAS SENT TO THE SENATE ON APRIL 2, 1998.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE AGRICULTURE EXPORT ENHANCEMENT ACT OF 1998

HON. THOMAS W. EWING

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. EWING. Mr. Speaker, today I am pleased to introduce the Agriculture Export Enhancement Act of 1998. Farm exports have soared over the past several years and foreign exports present great opportunities for American farmers and ranchers. However, too many trade barriers prevent billions of people from buying our products. Our trade negotiators need to focus their attention on eliminating tariffs, subsidies, and other foreign regulations that limit what we sell overseas. This legislation would establish these negotiating objectives.

This legislation identifies current foreign laws and regulations that limit U.S. farm exports and requires the Executive Branch to make their elimination a priority in upcoming trade negotiations. It calls for a date-certain for the elimination of tariffs on farm exports and of subsidies that distort the international prices of agricultural commodities and requires countries to reform the activities of state trading enterprises (STEs) that hamper agricultural exports.

With 40% of American agriculture commodities and products being exported. The American farmer is more reliant on international markets than any other sector of the U.S. economy. That is why it is so important that the U.S. layout specific agricultural trade negotiation objectives.

THE SESQUICENTENNIAL OF MARQUETTE TOWNSHIP

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. STUPAK. Mr. Speaker, Marquette Township in my northern Michigan district is celebrating its Sesquicentennial this year. Although my House colleagues and most other Americans may not recognize Marquette Township by name, this community on the shore of Lake Michigan has played an important role in the development of the U.S. steel industry and in the improvement of highway traffic safety.

A theme of Marquette Township on the occasion of its 150th anniversary might be its blending of old and new, and this theme is reflected in the topography of the township itself. The iron-rich hills that rise to become small mountains on the southern Lake Michigan shore are made up of some of the oldest rock formations on Earth, but they have been scoured and shaped by the great glaciers that covered North America only yesterday, geologically speaking.

Two important resources, iron ore and timber, drew settlers to this region. The old days of the boom in both mining and lumbering, however, are now merely part of the region's lore. Lumbering on a massive scale ended when virgin forest were cut, and the economies of steel production and shipping brought an end to the early ambitious steel mills and mines. In these new days, lumbering is a managed and planned enterprise, conducted with an eye toward reforestation and preservation of the environment, and new mining techniques, which allow iron ore to be shipped as pellets, has allowed mining to find new life in the region.

Marquette Township and the surrounding communities enjoyed for years the economic benefits of K.I. Sawyer Air Force Base, one of the airfields which served as a staging area for U.S. strategic bombers. The area was devastated by the closing of this base, but the enterprising nature of the people of this region has permitted this base to find new life as a center for economic development.

It's clear, Mr. Speaker, that the people of Marquette Township can celebrate their sesquicentennial with confidence that those elements of their social and economic lives which have had value will be preserved and renewed.

K.I. Sawyer Air Force Base was named for a former Marquette County Road Commission Superintendent, Mr. Kenneth Ingalls Sawyer, who in 1917 performed a singular act in Marquette Township that has led to his being recognized in the Michigan Highways Hall of Honor. Mr. Sawyer went out to a dangers curve in the township, called "Dead Man's Curve," on part of what later became U.S. 41 and painted a strip in the center to help drivers stay in their own lanes. Successful in Marquette Township, the practice was adopted for all Marquette County's roads in 1918, and eventually across the entire nation.

Marquette Township has a complicated history as a political entity, because as the region has developed the township has grown and shrunk, seen its township lines shifted, and has watched as the city of Marquette was carved from its holdings. Much of its history, therefore, now lies outside the current township lines.

But, Mr. Speaker, there is located in Marquette Township an old gold mine. I probably shouldn't reveal its exact location, and it is currently not in use, but the mine is probably an excellent symbol of this rural community as it reflects on its 150-year history. The real treasury of the area is not the gold or the iron ore or the timber that people have found there. The treasures are the people, the families, the quality of life, and the rich heritage and tradition that is revealed when residents begin the process of researching their roots.

That is the real importance and value of Marquette Township's Sesquicentennial. I ask my colleagues to join me in praising the local organizers of this event for their efforts, and in wishing the Marquette Township a future as rich and interesting as its past.

TRIBUTE TO MAJOR GENERAL RONALD H. MARKARIAN FOR HIS DISTINGUISHED SERVICE TO THE CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to Major General Ronald Markarian for his distinguished service and dedication to the California Veterans Board. The California Veterans Board advises the Governor, Legislature and Department of Veterans Affairs on veterans issues.

Major General Ronald H. Markarian was appointed by Governor Pete Wilson to the California Veterans Board in 1994. General Markarian has served as state director of the selective service system since 1987. Governor Wilson appointed Ron Markarian as Commanding General of the California State Military Reserve and promoted him to the rank of Major General in July 1990. He retired as a Colonel in the United States Air Force in 1980, after serving 30 years.

Major General Markarian flew 116 combat reconnaissance missions in the Vietnam War. Several commendations were awarded, including the Legion of Merit, Bronze Star and Meritorious Service Medal. His assignments have included: air crew duties in B–47 and B–52 strategic bombers; strategic nuclear planning with the Joint Strategic Planning Staff in Nebraska; Strategic Reconnaissance Operations at Headquarters, Pacific Command in Hawaii; Chief of Air Reconnaissance Operations at HQ USMACV in Southeast Asia; six years at the Pentagon where he served as Chief of Air Reconnaissance Systems and Director of the Intelligence Reserve Forces.

Major General Markarian is a graduate of the Air Command Staff College, Air War College, National Defense University, Industrial College of the Armed Forces, Defense Intelligence School, United Kingdom School of Service Intelligence, the Federal Emergency Management Institute and the Foreign Service Institute. He also holds a Masters Degree in Public Administration from George Washington University in Washington, D.C. and a B.A. from California State University, Fresno.

Major General Ronald H. Markarian has been an active member in the Republican Party and several military associations including the Air Force Association, California State

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Military Reserve Officers Association, Civil Air Patrol and the National Guard Association of California. He has served as the regional president and is a member of the National Council of Trustees for the Association of the U.S. Army and a past national president of the National Sojourners. His local community involvement have included membership in the American National Red Cross, the California Emergency Services Association and the Fresno County Chambers of Commerce.

Major General Ronald H. Markarian's dedicated service to his community, the State of California and the United States Air Force are an example of a life devoted to duty, honor and country. He has been an important voice for veterans and has provided profound insight and guidance on important veteran issues. General Markarian's service and expertise has been very influential in providing sound advice to the Governor and Legislature of California.

Mr. Speaker, I wish to pay tribute to Major General Ronald H. Markarian for his service to the California Veterans Board and the California Department of Veterans Affairs. I ask my colleagues to join me in wishing General Markarian many more years of success.

A TRIBUTE TO LARRY DOBY

HON. BOB FRANKS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. FRANKS of New Jersey. Mr. Speaker, I rise today to pay tribute to a real American hero. In 1947, Larry Doby became the first black man to play in the American League, and the second African-American to cross the color barrier in professional baseball. For young people today, it's probably hard to imagine a time when the color of your skin could keep you from fulfilling your dream of playing professional baseball. But for Larry Doby, pursuing that dream in Jim Crow America meant breaking down age-old barriers and changing the face of baseball.

A native of Paterson, New Jersey, Larry Doby began his baseball career in 1942 with the Negro American League's Newark Eagles. When World War II broke out, Doby joined the armed forces and fought for this country. He returned in 1946 to lead the Newark Eagles to the Negro World Championship. In 1947, one year later, he became the second African-American to cross the color barrier in professional baseball when he signed with the Cleveland Indians.

Larry Doby's first lonely steps into the Cleveland Indian locker room required a courage and bravery beyond what most of us will encounter in a lifetime. Doby stood fast and determined amidst the cold and quiet stares, the spitting fans and the bigoted ball players who spiked him with their cleats. It was the "Strength from God" that helped him stand tall and show the world what a great baseball talent he really was.

Eventually, the world could no longer ignore the rare athleticism and strength of character that Doby possessed. In 1948, fans and ball players alike celebrated Doby's World Series-clinching home run with an outpouring of genuine affection, praise, and respect. "It had to be done from the inside," Doby remembered. "It had to be done without thinking about the color of a person's skin."

Over the course of his career, Larry Doby hit 253 home runs and 969 RBI's, amassing a career batting average of .283. He was a seven-time All-Star outfielder, who was also the first nonwhite person to play in a World Series, hit a home run in a World Series, and win a league home run title. For this and for his heroism, Larry Doby won his place in the Professional Baseball Hall of Fame.

Mr. Speaker, Larry Doby's accomplishments are an inspiration to us all. He gave us faith that the human spirit can triumph over life's most imposing obstacles. His legacy will forever live in the faces of the young boys and girls who dream of becoming a professional athlete or of achieving, in some other way, their own special place in history.

PERSONAL EXPLANATION

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BILIRAKIS. Mr. Speaker, on July 20, 1998, I requested and was granted a leave of absence from the House of Representatives due to personal illness. Consequently, I missed the roll call vote on H. Con. Res. 301, which reaffirms our longstanding commitment to Taiwan. Had I been present, I would have voted in favor of H. Con. Res. 301.

Taiwan has been one of our oldest and closest friends in Asia since 1949. The people of Taiwan live in a free, democratic society.

I was extremely disappointed by President Clinton's recent endorsement of mainland China's views on Taiwan. Before the President left for China, the House unanimously passed H. Con. 270, urging him to seek a public renunciation by the People's Republic of China of any use of force, or threat of use of force, against Taiwan.

In light of the President's actions, Congress must send a strong message to the People's Republic of China and the world that we intend to stand by our friends and allies. The United States must dispel any notion on the part of China's leaders that we will tolerate the use of force in determining the future of Taiwan. The people of Taiwan must be responsible for determining their own future in a peaceful and democratic fashion.

H. Con. Res. 301 reaffirms the importance of the Taiwan Relations Act and reaffirms our commitment to the people of Taiwan.

FEDERAL RETIREMENT COVERAGE CORRECTIONS ACT

SPEECH OF

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. ARCHER. Mr. Speaker, I rise in support of H.R. 3249, the "Federal Retirement Coverage Corrections Act". H.R. 3249 seeks to correct errors in the retirement plan classifications of thousands of Federal workers. Without H.R. 3249, these unfortunately misclassified Federal employees may lose their retirement benefits through no fault of their own. I support prompt passage of H.R. 3249.

Since H.R. 3249 involves issues related to the retirement benefits of Federal employees, it was initially considered by my colleagues on the Committee on Government Reform and Oversight. That Committee approved the bill with strong bipartisan support.

The Committee on Ways and Means, considered H.R. 3249 because it raised issues relating to taxation and social security. The Ways and Means Committee also approved H.R. 3249 with bipartisan support on March 5, 1998, and filed its report today (H. Rept. 105–625, Part 2).

The revenue provisions approved by the Ways and Means Committee, would provide that: (1) retirement plans would not lose their "qualified" Federal tax status by making the corrections required by H.R. 3249, (2) participants whose retirement accounts were adjusted in accordance with H.R. 3249 would not incur Federal income tax liability, and (3) amounts transferred in accordance with H.R. 3249 would not be subject to employment taxes.

The Social Security provisions approved by the Committee would provide that: (1) retroactive earnings would be credited and the Social Security Trust Funds would be made whole in situations where individuals change to one of the retirement systems that provides Social Security coverage, (2) necessary conforming changes would be made to the coverage provisions of the Social Security Act, and (3) the Commissioner of Social Security would have the authority to receive necessary information from agencies, notify the Secretary of the Treasury to transfer taxes paid as a result of elections under H.R. 3249 to the Social Security Trust Funds, and to correct earnings records.

To allow the misclassified Federal employees to receive their much deserved retirement benefits, I support the prompt approval of H.R. 3249.

TRIBUTE TO JIM AND KRISTIE DOCHEFF

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to congratulate two of my constituents, Jim and Kristie Docheff, for their environmental stewardship. Jim and Kristie, along with their children, Chisum, Joshua and Meghann own and operate the Diamond D Dairy in Weld County, Colorado. The Docheff's turn their cattle's manure into valuable, organic compost which they sell to gardeners and vegetable growers across Colorado. They discovered this innovative waste management strategy quite by accident when they were unable to have their manure hauled away for fertilizer as they would normally do.

Piled up during a wet spring, ammonia and bacteria diligently heated and transformed the accumulated manure. The heat sterilizes pathogens and kills plant seeds to eventually produce a fine, dry compost with the consistency and smell of rich earth.

Rather than paying thousands of dollars annually to have farmers remove the waste to spread on their fields, the Docheff's now spread the waste into long windows, which they periodically turn with a newly purchased tractor and compost turner. Depending upon the season, the process takes between six weeks and four months.

During recent months controversy has surrounded animal feeding operations. The EPA has stringent regulatory guidelines for certain concentrated animal feeding operations, Or (CAFOs). Environmental groups are leading the charge for more federal involvement and tougher regulations on agriculture run-off. But, as the Docheff's have demonstrated, a little initiative can do more than a lot of regulation.

Their innovation, ingenuity and hard work has turned what many perceive as an environmental problem into a valuable product and a thriving new business. Mr. Speaker, I applaud Jim and Kristie Docheff for their efforts and I am happy to say that many other dairies and producers are following their good example. I commend the efforts of National Hog Farms, Longmont Foods, and Morning Fresh Farms, and many others to continue providing services of tremendous value to Colorado while promoting environmental stewardship through voluntary, market-based measures.

A TRIBUTE TO JOHN M. FISHER

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. CUNNINGHAM. Mr. Speaker, one of the most rewarding aspects of my career on Capitol Hill has been serving as the Administrative Co-Chairman of the bipartisan National Security Caucus (NSC). The Caucus includes 275 lawmakers and it is the largest Congressional Member Organization. The NSC focuses on a wide range of foreign policy, defense and international economic issues and it is through the Caucus that I have come to know John M. Fisher.

He is the Chairman of the American Security Council and the National Security Caucus Foundation and he is being honored today at a luncheon at the Heritage Foundation. John Fisher has long been a leader in the national security community and he has spent a lifetime pursuing the principles of peace through strength.

It is thanks to the tremendous yeoman labor of John Fisher that the United States was not stuck in a posture of strategic vulnerability in the 1970s. In 1978, he helped organize the National Security Caucus, a bipartisan alliance of Members of Congress who agreed on a resolution listing the principles of a national strategy of peace through strength.

In 1984, the American Security Council worked with experts, 240 Members of Congress, 96 national organizations and 514 universities and colleges in preparing the study "A Strategy for Peace Through Strength," and over 400,000 copies of this study were distributed across the nation. President Reagan declared one week in September 1984 as "Peace Through Strength Week." A documentary film was created and shown by 187 television stations nationwide, and more than 50 rallies were held across the U.S.

Our national security policy has always involved military and economic considerations, but now it must also reflect a world integrated by telecommunications and trade. At John's urging, my colleagues in the National Security Caucus are now working on a new strategy for global peace and prosperity.

The military balance was restored in the 1980s and John Fisher is entitled to significant credit. His predictions of Peace Through Strength have come true. The Russians saw the strategic and conventional modernization program as a sign the U.S. was prepared to use its technological superiority to trump their military power, their one claim to superpower status.

The American Security Council, under John Fisher's guidance, led the fight against the nuclear freeze, for INF deployment and the Reagan Doctrine, which put American arms and money behind a worldwide anti-communist guerrilla campaign on three continents. The combination of INF, SDI, the Reagan Doctrine, and the defense build-up made it clear to the Marxist/Leninists that they were facing a future they could only lose.

The 1970's have been called the Decade of Disarmament, and from 1975 to 1980 an independent nation fell to communism every year. A great deal of credit must be given to leaders like John Fisher who finally convinced Jimmy Carter to raise the defense budget to help arm the Mujaheddin in Afghanistan, place an embargo on Soviet grain, and cutting off aid to the Sandinistas. The peace through strength policies advocated by John Fisher and adopted by Ronald Reagan and George Bush helped to create the stability we know today.

George Washington once said "To have peace, prepare for war." These words from our first Commander-in-Chief are engraved at the American Security Council's Congressional Conference Center. They are as applicable today as they were 200 years ago. John Fisher believes in these words and has spent his lifetime devoted to the maintenance of peace and freedom for the American people.

TRIBUTE TO GEORGE A. MANESS FOR HIS SERVICE TO THE CALIFORNIA VETERANS BOARD

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to George A. Maness for his dedicated service to the California Veterans Board. The seven-member Board advises the Governor, Legislature and Department of Veterans Affairs on veterans issues.

George A. Maness retired in 1982 after 23 years as a teacher, R.O.T.C. instructor and administrator with the Tulare Joint Union High School District. He served as a noncommissioned officer in the United States Air Force from 1950 to 1958; both in active and reserve duty. Mr. Maness obtained a bachelor's degree in 1958 from Western State College in Colorado and a master's degree in 1976 from Clayton University in Missouri.

George Maness is a member of several professional and community organizations, including the American Legion, AMVets, the Air Force Sergeants Association, Lions Club, Elks Club and Salvation Army Advisory Board.

Mr. Maness is a dedicated member of the Republican Party and was the Co-chairman of Veterans for Pete Wilson campaign for Governor of California. He also served as Co-chairman for California Veterans for Bush-Quayle in 1992.

George Maness was re-appointed to the California Veterans Board in 1994 by Governor Pete Wilson. Mr. Maness was confirmed by the California State Senate and served until January 1998. The California Veterans Board advises the Governor, Legislator and the California Department of Veterans Affairs. George Maness provided great insight and guidance to the board and was an influential advocate for veterans issues.

Mr. Speaker, I wish to pay tribute to George Maness for his dedicated service to the California Veterans Board and the California Department of Veterans Affairs. I ask my colleagues to join me in wishing George Maness many more years of success.

THE 75TH ANNIVERSARY OF KINGSFORD, MICHIGAN

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. STUPAK. Mr. Speaker, there is an energetic community in my northern Michigan district that in its own unique way played a role in fulfilling the dream of Henry Ford to produce automobiles that would suit the budgets and lifestyles of ordinary Americans.

Kingsford celebrates its 75th Anniversary on July 31, 1998, its diamond jubilee. Mr. Speaker, this is an excellent opportunity for all Americans to join with the people of Kingsford, who even call their high school football team the "flivvers," to honor and celebrate those early, heady days of the development of wheeled transportation, including the Flivver automobile.

As late as 1920 the population of the area that would become Kingsford was about 40 people, mostly miners working in the nearby Menominee Iron Range. Some mines were still active—would be so until the early 1980s—but the days of the great iron ore boom were clearly in the past, just as the days of the great logging boom were by this time only a memory.

The presence of resources of both ore and wood, however, was attractive to one of America's premier industrial pioneers. Henry Ford had been interested in Michigan's Upper Peninsula as the location of a manufacturing facility for a number of years, and by 1919 the automaker was ready to build a plant.

It was no coincidence that Ford looked at this area along the Menominee River in the south-central U.P. One of the people he enlisted to find a site for his plant was Edward G. Kingsford, the husband of Ford's cousin Minnie Flaherty and both a real estate agent and Ford dealer. Ford's holdings in the region would grow eventually to 400,000 acres of iron and timberlands in seven northern Michigan counties in my district. Of this total, 350,000 acres were hardwood.

As one might surmise from the size and importance of this project, there was much politicking and competition among communities for the plant. Once all the land purchase agreements were completed, the plant was established, employing as many as 8,000 people by 1925 in the production of wooden parts for the famous Ford Model T in Kingsford, Michigan.

Progress in the design of the American automobile adversely affected this plant. Almost as famous as the Model T, the model A went into production using fewer wooden parts, and employment at the Kingsford Ford plant declined. In the early 1940s the production of woodsided station wagons provided work for the northern Michigan site, and by 1942 the Kingsford Ford plant had made the switch to war production, producing gliders that would become so important to Allied victory.

After the war the importance of the Kingsford plant had diminished further, and the facility was closed in 1951. Ford was gone, but an interesting legacy continued. The famous Kingsford-brand charcoal briquets, a by-product of wooden automobile part production, continued to be made in this U.P. community.

As a small city, Mr. Speaker, the population of Kingsford is now about 5,500. Although the community is no longer a part of the Ford family of assembly plants, the transportation revolution wrought by these affordable Ford automobiles on the lives of ordinary Americans meant that tourism would become a new national industry, one that would benefit the Kingsford area. People now can travel from anywhere in the country to visit this area of gently rolling hills with thousands of lakes and hundreds of miles of rivers and streams. Hunting and fishing and the simple enjoyment of the vibrant colors of autumn means that tourism now vies with paper-making as the basic elements of the area's economic well-being.

I am proud of the people of Kingsford and their struggles to survive and even thrive through periods of economic change, and I invite all my colleagues in the U.S. House to join me in paying tribute to this resilient and energetic community.

PERSONAL EXPLANATION

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BILIRAKIS. Mr. Speaker, on Monday, July 20, 1998, I requested and was granted a leave of absence from the House of Representatives due to personal illness. Had I been present, I would have voted in favor of adoption of the following amendments during consideration of H.R. 2183, the Bipartisan Campaign Integrity Act:

The Wicker amendment to the Shays amendment in the nature of a substitute, debated on July 14, that prohibits the use of White House meals or accommodations for political fundraising (greed to by a recorded vote of 391 ayes to 4 noes, Roll No. 301);

The Stearns amendment to the Shays amendment in the nature of a substitute, debated on July 14, that prohibits noncitizens from making contributions to candidates for Federal, state, or local elections (agreed to by a recorded vote of 267 ayes to 131 noes, Roll No. 302);

The Smith of Michigan amendment to the Shays amendment in the nature of a substitute, as modified, that establishes a prison term for 10 years and a fine not to exceed $1 million as penalties for violation of the foreign contribution ban (agreed to by a voice vote);

The DeLay amendment to the Shays amendment in the nature of a substitute that expresses the Sense of Congress that Federal law clearly demonstrates that "controlling legal authority" prohibits the use of Federal property to raise campaign funds (agreed to by a recorded vote of 360 ayes to 36 noes, Roll No. 304);

The McInnis amendment to the Shays amendment in the nature of a substitute that prohibits acceptance or solicitation to obtain access to Air Force One, Marine One, Air Force Two, Marine Two, the White House or the Vice President's residence and institutes a fine or imprisonment for violation for up to one year (agreed to by a recorded vote of 391 ayes to 7 noes, Roll No. 305);

The Hefley amendment to the Shays amendment in the nature of a substitute that requires the national parties to reimburse the Federal government for the use of Air Force One for political fundraising (agreed to by a recorded vote of 222 ayes to 177 noes, Roll No. 307);

The Northup amendment to the Shays amendment in the nature of a substitute that prohibits campaign from providing currency to individuals for the purpose of encouraging turnout on the date of election (agreed to by a recorded vote of 284 ayes to 114 noes, Roll No. 308);

The Snowbarger amendment that establishes mandatory imprisonment for not fewer than 1 year and not more than 10 years for criminal conduct (agreed to by a voice vote); and

The Whitfield amendment that bans the coordination of soft money for issue advocacy by presidential candidates receiving public financing (agreed to by a voice vote).

NATIONAL RIGHT TO WORK BILL

SPEECH OF

HON. DAVE WELDON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. WELDON of Florida. Mr. Speaker, I rise in full support for H.R. 59, the National Right to Work Act.

I am from a Right to Work State and I know first-hand that employee freedom and prosperity go hand in hand.

Figures from the U.S. Bureau of Labor Statistics show that workers in forced union dues States are losing thousands of jobs as well as their freedom.

Just listen to the advantage that Right to Work States have had over forced union dues states between 1997–1996:

Non-agricultural employees in Right to Work States have increased by nearly 70% while the increase in forced union states was 35%.

Manufacturing employment in Right to Work States have increased by almost 15% while there was nearly a 15% decrease in forced union states.

Construction employment in Right to Work States increased by almost 50%, nearly 15% higher than in forced union dues States.

Manufacturing production workers in Right to Work States increased by almost 10%, while decreasing by 20% in forced union dues States.

Manufacturing establishments in Right to Work States increased by 20%, while decreasing by .3% in forced union States.

Personal income in Right to Work States has increased by 405%, 82% higher than in forced union dues States.

Hourly earnings by manufacturing employees in Right to Work States have increased by 135%, 13% higher than forced union dues States.

The average weekly earnings of manufacturing production workers in Right to Work States have increased by 145%,15% higher than in forced union dues States.

Mr. Speaker what do these numbers translate into Jobs. Between 1983 and 1993, Right to Work States created over 500,000 jobs, while forced union states lost almost 900,000.

Mr. Speaker, not only are residents of forced-unionism States paying in lost jobs, they are also paying for the cost of compulsory unionism out of their wallets.

Invariably, compulsory unionism leads to union official-inspired strikes, slowdowns, inefficient work rules, featherbedding, and a "hate-the-boss" mentality which substantially increase the cost of goods, services, and state and local taxes.

The result is the "Right to Work boon." The average urban family living in a Right to Work state has an after-tax, cost of living-adjusted household income of $36,540—$2,852 more than a family in a forced-unionism State.

As said by former United States Senator Sam Ervin in his autobiography Preserving the Constitution, "Right to Work laws remove the motive of the union to subordinate the interests of the employees to its wish, and, thus, leave it free to conduct negotiations for the sole purpose of obtaining an employment contract advantageous to the employees."

CONCLUSION

Right to Work States offer an economic environment free from much of the Big Labor's imposed "featherbedding," and work rules which reduce the value of employees' wages by driving up production costs. Ultimately, this only serves to reduce the number of jobs in their state.

Mr. Speaker, no one should be forced to join a labor union as a condition of employment, and every American should be given the same economic opportunities shared by most employees in 21 states.

I urge you to schedule a roll-call vote on H.R. 59, the National Right to Work Act.

NATIONAL RIGHT TO WORK BILL

SPEECH OF

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I would like to thank the gentleman for yielding, and I would also like to thank him for his commitment and hard work on this issue.

Mr. Speaker, I have personally received hundreds of petitions from constituents urging a roll-call vote on H.R. 59, and I am proud to be able to speak here tonight in defense of those constituents.

I certainly agree with the gentleman from Virginia. H.R. 59 is about individual liberty.

Members, particularly from the other side of the aisle, and the union officials down the street in their fortress they call the "Marble House", built by forced dues, like to purport that the National Right to Work Act is an attempt to silence workers. To the contrary, Mr. Speaker, the National Right to Work Act is about giving workers a voice.

As the gentleman from Virginia stated, this bill does not add one single word to federal law. It simply amends the National Labor Relations Act and Railway Labor Act by striking the forced-dues provisions from federal law. That is it.

The National Right to Work Act would leave the following language completely intact: "Employees shall have the right to self-organization, to form, join or assist labor organizations to bargain collectively through representatives of their own choosing and to engage in other concerted activities for the purposes of collective bargaining or other mutual aid or protection and shall have the right to refrain from any or all such activity".

Mr. Speaker that is where the Right to Work Act would put the period. I want to make it clear, the National Right to Work Act maintains employees' rights to join or assist a labor organization. The National Right to Work Act maintains employees' rights to bargain collectively through representatives of their own choosing.

What the National Right to Work Act removes is the following four lines and its supporting lines. "Except to the extent that such right may be affected by an agreement requiring membership in a labor organization as a condition of employment."

That is what opponents of the National Right to Work Act object to, Mr. Speaker. Eliminating the right currently held by union officials to force workers to pay union dues as a condition of employment.

Opponents of this bill object to allowing individual workers the right to decide for themselves whether or not they wish to join or pay dues to a labor union.

Mr. Speaker, what opponents of this bill object to is taking away the power union officials currently have to tell America's workers to either pay up or get fired.

Mr. Speaker, why are opponents of this bill afraid to give a voice to workers? It is because union officials know that their agenda is different than their workers.

As President Clinton's former Labor Secretary said: "In order to maintain themselves, they have to hold their members to the mast, hold their feet to the fire."

The Right to Work principle affirms the right of all Americans to work where they want and for whom they want without coercion of any kind to join or not join or financially support labor unions.

Mr. Speaker, One of America's great founding fathers, and U.S. President, Thomas Jefferson, once wrote: "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical."

Mr. Speaker, today millions of Americans are being forced to contribute money for the propagation of opinions that they do not believe in.

It is time to have a vote on the National Right to Work Act. It is time to let the American people know if their Representatives support individual liberty or compulsion.

SUBCHAPTER S REVISION ACT OF 1998

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. SHAW. Mr. Speaker, today over 2 million businesses pay taxes as S corporations and the vast majority of these are small businesses. The S Corporation Revision Act of 1998 is targeted to these small business by improving their access to capital, preserving family-owned businesses, and lifting obsolete and burdensome restrictions that unnecessarily impede their growth. It will permit them to grow and compete in the next century.

Even after the relief provided in 1996, S corporations face substantial obstacles and limitations not imposed on other forms of entities. The rules governing S corporations need to be modernized to bring them more on par with partnerships and C corporations. For instance, S corporations are unable to attract the senior equity capital needed for their survival and growth. This bill would remove this obsolete prohibition and also provide that S corporations can attract needed financing through convertible debt.

Additionally, the bill helps preserve family-owned businesses by counting all family members as one shareholder for purposes of S corporation eligibility. Under current law, multi-generational family businesses are threatened by the 75 shareholder limit which counts each family member as one shareholder. Also, nonresident aliens would be permitted to be shareholders under rules like those now applicable to partnerships. The bill would eradicate other outmoded provisions, many of which were enacted in 1958.

The following is a detailed discussion of the bill's provisions.

TITLE I—SUBCHAPTER S EXPANSION

SUBTITLE A—ELIGIBLE SHAREHOLDERS OF AN S CORPORATION

SEC. 101. Members of family treated as one shareholder—All family members within seven generations who own stock could elect to be treated as one shareholder. The election would be made available to only one family per corporation, must be made with the consent of all shareholders of the corporation and would remain in effect until terminated. This provision is intended to keep S corporations within families that might span several generations.

SEC. 102. Nonresident aliens—This section would provide the opportunity for aliens to invest in domestic S corporations and S corporations to operate abroad with a foreign shareholder by allowing nonresident aliens (individuals only) to own S corporation stock. Any effectively-connected U.S. income allocable to the nonresident alien would be subject to the withholding rules that currently apply to foreign partners in a partnership.

SUBTITLE B—QUALIFICATION AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS

SEC. 111. Issuance of preferred stock permitted—An S corporation would be allowed to issue either convertible or plain vanilla preferred stock. Holders of preferred stock would not be treated as shareholders; thus, ineligible shareholders like corporations or partnerships could own preferred stock interests in S corporations. A payment to owners of the preferred stock would be deemed an expense rather than a dividend by the S corporation and would be taxed as ordinary income to the shareholder. Subchapter S corporations would receive the same recapitalization treatment as family-owned C corporations. This provision would afford S corporations and their shareholders badly needed access to senior equity.

SEC. 112. Safe harbor expanded to include convertible debt—An S corporation is not considered to have more than one class of stock if outstanding debt obligations to shareholders meet the "straight debt" safe harbor. Currently, the safe harbor provides that straight debt cannot be convertible into stock. The legislation would permit a convertibility provision so long as that provision is substantially the same as one that could have been obtained by a person not related to the S corporation or S corporation shareholders.

SEC. 113. Repeal of excessive passive investment income as a termination event.—This provision would repeal the current rule that terminates S corporation status for certain corporations that have both subchapter C earnings and profits and that derive more than 25 percent of their gross receipts from passive sources for three consecutive years.

SEC. 114. Repeal passive income capital gain category—The legislation would retain the rule that imposes a tax on those corporations possessing excess net passive investment income, but, to conform to the general treatment of capital gains, it would exclude capital gains from classification as passive income. Thus, such capital gains would be subject to a maximum 20 percent rate at the shareholder level in keeping with the 1997 tax law change. Excluding capital gains also paralles their treatment under the PHC rules.

SEC. 115. Allowance of charitable contributions of inventory and scientific property—This provision would allow the same deduction for charitable contributions of inventory and scientific property used to care for the ill, needy or infants for subchapter S as for subchapter C corporations. In addition, S corporations would no longer be disqualified from making "qualified research contributions" (charitable contributions of inventory property to educational institutions or scientific research organizations) for use in research or experimentation. The S corporation's shareholders would also be permitted to increase the basis of their stock by the excess of deductions for charitable contributions over the basis of the property contributed by the S corporation.

SEC. 116. C corporation rules to apply for fringe benefit purposes—The current rule that limits the ability of "more-than-two-percent" S corporation shareholder-employees to exclude certain fringe benefits from wages would be repealed for benefits other than health insurance. Under this bill, fringe benefits such as group-term life insurance would become excludable from wages for these shareholders. However, health care benefits would remain taxable to the extent provided for partners.

SUBTITLE C—TAXATION OF S CORPORATION SHAREHOLDERS

SEC. 120. Treatment of losses to shareholders—A loss recognized by a shareholder in complete liquidation of an S corporation would be treated as an ordinary loss to the extent the shareholder's adjusted basis in the S corporation stock is attributable to ordinary income that was recognized as a result of the liquidation. Suspended passive activity losses from C corporation years would be allowed as deductions when and to the extent they would be allowed to C corporations.

SUBTITLE D—EFFECTIVE DATE

SEC. 130. Effective date—Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1998.

TITLE II—SENSE OF THE HOUSE OF REPRESENTATIVES RESOLUTION

SEC. 201. The House would go on record in opposition to the President's Fiscal Year 1999 budget proposal to treat the conversion of "large" C corporations to S corporations as taxable liquidations, for this would be harmful to the business community and would effectively prohibit many businesses from making S elections in the future.

PERSONAL EXPLANATION

HON. FRANK RIGGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. RIGGS. Mr. Speaker, I was absent from the House of Representatives on Monday, July 20, 1998, pursuant to a leave of absence. During my absence, I missed a number of votes.

Had I been present, the following is how I would have voted:

Rollcall No. 297 (H.R. 3874): "Aye."

Rollcall No. 298 (H. Con. Res. 208): "Aye."

Rollcall No. 299 (H. Res. 392): "Aye."

Rollcall No. 300 (H. Con Res. 301): "Aye."

Rollcall No. 301 (Wicker amendment): "Aye."

Rollcall No. 302 (Stearns amendment): "Aye."

Rollcall No. 303 (Pickering amendment): "Aye."

Rollcall No. 304 (Delay amendment): "Aye."

Rollcall No. 305 (McInnis amendment): "Aye."

Rollcall No. 306 (Paxon amendment): "Aye."

Rollcall No. 307 (Hefley amendment): "Aye."

Rollcall No. 308 (Northrup amendment): "Aye."

CHILD NUTRITION AND WIC REAUTHORIZATION AMENDMENTS OF 1998

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mrs. MINK of Hawaii. Mr. Speaker, I rise today in strong support of H.R. 3874, the Child Nutrition and WIC Reauthorization Bill, which makes changes to the federal child nutrition programs and the Women, Infants, and Children Supplemental Feeding Program, known as WIC.

The WIC program is a key part of our efforts to reduce infant mortality rates and assure that children in this nation are born healthy and are fed a nutritionally sound diet in the early formative years. This is accomplished through the provision of special food packages to approximately 7.5 million low-income women, infants and children each month. In my home state of Hawaii the WIC program serves over 35,000 individuals.

H.R. 3874 makes some important changes to the WIC program by providing more flexibility to States in administering the program and including provisions designed to protect the integrity of the WIC program.

H.R. 3874 continues to encourage the breast-feeding program under WIC and provides additional incentives by allowing WIC agencies to use their nutrition account, rather than administrative account, to purchase breast pumps for breast-feeding women.

I am pleased that it also includes my amendment which is designed to assure that working parents on WIC and their children are able to continue services. The bill includes a new requirement that children participating in WIC be physically present during recertification. WIC participants are required to be recertified every six months.

My amendment included in the bill provides authority to local agencies to waive the physical presence requirement for children of working parents, if the children were present at the initial certification, and if their presence at recertification would be a barrier to participation.

Requiring working mothers to bring in all of their children could pose a severe hardship on the mother and children. It would mean extra transportation time for working mothers, for example a mother with 2 or more children may have to pick up her children at different locations, one at day care the other at school. This may require mothers to take an entire day off of work as opposed to half a day or a couple of hours if they can go by themselves.

The amendment does not exempt all children with working parents from the requirement, but those that have such difficult circumstances that the requirement may actually serve as a barrier to participation in the program, such as a working mother with transportation problems.

Currently about 28% of WIC eligible mothers work during the first two months following the birth of their children, increasing to roughly 30% when the child turned one (Mathematica Research).

The flexibility provided in my amendment will become increasingly important as more and more mothers on welfare (TANF) will be required to work under the 1996 Welfare Law. With 30% of WIC eligible women also receiving welfare the number of working mothers on WIC is likely to increase as a result of the 1996 law. We must assure that these working mothers have every opportunity to continue their jobs and retain WIC eligibility.

I also am pleased that the Committee concurs with my support of the Department of Agriculture's efforts to provide guidelines to local WIC agencies regarding cultural and ethnic foods. This support was expressed in the Committee Report. Participation in WIC can be greatly enhanced by the use of appropriate cultural foods. I know in Hawaii we have many nutritious foods that are a part of our local diet which are not included in the WIC food package such as tofu and poi. These guidelines will make it easier for our State WIC agency to incorporate such foods into the WIC package.

The Committee also included language in its report which I suggested on the coordination of WIC blood work requirements with the other periodicity schedules such as those by the American Academy of Pediatrics and the Centers for Disease Control. Conforming with these schedules will help to improve enrollment, recertification and testing efficiencies in the WIC program.

On the child nutrition programs also included in this bill, I strongly support the expansion of the after-school nutrition programs through the Child and Adult Care Food program and raising the age limit for children eligible for the after-school snacks and meals from 12 to 18.

Provisions in this bill will also help streamline the administrative process for schools who serve after-school meals under the Child and Adult Care Food program. This will make it easier for schools to apply for the after-school funds.

The bill makes an important change in the Summer Food Program that will raise reimbursement rates for Hawaii, Alaska and the Territories. All other child nutrition programs allow the Department of Agriculture to increase the reimbursement rate for these States and Territories to account for the higher cost of food. However, the Summer Food program had no such authority. I am pleased that this bill will allow the increase in reimbursement rates to more accurately reflect the cost of food in my State.

Finally, Mr. Speaker, H.R. 3974 includes a provision that is very critical to my home State of Hawaii and the farmers who are struggling under our current economy. H.R. 3974 includes an amendment I offered at subcommittee which makes changes to the "Buy American" provision to assure that Hawaii would be required to buy American products if they are made in Hawaii.

Under current law, Hawaii has been exempt from the requirement that only U.S. products be used in the school lunch and breakfast program, except that Hawaii schools are required to purchase U.S. (Hawaii) grown pineapples. The amendment I included in H.R. 3874 revises this provision to require Hawaii to buy American where food products are produced in Hawaii in quantities sufficient to serve the Hawaii school lunch and breakfast program.

This provision will assure that the Hawaii school lunch program purchases such food products as bananas, pineapples and papayas that are grown here in Hawaii, but still has the flexibility to purchase other foods made outside of the U.S. if necessary. Federal programs should support our local economy. What better way to help Hawaii agriculture than to assure that our school lunch and breakfast programs purchase local grown food. The children will be getting better quality foods that are produced in their own state.

Mr. Speaker, H.R. 3874 will ensure that our important child nutrition programs continue, that they are more efficient, and that more children and families are served by these important programs. I urge the passage of this bill.

TRIBUTE TO JIRAIR S. HOVNANIAN

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. SAXTON. Mr. Speaker, I rise today to pay tribute to my constituent, Jirair S. (Jerry) Hovnanian, President of J. S. Hovnanian & Sons, Inc. as he celebrates 50 years in this great nation.

Arriving in the United States in 1948 to attend the University of Pennsylvania's Wharton School, from which he graduated with a Bachelor of Science Degree in Business Administration, he was then, and continues to be, a creative and inspirational individual who is widely respected, personally and professionally.

As Past President of the Home Builders League of South Jersey and a Life Director of the National Association of Home Builders, he was instrumental in the Uniform Building Code and the Municipal Land Use Law being enacted.

Jerry pioneered the concept of using state pension funds for home mortgages to maintain a healthy economy in our home state.

In recognition of his dedication and hard work on behalf of the housing industry, Mr. Hovnanian has received such coveted awards as the New Jersey Builders Association's "Builder of the Year Award," and is a member of the Hall of Fame.

His civic activities include the Presidency and Chairmanship of the Burlington County United Way, charter membership in the Mount Laurel Rotary, Executive Board Membership of the Boy Scouts of Burlington County, Founder of the Armenian Sisters Academy, a Montessori private school, and Jerry serves as Arch Deacon of St. Gregory's Armenian Church in Philadelphia.

A "golden" anniversary is an accomplishment to be celebrated, and I congratulate Mr. Hovnanian on his fifty years in the United States of America.

TRIBUTE TO THE SUN VALLEY CHAMBER OF COMMERCE

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to the Sun Valley Chamber of Commerce, which is celebrating its 73rd year by gathering materials for a time capsule. I have been proud to represent Sun Valley for many years, and I am honored that the Chamber has asked me to contribute this Congressional Insert to the capsule.

It is only fitting that the Sun Valley Chamber of Commerce, one of the most historic organizations in the San Fernando Valley, is assembling a time capsule. The Chamber was formed in 1925 as the Roscoe Chamber of Commerce. One of the charter members was A. Louis Forsch, whose grandson, Gary, is still active in the Chamber today.

The Chamber shut down during the Depression and World War II, reopening in 1946. Within just a few years the Chamber was sponsoring parades, picnics and campaigns to beautify the community. In 1949, the Chamber spearheaded a successful drive to change the name of the area from Roscoe to Sun Valley. Three years later, Mrs. Florence Shea became the President of the Sun Valley Chamber of Commerce. According to the Chamber, Mrs. Shea was the first female president of any chamber in the United States.

Today the Chamber is a dynamic force in the San Fernando Valley. Along with providing essential help to local businesses and working closely with service agencies and government, the Chamber in recent years has been the driving force behind the huge and successful July 4 celebration at Hansen Dam.

I ask my colleagues to join me in saluting the Sun Valley Chamber of Commerce, which is doing its part to ensure that the history of the San Fernando Valley will be available to future generations. I only wish I could be around to witness the unveiling of the time capsule.

TRIBUTE TO JUDGE L.T. SIMES, II

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BERRY. Mr. Speaker, I rise today to pay tribute to a wonderful man. The kind of man that made this country the great nation it is today. I honor L.T. Simes, II as he should be honored. Judge Simes is one of those pillars of the community that, works hard every day, plays by the rules and does whatever is necessary to make this community successful. Judge Simes is the first African-American to serve as Chairman of the Arkansas Soil and Water Commission. He is also owner of the first African-American owned and operated radio station in eastern Arkansas. Judge Simes is also the first African American Circuit Judge from Phillips County, Arkansas. It is his tireless work for the community and the fifteen years he has spent with the radio station encouraging young people, for which we take time today to say thank you. We all hope that his example of high standards and good conduct will be followed by the generations to come. His sense of fairness and honesty is exceeded only by his great, good humor. Let us today pay tribute to a friend, role model, community leader, father, and Christian whose standard we should all follow.

CALLING FOR THE INDICTMENT OF SLOBODAN MILOSEVIC

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. SMITH of New Jersey. Mr. Speaker, I am introducing today a resolution which states our belief that the Yugoslav President Slobodan Milosevic is responsible for war crimes, crimes against humanity and genocide. The resolution also calls for action by our government—especially in providing information—that could lead to the indictment of Milosevic for these crimes by the International Criminal Tribunal in The Hague.

Those who have followed the course of Yugoslavia's violent disintegration know well how Slobodan Milosevic has stirred conflict in order to achieve, strengthen and maintain power during the early 1990s, the very years when all Europeans should have had the chance to celebrate newfound unity and freedom with the end of the Cold War and Communism's collapse. Threatened by democratic change, Milosevic played upon Serb grievance—some legitimate and some not—to encourage Serbs throughout former Yugoslavia to rally behind him and establish a "Greater Serbia." He engaged in massive propaganda campaigns, spurring Serbs to hate Croats, Bosniacs and Albanians, or at least to view these neighboring peoples as threats. He put thugs into positions of power, ensuring support for his rule and a willingness to engage in the repression and ethnic cleansing. He supplied militants with heavy weaponry with which to bombard cities, towns, and villages throughout the region.

In testimony before the Helsinki Commission, which I co-chair with the primary Senate sponsor of this resolution, ALFONSE D'AMATO, many expert witnesses have testified to the deliberate nature of the attack on civilians in Croatia and in Bosnia. Mosques, hospitals, cultural institutions and even schools were specifically targeted for destruction. Intellectuals were targeted for incarceration and even execution. Women were targeted for the agony of being raped. Witnesses also told us of the systematic nature of the policy of ethnic cleansing. From valley to valley, region to region, the implementation of ethnic cleansing was so consistent that one can only conclude that it was directed and orchestrated by the political leaders.

There is only one person in such a position of power that he could have unleashed such devastation in Yugoslavia—Slobodan Milosevic. I believe that he is every bit as guilty of war crimes as the concentration camp guards, the snipers, and the rapists.

And now, Mr. Speaker, there is a new conflict in the former Yugoslavia, one in which Milosevic is again directly involved. In Kosovo, after years of repression of the largely Albanian population by Serbian authorities, there is now open conflict. With this conflict, innocent civilians are being killed, there are reports of detention centers, of rapes and the destruction of whole villages that indicate, at minimum, the open tolerance of such abuses by those in power in Belgrade, including Milosevic, if not the direction of such abuses. Last week we also received information indicating that distribution of basic food and humanitarian supplies has been hindered by Yugoslav and Serb officials. Mr. Speaker, using food as a weapon of war or intimidation can not be tolerated.

Of course, Mr. Milosevic remains in Belgrade, away from the scene of the crimes, and he denies association with those committing these crimes. He is a liar. In fact, he denied to me directly what I saw with my own eyes to be happening during the siege of Vukovar in Croatia. Unfortunately, he has escaped responsibility for the crimes by projecting himself as the "peacemaker", the one we supposedly need to achieve the Dayton Agreement which ended the Bosnian conflict, and the one with whom the Kosovar Albanians are being told to join at a negotiation table for dialogue. How many senior Administration officials have traveled repeatedly to Belgrade in order to cajole Milosevic to do this or to do that? He seems to be able to unravel progress if he wants. Does not our reliance on him as "peacemaker" help him maintain power at the expense of a democratic Serbia? Mr. Speaker, we can not overlook the criminal responsibility of a person like Milosevic, even when we find ourselves dependent on that person to implement policies the United States has set.

The resolution we are introducing does not address questions of United States policy towards Serbia; we plainly and simply call for justice. Mr. Speaker, I believe that indicating Milosevic is not only good justice; it is good policy. As long as Milosevic is in power in Belgrade and there is no democracy in Serbia, the Balkans will remain unstable. As long as we deal with Milosevic, we perpetuate his power.

I hope, Mr. Speaker, that this resolution will find broad, bipartisan support. I am pleased that I am joined by my colleagues Mr. HOYER, Mr. ROHRABACHER, Mr. ENGEL, Mr. KING, Mr. OLVER and Mr. MCGOVERN as original cosponsors. Who can argue against providing information that could lead to the indictment of a person who may have committed war crimes? Who can argue against supporting the tribunal which can bring needed justice to South-Central Europe? That is what this resolution does, and the measure deserves quick and positive action by the House.

TO HONOR DR. SCOT D. FOSTER, PRESIDENT OF THE AMERICAN ASSOCIATION OF NURSE ANESTHETISTS

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Ms. LEE. Mr. Speaker, with gratitude, I rise today to pay tribute to a remarkable constituent of California's Ninth Congressional District, Dr. Scot D. Foster, the outgoing national President of the American Association of Nurse Anesthetists (AANA). In my opinion, it is appropriate at this time to recognize the outstanding career of this distinguished individual.

Founded in 1931, the AANA represents over 27,000 certified registered nurse anesthetists, or CRNAs, across the country who provide over 65% of the anesthesia in the United States each year. They work in every setting in which anesthesia is delivered, and for all types of surgical cases including hospital surgical suites, obstetrical delivery rooms, ambulatory surgical centers, and the offices of dentists, podiatrists, and plastic surgeons.

As president, Dr. Foster was responsible for charting the policy and direction of the association from 1997–1998. Throughout his involvement with AANA, Dr. Foster has also held a variety of leadership positions prior to being elected President, including Treasurer and Vice President of the AANA.

A learned scholar and expert in his field, Dr. Foster began his studies at the University of Kansas, receiving a Bachelor of Arts degree in 1972, a Bachelor of Science in Nursing in 1974, and a CRNA certificate in 1976. He attained a Master of Arts degree in Educational Administration in 1977, a PhD in Higher Education in 1984, and a Masters of Science in Nursing in 1994.

Dr. Foster currently is a Professor of Nursing at Samuel Merritt College in Oakland, California and is a former Associate Clinical Professor in the Department of Anesthesiology at the UCLA School of Medicine in Los Angles, California. Dr. Foster is widely published and speaks often before professional groups and societies, which has earned him the esteem and respect of his peers and others in all professions.

Mr. Speaker, I ask my colleagues to join with me in recognizing Dr. Foster for his notable career and outstanding achievements. Congratulations, Dr. Foster, on a job well done.

RESTORING SALMON ON THE ELWHA RIVER

HON. RICK WHITE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. WHITE. Mr. Speaker, today I am introducing a bill to keep the process of restoring salmon on the Elwha River moving forward. It's important that we have a legislative proposal in the House and it is my hope that this bill will set the stage for negotiations that will lead to an agreement on removing the Elwha dams.

Over the past few years, I've been working with many Members of the House to secure funding for the Elwha River restoration project. I believe that the Elwha River is one place where we can invest our limited dollars and get a wonderful return on our investment. Currently we spend approximately $435 million every year on the Columbia and Snake Rivers and have little to show for it. In the case of the Elwha, a one-time payment of about $100 million will create a pristine river, and perfect salmon habitat, from glacier to salt water.

Since 1995, I have had the pleasure of working with the people of the Port Angeles community, Chairman REGULA, Senator GORTON, Congressman DICKS, and the Administration on this issue. When we started this process in 1995, there wasn't much interest in the Elwha project and Senator GORTON had strong reservations about moving forward.

But as I introduce this bill today, I realize just how much has changed over the past few years. Thanks to the people of the Port Angeles community, who have been the driving force behind this project, as well as my colleagues in Congress, we've made considerable progress in securing some funding for the Elwha project. We started this process in 1996 by getting authorizing language in the fiscal year 1997 Budget Resolution recognizing the environmental benefits of restoring this unique river system. Since we started in 1995 we have been successful in securing $11 million in funding toward dam acquisition.

The legislation I have introduced today is meant to modify the proposal that is being considered in the Senate. Senator GORTON has included language in the fiscal year 1999 Interior Appropriations bill authorizing acquisition of both the Elwha and Glines dams and authorizing removal of both dams subject to the availability of appropriations. In the process, however, Senator GORTON made clear that the uses of the federal hydroelectric facilities on the Columbia and Snake Rivers would not be affected by actions on the Elwha. I agree wholeheartedly with the Senator's intentions.

But Senator GORTON and I haven't always agreed on the details. That is why I am introducing legislation today that is designed to perfect the approach he has taken in the Senate. My legislation will authorize acquisition of both facilities and the removal of the lower Elwha dam, subject to availability of appropriations. My bill also includes an independent scientific review on the benefits of removal prior to removal of the upper dam so that whatever decision we make is based on good, sound science.

I strongly share Senator GORTON's concerns that the actions taken on the Elwha dam set absolutely no precedent on dam removal on the Columbia or Snake River or their tributaries. For that reason, my bill specifically states that dam removal on the Elwha River will not set a precedent on the Columbia or Snake river systems. Finally, my bill provides that no hydroelectric facility can be removed or significantly modified structurally without Congressional approval.

I am very pleased that over the past few months Senator GORTON has indicated a willingness on the Elwha project. As we work out the final details on the Interior Appropriations bill, I encourage the House Interior Appropriations Subcommittee to look at my legislation as a balanced solution to restoring salmon on the Elwha River.

INTRODUCTION OF THE "WILCOX RANCH WILDLIFE HABITAT ACQUISITION ACT"

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. HANSEN. Mr. Speaker, I would like to introduce to you today the "Wilcox Ranch Wildlife Habitat Acquisition Act". This important piece of legislation, would authorize the Secretary of the Interior to acquire a parcel of land located in eastern Utah, in the Range Creek drainage. I have been involved in many conservation projects throughout Utah and I can say this is one of the most important projects in the State. As I have mentioned, the Wilcox Ranch lies along Range Creek. This stream, which flows into the Green River, is home to many kinds of fish and may qualify as a blue ribbon trout stream. The Wilcox Ranch property provides access to over 75,000 acres of BLM lands and is home to an assortment of wildlife such as: Wild Turkey, Eagles, Hawks, Black Bear, Cougar, Elk, Mule Deer, Bighorn Sheep, and other mammal species.

Not only does this land harbor an abundance of wildlife, it also contains many cultural resources, such as Native American pottery, arrowheads, and rock homes constructed centuries ago.

Because this land controls access to so much public lands and contains a great portion of water rights in the Range Creek drainage, it is vital that we obtain this area for the public and the ecosystem.

DEPOSITION AUTHORITY NEEDED FOR THE TEAMSTERS INVESTIGATION

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. GOODLING. Mr. Speaker, I rise to introduce a resolution which provides for deposition authority for the Teamsters Investigation.

The Subcommittee on Oversight and Investigations is examining the failed 1996 election of the International Brotherhood of Teamsters (IBT) and related matters, including financial mismanagement at the union and possible manipulation of its pension fund.

Although the investigation has established a good foundation, its progress is increasingly slowed by the obstructionist tactics of the IBT, including the refusal to allow interviews of relevant witnesses. The Subcommittee and the Chairman of the full Committee have been forced to issue subpoenas for documents to fourteen organizations, most of whom refused to voluntarily provide information to the Subcommittee at the direction of the IBT. Subpoenas have also been issued to seven witnesses to secure their testimony at the Subcommittee's public hearings. Furthermore, the IBT has steadfastly refused, on numerous occasions over the last four months, to allow Subcommittee investigators to interview current IBT employees and employees of its actuarial and accounting firms. The IBT has even objected to the Subcommittee interviewing former IBT employees.

To thoroughly and professionally investigate outstanding issues, the investigation needs the authority to have designated staff conduct depositions. There are up to three dozen witnesses whose testimony would substantially further the investigation and who may have to be deposed. Much of this would be lengthy, detailed questioning, which is not possible in a committee hearing. Some of it would also be very technical. Some of the depositions may have to be conducted after Congress adjourns for the year. All of it is needed if the investigation is to continue to make progress.

I want to assure my colleagues that the authority granted through this resolution has safeguards to ensure that it is used appropriately. First, the authority is granted to the Chairman of the Full Committee, and it may be used only in connection with the Teamsters Investigation. Second, information obtained under deposition authority is considered as having been taken in executive session by the Subcommittee. That makes the information confidential and subject to the protocol under which the investigation is being conducted.

Mr. Speaker, the Committee on Education and the Workforce will also adopt rules to ensure proper use of deposition authority. We will provide for bipartisan participation in depositions. The Ranking Minority member will receive three business days written notice before any deposition is taken, and all Members will receive three business days written notice that a deposition has been scheduled. Finally, our proposed committee rules provide for various rights for witnesses, including the right to counsel.

This resolution is well planned and will be implemented with care. Deposition authority is a tool that will enable the Teamsters investigation to unravel the improprieties associated with the 1996 IBT election so they do not recur. It will also help shed light on mismanagement and financial improprieties so that the International Brotherhood of Teamsters can become more responsive to its members.

AFFIRMING UNITED STATES COMMITMENT TO TAIWAN

SPEECH OF

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. BERMAN. Mr. Speaker, I rise in support of the resolution introduced by Mr. DELAY affirming the United States commitment to Taiwan. I am pleased to be an original cosponsor of the legislation and I would like to thank Mr. DELAY for his willingness to consider my suggestions for improving the legislation. Mr. DELAY and his staff person, Tim Berry, worked in a cooperative and bipartisan manner to fashion a resolution which I urge all my colleagues to support.

This resolution expresses the United States continued commitment to the people of Taiwan and our interest in ensuring that the future status of Taiwan be resolved by peaceful means. It also affirms our strong support for membership for Taiwan in international financial institutions where appropriate.

In 1994 in response to the profound economic and political changes that had taken place both in China and in Taiwan, the Clinton Administration approved adjustments in our relationship with Taiwan. Among the changes approved were permission for high-level visitors, including cabinet officers; provision for Taiwan's president and premier to transit American territory, and active support for Taiwan's membership in international organizations accepting non-states as members. These were important changes in our policy which were responsive to Taiwan's emergence as a democratic country. Nor were they out of character with past behavior toward Taiwan. As a recent article in the Washington Post by Ambassador Harvey Feldman points out, even after being expelled from the United Nations in 1971, Taiwan remained a member of the World Bank and the International Monetary Fund until 1980.

It is important to note that our policy towards Taiwan has not been immutable. It has changed in response to developments in Taiwan as long as those changes remain consistent with our overall objective of promoting peace in the region. Our relations with Taiwan and our policy has been governed by the Taiwan Relations Act of 1979 (P.L. 96–8), further articulated in three U.S.-China communiques of 1972, 1979, and 1982, and clarified at the request of Taiwan in the so-called "Six Assurances" in 1982. In 1982 the Reagan Administration was asked by Taiwanese officials to accept as guidelines concerning our policy towards Taiwan six points: (1) the United States would not set a date for termination of arms sales to Taiwan; (2) the United States would not alter the terms of the Taiwan Relations Act; (3) the United States would not engage in advance consultations with Beijing before deciding on U.S. weapons transfers to Taiwan; (4) the United States would not serve as mediator between Taiwan and the mainland; (5) the United States would not alter its position regarding sovereignty of Taiwan and we would not pressure Taiwan to engage in negotiations with the mainland, and (6) the United States would not formally recognize China's sovereignty over Taiwan. We accepted those points and they have conditioned our role between Taiwan and China ever since. This resolution, by reaffirming our interests in resolving the status of Taiwan through peaceful means, reinforces our continued adherence to the six assurances of 1982.

It is important that, as we attempt to build a more constructive relationship with China, we not do so at the cost of the people of Taiwan. This resolution makes clear our desire to maintain strong, productive and peaceful relations with both China and Taiwan. In his recent trip to China, President Clinton emphasized this point when he said "a key to Asia's stability is a peaceful and prosperous relationship with the People's Republic of China and Taiwan." As the President noted, peace and prosperity "has allowed democracy to flourish in Taiwan." I hope that the peace and prosperity which China now enjoys will lead as well to democracy in that great land.

IN HONOR OF CAPTAIN RICHARD WYSSBROD

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BERRY. Mr. Speaker, I rise today to pay tribute to a courageous man.

As an officer of the Helena Police Department, Capt. Richard Wyssbrod went to work each day to protect the people of Helena, Arkansas. On Tuesday, June 30, Capt. Wyssbrod was responding to a 911 call from a victim of domestic abuse when he was shot and killed.

Capt. Wyssbrod would have celebrated his 12th year with the Helena Police Department on July 1. He began his career with the Marvell Police Department where he served four years before being hired at Helena. He is being remembered as a model police officer by his peers—an honest man who enforced the law with a firm, yet fair, hand. Capt. Wyssbrod worked to establish neighborhood and community watch programs in Helena. He was actively involved in youth programs, speaking to children about the dangers of illegal drugs.

Capt. Wyssbrod will forever be remembered as a law enforcement veteran, but it is fitting that he also be remembered for the life he led when he was off-duty. Capt. Wyssbrod was a loving father and devoted grandfather. He was a kind man who was a friend to an entire town.

Capt. Wyssbrod is the first police officer to be killed in the line of duty in Helena. His name will soon be added to the National Law Enforcement Officers' Memorial here in Washington, D.C., but it is important that we remember our fallen police officers not as names on a wall, but for the lives they led as human beings. As an inscription on the wall states, "It is not how these men died that made them heroes. It is how they lived."

Mr. Speaker, with those words in mind, I ask that we remember Capt. Richard Wyssbrod not only as a police officer from Helena, Arkansas, but as one of America's heroes.

THE PATIENT PRIVACY ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. PAUL. Mr. Speaker, I rise to introduce the Patient Privacy Act, which repeals those sections of the Health Insurance Portability and Accountability Act of 1996 authorizing the establishment of a "standard unique health care identifier" for all Americans. This identifier would then be used to create a national database containing the medical history of all Americans. Establishment of such an identifier would allow federal bureaucrats to track every citizen's medical history from cradle to grave. Furthermore, it is possible that every medical professional, hospital, and Health Maintenance Organization (HMO) in the country would be able to access an individual citizens' record simply by entering the patient's identifier into the national database.

As an OB/GYN with more than 30 years experience in private practice, I know better than most the importance of preserving the sanctity of the physician-patient relationship. Oftentimes, effective treatment depends on a patient's ability to place absolute trust in his or her doctor. What will happen to that trust when patients know that any and all information given their doctor will be placed in a data base accessible by anyone who knows the patient's "unique personal identifier?"

I ask my colleagues, how comfortable would you be confiding any emotional problem, or even an embarrassing physical problem like impotence, to your doctor if you knew that this information could be easily accessed by friend, foe, possible employers, coworkers, HMOs, and government agents?

Mr. Speaker, the Clinton administration has even come out in favor of allowing law enforcement officials access to health care information, in complete disregard of the fifth amendment. It is bitterly ironic that the same administration that has proven so inventive at protecting its privacy has so little respect for physician-patient confidentiality.

Many of my colleagues will admit that the American people have good reason to fear a government-mandated health ID card, but they will claim such problems can be "fixed" by additional legislation restricting the use of the identifier and forbidding all but certain designated persons to access those records.

This argument has two flaws. First of all, history has shown that attempts to protect the privacy of information collected by, or at the command, of the government are ineffective at protecting citizens from the prying eyes of government officials. I ask my colleagues to think of the numerous cases of IRS abuses that were brought to our attention in the past few months, the history of abuse of FBI files, and the case of a Medicaid clerk in Maryland who accessed a computerized database and sold patient names to an HMO. These are just some of many examples that show that the only effective way to protect privacy is to forbid the government from assigning a unique number to any citizen.

The second, and most important reason, legislation "protecting" the unique health identifier is insufficient is that the federal government lacks any constitutional authority to force citizens to adopt a universal health identifier, regardless of any attached "privacy protections." Any federal action that oversteps constitutional limitations violates liberty for it ratifies the principle that the federal government, not the Constitution, is the ultimate arbitrator of its own jurisdiction over the people. The only effective protection of the rights of citizens is for Congress and the American people to follow Thomas Jefferson's advice and "bind (the federal government) down with the chains of the Constitution."

For those who claim that the Patient Privacy Act would interfere with the plans to "simplify" and "streamline" the health care system, under the Constitution, the rights of people should never take a backseat to the convenience of the government or politically powerful industries like HMOs.

Mr. Speaker, the federal government has no authority to endanger the privacy of personal medical information by forcing all citizens to adopt a uniform health identifier for use in a national data base. A uniform health ID endangers the constitutional liberties, threatens the doctor-patient relationships, and could allow federal officials access to deeply personal medical information. There can be no justification for risking the rights of private citizens. I therefore urge my colleagues to join me in supporting the Patient Privacy Act.

TRIBUTE TO DR. GENO SACCOMANNO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize an individual, who for the past 50 years, has donated his life to the ongoing fight against cancer. Dr. Geno Saccomanno, a cytologist from Grand Junction, CO, is a simple, dedicated man with a personal history that rivals most in accomplishment and commitment. Some of his most notable achievements both professionally and philanthropically, include his groundbreaking and world-renowned cancer research methods, his two popular cytology texts, his scholarship fund for underprivileged high school graduates, his St. Mary's Saccomanno Education Center, and the Catholic school and church that will be built on land he recently donated near his home. As you can see, Dr. Saccomanno is a man who works for the good of all people, in every area of his life.

When Dr. Saccomanno arrived in Grand Junction as a pathologist in 1948, he was the first to pay appropriate attention to the most pressing local cancer issue. As he had noticed in some of his doctoral studies at St. Louis University, Dr. Saccomanno saw correlations between cancer incidence and the coal mines working in Western Colorado and Eastern Utah. His analysis of this issue set the stage for a long life in lung cancer research and diagnosis.

Considered today by colleagues and professionals worldwide as one of the world's foremost pioneers and prophets in lung cancer research, Saccomanno's research techniques are considered a standard in laboratories around the world. His first method of cell separation to detect mutation utilized his wife Ginny's blender and a few simple medical tools. Through the years, his techniques have grown and developed with the aid of technology so much that his research methods are widely praised and world renowned. In fact, the American Cancer Institute is currently attempting to duplicate his processes with a computer.

Dr. Saccomanno has won several well-deserved awards and published a myriad of medical reports during his 50-year career, all that have led to a considerable reputation among a wide range of people. He is revered by everyone, from his colleagues at St. Mary's to VIP's at the Department of Energy to his friends at the National Cancer Institute.

Today, the 82-year-old Dr. Saccomanno continues his work in the field he has grown to love. Each morning he makes the daily trek from his home to the lab where he continues to look at his vast collection of tissue samples, lung X-rays, and secretions searching for a clue that would someday lead to a cure for cancer. Dr. Saccomanno's obvious dedication to his life's work and the medical field is something that is admired by all.

I would like to take a moment today to thank Dr. Saccomanno for both his efforts in finding a cure for cancer, as well as for all that he has done for his community. He is an excellent example of how important dedication and perseverance are in one's personal and professional life. He sets a standard that we should all strive to emulate. It is an honor for me to count Dr. Saccomanno as one of my constituents and to represent him in Congress.

HONORING DOUGLAS M. BARRETT

HON. CHARLES F. BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BASS. Mr. Speaker, I rise today to recognize the accomplishments of a resident of Nashua, New Hampshire, Mr. Douglas M. Barrett, on the occasion of his retirement from Sanders, a Lockheed Martin Company. Mr. Barrett's 41 years of dedication to improving our Nation's security, and his devotion to his community, set a standard of commitment and excellence for which we should all strive.

Since beginning his employment at Sanders Associates in 1957, Mr. Barrett has been an integral part of the development and fielding of intelligence, surveillance and reconnaissance systems that have been critical to keeping the peace when possible and prevailing at war when necessary. His devotion to getting the best possible technical solutions into the hands of our soldiers, sailors and airmen in the shortest periods of time, and at the best value to the government is to be greatly commended.

As the Vice President and General Manager of the Surveillance Systems Business Area of Sanders since 1982, Mr. Barrett has been instrumental to the growth and stability of the economy in and around Nashua through the creation of jobs. He has also played a major role in providing educational opportunities for the citizens of the greater Nashua area as a board member and past president of the Adult Learning Center.

Mr. Speaker, I ask you to join with me in recognizing the unwavering commitment and total dedication of Mr. Douglas M. Barrett to his company, community and country.

"LET'S GET TOUGH ON DRUGS"

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. PACKARD. Mr. Speaker, I rise today to ask if the Clinton Administration has any defined position on casual drug use and any specific strategy to fight drug abuse in our schools, our workplaces and our homes.

A few weeks ago, I was pleased to hear the White House drug policy chief Barry McCaffery's harsh words of criticism for the liberal drug policies he observed while traveling through Europe. General McCaffery strongly criticized the approach of the Netherlands, where marijuana and other drugs are legal, and called the result of their policies "an unmitigated disaster."

Mr. Speaker, there is absolutely no doubt that legalizing marijuana would have disastrous results for any society. General McCaffery pointed that there are now over 1200 "pot clubs" in Holland alone. Crime has risen and the state is now responsible for thousands of heroin addicts that now require extensive methadone treatment.

According to today's Washington Post, General McCaffery has once again modified his remarks and is now calling the drug policies of countries like Holland "very impressive." Mr. Speaker, I know General McCaffery is tough on drugs. We've heard his 'zero' approach time and time again and I applaud him for that. However, I believe General McCaffery was right when he first offered his opinion on policies of nations like the Netherlands when it comes to drugs.

Mr. Speaker, this Administration continues to send mixed signals on casual drug use. Meanwhile, children all over America are faced with the temptation to try drugs every day.

Those nations that choose to tolerate recreational drug use are going down a very dangerous path. The statistics of drug-related health problems and death in those countries can not be disputed. Mr. Speaker, it's time for this Administration to stop worrying about criticizing our friends in Europe and start worrying about the protection and welfare of our own children.

[From the Washington Post, Tues. July 21, 1998]

DRUG CHIEF MITIGATES SLAP AT DUTCH

AFTER TOUR, MCCAFFREY SOFTENS HIS CRITICISM OF DRUG POLICIES

By Michael Grunwald

Less than two weeks ago, White House drug policy chief Barry R. McCaffrey sparked an international stir by attacking Dutch drug-fighting policies as "an unmitigated disaster." Yesterday, he offered a new description of their efforts: "very impressive."

McCaffrey is still no fan of the permissive Dutch attitude toward marijuana, and he was appalled by a "heroin provision" experiment for addicts he saw during a one-day dash through the Netherlands last week. But he said he was pleasantly surprised by aggressive Dutch efforts to rein in drug smuggling, "drug tourism" and drug-related violence.

He even said that the United States could learn a great deal from the expansive Dutch approach to funding drug treatment, especially methadone programs for heroin users.

"I am envious of their ability to deliver drug treatment and health care to heroin addicts," said McCaffrey, director of the Office of National Drug Control Policy. "Our program is inadequate in coverage."

It was quite a change of tune for McCaffrey, who made front-page news in the Netherlands with his "unmitigated disaster" comment during a July 9 appearance on a CNN talk show. McCaffrey said on the program that Dutch acceptance of marijuana as a harmless "soft drug" has fueled dramatic increases in crime and warned that official toleration of nearly 1,200 "cannabis clubs" in the Netherlands was setting a terrible example for Europe. The Dutch ambassador to the United States, Joris Vos, responded that he was "confounded and dismayed" by McCaffrey's remarks.

McCaffrey, a four-star general who served with distinction in the Vietnam War and the Persian Gulf War, has courted controversy since President Clinton named him to lead America's war on drugs in 1996. He was a bitter critic of needle exchange programs, then muted his criticism somewhat after Clinton endorsed them as a useful tool against AIDS. He praised Mexico's top anti-drug official, Gen. Jesus Gutierrez Rebollo, as "an honest man," then professed shock when Gutierrez was arrested in a corruption sting after just 10 weeks in office.

Yesterday, in a news conference about his week-long swing through six European countries, McCaffrey acknowledged that he had overstepped with his "unmitigated disaster" criticism of the Dutch. "In a more balanced vein, I'd suggest that there are areas of agreement and areas of disagreement," he said. "Friends can disagree with friends."

Dutch officials yesterday said they welcomed his more conciliatory tone. "I think he made a good visit and learned a lot," said embassy spokeswoman Madelien DePlanque. "He doesn't agree with everything we do, but he's entitled to an opinion."

McCaffrey visited a methadone program in Amsterdam and said he came away impressed by the ease with which Dutch heroin addicts can get treatment. In America, he said, methadone clinics are few and far between, and addicts who do find them often face a maze of bureaucratic obstacles; only 115,000 of the estimated 800,000 U.S. heroin addicts currently get methadone.

McCaffrey also said he now believes that the Dutch are doing an "excellent job" cracking down on serious drug crimes and getting though with "drug-daze" foreign tourists who visit the country for its marijuana-selling "coffee shops."

But McCaffrey is not quite ready for America to go Dutch when it comes to drug abuse. He criticized the toleration of cannabis clubs as "legal hypocrisy." He distributed statistics indicating dramatic across-the-board increases in crime and drug-related deaths in the Netherlands since 1978. He said he was disturbed by his visit with Rotterdam scientists who are dispensing heroin to 750 addicts. And he warned that "this beautiful, clean, quiet little country" has become a production and distribution hub for much of the European drug trade.

"They just haven't connected their problems to their attitudes towards drug abuse," McCaffrey said. "They seem to think marijuana is benign. It's not benign."

McCaffrey refused to visit a cannabis club, explaining that he already knows what people look like when they smoke pot. But he's done calling Dutch policy an "unmitigated disaster."

"You can say it's a mitigated disaster," he said.

RELATING TO THE IMPORTANCE OF JAPANESE AMERICAN RELATIONS

SPEECH OF

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 20, 1998

Mr. BERMAN. Mr. Speaker, I rise to urge support for H. Res. 392, relating to the importance of Japanese-American relations and the urgent need for Japan to more effectively address its economic and financial problems. I am an original cosponsor of this resolution as Ranking Member on the Asia and Pacific Subcommittee of the International Relations Committee.

One reason for this resolution was our appreciation of the vital contribution Japan makes as the world's second largest economy, to global economic growth, especially to the Asian Pacific region. The importance of maintaining the vitality of our security relationship with Japan in all its dimensions—economic, political, and military—is critical to American policy in the region. When Japan suffers, we suffer. When Asia is sick, Japan becomes ill too.

Curing one means helping both. We need that cure for our economic benefit. As one witness before the Subcommittee, Robert Grondine of the American Chamber of Commerce in Japan, pointed out, the Chamber represents over one thousand American companies doing business in Japan. It is in our economic self-interest to see a growing Japanese economy.

For many years, Japanese prosperity has permitted it to evade the need for the profound economic reforms which have been so obvious to both Japanese and foreign observers.

While there has been much discussion about the need for economic stimulus which will accelerate consumer demand, I am more interested in seeing the type of structural reform which will result in lasting economic change in Japan. Reform of the financial sector and greater market access for foreign competitors are particularly important.

I am confident that Japan will surmount its difficulties. The resilience and capability of the Japanese people have been proven through many times of trial.

In introducing H. Res. 391, Mr. BEREUTER and I hope that we will further the constructive economic dialog between our two countries in a way that deepens our ties.

NORTHERN IRELAND VISA FOR PEACE AND RECONCILIATION

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. WALSH. Mr. Speaker, as Chairman of the Friends of Ireland and member of the Ad-Hoc Committee for Irish Affairs, I am inviting all of my colleagues to join us as cosponsors of the Northern Ireland Visa for Peace and Reconciliation.

Over the last few weeks, the world has witnessed events symbolizing both the hope for the future in Northern Ireland and the tragedy of its past. The politics of the gun has been replaced with the politics of the ballot box. A majority of men and women on all sides of the conflict have given their overwhelming support for the Good Friday Agreement and stood together in condemnation of last week's violence and murder. This initiative is aimed at helping those who are working for a new beginning.

In May, the Speaker of the Irish Dail, Mr. Seamus Pattison, led a delegation to Washington for a meeting of the U.S.-Ireland Interparliament. During those meetings, the Irish continually raised the idea of a new U.S. transitional visa program designed to support the implementation of the peace agreement.

The Northern Ireland Visa for Peace and Reconciliation creates a non-immigrant, temporary working visa category targeted at individuals from disadvantaged areas in Northern Ireland and Border Counties of the Republic. It would allow young unskilled people from disadvantaged areas a brief period of time to learn a craft, get a temporary job and experience the diversity of the United States. After their visit, they would return home ready to share the benefits derived from working in the world's greatest economy.

In the past several years, we have seen 800 years of Irish history take a dramatic shift toward peace. We believe this Visa program will further cement that progress. I hope all Members will join us in supporting this low-risk, low-cost, high-return investment in support of peace in Northern Ireland.

PERSONAL EXPLANATION

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. COBLE. Mr. Speaker, on July 20, the House considered several measures under suspension of the rules. On rollcall votes 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, and 308 had I been present I would have voted "yea."

On this date, I was representing the Subcommittee on Courts and Intellectual Property at a meeting of the National Music Publishers Association. I had committed to participating in this event prior to the scheduling of votes.

PERSONAL EXPLANATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Ms. ROS-LEHTINEN. Mr. Speaker, yesterday I was unavoidably detained and missed four rollcall votes (297, 298, 299 and 300). If I had been present, I would have voted "aye" on all four votes.

PRESENTATION TO THE CONSTITUTION SUBCOMMITTEE, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. PITTS. Mr. Speaker, I submit the following for the RECORD.

STATEMENT BY CONGRESSMAN JOSEPH R. PITTS ON LETHAL DRUG ABUSE PREVENTION ACT, (H.R. 4006), JULY 14, 1998

Mr. Chairman, thank you for the opportunity to speak in support of H.R. 4006, the Lethal Drug Abuse Prevention Act of 1998. This bill will prohibit the dispensing or distribution of a controlled substance in order to cause or assist suicide or euthanasia.

Mr. Chairman, I strongly believe that we can and must do better for our disabled and ill citizens than kill them. You cannot solve problems by getting rid of the people to whom the problems happen. When a teenager says her life is not worth living because she has lost her boyfriend, we don't say, "Well, that's her choice." We recognize it as a cry for help, as a view that can and will be changed.

Statistics show that of those who attempt suicide and are stopped, less than 5% have gone on to kill themselves five years later. What a tragedy it would be for the more than 95% who survived if we had turned our backs and not tried to stop them from taking their lives. Sadly, that is exactly what opponents of H.R. 4006 seek to do.

I know that it will be said it is different for those who are terminally ill. But a study published in the American Journal of Psychiatry found that of the 24% who are terminally ill who said they wanted to die, all were suffering from clinically diagnosable depression. Depression is an illness, and it distorts judgment. We should treat it in terminally ill individuals as much as in others.

Let no one suppose, however, that this is an issue that applies only to the terminally ill. Authorizing assisted suicide for those with terminal illness is only the tip of the iceberg. We can see what happened in the Netherlands. In 1981, a Dutch court said that under certain conditions, a doctor could assist a terminally ill person's suicide. In 1982, another court extended that to elderly people who were not terminally ill, but in chronic bad health, a decision upheld by the Dutch Supreme Court in 1984. In 1986, the Dutch Supreme Court said that people with disabilities could be killed.

In 1989 Holland moved from voluntary assisted suicide to nonvoluntary euthanasia when the Supreme Court said that doctors could give lethal injections to children born with Down syndrome. In 1991 a Dutch court legitimized killing a 25 year old woman with mental illness, and in 1994 the Supreme Court said that a woman, with no physical illness or disability, but who was depressed because of the death of her last remaining child, could be killed.

Once you accept the view that death is a solution to human problems, it becomes very hard to draw lines. Gradually, it will be seen as an answer to more and more problems, for less and less weighty reasons. We in America must not start down that road.

My colleagues from Oregon argue that Congress has no business in this area, that it should be left entirely up to the state of Oregon. They miss the point that we are talking about federally controlled drugs. Under existing federal law, it is generally illegal to dispense or distribute these drugs unless you have a special license or "registration" from the federal government. If you are a medical practitioner or pharmacist, you are granted that federal registration to prescribe certain of these federally controlled substances for a legitimate medical purpose.

Congress passed the Controlled Substances Act in the first place because drug abuse is a national problem. A state cannot nullify the federal law if it chooses, as a matter of state law, to legalize the use of heroin or LSD. The same Attorney General who overturned the ruling of the professionals at the federal Drug Enforcement Administration on this matter has successfully gotten injunctions to close cannabis clubs in California that were selling marijuana for supposed medicinal purposes as authorized by a California referendum.

Mr. Chairman, you can't have it both ways. If my distinguished colleagues from Oregon really want to assert states' rights, they should be pushing for the complete repeal of the federal Controlled Substances Act. But while it is in effect, for the federal government to permit the dispensing of otherwise prohibited federally controlled drugs to kill patients means the federal government is affirmatively facilitating assisted suicide.

The American people don't want this to happen, by a margin of more than 2 to 1. A Wirthlin Worldwide poll in March found that 65% oppose allowing the use of "federally controlled drugs for the purpose of assisted suicide and euthanasia."

Mr. Chairman, the Declaration of Independence describes life as something that is "inalienable"—a right so fundamental that it cannot be given away even voluntarily. The principal author of the Declaration, Thomas Jefferson, wrote in 1809 that "The care of human life and happiness, and not their destruction, is the first and only legitimate object of good government."

Our country stands at a crossroads between the way of death and the way of life. I urge that this subcommittee lead us in the life-affirming direction by reporting out the Lethal Drug Abuse Prevention Act of 1998.

TRIBUTE TO KELLY RITTER

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Mr. Kelly Ritter of Darlington, South Carolina, on the fiftieth anniversary of his involvement in the tobacco business. Mr. Ritter is a well-known figure in the South Carolina tobacco community, and the State has greatly benefitted from his commitment to improving both the quality of our fields and the well-being of the persons whose lives revolve around tobacco crops.

Originally from North Carolina, Mr. Ritter attended North Carolina State University. He entered the United States Army Corps following college, and joined the troops headed to fight in World War II. Just as he was finishing his last bombing missions in Germany, Mr. Ritter was shot down in his plane. He was captured by the Germans and held as a Prisoner of War for 485 days.

After the war, Mr. Ritter moved from Lumberton, North Carolina, to Darlington, South Carolina. He became very involved in the local community, serving as an elder in the Presbyterian Church in Darlington, where he is still a Member. President of the South Carolina Tobacco Warehouse Association, Mr. Ritter acted as a liaison between tobacco companies and farmers, and he worked diligently to improve the tobacco industry and help those involved in it. He has also served on a number of other federal and state tobacco committees.

In addition to his demonstrated commitment to the tobacco industry, Mr. Ritter is also a dedicated husband and father. He has been married to the former Bess Stallings for 52 years. Together, they have raised four children: Kelly, Jr., William Keith, Eliza, and Susan.

Mr. Ritter is well-known in the Darlington area because of his many years of service from the dual perspectives of farmer and tobacco warehouse agent. he has supported his field and his community in numerous capacities with persistence and hard work. Mr. Speaker, I ask my colleagues to join me in congratulating Kelly Ritter, Sr., on the fiftieth anniversary of his involvement in the tobacco business in Darlington County, South Carolina.

TROPICAL FOREST CONSERVATION ACT OF 1998

SPEECH OF

HON. JOHN R. KASICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. KASICH. Mr. Speaker, I rise in strong support of H.R. 2870, the Tropical Forest Conservation Act of 1998. First, let me commend the gentleman from Ohio (Mr. PORTMAN) for his leadership on this bill. Because of the diligent efforts of the gentleman from Ohio (Mr. PORTMAN), the gentleman from Indiana (Mr. HAMILTON), and the gentleman from New York (Mr. GILMAN), we have a good bill to solve the problem of rainforest depletion at its source.

The preservation of tropical forests is essential for countries all over the world. Tropical forests provide a habitat for a diversity of plants used for life-saving medicines and the treatment of disease. Tropical forests also help to stabilize global rainfall, vital to the health of agricultural crops and coastal communities. This bill provides an economic incentive to stop the rapid deforestation and degradation of this important ecosystem.

Most tropical forests are located in developing countries. Burdened by debt and desperate for capital, many developing countries have sacrificed tropical forests to logging or agricultural development. Some of the countries where rainforests are located owe millions of dollars to the United States which are unlikely to be repaid. This bill establishes a system to rechannel developing nations' financial resources to tropical forest preservation and provide relief from crippling debts.

This bill expands the Bush administration's Enterprise for the Americas Initiative (EAI) which established debt-for-nature swaps with Latin American countries. H.R. 2870 offers debt relief to countries with important resources beyond the Americas. Through debt-for-nature swaps, the United States would forgive or restructure debt for qualifying developing countries with threatened tropical forests. In exchange, countries would make payments to an independently administered fund used to conserve and restore tropical forests. This bill also permits a debt buyback mechanism to allow third parties to purchase debt for a beneficiary country or permit the debtor country to repurchase its debt at a fair market value. Furthermore, this bill is fiscally sound. Any funds spent as a result of this bill are fully offset in the appropriations process.

Again, I would like to thank the gentleman from Ohio (Mr. PORTMAN) for his hard work in bringing this to fruition. In conclusion, this is a creative and pragmatic solution to benefit tropical forest conservation as well as the economic prosperity of developing nations. I ask my colleagues to support this bill.

CELEBRATING THE 50TH WEDDING ANNIVERSARY OF DR. BURL AND REBA PFANDER

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BLUNT. Mr. Speaker, the greatness of America, in large part, depends on the goodness of its families. The course of our nation is not steered so much by media personalities, or intellectuals, or politicians, as much as it is set by husbands and wives committed to each other, to their children, and to their communities. Dr. Burl and Reba Pfander, of Springfield, Missouri, are such a couple.

On September 5th, Burl and Reba will be celebrating their fiftieth wedding anniversary. When a young World War II veteran married his attractive bride in 1948, they made a lifelong commitment to each other. In an age when many people have entered and exited marriages with startling rapidity, Burl and Reba Pfander have kept their promise. They have stood as an example of what marriage should be: a solemn commitment, a life-long partnership, and a relationship of love and honor. As a result, their marriage has enriched their own lives and the lives of their family beyond measure.

The commitment of Burl and Reba to family and to the future is reflected in their son, Michael. Michael has become a veterinarian, continuing his father's private practice of thirty-eight years. Michael has gone on to form his own family; he and his wife, Jeanne, are the parents of Burl and Reba's granddaughter, Meghan Michelle. Burl and Reba Pfander have raised a son that any family would be proud of, with the type of values every son should have. The most important obligation of each generation is to pass on a set of values to the next generation. The Pfanders have met that obligation.

Outside of their family, Burl and Reba's marriage has benefited an entire community. The Pfanders have been involved with local youth organization for many years. Reba has been named an honorary farmer of the Nixa, Missouri, chapter of the Future Farmers of America. Burl has supported the FFA, 4–H, and the Missouri Junior Polled Hereford Association. Both Pfanders are active members of their local church, and they serve as volunteers for community-wide events.

The Pfanders have also shown a strong commitment to giving young people opportunities to advance themselves through higher education. They have endowed an annual scholarship in memory of Reba's brother, Wallace Lanz, who was killed in World War II. The scholarship is given to support local high school seniors as they enter college. Burl and Reba also counsel aspiring veterinarians about their applications to veterinary colleges. Burl and Reba Pfander understand the importance of giving back to their community.

Fifty years ago, few people may have recognized the significance of the wedding of Burl Pfander to Reba Lanz, but today few people in their community can escape it. The Pfanders have remained committed to each other; they have been good parents and passed on their values to a son who has followed in his parents' path; they have been model citizens; and they have given of themselves to those around them. I am glad to give my congratulations to Dr. Burl and Reba Pfander on their fiftieth wedding anniversary.

PROTECTING IMMIGRANT DOMESTIC VIOLENCE VICTIMS

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mrs. MORELLA. Mr. Speaker, in 1994, we passed the Violence Against Women Act (VAWA) with overwhelming support. VAWA contained provisions that were vital to the protection of abused immigrant women and children. We passed this legislation to ensure that abused spouses and children could flee violent homes, gain legal protections from ongoing violence, and cooperate in the criminal prosecution of their abusers.

Prior to VAWA the system ensured that abusive U.S. citizens and permanent residents maintained complete control over the immigration status of their spouses. Battered women could not file for lawful permanent residency without the assistance of their abusive spouses, and many abusive spouses maintained this control by refusing to participate in the petitioning process. Having no other options, these abused immigrant women and their children were forced to stay in violent homes enduring abuse and unable to appeal to law enforcement agencies, shelters, or courts for protection.

The immigration provisions of VAWA helped to solve these problems by giving battered immigrant women and their children some control over their own immigration status. VAWA created a self-petitioning procedure for battered immigrants that did not require the cooperation of their abusive spouses. Self-petitioners could acquire their green cards while remaining in the U.S. where our laws protected them. VAWA also allowed those abused immigrant women who had been placed in deportation proceedings to file for suspension of deportation, regardless of their marital status, so long as they had resided in the United States for three years.

However, subsequent legislation, including the Illegal Immigration Reform and Immigrant Responsibility Act (IIRAIRA) of 1996 and the Nicaraguan Adjustment and Central American Relief Act (NACARA) of 1997, erased some of the protections we created for battered immigrant women and their children.

Expiration of Section 245(i) of the Immigration and Nationality Act (INA) forces many battered immigrant women, with approved INS petitions, to leave the U.S. to obtain their green cards. Expiration of Section 245(i) is contradictory to the intent of VAWA. Those women who have approved VAWA self-petitions have already shown INS that they would face "extreme hardship" by being forced to leave the country. Traveling outside the United States deprives these women of the protections provided by legislation, court orders, custody decrees, and law enforcement agencies. Many battered women would be separated from their children for an undetermined amount of time if forced to leave the U.S. Often these women are the sole caretakers of their children. There may be no one with whom the child could stay or they would, might remain in the custody of the abuser. If a battered mother leaves the country, taking her children with her, she could lose custody of the children to the abuser under the Parental Kidnapping Prevention Act (PKPA). Forcing these battered immigrant women and mothers to leave the country places their lives and the lives of their children in danger.

We should reinstate our protection of battered immigrant women by allowing them to adjust their status to lawful permanent residency while in the U.S. in the same manner we allow immediate relatives of U.S. citizens to adjust their status. This provision would provide battered immigrant women and their children with approved VAWA self-petitions to acquire their green cards while remaining in the U.S.

Other immigration provisions drastically altered battered women's access to VAWA's suspension of deportation/cancellation of removal in two ways: it changed the way INS counts the number of years an immigrant has been in the U.S. and applies these changes retroactively to cases already filed, and it places a "cap" on the number of immigrants who are allowed to receive green cards through suspension of deportation/cancellation of removal.

To apply for suspension of deportation/cancellation of removal, a battered immigrant or child must have been in the U.S. for three years. Recent changes only count an immigrant's time in the U.S. up to the moment that INS becomes aware of their presence, regardless of how long they remain in the United States for deportation proceedings to conclude. This is especially detrimental to battered women immigrants because in most cases the abuser controls all mail and telephone correspondence addressed to the battered spouse. These battered immigrants may never know that INS had placed them in deportation proceedings. Suspension of deportation/cancellation of removal is an important tool for these women who are unable to file self-petitions for permanent residence because their self-petitions have been sabotaged by spouses who divorce them or who report them to the INS. Suspension of deportation/cancellation of removal is often the only remedy available to battered immigrant women in this situation.

We must restore the original manner of counting years in the U.S. for battered immigrants only. Additionally, we should stop the retroactive application of this new counting and reopen old deportation cases for VAWA-eligible battered immigrants.

Four years ago we passed VAWA strongly believing that battered immigrant women should have access to legal protections, be able to flee violent homes, and control their own immigration status and lives. Let us stand by that position.

IN MEMORY OF EVERETT W. HANNON, SR.

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. SKELTON. Mr. Speaker, it is with great regret that I inform the Members of the House of the passing of Everett W. Hannon, Sr., a councilman from Lexington, MO, on July 17, 1998.

Mr. Hannon was a native of Lexington and a graduate of Douglass High School. He entered the United States Army in 1952, and was honorably discharged in 1954. He served on the Lexington City Council for over 20 years, and was also employed with Allied signal as a Cost Reduction Representative for 25 years, until his retirement in May of 1993.

Mr. Hannon was an active member of the Lexington community. In addition to serving on the city council, he was Chairman and Treasurer of the Lexington Park Board, Board and Executive Board Member of Missouri Valley Human Resource Development Corporation, and a member of the American Legion, the Lion's Club, and the Second Baptist church of Lexington.

Mr Hannon is survived by his wife Marjorie, three sons, two brothers, three sisters, an aunt, and seven grandchildren.

Mr. Speaker, Everett Hannon played many important roles in the Lexington community, and he will be greatly missed by all who knew him.

TRIBUTE TO OFFICER CANDIDATE SCHOOL GRADUATE, SANDRA BERNAL

HON. STEVE R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. ROTHMAN. Mr. Speaker, I rise today to honor my constituent, Sandra Bernal, on her recent graduation from Officer Candidate School (OCS). I am especially proud that Ms. Bernal, a resident of Teaneck, NJ, was awarded the Deputy Adjutant General Honor Graduate commendation upon her completion of the program. Ms. Bernal's accomplishment is a credit to her commitment to excellence and to her family and community.

As a commissioned officer in the Armed Forces of the United States, Ms. Bernal will be contributing her considerable skills and talents to enhance our Nation's defense. Those same attributes that gained her a commendation during her OCS training will now, thankfully, be brought to bear during her service in the New Jersey Army and Air National Guard.

For her service to our Nation, her dedication to America's liberty and freedom, I applaud Ms. Bernal's achievement. In the finest sense, she represents the best of America.

TRIBUTE TO FATHER TOM RUSH

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to my dear friend Father Tom Rush, pastor at Mary Immaculate Catholic Church in Pacoima. Father Rush is leaving Pacoima for a leadership position in the international order of Missionary Oblates of Mary Immaculate. Father Rush will be sorely missed in the Northeast Valley. He is a figure beloved by people of all religious and ethnic backgrounds.

I have had the good fortune of being with Father Rush on many occasions. One of the most memorable was earlier this year when I attended dedication ceremonies for the rebuilt Mary Immaculate Church, which was destroyed in the Northridge Earthquake of 1994. The sanctuary was overflowing with church members and others who wanted to share the special day with Father Rush. That day I realized as never before how much Father Rush means to our community. He has touched countless lives through his spiritual guidance, commitment to social justice and dedication to helping at-risk youth.

Father Rush came to the Northeast Valley in 1973, when he became priest at Santa Rosa Church in San Fernando. In between other assignments he spent 13 years at Santa Rosa, before moving over to Mary Immaculate in neighboring Pacoima in 1992. At both Santa Rosa and Mary Immaculate, Father Rush, who is of Irish descent, established an extraordinary rapport with his overwhelmingly Latino congregants. It is entirely accurate to call Father Rush a leader in the burgeoning Latino community of the Northeast Valley.

In recent years, Father Rush has been a courageous and outspoken supporter of immigrant rights. Four years ago he carried an American flag in a demonstration against Proposition 187. In 1995 he was part of a group that met with Richard Rogers, District Director of the Immigration and Naturalization Service, to demand a speedier citizenship process. Rogers promised he would try.

Father Rush's pending departure has cast a pall over our community. Though we wish him the best, we also know that he is irreplaceable.

I ask my colleagues to join me in saluting Father Tom Rush, a man of warmth, compassion and remarkable energy who has brought joy and hope to many.

ISSUES FACING YOUNG PEOPLE TODAY

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. SANDERS. Mr. Speaker, I would like to have printed in the RECORD these statements by high school students from my home state of Vermont, who were speaking at my recent town meeting on issues facing young people today. I am inserting their statements in the CONGRESSIONAL RECORD as I believe that the views of these young persons will benefit my colleagues.

STATEMENT BY ISAAC EVANS-FRANTZ AND ALINA LYON REGARDING GAY-STRAIGHT ISSUES

ISAAC EVANS-FRANTZ: Growing up gay, lesbian or bisexual can be very difficult in the society that we live in. Many gay teenagers are subjected to homophobia every day of their lives. 93 percent of Vermont educators reported that homophobic name-calling takes place with great frequency and intensity in their schools. We can assure you that these educators are absolutely correct.

Gays are frequently harassed at school, and many drop out as a result. Those kids who hide their sexual orientations because of fear sometimes suffer just as much. It is not surprising that suicide is the leading cause of death among gay youth. An overwhelming percent of gay and lesbian youth experience severe social isolation. It is often difficult for these students to find the resources and support that they need within their schools.

The silence about homosexuality not only affects gays, but affects our entire society. We are caught in a cycle of fear and hatred, which comes from ignorance. It is obvious that the bigoted remarks about gays that are so prevalent in our hallways are the result of an education we have not had.

ALIANA LYON: Prism, Brattleboro's Gay-Straight Alliance, was started two years ago as the answer to an urgent need of support for gay, lesbian and bisexual youth. The Gay-Straight Alliance is open to all who wish to attend, and sexual orientation is not discussed unless initiated by the students. The Alliance plays two major roles—it acts as a support group and an activist group.

Our group is composed of about twenty students and is supported by trusted faculties and community members. Prism is a comfortable atmosphere of caring people where issues of harassment, sexuality, homophobia and personal fears are freely discussed. When we are not sharing stories or concerns, we are planning our next project to make people aware of homophobia in our school or society.

We started working within our school first. We led discussions on homophobia in the freshman health classes, trying to create an awareness of our group's existence and the social issue. To involve the community, we showed an educational video called 'It's Elementary.'' It discusses homosexuality with elementary school children, asking them what they think the definition of gay, lesbian or bisexuality means. It is followed by a sharing of experiences, ideas and information.

We have visited other gay straight alliances in Vermont and Massachusetts to inform each other of events happening, along with difficulties and successes of having an alliance in public schools. Statewide, Prism has visited the Vermont State House twice for Teen Day at the legislature. The second visit, we facilitated a workshop in how to start an alliance, and how to find the support needed to sustain an alliance. We are not funded by the school for any of these activities, and we have paid for our own expenses by grants and donations.

ISAAC EVANS-FRANTZ. There are still many schools that provide little assistance for gay, lesbian and bisexual students. We feel that this support is important to their social and academic well-being. We would like to see our governments—local, state, and national—provide financial backing for schools to initiate gay-straight alliances.

Massachusetts has done just that. In 1992, the Governor and Lt. Governor established a commission to research problems affecting gay and lesbian youth. As a result, the Massachusetts government offered monetary incentives for schools to start groups for gay and lesbian and straight students. Hopefully, the work of Massachusetts will serve as a model for Vermont and the country.

Our state has made progress towards making schools safer for gay students. In March, our Governor and Commissioner of Education wrote a letter to Vermont school principals urging them to stop the harassment of gay and lesbian students. He reminded schools that Vermont law requires every school to maintain a policy prohibiting the harassment, including harassment of homosexuals.

We hope that one day, gay and straight alliances will no longer be necessary. Until then, we ask that our schools, our state, and our nation take an active role in making our schools places where all students are safe, valued, and respected.

Congressman SANDERS: A very good job.

STATEMENT BY SCOTT RADIMER REGARDING THE E.U. AND FREE TRADE

SCOTT RADIMER: Good afternoon, for those of you that are left.

I would like to take this chance today to talk about something that I found most people don't know about, which is the European Union, 15 countries in Europe, including England, Germany, Italy and France, along with others who are joining together—this has been in the works for the last 40 years, I think, moving towards one market, one currency, and becoming one economic power.

As this has gone along, it has become one of the biggest markets in the world. The gross domestic product of the European Union in 1992 was higher than that of the United States or Japan. The reason that this is important, it is not affecting us right now, but it will be affecting us in years to come, when I am in the work force, when the rest of us are, is that we are going to have to compete with Europe. Many people talk about Japan and trying to compete with Japan, and this is going to be even bigger.

There are a few things that we can do. We could try and expand things, such as NAFTA, whereas Europe is moving more together, and North America could try and do similar things. We could also try and work just within the United States, or just Canada, or the rest of the parts of the world. The important things is not necessarily that we find a solution right now, but that we are at least aware that this exists and it is something we are going to have to deal with. It is better to start looking at these things now, before we have a huge trade deficit with a country now, instead of later.

Thank you.

Congressman SANDERS: Scott, thanks very much.

STATEMENT BY DANIEL NELSON REGARDING TROUBLED TEENS

DANIEL NELSON: Thank you, Mr. Sanders, fellow youth. I apologize, I have a little bit of a cold I'm getting over.

An issue that has been big on my mind is a lot of young people that are placed under state's custody. Young people that aren't necessarily troublemakers are getting into trouble and have troubles at home. I was one of those young people. I am still young, but not in that position anymore. I was placed in a group home, not in a foster home, but there are problems with both.

A lot of the times, young people are taken out of a home environment that might not necessarily be good. They can escape from physical abuse, but they don't escape mental abuse. There are a lot of restrictions put on these young people, when, really, they don't need restrictions; they need to be encouraged, shown that they can succeed, and that they do have potential. That is the last thing these young people get in group homes and a lot of foster homes.

I am not a person that likes to whine about things; I like to do things and make changes. This is something I don't know how to change myself, at least at this point in my life. After college, I hope to try and do that. But my suggestion would be if there is some way that these group homes and foster homes could be evaluated more effectively. These people that are condescending, say mean, hurtful things, and impose restrictions that are really not necessary, that they be removed from these environments. They are damaging young people that could be very effective in society, and I think would like to, if given the opportunity.

And that is about all I have to say.

Congressman SANDERS: Thank you.

SENATE—*Wednesday, July 22, 1998*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, we accept the psalmist's admonition to serve You with gladness. We think about what that would mean to serve You with gladness today in our responsibilities here in the Senate. We remember that the word "glad" means experiencing pleasure, joy, and delight. You are the source of that quality of lasting gladness. You, Yourself, are the answer to our prayers. Whatever You give us is nothing in comparison to companionship with You. Help us to bring that gladness to our work. We are invigorated by the assurance that You will be with us today in the magnificent moments and in the mundane minutiae. You will transform any vestige of grimness into gladness with the privilege of serving You. Duties will be a delight because we are working for You and the future of our beloved Nation. Grant the Senators fresh gusto for the adventure of leadership. With them, we report to You, dear God, and commit ourselves to serve You with gladness. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

SCHEDULE

Mr. GREGG. Mr. President, this morning the Senate will proceed to potentially two rollcall votes on amendments offered last night to the Commerce-State-Justice appropriations bill.

Under a previous order, following the votes, Senator SESSIONS will be recognized to offer an amendment relative to juvenile justice. After the Sessions amendment is disposed of, the Senate will continue with amendments to the bill in an effort to complete action on this important legislation by late afternoon.

The Senate may also turn to any other appropriations bill or other legislative or Executive Calendar item cleared for action. Therefore, Senators should expect rollcall votes into the evening during Wednesday's session.

I thank my colleagues for their cooperation and attention.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER (Mr. HAGEL). Under the previous order, the Senate will now resume consideration of S. 2260, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2260) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related programs for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Bumpers modified amendment No. 3243, to amend the Federal Rules of Criminal Procedure, relating to counsel for witnesses in grand jury proceedings.

Graham/DeWine amendment No. 3244, to modify the definition of the term "public aircraft".

AMENDMENT NO. 3243, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate prior to the vote in relation to the Bumpers amendment numbered 3243.

The Senator from Arkansas.

Mr. BUMPERS. I yield myself 3 minutes.

Mr. President, this amendment, for the edification of people who didn't hear any of the debate last night, is to make a very minor change in the grand jury system. Now, bear in mind, the grand jury system is about as outdated, as big an anachronism as there is in this country.

For openers, all this amendment does is to say that an innocent person who is called before the grand jury—not as a target, not as a defendant, but an absolutely innocent witness, an absolutely innocent witness who is terrified because he or she is appearing before the grand jury for the first time in his or her life, and they know that if they misspeak, if their memory doesn't satisfy the prosecutor, they face the possibility of being charged with perjury.

Right now when that innocent person goes to testify before the grand jury, let's make it easy, let's assume, as I did last evening, that it is a Senator's wife; that might be understandable around here. The Senator's wife goes in after having paid some lawyer $5,000 or $10,000 just as a retainer to make sure she doesn't get charged with something for which she is innocent. She goes in and sits in the chair and they start asking her all kinds of personal questions that are totally irrelevant to why she is there: Have you been faithful to your spouse? Do you have a child charged with smoking pot? I understand your daughter is gay.

Those things are not stretches of my imagination. But her lawyer is seated outside the door, because under the Federal rules he cannot come into the same room in which his client, the witness, is testifying. Think of that. Think about how we bash China and their criminal justice system and their violation of human rights. That Senator's wife might be called back again tomorrow and the next day and the next day and the next day. You have seen it happen.

All we are saying is, don't make her crawl down off of the witness stand to go outside and talk to her lawyer about how she should answer these questions. If she does that three times, do you know what the grand jury does? They start nudging each other. "She must be hiding something; she is sure going out to talk to her lawyer a lot."

That is a woefully inadequate system for a great nation like this. All I am saying, let the lawyer come into the room.

The Justice Department opposes this amendment. Now, doesn't that shock you? Of course they oppose it. They are in the business of putting notches on their belt. They want to be able to say this grand jury has never refused to return an indictment that I asked for. A New York judge said, "Of course, they return those indictments. A grand jury will indict a ham sandwich if the prosecutor asks them to."

All I am saying, let's follow what 27 States have already done. They have abolished the grand jury system.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. I ask that the time run equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. I am sorry, I didn't understand the distinguished floor manager's request.

Mr. GREGG. I asked that the time that is now running be allocated equally against both sides.

Mr. BUMPERS. I object to that. I reserved the remainder of my time.

The PRESIDING OFFICER. That will happen whether or not there is a unanimous consent. If neither side yields time, the clock will run and will be charged equally against both sides.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I am glad the opponents to this amendment don't have anything to say this morning, and I am happy to use up the rest of my time. Perhaps we can get a unanimous consent agreement that they will yield back the balance of their time and we will vote.

All I want to say is we are talking about a criminal justice system of the greatest nation on Earth, which is terrible. We are not talking about the mob, we are not talking about the mafioso, we are talking witnesses.

Here is a classic case of a fulfillment of what everybody in this Senate has said at one time or another, and that is criminals have a better deal than do ordinary citizens. A criminal gets an attorney hired for him if he doesn't have one. A criminal is advised to remain silent. The Senator's wife can't remain silent. She has been subpoenaed to come down and testify.

All I am saying, don't make her go outside the room. The attorney in the courtroom, he is not going to file motions. He is not going to make objections. But I tell you what it will do. It will have a salutary effect on the conduct of the attorney prosecuting the case.

He won't be asking redundant, personal questions that have nothing to do with the case. This is not a game of "gotcha," a game of seeing how many scalps you can put on your belt, how many notches you can put on your gun barrel. This is American justice we are talking about. We haven't addressed the grand jury system in 10 years. It is 500 years old, and it is 10 times worse now than it was 500 years ago.

The PRESIDING OFFICER. All time on the Senator's side has expired.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I believe that under the unanimous consent request we are functioning under, we were to vote at 9:40. I yield back our time and suggest that we move to a vote.

Mr. BUMPERS. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. Yes, they have been.

All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from Arkansas, Mr. BUMPERS. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 41, nays 59, as follows:

[Rollcall Vote No. 218 Leg.]

YEAS—41

Akaka
Baucus
Bingaman
Boxer
Breaux
Bryan
Bumpers
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Feingold
Ford
Glenn
Graham
Harkin
Hollings
Hutchison
Inouye
Johnson
Kennedy
Kerrey
Kerry
Landrieu
Lautenberg
Leahy
Levin
Mack
Mikulski
Moseley-Braun
Murray
Reed
Robb
Rockefeller
Sarbanes
Specter
Torricelli
Wellstone
Wyden

NAYS—59

Abraham
Allard
Ashcroft
Bennett
Biden
Bond
Brownback
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Enzi
Faircloth
Feinstein
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Inhofe
Jeffords
Kempthorne
Kohl
Kyl
Lieberman
Lott
Lugar
McCain
McConnell
Moynihan
Murkowski
Nickles
Reid
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner

The amendment (No. 3243) as modified, was rejected.

AMENDMENT NO. 3244

The PRESIDING OFFICER (Mr. BROWNBACK). There are now 2 minutes equally divided on the Graham amendment.

Who yields time on the Graham amendment?

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, this is an amendment which has been requested by the National Sheriffs' Association.

The PRESIDING OFFICER. If the Senator will suspend while we get order in the Chamber.

There is a short debate before the vote.

The Senator from Florida.

Mr. GRAHAM. Mr. President, this amendment has been requested by the National Sheriffs' Association, the Western States Sheriffs' Association, sheriffs' associations from the largest States. It relates to a very narrow issue of the use of surplus aircraft, primarily helicopters, which have been made available to a local law enforcement agency. Today, there are serious restraints on the ability of a local jurisdiction which has an aircraft to make it available to an adjacent jurisdiction for things like search and rescue, overflights for drug control purposes, and a variety of other issues. This has been a major issue, an irritant to local law enforcement.

It serves, in my opinion, no legitimate national purpose to impose these restraints on the use of donated surplus property aircraft to local law enforcement. I urge adoption of this amendment which will comply with the requests of American law enforcement.

The PRESIDING OFFICER. There is 1 minute in opposition. Who seeks recognition?

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

The Senator will suspend while we get order in the Chamber.

Mr. McCAIN. Mr. President, this amendment poses significant safety concerns as to what the legitimate role of the FAA should be. I might point out, I don't know of any hearing that has been held on this issue. There is legitimate concerns from the FAA as well as other organizations such as the Helicopter Association International and others.

I oppose this amendment on the grounds there has not been sufficient scrutiny of the safety implications of this kind of action.

Mr. GREGG. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to Amendment No. 3244 of the Senator from Florida, Mr. GRAHAM. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 56, nays 44, as follows:

[Rollcall Vote No. 219 Leg.]

YEAS—56

Akaka
Allard
Ashcroft
Baucus
Biden
Bingaman
Boxer
Breaux
Brownback
Bryan
Bumpers
Byrd
Cleland
Conrad
Daschle
DeWine
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Glenn
Graham
Grams
Grassley
Harkin
Hatch
Hollings
Inhofe
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
Mikulski
Moseley-Braun
Moynihan
Nickles
Reed
Reid
Robb
Rockefeller
Sarbanes
Snowe
Torricelli
Wellstone
Wyden

NAYS—44

Abraham
Bennett
Bond
Burns
Campbell
Chafee
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
Domenici
Enzi
Faircloth
Frist
Gorton
Gramm
Gregg
Hagel
Helms
Hutchinson
Hutchison
Jeffords
Kempthorne
Kyl
Lott
McCain
McConnell
Murkowski
Murray
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

The amendment (No. 3244) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRAHAM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama, Mr. SESSIONS, is recognized.

Mr. BIDEN. Mr. President, will the Senator from Alabama be willing, on an unrelated matter, on the vote we just had, to yield me 2 minutes to make a brief comment before he begins?

Mr. SESSIONS. I will be glad to.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 2 minutes.

EXPLANATION OF VOTE—AMENDMENT NO. 3243

Mr. BIDEN. Mr. President, on the Bumpers amendment, I voted against the position of Senator BUMPERS, not because I disagree with the substance of it. For the last 25 years and for the years I was chairman and ranking member of the Judiciary Committee, I have adhered to the notion that the Judicial Conference, a system that we set up in the Congress years ago, is the appropriate vehicle to make recommendations for changes in the Federal rules. The reason I voted against the Bumpers amendment is not because I don't think prosecutors are out of hand, not because I don't think there is abuse of the grand jury system, which, by the way, for hundreds of years has relied upon the proposition that good judgment, sound judgment would be exercised by prosecutors and not be abused. Obviously, it is being abused.

My hope is, regardless of what the outcome of this is legislatively, I am going to propose at a future time that the Senate ask the Judicial Conference to consider changes in the Federal rules relative to the conduct of grand juries and make recommendations to the Senate. That is the way we have done it since the Judicial Conference has been set up. That is the more appropriate way to deal with the Federal rules.

I conclude by complimenting Senator BUMPERS for pointing out an abuse of the system and the need for change. I think the appropriate way to do it is through the Federal rules.

Mr. LEAHY. Will the Senator yield on that?

Mr. BIDEN. The Senator from Alabama has control of the time, I say to my friend from Vermont. I yield the floor and thank the Senator from Alabama.

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I see the distinguished Senator from Utah, the prime sponsor of the Juvenile Justice Act and chairman of the Judiciary Committee, is here. I will be glad to yield to him any time he wants on the amendment, and then I will talk on the amendment.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

AMENDMENT NO. 3245

(Purpose: To increase funding for Juvenile Accountability Incentive Block Grants)

Mr. HATCH. Mr. President, I am very pleased that the amendment is going to be offered on our behalf by the distinguished Senator from Alabama, Senator SESSIONS.

I rise in support of the amendment of the Senator from Alabama to balance the approach between prevention and law enforcement. At the outset, let me commend the Senator from New Hampshire, Senator GREGG, for his outstanding commitment to reducing juvenile crime. His work, I think, has made an outstanding contribution to our efforts.

All of us have been shocked over the past several months as our Nation has witnessed a series of atrocious crimes committed by juveniles. These incidents bring home to all of us the reality of juvenile crime. The reality is that we can no longer sit silently by as children kill children, as teenagers commit truly heinous offenses, as our juvenile drug abuse rate continues to climb.

FBI data confirms the national problem of rampant juvenile violent crime. In 1996, juveniles accounted for nearly one-fifth—19 percent—of all criminal arrests in the United States. Persons under 18 committed 15 percent of all murders, 17 percent of all rapes, and 32.1 percent of all robberies. These disturbing figures show the need to fix a broken juvenile justice system that is failing too many of our young people and ultimately failing to protect the public.

Last year, Congress began the process of addressing this serious national problem. The fiscal year 1998 appropriations bill provided $250 million for a block grant that promotes a commonsense approach to intervene at the earliest signs of trouble.

A juvenile's first brush with the law is the most important, because it sends a strong signal of what he or she can get away with. Governments cannot afford to wait until a youngster is 16 or 17 years old, and has committed a half a dozen or more violent crimes, before getting serious.

The block grant funded last year has also promoted making a juvenile's criminal record accessible to police, courts, prosecutors, and schools so that we can know and ascertain who are the serious repeat offenders. Right now, these records simply are not available in NCIC, the national system that tracks adult criminal records.

We all recognize the value of programs that intervene in the lives of juveniles to prevent crime before it starts. The Federal Government already spends about $4.1 billion a year on programs aimed at delinquent and at-risk youth. We are doing some great things through public-private partnerships, through youth groups like the Boys and Girls Clubs, and we are going to continue to do this.

I commend Senator GREGG for doubling our effort for this program to $40 million in the bill before us.

I do not believe, however, that these programs alone can address the sickness that led to some of these recent tragedies. What we need is to ensure that the prevention programs that we have are backed up by a juvenile justice system that takes crime seriously, and imposes real sanctions for juvenile crime.

Congress has given extensive support to delinquency prevention programs, especially since the Republicans took control of Congress. Congress spent over $200 million on the Office of Juvenile and Delinquency Prevention, OJDP, programs in fiscal year 1998. Compared with fiscal year 1991 funding of $75 million, Congress has increased prevention funding by over two and a half times. The Senate can be proud of its support of prevention programs. We increased prevention funding from $107 million in 1994, up to $144 million in fiscal year 1995. Since then we have steadily increased funding up to its FY 1998 level of over $201 million.

In fact, there is no shortage in prevention funding. According to a November 1997, General Accounting Office, GAO, report entitled "At-Risk and Delinquent Youth: Multiple Programs Lack Coordinated Approach," the Federal Government currently spends over $4 billion annually in prevention money for juveniles in 127 different Federal programs. In contrast, the Federal Government spends little money on law enforcement and detention for juvenile offenders.

The bill before us provides an appropriation for the Juvenile Accountability Incentive Block Grants of $100 million for fiscal year 1999. This funding level is far too low to meet the needs of our State and local law enforcement. For fiscal year 1998, the grant was set for $250 million. The Senator from Alabama's amendment will help restore funding to critical areas of the juvenile justice system, by reallocating $50 million from what I believe to be an excessive increase in appropriations for the incentive grants for prevention programs under Title V of the JJDPA. This program, funded at $20 million in FY 1998, has been increased over fourfold, to $95 million in the bill before us.

Senator SESSIONS' amendment will shift a part of that increase back to the block grant, so that the Senate will be funding this important program at the same level as it proposed in FY 1998. I must say that, in my view, even this amount will still be inadequate, because the need is so great. First, these incentive block grants fund the construction of permanent juvenile corrections facilities. Such facilities are needed to protect law abiding citizens from violent and repeat offenders. Space in secure detention facilities for serious and violent juvenile offenders is in critically short supply in many of our States.

Second, this amendment will provide to aid State and local governments for the integration of serious juvenile criminal records into the national criminal history database, making these delinquency adjudication records available to law enforcement and courts as adult criminal records are now. Right now, these records simply are not available in NCIC, the national system that tracks adult criminal records. As any judge, police officer, or prosecutor will tell you, information is the lifeblood of the criminal justice system. With respect to juvenile criminal records, the system is anemic. Let me provide my colleagues with an example from just one State of what integrating these records into the adult records system can accomplish. Integrating juvenile offender's fingerprints into the records system in Virginia resulted in a significant improvement in identifying crime suspects. In fact, prints of juveniles make up only one percent of Virginia's automated fingerprint identification system, but this one percent accounts for 18 percent of latent crime scene fingerprint identifications.

Third, this amendment helps States provide drug testing for appropriate categories of juvenile offenders. This testing will help authorities to know what crimes are drug driven, to better target treatment, services, and punishment as appropriate.

For too long, the Federal Government has neglected to give adequate support to juvenile law enforcement programs. This amendment will help place much needed resources to the law enforcement side of the juvenile justice system. Our current juvenile justice system intervenes too late in the lives of juvenile offenders. All too often, juveniles break the law several times before they are held accountable. Unfortunately, this delay in justice fails to teach youthful offenders the seriousness of their crimes. This chain of events often lead to the tragic juvenile crime newspaper headlines we read in the newspapers nearly every day. We can do better, and the restoration of funds to the juvenile accountability incentive block grant is an important first step. For these reasons, I strongly urge the support of my colleagues for this amendment.

I believe the Senator from Alabama has a good amendment here that would go a long way toward solving some of these problems we have in juvenile crime. I do believe that we will bring up the juvenile justice bill shortly after we return in September. At that time, we can debate all of these issues in full specific form.

I thank the majority leader for, I think, being willing to do that. I thank my colleague for being willing to bring this amendment up, which I think pushes us down that road toward better juvenile justice than we have had in the past. He has done a terrific job in this area. He has been singular in his dedication and drive and forthrightness in this area. I think we ought to all listen to him and do our best to back him in the things that he is trying to do, as a former prosecutor, as a former U.S. attorney, as somebody who really knows this area very well.

With that, I yield the floor.

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Thank you, Mr. President.

I call up amendment No. 3245 and ask unanimous consent that Senator HATCH be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS], for himself and Mr. HATCH, proposes an amendment numbered 3245.

Mr. SESSIONS. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 30, line 7, strike "$100,000,000" and insert "$150,000,000".

On page 36, line 20, strike "$95,000,0000" and insert "$45,000,000".

Mr. SESSIONS. Mr. President, I would like to say how much I have appreciated the opportunity to work with Chairman HATCH. He is an outstanding leader, a terrific lawyer, an outstanding constitutional scholar, and a champion for bringing order and discipline to ending crime in America. There is no one here who has contributed more over the years to that effort than Senator HATCH. And his advice and friendship, as we have gone forward, has been very, very helpful to me.

Mr. President, let me just say this. I am going to go right to the heart of this matter. I came here to work on juvenile crime after serving as a Federal prosecutor for 15 years and attorney general of Alabama for 2 years. I care about juvenile crime. I have studied it. I have talked to juvenile crime experts—prosecutors, probation officers, judges—who have worked with it on a regular basis.

I have concluded that we have a juvenile justice system that is overwhelmed by the flood of more and more cases, more and more serious cases. According to a New York Times article, in Chicago they spend 5 minutes per case. That shows you what is happening in America, around the country.

You talk to police officers in every town and they are frustrated by what is happening in juvenile justice. They tell me, "Jeff, we can't do anything to them, and they know it. They are laughing at us." I have heard that all over. It is not the fault of the judges. But it is really the fault of all of us who have allowed the adult criminal justice system—and rightly so—to be strengthened significantly.

We have gone to three times as many adult people in jail, for example, as we had just 18 years ago. And now we have had very little increase in the number of youngsters who have been detained under any kind of detention program than we had before. And we have had the most serious increase in the most violent type criminal activity by that younger group.

So what do we do about it? They say we need a balance between prevention and law enforcement. And I agree with that. What we want to do—and my amendment does—is seek to have balance.

Look at this chart. We have $4.3 billion dedicated to prevention programs in this budget already. That is what this Government is spending. This is from a study done by the General Accounting Office that was just completed in May of this year. We found that there is no money dedicated solely for juvenile law enforcement—unless perhaps we count the money that was funded in the block grant that I am supporting today from last year. Otherwise, there is none. I think we need to think seriously about what we are doing.

Under this bill, this appropriations bill, the amount of money that was to be expended for the block grant program to increase and support juvenile justice in our local communities to help our States do that—we have gone from $250 million in last year's budgetary authority, cut to $100 million this year.

In addition to that, in the program that the President has supported, we have gone from $20 million to $95 million. I want to share with you what that program spends the money on. This is the prevention program that has gone from $20 million to $95 million in this year's budget.

It says it is to provide juvenile justice system programs for children, youth, and families, these things: Recreational services. Now, that is No. 1 listed on the plan—recreational services. I am for recreation, but I am not sure in a juvenile crime bill, in an effort to fight crime, we ought to be promoting recreation.

Tutoring and remedial education. I am going to show you here in a minute a list of 129 programs that are filled with those kinds of activities. What we do not have is any help for our juvenile judges and probation officers and drug treatment personnel in the court systems.

Here is the third one: Assistance. This is what it says: "Assistance in the development of work awareness skills." That is on what we are spending $50 million. I don't know what that means.

Child and adolescent health and mental health services. We have a host of those already funded by this Government.

Alcohol and prevention programs. We have that pending legislation right now to a tremendous degree, and we already have programs spending moneys on that.

Leadership and development activities. Now, I don't know what that means.

Finally, teaching that people are and should be held accountable for their actions. I agree with that. But how do you teach people to be accountable for their actions if you arrest a youngster in a household burglary and he is taken to the police station and released that very night and sent home and nothing happens to him? Is that the way you teach it? I say that is what they are hearing. That is what people are hearing and that is what you will find if you talk to your law enforcement officer.

What are we already funding in this governmental program? We are spending $4 billion in 129 programs for at-risk delinquent youth, according to the General Accounting Office. Here, under Department of Treasury, gang resistance education and training projects, $8 million; juvenile justice delinquency prevention and mentoring, $4 million; juvenile justice prevention allocation of the States, $70 million.

Under Department of Labor, employment and training research and development projects; job training for the homeless demonstration program; and so on and so on, program after program after program, designed with good intentions to deal with kids who are at risk.

Now, let's go back to square one. Let me tell you what I think ought to be done. Who are the most at-risk children? Those are the ones who are going to court now. According to a Newsweek article, 70 percent of the young people who murder someone have taken a gun to school previously. That is a stunning number. What that says does not surprise me in the sense that most of the young people in America who are committing serious crimes—the armed robberies, the assault with intent to murder, the murders, the rapes—have been in trouble with the judge and the courts before. They have been there before. If the courts are spending only 5 minutes to deal with them, no wonder they are coming back time and time and time again.

As Senator HATCH said, our goal must be to make that first brush with the law the last. How can we do that? That is what we are saying. What should this Senate do? I am telling you, based on my experience and the hearings we have had for the last 2 years, what we need to do is strengthen the juvenile justice system. That is what we need to do.

Now, that does not mean you put people in jail every time they get caught. It means when you arrest them, the first thing you should do is drug test them. Is this criminality being driven by drugs? If it is, then we ought to have them in a treatment program. They ought to be drug tested and monitored to make sure they get off drugs. That is the first thing you do. If this is the third, fourth, or fifth offense and they have committed a serious crime, they ought to be detained. We cannot continue to allow repeat offenders to run at large, even though they are 16 or 17 years of age.

There was a murder in Montgomery, AL. Three youngsters killed a night watchman. I called the police department to ask about the prior record of those offenders. This is what they told me: 7, 7, and 15 prior arrests. That is what they had, each one of them. One 7, one 7, and another 15 prior arrests. They were still on the street. The revolving door was still operating and they murdered somebody. We would have done them a favor had they been detained, sent to an alternative school, sent to a boot camp. Perhaps we could have intervened in that lifestyle and stopped that murder from occurring. As it is, they were certified as an adult, will now be convicted as an adult, and sent off to an adult jail for a very long sentence. Who benefited from that?

The reason is that juvenile court system in Alabama, and all over America, is overwhelmed. Our bill provides an incentive grant to the States for the purposes of strengthening that. It will give those juvenile judges the authority they need to crack down on juvenile crime and to change that life direction that is heading in the wrong direction, to the right direction.

Let me tell you what this money can be used for. It will be used for programs to enhance prosecution and confinement of juvenile criminals as part of the graduated sanctions proposal. Everyone, on both sides of the aisle, agrees that we need graduated sanctions. When you are caught for one offense and you do another one, you go up a punishment level. The sanction is a punishment increase. That sends an important message that crime does not pay.

It would fund programs that require juvenile delinquents to pay restitution to victims of juvenile crime. It would fund programs that require juvenile offenders to complete school or vocational training. That is what our proposal would do. It would require juvenile criminals to pay child support. If they have a child, they ought to be supporting that child. There would be programs to curb truancy. We need to get these kids back in school promptly. As soon as we can identify truants, they need to be apprehended and sent back to school before they get so far behind that they are hopelessly behind their contemporaries.

Programs need to be designed to collect, record, and disseminate information on their criminal history. It would provide drug testing, programs for antidrug youth programs and the like. It would have a serious habitual offender program. It would have programs targeted toward youth gangs, and the construction and remodeling of short-term facilities for juvenile offenders. You have to have someplace to put them or you are just releasing them the very day they are caught. That is what is happening. They are being released the day they are caught. We need more juvenile facilities so there can be some detention. This would allow the States to apply for a grant, for matching money, to have detention facilities, alternative schools and boot camps and whatever they think is necessary to strengthen their court system.

As a policymaker, recognize we have a limited amount of money. How do we apply that money most effectively? Who do we use it on? We use it on, I suggest, those people who are already coming into contact with the criminal justice system. Routinely, they are being arrested in America today for the second, third, fourth, fifth, sixth, tenth time, and nothing serious has happened. The reason is we have not given enough attention and support to those juvenile judges, those prosecutors, those probation officers, who are out every day trying to change lives. If we can strengthen that group, that is what we should do.

Now, I am not opposed to general programs, after-school programs. I am not opposed to alternative schools. In fact, I would support those. Our proposal and our need today, the most critical need, is to identify those young offenders who are heading to a life of serious criminality, who have the potential to kill somebody, maybe your son or daughter, maybe my son or daughter. We see in the headlines every day young people committing those kinds of crimes.

The answer to it is to find out who is capable of that at the earliest possible stage and do something about it. Most of those are going to be coming through the juvenile court system. In that juvenile court system, most good ones—and I have visited them around the country; they have mental health treatment, drug treatment, counseling, incarceration, alternative schools, evaluations to determine whether or not they have learning disabilities and those kinds of problems—try to get those children on the right road.

That is where we need to spend our money if we want to reduce serious juvenile crime. Spending it on every child in America in after-school programs may be a good decision for America to pursue but we have not had hearings on it and analyzed it. But it is an education function, primarily. This bill—our effort, our block grant—is designed to assist the juvenile justice system in performing their function of identifying and confronting those young offenders when they first brush up against the law, and to make sure that first brush is their last brush.

If we do that, we will be investing our money wisely. I submit that the program that is in this bill that I just shared with you is vague, unspecific, and does not deal primarily with the kids that we need to deter from crime; and taking the money from that program and shifting it to this block grant and increasing it will focus our resources on the kids that need it the most.

I yield my time.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I admire and applaud the interest of my friend from Alabama in the criminal justice system. He is a former prosecutor and is dedicated to law enforcement. I stand not to disagree with his concern; I disagree with his solution. There is on old expression where I come from—I think the Senator is "in the right church, but he is in the wrong pew."

I will explain what I mean by that. My friend has not misrepresented any facts, but it is a matter of presentation here. I want to make sure that I deal with 3 major issues. I want to lay out to my colleagues what I am going to do. First of all, I want to applaud the chairman and ranking member of the Appropriations Subcommittee here. I think they did one heck of a job on this legislation. I start off by rising to defend—not that they need any defense—what the appropriations bill does in this area. So I am going to first make sure we all understand, and our colleagues' staffs who are listening understand, what the amendment of my friend from Alabama actually does, in specific terms. Then I want to speak to the issue he has raised, which is that there are already a sufficient number of programs dealing with prevention. He cites the GAO study. I want to go into some detail, quite frankly, for the first time. These figures keep being offered and this assertion keeps being stated. I think, although it accurately says what the GAO report says, it does not accurately reflect what is actually being done relative to prevention. Lastly, I am going to conclude by laying out what I believe to be the larger prescription to putting into context what I think we should be doing to deal with the problem the Senator from Alabama and I—and I suspect every Senator—agrees that we have to attend to now.

I respectfully suggest that, at the outset, about 5 years ago when the crime bill passed—the comprehensive crime bill—it was called the Biden crime bill. That is when it didn't look like it was going to work, so the President liked it that way. Well, it started to work, and then it was the Clinton crime bill. So it started out as the Biden crime bill. The point is that it's working, so it is the Clinton crime bill. And it is now the bipartisan crime bill, which everybody supported.

That was the first time in the 25 years I have been here that, on a large scale, we learned to walk and chew gum at the same time when we dealt with crime. We had a very heavy dose of enforcement, a very heavy dose of prevention, and a very heavy dose of medicine relating to incarceration after the conviction. And I think that is the way we have to approach the issue of juvenile justice. It is the last unattended-to criminal justice issue of consequence that we have not come up with a comprehensive plan on.

The Senator from Alabama and I have been cooperating, debating, disagreeing, and working with one another in the Judiciary Committee for the last year and a half, with differing points of view on how to deal with a comprehensive juvenile justice approach. He indicates this is not that comprehensive approach. He is doing what is within his rights and what he is limited to be able to do on this appropriations bill, and that is deal specifically with what is in the bill.

So the committee reported a bill that now includes $95 million for title V grants under the juvenile justice office. The way the committee broke it down, wisely, was $20 million for prevention efforts, aimed at tribal youth—that is in the Indian nations; $25 million for the enforcement of under-age drinking laws and efforts, championed particularly by Senator BYRD of West Virginia; $50 million for the remainder, which supports a variety of community-based locally developed crime prevention programs, targeted to school violence, drug abuse, and truancy, which I think is the first thing the Senator from Alabama and the Senator from Delaware agree on. If you look at all the data, the single most significant, predictable precursor of youth violence is truancy. If you give me a list of all the truants and a list of all the other attributes relating to activities and conduct of students in American schools, I will bet you I will be able to pick any school district, any school, and identify for you 85 to 95 percent of the troubled youth, violent youth, just by being able to identify truancy. So we all know that, like the Senator from South Carolina who has spent a great deal of time dealing in this area, as has the Senator from New Hampshire. We all know that. They made a very wise allocation.

What would my friend from Alabama do with his amendment? He would cut the $95 million for prevention by $50 million. Then he would take that $50 million for so-called youth block grants. I am not opposed to youth block grants. In the Biden juvenile justice bill, which is the alternative on our side of the aisle to S. 10 by my friend from Alabama and others, what we do—we believe we have to have enforcement as well. The Senator from Alabama takes $50 million out, which is basically the $50 million dealing with after-school, community-based programs and puts it into enforcement efforts. Last year, $45 million was appropriated for this, and the Senator from Alabama, Senator SESSIONS, is cutting the program back to last year's level—that is, $45 million—for all of the nonenforcement provisions relating to prevention.

Now, I note parenthetically that the Democratic youth violence bill has $100 million for after-school prevention, $400 million for youth violence block grants, which is enforcement, and $250 million relating to existing programs, about one-half enforcement and one-half prevention, and $150 million for juvenile prosecutors in courts. So I want to put this into context. I don't speak for either of the managers of the bill, but my guess is that this is not a case where they attempted to write an entire juvenile justice bill. They were dealing with provisions within that. So I don't disagree with the proposition of my friend from Alabama that we have to do more on the enforcement side as well.

The bill I have written, in concert with my Democratic colleagues—and many Republicans as well support it—relates to both prevention and enforcement. When I say enforcement, I mean prosecution and the courts, and we have already taken care of provisions and have more provisions relating to juvenile justice detention and the facilities relating to that.

So let's get this straight as this debate is underway here. I am not suggesting, in taking on what I am about to do regarding the specifics of the present specific amendment of my friend from Alabama, that we don't need more for enforcement. Again, I go back to my opening statement. I said it is nice when we have learned—and it works—to walk and chew gum at the same time. That is what we did on the master crime bill, the major crime bill. I don't know of anybody saying that crime bill is a bad bill now. What we did there is we committed, over a 5-year period, billions of dollars—$30 billion. It did not break down a third, a third, and a third, but it was not far off that. I am overstating it in the interest of time. Roughly 30 percent was for prisons, 30 percent was for cops, and 30 percent for related programs that keep people from going into prison. That makes sense.

Now, we should do that on a wholesale basis for juvenile justice with a different focus. Let me specifically respond and again make the point—and I realize I am being somewhat pedantic here. But this is not about whether you are for enforcement or for prevention.

We should do both, and we do both. It is about whether or not the skewed alteration of the allocation of prevention and enforcement proposed by the Senator from Alabama is the right way to go. Obviously, I think it is the wrong way to go. Let me explain why. First, in explaining why, let me respond to the specific underlying, and on its face compelling rationale my friend from Alabama offers with his blue charts.

Let me explain what I mean by that. The Senator makes the statement that has been made many, many times—not just by him but by others—that we don't need to go anymore into the prevention side. In large part, the basic premise rests upon the notion that we don't need to provide them with safe havens, et cetera, because we already have out there 131 programs for at-risk youth with an annual appropriations of $4 billion.

The Senator from Illinois actually knows about this subject. But if I am the Senator from Illinois and I come on the floor and listen to the debate, and I say, "Look, the Senator from Illinois is one of these guys who is always talking about cutting wastes from programs that we don't need"—overlapping programs—I stand up, and I say, "By the way, we don't need to spend more money, we just need to spend the money better."

The GAO report says there are 131 Federal programs and $4 billion. So I ask the Senator from Illinois why he would agree with Senator BIDEN—or, in this case, with the committee—in putting $50 million of the $95 million they have in the prevention program. That is kind of compelling. Then I say the GAO said that, not me—the GAO. But the GAO does say that.

I am going to take a few moments to bore you with some of the data underlying the GAO report. Maybe we can get an agreement here as to what the facts are underscoring the basis upon which the GAO report was filed. My colleagues on the other side—some, and a few on this side—have been saying we don't need to do more to steer our children away from gangs and drugs; we don't need to provide more safe havens from the streets; we are already doing enough. I am supportive of the argument. GAO identifies 131 programs for at-risk youth with annual appropriations of $4 billion. And the claim is that after-school prevention programs that have been proposed by me and others included in the youth violence bill but included in this case in the appropriations bill are just more of the same.

Let's take a closer look at the 131 programs being criticized over and over again and see what we are really talking about.

I apologize to my colleagues. The ranking member of the Judiciary Committee has been kind enough to allow me to continue to be the ranking member of the Crime Subcommittee, and I feel like I let him down a little bit, because he has been doing about 500 other things out there in that committee, and I should have been calling what I am about to say to the attention of our colleagues 6 months ago, to be honest with you. And I didn't. I didn't. Let's take a look at it.

The GAO report says that based on fiscal year 1995—to start with, many of the 131 programs have already been eliminated since then. In fact, 15 of the programs listed didn't even receive any funds in 1995. The report doesn't indicate whether any funds were expended on 22 others. What you had to start with is that a total of 37 of the 131 programs either didn't receive funds or weren't listed. The number of 131 is already inflated, No. 1. You are talking about maybe around 100—less than 100 programs.

According to the GAO report, the Federal Government was spending about $4 billion per year on programs for delinquent and at-risk youth, a target that all of us on the floor are concerned about, from the Senator from Alabama to the Senator from New York to the Senators from New Hampshire and South Carolina. But when you take a close look at the actual programs, only a portion of these funds and programs are targeted specifically at preventing violence and drug abuse for young people.

Let me give you two examples: $1.2 billion of the $4 billion—let's get this straight.

You can tell I have been here 25 years because I am not a chart guy. I was kidding one of my Democratic colleagues saying that he does this so well when he debates. But guys like BUMPERS, I, and HOLLINGS are not so big on charts. We haven't learned the chart deal yet. I guess I should learn it to get into the mainstream, because if I had a chart, it would be clear. What I do is just talk longer and probably confuse things. But I am going to give it a shot without charts.

Let's start off with 131 programs being offered saying we have $34 billion spent on at-risk youth. The truth is, it is 97 programs, and that is 1995. The truth is, in 1995 you really only had, at most, about 97 programs that got funded at all. OK?

Then you have a second piece. Of those 97 programs that allegedly are targeted at at-risk youth—roughly 97—what you have is, $1.2 billion out of the $4 billion that is spent on those programs goes to the Job Training and Partnership Act. That was a program championed by a lead contender for the Presidential nomination of the Republican side, Dan Quayle, and the leading Democrat on the Senate side, TED KENNEDY. That is their program. When they introduced the program—and most of us were here—I don't remember any Member standing up saying this is for at-risk youth, designed to prevent crime. Hopefully, it has the spinoff benefit of providing jobs for kids and they don't go into crime. But this is not to deal with 36 million latchkey children who walk home after school without a mother or father there because both have to work and have from 2 in the afternoon or 3 in the afternoon until dinnertime with no supervision. That is not what the Job Training and Partnership Act was. But GAO counts $1.2 billion of that against the $4 billion they say we are spending on at-risk youth, violent youth.

I am sure I don't have to remind anybody that the so-called JTPA is a program, as I said, championed by Dan Quayle and TED KENNEDY, that while job training is important, it is not what most of us think of as targeting at-risk, violent juveniles.

Now we are down from $4 billion to $3.8 billion on 97 programs. There is another quarter of a billion dollars—not quite. To be precise, $245 million goes for vocational education programs. Most of the kids my friend from Alabama and I are concerned about are not signing up for vocational education, an important program. I strongly support it, as I do the job training program. But, again, no 13-year old with a key hanging around his neck after the school bell rings, walking through a bad neighborhood and by 12 junkies to get home, says, "My way out of this is job training; my way out of this is vocational education." It is an important program, but it is not what we are talking about.

Now we are down to about $2.75 billion and 97 programs. Actually, if you take vocational education, job training, and the related programs, it is about $1.5 billion the Federal Government spends. We are really down to about $2.35 billion and 97.

Let's talk about some of the other programs. They go to very worthy activities. I am not in any way criticizing them. I voted for them, and I would vote for them again. I think they make sense. But they are not targeted programs for violent youth or at-risk youth.

Let me go on.

If we are going to talk about focus—that is what I am talking about here—7 of the programs listed are assistance for homeless youth, 9 of the programs—now we are down to about 90—9 others are very important, but they are for a variety of activities directed at Indian youth, for mental health and physical health programs. Now we are down to about 80 programs.

Three other programs are dedicated specifically to mental health services for the general population. Now we are heading down into the mid seventies. Four programs deal with child abuse. Still we are in the seventies—below 70. And one of the programs is for migrant health services. So now you are down to around 70 programs from the 131.

I will give you one example. The GAO list includes the HHS Child Welfare Grant Program which provides one-third of a billion dollars, $292 million, for foster care and services for abused and neglected children—very important services but not what we are talking about.

So now we are getting down to the $2 billion area with about 70 programs. Other programs have little or nothing to do with crime and drug prevention. While any line drawing that I am making here—and I am doing that—is somewhat arbitrary, at least I hope this puts it in context for my colleagues.

Let me give a couple other examples of programs that I don't think any of us—if we had a list of all the programs that I want, all the programs any of us want here to deal with youth prevention, if we listed them all on a board and I said, "Pick the top 50 that deal with violent youth and preventing crime," I doubt whether you would add the Foster Parent Grant Program, the Food Stamp Employment Program, the Youth Impaired Driving Project, four programs for promoting art with youth—all important programs, all important, none of which I disagree with, but they do not have a darned thing to do with the center of the debate the Senator from Alabama and I have.

I want programs. I want the States to be able to say, "We will keep the school open until 5 o'clock. We are going to have baseball teams for ninth graders and football teams and basketball teams for the girls." None of the school districts you all live in do that, unless you send your kid to a private school. These kids have nothing to do. Kids need an excuse to tell that junkie they have to walk by on the corner to get to their home; they need an excuse to stay out of trouble.

Let's go back home to your own school districts, many of which are strapped, and ask yourself, "Why is it there is Little League in the summer but no baseball teams after school for boys and girls in sixth, seventh, eighth, and ninth grades?" Well, the school districts don't want to spend the money.

I am the guy who came to this floor 8 years ago and said, "The majority of the violent crime committed by young people is not when you all think it is." Everybody thought it was done in the heat of the night. It is done in broad daylight, in the sunlight between the hours of 2:30 and 6.

I remember when I brought that report from the Judiciary Committee—actually, the credit goes to the joint staff then of the Judiciary Committee—when I brought it to the floor. "Oh, there goes those liberal guys again, talking about this coddling stuff." Now there is not a cop in America, there is not a criminal justice person in America who doesn't say that is the problem.

My mom has an expression, as she would say, God love her—my mother is an Irish Catholic woman with 6,000 expressions. I went to Catholic grade school with the nuns. I think my mother, when she wasn't having children, was a nun. She remembers all the expressions. And one of her favorite expressions is, "An idle mind is the devil's workshop."

An idle mind is the devil's workshop. You get a ninth grade kid living in a tough neighborhood without supervision of any adult in a school, in a family, for 4 hours every day after school, and good kids, good kids do bad things; it is called maturation. What the heck do we expect these kids to do? They lack good judgment. Even when they know and care about right and wrong, they have bad judgment because they are 14 years old; they are not 24 or 54.

I ask all of you—you may be, and probably all are, a better person than I am, but I wonder how I would have been if every day after school for 4 hours a day I was on my own, on my own. I was a pretty good athlete, and I was a pretty good student, and I never got myself in trouble with the law. But I want to tell you something. I will bet you, if I was on my own, with all of the values my family instilled in me, I am not so sure I would have had the courage to say no to the guy who was 17 who says, "Hey, jump in the car and take a ride with me. It's only Charlie's car. We borrowed it." I would like to think I would have said, "No problem. That's wrong. You guys are doing the wrong thing. I am not going to participate."

Let me tell you something, Jack. You are a better person than I am if you are certain how you would have done it. And that is how this incrementally starts. It doesn't start with a 13-year-old kid waking up saying, "You know, I am going out and get a MAC-9, walk into the 7-Eleven, blow away the guy behind the counter, and get $17 in cash so I can go buy myself some dope." That is not how it works.

And so what are we doing here? Well, once you winnow out the programs for problems like child abuse and mental illness, once you exclude the programs directed at narrow populations, I believe that only 41 of the 131 programs in the GAO list, spending out at about $1.1 billion in appropriations a year, are targeted specifically at juvenile crime and drug prevention. And of that total of $1.1 billion, $639 million, over half, went to just two programs, one of which I am responsible for co-authoring, so I obviously support it, and the other which I support as well—over half went to just two programs; $467 million went to the Safe and Drug-Free Schools Act and community programs.

Now, the Safe and Drug-Free Schools Act is the act we passed here, got funded. Then 1 day I guess the Speaker woke up and said, "We think that's a bad idea," and they cut it. The public went bananas, and they put it back in; it is OK. Of the $1.1 billion for at-risk youth, $467 million goes to the Safe and Drug-Free Schools Act, and my Republican colleagues boosted that appropriation last year to $556 million, a move I fully support and compliment the Republican leadership for doing, particularly since the House wanted to eliminate it.

So now you are talking, of the $1.1 billion, $639 million of it, over half of it, is going for programs that, again, are not about after school. Then $172 million of the remaining roughly $400 million went to the Upward Bound Program—important. It provides mentoring, tutoring, and life skill training. If my friend does not understand what work awareness is, work awareness is a lot of these kids grow up in a family with no sense, no notion, no responsibility, no image, no example of what work means. Unless something has happened, birds learn to fly by watching their parents, ducks learn to paddle in my pond watching their parents, snakes learn to slither, turtles learn to swim. Where the heck do you think we learn? Where do you think our kids learn? It is a good program, but it is directed at disadvantaged high school students, this $172 million in the Upward Bound Program, to encourage children—targeted at economically disadvantaged children—to continue their education. That is very important. It indirectly has an impact on crime. But, again, it certainly is not a targeted crime prevention program.

Then, of course, the GAO attributes about $146 million to 11 programs in the juvenile justice office, only a few of which are proposed to be consolidated in the Republican crime bill.

That is roughly $400 million for about 27 crime and drug prevention programs, some of which are tiny demonstration or pilot projects that cover no more than a handful of sites across the country and are designed to study what works and what does not. For example, in the list of that $400 million, $200,000 is for a demonstration grant program for residential drug treatment for women with young children—important, but, again, not what we are talking about.

So the impression given here that there are more than 130 Federal prevention programs designed to target at-risk youth is simply not an accurate reflection. In all of the cities and towns across America, and serving every child we can help, there are fewer than 40 programs for about $400 million. And what my friend from Alabama is saying, relying on the GAO report, is: You know, that is about as much as we can do. Government is already doing all it can and should do to stop kids from turning to gangs, crime, and drugs. But we have just seen many of the programs that are listed as targeted that, in fact, do not do that at all.

Mr. LEAHY. Will the Senator yield for a question?

Mr. BIDEN. I do want to finish this at some point, but I will be happy to yield.

Mr. LEAHY. Will the Senator not agree with me that one thing we have heard, talking with law enforcement people—not somebody who just looks at this from a theoretical point of view, but law enforcement people—is that the issue of prevention comes up over and over again? The Senator from Delaware, of course, addressed this in his original legislation. It was, as the Senator from Delaware will recall, a matter of some debate, both in the committee and on the floor. As I recall, in some of the conference committees we went to 4 o'clock and 5 o'clock in the morning several times, discussing the issue of prevention.

I believe the Senator from Delaware will recall, as I do, the number of police officers and police officials who came to us and said stay with prevention programs.

In many ways, it just makes such great sense. As a former prosecutor, I remember that it was always the prevention programs that worked the best. So I ask the Senator from Delaware, does he not agree with what the President of the National Sheriffs Association says, in an open letter?

After he speaks of the problems of juvenile crime, the President of the National Sheriffs Association says:

> So what is the answer? We must adopt a three-pronged approach to juvenile violence—prevention, intervention and enforcement. These recent statistics indicate the need for a comprehensive prevention strategy that includes education and community involvement, and addresses the root causes of delinquency. We can no longer afford to focus only on treating the symptoms while ignoring the disease. Sheriffs offices, through prevention programs . . . [the letter lists a number of them] can make a difference in the lives of children who still have a choice ahead of them as to whether or not to try drugs, join a gang, steal a car, or otherwise start on the slippery slope of a life of crime.

Wouldn't the Senator from Delaware agree with the head of the National Sheriffs Association and me and so many others who say keep these prevention programs going, do not take money away from the prevention programs, but accept the fact that they are now beginning to work and work very well? This is not the time to cut them off. This is not the time to change these prevention programs into some kind of a block grant program that would not be aimed at prevention. Would not my friend from Delaware agree with that?

Mr. BIDEN. The answer is, I absolutely do. I thank my friend for calling that to my attention.

Let me not just mention the sheriffs. I am going to quote, now, from a few of the leading police officers of America.

By the way, let's put this in context again. When the overall crime bill was drafted by me years ago, the way it got drafted was, I did not sit down with any sociologists or academics or welfare workers or, you know, liberal think tanks. I literally called in the presidents of the seven leading police organizations in America, from NAPO to NOBLE, FOP, et cetera. They sat around my conference table for the better part of 4 months.

I said: You tell me what you need. What do you think you need to fight crime?

In the overall crime bill, they said they needed about a third of it going to prevention.

When I sat down to draft the juvenile justice bill for our side of the aisle, with my colleagues, as a follow-on, I called the same people back in. Some of the presidents were changed. They were not all the same officers, the same people. To a person, they reinforced what the Senator from Vermont just said.

Let me give an example. Mr. President, 170 police chiefs, sheriffs, prosecutors, the president of the Fraternal Order of Police, the International Union of Police Associations, and the leaders of the Crime Victims Organization, came out with a call for action. They title it "A Call For Action From America's Front Line Against Crime," made up of those organizations I just named. On February 5, 1998, here is what they said:

> As police, prosecutors, crime survivors, we struggle every day against crime and its devastating impact. We are determined to see that dangerous criminals are arrested and put behind bars. But anyone who thinks that jailing the criminal is enough to undo the agony that crime leaves in its wake hasn't seen crime up close. That is why no one knows better than we that the most important weapons against crime are investments that keep kids from becoming criminals, investments which enable all children to get the right start they need to become contributing citizens, and would show them that as adults they would be able to meet their families' basic needs through hard work.

(Mr. SMITH of Oregon assumed the chair.)

Mr. SESSIONS. Will the Senator yield for a question?

Mr. BIDEN. I will be happy to yield for a question.

Mr. SESSIONS. I enjoyed listening to the Senator. I think he suggested something that, maybe indirectly, he didn't mean to.

First, I want to say I am aware of and respect and appreciate what the Senator has done over the years on crime prevention and law enforcement. But the Senator is not suggesting, I don't think, that any one of these programs is targeted for reduction in any fashion by this amendment, is he? This amendment would simply take a new program and not increase it as much as my colleague and others may prefer to, but none of these programs is threatened. It is not a block grant of any existing programs?

Mr. BIDEN. I thank the Senator for his question. He is absolutely accurate. I am not suggesting in any way that any of the 131 programs listed by GAO would fall to his amendment in any way.

What I am suggesting is, the very compelling argument he makes, when examined, is not as compelling as it appears. And that is, I believe he offered those charts as evidence that we were already doing a great deal on the prevention side.

He is not against prevention. I am not suggesting that either. But he is basically suggesting, as many others have, that we are already doing this massive effort, totaling about $4 billion and 131 programs, to deal with prevention. He believes that what my friends from South Carolina and New Hampshire did by adding $50 million for more prevention is misplaced and it should be placed on the enforcement side of the equation.

The reason I went through in great detail why it is really only about 40 programs and really only about $400 million is to make the point that we are not doing nearly enough on prevention, and to take this paltry sum of $50 million out of prevention, as proposed by my friends on the Appropriations Committee, and put it into enforcement would be a misallocation of a limited number of resources. That is the overall point.

Secondly, I should point out, which I didn't, to put together this little syllogism, that my friend from South Carolina and the chairman of the committee, in fact, allocate $3.5 billion to enforcement just in the Justice Department. Our friends who are the managers of this bill are not—if one listened only to this debate, one would think this debate were about $400 million in youth prevention Federal Government-wide, all the programs I just said. It is not.

My friends are putting $50 million into prevention and $3.5 billion in this bill, in their appropriations bill, into enforcement. It breaks down: On Byrne grants, ½ billion dollars; local law enforcement grants, $460 million; prison grants, $711 million; reimbursement of prison costs for aliens, $350 million; juvenile block grants—that is all enforcement money—$100 million; and $1.4 billion for cops who don't make a distinction between enforcing the law against juveniles and adults.

Again, what the Senator from Alabama and I are really debating about, when you put it all aside, is not whether we should spend money on prevention and not whether we should spend money on enforcement, but the allocation: Are the limited dollars we have being appropriately allocated?

My argument is, my friends from the Appropriations Committee have appropriately allocated the limited number of dollars and that the amendment my friend from Alabama is proposing would misallocate that money by taking $50 million out of prevention and putting it into enforcement, which already has, as it should, the lion's share of the money.

Let me get back to this prevention issue. The vast majority of the police in America not only do not disagree with the notion that we should be spending money on prevention, not only do not want us to cut existing prevention programs, but want us to spend more money on prevention. They are not in here asking that prevention money be taken and spent on enforcement.

Let me give you one anecdotal piece of evidence before I go to the major organizations. In Seaford, DE, a relatively small community, I asked a question that was—and in Dover, DE, 20,000 people, my State capital, I went to the police officers. I am going to be very blunt about this. I have a great relationship with the law enforcement community. They have always supported me. They have supported me overwhelmingly as long as I have been in the Senate. I pay attention to their concerns. I suppose that is why they support me so strongly.

I went down and met with a very conservative former chief of police in Delaware. He raises steers on the side, and he is a cowboy. I think he thinks my view on a lot of things may be too liberal. We had a debate on how we should treat gays in America, and I think we should treat them no differently than others. I am not so sure he and others would think my view is so good and makes sense, et cetera. This is not a guy who is a liberal law enforcement officer.

I said to him, "If I can do anything for you—get you more cops, get you more equipment—what would you have me do?" Do you know what he said to me? No malarkey. He said to me, "Build me another Boys & Girls Club." This is a hardnosed cop in the southern part of my State. My friend from South Carolina knows the southern part of my State well, and I think he would tell you, it is not a lot different from Virginia or North Carolina or South Carolina. They view themselves as southern, they view themselves as conservative, and they are.

Do you know what he asked me for? He asked me for no more cops, no more money for squad cars, equipment, radios. He said, "Build me a Boys & Girls Club." That is what he said, I say to my friend from South Carolina.

Seaford, DE, had a serious problem with drugs. I said, "What do you want me to do? What do you need?" They said, "We need a Boys & Girls Club. Build us one."

Well, we did. I didn't. We didn't. The local community, with some Federal help, did.

Let me give you a few statistics. This is a letter from the executive director of the Boys & Girls Club in Delaware. He said:

> I would like to share with you some recent statistics —

This dated April 30, 1998. It is not about this debate.

> I would like to share with you some recent statistics compiled by the Seaford Police Department on juvenile complaints from the period February through March of the last three years.
>
> The statistics revealed:
>
> In 1996, seventy-eight (78) juvenile complaints were logged.
>
> In 1997, eighty-eight (88). . ..
>
> In 1998, only thirty-five (35) juvenile complaints were logged.
>
> The statistics show a 151 percent drop in complaints in 1998 as compared to . . . 1997.

It is no coincidence that the drop in complaints directly corresponds to the opening of the western Sussex Club for Boys and Girls on February 1, 1998.

I say to my colleagues, this "ain't" rocket science. This is not rocket science. There was a study done in the mid-eighties involving three cities, I believe it was New York, Pittsburgh, and Denver. Which took some Boys & Girls Clubs. First of all, there were housing projects in the same demographic areas, same number of people. They put a Boys & Girls Club in the basement of these mostly high-rise public housing projects.

Guess what? Over a period of 2 years, all the indices of crime—rearrests, initial arrest rate, drug use, et cetera—dropped about 30 percent.

I ask unanimous consent to have printed in the RECORD this letter, Mr. President.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> BOYS & GIRLS CLUBS OF DELAWARE,
> *Wilmington, DE, April 30, 1998.*
>
> Senator JOSEPH BIDEN,
> *Federal Building,*
> *Wilmington, DE.*
>
> DEAR SENATOR BIDEN: I would like to share with you some recent statistics compiled by the Seaford Police Department on juvenile complaints for the period February through March of the last three years.
>
> The statistics revealed:
>
> In 1996, seventy-eight (78) juvenile complaints were logged.
>
> In 1997, eighty-eight (88) juvenile complaints were logged.
>
> In 1998, only thirty-five (35) juvenile complaints were logged.
>
> The statistics show a 151% drop in complaints in 1998 as compared to the same period in 1997.
>
> I believe it is no coincidence that the drop in complaints directly corresponds to the opening of the Western Sussex Club on February 1, 1998.
>
> I am sharing these statistics with you because your support was critical in the development of the Western Sussex Club. Your support of $300,000 through the Bureau of Juvenile Assistance was instrumental in the construction of the new Western Sussex Boys & Girls Club facility in Seaford.
>
> The following are a few additional statistics concerning the Western Sussex Club operations:
>
> The Club's membership has grown from 600 to more than 2,000 in three months.
>
> More than 400 boys & girls are using the facility on a daily basis.
>
> The Senior program which is also housed in the facility has dramatically increased both its membership and program service units.
>
> Senator Biden, we sincerely appreciate your strong support of the Boys & Girls Clubs of Delaware and our Clubs throughout the country. We both know that the Clubs work.
>
> Again, I want to thank you for your support and thank you for joining with us in our efforts to do more for even more kids.
>
> Sincerely,
> GEORGE KRUPANSKI,
> *Executive Director.*

Mr. BIDEN. Mr. President, prevention works. Giving kids an option works. It works in my State of Delaware, and it works nationwide. The people who recognize it most are the law enforcement community.

Let me give you a quote from William Bratton, former New York and now Boston Police Commissioner. Boston has had a phenomenal—phenomenal—success in controlling murder rates, handguns with youth, and violent crime. Here is what he said:

> Those of us who have been on the front lines know that, in the long run, winning the war on crime also will require cutting the enemy's key supply line: its ability to turn kids into criminals. Each day gangs and drug dealers assiduously recruit our children for their army. To fight back, we have to utilize other powerful crimefighting weapons—the proven "right-start" programs and strategies that give kids the armor of values, skills, and positive experiences to ward off crime and violence.

This is one of the toughest cops in the Nation. He is saying the way we keep this from happening is to go out there and engage in prevention activities.

The Buffalo Police Commissioner—I will not go through it —eight juvenile justice directors, the National Association of Counties, say:

> Be it resolved that not less than 25 percent of block grant funds be set aside for prevention programs.

Prevention programs.

Police Executive Research Forum; the Catholic Charities of the United States of America; Mark Klaas of the Klaas Foundation for Kids; Patrick Murphy, former police commissioner of New York, Detroit, Washington DC, and Syracuse; the national president of the Fraternal Order of Police, who is a tough crime-fighting guy —he says:

> It's time to invest in the programs proven to cut the enemy's most important supply line—its ability to turn kids into criminals.

Prevention.

The U.S. Conference of Mayors; Los Angeles County District Attorney—the list goes on. I will not take my colleagues' time, but I ask unanimous consent that their statements be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHAT POLICE, PROSECUTORS, CRIME VICTIMS AND OTHER EXPERTS ARE SAYING ABOUT HOW TO FIGHT YOUTH VIOLENCE

170 Police Chiefs, Sheriffs & Prosecutors, the Presidents of the Fraternal Order of Police and International Union of Police Associations, and Leaders of Crime Victim Organizations

As police, prosecutors, and crime survivors, we struggle every day against crime and its devastating impact. We are determined to see that dangerous criminals are arrested and put behind bars. But anyone who thinks that jailing a criminal is enough to undo the agony that crime leaves in its wake hasn't seen crime up close. That is why no one knows better that we—that the most important weapons against crime are the investments which keep kids from becoming criminals—investments which enable all children to get the right start they need to become contributing citizens, and which show them that as adults they will be able to meet their families' basic needs through honest hard work.—Source: A Call For Action From America's Front Line Against Crime (February 5, 1998).

William Bratton, Former New York and Boston Police Commissioner

Those of us who have been on the front lines know that, in the long run, winning the war on crime also will require cutting the enemy's key supply line: it's ability to turn kids into criminals. Each day gangs and drug dealers assiduously recruit our children for their army. To fight back, we must utilize other powerful crime fighting weapons—the proven "right-start" programs and strategies that give kids the armor of values, skills, and positive experiences to ward off crime and violence.—Source: Boston Herald (November 4, 1996).

Buffalo Police Commissioner Gil Kerlikowske

If Congress is serious about fighting crime, it won't pretend just building more jails is going to solve the problem. Those on the front lines know we'll win the war on crime when Congress boosts investments in early childhood programs. Head Start, health care for kids, after-school and mentoring and recreational programs. We'll win when we're ready to invest our tax dollars in America's most vulnerable kids, instead of waiting until they become America's most wanted kids.—Source: Fight Crime: Invest in Kids, News Release (July 24, 1997).

Sheriff Fred W. Scoralick, President, National Sherrifs Association

It is becoming ever more apparent that increasing law enforcement, increasing prosecution of juveniles, and building more jails and prisons is neither sufficient nor adequately effective in stemming the tide of youth violence and crime . . . We must adopt a three-pronged approach to juvenile violence—prevention, intervention, and enforcement. . . . We can no longer afford to focus only on treating the symptoms while ignoring the disease. . . . The challenge facing us as sheriffs, parents, and community residents in America, is to take what is known about youth violence and apply it now to reach at-risk youth before they take their first step into the world of crime, and to deal firmly with those who are already in trouble.—Source: Sheriff Magazine, President's Message: Addressing Youth Violence (January-February 1998).

Eight State Juvenile Justice Directors

At-risk juveniles and juvenile delinquents are at a crucial turning point in their lives. Crime-prevention programs that target this age group are not only essential but also cost-effective when considering the alternative—a person who spends part of all of his adulthood in the state prison system. The success of federally-supported programs in each of the states in our region prove, convincingly, the value of investing in prevention efforts aimed at juveniles.—Source: Letter from Juvenile Justice Directors of Delaware, New York, New Hampshire, Maine, Connecticut, New Jersey, Rhode Island, Puerto Rico, and Vermont (March 5, 1998).

National Association of Counties

Be it resolved, That not less than 25 percent of block grant funds be set aside for primary prevention programs.—Source: Resolution on Senate Bill (S. 10), the Violent and Repeat Juvenile Offender Act of 1997 (February 28, 1998).

Police Executive Research Forum

[I]nvestment in prevention can mean tremendous savings to the criminal justice system. . . . PERF supports the need for improvements in prosecuting and incarcerating dangerous youths, but believes those measures must be balanced by effective prevention programs that will minimize the need for back-end solutions.—Source: Police Executive Research Forum Juvenile Justice Guilding Principles.

Catholic Charities USA

We know prevention programs work. We ask that funds for prevention be set aside to guarantee funding for prevention programs. Our children, even our troubled and at-risk children, are our future. Shouldn't we make the investment to keep today's children from becoming tomorrow's criminals?—Source: Letter from Catholic Charities USA (September 23, 1997).

American Red Cross

The American Red Cross believes that at least 30% of any funds block granted to the states should be allocated specifically to fun on-going, experienced, non-profit, and community based youth development, prevention, and after-care programs.—Source: Letter from Maria Smith, National Volunteer Specialist, Government Relations (July 7, 1997).

Mark Klaas, Klaas Foundation for Kids

Congress should invest in the proven programs that can help kids get the right start, not wait for more innocent Americans to get hurt or killed and then pretend that prisons are a substitute for prevention. No punishment can undo a crime. It is a tragedy—and a travesty—that too few politicians are even talking about making investments that help children become caring citizens instead of brutal criminals.—Source: Fight Crime; Invest in Kids, News Release (July 24, 1997).

Patrick Murphy, Former Police Commissioner in New York, Detroit, Washington, D.C. and Syracuse

When police chiefs hear someone say we can't afford investments in programs that help kids get the right start, we see more bright yellow crime scene tape, more prisons, and thousands of good men and women and boys and girls lying in pools of blood.—Source: Fight Crime: Invest in Kids, New Release (July 3, 1997).

Gilbert Gallegos, National President, Fraternal Order of Police

Its time to invest in the programs proven to cut the enemy's most important supply line—its ability to turn kids into criminals.—Source: Fight Crime: Invest in Kids, New Release (February 5, 1998).

United States Conference of Mayors

We stand ready to support juvenile crime legislation which is flexible both in terms of the requirements states must meet to receive funds and the purposes for which the funds may be used. Specifically, we believe that the legislation should . . . increase the portion of the funds which may be used for prevention and treatment, and assure that there is sufficient funding available for these purposes.—Source: Letter from Jerry Abramson, Chair, Task Force on Youth Violence, February 11, 1998.

Los Angeles County District Attorney Gil Garcetti

We need a multi-pronged approach. We must attack juvenile crime before it starts by using effective crime prevention programming. We also must recognize that there are violent juvenile criminals, particularly gang members, whose crimes are very serious, whose punishment should be severe and for whom lengthy incarceration is appropriate.—Source: Testimony Before the House Subcommittee on Early Childhood, Youth, and Families, April 7, 1997.

Winston-Salem Chief of Police George Sweat

Our fight against crime needs to start in the high chair, not wait for the electric chair. When Congress and state legislatures ignore child care and after-school programs, they force police to fight crime with one hand tied behind our backs.

Mecklenburg County District Attorney Peter Gilchrist

Prosecutors know America will never win the war on crime until it invests more in getting kids the right start. We can pay now or pay later.—Source: Charlotte Observer (October 28, 1996).

Raleigh Police Chief Mitchell Brown

Politicians need to decide if they'd rather just strut like gang members out to prove they're the toughest on their turf, or pay attention to all the overwhelming proof that they could dramatically cut crime if they'd only invest in programs for kids.—Source: Fight Crime: Invest in Kids, News Release (July 24, 1997).

Jean Lewis, President, National Organization of Parents of Murdered Children

To make America safe, we need to be as willing to guarantee our kids space in child care or an after-school program as we are to guarantee a criminal room and board in a prison cell. If we want to do more than flex our muscles and talk about crime—if we want to really keep Americans safe—we must start investing in the programs we know can steer kids down the right path.—Source: Fight Crime: Invest in Kids, *Quality Child Care and After-School Programs* (February, 1998).

Knoxville Police Chief Phil Keith

When we know the peak hours for juvenile crime are between 3:00 and 6:00 in the afternoon, it's just common sense to provide after school programs. When studies show that denying at-risk kids participation in a high school enrichment program quadrupled the chance that they would be arrested, and that excluding them from early childhood programs made them five times more likely to become chronic lawbreakers as adults, it's just common sense to include those programs in our juvenile crime strategy.—Source: Fight Crime: Invest in Kids, News Release (July 24, 1997).

Ellen Halbert, Crime Victim, Former Vice-Chair Texas Board of Criminal Justice

When politicians focus only on closing jail doors after a crime has been committed, they're leaving the door wide open for more innocent people to become crime victims. Shortsighted policies like these are a prescription for disaster.—Source: Fight Crime: Invest in Kids, News Release (July 24, 1997).

Illinois Attorney General Jim Ryan

Politics aside, what's important is to do what's best for kids, and the best way to fight crime is to prevent it from happening in the first place.—Source: Fight Crime: Invest in Kids (Illinois), News Release (April 30, 1997).

Bloomingdale Police Chief Gary Schira, President of the Illinois Association of Chiefs of Police

Our most powerful weapons to make Illinois safe for our families are investments in the proven programs that help kids get the right start, so they become contributing citizens instead of criminals.—Source: Fight Crime: Invest in Kids (Illinois), News Release (April 30, 1997).

McClean County States Attorney Charles Reynard

I work every day to see that dangerous criminals are behind bars. But we'll just be on a treadmill, with new kids being recruited to take the place of the ones we lock up until we invest in the child development and parenting support and health care programs that have been proven to keep kids from becoming criminals in the first place. These programs really work, and they dramatically reduce crime.—Source: Fight Crime: Invest in Kids (Illinois), News Release (April 30, 1997).

Gordon Rondeau, Founders, Action America: Murder Must End Now

Politicians who focus only on punishment are cheating Americans out of the solutions that could have prevented [my daughter's] death and so many others.—Source: Fight Crime: Invest in Kids, News Release (July 3, 1997).

John Dilulio, Princeton University

Strategically, the key to preventing youth crime and substance abuse among our country's expanding juvenile population is to improve the real, live, day-to-day connections between responsible adults and young people—period. Whether it emanates from the juvenile justice system or from the community, from government agencies or from civil institutions, from faith-based programs or secular ones, from non-profits or for-profits or public/private partnerships, from structural theorists or cultural theorists, from veteran probation officers or applied econometricians, no policy, program or intervention that fails to build meaningful connections between responsible adults and at-risk young people has worked or can.

[I]f we really care about getting a handle on our present and impending youth crime and substance abuse problems, then the time has come to proceed inductively building meaningful connections between at-risk youth and responsible adults via existing community-based programs; focusing on the highly particular and often banal barriers to helping at-risk youth in particular places with particular people at particular times; having the money to fix a broken pipe that flooded the inner-city church basement where a "latch-key" ministry operates; finding a way to transport a young job-seeker from a public housing site to a private job site; getting police and probation officers in a particular neighborhood to work together on a daily basis; funding an incremental expansion of a well-established national or local mentoring program; and so on.—Source: Address to the National District Attorneys Association, July 14, 1997.

Mr. BIDEN. Mr. President, I realize I have kept us here a long time, but I can think of nothing from my perspective that is more important.

By the way, parenthetically, with this surplus we are all arguing about—whether or not we save Social Security, give tax cuts, spend it on things—I still think we should take a significant portion of that surplus over the years that is projected and invest it in the crime trust fund, moving from 100,000 cops to 125,000 cops, writing a juvenile justice bill, doing the violence against women II legislation, and making sure—making sure—that we give local communities more flexibility in maintaining their Federal ability to keep the national 125,000—I hope it will be—cops program alive. That is what we should be spending our money on, in my view. I will get to that at another time.

Let me conclude with the last important overall point. Many of my colleagues on the other side of the aisle have been saying, as I said, that we do not really need to do more. In a report that I offered in December of 1995, I detailed the demographic time bomb which lies ahead. And that demographic time bomb is this: 39 million children now younger than the age of 10, all of these 39 million children are the children of the baby boomers.

Each of them stands on the edge of their teen years, exactly those years that are most at risk of turning children to drugs and crime. There are 39 million children about to enter the crime-committing, drug-consuming years. And the implication of this baby "boomerang" as the demographers call it, even if we do everything right, and at the rate which kids commit crimes—assuming we do everything right and the rate at which kids now commit crimes does not go up one one-hundredth of 1 percent—even if those things occurred, that there is absolutely no change in the rate of crime, we will have a 20-percent increase in juvenile murders by the year 2005, which will mean an increase of the overall murder toll by 5 percent, even if we do every single thing right and there is not one one-hundredth of 1 percent increase in the rate in which juveniles commit crime.

Why? Thirty-nine million children, the largest cadre of youth since my parents were busy in World War II, about to enter their crime-committing years.

I see my friend standing. I have another 10 minutes or so. I will yield to him, but not yield the floor.

Mr. LEAHY. No. Go ahead and finish, I say to my friend.

Mr. BIDEN. Let me speed this up.

Mr. LEAHY. We do have a number of people who want to speak on the same subject.

Mr. BIDEN. I will be happy to yield the floor in a moment.

Clearly, most of the 39 million children in this baby boomerang will never turn to crime and never turn to drugs. But equally clear, we will have a rising number of at-risk children, at-risk children who are at risk to turning to drugs, at risk of being the victims of violence, and at risk of turning to crime.

Let me offer two more figures to indicate the size of the problem we face in the next 10 years. Seventy-seven percent of women with high-school-age children are working moms—77 percent. And all told, about 14 million school-age children have working moms. In all likelihood, this means that these 14 million children will be leaving school after school, unless they come from affluent families, with no supervision after school until mom gets home.

That is not a criticism of moms working, it is a criticism of our failure to recognize the demographic change as well as the social change that has taken place in America.

For the rising number of at-risk children, I believe we have to discuss what has become a dirty word among Washington politicians, even though it is a word I hear over and over again from prosecutors and police chiefs and people in the juvenile justice system and what their solution to the violent problem is. It is prevention—prevention.

We must keep as many of these at-risk children as possible away from drugs and crime in the first place. In the most practical terms, that means keeping kids busy and supervised from 3 o'clock in the afternoon until the dinner hour. Those 3 hours represent about 12 percent of the day, about 20 percent of the hours that our kids are awake; and 40 percent of all juvenile crime that is committed in America is in those 3 hours.

That is why I strongly oppose—strongly oppose—the effort by my friend from Alabama to undo the good work that our friends on the Appropriations Committee have done. And I just want to warn my colleagues, as I was kidding one of the staff here, I do not speak often on the floor, but when I do, I guess I speak long.

But the truth of the matter is, there is nothing—nothing, nothing, nothing, nothing—more important to the economy, to the security, to the safety of this country than what we are going to do to prevent those at-risk youth who find themselves among those 39 million young people under the age of 10; that nothing—nothing—will affect our standard of living, our quality of life, more than how we deal with that issue.

I will be back on this floor at a later date and, over the next couple years, arguing that portions of that surplus that we are predicting will occur as a consequence of the policies of this administration and Congress—balancing our budget and moving to surplus—should be spent—should be spent—on crime prevention, crime enforcement, and on the prison system.

I thank my friend from Vermont for being so patient. And I thank my colleagues. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Thank you very much, Mr. President.

I have had an interesting time listening to the Senator from Delaware with his remarks about the purpose and intent of our amendment. I think in that regard he is in error. And I think we should talk about that.

First of all, the Fraternal Order of Police, whom he quoted, and the Boys & Girls Clubs, have supported the incentive block grants. I certainly agree that prevention, intervention, and enforcement are the keys to the effort to reduce juvenile crime.

And what is intervention? The experts are telling me—mental health workers, drug abuse people, judges, probation officers whom I have talked with at great length—tell me the most effective point of intervention is when a child has been arrested for some sort of offense, taken to the juvenile court, and answers to the judge and the probation officer. His parents are involved. And if that child is found to be involved with drugs or other psychological or emotional problems that may be involved, that is the single best time to intervene and to prevent them from future criminal conduct that not only makes victims out of innocent young children, who are most often the victims of other juvenile offenders, but also prevents that child perhaps from heading down a life of crime that would leave them serving long periods of time in prison.

And the Senator says these programs that I have cited are not prevention programs. I find that really stunning, to say a homeless youth program, a program designed to deal with homeless youth, isn't a crime prevention program. It surprises me to hear him say that.

Mental health programs, he suggested, are not prevention programs. Or children who are victims of abuse as a child, programs that deal with that certainly are prevention programs. By the way, our amendment does not affect any of these programs. They all continue.

The Foster Grandparent Program, I suggest, is a way to prevent children from being involved in crime. Art for Youth—that is what the art people tell me, "We need more programs to help these young people express themselves," and that would help prevent them from a life of crime. At-Risk Youth Program, certainly those are prevention programs. I just say we have many prevention programs.

In fact, we have none dedicated to law enforcement. The fact that the Department of Justice spends several billions of dollars on law enforcement should not be in any way considered to have an impact on youth crime, because the truth is the Federal Government does not deal with juvenile criminals. They probably prosecute less than 100 a year in all the Federal courts in America, certainly less than a couple hundred. It is just not done. Juvenile crime is dealt with in the State systems. That is where we have the crisis. That is where we need to do something about it.

The Senator from Delaware is most eloquent in advocating after-school programs. For who? Under what circumstances? How much will we spend on them? Which agency should administer that? I suggest without any hesitation that the Department of Justice doesn't need to be the agency handling an after-school program. That ought to be done through the educational establishment.

Mr. BIDEN. Will the Senator yield?

Mr. SESSIONS. Yes.

Mr. BIDEN. Mr. President, I think local authorities should make that judgment. They should decide. I don't think you should discriminate, whether it is at risk or not at risk. It should be after-school programs in which everyone is entitled to participate. Let the States make those decisions, not us; but let's spend the money.

My point is, spend money on after-school programs. All of the other programs the Senator listed do impact indirectly on youth violence. The problem is, 14 million kids with nothing to do for 3 hours, where 40 percent of the crime is committed. None of those programs are directed at that. We don't deal with that. We don't deal with the problem, in my opinion.

Mr. SESSIONS. Mr. President, I understand the Senator's concern, passion, and emotional commitment to that problem of 14 million kids, after school, many of whom are unsupervised. I understand that.

But I believe if we are going to have an after-school program that doesn't distinguish between at-risk kids and others, we are talking about billions of dollars, tens of billions of dollars, an amount of money of which our program doesn't even scratch the surface; we are talking $50 million, is what we are talking about. How can we best use that $50 million in some sort of vague, generalized program?

Let me read to you again what this statute would dispense under the grant for prevention programs: for recreational services, tutoring programs, assessment in work awareness skills. JJTPA, the job program for youth, isn't that a prevention program, $1 billion spent on that? Certainly tries to help young people who are out of work and who have never worked before get a job. That is a prevention program. We are spending $1.1 billion on that.

What we need to do is deal with the youngsters who are coming into contact with the juvenile justice system. If something isn't done about it, they are going to murder somebody or they are going to end up committing an armed robbery and having to serve 20 years, because they are certified as an adult because they committed a serious crime at age 17 and they have to go off for 20 years. Had we had a juvenile justice system capable of intervening early—at 12, 13, 14 or 15, when they are being arrested again and again—they wouldn't be down there.

I have been there. I have talked to juvenile probation officers and judges who have dealt with this on a daily basis. I am telling you, the Juvenile Judges Association in this country endorses this block grant program wholeheartedly. They know that is what we need to do. We need to be dealing with the kids who are most at risk, the ones already coming into contact with juvenile justice.

This plan to spend $50 million more on this program is political. That is what it is. It is a political game. We are going to create a confrontation on the floor and we are going to say we care about children, we want to prevent them from crime, and we are going to spend more on all of these programs; this wide open deal—it has no goals, no standards, no real teeth to it—spend the money on anything in the world. That is on what we want to spend our money. Everybody who has any support for the law enforcement community doesn't like kids, doesn't want to see them change, doesn't care about prevention. All you guys want to lock them up.

Some children need to be locked up. I just told the Members of this body about the three kids who murdered a night watchman—7, 7, and 15 prior arrests for those kids. They would have been better, that night watchman and his family, would have been better if the court system had enough resources to intervene effectively at that point in time.

That is not mean. That is not unkind. That is not a kind of response that is insensitive. You simply cannot allow repeat, dangerous young offenders to be released time after time after time with nothing more than vague programs like this to deal with it.

Do you think that juvenile judge who has given his life to dealing with kids, do you think that juvenile probation officer who has been working with them all of his life, doesn't care about them? Do you think they are not going to try to craft a program that would help those children? I am telling you, that is what is happening in America where there is sufficient resources for it. Some of them have to be incarcerated.

One of the greatest success stories is in Boston, MA. You have heard about the Boston Miracle. They did two things. They targeted their resources. A professor from the University of Maryland advised the Department of Justice, "If you want to reduce crime, target your resources on the groups and the people who need it the most, primarily those who have been arrested." But in Boston they took the high crime communities, the areas where there were gangs, they confronted the gang members and told them if they did not change their lifestyle, they would be prosecuted. The judges backed them up. They locked up those who were the leaders and the others quit being so active. The murder rate plummeted. It was dramatic what they had done.

My staff member went there and visited with them in Boston. She said, "Do you have a place to put them when they violate probation and curfew," and they said, "Yes, that was a commitment on behalf of the community."

So we are giving resources to the juvenile justice system to set aside the kind of detention facilities, alternative schools, safe houses, whatever they feel is necessary to be able to remove that kid, discipline them for repeat offenses, and change their lifestyle.

But it is important they not be left on the street, leading a bunch of other kids down the wrong path. If you get rid of the main leaders, a lot of the other kids will cease to be involved in a life of crime.

What kind of a message does it send if the police arrest a youngster for the fourth time for an armed robbery or a car theft and nothing happens to him? What kind of moral message is that? This prevention grant program they want to spend $50 million on says one of the goals is to teach that people are and should be held accountable to their actions. Well, I agree with that. We are not saying that the first time a youngster gets in trouble they need to be certified as an adult or sent off for a long period of time, but they need to be confronted seriously. They have to have a serious confrontation with their own immoral, illegal act. Their parents need to be involved in that. They need to have counseling programs, drug testing, drug treatment, and other activities and programs designed to insist that they get on the right track.

Judges and drug treatment people tell me that it is extraordinarily helpful when a person who has violated the law is under the gun of the judge. In other words, he can say you will go to that treatment program. We are going to drug test you. I expect you to stay drug free. I expect you to be back in school. I expect you to be home at night. In Boston, I expect you to follow the curfew I am going to give you.

Boston has a curfew. They call it Operation Night Light. And street police officers go out and knock on the door at 8 or 9 o'clock, or whenever the curfew is, to see if that youngster is there. If he is not there, something happens to him or her. They don't just forget it. That is not happening all over America. What is happening all over America—and I was there for 15 years as a prosecutor—is they come in and meet their probation officer. Some of them have family meetings for 2 or 3 weeks; they meet with parents and try to turn them around. But because of lack of resources, they say "your curfew is 9 o'clock," but they don't check. Nobody is checking on these children. They do what they want to, basically, unless they get caught on another offense.

If we want to prevent crime, if we want to intervene—and intervention is one of the legs of this way to defeat crime, according to the Fraternal Order of Police—if we do that effectively, we can begin to change people. For those who want change, they simply cannot be allowed to travel in the community and threaten the lives and health of other people with impunity. We have to have spaces to put them. Our bill provides matching money that States can use, if they choose, to expand their detention capacity. And it doesn't have to be bars; it can be any kind of facility that would allow the judge to detain them and not allow them to just walk free—although some of them need to be locked up behind bars.

Let me share this number with you. Since 1980, adult prison space in America has more than tripled. Adult crime has been dropping now for some time now to a significant degree. I am convinced that one of the reasons for that is because we are doing a better job of identifying the repeat dangerous offenders, and they are serving longer periods of time. They are not corrupting others around them, and they are not out on the street committing crimes. Many repeat offenders—we know, according to a Rand study—commit as many as 200 crimes per year. You may say that is ridiculous, they don't commit 200 crimes per year. Well, that is four burglaries a week. Many commit four in one night. These repeat offenders commit a substantial amount of the crime in America. And the same is true with juveniles. We simply have to identify those, and some of them are going to have to be incarcerated.

But while we were tripling the adult prison space in America, let me share this with you. In 1978, there were 56,000 beds in juvenile detention facilities in America. In 1994, during a period when violent juvenile crime has more than doubled—I am talking about armed robbery, assault with intent to murder, murder; those kinds of things were doubling and more than doubling during that period, and we had gone on from 56,000 to 61,000 bed spaces by 1994.

Do you see what happened? We poured our resources into adult criminality and we made a big impact. But we didn't respond appropriately to juvenile crime. We did not expand our commitment there. We did not give the judges and probation officers the resources needed to intervene effectively, to monitor these youngsters who need close monitoring, because they are on the edge and they can go either way. They didn't give them those resources, and as a result, juvenile crime continued to go up, while adult crime was declining.

(Mr. BURNS assumed the Chair.)

Mr. SESSIONS. Mr. President, I am pleased that we are beginning to see a modest reduction in juvenile crime—although many experts are telling us that, with the demographics of more teenagers being in the crime-prone years, in the next few years we can expect those numbers to edge back up. I think one reason is that since 1994 States have begun to focus on juvenile crime and commit more resources to it. It is beginning to have an affect.

It is a myth and not true that we have no ability to affect crime. That is not true. Somebody said that we are going to end up putting everybody in jail. Well, everybody doesn't rob; everybody doesn't burglarize. We ought to do something serious to everybody who commits a serious crime. If we do so promptly and effectively, with wisdom, in a smart way, we can affect the crime rate, and we can make the lives of Americans safer. We ought to do that.

To me, there is no higher function of a government than to make its citizens safe in their communities, on their streets, in their homes, and where they go to work. What higher function could a government have than that? We have failed in that regard. I have seen it, and I have talked with the judges. That is why the Fraternal Order of Police, the Judges' Association, and the Boys and Girls Club support this project.

Our proposal—unlike the one set forth in the statute already, in which they are adding $50 million—is targeted to deal with criminality. Their proposal, again, is for leadership development activities, recreational services, teaching that people are and should be accountable for their actions. Well, there is nothing wrong with those goals, but that is not a very good crime proposal, in my opinion. I have been there. I have prosecuted crimes, I have dealt with every aspect of it. That is not the way to deal with crime. That is not targeted at all. That says you can spend the money on any doggone thing you want to spend it on.

Our proposal—the block grant proposal—was developed along with the support of Senator BIDEN from Delaware and others. And we had input and discussions with the ranking member from Vermont on the Judiciary Committee. Everybody had some input. They may not agree with everything in it, but it is focused on crime prevention, intervention and enforcement. By the way, the Senator from Delaware mentions $1 billion in prevention programs. He admits that. We only have $100 million in this enforcement program.

By the way, also in this bill the chairman has brought out is a new $220 million for a safe schools initiative. It is designed to build partnerships in the communities between police and schools and to try to make schools safer. That is $220 million in new money in another program designed that way. What we have left out, I am telling you—I can't tell you how strongly I believe this; I know it in my heart—what we are leaving out is the greatest engine for reducing juvenile crime, and that is the juvenile court system. They are the ones that are innovating at the most basic level, when kids are out of control. They have the capacity to effectively order them to do things they don't want to do, and to monitor those orders if we give them the support necessary.

So if we put the money into the block grant program, it would enhance prosecution and define opportunities to effectuate the bipartisan agreement that we have to support graduated sanctions or increase levels of punishment for repeat offenders. It would provide for short-term confinement for those who need it. Some do. It will also provide for the incarceration of violent repeat offenders for more extended periods. Not all the money would be for that; only 40 percent would be for that.

It would provide moneys for programs that require juvenile delinquents to pay restitution. It would provide programs to require juvenile offenders to complete schooling in vocational training. Is that a prevention program, or not? Is that a program that doesn't care about kids, or not? Does anybody deny that we need to have some children go into custody of some fashion? I doubt that. It has programs to require young juveniles to pay their child support. They ought to support their children. They bring them into this world.

Programs to curb truancy. The Senator from Delaware says we need to do something about truancy. I agree, absolutely. Truancy is a key signal that a child is out of control. School systems, police departments, and others ought to have an intensive effort to identify truancy at the earliest level.

His bill, if they want to put $50 million more in, doesn't have anything about truancy in it. The program I support does. It provides programs that seek to curb truancy by name. Then it has programs to collect records, drug testing of youngsters, juvenile crime prevention programs, and night curfews. Antidrug programs could be funded under this.

We have programs to deal with habitual offenders; programs targeted at youth gang members, trying to break them up; and programs to train law enforcement officers, juvenile judges, prosecutors, probation officers, and other court personnel in how to better deal with children.

We have $50 million on the table. That is what we have—$50 million sitting there. Do you want to put it in this bogus program that has no standards, can be spent for anything, or a program carefully crafted, carefully crafted to identify those youngsters who need help, and get it to them in a way that will reduce crime?

I am sorry if I feel strongly about it. But I have been involved in it for a long time. And I have worked hard on this committee. I am absolutely convinced that this is a valid program. We have many prevention programs. This has much of a prevention aspect to it. But what we don't have any money for is to strengthen our enforcement aspect.

Mr. President, this is a critical issue to me. It is the overlook aspect of crime in America: How can we most effectively intervene and change the lifestyle of these youngsters? Too often they are coming in for vandalism, petty theft, maybe for burglary, maybe for a household burglary, a car theft. And they come in and get involved in some other serious crime, are treated as an adult, and sent off for 15 years in the slammer. If we could have intervened for the first offense or two effectively, sometimes they might have been well served if they had been sent to jail or detained a few days. If we had intervened effectively there, we would have fewer crime victims and less need for housing for a youngster who became a career criminal and ended up serving a long time in jail.

Mr. President, that is the purpose of our amendment. I believe it meets all the standards for prevention, and for enforcement, and for intervention. I think it is the right way to go.

I yield the floor.

Mr. KOHL. Mr. President, I oppose this amendment. It would significantly cut the proposed funding for an effective prevention program, known as Title V. And it would undermine this bill's balanced approach between prevention and enforcement.

Let me explain why we should support this program.

First, it is truly bipartisan. It was originally drafted in 1992 by Senator Brown and myself. Last year, the full Senate supported increasing its funding level from $20 million to $75 million. And this year, with the support of Senators CAMPBELL, SPECTER and REID, its funding level is $70 million. Although on its face it gets $95 million, $25 million is set aside for a separate anti-drinking program. So if we cut $50 million, Title V gets the same $20 million it gets every year—and there will be no increase.

Second, it relies on local communities—who know their needs better than the federal government—to identify solutions tailored to local needs. Let me tell you about some of these programs which get funding in Wisconsin.

In Madison, Title V funds an afterschool program for junior and high school age at-risk youth living in targeted low income neighborhoods. In Racine, it funds home visits by social workers and prenatal and postnatal education to mothers in low-income neighborhoods. In Jefferson County, it supports a program that works with school bullies—and their victims—to reduce school violence.

And these kinds of innovative programs are supported by Title V all over the nation. For example, in Senator SESSIONS' home state of Alabama, a Title V program in Tuscaloosa, has—according to its organizers—"made a significant impact in the incidence of juvenile violence and crime."

Under Title V, communities qualify for funds only if they establish local boards to design long-term strategies for combating juvenile crime, and if they match federal funds with a 50 percent local contribution. Local communities know what works, and they don't throw good money after bad.

Finally, Title V works. Nearly 400 participating communities—from 49 states—believe in this program so much that, according to the GAO, they've matched federal money almost dollar-for-dollar—far more than the 50 percent match this program requires. And studies confirm that many of these programs have reduced crime in cities across the nation, including cities like Cincinnati, Ohio and Woodbury, Iowa.

Mr. President, it's a good idea to get rid of prevention programs that don't work. In fact, I authored legislation that resulted in a very controversial study by the Justice Department, which said that many prevention programs don't work. And with Senator Cohen I introduced legislation to junk bad prevention programs and consolidate many others. But we should keep and expand the programs that do work—especially ones like Title V that use federal dollars to inspire local action and local contributions.

Mr. President, I oppose this amendment.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I could respond at some length to the comments made by the Senator from Alabama. His intensity of concern and his legitimate efforts, which have been extraordinary in the area of juvenile justice, are something that I admire. He obviously has strong feelings expressed by the Senator from Delaware.

I know that there are a number of other Senators who wish to speak on this issue to express their thoughts. But I have had the courtesy of a number of Senators who have come up to me and said they would withhold their statements because there is a group of Members who wish to get down to the White House for the bill signing on the IRS, which is a fairly significant bill. I would like to get this vote completed before that occurs.

Let me simply say that I believe this is an extraordinarily balanced approach. We have eventually divided the money between prevention and incarceration, for the lack of a better term. It is an attempt to address both sides of the issue of juvenile justice within this bill. Yes, there are other programs outside of this bill that address both sides. In fact, there is a lot more incarceration money in this bill that wasn't talked about. But the fact is that this is a very balanced approach, both sets of programs are extremely credible, and we will move forward on the issue that we are concerned about, which is trying to reduce juvenile crime, which is clearly one of the major issues facing this country today.

Mr. President, at this time I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire to lay on the table the amendment of the Senator from Alabama. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 64, nays 36, as follows:

[Rollcall Vote No. 220 Leg.]

YEAS—64

Akaka
Baucus
Bennett
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
D'Amato
Daschle
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Glenn
Gorton
Graham
Grassley
Gregg
Hagel
Harkin
Hollings
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
McCain
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Roth
Sarbanes
Snowe
Specter
Stevens
Torricelli
Warner
Wellstone
Wyden

NAYS—36

Abraham
Allard
Ashcroft
Bond
Brownback
Burns
Coverdell
Craig
DeWine
Domenici
Enzi
Faircloth
Frist
Gramm
Grams
Hatch
Helms
Hutchinson
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Thomas
Thompson
Thurmond

The motion to lay on the table the amendment (No. 3245) was agreed to.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, the managers of the legislation are trying their best to move this bill along. Senator DASCHLE and I have been working trying to keep extraneous amendments off of this bill, amendments that are not really related to it, strictly legislating on this appropriations bill. We have had some success over here, and, obviously, there has been an effort and success on the Democratic side. As usual, the longer we go, the longer the list of amendments. We need to get some finite list of amendments and work on this bill to get it completed.

It is my intent, after discussion with Senator DASCHLE and the managers, Senator GREGG and Senator HOLLINGS, that we complete this bill tonight and that we have votes tonight, as late as is necessary.

Everybody needs to know that this is not going to be a night where we all leave at 7 o'clock and the managers try to make things happen and nothing happens. We are going to be voting into the night. If it takes going to 11, 12 or 1 o'clock, I think it is time we have to do that in order to complete this work.

In that vein, I ask unanimous consent that the following amendments be the only remaining list of first-degree——

Mr. HOLLINGS. Will the distinguished leader yield? I have to check two other things. We are not prepared to agree to that.

Mr. LOTT. I had the impression we had cleared this on both sides of the aisle.

Mr. HOLLINGS. Not on this side, not yet.

Mr. LOTT. Senator DASCHLE is aware we are going to try to lock in the list. I must say, the list is 70 amendments, not exactly a great achievement.

Mr. HOLLINGS. We can clear it after a while, but I am not ready to agree right now.

Mr. LEAHY. Will the majority leader yield?

Mr. LOTT. I will be glad to yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, if it helps, if the distinguished leader wishes to check that, I have a brief comment I want to make about this last vote. I will be willing to do that and you can check that.

Mr. LOTT. Mr. President, why don't we do that. We will withhold while we can run our checks then. The Senator from Vermont can comment and, hopefully, we can get it worked out.

Mr. KENNEDY. May I ask the majority leader a question? May I inquire of the majority leader if there has been any further progress in establishing a time when we are going to consider the Patients' Bill of Rights legislation? I know there have been communications between——

Mr. LOTT. We are ready to go. We have our bill. I think we have a good bill. Senator KENNEDY has his bill. I would like for us to just have a vote on his bill and a vote on our proposal. I understand that you feel you have solutions we need in this area. We feel very good about our bill.

The problem has been last week, for instance, it was suggested, "Well, we will need 40 amendments." If we have these bills that have just been sent down on both sides, why don't we vote on what we have instead of going on for days and weeks trying to reach a conclusion?

Having said that, Senator DASCHLE and I have continued to talk to try to narrow down exactly when would be the best time to do it. We are talking about how we can get an agreement with which both sides can be satisfied. Obviously, the Senator from Massachusetts, Senator KENNEDY, wants to be involved in what the final unanimous-consent request will be, and a lot of Senators on this side, including Senator GRAMM, will have an interest in it.

I think we can come up with a reasonable proposal. I have been sending proposals since June 18, for a month. I continue to say, "OK, how about this?" And Senator DASCHLE has responded. I know he is negotiating in good faith. Both of us have a difficult time trying to satisfy Senators on both sides of this issue on both sides of the aisle, but we are narrowing them.

If we can get an agreement to a time certain that it will come up, with a couple of days for debate and for discussion of amendments or a limited number of amendments on both sides, that will be perfectly reasonable. But I know of no bill in the history of mankind that needs 40 or 50 or 70 amendments. Why do we want to go through that process? A reasonable number can be agreed to.

All I have to say is, just say yes. We are ready to do what the Senator from Massachusetts asked for a month ago. You get a vote, we get a vote and we move on. Yes; just say yes, we will do that.

Mr. KENNEDY. I am just wondering if it is the intention of the majority leader to schedule this. We are into Wednesday of this week. Is it his intention to afford us an adequate opportunity to debate these issues prior to the time of the break?

Mr. LOTT. It is certainly my hope. We are working to try to get that agreed to. In fact, it has been my plan to do that, and I am going to be disappointed if we can't get it agreed to. I know there is good faith on Senator Daschle's part; there is on mine. We will just keep working until we get it done.

Mr. KENNEDY. I thank the Senator.

Mr. LOTT. I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

AMENDMENT NO. 3245

Mr. LEAHY. Mr. President, I thank the leader for his courtesy earlier. I will be very brief. Any time we speak of juvenile justice, there are, obviously, emotional issues that come up, as there was on this. But I believe the Senate has voted the proper way on the motion of the distinguished senior Senator from New Hampshire to table the amendment.

We can all tell horror stories of juvenile justice. One that came to my mind while listening to the lengthy debate this morning is a case when I was State's attorney. A man I knew well died as he was telling me who killed him. It was a juvenile. As he described it, we were in the emergency room and doctors were trying to save his life. I was there as the chief law enforcement officer of the county. And heard him tell me who the juvenile was who killed him. So we can all tell terrible stories.

What I also know, though, from my experience in law enforcement, and from law enforcement experts I have talked with today all over the country, is that prevention is still the best way to stop juvenile crimes. It is almost axiomatic. And we have a good funding method that the distinguished senior Senator from New Hampshire and the distinguished Senator from South Carolina have put together in this bill, and we should keep with that formula.

Had this amendment not been tabled, we would have had these juvenile prevention moneys—we would have had 35 percent going to building facilities and information-sharing programs, 45 percent into more judges and probation officers and prosecutors and technology and courts, and so forth.

The fact is, we are getting a handle on juvenile crime in this country, but we are doing it through prevention programs. All the police officers I have talked with in my State, and all the police officers I have talked with elsewhere, tell me the same thing: Better and more prevention programs to stop juvenile crime.

Among my duties as a prosecutor was to represent the State in the most active juvenile court in our State. Nearly a third of the juvenile cases in our State went through there. Over and over and over again, I saw the tragedy of juvenile crimes occurring because there had not been prevention programs. We did the right thing in this vote.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 3252

(Purpose: To provide for mental health screening and treatment for incarcerated offenders)

Mr. WELLSTONE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. Wellstone] proposes an amendment numbered 3252.

Mr. WELLSTONE. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 51, between lines 9 and 10, insert the following:

SEC. 121. MENTAL HEALTH SCREENING AND TREATMENT FOR PRISONERS.

(a) Additional Requirements for the Use of Funds Under the Violent Offender Incarceration and Truth-in-Sentencing Grants Program.—Section 20105(b) of the Violent Crime Control and Law Enforcement Act of 1994 is amended to read as follows:

"(b) Additional Requirements.—

"(1) Eligibility for grant.—To be eligible to receive a grant under section 20103 or 20104, a State shall, not later than January 1, 1999, have a program of mental health screening and treatment for appropriate categories of convicted juvenile and other offenders during periods of incarceration and juvenile and criminal justice supervision, that is consistent with guidelines issued by the Attorney General.

"(2) Use of funds.—

"(A) In general.—Notwithstanding any other provision of this subtitle, amounts made available to a State under section 20103 or 20104 may be applied to the costs of programs described in paragraph (1), consistent with guidelines issued by the Attorney General.

"(B) Additional use.—In addition to being used as specified in subparagraph (A), the funds referred to in that subparagraph may be used by a State to pay the costs of providing to the Attorney General a baseline study on the mental health problems of juvenile offenders and prisoners in the State, which study shall be consistent with guidelines issued by the Attorney General.".

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Chris Schoenbauer, an intern, and Ellen Gerrity, a fellow, be allowed to be on the floor during the debate on this piece of legislation.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, today I am offering an amendment—and I thank both Senator Hollings and Senator Gregg for their support—that would allow States to use Federal prison construction moneys for mental health treatment in our Nation's adult and juvenile corrections facilities—allow States; States make that decision.

I am a Senator from the State of Minnesota. Hubert Humphrey, a great Senator from Minnesota, once said:

> The moral test of government is how the government treats those who are in the dawn of life, children; those who are in the twilight of life, the elderly; and those who are in the shadows of life —the sick, the needy, and the handicapped.

Today, throughout America, we are failing the moral test of how we treat adults and children. I want to focus on children in mental health, in the criminal and juvenile justice system, too many of whom live in the shadow of mental illness.

According to a recent article in the New York Times by Fox Butterfield—this was a front page piece. The title of it is "Profits at a Juvenile Prison Come With a Chilling Cost."

I ask unanimous consent that this very fine piece of journalism be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York times, July 15, 1998]

PROFITS AT A JUVENILE PRISON COME WITH A CHILLING COST

(By Fox Butterfield)

Tallulah, La.—Here in the middle of the impoverished Mississippi Delta is a juvenile prison so rife with brutality, cronyism and neglect that many legal experts say it is the worst in the nation.

The prison, the Tallulah Correctional Center for Youth, opened just four years ago where a sawmill and cotton fields once stood. Behind rows of razor wire it houses 620 boys and young men age 11 to 20, in stifling corrugated-iron barracks jammed with bunks.

From the run-down homes and bars on the road that runs by it, Tallulah appears unexceptional, one new cookie-cutter prison among scores built in the United States this decade. But inside, inmates of the privately run prison regularly appear at the infirmary with black eyes, broken noses or jaws or perforated eardrums from beatings by the poorly paid, poorly trained guards or from fights with other boys.

Meals are so meager that many boys lose weight. Clothing is so scarce that boys fight over shirts and shoes. Almost all the teachers are uncertified, instruction amounts to as little as an hour a day, and until recently there were no books.

Up to a fourth of the inmates are mentally ill or retarded, but a psychiatrist visits only one day a week. There is no therapy. Emotionally disturbed boys who cannot follow guards' orders are locked in isolation cells for weeks at a time or have their sentences arbitrarily extended.

These conditions, which are described in public documents and were recounted by inmates and prison officials during a reporter's visit to Tallulah, are extreme, a testament to Louisiana's well-documented violent history and notoriously brutal prison system.

But what has happened at Tallulah is more than just the story of one bad prison. Corrections officials say the forces that converged to create Tallulah—the incarceration of more and more mentally ill adolescents, a rush by politicians to build new prisons while neglecting education and psychiatric services, and states' handing responsibility for juvenile offenders to private companies—have caused the deterioration of juvenile prisons across the country.

Earl Dunlap, president of the National Juvenile Detention Association, which represents the heads of the nation's juvenile jails, said, "The issues of violence against offenders, lack of adequate education and mental health, of crowding and of poorly paid and poorly trained staff are the norm rather than the exception."

Recognizing the problem, the United States Justice Department has begun a series of investigations into state juvenile systems, including not only Louisiana's but also those of Kentucky, Puerto Rico and Georgia. At the same time, private juvenile prisons in Colorado, Texas and South Carolina have been successfully sued by individuals and groups or forced to give up their licenses.

On Thursday, the Juvenile Justice Project of Louisiana, an offshoot of the Southern Poverty Law Center, filed a Federal lawsuit against Tallulah to stop the brutality and neglect.

In the investigations by the Justice Department, some of the harshest criticism has been leveled at Georgia. The department threatened to take over the state's juvenile system, charging a "pattern of egregious conditions violating the Federal rights of youth," including the use of pepper spray to restrain mentally ill youth, a lack of textbooks, and guards who routinely stripped young inmates and locked them in their cells for days.

A surge in the inmate population forced Georgia's juvenile prison budget up to $220 million from $80 million in just four years, but the money went to building new prisons, with little left for education and psychiatric care. "As we went through a period of rapid increase in juvenile crime and record numbers of juvenile offenders," said Sherman Day, chairman of the Georgia Department of Juvenile Justice, it was "much easier to get new facilities from the Legislature than to get more programs."

After reacting defensively at first, Gov. Zell Miller moved quickly to avert a takeover by agreeing to spend $10 million more this year to hire teachers and medical workers and to increase guard salaries.

Louisiana, whose juvenile system is made up of Tallulah and three prisons operated by the state, is the Justice Department's latest target. In hundreds of pages of reports to a Federal judge who oversees the state's entire prison system under a 1971 consent decree, Justice Department experts have depicted guards who routinely resort to beatings or pepper spray as their only way to discipline inmates, and who pit inmates against one another for sport.

In June, two years after the Justice Department began its investigation and a year after it warned in its first public findings that Tallulah was "an institution out of control," consultants for the department filed new reports with the Federal judge, Frank J. Polozola of Federal District Court in Baton Rouge, warning that despite some improvements, conditions had deteriorated to "a particularly dangerous level."

Even a former warden at Louisiana's maximum-security prison, acting as a consultant to Judge Polozola, found conditions at Tallulah so serious that he urged the judge to reject its request to add inmates.

"I do not make these recommendations because of any sympathy for these offenders," wrote the former warden, John Whitley. "It shocks me to think" that "these offenders and their problems are simply getting worse, and these problems will be unleashed on the public when they are discharged from the system."

Some of the worst conditions in juvenile prisons can be found among the growing number of privately operated prisons, whether those built specifically for one state, like Tallulah, or ones that take juveniles from across the country, like boot camps that have come under criticism in Colorado and Arizona.

Only 5 percent of the nation's juvenile prisons are operated by private, for-profit companies, Mr. Dunlap of the National Juvenile Detention Association estimates. But as their numbers grow along with privately operated prisons for adults, their regulation is becoming one of the most significant issues in corrections. State corrections departments find themselves having to police contractors who perform functions once the province of government, from psychiatric care to discipline.

In April, Colorado officials shut down a juvenile prison operated by the Rebound Corporation after a mentally ill 13-year-old's suicide led to an investigation that uncovered repeated instances of physical and sexual abuse. The for-profit prison housed offenders from six states.

Both Arizona and California authorities are investigating a privately operated boot camp in Arizona that California paid to take hundreds of offenders. A 16-year-old boy died there, and authorities suspect the cause was abuse by guards and poor medical care. California announced last Wednesday that it was removing its juveniles from the camp.

And recently Arkansas canceled the contract of Associated Marine Institutes, a company based in Florida, to run one juvenile institution, following questions of financial control and accusations of abuse.

A series of United States Supreme Court decisions and state laws have long mandated a higher standard for juvenile prisons than for adult prisons. There is supposed to be more schooling, medical care and security because the young inmates have been adjudged delinquent, rather than convicted of crimes as adults are, and so are held for rehabilitation instead of punishment.

But what has made problems worse here is that Tallulah, to earn a profit, has scrimped on money for education and mental health treatment in a state that already spends very little in those areas.

"It's incredibly perverse," said David Utter, director of the Juvenile Justice Project of Louisiana. "They have this place that creates all these injuries and they have all these kids with mental disorders, and then they save money by not treating them."

Bill Roberts, the lawyer for Tallulah's owner, Tans-American Development Associates, said that some of the Justice Department's demands like hiring more psychiatrists, are "unrealistic." The state is to blame for the problems, he said, because "our place was not designed to take that kind of inmate."

Still, Mr. Roberts said, "There has been a drastic improvement" in reducing brutality by guards. As for fights between the inmates, he said, "Juveniles are a little bit different from adults. You are never going to stop all fights between boys."

In papers filed with Judge Polozola on July 7 responding to the Justice experts and Mr. Whitley, the State Attorney General's office disputed accusations of brutality and of high numbers of retarded and mentally ill inmates at Tallulah.

In a recent interview, Cheney Joseph, executive counsel to Gov. Mike Foster, warned there were limits to what Louisiana was willing to do. "There are certain situations the Department of Justice would like us to take care of," he said, "that may not be financially feasible and may not be required by Federal law."

The idea for a prison here was put forward in 1992 by James R. Brown, a Tallulah businessman whose father was an influential state senator.

One of the poorest areas in a poor state, Tallulah wanted jobs, and like other struggling cities across the country it saw the nation's prison-building spree as its best hope.

Louisiana needed a new juvenile prison because the number of youths being incarcerated was rising steeply; within a few years it more than doubled. Adding to that, mental health experts say, were hundreds of juveniles who had no place else to go because of cuts in psychiatric services outside of jail. Mental health authorities estimate that 20 percent of juveniles incarcerated nationally have serious mental illnesses.

To help win a no-bid contract to operate a prison, the company Mr. Brown formed included two close friends of Gov. Edwin W. Edwards—George Fischer and Verdi Adam—said a businessman involved in the venture's early stages, who spoke on the condition of anonymity.

None of the men had any particular qualification to run a prison. Mr. Verdi was a former chief engineer of the state highway department. Mr. Fischer had been the Governor's campaign manager, Cabinet officer and occasional business partner.

Tallulah opened in 1994, and the town of 10,000 got what it hoped for. The prison became its largest employer and taxpayer.

From the beginning, the company formed by Mr. Brown, Trans-American, pursued a strategy of maximizing its profit from the fixed amount it received from the state for each inmate (in 1997, $24,448). The plan was to keep wages and services at a minimum while taking in as many inmates as possible, said the businessman involved in the early stages.

For-profit prisons often try to economize. But the best-run companies have come to recognize that operating with too small or poorly trained staff can spell trouble, and experts say state officials must pay close attention to the level of services being provided.

"Ultimately, the responsibility belongs to the state," said Charles Thomas, director of the Private Corrections Project at the University of Florida.

Louisiana officials say they monitored conditions at Tallulah and first reported many of the problems there. But in fiscal year 1996–97, according to the State Department of Public Safety and Corrections, Tallulah still listed no money for recreation, treatment or planning inmates' return to society. Twenty-nine percent of the budget went to construction loans.

By comparison, 45 percent of the $32,200 a year that California spends on each juvenile goes to programs and caseworkers, and none to construction. Nationally, construction costs average 7 percent of juvenile prison budgets, Mr. Dunlap said.

"That means either that Tallulah's construction costs are terribly inflated, or the services they are providing are extraordinarily low," he said.

Part of Tallulah is a boot camp, with boys crammed so tightly in barracks that there is room only for double bunks, a television set and a few steel tables. Showers and urinals are open to the room, allowing boys who have been incarcerated for sexual assault to attack other inmates, according to a report in June by a Justice Department consultant, Dr. Bernard Hudson.

The only space for the few books that have recently been imported to try to improve education is a makeshift shelf on top of the urinals. Among the aging volumes that a reporter saw were "Inside the Third Reich," "The Short Stories of Henry James" and "Heidi."

From their wakeup call at 5:30 A.M., the inmates, in white T-shorts and loose green pants, spend almost all their time confined to the barracks. They leave the barracks only for marching drills, one to three hours a day of class and an occasional game of basketball. There is little ventilation, and temperatures in Louisiana's long summers hover permanently in the 90's.

The result, several boys told a visitor, is that some of them deliberately start trouble in order to be disciplined and sent to the other section of Tallulah, maximum-security cells that are air-conditioned.

Guards put inmates in solitary confinement so commonly that in one week in May more than a quarter of all the boys spent at least a day in "Lockdown," said Nancy Ray, another Justice Department expert. The average stay in solitary is five to six weeks; some boys are kept indefinitely. While in the tiny cells, the boys are stripped of all possessions and lie on worn, thin mattresses resting on concrete blocks.

The crowding, heat and isolation are hardest on the 25 percent of the boys who are mentally ill or retarded, said Dr. Hudson, a psychiatrist, tending to increase their depression or psychosis.

Although Tallulah has made some improvements in its treatment of the emotionally disturbed over the last year, Dr. Hudson said, it remains "grossly inadequate."

The prison still does not properly screen new arrivals for mental illness or retardation, he reported. The part-time doctor and psychiatrist are there so infrequently that they have never met, Dr. Hudson said. Powerful anti-psychotic medications are not monitored. Medical charts often cannot be found.

And the infirmary is often closed because of a shortage of guards, whose pay is so low—$5.77 an hour—that there has been 100 percent turnover in the staff in the last year, the Justice Department experts said.

Other juvenile prisons that have come under investigation have also been criticized for poor psychiatric treatment. But at Tallulah this neglect has been compounded by everyday violence.

All these troubles are illustrated in the case of one former inmate, Travis M., a slight 16-year-old who is mentally retarded and has been treated with drugs for hallucinations.

Sometimes, Travis said in an interview after his release, guards hit him because his medication made him sleepy and he did not stand to attention when ordered. Sometimes they "snuck" him at night as he slept in his bunk, knocking him to the cement floor. Sometimes they kicked him while he was naked in the shower, telling him simply, "You owe me some licks,"

Travis was originally sentenced by a judge to 90 days for shoplifting and stealing a bicycle. But every time he failed to stand for a guard or even called his grandmother to complain, officials at Tallulah put him in solitary and added to his sentence.

After 15 months, a judge finally ordered him released so he could get medical treatment. His eardrum had been perforated in a beating by a guard, he had large scars on his arms, legs and face, and his nose had been so badly broken that he speaks in a wheeze. A lawyer is scheduled to file suit against Tallulah on behalf of Travis this week.

One reason these abuses have continued, Mr. Utter said, is that juveniles in Louisiana, as in a number of states, often get poor legal representation. One mentally ill boy from Eunice was sentenced without a lawyer, or even a trial. Poorly paid public defenders seldom visit their clients after sentencing, Mr. Utter said, and so are unaware of conditions at places like Tallulah.

Another reason is that almost all Tallulah's inmates are from poor families and 82 percent are black, Mr. Utter noted, an imbalance that afflicts prisons nationwide to one degree or another. "They are disenfranchised and no one cares about them," he said.

In September, Tallulah hired as its new warden David Bonnette, a 25-year veteran of Angola State Penitentiary who started there as a guard and rose to assistant superintendent. A muscular, tobacco-chewing man with his initials tattooed on a forearm, Mr. Bonnette brought several Angola colleagues with him to impose better discipline.

"When I got here, there were a lot of perforated eardrums," he said. "Actually, it seemed like everybody had a perforated eardrum, or a broken nose." When boys wrote complaints, he said, guards put the forms in a box and pulled out ones to investigate at random. Some were labeled, "Never to be investigated."

But allegations of abuse by guards dropped to 52 a month this spring, from more than 100 a month last summer, Mr. Bonnette said, as he has tried to carry out a new state policy of zero tolerance for brutality. Fights between boys have declined to 33 a month, from 129, he said.

In June, however, Ms. Ray, the Justice Department consultant, reported that there had been a recent increase in "youth defiance and disobedience," with the boys angry about Tallulah's "exceptionally high" use of isolation cells.

Many guards have also become restive, the Justice Department experts found, a result of poor pay and new restrictions on the use of force.

One guard who said he had quit for those reasons said in an interview: "The inmates are running the asylum now. You're not supposed to touch the kids, but how are we supposed to control them without force?" He has relatives working at Tallulah and so insisted on not being identified.

The frustration boiled over on July 1, during a tour by Senator Paul Wellstone, the Minnesota Democrat who is drafting legislation that would require psychiatric care for all incarcerated juveniles who need it. Despite intense security, a group of inmates climbed on a roof and shouted their complaints at Senator Wellstone, who was accompanied by Richard Stalder, the secretary of Louisiana's Department of Public Safety and Corrections.

Mr. Stalder said he planned to create a special unit for mentally ill juvenile offenders. One likely candidate to run it, he said, is Trans-American, the company that operates Tallulah.

Mr. WELLSTONE. Almost 200,000 people behind bars in the United States of America, according to Mr. Butterfield, are known to suffer from schizophrenia, manic-depression, or major depression—the three most severe mental illnesses. This rate is four times greater than for the general population. And there is strong evidence, particularly among juveniles, that their numbers in the jails are growing.

The vast majority of these people, colleagues, have not committed serious violent crimes. Some are homeless people charged with minor crimes that are a byproduct of their mental illness. They just get swept up and incarcerated. Others are picked up with no charges at all, in what police call "mercy arrests," simply for acting strange.

Jails and prisons often find themselves unprepared to deal with the mentally ill. For instance, medication may not be properly monitored or guards do not know how to respond to disturbed inmates who are simply not capable of standing in an orderly line for meals. A common result is that these inmates find themselves in solitary confinement.

Colleagues, 200 years ago the most common treatment for the seriously mentally ill was jail. Thousands of people with severe disorders were brutally locked away and forgotten. This did not change until Dorothy Dix, and other reformers in the middle of the last century, successfully fought to have these people transferred form jails to hospitals.

I fear that our jails are once again becoming dumping grounds for ill people who need treatment and care and that as a result we are recriminalizing the mentally ill in America today.

On July 1, Mr. President, I went with the National Mental Health Association to the Tallulah Correctional Center for Youth. Mr. President, I want to just briefly summarize this trip and then focus on mental health and children.

First of all—and I have talked with my colleagues from Louisiana who care a great deal about this. Let me say that, in particular, the warden, David Bonnette, is very committed to trying to make the changes.

I went there because I had seen some preliminary Justice Department reports that essentially said there were kids who really had not committed any crimes—by the way, the vast majority of children, over 90 percent in the juvenile corrections system, have not committed violent crime. But I heard that there were kids who had been dumped in this facility—but the same can be said for other facilities in our country—who had not committed any violent crimes. Some had not committed any crime. And then, to make matters worse, there is no medication, no counseling, and there they are. It is unconscionable.

I went to visit this facility. When I got there, I first met with people in the administrative building. A lot of officials from Louisiana were there, quite a bit of media was there—journalists, TV, radio. But forget all that.

We had some initial negotiations because I wanted to visit where the solitary confinement cells were. I wanted to find out why kids were put in these cells for up to 6 or 7 weeks at a time, up to maybe 23 hours a day—if my colleagues are listening. I wanted to find out why.

Before visiting there, we first went to a building where these kids—and they are kids from age 11 to age 18—were eating. I say to my colleague from South Carolina, he might be interested in this. Again, I am not trying to point the finger of blame, but I saw these kids eating, and probably 85 percent of them were black, African American, ages 11 to 18. There are 500-plus kids in this facility.

I went over to where some of these kids were eating, and I said, "How are you doing?" And this one kid said, "Not so good." I said, "What do you mean?" He said, "This food, they never serve this food. They just did this for today. We don't ever get this kind of food. These clothes, we never had these clothes. Every day it's the same clothes. Every day it's the same underwear. It's hot. There's no air conditioning. And we don't have any clothes like this, clean clothes. These shoes, we never had any shoes like this. Smell the paint on the table. These tables have all been freshly painted. This is just a show for you, Senator."

Then I turned to officials from Louisiana, and I never heard them contradict that. Again, I am going to end up very much in the positive about what I think is going to happen now.

And then we walked across the compound—that is what I will call it—because I wanted to get to where these solitary confinement cells were. And this one young man climbs up on a roof, leaps up on a roof, and runs toward me and a whole lot of people who are with me. And I said to him, "You're going to get in a lot of trouble. Why are you doing this?" He said, "I want to make a statement." I said, "What is your statement?" He said, "This is a show. And we're all going to get beaten up when you leave. We get beaten up all the time."

Then I met with four young guys. One had stolen a moped. That is why he was there. One was there for breaking and entering, and another was breaking and entering. The point is, they talked about being beaten up all the time.

Now, the Justice Department has also chronicled some of these conditions. The truth of the matter is, I believe the warden there and the State of Louisiana knows that things have to change. That is the good news, I hope. There has now been a civil rights lawsuit filed. There is a tremendous amount of interest.

What I want to say to colleagues, and I believe this Fox Butterfield article was terribly important as well, but I want to just simply talk about some of what I observed, regarding the mental health in children. One hallucinating child was in isolation for observation, yet his transfer to an appropriate mental health facility was uncertain. Another child I met was taking three different types of powerful psychiatric medications but had only seen a psychiatrist twice in the last 8 months. The Justice Department chronicled instances where boys were being repeatedly sexually and physically abused, and children with mental illness were being housed with youths who had committed violent crimes—mentally ill children who had received no therapy, and when they are having the symptoms they are often isolated or punished for their illness.

Mr. President, I just say that what is happening to these troubled children who were dumped in these facilities and get no care, many of whom shouldn't be there in the first place, is a national tragedy. All across our country we are dumping emotionally disturbed kids into juvenile prisons. Each year more than 1 million youth come in contact with the juvenile justice system, and more than 100,000 of these youth are detained in some type of jail or prison. These children are overwhelmingly poor, and a disproportionate number of them are children of color.

By the time many of these children are arrested and incarcerated, they have a long history of problems in their short lives. As many as two-thirds suffer from mental or emotional disturbances. One in five has a serious disorder. Many have substance abuse problems and learning disabilities, and most of them come from troubled homes.

Tallulah is not the only offending facility. The Justice Department has exposed gross abuses in Georgia, Kentucky, and other juvenile facilities all across our country. Other States are experiencing similar problems. Investigators found extreme cases of physical abuse and neglected mental health needs, including unwarranted and prolonged isolation of suicidal children who are hog-tied, and chemical restraints are used on youth with serious emotional disturbances, as well as forced medication and even denial of medication. Children with extensive psychiatric histories who are prone to self-mutilation never even saw a psychiatrist. This is a Justice Department report, Justice Department findings on conditions in our juvenile "correction" facilities.

Mr. President, our current system fails mentally ill adults and children. The screening and treatment of mental and emotional disturbances are inadequate or nonexistent at correctional facilities. Mental illness typically is addressed solely through discipline, isolation, and restraint. At Tallulah, children told us they were beaten and put in isolation for long periods, even months, echoing in painful detail what has been revealed in the Justice Department reports.

The tragedy of this situation is that we know what works—treatment. But our current system for adults and children with mental illness favors punishment over treatment. For children, we know that family focused, individualized treatment, delivered in a child's community can improve that child's mental health and prevent them from offending in the first place. It is proven that if you integrate these mental health and substance abuse services with schools and child agencies and you make it happen at the local level, it provides even greater success. In fact, linked with community services, these other treatment programs have been shown to reduce contact with the juvenile system by 46 percent.

This amendment, really, builds on this. Under this amendment, States receiving Federal prison construction moneys would be able to use these funds to implement mental health screening and treatment of adult and juvenile offenders within their correctional systems. It is badly needed. Those States receiving Federal prison construction moneys would also be required to develop a plan for mental health treatment of mentally ill offenders. Finally, States receiving these funds would be required to provide the attorney general an initial baseline study of mental illness in their correction facilities.

We can't any longer ignore this tragedy. What I saw in Tallulah is a national disgrace. The wholesale neglect of adults and youth with emotional disturbances in our prisons must end. We, as a society, have the moral obligation to see that they get the help they need.

I thank both of my colleagues for supporting this amendment. I want to end on this note. I said it once earlier. I want to make it crystal clear, because I am sensitive to not doing any bashing of any one State. Yes, I visited the facility in Tallulah. I will tell you something, those conditions shouldn't exist. I will tell you something else, beyond the connection of mental health in children and children who have never committed a crime, they just get dumped in these correction facilities, and then when they are there they get no treatment, no vocational ed treatment, precious little education, no counseling, inadequate medical attention, on and on and on.

Mr. President, the other thing I want to say, which is another point which I guess speaks back to the vote we just had, I tell you I am all for holding people accountable when they commit a brutal or heinous crime. I have said it before and I will say it again, when three 16-year-olds beat up an 85-year-old woman and leave her for dead, I don't feel sorry for them. But I tell you Democrats and I tell you Republicans, anybody who believes that those kinds of conditions that I saw at Tallulah Correctional Center—they exist in a lot of other centers, and people in Louisiana are taking action to make things better, and I believe they will—anybody who thinks that is the answer, is way off base. A lot of those kids, those 11-year-olds and 12-year-olds I met, I wouldn't have been afraid to meet then at 10 at night before they came to this "correction" facility, but I wouldn't want to meet some of these kids at 10 at night alone after they have been in these facilities.

What do you think we will get from this with these kinds of conditions? What do you think we will get from this when you put kids in brutal conditions? You make them brutal. Every one of these children who I visited with is a mother's child and a father's child. This is disgraceful. This is disgraceful.

I wouldn't say this is necessarily the central issue in the country. That is why I thank my colleagues for their support. But I am telling you I really believe this amendment will be very helpful, because what this amendment will do is it will say to the States, look, if you want to do the assessment before you incarcerate a kid, if you want to find out what happened by way of violence in the home or substance abuse, or whether or not the kid should even be in a correctional facility versus somewhere else, and you want to figure if they should be incarcerated—some should—or what kind of treatment is needed, you can use some of this money to do that. We have estimates of up to 25 percent-plus of the kids in these juvenile correction facilities are struggling with these mental problems and we just abandon them.

The second thing it said is, look, States, with your prison system, you have to lay out the plan that you have for dealing with some of the people who are in the system who are struggling with these mental problems and what kind of treatment they will get. We are worse off as a nation in terms of losing our soul if we don't do this. Frankly, it is in the self-interest of every family in America to make sure we get treatment to these kids and treatment to some of these people who are incarcerated. If they don't get the treatment, or the conditions that I described today from Fox Butterfield in the New York Times article, we are all worse off for it.

So I thank both my colleagues for their support. I hope I will get strong support in conference committee as well. I am very proud to have had a chance to introduce this amendment, and I am pleased that the amendment is going to be accepted.

I yield the floor.

Mr. GREGG. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HOLLINGS. I have just been informed that the distinguished Senator from Louisiana wanted to be heard on the amendment.

I understand that the Senator will speak after we agree to the amendment. She will be here shortly.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3252) was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GREGG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. Mr. President, I understand that the amendment by my distinguished colleague, Mr. WELLSTONE, has been accepted. I wanted to say how much I admire him for bringing this issue to the attention of the Senate and for his eloquent presentation on what I think is a real problem in our Nation. As he outlined, in Louisiana, during his last visit, he found that one of our facilities sure could stand great improvement. I am also positive that there are many facilities in other States in our Nation that can also use improvement and attention.

I wanted to say for the record that we talk, in campaigns particularly and finally when we get here to this body, a lot about being "tough on crime." We talk about being smart and tough because it takes a combination of that to really drive down these juvenile crime rates, drive down crime rates in America. We need to remain tough, with tough penalties; but we also have to be smart. This was a smart amendment that we accepted just a few minutes ago. This was maybe one of the smartest things we have done in a couple of weeks here—and maybe for a long time—because we have allowed States to take some of their money for construction and use it for mental health services.

It does us no good, Mr. President, as we know, to keep juveniles in facilities that are inappropriate and don't offer the proper training and counseling, only to turn them into hardened criminals—for them to then be released to go back into our neighborhoods and communities and wreak havoc when we could have done the smart thing, which Senator WELLSTONE has urged us to do, and what we have now done, by intervening earlier and providing this counseling, which would prevent us from spending extra money. But it is not just the extra money that we spend, it is also the loss of life, the loss of property, the pain and suffering that is caused when we don't do these things early on. So spending a small amount of money for the proper mental health counseling would go a long way, I think, in our Nation toward getting us to our goal of reducing crime across the board in America.

I want to thank the Senator for his visit to Louisiana. I am familiar with this facility. I had some dealings with this and three other facilities when I was State treasurer in Louisiana. At that time, many years ago, I objected to the construction of these facilities based on the thought that it was profits driving them and not good policies about how to incarcerate, when to incarcerate, and what kind of counseling these juveniles would get. Sometimes they are first offenders, sometimes they are nonviolent offenders. The lack of those services has provided a prospective. I did not prevail, obviously, because these facilities were built. We can clearly see now that there are problems when our policies are driven by profits, not good crime-fighting policies and good prevention. I am thankful and glad that we adopted this amendment. I want to voice my support for what we are doing. Hopefully, we can do more of it.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from North Carolina is recognized.

AMENDMENT NO. 3253

(Purpose: To amend section 3486 of title 18, United States Code, relating to offenses involving the sexual exploitation or other abuse of children)

Mr. FAIRCLOTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Carolina [Mr. FAIRCLOTH] proposes an amendment numbered 3253.

Mr. FAIRCLOTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 51, between lines 9 and 10, insert the following:

SEC. 121. Section 3486(a)(1) of title 18, United States Code, is amended by inserting "or any act or activity involving a Federal offense relating to the sexual exploitation or other abuse of children," after "health care offense,".

Mr. FAIRCLOTH. Mr. President, we all know that the Internet has become the tool of choice for sexual predators and child pornographers. In fact, the Senate just yesterday attempted to deal with pornography on the Internet by refining the Communications Decency Act.

There are numerous legislative proposals to deal with this issue.

I especially want to thank Chairman GREGG. Under his leadership in this bill, he has provided millions for the Justice Department to investigate these crimes. And his leadership on this issue is to be commended—for the method which he has handled it, and the far-reaching effect it is going to have.

I asked the FBI what tool is it that they most need to go after sexual predators on the Internet. What would do the most good? They tell me that a legislative change that is most needed by them is administrative subpoena authority to quickly get records on sexual predators—that administrative subpoena authority would do more to expedite matters than anything else we could do.

Mr. President, the FBI has an operation known as "Innocent Images." The operation was created in the wake of the disappearance of a small boy in Maryland. The FBI found an elaborate operation being used to lure children over the Internet. That was its sole purpose. Thus far, the operation has net 200 indictments, 150 convictions, and 135 arrests.

Literally every day you cannot pick up a newspaper without reading about a case of a sexual predator looking for children on the Internet.

When the FBI testified before the Senate Appropriations Committee in March, Director Freeh said that when an agent, pretending to be a child, signed onto a "chat room" with 23 other children, 22 of the 23—23 supposed children—22 of the 23 turned out to be adults seeking improper contact with the girl, the one out of the 23.

That is how pervasive this problem is today on the Internet.

What the FBI needs most is an administrative subpoena authority for cases that involve a Federal violation related to sexual exploitation and abuse of children.

They have informed my staff that this would be the most useful tool they could have in order to crack these cases.

This would allow them to quickly access records from Internet service providers regarding a potential sexual predator using the Internet to prey on children. Without this authority, the FBI has to go through a very cumbersome process of contacting the U.S. attorney and convening a grand jury just to get this information.

The FBI has already had this administrative subpoena authority in narcotics cases and health care fraud cases. But surprisingly they do not have it in sexual predator cases involving our children.

I know that health care fraud is important. But it is not really more important than catching sexual predators.

Mr. President, there is a very practical reason this is needed as well.

The FBI task force on this issue has had to get 6,200 grand jury subpoenas for routine subscriber information off of the Internet. This would reduce the administrative burden on U.S. attorneys, and certainly on the grand jury system. Further, because of grand jury secrecy rules, this information cannot be shared with State and local law enforcement officials. So once it is acquired through a grand jury, there still are impediments to using it.

Together with local law enforcement police, the FBI needs help to catch these people. It is very important that we move in this direction. But this is a narrow approval of the use of the administrative subpoena, so that cases involving Internet crimes on children can be solved quickly and the information obtained quickly.

Mr. President, I strongly urge the Senate to accept this amendment. Mr. President, I understand the amendment is to be accepted. I urge its adoption.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I believe there is no further debate on this amendment. I urge simply a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 3253) was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from South Carolina.

AMENDMENT NO. 3254

(Purpose: To express the sense of the Senate on saving Social Security first)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for himself, and Mr. DASCHLE, Mr. DORGAN, Mr. CONRAD, Mr. LAUTENBERG, and Mrs. MURRAY, proposes an amendment numbered 3254.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following new section:

SEC. . SENSE OF THE SENATE ON THE BUDGET AND SOCIAL SECURITY.

(a) FINDINGS.—The Senate finds that:

(1) the Social Security system provides benefits to 44 million Americans, including 27.3 million retirees, over 4.5 million people with disabilities, 3.8 million surviving children and 8.4 million surviving adults, and is essential to the dignity and security of the nation's elderly and disabled;

(2) the Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds have reported to the Congress that the "total income" of the Social Security system "is estimated to fall short of expenditures beginning in 2021 and in each year thereafter . . . until the assets of the combined trust funds are exhausted in 2032";

(3) intergenerational fairness, honest accounting principles, prudent budgeting, and sound economic policy all require saving Social Security first, in order that the Nation may better afford the retirement of the baby boom generation, beginning in 2010;

(4) in reforming Social Security in 1983, the Congress intended that near-term Social Security trust fund surpluses be used to prefund the retirement of the baby boom generation;

(5) in his State of the Union message to the joint session of Congress on January 27, 1998, President Clinton called on the Congress to "save Social Security first" and to "reserve one hundred percent of the surplus, that is any penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system for the twenty-first century";

(6) Section 13301 of the Budget Enforcement Act of 1990 expressly forbids counting Social Security trust fund surpluses as revenue available to balance the budget.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress and the President should—

(1) continue to rid our country of debt and work to balance the budget without counting Social Security trust fund surpluses;

(2) work in a bipartisan way on specific legislation to reform the Social Security system, to ensure that it is financially sound over the long term and will be available for all future generations; and

(3) save Social Security first by reserving any surpluses in fiscal year 1999 budget legislation.

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the Senator proposing a second-degree amendment?

Mr. GREGG. Reserving the right to object, Mr. President,

The PRESIDING OFFICER. The Senator from New Hampshire reserves the right to object.

Mr. HOLLINGS. This is a sense-of-the-Senate amendment on Social Security.

Mr. GREGG. May we have a look at it?

Mr. HOLLINGS. Yes. We all voted for it. It is the same thing we voted for.

Where do you need to ask unanimous consent for an amendment?

The PRESIDING OFFICER. The Chair will observe that the Senator does not have a right to send a second-degree amendment to the first-degree amendment until that first-degree amendment has been disposed of, or has had some action, or unless consent is granted, and the Senator from New Hampshire reserves the right to object.

Mr. GREGG. I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask unanimous consent at this time that the Senator from South Carolina be recognized for the purposes of debate only, and that immediately upon the conclusion of his remarks the floor be returned to me.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I thank the distinguished chairman.

With respect to this particular sense-of-the-Senate amendment, it really goes right to the heart of the expression "Saving Social Security first." The fact is, as we talk about campaign finance reform, the abuses and the scandals of campaign finance reform are not corporate money, labor money, soft money, hard money, Buddhist temple money, Lincoln bedroom money. The scandal of campaign finance is the looting of the Social Security fund by politicians who want to get reelected, whereby they determine every year that they have a big surplus.

The reason for this amendment, of course, is the constant chatter, particularly on the other side of the Capitol, about Social Security, surpluses, and taxes.

In order to get a surplus, here is exactly the moneys necessary to be used and even allow you to talk the language. Under the law, we are not allowed to talk the language, under section 13301. But in violation of Section 13301, a statute signed into law November 5, 1990, the CBO report uses numbers of the so-called unified budget. This is not a long report, Mr. President. I ask unanimous consent that excerpts of the CBO report of July 15 be printed in the RECORD.

I understand the Government Printing Office estimates the cost of printing this report in the RECORD to be $2,222.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE ECONOMIC AND BUDGET OUTLOOK FOR FISCAL YEARS 1999–2008: A PRELIMINARY UPDATE, JULY 15, 1998

(Prepared by the Congressional Budget Office)

The Congressional Budget Office (CBO) projects that the federal budget for fiscal year 1998 will record a total surplus of $63 billion, or 0.8 percent of gross domestic product (GDP). If current policies remain unchanged, the surplus is expected to rise to $80 billion in 1999 and reach $251 billion (nearly 2 percent of GDP) by 2008. Excluding the surplus in Social Security and the net outlays of the Postal Service (both of which are legally classified as off-budget), CBO's new projections show an on-budget deficit of $41 billion in 1998, which gives way to surpluses in 2002 and in 2005 through 2008.

The budget outlook has improved significantly in the past six months. Unexpectedly strong revenue collections by the Treasury in the first nine months of fiscal year 1998 are the major reason that CBO has gone from projecting a small deficit last January to estimating a surplus of $63 billion today. The strength of 1998 revenues, together with a slightly more optimistic economic outlook, also forms the basis for increases in CBO's projections of the surplus for 1999 through 2008.

Determining the degree to which this year's unanticipated revenues should carry over into projections of future revenues is difficult at this time because the reasons for the increase are still largely unknown. In January, CBO projected that 1998 revenues would total $1,665 billion. By March, revenue collections to date suggested that the total would reach $1,680 billion. Based on collections through June, CBO believes that 1998 revenues will total $1,717 billion. New economic data explain less than $7 billion of the increase in the projection since January, while new legislation is responsible for $1 billion. That leaves $45 billion, almost all in revenues from individual income taxes, to be explained by other factors.

At this point, analysts can only speculate about the sources of income that produced the added revenues in 1998 and their implications for revenue growth in future years. Certain explanations of the sources of the additional income would suggest that projections of revenues should be adjusted by growing amounts over time. But others point to temporary factors and would suggest an adjustment that fades away over several years. After assessing the possible causes, CBO has chosen a middle path: it has assumed that the factors producing the additional revenues in 1998 will continue to add a similar amount to revenues in future years.

Changes in the economic outlook also boost surpluses projected over the next decade. A smaller expected decline in corporate profits as a share of GDP increases projected revenues, and slightly lower real long-term interest rates after 2000 reduce interest payments on the national debt. A reduction in the projected rate of inflation—which holds down required cost-of-living increases, the growth of Medicare costs, nominal interest rates, and assumed increases in discretionary spending after 2002—significantly lowers projected outlays in the longer term. But lower inflation does not have a major impact on the surplus because it also slows the growth of taxable incomes, leading to a reduction in projected tax revenues that offsets the reduction in outlays.

CBO now expects lower outlays in 1998 than it projected in March, but that decrease largely reflects temporary factors that are not expected to reduce spending in the future. Legislation enacted since March has lowered projected surpluses by a few billion dollars a year—primarily reflecting higher spending for transportation programs.

THE ECONOMIC OUTLOOK

The economy has continued to grow at a healthy pace, with low unemployment and subdued inflation. CBO projects that growth will slow over the next few years and that the unemployment and inflation rates will gradually rise (see Table I). The current outlook is not dramatically different from CBO's last economic projections, made in January, but small increases in real growth, somewhat lower inflation, profits that account for a larger share of GDP, and lower real long-term interest rates significantly affect the budget's projected bottom line.

TABLE 1.—COMPARISON OF CBO ECONOMIC PROJECTIONS, CALENDAR YEARS 1998–2008

	Actual 1997	Forecast		Projected								
		1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Nominal GDP (Billions of dollars):												
Summer 1998	8,080	8,487	8,849	9,213	9,582	10,019	10,486	10,966	11,458	11,963	12,486	13,029
January 1998	8,081	8,461	8,818	9,195	9,605	10,046	10,529	11,038	11,565	12,112	12,684	13,280
Nominal GDP (Percentage change):												
Summer 1998	5.8	5.0	4.3	4.1	4.0	4.6	4.7	4.6	4.5	4.4	4.4	4.3
January 1998	5.8	4.7	4.2	4.3	4.5	4.6	4.8	4.8	4.8	4.7	4.7	4.7
Real GDP (Percentage change):												
Summer 1998	3.8	3.3	2.1	1.8	1.8	2.4	2.4	2.4	2.3	2.2	2.1	2.1
January 1998	3.7	2.7	2.0	1.9	2.0	2.1	2.3	2.3	2.2	2.2	2.2	2.1
GDP Price Index (Percentage change):												
Summer 1998	2.0	1.6	2.1	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
January 1998	2.0	2.0	2.2	2.3	2.4	2.4	2.5	2.5	2.5	2.5	2.5	2.5
Consumer Price Index[1] (Percentage change):												
Summer 1998	2.3	1.7	2.6	2.7	2.6	2.5	2.5	2.5	2.5	2.5	2.5	2.5
January 1998	2.3	2.2	2.5	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Unemployment Rate (Percent):												
Summer 1998	4.9	4.6	4.7	5.1	5.5	5.7	5.7	5.7	5.7	5.7	5.7	5.7
January 1998	4.9	4.8	5.1	5.4	5.6	5.8	5.9	5.9	5.9	5.9	5.9	5.9
Three-Month Treasury Bill Rate (Percent):												
Summer 1998	5.1	5.1	5.2	4.8	4.6	4.4	4.4	4.4	4.4	4.4	4.4	4.4

TABLE 1.—COMPARISON OF CBO ECONOMIC PROJECTIONS, CALENDAR YEARS 1998–2008—Continued

	Actual 1997	Forecast		Projected								
		1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
January 1998	5.1	5.3	5.2	4.8	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7
Ten-Year Treasury Note Rate (Percent):												
Summer 1998	6.4	5.8	6.1	5.8	5.6	5.4	5.4	5.4	5.4	5.4	5.4	5.4
January 1998	6.4	6.0	6.1	6.0	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Tax Bases (Percentage of GDP):												
Corporate profits:[2]												
Summer 1998	10.0	9.6	9.4	9.2	8.8	8.6	8.5	8.5	8.4	8.4	8.3	8.3
January 1998	9.9	9.7	9.2	8.8	8.5	8.4	8.2	8.1	8.0	7.9	7.8	7.7
Wages and salaries:												
Summer 1998	48.0	48.7	48.7	48.7	48.7	48.7	48.7	48.6	48.6	48.6	48.6	48.6
January 1998	48.0	48.4	48.5	48.6	48.6	48.6	48.6	48.7	48.8	48.8	48.8	48.8

[1] The consumer price index for all urban consumers.

[2] Corporate profits are the profits of corporations, adjusted to remove the distortions in depreciation allowances caused by tax rules and to exclude capital gains on inventories.

Sources: Congressional Budget Office; Department of Commerce; Bureau of Economic Analysis; Federal Reserve Board; Department of Labor, Bureau of Labor Statistics.

The forecast for 1998 and 1999

The growth of real GDP is likely to slow to 2 percent for the rest of calendar year 1998 and early 1999, down from the 4 percent pace set during 1997 and the first quarter of 1998. Factors contributing to the slowdown include a continuation of the recent increase in the real trade deficit, a pickup in inflation, and weaker profits.

Demand for U.S.-produced goods and services has been dampened by events overseas. The economic contraction in Asia stemming from that region's currency crisis was the major reason for the slowdown in demand, but an already strong dollar and the slowly growing demand in Europe also contributed to stagnating real exports and accelerating import growth. The outlook is for continued strength of the dollar and weak demand growth overseas, which make it likely that foreign trade will continue to depress demand for U.S. goods into 1999.

The underlying rate of inflation—the increase in the consumer price index (CPI) excluding energy and food prices—is forecast to rise slightly over the next year and a half because of strong upward pressure on wages and a partial dissipation of the factors that have been dampening price growth for several years. Growth of the overall CPI on a year-over-year basis was 1.7 percent in June, but that measure is distorted by the sharp drop in petroleum prices this year. The underlying rate of inflation was 2.2 percent through June. CBO's forecast assumes that the underlying rate will increase slowly to 2.7 percent by the end of 1999. Because energy prices are expected to remain steady, the forecast growth rate for the overall CPI is similar.

Some favors that have held down CPI growth over the past two or three years will continue to have an effect. For example, import prices are expected to continue declining in 1998 (in part because of the Asian crisis), and the Bureau of Labor Statistics will institute more changes to the CPI that will reduce its growth by about 0.2 percentage points in 1999 and later years. However, import price deflation is expected to fade during 1999. In addition, medical care inflation, which grew relatively slowly and dampened overall inflation in the past two years, is forecast to bounce back from its 1997 low of 2.6 percent to more than 4 percent a year during the next 18 months.

Corporate profits, which have stagnated since the third quarter of last year, will remain under pressure through 1999. Rising wages and an expected increase in the growth of employee benefits will push the growth of total compensation higher at the same time that sales growth slows. Thus, costs per unit of output will rise more rapidly over the next year and a half than in 1997. Some of those costs will be passed on in the form of higher prices, but some will be absorbed through lower profits.

The anticipated rise in inflation may lead to higher interest rates, but any increase is likely to be mild and temporary. If the Federal Reserve Board is uncertain about the pervasiveness of the slowdown in economic activity, an increase in inflation may prompt it to raise short-term rates by the end of the year. Long-term rates may also pick up slightly. However, if economic growth slows to a 2 percent rate for 1999, short-term interest rates will probably ease back to their current levels by the end of that year.

The projection for 2000 through 2008

CBO does not forecast cyclical economic effects beyond two years. Instead, it calculates a range of estimates for the medium-term path of the economy that reflect the possibility of booms and recessions. CBO then presents the middle of that range as its baseline projection of the economy for 2000 through 2008. Over that period, CBO expects real GDP to grow at an average rate of 2.2 percent a year, the CPI to increase at an average rate of 2.5 percent, and short-term interest rates to average 4.5 percent.

The small variations in real GDP growth and other variables during that period that are apparent in Table I do not stem from any assumptions about cyclical effects in those years. The slight drop in the projected growth rate of real GDP between 2002 and 2008 reflects a demographic assumption that growth of the labor force will slow in line with slower growth of the working-age population and an assumption that growth of investment will return to a lower, long-term trend. In order to achieve the projected average values assumed over the 2000–2008 period without having a misleadingly sudden drop at the end of 1999, CBO phases in reductions in inflation, interest rates, and profits as a share of GDP over the first few years of the projection period.

Changes since January

CBO now forecasts that real GDP in 1998 will be higher than it anticipated in January and projects that real GDP will grow, on average, about 0.1 percentage point a year faster over the entire 1998–2008 period than was projected at that time.

Inflation, whether measured by the consumer price index or the GDP price index, is lower this year than was forecast in January, largely because of a drop in energy prices. Inflation is expected to rise over the next two years, with the increase in the CPI projected to grow from 1.7 percent in 1998 to 2.7 percent in 2000. However, the average growth rate for the CPI from 2002 through 2008 is projected to be 2.5 percent a year—about 0.3 percentage points lower than had been projected in January. Because of changes that the Bureau of Labor Statistics has made or plans to make in how it measures the CPI, the 2.7 percent inflation projected for 2000 is comparable to 3.4 percent inflation calculated on the basis of the measurement techniques used before 1995. The Federal Reserve Board is unlikely to be satisfied with inflation at that rate over a long period; thus, CBO assumes that inflation will be lower, on average, after 2000.

The GDP price index is also projected to increase at a slower pace than CBO anticipated in January. That assumption of lower inflation significantly reduces both nominal GDP and the total national income and product account (NIPA) tax base in the latter years of the projection period. As a share of GDP, however, the total tax base is higher in the current projection than it was in January. Corporate profits as a share of GDP in 1998 and 1999 are similar to the previous forecast, but the projection for subsequent years is significantly higher than before (although the share still drops over time). CBO increased that projection because of lower projected interest rates, which reduce the debt-service costs of companies and boost profits. The projection for wages and salaries as a share of GDP has changed little since January.

Nominal interest rates are lower than previously projected because of the assumed decline in inflation. The outlook for real (inflation-adjusted) short-term interest rates is unchanged from January. However, inflation-adjusted long-term rates are projected to be lower because of the dramatic reduction in the variation of inflation. Such a reduction tends to reduce investors' concerns about locking in investments for the long term and reduces the extra interest—the inflation risk premium—that they demand on long-term investments.

Uncertainty of the outlook

One source of errors in predicting the future performance of the economy is data on its recent performance. Reported data on GDP and the components of national income are regularly revised, sometimes by quite large amounts. Because forecasts necessarily depend on the economic data that are currently available, the likelihood of revisions to those data increases the uncertainty of any forecast.

In addition, there is a risk that future events will cause a significant divergence from the path laid out in the new forecast. The economy could be more adversely affected by the Asian crisis than CBO assumes; the tightness of the labor market could cause a significant jump in the rate of inflation (such as the increase of 3 percentage points that occurred in the 1960s); or the stock market could drop precipitously. Conversely, the Asian crisis could have little additional effect on the United States; productivity growth might remain higher than CBO anticipates, which would permit a continuation of rapid noninflationary growth and stronger profits; or labor force participation rates might again increase rapidly, easing pressures on the labor market for a few years. Such alternative outcomes could have a substantial effect on the budget, increasing or decreasing its bottom line by $100 billion or more in a single year.

THE BUDGET OUTLOOK

In March, CBO projected that the total federal budget would show a surplus of $8 billion in fiscal year 1998—the first surplus in almost 30 years—but warned that the final budget numbers for the year could quite easily show a small deficit or a larger surplus. With actual spending and revenues reported for three-quarters of the fiscal year, a surplus this year is now virtually certain, and CBO has boosted its projection of that surplus to $63 billion (see Table 2). Moreover, the improvement in the budget outlook for 1998—primarily associated with higher-than-anticipated revenues—seems likely to carry over to future years as well. Assuming that policies remain unchanged, CBO projects that the surplus will generally increase over the next 10 years, reaching $251 billion (1.9 percent of GDP) in 2008.

Although the total budget is expected to show a healthy surplus in 1998, CBO expects that there will still be an on-budget deficit. On-budget revenues (which by law exclude revenues earmarked to Social Security) are projected to be $41 billion less than on-budget spending (which excludes spending for Social Security benefits and administrative costs and the net outlays of the Postal Service, but includes general fund interest payments to the Social Security trust funds). By 2002, and in 2005 through 2008, the budget will be balanced even when off-budget revenues and spending are excluded from the calculation.

TABLE 2.—CHANGES IN CBO BUDGET PROJECTIONS SINCE MARCH 1998

[By fiscal year, in billions of dollars]

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
March 1998 Baseline Surplus	8	9	1	13	67	53	70	75	115	130	138
Changes:											
Legislative:											
Revenues	1	1	(1)	−1	−1	−1	−1	1	1	1	1
Outlays[2]	−1	−3	−4	−4	−4	−3	−2	−1	−1	(1)	1
Subtotal	(2)	−2	−4	−5	−5	−4	−4	(2)	1	1	2
Economic:											
Revenues	7	13	15	5	(1)	−3	−10	−17	−24	−33	−43
Outlays	1	9	10	12	16	24	32	40	48	56	63
Subtotal	8	22	25	17	16	21	22	24	23	23	21
Technical											
Revenues	30	48	50	51	49	50	49	51	52	52	55
Outlays[2]:											
Other than debt service	16	−1	(1)	−1	−1	(1)	−2	−1	(1)	1	1
Debt service	1	4	7	10	13	16	19	22	26	30	34
Subtotal	48	51	57	61	61	66	65	72	78	83	90
Total Changes	55	71	78	73	72	82	84	96	102	106	113
Summer 1998 Baseline Surplus	63	80	79	86	139	136	154	170	217	236	251
Memorandum:											
Total Change in Revenues	38	62	65	56	48	46	37	35	29	20	13
Total Change in Outlays	18	9	13	17	23	37	46	61	73	86	99

[1] Less than $500 million.

[2] Increases in outlays are shown with a negative sign because they reduce surpluses.

Source: Congressional Budget Office

Changes since March

Actual revenues for 1998 reported by the Treasury have been higher and actual outlays have been lower than CBO had projected in March. Revenues now seem likely to reach $1,717 billion this year, $38 billion (2.2 percent) higher than the March estimate and $53 billion (3.2 percent) higher than CBO projected in January. CBO also expects total outlays of $1,654 billion this year, $18 billion (1.1 percent) less than projected in March.

The unexpected revenues in 1998 have led CBO to boost its projection of revenues in later years because some of the unknown factors that have affected 1998 taxes will probably continue to have an impact. The reductions in 1998 spending, by contrast, result largely from temporary factors and have little effect on CBO's projections of spending beyond 1998.

CBO's spending and revenue projections incorporate the effects of legislation enacted since March, but those effects are relatively small. Changes prompted by CBO's new economic projections have had a larger effect on the budget projections, but not nearly as large as the revisions stemming from the increased 1998 revenues. The most significant change in the economic outlook is a decline in projected inflation, but that change has a limited impact on projected surpluses because it lowers both spending and revenues.

Changes in Projected Revenues. In January, CBO predicted that revenues would total $1,665 billion in 1998. That projection was based on actual collections reported through November, economic data available at that time, and CBO's forecast of economic activity through the rest of the year. In March, actual collections reported through January let CBO to raise its projection to $1,680 billion. Based on actual collections reported through June, revised economic data, and a new economic forecast, CBO now expects total collections of $1,717 billion for the year. Revisions to data on aggregate wages and salaries, corporate profits, and other variables reported in the national income and product accounts, and to CBO's forecast of those NIPA variables, explain about $7 billion of the $53 billion increase in projected revenues since January (Higher-than-expected wages have boosted projected individual income and payroll taxes by $11 billion, including the effects of bracket creep, but lower profits have reduced corporate income taxes by $5 billion.) Legislation enacted since March explains an additional $1 billion of the increase. That leaves a $45 billion increase in expected revenues to be explained by other factors.

What is known from the data on actual collections is that the $45 billion increase in the projection results almost entirely from additional individual income taxes. About one-third of the unexplained increase was in final payments in April, which reflect tax liabilities on income received in calendar year 1997. One-third was in higher-than-expected with-holding on 1998 incomes. The other one-third was in higher-than-expected estimated tax payments on 1998 liabilities, which are also based on 1998 incomes.

However, available data provide virtually no information about the sources of the increased income that generated those tax collections. A well-founded explanation of the unexpected revenues would require detailed information from tax returns about the incomes that generated tax liabilities in calendar years 1997 and 1998. But such information is available only through 1996. Sufficient data on 1997 incomes and tax liabilities will not be available until late this year, and data on 1998 liabilities will not be available until late 1999.

This year will be the third year in a row in which actual revenues exceed the amount CBO estimated in its winter baseline projections. The unexpected revenues represented 1.7 percent of total revenues in 1996, 4.6 percent in 1997, and are likely to represent 3.1 percent this year. Some of the explanations for the additional revenues in the previous two years could apply to the unexplained revenues in 1998. CBO based its projections of 1996 revenues on reported NIPA incomes that turned out to be too low and were later revised upward. Incomes for higher-income tax-payers—particularly income from partnerships—grew faster than expected. In addition, the growth in deductions lagged behind incomes. Not all of the factors affecting the unanticipated revenues in 1997 are known yet, but unexpectedly high realizations of capital gains in calendar year 1996 clearly contributed to them. The explanation for the additional revenues in 1998 is likely to be some combination of these and other factors.

How projections of future revenues should be adjusted to reflect the outcome in 1998 depends on which of the factors were actually at work, and to what extent. If incomes in the recent past were higher than has been reported in the NIPA data, that discrepancy would produce an effect that would be expected to grow over time at roughly the rate of the projected growth in incomes. Although the incomes of high-income taxpayers could continue to rise more rapidly than average incomes, they could also grow at the same rate or more slowly, producing a constant or declining effect on future revenues. An increase in realizations of deferred income that has accumulated over a number of years—such as capital gains—often is a temporary phenomenon that could even lead to lower revenues in the future.

After assessing the possible alternatives, CBO has chosen a middle course. its projections assume that the unexplained revenues in 1998 continue over time, neither growing nor fading away. That assumption, along with small changes resulting from other adjustments, generates the technical changes to revenues shown in Table 2. (Technical changes are those that are not attributable to legislation or the economy.)

CBO also revised its revenue projections to reflect legislation enacted since March, primarily the Internal Revenue Service Restructuring and Reform Act of 1998. Those changes increase revenues in some years and decrease them in others but boost them by a total of $3 billion over the 1998–2008 period.

Changes in CBO's economic projections affected revenues much more substantially than did legislation. Over the next few years, the revised economic assumptions increase revenues by as much as $15 billion a year. But after 2002, the revised outlook reduces revenues by amounts that grow to $43 billion in 2008. Slightly higher real GDP and a not-quite-as-sharp decline in corporate profits as a share of GDP boost projected revenues. However, lower projected inflation pushes down nominal GDP and incomes, resulting in a drop in revenues that more than offsets those upward effects after 2002. Because lower inflation also pushes down spending, that reduction in revenues does not have a major impact on the budget surplus.

Changes in Projected Outlays. CBO anticipates that 1998 outlays will be $18 billion lower than projected in March. About $5 billion of that reduction occurs in discretionary spending. A supplemental appropriation bill enacted in May boosted discretionary outlays by an estimated $1 billion, but that increase was more than offset by slower-than-anticipated spending for a number of programs. For instance, spending for highway construction and maintenance is likely to be some $1.5 billion less than was projected in March, largely because of delays in providing funding for the spending allowed by obligation limitations enacted for 1998. Spending for disaster relief is now expected to be $1 billion less than previously estimated, and reductions in projected spending for a variety of natural resources and environmental program total about $1 billion. Projected outlays for various other discretionary programs have been reduced by smaller amounts.

Lower projected mandatory spending in 1998 accounts for the remaining $12 billion in decreased outlays. More than $1 billion of that reflects economic effects—unemployment and interest rates that are lower than previously anticipated. Legislation enacted since March as had virtually no effect on net mandatory spending. Thus, the remaining $11 billion reduction in projected mandatory spending is attributable to other, techinal factors. More than $3 billion of the reduction is in Medicare, largely the result of a decision by the Health Care Financing Administration to slow the processing of payments to health care4 providers. Net outlays have also been reduced by $1.8 billion because it appears likely that proceeds from the sale of the United Stated Enrichment Corporation (USEC) will be received in 1998 instead of in 1999, as CBO previously projected. CBO had assumed that $1.5 billion would be paid in 1998 as part of the settlement stemming from the 1996 Supreme Court decision holding the federal government liable for losses resulting from statutory changes in the treatment of certain savings and loan assets. It now appears that almost none of the payments will occur this year. Projected net spending for credit programs of the Federal Housing Administration has been reduced by $1.5 billion. Spending for a variety of other mandatory programs has also been revised downward.

Lower outlays in 1998 have not led to a reduction in projected spending in 1999 through 2008. The 1998 reductions largely reflect one-time events that either have no impact on future spending or are likely to increase it. For example, the slowdown in the processing of Medicare payments will lower 1998 spending but will have little or no effect on spending in future years, since the amount saved in any year because of the delay will roughly equal the amount that is carried over to that year from the previous year. And collecting proceeds from the USEC sale in 1998 will clearly increase net outlays in 1999 above what they would have been if the proceeds had been collected in that year.

Legislation enacted since March has increased projected spending over the 1999–2008 period by a total of $23 billion. Most of that increase stems from.the additional spending provided by the Transportation Equity Act for the 21st Century, enacted in June. That legislation boosted total discretionary spending allowed under the Deficit Control Act by creating separate statutory caps on outlays for highways and for mass transit while reducing the existing cap on nondefense spending by an amount smaller than that allowed under the new caps. That increase in discretionary spending was only partially offset by reductions in mandatory spending provided in the act (primarily from overturning a 1997 decision by the Department of Veterans Affairs that made it easier for veterans suffering from smoking-related diseases to qualify for compensation benefits).

Changes in CBO's economic projections have reduced projected spending by amounts that grow to $63 billion by 2008. A slight reduction in anticipated real long-term interest rates produces savings in interest on the national debt. Much more significant, however, are the reductions in spending that result from lower projected inflation. Lower inflation holds down the size of required cost-of-living adjustments for benefit programs such as Social Security, slows the growth of Medicare spending, and by lowering nominal interest rates, curbs spending for interest on the debt. Since CBO's projections assume that discretionary spending will grow at the rate of inflation after the statutory caps on such spending expire in 2002, the decline in projected inflation also reduces discretionary spending projected for 2003 through 2008. Lower inflation has a small effect on the surplus, however, because it reduces revenues by at least as much as outlays.

Current revenue projections for 1998 through 2008

CBO projects that revenues will grow about 3.5 percentage points faster than the economy in 1998, reaching 20.5 percent of GDP—a post-World War II high. In 1999, revenues are projected to grow only slightly faster than the economy and will equal 20.6 percent of GDP (see Table 3). After that, revenues are expected to decline gradually as a percentage of GDP through 2003 (when they will equal 19.8 percent) and then grow at the same rate as the economy through 2008. Despite the decline (as a percentage of GDP) from the 1999 high point, the 19.8 percent level projected for revenues in 2003 through 2008 is equal to the level attained in 1997. Thus, even with tax cuts in the Taxpayer Relief Act of 1997 that reduce revenues by an estimated 0.3 percent of GDP a year, revenues are projected to equal a larger share of GDP than in any postwar year before 1997.

TABLE 3.—CBO BASELINE BUDGET PROJECTIONS, ASSUMING COMPLIANCE WITH DISCRETIONARY SPENDING CAPS

[By fiscal year]

	Actual 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
	IN BILLIONS OF DOLLARS											
Revenues:												
Individual income	737	821	850	867	892	933	968	1,014	1,065	1,116	1,170	1,227
Corporate income	182	190	196	201	201	204	210	218	228	239	250	262
Social insurance	539	577	604	629	652	678	706	737	772	805	839	871
Other	120	129	150	152	157	163	169	174	178	182	187	193
Total	1,579	1,717	1,801	1,848	1,903	1,978	2,053	2,142	2,243	2,342	2,446	2,553
On-budget	1,187	1,296	1,359	1,388	1,425	1,481	1,534	1,601	1,675	1,750	1,829	1,911
Off-budget	392	421	442	460	478	497	519	541	568	592	618	643
Outlays:												
Discretionary spending	548	552	564	569	570	567	581	595	610	626	641	657
Mandatory spending	896	942	997	1,052	1,115	1,165	1,234	1,303	1,389	1,443	1,531	1,626
Offsetting receipts	−87	−84	−79	−84	−90	−101	−96	−99	−104	−109	−115	−121
Net interest	244	244	238	232	221	209	198	189	178	166	153	140

TABLE 3.—CBO BASELINE BUDGET PROJECTIONS, ASSUMING COMPLIANCE WITH DISCRETIONARY SPENDING CAPS—Continued

[By fiscal year]

	Actual 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total	1,601	1,654	1,721	1,769	1,817	1,840	1,918	1,988	2,073	2,126	2,211	2,303
On-budget	1,291	1,337	1,396	1,434	1,470	1,480	1,545	1,601	1,670	1,706	1,774	1,846
Off-budget	311	317	325	335	347	359	373	387	402	419	437	456
Deficit (−) or Surplus	−22	63	80	79	86	139	136	154	170	217	236	251
On-budget deficit (−) or surplus	−103	−41	−37	−46	−45	1	−10	([1])	5	44	55	64
Off-budget surplus	81	104	117	125	131	138	146	154	165	173	181	186
Debt held by the Public	3,771	3,717	3,655	3,589	3,518	3,395	3,275	3,136	2,961	2,779	2,557	2,320
Memorandum:												
Gross Domestic Product	7,971	8,389	8,758	9,124	9,485	9,904	10,368	10,845	11,334	11,835	12,354	12,891
AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT												
Revenues:												
Individual income	9.3	9.8	9.7	9.5	9.4	9.4	9.3	9.3	9.4	9.4	9.5	9.5
Corporate income	2.3	2.3	2.2	2.2	2.1	2.1	2.0	2.0	2.0	2.0	2.0	2.0
Social insurance	6.8	6.9	6.9	6.9	6.9	6.8	6.8	6.8	6.8	6.8	6.8	6.8
Other	1.5	1.5	1.7	1.7	1.7	1.6	1.6	1.6	1.6	1.5	1.5	1.5
Total	19.8	20.5	20.6	20.3	20.1	20.0	19.8	19.8	19.8	19.8	19.8	19.8
On-budget	14.9	15.4	15.5	15.2	15.0	15.0	14.8	14.8	14.8	14.8	14.8	14.8
Off-budget	4.9	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Outlays:												
Discretionary Spending	6.9	6.6	6.4	6.2	6.0	5.7	5.6	5.5	5.4	5.3	5.2	5.1
Mandatory Spending	11.2	11.2	11.4	11.5	11.8	11.8	11.9	12.0	12.3	12.2	12.4	12.6
Offsetting Receipts	−1.1	−1.0	−0.9	−0.9	−0.9	−1.0	−0.9	−0.9	−0.9	−0.9	−0.9	−0.9
Net interest	3.1	2.9	2.7	2.5	2.3	2.1	1.9	1.7	1.6	1.4	1.2	1.1
Total	20.1	19.7	19.7	19.4	19.2	18.6	18.5	18.3	18.3	18.0	17.9	17.9
On-budget	16.2	15.9	15.9	15.7	15.5	14.9	14.9	14.8	14.7	14.4	14.4	14.3
Off-budget	3.9	3.8	3.7	3.7	3.7	3.6	3.6	3.6	3.6	3.5	3.5	3.5
Deficit (−) or Surplus	−0.3	0.8	0.9	0.9	0.9	1.4	1.3	1.4	1.5	1.8	1.9	1.9
On-budget deficit (−) or surplus	−1.3	−0.5	−0.4	−0.5	−0.5	([2])	−0.1	([2])	([2])	0.4	0.4	0.5
Off-budget surplus	1.0	1.2	1.3	1.4	1.4	1.4	1.4	1.4	1.5	1.5	1.5	1.4
Debt held by the Public	47.3	44.3	41.7	39.3	37.1	34.3	31.6	28.9	26.3	23.5	20.7	18.0

[1] Deficit of less than $500 million.

[2] Deficit or surplus of less than 0.05 percent of GDP.

Source: Congress Budget Office.

Although CBO assumes that the unexplained increase in 1998 revenues carries over into 1999—thus boosting revenues to an all-time high of 20.6 percent of GDP—the projected growth rate of revenues drops sharply, from 8.7 percent in 1998 to 4.9 percent in 1999. That drop is attributable in part to economic factors—the growth in taxable incomes is projected to slow to 4.1 percent in 1999, down from 5.8 percent in 1998. The rest comes from assuming that the unexplained revenue effect will not increase in 1999. If, instead, that effect increased substantially, revenues would rise at a much faster rate. However, if the unexplained revenues resulted largely from temporary factors in 1998, the rate of growth of revenues in 1999 would decline even more precipitously.

Even if revenues continue to grow rapidly in 1999, CBO believes the rate of growth will eventually slow. Because of the scheduled tax cuts provided by the Taxpayer Relief Act, and because corporate profits are expected to fall as a share of GDP, CBO projects that over the next 10 years, the average growth rate of revenues will be slightly lower than the growth rate of the economy. Revenues are projected to grow at the same rate as GDP from 2003 through 2008. During that period, individual income taxes will grow faster than GDP because individual income tax brackets are indexed for inflation but not for changes in real income, which boosts the effective tax rate as real income grows. But excise taxes grow more slowly than GDP because many rates are fixed in nominal terms.

Current outlay projections for 1997 through 2008

In dollar terms, total outlays are projected to grow from $1,654 billion in 1998 to $2,303 billion in 2008. But as a percentage of GDP, they are projected to decline throughout the period—from 19.7 percent of GDP in 1998 to 17.9 percent in 2008.

Net interest, which was the faster-growing category of spending in the 1980s, is now projected to decline from $244 billion (2.9 percent of GDP) in 1998 to $140 billion (1.1 percent of GDP) in 2008 as projected surpluses reduce the stock of debt held by the public by $1.4 trillion (see Table 4). Discretionary spending is projected to increase from $552 billion to $657 billion over that period but to shrink relative to the size of the economy—from 6.6 percent of GDP to 5.1 percent. By contrast, mandatory spending is expected to increase both in nominal terms (from $942 billion to $1.626 billion) and as a percentage of GDP (from 11.2 percent of 12.6 percent). That increase comes from both means-tested and non-means-tested programs, with Medicaid and Medicare leading the way (see Table 5).

Table 4.—CBO PROJECTIONS OF INTEREST COSTS AND FEDERAL DEBT

[By fiscal year]

	Actual 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
NET INTEREST OUTLAYS (BILLIONS OF DOLLARS)												
Interest on Public Debt (Gross interest) [1]	356	363	363	365	363	360	357	357	357	356	354	352
Interest Received by Trust Fund:												
Social Security	−41	−46	−51	−57	−64	−70	−77	−84	−91	−99	−108	−117
Other trust fund [2]	−64	−67	−67	−70	−72	−73	−75	−77	−79	−81	−84	−86
Subtotal	−105	−113	−118	−128	−136	−143	−151	−161	−170	−180	−191	−202
Other Interest [3]	−7	−6	−7	−6	−7	−7	−8	−8	−9	−9	−10	−10
Total	244	244	238	232	221	209	198	189	178	166	153	140
FEDERAL DEBT AT THE END OF THE YEAR (BILLIONS OF DOLLARS)												
Gross Federal Debt	5,370	5,475	5,594	5,721	5,845	5,927	6,021	6,102	6,174	6,205	6,223	6,222
Debt Held by Government Accounts:												
Social Security	631	736	853	978	1,108	1,246	1,392	1,547	1,712	1,885	2,066	2,252
Other accounts [2]	968	1,022	1,087	1,154	1,219	1,286	1,354	1,419	1,481	1,541	1,600	1,650
Subtotal	1,599	1,757	1,939	2,132	2,327	2,532	2,746	2,966	3,193	3,426	3,665	3,902
Debt Held by the Public	3,771	3,717	3,655	3,589	3,518	3,395	3,275	3,136	2,981	2,779	2,557	2,320

Table 4.—CBO PROJECTIONS OF INTEREST COSTS AND FEDERAL DEBT—Continued

[By fiscal year]

	Actual 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Subject to Limit[4]	5,328	5,437	5,557	5,685	5,810	5,893	5,988	6,072	6,145	6,178	6,196	6,196
	FEDERAL DEBT AS A PERCENTAGE OF GDP											
Debt Held by the Public	47.3	44.3	41.7	39.3	37.1	34.3	31.6	28.9	26.3	23.5	20.7	18.0

SOURCE: Congressional Budget Office.

Note.—Projections of interest and debt assume that discretionary spending will equal the statutory caps that are in effect through 2002 and will grow at the rate of inflation in succeeding years.

[1] Excludes interest costs of debt issued by agencies other than the Treasury (primarily the Tennessee Valley Authority).

[2] Principally Civil Service Retirement, Military Retirement, Medicare, unemployment insurance, and the Highway and the Airport and Airway Trust Funds.

[3] Primarily interest on loans to the public.

[4] Differs from the gross federal debt primarily because most debt issued by agencies other than the Treasury is excluded from the debt limit.

TABLE 5.—CBO BASELINE PROJECTIONS FOR MANDATORY SPENDING, INCLUDING DEPOSIT INSURANCE

[By fiscal year, in billions of dollars]

	Actual 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
	MEANS-TESTED PROGRAMS											
Medicaid	96	101	109	115	123	131	141	152	165	179	194	210
State Children's Health Insurance Program	(1)	0	1	3	4	4	4	4	4	4	4	5
Food Stamps	23	21	22	23	25	26	27	28	29	30	30	31
Supplemental Security Income	27	27	28	29	31	33	35	37	42	41	39	45
Family Support[2]	17	18	21	22	23	23	24	24	25	25	25	26
Veterans' Pensions	3	3	3	3	3	3	4	4	4	4	4	4
Child Nutrition	8	9	9	10	10	11	11	12	12	13	13	14
Earned Income Tax Credit[3]	22	24	26	27	28	29	29	30	30	31	31	32
Student Loans	4	3	4	4	5	5	5	5	5	5	5	6
Other	4	4	5	5	6	6	6	7	7	8	8	9
Total	203	209	228	243	257	270	285	302	323	339	355	381
	NON-MEANS-TESTED PROGRAMS											
Social Security	362	376	389	406	425	446	467	489	513	539	567	597
Medicare	208	214	230	243	266	275	302	325	359	368	406	435
Subtotal	570	590	620	649	691	720	768	814	873	907	973	1,033
Other Retirement and Disability:												
Federal civilian[4]	46	48	50	52	55	57	60	63	67	71	74	78
Military	30	31	32	33	34	35	36	37	38	39	40	41
Other	4	5	5	5	5	5	5	5	5	5	5	5
Subtotal	81	84	86	90	94	98	102	106	110	115	120	125
Unemployment Compensation	21	19	21	22	25	26	27	29	30	31	32	33
Deposit Insurance	−14	−4	−4	−3	−2	−2	−1	−1	−1	−1	−1	−1
Other Programs:												
Veterans' benefits[5]	19	21	21	22	22	23	23	24	26	25	23	25
Farm price and income supports	6	8	7	6	5	5	5	5	5	5	5	5
Social services	5	5	5	6	5	5	5	5	5	5	5	5
Credit reform liquidating accounts	−10	−7	(6)	−6	−6	−6	−6	−6	−6	−6	−6	−6
Other	17	17	14	24	25	26	26	26	24	24	25	26
Subtotal	37	44	47	52	51	52	53	53	54	52	51	55
Other	694	733	769	810	859	895	949	1,001	1,066	1,105	1,176	1,245
	TOTAL											
All Mandatory Spending	896	942	997	1,052	1,115	1,165	1,234	1,303	1,389	1,443	1,531	1,626

[1] The State's Children's Health Insurance Program was created as part of the Balanced Budget Act of 1997.

[2] Includes Temporary Assistance for Needy Families, Famly Support, Aid to Families with Dependent Children, Job Opportunities and Basic Skills, Contingency Fund for State Welfare Programs, Child Care Entitlements to States, and Children's Research and Technical Assistance.

[3] Includes outlays from the child credit enacted in the Taxpayer Relief Act of 1997.

[4] Includes Civil Service, Foreign Service, Coast Guard, and other retirement programs, and annuitants' health benefits.

[5] Includes veterans' compensation, readjustment benefits, life insurance, and housing programs.

[6] Less than $500 million.

Note.—Spending for benefit programs shown above generally excludes administrative costs, which are discretionary. Spending for Medicare also excludes premiums, which are considered offsetting receipts.

Source: Congressional Budget Office.

CONCLUSION

An unexpected increase in revenues in 1998 has virtually ensured that the total federal budget will be balanced for the first time in almost 30 years, and nothing currently visible on the horizon seems to threaten a return to deficits in the near term if policies remain unchanged. However, if any of a number of assumptions that CBO has made turn out to be off the mark, budget outcomes could be quite different than projected even if there are no changes in policy. for instance, if CBO's economic projections prove to be just a little too optimistic, surpluses could be much lower than anticipated, while a recession similar to that of the early 1990s could even produce a deficit. Likewise, surpluses could be lower than projected if the factors that produced the unexpected revenues in 1998 fade away quickly. Of course, it is also possible that the economy will be more robust than expected or that the unexplained revenue effect will grow over time, in which case the budget outlook is much brighter than CBO currently projects. In the face of those uncertainties, the current budget projections represent CBO's estimate of the middle of the range of likely outcomes.

Mr. HOLLINGS. These are the updated figures:

In 1998, the trust fund surplus is $105 billion in Social Security; in 1999, $117 billion; in the year 2000, $126 billion; in the year 2001, $130 billion; in 2002, $138 billion; in the year 2003, $146 billion; in the year 2004, $154 billion; in 2005, $165 billion; in 2006, $173 billion; in 2007, $181 billion; and in 2008, $186 billion.

So what you see in the projection here with respect to so-called surpluses that are now being quoted by the President, distinguished Members of the House of Representatives, distinguished Members of this particular body, on page 11 of the Congressional Budget Office report, you will find that what we actually are spending over the 10 years in order to get down to a deficit in the year 2008—they finally reduce the deficit down according to these magnificent projections over a 10-year period—the deficit is down to $1 billion by using $1.621 trillion of Social Security trust funds.

Last evening—let me compliment the distinguished Senator from Minnesota—Mr. GRAMS talked at length about the various countries and how they approach the Social Security problem. He referred in several instances to the Social Security problem—this is just late last evening—to the "looming crisis," the "coming crisis," the "fiscal crisis." And most of what he says, by the way, I agree with, but there is no real crisis in Social Security if we only stop spending the money.

The problem is that the politicians, both Republican and Democrat, see the Social Security trust fund as a cookie jar they can stick their hands in to get their favorite programs. Look here, they think, I can get my children's program; oh, no, I get my marriage penalty tax reform; I get the corporate taxes here; I get the estate taxes over here; I get another capital gains tax there; oh, no, I want to spend it for Medicare. This is just the biggest scandal I have ever seen, because that crowd up there in the gallery—namely, the media—will not report the truth.

I hope they look right at the Congressional Budget Office report from the 15th of this month, just a week ago. These are the supposedly nonpartisan figures. On page 11 you will see that the deficit goes up, in 1998, to $105 billion; and then, in 1999, to $119 billion; in the year 2000, $127 billion; and the year 2001, $124 billion.

I remember back in 1993, when we on this side of the aisle passed the Budget Act, the Republicans claimed that if we passed that particular 1993 budget plan, the economy would go into a nose dive; there would be a depression. My friend on the Republican side of the aisle, the chairman of the Finance subcommittee, Senator Packwood of Oregon, said he would give us his house if this thing worked. Our distinguished friend in the House, the chairman of the Budget Committee, Congressman John Kasich, said he would change parties and become a Democrat if that thing worked.

It has worked. It has worked, Mr. President, until now. That is why I, the Senator from Wisconsin, and other Senators here wanted to be heard on this. Because what is really occurring is, everybody is dealing out the Social Security trust fund to various programs in an illegal fashion—certainly in an immoral fashion. They are running around telling everybody, you can count on Social Security, except for the baby boomers. It is not the baby boomers in the next generation, it is the Members of Congress on the Senate floor and on the floor of the House. We, willy-nilly, are savaging, ravaging, looting Social Security. And there is not any question that the law disallows this.

I appreciate my distinguished chairman from New Hampshire allowing me this moment. I ask unanimous consent the Greenspan Commission report of 1983, which I worked on, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY AND THE UNIFIED BUDGET

(21) A majority of the members of the National Commission recommends that the operations of the OASI, DI, HI, and SMI Trust Funds should be removed from the unified budget. Some of those who do not support this recommendation believe that the situation would be adequately handled if the operations of the Social Security program were displayed within the present unified Federal budget as a separate budget function, apart from other income security programs.

Mr. HOLLINGS. The majority of the members of this commission—I am just paraphrasing—stated that the Social Security trust funds should be removed from the unified budget. You will see that in report there.

When they submitted the Greenspan report, the Commission said to remove Social Security from the unified budget. I struggled, as a member of the Budget Committee, for almost 7 years to get it done. But I kept moving. I kept trying different ways. I tried on Gramm-Rudman-Hollings and that particular budget approach. But in the summer of 1990—that is why I can remember November 5—before the Budget Committee, by a vote of 20 to 1, we removed it from the unified budget. We got it on the floor of the Senate in October, and 98 Senators—if any Senator who was here in October is still here, any Senator who was here in October of 1990—they voted just that way, to remove it from the unified budget.

I will get, later, the vote record and we will put that in the RECORD. I am not trying to embarrass or account for any Senators, but I am trying to emphasize that this body has pledged time and time again to save Social Security first and to stop looting the fund.

So we had 98 Senators vote for that, and President George Bush signed it into law. Mr. President, I ask unanimous consent that we have printed in the RECORD just that 1-page law, right here, subtitle (c) of the Budget Act on Social Security, 13301. I ask unanimous consent to have it printed in the RECORD.

Subtitle C—Social Security

SEC. 13301. OFF-BUDGET STATUS OF OASDI TRUST FUNDS.

(a) EXCLUSION OF SOCIAL SECURITY FROM ALL BUDGETS.—Notwithstanding any other provision of law, the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

(1) the budget of the United States Government as submitted by the President,

(2) the congressional budget, or

(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EXCLUSION OF SOCIAL SECURITY FROM CONGRESSIONAL BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 is amended by adding at the end the following: "The concurrent resolution shall not include the outlays and revenue totals of the old age, survivors, and disability insurance program established under title II of the Social Security Act or the related provisions of the Internal Revenue Code of 1986 in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title.".

Mr. HOLLINGS. Mr. President, "Exclusion of Social Security from all budgets"—this is the formative statutory law. We have been talking about criminals, while many members of this body commit a crime every time they discuss budget surpluses. They are not obeying their own—

Notwithstanding any other provision of law, the receipts and disbursements of the Federal Old Age Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as new budget authority, outlays, receipts or deficit or surplus for the purposes of—

(1) the budget of the U.S. Government as submitted by the President,

(2) the Congressional budget,

(3) or the Balanced Budget and Emergency Deficit Control Act of 1985.

That was Gramm-Rudman-Hollings. We have been struggling a long time, but we cannot get the truth out. We cannot get the truth out.

One of the deterrents to the truth is the common belief that every President since Lyndon Johnson has used Social Security trust funds for the general budget. This is not true, Mr. President. It was not so. No, sir. President Lyndon Johnson did not use Social Security in order to balance the budget in 1968-69. I was there. In fact, over on the House side we had the conference. George Mahon was the chairman of the Appropriations Committee. We called over and asked Marvin Watson and said, "Ask the President if we can cut another $5 billion." President Johnson said, "Cut it," and we balanced the budget. President Lyndon Baines Johnson was very conscientious about guns and butter. He was leaving office, and he did not want to leave a heritage of busted budgets and the charge that he had the Great Society and the war in Vietnam and he could not afford them.

Mr. President, do you know what the budget was then? It was $178 billion for all purposes of Government, defense and domestic. Do you know what the interest cost on the national debt is? The interest cost on the national debt now is going to be $363 billion, according to this recent report here—a billion dollars a day.

Do you know what the interest cost on the national debt was when President Johnson balanced the budget back then? The interest cost was $16 billion. That was interest costs for 200 years of history and the cost of all the wars, up from the Revolution right on through World War I, World War II, Korea, and

Vietnam. And it was only a debt that required taxes, interest costs, to be paid of $16 billion.

Now we are up there to almost $5.7 trillion without the cost of a war. It has gone right on through the ceiling, a billion a day, $363 billion in interest costs. That is $350 billion more than what we had. And we are spending the money. This is pure waste.

Many say government is too big. I agree, it is too big. But the biggest thing in the budget is the interest costs on the national debt. It is bigger than Social Security, bigger than defense, bigger than the domestic budget. We keep spending for nothing. If we had the extra $350 billion since President Johnson's balanced budget—the defense budget is only $250 billion—we could double the defense budget: Instead of 13 aircraft carriers, we will give you 26 aircraft carriers; instead of 16 divisions, we will give you 32 divisions. Double it, and still have $100 billion for research for cancer, NIH, for education, for the environment, for anything—for cleanups, for agriculture. We have the money, because we are spending it on interest payments.

Why? Because Congress is not minding the store. It has a wonderful cookie jar it takes from by the billions every year. And over the next 10 years, Congress will continue to steal from it. Over the 5-year period, we are going to have deficits of $557 billion—$557 billion, and we are talking about balancing the budget.

Each year, every year, instead of a surplus, there is going to be a balance, and we keep going, going to it. In order to verify this, I ask unanimous consent that this chart of the budget realities be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOLLINGS' BUDGET REALITIES

President (year)	U.S. budget (outlays in billions)	Borrowed trust funds (billions)	Unified deficit with trust funds (billions)	Actual deficit without trust funds (billions)	National debt (billions)	Annual increases in spending for interest (billions)
Truman:						
1945	92.7		−47.6		260.1	
1946	55.2	5.4	−15.9	−10.9	271.0	
1947	34.5	−5.0	4.0	+13.9	257.1	
1948	29.8	−9.9	11.8	+5.1	252.0	
1949	38.8	6.7	0.6	−0.6	252.6	
1950	42.6	1.2	−3.1	−4.3	256.9	
1951	45.5	1.2	6.1	+1.6	255.3	
1952	67.7	4.5	−1.5	−3.8	259.1	
1953	76.1	2.3	−6.5	−6.9	266.0	
Eisenhower:						
1954	70.9	0.4	−1.2	−4.8	270.8	
1955	68.4	3.6	−3.0	−3.6	274.4	
1956	70.6	0.6	3.9	+1.7	272.7	
1957	76.6	2.2	3.4	+0.4	272.3	
1958	82.4	3.0	−2.8	−7.4	279.7	
1959	92.1	4.6	−12.8	−7.8	287.5	
1960	92.2	−5.0	0.3	−3.0	290.5	
1961	97.7	3.3	−3.3	−2.1	292.6	
Kennedy:						
1962	106.8	−1.2	−7.1	−10.3	302.9	9.1
1963	111.3	3.2	−4.8	−7.4	310.3	9.9
Johnson:						
1964	118.5	2.6	−5.9	−5.8	316.1	10.7
1965	118.2	−0.1	−1.4	−6.2	322.3	11.3
1966	134.5	4.8	−3.7	−6.2	328.5	12.0
1967	157.5	2.5	−8.6	−11.9	340.4	13.4
1968	178.1	3.3	−25.2	−28.3	368.7	14.6
1969	183.6	3.1	3.2	+2.9	365.8	16.6
Nixon:						
1970	195.6	0.3	−2.8	−15.1	380.9	19.3
1971	210.2	12.3	−23.0	−27.3	408.2	21.0
1972	230.7	4.3	−23.4	−27.7	435.9	21.8
1973	245.7	4.3	−14.9	−30.4	466.3	24.2
1974	269.4	15.5	−6.1	−17.6	483.9	29.3
Ford:						
1975	332.3	11.5	−53.2	−58.0	541.9	32.7
1976	371.8	4.8	−73.7	−87.1	629.0	37.1
Carter:						
1977	409.2	13.4	−53.7	−77.4	706.4	41.9
1978	458.7	23.7	−59.2	−70.2	776.6	48.7
1979	503.5	11.0	−40.7	−52.9	829.5	59.9
1980	590.9	12.2	−73.8	−79.6	909.1	74.8
Reagan:						
1981	678.2	5.8	−79.0	−85.7	994.8	95.5
1982	745.8	6.7	−128.0	−142.5	1,137.3	117.2
1983	808.4	14.5	−207.8	−234.4	1,371.7	128.7
1984	851.8	26.6	−185.4	−193.0	1,564.7	153.9
1985	946.4	7.6	−212.3	−252.8	1,817.5	178.9
1986	990.3	40.5	−221.2	−303.1	2,120.6	190.3
1987	1,003.9	81.9	−149.8	−225.5	2,346.1	195.3
1988	1,064.1	75.7	−155.2	−255.2	2,601.3	214.1
Bush:						
1989	1,143.2	100.0	−152.5	−266.7	2,868.3	240.9
1990	1,252.7	114.2	−221.2	−338.6	3,206.6	264.7
1991	1,323.8	117.4	−269.4	−391.9	3,598.5	285.5
1992	1,380.9	122.5	−290.4	−403.6	4,002.1	292.3
Clinton:						
1993	1,408.2	113.2	−255.0	−349.3	4,351.4	292.5
1994	1,460.6	94.3	−203.1	−292.3	4,643.7	296.3
1995	1,514.6	89.2	−163.9	−277.3	4,921.0	332.4
1996	1,560.3	113.4	−107.3	−260.9	5,181.9	344.0
1997	1,601.3	153.6	−22.3	−187.8	5,369.7	355.8
1998	1,654.0	168.3	63.0	−105.3	5,475.0	363.0
1999	1,721.0	199.0	80.0	−119.0	5,594.0	363.0

Note: Historical Tables, Budget of the US Government FY 1998; Beginning in 1962 CBO's 1998 Economic and Budget Outlook.

Mr. HOLLINGS. I thank the distinguished Chair.

This takes us from President Truman, in 1945, down to President Clinton's 1999 budget and the one we passed in the U.S. Senate.

You will see when President Bush left town that the actual deficit was $403.6 billion. That was how much we were spending. In 1993, we passed the budget act I mentioned earlier, and we brought the actual deficit down to $349.3 billion. Then, in 1994, to $292.3 billion. In 1995, to $277.3 billion. In 1996, we reduced the deficit down to $260.9 billion. In 1997, to $187.8 billion. In 1998, it is down to $105.3 billion. You can see in 6 years, we have gone down, down, down, down.

The Congress and the President should be credited. We have a wonderful economy, the lowest interest rates, lowest unemployment rate, the highest business investment, more home ownership in America, consumer confidence at its highest, stock market going through the roof. We acknowledge that and take credit for it. We participated in it.

Just when we ought to stay the course and continue to reduce the actual deficit, we have an election coming up in November. Oh, boy, they see that cookie jar, and they are breaking ranks now. They voted for this particular amendment unanimously in the Budget Committee. They might want a second-degree amendment. I just want to get an actual vote, because colleagues on this side want an actual vote so we find out where they all stand.

I think they can outmaneuver us, there is no question about that, if they don't want to vote. But they can't change this record. We have a situation where instead of reducing the deficit, they want to go back and start to increase deficits, as I related, again and again for each year for 5 years running.

They are all talking about surpluses as far as the eye can see. Mr. President, the surpluses as far as the eye can see are the Social Security surpluses. These are the moneys that belong, under the law—Greenspan said put it off budget. We put it off budget. We continue to spend the money. I keep raising the points of order, and they just ignore it and go on.

Right now the word is, "Wait a minute. If we vote for this, you can't get your tax cuts." Well, come, you can't get your tax cuts, because the only way you can get your tax cuts is to loot the moneys out of Social Security. That is how you get tax cuts. That is how you get all of these programs that increase spending.

In order to do it, they want to use $105 billion of Social Security in 1998. In order to get the tax cuts, how do they justify that list the distinguished speaker put out? He had capital gains, he had estate tax elimination, he had the marriage penalty, he had tuition tax credits for private education—he just got it all in and said, "Just watch them vote against that, and we'll go after them and say, 'Tax-and-spend, tax-and-spend, tax-and-spend.'" The truth of the matter is, he is the one increasing taxes, because as you do this, as you loot the Social Security fund, the debt increases, as we see by the CBO record; and as the debt increases, spending for interest goes up. It cannot be avoided. It is going to be spent. That is exactly what is going on. It is fiscal cancer.

Let me say a word about that. I was on the Grace Commission, Mr. President, and worked with Peter Grace. We were against waste, fraud and abuse. At the very time we put out this magnificent volume, which was 2 inches thick, of our wonderful work of eliminating waste, fraud and abuse, we were creating the biggest waste in the history of Government; namely, deficits and the national debt. We cut revenues, we increased spending, we didn't pay for it, and the debt went up, up, and away. Whereby it was a little less than a trillion dollars when we first started with President Reagan—it was $903 billion at that particular time—it has gone up now with 12 years of Reagan-Bush to over $5 trillion. Of course, it has gradually gone up even though we have been reducing the deficit each year. At this minute, we will spend, if we approve the budget that has been approved in the Senate and what they confirmed over on the House side, over $100 billion more than we take in.

On April 15, we are supposed to complete the budget work. I have been on the Budget Committee since we instituted it. Modestly, I say I used to be the chairman, and we did reduce spending at one time. Now it is July, and we haven't even had a conference. They appointed everybody in the conference committee from both budget groups, but they can't confirm because they can't face up to each other and say, "Wait a minute. Somebody is going to tell the secret that the only way there are any surpluses around here is the budget trust fund surplus that we have to loot in order to get all of these tax cuts, children's programs, Medicare costs," and everything else of that kind. The media doesn't even report it. It is a scandal.

There it is. We started the biggest waste at that particular time. You have to understand why this is given sanction even in the business community. I have argued with Alan Greenspan about this one. He loves the unified budget. That business crowd doesn't want the sharp elbows of Government crowding in to the bond market running up interest costs, running up inflation. They don't serve in public office. They don't have to face the statutes, laws and policies that we enact as Members of the Congress. They say, "Oh, it will be taken care sooner or later." They go ahead with the unified budget pointing, if you please, Mr. President, to the difference between the corporate economy and the country's economy.

The corporate economy, of course, is higher profits. The country's economy is for the good of society. And they don't necessarily meld. Or it is good for the corporate economy for NAFTA to go like gangbusters down in Mexico. That is where General Motors is headed with that strike. Actually, Honda exports more cars than General Motors this minute in the United States of America. We are going out of business.

I have lost 24,000 textile and apparel jobs since NAFTA. Those are good jobs. It is an industry that under President Kennedy we found out is necessary to the national security. After steel, it was the second most important. It was a finding in the sense you couldn't send the soldiers to war in a Japanese uniform. You had to have clothing.

Seventy-five percent of the clothing within the view of us in the U.S. Senate is imported. We are at the water's edge of whether or not we are going to have that industry.

The other industry is going down, because in the corporate culture, if you can save—it is shown that you can save a good 20 percent of your labor costs, 20 percent of volume, by moving to a low-wage, offshore country.

So if you have $500 million in sales, you can move offshore. Just keep your corporate office, your sales folks, but move your manufacturing offshore and you make $100 million. Or you can continue to stay here and work your own employees—they call them associates now—and go broke because your competition is gone. The multinationals could care less. They are in the business of making money. We are in the business of making a good and strong economy.

And America's strength is like a three-legged stool. You have on the one leg your values. That is strong. We sacrificed to go to Somalia. We are now out in Bosnia. No one questions the values of the United States of America. We have the second leg, of course, which is the military. That is strong. But the third leg, the economic leg, is fractured, and intentionally.

That is the corporate culture, corporate economy—move on down to Mexico. And they promised at the time, of course, that we were going to increase the balance of trade that we had of $5 billion. Now it is $15 billion negative. They said we are going to create 200,000 jobs. We lost 400,000. They said it was going to solve the immigration problem. It has gotten worse. They said it was going to solve the drug problem. It has gotten worse. The actual Mexican worker is taking home 20 percent less pay. So they have suffered.

The $12 billion that we paid in there to keep it from going totally under has gone back to Wall Street. It should have gone into a common market approach where we could have developed in Mexico—and I would vote for it this afternoon—the institutions of a free economy, a revered judiciary, the right of labor to strike, the corporate interests of owning property, the right of appeal, and those kinds of things.

Over in Europe, the European countries in the common market approach taxed themselves for 4 years, $5 billion before they allowed Greece and Portugal.

So what happens? We use the free market approach, which is good for the corporate economy, but not the country's economy. And therein is where we are really headed with the fiscal cancer that is eating us alive here, because you have $1 billion a day. We are going to meet tomorrow, and we are going to spend another $1 billion for nothing. We are going to meet on Friday, and we are going to spend another billion in this Nation's Capital for nothing. We can meet on Saturday, and we are going to spend another $1 billion for nothing. We can meet on Sunday, and we are going to spend, like it or not, another $1 billion for nothing—total waste.

Here we were trying to stop waste, fraud, and abuse, yet under the Grace Commission we instituted the biggest waste. I thought finally—finally—we had gotten on it. We not only were bringing down the deficit, but in his message to the Congress, the President of the United States said, "Save Social Security first." And every Congressman and every Senator said, "Amen, brother. That's what we want to do." Everybody went off the floor and had their little interviews. "We've got to save Social Security."

So we go into the Budget Committee, and we get a vote and unanimously vote for it. But now conferences are ongoing with respect to the parliamentary maneuvers to make sure that you do not vote. They can have a second-degree amendment. We will come back later on with other bills. We will have our chance. Oh, we will just nag them and never get to a vote, but we will point it out from now until October: "Save Social Security first."

There is no surplus. This country has fiscal cancer. If you keep spending up, up and away, interest costs on the national debt will mount, with the debt increasing each year for 10 years running. These are not surpluses as far as the eye can see, but rather deficits as far as the eye can see.

And this particular report of the Congressional Budget Office—if that is the case, Mr. President, you can see at a glance that Congresses that are going to be meeting in the next century—for the millennium and for the next century—we will meet, we will put a little bit in Social Security, we will put a little bit in defense, and a big bit in interest costs on the national debt, and we will not have any Government.

Now, judging by their Contract with America, that is what they want: to abolish the Department of Education, the Department of Commerce, the Department of Energy, the Department of Housing, the Corporation for Public Broadcasting. Just get rid of highways—they do not even want the highway system. They objected around here and said it busted the budget when we used highway moneys for highways. Very interesting.

We passed a highway bill, and all we used was the gas taxes for highways. But, oh, no, they wanted to rob the highway fund for foreign aid or any other particular project that they had in mind.

Because of the distinguished Senator from Rhode Island, Senator CHAFEE, we changed that. I commend him for doing it. We finally agreed that after this year we are going to spend highway gas taxes, highway money on highways. Boy, I am telling you, just to get something normal, decent and understandable here in the U.S. Congress is next to impossible.

But there it is. We have a resolution that says, "Save Social Security first." Now, they can get into parliamentary maneuvers. I guess one thing is: Move to commit the bill, like they did earlier. They can do another one to commit the bill with instructions and hide behind it.

But I can tell you, whatever the maneuver is, the issue is clear; it is almost undebatable. I want them to say, "I am wrong on the figures I have given." I want them to say the CBO is wrong on the figures or whatever. I want them to get up here and debate it and say, "No. It is necessary to spend the Social Security trust fund." That is all I want to hear them say. But I do not believe you are going to hear a Senator in the Senate say that. They all are going to hide behind the maneuvering here and second degrees and third degrees, and move to recommit, and everything else possible; and we will get a rollcall on that. And that will be the call on whether or not you want to continue to loot Social Security.

I know my distinguished friend from New Hampshire does not want to do it. There is Senator FEINGOLD there. Under the unanimous consent, of course, we agreed that the distinguished leader of this particular bill, our chairman, is to regain the floor, but I hope the other Senators here who, of course, are cosponsoring—and I put this up so we can actually get a vote on a sense of the Senate.

And don't tell me that this is not relevant to State-Justice-Commerce. It is relevant to the fiscal state of the United States. I can tell you that now. We do have fiscal cancer. The media is not paying any attention to it. They are all hiding under the unified, unified, unified. It is against the law. I have given you the law. It is against policies. It is against the vote of the Budget Committee.

But there is a quiet discussion. I listened on the weekend shows, and again and again they were talking about surpluses here, surpluses there, including, of course, the Administrator here of the Congressional Budget Office. If we have that report—I would like to refer just one second to that particular report so you can see even she disobeys the law. You cannot get even the Congressional Budget Office—the conclusion, on page 13:

> An unexpected increase in revenues in 1998 has virtually ensured the total Federal budget will be balanced for the first time in almost 30 years.

False, according to her own records, her own figures.

The previous pages showed that is not the case. On page 11, all she has to do is read her own document.

> An unexpected increase in revenues in 1998 has virtually ensured that the total Federal budget will be balanced for the first time in almost 30 years and nothing currently visible on the horizon seems to threaten a return to deficits in the near term if policies remain unchanged.

I know I wouldn't use her to do my income tax return. I would be in jail, I would be gone, with that kind of doubletalk.

There is no surplus. But when the Director of the Congressional Budget Office, Madam June O'Neill, comes and says there is nothing on the horizon, when she shows that in order to say that you have to spend $1.621 trillion of the Social Security trust fund, Social Security by the year 2008, supposedly, if this weren't occurring, would have a surplus of $2.252 trillion.

Look at that, on page 11 of this particular report—$2.252 trillion. Yet everybody is going around with solutions to Social Security. The only solution, and the first solution, is to quit looting the fund. There won't be any $2.252 trillion. That is why you have all of the bills in to solve the Social Security crisis, the Social Security shortfall, the baby boomer problem. All nonsense, all out of the whole cloth.

She is talking again and again, "However, if any other number of assumptions that CBO has made turn out to be off the mark, budget outcomes could be quite different than projected, even if there are no changes in policy. For instance, if CBO's economic projections prove to be just a little too optimistic, surpluses could be much lower than anticipated."

Surpluses—there isn't any surplus in the report. There is a surplus, supposedly, in Social Security. That is where the surplus is. Section 13301 of the Budget Act says don't spend Social Security surpluses, don't count on them in reporting a budget; don't count on them, Congressional Budget Office, when you analyze a budget. But she willy-nilly talks about surpluses. It is just amazing to me, until you see her projections, of course, of the interest costs.

Again, on page 11, she finds that interest costs on the national debt are just going down, down, down. It has been increasing each year anywhere from $10 to $20 billion. The debt has been going up. The interest costs—even with that increased debt, even though interest rates are down, the interest costs have been going up.

If you want to see the pressure brought by the Speaker on the Director of the Congressional Budget Office, look at that series of figures straight across the board. She finds that from 1958 to the year 2008 the actual interest costs decrease $11 billion.

Totally out of the whole cloth, this is made. They kept nagging her and they held up the Budget Committees. The Budget Committees don't meet; they don't sit down and confer over the budget. They go on the weekend talk shows and put out all the documents about tax cuts, spending programs, and put in here these optimistic figures.

The Director of the Congressional Budget Office has responded to the pressure of the Speaker of the House; there isn't any question in this Senator's mind. We know what is going on.

I wish the media—whether print media, TV media, or any other media—would please, please, please, report truth in budgeting. That is what we had when we had Gramm-Rudman-Hollings—truth in budgeting. We sold it over on this side of the aisle, 14 votes up and down. Our Democratic colleagues, majority, voted to cut spending over the objection, at that time, of the leader, over the objection of the chairman of the Budget Committee. But there was a conscience back in 1985.

Now, in 1998, it has become the game of the day: Just look over and find whatever you want in the $100-some billion Social Security surplus, and it grows each year. It is only $105 billion this year; 10 years out, it is $186 billion. So we have plenty of money to spend for plenty of programs until we run right up against the wall, run right up against the wall, and the interest costs eat us alive. We have fiscal cancer. We won't acknowledge it.

I am glad and proud, on behalf of my colleagues on this side of the aisle, to bring up this sense of the Senate. It is more important than the entire State-Justice-Commerce bill or any appropriations bill. Unless we get ahold of our senses and vote a sense of the Senate that we save Social Security first, we are gone.

Mr. DORGAN. Will the Senator yield?

Mr. HOLLINGS. I am delighted to yield.

Mr. DORGAN. I have listened to the Senator from South Carolina.

Mr. GREGG. Mr. President, regular order.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator has a right to yield for a question.

Mr. HOLLINGS. I have to yield back to our chair.

Mr. DORGAN. Parliamentary inquiry. I believe regular order is for the Senator from South Carolina to be allowed to yield for a question; is that correct?

The PRESIDING OFFICER. The Senator has the right to yield for a question.

Mr. HOLLINGS. Mr. President, I understand what the distinguished chairman is saying, and I agree with him. But I want to answer that question and then do as we agreed, because I only have the floor under the courtesy of Chairman GREGG.

Mr. DORGAN. Mr. President, I understand Senator GREGG has the right to the floor when the Senator from South Carolina completes his statement.

I have been listening to the Senator from South Carolina, who has offered an amendment that we have discussed before on the Senate floor. We are reacting to recent press reports that cite one prominent member of the majority party as saying that Congress should enact $1 trillion in tax cuts over 10 years.

Isn't the Senator's point that those who propose massive tax cuts would be taking the money, in effect, from the Social Security trust funds in order to fund a tax cut; would that not be the case?

Mr. HOLLINGS. It is absolutely the case. The only place you can find this kind of money for tax cuts is here in the Social Security trust fund, which is a violation in and of itself of section 13301 of the statutory laws of the Budget Act of the United States of America. President Bush signed it, 98 Senators over here voted for it, almost unanimous over in the House of Representatives. We voted for it. But it is not hit-and-run driving. Let's stop right there.

Let me emphasize, in 1994 we were really distraught with respect to the takeover artists. Individuals were coming in, the corporations, and literally taking the pension funds, paying off the corporate debt, and taking the remaining money and running. The employees were left high and dry. So we passed the Pension Reform Act of 1994.

Now, our good friend, the former pitcher up there from Detroit, Denny McLain, became the head of a corporation. As the head of the corporation, last year he had paid off the company debt with the pension fund. That was made a felony. He got an 8-year jail term. If you can find what jail he is in, tell him, next time, instead of running a corporation, run for the U.S. Senate; instead of a jail term, you get the good government award up here for looting the pension funds to pay your debt.

That is exactly what we are doing. We go against the formal law that we passed ourselves. We go again the policy set for corporate America. But when it comes to us, we have to get reelected. The worst campaign finance violation and abuse is using Social Security trust funds to reelect ourselves, telling them we are trying to protect Social Security.

Mr. DORGAN. If the Senator will yield for one additional question, and then I shall not inquire further. Will the Senator yield for that purpose?

Mr. HOLLINGS. Yes.

Mr. DORGAN. Mr. President, this ought not to be a controversial amendment.

The question is, simply, Is there an opportunity for someone to say, either in the Senate or the House of Representatives, that they are going to provide hundreds of billions of dollars, or a trillion dollars, of tax cuts under the current fiscal policy? Is there an opportunity to do that without using the Social Security trust funds? I can't see that that opportunity exists. While I would like to see some additional tax cuts, I happen to think that saving Social Security first and reducing the Federal debt would be much more meritorious for the future of this country.

In any event, we ought not to be talking about tax cuts before there is money to give them. That money available for tax cuts does not include—I ask the Senator—and that money should never include, the Social Security trust fund money; am I correct?

Mr. HOLLINGS. The Senator from North Dakota is correct. Denny McLain, who was an all-star pitcher for the Detroit Tigers, got sentenced to 8 years for using the pension fund to pay off the company debt, in violation of our law, the Pension Reform Act of 1994. Yet, we do it here in violation of our own law and policy of 1994 for corporate America. Fine and dandy. I would tell him to, next time, run for the Senate, and instead of a jail term he will get the good government award.

Mr. GREGG. Mr. President, for the purpose of debate only, I ask unanimous consent that the Senator from Wisconsin be recognized. How much time does he need?

Mr. FEINGOLD. I need 12 minutes, Mr. President.

Mr. GREGG. I ask unanimous consent that the Senator from Wisconsin be recognized for up to 15 minutes and that the floor then be returned to me, unless the Senator from Maryland also wishes to speak. How much time does she wish?

Ms. MIKULSKI. I want to speak on the bill itself regarding cyberporn and cybercrime.

Mr. GREGG. How much time does the Senator need?

Ms. MIKULSKI. Five minutes or less.

Mr. GREGG. For the purpose of debate only, I yield 15 minutes to the Senator from Wisconsin and 5 minutes to the Senator from Maryland. I ask unanimous consent that I retain the floor upon the conclusion of their statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I thank the Senator for his courtesy.

Mr. President, I am very pleased to join my good friend, the Senator from South Carolina, in offering this amendment to express the sense of the Senate regarding the Social Security trust fund balances.

I could not agree more with the Senator from South Carolina and also the Senator from North Dakota that there really isn't anything more important than stopping this practice of using Social Security dollars for things they are not supposed to be used for, including premature tax cuts. That is the central budgeting issue in this country. The Senator from South Carolina has been the leader for years and years in making that point. I have greatly enjoyed working with him on this. We are going to continue to work on this until this practice is stopped, until this theft of Social Security funds is prevented.

Mr. President, there is a fundamental difference between the way many in Congress approach the budget and the way the Senator from South Carolina and I approach it. That difference is Social Security.

For 30 years, Presidents of both parties, and Congresses controlled by both parties, have included the Social Security trust fund balances in their budget calculations. As I had a chance to mention during the debate over the budget resolution itself, the result is a false picture of our country's fiscal health. And just like a false medical report that covers up a serious illness, it can lead to major problems in the future.

This false budget picture has been used so often that, in effect, it has almost become a "budget convention." It has so impressed itself into the vocabulary of the budget that we now hear this word "surplus" over and over again when there is no surplus. We hear people talking about a budget "surplus" in Congress, we see it in the newspapers, and we are even seeing it in letters from constituents who are, in effect, being misinformed into thinking that there is somehow a surplus at this time.

Mr. President, the recent CBO estimates of our budget picture have made this matter all the more urgent. Using this budget sleight-of-hand known as the "unified budget," some are pointing to significant surpluses as a justification for their own budget agenda, as the Senator from South Carolina has very eloquently outlined in his remarks.

Mr. President, we have not achieved a budget surplus, and despite the greatly improved budget picture, CBO still estimates that we will not achieve anything indicating a true surplus until at least the year 2006. There is a deficit that is still being hidden, and Social Security is the curtain that is being used to hide it.

For the current fiscal year, CBO expects the deficit to be roughly $41 billion. That is a great improvement over the $340 billion deficit we experienced in 1992. I am proud to have been a part of bringing that deficit down, but that is still a significant deficit.

While the deficit picture improves slightly in the next few years, we still face a real problem on the budget deficit. It is true that if all of CBO's assumptions are borne out, we will barely achieve a balanced budget in 2002 and then again in the year 2005—just in those 2 years. And, of course, this is encouraging news. But it is hardly the kind of significant surplus on which to establish any major new initiatives, whether they be in the spending area or in the tax area.

It is obvious that the economy may not perform as well as CBO expects, and the slightest change in the underlying assumptions could mean something very different from surpluses. It could mean deficits that are billions of dollars greater than are currently estimated. CBO itself makes this point in its current estimates.

The report states, "* * * if any of a number of assumptions that CBO has made turn out to be off the mark, budget outcomes could be quite different than projected, even if there are no changes in policy."

Mr. President, the CBO projections also assume that Congress will be making the spending cuts necessary to comply with last year's balanced budget agreement. Mr. President, as is sometimes said in court, when it comes to assuming that Congress will do everything it should do with regard to making those spending cuts, CBO could be "assuming facts that are not in evidence."

Congress has not yet made those spending cuts, and the attitude that is being exhibited by some Members of Congress is not reassuring. We are already seeing a bidding war develop over how to spend the so-called surplus. It is a surplus that isn't even projected to really exist for another 8 years, Mr. President, but they are falling all over each other to figure out how to spend it before we finish the job.

With so many focused on how to dispense this phantom surplus, there is an increasing risk that we will not actually finish the important work of truly balancing the budget. Mr. President, just a little over a year ago, a lot of our colleagues were saying it was the most important matter before us and urging us to amend the Constitution itself to ensure that outlays did not exceed receipts in any given year. Now, here we are, just a few months later, and many who supported this drastic step—and, as it turned out, unnecessary step—to amend our Constitution are now very ready to spend a surplus that we don't have. It could not be more inconsistent with what was at least said to be the spirit and the purpose of the balanced budget amendment.

Mr. President, it has taken us several years and many tough votes to get where we are today, to get within reach, within vision of truly balancing the budget. It will take more tough votes to finish the job. Unfortunately, the notion of a so-called unified budget, which just began as a political convenience to mask the deficit almost 30 years ago, has now become budget reality for many, many people. This has to stop.

"Surplus" is supposed to mean something extra like a bonus. What it is supposed to mean is that all the bills are paid and there is really money left over. But, Mr. President, as I noted during the budget resolution debate, one dictionary defines "surplus" as "something more than or in excess of what is needed or required." But the so-called unified budget, the surplus is not "more than or in excess of what is needed or required."

Those funds are needed; they are needed to pay future Social Security benefits. They were raised by the Social Security system, specifically in anticipation of commitments to future Social Security beneficiaries.

There is, however, one simple, straightforward step that this body can take to help Social Security and to protect the trust fund. It is very simple. Just do not spend it. Don't spend it. We have no right to spend it.

I urge my colleagues to join the Senator from South Carolina and the other cosponsors of this amendment in passing this amendment and expressing the sense of the Senate that we understand this essential fact: That when Congress makes budget obligations today based on the Social Security funds, whether in the form of tax cuts or spending increases, we are committing to a fiscal path that jeopardizes future Social Security benefits.

Mr. President, let me once again sincerely thank my friend from South Carolina for his tremendous leadership on this issue. It has been a pleasure to serve with him on the Budget Committee, and I deeply respect his work to promote not only deficit reduction, but honest budgeting as well.

Mr. President, I yield the floor.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Thank you very much, Mr. President.

Mr. President, I will not be speaking on the pending amendment. I will be speaking on the overall nature of the State-Justice-Commerce appropriations.

I commend Senator GREGG and Senator HOLLINGS for the outstanding job that they have done in bringing an excellent bill to the floor.

Yesterday we talked about some of the things we thought were missing from the bill, and particularly what would affect the safety and well-being of children.

We talked about gun locks. Mr. President, I am a supporter of gun locks. If we put locks on our cars to protect our automobiles, locks on our doors to protect our property, I think we should have locks on guns to protect our children. We worked our will yesterday. That didn't pass.

But I will tell you, the Gregg-Hollings bill brings before us a real Justice Department commitment to protect our children. I would like to thank them for that. I would like to thank them for their efforts in fighting juvenile crime. I would like to thank them for bringing us legislation to prevent violence in our schools. But most of all, I am really grateful that they have put money in this budget to fight child pornography on the Internet. We need cops on the beat, and we need cops on the computers to be able to protect our communities and our children.

Let me share with you a story.

There was a little boy in Prince Georges County whose parents had bought him a computer where they thought it would be an opportunity for him to learn about the world and be ready for school each and every day. However, there was a sexual predator who treated that computer as if it were a virtual playground. And they stalked that little boy, and it ended in his death.

But thanks to the response of the U.S. Congress—and I would like to particularly thank Senator GREGG for his cooperation and leadership on this—we have actually put money into the Federal budget for the FBI to establish a special headquarters in Maryland to fight cyber-kiddieporn on the Internet, with $10 million bringing 60 FBI folks into this, and 25 special agents. I have been there, and I have seen what they are doing to protect our children. You would love to see these FBI agents who are making use of the newest and latest technology to be able to intervene, intercept, and detect those people who sit in chat rooms coming after our children.

I sat with those agents. I watched the pictures on the screen. I was repulsed. I was horrified not only at what I saw, but what others could be subjected to.

Because of our prompt response, the program is actually already working. In the short time that this committee has put money in the Federal checkbook to fight cyberporn against children, there have been 400 search warrants executed, over 200 arrests, and we are well on our way to over an 85-percent conviction rate.

In my home State of Maryland there have been 15 arrests, 15 indictments, and 12 convictions.

That means that we will be able to protect our children. The average child molester has more than 70 victims throughout his lifetime.

Because of the work we have done here to put cops on the beat through our community policing in concert with the computer, both in our streets and our neighborhoods to protect our children, children's lives have been saved.

In Maryland alone 15 child molesters have been taken off the streets. That means that 1,000 Maryland children have been saved and rescued.

This is just part of what we are doing to protect our children.

I know through the work of this subcommittee, of which I am proud to be a Member, $210 million has been put into the Federal checkbook for a new safe schools initiative.

We need to hire more security guards, improve coordination with local police, get the violent kids out of our schools, and while we are doing that, in addition to the policing that we are doing, I know that this committee has put in substantial money for prevention—not the type of prevention where we don't know what is going to be shown for it.

This committee is a tough committee. We are going to go after the crooks and the criminals and the stalkers. But we know that, if we are going to have policing and punishment, we are going to do prevention, and we are going to do it by creative activity to fight and prevent gang violence—to be able to do structured, afterschool activity; working with faith-based organizations.

Because of the work of this subcommittee, our streets and our schools will be safer because we put cops on the beat and cops on the computers.

I thank the chairman for allowing me to speak. But most of all, I would like to thank the ranking member for this outstanding bill.

Mr. GREGG. Mr. President, I thank the Senator from Maryland for those words—those type of words. She could speak all day. We appreciate that, to say the least. I want to especially thank her for her extremely supportive and aggressive assistance in the "Innocent Images" effort, which she has pointed to and explained to us that arose out of a situation in Maryland. The central nervous system for the FBI initiative is now in Baltimore. What they are doing, I think, is very appropriate. They are developing protocol so they can spread this knowledge of how to fight cybercrime against kids across the country to other levels of law enforcement, and they are using the protocols developed at Baltimore to do that. It has really been a tremendous success story for the agency.

It is in large part because of the support this committee has given to the FBI that they have been successful in this. Although they were the ones who initiated it and they should get the credit for it, that support has come as a result of the strong and firm commitment of the Senator from Maryland, and her understanding of the threat. The threat is very significant.

As she knows, because she has gone to the actual site of the activity where the FBI is pursuing these sort of sting operations—I have seen it done at remote sites—the amount of attempts by people who are clearly not pursuing a positive use of cyberspace for our children, the amount of hits in a chat room, which appear to have very significant negative potential for our kids, is overwhelming. You can turn on a chat room, introduce yourself as a 12-year-old girl, and within a very brief period of time—30 seconds—have five or six hits in that chat room, which will ask for illicit or lead to illicit activity in an attempt to get pornographic material, or in an attempt to expose that child to pornographic material.

Regrettably, they create travel cases where they try to get the child to go and meet with the pedophile. In fact, we had a situation in New Hampshire where somebody actually traveled all the way from Norway to Keene, NH, because that individual thought they were going to be able to have some sort of sexual activity with a child. Luckily, in this instance at least, it was a police officer who was using the Internet following the protocols that the FBI set out of "Innocent Images" that was able to stop and apprehend that individual.

But it is a very serious issue because the Internet is a great and expansive source for our kids and something that our kids should have access to with the opportunity to learn, the opportunity to communicate with people across the world. It is just a unique and special opportunity or activity that our generation did not have and the next generation does have. Making it safer for our kids is critical. So I thank very much the Senator from Maryland. I am in support of her FBI initiatives in this area and certainly appreciate her kind comments.

AMENDMENT NO. 3255 TO AMENDMENT NO. 3254

At this time, I send to the desk a second-degree amendment to the pending Hollings amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for himself, Mr. LOTT, Mr. DOMENICI, Mr. MACK, and Mr. GRAMM, proposes an amendment numbered 3255.

Mr. GREGG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment, strike all after the word "Sec." and insert the following:

SENSE OF THE SENATE ON THE BUDGET AND SOCIAL SECURITY.

(a) FINDINGS.—The Senate finds that—

(1) the Social Security system provides benefits to 44 million Americans, including 27.3 million retirees, over 4.5 million people with disabilities, 3.8 million surviving children and 8.4 million surviving adults, and is essential to the dignity and security of the nation's elderly and disabled;

(2) the Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds have reported to the Congress that the "total income" of the Social Security system "is estimated to fall short of expenditures beginning in 2021 and in each year thereafter . . . until the assets of the combined trust funds are exhausted in 2032";

(3) intergenerational fairness, honest accounting principles, prudent budgeting, and sound economic policy all require saving Social Security first, in order that the Nation may better afford the retirement of the baby boom generation, beginning in 2010;

(4) in reforming Social Security in 1983, the Congress intended that near-term Social Security trust fund surpluses be used to prefund the retirement of the baby boom generation;

(5) in his State of the Union message to the joint session of Congress on January 27, 1998, President Clinton called on the Congress to "save Social Security first" and to "reserve one hundred percent of the surplus, that is any penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system for the twenty-first century";

(6) saving Social Security first would work to expand national savings, reduce interest rates, enhance private investment, increase labor productivity, and boost economic growth;

(7) section 13301 of the Budget Enforcement Act of 1990 expressly forbids counting Social Security trust fund surpluses as revenue available to balance the budget; and

(8) the CBO has estimated that the unified budget surplus will reach nearly $1.5 trillion over the next ten years.

(b) SENSE OF THE SENATE—It is the sense of the Senate that Congress and the President should—

(1) continue to rid our country of debt and work to balance the budget without counting Social Security trust fund surpluses;

(2) work in a bipartisan way on specific legislation to reform the Social Security system, to ensure that it is financially sound over the long term and will be available for all future generations;

(3) save Social Security first; and

(4) return all remaining surpluses to American taxpayers.

Mr. GREGG. I offer this amendment on behalf of Senator LOTT, Senator DOMENICI, Senator MACK, Senator GRAMM, and myself.

I will now propound a consent allowing for two votes, hopefully shortly, on this Social Security issue, the first vote being a vote in relation to the majority version of the amendment, to be followed by a vote in relationship to the Hollings amendment. If an objection is heard, I will have no choice but to fill up the amendment tree so that our vote is guaranteed to be the first vote.

I would note that the amendment we have sent to the desk seeks the same goal in that what we seek is to preserve the surplus for the Social Security system so that Social Security can be saved first. That should be the first and primary purpose of the use of the surplus.

However, we make the point in our amendment that after Social Security has been saved, after we have reached an agreement for how to save Social Security—and I happen to have a bill which accomplishes that. It would save it for the next 100 years. It happens to be a bipartisan bill of Senator BREAUX and myself. There are other proposals floating around. The Senator in the Chair is a strong supporter of a number of initiatives to save Social Security. But after an agreement has been reached by the Congress and we have put in place a system for saving Social Security, our sense-of-the-Senate says then let's send the money back to the taxpayers. That seems to be a reasonable approach to me.

So we do not disagree with the desire to save Social Security first. We only want to make sure that after Social Security has been saved, additional surpluses go back to the taxpayers.

So with that being said, I now ask unanimous consent that there be a total of 60 minutes, and I would be willing to adjust that if there is a desire to adjust it, but we have been on this for almost 2 hours now, 60 minutes for total debate, to be equally divided between the majority leader or his designee and Senator HOLLINGS, and following the conclusion or yielding back of time, the Senate proceed to a vote on or in relationship to the Lott amendment, to be followed by a vote on or in relationship to the Hollings amendment.

Mr. HOLLINGS. I am trying to clear that now and find out—that is agreeable, except for the fact that we have how many Senators seeking time? Four Senators. We have 50 minutes. I will be the fifth one.

Mr. GREGG. An hour-and-a-half equally divided?

Mr. HOLLINGS. Yes, an hour-and-a-half equally divided.

Mr. GREGG. I amend that request: Instead of 60 minutes, there be 90 minutes equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HOLLINGS. I ask for the yeas and nays on both amendments.

The PRESIDING OFFICER. Without objection, it is in order to order the yeas and nays.

Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. GREGG. Mr. President, let me begin this discussion, although the discussion has already proceeded. Much of what the Senator from South Carolina and the Senator from Wisconsin talked about, I agree with in the area of Social Security reform. There is absolutely no question but that the single, biggest fiscal policy issue facing this country today is the question of how we make the Social Security system a strong and vibrant system for generations to come and how we avoid what will be a fiscal disaster for our Nation if we do not address this issue in the near term.

This problem is generated by the fact that we have a baby boom generation headed towards retirement. It is now turning age 50. In 15 years, it will be fully retired. In 12 years, we will begin to retire a baby boom generation that is the largest generation in the history of this country. And as that generation has moved through the system, it has affected this Nation in every decade throughout its life experience. In the 1950s, the baby boom generation created a huge need for elementary schools and baby carriages. In the 1960s, it created a tremendous restructuring of our social fabric with occurrences involving civil rights, involving rights of women, involving Vietnam. In the 1970s, we saw further impact, and in the 1980s we have seen the huge economic impact, and as we move into the 1990s, we are also seeing the impact of that generation as it begins to save for retirement and that is one of our primary reasons of this economic boom.

But the biggest impact this generation is going to have is when it retires, and it begins to retire in the year 2008, and not unusually, or not to be unexpected, in the year 2008 the Social Security system begins to lose money. In fact, that is the year when we start paying out more in Social Security benefits than we are taking in. By the year 2015, the Social Security system is paying out so much more than it is taking in it basically cannot right itself. By the year 2029 or 2030, essentially the country has such a large debt and obligation under the Social Security system that it will be unable, in my opinion, to afford to maintain that system and we will face a fiscal meltdown of sorts.

The way I describe it, it is as if we could pick a date when we know as a nation we were going to have a major earthquake, a major flood, a major hurricane come ashore, and we know that date exists and we know it is going to occur. Obviously, it would be irresponsible for us as a Congress not to react to that, not to take preventive action, not to get our people prepared for that. But we know the date when we are going to hit a fiscal crisis of inordinate proportions because the people are already born who are going to create such a huge demand on the system. That date is approximately the year 2015.

So what should we do? We should address it today. Why should we address it today? Because, basically the sooner we address this, the sooner we can solve it in a constructive and effective way and in a positive way where everybody will end up being more of a winner than end up being a loser. It is a lot like that old oil filter ad, "You can pay me now or pay me later." If we begin to address this problem today, we can significantly improve the system in the long run for everyone. If we wait even 2 years, certainly if we wait 4 or 5 years, the capacity to address it becomes much more acute and we go off a cliff.

So how should we address it? The proposal we put forward in our sense-of-the-Senate is that we should address it by using the surplus first to address it, and that is absolutely right. That is what should be done.

I would note this was not the President's position. The President said we should reserve the surplus, reserve the surplus until we have solved the Social Security problem. That is what he said in his State of the Union Address. Our position as Republicans is we should use the surplus to protect the Social Security system. And one way to do that, one way that has been proposed by myself and a number of other Members in this body, including the person sitting in the Chair, is to give people who are presently working and paying taxes into the system and who, unfortunately, are looking at a very low rate of return for all of the taxes they are paying into the system—in fact, if you just happened to go to work, say, you were 20 years old and you went to work today, the likelihood that you would get very much back from what you paid into the system in Social Security taxes is extremely low. If you happen to be an African American, actually it is a negative number. You get less back than you will pay in.

So the system has some very serious problems in the way that it returns benefits to people who are younger today. What we have suggested is to give people today who are earning money, paying into the system, let's give them some ownership. Let's give them the ability to have an asset which they physically own as part of their Social Security retirement structure. And these are called personal accounts.

Under the present system, what happens is, you pay in taxes all your life. And, unfortunately, let's say you died when you were 58. If you did not have a wife and you did not have children, you have nothing for all those taxes you paid in—absolutely nothing. You have absolutely no vested interest which pays your estate anything. If you had a wife or children, they might get a little bit, but not a whole lot compared to what you paid in.

We are suggesting that some portion of the taxes that you pay into the Social Security system today you should have ownership of; you should actually, physically, have the right to claim, upon your retirement, as yours. Every year you should get a statement. You should have a little savings book, basically—I didn't bring mine with me today as an example; the Senator in the chair may have his—but you should have a savings book which says how much you have in your account at the Social Security Administration, which is yours, physically yours. No matter what happens, it cannot be taken away from you. Those are called personal accounts. Thus, if you were, unfortunately, to die before you reached the age of retirement, your estate would actually get an asset. It would get that money that was built up in that account. That is one plus of this.

A second plus of this is that under the proposal we have, you would, essentially, get the benefit structure which Social Security gives today, but on top of that benefit structure you would be able to get the benefit of the investment of that personal account. What would that investment be in? Under the proposal we put forward, it would be in one of a variety of what amounts to mutual funds, three or four different mutual funds, which you would choose, which would be under the control and operation of the Social Security Administration, so there wouldn't be any outrageously risky investments taken. But you would have a choice. You could choose a conservative investment, you could choose a moderate investment—you could choose a moderate investment in equities.

Why is that important? Today, the entire Social Security fund is invested in Government bonds. And what do they yield? They yield about 2.5 percent interest. Over no 20-year period in history has the equity market yielded less than 5.5 percent. So you can see the rate of return people are getting—because the average working life is 40 years—the rate of return people are getting on the amount which they are paying in Social Security taxes really is pretty weak, 2.5 percent. As I mentioned earlier, if you are an African American who happens to go into the workforce today and you are in your early twenties, your rate of return is zero—it is actually a negative number.

But the fact is, you would have a personal account, which you would have some control over, which is invested by the Social Security Administration in probably three or four different mutual funds which you have the right to choose from but which are set up under the Social Security auspices, much like we have, in the Federal Government, the Thrift Savings Plan. If you are a Federal employee today, there is something called a Thrift Savings Plan, and the Thrift Savings Plan trustees, who work for the Federal retirement plan, set up three different options: You can choose a high-growth fund, a moderate-growth fund, or a low-growth fund—or a low-risk fund. You can put your money, your savings and your retirement, into whichever one you want. This would be the same idea under Social Security. You would get to choose which one of those funds you want to put your money in —a low-risk fund, a moderate-risk fund, a higher-risk fund.

When you retired, you would then own that asset. The appreciation on that asset would be significantly better, we are absolutely sure, than the 2.5 percent that you are presently getting under the Social Security Administration. So that is an effective way to begin the process of making the Social Security system solvent. That would be a type of plan that would work.

The problem, of course, is, to make this work effectively, you have to act sooner rather than later. You cannot wait for 3 or 4 years in order to put this in place, because people need time to build up the accounts. The accounts we are suggesting do not represent your entire Social Security tax. What we are suggesting is, you use 2 percent of your Social Security tax. We would basically give you a tax cut for that 2 percent. You would then be able to invest that in this retirement fund or be required to invest it in a savings fund which would be managed by the Social Security trustees and would give you a much better rate of return.

There are a lot of other ideas out there. The point is, we need to get on to this issue, we need to get on to the specifics of how you are going to make the Social Security system solvent.

The President has been traveling around the country. He has been talking about this. Many of us on the Republican side of the Senate have been traveling around, also talking about this. We had a bipartisan group which involved myself and Senator BREAUX on the Senate side, and Congressman STENHOLM and Congressman KOLBE on the House side, and a whole group of people who are expert in this area. We met for 18 months, and we put together an excellent plan, part of which I have outlined, which would make the system solvent for the next 100 years. But it is a plan; it is not specific legislation. So, what we need is specific legislation.

This sense of the Senate comes forward, which essentially restates what everybody wants to do, which is make Social Security solvent. But it does not move along the plan. It doesn't move along how you get to actual legislation. If we really want to be constructive as a Senate, what we should do is probably have a sense of the Senate which calls on the President to come forward with a specific plan, and have it to us at the end of this year, so the beginning of next year we could actually begin to legislate on the Social Security system and Social Security reform, because our window of opportunity here is really quite small. If we don't put in place Social Security reform legislation by June of 1999, I am not sure we are even going to be able to put it into place, because then we are going to do a Presidential election. If it gets slid past the Presidential election, we have basically missed the window of opportunity to begin to build up equity in some kind of personal account or any sort of equity activity which involves investing in the market; we have given away 2 years of opportunity for that type of investment activity.

So, what we really need is specific action. Another sense of the Senate is nice. It is very appropriate, I suppose, to keep making this point over and over again, so it does not end up being overly politicized. But the fact is, what we need to do is go from the sense of the Senate situation to specifics.

What is the difference between the two sense of the Senate amendments here? I am not sure the differences are all that substantive, to be very honest with you. Where the difference is, essentially, is in the third point: "save Social Security first by reserving any surpluses in fiscal year 1999 budget legislation." Our sense of the Senate adds a fourth item: Third, "save Social Security first," which we all agree on, and, fourth, "return all remaining surpluses to the American taxpayers."

So we take it a step further. We basically add another point to the sense of the Senate by saying, once you have saved Social Security, let's take the other part, the surplus that is left over—there may not be any, but hopefully there will be—and return it to the American taxpayer.

I would say this language, "save Social Security first by reserving any surplus in the fiscal year 1999 budget legislation," is a little confusing, because fiscal year 1999 budget legislation could either mean the year 1999 or it could mean the 5-year period that budget legislation covers. So it is not really clear to me exactly what surplus they are talking about here. Is it a 1-year surplus or is it a 5-year surplus?

In any event, what we are saying is, independent of that issue, let's save Social Security first. But if there is a surplus above saving Social Security, let's do the right thing with it; let's return it to the taxpayer.

Who can disagree with that? We don't want to spend it, that is for sure. We might want to use it to reduce debt, but of course the best way to reduce debt is to save Social Security. Once you have saved Social Security, you have significantly reduced debt, dramatically reduced debt, because the biggest debt the Federal Government owes is to the Social Security system. So let's take that extra money, if there is any, and return it to the American taxpayer.

I think our sense of the Senate maybe takes the Hollings sense of the Senate, which was a good attempt, good statement on its face, in many ways, and makes it a lot stronger, because it makes it absolutely clear that not only do we want to save Social Security but we also want to return any extra surplus, after we have saved Social Security, to the American taxpayer.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Mr. President, briefly I want to yield to the distinguished Senator from New Jersey. I ask unanimous consent I add to our particular amendment Senator REID, Senator FORD, and Senator JOHNSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. And that we have no points of order? If somebody wants to raise one—and it is agreed we waive any points of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I yield to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for——

Mr. HOLLINGS. I yield 10 minutes.

Mr. LAUTENBERG. Mr. President, I note with interest that all Members on the floor now are members of the Budget Committee, which I think is particularly significant, because we are here talking about not only Social Security and our obligation to make the system solvent—to create a degree of confidence that, looking out into the future, we are going to be able to say to people, some who have already worked a dozen years: Worry not, we are here going to solve the problem of the question of solvency on the Social Security fund and it will be there for you —but we are also, at the same point, talking about the work done to get ourselves to a balanced budget point and, beyond that, to develop the surplus stream that we now see flowing very mightily.

The fact is, I think the Senator from South Carolina has worked so hard for so many years on the independence and on the solvency of the Social Security trust fund that he is almost "Mr. Social Security." No questions are raised about Social Security when the distinguished Senator from South Carolina, Senator HOLLINGS, isn't there defending the system and defending the right of those who expect to have the benefits to have them there at the time they need them.

We shouldn't start spending those projected surpluses that look like they are going to be in abundance until we confront our biggest long-term challenge, and that is to make sure that we have done the things necessary to solve the questions about the Social Security trust fund.

We need to ensure that younger Americans can benefit from the system, just as their parents and their grandparents are benefiting today. Once we fix that Social Security system and we have really done the job, we can consider using any remaining surpluses to provide real tax relief to ordinary Americans, to put more money in the pockets of struggling middle-class families.

Yes, they are enjoying this prosperity that we have, but I don't know many of them who feel like their heads are that well above water that they can provide the education their children will need to help ensure that they, too, will have a decent quality of life, one that is better than those who are working now. They need some help, and we want to do it.

We have a commitment that, first, we are going to start putting that money into the Social Security system, so that in the later years they have the reliability of the pension fund, of the Social Security fund. When we have done that, then we can, again, help the middle-class families afford education, health care, and take care of our infrastructure.

The point of this amendment is to say, before we start raiding projected surpluses, that we have some hard work to do. We ought to make the decisions that say to our young people, "Your retirement is going to be there," to do exactly what it is that the President pledged when we saw the surplus coming, and that is, save Social Security first.

Social Security isn't just another Government program, it is the most important social insurance program in our Nation. It has dramatically reduced poverty among older Americans, and it provides a critical safety net for those who suffer from disabilities or the death of a family member.

Keep in mind that a majority of American workers have no pension coverage other than Social Security; that is it. Nearly a third of all seniors get 90 percent or more of their income from the program. Without Social Security, more than half of the elderly would live in poverty.

It is absolutely critical that we maintain this safety net for future generations. Yet, Social Security's long-term viability is now threatened by the impending retirement of the baby boomers. Unless we act, the trust fund will become insolvent in the year 2032. Do we want to say to people who have already worked a dozen years of their life, on average, that you can start to envision life in your later years without the help that comes from Social Security? We can't let that happen.

Given the importance of solving the Social Security problem, Members of Congress on both sides of the aisle have supported the concept of "saving Social Security first." In fact, I remind my colleagues that the Senate already has approved a budget resolution that proposes to save all future budget surpluses.

I didn't support that resolution because, like some other Democrats, I felt it shortchanged important priorities like education and child care and created procedural obstacles to comprehensive tobacco legislation. But I did support the resolution's fundamental approach on the use of surpluses. The budget resolution said that all new spending and all new tax breaks will be fully offset, and it was the right thing to do.

My friends on the Republican side of the aisle, especially the distinguished chairman of the Budget Committee who sits here now, Senator DOMENICI, deserve credit for a job well done. He worked hard, as we all did, to get this budget into balance and to make sure that we start on the road to developing some surpluses and protecting Social Security.

Unfortunately, some Members are now suggesting that, "OK, we have some money in the bank; it looks like it is going to be there; let's start spending the projected surpluses." Frankly, I think it is a peculiar irony that we see some of those who are most concerned about fiscal discipline, sound fiscal policy, are now saying, "Hey, this is the time to start getting rid of these surpluses." I don't understand that when we are so deep in the hole. No one would advise a family or a business owner to do the same thing. When you have debt on your hands—and we have plenty of it, and it was noted by the distinguished Senator from New Hampshire that most of that debt belongs to the Social Security trust fund—I don't understand what it is that suddenly has impelled these folks to want to now spend the money.

The weakening of the budget discipline seems to be based in part on new budget projections released only last week by CBO. They are now estimating surpluses in future years will be larger than originally anticipated. It is great news. According to the CBO, the unified surplus this year will be $63 billion, and by 2008 that figure will grow for that year to $251 billion.

These figures are cause for celebration and they are cause for pride. They show that the disciplined policies we have adopted since President Clinton took office, including last year's bipartisan budget agreement, are working. Members on both sides of the aisle deserve credit for that. But CBO's new projections should not be used as an excuse to throw fiscal discipline out the window. They don't change the fact that Social Security still faces real, long-term problems. The trust fund, I repeat, will become insolvent, based on current projections, in 2032. We have to do something about that before we squander any of the projected budget surpluses.

I fully support providing tax relief to ordinary working Americans. I want to strengthen at the same time our Nation's commitment to education and health care. But there isn't any reason why we can't provide tax relief or invest more in education, and we can do it today if we pay for it. What we ought not to do is start treating future surpluses as a giant piggy bank for an excuse to abandon the fiscal discipline that got us to the good condition we are in today.

I also note that if Congress goes on a wild spending spree, the costs will not be limited to the long term. We could also trifle with investor confidence, and that then could create an upset in the market, about which everyone is concerned. People will be watching and saying, "When is the downturn going to come?" It could threaten our economy.

Importantly, raiding the surplus could undermine, once again, this great opportunity that we have to secure Social Security for those in the long-, long-term future. It would be unfair to those baby boomers and other young Americans.

I urge my colleagues on both sides of the aisle to support this amendment. Let's maintain our commitment to fiscal discipline. Let's continue the long-term thinking that got us to the good position we are in today.

The PRESIDING OFFICER (Ms. COLLINS). The Senator's time has expired.

Mr. LAUTENBERG. Let us fulfill the commitment that was made not implicitly but specifically to protect the retirement benefits of today's younger Americans. Let us do the right thing. SOS: Save Social Security first.

Thank you.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. I yield 10 minutes to the chairman of the Budget Committee.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 10 minutes.

Mr. DOMENICI. Thank you very much, Madam President. And I thank Senator GREGG.

First, I am pleased to be on the floor to hear the discussions that have taken place and pleased to hear Senator LAUTENBERG comment about our taxpayers and the need to return to the taxpayers—he described it his own way—but to return to them some of their hard-earned money.

Actually, the difference between the two resolutions is very clear now. First of all, on Social Security it could not be more clear. The Republicans do not talk about 1999 and Social Security; they say: "Save Social Security first"— unqualified.

The difference between the two resolutions is very, very simple, but I think rather profound. First of all, both resolutions purport to say, and try to say, that we want to save Social Security first. We just say that, and we do not qualify it with reference to years or which budgets. We just say, "save Social Security first." That is No. (3) in our conclusionary resolves.

And then we add a fourth one. And I will just read it, because you cannot do any better than just reading the language. "Return all remaining surpluses to American taxpayers."

Now, that is very simple. That establishes that this resolution, which is sponsored by the chairman of the committee, Senator GREGG, Senator LOTT, and myself, with some additional cosponsors—what we are saying is, take care of Social Security, no ifs, no ands, no buts. Any additional surpluses should be given back to the American taxpayers.

Frankly, there is a great debate occurring now on what we should do with the surpluses because, believe it or not, I recall that many Senators said, "We will never see the day that we have real surpluses." What was being said was, "Social Security moneys are being used to pay for our bills. We will never reach the day when we have surpluses without using Social Security at all that are real." And for this discussion, I will call them "operating surpluses." "Never will we see the day."

Well, if CBO is right, Madam President, we have seen the day, as a matter of fact, in the sixth year of this 10-year projection. And it is not a terribly optimistic set of economics; it does not take into account a real big recession, but actually in its overall calculations it assumes a rather moderate and then even a slight downturn in this economy, and it still has, in the sixth, seventh, eighth, and ninth years, a $40-billion-a-year operating surplus, not using a penny of Social Security during those years.

I can recall my good friend, Senator HOLLINGS, who is the chief sponsor of the resolution, which I commend him for, saying we would never get to that day. And I did not think we would either, I say to Senator HOLLINGS. I never thought we would. But we are there. Frankly, we may be—we may be—in a position, believe it or not, when those surpluses occur much sooner than that. And it may be that we can fix Social Security permanently into the next century and have some very big surpluses left over, for we might not need all of the Social Security money that is in this budget to fix Social Security. We may fix it differently and make it very solvent and truly credible for the next 100 years.

What we are saying—and we want this loud and clear to the American people—the American fiscal policy is such that you are paying more taxes than we need to run our Government. And we are saying, when that day arrives that we have fixed Social Security and we still have more of your taxes than we need to run this Government, we are saying we will give it back to you. I repeat—return all remaining surpluses to the American taxpayer.

I would hope that rather than the two sides have an argument over that, I would hope the Democrats would support ours.

Let me tell you, the only thing I can see that would not have them joining us is if they perceive that Government isn't big enough now and that what we must do in the future, Madam President, if we have the surpluses that we have both been talking about, is we have to save some of that to add more expenditures to Government.

Maybe it is wishing too much that both sides of the aisle would agree on that, but I submit that we on this side of the aisle would have been badly mistaken had we voted for a resolution that did not say to the American people we have a big enough Government—we have a big enough Government. The question now is, take care of Social Security, and then do not use the excess revenues which we took from the public for more Government; give it back to the people by way of tax relief.

That is a simple, as I indicated, but profound difference between the two resolutions. And I hope—I hope—that we leave here at 4:15 having turned a rather inconsequential vote into a very significant vote, because on the one hand it could be a vote that said we are going to save Social Security. But we have already agreed to that. The President has agreed to that. We put it in our budget resolution.

The difference now is that in addition to that, which we are reiterating, we added a second part that says: If we get there, and we have these surpluses that it looks like we are going to have, then we do not want to have any ifs, ands, or buts about that, we want to give it back to the taxpayer in tax relief.

I hope that the second-degree amendment sponsored by Senator GREGG, the chairman of this subcommittee, Senator LOTT, and myself, will be adopted.

If I have any time remaining, I yield it back and yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 3255, AS MODIFIED

Mr. GREGG. I ask unanimous consent that the Gregg amendment be modified to reflect the first degree status which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

At the appropriate place, insert:

SENSE OF THE SENATE ON THE BUDGET AND SOCIAL SECURITY.

(a) FINDINGS.—The Senate finds that—

(1) the Social Security system provides benefits to 44 million Americans, including 27.3 million retirees, over 4.5 million people with disabilities, 3.8 million surviving children and 8.4 million surviving adults, and is essential to the dignity and security of the nation's elderly and disabled;

(2) the Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Fund have reported to the Congress that the "total income" of the Social Security system "is essentially to fall short of expenditures beginning in 2021 and in each year thereafter . . . until the assets of the combined trust funds are exhausted in 2032";

(3) intergenerational fairness, honest accounting principles, prudent budgeting, and sound economic policy all require saving Social Security first, in order that the Nation may better afford the retirement of the baby boom generation, beginning in 2010;

(4) in reforming Social Security in 1983, the Congress intended that near-term Social Security trust fund surpluses be used to prefund the retirement of the baby boom generation;

(5) in his State of the Union message to the joint session of Congress on January 27, 1998, President Clinton called on the Congress to "save Social Security first" and to "reserve one hundred percent of the surplus, that is any penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system for the twenty-first century";

(6) saving Social Security first would work to expand national savings, reduce interest rates, enhance private investment, increase labor productivity, and boost economic growth;

(7) section 13301 of the Budget Enforcement Act of 1990 expressly forbids counting Social Security trust fund surpluses as revenue available to balance the budget; and

(8) the CBO has estimated that the unified budget surplus will reach nearly $1.5 trillion over the next ten years.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress and the President should—

(1) continue to rid our country of debt and work to balance the budget without counting Social Security trust fund surpluses;

(2) work in a bipartisan way on specific legislation to reform the Social Security system, to ensure that it is financially sound over the long term and will be available for all future generations.

(3) save Social Security first; and

(4) return all remaining surpluses to American taxpayers.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I say to the distinguished Senator from New Mexico, I hope I can get to Heaven. But if I ever get to Heaven and have to make an accounting to the Lord of all my sins, I hope I have you as my lawyer, because you are really very persuasive.

Mr. DOMENICI. Actually, I say to the Senator, in——

Mr. HOLLINGS. Let me tell you why you miss the point and how you danced around it. Now, here is the difference. It says, "The CBO has estimated"—this is the Domenici-Lott resolution; sense of the Senate—"The CBO has estimated that the unified budget surplus will reach nearly $1.5 trillion over the next 10 years." Absolutely false and in violation of section 13301, Madam President.

Without reading the whole thing—"Exclusion of Social Security from all budgets."

Now, how do you get $1.5 trillion without using $1.621 trillion, $1.621 trillion of Social Security money? That is the first mislead here. They first say that they are not going to use Social Security, but then they talk about a budget surplus. And the only way they can really mislead and continue the fraud and continue the campaign finance fund for all of us politicians to get reelected is to talk about tax cuts and surpluses when there are not any. There are not any, Madam President—absolutely none. But they use $1.621 trillion in order to get to the $1.5 trillion.

Now, Madam President, there is a further point to be made. Here is the entire—I ask unanimous consent the trust fund surpluses from Social Security alone for the next 10 years—rather than a $1.5 trillion surplus, there is a $1.621 trillion deficit—I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY TRUST FUND SURPLUSES: CBO SUMMER 1998 BASELINE

[By fiscal year, in billions of dollars]

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Trust fund surplus	105	117	126	130	138	146	154	165	173	181	186
Interest received by fund	−46	−51	−57	−64	−70	−77	−84	−91	−99	−108	−117
Non-interest surplus	58	66	68	66	68	69	71	74	74	73	70
Trust fund balance, end of fiscal year	736	853	978	1,108	1,246	1,392	1,547	1,712	1,885	2,066	2,252

Source: Congressional Budget Office.

Mr. HOLLINGS. Then I go to the real point with respect to surpluses, as if there were plenty of them around. There are not.

I ask unanimous consent to have printed in the RECORD the trust funds looted to balance the budget.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRUST FUNDS LOOTED TO BALANCE BUDGET

[By fiscal year, in billions of dollars]

	1997	1998	2002
Social Security	631	732	1,236
Medicare:			
HI	117	113	109
SMI	34	34	51
Military Retirement	126	133	163

TRUST FUNDS LOOTED TO BALANCE BUDGET—Continued

[By fiscal year, in billions of dollars]

	1997	1998	2002
Civilian Retirement	431	460	584
Unemployment	62	72	98
Highway	22	23	56
Airport	7	10	30
Railroad Retirement	19	20	23
Other	53	55	68
Total	1,502	1,652	2,418

Mr. HOLLINGS. Now, we find out with this, Social Security is only one-half of the problem. The truth of the matter is that this year we will owe—these are CBO figures—$732 billion. We will owe Medicare, $113 billion; and the hospital and SMI, $34 billion; military retirement, $133 billion; a deficit in civilian retirement of $460 billion; a deficit in the unemployment compensation of $72 billion; a deficit in the highway trust fund of $23 billion; a deficit in the airport trust fund of $10 billion; a deficit in the railroad retirement trust fund of $20 billion; and others, like Federal Financing Bank of $55 billion.

I only limited it to 1 year, trying to get their attention to what is going on this particular year. We can extend it out. There is no difference there. But don't go along with this continued fraud. Don't go along with this continued trickery. There is $1.652 trillion overall. Social Security is less than half; almost $1 trillion from the military retirement and civilian retirees and unemployment fund.

So the Government, us politicians, have been running around and gabbing about everyone. I thought I could get the seniors to pay attention to Social Security, but they are only paying attention to Medicare and Medicaid. I have been trying my best to get them in that particular movement. The military retirees don't understand it, and civilian retirees don't understand it at all.

So what is really wrong is not only that CBO has estimated the unified budget surplus will reach nearly $1.5 trillion when there is no surplus, they act like they are trying to give dignity and credibility to unified budgets. There is no surplus. Look on page 11 of the CBO report, and for the next 10 years there is listed a deficit, gross deficit. It is listed there in the column like I emphasized—otherwise, returning all remaining surpluses.

At this point, tell me, where is a surplus in the Government accounts? None—N-O-N-E. In fact, deficits—they mislead and say once we make a plan for Social Security, we can continue to spend the Medicare trust funds, the military retirement, the civilian retirement, the unemployment, the railroad retirement, the highway trust fund, the Federal Financing Bank. All of these are deficits—not surpluses.

So they say I hope we can get together and fuzz it all up, and there is really no difference here. This is a cancer, I emphasize again, a fiscal cancer because unless and until it shows instead of surpluses over the next 5 years—and that is what we are talking about, this year's deficit, $557 billion spent more than we take in. Deficits, deficits, deficits—not surpluses. And we add that to the national debt, the interest costs go up. According to June O'Neill, it doesn't, but I can tell you right now it will go up.

You can see Mr. Greenspan hedging his bet right now. When we do that, we will go back to the interest rates we had 10 years ago, and we are going to be eaten alive. So we have fiscal cancer. Nobody wants to talk about it, and we want to come up on the floor of the U.S. Senate with this nebulous language "return all remaining surpluses to the American taxpayer." If you have them, Brother HOLLINGS would be for that. But I don't want to mislead the American public. I haven't been nearly 50 years in public office to come here with this kind of fraud and doubletalk to the American people. There are no surpluses. I challenge them to point out the surplus in the highway fund, point out the surplus in Medicare, point out the surplus in military retirement, point out the surplus in civilian retirees, in unemployment, railroad retirement, Federal Financing Bank, all of the rest of them.

All of them are in deficit. That is why the debt has gone through the ceiling, and that is why we are increasing spending faster than we can cut it. It is $1 billion a day we are increasing spending on the interest costs on the national debt. Who in his right mind is going to cut spending $365 billion? That is our problem. The best way to ignore it is to put it under the rug, come in here and "return all remaining surpluses." They still want to use that language to give in to Speaker GINGRICH over on the House side; that is what they are trying to do.

That is why we are raising this all-important point right now. If I can get their attention, just this 1 year we will have accomplished our intent here. I retain the balance of our time.

Mr. DORGAN. Will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. DORGAN. Mr. President, I have been interested in seeing the responses of some who come to the floor and say we support this "save Social Security first" notion, and we want to add to it and make it better.

I bet when this vote is over, within 24 hours we will have them or their cousins or their kin or their friends talking about how big the surplus is and how much of a tax cut they want to give.

The question is, Where do you think they can provide the money to fund a tax cut if they are not to dip into the Social Security trust funds, and to go back on exactly what they are now proposing in the Gregg amendment, which is to save Social Security first?

Mr. HOLLINGS. Exactly. That is what they intend to do. But they think the politician makes his own little laws and sits attentive to his own applause—Plato's famous words.

The language, the image—it is a scandal. It really is a scandal. We are going broke, and we are talking about surpluses when we have nothing but deficit all around us.

Mr. DORGAN. Might it be the case that those who say, "Yes, let's save Social Security first," don't really mean that? They want to protect the trust funds because the same people who are talking about additional tax cuts right now can only get it by taking the Social Security trust funds. Could it be they don't understand the language of saving Social Security first, which means protecting the Social Security trust funds?

Mr. HOLLINGS. My dear colleague, they understand the language. They know exactly what they are doing. I can tell you here and now as a Governor who went before Standard & Poor's, went before Moody and got a triple A credit rating, we wouldn't have any rating at all, the U.S. Government on its bonds, this very minute with these kinds of deficits. You couldn't doubletalk Wall Street about surpluses. Wall Street goes along with the unified because it is business for them. That is why I pointed out the difference between corporate and the country's economy.

Mr. DORGAN. I understand it would be in my interest to provide tax cuts all the time, I suppose, if we could afford to do that.

Mr. HOLLINGS. That would be lovely. Reelect me, I am for all the tax cuts. Whoopee.

Mr. DORGAN. If the Senator will continue to yield, if we are collecting more money than is necessary for the Government, it ought to go back to the folks who send it in, no question about that.

But the question is, we have a debt of nearly $6 trillion and we have a problem in Social Security, as the Senator from South Carolina has pointed out. Just after World War II there were a lot of warm feelings around this country and we had the biggest baby crop ever produced in American history. People liked each other a lot and we had a lot of babies. Those babies are fixing to retire soon, and when they hit the retirement rolls it will be a maximum strain on the Social Security system. We have accrued surpluses year after year to meet that test for the baby boomers' retirement and those surpluses are invested in government bonds.

When the folks over here say well, gee, now we have the Congressional Budget Office that tells us there is a surplus, they are taking one page of the CBO report. They are forgetting the other page. The other page says if you include the Social Security fund in your budget totals, there is a surplus. But if you don't count the Social Security fund—which you shouldn't be able to do, because that money is paid into a trust fund for only one purpose—if you don't count the Social Security trust fund, there is no surplus.

Those folks are going to the second page, taking the number they want, and saying not only is there a surplus—which there isn't—but with the surplus we want to provide a big tax cut.

When? The month before the election. Gee, that is Politics 101, I suppose, but it is not good government. That is the purpose of the amendment that is offered by the Senator from South Carolina. It says, let us do with the Social Security trust funds what we promised the American people we would do—that is, save them for Social Security needs when the baby boomers retire.

Mr. HOLLINGS. They are telling the baby boomers they are the problem when we are charging them. They are not the problem; it is us adults on the floor of the Congress. The baby boomers are not the problem. We provided in the Greenspan Commission and in the law passed and signed by President George Bush on November 5, 1990, to take care of the baby boomers. Instead of taking care of them, we are continuing to charge them and, at the same time, telling them there is going to be a problem in the next generation when we are causing the problem.

I yield to the Senator from New Jersey.

Mr. LAUTENBERG. Thank you. Madam President, I will just take a few minutes out of the distinguished Senator's time to illustrate what is being discussed here in as direct and simple terms as possible. This chart really does it.

For years now, the Senator from South Carolina has been sounding the alarm. He has been the Paul Revere of Social Security for years now. He is always calling our attention to the fact that, yes, we now have enough to fund the needs of the Social Security payout program, the beneficiaries. But look out for the future, watch out, there is a train wreck coming. And he works at it all the time to make it abundantly clear. I hope the message gets through. He endorses, as we do, and as our friends on the other side of the aisle said today—and I will use the word perhaps "admitted" today—the best idea is to save Social Security first.

Well, frankly, I was a little astounded at what I heard here. In the same breath, they said we are taking in more than we need to spend for Government, so essentially let's get rid of that which is left over. I wonder if the same proponents of that type of a policy would say to their kids, "Listen, kids, if you have more money than you need today, spend it." I doubt it. Would you, if you were running a business, decide that if you had more than you needed for today's expenses, you would go ahead and spend it?

I ran a big corporation before I came here. One of the things that we always tried to do was to make sure that we were putting away the funds necessary for long-term investment, for new programs, for new marketing, for new production, to make sure that we would be ready for the future to stay competitive. That is what we are saying now. We are saying, yes, yes, to tax relief for hard-working Americans. But the first thing that we committed to do is to make sure that we save Social Security. I use the term "SOS," which is the international call for help—save our security, save our Social Security—SOS.

The Senator from South Carolina has been the one who stood here in the face of all kinds of opposition and worked hard to make sure that the message got through. Finally, it is getting through. And now, as it gets through, we want to spend it.

Here is the picture in very simple terms. In the 5 years, including 1999 to 2003, we will have a surplus that includes Social Security—includes Social Security. I repeat, we take in on Social Security more than we spend; thus, we are able to portray a surplus—$520 billion in 5 years. Now, if we take out the Social Security surplus—that means the funds that the people pay in through their payroll taxes—we wind up with a $137 billion deficit. So we ought not to continue this sleight of hand, as I call it, which is what is helping us to create these surpluses.

From 1999 to 2008, the surplus is Social Security; $1.540 trillion is created because we include the Social Security balance in there. And if we follow the policy that we have developed now, we will use those funds to project the life of Social Security off into the future—into the foreseeable future, beyond 2070. If we don't use the Social Security surplus, we wind up, in this same period of time, with $31 billion compared to $1.5 trillion.

So when I hear that, yes, we want to save Social Security, oh, absolutely; we want to send the message out to those who will come of retirement age in the years ahead that it will be there for you. But it can't be there for you if we spend it now, if we go ahead and do as we have heard said and subscribe to the Republican policy of huge tax cuts, as it comes over from the House. Get rid of this surplus; get rid of it now; let everybody feel good; let everybody believe this is good business practice—while we go broke in the process and create debts that we will never be able to meet.

So I hope that we will take the amendment by the Senator from South Carolina and get it passed. I like the amendment that we hear about from the Senator from New Hampshire because in it they say very clearly, save Social Security first. The language is precise: "and return all remaining surpluses to the American taxpayer." So there is first and there is second. The second part of this is returning the surpluses to the American taxpayer. Everybody wants to see tax relief available to those who are working and trying to take care of their families' needs and provide education and job opportunities. But we can't do it with this kind of hocus-pocus that we are seeing here.

Nobody here who understands financial balance sheets would permit this kind of thinking to overtake their judgment if they were running a business. I would not, and I know the Senator from South Carolina would not, and our colleagues on the other side would not do it, either. But when you sprinkle it with a little bit of politics in there, the tune changes, and the tune is: Spend it while you got it, baby. That is what is being said here on the floor of the Senate. I think, frankly, it is the kind of a message that the American people will see through.

With that, I yield the floor.

Mr. GREGG. Madam President, I yield the Senator from Texas 8 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 8 minutes.

Mr. GRAMM. Madam President, I thank the chairman of the Commerce, State, Justice Committee for yielding. Every once in awhile, we have a debate on something that really defines the choice that the American people face every 2 years when they go to the polls and decide whether they want a Republican majority in Congress or a Democrat majority in Congress. Many of the things we vote on, we agree on. Often, the distinctions are not so clear. And often the issues where they are clear, don't appear to be big at the time. But why I think the vote we are about to have at 4:15 is a very important vote and why I think the issue is significant—or at least it should be—to Americans who sit down every night around their kitchen table and get out a pencil and have the back of an envelope, and at the first of the month they take the amount of the paycheck and write it at the top of the envelope and they start subtracting bills they have to pay and try to figure out if they are going to make ends meet and whether they are coming out ahead that month—why this issue is a defining issue between the two parties is that there is one small, but significant, difference between the two resolutions that are before us. First of all, there are two very fine resolutions. They both talk about the fact that we are blessed by having a very strong and vibrant economy.

We are blessed by having a lot of Americans who are working, and that we have joined together, at least to this point, in a bipartisan commitment to try to save Social Security, which implies two things—No. 1, we admit, on a bipartisan basis, that it needs saving; No. 2, we are willing to do the heavy lifting to get the job done.

I know Senator GREGG has a plan and has been willing to take a courageous stand in showing us how we can save Social Security. Senator DOMENICI and I are working on a program to try to save Social Security and protect its benefits. So the difference here is not about Social Security, the difference is, What do you do if you save Social Security and there is still some money left? Our resolution says that, A, we want to save Social Security first, but we want to return all remaining surpluses to the American taxpayer.

That is the difference between these two resolutions.

Why is that important? Why that is important is that if you take Federal, State, and local taxes, the tax burden on American families today is at the highest level in American history. Never in the history of this country—at the peak of the war effort in World War II, at the peak of the war effort in the Civil War—have we ever had working Americans face and bear a higher tax burden than they have today.

What Republicans are saying is, first of all, we want to live up to our obligations; we want to save Social Security not with a slogan but with a real program, to begin to shift from a Social Security based on the debt of the Federal Government to a Social Security based on investment and wealth. That is the way we believe we can save Social Security. Obviously, we are going to have a debate on that.

But the resolutions before us—both fine resolutions, but the difference is, our resolution has a part 4; and the part 4 is: Return all remaining surplus after we save Social Security to the American taxpayer. We believe the tax burden is too high. So we want to save Social Security first. But if money remains after we do that job, we want to give it back to taxpayers.

Let me tell you why we are concerned, why we think Congress needs to go on record.

The President proposed a budget this year. At the same moment he was saying save Social Security first, he proposed a budget that had $56 billion worth of new discretionary spending programs busting the spending caps that we agreed to only last year.

What we are saying in our resolution is, we do not intend to see those spending caps breached, we do not intend to increase Government spending; we intend to hold the line on spending, tax the surplus, save Social Security with a real investment-based system that belongs to the individual worker, and then to the extent that there is any money left—and if we hold the line on spending, there will be money left, tens, hundreds, of billions of dollars left ultimately—we want that to go back to American families.

What would we like it to go back in the form of? We would like to repeal the marriage penalty. We have voted on an amendment that I offered this year to repeal the marriage penalty so that we don't have this absurd situation where people fall in love and get married and they end up giving the Government $1,400 additional income for the right to live in holy matrimony. Unfortunately, that was a bill that didn't become law.

One of the things we want to do with the money that is left when we save Social Security, if there is money, is we want to repeal the marriage penalty. We happen to believe that families are important. I believe, and believe very strongly, that we are overfeeding government. We are starving the one institution in America that really works. That institution is the family.

I would like to stretch out the income tax brackets. The average family in America is a two-wage-earner family. It earns $49,000 a year. It is in the 28-percent marginal tax bracket. I would like to link them to a 15-percent bracket so that more struggling American families who are trying to own their own home, trying to send their children to college, can continue to stay in that lower tax bracket longer.

Finally, I would like to junk the current unfair, complicated—and unfathomable to most Americans, including me—Tax Code we have now and go to a simple system that has flatter rates and that is comprehensible to the taxpayer, so that people can fill their tax return out in some semblance of some form they understand.

This is a big issue on a relatively minor resolution. What is the sense of the Senate? Some would say that it is sort of an oxymoron to be talking about it. But to the extent there is, are we simply trying to save Social Security, or do we want to go a step further and say that, if we save Social Security, if any money is left, we want it to go back to the taxpayer instead of being spent? That is what we say.

I hope people will vote for our resolution.

I thank the Chair.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, let me go right to the point made by the distinguished Senator from Texas. He said, "We believe the tax burden is too high." We all agree on that. But what is increasing that tax burden rather than decreasing it is this profligate spending, increasing the deficit, and increasing the debt.

If you look on page 11 of the Congressional Budget Office report, you find out that we increase spending over what we bring in for the next 10 years, and there is nothing but deficits. There are not any surpluses. There are not any surpluses.

Go right to the point of, yes, the President did submit a budget, and he increased spending $70 billion. You look on page 10 where the total went up to $1.721 trillion. The budget that passed the Senate with the vote of the distinguished Senator from Texas increased spending $70 billion. The President is guilty. The Congress is guilty.

This Senator tried a budget freeze. We had a vote on it last year, tried it again in the Budget Committee, and couldn't get any support. They call it the "Fritz freeze."

But the whole point is, return all moneys or surpluses to the taxpayers. Common sense would indicate that there must be some surpluses after Social Security.

I ask unanimous consent to have this chart printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 4.—CBO PROJECTIONS OF INTEREST COSTS AND FEDERAL DEBT

[By fiscal year]

	Actual 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
NET INTEREST OUTLAYS (BILLIONS OF DOLLARS)												
Interest on Public Debt (Gross interest) [a]	356	363	363	365	363	360	357	357	357	356	354	352
Interest Received by Trust Funds:												
Social Security	−41	−46	−51	−57	−64	−70	−77	−84	−91	−99	−108	−117
Other trust funds [b]	−64	−67	−67	−70	−72	−73	−75	−77	−79	−81	−84	−86
Subtotal	−105	−113	−118	−128	−136	−143	−151	−161	−170	−180	−191	−202
Other Interest [c]	−7	−6	−7	−6	−7	−7	−8	−8	−9	−9	−10	−10
Total	244	244	238	232	221	209	198	189	178	166	153	140
FEDERAL DEBT AT THE END OF THE YEAR (BILLIONS OF DOLLARS)												
Gross Federal Debt	5,370	5,475	5,594	5,721	5,845	5,927	6,021	6,102	6,174	6,205	6,223	6,222

TABLE 4.—CBO PROJECTIONS OF INTEREST COSTS AND FEDERAL DEBT—Continued

[By fiscal year]

	Actual 1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Held by Government Accounts:												
Social Security	631	736	853	978	1,108	1,246	1,392	1,547	1,712	1,885	2,066	2,252
Other accounts [b]	968	1,022	1,087	1,154	1,219	1,286	1,354	1,419	1,481	1,541	1,600	1,650
Subtotal	1,599	1,757	1,939	2,132	2,327	2,532	2,746	2,966	3,193	3,426	3,665	3,902
Debt Held by the Public	3,771	3,717	3,655	3,589	3,518	3,395	3,275	3,136	2,981	2,779	2,557	2,320
Debt Subject to Limit [d]	5,328	5,437	5,557	5,685	5,810	5,893	5,988	6,072	6,145	6,178	6,196	6,196
FEDERAL DEBT AS A PERCENTAGE OF GDP												
Debt Held by the Public	47.3	44.3	41.7	39.3	37.1	34.3	31.6	28.9	26.3	23.5	20.7	18.0

Source: Congressional Budget Office.

Note.—Projections of interest and debt assume that discretionary spending will equal the statutory caps that are in effect through 2002 and will grow at the rate of inflation in succeeding years.

a. Excludes interest costs of debt issued by agencies other than the Treasury (primarily the Tennessee Valley Authority).
b. Principally Civil Service Retirement, Military Retirement, Medicare, unemployment insurance, and the Highway and the Airport and Airway Trust Funds.
c. Primarily interest on loans to the public.
d. Differs from the gross federal debt primarily because most debt issued by agencies other than the Treasury is excluded from the debt limit.

Mr. HOLLINGS. Madam President, these are all deficits. I have asked the other side that sponsors this resolution to, for heaven's sake, show that dumb Senator from South Carolina where the surplus is. Show me the surplus, and I will hush and vote for your resolution. But you can't show me a surplus.

There is nothing but deficits in these reports. And mislead the public so that we can use Social Security as a slush fund to reelect ourselves—that is what we are doing. It is the greatest campaign finance abuse that I know of to continually have the word "surplus" come out of the mouth of that side of the aisle. There ought to be ashes in their mouths. They oppose—in fact, still are.

Down in South Carolina, I have a young Republican colleague running around hollering "the biggest tax increase in history." Of course, we know it was under President Reagan and Senator Dole. That has been analyzed in every newspaper. But I plead guilty, I voted for that tax increase. It is not the biggest.

What happened was, we cut spending $250 billion. Yes, we increased taxes $250 billion. We downsized the Government by over 300,000 Federal employees. That is what has the economy good—lowest unemployment, lowest inflation rate, biggest business investment, stock market through the ceiling, more home ownership, more young children getting help in receiving health care. We are in good shape.

If we can't talk the truth to each other now about where we stand fiscally, we never will. This is one grand fraud. That is what has occurred.

For those who fought us on down the line, instead of $250 billion—yes, the revenues went up.

Where is the amendment that says do away with the Social Security increase that we put in that they are now blaming me for? Where is the amendment that says we reduce the gas tax increase that they are blaming me for? I go home and they are blaming me. Yet, they want to come up here and holler, "Oh, the economy is so good; man, we got surpluses everywhere; now what is in order is, let's all now have a bunch of tax cuts."

I want to expose that fraud. Don't go along with this Republic resolution to fuzz it, using the word "surpluses." As my sister used to say, "Saying it so doesn't make it so."

There is no surplus. If they can find one in the Federal Government, God bless them. I will join me. But these are all deficits.

I ask unanimous consent, once again, to have this chart of the budget realities printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOLLINGS' BUDGET REALITIES

President (year)	U.S. budget (outlays in billions)	Borrowed trust funds (billions)	Unified deficit with trust funds (billions)	Actual deficit without trust funds (billions)	National debt (billions)	Annual increases in spending for interest (billions)
Truman:						
1945	92.7		−47.6		260.1	
1946	55.2	5.4	−15.9	−10.9	271.0	
1947	34.5	−5.0	4.0	+13.9	257.1	
1948	29.8	−9.9	11.8	+5.1	252.0	
1949	38.8	6.7	0.6	−0.6	252.6	
1950	42.6	1.2	−3.1	−4.3	256.9	
1951	45.5	1.2	6.1	+1.6	255.3	
1952	67.7	4.5	−1.5	−3.8	259.1	
1953	76.1	2.3	−6.5	−6.9	266.0	
Eisenhower:						
1954	70.9	0.4	−1.2	−4.8	270.8	
1955	68.4	3.6	−3.0	−3.6	274.4	
1956	70.6	0.6	3.9	+1.7	272.7	
1957	76.6	2.2	3.4	+0.4	272.3	
1958	82.4	3.0	−2.8	−7.4	279.7	
1959	92.1	4.6	−12.8	−7.8	287.5	
1960	92.2	−5.0	0.3	−3.0	290.5	
1961	97.7	3.3	−3.3	−2.1	292.6	
Kennedy:						
1962	106.8	−1.2	−7.1	−10.3	302.9	9.1
1963	111.3	3.2	−4.8	−7.4	310.3	9.9
Johnson:						
1964	118.5	2.6	−5.9	−5.8	316.1	10.7
1965	118.2	−0.1	−1.4	−6.2	322.3	11.3
1966	134.5	4.8	−3.7	−6.2	328.5	12.0
1967	157.5	2.5	−8.6	−11.9	340.4	13.4
1968	178.1	3.3	−25.2	−28.3	368.7	14.6
1969	183.6	3.1	3.2	+2.9	365.8	16.6
Nixon:						
1970	195.6	0.3	−2.8	−15.1	380.9	19.3
1971	210.2	12.3	−23.0	−27.3	408.2	21.0
1972	230.7	4.3	−23.4	−27.7	435.9	21.8
1973	245.7	4.3	−14.9	−30.4	466.3	24.2
1974	269.4	15.5	−6.1	−17.6	483.9	29.3
Ford:						
1975	332.3	11.5	−53.2	−58.0	541.9	32.7
1976	371.8	4.8	−73.7	−87.1	629.0	37.1

HOLLINGS' BUDGET REALITIES—Continued

President (year)	U.S. budget (outlays in billions)	Borrowed trust funds (billions)	Unified deficit with trust funds (billions)	Actual deficit without trust funds (billions)	National debt (billions)	Annual increases in spending for interest (billions)
Carter:						
1977	409.2	13.4	−53.7	−77.4	706.4	41.9
1978	458.7	23.7	−59.2	−70.2	776.6	48.7
1979	503.5	11.0	−40.7	−52.9	829.5	59.9
1980	590.9	12.2	−73.8	−79.6	909.1	74.8
Reagan:						
1981	678.2	5.8	−79.0	−85.7	994.8	95.5
1982	745.8	6.7	−128.0	−142.5	1,137.3	117.2
1983	808.4	14.5	−207.8	−234.4	1,371.7	128.7
1984	851.8	26.6	−185.4	−193.0	1,564.7	153.9
1985	946.4	7.6	−212.3	−252.8	1,817.5	178.9
1986	990.3	40.5	−221.2	−303.1	2,120.6	190.3
1987	1,003.9	81.9	−149.8	−225.5	2,346.1	195.3
1988	1,064.1	75.7	−155.2	−255.2	2,601.3	214.1
Bush:						
1989	1,143.2	100.0	−152.5	−266.7	2,868.3	240.9
1990	1,252.7	114.2	−221.2	−338.6	3,206.6	264.7
1991	1,323.8	117.4	−269.4	−391.9	3,598.5	285.5
1992	1,380.9	122.5	−290.4	−403.6	4,002.1	292.3
Clinton:						
1993	1,408.2	113.2	−255.0	−349.3	4,351.4	292.5
1994	1,460.6	94.3	−203.1	−292.3	4,643.7	296.3
1995	1,514.6	89.2	−163.9	−277.3	4,921.0	332.4
1996	1,560.3	113.4	−107.3	−260.9	5,181.9	344.0
1997	1,601.3	153.6	−22.3	−187.8	5,369.7	355.8
1998	1,654.0	168.3	63.0	−105.3	5,475.0	363.0
1999	1,721.0	199.0	80.0	−119.0	5,594.0	363.0

Note: Historical Tables, Budget of the U.S. Government FY 1998; Beginning in 1962 CBO's 1998 Economic and Budget Outlook.

Mr. HOLLINGS. I will give it to my colleague from New Hampshire, and he can get everything, the Congressional Budget Office figures. And the main point to be made, Madam President, is just that. Where you see an actual surplus down here in 1998 that they project of $63 billion, in order to do that they had to use trust funds of $168.3 billion. They used not only Social Security but all the rest. And then where they project for next year an $80 billion surplus, they had to use $199 billion in trust funds from Social Security and the retirement funds. That is how they talk that language. And I am trying to stop the doubletalk and talk sense to the American people.

I retain the remainder of my time.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Madam President, I just wanted to return to the specifics of the resolution, because I do think it is important to note that the resolution put forward by the Democratic membership is a resolution which tracks the statements made by the President in his State of the Union Address, which were that we should save Social Security first, we should reserve the surplus until we have saved Social Security first.

That is a paraphrase, but I think it is an accurate paraphrase. In other words, the President did not say, "We shall use the surplus to save Social Security." No, he chose his words very precisely. He said, "We would reserve the surplus until Social Security is saved." If you look at this proposal brought forward by the Democratic leadership, it says, "Save Social Security first by reserving any surplus." It doesn't say the surplus is going to be used. It says they are going to reserve it, again.

What is the difference here? We are saying use the surplus to save Social Security. They are saying reserve the surplus until Social Security has been saved. So all of the arguments they have made relative to the surplus and how it ties into the need to have the surplus for the purposes of benefiting the Social Security system really are not supported by the terms and specifics of their language because they are not even saying they intend to use the surplus to save Social Security. They are saying they are going to reserve the surplus until Social Security is saved, which leads one to the conclusion that maybe what they are planning is some change, some horrific change to the Social Security system where they are going to cut benefits and slash here and slash there so that they can pump up the surplus and have saved the Social Security system and still have a surplus to spend.

You can read their language to say that. You can't read our language to say that. Our language says, "Use the surplus to save Social Security." So the histrionics around here are a bit much, and I don't know what they mean. I don't know what they mean when they say "reserve." I don't know what they mean when they say, "The surpluses in the year 1999 budget legislation" because that doesn't necessarily mean the year 1999. That could mean the next 5 years, for all I know, that the budget legislation expires.

So this is a resolution that is, to be kind, imprecisely drafted, or maybe it isn't imprecisely drafted. Maybe they intended to obfuscate the issue by using the term "reserve," obfuscate the issue by using the term "1999 budget legislation." We do not obfuscate the issue. We say, "Save Social Security first," period. None of this qualifying language about reserving anything. And then we say, and we don't obfuscate this either, to the extent that there remains a surplus, "Give it back to the American taxpayers." Give them a tax cut. Across this country in State legislatures where the surpluses are being added up—along with our Federal surplus, most States are running surpluses —we are seeing tax cut after tax cut because the States understand that they are taking in more than the government needs. You shouldn't spend it. You shouldn't create new programs. You should return it to the taxpayers.

Now, the Senator from South Carolina has spent a considerable amount of time—in fact, he was kind enough to give me his numbers, and they are very nice numbers, presented very nicely, well formatted—on how there is no surplus out there besides the Social Security surplus. Well, I know the Senator from South Carolina is a student of the budget. In fact, he is one of the most knowledgeable people around here. I would simply refer him to the CBO numbers which say in the outyears there is a surplus independent of the Social Security system, independent of the Social Security system. In other words, there is a surplus beginning in the year 2005, which is a surplus that is not generated in any relationship to the surplus in the Social Security trust fund, and in 2006, in 2007, and in 2008, and beyond that maybe—we hope. But in any event, over that 4-year period, and that adds up to almost, by my calculations, $150 billion of surplus, which is an onbudget surplus generated not by the Social Security surplus but generated after you have taken into account Social Security payments.

So the CBO is telling us there is a distinct potential for there to be a surplus which has nothing to do with the Social Security trust funds. Not only is there a potential; they say there is going to be one, specifically saying. So

I believe the Senator from South Carolina has misspoken on that point, or I disagree with his position on that point. He may not have misspoken. I am disagreeing with his position, because I am looking at the CBO July update which says there is a surplus.

Should we use that surplus for something other than Social Security? My own personal opinion is no. No. The onbudget surplus, that I just talked about, should probably be also used for the purposes of addressing the Social Security issue. That happens to be my personal position. The way it should be done is by cutting taxes, which is what we happen to mention here in our amendment. We should cut taxes.

What tax should we cut? We should cut the Social Security tax. Why? Because it is the most regressive tax which we have. It is assessed across the board. Every wage earner pays it, and it is extraordinarily high. In fact, for most wage earners in America today, the Social Security tax is higher than their income tax. And it has no relationship to your total income; it simply is applied to your wage base. So it should be cut.

That is our proposal. It happens to be a bipartisan proposal. In fact, I think it now has something like seven or eight sponsors almost evenly divided between the Democrat and Republican side of the aisle here. And what we propose is to cut the Social Security tax by 2 percent, allow people to take that money, invest it in a savings vehicle managed by the Social Security Administration, which will give them a better return and give them physical ownership of that asset as we have discussed earlier.

So substantively I believe the proposal that I have brought forward here that is cosponsored by Senator LOTT, Senator DOMENICI, Senator GRAMM, and Senator MACK is a better idea. It says, "Save Social Security," period. That has to be done. It has to be done first. And then if there is a surplus, let's return it to the American taxpayer. It doesn't say there will definitely be a surplus, but if we look at the CBO numbers, we know there is a distinct possibility that there will be a surplus because they are scoring one for us. It does not obfuscate the issue with words like "reserve" and words like "fiscal year 1999 budget legislation." Pretty blunt.

So I think if the membership wants to choose a clear, concise, specific statement that says Social Security will be saved and will be saved first, and that then we will look at cutting taxes for the American taxpayer, they will want to choose the amendment offered by myself. If they wish to choose an amendment which is a little more opaque in its presentation and does not address the issue of cutting taxes, then they will choose one presented by the Democratic leadership.

Mr. HOLLINGS. Will the distinguished Senator yield for a question?

Mr. GREGG. Certainly.

Mr. HOLLINGS. I think we can bring this right into focus for everyone. The Senator was reading from page 10 about surplus, and I have already been critical, of course, of the Director of the Congressional Budget Office, because that is using surplus funds, that is using trust funds and moving them. The question would be—just turn the page—on page 11 you have the Federal debt, 2002, $5.927 trillion, and then why, if you have surpluses those years that you are talking about, and return those surpluses to the taxpayers—why is it, in 2003 it increases, in 2004, in 2005, in 2006, in 2007, 2008—why does the debt go up, if you have surpluses?

Mr. GREGG. As the Senator knows, there are a lot of other functions. But I am looking at the surplus, at the deficit surplus function, on budget, July: $37 million, $46 million, $45 million, $1 million, $11 million, zero; then we go into surplus, $5 million, $44 million, $55 million, $65 million.

We can spend the entire day here debating what the CBO means when it puts a surplus number out which says an on-budget surplus number. But the numbers are there. The Senator said find me a place where we can show a surplus. I found him a place. He wants to try to talk now about gross debt—

Mr. HOLLINGS. That is exactly right, because that is not a surplus. They are using trust funds. That is exactly my point. That is what the whole debate is about: Save Social Security.

Mr. GREGG. Didn't the Senator ask me to answer his question? I believe I answered his question by pointing out to where it has shown a surplus. So, obviously, there is an opportunity here to show a surplus independent of the Social Security investments.

Mr. HOLLINGS. What fund shows a surplus? Because the Federal debt goes up each year. So you show me—that is what I am saying: Name the surplus. I agree she used the word "surplus."

Mr. GREGG. That is $169 billion, according to the CBO numbers, between the period 2004 and 2008.

Mr. HOLLINGS. That is by using, of course, all these Social Security moneys.

Mr. GREGG. No; that is independent of Social Security.

Mr. HOLLINGS. Madam President, 2004–2008, you use the year 2004, $154 billion of Social Security moneys to make it a slush fund; 2005, $166 billion; 2006, $173 billion; 2007, $181 billion; 2008, $187 billion.

That is how you use the word "surplus."

Mr. GREGG. No, that is not the same at all.

Mr. HOLLINGS. What fund here is in surplus?

Mr. GREGG. Let's go back to the unified budget surplus.

Mr. HOLLINGS. Unified.

Mr. GREGG. If you use the Social Security trust funds, the surpluses in 2004 would be $154 billion. If we don't use the unified, you get a zero number.

Mr. HOLLINGS. If you use Social Security.

Mr. GREGG. If you use the unified, you get $171 billion. If you don't use—those are surpluses that are independent of the Social Security system.

Mr. HOLLINGS. The Senator and I agree that we are using Social Security and not saving Social Security. That is what the whole debate is about.

Mr. GREGG. No, we are not using Social Security. If I may restate the point, CBO numbers, which came out on July 15, showed fairly definitively that there is a surplus, independent of the Social Security trust fund, of approximately $169 billion.

The Senator may not accept those numbers. He may not like those numbers. He may feel those numbers are inaccurately, inappropriately arrived at. But those are the numbers which we have been given. Which leads to the secondary point, because the numbers are really almost irrelevant to the debate. It leads to the secondary point here, which is the key point, which is that there is a potential to give the American taxpayers a tax cut. Let's give it to them. Let's lock in the statement, "We want to give a tax cut, if there is a surplus in excess of what we need to benefit the Social Security system and make it solvent."

Why would we walk away from the opportunity to say to the American taxpayer, "If we can make the Social Security system solvent, after we have done that, if we have extra money, we are going to give you a tax cut?" Why would we ever want to walk away from such a statement? I think it is a fairly reasonable statement, a clear statement, concise statement, unlike the statement from the Democratic leadership which is totally—which is very hard to understand because it uses terms like "reserve," uses terms like "fiscal year 1999 budget legislation," both of which are terms of art and which are very hard to understand, would be very hard to even get a legal definition of, much less a commonsense definition of.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, assuming the Senator was correct, the reason you don't walk away, if you can possibly ever quit using Social Security as a slush fund, is the almost $1 trillion—that is why I put this chart in—from Medicare. We are still using Medicare. There is a surplus in Medicare right now. We have debated that. But we are using that to balance the budget. Military retirement, civilian retirement, unemployment, highway, airport moneys, railroad retirement, the other funds there, Federal Financing Bank and others—it is $1 trillion worth of other moneys.

If we could ever stop using those, which are deficits, and make them balance, just in the black instead of in the red, then I would go along with all the tax cuts. I want to go along with the tax cuts anyway. I voted to save the tax increase on guns just yesterday. I voted to cut the other so-called penalty, marriage penalty, on another item. I don't mind cutting taxes. But, overall, let's not act like we have money to spend when we are going broke, and that causes the debt to increase, which causes the interest costs to increase, which causes the waste to increase.

They act like, "We can play the game and we will get to it later." That is what is really hurting us, the $1-billion-a-day interest costs on the national debt for absolutely nothing.

I reserve the remainder of our time.

Ms. MIKULSKI. Madam President, I rise to support Senator HOLLINGS' amendment. This amendment puts the Senate on record in support of Saving Social Security first. It says before we do anything with the budget surplus, whether that is cutting taxes or funding worthwhile programs, we must ensure the solvency of Social Security. This is a very important vote. It expresses our commitment to the Social Security system for the millions of Americans who currently rely on Social Security. It also sends a powerful message to the millions of Americans who have come to doubt that Social Security will be there for them when they retire.

I support this amendment because I believe that promises made must be promises kept. We must be thoughtful and cautious when addressing the needs of a system that so many Americans count on, especially elderly women and disabled children. We need to ensure that we have the resources necessary to put Social Security on a sound footing, for both the short-term and the long-term.

Now we are in the midst of a historic event: the first federal budget surplus in decades. We've gone from a record deficit of $290 billion in the last year of the Bush Administration to a projected surplus of $80 billion for fiscal year 1998. There is no end to the proposals on how to use this "extra" money. I believe that we should follow President Clinton's lead and not commit the surplus to any program until we first resolve the long-term solvency of the Social Security system.

When you remove the Social Security Trust Fund from the budget calculation, there is no surplus and the budget isn't balanced. The Social Security Trust Fund is an important part of our current fiscal good fortune. We must continue to work to bring the budget into true balance without counting Social Security Trust Fund balances. In the past, I have voted to remove the Social Security Trust Fund from the federal budget calculation and I will continue to do so in the future. While Social Security is still in the overall budget calculation, any budget surplus should not be used to justify new spending initiatives. Our seniors, disabled, and survivors deserve better.

We are in the early stages of a deliberative process to determine the best way to assure the solvency of Social Security. I am pleased that President Clinton started this initiative by putting Social Security solvency front and center in his State of the Union Address. Since then, various groups, both public and private, have brought forth a vast range of proposals. I am taking part in that debate and want to be an advocate for the original intention of the Social Security program: a safety net for our seniors and for the disabled.

Let me say again that I believe that promises made must be promises kept. I want that to be a guiding principle for any plan to modify the Social Security program. I am pleased to support this amendment that reaffirms our commitment to Saving Social Security First.

Mr. GREGG. Madam President, I ask that Senator MURKOWSKI be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. I reserve the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the minority leader.

Mr. DASCHLE. Madam President, as I understand it, there are a few minutes left. I wanted to come to the floor to commend the distinguished Senator from South Carolina on his amendment. I believe this is really one of the most critical economic and fiscal decisions we will make this year. It will probably affect, more dramatically than anything else we do, the budget, the deficit, and, most certainly, Social Security. There are four numbers that I think everybody needs to understand. I know a lot of this has been discussed before.

The first number is $520 billion; $520 billion is the projected surplus including Social Security trust funds that we anticipate between now and the year 2003. If you take out the Social Security trust funds, you get to the second number—$137 billion. If we remove the Social Security trust funds, we actually have a deficit over the next 5 years of $137 billion.

Let us not kid anybody here. When we talk about a surplus—and I wish we could talk more forcefully and more convincingly that, indeed, we have a surplus—the reality is that we have a surplus only if we include the Social Security trust funds.

Let's move to the second set of numbers. The first is $1.548 trillion. All of these figures, by the way, Mr. President, are CBO numbers. That figure is the budget surplus including the Social Security trust funds that CBO anticipates for the next 10 years.

The fourth and final number is $31 billion; $31 billion is all that CBO anticipates that we will have over the next 10 years in surplus if we do not include the Social Security trust funds.

There should not be any question about our circumstances. Do we have a surplus? Yes. But it is yes with an asterisk, and that is what the distinguished Senator from South Carolina says so forcefully and so convincingly. We have a surplus only if we are prepared to drawn down those Social Security trust funds that we know we are going to need in the outyears.

When we talk about how do we use the surplus, it is pretty simple. The question we should be asking is, How do we use the Social Security trust funds? Of the roughly $650 billion over five years and $1.5 trillion over the next 10 years in Social Security trust funds, how do we use them?

Most of us believe very strongly that we ought to use those funds for one purpose and one purpose only: to pay out the commitment that we have made to Social Security recipients in this generation and the next and the next.

That is the question. That is why this resolution is so important, and that is why I hope everybody will support the distinguished Senator from South Carolina.

I yield the floor.

Mr. GREGG. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Senator from New Hampshire has 3 minutes 3 seconds.

Mr. GREGG. How much time does the Democratic side have?

The PRESIDING OFFICER. One minute on the other side.

Mr. GREGG. I suggest we yield back all time and go to a vote.

Mr. HOLLINGS. I yield back the remainder of our time.

The PRESIDING OFFICER. All time has been yielded back.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3255 offered by the Senator from New Hampshire. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 45, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—55

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Campbell
Chafee
Coats
Cochran
Collins
Coverdell
Craig
D'Amato

DeWine
Domenici
Enzi
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Torricelli
Wellstone
Wyden

The amendment (No. 3255) as modified, was agreed to.

VOTE ON AMENDMENT NO. 3254

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 3254 offered by the distinguished Senator from South Carolina.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 47, nays 53, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—47

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Snowe
Specter
Torricelli
Wellstone
Wyden

NAYS—53

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Campbell
Chafee
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Enzi
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Warner

The amendment (No. 3254) was rejected.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent that the following amendments be the only remaining first-degree amendments in order and subject to relevant second-degrees; that following the disposition of the below listed amendments the bill be advanced to third reading, and a vote occur on passage of the bill as amended.

I further ask that following the vote on the Senate bill, the bill remain at the desk awaiting receipt of the House companion bill, all after the enacting clause be stricken and the text of S. 2260 be inserted, the bill be advanced to third reading and passed, and the motion to reconsider be laid upon the table.

I further ask that the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint the following conferees on the part of the Senate: GREGG, STEVENS, DOMENICI, MCCONNELL, HUTCHISON of Texas, CAMPBELL, COCHRAN, HOLLINGS, INOUYE, BUMPERS, LOTT, MIKULSKI, and BYRD. Finally, I ask unanimous consent that the Senate bill be indefinitely postponed.

I submit the list of amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list of amendments is as follows:

AMENDMENTS TO CJS

Gregg—Relevant.
Lott—Relevant.
Lott—Relevant.
Stevens—Relevant.
Managers—Relevant.
Kyl—Border crossing cards.
Kyl—Internet gambling.
Kyl—Special masters.
Specter—Schuykill Courthouse.
McCain—P.O.W./M.I.A.
McCain—Patent and trademark office.
Sessions—Relevant.
Sessions—Relevant.
Brownback—Modifies membership of Fed./State joint board on universal service.
Grams—International criminal court.
Grams—Extradition of U.S. Nationals.
Grams—Provides standard notification of UN no growth budget certification.
Faircloth—Admin. subpoena authority for FBI on child exploitation.
Inhofe/Brownback—Patent and Trademark office building.
Nickles—Defense attorneys.
Smith, Wyden, and Craig—H2-A.
Hatch—Relevant.
Hatch—Relevant.
Thompson—Federalism.
Allard—Satellite mapping.
Akaka—Relevant.
Baucus—Havre Montana training site.
Biden—Sec. 403, UN arrearages.
Biden—Violence against women.
Biden—Relevant.
Biden—Relevant.
Biden—Relevant.
Bingaman—Trademark.
Bingaman—Relevant.
Bingaman—Relevant.
Bryan—Children's online privacy.
Bumpers—Immigrant investors program.
Bumpers—Telephone privacy.
Byrd—Relevant.
Byrd—Relevant.
Dodd—Blocking software.
Dorgan—USTR.
Durbin—Child access protection.
Durbin—Nursing relief for disadvantaged areas.
Durbin—Voluntary criminal background check for senior housing volunteers.
Durbin—Law enforcement training elderly abuse.
Feingold—Cable rates.
Feingold—Juvenile detention.
Feingold—Relevant.
Feinstein—Gangs.
Feinstein—Killer clips.
Ford—Relevant.
Graham—H2A workers.
Graham—Tourist visas.
Graham—Relevant.
Harkin—Communications.
Hollings—Manager's amendment.
Hollings—Relevant.
Hollings—Relevant.
Johnson—National Weather Service.
Johnson—Sentencing commission.
Kerrey—Copper.
Kerrey—Money to TIIAP.
Kerry—Relevant.
Kohl—Background check.
Landrieu—Adoption of immigrant children.
Lautenberg—Funding for prosecutions.
Lautenberg—Funding for certain police activities.
Leahy—Kurds.
Lieberman—Asian financial crisis.
Moseley-Braun—Embargo prohibition.
Moseley-Braun—Internet predators.
Moynihan—Relevant.
Reed (RI)—TPS to Liberians.
Torricelli—Bounty hunters.
Torricelli—Gun safe.
Torricelli—New Jersey radio use.
Torricelli—Nonsource point pollution.
Wellstone—Battered immigrant spouses.
Wellstone—Mental health.
Wellstone—Sexual assault of prisoners.
Wyden—72 hour holding period.

Mr. GREGG. Under the agreement which we have been talking about, we will now turn to the Senator from Arizona for an amendment.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

AMENDMENT NO. 3257

(Purpose: To prevent any consolidation of the Patent and Trademark Office until the Administrator of General Services conducts a cost-benefit analysis that is not limited to a specific geographical region and makes a recommendation on the basis of that analysis)

Mr. MCCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment. The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 3257.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 62, strike "*Provided further,*" on line 3 and all that follows through line 16 and insert the following: "*Provided further*, That none of the funds appropriated or otherwise made available under this Act or under any other provision of law may be obligated or expended by the Secretary of Commerce, through the Patent and Trademark Office, to plan for the design, construction, or lease of any new facility for that office until the date that is 90 days after the date of submission to Congress by the Administrator of General Services of a report on the results of a cost-benefit analysis that analyzes the costs versus the benefits of relocating the Patent and Trademark Office to a new facility, and that includes an analysis of the cost associated with leasing, in comparison with the cost of any lease-purchase, Federal construction, or other alternative for new space for the Patent and Trademark Office and a recommendation on the most cost-effective option for consolidating the Patent and Trademark Office: *Provided further*, That the report submitted by the Administrator of General Services shall consider any appropriate location or facility for the Patent and Trademark Office, and shall not be limited to any geographic region: *Provided further*, That the Administrator of General Services shall submit the report to Congress not later than May 1, 1999.".

Mr. McCAIN. I understand we have a time agreement on this amendment?

Mr. GREGG. There is no time agreement yet, but I would ask unanimous consent there be half an hour.

Mr. McCAIN. This is the Patent Trademark Office relocation. I just say to my colleagues I intend to be brief. I would be glad to have any time agreement that is reasonable. So I would be glad to enter into any time agreement.

Mr. HATCH. Reserving the right to object, Mr. President.

Mr. McCAIN. I have not asked for a unanimous consent agreement.

The PRESIDING OFFICER (Mr. ABRAHAM). There is no unanimous consent request pending.

Mr. HATCH. Will the Senator yield?

Mr. McCAIN. I would not ask for a unanimous consent, but I would ask unanimous consent for the Senator from Utah to be recognized without losing my right to the floor.

Mr. HATCH. Mr. President, all I ask is that the Senator from Utah be permitted the opportunity to speak following the remarks of the distinguished Senator from Arizona.

The PRESIDING OFFICER. Is there objection to that request? Without objection, it is so ordered.

The Senator from Arizona.

Mr. McCAIN. Mr. President, again, I say to those who are interested, I will be glad to enter into a very short time agreement. I know the Senator from New Hampshire wants to finish up the bill, and so I will be glad to enter into a very short time agreement.

Mr. President, this amendment is very simple. It prohibits the Patent and Trademark Office from spending any funds to plan for or proceed with the consolidation and relocation of its facilities until 90 days after the General Services Administration submits a new report to the Congress on the costs versus benefits of relocating all Patent and Trademark Office facilities to a new facility or location, and the costs associated with leasing versus lease-purchase, Federal construction, or other alternatives for new space, and finally, a recommendation of the lowest cost alternative for the project.

Most importantly, the amendment requires a GSA report to be prepared without regard to a specific geographic location. I want to repeat, Mr. President, so all my colleagues know, the amendment requires the GSA report to be prepared without regard to a specific geographic location.

The proposal to consolidate and relocate the various offices of the Patent and Trademark Office is an enormous project, the largest real estate venture the Federal Government is expected to enter into in the next decade. The current proposal raises serious questions.

First, the project is estimated to cost the taxpayers approximately $1.6 billion. About $1.3 billion of this amount is to pay for a 20-year lease of a new 2-million-square-foot facility somewhere in Northern Virginia. The additional $250 million is what the Patent and Trademark Office proposes to spend to "improve" the building, to bring it up to PTO standards, which appears to me extravagant and luxurious amenities that most of America's businesses do not provide to even their senior executives.

Most alarming, the language contained in the committee bill imposes no enforceable ceiling on the potential costs of this huge project.

Both the Citizens Against Government Waste and the National Taxpayers Union have raised serious concerns about the enormous cost of this project.

How can we claim to wisely spend Americans' hard-earned tax dollars when we are essentially giving the Patent and Trademark Office a blank check for this project? I have no desire to prohibit the Patent and Trademark Office from streamlining and improving its operations. It may be that the PTO does need to consolidate and relocate. However, we have a responsibility to ensure that this consolidation takes place in a fiscally responsible manner.

The proposed Patent and Trademark Office building complex is shamefully expensive and extravagant. In addition, in putting the proposal together, the Congress limited the Patent and Trademark Office to considering only sites in Northern Virginia, which is certainly not an inexpensive area for construction and leasing of office space.

To make matters worse, the bill before the Senate does not effectively limit PTO's budget for this project. The amendment I propose would require GSA to reevaluate the site selection process and look at more cost-effective alternatives which are not tied to one specific locality.

Mr. President, this $1.6 billion project is entirely too expensive. Under the current proposal, PTO plans to lease a 2-million-square-foot building "shell," which is essentially a structure with walls, ceilings, floors, and windows, but without electrical wiring, computer and telecommunication lines, carpeting, furniture, and all the other necessary interior fixtures.

The Patent and Trademark Office will not have to pay the costs of constructing the building "shell." However, the Patent and Trademark Office plans to spend an outrageous amount of taxpayers' dollars to bring the building up to its "standards."

First, the PTO is authorized to spend up to $88 million to "build out" the shell. This includes such necessary items as carpeting, electric, plumbing fixtures, and necessary environmental control upgrades to support the computer-intensive work of the office.

Unfortunately, compared to the Government's "standard" rate for this type of expenditure, building out the PTO building will cost 20 percent more than most Government buildings.

For example, the PTO building costs are $44 per square foot. NASA's new building was $37 a square foot. FERC's building cost $36 per square foot. And the Government standard is $36.69 per square foot.

On top of that $88 million, the PTO also plans to spend another $29 million for extravagant amenities, including extra elevators, granite and marble decor, jogging and walking trails, sculpture gardens, and outdoor amphitheaters.

That is a total of $117 million to finish the interior of the building and to add millions of dollars of extravagant amenities. On a per-square-foot basis, that is $58 per square foot of occupiable space, or 58 percent over the Government standard. But that is not all. The PTO also plans to spend another $135 million to move into the building, install the telecommunications equipment and buy furniture. Almost half of this money, $65 million, is for the purchase of new furniture and furnishings, including $250 shower curtains—$250 shower curtains—$1,200 chairs, $1,000 coat racks and $562 mailroom stools.

Mr. President, in case my colleagues missed that, I will repeat, $250 shower curtains—I would like to view that shower curtain—$1,200 chairs, $1,000 coat racks, and $560 mailroom stools.

Altogether, then, the PTO will pay $250 million to bring the building up to its standards, standards which far exceed the Government's norms, and which can only be called luxurious by any standard.

After spending $252 million to spruce up the premises, the PTO is prepared to pay $50 million per year for a 20-year lease, over and above the cost of its improvements listed above. That is approximately $1.3 billion in lease payments alone over the next 20 years.

Altogether, now, the PTO project is expected to cost the taxpayers almost $1.6 billion, and we will not even own the building at the end of 20 years. Let me repeat, we will not even own the building at the end of 20 years.

Remember how the cost of the Ronald Reagan building skyrocketed? The Ronald Reagan building, which is 3 million square feet, began at $362 million and ended up costing $800 million. That is a huge cost increase. This deal will be worse than the Ronald Reagan deal. The PTO project involves a 2.3 million square foot facility that will cost $1.6 billion when finally completed.

The new PTO building will be smaller than the Reagan building, 700,000 square feet smaller, and it is much more expensive. We spent $800 million on the Reagan Center, but at least we own a building that is designed to last at least 200 years and includes rentable space to offset its costs. The PTO deal is insane. The taxpayers pay to finish the interior building, add a myriad of extravagancies, and then pay to lease it for a total of $1.6 billion over 20 years, and at the end of 20 years, we give the building back to the owner. What kind of a deal is that? I think it is remarkable, remarkable.

The project was destined to become a fiscal nightmare. Our first mistake was we didn't allow ourselves to look at all possible locations to determine the most cost-effective facility to house the PTO complex. Instead, we only looked at sites in Northern Virginia. The sheer excesses in the PTO's proposals for the building's amenities are unbelievable: $250 shower curtains, $1,000 coatracks, and miles of walking and jogging paths. The tax dollars should be spent on processing patent applications. We should not be spending America's hard-earned tax dollars on extravagant perks. We should be spending tax dollars on processing patent applications, and we should make sure we spend them in the most cost-effective manner possible, by looking at all possible locations for this Government facility, not just one region.

Mr. President, I am not trying to kill this project. Maybe the PTO does need to consolidate. However, I think we, as a body, have a responsibility to act to ensure that the cost of this project is justified and kept in check. The amendment will require the GSA to take another look at this project before we spend $1.6 billion on it.

I would like to quote from a letter from the Citizens Against Government Waste:

> At a starting price tag of $1.3 billion, the PTO facility will dwarf the final cost of the $800 million Ronald Reagan International Trade Building, which has 700,000 more square feet. Adding insult to injury, at the end of the 20-year lease period, the government would not even own the PTO building.
>
> The PTO says it needs 2.3 million square feet. However, the Department of Commerce Inspector General has issued a report, Insufficient Planning is Jeopardizing PTO's Space Consolidation Project, which casts serious doubt on the appropriateness and cost-effectiveness of the venture.

In the letter they mention not only $250 shower curtains and $1,000 coatracks but $700 baby cribs.

> On behalf of the 600,000 members of [Citizens Against Government Waste], we are pleased to endorse your amendment. . . .

I have a letter from the National Taxpayers Union.

> . . . the Reagan Building is built to last 200 years, at about half the cost of the proposed 20-year PTO lease.

That is just the start of this giant boondoggle.

> PTO's costs just for moving into the new headquarters could run more than $130 million. That ought to buy a new building, not just pay for relocation.
>
> As part of the move, PTO plans to purchase $65 million in brand new furniture, including $250 shower curtains, $750 cribs, $309 ash cans. . . .

On that list are $309 ash cans.

> The environmental clean-up costs of possible PTO relocation sites could be as high as $194 million—some may contain carcinogens or even unexploded ordnance.
>
> . . . the PTO plan is "flawed because the lease development project lacks a defined cost ceiling." By a 3 to 1 margin, PTO employees represented by the Patent Office Professional Association oppose the move to a new complex.

I am surprised at that. Maybe they don't like $250 shower curtains.

> It would appear that PTO Commissioner Bruce Lehman is seeking a grand monument to his tenure, to be leased at government expense. If your amendment fails, the PTO lease will stand as the largest monument ever erected to government excess.
>
> For these reasons we endorse your PTO Amendment and urge your Senate colleagues to support it. The vote will be . . . weighted [et cetera].

I have a letter here from the American Intellectual Property Owners association.

Mr. WARNER. Will the Senator yield for a question?

Mr. McCAIN. I am almost finished. I will be glad to yield.

Mr. WARNER. The Senator has made frequent use of "taxpayers dollars," but I think in a sense of fairness, and I will eventually speak in greater detail, primarily the funding for this important function is entirely derived from the fees paid by the users of the services. It is not involved, these egregious sums of taxpayer dollars. I thought the Senator might want to comment on that, because I certainly will bring that out.

Mr. McCAIN. My only comment is when somebody pays a fee to the Government for a service, I don't know how you differentiate between that and money being taken out of someone's paycheck—because they are paying. They are not receiving this Government service for free. So you can call it a user fee, but that is the same thing as when you and I buy an airline ticket and 10 percent of that goes to the FAA to keep the FAA in operation, the air traffic control system, et cetera. Most people still view that as a tax.

Mr. WARNER. I say to my distinguished friend, when we go to the Department of Transportation to consult and get their advice on an issue, issues which are very much foremost in my distinguished colleague's mind now on aviation, we don't pay any fees. When we go to the Department of Defense or the Department of Justice to work with other Government agencies and Departments, fees are not paid. This thing was devised by Congress, this institution, to operate on a rotating basis of fees paid, which fees are passed on down the line to the consumers. I just wanted to bring that out.

Last, you mentioned the IPO. They just sent in a letter today endorsing it. I know the Senator is trying as hard as he can to list as many persons with an objection, but at the appropriate time I will put this letter in the RECORD. In the meantime, I will get a copy for the Senator. I thank the Chair and thank the Senator.

Mr. McCAIN. I thank my friend from Virginia. When he does talk, I would be interested in hearing him discuss the $250 shower curtains, $750 cribs, $309 ash cans, and $1,000 coatracks. I would be very interested in hearing—perhaps he has had an opportunity to view those. I would like to see them myself. In fact, perhaps we could have a hearing and view some of that, because it must be exciting stuff there, and all of the miles of trails.

Also, I would have to ask about the logic of my friend from Virginia. We pay $1.3 billion over 20 years, we take a shell and we put in all the furnishings, all the wiring, all the plumbing and everything into it, and then after 20 years it is not even ours, after a payment of $1.3 billion. I don't understand it.

By the way, let me mention two things to my friend from Virginia real quick. No. 1, I know this amendment will not be agreed to. That is why I am willing to have a relatively short time agreement. I have no illusions about that. But I think it is important to put all of this on the record here.

I also am aware both Senators from Virginia are very committed to this project. I understand and admire their commitment.

I also want to mention one thing about the chairman, the distinguished chairman of the Judiciary Committee. He is going to say, and I will respectfully agree with him, he has wrestled with this issue for years. He has done everything he can to try to resolve this issue. He has my utmost respect and appreciation for his efforts. I just happen to think this is the wrong answer. I think it is wrong to pay $250 for a shower curtain. I think it is wrong, after 20 years, to have to give back a building that you basically built, except for the shell. Frankly, I think it is wrong, in all due respect to my two friends from Virginia, that we should earmark any Government facility in a geographic-specific location. I think there should have been competition for this from all over the Washington, DC, area, if not from all over the United States of America.

Mr. President, I will yield the floor. Again, I will be glad, for the sake of the managers, to enter into a time agreement with my colleagues who want to speak on this issue so we can move on to the next amendment. I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Utah is to be recognized at this time.

Mr. HATCH. I will be happy to yield to the distinguished chairman while reserving my rights to the floor.

Mr. GREGG. I would like to reach a time agreement, if possible. I understand the Senator from Utah wishes to speak for about 10 minutes?

Mr. HATCH. Probably less, but if the Senator will list 10 minutes, that is fine.

Mr. GREGG. And the Senator from Virginia.

Mr. WARNER. Both Senators, Mr. President, would like, say, 15 minutes equally divided between my distinguished colleague and myself.

Mr. GREGG. I suggest all debate on this amendment be concluded within 25 minutes.

Mr. McCAIN. Reserving the right to object.

Mr. GREGG. The allocation will be 10 minutes—sorry, 30 minutes—10 minutes to the Senator from Utah, 15 minutes to the Senator from Virginia, and 5 minutes to the Senator from Arizona.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask unanimous consent that the following amendments be the next amendments in order, subject to relevant second degrees, and that following debate, each amendment be laid aside to reoccur at 9:30 this evening in a stacked sequence in the order in which they were debated.

I further ask unanimous consent that there be 2 minutes prior to each vote for closing remarks.

The amendments are:

The pending McCain amendment, a Durbin amendment on guns, a Thompson amendment on federalism, a Bumpers amendment on telephone privacy, a Nickles amendment on defenders, a Feingold amendment on child exploitation, and a Kyl-Craig amendment on gaming.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Under the previous order, the Senator from Utah is recognized.

Mr. GREGG. Mr. President, I simply state that the next series of amendments with rollcalls will be at 9:30 this evening.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I ask unanimous consent that if my remarks are less than 10 minutes, that it be cut off the time that the Senator asked for.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I rise in opposition to the amendment proposed by the Senator from Arizona. If adopted, the McCain amendment would result in needless, costly delays in the user process to obtain better facilities for the Patent and Trademark Office.

Look, we studied this thing to death. We know doggone well if this is delayed again, you are only going to have one bidder instead of three, and there is the question of whether that one bidder will do anything to save any money.

In fact, the amendment of the distinguished Senator from Arizona would cost a lot more money. Let me make my case.

The PTO procurement process has been studied to death. We don't need another study. Let me catalog for you the attention that has been paid to this procurement process. The PTO procurement process has been the subject of two comprehensive studies: one by the Inspector General of the Department of Commerce and another by an independent consultant who reported to the Secretary of Commerce. The independent consultant was Jefferson Solutions, which is headed by the former director of OMB's Office of Procurement Policy in the Reagan and Carter administrations. Both studies agreed that the competitive lease procurement should proceed so that the PTO can obtain the benefits of competition. Let me emphasize that, from the start, the PTO procurement process followed all the rules and complied with all the safeguards in the Standard Federal Government Procurement Procedures.

These studies are in addition to the normal Government procedures. Of course, they do provide for competitive bidding. Mr. President, Senator MCCAIN's amendment calls for a study of the benefits of leasing versus purchase, Federal construction, and other housing alternatives, such as lease purchase. This has already been done.

The GSA, the Department of Commerce, and the OMB thoroughly evaluated the options before submitting the lease prospectus for congressional approval. Both the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure concurred, when the prospectus was authorized in the fall of 1995, and in light of the limited funds available for capital investment and operating lease of the PTO, that is in the best interest of the PTO's fee-paying customers, which the distinguished Senator from Virginia has raised.

Furthermore, in a colloquy between Senators GREGG and WARNER conducted on the Senate floor during the vote on H.R. 3579, Senator GREGG agreed that no funds would be available in the foreseeable future to purchase or construct a facility to house the PTO.

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order. The Presiding Officer cannot hear the Senator from Utah.

Mr. HATCH. I thank the Chair.

H.R. 3579, which became law, required the Secretary of Commerce to review the project and submit a report to Congress by March of 1998. This is the Jefferson Solutions report that I referred to earlier.

The cost-benefit analysis that accompanied it, called the Deva report, showed the PTO will save $72 million over the 20-year life of the lease by consolidating.

I don't know about the shower curtains, but that is a lot of money to be saving compared to what we would lose if we went ahead with the amendment of the Senator from Arizona. I know he is trying to save money, and I have no problem with that.

The Jefferson Solutions report found that the consolidation of PTO space through a competitive lease would improve workflow efficiencies and improve the environment for employee retention, as well as reduce costs.

In addition to these studies and reviews, the procurement process has been tested judicially. A 1997 protest by the existing landlord alleging improprieties in the terms and conditions of the procurement was dismissed. Similarly, an unfair labor practice complaint filed by one of the PTO's unions was dismissed earlier this year.

Given these numerous studies, reviews, and court tests, why is it that we are here debating this issue yet once again? There appears to be a campaign to delay the procurement process, and I have to ask who is behind it. I don't think it is a matter of $250 shower curtains.

I know that Senator MCCAIN is not motivated by a desire to merely delay. I am sure he has real concerns based on facts as he views them. But the fact of the matter is, he is talking about peanuts compared to the millions and millions of dollars that will be lost if we do another study rather than go ahead after all of this work has been done, all the studies have been done. It is crazy. Nevertheless, there has been an ongoing campaign to delay this.

Who is behind it? Is it the parties who use the PTO services? No. The parties who use the PTO are the patent applicants, patentees, and trademark registrants. They oppose this amendment, and they want the procurement process to go ahead.

But, Mr. President, the current landlord of the PTO makes over $40 million a year from renting space to the PTO. Would 1 year's additional rent be worth mounting a campaign of delay? That is $40 million plus the $72 million we are talking about we lose by another study. I think you can buy a lot of shower curtains for that.

It would be to the landlord's benefit to delay it. That is why he has hired a major lobbying firm to kill this process. It is not the public demanding a delay, it is the PTO's current landlord. I can hardly blame him, because he will make $40 million more. But I would blame us if we permitted that to go on just because of some shower curtains and a few other things that the distinguished Senator from Arizona has mentioned.

I conclude, Mr. President, with an assurance that I am as concerned as anyone with cost overruns and lavish spending in the procurement process. I am disturbed by allegations of amphitheaters, exercise tracks, and high-priced furniture. I pledge to work with anyone who has a concern about specific excesses in the procurement prospectus. In fact, I intend to support the Inhofe-Brownback amendment that cuts back on build-out appropriations and the ability of the PTO to get more money for moving expenses. Congress should investigate these particular allegations and take a surgical approach. Another comprehensive study, however, is not the answer.

Let me just say for the benefit of the distinguished Senator from Arizona, he may have some points here, but they are very, very minor in comparison to the moneys that will be saved by moving ahead rather than having another delay by losing $72 million on one side and $40 million on the other over a few shower curtains. It just seems penny-wise and pound-foolish. I am against this amendment. I hope we defeat it.

The PRESIDING OFFICER. Who yields time?

Mr. ROBB addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Thank you, Mr. President.

Mr. President, I will be very brief. I concur with the assessment just rendered by the distinguished Senator from Utah. My distinguished senior Senator, Senator WARNER, and I are both very much opposed to this amendment. It is a delaying tactic that simply benefits the status quo and costs money.

For the benefit of Senators, I will quote from a couple of the reports that were referenced indirectly by the Senator from Utah, if I may. The Appropriations Committee, July 2, committee report:

> The committee has reviewed the reports submitted by the Secretary, and does not object to the Secretary's direction that the competitive procurement process should continue.

An independent report dated May 15, 1998, by Jefferson Solutions, Inc., BTG, Inc., Economics Research Associates:

> The PTO has used a sound methodology and valid reasoning in defining its need for new space, in researching its current and future functional needs, and in managing its consolidation and space acquisition process.

With respect to this, the Department of Commerce inspector general report in March 1998 in terms of its fiscal prudence:

> Long-term cost savings should be realized because the current leased PTO space is more expensive than the $24 per square foot authorized by the Congress.

An independent report, May, 22, 1998, by Deva & Associates:

> The conclusion of this business case analysis . . . is that the PTO should proceed . . . because the agency will incur, over the 20-year lease period, $72,395,278 less in costs.

A Department of Commerce inspector general report with respect to necessity, dated March, 1998:

> Most of PTO's current leased facilities . . . are in need of alterations to comply with fire, safety, and handicapped accessibility laws.
>
> PTO has a growing workload and is currently occupying noncontiguous space that is operationally inefficient.
>
> The new facility should promote the collocation of various working groups, thereby improving efficiency and productivity.

From an independent report by Jefferson Solutions and others, dated May 15, 1998:

> The proposed PTO amenity package is not "gold plated," and is consistent with other recent federal and private sector office projects.

A point that was made earlier by my distinguished senior colleague, it is the customers who pay the fees. And here is what they have to say, the executive director of the Intellectual Property Owners:

> We are at a loss for why anyone would want to keep the PTO in outdated facilities at higher cost . . .

The executive director of the American Intellectual Property Law Association:

> Further delaying the procurement would likely result in an additional loss of interest. The result would be to award, by default, a sole source lease extension to the existing landlord. Moreover, a new competitive process would almost certainly have to open up the area of consideration to a larger geographic territory, with additional costs and dislocations for [current] PTO employees and [their] users.

The bottom line, Mr. President, is that to the extent that there are any excess costs—first of all, I believe that is a worst case scenario.

Second, it can be addressed by the amendment that is going to be offered by Senators from Idaho and Kansas. And I will support that amendment, as the Senator from Idaho has indicated he will support it.

But the bottom line is, this is designed to save $72-plus million. Delay will simply continue the inefficiency and cost more money. If there is a concern—and I would share the concern that the Senator from Arizona expressed about any unnecessary costs—we can address that, but do not stop the process that has been ongoing for years, which simply will increase the costs in a very significant way.

With that, Mr. President, I yield the floor to my distinguished senior Senator. And I thank the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank my distinguished colleague for his very clear remarks on this. I worked until late last night with Senators BROWNBACK and INHOFE to devise an amendment to which I have now added my name. And I send this amendment to the desk just for the purpose of filing it. And the managers have indicated—both the majority and minority—that it will be eventually accepted as part of the managers' package.

The PRESIDING OFFICER. The amendment will be printed in the RECORD.

(The text of the Amendment (No. 3259) is printed in today's RECORD under "Amendments submitted")

Mr. WARNER. But this amendment achieves many of the goals recited by Senator MCCAIN, to crunch this down to a realistic purchase of equipment and not have the items which clearly were excessive in cost, as recited by our distinguished colleague from Arizona.

I credit the distinguished Senator from Arizona. He is a constant watchdog on these various issues. And I responded to one of his points here. This is not taxpayers' dollars. Secondly, the reason we are pursuing this type of an arrangement is simply because there are insufficient taxpayers' dollars in the Treasury for the Government to build the building. And therefore, we have to work on this building lease type of financing to lower the burden of cost, indeed, to the taxpayers for the construction of a building which is absolutely essential.

This vital function of Government, patent and trademark, is now being performed by very loyal, highly skilled Government workers. And they are disbursed in a number of buildings—a number of buildings. And anyone who understands the simple basis of management and trying to do a job knows that if you have your employees, first, in 16 different buildings—I want to repeat that; 16 different buildings—this concept is to bring it into a central concept financed under a lease arrangement, not by taxpayers' dollars, but by the payment of fees.

So I say to my colleagues, this is a matter which both sides of the aisle have addressed in terms of cost containment. Both sides of the aisle have addressed in terms of its need and the propriety of a process that started in 1995 in the Senate Environment Committee which has overall oversight of this type of work.

I have today a letter addressed to me from the General Services Administration which, once again, reiterates in absolute clarity the fact that they have reviewed this process, they have reviewed the proposals, and it is their conclusion that it is in the public interest.

This is the Government agency in which we have reposed the trust and the confidence to make the vast number of technical decisions which are required for a very expensive contract, or in this instance a lease arrangement build.

Mr. President, I ask unanimous consent to have the General Services Administration letter and a letter from the IPO printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, DC, July 22, 1998.

Hon. JOHN W. WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATOR WARNER: The purpose of this letter is to express my strong support for continuing the ongoing procurement of leased space for the Patent and Trademark Office (PTO) in Northern Virginia. After studying the various alternatives for providing this space; new federal construction, leasing, lease purchase and other alternatives, we concluded that leasing was the most advantageous given the resources available for such activities.

Since 1993 the PTO and the General Services Administration (GSA) have worked together to meet the requirements stipulated in the authorization provided by the Congress. As a result of this joint effort, we have initiated a procurement which has been both fair to the competitors and efficient in the way it has been accomplished.

This action has been reviewed by the Inspector General of the Department of Commerce, an independent set of procurement experts hired by the Secretary of Commerce and other independent experts. In each case it has been determined that the proposed action is cost effective and in the best long term interest of the PTO. These studies have shown that a $72,000,000 savings will occur over the term of this action when compared to the current situation.

Furthermore, this action has the full support of the intellectual property community that the PTO serves.

Sincerely,

DAVID J. BARRAM,
Administrator.

INTELLECTUAL PROPERTY OWNERS,
Washington, DC, July 22, 1998.

Re IPO's opposition to your proposed amendment to the Commerce, Justice, State appropriations bill (S. 2260) that would delay the competitive procurement of new office space by the PTO.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: We are writing to urge you not to offer your proposed amendment to the appropriations bill that would have the effect of stopping or delaying the procurement of office space for the U.S. Patent and Trademark Office (PTO).

Intellectual Property Owners (IPO) is an association that represents companies and individuals who own patents, trademarks, copyrights, and trade secrets. Our members obtain about 30 percent of the U.S. patents that are granted to U.S. residents and pay more than $100 million a year in user fees to the PTO.

We have followed the plan for procurement of office space by the PTO for the past year, received several briefings, and examined several documents and reports. We are confident that the current procurement of new office space for the PTO on a competitive basis is in the best interest of IPO members. The latest information available to us indicates that the PTO will save $72.4 million over the 20-year term of the projected lease under the competitive procurement, compared with the cost of remaining in existing space. The study on which this conclusion is based prepared by the consulting firm of Deva and Associates, P.C. We understand it has been reviewed by numerous authorities, including a consulting firm hired by Commerce Secretary Daley, the Commerce Inspector General, the PTO, the GSA, and the OMB. Allegations that the PTO is proposing extravagant above-standard fit-out costs, or that the competitive bidding procedure has been mismanaged, are unsupported by any facts, as far as we can determine.

We have been briefed on the very high costs listed in the Deva report for certain furnishing. We are satisfied that these number do not yet reflect savings that the PTO will realize through mass purchases, standardization, and competition. We hope Congress will not delay the procurement simply because of these cost estimates for furnishing. Congress, with the benefit of advice from PTO users, will have the opportunity to control the costs of PTO furnishing when it approves annual appropriations requests.

Sincerely,

HERBERT C. WAMSLEY,
Executive Director.

Mr. WARNER. Mr. President, to reiterate, I rise today in opposition to the McCain amendment which seeks to delay the procurement of space for the U.S. Patent & Trademark Office pending an evaluation by the U.S. General Services Administration (GSA). It should be noted that I have agreed to accept an amendment offered by my colleagues Senator BROWNBACK and Senator INHOFE regarding cost containment measures for the PTO consolidation in the Commerce-State-Justice appropriations bill.

The Government's prospectus process provided thorough answers to all questions raised by the McCain amendment. Through the prospectus process, authorized by the Public Buildings Act, as amended, the Government submitted to the Congress detailed justification for procuring a new consolidated space for PTO.

The Senate Environment and Public Works Committee Subcommittee on Transportation and Infrastructure, which I chair, in addition to the House Transportation and Infrastructure Committee held extensive hearings on this prospectus and approved the prospectus in the Fall of 1995. Both committees concurred that in light of the limited funds available for capital investment, an operating lease for the PTO is in the best interest of the PTO fee paying customers.

Mr. President, during these hearings, the government testified and the House and Senate committees of jurisdiction agreed, that procuring consolidated space for the PTO would achieve greater efficiency as well as cost-savings to the taxpayer while providing a more effective work environment for the PTO to perform its mission.

Pursuant to the language in the supplemental appropriations bill, the Department of Commerce performed a review of these same issues and found conclusively that the PTO consolidation is in the best interest of the United States and the procurement should proceed.

This project has been studied and studied and studied. These studies include: the Department of Commerce's Inspector General; an independent consultant to the Secretary of Commerce (Jefferson Solutions; headed by the ex Directors of OMB's Office of Procurement Policy in the Reagan & Carter administrations), both of which agree that the competitive lease procurement should proceed, so that the PTO can obtain the benefits of competition.

Mr. President, it should further be noted that GSA, the Department of Commerce and OMB thoroughly evaluated the benefits of leasing versus purchase, Federal construction and other housing alternatives, such as lease purchase, before submitting the lease prospectus for congressional approval in the first place.

The PTO procurement does not involve expenditure of taxpayer money. PTO and all its operations and procurement are supported entirely by fees paid by its customers. The PTO does not, and will not, receive any taxpayer money.

In a colloquy between myself and the distinguished floor manager of this bill, Senator GREGG during the Senate debate on the supplemental appropriations bill H.R. 3579, P.L. 105–174, Senator GREGG agreed that no funds will be available in the foreseeable future to purchase or construct a facility to house the PTO.

P.L. 105–174 already required the Secretary of Commerce to review the project and submit a report to Congress by March 1998. That report, conducted by Jefferson Solutions, and the cost benefit analysis report, referred to as the DEVA Report that accompanied it, show that the PTO will save $72 million over the 20-year life of the lease by consolidating.

Mr. President, this $72 million is a conservative estimate of the savings that will be achieved. For example, if the PTO were to purchase less expensive furnishings than are reflected in the DEVA Report, the cost savings would be greater.

While Senator McCain and others may charge that the furniture estimate used in the DEVA Report is high, I would indicate that the DEVA Report shows the "worst case" costs. These costs are used to calculate the potential savings of consolidation, and are certainly not the actual costs that the PTO will spend on furniture.

The actual furniture costs will be lower, because they will include economies that will be achieved through competition, mass purchase and standardization. Therefore, the savings from consolidation will likely be higher than $72 million.

The PTO intends to conduct a furniture inventory and will use existing furniture where practicable.

In conclusion Mr. President, PTO is not contracting for a new $1.3 billion building. It is contracting for a new competitive 20-year lease. It would cost at least $1.3 billion for the PTO to remain where it is for the same 20-year period. The offerors in the prospectus have the option of building, renovating or consolidating to meet the PTO's space needs.

The Senate Committee on Environment and Public Works carefully considered the need for the facility, various alternatives, and the costs of each approach before authorizing the lease procurement to be conducted by the GSA for the PTO.

PTO will only move if it is economic and efficient to do so under the current competition. It is not a foregone conclusion that PTO will relocate. Crystal City, the current site of the PTO, is one of the three sites competing in the procurement.

Taxpayer protections include the following:

The rental rate ceiling of $28.50 per square foot contained in the approval resolutions are at or below the rates that PTO is currently paying, and current market rates in Northern Virginia; the build out allowances for the interior space are fixed in the procurement documents at less than $45.00 per square foot; an amount that is comparable to most government facilities; PTO currently leases 1.9 million rentable square feet of office space in 16 separate buildings in Arlington, Virginia. The prospectus calls for 2.17 million to 2.39 million square feet of space, which is between 15% to 25% more than currently exists, due to a projected increase in PTO's work from the now 5,200 employees to 7,100 employees by 2002. This is overall a 37% increase in the work force of PTO, which accounts for the increase in space needed to house this growing agency.

PTO will only move if it is economic and efficient to do so under the current competition in which the incumbent lessor is one of the four finalists.

I have seen the PTO study that compares costs of consolidation to remaining in existing buildings. Even with all these costs, the bottom line is that the PTO will save $72 million over the life of the new lease.

Senator McCain said he would yield back his time. So I say to the distinguished manager, the time allocated for debate on this side, indeed, with my fellow colleague from Virginia has been completed. And Mr. McCain asked me to inform you he would yield back his time.

Mr. GREGG. I thank the Senators from Virginia for their prompt and concise debate. I appreciate it very much.

Mr. WARNER. We wish to accommodate our distinguished colleagues, the managers of our bill.

Have the yeas and nays been ordered?

Mr. CRAIG. The yeas and nays have not been ordered.

Mr. WARNER. I do not know of a request. I imagine the manager can proceed with the vote.

Mr. GREGG. Do you wish to have the yeas and nays?

Mr. WARNER. I do not ask for the yeas and nays.

Mr. GREGG. I think we will wait for Senator McCain to return to determine whether or not we need that.

Mr. WARNER. Fine. I think we should accommodate my colleague and friend from Arizona. I just wished to raise the fact that a recorded vote had not been sought yet.

Mr. GREGG. That is absolutely correct. We will now proceed to the Durbin amendment.

I ask unanimous consent that the debate on the Durbin amendment and second-degrees—I will reserve my unanimous-consent request.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. I ask unanimous consent that the Senator from Illinois be allowed to lay down his first-degree amendment, that that then be laid aside and the Senator from Idaho be immediately recognized to offer a first-degree amendment relative to firearms enforcement. Further, I ask there be 40 minutes for debate on both the Durbin and Craig amendments combined, to be equally divided between Senator Craig and Senator Durbin, with no second-degree amendments in order to either amendment, and following the conclusion or the yielding back of time, pursuant to our previous unanimous consent request, a vote will occur at or about 9:30 in relation to the Craig amendment, to be followed immediately by a vote on or in relation to the Durbin amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 3260

(Purpose: To prevent children from injuring themselves and others with firearms)

Mr. DURBIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. Durbin], for himself, Mr. Chafee, Ms. Moseley-Braun, Mr. Lautenberg and Mrs. Feinstein, proposes an amendment numbered 3260.

Mr. DURBIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title I of the bill, insert the following:

SEC. . CHILDREN AND FIREARMS SAFETY.

(a) Secure Gun Storage or Safety Device.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, prevents the firearm from being operated without first deactivating or removing the device;

"(B) a device incorporated into the design of the firearm that prevents the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that can be unlocked only by means of a key, a combination, or other similar means.".

(b) Prohibition and Penalties.—Section 922 of title 18, United States Code, is amended by inserting after subsection (x) the following:

"(y) Prohibition Against Giving Juveniles Access to Certain Firearms.—

"(1) Definition of juvenile.—In this subsection, the term 'juvenile' means an individual who has not attained the age of 18 years.

"(2) Prohibition.—Except as provided in paragraph (3), any person that—

"(A) keeps a loaded firearm, or an unloaded firearm and ammunition for the firearm, any of which has been shipped or transported in interstate or foreign commerce or otherwise substantially affects interstate or foreign commerce, within any premise that is under the custody or control of that person; and

"(B) knows, or reasonably should know, that a juvenile is capable of gaining access to the firearm without the lawful permission of the parent or legal guardian of the juvenile;

shall, if a juvenile obtains access to the firearm and thereby causes death or bodily injury to the juvenile or to any other person, or exhibits the firearm either in a public place, or in violation of subsection (q), be imprisoned not more than 1 year, fined not more than $10,000, or both.

"(3) Exceptions.—Paragraph (2) does not apply if—

"(A) the person uses a secure gun storage or safety device for the firearm;

"(B) the person is a peace officer, a member of the Armed Forces, or a member of the

National Guard, and the juvenile obtains the firearm during, or incidental to, the performance of the official duties of the person in that capacity;

“(C) the juvenile obtains, or obtains and discharges, the firearm in a lawful act of self-defense or defense of 1 or more other persons;

“(D) the person has no reasonable expectation, based on objective facts and circumstances, that a juvenile is likely to be present on the premises on which the firearm is kept; or

“(E) the juvenile obtains the firearm as a result of an unlawful entry to the premises by any person.”.

(c) ROLE OF LICENSED FIREARMS DEALERS.—Section 926 of title 18, United States Code, is amended by adding at the end the following:

“(d) The Secretary shall ensure that a copy of section 922(y) appears on the form required to be obtained by a licensed dealer from a prospective transferee of a firearm.”.

(d) NO EFFECT ON STATE LAW.—Nothing in this section or the amendments made by this section shall be construed to preempt any provision of the law of any State, the purpose of which is to prevent children from injuring themselves or others with firearms.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

AMENDMENT NO. 3261

(Purpose: To require increased efforts for the prosecution of offenses in connection with the unlawful possession, transfer and use of firearms, particularly in connection with a serious drug offense or violent felony)

Mr. CRAIG. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 3261.

Mr. CRAIG. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

“SEC. . INTENSIVE FIREARMS ENFORCEMENT INITIATIVES.

(a)(1) The Secretary of the Treasury shall endeavor to expand the number of cities and counties directly participating in the Youth Crime Gun Interdiction Initiative, as enhanced in this section, (and referred hereafter to as “YCGII/Exile”) to 50 cities or counties by October 1, 2000, to 75 cities or counties by October 1, 2002, and to 150 cities or counties by October 1, 2003.

(2) Cities and counties selected for participation in the YCGII/Exile shall be selected by the Secretary of the Treasury and in consultation with Federal, State and local law enforcement officials. Not later than February 1, 1999, the Secretary shall deliver to the Congress, through the Chairman of each Committee on Appropriations, a full report, empirically based, explaining the impact of the program before the enhancements set out in section on the firearms related offenses, as well as detailing the plans by the Secretary to implement this section.

(b)(1) The Secretary of the Treasury shall, utilizing the information provided by the YCGII/Exile, facilitate the identification and prosecution of individuals—

(A) illegally transferring firearms to individuals, particularly to those who have not attained 24 years of age, or in violation of the Youth Handgun Safety Act; and

(B) illegally possessing firearms, particularly in violation of 18 U.S.C. §922 (g)(1)–(2), or in violation of any provision in 18 U.S.C. §924 in connection with a serious drug offense or violent felony, as those terms are used in that section.

(2) The Secretary of the Treasury shall, commencing October 1, 1998, and in consultation with the Attorney General, the United States Attorney for the Eastern District of Pennsylvania, the State of Pennsylvania, the City of Philadelphia and other local government for such District, establish a demonstration program, the objective of which shall be the intensive identification, apprehension, and prosecution of persons in possession of firearm in violation of 18 U.S.C. §922 (g)(1)–(2), or in violation of any provision in 18 U.S.C. §924 in connection with a serious drug offense or violent felony, as those terms are used in that section. The program shall be at least two years in duration, and the Secretary shall report to Congress on an annual basis on the results of these efforts, including any empirically observed effects on gun related crime in the District.

(3) The Attorney General, and the United States Attorneys, shall give the highest possible prosecution priority to the offense stated in this subsection.

(4) The Secretary of the Treasury shall share information derived from the YCGII/Exile with State and local law enforcement agencies through on-line computer access, as soon as such capability is available.

(c)(1) The Secretary of the Treasury shall award grants (in the form of funds or equipment) to States, cities, and counties for purposes of assisting such entities in the tracing of firearms and participation in the YCGII/Exile.

(2) Grants made under this part shall be used—

(A) to hire additional law enforcement personnel for the purpose of enhanced efforts in identifying and arresting individuals for the firearms offenses stated in subsection (b): and

(B) to purchase additional equipment, including automatic data processing equipment and computer software and hardware, for the timely submission and analysis of tracing data.”.

Mr. DURBIN. Mr. President, it is my understanding under the unanimous consent request we have 40 minutes equally divided between the Senator from Idaho and myself.

I say by way of introduction, it is interesting we have two amendments that I don’t believe are in conflict. I believe they are complementary. They both relate to guns. As I understand the amendment of the Senator from Idaho, he is seeking to reduce gun crime. I believe I will be able to support him. It appears to be consistent with my view, that those who misuse guns in the commission of a crime shall be accountable, regardless of their age. If that is what the Senator from Idaho seeks to do, I fully support it.

The amendment which I offer is complementary and very important because it addresses an issue which all of us, unfortunately, know too well. On the floor of the U.S. Senate a few weeks ago, my colleague from California, Senator FEINSTEIN, came up and said to me, “There’s just been a wire story report that two children in Jonesboro, AR, have taken guns and shot classmates and a teacher.” We couldn’t believe that horrible story. Then it turned out to be true—four children killed, and a teacher, who put her life on the line to protect another student, also died.

As the information started coming in about Jonesboro, AR, we heard a story similar to what had happened in Pearl, MS, and what would later occur in Springfield, OR. The curious thing about the situation in Arkansas was that an 11-year-old child and a 13-year-old child took 10 lethal weapons and a reported 3,000 rounds of ammunition, went to the woods behind the school, activated the fire alarm, and shot away at the classmates.

Where did an 11-year-old child and a 13-year-old child come up with 10 lethal weapons and thousands of rounds of ammunition? That question stuck with me as I considered this legislation. The story goes, now, that one of the kids went to the parents’ home to pick up the guns and go about this violent, grizzly business and found out that the parent had locked the guns up under lock and key. The kids tried to break open the storage locker. They failed. They went to a grandfather’s house, where they picked up the guns and ammunition and went out in the woods and went about their deadly task.

How many times have we heard this story or versions of it? How many variations have we heard? The next day, in Dale City, CA, a high school student turns up at school with a semiautomatic pistol. You can bet that high school student didn’t legally purchase it at a gun dealer. And that same day in Cleveland, OH, a 5-year-old turns up at a day care center with a loaded handgun.

The point of my amendment is to say let’s get down to the bottom line here. We are as concerned about troubled children and violent behavior as anyone can be. Let us focus our attention on all that we can do to stop that. Make no mistake, a troubled child is a sad reality. A troubled child with a gun is a tragedy about to happen, not just to himself but to other innocent people.

This amendment which I am offering, called the Child Access Prevention Law, sets to establish a national standard which says that every gun owner in America has a responsibility to store his gun safely. An adult who has a gun in the house and knows, or should know, that a child could gain access to the gun, and a child does gain access and thereby causes death or injury or exhibits the gun in a public place, is subject to a Federal misdemeanor penalty of up to 1 year in prison, with up to $10,000 in fines.

But the exceptions are important as well. If that adult has stored the gun with a trigger lock, with another safety device, or under lock and key, then they are not bound by this law; they have met the standard of care.

If the juvenile uses the gun in a lawful act of self-defense, this provision does not apply either.

If the juvenile takes the gun off the person of a law enforcement official, the gun law that I have suggested here does not apply either.

If the owner has no reasonable expectation that children will be on the premises, then this law does not apply either.

Finally—and this is a point I want to make clear—we specifically say if the juvenile, the child, came up with the gun as a result of a burglary, stealing the gun out of premises where they did not have a legal right to enter, then there is no liability on the part of the gun owner.

We are talking about a situation where a gun owner owns guns, knows that children are present, and doesn't store them safely. Fifteen States have already addressed this. Ten years ago, the State of Florida passed the first law. They said: "There are too many children being killed with guns accidentally and intentionally. We want gun owners to accept the responsibility of storing them safely." In the first year after the Florida law was passed, gun accidents involving children went down 50 percent. Fourteen other States have passed this law. Nationally, there has been a reduction of 20 percent in the gun accidents that have occurred in those States that have already passed a similar law to this one.

What we are talking about here is establishing a national standard but not preempting any State law. If your State has a child access prevention law, then that will be the controlling law in every circumstance, and not this Federal law.

But I tell you this, you need only sit and talk to parents who have been through this to understand how important it is for us to have a standard of care for gun owners across America. A woman from my hometown sent me a handwritten letter about her little boy going to play next door, and another playmate pulls out a gun that his parents left unattended. It was loaded. He fired the gun. She wrote:

> That little bullet went through my little boy's heart, and mine too.

And mine, too.

Susan Wilson who came here just a few weeks ago, the mother of a little girl that she sent off to school, gave her a kiss goodbye and sent her off to school in Jonesboro, AR, never to see her alive again.

This suggestion for a change in law is not about taking anybody's guns away, it is about taking guns seriously. It says to every gun owner: You not only have the right to own a gun and the right to use it legally and safely, you have a responsibility—a responsibility—to store it safely and keep it away from children.

One of the experts on the Senate floor when it comes to guns is the Senator who is engaged in this debate with me, the Senator from Idaho, Senator CRAIG. Yesterday, during the course of a debate on trigger locks, Senator CRAIG said:

> Proper storage of firearms is the responsibility of every gun owner.

And then Senator CRAIG said:

> A general firearm safety rule that must be applied to all conditions is that a firearm should be stored so that it is not accessible to untrained or unauthorized people.

And, in Senator CRAIG's words:

> That is the right rule. That is the one that really fits. That is the one that really works well and then you don't have the accidents to talk about.

I think that is as strong an endorsement of the bill that I am offering as any language I could offer as part of this record.

I will tell you what I have found as I have traveled around and talked about establishing this standard of care so kids don't have access to guns. What I have found is overwhelming support from law enforcement. These are the men and women who answer the calls after there has been a terrible accident or a child has taken a gun out and shot someone intentionally. There has been solid support on this proposal from teachers. Can you imagine, a teacher who goes into a classroom, prepared to teach children, wonders if one of those kids has brought a gun to school. In my home State of Illinois, last school year—not this last one, the one before—144 kids were expelled for bringing weapons to school. It is, unfortunately, a growing trend in America.

In most instances, those weapons came from homes where the guns had not been safely stored. Mark my words, a child will always find Christmas gifts and a gun, no matter where you hide them. If you put it in the back of the drawer, behind the T-shirts, or up on the shelf in the closet, it is not good enough. We are a nation of 265 million people. We are a nation of 300 million guns, or more—300 million. At this moment, it is estimated that half of those guns are readily accessible to children, and a third of all guns are loaded. That is a tragic accident about to occur.

My goal in introducing this is not to send people to jail. My goal is to initiate a national conversation raising the level of awareness and saying to gun owners nationwide: Accept your responsibility to store your guns safely. If you want to own a gun, if you want to exercise your right, exercise your right responsibly. Save the children from these tragedies. Save the parents from this grief. Save innocent victims from what might occur.

I reserve the remainder of my time.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I send a modification of my amendment to the desk.

Mr. DURBIN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator has that right. The amendment will be so modified.

The amendment (No. 3261), as modified, is as follows:

At the appropriate place, insert the following:

"—. INTENSIVE FIREARMS ENFORCEMENT INITIATIVES.

(a)(1) The Secretary of the Treasury shall endeavor to expand the number of cities and counties directly participating in the Youth Crime Gun Interdiction Initiative, as enhanced in this section, (and referred hereafter to as "YCGII/Exile") to 50 cities or counties by October 1, 2000, to 75 cities or counties by October 1, 2002, and to 150 cities or counties by October 1, 2003.

(2) Cities and counties selected for participation in the YCGII/Exile shall be selected by the Secretary of the Treasury and in consultation with Federal, State and local law enforcement officials. Not later than February 1, 1999, the Secretary shall deliver to the Congress, through the Chairman of each Committee on Appropriations, a full report, empirically based, explaining the impact of the pre-existing youth crime gun interdiction initiative on federal firearms related offenses. The report shall also state in detail the plans by the Secretary to implement this section and the establishment of YCGII/Exile program.

(b)(1) The Secretary of the Treasury shall, utilizing the information provided by the YCGII/Exile, facilitate the identification and prosecution of individuals—

(A) illegally transferring firearms to individuals, particularly to those who have not attained 24 years of age, or in violation of the Youth Handgun Safety Act; and

(B) illegally possessing firearms, particularly in violation of 18 U.S.C. §922(g)(1)–(2), or in violation of any provision in 18 U.S.C. §924 in connection with a serious drug offense or violent felony, as those terms are used in that section.

(d) Within funds appropriated in this Act for necessary expenses of the Offices of United States Attorneys, $1,500,000 shall be available for the Attorney General to hire additional assistant U.S. attorney and investigators in the City of Philadelphia, Pennsylvania, for a demonstration project to identify and prosecute individuals in possession of firearms in violation of federal law.

(3) The Attorney General, and the United States Attorneys, shall give the highest possible prosecution priority to the offenses stated in this subsection.

(4) The Secretary of the Treasury shall share information derived from the YCGII/Exile with State and local law enforcement agencies through on-line computer access, as soon as such capability is available.

(c)(1) The Secretary of the Treasury shall award grants (in the form of funds or equipment) to States, cities, and counties for purposes of assisting such entities in the tracing of firearms and participation in the YCGII/Exile.

(2) Grants made under this part shall be used—

(A) to hire additional law enforcement personnel for the purpose of enhanced efforts in identifying and arresting individuals for the firearms offenses stated in subsection (b); and

(B) to purchase additional equipment, including automatic data processing equipment and computer software and hardware, for the timely submission and analysis of tracing data.".

Mr. CRAIG. Mr. President, in section (2) of my original amendment, this was the same language with the same intent. Senator SPECTER, who has this initial program in Philadelphia, had some concerns about the language. I will be happy to provide you with a copy. It doesn't change the intent of the amendment at all.

Mr. President, the Senator from Illinois, in all respects, I am sure, approaches this Senate with the right intent, an intent that I think all of us would honor—that is, to try to make the world a safer place, to try to make people more responsible. There is a problem, a very real problem. Our bills are different, and I think they are very incompatible in that regard. I hope the Senator from Illinois can support my legislation. I wish I could support his, but I cannot.

Mr. President, here is the reason I cannot. The Senator from Illinois would like to take a victim and make that individual a criminal. In other words, if an adult owns a gun and a child of that adult, or a friend of that adult who happens to be less than 18 years of age, or a nephew, finds that gun and that gun is used in an accident or in the commission of a crime, or certainly when a death occurs, the victim—the person who had his or her gun stolen from them—all of a sudden becomes the criminal. That is an interesting juxtapose in our society from which we really have tried to stay away. We have focused on criminals and criminal acts. But a failure to make secure or to abide by what the Senator would say is a safekeeping of all 300 million guns in this society would make a person a criminal.

We know how guns are used. In high crime areas, they are used for self-protection. In high crime areas and urban housing—not the nice, suburban household the Senator might envision in his debate—oftentimes a gun is kept loaded. Is that house totally secure? Do children come and go from it? Is it in a high-rise suburban environment, where there might be gang violence, where some members of gangs might have full access to the house because they are cousins or the children of that person using that gun for self-protection? That is very possible. Those exceptions are not provided for here. They must be provided for here if the Senator from Illinois is to have a law with any teeth in it.

The reality is simple. We reverse, for the first time in our society, the kind of a test as it relates to an act of violence. In this case, the person who has the gun stolen from them all of a sudden becomes the criminal. That is an interesting and strange argument that we have never had put before us before. All of us are interested in controlling violent acts and criminal acts that occur in the commission of a crime. My amendment moves very directly to do that.

In fact, my amendment is a movement in a direction that I think is extremely positive and is already underway. It is already underway because what it says is that the Federal firearm laws we have on the books will be implemented and they will be enforced. Judges don't like them. They don't like to play around with them. They don't necessarily like to prosecute them. Yet, where it happens, crime rates go down and life becomes much safer.

What I am talking about and what I wish the Senate to vote on and place into law is the Youth Crime Gun Interdiction Initiative, which is currently a 17-city demonstration project aimed at reducing youth firearm violence and expanding this initiative by putting some real teeth in it, much like the model of the Richmond, VA, program that I will discuss in a few minutes. My idea, although it is not novel, is that when most Federal firearm laws were enacted, the notion was to punish criminals who commit violent firearm crimes, not to go after the innocent victim who might have had their guns stolen from them. This has not happened.

We already heard on the floor yesterday that this administration has cut the prosecution of violent acts where guns are used by nearly half. They simply don't pursue the criminal. Yet, it ought to happen. My amendment suggests that the Bureau of Alcohol, Tobacco and Firearms, in consultation with the attorney general, work with the State of Pennsylvania and the city of Philadelphia to establish a demonstration program where the objective will be to identify, apprehend, and prosecute all persons who commit firearm violations.

Let me tell you about something happening in Richmond, VA. Down there, a Federal prosecutor said to law enforcement officers, "If you will report to me felons who are arrested in the commission of a crime who are using a firearm, I will prosecute them. Plain and simple. No plea bargaining. We are going to prosecute." That Federal officer handed out this little card to every cop in Richmond, VA. This card has a listing of all of the Federal gun possession crimes. It goes on to list them. There is a number to call. An individual officer can call the ATF, and there is a pager number.

Here is the rest of the story. Gun-related homicides dropped from 140 last year to only 34 this year.

Now, what I am saying is what we ought to be doing in Richmond and in Philadelphia, and a lot of other places across the Nation, is incorporating Federal authority along with local authority to go after the criminal who uses the gun. I am sure the Senator from Illinois and I have voted for laws or bills that create laws that say if you do thus and so, and you use a gun, it is a Federal firearms violation. But we don't get the courts to prosecute them, and we don't follow through; we don't insist.

This administration, by their own statistics, has truly been asleep at the switch. Let's incorporate juveniles, education, tracking, gun trafficking, and all of those combinations together, and go after the people who are truly responsible. Guess what happens? The crime rate goes down. Incorporate that with the kind of work that has already been done and you will create a safer place.

The Philadelphia Exile Project—generally called Project Exile all over the country—creates that kind of dynamic. Then I go on to expand it, so that we go from 50 cities to, by October of 2000, 75 cities, and by 2002, to 150 cities and counties across our country. This is the kind of proactive thing that goes directly at the problem. What does it say? It doesn't say to the innocent victim who has had their property stolen and it gets used in a crime, and if you didn't do all of these right things, guess what, you are the criminal.

Now we haven't criminalized a child taking a car and having an accident against the parent—especially if they stole the car, took it without permission. Yet, today we would be doing that with guns. I think that is wrong. I think the Senator from Illinois is right. He should be able to support my amendment because it goes at the root cause. It incorporates all of the agencies, and it makes real the very thing that he and I want done. We want the laws enforced. We want criminals prosecuted. We know that 90 percent of the crime out there is the result of not new action, but old action —people with criminal records. That is what this is all about.

We have taken the concept of going after the criminal, we have incorporated it with the juvenile crime gun interdiction initiative, brought those kind of things into combination, and I think we have a dynamic force here.

What do we do?

We provide new information about illegal firearm activities to communities. We identify differences in adult, juvenile, and youth illegal firearms activities. We extend access to firearm-related enforcement information. We initiate community, State, and national reporting on firearms trafficking. We enable enforcement officers to focus their resources where they are likely to have the greatest impact on illegal trafficking to juveniles and violent youth gang members.

I think for those who were listening yesterday, when we look at the deaths created by juvenile activities with firearms today, the vast majority of the 95 percent are in that higher bracket. The accidental are there—not insignificant, but very, very small.

That is the reality of what I attempt to do. It incorporates demonstration projects today that are working. It makes them Federal law. It expands them across the Nation. It goes after the criminal, and not the innocent victim who has had their property stolen. My colleague from Illinois would like to make them the criminal. That is a strange position to have in Federal law. We ought to leave that alone.

I retain the remainder of my time.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask that I might have 7 minutes to speak.

The PRESIDING OFFICER. Who yields time?

Mr. CHAFEE. I would appreciate it if the Chair would let me know when the 7 minutes are up.

Mr. DURBIN. Mr. President, I would like to yield to my cosponsor of this legislation, the Senator from Rhode Island, 7 minutes.

I say at the outset that I support the bill offered by the Senator from Idaho. It is a good bill. It tries to establish more care with handguns. But it doesn't address the issue which the Senator from Rhode Island and I seek to address.

I yield to him.

Mr. CHAFEE. Mr. President, I have listened carefully to the Senator from Idaho and his remarks.

He indicated that it was a "shocking"—if I am quoting him correctly—"shocking" event to punish the person whose weapon caused the damage; the person who is careless in the storage of that firearm under this legislation pays a penalty. The Senator from Idaho, as I understood him, thought that was a very strange procedure.

I will say this, Mr. President. I think every one of us know that if you own a pit bull, and you don't keep that pit bull tied up properly, and it mauls some innocent child, that the owner of that pit bull is liable. We have a situation akin to that—not pit bulls, but dangerously loaded weapons that are carelessly strewn about someone's home. A youngster comes in and gets hold of them and uses it for destructive purposes. That person that owns that weapon ought to pay the penalty. The suggestion that this is something strange and unheard of strikes me in itself as being strange.

Mr. President, we have seen, all of us, these horrible incidents that have taken place over the past year in schools where youngsters have obtained weapons frequently because the weapons are not properly stored. They are not properly locked up. They are left around not only carelessly, but they are loaded.

Let's just review these, if we might.

In October, a 16-year-old at Pearl High School in Mississippi went to school with a hunting rifle. He shot and killed a student and a teacher, leaving a second teacher with a bullet wound in the head.

In December, a student at Heath High School in West Paducah, KY, used a pistol to kill three other students.

I mean, this is what is happening in our schools.

The shooter was 14 years old.

In March, two boys in Jonesboro, AR, one 11 years old and the other 13 years old, pulled the fire alarm in their school. As students and teachers left the building, the two boys began shooting. They killed five people: Four young girls, and a teacher.

In April, a 14-year-old boy in Edinboro, PA, went to a school dance with a gun he apparently removed from his father's bureau drawer. He killed a science teacher and injured two students and another teacher.

At Thurston High School in Springfield, OR, a 15-year-old who was suspended for carrying a gun to school returned to school the next day and opened fire in a crowded cafeteria. He killed two students and wounded 19 others—19 others. He killed two, and wounded 19 others. Police suspect he shot and killed his parents as well.

These are terrible, tragic shootings.

According to Handgun Control, 91 percent of handguns involved in unintentional shootings come from the home where the shootings occur.

Mr. President, this is a national disaster. There are 192 million firearms—192 million firearms—in the possession of private citizens in our Nation, and 35 percent of American homes contain at least one gun.

Each year, more than 500 children accidentally shoot themselves or a sibling, a family member, with a family gun.

According to the Centers for Disease Control, the firearms-related death rate for American children under the age of 15—I mean, I think it is important we realize what we are talking about here. These youngsters are under 15. The rate in the United States for the death rate of these children through guns is 12 times higher than that of the other 25 industrialized nations combined.

One thing is certain. It is simply too easy for children to get a gun. At the very least, adults should be encouraged to store their guns in a manner and a place that is inaccessible to children. If they don't, and if the child uses the gun to harm himself or someone else, the adult should be held responsible.

I find it hard to argue with that premise. As I say, if there is a pit bull, no one would argue a bit that the pit bull should be chained up. We have seen incidents—certainly, I have seen them in my State—where they are not chained and they maul some youngster terribly. The owner of that dog, that pit bull, is held responsible. And the owner of a gun that is far more dangerous than that pit bull should likewise be held responsible.

Are we embarking on something radical here, something that is unacceptable by the public?

In April, an NBC/Wall Street Journal poll was taken—a bipartisan poll by Peter Hart and Bob Teeter, whom most of us know. We know Bob Teeter. We have worked with him. Others on the other side have worked with Peter Hart.

This is the question:

> Congress is considering legislation that holds adults criminally responsible if they allow young children to have access to firearms that are used to injure or kill another person. Do you favor or oppose this legislation?

That was the question. You are going to hold adults criminally responsible if young children have access to firearms that are used to injure or kill another.

The answer was 75 percent said they favored this type of legislation; 21 percent said they opposed it, and 4 percent were undecided.

It seems to me that it is time that we in Congress caught up with the American people on this issue. Here is an opportunity to encourage gun owners to act responsibly by keeping their weapons out of the reach of children.

This amendment does not prevent anybody from owning a gun. That is a red herring, if anybody suggests that. It says if you are a gun owner who has reason to expect a child to be on the premises, you must store your gun safely. I don't think the National Rifle Association would object to that. Certainly, it seems to me, they would encourage people to store their weapons safely. If they failed to store them safely, and a child uses it to harm himself, or someone else, the gun owner can be held criminally liable. That makes total common sense to me.

I urge my colleagues to vote in favor of this commonsense approach to gun safety.

I thank my cosponsor who worked so hard on this, and I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DURBIN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. Three minutes thirteen seconds.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from Idaho.

Mr. CRAIG. Mr. President, let me only make a few comments as it relates to what Senator CHAFEE has said, because I think it is important that we understand the reality of some of what he has portrayed. The pit-bull argument sounds not only exciting, it sounds horrifying. Now, there is a little thing in law called, in this instance, the first bite. In other words, if it is known that the dog is dangerous, then there is a responsibility. If it is not known that the dog is dangerous and the dog has never shown dangerous tendencies, then the owner is not liable, and that has stood up in court. But if the dog is known to be dangerous, and the dog is chained in the backyard, and the backyard is fenced, and the gates are locked, and a child crawls in the range of the dog that is chained and is injured, the owner is not liable.

But what the Senator is saying is, if you have a gun in your house and your house is gained access to by someone, oh, yes, if the door is open and a child invites another child in, and that child finds a gun and misuses it, then, of course, the owner of the gun is liable.

I don't believe that is the pit-bull argument. And I don't think it can be, because the owner may have put the gun away, and did in this instance.

What if the owner had it locked up but the child of the owner knew where the key was? Now, who is liable there? A lot of definitions go on wanting and my argument still holds, I do believe, that the victim in this instance, the owner of the gun, who has had the gun stolen from him, all of a sudden becomes the criminal.

The pit-bull argument cannot and does not hold in this instance, nor should it. We understand those kinds of arguments. You can store your gun in safety, and all of a sudden it is taken and used and you are liable. The victim should not be the criminal.

I retain the remainder of my time.

Mr. KENNEDY. Mr. President, I would like to offer my support of the Durbin Amendment to the Commerce, Justice, and State Department Appropriations Bill. The recent tragedies in Arkansas and Pennsylvania call our attention once again to the youth violence facing our nation: the pointless injury and loss of life, the families that are ripped apart, the classmates who witness the horror or lose a friend, and the communities consumed in fear. No one can calculate the direct and indirect costs flowing from any one of the 14 times every day in which a child dies from a gunshot wound. National response to this death toll has been minimal, and little has changed in our approach to regulating guns since 1973. Although no one can replace what was lost, we can at least take steps to prevent future tragedies.

But as we know from harsh experience, you can't arrest your way out of these problems. We must be equally credible on enforcement and prevention to have an impact. And we have to keep guns out of the reach of our children. We need to keep children away from guns. And it means adoption of the Durbin amendment, which requires adults to lock up their guns. The guns used in school shootings in Arkansas and Pennsylvania belonged to adult relatives of the children who used them. Fifteen states already have child access prevention laws, and those laws work.

What we are talking about here today is taking responsibility for the safety of our children. That means all of us taking responsibility to change the culture of violence, and taking sensible steps to keep children safe. The Durbin amendment takes such a step and it deserves to be enacted this year by this Congress. How much longer must we endure the horrors of juvenile violence before we respond with measures that we already know are effective?

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I yield 1 minute of the 3 remaining to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Chair. I compliment both Senators for this legislation. I think it is common sense. I think it is long overdue.

I most profoundly disagree with the Senator from Idaho. If the gun is under lock and key, the owner is exempt from criminal liability. Let me repeat that. If the gun is under lock and key, the owner is exempt from criminal liability.

On Monday, a 4-year-old boy in Maryland was shot with his grandfather's .22 caliber handgun. The gun was loaded. It was not equipped with a trigger lock. The children were playing with the gun. The gun discharged and struck the 4-year-old in the face. Fortunately, the boy was not seriously injured and is expected to recover.

On Tuesday, unfortunately, 61 Senators voted against a common-sense requirement to require handgun manufacturers to include childproof trigger locks with every handgun they sell. A simply safety requirement that would help to stop the growing number of accidental gun-related injuries and deaths that involve children every year.

In my view, the sharp contrast between these two events is striking. One day, a child is shot in the face because the gun he and his playmates find does not have a trigger lock. The next day, the Senate votes against requiring all guns to be sold with trigger locks.

What is the matter when we cannot fulfill our basic responsibility to keep children safe from the dangers of irresponsible gun ownership?

I believe that the legislation currently before us authored by Senators DURBIN and CHAFEE, offers an excellent avenue for ensuring that gun owners who allow children access to their guns are held liable when their negligence leads to death or injury.

The bipartisan Child Firearm Access Prevention Act will keep kids from taking guns owned by adults and, either purposely or accidentally, killing or injuring themselves or another person.

The legislation puts the burden on the adults who own the guns to store their guns in a safe and secure manner—with a trigger lock, a combination lock, in a gun safe, or in a lock box.

If an adult who owns a gun chooses to store the firearm in a loaded condition—unlocked and unsafe—and a child uses that gun to kill or injure someone or exhibits that firearm in a public place, then that adult can be imprisoned for 1 year and fined as much as $10,000.

The need for this legislation should be entirely obvious. I would wager that there is not a single Senator who hasn't heard of the parade of senseless violence that has plagued our nation's schools.

Some recent incidents include:

Barry Loukaitas, 14, February 2, 1996, Moses Lake, Washington: Allegedly shot and killed two students and a teacher at his school. In his confession Barry said he got two of his guns from an unlocked cabinet in his house and one from the family car.

Evan Ramsey, 17, February 19, 1997, Bethel, Alaska: Shot and killed a student and a principal, and wounded two other students, at his high school. According to police, the gun Evan used was kept unlocked at the foot of the stairs in his house.

Luke Woodham, 16, October 1, 1997, Pearl, Mississippi: Allegedly stabbed his mother and then shot nine students, killing two, at his high school.

Michael Carneal, 14, December 1, 1997, West Paducah, Kentucky: Accused of killing three students and wounding five students who were participating in a high school prayer circle.

Andrew Golden, 11, and Mitchell Johnson, 13, March 24, 1998, Jonesboro, Arkansas: Accused of shooting to death four girls and a teacher, and wounding ten, at his school. The boys took the guns they used in the crime from Andrew's grandfather who said he usually kept his guns unlocked in the house.

Andrew Wurst, 14, April 24, 1998, Edinboro, Pennsylvania: Shot a teacher to death at a school dance.

Jacob Davis, 18, Fayetteville, Tennessee, May 19, 1998: Allegedly shot and killed a high school classmate.

Kipland "Kip" Kinkel, 15, Springfield, Oregon, May 21, 1998: Shooting spree at both home and school which left four dead and twenty-two injured.

In all, these tragedies total 20 deaths and 48 injuries.

Other non-fatal incidents include:

A 5-year-old kindergarten student in Memphis who took a loaded .25-caliber pistol to school because he wanted to kill his teacher for putting him in a "timeout",

A police officer's 10-year-old son who was arrested when he took an unloaded, semiautomatic pistol to school in his bookbag,

A 15-year-old high school student who was arrested when authorities confiscated 20 pistols, rifles, and shotguns from his home after the boy threatened his 9th grade teacher,

And a 16-year-old boy, suspended from school for vandalism, who was caught by authorities on campus with a .22-caliber revolver in his front pocket.

Indeed, the scope of this problem is reaching epic proportions.

The National School Safety Center indicates that, 'during the 1997–1998 school year, there were 41 school-associated violent deaths in the United States. That's nearly a 61 percent increase from the year before when there were 25 such incidents.

And it's no wonder the incidents of school violence are increasing. A 1998 study by the National Center for Education Statistics and the Bureau of Justice showed that, of 10,000 students surveyed, 1,200 students knew someone who had taken a gun to school. It is amazing to me that, given the large number of students who have taken guns to school, there haven't been even more gun related deaths in our schools.

Since the National School Safety Center began keeping track of school-associated violent deaths in July 1992, there have been 227 students who have died on campus. 53 of them—nearly 1 out of every 4—were from my home state of California.

In fact, the problem of gun fire on campuses has gotten so bad that students in some California schools practice "duck and cover" drills much in the same way that students in the 1950's and 1960's practiced taking cover during nuclear air-raid drills.

An article in the Los Angeles Times last August detailed how the threat of gun fire has become like the new nuclear threat looming over today's elementary, middle, and high school students.

The article reads: "They're called drop drills, crisis drills, and even bullet drills. In many schools, a special alarm sounds, as it would during an actual nearby shooting. Teachers shout "Drop!" and students duck under their desks or sprawl on the ground, covering their heads. Many schools also immediately initiate a lock-down during the drill, as they would with a shooting, sealing the campus off from the violence outside."

And it continues: "The drop procedure was used by students at Figueroa Street Elementary School in February 1996 when teacher Alfredo Perez was hit by a stray bullet. Perez's fifth-graders ducked when the bullet flew through the window, and then they crawled out of the room and stayed on the floor until teachers told them they could get up.

Principal Rosemary Lucente credits the drop drill, which they practice at least once a month, with keeping the students out of further danger."

And so it has come to this. Our students are forced to practice duck and cover drills because their schools have gotten too hazardous for them to focus on what they're there for in the first place which is to learn.

When the situation has gotten that bad it is my view that it is our responsibility to try and help provide some sanity in our schools and protect children from guns.

We can do that by holding adults who own guns responsible if their careless storage of dangerous firearms results in the threat of death or injury. What's more, we must also encourage parents to spend more time with their children, to reconnect with them, to teach them that guns are not toys, and to teach them the difference between right and wrong.

Opponents of this bill will argue that it won't solve all the problems of kids with guns, that it won't stop kids from getting killed or injured by firearms. Frankly, I don't know if that's true or not. But I do know that one thing this legislation will do is it will force adults to be more safe and more responsible with their guns and that will save lives.

I support this legislation wholeheartedly and I encourage my colleagues in the Senate to do the same.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. FEINSTEIN. I thank the Chair.

Mr. CRAIG. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Idaho has 6 minutes 43 seconds remaining. The Senator from Illinois has 2 minutes 4 seconds remaining.

Mr. CRAIG. Mr. President, let's talk about that tragic situation in Jonesboro, AR. What the Senator from Illinois is proposing would not have solved the problem in Jonesboro, AR, even though that young child obtained his gun from a grandfather who had locked his house and the child entered the home without permission and the gun was locked in a case. I don't know how we legislate against that. My guess is, we do not, not very successfully. All of a sudden grandpa becomes the criminal, and you are going to go after grandpa at a time when his grandchild has done that onerous act?

Now, the Senator mentioned 15 States that have similar laws and yet the courts very seldom use them and juries very seldom give decisions because we know the parent is in a horrible situation at the time that kind of accident occurs. They are the victim, and they become the criminal. We all know that underage children in our care who act as those children do, we are every bit as much the victim.

Why don't we pass the legislation that I have proposed that incorporates the forces of the Federal Government, the State government, and local government, and goes after criminals who use guns and criminal acts and bring down our crime rates and work to take the guns out of the hands of the juveniles where the killings are really going on in this country?

No, it isn't as dramatic; it doesn't make for the political speech in the Chamber, but it sure makes the streets a lot safer. It doesn't take law-abiding citizens and make them criminals. That is what this Senate ought to be doing, and I hope the Senate will do that tonight. It is the right and the responsible approach.

Let me, once again, briefly go through my proposal. It is patterned after the Youth Crime Gun Interdiction Initiative that is working right now in Philadelphia. It incorporates the Project Exile in Richmond, VA, where a Federal prosecutor says, "Report to me felons who are using a gun in the commission of a crime, and I will prosecute them, and I will put them away." He has, and the crime rate has plummeted. Bring those two forces together and we make this world a safer place. And we take guns out of the hands of juveniles.

No, we don't deal with the accident. I am not sure I know how to do that. I don't think we can do that here. I don't think we can make parents criminals. We have chosen not to do that in the past for a variety of reasons. We have argued safety. We have educated safety. We hope parents and adults will be responsible with their rights. In this instance there is a clear division. It is an important division. Our institutions have to recognize that juveniles in our society today are more violent than they have ever been, and we are searching for answers to that. We do not know all of the answers, but we do know we have a problem. Our problem is to penalize the parent who has tried to act responsibly? I don't think so. It is certainly our job to encourage greater parental responsibility, and we all know that a person who owns a gun in a law-abiding way has a responsibility for his or her right in this society. And we encourage that. But we say a $10,000 fine and a Federal offense and you are a criminal if somebody misuses the gun? I hope not. I hope that is not the case.

I retain the remainder of my time.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I believe I have 2 minutes remaining.

The PRESIDING OFFICER. Two minutes 3 seconds.

Mr. DURBIN. Mr. President, with every right in America, there is a responsibility, even with the second amendment right to bear arms. Every gun owner has a responsibility to store his gun safely.

What I find interesting about the argument from the Senator from Idaho is that when I speak to responsible gun owners across America, the first thing they tell me is, "Senator, I do not want any of my guns to harm any of my children or anyone else's children or any innocent person. I understand I have a responsibility to store them safely."

The Senator from Idaho is arguing that gun owners have no responsibility and should have no responsibility under the law to store their guns safely.

That is not a fair standard. The overwhelming majority of the American people may support an individual's right to own a gun, but the overwhelming majority of the American people also understand that right carries a responsibility to protect innocent children. The fact that there has not been an enforcement action in 15 States where the laws are on the books should be heartening to the Senator from Idaho, and not discouraging, because in those same States that have passed laws just like this, the number of accidents involving firearms with children have gone down over 20 percent.

We can save children's lives with this amendment by saying to gun owners: "Take this issue responsibly." Let us send America's kids back to school safely, schools that are gun free and violence free, and let the parents of those kids realize they have a responsibility, if they are gun owners, to store their guns safely so their children cannot get their hands on them and hurt themselves or others.

I yield the remainder of my time.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. The Senator from Illinois can say a good many things on this floor, but he cannot say something I did not say and attribute it to me. I did not say there was not a responsibility to manage and handle your guns in a law-abiding and safe way.

I yield the remainder of my time to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I agree with the arguments made both by the Senator from Idaho and the Senator from Illinois that it is very useful to have a Federal crackdown on those who violate the law with guns. When I was district attorney in Philadelphia, I sought to have the Board of Judges impose a standard rule that there be at least some jail time for those who violate the law with guns, and was unsuccessful in that effort.

One of the first pieces of legislation I introduced on coming to the Senate provided for the armed career criminal bill, which mandates a sentence of 15 years to life for a career criminal who has been found in possession of a firearm.

I am pleased the legislation offered by the Senator from Idaho will encompass the City of Philadelphia on a Federal crackdown.

Let me say, parenthetically, this is the first opportunity I have had to take the Senate floor. I thank my colleagues for the standing ovation which I received when I returned and thank them for the very many good wishes.

I wish I had longer to talk about this issue. But I do believe the Federal jurisdiction, with the speedy trial rules and the tougher sentencing and the avoidance, at least in my experience, in the Philadelphia State courts of judge shopping and plea bargaining, will be a great boon to cracking down on those who violate the law with guns.

Just a word or two about a couple of earlier votes. I supported the proposition to allow counsel into the grand jury room. That is sort of an onerous proceeding, where the prosecutor is present with the witness and up to 23 grand jurors. It is a little anomalous, given the right to counsel, that the witness must appear alone in the grand jury room, which is a closed Star Chamber proceeding, but I think the orderly administration of criminal justice will be served better if a witness' counsel is permitted to be present.

An earlier vote, too, occurred on an effort by the Senator from Alabama, Senator SESSIONS, to allocate more funds to law enforcement as opposed to rehabilitation. I supported the motion to table Senator SESSIONS' amendment because I believe there ought to be more on the seamless web for rehabilitation.

The PRESIDING OFFICER. All time has expired. The Senator from South Carolina.

PRIVILEGE OF THE FLOOR

Mr. HOLLINGS. Mr. President, I ask unanimous consent a legislative fellow in the office of Senator WYDEN of Oregon, Martin Kodis, be permitted the privilege of the floor during consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Hampshire.

Mr. GREGG. I ask unanimous consent, on both the Craig amendment and the Durbin amendment, the yeas and nays be ordered.

The PRESIDING OFFICER. Is there objection to ordering the yeas and nays en bloc at this time?

Without objection, it is in order.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GREGG. Mr. President, so my colleagues know where we stand—and I certainly thank the Senator from Illinois and the Senator from Idaho for their timely discussion of what was a fairly complicated issue; both Senator HOLLINGS and I greatly appreciate their courtesy in moving debate along—we are now waiting for Senator THOMPSON, who I understand is on the way to the floor to offer his amendment. Then we will go to Senator BUMPERS. We will probably be skipping over the amendment by Senator NICKLES. As I understand it, he is not available until probably 9 or 9:15. So we will go to Senator FEINGOLD after Senator BUMPERS.

That is the order we are proceeding under, under the previous unanimous consent. As soon as Senator THOMPSON arrives, we shall take up his amendment.

I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3256, AS MODIFIED

(Purpose: To reinstate certain principles, criteria, and policies relating to Federalism, and for other purposes)

Mr. THOMPSON. Mr. President, I call up my amendment No. 3256 and I send a modification to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. THOMPSON], for himself, Mr. LOTT and Mr. NICKLES, proposes an amendment numbered 3256, as modified.

Mr. THOMPSON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

At the appropriate place in the bill, insert the following:

SEC. . POLICIES RELATING TO FEDERALISM.

It is the sense of the Senate that the President should repeal Executive Order No. 13083, issued May 14, 1998 and should reissue Executive Order No. 12612, issued October 26, 1987, and Executive Order No. 12875, issued October 26, 1993.

Mr. THOMPSON. Mr. President, this amendment is offered to protect and preserve federalism. If there is one concept in recent years that has gained in credence, it is the concept of federalism. We have seen a lot of innovation happen in this country that has started at the State and local level. We have paid credence to it with regard to welfare reform and other measures.

The Supreme Court, in recent years, has struck down cases based upon the tenth amendment. The tenth amendment has been reinvigorated, and I think we have come together as a nation in many respects in our belief that many of our problems need to be addressed at the State and local level, and that is what our original framers of the Constitution had in mind. Not only is it constitutionally sound but it has worked in practice.

Mr. President, I ask unanimous consent that Majority Leader LOTT and Assistant Leader NICKLES be added as cosponsors. They have long fought for the principles of federalism.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMPSON. Mr. President, in May the President issued Executive

Order 13803 which purported to set out a new definition of "federalism." However, it explicitly replaced President Reagan's Executive order on federalism and, in reality, the new order undermines federalism.

Furthermore, it was written in secret without even any consultation with State and local officials. Every major State and local government group opposes this so-called federalism order, and they have asked the President to withdraw it.

My amendment expresses the sense of the Senate that the President revoke his May 14th order and help restore the proper respect for State and local government and in our Federal system by reinstating both President Reagan's and his own prior orders on this subject.

The Founding Fathers believed that the Federal Government had limited powers. The tenth amendment states that the powers not delegated to the States are reserved to the States or to the people. The public clearly wants important decisions to be made closer to home and not dictated from Washington, DC.

Unfortunately, President Clinton's order will undermine federalism and promote Federal meddling into local affairs. President Clinton's order revokes President Reagan's Executive Order 12612 which was a clear commitment to the tenth amendment principles of a limited Federal Government. The new Clinton order shifts the Reagan presumption against Federal involvement in State and local matters to a presumption for Federal intervention. President Clinton's new order also revokes his own 1993 Executive Order 12875 which directed the Federal Government to avoid unfunded mandates.

To add insult to injury, the White House never talked with State or local governments while the new order was being developed. Ironically, it was issued from England. More ironically, White House officials did not consult with local officials on an Executive order which itself calls for more consultation with local officials. In a recent Washington Post article, one anonymous White House official admitted, "This was a mistake. We screwed up." Mr. President, I agree.

The White House belatedly has offered to delay the order and take comments from State and local officials, but the Clinton administration has shown no willingness to rescind this order, as State and local officials have requested.

State and local officials were understandably irritated that the White House shut them out of this process. But more importantly, they immediately saw through the rhetoric that was coming out on this matter and saw the real purpose of the Executive order. State and local officials know that the order is basically a Government power grab at the Federal level that will undercut their ability to serve the public, and that is why they are so exercised about it.

President Clinton was asked to rescind the order by the "big seven," as they are called—big seven State and local government groups. They include the National Governors Association, the National Conference of State Legislature, the Council of State Governments, the National Association of Counties, the U.S. Conference of Mayors, the National League of Cities, and the International City/County Management Association.

Mr. President, this order will promote Federal intrusion into local decisionmaking, and it shows contempt for the ability of State and local officials to manage their own affairs. We don't want that. That is not the message that has been coming out of this Congress. That is not even the message that has been coming out from prior Executive orders by this administration, as late as 1993.

Even though, as I say, it was promoted as a concept that would enhance federalism, and it has a lot of good language in there about the principles of federalism, when you get right down to it, it rescinds the basic presumption that when Federal agencies look at a matter, it basically presumes, unless it is very clear, that the matters should be resolved at the State and local level. That is a presumption that has worked very well for us, and I urge the adoption of this amendment.

I ask unanimous consent that a letter from the seven state and local organizations, an article from the Washington Post, and a letter from Governor Voinovich of Ohio be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Hon. WILLIAM J. CLINTON,
President of the United States,
Washington, DC July 17, 1998.

DEAR MR. PRESIDENT: We are writing on behalf of the nation's elected state and local government leaders to request that you withdraw Executive Order 13083. We urge this action to provide for meaningful consultations with state and local officials not on E.O. 13083, but on whether any changes ought to be considered with respect to Executive Orders 12875 (Enhancing the Intergovernmental Partnership) and 12612 (Federalism). No state and local government official was consulted in the drafting of E.O. 13083. In contrast, this administration fully engaged state and local officials and their associations in the drafting of your E.O. 12875.

While we appreciate the offer by your administration to extend the comment period by 90 days, we feel that Executive Order 13083 so seriously erodes federalism that we must request its withdrawal.

Because we all have imminent meetings of our elected leaders, we believe it especially critical for you to consider and act upon our request to withdraw the order as quickly as possible.

Sincerely,

GOVERNOR GEORGE V. VOINOVICH,
Chairman National Governors' Association.

SENATOR RICHARD FINAN,
Senate President, President, National Conference of State Legislatures.

COMMISSIONER RANDY JOHNSON,
Hennepin County, Minnesota, President, National Association of Counties.

DEEDEE CORRADINI,
Mayor of Salt Lake City, President, The U.S. Conference of Mayors.

REPRESENTATIVE CHARLIE WILLIAMS,
Chairman, Council of State Governments, Mississippi.

BRIAN O'NEILL,
Council Member, City of Philadelphia President, National League of Cities.

GARY GWYN, CITY MANAGER,
Grand Prairie, Texas, President International City/County Management Association.

[From the Washington Post, July 16, 1998]

EXECUTIVE ORDER URGED CONSULTING, BUT DIDN'T; STATE, LOCAL OFFICIALS WANT FEDERALISM SAY

(By David S. Broder)

Two months ago, while attending the economic summit of industrial nations in Birmingham, England, President Clinton signed Executive Order 13083 on federalism. After setting forth nine conditions for when federal intervention and preemption is justified, it required every executive agency to "have an effective process to permit elected officials and other representatives of state and local governments to provide meaningful and timely input in the development of regulatory policies that have federalism implications."

On Tuesday, two months to the day after Clinton signed the order, the Washington representatives of the "Big Seven" organizations of state and local government had a stormy meeting with Mickey Ibarra, the chief of White House intergovernmental relations, and then drafted a letter to Clinton demanding that he withdraw the executive order.

The reason: No state or local government official was consulted in the drafting of the executive order, a directive the Big Seven officials said in the draft "calls into question fundamental principles of federalism."

Because the new order revokes the previous federalism guidelines signed by former President Ronald Reagan and by Clinton himself in 1993, the draft letter said "we are concerned that all references to the Tenth Amendment, identification of new costs or burdens, preemption and reduction of unfunded mandates are revoked. . . . We believe the changes in the order and the manner in which they were made raise serious questions" about the administration's commitment to partnership with state and local governments.

White House officials yesterday denied the order signaled any change of policy and scrambled to appease the Big Seven, knowing that almost all the groups will be meeting in the next few weeks and that congressional Republicans are on the trail of the controversy. Indeed, yesterday afternoon, Barry J. Toiv, a White House spokesman, said administration officials had decided to recommend to the president that he issue another order delaying implementation of the first one so officials would have the opportunity to meet and discuss the issues with state and local authorities.

"We thought there were no real substantive changes . . . but in retrospect, it wouldn't have hurt" to review the new language with the state and local officials, Toiv said. The first executive order was not scheduled to go into effect until Aug. 14.

Another Clinton aide, who did not want to be identified, said of the lack of consultation, "This was a mistake. We screwed up."

William T. Pound, executive director of the National Conference of State Legislatures, welcomed the news of the planned delay.

"It's a first step. A second step is—we clearly want substantive changes," Pound said.

Officials said the staff work on the executive order had been done by Sally Katzen, who supervised regulatory work at the Office of Management and Budget until recently becoming deputy director of the White House National Economic Council, and by lawyers in the White House counsel's office.

After the meeting with Ibarra and White House lawyers, Pound said, "They gave us no good reason why this was done without consultation. They order everyone else to consult, but then do exactly the opposite. It's a slap in the face, really."

The other groups that attended the meeting were the National Governors Association, the Council of State Governments, the U.S. Conference of Mayors, the National League of Cities, the National Association of Counties and the International City/County Management Association.

The long delay in the group's explosive reaction came about, Pound said, "because none of us knew they were going to do this, and none of us knew they had done its. It was a stealth executive order.

The first official to raise the alarm was Rep. David M. McIntosh (R-Ind.), a subcommittee chairman on the House Committee on Government Reform and Oversight and a man who had occupied the same OMB position as Katzen during the Reagan administration. He wrote Clinton saying that in revoking the previous orders, "you stripped the most basic protection accorded the states, the preparation of a Federal Assessment," which required agencies to analyze the burdens any new regulation imposes on state and local governments.

Instead of requiring federal agencies to "refrain to the maximum extent possible from establishing uniform national standards for programs," as the previous orders did, McIntosh wrote, "your order requires no restraint or deference to the states."

In a July 1 letter of reply, White House counsel Charles F.C. Ruff said the Unfunded Mandates Relief Act, passed in 1995, requires the same kind of assessments the old orders did. But McIntosh said yesterday the administration does not practice what it preaches, pointing to the recent administration directive—that states said was done without adequate consultation—that states must pay for Viagra prescriptions for Medicaid patients no matter what the cost.

George V. Voinovich,
Office of the Governor
Columbus, OH, July 22, 1998.
Hon. Fred Thompson,
Chairman, Governmental Affairs Committee, Washington, DC.

Dear Chairman Thompson: I am writing in strong support of your amendment to repeal President Clinton's Executive Order 13083 (Federalism).

Executive Order 13083 undermines and replaces previous Executive Orders 12875 (Enhancing the Intergovernmental Partnership) and 12612 (Federalism), which recognized and guaranteed the division of governmental responsibilities embodied in the Constitution.

Executive Order 13083 was promulgated without any consultation with state and local elected officials. I strongly oppose Executive Order 13083 because it fundamentally contradicts the 10th Amendment to the Constitution and the basic principles of federalism.

Previously, the leaders of the seven bipartisan organizations representing state and local elected officials wrote to the President stating, "Executive Order 13083 so seriously erodes federalism that we must request its withdrawal." I appreciate your efforts to repeal this unfortunate attempt to justify and broaden federal preemption of state and local governments.

Thank you again for your leadership on this critical issue.

Sincerely,

George V. Voinovich,
Governor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I am still nonplused as to the particular content of those Executive orders. I say nonplused. I know the President, and if there is one group he really yields to, it is local and State governments, having been a Governor, having come to office as a new, whatever they call this thing—leadership, Democrat, or whatever else. He hadn't been necessarily on the side of the Federal Government but on the side of State and local governments.

I understand the misgivings of the Senator from Tennessee, and I understand what he said, that the Governors have asked and yet, apparently, the White House has declined. That is why I am nonplused, because I would like to know a little bit more about it, and I am checking right now those Executive orders and with members of our Governmental Affairs Committee, which does have jurisdiction on this particular matter.

In short, in other words, Executive Order 12612 and Executive Order 12875, the Senator from Tennessee says they change a basic presumption from federalism—local and State levels to be employed and approached, before we take over at the Federal level—with which I agree. I happen to think that the President agrees, too. That is why I want a little time to check this out.

Mr. GREGG. Will the Senator yield?

Mr. HOLLINGS. I will be delighted to yield.

Mr. GREGG. I suggest it might be acceptable to the Senator from Tennessee, because the Senator from South Carolina does have concerns that haven't been addressed and he has to get information, maybe we can set this amendment aside and move on to the Bumpers amendment. We are going to have votes at 9:30. Prior to the 9:30 period, if the Senator from South Carolina feels he needs to come back for further debate, we can go to it at that time.

Mr. THOMPSON. If the Senator will yield, I will be most happy to proceed in that direction. I suggest perhaps I consult with the Senator from South Carolina. I have the Executive orders here.

Mr. HOLLINGS. I appreciate that. I am sort of ready to go along with what the Senator from Tennessee said. Let me look at those Executive orders.

Mr. THOMPSON. Very well.

Mr. GREGG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3257

Mr. McCAIN. Mr. President, I ask for the yeas and nays on amendment No. 3257.

The PRESIDING OFFICER. Without objection, it is in order to ask for the yeas and nays.

Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

Mr. GREGG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. I suggest at this time we turn to the amendment from Senator Bumpers. I ask unanimous consent that he be recognized on his amendment, that there be 40 minutes, equally divided, on the Bumpers amendment, and that at the conclusion of that, that we turn back to the Thompson amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Would the Senator be willing to add a requirement that no second-degree amendments be in order? I do not anticipate any. I am just thinking we could save some time.

Mr. GREGG. If the Senator will yield, the unanimous consent agreement did not preclude second-degrees. At this time I am not in a position to preclude second-degrees. I do not expect one. I am not aware of one, but I am not in a position to agree to that.

Mr. BUMPERS. I was thinking, in exchange for a time agreement I thought we could agree that there will be no second-degree amendments. Is that not the case?

Mr. GREGG. That was not my understanding.

Mr. BUMPERS. I ask unanimous consent that no second-degree amendments be in order on the Bumpers amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GREGG. Would the Senator yield?

Mr. BUMPERS. Yes.

Mr. GREGG. I ask unanimous consent that there also be no second-degrees on the McCain amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 3262

(Purpose: To require a report by the Judicial Conference of the United States concerning whether the Federal Rules of Criminal Procedure should be amended to provide for the presence of witness' counsel in the grand jury room)

Mr. BUMPERS. Mr. President, I ask unanimous consent, in order to expedite the passage of this bill, that an amendment that has been cleared on both sides and offered by Senator HATCH and me—that we dispose of that now before I offer the other amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself and Mr. HATCH, proposes an amendment No. 3262.

Mr. BUMPERS. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place add the following:

"SEC. . REPORT BY THE JUDICIAL CONFERENCE.

"(a) Not later than September 1, 1999, the Judicial Conference of the United States shall prepare and submit to the Committees on Appropriations of the Senate and of the House of Representatives, and to the Committees on the Judiciary of the Senate and the House of Representatives, a report evaluating whether an amendment to Rule 6 of the Federal Rules of Criminal Procedure permitting the presence in the grand jury room of counsel for a witness who is testifying before the grand jury would further the interests of justice and law enforcement.

(b) In preparing the report referred to in paragraph (a) of this section the Judicial Conference shall consider the views of the Department of Justice, the organized Bar, the academic legal community, and other interested parties.

(c) Nothing in this section shall require the Judicial Conference to submit recommendations to the Congress in accordance with the Rules Enabling Act, nor prohibit the Conference from doing so.

Mr. BUMPERS. This is the amendment that Senator HATCH and I agreed to this morning which would modify the grand jury amendment that I lost. This morning, Senator HATCH and I agreed to a plan that recommended that the issue be submitted to the Judicial Conference for study and a report back to Congress.

I have talked to the floor managers who have agreed to it.

I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3262) was agreed to.

AMENDMENT NO. 3263

(Purpose: To make it illegal, in most cases, to tape a phone conversation without the consent of all parties)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 3263.

Mr. BUMPERS. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place add the following:

SEC. —. Subsection 2(d) of Section 2511 of title 18, United States Code, is amended to read as follows:

"2(d)(i) Except as prohibited by subsection (ii), it shall not be unlawful under this chapter for a person not acting under color of law to intercept a wire, oral, or electronic communication where such person is a party to the communication or where one of the parties to the communication has give prior consent to such interception unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the Constitution or laws of the United States or of any State.

"(ii) It shall be unlawful under this chapter for a person not acting under color of law to intercept a telephone communication unless

"(A) all parties to the communication have given prior consent to such interception, unless such communication is intercepted for the purpose of committing any criminal or toritous act in violation of the Constitution or laws of the United States; or

"(B) such person is an employer, or the officer or agent of an employer, engaged in lawful electronic monitoring of its employees' communication made in the course of the employees' duties; or

"(C) such person is a party to the communication and the communication conveys threats of physical harm, harassment or intimidation."

Mr. BUMPERS. Mr. President, I hope that we can probably yield time back on this amendment. Senator HOLLINGS is a cosponsor of the bill which this amendment is based on, as are several other Senators. It is a very simple amendment.

I first brought this issue to the Senate's attention in 1984 when it was determined that Charles Wick, who at that time was head of the U.S. Information Agency, had been tape recording conversations with just about everybody he talked to, including President Reagan and President Carter, without their knowledge or consent.

He revealed that he had recorded over 80 conversations—Cabinet members, Presidents, everybody. They did not even know it. I do not mind telling you, while I knew that that was legal, I was deeply offended by it. And I am still offended by it. This is an area, that is so often the case, where the States are way ahead of the Senate.

Recently, Attorney General Janet Reno testified before our Appropriations Committee, and I asked her, "General Reno, I have a bill pending in the Congress that would make it a crime to tape record conversations where only one party knew it was being tape recorded; namely, the person doing the recording, and the other person didn't know it. How do you feel about that, General Reno?"

"Well," she said, "you know, that came up in the Florida State legislature back in the early 1970s. And we passed a law in Florida that made it a crime to tape record telephone conversations where only one party knew about it." And I said, "Well, let me ask you this: What were you doing at the time?" I guess she was district attorney or whatever they describe that position in Dade County, FL. And finally I said, "Well, General Reno, how did you feel about the Florida legislation?" She said, "I favored it." Well, I favor it, too.

And Charles Wick is not the first, and he certainly will not be the last, to have ever recorded telephone conversations without telling people.

I have introduced this legislation three times—1984, 1993 and 1998. I will never understand—as those of us who lose never seem to—how, on God's green Earth, anybody would vote against prohibiting and outlawing such an outrageous invasion of people's privacy.

Sometimes I am sitting in my office and talking on the telephone to people back home that are wanting me to support legislation, and sometimes I am sort of hanging foot loose and fancy free, saying things that I would not say publicly. And do not be offended; that applies to every single Member of this body. Every one of them have done it.

Sometimes I say things, and later on I get to thinking, "You know what? If that guy was tape recording that"—he had a perfect right to—"I wouldn't have to know about it." And you know something else? Approximately fifteen States have done exactly what Florida did; they have outlawed this.

The Congress is the last one to ever get the word. On that grand jury amendment I offered this morning, 28 States allow a witness' attorney in a grand jury room. And Congress is still dithering and ringing its hands and saying—"Well, I don't know. We need to study it." And here we are with one of the most egregious abuses known—and we continue to tolerate it.

What if you called from Maryland to Virginia? Let's just assume the Governor of Maryland calls the Governor of Virginia. Now, the Governor of Maryland assumes that he is protected because Maryland has a law against recording a telephone conversation when both parties are not privy to it. But the Governor in Virginia can tape-record the conversation and he hasn't violated Maryland law because he isn't in Maryland, he is in Virginia, where it is legal to tape-record such conversations. If for no other reason, we should have a Federal law to make the matter consistent.

Now, in 1984, when I joined with Senator Metzenbaum on a floor amendment on this subject, I listened to the arguments over and over again that this would impede law enforcement. I want to tell you, so there will be no misunderstanding about this, I don't want any Senator coming on this floor and asking me, "How about law enforcement?" I have exempted intelligence gathering; CIA, DEA, everybody else is exempt; I have exempted the FBI, every sheriff, every police department. I have exempted anybody who even professes to know anything about law enforcement or intelligence gathering. I have exempted telemarketers, whose bosses have a right to monitor their conversations to see how effectively they are doing on the telephone.

We have made this provision as palatable as we can possibly make it, and we have done it in a sensible way. Colleagues, you will never get a chance to vote for an amendment that has been thought out any better than this one has. It has now been 14 years since I first gave the Senate an opportunity to pass such an amendment as this. As I say, it is very narrowly tailored.

All I could do, if I wanted to use up the entire 40 minutes, is to stand here and repeat over and over again how offended I am at the thought of somebody tape-recording a conversation with me and not telling me about it, and the first thing you know, I see it on the front page of the Washington Post.

This amendment has nothing to do with Linda Tripp. This is not a partisan, political amendment. I am telling you, I introduced a bill on this subject in the Senate in 1984, and I introduced a similar bill in 1993, and I am offering it to this body in 1998. Linda Tripp played no part. You make up your own mind about that case, whatever it may be. I am just telling you, as a general principle and as a citizen of the Nation that values the privacy of its citizens above all, please support this amendment and let's put this one to rest once and for all.

I yield the floor and I reserve the balance of my time.

Mr. GREGG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent the call of the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I want to make one other point that was brought to my attention by the floor managers which I failed to mention a moment ago. That is that my amendment also provides an exemption for anybody, male or female, who is threatened by a stalker. They would be exempt if they tape-recorded a conversation.

I wanted to make that clear so everybody would understand that is also covered as an exemption under this amendment.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COATS). Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, we have been in a quorum call. Who is the time being charged against under the order?

The PRESIDING OFFICER. We have had 2 quorum calls in place. One was charged against Senator GREGG who asked it be charged against his time, and the other was charged against the Senator from Arkansas.

Mr. BUMPERS. So under the order, a quorum is charged against whoever asked for the quorum call?

The PRESIDING OFFICER. That's correct.

Mr. BUMPERS. I won't be asking for a quorum call.

The PRESIDING OFFICER. Time will be charged equally.

Mr. BUMPERS. Mr. President, is the time being charged equally now?

The PRESIDING OFFICER. It is.

Mr. GREGG. Mr. President, I suggest that for the next 5 minutes the time be charged to my time.

The PRESIDING OFFICER. The next 5 minutes of time will be allocated to the time of the Senator from New Hampshire.

Mr. BUMPERS. How much time do the opponents of the amendment have?

The PRESIDING OFFICER. The Senator from New Hampshire has 14 minutes 49 seconds. The Senator from Arkansas has 2 minutes 16 seconds.

The PRESIDING OFFICER. The Chair will inform the Senator from New Hampshire that the 5 minutes allotted to him have now expired.

Mr. GREGG. I ask unanimous consent that the next 5 minutes also be allocated to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent at this time that all time be yielded.

The PRESIDING OFFICER. Is there objection?

Mr. BUMPERS. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered. All time is yielded.

Mr. GREGG. Mr. President, we will now move on to the Feingold amendment. For Members' notice, the next item in order will be Senator FEINGOLD's amendment dealing with the cable issue. I presume he will be here at any time to start that. Those Members wishing to speak on that amendment should be on the floor as I assume there will also be a time limit on this amendment. In fact, I ask unanimous consent that debate on the Feingold amendment be limited to 40 minutes equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Is the Senator propounding a unanimous consent agreement with regard to my amendment?

Mr. GREGG. Mr. President, I just asked that there be a time limit of 40 minutes equally divided on the amendment.

Mr. FEINGOLD. Does that include the understanding that there will be no second-degree amendment?

Mr. GREGG. At this time I can't agree with that. I am not aware of a second-degree amendment.

Mr. FEINGOLD. Mr. President, I object, momentarily.

The PRESIDING OFFICER. The consent order has already been agreed to. The Senator would have to ask unanimous consent.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the previous order be vitiated pending a few moments to talk with the Senator from New Hampshire.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Thank you, Mr. President.

Mr. GREGG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

AMENDMENT NO. 3264

(Purpose: To require a report from the Federal Communications Commission with respect to cable television rates)

Mr. FEINGOLD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin (Mr. FEINGOLD) proposes an amendment numbered 3264.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 135, between lines 11 and 12, insert the following:

SEC. 620. (a) FINDINGS.—Congress makes the following findings:

(1) Since the adoption by the Federal Communication Commission of the so-called "Going Forward Rules" to relax regulation of cable television rates in 1994, cable television rates have increased by 6.3 percent per year. Since the enactment of the Telecommunications Act of 1996 (Public Law 104–104), such rates have increased by approximately 8.2 percent per year.

(2) The rate of increase in cable television rates has exceeded the rate of increase in inflation by more than 3 times since the enactment of the Telecommunications Act of 1996. The increase in such rates is faster than when such rates were not regulated between 1986 and 1992. Such rates are rising 50 percent faster than the Commission predicted when it adopted the so-called "Going Forward Rules".

(3) In 1996, many United States cities experienced increases in cable television rates that exceeded 20 percent. Overall, according to the Bureau of Labor Statistics, cable television rates increased at an annual pace of 10.4 percent in 1996, compared with 3.5 percent for all consumer goods.

(4) The Nation's largest cable television company boosted its rates approximately 13.5 percent in 1996. In Denver alone, it raised rates by 19 percent in the summer of 1996, then another 8 percent in June 1997. The Nation's second largest cable television company increased its average rates 12 percent in the New York City area in 1996.

(5) The cable television industry continues to hold the dominant position in the market for multichannel video programming distribution (MVPD) with 87 percent of MVPD subscribers receiving service from their local franchised cable television operator.

(6) Certain factors place alternatives to cable television at a competitive disadvantage. For example, direct broadcast satellite (DBS) service is widely available and constitutes the most significant alternative to cable television. However, barriers to both the entry and expansion of DBS include—

(A) the lack of availability of local broadcast signals;

(B) up front equipment and installation costs; and

(C) the need to purchase additional equipment to receive service on additional television sets.

(7) Telephone company entry into the video programming distribution business has been limited.

(8) With the increased concentration of cable television systems at the national level, the percentage of cable television subscribers served by the 4 largest cable television companies rose to 61.4 percent in 1996.

(9) Recent agreements in the cable television industry have given TCI and Time Warner/Turner Broadcasting ownership of cable television systems serving approximately one-half of the Nation's cable television subscribers.

(10) Financial analysts report that cable television industry revenue for 1995 was $24,898,000,000 and grew 8.9 percent to $27,120,000,000 in 1996. For 1996, revenue per subscriber grew 5.6 percent to reach $431.85 per subscriber. Analysts estimate 1997 year-end-total revenue for the industry was approximately $30,000,000,000, an increase of 9.9 percent from 1996 year-end revenue.

(b) REPORT.—(1) Not later than 30 days after the date of enactment of this Act, the Federal Communications Commission shall submit to Congress a report setting forth the assessment of the Commission whether or not the findings under subsection (a) are consistent with the Commission's fulfillment of its responsibilities under the Cable Television Consumer Protection and Competition Act of 1992 (Public Law 102–385) and the Telecommunications Act of 1996 to promote competition in the cable television industry and ensure reasonable rates for cable television services.

(2) If the Commission determines under paragraph (1) that the findings under subsection (a) are consistent with the fulfillment of the responsibilities referred to in that paragraph, the report shall include a detailed justification of that determination.

(3) If the Commission determines under paragraph (1) that the findings under subsection (a) are not consistent with the fulfillment of the responsibilities referred to in that paragraph, the report shall include a statement of the actions to be undertaken by the Commission to fulfill the responsibilities.

Mr. FEINGOLD. Mr. President, the amendment I offer today is prompted by the continuous rise in cable rates across this country over the past few years. You will remember when Congress passed the Telecommunications Act of 1996, we were promised that competition would bring lower cable rates for consumers. Well, it hasn't happened. In fact, rates have gone up—alot—in many communities around the country.

About two-thirds of the households in this country now rely on cable for their television programming. More and more, cable is part of the monthly budget for the average consumer. It is not a frill or a luxury. We rely on cable for information and for entertainment. And instead of the cost going down because so many people now use the service, the cost just keeps rising.

In my home state of Wisconsin, the cable company in the Madison area raised its rates by 9% in June. That's on top of a 7% increase just a year ago, and an 18.8% increase in 1996. According to the Federal Communications Commission, average cable rates across the country rose 8.5% from July 1996 to July 1997, three to four times faster than the rate of inflation.

Now, Mr. President, I voted against the Telecommunications Act in part because I was concerned that it would not really promote competition in the cable industry. And look what has happened. The top two cable companies now have over 50% of the market in this country, and the top four cable companies have over 60% of the market.

And the biggest problem, of course, is that despite the promises of those who promoted the new telecommunications law, there is no competition at all in the vast majority of cable markets. In all but a handful of communities in this country, consumers still have no choice in buying cable service. Alternatives to cable, such as satellite services, are not readily available to most consumers, or they are too expensive to offer much competition. The number of areas where consumers have a choice between cable operators is very small indeed. Only five million homes out of the 94 million that are capable of receiving cable programming can now choose between two cable operators.

Now here's a shocking statistic from the FCC's most recent annual study of competition in the video programming market: Cable rates have gone up more slowly in areas where there is competition!

Mr. President, in a truly competitive market, the cable companies would try to keep their rates as low as possible to retain their customers. Companies could charge higher rates based on new investment in facilities or programming only if they could convince their customers to accept those increases rather than take their business elsewhere to a competitor in the same town.

Just think about it. You get a notice that your cable bill or a bill for any other crucial service is going to go up significantly. What is the first thing you would do? The first thing you would do in a competitive situation is check out the competitor's rate, of course. But without competition, cable companies are able to increase rates with very little fear of losing their customers. Most people will endure a pretty big increase before they decide to give up their cable service. But even a minor increase might prompt a call to the competitor down the street, if only such a competitor actually existed.

The FCC has made it very clear that notwithstanding the fact that its authority to regulate cable rates does not expire until March 1999, it does not intend to take any action this year to hold down cable rates. I am concerned that when the power expires next year we will see even greater rate increases than we have seen since the Act passed in 1996. And those have already been dramatic increases.

Earlier this year, I wrote to the Chairman of the FCC, asking him to give serious consideration to a request that had been filed by Consumers Union to freeze cable rates until the FCC could investigate the reasons for the recent increases and also determine whether current cable TV rates are reasonable.

In response, FCC's Chairman William Kennard indicated that he believes a rate freeze would be unfair to cable companies that have acted responsibly, and that it would hurt small independent cable operators. With all due respect, I don't think this is an adequate response. The FCC has essentially said that it does not know why cable rates are going up. If that is the case, then it has no idea whether cable companies are acting responsibly or not. And it certainly is in no position to ensure that cable rates are reasonable for consumers. Furthermore, the Telecommunications Act has already deregulated the small operators who serve rural communities. So that is not particularly relevant or a justification for not examining what is happening with these cable companies.

At the same time, Mr. Kennard told me that the FCC "continues to aggressively enforce its cable rate regulations to ensure that cable rates are reasonable under the law."

I'm not sure what the FCC means by aggressive enforcement, but I don't see it, and certainly consumers whose rates have risen at three times the rate of inflation are not seeing the aggressive enforcement either.

Mr. President, I ask unanimous consent that my letter to Chairman Kennard and his response be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, DC, May 18, 1998.

Hon. WILLIAM KENNARD, *Chairman,*
Federal Communications Commission, Washington, DC.

DEAR CHAIRMAN KENNARD: I was very disappointed to hear of your decision, conveyed in remarks to the Washington Post last Thursday, that the FCC will take no action this year to hold down cable TV rates. Abdicating the FCC's responsibility in this area is a serious mistake. I urge you to reconsider your position.

Cable television rates across the country have risen by more than 5 times the inflation rate over the past year. In my own state of Wisconsin, the cable franchise operator in Madison recently announced a rate hike of 9 percent that will take effect in June. That follows a 7% increase just a year ago, and an 18.8 percent increase in 1996. Increases of this size are unconscionable, notwithstanding the cable companies dubious argument that they are justified by investment in new equipment and by increased programming costs.

In a truly competitive market, the cable companies would try to keep their rates as low as possible to maintain their customer base. New investment in improved facilities or programming could be reflected in increased rates only insofar as consumers are willing to accept those increases rather than take their business elsewhere. Real competition is still only found in only a handful of communities. In that environment, the cable companies are able to increase rates without fear of losing market share. Only the FCC can step in and demand that rate increases be justified.

Your frank admission to the Washington Post that the FCC does not know why cable rates are going up is disturbing. If that is the case, how can the agency fulfill its statutory obligation to assure that the rates for basic cable service are reasonable and do not exceed the rates that would be charged if there were real competition in the market? Even though the FCC's authority to regulate cable rates does not expire until March 31, 1999, is the Commission now just taking the cable companies' word for it that rate increases are justified?

Despite the promises of those who supported the Telecommunications Act of 1996, competition has not yet arrived in the cable industry. Until it does, or until the FCC's statutory authority expires, the FCC has an obligation to protect consumers from the kind of price gouging that is now going on in the cable industry. I urge you to reconsider your decision to advance the date of complete deregulation in the cable industry by almost a year. Instead, the Commission should give serious consideration to the pending petition to freeze cable rates. Anything less is an abdication of the Commission's statutory responsibility and an abandonment of the consumers that the agency is supposed to serve.

Sincerely,

RUSSELL D. FEINGOLD,
United States Senator.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, DC, July 8, 1998.

Hon. RUSSELL D. FEINGOLD,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINGOLD: Thank you for your letter concerning the recent article in The Washington Post discussing the regulation of cable television rates and the sunset of the Federal Communications Commission's authority to regulate the rates charged for cable programming services. I appreciate learning your views on cable regulation and welcome your perspective on this issue.

The Commission is committed to protecting consumers from unreasonable cable television rates and to promoting the development of strong competition in the marketplace for multichannel video programming. Like you, I am concerned about the recent trend in cable television rates. In many communities, cable rates are increasing at a rapid pace. In some cases, cable rates are going up much faster than the general rate of inflation.

Please be assured that the Commission continues to aggressively enforce its cable rate regulations to ensure that cable rates are reasonable under the law. Indeed, since the adoption of the Cable Television Consumer Protection and Competition Act of 1992, the Commission has received more than 17,000 cable programming services tier rate complaints and ordered a total of $84 million in refunds to more than 58 million cable subscribers. In addition, under the Telecommunications Act of 1996, which modified the rate complaint procedures, the Commission has resolved more than 670 rate complaints and order total refunds of more than $13 million to 9.4 million subscribers.

While I have indicated that I believe some of the Commission's cable rate regulations may need to be reevaluated, I am concerned that we do not have sufficient information nor adequate time to develop and adopt revised regulations before the Commission's authority to regulate the rates charged for cable programming services terminates on March 31, 1999. I believe we need to attain a better understanding of the behavior of cable rates before we undertake any steps to change our rules. Moreover, at this time, with the sunset of cable programming services regulations less that one year away. I am not persuaded that a major reformation of our rules would be the most productive use of the Commission's limited resources. This should not be interpreted to mean that the Commission does not intend to vigorously enforce its current rate regulations.

At the same time, I am not convinced that a freeze of cable television rates is appropriate and in the public interest. A broad rate freeze would arbitrarily penalize cable television system operators who have acted responsibly. A rate freeze also could undermine the important capital investment that the cable industry must make to modernize its networks and bring new services and choices to consumers. I am also concerned that a freeze may have an adverse and disproportionate effect on small independent cable operators which would jeopardize the provision of new services to small towns and communities across the country.

As pointed out in the Washington Post article, the Commission can play an important role in collecting and analyzing the information you and other policymakers will need to determine whether cable rate regulation should be extended beyond March 31, 1999. To begin this effort, I recently directed the Cable Services Bureau to undertake a review of a number of issues related to cable television rate increases, including the sources of programming cost increases. We are interested in learning more about programming costs and the revenues cable operators generate from sources other than monthly subscription charges, such as advertising, commission, and program launch fees. The review also will help us determine if the relationships that have developed between cable system operators and programmers affect the prices charged for programming as well as the availability of the program services to competitive multichannel video programming distributors. As part of this review, the Bureau recently asked several large cable television companies to complete a questionnaire to supplement the information they provided to the Commission for the 1997 Cable Price Survey. I expect the Bureau to complete its work this summer and to report its findings to the Commission soon thereafter.

Because competition is the optimum way to discipline cable television rates, the Commission also continues its work to promote increased competition in the marketplace for multichannel video programming. For example, the Commission's program access rules have been credited as an important factor in the development of both the direct broadcast satellite and the multichannel multipoint distribution industries. Moreover, the Commission has adopted a Notice of Proposed Rulemaking that is designed to strengthen our program access rules and enhance the competitive position of alternative multichannel video providers.

Similarly, the rules the Commission adopted to implement section 207 (Restrictions on Over-the-Air Reception Devices) of the Telecommunications Act of 1996 have helped to bring new choices to consumers and promote competition in the video distribution market. In addition, the Commission recently issued its cable inside wiring rules designed to facilitate competition among video service providers in apartment buildings and other multiple dwelling units.

As important as the Commission's initiatives may be, in some cases, enhanced competitive opportunities in the multichannel video programming distribution market may ultimately depend more upon changes in the law than on additional actions by this Commission. For example, some direct broadcast satellite providers contend that their service had limited consumer appeal because they are generally prohibited by the Satellite Home Viewer Act from providing local television broadcast signals to consumers. These same provider also may be placed at a competitive disadvantage because the current compulsory license regime requires direct broadcast satellite providers to pay substantially higher copyright fees than cable operators pay for the same programming. As Congress considers potential reforms in these and related areas, parity among the various multichannel video programming distributors should be a primary goal.

I appreciate hearing from you on these important issues and hope you will continue to share your thoughts with me on these and other communications matters of concern.

Sincerely,

WILLIAM E. KENNARD,
Chairman.

Mr. FEINGOLD. Mr. President, the amendment I have offered is designed to tell the FCC that this situation is unacceptable. It makes findings to which I have alluded here—that cable rates are rising and there is no competition in the cable market—and asks the FCC to report back to us within 30 days as to whether it believes that these findings are consistent with the FCC having fulfilled its responsibilities under federal law to promote competition and ensure that cable rates are reasonable.

I do not believe that the FCC will be able to tell us in the face of these findings that it has fulfilled its responsibilities. The amendment therefore requires that the FCC inform us of the steps it intends to take to ensure that those responsibilities are fulfilled.

The Telecommunications Act was enacted in early 1996. For over two years, the American people have watched with alarm as cable rates have gone in exactly the wrong direction. It is time for the Congress to tell the FCC that is not what was supposed to happen, and that the Commission has to do something to change it. I urge my colleagues to vote for this amendment. It, of course, will not singlehandedly solve the problem, but it should move the Commission, and I hope cable rates, in the right direction.

Mr. President, I ask unanimous consent that two newspaper articles concerning rising cable rates and the FCC's decision not to take action, one from USA Today, and one from the Washington Post, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the USA TODAY, Mar. 16, 1998]

CABLE'S CASH COW OPERATORS PAD CHANNEL LIST TO PAD BILLS

(By David Lieberman)

NEW YORK—For the third year in a row, the nation's 65 million cable subscribers are getting hit with an average 8% hike in their monthly bills.

That's an increase of four times the inflation rate for what has become a staple of the American media diet—channels such as CNN, MTV, Nickelodeon and ESPN.

The typical family now pays more than $31 a month for standard cable fare, up from $28.83 last year. And some households pay nearly twice that amount once the cost of premium channels, such as Showtime and HBO, and services like pay-per-view are added.

Cable operators justify the rate hikes, citing higher programming costs, among other things. But what most consumers don't know—and what the cable industry usually doesn't tell you in their bill stuffers—is that the lion's share of the extra money they're charging you for expanded basic cable pays for new services that few consumers want.

Operators, eager to improve cash flow, are using lax federal rules to raise rates by adding channels that few customers want and that some times cost companies nothing. They're charging consumers for expensive equipment that most can't use yet. And they're making customers subsidize construction of interactive phone and video services that won't be available to most for years. Once they are, some services—such as high-speed Internet—will be so costly that they'll appeal only to affluent videophiles and technophiles.

Cable operators still think their current rates are a good deal and that future services will make cable even more appealing. "The rate increase that we put in has, by and large, been accepted because it's usually been in the context of a system that is upgrading and providing more services," Time Warner CEO Gerald Levin says.

But consumers—unwilling to give up what has become for them must-have TV and weary of the government's failure to rein in cable rates—are quietly seething.

"It's never going to change," says cable subscriber Dory DeAngelo, 59, a local historian in Kansas City, Mo. "I looked into a satellite dish, but I'd still need cable to get the local channels . . . A lot of people are very tired of this."

A GOOD DEAL FOR CABLE

When city officials were asked last fall which problems are getting worse in their communities, 72% mentioned cable rates, up from 62% in the 1996 and 47% in 1995. It was the most frequently mentioned growing problem in the annual survey conducted by the National League of Cities.

Members of Congress and the Federal Communications Commission (FCC) have soured on rate regulation. Economists say current federal rules let companies charge as much as they want. Consumers Union telecommunications expert Gene Kimmelman calls the regulations "worthless."

During the past two years, medium and large systems with no local competitors have added about six channels, to an average of 51, the FCC says. That wasn't necessarily because most subscribers wanted them. It was because federal rate rules gave cable companies a great deal. They could charge consumers the full cost of carrying up to six new channels—plus tack on a profit of 20 cents per subscriber per month for each channel. Forever.

The FCC found the average cost per channel rose from 57 cents to 60 cents from 1995 to 1997 at the noncompetitive medium and large systems.

"Loading channels on is a nice thing from their perspective," says Larry Irving, President Clinton's chief telecommunications adviser. "But do I get what I'm asking for? With cable, I get to write a check whether or not I want them."

Even without the 20-cent profit, cable companies have incentives to add channels and raise rates:

Several channels—including Fox News, Animal Planet and Home & Garden TV—paid cable companies to get on the dial.

Others—including MSNBC, TV Food Network and BET on Jazz—give local systems three minutes of ad time to sell each hour, instead of the usual two minutes.

PROFITING TWICE

The arrangement is especially sweet for most large *opeators* because they also own, or invest in, cable programming.

For example, Time Warner owns CNN, TNT and Cartoon Network. Tele-Communications Inc. has stakes in Discovery, Fox Sports and Odyssey. MediaOne, Comcast, Cox and Cablevision Systems also have major investments in cable channels.

"It creates an odd paradigm," says Bruce Leichtman of The Yankee Group, a research and consulting firm. "It's kind of a shifting from one pocket to the next."

Operators say they're giving the public what it wants by adding services such as Animal Planet, MSNBC, FX, ESPN2 and ESPNews.

"Every one of those channels gets a good rating," Comcast President Brian Roberts says.

But FCC Commissioner Gloria Tristani, for one, is concerned that cable operators will continue to add unwanted programming just to rake in more money from subscribers.

"This may not have been a significant problem in a 30- or 40-channel universe," she said recently. "But in a 70-, 80- or 100-channel universe, these unwanted channels can have a dramatic effect."

FUTURE SHOCK

Operators are getting more flexibility to add channels as they upgrade equipment. Yet state-of-the-art digital cable boxes—which most companies may eventually offer—also could deliver huge profits. Systems plan to sell a new tier of channels, including lots of premium services and pay-per-view, that consumers who have those boxes could order.

But in a coup for the cable industry, the law allows operators to pass the costs of those units on to all subscribers—not just the people who have them installed in their homes. A system with 10 million subscribers that bought 100,000 boxes for $400 apiece could raise everyone's rates by 33 cents a month, according to an example prepared by Paine Webber.

Fees add up quickly. The typical subscriber pays about 67 cents a month in 1998 to compensate operators who buy upgraded boxes. That will rise to $1.47 in 1999, $2.59 in 2000 and $3.04 in 2001, Donaldson, Lufkin & Jenrette estimates.

The arrangement benefits the few customers who get the latest equipment but does nothing for others—including the nearly 50% of today's subscribers who don't use any decoder box at all.

Cable operators, however, are thrilled. An estimated 37 million subscribers will pay $7.2 billion for digital programming in 2005.

What's more, the digital services could slow the growth of satellite services such as DirecTv and Echostar. Their ability to offer up to 175 channels has been a big selling point with the 6.6 million satellite subscribers.

If you build it . . .

The average cable customer is paying other fees, too. An estimated $1.75 per month goes to help operators upgrade their systems and offer a host of other interactive services—including high-speed Internet access and telephone services.

The major operators, Morgan Stanley forecasts, will spend about $46.7 billion between 1996 and 2004 to replace old wires with high-capacity fiber-optic cables and buy sophisticated technologies capable of handling two-way digital communications.

"I raise the rates so that we can fulfill the promise of this network to be digitally capable by the year 2000," Time Warner's President Richard Parsons says. "Most of the money we get goes right back into the system in terms of upgrades."

Operators say consumers will benefit from cable's investment in local telephone service. That will introduce competition, possibly lowering prices. Some systems, for example, plan package deals for customers who buy cable and phone service. "Doesn't everybody have a telephone?" says Cablevision Systems CEO James Dolan, whose company is far ahead of most operators in preparing for telephony. "We're going to offer those discounts to everybody."

Yet critics say it's unfair to ask all subscribers to help pay for upgrades largely designed to help operators enter new businesses—not to improve existing cable service. And lots of today's subscribers won't want the new products. For example, only about 5% of all adults say they are willing to buy high-speed Internet service at the expected price of about $40 a month, according to a survey by The Yankee Group.

And it will take years before most subscribers get a cable-provided dial tone. Only about 3.4 million will subscribe to a cable system's telephone service by 2002, Montgomery Securities estimates.

That projection might be optimistic at a time when technology and the economy are changing so fast. AT&T recently observed that wireless services may become potent competitors to local phone providers. "Companies say, 'We're building for the future,'" Harvard Business School Associate Professor William Emmons says. "Well, that's a little dicey. What if they're building huge systems that will be obsolete? Or what if nobody wants them?"

CABLE'S EDGE

For now, cable companies assume that lots of people—particularly those who are well-to-do—will want the new array of services. Although all subscribers, rich and poor alike, are paying for the upgrades, the most advanced systems tend to be in affluent communities, including Orange County and Fremont, Calif.; Long Island, N.Y.; Arlington Heights, Ill.; and West Hartford, Conn.

The cable industry also believes that it has a big lead over other businesses—including phone companies—in delivering advanced video and communications services.

"The surprise to most has been how slow the competition is developing," former Continental Cablevision CEO Amos Hostetter says. "All that talk about (phone companies) getting into the video business has been hollow."

That's one reason most Wall Street analysts say basic cable rates will rise—albeit at a more moderate pace—even after *operators* are through making big expenditures for their upgrades. They anticipate that operating cash flow for most companies will grow an average of nearly 13% a year over the next five years, vs. about 7% growth now.

The assumption contributed to the 87% appreciation in cable stocks in 1997, a year when the Standard & Poor's 500 grew 31%. "The market decided that government policies were a failure, and competition presents no risk to cable now and in the foreseeable future," Sanford C. Bernstein analyst Tom Wolzien says.

That's good for cable, but it isn't the way things were supposed to turn out when the federal government in 1992 tried to crack down on soaring cable prices and then pulled back in an attempt to encourage competition.

"There are going to be people paying for things they don't want," says Michael Katz, a professor of economics at the University of California at Berkeley and a key architect of the cable rules as the FCC's chief economist in 1994 and 1995. "It's one of the unintended consequences of regulation."

[From the Washington Post, May 15, 1998]

FCC CHIEF DECLINES TO CURB CABLE PRICES; KENNARD TO AWAIT DEREGULATION IN MARCH

(By Paul Farhi)

Consumers looking for relief from rising cable TV bills won't be getting it any time soon from federal regulators.

Though he declared earlier this year that "cable rates are rising too fast," the head of the Federal Communications Commission said yesterday that his agency won't step in to freeze or roll back cable prices before a congressionally ordered deregulation of cable prices kicks in next March.

FCC Chairman William E. Kennard says his agency will continue to study the problem, with an eye toward influencing debate in Congress. Cable prices have been rising at more than five times the rate of inflation.

"We're running out of time" to enact new regulations, Kennard said. Besides, he added, "it doesn't make a whole lot of sense for us to try and create a whole new regulatory regime only to have [deregulation] in March of 1999."

In December and January, Kennard had raised the possibility of putting new controls on the rates.

Kennard's statements yesterday, made in an interview with The Washington Post, amount to a major victory for the cable industry, which has been fighting efforts at tougher regulation for months. It is also a political victory for Republicans in Congress, who have pressed the FCC to avoid more regulation.

"This is good to hear," said Torie Clarke, spokeswoman for the National Cable Television Association in Washington. "It means the FCC is paying attention to what the industry is doing, and that it won't get into micromanagement and regulation that will stall everything."

Added Clarke, "We're spending a lot of time and effort trying hard to deliver on our promise to customers. We're fulfilling a lot of those promises, and we think the government should stay out of our business."

But consumer advocates were seething. "The FCC has reached a new low," said Gene Kimmelman, co-director of Consumers Union's Washington office. "The agency . . . won't lift a finger to stop spiraling cable rates. This is irresponsible. They're thumbing their noses at the American public."

Consumers Union and the Consumer Federation of America asked the FCC in September to freeze rates, but the commission has not yet acted on that petition.

Cable TV prices rose an average of 7.9 percent in the 12-month period that ended March 31, according to the Bureau of Labor Statistics. That is more than five times the general inflation rate of 1.4 percent during the same period.

In the early 1990s, with price hikes running at only three times inflation, a Congress controlled by Democrats enacted a law designed to bring cable prices back to a "reasonable" level.

The FCC subsequently wrote regulations that succeeded in restraining—and in some cases reducing—the average monthly bill. But the FCC liberalized its rules in 1995, after the cable industry complained that the price controls were smothering innovation. There followed another price spiral. In 1996, the Republican-dominated Congress agreed to phase out most of the price rules by early 1999.

Rep. W.J. "Billy" Tauzin (R-La.), who chairs the House Subcommittee on Telecommunications, accused the FCC of "ignoring" vigorous enforcement of its price rules. But Tauzin and other Republicans have repeatedly inveighed against tougher regulations, such as a rate freeze or an extension of the current rate rules, saying incentives to help other companies be more competitive with cable are preferable.

Only a handful of the nation's 11,000 cable systems have a direct competitor, despite years of efforts to ignite competition by phone, cable, satellite and other TV providers. Earlier this week, Joel I. Klein, the Justice Department's top antitrust enforcer, said the cable industry held "a significant, durable monopoly" over subscription TV services.

Kennard said he isn't exactly sure why rates are rising so fast and has directed his agency to gather information from the cable industry about the potential causes. Without drawing conclusions, he said the problem probably has several facets, including the rising cost of producing programs. He added that the regulations themselves may be to blame because they gave the industry too much latitude to raise prices.

"We don't have a firm comprehensive analytic study as to why rates are going up," said Kennard. "We hope to have a definitive answer" in time to effect debate in Congress next year about possibly extending the current rules.

Rep. Edward Markey (D-Mass.) has proposed an extension of the regulations past March, and Rep. Peter DeFazio (D-Ore.) has proposed an immediate freeze.

Mr. DASCHLE. Mr. President, I certainly appreciate the concern expressed by consumers about rising cable rates, and share the desire of the distinguished Senator from Wisconsin [Mr. FEINGOLD] to better understanding the reasons for this trend. While further attention to this matter is warranted, I am not persuaded that the amendment before us will substantially further that worthy goal.

The amendment is intended to compel the FCC to tell us how it plans to address cable rates. But the FCC is already required to report on competition in the cable industry at the end of this year. The 1992 Cable Act requires the FCC to conduct an annual study on the status of competition in the cable industry, and our focus should be on ensuring that that study sheds new light on this issue.

The FCC has done little about cable rates, and the agency's track record raises doubt that yet another study by that agency, the very one that the Senator from Wisconsin faults for inaction, will add to public understanding of this matter. In addition, the amendment requires a report within 30 days, which is woefully inadequate to achieve any real information about an issue of this scope.

There are initiatives under way which should add to the policy debate. The senator from North Dakota [Mr. DORGAN] and I have asked the independent General Accounting Office to conduct a study of the causes of increasing cable rates. It is my expectation that this review will provide new evidence about steps we need to take to help control cable rate increases.

In addition, as the distinguished Ranking Member of both the Commerce Committee and the Subcommittee on Commerce-Justice-State [Mr. HOLLINGS] has said, the Senate Commerce Committee is holding a hearing on cable rates next week. As noted by the Senator from South Carolina, the Senate need not prejudge that hearing and the findings of the committee of jurisdiction with a premature amendment.

Indeed, the Commerce Committee is fully capable of ensuring that the existing statutory requirement to study this issue is fulfilled in a manner that answers the concerns raised by the Senator from Wisconsin and other members of the Senate. I encourage my colleagues on that committee to vigorously exercise their oversight responsibility in this area.

Mr. President, this amendment, while well-intentioned, is not the answer to our constituents' frustration about their cable rates. Hopefully, the FCC study currently underway and required by year's end, and the GAO review, will shed new light on this issue.

Mr. GREGG. Mr. President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, at this time I ask unanimous consent that all debate on the Feingold amendment be completed at 8 o'clock, the time between now and 8 o'clock be divided between Senator FEINGOLD and Members or a Member in opposition, and that no second-degree amendments to the Feingold amendment be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, on this particular amendment, I talked previously with the distinguished Senator from Wisconsin. I thought it was in conformance with the actions of the committee with respect to the cable rates. When we passed the 1996 Telecommunications Act, we mandated that cable rates would not increase, under that particular act, until March of 1999. Thereafter, of course, rates did increase in accordance with the 1992 act.

The 1992 act allowed increases with respect to additional channels and additional services and costs incurred in expanding and in competing. That, generally speaking, is as I understood it with the cable companies. Because we have had complaints I, myself, looked at it earlier this year. The FCC has been monitoring it. We discussed this with Chairman Kennard and the other Commissioners as they came on in their confirmation hearings. They have been monitoring it.

As I understand, the distinguished chairman of our Commerce Committee, Senator MCCAIN of Arizona, is headed to the floor. Because I have been engaged in other matters, I didn't even realize we had a hearing scheduled for Tuesday of next week on this same thing, to hear from the Commissioners on what has occurred. So I would not favor this particular resolution. It is not just a matter of 30 days, it sort of preempts the committee in its action with respect to listening to the Commission and finding out.

I know, good and well, we are all familiar with the 1996 Telecommunications Act provision against increase in rates through March of 1999. Of course, then we relate back in all of these percentages. It sounds, in the resolution of the distinguished Senator from Wisconsin itself, that all you need to do is look at the percentages and they are in excess of the inflation rate and everything else. The inflation rate is not the question. It is the question of the services, the channels, and the programming itself, and the costs of expanding and competing.

I think perhaps this would have a disruptive effect on that particular trend at this time. The committee has yet to have heard from the Commission itself and from those engaged in this particular business.

So I just comment that the chairman of the committee and the chairman of the subcommittee, Senator BURNS of Montana, are on their way, as I understand it, to the floor. I didn't want to just waste this time and let it go past on the premise: Wait a minute, in 30 days——

Incidentally, the Federal Communications Commission is just like a tenth-round boxer. They have more mergers, more rulings, and everything else like that, trying to implement all the petitions that they have before them. You could not find fault if they could not find out in 30 days, 60 days, or 90 days.

So I do not think this is well taken, with respect to what the Congress has asked the FCC to do. They have had one backup of time, trying to make findings here, after their particular investigations. Mind you me, if there are 60,000 lawyers registered to practice in the District of Columbia, 59,000 are communications lawyers. They have more appeals and petitions and reviews and everything else of that kind. So the work at the FCC is not necessarily the most prompt, or what we would wish to have, but it has to be understood. The committee itself is working.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I appreciate the remarks of the ranking member, the Senator from South Carolina, about the amendment. I simply want to point out that, in fact, this 30-day period is not 30 days from today that the FCC would have to complete this report, it is 30 days from the time of enactment of this bill, if the amendment were successful, and that is obviously some weeks, if not months, down the road, to the point where the President would actually sign it.

All we are asking here is that a report be issued, not that actions be taken to change the cable rates during this period, but that the Commission actually give us a sense of whether they agree with the findings we have in this report or not and what they intend to do about the problem. I don't think that is an unreasonable request for a 30-day period, or even realistically what it is more likely to be, which is a 60-day to 90-day period.

Just to illustrate why we are concerned, why we think it is appropriate that Congress agree to this amendment and make this statement, it is because, in fact, the studies the FCC is doing now I don't think are getting done in a timely manner to answer the questions that have to be answered.

For example, Chairman Kennard recognized that there was a problem with regard to its annual assessment of competition in the video-programming market when he said in his statement:

> Less than 15 months away from the sunset of most cable rate regulation, it is clear that broad-based, widespread competition to the cable industry has not developed and is not imminent.

He also noted that perhaps the Commission ought to do something to address the problem. He said:

> When confronted with allegations of price gouging, cable operators reflexively point to additional programming costs. The Commission's own rules and policies may be a source of this problem. We need to examine whether there are targeted adjustments that should be made to our rate rules. For example, our rules allow programming cost increases to be passed on to subscribers. But is this right?

The Chairman went on to say that the FCC was going to look at the problem of programming costs, and that is the study that has been referred to. He said about this:

> I am therefore directing the Cable Services Bureau to commence a focused inquiry into programming costs to determine the sources of these increases, the variance in costs among various distributors, whether existing relationships impact the prices charged, and if programmers restrict consumer choice. This inquiry will require the cooperation and forthrightness of the industry.

I don't know if the FCC got the cooperation of the industry. What I do know, and what is in response to the comments of the Senator from South Carolina, is that it is now July and there is still no report or result from that inquiry.

I also know, as I have indicated before, that rates have continued to go up, with many increases taking effect at midyear. I also know that in May the Chairman told the world that the FCC was not going to take any further action to address rising cable rates.

So, this amendment is not duplicative of what is going on at the FCC. It has a deadline and a requirement the FCC outline a specific action plan to address the problem of the lack of competition in the cable industry.

Based upon the track record that I have just described with respect to the narrower issue that there was supposed to be a study on, it is not getting done. I think we need to follow up on previous congressional directives and have the entire Senate and the other body direct that a more specific study and plan of action result within the timeframe that this amendment calls for.

Mr. President, I think this is a reasonable amendment. It is not too much to ask this agency to take a look at the dramatic increases, whether they are reasonable and what they intend to do about it.

I urge my colleagues to back the amendment. I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I will simply note for my colleagues that we are making pretty good progress through these amendments that have been lined up. We lined up seven amendments to do before 9:30. We are making excellent progress. If there are Members who have other amendments, it is possible we can work them in. If they can come down to the floor and discuss them, that will be helpful. We are going to stay on the bill until it gets done, if I have my option. The sooner we can wrap up these amendments, the better.

Mr. President, I suggest the absence of a quorum. I withdraw that.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, with respect to the amendments pending, I know the Senator from Iowa, Senator HARKIN, the Senator from Oregon, Senator WYDEN—I think that one can be worked out or I think it perhaps may have already been worked out—Senator LEAHY from Vermont, Senator DORGAN from North Dakota, and Senator JOHN KERRY of Massachusetts have amendments, if they are within the view and sound of the action on the floor, please be alerted. We want to bring up those amendments. I am asking the staff to contact them.

Mr. President, with respect to this particular study, there is an action required here, as I read it. In other words, it is not just a study, but a report. The purpose is to require a report from the Federal Communications Commission, but the report really is a resolution requiring action, because the very last paragraph, Mr. President, reads as follows:

> (3) If the Commission determines under paragraph (1) that the findings under subsection (a) are not consistent with the fulfillment of the responsibilities referred to in that paragraph, the report shall include a statement of the actions to be undertaken by the Commission to fulfill the responsibilities.

I think that is just a little too mandatory; an unfunded mandate, I think we call that here in the U.S. Senate. I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I always enjoy debating with the Senator from South Carolina. I have to differ, though, with the characterization of the words that are in this amendment. It says:

> . . . the report shall include a statement of the actions to be undertaken by the Commission to fulfill the responsibilities.

If the Commission determines it doesn't need to take any action, this doesn't require them to do anything. There is no mandate at all. We just want to know what they are planning to do. That is all this calls for, a statement of the actions to be undertaken by the Commission.

There is simply nothing mandatory about that language at all. We are just asking for a statement of the ideas they have about what to do about the increases in cable rates, if anything.

I differ with the Senator from South Carolina that there is no language in here that asks for anything other than a report as to what the Commission may plan to do in the future about the problem of cable rates.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask unanimous consent to amend the previous consent agreement dealing with disposition of this bill after final passage.

I ask unanimous consent that S. 2260, as passed, be held at the desk and not engrossed, and that after Senate passage of H.R. 4276, the House companion measure, that the vote on S. 2260 be vitiated and S. 2260 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask unanimous consent that all time be yielded back on the Feingold amendment and all debate on that amendment be concluded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, for the information of our Membership, we are waiting for two Members who have amendments on the list to go before 9:30: One dealing with gaming, Senator KYL; and one dealing with defenders, Senator NICKLES. As soon as they arrive we will begin those amendments and begin debate on those amendments.

As I mentioned earlier, if there is a Member who wishes to bring forward an amendment at this time, it appears we have some time to do that. We will welcome their attendance on the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WYDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3265

(Purpose: To amend section 505 of the Incentive Grants for Local Delinquency Prevention Programs Act relating to the illegal possession of firearms by juveniles)

Mr. WYDEN. Mr. President, I offer a bipartisan amendment that has been authored by Senator SMITH of my State and myself and a number of other Senators.

Mr. GREGG. Will the Senator yield? Is the Senator willing to enter into a time agreement on this amendment?

Mr. WYDEN. I certainly am. The chairman of the subcommittee has been very gracious. I do not anticipate going more than 15 minutes myself, and I think Senator SMITH will be coming shortly. I know he would probably want 15 minutes or less, as well.

Mr. GREGG. I ask that all debate on this amendment be completed by 8:25.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WYDEN. Mr. President, I now send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. WYDEN], for himself and Mr. SMITH of Oregon, proposes an amendment numbered 3265.

Mr. WYDEN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 51, between lines 9 and 10, insert the following:

SEC. 121. Section 505 of the Incentive Grants for Local Delinquency Prevention Programs Act (42 U.S.C. 5784) is amended—

(1) in subsection (a)—

(A) in paragraph (6), by striking "and" at the end;

(B) in paragraph (7), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(8) court supervised initiatives that address the illegal possession of firearms by juveniles."; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking "demonstrate ability in";

(B) in paragraph (1), by inserting "have in effect" after "(1)";

(C) in paragraph (2)—

(i) by inserting "have developed" after "(2)"; and

(ii) by striking "and" at the end;

(D) in paragraph (3)—

(i) by inserting "are actively" after "(3)"; and

(ii) by striking the period at the end and inserting "; and"; and

(E) by adding at the end the following:

"(4) have in effect a policy or practice that requires State and local law enforcement agencies to detain for not less than 24 hours any juvenile who unlawfully possesses a firearm in a school, upon a finding by a judicial officer that the juvenile may be a danger to himself or herself, or to the community.".

Mr. WYDEN. Mr. President and colleagues, Senator SMITH and I, having visited with our constituents at home and in Springfield, OR, after the terrible tragedy at Thurston High School, believe it is absolutely critical that concrete steps be taken between now and the beginning of the school year to increase the safety for our young people in schools across the land.

We believe this legislation, which has now been agreed to by both the majority and the minority, can be the first concrete step that will be taken to ensure that this fall our young people and their families can have an added measure of safety when they attend our Nation's schools. We believe that when a young person brings a gun to school, that ought to set off a five-alarm warning that there are problems for our society.

Our colleagues on several occasions have mentioned today that in a number of States it has been documented that in several hundred instances a year young people bring a gun to school, disciplinary action is taken, but then it is essentially at the discretion of law enforcement officials and others as to what additional steps will be taken.

Law enforcement officials across our State and across the country have made it very clear that they don't believe it is appropriate to put that discretion in their hands. They would like to make sure that government sets out a policy that would stipulate that when a young person brings a gun to school, that that young person will be detained for an adequate period of time to have a mental health assessment, to have law enforcement officials involved, to have health policymakers participate in what action should then be taken to best promote safety in our society. If my home State of Oregon had this policy in effect at the time of the tragedy at Thurston High School, Kip Kinkel, who is alleged to have perpetrated these crimes, would have been before a judge and held, and, in my view, unquestionably, would have been detained rather than sent home, where he allegedly killed his parents and then came back, literally, within a relatively short time, and shot and injured more than 20 young people at Thurston High School in Springfield.

What our legislation does is ensure that States that have put in place a policy of detaining a student caught with bringing a gun—that States with that policy would be accorded a priority for title V funding, the prevention and delinquency funding program, under this legislation. That way, we would ensure that, on an ongoing basis, every State in our country would have an incentive to ensure that when young people bring guns to school, as was done in the case of the Springfield tragedy, rather than simply leave to fate what happens next, there would be a finding of what was the most appropriate step to take to ensure the safety of the community.

Mr. President, I think we all agree that our schools ought to be places of learning, not of tragedy and violence. One lesson that has been learned from the tragic shootings in Oregon and Arkansas and other States is that clearly there is something wrong today with the policies for dealing with young people and guns. The policies today aren't working. Young people are falling through the cracks, and some of them are shooting other children. Bringing a gun to school ought to be a warning signal, an early sign, that there is a serious potential threat for our society. When that act takes place, it is important to get the student out of the classroom, off the streets, and in front of a professional who can make a determination of how much of a threat that student is to the community.

I think most legislators would agree we don't have all the answers, but we do know that keeping an angry student with a gun out of the classroom and off the schoolyard ought to be part of the solution. That is why the amendment that I sponsor today, with Senator GORDON SMITH of my home State, focuses on two tracks. First, Senator SMITH and I seek to remove the threat of violence from our schools as soon as it is identified. Second, we help our communities find the resources they need to identify and serve at-risk students so it is possible to prevent a potential health and safety problem from becoming the sort of tragedy that was seen at Thurston High School.

This amendment provides concrete incentives to States to immediately remove any student who brings a gun to school and to get that student before a judge and other qualified professionals. If the judge determines that student is a threat to the community or to the individual themselves, the State must hold that student for a period of time that would allow for an appropriate placement that protects our society.

If a State has in place this sort of policy to protect the community, families, and students, our legislation will give that State priority when it comes to funding juvenile justice grants. That means they will be in a position to devote more resources to make sure that at-risk students don't follow that path of crime and delinquency, and it will be possible with these grants to target high-risk young people for aggressive and early intervention so these young people can be reached with appropriate treatment before they fall through the cracks.

What has been learned in Springfield and the other communities across this country is that expelling a student for bringing a gun to school may adequately punish the student's behavior, but it is not enough to protect the community and our society.

It is important to ensure that the appropriate steps are taken at that time—at that time when the student is apprehended by school officials, so that that student has every opportunity to work through potential problems they may be having at home, or with their peers, and our society can find a balance between preventing these crimes from occurring and punishing them when they actually take place.

There isn't a Member of this U.S. Senate who is not deeply concerned about this set of incidents across our country—literally across our Nation—where young people have been taken from us by school violence. In Springfield, OR, where Senator SMITH and I visited with the President—who deserves great credit, in my view, for supporting our bipartisan legislation—the community promised Senator SMITH and I that they wanted to let the violence end here.

It is our hope that this legislation will give States the incentive they need to enact tough detention statutes to ensure that what happened in Thurston doesn't happen across this country. My friend and colleague, Senator SMITH, is here and I want to yield the floor in just a moment. I want to thank him for the bipartisan effort that has been made on this legislation and on so many other issues that have been important to the people of Oregon. The people of Oregon and the people of our country do not see these as bipartisan issues. There is not a Democratic approach to preventing school violence and a Republican approach to preventing school violence. I tell our colleagues that the approach Senator SMITH and I bring before the U.S. Senate tonight has been supported by those who oppose gun control and those who are for gun control because they see this as commonsense Government that will be good for our students and our families.

I will close by saying that when the Senate acts tonight, this can be the first concrete step that actually protects students and families when school starts this fall. So we are very grateful to our colleagues for helping us, including our friends Senator HOLLINGS, Senator GREGG, and Senator LEAHY, who is not on the floor, and Senator HATCH has been so helpful. Senator SESSIONS has added an innovative approach with respect to establishing a court supervisory initiative to addressing unlawful juvenile gun use. This is a bipartisan step forward in making our schools safe across this land.

I yield the floor at this time.

Mr. SMITH of Oregon addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Oregon, Mr. SMITH, is recognized.

Mr. SMITH of Oregon. Mr. President, I want to publicly thank my colleague, Senator WYDEN, for his leadership on this issue. He and I recently faced a tragedy in our State that, frankly, left us speechless and groping for a way to respond to an unspeakable tragedy—that of a young person, troubled, from a good family, but in possession of weapons and willing to use them on his parents and his fellow students.

In the face of that kind of violence—a young man who would violate four gun control laws to do what he did—Senator WYDEN and I, frankly, struggled to find out how we can respond to this, how we can, as public servants, lay down a new marker, provide a new barrier for stopping this kind of violence. Also, how can we do it in a way that doesn't impose the Federal will upon the States, but provides a carrot, and not a club, for them to enact laws that would have captured this young man and prevented a horrible tragedy from being visited upon our State and the city of Springfield.

We are not alone in this. Arkansas, Mississippi, and Pennsylvania have also suffered these kinds of tragedies. So it is a growing national concern. The reason I commend this legislation so strongly to my colleagues is because it is, in fact, bipartisan because it does enjoy the support of gun control advocates and antigun control defenders. As my colleague described, what this does is simply put in place a new safety net, so that if a young person does bring a gun to school, they will be detained—not to be just released to their parent's custody, but actually to undergo an evaluation in terms of their psychological health and their safety to the community at large.

It is unfortunate that this has to occur, but it has to occur because, at the end of the day, no other communities should suffer this consequence again. So I commend my colleague for his leadership. I also want to thank Senator HATCH, the Chairman of the Judiciary Committee, and Senator SESSIONS, for their input into this amendment; it was considerable. We worked it out with them. I think we have, in the end, an amendment that doesn't fix the situation entirely, but it goes a long way toward accomplishing that very thing.

I thank all my colleagues for indulging us. I ask for their support.

Mr. President, I yield the floor.

Mr. GREGG. Mr. President, I ask unanimous consent that this amendment be agreed to.

The PRESIDING OFFICER. Is there objection?

Without objection, the amendment is agreed to.

The amendment (No. 3265) was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GREGG. Mr. President, we are now in order to go to Senator KYL.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

AMENDMENT NO. 3266

(Purpose: To prohibit Internet gambling)

Mr. KYL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. KYL], for himself and Mr. BRYAN, proposes an amendment numbered 3266.

Mr. KYL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

AMENDMENT NO. 3267 TO AMENDMENT NO. 3266

(Purpose: To provide an exception for "fantasy" sports games and contests)

Mr. BRYAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. BRYAN] proposes an amendment numbered 3267 to amendment No. 3266.

Mr. BRYAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, strike lines 9 through 12, and insert the following:

"(iii) a contract of indemnity or guarantee;

"(iv) a contract for life, health, or accident insurance; or

"(v) participation in a game or contest, otherwise lawful under applicable Federal or State law—

"(I) that, by its terms or rules, is not dependent on the outcome of any single sporting event, any series or sporting events, any tournament, or the individual performance of 1 or more athletes or teams in a single sporting event;

"(II) in which the outcome is determined by accumulated statistical results of games or contests involving the performances of amateur or professional athletes or teams; and

"(III) in which the winner or winners may receive a prize or award;

(otherwise know as a 'fantasy sport league' or a 'rotisserie league') if such participation is without charge to the participant or any charge to a participant is limited to a reasonable administrative fee.

Mr. KYL. Mr. President, let me briefly describe what this amendment does and indicate the degree of support that exists for it. Before I do that, let me say that this amendment passed out of the Judiciary Committee with one dissenting vote several months ago. It had been our intention to bring the amendment to the floor as a separate, freestanding bill, but because there was not floor time available to do that, we have had to resort to the amendment process under this bill. I regret that we have to do that, but that is the only way we would get this important piece of legislation before the full Senate.

Frankly, Mr. President, it has been good because, during the interim, we have been able to work with parties who had concerns about the bill, and I think, for the most part, we have worked the concerns out. I know that one matter remains to be dealt with later. But except for that, we have been able to improve on the bill since it passed out of the Judiciary Committee.

As a result of that, I report to my colleagues that some of the groups and organizations that support this legislation—to give you an idea of the breadth of support we have, it came up because of the Attorneys General of the United States; all 50 attorneys general from our States approve of this and support this legislation and, frankly, they are the ones that asked the Judiciary Committee to move forward with the legislation.

Jim Doyle, the Democrat attorney general from Wisconsin, testified two times before our committee strongly in support of this legislation. One of the things he said was—I will quote it; I will find the quote.

But, in effect, what he said was ordinarily attorneys general don't come to the Federal Government and ask for statutes to be federalized; they like their own jurisdiction. But in this case they had to come before the Congress. The individual attorneys general simply cannot enforce their own State prohibitions. Why is that so? Because, if the State of South Carolina, for example, has made a public determination, as it has done, that this kind of gambling is illegal and ought to be illegal, and a neighboring State—let's say North Carolina—should allow people to broadcast into South Carolina these virtual casino games that people can now find on the Internet, or let's say that comes even from outside the country, which is where these actually emanate from for the most part, then the people of South Carolina cannot be protected even though their State policy is that their people not be subjected to this kind of gambling. That is why all 50 State attorneys general got together and came to us, and said, "Would you please help us solve this problem?"

We have to be able to have a Federal law that is enforceable through the Federal courts as well as the State courts to prohibit this kind of activity. That was why we introduced the legislation and moved forward with it. But what we soon found was that the support for the legislation was much broader than that. You might expect that Louis Freeh, Director of the FBI, has expressed strong support for it.

But we have also had strong support coming from amateur and professional sports organizations. You can understand why, because the integrity of sports depends upon people knowing that the outcome of any sporting event is not determined by someone gaming the system.

Unfortunately, we have seen these kinds of stories about point shaving and the like. I will give you an example from my own State of Arizona where a student got deeply into debt. He played basketball and ended up pleading guilty to shaving points and trying to throw games in order to pay off his gambling debt. Neither amateur nor professional athletics can stand that kind of attack on the integrity of sports, and as a result they came to us.

We have strong support for this legislation from the NCAA, the Amateur Athletic Association, from the National Football League, the National Collegiate Athletic Association, the National Hockey League, the National Basketball Association, major league baseball, and a lot of different organizations that understand how insidious gambling can be when it is conducted in a medium such as the Internet, and as a result they strongly support this legislation.

We also like to say until he moved on that, this legislation is supported all the way from Ralph Reed to Ralph Nader. Ralph Reed has moved on, but the Christian Coalition still supports the legislation; as does Ralph Nader, the Public Citizen organization which he represents, the National Coalition Against Gambling Expansion, the National Coalition Against Legalized Gambling, Focus on the Family, Family Research Council, and many other organizations.

The reason I wanted to mention this at the very outset is simply to illustrate the fact that this legislation has broad, widespread support from a variety of organizations and interests around the country.

In the meantime, from the time it passed out of the Judiciary Committee, we have been able to work with the so-called horse industry and the pari-mutuel betting to assuage concerns that they had originally expressed.

We have also worked with the Internet providers who will be an integral part of the enforcement of this legislation. We have a letter from the main Internet providers indicating that they have no objection to this legislation passing in the form that it has passed.

Mr. President, I have kind of given you an idea of the kind of support that we have for it.

It is opposed, frankly, by two groups. One you will hear from—at least one Indian tribe. And perhaps some other Indians would like to have a carve-out; they would like to be excepted from this. Second, naturally the gambling interests offshore who stand to make billions of dollars from this illegal activity do not like it. So that is who is against it.

Mr. President, I said this "illegal activity," and I did that with a reason. The activity that we are largely prohibiting tonight is already illegal. The Wire Act, so-called, Telephone and Wire Act of 1961, makes it illegal to conduct sports gambling over the telephone, or a wire. So much of what is being prohibited in this legislation is already illegal.

For those people who say, "Well, we would like to be able to conduct this activity," their beef is not with our bill. Their beef is with existing law. One of these days wires are not going to be the means of electronic transmission. It is going to be fiber-optic cable or microwave transmission through satellites. We are not at all sure that when that happens that the Telephone and Wire Act will be able to be used by prosecutors in their prosecutions.

Just a couple of months ago, the district attorney for the district of New York indicted 14 people for conducting this kind of illegal activity under the Telephone and Wire Act. But, Mr. President, that might not be possible in the future. That is why we want to update the Telephone and Wire Act.

In addition to that, the second thing that this bill does is to ensure that, whether it is sports betting or not, the activity is illegal on the Internet because what has cropped up in recent months is something called the "virtual casino." It looks a lot like a casino that you would go to that is perfectly legitimate such as Las Vegas or Atlantic City. It is on the Internet, and it comes outside of the country, because, of course, it is not illegal outside the United States—at least in some countries. But that is being, in effect, sent to American citizens in our country.

The attorneys general of Florida, South Carolina, Arizona, and other States have no way to stop it under existing law. Our bill ensures that kind of "virtual casino" over the Internet is illegal, and that it is enforced through not only the usual means of enforcement but also with the ability of the prosecutors to go to the court and after a finding that this activity is being conducted over the Internet, to enjoin its further conduct by bringing in the Internet service provider, in most cases, and asking the Internet service provider to cut off the service, to pull the plug on the service from that particular web site. In some cases it will be very easy to do. In other cases, it is more complicated. We provided for that in the legislation.

As I said, the Internet service providers—at least some of the largest groups, and I can provide the names if anyone is interested—are satisfied that the language that we have worked out in the bill for this purpose is at least not objectionable to them.

Let me indicate that this is a relatively new phenomenon, but it is pretty clear that we need to stop it now because it is quickly becoming, or will become, a multibillion-dollar activity.

A recent "Nightline" piece, which was devoted to Internet gambling, reported that there are now an estimated 140 gambling sites online. Two years ago, Internet gambling was a $60 million business. Last year it grew to $700 million, and some believe that by the year 2000 the figure will be $10 billion.

Mr. President, if we don't stop this activity now, the money that is generated by this kind of illegal activity is going to, I am afraid, become so influential in our political process that we will never get it stopped. That is why we have to act this year.

I might add, Mr. President—and I am so delighted to have the expertise and the support of the Senator from Nevada, Senator BRYAN—that one of the reasons why the legitimate gaming organizations and activities in our country are also in support of this legislation is because they understand. They don't want gambling to get a bad name. A lot of money is made, and a lot of people are employed in the gaming industry in these States. They are highly regulated.

When you go to a gaming activity in Las Vegas, you know that you are going to be treated fairly. If you win, you will get the money. You know exactly what the odds are. And there is a regulation commission that ensures that the rules are abided by. But that is not the case on the Internet.

Here is the problem.

Young children are getting really good at logging onto the Internet. They can log on in the morning. You have to put down a deposit of $100 or $500—whatever it might be. You do that with a credit card, frequently. And this child, in the privacy of the home, without any supervision, can simply gamble away whatever fortune the family had tied up in that particular credit card with no supervision.

The kind of gaming that we have legalized in this country is the kind of thing where you have to go to that site. You have to engage in the activity there. It is highly regulated.

One of the reasons this kind of activity is so dangerous is because there is nobody there to check the activity. It occurs in the privacy of your own home with nobody there to say, "Wait a minute. Haven't you done this long enough? Haven't you lost enough money?"

Dr. Howard Schaeffer of the Harvard Center for Addictive Studies predicts that within 10 years youth gambling will be more a problem to society than drug use. And the youth of our society are the most at risk for conducting Internet gambling. First of all, they are the most adept at using the Internet. Secondly, they are in college and school, and this is where a lot of the computers are that our kids start on today. And on every major campus today there is organized gambling activity, according to law enforcement officials. Sports is the preferred subject of the gambling.

So it doesn't take any imagination to appreciate that our Nation's children are at risk. And there is much more risk in this Internet gambling activity than in any of the other kinds of legalized gaming, highly regulated gaming, that is authorized in our country today.

I won't go into all of the details about bankruptcies and suicide and that kind of thing except just to cite a couple of things here that ought to cause us pause. We know that about 5 percent of the people who gamble will become addicted. It is an addiction. Of those, about 80 percent will contemplate suicide, and about 17 percent of those will commit suicide. Bankruptcies are huge and growing. As a matter of fact, Ted Koppel noted that in his "Nightline" program, that last year 1,333,000 American consumers filed for bankruptcy, thereby eliminating about $40 billion in debt. And he talked about the percentage of that which is attributable to gambling, going into some of the statistics about a large percentage of that—in fact, something like 60 percent of people will get gambling debts that they can't pay.

In fact, up to 90 percent of pathological gamblers commit crimes to pay off their wagering debts. That is the testimony before our committee. So suicides, bankruptcies, crimes committed to pay off debts, and the effect, of course, on the families.

What does this have to do with our bill? This is the kind of activity that, by definition, is not regulated and is susceptible to addiction because there is nobody there. There is no inhibition in your own home; you just log on and you go do it. Of course, these virtual casinos are really good-looking things when you look at them on the screen. You can pull them up tonight, as a matter of fact.

So, as I say, what we have done in the Judiciary Committee is to focus on this specific kind of activity as (A) needing to be updated because wire may no longer be the method of transmission of data and (B) because of these virtual casinos offshore.

Let me describe a couple of the problems that we have dealt with in the legislation. One of the concerns was that the service providers would have difficulty in stopping the activity. Remember, what we have done here is to say that this activity is illegal, just like the Wire Act does. Theoretically, you could even prosecute the bettor, although that has never been done, and I don't anticipate it being done.

What we are after here are the people running these gambling operations. The U.S. attorney in New York has indicted some people, some of whom were in the United States. So they have actually acquired personal jurisdiction over those people. They might be able to prosecute them, fine them, and send them to jail. But for the most part, these activities are going to be abroad, because the activity is illegal in all 50 States. As a result, you are not going to be able to get personal jurisdiction over the offender.

How do we, therefore, stop the activity? That is where the service providers come in. And after, as I say, a finding of illegality has occurred, they will be brought in to appear before the court and be asked to pull the plug on a service that they are providing or, through them, is being provided to people on the net here in the United States.

As I said, in the case of a direct provider, it is a little more technical than this but almost as easy as pulling the plug, because each of these sites has an identifier, an identifying number for billing purposes. Of course, you know that and you can simply cut off that particular service. In other cases, it will be more complicated than that.

So what we have done is to provide a complex series of protections for the Internet provider to ensure, for example, that if they are asked to participate in this law enforcement activity, first of all, there won't be any injunction issue against them if it is not technically feasible; and, secondly, that they can demonstrate, if it is the case, it is not economically feasible for them. Then the injunction could not issue. This isn't a matter of what they are permitted to argue; these are actually conditions for the imposition of the injunction.

I want to make it perfectly clear to my colleagues, up until a few days ago, you may have been contacted by various Internet providers, people like America Online, for example, or U.S. West. Their representatives, who are all over this town, may have told you that there were certain problems with this language. But they are among the organizations that have bought off on the language that I have painstakingly negotiated with them to ensure that, while they are helping law enforcement, we are not imposing an impossible burden on them. They are not going to have to do something that is not technically feasible, and they are not going to have to face unreasonable costs in complying with law enforcement.

I know some people say they are part of the problem because they are actually transmitting this illegal information. But I don't think it is fair to ask them to monitor this activity or to stop it unless law enforcement deems it sufficiently serious to stop. And that is why we have only provided for them to be involved in this process in that eventuality. I think that is very, very fair.

A second group that we have had discussions with is the virtual casino networks and operators. I know that Senator BRYAN is going to talk to that because that is a part of his amendment. I must say that I totally support the amendment of Senator BRYAN to add the protections in this legislation to those who are providing the games involving, for example, baseball where you get together with other people and you create your own baseball team and you then are judged by how well those teams and players do in the future. Sometimes there are prizes awarded, and sometimes there are not. But in any case, you usually pay a fee to do that, and if you win, you can win the prize.

Now, the people who operate these kinds of activities on the Internet have variously claimed that it is not gambling or that no prizes are awarded. And if that is the case, then they have nothing to worry about under this legislation because both of those are requirements for it to be considered gambling. We also make it clear, if they charge administrative fees rather than collecting money to pay off bets, they would be exempt.

I indicated before that we had solved the problems of the horse-racing industry. We essentially said with respect to that industry that this legislation does nothing to take away from any of the activity that they can do today, and, in fact, given the fact they are going to be using computers in their operation, and also in their advertising in the future, we make sure that activity is not prohibited. So, as I said, they are supportive of the legislation.

I want to make it clear to anybody who has heard from anybody with respect to first amendment rights that the first amendment is totally protected here. All advertising is permitted. Any kind of advertising of legal activity is absolutely legal, and it would not even be constitutional for us to try to prohibit it. We have not done that.

That leads me, Mr. President, to the last point which has to do with the treatment of the Native Americans. Now, under the IGRA, the Indian Gaming Regulatory Act, Native Americans are permitted to enter into compacts with States to conduct the same kind of gambling or gaming that is legal in those States. They can't do any more than what is legal in the States, but they can compact to do that which is legal. We have provided in this legislation an explicit recognition of the Indian tribes to conduct that kind of activity on their reservations. We have also made it clear that they can engage in the kind of pooling arrangements that many of them will engage in and that that would not be illegal.

So everything that is done by every tribe except one, which may be violating the law today and that you will hear more about here—everything that is currently being done and can be done legally is treated as legal in this legislation and would be permitted to continue.

To the extent that the tribes were also concerned about enforcement by States attorneys general, we have made it clear that the States attorneys general are not to enforce this law against Indian tribes; that the only time a State attorney general could be involved is if the tribe itself compacted for that, so the tribe would have had to have agreed to it in the first instance.

So we have satisfied all of the concerns of the tribes except one, and what you will hear is that they want to be able to do anything that is so-called legal or lawful under IGRA.

But the problem with that is this. This legislation, just like the Wire Act that is still the law today, makes it illegal to conduct these kinds of activities. So since the Wire Act exists, a tribe could not conduct this activity claiming it to be legal under IGRA, because IGRA says you cannot do it if you do not have a compact, and you cannot have a compact unless it is legal.

So, because this legislation and the Telephone and Wire Act both make it illegal to conduct this kind of activity, or continue to make it illegal, then, by definition, it would not be possible for a tribe to conduct this activity.

What I am concerned about is that trying to add any other language that suggests that, if it is lawful under IGRA it would still be OK, would very much confuse and complicate the issue and raise a question about what the basic intent of this legislation is. And, at worst, it would actually permit the Native Americans or Indian tribes who wish to do so, to do something that nobody else in the country would be able to do, that would be illegal for every other American. What we have done is to treat the Native Americans fairly, to treat them like everybody else—no better, no worse. It would be, I think, a grave injustice to everyone else to allow a special exception for the Indians that nobody else in the country would have.

Mr. President, I will have some more to say about a couple of the details of what we do, especially if there are questions, and also to further talk about the kind of testimony that was presented to the Judiciary Committee in support of this legislation. As you might imagine, there was a wide variety of testimony provided by law enforcement officials, people familiar with gaming and with addiction, people who understood the Internet and wanted to advise us about that. Frankly, we just had a lot of great testimony that supports this.

I will just close with this one comment that I think helps to make the point. I mentioned the attorney general from Wisconsin—I was going to quote this before—James Doyle. He is the head of the Attorneys General Association. He said:

> Gambling on the Internet is a very dumb bet because it is unregulated. Odds can be easily manipulated and there is no guarantee that fair payouts will occur. Internet gambling threatens to disrupt the system. It crosses State or national borders with little or no regulatory control. Federal authorities must take the lead in this area.

I close where I began. For State attorneys general to urge the Federal Government to take Federal jurisdiction over something like this is almost unprecedented. They wouldn't do it if they didn't feel that the problem societally justified it and, from a law enforcement standpoint, that it was the only way to ensure that this illegal activity could not be continued.

So, as a result of that, we have adopted this legislation out of the committee and brought it to the floor under this mechanism because, as I said, it is really the only way we could bring it to the floor. I urge my colleagues to support the legislation and to support the amendment offered by the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I would like to preface my comment, before I say anything specific about the legislation, commending the Senator from Arizona for his untiring and unflagging efforts, trying to perfect an amendment which I am pleased to cosponsor. The junior Senator from Arizona has spent the better part of this past year working with various groups, specifically the States' attorneys general who are the prime movers in this amendment. I believe the amendment which he has offered, and the underlying amendment which I have offered as a second-degree amendment, accomplishes the purposes that we intend.

This amendment is supported by a wide spectrum of interest. I am aware that within this Chamber there is a broad diversity of perspectives and viewpoints on gaming. Some States, such as my own, have adopted for decades open and regulated casino gaming. Other States, such as the States of Utah and Hawaii, by their public policy pronouncements through their legislative actions, permit no gaming at all. But I think it is indicative of the broad spectrum of support that this Internet gaming prohibition amendment enjoys, that from Ralph Reed to Ralph Nader, all of the groups that may represent the spectrum in between, have joined with Senator KYL and me in supporting this amendment: The Christian Coalition, the National Association of Attorneys General, from public citizen to the National Football League, and other groups as well.

Let me cite, if I may, a couple of reasons for that. The National Collegiate Athletic Association, the National

Football League, the National Hockey League, Baseball, Office of the Commissioner, National Basketball Association, major league soccer, are in strong support of the Internet gaming prohibition amendment that we are debating this evening. In a letter received by my office on March 25:

> We are writing to urge you to support the passage of S. 474, [that is in effect the amendment that we have before us] the Internet Gaming Prohibition Act of 1998. As amateur and professional sports organizations, we believe that S. 474 would strengthen existing enforcement tools to combat a growing national problem—illegal sports gambling conducted over the Internet.

I ask unanimous consent the letter I have identified be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 25, 1998.

Hon. RICHARD BRYAN,
U.S. Senate, Washington, DC.

DEAR SENATOR BRYAN: We are writing to urge you to support the passage of S. 474, the Internet Gambling Prohibition Act of 1998. As amateur and professional sports organizations, we believe S. 474 would strengthen existing enforcement tools to combat a growing national problem—illegal sports gambling conducted over the Internet.

Sports gambling tarnishes the integrity of athletic competition. It taints the way fans view sports contests. It creates suspicion and cynicism about game and performance outcomes and degrades players in the eyes of fans. The amateur and professional sports organizations have long understood this problem and have aggressively policed the relationship between gambling and sports.

Congress has also long recognized that gambling has no place in amateur and professional sports. For example, under the Interstate Wire Act of 1961 (18 U.S.C. 1084), it is a federal crime to use wire communication facilities in interstate or foreign commerce for purposes of sports gambling. Faced with efforts to establish sports lotteries and other forms of legalized sports betting in the late 1980s, Congress enacted the Professional and Amateur Sports Protection Act (28 U.S.C. 3701 et seq.) in 1992, prohibiting any further legalization of sports betting by states or other governmental entities.

Despite existing federal and state laws prohibiting gambling on professional and college sports, sports gambling over the Internet has become a serious—and growing—national problem. Many Internet gambling operations originate from offshore locations outside the U.S. The number of offshore Internet gambling websites has grown from two in 1996 to over 70 today. It is estimated that Internet sites will book over $600 million in sports bets in 1998, up from $60 million just two years ago. These websites not only permit offshore gambling operations to solicit and take bets from the United States in defiance of Federal and state law but also enable gamblers and would-be gamblers in the U.S. to place illegal sports wagers over the Internet from the privacy of their own home or office.

S. 474 would strengthen the tools currently available to enforce existing federal and state laws prohibiting sports gambling. If enacted, this legislation would make it more difficult for Internet gambling operators as well as the individuals who gamble to evade the law. S. 474 would extend criminal penalties to include individuals who gamble on the Internet, not just those who operate Internet gambling sites. Most importantly, S. 474 would provide law enforcement officials with an effective and much-needed civil enforcement mechanism to keep the Internet or any other interactive computer service from being used to place, receive or otherwise make a sports bet or wager.

S. 474 makes it clear that a new communications medium, the Internet, cannot be used to circumvent existing federal and state laws that prohibit sports gambling in this country. We strongly urge you to vote in favor of S. 474 when it is considered on the Senate floor.

Sincerely,

NATIONAL COLLEGIATE ATHLETIC ASSOCIATION.
NATIONAL FOOTBALL LEAGUE.
NATIONAL HOCKEY LEAGUE.
BASEBALL, OFFICE OF THE COMMISSIONER.
NATIONAL BASKETBALL ASSOCIATION.
MAJOR LEAGUE SOCCER.

Mr. BRYAN. Mr. President, as I indicated, the National Association of Attorneys General have been the prime mover of this legislation. The distinguished occupant of the Chair has served as an attorney general from his State and, indeed, headed the National Association of Attorneys General. As the distinguished occupant of the Chair and others know, States' attorneys general do not frequently come to the Congress of the United States and ask for legislation unless they are of the opinion that State action is insufficient and incapable of addressing the problem. That is the view of the National Association of Attorneys General in urging Senator KYL and me and others to move forward with the legislation that bears the S. 474 designation, and which, in essence, is the amendment we are debating on the floor this evening.

The attorneys general make a very important point. They say, in part, in a letter which was sent to me on March 20 of this year, and signed by a number of States' attorneys general that:

> The potential problems cautioned by the availability of games worldwide through the Internet are exacerbated because of the current inability of Internet technology to address many of the policy considerations that have caused states to create such widely disparate legal and regulatory schemes.

Then they go on to say in this letter:

> Additionally, there is currently no [I want to emphasize "no" effective technological means to verify the physical location of players and proprietors in order to ensure the participants and businesses are operating under the laws of the individual jurisdictions where they are physically located.

That is the view of the Nation's attorneys general as they have come to the Congress and asked us to support this legislation.

Again, I ask unanimous consent that the letter sent to me dated March 20, 1998, from the National Association of Attorneys General, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF ATTORNEYS GENERAL,
Washington, DC, March 20, 1998.

Hon. RICHARD H. BRYAN,
Senate Office Building, Washington, DC.

DEAR SENATOR BRYAN:

As the members of the Internet Working Group of the National Association of Attorneys General, we write to express our support for S. 474, the Internet Gambling Prohibition Act. As introduced by Senator Kyl in March of 1997, the bill closely modeled the changes in federal law suggested by a resolution adopted by the National Association of Attorneys General in June, 1996. Although the bill has undergone several substantive changes prior to reaching the Senate floor, it continues to be the most appropriate measure to address the growing problem of gambling via the Internet.

Gambling laws and regulations have more state-to-state variety than almost any other area of law. Each state's gambling policy is carefully crafted to meet its own moral, law enforcement, consumer protection and revenue concerns. Most states believe they have crafted the perfect combinations of law and policy to address their own populations' needs. The Internet threatens to disrupt this. As recently noted by the U.S. District Court for the Western District of Wisconsin, "[The State] has a powerful interest in enforcing its anti-gambling laws which would be substantially undermined if defendant could evade enforcement through Internet gambling."

The threat of technology provides the only exception to the preeminent role of the states to regulate gambling and control gambling policy formulation. Today, the federal government's only role in gambling policy formulation relates to specific instances where technology threatens to disrupt the individual states' carefully balanced policy choices in this area. For example, the Interstate Horseracing Act, 15 U.S.C. §1301 *et seq.*, addresses the use of wires and satellites to facilitate the combination of parimutuel wagering on horse races and prevent different pools from endangering the integrity of the horse racing industry. The Lottery Act, 18 U.S.C. §1301 *et seq.*, allows states to limit import of out-of-state lottery tickets via mail and other forms of transportation. The Johnson Act, 15 U.S.C. §1171 *et seq.*, places limits on the interstate transportation of slot machines, using our national transportation infrastructure, allowing states to make their own determinations on whether they will allow those machines in their states. Finally, the Wire Act, 18 U.S.C. §1081 *et seq.*, prohibits the use of the wires to transmit wagering information.

The proposed Internet Gambling Prohibition Act would provide the same appropriate degree of federal involvement for the Internet. The Internet represents the latest form of technology that threatens to disrupt state policies: almost anything that can be done on a computer, like gambling, can be done via the Internet anyplace in the world where a connection is available. A wide variety of card, dice and other games of chance can be entertainingly simulated on a computer screen via the Internet. In addition, traditional forms of horse and race betting are well-suited to computerized participation. All of these activities can be conducted on a computer, and the Internet allows this conduct to be made available worldwide and across state lines, regardless of any state's carefully crafted and explicitly stated gaming policy, laws and regulations.

The potential problems caused by the availability of games worldwide through the Internet are exacerbated because of the current inability of Internet technology to address many of the same policy considerations that have caused the states to create such widely disparate legal and regulatory schemes. These crucial policy concerns include general moral attitudes towards gambling, basic issues of game integrity, effective customer dispute resolution procedures, underage gambling, cash controls to hinder money laundering and other criminal activity, as well as efforts to recognize and treat problem gamblers. Additionally, there is currently no effective technological means to verify the physical location of players and proprietors in order to ensure that participants and businesses are operating under the laws of the individual jurisdictions where they are physically located.

The proposed Internet Gaming Prohibition Act, in its current form, continues to address the important policy concerns we first expressed in the summer of 1996. We urge your continued efforts in making this bill the law of the land.

Sincerely yours,

James E. Doyle, Attorney General of Wisconsin, Co-Chair, NAAG Internet Working Group, Hubert H. Humphrey, III, Attorney General of Minnesota, Co-Chair, NAAG Internet Working Group, Daniel E. Lungren, Attorney General of California, Co-Chair, NAAG Internet Working Group, Peter Verniero, Attorney General of New Jersey, Dennis C. Vacco, Attorney General of New York, Heidi Heitkamp, Attorney General of North Dakota, Betty D. Montgomery, Attorney General of Ohio, Hardy Myers, Attorney General of Oregon, Mike Fisher, Attorney General of Pennsylvania, Jeffrey B. Pine, Attorney General of Rhode Island, John Knox Walkup, Attorney General of Tennessee, William Sorrell, Attorney General of Vermont, William U. Hill, Attorney General of Wyoming, Christine O. Gregoier, Attorney General of Washington,

Mr. BRYAN. Mr. President, I think my colleague has done an extraordinarily good job and given a very clear explanation of what we are seeking to create in this amendment. This simply represents an update to reflect the change of technology. Under current law, it is illegal to wager over mail and telephone communications. We simply intend, by this amendment, to bring current technology into compliance with the technology that was covered previously by this prohibition. Internet gambling is spreading exponentially. It approaches nearly $1 billion of annual revenue; 140 web sites currently operate on the Internet. It will be, as my colleague from Arizona indicated in his comments, a multibillion-dollar industry by the turn of the century.

Why have the States' attorneys general approached us and asked us to enact this legislation? What vice exists with respect to Internet gambling that does not exist with respect to regulated gaming in the various forms the States have chosen to adopt?

First of all is access. Whether one favors gaming or one has a strong religious or moral view opposed to gaming, I believe that all would acknowledge that gaming ought to be an adult recreational activity—underscoring the word "adult." When one accesses the Internet and the various web sites that are currently on the Internet, there is no means—no means to enforce the age of that individual who is accessing the Internet. We all know from our children and grandchildren that today's youngsters enjoy a proficiency and sophistication, if you will, in terms of their ability to surf the net, to understand the world of computers. It is very easy—very easy for very young children to gain access to the Internet and thereby to participate in Internet gambling.

I repeat, whether one supports the open casino style of gaming that Nevada has legalized for more than six decades, or takes the more restrictive view that the policymakers of the States of Hawaii and Utah have adopted, and that is to permit none, no one can justify access to a gaming experience to young children who may be 12, 13, or 14 years of age. And there is no way to enforce limited access to the Internet and to limit it to only those who are adults.

Second, let me make the point that in those States that have chosen to adopt, and those tribes that have adopted forms of gaming pursuant to the Indian Gaming Regulatory Act, there is or ought to be mechanisms in place that make sure that the individuals who are licensed to operate those games have been carefully screened for both integrity, in terms of their records, and suitability. Nobody is permitted, in the State of Nevada, for example, to operate a gaming activity unless he or she, or its corporate officers, have been carefully screened by the State Gaming Control Board and ultimately approved by the State Gaming Commission.

When you participate in a gaming experience in States that permit some form of gaming, it is regulated. You know the individual operators of the game. In the world of cyberspace, you know not with whom you are communicating. Nobody, Mr. President—I repeat, nobody—has screened those individuals in terms of background, who they are, in terms of their track record, their integrity or their suitability. You are, in effect, participating in a gaming experience in which you do not know who the people are who are running that particular web site.

No. 3: the actual virtual gaming experience itself. Every gaming device that is made available in my own State for customers to participate in has been approved by the Nevada Gaming Control Board and the Gaming Commission to make sure that the device provides a reasonable and fair opportunity for the player to win, so that the game is not rigged, so that under no circumstances could the player win. None of us is naive enough not to recognize that the odds clearly favor the house. That is not my point. But the game of chance is an honest one. Participants, players, have an opportunity to win, and, indeed, many of them do.

In the world of cyberspace, no one, but no one, has regulated that particular device that is being offered. There is no way for the player to know whether that virtual game is rigged in such a way that it is impossible for him or her to win under any circumstance.

Finally, assuming for the sake of argument that one does participate and does win, how do you know whether anybody is going to be around when you come to collect the money?

Mr. President, the Internet and the e-mail system is filled with dozens and dozens of people who have had experiences that highlight the point I am seeking to make this evening. I will not impose upon the patience of this Chamber to cite all of them, but a couple of them, I think, are illustrative and make the point.

This is in a communication dated April 1 of this year by an individual who had participated in Internet gambling. I quote from his letter:

> I tried both of the above online casinos, and I'm beginning to notice a strange trend. When I played the games offline just for practice, the odds seemed to conform, but when I played online for real money, the win-loss ratio seemed very disproportionate compared to what they were when I was playing offline. Of course, I may have been just very unlucky playing online, but I'm strongly suspicious. I suspect that the odds for real play and the practice are quite different. I think these guys cheat somehow, and I've given up on them and online gambling altogether. Of course, I can't prove that they cheat. Who can?

Mr. President, the point being, there is no regulator who, first of all, makes a determination as to who ought to have a web site for gaming activity, no regulator to determine whether or not the game of chance itself is a fair and honest one, and no regulator to make sure that, indeed, if the player prevails, he or she is able to collect.

Let me cite one other which I think is illustrative, and this is a letter dated April 30 of this year. The writer goes on to observe:

> This is what you find at the bottom of the barrel—

Referring to the individual letter writer's experience on the Internet with his or her gambling experience.

> Presumably from New Hampshire, these guys set up an online bingo site that went belly up in a hurry. The most popular theory is that they had fewer players than anticipated and couldn't afford to pay off the winners, so they pulled off a disappearing act that would turn David Copperfield green with envy.

That is the point that I am seeking to make.

The point needs to be made that Internet gambling is a bad bet. It is an unregulated activity in which children have access to the gaming experience, and it is not an enterprise that is subject to regulation. That is why the States' attorneys general have asked us to impose this.

Let me simply say that I believe that the prohibition needs to be across the board. My amendment makes one exception—and perhaps some of my colleagues have participated—and that is in the so-called fantasy sports leagues or educational games that operate over the Internet. Some have estimated that nearly 1 million Americans participate in fantasy or rotisserie sports teams on the Internet ranging from baseball to golf to auto racing.

The second-degree amendment which I have offered to the first-degree amendment of the Senator from Arizona will simply indicate that that kind of activity which exists will not be prohibited under the provisions of this legislation.

Finally, let me say that Internet gambling currently is in violation of the law. States' attorneys general and U.S. attorneys are trying to combat it, but, Mr. President, they need our help, and the enforcement tool or mechanism that they need is in the legislation offered by the junior Senator from Arizona and the Senator from Nevada. I hope that all of my colleagues will support this, irrespective of their own personal views toward gaming itself.

I thank the Chair and yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent that the second-degree amendment offered by the Senator from Nevada be accepted.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 3267) was agreed to.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 3268 TO AMENDMENT NO. 3266

(Purpose: To clarify that Indian gaming is subject to Federal jurisdiction)

Mr. CRAIG. Mr. President, I send a second-degree amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Idaho [Mr. Craig], for himself, Mr. Inouye and Mr. Domenici, proposes an amendment numbered 3268 to amendment No. 3266.

Mr. CRAIG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

Mr. FORD. Reserving the right to object, I want to see what is in this amendment. Do you mind?

Mr. CRAIG. Not at all. I am about ready to explain it, but you can have it read if you wish.

Mr. FORD. I won't object, but I want to be sure about it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3 of the amendment, strike lines 9 through 12 and insert the following before line 13:

"(iii) a contract of indemnity or guarantee;

"(iv) a contract for life, health, or accident insurance;

"(v) lawful gaming conducted pursuant to the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.); or".

Beginning on page 13 of the amendment, strike line 4 and all that follows through page 14, line 25, and insert the following:

(2) Proceedings.—

(A) Institution by federal government.—

(i) In general.—The United States may institute proceedings under this paragraph. Upon application of the United States, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by this section, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

(ii) Indian lands.—With respect to a violation of section 1085 of title 18, United States Code, as added by this section, that is alleged to have occurred, or may occur, in whole or in part, on Indian lands (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)), the United States shall have the authority to enforce that section.

(B) Institution by state attorney general.—The attorney general of a State (or other appropriate State official) in which a violation of section 1085 of title 18, United States Code, as added by this section, is alleged to have occurred, or may occur, after providing written notice to the United States, may institute proceedings under this paragraph. Upon application of the attorney general (or other appropriate State official) of the affected State, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by this section, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I stand on the floor this evening in support of the concept of the Kyl bill, and I support the second-degree amendment that the Senator from Nevada has just successfully placed on it.

I believe that unregulated Internet gaming is and can be dangerous. It must be monitored closely and restricted to adults.

To date, the only form of gaming regulated at the Federal level is Indian gaming. I am not a big fan of most Indian gaming. We have struggled with it in my State for some time. However, through the Indian Gaming Regulatory Act, known as IGRA, Congress established clear and precise laws governing all forms of Indian gaming.

Authority to regulate Indian gaming was given by Congress to the National Indian Gaming Regulatory Commission. In addition, developments in Indian gaming are followed closely by the Senate Committee on Indian Affairs and its counterparts in the House. In fact, it is my understanding that the committee has held a series of hearings this year on examining the possible changes in IGRA.

What I want to point out is that there is an established procedure in dealing with laws which impact Indian gaming.

Mr. President, the Kyl bill ignores this procedure and changes IGRA without the input of the Indian Affairs Committee or the National Indian Gaming Regulatory Commission. The Kyl bill does this in a number of ways, including placing new restrictions on tribal gaming operations, overrides and nullifies existing State tribunal pacts, makes illegal some forms of Indian gaming determined by the courts to be authorized under IGRA.

Those who would support the bill claim that it does not impact IGRA. I cannot agree with that argument. If it, in fact, sought no change in IGRA, why do they then oppose the amendment that would guarantee no change? Because that is exactly what my amendment does. The truth of the matter is that the bill severely limits authority granted IGRA.

The Craig amendment does not expand Indian gaming. Let me repeat: The Craig amendment does not expand Indian gaming. And that would be argued by the Federal courts. The amendment would only protect a gaming enterprise if it were already legal under IGRA. The amendment would only protect a gaming enterprise that was already sanctioned by a State-tribal compact, the very kind of thing that this Congress set up in the law that created IGRA.

The amendment would not allow for any form of new Indian gaming. The reason these issues are important—and the Senator from Arizona was exactly right when he spoke in general terms about the possibilities of my amendment, speaking specifically to one Indian tribe. That Indian tribe happens to be in my State, and they have established what is known as the National Indian Lottery.

They have withstood three separate Federal court tests and have argued that they are legal, and the courts have so ruled. Yet, the Internet Gaming Prohibition Act that Senator Kyl has just offered amends section 1084 of the so-called Federal Wire Act to include lotteries. Only by his act would they become illegal.

By the current law, and by the current regulatory process, they are legal; and they have been found that. This tribe has been sued. They have taken their issue to court and have successfully won. Lotteries are defined as class III gaming and are governed by the terms of the tribal-State compacts, the rules and the regulations, the National Indian Gaming Commission. Idaho's case is no different. And that is certainly the case that I argue here tonight.

In 1992, the Coeur d'Alene Tribe signed a compact with the State of Idaho which specifically provided for the conduct of these National Indian Lottery games. Article 621 of the compact authorizes the tribe to conduct lotteries, so-called State lotteries to the compact, defined in article 419, to include a variety of things.

The compact was approved by the Secretary of the Interior in February 1993, and, therefore, noticed in the Federal Registry. Since that time it has fallen under regulation. What the Senator from Arizona is doing tonight—and I agree with him—is making illegal that which is unregulated, and provides either an outright prohibition or establishes regulatory effort.

Now, he has exempt a variety of things, exempt very powerful gaming organizations. So I do not think the Senator can argue tonight that there have not been some exemptions. He says he is after the offshore kind of Internet activity. I agree with him. The kind I am trying to protect is onshore, legal and regulated by IGRA and the National Indian Gaming Commission. I could not stand here tonight and argue for an unregulated activity. We expect them to be fair. We expect them to be honest. We expect them to be controlled and only to be made available to adults. That is exactly what is happening here and why I argue it.

All of the regulations that this Congress has put in place is adhered to by the National Indian Lottery. It is regulated, as I said, at the Federal level. It is regulated at the State level. It is regulated at the separate governmental or tribal level. And that is the way it should be. It is audited regularly by Arthur Andersen. It is protected so that only adults can participate in it. And that is constantly scanned.

My amendment would simply say that these kinds of activities—legally sought—would be regulated under the current regulatory process, because it is Indian gaming; and we have established the IGRA and the National Indian Gaming Commission for that purpose. The amendment of the Senator from Arizona would deny that right and place, by its adoption, this as an illegal activity where the Federal courts have ruled that under current process it is legal.

With that, I yield the floor.

Mr. CAMPBELL. Mr. President, I would like to lend my support to the amendment offered by my friend and colleague from Idaho, Senator CRAIG, for several reasons.

The Internet presents opportunities for education, business, and governance that were unthinkable until recently. Concepts such as "distance learning", and "e-commerce" are tied to this new and little understood technology.

As a Congress and as a nation, we must come to grips with this technology in a way that encourages development and at the same time provides protection from abuses for our most vulnerable citizens.

So let me start out by saying that I have a healthy respect for the Internet and the possibilities it holds.

Like Senator KYL, however, I am troubled by unregulated gambling and other objectionable material or services being offered on the Internet, particularly when young children and other vulnerable people are involved.

Nonetheless, as chairman of the committee on Indian affairs, I must point out that there are several objectionable provisions in the bill before us, not the least of which is that S. 474 amends the Indian Gaming Regulatory Act in significant ways, without the benefit of committee deliberations, or the input of the many affected tribes.

I firmly believe that any legislation aimed at Internet gambling should be "technology-neutral" and not tied to or focused on a specific technology.

Given the creativity and genius of computer and high-tech individuals, such as framework would quickly become obsolete—and require new legislation.

For instance, there are 30 Indian tribes operating games like "Megabingo" and "satellite bingo"; dozens of tribes that operate pari-mutuel betting and other games that are authorized by and regulated under the Indian Gaming Regulatory Act.

The IGRA provides that bingo games that rely on or use electronic or technological aids, are legal and are explicitly permitted by the IGRA.

In addition to the jurisdictional issues raised, S. 474 would criminalize certain games that are legally played as class II games under the IGRA.

When the IGRA was enacted in 1988, the position of this Congress was to "provide maximum flexibility" to tribes in terms of technology or in terms of conducting multi-state operations through the use of such technology.

The Congress' intent included the use of technological aids for bingo and similar games "on or off of Indian lands." The bill before us should provide a categorical exception for these and similar games.

The bill defines "person" as including "other governments" which may be construed to include tribal governments. Together with section 4, which authorizes state attorneys general and other state officials to bring enforcement actions against Indian tribes for violations that occur on Indian lands, this provision will alter the law regarding jurisdiction in ways that I strongly oppose.

This bill is a serious change in federal Indian law not seen since the enactment of "P.L. 280" in 1953, which conferred state jurisdiction over Indian lands without tribal consent.

Section 4 is also in direct conflict with the IGRA, which provides the United States with enforcement authority over Indian gaming activities.

The civil enforcement remedy granted to the states in S. 474 is unnecessary and unwarranted. Current law provides that class II gaming is regulated by the tribes and the federal government; and class III gaming is regulated pursuant to tribal-state compacts. Contrary to the assertions of many, the Indian gaming industry is subject to many layers of regulation.

Federal law already establishes enforcement remedies under the IGRA. These very jurisdictional issues arose when Congress considered the IGRA.

In 1987, the Supreme Court decided the Cabazon case which says that Indian tribes have the right to conduct gaming on Indian lands largely unhindered by state interference. With S. 474, we are re-opening an issue that has been settled for years.

Tribes and states can and often do resolve these issues in negotiations. Tribal-State compacts, and P.L. 280, only allow state enforcement activities with the consent of the affected tribes.

The IGRA established the mechanisms for tribes and states to negotiate and come to agreement on these matters and some tribes and states have freely entered negotiations to resolve these matters—in the form of state-tribal compacts.

Third, this bill amends the IGRA by requiring that any persons who place or receive the wagers involved be "physically located" on Indian lands.

As my friend from Idaho knows, there is ongoing litigation to determine the meaning of the term "on Indian lands" contained in the IGRA.

One question that is inherent in this debate over S. 474 is determining where the "transactions" that will be prohibited will take place?

Recognizing the complexities of Internet commerce and the tax issue, the nation's Governors recently agreed that an enlightened policy requires more information and deferred a decision regarding a "national Internet sales tax policy".

The notion that with this or any other bill, the United States can stop the flow of electronic gambling on American modems and computers is just not realistic.

For instance, the Caribbean nations of Antigua and Barbados actively promote what they call their "on-line casinos" to players both on the islands and to anyone off the islands with a computer.

So one consequence of this bill if enacted will be the elimination of American-based Internet gaming providers to the benefit of off-shore gaming operators like our friends in the Caribbean. Will this Congress ever stop pursuing policies that send American jobs overseas?

Last, let me say a few things about the "Craig amendment" which I believe will eliminate the conflicts between S. 474 and the Indian gaming act and will appropriately provide that those games that are currently authorized and regulated under the IGRA would remain outside the purview of this legislation.

I am in favor of tribes and others being treated similarly as far as Internet gaming goes, and feel very strongly that tribes should not be singled out either for special treatment or for special scrutiny as far as the Indian Gaming Regulatory act goes.

As Chairman of the Committee on Indian Affairs, I know full well the controversy that surrounds gaming activities. I also know that the Indian gaming act represents a complex and delicate balance of competing interests—including state and tribal interests.

The tribes are seeking nothing more than what is already sanctioned under federal law in the form of the IGRA. As is the case with the Coeur d'Alene tribe, there is now pending federal litigation that the Congress ought not upset in the form of this legislation.

I urge my colleagues to join me in supporting the Craig amendment to provide equity and fairness to this Internet gaming legislation.

Mr. DASCHLE. Mr. President, the amendment offered by my colleague, Senator KYL, addresses a serious problem in our society, and I support most of its provisions.

I agree that we should protect children from having the opportunity to gamble on the Internet.

I agree that we should regulate gambling in a responsible manner.

I agree that we should take steps to protect the integrity of our amateur and professional sports.

The amendment offered by Senator KYL will address these problems, which have accompanied the rise of Internet gambling. The problem with the amendment is that it does not address these problems in a manner that treats Native Americans fairly.

To address this situation, I am cosponsoring the amendment offered by Senator CRAIG. This measure will exempt from the Kyl amendment those Indian gaming activities regulated and sanctioned by the Indian Gaming Regulatory Act, thereby retaining the current jurisdictional structure established under IGRA for Indian gaming, a structure that involves the federal courts and the National Indian Gaming Commission.

Mr. President, it would not be fair to Indian tribes to enact the restrictions of the internet gambling prohibition amendment offered by Senator KYL without retaining the regulatory structure of the Indian Gaming Regulatory Act as Senator CRAIG suggests. If Congress wants to modify the Indian Gaming Regulatory Act, it should do so only after serious review that includes the input of those parties affected directly by that change—in this case, the tribes and tribal gaming enterprises.

Therefore, I urge my colleagues to support the Craig amendment.

Mrs. FEINSTEIN. Mr. President, I rise in support of the Kyl Amendment, the Internet Gambling Prohibition Act. I am an original cosponsor of S. 474, on which this amendment is based.

This amendment takes important steps to address the dangerous, billion-dollar-a-year threat to our communities and our laws of Internet gambling.

The Senate Judiciary Subcommittee on Technology, Terrorism, and Government Information, on which I serve as Ranking Member, held hearings on the subject of Internet gambling in March of last year. At that time, I joined Senator KYL in introducing S. 474, on which this amendment is based. The bill passed the Senate Judiciary Committee by voice vote in October of last year.

Since that time, this proposal has been carefully fine-tuned to address concerns raised by various groups.

This proposal enjoys the support of a wide range of groups, including law enforcement, family and consumer advocates, and professional and amateur athletics.

Most importantly, FBI Director Louis Freeh, at a Senate Judiciary Committee hearing, when asked if the FBI supports the Internet Gambling Prohibition Act, Prohibition Act, replied, "Yes, I think it's a very effective change. We certainly support it."

Similarly, the National Association of Attorneys General explained why such legislation is important in letters to the Senate Judiciary Committee and to the full Senate. The State Attorneys General wrote:

> [M]ore than any other area of the law, gambling has traditionally been regulated on a state-by-state basis, with little uniformity and minimal federal oversight.

The availability of gambling on the Internet, however, threatens to disrupt each state's careful balancing of its own public welfare and fiscal concerns, by making gambling available across state and national boundaries, with little or no regulatory control.

This amendment brings our laws on gambling up to date with advances in technology. It ensures that the new medium of the Internet will not prove to be the latest frontier of illegal gambling.

I am proud to be an original cosponsor of the Internet Gambling Prohibition Act, and I am proud to support this amendment, to provide law enforcement with the tools it needs to keep the Internet free of the scourge of illegal gambling.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from Indiana.

Mr. COATS. I rise in support of the amendment offered by the Senator from Arizona. And I want to, specifically, because it does address a serious growing problem of the utilization of the Internet to provide unregulated gaming activities, but also because there is a broader issue at stake here that I think we need to consider. We will not be voting on it this evening, but it is very much a part of this and it needs to be addressed.

First of all, the amendment offered by the Senator from Arizona is a good one because we clearly are dealing here with a new dimension in gaming, a new means by which gaming is provided to millions of Americans that is not accessible in the same way as it was before.

In 1961 Congress, wisely, I believe, passed the Wire Act. The Wire Act was designed to prohibit the utilization of telephone facilities to receive bets or send gambling information.

I do not have the regulative history in front of me, but I am almost certain Congress did that because it did not want the invasive nature of telephone lines and telephone access, which run into virtually every house in America, to be a means by which Americans could utilize that form of communication to enter into gambling. It did so because I am sure, if you went back and read the record, it understood the social cost, the consequences of gaming, and it wanted gaming to be a restricted activity.

Of course, the advent of the Internet as a communications medium was not anticipated by Congress or even envisioned by Congress at that time, so therefore this Wire Act does not cover that. The Senator's amendment extends pretty much the provisions of the Wire Act to the Internet. I think for that reason, it is legitimate in terms of updating it to comply the law to changes in technology.

The fact that it is supported by the FBI, with strong testimony from the FBI Director, the National Association of Attorneys General—as I understand, all the attorneys general have supported this from each State. Professional, amateur sports groups, including the National Football League, the NCAA, the NHL, NBA, Major League Soccer, Major League Baseball, for obvious reasons, are strongly in endorsement of this.

But then one of the most adverse collections of public interest groups and consumer advocates that have come together on an issue that I have seen for a long, long time—maybe ever—ranging from Ralph Nader's Public Citizen to the Christian Coalition, the National Coalition Against Legalized

Gambling, Focus on the Family, Family Research Council, have all endorsed the KYL language which prohibits the Internet gambling. Now, they have not just specifically done so because it only addresses Internet gambling. They have done so because Internet gambling is simply a piece of a much larger program that is having, in my opinion, a dramatically adverse and negative effect on our culture. They see the Kyl amendment as one way of addressing a broader question.

Ultimately, I think, we as Congress, we as representatives of the people, will have to come to grips as to what the impact of gambling is as it proliferates throughout our States and as access to gambling becomes more and more available to our citizens—and not just our adult citizens, but to our young people.

There is a growing concern about pathological aspects of gambling. For decades, our Nation has studied and Congress has struggled with how we deal with drug and alcohol addictions, but the rapid expansion of gambling is injecting a new narcotic into our Nation's bloodstream. The problem of pathological gambling is on the rise. The National Council on Problem Gambling places the number of Americans with serious gaming problems at around 5 percent. Most studies confirm that estimate. However, as gambling becomes more pervasive and as gambling becomes more accessible, this number is increasing dramatically. Some say it has doubled; some say it might have tripled.

As with other addictive behaviors, gambling not only affects the individual who does the gaming but it affects their families, it affects their careers, virtually every aspect of their lives. Separation, divorce, spousal and child abuse, neglect, substance abuse, and suicide have all been linked as side effects of problem gambling.

Studies of high school students which have recently been undertaken have indicated that gambling is spreading into our high schools and spreading into minors' use in dramatic ways. Of course, nothing is more accessible to gaming than the Internet. If you want to bypass the normal restrictions and regulations that are placed on gaming—and those have been loosened dramatically—the quickest and easiest and most effective way to do so is through the Internet.

I think Senator KYL's amendment is particularly relevant at this particular time to address a part of the gaming problem and the gambling problem that exists in America. It does so in a way that can be utilized to at least make it more difficult, significantly more difficult, for minors to utilize the Internet as a means of gaming. Knowing what the pathological results and the consequences are, as we see a proliferation of individuals entering into gambling, we know that the raw number of individuals who are affected by problem gaming is going to increase dramatically.

I will just say one more word about the second-degree amendment before the Senate. I think the second-degree amendment creates a huge loophole. In a sense, it creates a monopoly. It creates a monopoly for one entity to use the Internet to provide gambling access and therefore totally undermines the intent of the Kyl amendment.

I understand that there is a statute outlining procedures by which these decisions are made. Nevertheless, that doesn't invalidate the amendment of the Senator from Arizona which addresses the broader issue. If we allow a significant exception for one entity, that one entity, obviously, will take advantage of that loophole and we will accomplish virtually nothing that the Senator is attempting to accomplish.

I urge my colleagues to defeat the second-degree amendment and support the underlying amendment by the Senator from Arizona which addresses, as I said, only a part, but a very significant part, of the problem, and particularly because it addresses the infusion and the explosion of gambling that is entering the lives of our children and is becoming accessible to them in ever easier ways, and particularly through the Internet.

I urge my colleagues as we move toward a vote here to support the amendment of the Senator from Arizona.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I rise in support of Senator CRAIG's second-degree amendment to the amendment proposed by Senator KYL.

Mr. President, I am privileged to represent the State of Hawaii together with Senator AKAKA. The State of Hawaii is one of two States—Utah being the other—where all forms of gaming, gambling, are prohibited. To play bingo in Hawaii would be a crime. I support Hawaii's position.

There have been countless attempts made to introduce gaming into our islands, but in each case I am happy to report that the political leaders of Hawaii have opposed it and we have prevailed. So it may sound strange to some of my colleagues to see me standing here supporting the second-degree amendment of Senator CRAIG.

Eleven years ago, there was a very important decision rendered by the Supreme Court of the United States, the so-called Cabazon case. The decision in the Cabazon case was a most important one, because it once again declared clearly that Indian nations were sovereign. Our Constitution declares that Indian nations are sovereign. The laws of our land and the laws that we have passed in this Chamber have consistently indicated that Indian country is sovereign, whether we like it or not.

The Cabazon decision was a simple one. It said if a State does not prohibit gaming, then it cannot prohibit gaming in Indian reservations. California did not prohibit gaming. Therefore, the Cabazon Tribe had the authority to do that.

Immediately, many of us in this Chamber saw the potential for utter chaos in the United States if all of the Indian reservations rose as one to claim their right under Cabazon to conduct gaming in the various States. There would be no regulation, no supervision. Therefore, we took it upon ourselves to pass the Indian Gaming Regulatory Act, and we did so not by consultation but by advice and by the recommendation of how the law should read, from the States, the Governors, and the AGs of the States, who told us how they wanted this law to be passed.

The law that is now regulating Indian gaming is the creature of the States. We took away a bit of Indian sovereignty to bring this about because, as we all know, the sovereignty of Indian country results in a trust relationship between our Government and an Indian government; it is not a relationship between Indian government and State government.

This Kyl amendment has an ambiguity because, on one hand, it says the Feds will implement the law in Indian country, but there is another provision that says the State government will enforce the provisions of this amendment in Indian country.

What we have tried to do here is to simply carry out the intent of the amendment as set forth by Senator KYL.

I was very encouraged by the statement made in Senator KYL's recent "Dear Colleague" letter in which he stated his amendment "will neither explicitly or implicitly amend the Indian Gaming Regulatory Act."

Mr. President, Senator CRAIG's amendment is a very simple one. It would simply accomplish what Senator KYL has indicated as being his intention. The amendment will accomplish two objectives: First, make clear that gaming, which is lawful under the Indian Gaming Regulatory Act, would not be rendered unlawful by the Kyl amendment. Secondly, the amendment would conform the enforcement of Federal laws on Indian lands to the Federal regulatory scheme that has been in place for over 100 years; namely, that the United States is, and will continue to be, responsible for the enforcement of Federal criminal laws on Indian lands.

The Craig amendment is necessary because the Kyl amendment will otherwise shift the responsibility for the enforcement of this new Federal criminal statute to the States. Mr. President, I don't think that was the intention on the part of Senator KYL.

Therefore, I urge my colleagues to support the second-degree amendment submitted by Senator CRAIG, because that will assure that there is no unintentional effect of our action on the provisions of the Kyl amendment on the lawful conduct of gaming on Indian lands.

Mr. President, if I had my way, I would recommend that gaming be outlawed. With the Craig amendment, I will be supporting the Kyl amendment to make certain that Internet gaming is not made wild and widespread throughout this whole Nation and world. I urge my colleagues to look upon the Craig amendment with seriousness. We do believe in what our Constitution says and what the Supreme Court decision has so declared.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I have been informed that the second degree I sent to the desk needs a correction. I ask unanimous consent that amendment No. 3268 be corrected as ordered in drafting.

The PRESIDING OFFICER. Is there objection?

Mr. BRYAN. Mr. President, reserving the right to object, and I shall not object. I am a little bit concerned that the hour of 9:30 is approaching and we haven't had time to fully discuss the amendment the Senator from Idaho has offered, the second-degree amendment. This is a very significant amendment. If it passes, I will vote against the amendment Senator KYL and I have cosponsored.

Mr. GREGG. If the Senator will yield, I recognize there is a considerable need for more debate on this. I don't plan to vote on this issue at 9:30. After we finish the votes in order, we will come back to the Kyl amendment, as amended by Craig, and go forward from there.

Mr. BRYAN. Mr. President, I think that would be all right.

Mr. FORD. Reserving the right to object, Mr. President, could you have a unanimous consent that we return to this immediately after the vote on the last amendment? Would that be suitable?

Mr. GREGG. Yes. I ask unanimous consent that, upon completion of the final vote in the series of votes beginning at 9:30, we return to the Kyl amendment, as amended by Craig.

Mr. KYL. Mr. President, reserving the right to object, I want to ask the Senator from Idaho a question. Is that a technical correction or a substantial change? In other words, we need to know what it is that we are talking about if the Senator has submitted a correction.

Mr. CRAIG. It is a technical correction. The intent of the amendment is as originally presented to you.

Mr. KYL. We need to have a copy of that, obviously. I will not object.

Mr. CRAIG. I will be happy to provide that. I made the mistake of amending the Bryan amendment and, as a result, now I have amended your amendment, as amended. That is the appropriate way to do it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I will be very brief. I want to associate myself, as we say, with the remarks of the Senator from Hawaii. I am probably only the second person who is going to rise today who opposes gambling. My State has decided to go that route. I have taken an unpopular position in my State. Fortunately, I am not Governor, I am a Senator, and everybody knows we don't pay attention to Senators back in the State—at least in my case.

I do support the Craig amendment on the grounds stated by the Senator from Hawaii. It seems to me that what the Craig amendment does is exactly what the Senator from Hawaii has stated, which is that it makes it clear that the intention stated by my friend from Arizona is in fact met, that it does not in fact directly, or indirectly, by inference or otherwise, amend IGRA.

It seems to me that, on a larger principle, we are always all too ready, in the 25 years I have been here, to say we believe in the sovereignty of the Indian nations. And we are very ready, whenever they do anything we don't like, to conclude that we in fact do not recognize and should not recognize their sovereignty. Further, we add insult to injury and the only time we treat them as sovereign nations is when we are handing out money, when we have programs. One of the exceptions in the crime bill is that Indian nations can apply for police officers directly, just like the State of Delaware, or the town of Wilmington, or the county of Columbus could do so.

So I find it somewhat interesting when, in fact, we find it in our interest—meaning we are not going to spend money—to recognize the sovereignty of Indian nations—we are ready to do that. But when Indian nations want to do something that somehow is viewed as impinging upon another interest in a State in which the Indian nation happens to be located, we are all ready to say, no, no, no, let's hold up.

I will not take any more time, in light of the hour. We are about to vote. I agree fully with the Senator from Hawaii. I share his view about gambling generally, and I share his view about the Craig amendment specifically.

I yield the floor.

Mr. KYL. Mr. President, I want to make something very clear since the Senator from Delaware is still on the floor.

The Senator from Idaho has proposed an amendment that is a poison pill. I want to make it very clear that if by some chance it should pass, I will urge all of my colleagues to vote against my bill, because what it will do is create a monopoly. Indian tribes will be the only people in the country that will be permitted to engage in Internet gambling. Offshore casinos, virtual casinos, and Indian tribes would be able to do it; no other citizen would be allowed to do it. This is not a violation of IGRA. We do not provide for State enforcement unless an Indian tribe has already agreed by compact to do that.

So I want to make it clear. I will read to you two sentences from a letter from the National Association of Attorneys General. I want the Senator from Delaware to listen to these words and to appreciate that this activity is illegal; it will be illegal for all Americans, and I think the last thing we want to do is create a situation in which one group of Americans can do this and nobody else can. This is a letter to Acting Chairman Deer and Commissioners Foley and Hogen of the National Indian Gaming Commission with respect to this issue:

> We are writing to you to express our strong opposition to and legal analysis regarding the use of the Internet for the purpose of engaging in gaming activity allegedly under the Indian Gaming Regulatory Act of 1988 (IGRA). The undersigned have concluded that such gaming is not authorized by IGRA.

That is signed by all of the attorneys general, including the attorneys general of Hawaii and Idaho and, as I said, all of the other attorneys general.

I have practiced law for 20 years. I am very familiar with the law in this area. I am not misreading the law. With all due respect to our colleagues from Idaho and Hawaii—and I love them both, and they are great and fine Senators—on this matter, in my opinion, they are simply not correct. The effect of their amendment is so bad, as I said, it is a poison pill. It is so bad that I would have to urge all of my colleagues to vote against this amendment that Senator BRYAN and I have proposed.

Mr. GREGG. Mr. President, what is the regular order?

AMENDMENT NO. 3257

The PRESIDING OFFICER. The regular order is that the hour of 9:30 having arrived, under the previous order the pending question is the amendment numbered 3257 offered by the Senator from Arizona, Mr. McCAIN. Under the previous order, there will now be 2 minutes of debate equally divided.

Who yields time?

Mr. GREGG. Mr. President, I ask unanimous consent that after the completion of the McCain amendment that votes on further amendments that are in this stacked group be limited to 10 minutes in duration.

The PRESIDING OFFICER. Is there objection?

Mr. COATS. Reserving the right to object, I don't intend to object. I ask the manager of the bill if he could give us some indication of what his intention is this evening relative to the schedule. How many votes will we have? After this series of votes, it is my understanding that we are going to return to the Kyl amendment for further debate. Does that mean further votes this evening?

Mr. GREGG. It is my expectation that what will occur is we will have maybe a minimum of five votes during this sequence, and potentially six. At the completion of that, we will go back to the Kyl amendment, as amended, by Craig. We will debate that until it is in a position to be voted on. Then we will vote on it. Then we will go on to the next amendment on this bill, and we will vote on that.

Mr. COATS. Is it the Senator's intention that we will stay on this bill this evening until this bill is completed?

Mr. GREGG. It is my hope—I know it is the hope of the ranking member—that we can work out a unanimous consent to be more accommodating to our colleagues. But that unanimous consent has not been agreed to. Our hope would be to get a unanimous consent where all the pending amendments to the bill, of which we have agreements on the list, to be debated tonight and then voted tomorrow. However, as of now there are objections to that unanimous consent. As long as there are objections, it is my intention to proceed on with votes.

Mr. COATS. So we will be here until at least 11 p.m. voting, and maybe not even be voting yet on the Kyl-Craig amendment.

Mr. GREGG. My expectation is that we will be voting until 11 p.m. on this sequence, and further debate on Kyl-Craig, which I presume will take another hour, and we will be voting on that, unless we can get agreement on unanimous consent requests, which the Senator from South Carolina and I have asked both our colleagues to support us on, which would be to allow debate on all pending amendments, of which we have a list, tonight with votes to occur stacked tomorrow morning.

Mr. COATS. Absent that, my last point, as a consequence we will continue this evening?

Mr. GREGG. That is correct. That is my intention.

Mr. COATS. I thank the Senator. I withdraw any objection.

The PRESIDING OFFICER. Has all time been yielded?

Mr. GREGG. Mr. President, I ask unanimous consent that all time be yielded on the McCain amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Arizona. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 47, nays 53, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—47

Abraham
Allard
Ashcroft
Bingaman
Bond
Boxer
Brownback
Bryan
Burns
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
DeWine
Dorgan
Enzi
Faircloth
Feingold
Frist
Gramm
Grams
Grassley
Hagel
Hutchinson
Kempthorne
Kohl
Kyl
Lugar
Mack
McCain
Moseley-Braun
Murkowski
Murray
Nickles
Reid
Roberts
Roth
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Thomas
Thompson

NAYS—53

Akaka
Baucus
Bennett
Biden
Breaux
Bumpers
Byrd
Campbell
Chafee
D'Amato
Daschle
Dodd
Domenici
Durbin
Feinstein
Ford
Glenn
Gorton
Graham
Gregg
Harkin
Hatch
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
McConnell
Mikulski
Moynihan
Reed
Robb
Rockefeller
Santorum
Sarbanes
Specter
Stevens
Thurmond
Torricelli
Warner
Wellstone
Wyden

The amendment (No. 3257) was rejected.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The pending question is now on amendment No. 3261, offered by the Senator from Idaho, Mr. CRAIG.

Who yields time?

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 3256

Mr. GREGG. I ask unanimous consent the Thompson amendment, No. 3256, be agreed to.

THE PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3256) was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate majority leader.

Mr. LOTT. Mr. President, I know the Senators are trying to get some idea of how this will go from here on. I have been working with Senator DASCHLE.

Mr. President, we have four more votes in this stacked sequence, which will take us a good portion of the next hour. We are trying to work an agreement whereby we would then, at the conclusion of this series of votes, go back to the Kyl amendment and have the debate on that concluded tonight, with a vote occurring at 9 in the morning. Then we would get an agreement that all other amendments and final passage occur by noon tomorrow.

I think that is reasonable. Senator DASCHLE is working with me to see if we can get everybody to agree to that. We are trying to find a way to give you some reasonable night tonight and get this to a conclusion. I do not want to prejudge amendments that are being offered, but I really think we have reached a point where we need to get a conclusion. If we do not put an end to it, it will go on and on and on, on this bill. The alternative is to go back to Kyl and vote on that and to have other votes. I still have the luxury of going to the Executive Calendar, if all else fails, and have some votes on that.

We need cooperation so Senators can make progress so the rest of us can get a decent night's sleep and so we can complete this bill tomorrow. I am not going to ask that right now, to give both of us time to work with those who have amendments, but I think that is a very reasonable arrangement, so I hope all of our colleagues will help us by talking to other colleagues who might have amendments, and I hope we can get this worked out by the next vote.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 3261, AS MODIFIED

Mr. CRAIG. Mr. President, I say to my fellow Senators, they are being asked to vote in just a couple of minutes on what I think is an extremely important amendment. We move the Youth Crime Gun Interdiction Initiative, that is now a demonstration project in Philadelphia, nationwide over a period of 5 years. With the Bureau of Alcohol, Tobacco and Firearms, working with counties, States and local law enforcement agencies, to provide information on the illegal activity of firearms in communities, to create adult, juvenile and youth illegal firearm activities, identify them and control them, to make firearm violations Federal violations prosecutable and move it in that direction.

Mr. President, if this Senate wants to move against youth violence with the misuse of firearms, this is a major initiative and a major step in that direction. I hope my colleagues will work with us as we expand this from 17 demonstration projects to 50 to 75 to 150 across the Nation in high-crime areas going directly at juveniles and the misuse of firearms and prosecuting felons who use firearms in the commission of a crime, which is already a Federal violation of law, but now goes unprosecuted.

I hope my colleagues can join with me in supporting this amendment.

The PRESIDING OFFICER. Who yields time in opposition? The Senator from Illinois.

Mr. DURBIN. Mr. President, I started in opposition to this amendment, but I now rise in support of this amendment. I think the Senator from Idaho is right. I think we should adopt this amendment with an overwhelming margin, and I believe he was right yesterday during the course of the debate when he said:

> A general firearm safety rule that must be applied to all conditions is that a firearm should be stored so that it is not accessible to untrained and unauthorized people.

The Senator went on to say:

> Proper storage of firearms is the responsibility of every gun owner.

The next amendment after we adopt the Craig amendment will give us a chance to adopt a children's access prevention law which says to every gun owner in America, you have the right to bear arms; you have the responsibility to store them safely. I urge all my colleagues to vote with Senator CRAIG and then support the Durbin-Chafee amendment.

Mr. GREGG. Mr. President, in light of the Senator's statement, I ask unanimous consent that the yeas and nays on this amendment be vitiated and that the amendment be agreed to my unanimous consent.

Mr. HOLLINGS. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the Craig amendment No. 3261, as modified.

The amendment (No. 3261), as modified, was agreed to.

Mr. GREGG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3260

The PRESIDING OFFICER. The question now occurs on the amendment by the Senator from Illinois No. 3260. Who yields time?

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I am going to yield a minute to my colleague and cosponsor, Senator CHAFEE of Rhode Island. I urge my colleagues to understand that 15 States have enacted these laws to protect children. We all read about these horrible situations in Jonesboro, in Springfield, in Pearl, MS. Let us not just lament this situation, let us do something about it.

Gun owners understand their responsibility. That is why the NRA supported this law in its enactment in five different States. We can do this tonight to save children's lives.

I yield my remaining time to my colleague from Rhode Island.

Mr. CHAFEE. Mr. President, may we have order?

The PRESIDING OFFICER. Order in the Senate. Senators will take their conversations off the floor of the Senate.

The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, it is clearly recognized that if you own a pit bull and it is recognized as dangerous, you better control that pit bull. And if that pit bull slips away and injures, severely mauls a child, you are liable. So it is with guns. If you leave a gun lying around that a juvenile gets to and that juvenile causes severe damage with that gun either to himself or to another individual, then you are to be liable, likewise.

If you are liable for a pit bull, you certainly ought to be liable for a dangerous weapon like a rifle or a handgun that is left lying around. If you keep it under lock and key, that is a different matter, you are not liable. I urge everyone to support this amendment.

The PRESIDING OFFICER. Who yields time in opposition?

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I say to fellow Senators, don't be fooled by this amendment. For the first time, we take the victim, the person who has had his or her firearm stolen, and we make them the criminal. For the first time, we say you can become a Federal criminal without ever being involved in the crime. That is what this amendment does.

Don't fall for the analogy of the pit bull. If the pit bull is chained in the backyard, and there is a fence around the yard, and the yard is locked and somebody gets in that yard and inside the circle of the pit bull and is injured, it is not the owner's fault. That is the law.

I hope you can join with me in opposing this. Don't make the victim the criminal. Don't say that the person should become a Federal criminal who is not even associated with the crime.

Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 3260, offered by the Senator from Illinois, Mr. DURBIN. The yeas and nays have been ordered on this question. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. GRAMS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 31, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—69

Abraham
Allard
Ashcroft
Baucus
Bennett
Bingaman
Bond
Breaux
Brownback
Bryan
Burns
Campbell
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
Domenici
Dorgan
Enzi
Faircloth
Feingold
Ford
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kempthorne
Kerrey
Kyl
Leahy
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Reid
Roberts
Rockefeller
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—31

Akaka
Biden
Boxer
Bumpers
Byrd
Chafee
DeWine
Dodd
Durbin
Feinstein
Glenn
Graham
Harkin
Inouye
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Robb
Sarbanes
Torricelli
Wellstone
Wyden

The motion to lay on the table the amendment (No. 3260) was agreed to.

Mr. GREGG. I move to reconsider the vote.

Mr. CRAIG. I move to lay the amendment on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3263

The PRESIDING OFFICER. The next order of business is the Bumpers amendment numbered 3263, with 2 minutes equally divided.

Mr. BUMPERS addressed the Chair.

The Senator from Arkansas.

Mr. BUMPERS. Mr. President, if you vote no on this amendment, you should be prepared to go home and say to your constituents that you really don't believe in privacy. When we have a law in this country that allows people to tape-record a conversation with you and only they know it is being taped and you don't and that is quite legal, we no longer have any privacy in this country. How do you explain that to your constituents?

This bill would make it a criminal offense, as Janet Reno said she favored in Florida, as 15 States have already adopted. We overwhelmingly passed a law to make it a criminal offense to intercept a cellular phone call. What I am trying to do is to extend that to the old archaic rule—think of this, think of this. You can be talking to a person who is your best friend; he or she can be tape-recording that conversation and publish it on the front page of the New York Times or the Washington Post, and there isn't a thing you can do about it.

I have exempted law enforcement; I have exempted intelligence agencies; I have exempted everybody who has to make telephone calls in their business; I have exempted people who are threatened or stalked.

Please, let's correct this once and for all.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, usually I have some empathy for what my colleague is saying, but this amendment requires both parties to consent before phone calls are being taped. This hasn't been debated before the Judiciary Committee and involves all kinds of ramifications.

It is setting a Federal standard where one is not needed, because many States now allow taping by one party. It is brought up only after the Linda Tripp situation.

I frankly think it is the wrong thing to do. We are willing to look at this, but we are willing to look into this on the Judiciary Committee, and we certainly will do it. But I think it is the wrong thing to do right now. I don't believe we should federalize this at this point.

Mr. BUMPERS. I ask unanimous consent for 10 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I offered this amendment in 1984 when Charles Wick, head of the United States Information Agency, said that he had taped 84 phone calls, including Reagan, Cabinet Members, President Carter. I offered it then, and I got 41 votes. I offered it again in 1993. Linda Tripp has nothing to do with this.

This is plain decency. It is constitutional. It is an invasion of your privacy for somebody to record a conversation of you and you not know it.

It is offensive in the extreme.

Mr. HATCH. Mr. President, I ask unanimous consent for 10 seconds.

The way to do this is not to federalize it. Let's at least not impose something on the States without full committee hearings before the Judiciary Committee and find out what should be done.

I am not necessarily saying I am rejecting what the Senator said, but I have to reject it under these circumstances. I hope we will reject it.

The PRESIDING OFFICER. Time on the amendment has expired.

Mr. GREGG. Mr. President, I remind the Members, this is a 10-minute vote, and the faster we can get it done, the faster we can get out.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. GREGG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

The question is on the amendment of the Senator from Arkansas.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote? The result was announced—yeas 50, nays 50, as follows:

[Rollcall Vote No. 225 Leg.]

YEAS—50

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Chafee
Cleland
Coats
Conrad
Coverdell
Daschle
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Hutchinson
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Snowe
Torricelli
Wellstone
Wyden

NAYS—50

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Campbell
Cochran
Collins
Craig
D'Amato
DeWine
Domenici
Enzi
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

The amendment (No. 3263) was rejected.

MOTION TO TABLE MOTION TO RECONSIDER

Mr. LOTT. Mr. President, I move to reconsider the vote and to lay that motion on the table.

Mr. BUMPERS. Mr. President, is the motion to reconsider debatable?

The PRESIDING OFFICER. The motion to reconsider is not debatable.

Mr. BUMPERS. Has a motion to table been made, Mr. President?

The PRESIDING OFFICER. Yes.

Mr. DASCHLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the motion to reconsider.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 49, as follows:

[Rollcall Vote No. 226 Leg.]

YEAS—51

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Campbell
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Enzi
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—49

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Hutchinson
Inouye
Jeffords
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Snowe
Torricelli
Wellstone
Wyden

The motion to lay on the table the motion to reconsider was agreed to.

Mr. LOTT. Mr. President, I would like to propound a unanimous consent request now. If we can get this worked out, then we will have one remaining vote tonight.

Mr. BURNS. Mr. President, the Senate is not in order.

UNANIMOUS CONSENT REQUEST

Mr. LOTT. If we can get this unanimous consent agreement worked out, then there will be one remaining vote tonight and then the first recorded vote will be about 9:20, I believe, in the morning. Then we will go on to other issues with time limits, and we will probably have another series of stacked votes on over in the morning after consultation with the managers, if that would be all right.

I ask unanimous consent that following the next vote, the Senate resume the pending Craig amendment to the Kyl amendment and a vote occur on or in relation to the Craig amendment at 9:15 on Thursday, with 10 minutes equally divided for closing remarks prior to the vote.

I further ask that following the vote in relation to the Craig amendment, the Senate proceed to vote in relation to the Kyl amendment, as amended. I further ask, following the Kyl amendment, the following amendments be the only amendments to be offered to the pending legislation other than the managers' amendment, with no second-degree amendments in order, and limited to the times, where specified, all to be equally divided.

The list is as follows: A Nickles amendment regarding defense attorneys, 10 minutes; a Bingaman amendment regarding trademark and Indian tribes, 20 minutes; a Bumpers amendment regarding immigrant investor program, 20 minutes; a Kerrey of Nebraska amendment regarding copper, 40 minutes; a Kerry of Massachusetts amendment regarding Vietnam, 20 minutes; a Wellstone amendment regarding abuse of immigrant spouses, 30 minutes; a Hatch amendment regarding gun prosecutions, 20 minutes; a Grams amendment regarding criminal court, 10 minutes; a Grams amendment regarding U.S. nationals, 10 minutes; a Grams amendment regarding budget certification, U.N., 10 minutes; a Smith of Oregon amendment regarding guest workers, 10 minutes.

I further ask that following the debate on the above-listed amendments, the Senate proceed to vote in a stacked sequence, with 2 minutes for debate to be equally divided prior to each vote, and following those stacked votes, Senator GREGG be recognized to offer the managers' amendment, and following its disposition, all other provisions of the previous consent agreement with respect to the passage vote then occur.

Before the Chair puts this to a question, I thank Senator DASCHLE for his cooperation in getting reasonable time agreements here. I think maybe some of these amendments would actually require less time than has been identified. But we are trying to make sure that all Senators have the time that they need.

Mr. DASCHLE. If the majority leader will yield——

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Reserving the right to object.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, the Senator from California had made a request that she be on that list, as had the Senator from New Jersey. The Senator from California had asked for a half-hour on her amendment. She is continuing to negotiate with the managers. The Senator from New Jersey had asked for an amendment, 10 minutes as well.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Reserving the right to object, if we could get 20 minutes on the guest worker, with the possibility of a second-degree amendment and 30 minutes evenly divided on the second-degree amendment.

Mr. LOTT. Mr. President, I think I hear additional amendments which would require second-degree amendments beginning to evolve here. The alternative is, we go ahead and keep voting tonight. We have had plenty of debate here. I would like to find a way that we can get this completed at a reasonable hour tomorrow.

Does the Senator from California have something worked out that I could include in this request?

Mrs. FEINSTEIN. Yes. If I could have a half-hour.

Mr. LOTT. The problem with all of these is that if we have them offered, then second degrees would be requested by others. So if we can't get this agreed to, then I think we will just have to go on with this vote and keep going tonight.

Now, we can work during this vote and see if we can work it out. But it is 30 minutes for first degree, 30 minutes for a second degree, and there is no end to it. We have tried to work up a reasonable agreement here.

I would like for Senators to work during this vote. We cannot tell you this is the last vote now. So you are not going to be able to vote and leave unless we can get something worked out very quickly.

Any other reservations we need to be made aware of here?

Mr. BIDEN. Mr. President, as they say, reserving the right to object, I don't think there is a problem; we may be able to work it out. But you mentioned two amendments Senator GRAMS of Minnesota has regarding the United Nations. If we can't work out the second one relating to U.N. arms, I would want a second-degree amendment, or else I would object.

Mr. LOTT. Mr. President, let's proceed to vote.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The request has been withdrawn.

AMENDMENT NO. 3264

The question is on agreeing to the amendment of the Senator from Wisconsin. There is 2 minutes of debate equally divided.

Who yields time?

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, this amendment simply states what we all know to be true, and that is that cable rates across the country have risen steadily since the Telecommunications Act of 1996. And there is virtually no competition in the industry. The amendment instructs the FCC to report to us whether this situation is consistent with the FCC's responsibilities, which it still has until March of 1999, to make sure that cable TV rates are reasonable. If not, the amendment asks the FCC to give us an action plan; in other words, what is it going to do to carry out its duties?

This is an amendment designed to hold the FCC accountable. We gave it a mission to promote competition and ensure that the rates are reasonable. The American people deserve to know why the agency has not succeeded. The amendment is supported by the Consumers Union and will be a signal whether this body is content to see cable rates rise as high as three to four times the rate of inflation, as has happened during the past year.

I urge my colleagues to vote in favor of this simple amendment.

The PRESIDING OFFICER (Mr. ENZI). The time of the Senator has expired. Who yields time?

The Senator from Arizona.

Mr. McCAIN. Mr. President, I will take 30 seconds and give the other 30 seconds to the Senator from Montana.

This is not the time or place to take such action which would represent the beginning of cable reregulation. Mr. President, I hope my good friend from Wisconsin will withdraw the amendment and testify before the Commerce Committee next Tuesday, where we are examining the issue of cable rates. This is not the place to have this kind of amendment, which has such profound effects. It requires separate legislation. I understand his problem, but this is not the solution.

Mr. President, I move to table the amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I am concerned that the Feingold amendment is an inappropriate attempt to continue excessive government regulation of the cable industry. I believe that additional reports on the industry by the Federal Communications Commission would be an unnecessary waster of taxpayer money. Furthermore, any efforts to deal with cable rates should be dealt with in the upcoming hearing we have scheduled before the Commerce Committee this Tuesday.

The Cable Bureau is largely a product of the 1992 Cable Act. I opposed that Act because I believed it was overly regulatory and heavy handed. I believe that my concerns were proven to be correct. However, in 1996, Congress responded to some of the excesses of the 1992 Act and to the growing competitiveness of the marketplace by adopting several Cable Act reform provisions as part of the Telecommunications Act.

The aim of the Telecommunications Act as it related to cable services was to provide increased choices at lower cost by opening up historically monopolistic, regulated markets to new entrants. In return, cable operators would be allowed to enter new communications markets such as telephone and information services. As we move beyond traditional models of monopolies and excessive regulation to a climate of open competition, exciting new educational and commercial opportunities are beginning to appear.

I am also very concerned about the recent spate of increases in cable rates. However, the answer to increasing rates is not found in ever-increasing government regulation but in providing for increased consumer choice. Rather than engaging in micromanaging the rate-structure of the cable systems, government should create a level playing field where new entrants can compete effectively with incumbent providers.

It was for this reason that I must oppose further misguided efforts to engage the government in regulating cable rates.

Mr. President, this issue has been studied to death. When this Congress decided to deregulate the cable industry, it was to expand services and enhance services of the cable industry. That has happened. If you look at the services and the expanded television coverage that we have now on cable as compared to as near as 5 years ago, you would see a big difference in the services that you receive today.

There is a hearing on next Tuesday. We invite the Senator from Wisconsin to testify. This is no place to deal with this situation.

I yield the floor.

The PRESIDING OFFICER. All time has expired. The question is on the motion to table. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MACK (when his name was called). Present.

The result was announced, yeas 63, nays 36, as follows:

[Rollcall Vote No. 227 Leg.]

YEAS—63

Abraham
Allard
Ashcroft
Bennett
Bingaman
Bond
Breaux
Brownback
Bryan
Burns
Campbell
Chafee
Coats
Cochran
Collins
Craig
Daschle
DeWine
Domenici
Enzi
Faircloth
Ford
Frist
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Kempthorne
Kerrey
Kerry
Kyl
Landrieu
Lott
Lugar
McCain
McConnell
Moynihan
Murkowski
Nickles
Reed
Reid
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner

NAYS—36

Akaka
Baucus
Biden
Boxer
Bumpers
Byrd
Cleland
Conrad
Coverdell
D'Amato
Dodd
Dorgan
Durbin
Feingold
Feinstein
Glenn
Gorton
Graham
Harkin
Jeffords
Johnson
Kennedy
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Murray
Robb
Rockefeller
Sarbanes
Specter
Wellstone
Wyden

ANSWERED "PRESENT"—1

Mack

BOYS AND GIRLS CLUB CAPITAL FLAGSHIP CLUB

Mr. HATCH. I would like to engage the distinguished manager of the bill, Senator GREGG, in a colloquy.

Mr. GREGG. I would be pleased to respond to the chairman of the Judiciary Committee on a matter that I know is of great importance to him.

Mr. HATCH. I thank the floor manager and subcommittee chairman.

I was pleased that the Commerce, Justice, State, Judiciary appropriations bill as reported to the Senate included an increase of $20,000,000 over current levels for the Boys and Girls Clubs, bringing total funding for this outstanding organization to $40,000,000 in fiscal year 1999.

As the chairman knows, I support additional funding in his bill to allow the Boys and Girls Club of Greater Washington and the national organization to establish a state-of-the-art national capital flagship Boys and Girls Club facility in Washington, DC, near the Capitol.

Mr. GREGG. I am aware of the Senator's deep interest in this meritorious project and for his longstanding support of the Boys and Girls Clubs.

Mr. HATCH. I thank my colleague.

Although there is no clarifying language contained in the Senate committee report regarding how the additional $20,000,000 over last year's level would be utilized by the Boys and Girls Clubs, I would hope that the committee's intent was that a significant portion of those additional Boys and Girls Clubs appropriations would be used to cover the cost of establishing the national capital flagship club facility in the Nation's Capital at a site to be selected by the Boys and Girls Clubs of Greater Washington in consultation with the national organization.

Mr. GREGG. The Senator and chairman of the Judiciary Committee is absolutely correct. The additional $20,000,000 provided in our bill for the Boys and Girls Clubs was in part to cover the cost of the proposed national capital flagship club facility in Washington and for other purposes. It is my understanding that at least $6,000,000 will be require for the site, design and construction of the proposed flagship facility and that amount would be covered by these additional funds.

Mr. HATCH. I thank the distinguished chairman of the subcommittee for that clarification and I deeply appreciate his strong support for the national capital flagship club facility in Washington. The flagship club will be run by the Boys and Girls Clubs of Greater Washington in concert with the Boys and Girls Clubs of America and will provide a prototype, technology-based club facility to help troubled youth both here and around the nation.

Mr. GREGG. I look forward to working with the Senator to make sure that this flagship project is fully funded and that the Office of Justice programs carries out this project effectively, beginning in fiscal year 1999.

FUNDING TO IMPLEMENT THE 2000 CENSUS

Mrs. FEINSTEIN. Mr. President, I rise today to commend the bi-partisan leaders of the appropriations subcommittee, Chairman GREGG and Senator HOLLINGS, for providing adequate funding to allow the Census Bureau's census 2000 plan to proceed. The funding will permit the census professionals to continue their plan to guarantee that everyone in every city and rural area will be counted.

I ask that when this Appropriations bill goes to conference with the House that the Senate conferees stand united against any effort to reduce the decennial census funding level or micromanage the professional census gathering process.

I am very concerned about the critical 2000 census, because I believe Senator GREGG and Senator HOLLINGS will face a difficult conference with the House. Contrary to the Senate plan, the House funds the Census Bureau for only six months, crippling the bureau and denying the census professionals the tools they believe will help them conduct the most accurate 2000 census possible.

The House leadership has also challenged the Census Bureau sampling plan in federal court, asserting it violates the United States Constitution. The federal court should proceed with their review, but the Census Bureau professionals need to proceed with their plan, which represents the best efforts of census professionals and academics to measure the population.

Before we look forward to conference, I would like to briefly look back and put the current sampling dispute in its historical context. Regrettably, the public debate over the 2000 census has been dominated by the use of sampling, a simple, statistical method proposed by the Census Bureau to count the historically "difficult to count" populations of the nation's urban and rural poor. The Bureau's sampling plan was developed in direct response to the unprecedented census error rates in 1990, the first census in US history to be both more costly and less accurate than the census that preceded it.

Why is an accurate census important for the nation? The decennial census is the basis for distributing funds throughout the country for more than one hundred federal programs.

Is the local police force eligible for federal grants for cops on the beat or drug education programs? Check the census, which sets eligibility for Byrne grants, DARE funds or community policing grants.

How about education funds for schools? The census determines title one or title two education grants.

How about funds for homelessness, mass transit or other transportation funds? Again, the census determines state and local government eligibility for Social Services block grant money, highway and mass transit grants.

What about health care for low-income families? Again, the census helps set state Medicaid reimbursement levels.

The census is instrumental for the effective administration of government at all levels, providing the basis for distributing billions of dollars throughout the country through hundreds of programs. The nation cannot afford the error rates and inaccuracy experienced in the 1990 census.

The General Accounting Office, the investigative arm of Congress, concluded the 1990 census failed to count about 15 million Americans, while an additional 11 million Americans were double-counted. The California population was undercounted by more than 2.7%, representing 20% of the nation's net undercount.

If we squander this opportunity for reform and the 2000 census proves to be equally inaccurate as its 1990 predecessor, between 5 and 6 million individuals, would be "missed." If we do not reform our census plan, 1 to 1.2 million Californians, 3% of the state's population, will fail to be counted. If the census misses 1 million people in California, about 300,000 children will not be counted, depressing state education funding and seriously compromising education in the state.

Mr. President, concerns for undercounting the United States population are as old as the nation itself. Thomas Jefferson, transmitting the first census to President Washington, commented, "we know in fact that the omissions have been very great." However, the Census Bureau sampling plan, which enjoys the support of the National Academy of Sciences, academics and census professionals, is a reasoned response to the unprecedented error rates of the 1990 census. Congress cannot make the same mistake again.

The Census Bureau plan needs to go forward. It's time to allow the census professionals to implement their best plan to improve on the 1990 undercount and deliver the most accurate 2000 census possible.

I thank the chairman, Senator GREGG, and ranking Democrat, Senator HOLLINGS, for their efforts and extend my continuing support.

IRAQ WAR CRIMES TRIBUNAL

Mr. SPECTER. Mr. President, I want to commend my colleagues, Chairman GREGG and Senator HOLLINGS, for including in this legislation $5 million to cover initial costs of establishing a War Crimes Tribunal for prosecution of Saddam Hussein and other Iraqi government officials for crimes committed during the Gulf War and afterward.

I sought these funds in a letter to Chairman GREGG dated April 24, 1998, because I believe it is critical that we have the prosecutorial infrastructure in place to deal with Iraqi war crimes. I also noted in my letter that every effort must be made to obtain contributions from our allies and other U.N. member countries for this vital effort.

I look forward to working with my colleagues as this bill moves forward to ensure that these funds are retained in Conference.

OECD

Mr. LIEBERMAN. Mr. President, I rise today to bring my colleagues' attention to the excellent work being done by an important international organization—the Organization for Economic Cooperation and Development (OECD). Since 1961, when it was founded, the OECD has worked to open up and help develop the world economy, not only for its member states but also for those nations outside the OECD area.

We live in an era when the term global economy is redundant. There is one economy, and it is global. And one of the things we need as a nation to keep us competitive is accurate, up-to-date information. We also need a forum in which to work with other nations equally committed to economic openness to achieve the highest sustainable growth and standard of living. That is what the OECD is all about: helping its member nations achieve a better standard of living and higher sustainable growth rate by providing a forum for the exchange of information and policy prescriptions.

While the OECD has 29 member nations, its reach is global. For example, for a number of years, the OECD had in place the Center for Cooperation with the Economies in Transition (CCET). The CCET was initiated by the U.S. as a result of an amendment I introduced to the SEED Act. My colleagues will recall the SEED Act was designed to help the economies of Central and Eastern Europe build market economies. Well the work of the CCET was so successful, that three nations from that region—Poland, Hungary and the Czech Republic—have become members of the OECD.

Now, the OECD has revised its approach to helping non-member nations to reach beyond the CEE nations. For example, the OECD does a lot work with Russia. It is also closely following the Chinese economy. It has been part of the team of international organizations and governments who have been working on what to do about the economic crisis in Asia.

The OECD's work is not limited to handling macroeconomic issues. It works on a number of other key economic areas. The Convention to combat Bribery and Corruption is an example of an important OECD initiative. It is also taking the lead on helping governments can best respond to the rapidly changing world of electronic commerce. It is involved with issues relating to regulatory reform, corporate governance, and sustainable development to name a few.

But perhaps what really distinguishes the OECD from other international organizations is its internal reform efforts. The OECD has undertaken on its own, a significant reform effort. Specifically, it has pledged to cut its overall spending by 10% during the three year period beginning in 1996. It is well on its way toward reaching this. So far that has meant a loss of 180 staff, more than 10% of its total.

It is my understanding that the subcommittee has decided to use a formula to cut the budgets of international organizations that have administrative costs above 15%. But the data it is using is based on a 1997 State Department study that only goes up to 1995. The OECD has told me that it has brought down administrative costs to about 12.4% of its budget.

I agree with the committee's goal of trying to get international organizations to make necessary reforms and reductions. The era of big government ought to be over not only at home but with international organizations as well. The OECD is a good story. It has reformed on its own. My fear is that if despite all its efforts to enact cuts, the Congress calls for further arbitrary cuts of the OECD based on data that is not up-to-date, then it will undermine the reformers in the organization who share our goal of getting international organizations to be "leaner and meaner."

I, therefore, urge the committee and the Administration to fully fund the OECD at the request level made by the Administration. Let's show that we are willing to reward and encourage organizations like the OECD that make real reforms.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

UNANIMOUS CONSENT AGREEMENT

Mr. LOTT. Again, Mr. President, I thank Members for the cooperation we have been receiving. We have worked out time agreements on which I believe we can get a unanimous consent agreement. Let me read the whole thing once again. We have made changes.

I ask unanimous consent that the Senate resume the pending Craig amendment to the Kyl amendment and that a vote occur on, or in relation to, the Craig amendment at 9:15 a.m. on Thursday, with 10 minutes for closing remarks, to be equally divided. I further ask unanimous consent that following the vote in relation to the Craig amendment, the Senate proceed to a vote in relation to the Kyl amendment, as amended, with 2 minutes equally divided prior to the vote.

I further ask unanimous consent that following the Kyl amendment, the following amendments be the only remaining amendments to be offered to the pending legislation, other than the managers' amendments, with no second-degree amendments in order, unless specified, and limited to the times where specified, all to be equally divided.

The list is as follows: Senator Nickless amendment regarding defense attorneys, 10 minutes; Senator BINGAMAN, 20 minutes; Senator BUMPERS, 20 minutes; Senator KERREY of Nebraska, 40 minutes; Senator KERRY of Massachusetts, 20 minutes; Senator Wellstone amendment for 30 minutes;

Senator Hatch amendment, 20 minutes; the first Grams amendment for 10 minutes regarding criminal courts; a second Grams amendment regarding U.S. nationals for 10 minutes, with a possible second-degree amendment by Senator BIDEN with 10 minutes; a Senator Grams amendment regarding budget certification for 10 minutes; Senator Smith of Oregon amendment regarding guest workers with 20 minutes, with a second-degree amendment for 20 minutes by Senator KENNEDY. We are still hoping they can work this out. If this matter is not resolved, we will have an amendment by Senator DASCHLE on this subject for 10 minutes, and an amendment by Senator LOTT for 10 minutes. Also, a Torricelli amendment regarding nonpoint source, 20 minutes; a Lieberman amendment regarding Asian financial crisis, 20 minutes; and a Lautenberg amendment regarding police cars, 20 minutes.

I further ask unanimous consent that following the debate on the above-listed amendments, the Senate proceed to vote in a stacked sequence, with 2 minutes for debate to be equally divided prior to each vote, and following those stacked votes Senator GREGG be recognized to offer the managers' amendment, and following its disposition, all other provisions of the previous consent agreement with respect to the passage vote then occur.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. In light of this agreement, then, thanks again for the cooperation of all Senators. There will be no further votes tonight. The next vote will occur at approximately 9:15 a.m. in the morning, perhaps slipping a minute or two to 9:20 on Thursday, and then a series of votes to be announced at a specified time later in the morning on Thursday.

Thank you. I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Hampshire.

AMENDMENT NO. 3268

Mr. GREGG. As I understand it, under the previous order we are now to return to the Kyl amendment, as amended by Craig, for debate with the votes to occur tomorrow morning. I ask unanimous consent that the debate on this amendment, for this evening's purposes, be limited to 20 minutes, 10 minutes on each side.

Mr. KYL. Ten minutes per side is fine for me. Five minutes per side is fine with me.

Mr. GREGG. I ask unanimous consent that we have 10 minutes, 5 minutes on each side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho.

Mr. CRAIG. Mr. President, I think many of us have spoken tonight to the issue of Internet gaming and our opposition to it; most assuredly, our opposition to unregulated offshore Internet gaming. The Senator from Arizona has brought forth an amendment that controls that, in fact, prohibits that. But it also prohibits something else that we in the Congress and law, by agreements, treaties with American Indians, have said is separate, should be, and should be regulated. And we have said Indian gaming should be regulated. And it is. But the Senator from Arizona has made the exception as it relates to any Indian gaming on the Internet. I am saying, that is an intrusion that should not be allowed.

Regulate? Absolutely. Control? Absolutely. Build and maintain a tribal-State compact? Absolutely. We have wrestled with this issue over the years. When I was in the House, I worked with a Congresswoman from Nevada. We were outruled by the courts. The Senator from Hawaii has clearly spoken to the issue of the courts.

What I am saying is that I sense there is a clear and important division. Through the Indian Gaming Regulatory Act, Congress established a clear and precise law governing all forms of Indian gaming. And I think it is important that I repeat that—all forms of Indian gaming. Authority to regulate Indian gaming was given by Congress to the National Indian Gaming Regulatory Commission.

I believe the Kyl bill ignores this procedure and IGRA. I do not believe we can ignore that as a Congress. The Kyl bill does this in a number of ways, including placing new restrictions on tribal gaming operations, and overrides and nullifies existing State-tribal compacts.

My amendment simply sets the issue of Indian gaming aside as it pertains to that. But it recognizes, as I think we all should, that Indian gaming via the Internet ought to be regulated and it ought to be controlled. And that is exactly what is happening today.

So I hope that for any of my colleagues who might be listening this late into the evening, that we could revisit this for a short time tomorrow, because the Internet Gaming Prohibition Act by Senator KYL goes in and amends section 1084 of the Federal Wire Act to include lotteries. It is excluded there today. Decisions have been rendered on behalf of Indians as it relates to this in Federal courts. We think this is the appropriate decision, and it exempts them currently. And they are regulated now.

This is not an unregulated activity that I advocate by this amendment. It is a fully regulated activity under Federal law, under the Indian gaming laws as controlled by the National Indian Gaming Commission. That is the appropriate intent of this amendment.

I retain the balance of my time.

Mr. ENZI addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Wyoming.

Mr. ENZI. I yield from the time 1 minute.

I wish that I had 1 hour. This could be the most important thing we debate in this session of Congress. Yes, there is Indian gambling. Yes, there is some limited gambling on the Internet. The wording in this amendment can change the national flow. This can provide for a national lottery by an Internet monopoly—an Internet monopoly. This could eliminate the grocery store sales in each person's State that allows a lottery at the present time, because it would be much easier to pick it up on the Internet.

There is a good reason why gambling is limited to on premises for the most part. That is so you can enforce the age requirements. That is so you can check on the different kinds of gaming that there are, so you can check on the dollar limits that there are, so you can audit the process. The Internet is not something you can audit. This will not be a protection for any of the States.

Some of our States have had a referendum on whether we want any kind of local gambling, whether we want any kind of State gambling. And it has lost 2 to 1. We do not want gambling in Wyoming. But there is no protection against gambling in Wyoming. There is no protection on age in Wyoming. So kids can take parents' credit cards, get into this national lottery and violate State law.

I yield the remainder of my time.

Mr. BRYAN. Mr. President, I ask unanimous consent for 2 minutes.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

Mr. BRYAN. Mr. President, I want to make very clear what is at issue here. If you oppose kids gambling on the Internet, then you are with Senator KYL and the Senator from Nevada. We think that is a disastrous policy for American families. Your 10-year-old child can dial up a site on the web and gamble without you knowing it and without any ability to control it. So the Kyl-Bryan amendment opposes Internet gambling in America for everyone.

Now, if that policy makes sense to you, and I think it makes sense for American families, then you have to oppose the amendment offered by the Senator from Idaho who says, in effect, Internet gambling should be prohibited for everyone except Indian tribes.

Now, what logic is that that a child in Utah, which is prohibited from all forms of gaming, would be able to surf the web, access the Indian gaming site in Idaho, and be able to participate over the Internet. That makes no sense at all. I think most families, if they were tuned into the debate tonight, would say KYL and BRYAN are correct, we don't want our kids on the Internet, and we believe it ought to be prohibited.

Senator CRAIG's amendment would emasculate that by saying the Indian tribes have an exception. No compact in America, none entered into by any Governor, any State or Indian tribe, authorizes Internet gambling. None. And no court in America, State or Federal, has ever held that Indian tribes are entitled to gamble on the Internet at such web sites.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, a few moments ago you talked about this destroying lottery systems. The national Indian lottery is up and operating today, and State lotteries are not falling by the wayside. In fact, they are stronger than ever in their level of participation. They are as tightly regulated as is this national lottery. That is the reality with which we talk about this, tightly regulated control.

Do I advocate 10-year-olds using this? I do not, and they cannot. There is a screening process. They would be in violation of it. They would have to go through all of the procedures of an adult. Yes, I guess if they stole their parent's credit card in the first instance it might work; in the second, it would not. Any winnings would be repealed and they might be in violation of the law.

So you can talk about scare tactics, if you will. The reality is we have a national Indian lottery today that is deemed legal on the Internet. The amendment by Senator KYL attempts to make it illegal. That is the reality with which we are dealing. I suggest that any effort to talk about great fears and scare tactics just doesn't fit because it is tightly, tightly controlled.

What the Senator from Arizona talks about, about offshore, I agree with an unlimited approach in an unregulated way. That is what is important. That is what my amendment does. We should allow Indian gaming to be regulated under Federal law as it currently is.

The PRESIDING OFFICER. The Senator from Arizona has 2 minutes.

Mr. KYL. Mr. President, let me respond, then, to my friend from Idaho. First, let me begin by saying that the Presiding Officer, when he spoke a few minutes ago, I think hit the nail right on the head. The Presiding Officer, the Senator from Wyoming, pointed out that it didn't really matter who conducts the activity on the Internet. Whether it is an Indian tribe or an offshore virtual casino, the result is the same for the people of the State which has established the public policy of protecting its people from such activity. You can't do it. You can't protect your citizens.

The State of Wyoming has made that decision, and yet if the Indians were allowed an exemption under this bill, they would be permitted to run Internet gambling operations, they could reach every citizen in every State and every young person in every State, as the Presiding Officer pointed out.

No one is allowed to do that today. No one would be allowed to do that under the legislation, but under the Craig amendment, a special exception would be made for the Indians. The Senator from Idaho argues that it is legal for the tribes to do that. In this he is simply wrong.

Again, let me quote from a letter from all 50 attorneys general, including the attorney general of Idaho, on this exact point. They are writing to the National Indian Gaming Commission.

> We are writing to you to express our strong opposition to and legal analysis regarding the use of the Internet for the purpose of engaging in gaming activity allegedly under the Indian Gaming Regulatory Act of 1998. The undersigned have concluded that such gaming is not authorized by IGRA. [One of the reasons, I might say, contained in the next sentence] As you know, under IGRA, gaming activity is allowed only on Indian lands.

This goes beyond that. It goes to any State, into any home, to be used by any child who might log on to the Internet. All the people I quoted before who testified before the Judiciary Committee said this is a pernicious activity for young people who get into the Internet and begin gambling. It could become the most addictive way for children and, later, adults to become addicted to gambling.

As a result, it is an activity that needs to be stopped before it is allowed to spread. What we should not do is create an exception just for the Indian tribes, because, in effect, that is an exception that precludes us from protecting our children. I urge, tomorrow, that we defeat the Craig amendment.

The PRESIDING OFFICER. All time has expired.

MORNING BUSINESS

Mr. GREGG. Mr. President, I ask unanimous consent there now be a period for the transaction of routine morning business with Senators permitted to speak up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, July 21, 1998, the federal debt stood at $5,535,209,449,941.52 (Five trillion, five hundred thirty-five billion, two hundred nine million, four hundred forty-nine thousand, nine hundred forty-one dollars and fifty-two cents).

One year ago, July 21, 1997, the federal debt stood at $5,363,683,000,000 (Five trillion, three hundred sixty-three billion, six hundred eighty-three million).

Five years ago, July 21, 1993, the federal debt stood at $4,336,609,000,000 (Four trillion, three hundred thirty-six billion, six hundred nine million).

Ten years ago, July 21, 1988, the federal debt stood at $2,552,565,000,000 (Two trillion, five hundred fifty-two billion, five hundred sixty-five million).

Fifteen years ago, July 21, 1983, the federal debt stood at $1,329,511,000,000 (One trillion, three hundred twenty-nine billion, five hundred eleven million) which reflects a debt increase of more than $4 trillion—$4,205,698,449,941.52 (Four trillion, two hundred five billion, six hundred ninety-eight million, four hundred forty-nine thousand, nine hundred forty-one dollars and fifty-two cents) during the past 15 years.

U.S. FOREIGN OIL CONSUMPTION FOR WEEK ENDING JULY 17TH

Mr. HELMS. Mr. President, the American Petroleum Institute has reported that for the week ending July 17 that the U.S. imported 8,750,000 barrels of oil each day, 605,000 barrels a day more than the 8,145,000 imported during the same week a year ago.

Americans relied on foreign oil for 58.1 percent of their needs last week. There are no signs that the upward spiral will abate. Before the Persian Gulf War, the United States imported about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970s, foreign oil accounted for only 35 percent of America s oil supply.

All Americans should ponder the economic calamity certain to occur in the U.S. if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the U.S.: now 8,750,000 barrels a day at a cost of approximately $98,875,000 a day.

LOBBING ONE MORE GRENADE AT MICROSOFT

Mr. GORTON. Mr. President, tomorrow the Senate Judiciary Committee will hold yet another hearing designed solely to lob one more grenade at Microsoft. It is entitled "Competition and Innovation in the Digital Age: Beyond the Browser Wars."

Just as I have said of the Justice Department's case against Microsoft, the Judiciary Committee's efforts to paint Microsoft in a negative light seems to be merely an attempt to give software companies that cannot compete against Microsoft on their own merits an opportunity to catch up. It is this practice, the practice of using the United States Senate and the Department of Justice as a means to help less successful companies compete against Microsoft, that is unfair—not Microsoft's business practices.

As all of my colleagues will remember, the Committee held a similar hearing only a few months ago. At that hearing in March, Microsoft's CEO, Bill Gates, patiently answered questions from committee members and witnesses representing his competitors for four hours. The questioning focused primarily on whether Microsoft has the right to integrate new and innovative products into its Windows operating system—specifically, Microsoft's Internet Explorer.

This is precisely that issue that a gaggle of lawyers over at the Justice Department's Antitrust Division and a dozen state attorneys general are currently litigating. The DOJ and state attorneys general allege that Microsoft, in including its browser software in Windows 98, is in violation of U.S. antitrust laws.

Only a few weeks after this case was filed, Microsoft won a major court victory in a related battle. On June 23, a three judge United States Circuit Court of Appeals panel overturned the preliminary injunction issued against Microsoft last December by U.S. District Court Judge Thomas Penfield Jackson. In my opinion, this ruling is so significant as to make the Department of Justice's current case against Microsoft even more questionable than it was at the time of filing.

The question before the panel was whether Microsoft violated antitrust law and a 1995 consent decree by integrating its web browser into Windows 95. The panel ruled that Microsoft's actions did not violate the consent decree and that Microsoft should indeed be allowed to integrate new and improved features into Windows. Such integration, the judges ruled, benefits consumers.

The judges went on to warn that the government is ill-suited to make technological determinations and that the dangers of doing so far outweigh the potential benefits that "antitrust scholars have long recognized the undesirability of having courts oversee product design, and any dampening of technological innovation would be at cross-purpose with antitrust law."

The Judiciary Committee's hearing will apparently focus on issues other than the integration of browser software into Windows 98. The witnesses will instead give testimony, among other subjects, alleging that Microsoft competes unfairly in the server operating system market—a market in which Microsoft is one of many competitors and in which no one company is dominant. No monopoly here—what's the beef?

The network server market includes competitors such as IBM, Sun Microsystems, Novell, Microsoft and several others. Many of these companies have chosen strategic business models in which they sell their customers not only the software that runs network servers, but sometimes the servers themselves, the applications that run on the servers, and even the workstations that sit on employees' desks. In such models, every piece of hardware and software is designed to work together, and as long as customers use only that one company's products, everything works fine.

Sales volumes in the network server market are fairly low but profit margins are high. Once a customer decides to buy a one-company network, he tends to stick with that system because the cost of switching to something else is quite high. Thus, this business model is a good one that can make, and has made, some companies very successful.

Microsoft has chosen a different business model for the network server market. It's model is not unfair, illegal, or anti-competitive. It is merely a different way of doing business. Microsoft doesn't make hardware or enterprise applications that run on servers. It does not make the workstation computers that sit on employees' desks. Microsoft makes network operating system called Windows NT. For a customer to use Windows NT on its server, it does not need to buy anything else from Microsoft. NT is designed to work with *any* manufacturer's hardware and support *any* company's software. It is a high volume, low profit margin model.

It is certainly not difficult to understand why companies like Novell, Sun, and IBM might be concerned about competition in the server market. After all, they have been in this market for a long time and have done very well in it. Because the margins on their sales are high, lost sales are more damaging to them than they are to their competitors whose margins on each sale are much lower. But if Sun, IBM, and Novell continue to respond to the needs of their customers, they will continue to do well in the server market.

Just as the appeals panel ruled last month on the browser issue, the decision on whether the business model chosen by Sun, IBM, and Novell or that chosen by Microsoft is a decision best made by the free market and the free market alone. The Department of Justice and the Senate Judiciary Committee have no legitimate role to play in this determination.

Let me make it clear, Mr. President, that throughout this attack, Microsoft has gone out of its way to cooperate both with the Committee and with the Justice Department. Even while its reputation is being tarnished by these two organizations, Microsoft has provided them both with everything it has been asked to provide and more.

So, I admonish my friend and colleague Senator HATCH to reciprocate. Given the list of witnesses scheduled to testify, however, I am afraid that the deck is already stacked against Microsoft. That is precisely why I advised Bill Gates to decline an invitation from the Committee to appear at the hearing. Once is enough, Mr. President. The Committee can drag Mr. Gates and his company through the mud if it so choose, but Mr. Gates does not have to be there to validate a travesty.

DENVER-LONDON DIRECT FLIGHT HOLDUP

Mr. ALLARD. Mr. President, I am here today to tell my colleagues about an issue of great importance to the people of my state of Colorado. This summer, the state of Colorado has lost an estimated $23 million, at least, due to the problem I am here to address. We have been assured again and again by the Administration that the situation would soon be resolved. I no longer have faith in that assurance, and I believe that I am going to have to make my point stronger and louder in order to secure fair treatment for the State of Colorado. I am disappointed that the problem has lingered for this long, and that my attempts to cooperate with the Department of Transportation have been met with apathy and diluted efforts.

This is a problem that I have been working on for months, and I am continually and increasingly frustrated by the lack of concern shown by the Administration. I was first made aware in April of this year that an application for international service into Denver International Airport was near approval. A foreign airline filed an application with the Department of Transportation to provide direct service between Denver and London. This flight was to be the first overseas flight at Denver's young international airport. British Airways wants to provide this service, and to date is the only airline that has applied to do so. Of course the prospect of a direct flight to Europe is exciting for the people of Colorado; our booming economy, growing business sector, and tourism industry are primed for this direct international service.

The application process under the bilateral Air Transport Services agreement between the United States and the United Kingdom is designed to be a routine step. By law, final review by the United States of the British Airways flight is intended only to assure compliance with technical requirements for air safety and ownership.

At some point in the review process, the Department decided to hold the British Airways flight hostage to influence an unrelated situation. An American airline had approval to provide service between Charlotte, North Carolina and London, but being a new entrant into the market, choice slots were not available for their service. That airline, US Airways, and the Department of Transportation demanded that British Airways relinquish its established slots into London's Gatwick

Airport before the Denver-London service would be approved.

The Senior Senator from Colorado, Senator CAMPBELL, and I met with Secretary Slater. We offered our assistance and shared our concerns, and the Secretary assured us that the situation would be resolved soon. Subsequently, US Airways participated in an international slot conference, and legitimately negotiated more desirable slots at Gatwick. The original conditions for approval of Denver-London service were met. Still, the Department refused to approve the British Airways application.

My patience in this matter has not been respected. Frankly, the expanding complaints of US Airways have absolutely no connection to the pending Denver-London service, and Department is inappropriately using the people of Colorado. I do not approve of the Department leveraging the concerns of one state against another, or using our international flights as a bargaining chip in an unrelated matter.

This is the first time the Department has withheld final approval on a US/UK flight to influence the status of another flight. The precedent being set indicates bureaucratic abuse and blatant disregard for a fair resolution of Colorado's problem. The Department should focus on the international flights between London and Charlotte; there is no need to push Coloradans around while the Administration and US Airways are engaged in an unrelated fight.

It is reasonable to think that this service would easily win support from the Transportation Secretary. British Airways has a clear right to operate this service under the term of the UK/US Air Services Agreement. In addition, Secretary Slater is attempting to negotiate an open skies aviation agreement with Britain. In light of this fact alone, failure to approve the Denver-London route is ridiculous. After this episode with the Denver flight, does the Administration really believe that the British authorities will have faith in the ability of the United States to be forthright in international flight negotiations?

The issue of approving Denver-London service was postponed recently when the Secretary and several of his top staffers traveled to Africa. Patiently awaiting his return, I came across a story on the AP wire about the Secretary's activities in Africa. I was stunned to see the story that began, and I quote, "Transportation Secretary Rodney Slater Friday called on European authorities to respect aviation agreements negotiated by the United States with individual countries." It is ironic that the Secretary lectured Europe on fulfilling its obligations under air service pacts when he will not honor the current US/UK pact and approve Denver-London service. How the Secretary could make these comments while keeping a straight face is beyond me.

Speaking of that trip, I would like to know why the Secretary has been able to find so little time to deal with this pressing issue. When I last spoke to Mr. Slater on the phone, he told me that he was working to resolve the issue in the next few days. I expected his call at the end of that week and hoped to learn that they had approved service. It was the week before our July recess, and the call never came. After waiting for another week and investigating the delay, I learned that the Secretary was traveling to Africa for the second time this year, and that Colorado's problems would have to wait until July 15. While he simply set the issue aside, I could not. Unfortunately, neither myself nor my staff could reach the Secretary or his top aides on this issue because they were all traveling and unavailable. I am concerned that the Secretary and Assistant Secretaries have so much time for traveling and so little time for important issues here at home. I am outraged to know that my constituents' tax dollars, and mine as well, are buying flights to Africa while the state is losing money because of the Department's inaction. There is absolutely no reason that the Secretary could not have approved Denver-London service before he and his staff left for Africa. Now, after being assured that this would be his top priority upon returning from his trip, I am astounded that Mr. Slater is not prepared to be straightforward and make this decision.

Several Colorado officials have told Secretary Slater, in no uncertain terms, that this is an important issue to Colorado. I watched the original start date for British Airways service move from June First to August First, and saw it again postponed to September First. The Secretary knew very well that the service had to be approved by the end of last week for the airline to be prepared to begin on that date. Failure to approve the flight has resulted in moving the start date to October first. Colorado has already lost four months of direct Denver-London service, and the reasons that the Department has provided for this delay are inadequate. I am through standing by while the Department is delinquent on its approval of Denver-London direct air service. I am prepared to consider using any means available to me to hasten a decision by the Department.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT CONCERNING ABATEMENT OF INTEREST ON UNDER-PAYMENTS BY TAXPAYERS IN PRESIDENTIALLY DECLARED DISASTER AREAS—MESSAGE FROM THE PRESIDENT—PM 147

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on the Budget.

To the Congress of the United States:

Pursuant to section 3309(c) of the Internal Revenue Service Restructuring and Reform Act of 1998, I hereby designate the provisions of subsections (a) and (b) of section 3309 of such Act as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 22, 1998.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–6110. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, a report on military expenditures for countries receiving U.S. assistance; to the Committee on Appropriations.

EC–6111. A communication from the Administrator of the Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Subordination of Direct Loan Security to Secure a Guaranteed Line of Credit; Correction" (RIN0560-AE92) received on July 17, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6112. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the report of a rule regarding disclosures of energy consumption and water use for certain home appliances received on July 20, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6113. A communication from the Director of the Office of Rulemaking Coordinator, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Security and Control of Nuclear Explosives and Nuclear Weapons" (DOE O 452.4) received on July 8, 1998; to the Committee on Energy and Natural Resources.

EC–6114. A communication from the Secretary of Defense, transmitting, pursuant to law, the Department's semiannual report on audit, inspection and investigation activities; to the Committee on Governmental Affairs.

EC–6115. A communication from the Secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a major rule relative to interpretation of the Investment Advisers Act (Rls. No. IA–1732.1) received on July 20, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6116. A communication from the Secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a minor rule relative to interpretation of the Investment Advisers Act (Rls. No. IA–1732.2) received on July 20, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6117. A communication from the Acting Comptroller of the Currency, transmitting, pursuant to law, the Comptroller's annual report for 1997 and a report on opinions relating to the preemption of state law for the period January 1992 through December 1997; to the Committee on Banking, Housing, and Urban Affairs.

EC–6118. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Issuance of Advisory Opinions by the Office of Inspector General" (RIN0991–AA85) received on July 16, 1998; to the Committee on Labor and Human Resources.

EC–6119. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report on Youth Programs of the Family Youth Service Bureau for fiscal year 1996; to the Committee on Labor and Human Resources.

EC–6120. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a certification regarding International Monetary Fund proposals relative to the Russian Federation; to the Committee on Foreign Relations.

EC–6121. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the Department's report on Military Assistance, Military Exports and Military Imports under the Foreign Assistance Act; to the Committee on Foreign Relations.

EC–6122. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the Department's report on the Proliferation of Missiles and Essential Components of Nuclear, Biological and Chemical Weapons for fiscal year 1992 and 1993; to the Committee on Foreign Relations.

EC–6123. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule regarding the discharge of pollutants from organic pesticide manufacture (FRL6126–6) received on July 17, 1998; to the Committee on Environment and Public Works.

EC–6124. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule regarding land disposal restrictions for petroleum refining process wastes (FRL6122–7) received on July 17, 1998; to the Committee on Environment and Public Works.

EC–6125. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Identification of Additional Ozone Areas Attaining the 1-Hour Standard and to Which the 1-Hour Standard is No Longer Applicable" (FRL6126–8) received on July 17, 1998; to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 712. A bill to provide for a system to classify information in the interests of national security and a system to declassify such information (Rept. No. 105–258).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 643. A bill to designate the United States courthouse to be constructed at the corner of Superior and Huron Roads, in Cleveland, Ohio, as the "Carl B. Stokes United States Courthouse".

H.R. 3504. A bill to amend the John F. Kennedy Center Act to authorize appropriations for the John F. Kennedy Center for the Performing Arts and to further define the criteria for capital repair and operation and maintenance.

S. 1700. A bill to designate the headquarters building of the Department of Housing and Urban Development in Washington, District of Columbia, as the "Robert C. Weaver Federal Building."

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. WARNER, from the Committee on Rules and Administration:

Scott E. Thomas, of the District of Columbia, to be a Member of the Federal Election Commission for a term expiring April 30, 2003. (Reappointment)

Darryl R. Wold, of California, to be a Member of the Federal Election Commission for a term expiring April 30, 2001.

David M. Mason, of Virginia, to be a Member of the Federal Election Commission for a term expiring April 30, 2003.

Kark J. Sandstrom, of Washington, to be a Member of the Federal Election Commission for a term expiring April 30, 2001.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HARKIN (for himself and Ms. Mikulski):

S. 2340. A bill to amend title XVIII of the Social Security Act to provide for coverage of qualified acupuncturist services under part B of the medicare program, and to amend title 5, United States Code, to provide for coverage of such services under the Federal Employees Health Benefits Program; to the Committee on Finance.

By Mr. DEWINE (for himself, Mr. Coverdell, Mr. Graham, Mr. Faircloth, Mr. Brownback, Mr. Bond, Mr. Helms, Mr. Abraham, Mr. Hutchinson, Mr. Allard, Mr. Frist, Mr. Mack, Mr. Murkowski, Mr. Hatch, Mr. Craig, and Mr. Grassley):

S. 2341. A bill to support enhanced drug interdiction efforts in the major transit countries and support a comprehensive supply eradication and crop substitution program in source countries; to the Committee on Foreign Relations.

By Mr. BURNS:

S. 2342. A bill to amend title XVIII of the Social Security Act to exempt certain facilities from the 3-year transition period under the prospective payment system for skilled nursing facilities; to the Committee on Finance.

By Mr. BINGAMAN:

S. 2343. A bill to amend the Radiation Exposure Compensation Act to provide for partial restitution to individuals who worked in uranium mines, or transport which provided uranium for the use and benefit of the United States Government, and for other purposes; to the Committee on the Judiciary.

By Mr. COVERDELL (for himself, Mr. Faircloth, Mr. Lott, Mrs. Hutchison, Mr. Gramm, Mr. Shelby, Mr. Lugar, and Mr. Cochran):

S. 2344. A bill to amend the Agricultural Market Transition Act to provide for the advance payment, in full, of the fiscal year 1999 payments otherwise required under production flexibility contracts; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MURKOWSKI (for himself, Mr. Lott, Mr. Daschle, Mr. D'Amato, Mr. Helms, Mr. Grassley, Mr. Hatch, Mr. Biden, Mr. Cleland, Mr. Durbin, Mr. Torricelli, Mrs. Feinstein, and Mr. Inouye):

S. Res. 257. A resolution expressing the sense of the Senate that October 15, 1998, should be designated as "National Inhalant Abuse Awareness Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARKIN (for himself and Ms. Mikulski):

S. 2340. A bill to amend title XVIII of the Social Security Act to provide for coverage of qualified acupuncturist services under part B of the medicare program, and to amend title 5, United States Code, to provide for coverage of such services under the Federal Employees Health Benefits Program; to the Committee on Finance.

THE PATIENT ACCESS TO ACUPUNCTURE SERVICES ACT OF 1998

Mr. HARKIN. Mr. President, I am pleased today to introduce the Patient Access to Acupuncture Services Act of 1998, to provide limited coverage for acupuncture under Medicare and the

Federal Employees Health Benefits Program. This is an important bill that reflects an appropriate and needed response to both progress in science, and to the demand for complementary and alternative treatments of pain and illness.

I would like to acknowledge Senator MIKULSKI, who is cosponsoring this bill with me. Senator MIKULSKI has been a strong supporter of effective alternative therapies and has long realized and appreciated the importance and significance of such therapies to our health care system.

Mr. President, approximately 90 million Americans suffer from chronic illnesses, which, each year, cost society roughly $659 billion in health care expenditures, lost productivity and premature death. Despite the high costs of this care, studies published in the Journal of the American Medical Association reveal that the health care delivery system is not meeting the needs of the chronically ill in the United States.

Many of these Americans are looking desperately for effective, less costly alternative therapies to relieve the debilitating pain they suffer. In 1990 alone, Americans spent nearly $14 billion out-of-pocket on alternative therapies. Harvard University researchers have found that fully one-third of Americans regularly use complementary and alternative medicine, making an estimated 425 million visits to complementary and alternative practitioners of these therapies—surpassing those made to conventional primary care practitioners!

And with good reason. Last November, a consensus conference of the National Institutes of Health approved the use of acupuncture in standard U.S. medical care. It was the first time that the NIH had endorsed as effective a major alternative therapy, and it was just the type of medical breakthrough that I had hoped for and envisioned when I worked to establish the Office of Alternative Medicine at NIH.

The NIH experts cited data showing that acupuncture can effectively relieve certain conditions, such as nausea, vomiting and pain, and shows promise in treating chronic conditions such as lower back pain, substance addictions, osteoarthritis and asthma.

In 1993, the FDA reported that Americans spent $500 million for up to 12 million acupuncture visits. In 1996, after reviewing the science, the FDA removed acupuncture needles from the category of "experimental medical devices" and now regulates them just as it does other devices, such as surgical scalpels and hypodermic syringes. Acupuncture is effectively used by practitioners around the world. The World Health Organization has approved its use to treat a variety of medical conditions, including pulmonary problems and rehabilitation from neurological damage.

It has been reported that more than 1 million Americans currently receive acupuncture each year. Access to qualified acupuncture professionals for appropriate conditions should be ensured. Including this important therapy under Medicare and FEHBP coverage will promote a progressive health system that integrates treatment from both acupuncturists and physicians. It will expand patient care options. I also believe it will reduce health care costs because of the relatively low cost of acupuncture compared to conventional pain management therapies.

Research is still needed to demonstrate the effectiveness of other alternative therapies. This research is vitally important, but we must act now to help the millions Americans who can benefit from the knowledge we have already gained.

The 21st century is just around the corner. Less than 50 years ago, treatments that are now considered conventional—organ transplants, nitroglycerin for heart patients, immunology, and x-ray and laser technology—were decried as quackery by the medical establishment. Everyday we face new biological and emotional challenges for which modern Western medicine has no remedy. Now science is revealing the effectiveness of many complementary and alternative treatments, including acupuncture, and increasingly more Americans are choosing them to manage their health and treat their illness.

Let us listen to the science, and heed the urgent need for progress. Mr. President, the nation's leading scientists have demonstrated the safety and effectiveness of acupuncture as a treatment for a wide range of pain and illness. It makes common sense that Medicare and FEHBP cover this legitimate course of therapy.

Mr. President, I ask unanimous consent that a copy of this bill be entered into the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Patient Access to Acupuncture Services Act of 1998".

SEC. 2. COVERAGE OF ACUPUNCTURIST SERVICES UNDER MEDICARE.

(a) IN GENERAL.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)) (as amended by section 4557 of the Balanced Budget Act of 1997) is amended—

(1) in subparagraph (S), by striking "and" at the end;

(2) in subparagraph (T), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(U) qualified acupuncturist services (as defined in subsection (uu));".

(b) PAYMENT RULES.—

(1) DETERMINATION OF AMOUNT OF PAYMENT.—Section 1833(a)(1) of the Social Security Act (42 U.S.C. 1395l(a)(1)) (as amended by section 4556(b) of the Balanced Budget Act of 1997) is amended—

(A) by striking "and" before "(S)", and

(B) by striking the semicolon at the end and inserting the following: ", and (T) with respect to qualified acupuncturist services described in section 1861(s)(2)(U), the amounts paid shall be the amount determined by a fee schedule established by the Secretary for purposes of this subparagraph;".

(2) SEPARATE PAYMENT FOR SERVICES OF INSTITUTIONAL PROVIDERS.—Section 1832(a)(2)(B)(iii) of the Social Security Act (42 U.S.C. 1395k(a)(2)(B)(iii)) is amended—

(A) by striking "and services" and inserting "services"; and

(B) by striking the semicolon at the end and inserting the following: ", and qualified acupuncturist services described in section 1861(s)(2)(U);".

(c) SERVICES DESCRIBED.—Section 1861 of the Social Security Act (42 U.S.C. 1395x) (as amended by section 4611(b) of the Balanced Budget Act of 1997) is amended by adding at the end the following:

"Qualified Acupuncturist Services

"(uu)(1) The term 'qualified acupuncturist services' means such services (with such frequency limits as the Secretary determines appropriate) furnished by a qualified acupuncturist (as defined in paragraph (2)) and such services and supplies (with such limits) furnished as an incident to services furnished by the qualified acupuncturist that the qualified acupuncturist is legally authorized to perform under State law (or under a State regulatory mechanism provided by State law).

"(2) The term 'qualified acupuncturist' means an individual who has been certified, licensed, or registered as an acupuncturist by a State (or under a State regulatory mechanism provided by State law).".

(d) GUIDANCE BY SECRETARY OF HEALTH AND HUMAN SERVICES.—The Secretary of Health and Human Services shall provide States with guidance regarding what services a qualified acupuncturist (as defined in section 1861(uu)(2) of the Social Security Act (42 U.S.C. 1395x(uu)(2)) (as added by subsection (c)) should be legally authorized to perform under State law (or under a State regulatory mechanism provided by State law). In providing such guidance, the Secretary of Health and Human Services shall take into consideration the recommendations of the Director of the National Institutes of Health relating to the effectiveness of certain acupuncture services and modalities.

(e) EFFECTIVE DATE.—The amendments made by this section apply to services furnished on or after January 1, 1999.

SEC. 3. COVERAGE OF ACUPUNCTURIST SERVICES UNDER FEDERAL EMPLOYEES HEALTH BENEFIT PLANS.

(a) IN GENERAL.—Section 8902(k)(1) of title 5, United States Code, is amended by inserting "acupuncturist," after "nurse midwife," each place it appears.

(b) APPLICABILITY.—The amendment made by subsection (a) applies with respect to services provided on or after January 1, 1999.

• Ms. MIKULSKI. Mr. President, today I join my good friend and colleague, Senator HARKIN, in introducing a bill to allow for coverage of acupuncture services under Part B of Medicare and the Federal Employee Health Benefits Program (FEHBP). I am proud to be the lead cosponsor of this legislation.

I like this bill for three reasons: it gives patients access to affordable, quality health care; it offers patients choice of treatment; and it lets patients decide what treatment works for them.

Some years ago I had some very severe illnesses. Western medicine was of limited utility for me and I turned to acupuncture. Acupuncture helped me get well and has helped me stay well. Time after time, constituents have confirmed what I already know about acupuncture—it is an effective treatment for a number of conditions.

Last November, the Western medical establishment formally endorsed what American consumers have been saying for a long time. The National Institutes of Health convened a federal panel of experts in medicine, anthropology, biostatistics, epidemiology and other scientific disciplines to discuss the validity of acupuncture as an effective treatment option. The panel concluded that there is clear evidence that acupuncture is an effective treatment for certain kinds of pain and nausea and may be effective for other conditions. Equally important, acupuncture has fewer side effects and is less invasive than many "traditional" medical practices. The panel decided that, given its good safety profile and the fact that it is often less expensive than conventional medicine, it's time to take acupuncture seriously.

I think it's time that the federal government take it seriously, too. The time has come for Medicare and FEHBP to cover acupuncture for American patients who seek this treatment option. I urge the Senate to approve this legislation to allow American patients to choose this less invasive, less costly, and effective treatment option. I applaud Senator HARKIN for taking the lead on this important effort.•

By Mr. DEWINE (for himself, Mr. COVERDELL, Mr. GRAHAM, Mr. FAIRCLOTH, Mr. BROWNBACK, Mr. BOND, Mr. HELMS, Mr. ABRAHAM, Mr. HUTCHINSON, Mr. ALLARD, Mr. FRIST, Mr. MACK, Mr. MURKOWSKI, Mr. HATCH, Mr. CRAIG, and Mr. GRASSLEY):

S. 2341. A bill to support enhanced drug interdiction efforts in the major transit countries and support a comprehensive supply eradication and crop substitution program in source countries; to the Committee on Foreign Relations

WESTERN HEMISPHERE DRUG ELIMINATION ACT

• Mr. DEWINE. Mr. President, I rise today to introduce legislation proposing a new and comprehensive strategy to deal with one of the central challenges facing America's young people—the plague of illegal drugs.

Recently, President Clinton and House Speaker NEWT GINGRICH unveiled the latest investment in our war against illegal drug use: a $2 billion-dollar advertising campaign to send our children a hard-hitting message about the life-destroying dangers of drugs.

Anti-drug ad campaigns like this one are important. But we should remember that the creative minds on Madison Avenue are not our best or only weapon to get people off drugs. History has proven that a successful anti-drug strategy is balanced and comprehensive in three key areas: demand reduction (such as education and treatment); domestic law enforcement; and international supply reduction.

Today, though, we are on the wrong side of history. Our overall drug strategy is neither balanced nor comprehensive. That's because Washington has not done its part. It has not carried out its sole responsibility—to reduce the illegal drug imports, either by working with foreign governments, or by seizing drugs or disrupting drug trafficking routes outside our borders.

That is why, today, I rise to introduce this legislation. It is a bill that will fix our current drug strategy deficit. I, along with Senators COVERDELL, GRAHAM and 11 other Senators will introduce the "Western Hemisphere Drug Elimination Act"—a bill to support enhanced drug interdiction efforts in the major transit countries, and support a comprehensive supply eradication and crop substitution program in source countries.

Mr. President, this is a $2.6 billion authorization initiative over three years for enhanced international eradication, interdiction and crop substitution efforts. Let me mention a few highlights of what this bill would accomplish, very specifically.

It would improve our aircraft, maritime and radar coverage of both drug-source and drug-transit countries. It would do this by (1) authorizing funds for construction, operation and maintenance of additional U.S. Customs/Defense aircraft, Coast Guard cutters and patrol vessels, and Customs/Coast Guard "go-fast" boats for drug interdiction efforts; (2) authorizing funds to establish an airbase to support counter-narcotics operations in the Southern Caribbean, Northern South America, and the Eastern Pacific; and (3) authorizing funds to the Department of Defense to restore, operate, and maintain critical radar coverage in these regions.

It would enhance drug-eradication and interdiction efforts in source countries—by authorizing funds to the Departments of State and Defense to provide necessary resources, equipment, training and other assistance needed for the support of eradication and interdiction programs in Bolivia, Colombia, Peru and Mexico.

It would enhance the development of alternative crops in drug-source countries, by authorizing funds to the United States Agency for International Development to support alternative development programs designed to encourage farmers to substitute for narcotic producing crops in Bolivia, Colombia, and Peru.

It would support international law enforcement training—by (1) establishing three separate international law enforcement academies operated by the Department of Justice, to provide training assistance in Latin America, Asia, and Africa; (2) establishing a training center for maritime law enforcement instruction, including customs-related ports management; and (3) authorizing funds for the promotion of law enforcement training and support for Caribbean, Central American and South American countries.

It would enhance law enforcement interdiction operations by authorizing funding to the Drug Enforcement Administration, U.S. Coast Guard, and Department of Defense for the support of counter-narcotics operations and equipment in drug transit and source countries.

Mr. President, as you can see, this is a very targeted and specific investment. And it is necessary. The budget numbers tell an alarming—undeniable—story: In 1987, the federal government's drug control budget of $4.79 billion was divided as follows: 29% for demand reduction programs; 38% for domestic law enforcement; and 33% for international supply reduction. This funding breakdown was the norm during the Reagan and Bush Administrations' war on drugs, from 1985–92.

During that time, drug interdiction was serious business. President Bush even tasked the Defense Department to engage in the detection and monitoring of drugs in transit to the U.S. As a member of the House of Representatives at that time, I can recall very well the major commitment we made to reduce the amount of drugs going into the U.S.

After President Clinton took office in 1993, his administration immediately pursued policies that upset the careful balance in drug funding. For example, in 1995, the federal drug control budget of $13.3 billion was divided as follows: 35% was allocated for demand reduction programs; 53% for domestic law enforcement, and 12% for international supply reduction. Think of it—only 12% of our drug control budget was dedicated to stop drugs from coming to our country—down from 33% in 1987. Though the overall drug budget increased threefold from 1987 to 1995, the piece of the drug budget pie allocated for international and interdiction efforts had decreased.

Key components of our drug interdiction strategy were slashed. For example, Coast Guard funding for counternarcotics fell 32% from 1992 to 1995. Not surprisingly, Coast Guard drug seizures dropped from 90,335 lbs in 1991 to 28,585 lbs in 1996. In addition, interdiction no longer remains a priority within the Department of Defense, which currently ranks counter narcotics dead last in importance in its Global Military Force Policy.

What were the results of these two clearly different approaches? The Reagan-Bush approach achieved real success. From 1988 to 1991, total drug use was down 13 percent. Cocaine use dropped by 35 percent. Marijuana use was reduced by 16 percent.

In contrast, under the Clinton approach, since 1992 overall drug use among teens aged 12 to 17 rose by 70 percent. Drug-abuse related arrests more than doubled for minors between 1992 and 1996. Since 1992, there has been an overall 80 percent increase in illicit drug use among graduating high school seniors. Further, in 1995 number of heroin related emergency room admissions jumped 58% since 1992. And in the first half of 1995, methamphetamine related emergency room admissions were 321% higher compared to the first half of 1991.

The price of drugs also decreased during this time period. For instance, the price of a pure heroin gram in 1992 was $1,647—and in February 1996 it was only $966 per gram.

These negative effects have sent shockwaves throughout our communities and our homes.

The rise of drug use is not at all surprising. With the Clinton administration's decline in emphasis on drug interdiction, it has become easier to bring drugs into the U.S. This makes drugs more available and more affordable. The Office of National Drug Control Policy reported that small "pieces" or "rocks" of crack, which once sold for ten to twenty dollars, are now available for three to five dollars.

No question, continued investments to deal with the "demand side" of the drug situation are necessary. We have to find ways to persuade Americans, particularly young people, that doing drugs is wrong—that it destroys lives, families, schools and communities. As long as there is a demand for drugs, education and treatment remain essential long-term components of our anti-drug efforts.

Casual drug users also are influenced by price, which is why a balanced anti-drug strategy includes fighting drugs beyond our borders. The drug lords in South America are well aware that the U.S. is no longer pursuing a tough interdiction strategy. I have seen Coast Guard operations first hand, and while the Coast Guard and other agencies can detect and monitor drug trafficking operations, they usually stand by helpless because they lack necessary equipment to turn detection into seizures and arrests. Of the total drug air events in the Bahamas from April 1997 to April 1998, there was only an 8% success rate in stopping drug air flights that have been detected. That means over 92% got away. Without doubt, the drug lords can get a larger flow of drugs into the U.S.

With additional resources, we can make it more difficult to import illegal narcotics, and drive up the cost for the drug cartels to engage in this illicit and immoral practice. Interdiction drives up the price—and drives down the purity—of cocaine on the street. Also, seizing or destroying a ton of cocaine outside our borders is more cost effective than trying to seize the same quantity of drugs at the point of sale.

Mr. President, that is why I think that this bill is absolutely essential. The bill can get us back on the right track. I want to take this opportunity to acknowledge Representative BILL McCOLLUM's tireless efforts and dedication to this initiative. He has shown tremendous leadership on anti-drug efforts.

Mr. President, it is time to reverse the current administration's policy and get right with history. It is time we returned to a comprehensive, balanced drug control strategy that will put us back on a course toward ridding our schools and communities of illegal and destructive drugs. The evidence clearly shows that with a balanced strategy, we were making great progress. We significantly reduced drug use. For the sake of our children, it is time for us to embrace the lessons of history, and stop trying to escape them.•

• Mr. GRAHAM. Mr. President, I am proud to join Senator DEWINE and my other colleagues in introducing the Western Hemisphere Drug Elimination Act of 1998. This bill will provide an additional $2.6 billion over a 3-year period to implement a more comprehensive eradication, interdiction, and crop substitution strategy for our nation's counter-drug efforts.

The bill will help the United States meet its goal of reducing the flow of cocaine and heroin into the U.S. by 80 percent in three years by combining a reduction in availability with demand reduction efforts. This is accomplished by providing more funding to those doing the heavy lifting in this fight—the Coast Guard, the Customs Service, the Drug Enforcement Administration, and the Department of Defense.

The U.S. needs to focus its resources in a comprehensive way to protect the entire southern frontier of the United States from San Diego to San Juan. Previously, resources were shifted from one part of the country to another, alternating between those states along the Southwest border and the Caribbean. This created "gates" where drug smugglers could move their product without fear of U.S. interdiction. This bill will provide the necessary resources to eliminate the chinks from the anti-drug fence, so that we do not have to choose between stopping drug smuggling in one area of the country or another.

On June 22 of this year, I chaired a field hearing in Miami on behalf of the Senate Caucus on International Narcotics Control. The purpose was to examine the flow of drugs into the United States through the Caribbean into Florida. I wanted to gain a clearer picture of the current patterns of narcotics trafficking from the Southwest border back to the Caribbean and South Florida, obtain a better understanding for what the United States needs to do to increase our anti-drug effectiveness, and improve our efforts to stem this flow which threatens our youth. We held the hearing on the deck of a U.S. Coast Guard Medium Endurance Cutter named the *Valiant*, which had just returned from a seven week counter-narcotics patrol in the Caribbean.

We selected the Coast Guard venue to underscore a number of very important realities in the United States' current strategy to fight the drug war. One of our principal interdiction forces—the United States Coast Guard—is conducting its mission on vessels such as the *Valiant*, a ship that is more than 30 years old, with an equally antiquated surface search radar. The Coast Guard needs new ships and newer radars. As I approached the *Valiant*, I noticed that there were a number of weapons systems on board, including two .50 caliber machine guns and a 25mm chain gun. These weapons reminded me that this effort is indeed a war. Despite the words of some officials who prefer not to characterize the effort as such, it is indeed. We are fighting a well-organized, well-financed, and doggedly determined enemy whose objective is to inundate our nation with a chemical weapon that demeans, degrades, and defeats the most precious asset we have—our people. What more do we need to know to energize ourselves to fight back?

The individuals who testified at the field hearing painted a very disturbing picture. Consider the following facts:

The United States Southern Command cannot maintain adequate radar and airborne early warning coverage of the region or sustain the right number of tracker aircraft to perform its mission to provide counter-drug support to states in South America and the Caribbean.

The Joint Interagency Task Force East, located in Key West, Florida, does not know the extent of drug smuggling in the Eastern Pacific because the Department of Defense has not provided the necessary assets to conduct its Detection & Monitoring mission.

The Coast Guard had to end a very successful counter-narcotics operation in the Caribbean, OPERATION FRONTIER LANCE, because of a lack of funding.

The United States Customs Service is limited in its ability to capture drug runners in go-fast boats because of a lack of funds to procure newer and faster boats, as well as a lack of personnel to adequately maintain those go-fast boats currently in service due to lack of funding.

The Drug Enforcement Administration lacks sufficient special agents in the Caribbean, as well as accompanying administrative and intelligence personnel, because the DEA does not have sufficient funds to hire and retain these individuals.

The South Florida High Intensity Drug Trafficking Area—responsible for coordinating and integrating federal, state, and local law enforcement agencies' counter-drug efforts—is constrained in its ability to conduct investigations by paying overtime salaries because of the lack of funding.

If there is a trend underlying all these problems, it is the lack of funds being made available to those agencies responsible for performing the supply reduction component of the drug war. By adding resources to the supply side of the drug war—more planes, helicopters, radars, personnel, and boats—we will eliminate the need to constantly shift resources from one area of the country to another. Drug smugglers will no longer be able to exploit our weaknesses, such as the lack of Coast Guard, Customs, and DEA resources in the Caribbean. South Florida will no longer be a gate through which drug smugglers have entry into the United States.

Those responsible for coordinating the national drug control strategy say that reducing our own demand for drugs is tremendously important. I could not agree more. That is why I was an original co-sponsor of the Drug Free Communities Act, and why I took steps to create and fund the Central Florida High Intensity Drug Trafficking Area. But addressing our demand for drugs is only one part of the solution, and that reduction will take time. We must take strong steps to interrupt the supply side of the equation as well. And quite frankly, we are not doing as much on the supply side as we should, or as much as we can.

I am committed to seeing that more is done, and this legislation goes a long way towards achieving our goals. By restoring the support we provide to eradication and interdiction, I believe we can make a difference in this war, and the time to make that difference is now.•

By Mr. BURNS:

S. 2342. A bill to amend title XVIII of the Social Security Act to exempt certain facilities from the 3-year transition period under the prospective payment system for skilled nursing facilities; to the Committee on Finance.

THE SKILLED NURSING FACILITY PAYMENT FAIRNESS ACT OF 1998

• Mr. BURNS. Mr. President, today I am pleased to introduce legislation to put more equality into the Medicare payment system for skilled nursing facilities (SNFs). The Skilled Nursing Facility Payment Fairness Act of 1998 will allow certain SNFs—those which will suffer a real cut in Medicare payments—to use a more equitable payment formula that more closely reflects their actual costs.

The Balanced Budget Act of 1997 required HCFA to develop a prospective payment system (PPS) for Medicare-covered services provided by skilled nursing facilities. Under the PPS, SNFs will be paid a single federal per diem rate for all routine, ancillary, and capital-related Part A costs. For SNFs that participated in Medicare before October 1, 1995, there is a three-year transition period to the PPS. During this transition period, facilities will be paid a blended rate based on a facility-specific rate and a federal rate. In the first year of the transition, the blended rate will be 75% of the facility-specific rate and 25% of the federal rate; in the second year the split will be 50%–50%; and in the third year 25%–75%.

For facilities that have had a substantial change in the level of services they provide since 1995, the transitional blended payment rate will have a severe impact. And of those facilities adversely affected, a significant number are low-utilization SNFs is rural areas. For example, facilities in Montana provide fewer services as measured by Medicare patient days than the national average. They are hit in two ways: first, their utilization levels (length of stay, level of acuity), though still low, are higher today than they were in 1995, so the facility-specific rate which is based on 1995 cost reports does not reflect today's costs; second, the low-utilization facilities are less able to absorb Medicare payment reductions and are more likely to drop out of Medicare altogether. As a result, rural communities with few providers may have no post-hospital services. Patients will then have to leave their communities to seek services elsewhere or go without these services.

The bill I'm introducing today will allow facilities to skip the transition period and go directly to the more equitable federal rate if (1) the Secretary of Health and Human Services determines that the facility's level of services has changed substantially since 1995, or (2) the facility had fewer than 1500 Medicare patient days in its last cost reporting period. By receiving payments based on the federal rate, which is adjusted for case-mix, geographic variations in wages, and inflation, facilities will be compensated in an amount closer to their actual costs. On the other hand, the facility-specific portion of the current blended rate bases costs in part on 1995 expenses, which does not reflect current costs.

Rural areas will suffer under the current prospective payment system. In Montana alone, cuts in Medicare payments to skilled nursing facilities are estimated at $5.6 million in the first year of the prospective payment system, which began on July 1, 1998. It will result in decreased access to care for Medicare patients as fewer services are offered and fewer facilities participate in Medicare. This bill provides a straightforward, workable solution and is supported by the Montana Health Care Association and the American Health Care Association. It will correct the unintended negative consequences of the transition to a prospective payment system and restore fairness to the process.•

By Mr. BINGAMAN:

S. 2343. A bill to amend the Radiation Exposure Compensation Act to provide for partial restitution to individuals who worked in uranium mines, or transport which provided uranium for the use and benefit of the United States Government, and for other purposes; to the Committee on the Judiciary.

RADIATION EXPOSURE COMPENSATION IMPROVEMENT ACT

Mr. BINGAMAN. Mr. President, I rise to make a few remarks regarding a bill I am introducing today, the Radiation Exposure Compensation Improvement Act.

Mr. President, the Radiation Exposure Compensation Act or RECA was originally enacted as a means of compensating thousands of individuals who suffered from exposure to radiation as a result of the federal government's nuclear testing program and federal uranium mining activities. While the government can never fully compensate for the loss of a life or the reduction in the quality of life, RECA serves as a cornerstone for the national apology Congress extended in 1990 to the victims of the radiation tragedies. In keeping with the spirit of that apology, the legislation I introduce today will further correct existing injustices and provide compensation for those whose lives and health were sacrificed as part of our nation's effort to win the Cold War.

In 1990, I was pleased to have been a sponsor of the RECA legislation here in the Senate. I was very optimistic that after years of waiting, some degree of redress would be given to the thousands of miners in my state of New Mexico. I chaired the Senate oversight hearing on this issue in Shiprock, N.M. for the Senate Labor and Human Resources Committee in 1993 and began to hear of changes that were necessary. To that end, I worked to facilitate changes in the regulatory and administrative areas.

Unfortunately, I have heard from many of my constituents that the program still does not work as intended. I have received compelling letters of need from constituents telling me how RECA needs to be amended. The letters come from widows unable to access the current compensation. Miners and millers tied to oxygen tanks, in respiratory distress or dying from cancer write to tell me how they have been denied compensation under the current act. Family members write of the pain of fathers who worked in the mills. They recount how their fathers came home covered in the "yellow cake" of uranium oxide that was floating in the air of the mills. The story of their father's cancers and painful breathing are vivid in these letters and yet the current act does not address their needs.

Mr. President, the bill I introduce today will address the issues they raise in their sometimes angry and often tear stained letters. Their points are backed by others as well. In fact, the bill incorporates findings by the prestigious Committee on the Biological Effects of Ionizing Radiation (BEIR) which has, since 1990, enlarged scientific evidence about radiogenic cancers and the health effects of radiation exposures. In other words, because of their good work, we know more now than we did in 1990 and we need to make sure the compensation we provide keeps pace with our medical knowledge.

Other amendments will, in essence, adopt and incorporate into RECA the recommendations made in October 1995 by the President's Advisory Committee on Human Radiation Experiments. This blue-ribbon committee determined that U.S. uranium miners were used as subjects of an experiment which had tragic results. It used this language to condemn the ethical outcome of this study:

> The grave injustice that the government did to the uranium miners, by failing to take action to control the hazard and by failing to warn the miners of the hazard, should not be compounded by unreasonable barriers to receiving the compensation the miners deserve for the wrongs and harms inflicted upon them as they served their country.

Mr. President, I would like to cite several of the key provisions in the Radiation Exposure Compensation Improvement Act. Currently RECA covers those exposed to radiation released in underground uranium mines that were providing uranium for the primary use and benefit of the nuclear weapons program of the U.S. government. The bill would make all uranium workers eligible for compensation including above ground miners, millers, and transport workers.

RECA currently covers individual termed "downwinders" who were in the areas of Nevada, Utah, and Arizona affected by atmospheric nuclear testing in the 1950's. This bill expands the geographical area eligible for compensation to include the Navajo Reservation. In addition, the bill expands the compensable diseases for the downwind population by adding salivary gland, urinary bladder, brain, colon, and ovarian cancers.

Currently, the law has disproportionately high levels of radiation exposure requirements for miners to qualify for compensation as compared to the "downwinders." My legislation would set a standard of proof for uranium workers that is more realistic given the availability of mining and mill data. The bill also removes the provision that only permits a claim for respiratory disease if the uranium mining occurred on a reservation. Thus, the bill will allow for further filing of a claim by those miners, millers, and transport workers who did not have a work history on a reservation. In addition, the bill would change the current law so that requirements for written medical documentation is updated to allow for use of high resolution CAT scans and allow for written diagnoses by physician in either the Department of Veterans Affairs or the Indian Health Service to be considered conclusive.

In 1990, we joined together in a bipartisan, bicameral effort and assured passage of the Radiation Exposure Compensation Act (RECA). Now, either years later, I put forward this comprehensive amendment to RECA to correct some omissions, make RECA consistent with current medical knowledge, and to address what have become administrative horror stories for the claimants. I look forward to the debate in the Senate on this issue and hope that we can move to amend the current statue to ensure our original intent . . . fair and rapid compensation to those who served so well.

Mr. President, I ask unanimous consent to have the text of the Radiation Improvement Compensation Act printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the "Radiation Exposure Compensation Improvement Act".

(b) FINDINGS.—Congress finds the following:

(1) The intent of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note), enacted in 1990, was to apologize to victims of the weapons program of the Federal Government, but uranium workers who have applied for compensation under the Act have faced a disturbing number of challenges.

(2) The congressional oversight hearing conducted by the Committee on Labor and Human Resources of the Senate has shown that since passage of the Radiation Exposure Compensation Act, former uranium workers and their families have not received prompt and efficient compensation.

(3) There is no plausible justification for the Federal Government's failure to warn and protect the lives and health of uranium workers.

(4) Progress on implementing the Radiation Exposure Compensation Act has been impeded by criteria for compensation that is far more stringent than for other groups for which compensation is provided.

(5) The President's Advisory Committee on Human Radiation Experiments recommended that amendments to the Radiation Exposure Compensation should be made.

(6) Uranium millers, aboveground miners, and individuals who transported uranium ore should be provided compensation that is similar to that provided for underground uranium miners in cases in which those individuals suffered disease or resultant death as a result of the failure of the Federal Government to warn of health hazards.

SEC. 2. TRUST FUND.

Section 3(d) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended by striking "of this Act" and inserting "of the Radiation Exposure Compensation Improvement Act".

SEC. 3. AFFECTED AREA; CLAIMS RELATING TO SPECIFIED DISEASES.

(a) AFFECTED AREA.—Section 4(b)(1) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended—

(1) by striking "and" at the end of subparagraph (B); and

(2) by adding at the end the following:

"(D) those parts of Arizona, Utah, and New Mexico comprising the Navajo Nation Reservation that were subjected to fallout from nuclear weapons testing conducted in Nevada; and".

(b) CLAIMS RELATING TO SPECIFIED DISEASES.—Section 4(b)(2) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended—

(1) by striking "the onset of the disease was between 2 and 30 years of first exposure," and inserting "the onset of the disease was at least 2 years after first exposure, lung cancer (other than in situ lung cancer that is discovered during or after a post-mortem exam),";

(2) by striking "(provided initial exposure occurred by the age of 20)" after "thyroid";

(3) by inserting "male or" before "female breast";

(4) by striking "(provided initial exposure occurred prior to age 40)" after "female breast";

(5) by striking "(provided low alcohol consumption and not a heavy smoker)" after "esophagus";

(6) by striking "(provided initial exposure occurred before age 30)" after "stomach";

(7) by striking "(provided not a heavy smoker)" after "pharynx";

(8) by striking "(provided not a heavy smoker and low coffee consumption)" after "pancreas";

(9) by inserting "salivary gland, urinary bladder, brain, colon, ovary," after "gall bladder,"; and

(10) by inserting before the period at the end the following: ", and chronic lymphocytic leukemia".

SEC. 4. URANIUM MINING AND MILLING AND TRANSPORT.

(a) AMENDMENT TO HEADING.—Section 5 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended by striking the section heading and inserting the following:

"SEC. 5. CLAIMS RELATING TO URANIUM MINING OR MILLING OR TRANSPORT.".

(b) MILLING.—Section 5(a) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended—

(1) by striking "Any" and inserting "Any individual who was employed to transport or handle uranium ore or any"; and

(2) by inserting "or in any other State in which uranium was mined, milled, or transported" after "Utah".

(c) Mines.—Section 5(a) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note), as amended by subsection (a) of this section, is amended by striking "a uranium mine" and inserting "a uranium mine (including a mine located aboveground or an open pit mine in which uranium miners worked, or a uranium mill)".

(d) Dates.—Section 5(a) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note), as amended by subsections (b) and (c) of this section, is amended by striking "January 1, 1947, and ending on December 31, 1971" and inserting "January 1, 1942, and ending on December 31, 1990".

(e) Amendment of Period of Exposure; Expansion of Coverage; Increase in Compensation Awards; and Removal of Smoking Distinction.—Section 5(a) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note), as amended by subsections (b) through (d) of this section, is amended—

(1) by striking paragraph (1) and all that follows through the end of the subsection and inserting the following:

"(2) Compensation.—Any individual shall receive $200,000 for a claim made under this Act if—

"(A) that individual—

"(i) was exposed to 40 or more working level months of radiation and submits written medical documentation that the individual, after exposure developed—

"(I) lung cancer,

"(II) a nonmalignant respiratory disease, or

"(III) any other medical condition associated with uranium mining or milling, or

"(ii) worked in uranium mining, milling, or transport for a period of at least 1 year and submits written medical documentation that the individual, after exposure, developed—

"(I) lung cancer,

"(II) a nonmalignant respiratory disease, or

"(III) any other medical condition associated with uranium mining, milling, or transport,

"(B) the claim for that payment is filed with the Attorney General by or on behalf of that individual, and

"(C) the Attorney General determines, in accordance with section 6, that the claim meets the requirements of this Act.".

(2) by striking "(a) Eligibility of Individuals.—Any" and inserting the following: "(a) Eligibility.—

"(1) In general.—Any"; and

(3) in paragraph (1), as so designated, by striking the dash at the end and inserting a period.

(f) Claims Related to Human Radiation Experimentation and Death Resulting From Cause Other Than Radiation.—Section 5 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended—

(1) by redesignating subsection (b) as subsection (d); and

(2) by inserting after subsection (a) the following:

"(b) Claims Relating to Human Use Research and Death Resulting From Nonradiological Causes.—

"(1) In general.—

"(A) Payment.—Any individual described in subparagraph (B) shall receive $50,000 if—

"(i) a claim for that payment is filed with the Attorney General by or on behalf of that individual; and

"(ii) the Attorney General determines, in accordance with section 6, that the claim meets the requirements of this Act.

"(B) Description of individuals.—An individual described in this subparagraph is an individual who—

"(i) was employed in a uranium mining, milling, or transport within any State referred to in subsection (a) at any time during the period referred to in that subsection, and

"(ii)(I) in the course of that employment, without the individual's knowledge or informed consent, was intentionally exposed to radiation for purposes of testing, research, study, or experimentation by the Federal Government (including any agency of the Federal Government) to determine the effects of that exposure on the human body; or

"(II) in the course of or arising out of the individual's employment, suffered death, that, because the individual or the estate of the individual was barred from pursuing recovery under a worker's compensation system or civil action available to similarly situated employees of mines or mills that are not uranium mines or mills, is not otherwise—

"(aa) compensable under subsection (a); or

"(bb) redressable.

"(2) Payments.—Payments under this subsection may be made only in accordance with section 6.".

(g) Other Injury or Disability.—Section 5 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note), as amended by subsection (f) of this section, is amended by adding after subsection (b) the following:

"(c) Other Injury or Disability.—

"(1) In general.—

"(A) Payment.—Any individual described in subparagraph (B) shall receive $20,000 if—

"(i) a claim for that payment is filed with the Attorney General by or on behalf of that individual; and

"(ii) the Attorney General determines, in accordance with section 6, that the claim meets the requirements of this Act.

"(B) Description of individuals.—An individual described in this subparagraph is an individual who—

"(i) was employed in a uranium mine or mill or transported uranium ore within any State referred to in subsection (a) at any time during the period referred to in that subsection; and

"(ii) submits written medical documentation that individual suffered injury or disability, arising out of or in the course of the individual's employment that, because the individual or the estate of the individual was barred from pursuing recovery under a worker's compensation system or civil action available to similarly situated employees of mines or mills that are not uranium mines or mills, is not otherwise—

"(I) compensable under subsection (a); or

"(II) redressable.

"(2) Payments.—Payments under this subsection may be made only in accordance with section 6.".

(h) Definitions.—Subsection (d) of section 5 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note), as redesignated by subsection (f) of this section, is amended—

(1) in paragraph (1)—

(A) by striking "radiation exposure" and inserting "exposure to radon and radon progeny"; and

(B) by inserting "based on a 6-day workweek," after "every work day for a month,";

(2) by striking paragraph (2) and inserting the following:

"(2) the term 'affected Indian tribe' means any Indian tribe, band, nation, pueblo, or other organized group or community, that is recognized as eligible for special programs and services provided by the United States to Indian tribes because of their status as Native Americans, whose people engaged in uranium mining or milling or were employed where uranium mining or milling was conducted;";

(3) by striking paragraphs (3) and (4); and

(4) by adding at the end the following:

"(3) the term 'course of employment' means—

"(A) any period of employment in a uranium mine or uranium mill before or after December 31, 1971, or

"(B) the cumulative period of employment in both a uranium mine and uranium mill in any case in which an individual was employed in both a uranium mine and a uranium mill;

"(4) the term 'lung cancer' means any physiological condition of the lung, trachea, and bronchus that is recognized under that name or nomenclature by the National Cancer Institute, including any in situ cancer;

"(5) the term 'nonmalignant respiratory disease' means fibrosis of the lung, pulmonary fibrosis, corpulmonale related to pulmonary fibrosis, or moderate or severe silicosis or pneumoconiosis;

"(6) the term 'other medical condition associated with uranium mining, milling, or uranium transport' means any medical condition associated with exposure to radiation, heavy metals, chemicals, or other toxic substances to which miners and millers are exposed in the mining and milling of uranium;

"(7) the term 'uranium mill' includes milling operations involving the processing of uranium ore or vanadium-uranium ore, including carbonate and acid leach plants;

"(8) the term 'uranium transport' means human physical contact involved in moving uranium ore from 1 site to another, including mechanical conveyance, physical shoveling, or driving a vehicle;

"(9) the term 'uranium mine' means any underground excavation, including dog holes, open pit, strip, rim, surface, or other aboveground mines, where uranium ore or vanadium-uranium ore was mined or otherwise extracted;

"(10) the term 'working level' means the concentration of the short half-life daughters (known as 'progeny') of radon that will release (1.3 x 10^5) million electron volts of alpha energy per liter of air; and

"(11) the term 'written medical documentation' for purposes of proving a nonmalignant respiratory disease means, in any case in which the claimant is living—

"(A) a chest x-ray administered in accordance with standard techniques and the interpretive reports thereof by 2 certified 'B' readers classifying the existence of the nonmalignant respiratory disease of category 1/0 or higher according to a 1989 report of the International Labour Office (known as the 'ILO'), or subsequent revisions;

"(B) a high resolution computed tomography scan (commonly known as an 'HCRT scan') and any interpretive report for that scan;

"(C) a pathology report of a tissue biopsy;

"(D) a pulmonary function test indicating restrictive lung function (as defined by the American Thoracic Society); or

"(E) an arterial blood gas study.".

SEC. 5. DETERMINATION AND PAYMENT OF CLAIMS.

(a) Determination and Payment of Claims, Generally.—Section 6 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by adding at the end the following: "All reasonable doubt with regard to whether a claim meets the requirements of this Act shall be resolved in favor of the claimant.";

(B) by redesignating paragraph (2) as paragraph (5); and

(C) by inserting after paragraph (1) the following:

"(2) EVIDENCE.—In support of a claim for compensation under section 5, the Attorney General shall permit the introduction of, and a claimant may use and rely upon, affidavits and other documentary evidence, including medical evidence, to the same extent as permitted by the Federal Rules of Evidence.

"(3) INTERPRETATION OF CHEST X-RAYS.—For purposes of this Act, a chest x-ray and the accompanying interpretive report required in support of a claim under section 5(a), shall—

"(A) be considered to be conclusive, and

"(B) be subject to a fair and random audit procedure established by the Attorney General.

"(4) CERTAIN WRITTEN DIAGNOSES.—

"(A) IN GENERAL.—For purposes of this Act, in any case in which a written diagnosis is made by a physician described in subparagraph (B) of a nonmalignant pulmonary disease or lung cancer of a claimant that is accompanied by written medical documentation that meets the definition of that term under subsection (b)(11), that written diagnosis shall be considered to be conclusive evidence of that disease.

"(B) DESCRIPTION OF PHYSICIANS.—A physician described in this subparagraph is a physician who—

"(i) is employed by—

"(I) the Indian Health Service of the Department of Health and Human Services, or

"(II) the Department of Veterans Affairs, and

"(ii) is responsible for examining or treating the claimant involved.";

(2) in subsection (c)(2)—

(A) in subparagraph (A)(ii), by striking "in a uranium mine" and inserting "in uranium mining, milling, or transport"; and

(B) in subparagraph (B)(ii), by striking "by the Federal Government" and inserting "through the Department of Veterans Affairs";

(3) in subsection (d)—

(A) by striking "(d) ACTION ON CLAIMS.—The Attorney General" and inserting the following:

"(d) ACTION ON CLAIMS.—

"(1) IN GENERAL.—The Attorney General"; and

(B) by adding at the end the following:

"(2) DETERMINATION OF PERIOD.—For purposes of determining the tolling of the 12-month period under paragraph (1), a claim under this Act shall be considered to have been filed as of the date of the receipt of that claim by the Attorney General.

"(3) ADMINISTRATIVE REVIEW.—If the Attorney General denies a claim referred to in paragraph (1), the claimant shall be permitted a reasonable period of time in which to seek administrative review of the denial by the Attorney General.

"(4) FINAL DETERMINATION.—The Attorney General shall make a final determination with respect to any administrative review conducted under paragraph (3) not later than 90 days after the receipt of the claimant's request for that review.

"(5) EFFECT OF FAILURE TO RENDER A DETERMINATION.—If the Attorney General fails to render a determination during the 12-month period under paragraph (1), the claim shall be deemed awarded as a matter of law and paid.";

(4) in subsection (e), by striking "in a uranium mine" and inserting "uranium mining, milling, or transport";

(5) in subsection (k), by adding at the end the following: "With respect to any amendment made to this Act after the date of enactment of this Act, the Attorney General shall issue revised regulations, guidelines, and procedures to carry out that amendment not later than 180 days after the date of enactment of that amendment."; and

(6) in subsection (l)—

(A) by striking "(l) JUDICIAL REVIEW.—An individual" and inserting the following:

"(l) JUDICIAL REVIEW.—

"(1) IN GENERAL.—An individual"; and

(B) by adding at the end the following:

"(2) ATTORNEY'S FEES.—If the court that conducts a review under paragraph (1) sets aside a denial of a claim under this Act as unlawful, the court shall award claimant reasonable attorney's fees and costs incurred with respect to the court's review.

"(3) INTEREST.—If, after a claimant is denied a claim under this Act, the claimant subsequently prevails upon remand of that claim, the claimant shall be awarded interest on the claim at a rate equal to 8 percent, calculated from the date of the initial denial of the claim.

"(4) TREATMENT OF ATTORNEY'S FEES, COSTS, AND INTEREST.—Any attorney's fees, costs, and interest awarded under this section shall—

"(A) be considered to be costs incurred by the Attorney General, and

"(B) not be paid from the Fund, or set off against, or otherwise deducted from, any payment to a claimant under this section.".

(b) FURTHERANCE OF SPECIAL TRUST RESPONSIBILITY TO AFFECTED INDIAN TRIBES; SELF-DETERMINATION PROGRAM ELECTION.—In furtherance of, and consistent with, the trust responsibility of the United States to Native American uranium workers recognized by Congress in enacting the Radiation Exposure Compensation Act (42 U.S.C. 2210 note), section 6 of that Act, as amended by subsection (a) of this section, is amended—

(1) in subsection (a), by adding at the end the following: "In establishing any such procedure, the Attorney General shall take into consideration and incorporate, to the fullest extent feasible, Native American law, tradition, and custom with respect to the submission and processing of claims by Native Americans.";

(2) in subsection (b), by inserting after paragraph (3) the following:

"(4) PULMONARY FUNCTION STANDARDS.—In determining the pulmonary impairment of a claimant, the Attorney General shall evaluate the degree of impairment based on ethnic-specific pulmonary function standards.";

(3) in subsection (b)(5)—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by inserting after subparagraph (C) the following:

"(D) in consultation with any affected Indian tribe, establish guidelines for the determination of claims filed by Native American uranium miners, millers, and transport workers pursuant to section 5.";

(4) in subsection (b), by adding after paragraph (5) the following:

"(6) SELF-DETERMINATION PROGRAM ELECTION.—

"(A) IN GENERAL.—The Attorney General on the request of any affected Indian tribe by tribal resolution, may enter into 1 or more self-determination contracts with a tribal organization of that Indian tribe pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) to plan, conduct, and administer the disposition and award of claims under this Act to the extent that members of the affected Indian tribe are concerned.

"(B) APPROVAL.—(i) On the request of an affected Indian tribe to enter into a self-determination contract referred to in subparagraph (A), the Attorney General shall approve or reject the request in a manner consistent with section 102 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f).

"(ii) The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) shall apply to the approval and subsequent implementation of a self-determination contract entered into under clause (i) or any rejection of such a contract, if that contract is rejected.

"(C) USE OF FUNDS.—Notwithstanding any other provision of law, funds authorized for use by the Attorney General to carry out the functions of the Attorney General under subsection (i) may be used for the planning, training, implementation, and administration of any self-determination contract that the Attorney General enters into with an affected Indian tribe under this section."; and

(5) in subsection (c)(4), by adding at the end the following:

"(D) APPLICATION OF NATIVE AMERICAN LAW.—In determining the eligibility of individuals to receive compensation under this Act by reason of marriage, relationship, or survivorship, the Attorney General shall take into consideration and give effect to established law, tradition, and custom of affected Indian tribes.".

SEC. 6. CHOICE OF REMEDIES.

Section 7(b) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended to read as follows:

"(b) CHOICE OF REMEDIES.—

"(1) IN GENERAL.—Except as provided in paragraph (1), the payment of an award under any provision of this Act does not preclude the payment of an award under any other provision of this Act.

"(2) LIMITATION.—No individual may receive more than 1 award payment for any compensable cancer or other compensable disease.".

SEC. 7. LIMITATION ON CLAIMS; RETROACTIVE APPLICATION OF AMENDMENTS.

Section 8 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended to read as follows:

"SEC. 8. LIMITATION ON CLAIMS.

"(a) BAR.—After the date that is 20 years after the date of enactment of the Radiation Exposure Compensation Improvement Act no claim may be filed under this Act.

"(b) APPLICABILITY OF AMENDMENTS.—The amendments made to this Act by the Radiation Exposure Compensation Improvement Act shall apply to any claim under this Act that is pending or commenced on or after October 5, 1990, without regard to whether payment for that claim could have been awarded before the date of enactment of the Radiation Exposure Compensation Improvement Act as the result of previous filing and prior payment under this Act.".

SEC. 9. REPORT.

Section 12 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) is amended—

(1) by striking the section heading and inserting the following:

"**SEC. 12. REPORTS.**";

and

(2) by adding at the end the following:

"(c) URANIUM MILL AND MINE REPORT.—Not later than January 1, 2000, the Secretary of Health and Human Services in consultation with the Secretary of Energy shall prepare and submit to Congress a report that—

"(1) summarizes medical knowledge concerning adverse health effects sustained by residents of communities who reside adjacent to—

"(A) uranium mills or mill tailings,

"(B) aboveground uranium mines, or

"(C) open pit uranium mines; and

"(2) summarizes available information concerning the availability and accessibility of medical care that incorporates the best available standards of practice for individuals with malignancies and other compensable diseases relating to exposure to uranium as a result of uranium mining and milling activities;

"(3) summarizes the reclamation efforts with respect to uranium mines, mills, and mill tailings in Colorado, New Mexico, Arizona, Wyoming, and Utah; and

"(4) makes recommendations for further actions to ensure health and safety relating to the efforts referred to in paragraph (3).".

By Mr. COVERDELL (for himself, Mr. FAIRCLOTH, Mr. LOTT, Mrs. HUTCHISON, Mr. GRAMM, Mr. SHELBY, Mr. LUGAR, and Mr. COCHRAN):

S. 2344. A bill to amend the Agricultural Market Transition Act to provide for the advance payment, in full, of the fiscal year 1999 payments otherwise required under production flexibility contracts; to the Committee on Agriculture, Nutrition, and Forestry.

THE EMERGENCY FARM FINANCIAL RELIEF ACT

• Mr. COVERDELL. Mr. President, the past several years have been devastating for a large number of Georgia farmers. Due to the large amounts of weather damage and associated agriculture production losses, numerous farmers and agribusinesses are faced with dire financial situations.

Farmers from across the state of Georgia are facing their worst crop disaster in many years. Currently, damages are estimated at about $450 million and rising. The drought in Georgia has already lasted 3 months and has caused farmers water supplies to dry up, leaving many without a source of irrigation water. I understand fully that it is not only in my home state where farmers are suffering. It is occuring in many parts of the country.

To help alleviate farmers' financial difficulties, today I am proud to introduce legislation with my esteemed colleagues Majority Leader LOTT, Senator COCHRAN, Senator FAIRCLOTH, Senator SHELBY, Senator GRAMM, Senator LUGAR and Senator HUTCHISON, which will help provide American farmers with much needed financial relief. The bill—The Emergency Farm Financial Relief Act—would allow farmers the option of receiving all of the Agriculture Market Transition Act (AMTA) contract payments for FY 1999 immediately after the beginning of the fiscal year. Annual payments can now be made two times a year, in December or January and again in September. The legislation we introduce today is a Senate companion to House legislation introduced by Representative BOB SMITH, Chairman of the House Agriculture Committee.

The bill would make $5.5 billion available much earlier in order to help farmers cope with the cash shortages they are now experiencing due to low prices and poor production. This important initiative leaves the decision to accept early payments or not solely with the farmer. Since all of the 1999 AMTA payments occur within the same fiscal year, the Congressional Budget Office (CBO) has determined that this proposal would not cost any additional taxpayer funds.

While this legislation is not the only answer to helping farmers during their time of economic hardship, it is a much needed overture which provides farmers with immediate financial relief. Certainly we have other measures to consider, but this is a good first step. I look forward to working with my colleagues in the Senate on this proposal and urge its speedy consideration.•

• Mr. FAIRCLOTH. Mr. President, I rise as a co-sponsor of the Emergency Farm Financial Relief Act of 1998, which will permit farmers to receive their fiscal year 1999 Agriculture Market Transition Act (AMTA) payments at the start of the fiscal year in October of 1998 rather than the semi-annual payments in December of 1998 and September of 1999.

This bill thus readies some $5.5 billion to help farmers cope with their current cash shortage that stems from high debts and low commodity prices.

This is a first to address the farm crisis, and it will help some farmers with their cash flow, but there are a lot of other growers in rough straits. Therefore, this is just a first step, and we need to take more aggressive steps to open export markets to American commodities.

This bill will not solve the farm crisis in North Carolina. In fact, because we managed to preserve the tobacco and peanut programs in the 1996 farm bill, the acceleration of AMTA contract payments will be limited, for the most part, to cotton, corn, and wheat growers.

The fields of North Carolina, Mr. President, are dry. All the farmers are in the same dire situation, and the scope of this bill is limited, but we need to address the tobacco growers.

I am concerned that efforts to bring the tobacco program to the Senate floor will get torn to shreds, but, certainly, the anti-tobacco crowd needs to rise above politics and realize that this is about farm families and family farms.

In addition to cash flow assistance, farmers need aggressive leadership to boost exports, and President Clinton needs to pay attention to farmers and to use the tools we gave him—like the Export Enhancement Program—to secure foreign markets for American agricultural commodities. Farmers just can't afford this continued silence from President Clinton. Agriculture is our number one export, so, clearly, we need the White House to engage on this issue.

Thank you, Mr. President, and I urge my colleagues to join us in support of the Emergency Farm Financial Relief Act of 1998.•

ADDITIONAL COSPONSORS

S. 263

At the request of Mr. MCCONNELL, the name of the Senator from Idaho (Mr. KEMPTHORNE) was added as a cosponsor of S. 263, a bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 981

At the request of Mr. LEVIN, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 981, a bill to provide for analysis of major rules.

S. 1321

At the request of Mr. TORRICELLI, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 1321, a bill to amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, to reauthorize appropriations to carry out the program, and for other purposes.

S. 1344

At the request of Mr. BROWNBACK, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 1344, a bill to amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of South Caucasus and Central Asia.

S. 1647

At the request of Mr. BAUCUS, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1647, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 1759

At the request of Mr. HATCH, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1759, A bill to grant a Federal charter to the American GI Forum of the United States.

S. 1924

At the request of Mr. MACK, the names of the Senator from Alaska (Mr.

STEVENS) and the Senator from Arizona (Mr. KYL) were added as cosponsors of S. 1924, a bill to restore the standards used for determining whether technical workers are not employees as in effect before the Tax Reform Act of 1986.

S. 2049

At the request of Mr. KERREY, the names of the Senator from Illinois (Ms. MOSELEY-BRAUN) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 2049, a bill to provide for payments to children's hospitals that operate graduate medical education programs.

S. 2112

At the request of Mr. ENZI, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 2112, a bill to make the Occupational Safety and Health Act of 1970 applicable to the United States Postal Service in the same manner as any other employer.

S. 2118

At the request of Mr. CHAFEE, the name of the Senator from Illinois (Ms. MOSELEY-BRAUN) was added as a cosponsor of S. 2118, A bill to amend the Internal Revenue Code of 1986 to reduce the tax on vaccines to 25 cents per dose.

S. 2145

At the request of Mr. SHELBY, the names of the Senator from Mississippi (Mr. LOTT), the Senator from North Carolina (Mr. HELMS), and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of S. 2145, a bill to modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

S. 2152

At the request of Mr. DURBIN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 2152, a bill to establish a program to provide credit and other assistance for encouraging microenterprises in developing countries, and for other purposes.

S. 2154

At the request of Mrs. BOXER, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2154, a bill to promote research to identify and evaluate the health effects of silicone breast implants, and to ensure that women and their doctors receive accurate information about such implants.

S. 2181

At the request of Mr. AKAKA, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2181, a bill to amend section 3702 of title 38, United States Code, to make permanent the eligibility of former members of the Selected Reserve for veterans housing loans.

S. 2208

At the request of Mr. FRIST, the name of the Senator from Florida (Mr. MACK) was added as a cosponsor of S. 2208, a bill to amend title IX of the Public Health Service Act to revise and extend the Agency for Healthcare Policy and Research.

S. 2216

At the request of Ms. COLLINS, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 2216, a bill to amend title XVIII of the Social Security Act to make certain changes related to payments for graduate medical education under the medicare program.

S. 2217

At the request of Mr. FRIST, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from Illinois (Ms. MOSELEY-BRAUN) were added as cosponsors of S. 2217, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 2291

At the request of Mr. GRAMS, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2291, a bill to amend title 17, United States Code, to prevent the misappropriation of collections of information.

S. 2295

At the request of Mr. MCCAIN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2295, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

S. 2322

At the request of Mr. BREAUX, the names of the Senator from Oklahoma (Mr. INHOFE) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 2322, a bill to amend the Internal Revenue Code of 1986 to change the determination of the 50,000-barrel refinery limitation on oil depletion deduction from a daily basis to an annual average daily basis.

S. 2337

At the request of Mr. SMITH, the names of the Senator from Idaho (Mr. KEMPTHORNE), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from North Carolina (Mr. FAIRCLOTH), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 2337, a bill to establish a system of registries of temporary agricultural workers to provide for a sufficient supply of such workers and to amend the Immigration and Nationality Act to streamline procedures for the admission and extension of stay of nonimmigrant agricultural workers, and for other purposes.

SENATE CONCURRENT RESOLUTION 80

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of Senate Concurrent Resolution 80, a concurrent resolution urging that the railroad industry, including rail labor, management and retiree organization, open discussions for adequately funding an amendment to the Railroad Retirement Act of 1974 to modify the guaranteed minimum benefit for widows and widowers whose annuities are converted from a spouse to a widow or widower annuity.

SENATE RESOLUTION 257—EXPRESSING THE SENSE OF THE SENATE THAT OCTOBER 15, 1998, SHOULD BE DESIGNATED AS "NATIONAL INHALANT ABUSE AWARENESS DAY"

Mr. MURKOWSKI (for himself, Mr. LOTT, Mr. DASCHLE, Mr. D'AMATO, Mr. HELMS, Mr. GRASSLEY, Mr. HATCH, Mr. BIDEN, Mr. CLELAND, Mr. DURBIN, Mr. TORRICELLI, Mrs. FEINSTEIN, and Mr. INOUYE) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 257

Whereas inhalant abuse is nearing epidemic proportions with over 20 percent of all students admitting to experimenting with inhalants by the time they graduate from high school and only 4 percent of parents suspecting their children of inhalant use;

Whereas according to the National Institute on Drug Abuse, inhalant use ranks third behind use of alcohol and tobacco for all youths through the eighth grade;

Whereas the over 1,000 products that are being inhaled to get high are legal, inexpensive, and found in nearly every home and every corner market;

Whereas using inhalants even once can lead to kidney failure, brain damage, and even death;

Whereas inhalants are considered a gateway drug, one that leads to the use of harder, more deadly drugs; and

Whereas because inhalant use is difficult to detect, the products used are accessible and affordable, and abuse is so common, increased education of young people and their parents regarding the dangers of inhalants is an important step in our battle against drug abuse: Now, therefore, be it

Resolved, That—

(1) it is the sense of the Senate that October 15, 1998, should be designated as "National Inhalant Abuse Awareness Day", to be observed with appropriate activities; and

(2) the Senate requests that the President issue a proclamation designating October 15, 1998, as "National Inhalant Abuse Awareness Day".

• Mr. MURKOWSKI. Mr. President, today with 12 of my colleagues, including our distinguished Majority and Minority Leaders, I submit an important resolution that affects the health and safety of all of our children. My resolution would designate October 15th, 1998 as National Inhalant Abuse Awareness Day.

What is inhalant abuse? Many of you may know it as "sniffing" addiction. At alarmingly high rates, today's young people are using common household products to get high. In my state of Alaska alone, 22% of the high school and 19% of middle school students admit to experimenting with inhalants. 21% of students nationally will have tried inhalants by the time they graduate from high school.

Inhalant abusers often start in elementary school, as young as 7 years old. In Alaska, there is even a report of a three year old using inhalants, having probably been taught to do so from an older sibling. Inhalant abusers are both male and female and cut across all socio-economic backgrounds. It is a national epidemic which affects all of our communities.

Inhalant abuse is so prevalent because of the availability and affordability of the products. The over 1,000 products being abused include nail and furniture polish, markers, whip cream aerosols, glue, gasoline, and air fresheners. These products are available in every home across the country and are sold for only a few dollars in every corner market. Unlike other substances young people abuse—alcohol, cigarettes, and harder drugs like cocaine, marijuana and heroin—these are perfectly legal products and harmless if used according to the directions.

All of us have these products in our homes and at some point, we have all asked our children to follow those directions and polish the living room furniture or fix a broken dish. But how many of us knew these items, which we so casually use, could someday kill our children? According to a recent study, only four percent of parents suspected their children of inhaling when in fact, 21% of them have.

With the products accessible and cheap, how do we stop the abuse without more laws? Congress can't just enact another law this time, we can't outlaw furniture polish or gasoline. Instead, I strongly believe the solution lies within our communities and our families. We, as community leaders, parents, and grandparents, should make a concerted effort to involve young people in other activities—teach them a trade or give them a summer job. I suggest that families pray together and eat their meals together. Children who have loving supportive homes and who are involved in a job or their community are less likely to be enticed by drugs, including inhalants.

We can also provide information. Inhalant abuse could be reduced if parents knew what symptoms they should be looking for. The warning signs for abuse include: unusual breath odor, chemical odor on clothing, a drunk or dazed appearance, hand tremors, red or runny nose and eyes, spots or sores around the mouth and anxiety and restlessness.

A sudden drop in grades and school attendance can also be an indication of drug abuse.

Most importantly, teenagers and children need to be told over and over again that even one try, one sniff, can kill. What they may view as simple experimentation can kill them. If they don't die from inhalant abuse, they may be left with permanent brain, liver and kidney damage.

I hope that on October 15th, my colleagues in the Senate will join me in a nationwide conversation about inhalant abuse. Together, as community leaders, parents, and concerned citizens, we can educate parents and young people while encouraging community and family oriented solutions to drug abuse. •

AMENDMENTS SUBMITTED

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SESSIONS (AND HATCH) AMENDMENT NO. 3245

Mr. SESSIONS (for himself and Mr. HATCH) proposed an amendment to the bill (S. 2260) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes; as follows:

On page 30, line 7, strike "$100,000,000" and insert "$150,000,000".

On page 36, line 20, strike "$95,000,000" and insert "$45,000,000".

KERREY (AND HAGEL) AMENDMENT NO. 3246

(Ordered to lie on the table.)

Mr. KERREY (for himself and Mr. HAGEL) submitted an amendment intended to be proposed by them to the bill, S. 2260, supra; as follows:

At the end of the bill insert the following:

SEC. . TEMPORARY PROHIBITION ON IMPLEMENTATION OR ENFORCEMENT OF PUBLIC WATER SYSTEM TREATMENT REQUIREMENTS FOR COPPER ACTION LEVEL.

(a) IN GENERAL.—None of the funds made available by this or any other Act for any fiscal year may be used by the Administrator of the Environmental Protection Agency to implement or enforce the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.), to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level, until—

(1) the Administrator and the Director of the Centers for Disease Control and Prevention jointly conduct a study to establish a reliable dose-response relationship for the adverse human health effects that may result from exposure to copper in drinking water, that—

(A) includes an analysis of the health effects that may be experienced by groups within the general population (including infants) that are potentially at greater risk of adverse health effects as the result of the exposure;

(B) is conducted in consultation with interested States;

(C) is based on the best available science and supporting studies that are subject to peer review and conducted in accordance with sound and objective scientific practices; and

(D) is completed not later than 30 months after the date of enactment of this Act; and

(2) based on the results of the study and, once peer reviewed and published, the 2 studies of copper in drinking water conducted by the Centers for Disease Control and Prevention in the State of Nebraska and the State of Delaware, the Administrator establishes an action level for the presence of copper in drinking water that protects the public health against reasonably expected adverse effects due to exposure to copper in drinking water.

(b) CURRENT REQUIREMENTS.—Nothing in this section precludes a State from implementing or enforcing the national primary drinking water regulations for lead and copper in drinking water promulgated under the Safe Drinking Water Act (42 U.S.C. 300f et seq.) that are in effect on the date of enactment of this Act, to the extent that the regulations pertain to the public water system treatment requirements related to the copper action level.

INTERNATIONAL MONETARY FUND APPROPRIATIONS ACT OF 1998

HUTCHINSON (AND WELLSTONE) AMENDMENTS NOS. 3247–3248

(Ordered to lie on the table.)

Mr. HUTCHINSON (for himself and Mr. WELLSTONE) submitted two amendments intended to be proposed by them to the bill (S. 2334) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1999, and for other purposes; as follows:

AMENDMENT NO. 3247

On page 99, between lines 17 and 18, insert the following:

TITLE IX

HUMAN RIGHTS IN CHINA

Subtitle A—Forced Abortions in China

SEC. 9001. This subtitle may be cited as the "Forced Abortion Condemnation Act".

SEC. 9002. Congress makes the following findings:

(1) Forced abortion was rightly denounced as a crime against humanity by the Nuremberg War Crimes Tribunal.

(2) For over 15 years there have been frequent and credible reports of forced abortion and forced sterilization in connection with the population control policies of the People's Republic of China. These reports indicate the following:

(A) Although it is the stated position of the politburo of the Chinese Communist Party that forced abortion and forced sterilization have no role in the population control program, in fact the Communist Chinese Government encourages both forced abortion and forced sterilization through a combination of strictly enforced birth quotas and immunity for local population control officials who engage in coercion. Officials acknowledge that there have been instances of forced abortions and sterilization, and no evidence has been made available to suggest that the perpetrators have been punished.

(B) People's Republic of China population control officials, in cooperation with employers and works unit officials, routinely monitor women's menstrual cycles and subject women who conceive without government authorization to extreme psychological pressure, to harsh economic sanctions, including unpayable fines and loss of employment, and often to physical force.

(C) Official sanctions for giving birth to unauthorized children include fines in amounts several times larger than the per capita annual incomes of residents of the People's Republic of China. In Fujian, for example, the average fine is estimated to be twice a family's gross annual income. Families which cannot pay the fine may be subject to confiscation and destruction of their homes and personal property.

(D) Especially harsh punishments have been inflicted on those whose resistance is motivated by religion. For example, according to a 1995 Amnesty International report, the Catholic inhabitants of 2 villages in Hebei Province were subjected to population control under the slogan "better to have more graves than one more child". Enforcement measures included torture, sexual abuse, and the detention of resisters' relatives as hostages.

(E) Forced abortions in Communist China often have taken place in the very late stages of pregnancy.

(F) Since 1994 forced abortion and sterilization have been used in Communist China not only to regulate the number of children, but also to eliminate those who are regarded as defective in accordance with the official eugenic policy known as the "Natal and Health Care Law".

SEC. 9003. (a) Notwithstanding any other provision of law, the Secretary of State may not utilize any funds appropriated or otherwise available for the Department of State for fiscal year 1999 to issue any visa to any national of the People's Republic of China, including any official of the Communist Party or the Government of the People's Republic of China and its regional, local, and village authorities (except the head of state, the head of government, and cabinet level ministers) who the Secretary finds, based on credible information, has been involved in the establishment or enforcement of population control policies resulting in a woman being forced to undergo an abortion against her free choice, or resulting in a man or woman being forced to undergo sterilization against his or her free choice.

(b) Notwithstanding any other provision of law, the Attorney General may not utilize any funds appropriated or otherwise available for the Department of Justice for fiscal year 1999 to admit to the United States any national covered by subsection (a).

(c) The President may waive the prohibition in subsection (a) or (b) with respect to a national of the People's Republic of China if the President—

(1) determines that it is in the national interest of the United States to do so; and

(2) provides written notification to Congress containing a justification for the waiver.

Subtitle B—Freedom on Religion in China

SEC. 9011. (a) It is the sense of Congress that the President should make freedom of religion one of the major objectives of United States foreign policy with respect to China.

(b) As part of this policy, the Department of State should raise in every relevant bilateral and multilateral forum the issue of individuals imprisoned, detained, confined, or otherwise harassed by the Chinese Government on religious grounds.

(c) In its communications with the Chinese Government, the Department of State should provide specific names of individuals of concern and request a complete and timely response from the Chinese Government regarding the individuals' whereabouts and condition, the charges against them, and sentence imposed.

(d) The goal of these official communications should be the expeditious release of all religious prisoners in China and Tibet and the end of the Chinese Government's policy and practice of harassing and repressing religious believers.

SEC. 9012. (a) Notwithstanding any other provision of law, no funds appropriated or otherwise made available for the Department of State for fiscal year 1999 for the United States Information Agency or the United States Agency for International Development may be used for the purpose of providing travel expenses and per diem for the participation in conferences, exchanges, programs, and activities of the following nationals of the People's Republic of China:

(1) The head or political secretary of any of the following Chinese Government-created or approved organizations:

(A) The Chinese Buddhist Association.

(B) The Chinese Catholic Patriotic Association.

(C) The National Congress of Catholic Representatives.

(D) The Chinese Catholic Bishops' Conference.

(E) The Chinese Protestant "Three Self" Patriotic Movement.

(F) The China Christian Council.

(G) The Chinese Taoist Association.

(H) The Chinese Islamic Association.

(2) Any military or civilian official or employee of the Government of the People's Republic of China who carried out or directed the carrying out of any of the following policies or practices:

(A) Formulating, drafting, or implementing repressive religious policies.

(B) Imprisoning, detaining, or harassing individuals on religious grounds.

(C) Promoting or participating in policies or practices which hinder religious activities or the free expression of religious beliefs.

(b)(1) Each Federal agency subject to the prohibition in subsection (a) shall certify in writing to the appropriate congressional committees, on a quarterly basis during fiscal year 1999, that it did not pay, either directly or through a contractor or grantee, for travel expenses or per diem of any national of the People's Republic of China described in subsection (a).

(2) Each certification under paragraph (1) shall be supported by the following information:

(A) The name of each employee of any agency of the Government of the People's Republic of China whose travel expenses or per diem were paid by funds of the reporting agency of the United States Government.

(B) The procedures employed by the reporting agency of the United States Government to ascertain whether each individual under subparagraph (A) did or did not participate in activities described in subsection (a)(2).

(C) The reporting agency's basis for concluding that each individual under subparagraph (A) did not participate in such activities.

SEC. 9013. (a) Notwithstanding any other provision of law, the Secretary of State may not utilize any funds appropriated or otherwise available for the Department of State for fiscal year 1999 to issue a visa to any national of the People's Republic of China described in section 9012(a)(2) (except the head of state, the head of government, and cabinet level ministers).

(b) Notwithstanding any other provision of law, the Attorney General may not utilize any funds appropriated or otherwise available for the Department of Justice for fiscal year 1999 to admit to the United States any national covered by subsection (a).

(c) The President may waive the prohibition in subsection (a) or (b) with respect to an individual described in such subsection if the President—

(1) determines that it is vital to the national interest to do so; and

(2) provides written notification to the appropriate congressional committees containing a justification for the waiver.

SEC. 9014. In this subtitle, the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

Subtitle C—Monitoring of Human Rights Abuses in China

SEC. 9021. This subtitle may be cited as the "Political Freedom in China Act of 1998".

SEC. 9022. Congress makes the following findings:

(1) Congress concurs in the following conclusions of the United States State Department on human rights in the People's Republic of China in 1996:

(A) The People's Republic of China is "an authoritarian state" in which "citizens lack the freedom to peacefully express opposition to the party-led political system and the right to change their national leaders or form of government".

(B) The Government of the People's Republic of China has "continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms, stemming from the authorities' intolerance of dissent, fear of unrest, and the absence or inadequacy of laws protecting basic freedoms".

(C) "[a]buses include torture and mistreatment of prisoners, forced confessions, and arbitrary and incommunicado detention".

(D) "[p]rison conditions remained harsh [and] [t]he Government continued severe restrictions on freedom of speech, the press, assembly, association, religion, privacy, and worker rights".

(E) "[a]lthough the Government denies that it holds political prisoners, the number of persons detained or serving sentences for 'counterrevolutionary crimes' or 'crimes against the state', or for peaceful political or religious activities are believed to number in the thousands".

(F) "[n]onapproved religious groups, including Protestant and Catholic groups * * * experienced intensified repression".

(G) "[s]erious human rights abuses persist in minority areas, including Tibet, Xinjiang, and Inner Mongolia[, and] [c]ontrols on religion and on other fundamental freedoms in these areas have also intensified".

(H) "[o]verall in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest. No dissidents were known to be active at year's end.".

(2) In addition to the State Department, credible independent human rights organizations have documented an increase in repression in China during 1995, and effective destruction of the dissident movement through

the arrest and sentencing of the few remaining pro-democracy and human rights activists not already in prison or exile.

(3) Among those were Li Hai, sentenced to 9 years in prison on December 18, 1996, for gathering information on the victims of the 1989 crackdown, which according to the court's verdict constituted "state secrets"; Liu Nianchun, an independent labor organizer, sentenced to 3 years of "re-education through labor" on July 4, 1996, due to his activities in connection with a petition campaign calling for human rights reforms; and Ngodrup Phuntsog, a Tibetan national, who was arrested in Tibet in 1987 immediately after he returned from a 2-year trip to India, where the Tibetan government in exile is located, and following a secret trial was convicted by the Government of the People's Republic of China of espionage on behalf of the "Ministry of Security of the Dalai clique".

(4) Many political prisoners are suffering from poor conditions and ill-treatment leading to serious medical and health problems, including—

(A) Gao Yu, a journalist sentenced to 6 years in prison in November 1994 and honored by UNESCO in May 1997, has a heart condition; and

(B) Chen Longde, a leading human rights advocate now serving a 3-year reeducation through labor sentence imposed without trial in August 1995, has reportedly been subject to repeated beatings and electric shocks at a labor camp for refusing to confess his guilt.

(5) The People's Republic of China, as a member of the United Nations, is expected to abide by the provisions of the Universal Declaration of Human Rights.

(6) The People's Republic of China is a party to numerous international human rights conventions, including the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

SEC. 9023. (a) The Secretary of State, in all official meetings with the Government of the People's Republic of China, should request the immediate and unconditional release of Ngodrup Phuntsog and other prisoners of conscience in Tibet, as well as in the People's Republic of China.

(b) The Secretary of State should seek access for international humanitarian organizations to Drapchi prison and other prisons in Tibet, as well as in the People's Republic of China, to ensure that prisoners are not being mistreated and are receiving necessary medical treatment.

(c) The Secretary of State, in all official meetings with the Government of the People's Republic of China, should call on that country to begin serious discussions with the Dalai Lama or his representatives, without preconditions, on the future of Tibet.

SEC. 9024. (a) There is authorized to be appropriated for fiscal year 1999, $1,100,000 for support personnel to monitor political repression in the People's Republic of China in the United States Embassies in Beijing and Kathmandu, as well as the American consulates in Guangzhou, Shanghai, Shenyang, Chengdu, and Hong Kong.

(b) Amounts appropriated pursuant to the authorization of appropriations in subsection (a) are in addition to any other amounts appropriated or otherwise available in fiscal year 1999 for the personnel referred to in that subsection.

SEC. 9025. (a)(1) There is authorized to be appropriated for fiscal year 1999 for the National Endowment for Democracy, $2,500,000 for the promotion of democracy, civil society, and the development of the rule of law in China.

(2) Amounts appropriated pursuant to the authorization of appropriations in subsection (a) are in addition to any other amounts appropriated or otherwise made available in fiscal year 1999 for the National Endowment for Democracy.

(b) The Secretary of State shall, in fiscal year 1999, utilize funds available in the East Asia-Pacific Regional Democracy Fund to provide grants to nongovernmental organizations to promote democracy, civil society, and the development of the rule of law in China.

SEC. 9026. (a) The Secretary of State shall utilize funds appropriated or otherwise available for the Department of State for fiscal year 1999 submit to the International Relations Committee of the House of Representatives and the Foreign Relations Committee of the Senate, in that fiscal year, a report on human rights in China, including religious persecution, the development of democratic institutions, and the rule of law. The report shall provide information on each region of China.

(b)(1) The Secretary of State shall utilize funds referred to in subsection (a) to establish a Prisoner Information Registry for China which shall provide information on all political prisoners, prisoners of conscience, and prisoners of faith in China.

(2) Such information shall include the charges, judicial processes, administrative actions, use of forced labor, incidences of torture, length of imprisonment, physical and health conditions, and other matters related to the incarceration of such prisoners in China.

(3) The Secretary may make funds available to nongovernmental organizations presently engaged in monitoring activities regarding Chinese political prisoners to assist in the creation and maintenance of the registry.

SEC. 9027. It is the sense of Congress that Congress, the President, and the Secretary of State should work with the governments of other countries to establish a Commission on Security and Cooperation in Asia which would be modeled after the Commission on Security and Cooperation in Europe.

SEC. 9028. It is the sense of Congress that—

(1) the people of Hong Kong should continue to have the right and ability to freely elect their legislative representatives; and

(2) the procedure for the conduct of the elections of the first legislature of the Hong Kong Special Administrative Region should be determined by the people of Hong Kong through an election law convention, a referendum, or both.

SEC. 9029. It is the sense of Congress that—

(1) the Government of the People's Republic of China should stop the practice of harvesting and transplanting organs for profit from prisoners that it executes;

(2) the Government of the People's Republic of China should be strongly condemned for such organ harvesting and transplanting practice;

(3) the President should bar from entry into the United States any and all officials of the Government of the People's Republic of China known to be directly involved in such organ harvesting and transplanting practice;

(4) individuals determined to be participating in or otherwise facilitating the sale of such organs in the United States should be prosecuted to the fullest possible extent of the law; and

(5) the appropriate officials in the United States should interview individuals, including doctors, who may have knowledge of such organ harvesting and transplanting practice.

AMENDMENT NO. 3248

On page 99, between lines 17 and 18, insert the following:

TITLE IX

HUMAN RIGHTS IN CHINA

Subtitle A—Forced Abortions in China

SEC. 9001. This subtitle may be cited as the "Forced Abortion Condemnation Act".

SEC. 9002. Congress makes the following findings:

(1) Forced abortion was rightly denounced as a crime against humanity by the Nuremberg War Crimes Tribunal.

(2) For over 15 years there have been frequent and credible reports of forced abortion and forced sterilization in connection with the population control policies of the People's Republic of China. These reports indicate the following:

(A) Although it is the stated position of the politburo of the Chinese Communist Party that forced abortion and forced sterilization have no role in the population control program, in fact the Communist Chinese Government encourages both forced abortion and forced sterilization through a combination of strictly enforced birth quotas and immunity for local population control officials who engage in coercion. Officials acknowledge that there have been instances of forced abortions and sterilization, and no evidence has been made available to suggest that the perpetrators have been punished.

(B) People's Republic of China population control officials, in cooperation with employers and works unit officials, routinely monitor women's menstrual cycles and subject women who conceive without government authorization to extreme psychological pressure, to harsh economic sanctions, including unpayable fines and loss of employment, and often to physical force.

(C) Official sanctions for giving birth to unauthorized children include fines in amounts several times larger than the per capita annual incomes of residents of the People's Republic of China. In Fujian, for example, the average fine is estimated to be twice a family's gross annual income. Families which cannot pay the fine may be subject to confiscation and destruction of their homes and personal property.

(D) Especially harsh punishments have been inflicted on those whose resistance is motivated by religion. For example, according to a 1995 Amnesty International report, the Catholic inhabitants of 2 villages in Hebei Province were subjected to population control under the slogan "better to have more graves than one more child". Enforcement measures included torture, sexual abuse, and the detention of resisters' relatives as hostages.

(E) Forced abortions in Communist China often have taken place in the very late stages of pregnancy.

(F) Since 1994 forced abortion and sterilization have been used in Communist China not only to regulate the number of children, but also to eliminate those who are regarded as defective in accordance with the official eugenic policy known as the "Natal and Health Care Law".

SEC. 9003. (a) Notwithstanding any other provision of law, the Secretary of State may not utilize any funds appropriated or otherwise available for the Department of State for fiscal year 1999 to issue any visa to any national of the People's Republic of China, including any official of the Communist

Party or the Government of the People's Republic of China and its regional, local, and village authorities (except the head of state, the head of government, and cabinet level ministers) who the Secretary finds, based on credible information, has been involved in the establishment or enforcement of population control policies resulting in a woman being forced to undergo an abortion against her free choice, or resulting in a man or woman being forced to undergo sterilization against his or her free choice.

(b) Notwithstanding any other provision of law, the Attorney General may not utilize any funds appropriated or otherwise available for the Department of Justice for fiscal year 1999 to admit to the United States any national covered by subsection (a).

(c) The President may waive the prohibition in subsection (a) or (b) with respect to a national of the People's Republic of China if the President—

(1) determines that it is in the national interest of the United States to do so; and

(2) provides written notification to Congress containing a justification for the waiver.

Subtitle B—Freedom on Religion in China

SEC. 9011. (a) It is the sense of Congress that the President should make freedom of religion one of the major objectives of United States foreign policy with respect to China.

(b) As part of this policy, the Department of State should raise in every relevant bilateral and multilateral forum the issue of individuals imprisoned, detained, confined, or otherwise harassed by the Chinese Government on religious grounds.

(c) In its communications with the Chinese Government, the Department of State should provide specific names of individuals of concern and request a complete and timely response from the Chinese Government regarding the individuals' whereabouts and condition, the charges against them, and sentence imposed.

(d) The goal of these official communications should be the expeditious release of all religious prisoners in China and Tibet and the end of the Chinese Government's policy and practice of harassing and repressing religious believers.

SEC. 9012. (a) Notwithstanding any other provision of law, no funds appropriated or otherwise made available for the Department of State for fiscal year 1999 for the United States Information Agency or the United States Agency for International Development may be used for the purpose of providing travel expenses and per diem for the participation in conferences, exchanges, programs, and activities of the following nationals of the People's Republic of China:

(1) The head or political secretary of any of the following Chinese Government-created or approved organizations:

(A) The Chinese Buddhist Association.

(B) The Chinese Catholic Patriotic Association.

(C) The National Congress of Catholic Representatives.

(D) The Chinese Catholic Bishops' Conference.

(E) The Chinese Protestant "Three Self" Patriotic Movement.

(F) The China Christian Council.

(G) The Chinese Taoist Association.

(H) The Chinese Islamic Association.

(2) Any military or civilian official or employee of the Government of the People's Republic of China who carried out or directed the carrying out of any of the following policies or practices:

(A) Formulating, drafting, or implementing repressive religious policies.

(B) Imprisoning, detaining, or harassing individuals on religious grounds.

(C) Promoting or participating in policies or practices which hinder religious activities or the free expression of religious beliefs.

(b)(1) Each Federal agency subject to the prohibition in subsection (a) shall certify in writing to the appropriate congressional committees, on a quarterly basis during fiscal year 1999, that it did not pay, either directly or through a contractor or grantee, for travel expenses or per diem of any national of the People's Republic of China described in subsection (a).

(2) Each certification under paragraph (1) shall be supported by the following information:

(A) The name of each employee of any agency of the Government of the People's Republic of China whose travel expenses or per diem were paid by funds of the reporting agency of the United States Government.

(B) The procedures employed by the reporting agency of the United States Government to ascertain whether each individual under subparagraph (A) did or did not participate in activities described in subsection (a)(2).

(C) The reporting agency's basis for concluding that each individual under subparagraph (A) did not participate in such activities.

SEC. 9013. (a) Notwithstanding any other provision of law, the Secretary of State may not utilize any funds appropriated or otherwise available for the Department of State for fiscal year 1999 to issue a visa to any national of the People's Republic of China described in section 9012(a)(2) (except the head of state, the head of government, and cabinet level ministers).

(b) Notwithstanding any other provision of law, the Attorney General may not utilize any funds appropriated or otherwise available for the Department of Justice for fiscal year 1999 to admit to the United States any national covered by subsection (a).

(c) The President may waive the prohibition in subsection (a) or (b) with respect to an individual described in such subsection if the President—

(1) determines that it is vital to the national interest to do so; and

(2) provides written notification to the appropriate congressional committees containing a justification for the waiver.

SEC. 9014. In this subtitle, the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

TREASURY DEPARTMENT, THE UNITED STATES POSTAL SERVICE, THE EXECUTIVE OFFICE OF THE PRESIDENT, AND CERTAIN INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

HUTCHINSON AMENDMENTS NOS. 3249–3250

(Ordered to lie on the table.)

Mr. HUTCHINSON submitted two amendments intended to be proposed by him to the bill (H.R. 2312) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes; as follows:

AMENDMENT NO. 3249

At the appropriate place, insert the following new section:

SEC. ___. TERMINATION OF INTERNAL REVENUE CODE OF 1986; NEW FEDERAL TAX SYSTEM.

(a) TERMINATION.—

(1) IN GENERAL.—No tax shall be imposed by the Internal Revenue Code of 1986—

(A) for any taxable year beginning after December 31, 2002, and

(B) in the case of any tax not imposed on the basis of a taxable year, on any taxable event or for any period after December 31, 2002.

(2) EXCEPTION.—Paragraph (1) shall not apply to taxes imposed by—

(A) chapter 2 of such Code (relating to tax on self-employment income),

(B) chapter 21 of such Code (relating to Federal Insurance Contributions Act), and

(C) chapter 22 of such Code (relating to Railroad Retirement Tax Act).

(b) NEW FEDERAL TAX SYSTEM.—

(1) STRUCTURE.—The Congress hereby declares that any new Federal tax system should be a simple and fair system that—

(A) applies a low rate to all Americans,

(B) provides tax relief for working Americans,

(C) protects the rights of taxpayers and reduces tax collection abuses,

(D) eliminates the bias against savings and investment,

(E) promotes economic growth and job creation, and

(F) does not penalize marriage or families.

(2) TIMING OF IMPLEMENTATION.—In order to ensure an easy transition and effective implementation, the Congress hereby declares that any new Federal tax system should be approved by Congress in its final form not later than July 4, 2002.

AMENDMENT NO. 3250

In lieu of the matter proposed to be inserted by the amendment, insert the following:

SEC. ___. SATELLITE CONTROLS UNDER THE UNITED STATES MUNITIONS LIST.

(a) CONTROL OF SATELLITES ON THE UNITED STATES MUNITIONS LIST.—Notwithstanding any other provision of law, the export control of satellites and related items on the Commerce Control List of dual-use items in the Export Administration Regulations (15 C.F.R. Part 730 et seq.) on the day before the effective date of this section shall be considered, on or after such date, to be transferred to the United States Munitions List under section 38 of the Arms Export Control Act (22 U.S.C. 2778).

(b) REPORT.—Each report to Congress submitted pursuant to section 902(b) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101–246) to waive the restrictions contained in that Act on the export to the People's Republic of China of United States-origin satellites and defense articles on the United States Munitions List shall be accompanied by a detailed justification setting forth—

(1) a detailed description of all militarily sensitive characteristics integrated within, or associated with, the satellite;

(2) an estimate of the number of United States civilian contract personnel expected to be needed in country to carry out the proposed satellite launch;

(3) a detailed description of—

(A) the United States Government's plan to monitor the proposed satellite launch to ensure that no unauthorized transfer of technology occurs, together with an estimate of the number of officers and employees of the United States Government expected to be needed in country to carry out monitoring of the proposed satellite launch; and

(B) the manner in which the costs of such monitoring shall be borne; and

(4) the reasons why the proposed satellite launch is in the national security interest of the United States, including—

(A) the impact of the proposed export on employment in the United States, including the number of new jobs created in the United States, on a State-by-State basis, as a direct result of the proposed export;

(B) the number of existing jobs in the United States that would be lost, on a State-by-State basis, as a direct result of the proposed export not being licensed;

(C) the impact of the proposed export on the balance of trade between the United States and China and a reduction in the current United States trade deficit with China;

(D) the impact of the proposed export on China's transition from a nonmarket to a market economy and the long-term economic benefit to the United States;

(E) the impact of the proposed export on opening new markets to American-made products through China's purchase of United States-made goods and services not directly related to the proposed export;

(F) the impact of the proposed export on reducing acts, policies, and practices that constitute significant trade barriers to United States exports or foreign direct investment in China by United States nationals;

(G) the increase in the United States overall market share for goods and services in comparison to Japan, France, Germany, the United Kingdom, and Russia;

(H) the impact of the proposed export on China's willingness to modify its commercial and trade laws, practices, and regulations to make American-made goods and services more accessible to that market; and

(I) the impact of the proposed export on China's willingness to reduce formal and informal trade barriers and tariffs, duties, and other fees on American-made goods and services entering China.

(c) NATIONAL SECURITY WAIVER FOR THE EXPORT OF SATELLITES TO CHINA.—Section 902(b)(2) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101-246; 22 U.S.C. 2151 note) is amended by inserting before the period at the end the following: ", except that, in the case of a proposed export of a satellite under subsection (a)(5), on a case-by-case basis, that it is in the national security interests of the United States to do so".

(d) DEFINITIONS.—In this section:

(1) MILITARILY SENSITIVE CHARACTERISTICS.—The term "militarily sensitive characteristics" includes, but is not limited to, antijamming capability, antennas, crosslinks, baseband processing, encryption devices, radiation-hardened devices, propulsion systems, pointing accuracy, or kick motors.

(2) RELATED ITEMS.—The term "related items" means the satellite fuel, ground support equipment, test equipment, payload adapter or interface hardware, replacement parts, and non-embedded solid propellant orbit transfer engines described in the report submitted to Congress by the Department of State on February 6, 1998, pursuant to section 38(f) of the Arms Export Control Act (22 U.S.C. 2778(f)).

(e) EFFECTIVE DATE.—This section shall take effect 15 days after the date of enactment of this Act.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

McCAIN AMENDMENT NO. 3251

(Ordered to lie on the table.)

Mr. McCAIN submitted an amendment intended to be proposed by him to the bill, S. 2260, supra; as follows:

On page 62, strike "*Provided further*," on line 3 and all that follows through line 16 and insert the following: "*Provided further*, That none of the funds appropriated or otherwise made available under this Act or under any other provision of law may be obligated or expended by the Secretary of Commerce, through the Patent and Trademark Office, to plan for the design, construction, or lease of any new facility for that office until the date that is 90 days after the date of submission to Congress by the Administrator of General Services of a report on the results of a cost-benefit analysis that analyzes the costs versus the benefits of relocating the Patent and Trademark Office to a new facility, and that includes an analysis of the cost associated with leasing, in comparison with the cost of any lease-purchase, Federal construction, or other alternative for new space for the Patent and Trademark Office and a recommendation on the most cost-effective option for consolidating the Patent and Trademark Office: *Provided further*, That the report submitted by the Administrator of General Services shall consider any appropriate location or facility for the Patent and Trademark Office, and shall not be limited to any geographic region: *Provided further*, That the Administrator of General Services shall submit the report to Congress not later than May 1, 1999.".

WELLSTONE (AND LANDRIEU) AMENDMENT NO. 3252

Mr. WELLSTONE (for himself and Ms. LANDRIEU) proposed an amendment to the bill, S. 2260, supra; as follows:

On page 51, between lines 9 and 10, insert the following:

SEC. 121. MENTAL HEALTH SCREENING AND TREATMENT FOR PRISONERS.

(a) ADDITIONAL REQUIREMENTS FOR THE USE OF FUNDS UNDER THE VIOLENT OFFENDER INCARCERATION AND TRUTH-IN-SENTENCING GRANTS PROGRAM.—Section 20105(b) of the Violent Crime Control and Law Enforcement Act of 1994 is amended to read as follows:

"(b) ADDITIONAL REQUIREMENTS.—

"(1) ELIGIBILITY FOR GRANT.—To be eligible to receive a grant under section 20103 or 20104, a State shall, not later than January 1, 1999, have a program of mental health screening and treatment for appropriate categories of convicted juvenile and other offenders during periods of incarceration and juvenile and criminal justice supervision, that is consistent with guidelines issued by the Attorney General.

"(2) USE OF FUNDS.—

"(A) IN GENERAL.—Notwithstanding any other provision of this subtitle, amounts made available to a State under section 20103 or 20104 may be applied to the costs of programs described in paragraph (1), consistent with guidelines issued by the Attorney General.

"(B) ADDITIONAL USE.—In addition to being used as specified in subparagraph (A), the funds referred to in that subparagraph may be used by a State to pay the costs of providing to the Attorney General a baseline study on the mental health problems of juvenile offenders and prisoners in the State, which study shall be consistent with guidelines issued by the Attorney General.".

FAIRCLOTH AMENDMENT NO. 3253

Mr. FAIRCLOTH proposed an amendment to the bill, S. 2260, supra; as follows:

On page 51, between lines 9 and 10, insert the following:

SEC. 121. Section 3486(a)(1) of title 18, United States Code, is amended by inserting "or any act or activity involving a Federal offense relating to the sexual exploitation or other abuse of children," after "health care offense,".

HOLLINGS (AND OTHERS) AMENDMENT NO. 3254

Mr. HOLLINGS (for himself, Mr. DASCHLE, Mr. DORGAN, Mr. CONRAD, Mr. LAUTENBERG, Mrs. MURRAY, Mrs. BOXER, Mr. REID, Mr. FORD, and Mr. JOHNSON) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place, add the following new section:

SEC. . SENSE OF THE SENATE ON THE BUDGET AND SOCIAL SECURITY.

(a) FINDINGS.—The Senate finds that:—

(1) the Social Security system provides benefits to 44 million Americans, including 27.3 million retirees, over 4.5 million people with disabilities, 3.8 million surviving children and 8.4 million surviving adults, and is essential to the dignity and security of the nation's elderly and disabled;

(2) the Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds have reported to the Congress that the "total income" of the Social Security system "is estimated to fall short of expenditures beginning in 2021 and in each year thereafter . . . until the assets of the combined trust funds are exhausted in 2032";

(3) intergenerational fairness, honest accounting principles, prudent budgeting, and sound economic policy all require saving Social Security first, in order that the Nation may better afford the retirement of the baby boom generation, beginning in 2010;

(4) in reforming Social Security in 1983, the Congress intended that near-term Social Security trust fund surpluses be used to prefund the retirement of the baby boom generation;

(5) in his State of the Union message to the joint session of Congress on January 27, 1998, President Clinton called on the Congress to "save Social Security first" and to "reserve one hundred percent of the surplus, that is any penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system for the twenty-first century";

(6) Section 13301 of the Budget Enforcement Act of 1990 expressly forbids counting Social Security trust fund surpluses as revenue available to balance the budget.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress and the President should—

(1) continue to rid our country of debt and work to balance the budget without counting Social Security trust fund surpluses;

(2) work in a bipartisan way on specific legislation to reform the Social Security system, to ensure that it is financially sound over the long term and will be available for all future generations; and

(3) save Social Security first by reserving any surpluses in fiscal year 1999 budget legislation.

GREGG (AND OTHERS) AMENDMENT NO. 3255

Mr. GREGG (for himself, Mr. LOTT, Mr. MACK, Mr. GRAMM, and Mr. MURKOWSKI) proposed an amendment to amendment No. 3254 proposed by Mr. HOLLINGS to the bill, S. 2260, supra; as follows:

In the pending amendment, strike all after the word "Sec." and insert the following:

SENSE OF THE SENATE ON THE BUDGET AND SOCIAL SECURITY.

(A) FINDINGS.—The Senate finds that:—

(1) the Social Security system provides benefits to 44 million Americans, including 27.3 million retirees, over 4.5 million people with disabilities, 3.8 million surviving children and 8.4 million surviving adults, and is essential to the dignity and security of the nation's elderly and disabled;

(2) the Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trsut Funds have reported to the Congress that the "total income" of the Social Security system "is estimated to fall short of expenditures beginning in 2021 and in each year thereafter . . . until the assets of the combined trust funds are exhausted in 2032";

(3) intergenerational fairness, honest accounting principles, prudent budgeting, and sound economic policy all require saving Social Security first, in order that the Nation may better afford the retirement of the baby boom generation, beginning in 2010;

(4) in reforming Social Security in 1983, the Congress intended that near-term Social Security trust fund surpluses be used to prefund the retirement of the baby boom generation;

(5) in his State of the Union message to the joint session of Congress on January 27, 1998, President Clinton called on the Congress to "save Social Security first" and to "reserve one hundred percent of the surplus, that is any penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system for the twenty-first century";

(6) saving Social Security first would work to expand national savings, reduce interest rates, enhance private investment, increase labor productivity, and boost economic growth;

(7) section 13301 of the Budget Enforcement Act of 1990 expressly forbids counting Social Security trust fund surpluses as revenue available to balance the budget; and

(8) the CBO has estimated that the unified budget surplus will reach nearly $1.5 trillion over the next ten years.

(b) SENSE OF THE SENATE—It is the sense of the Senate that Congress and the President should—

(1) continue to rid our country of debt and work to balance the budget without counting Social Security trust fund surpluses;

(2) work in a bipartisan way on specific legislation to reform the Social Security system, to ensure that it is financially sound over the long term and will be available for all future generations;

(3) save Social Security first; and

(4) return all remaining surpluses to American taxpayers.

THOMPSON (AND OTHERS) AMENDMENT NO. 3256

Mr. THOMPSON (for himself, Mr. LOTT, Mr. COVERDELL, Mr. HUTCHINSON, Mr. ENZI, Mr. ABRAHAM, Mr. KEMPTHORNE, Mr. STEVENS, Mr. THURMOND, and Ms. COLLINS) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. POLICIES RELATING TO FEDERALISM.

(a) REPEAL OF EXECUTIVE ORDER.—Executive Order No. 13083, issued May 14, 1998, shall have no force and effect.

(b) CONTINUATION OF EXECUTIVE ORDERS.—Executive Order No. 12612, issued October 26, 1987, and Executive Order No. 12875, issued October 26, 1993, shall be in effect as though Executive Order No. 13083 never took effect.

McCAIN AMENDMENT NO. 3257

Mr. McCAIN proposed an amendment to the bill, S. 2260, supra; as follows:

On page 62, strike "*Provided further*," on line 3 and all that follows through line 16 and insert the following: "*Provided further*, That none of the funds appropriated or otherwise made available under this Act or under any other provision of law may be obligated or expended by the Secretary of Commerce, through the Patent and Trademark Office, to plan for the design, construction, or lease of any new facility for that office until the date that is 90 days after the date of submission to Congress by the Administrator of General Services of a report on the results of a cost-benefit analysis that analyzes the costs versus the benefits of relocating the Patent and Trademark Office to a new facility, and that includes an analysis of the cost associated with leasing, in comparison with the cost of any lease-purchase, Federal construction, or other alternative for new space for the Patent and Trademark Office and a recommendation on the most cost-effective option for consolidating the Patent and Trademark Office: *Provided further*, That the report submitted by the Administrator of General Services shall consider any appropriate location or facility for the Patent and Trademark Office, and shall not be limited to any geographic region: *Provided further*, That the Administrator of General Services shall submit the report to Congress not later than May 1, 1999.".

SMITH (AND OTHERS) AMENDMENT NO. 3258

(Ordered to lie on the table.)

Mr. SMITH of Oregon (for himself, Mr. WYDEN, Mr. CRAIG, Mr. GRAHAM, Mr. GORTON, Mr. BUMPERS, Mr. HATCH, Mr. McCONNELL, Mr. MACK, Mr. KEMPTHORNE, Mr. SANTORUM, Mr. FAIRCLOTH, and Mr. THURMOND) submitted an amendment intended to be proposed by them to the bill, S. 2260, supra; as follows:

At the appropriate place, insert the following new title:

TITLE ___—TEMPORARY AGRICULTURAL WORKERS

SEC. ___01. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the "Agricultural Job Opportunity Benefits and Security Act of 1998".

(b) TABLE OF CONTENTS.—The table of contents of this title is as follows:

Sec. ___01. Short title; table of contents.
Sec. ___02. Definitions.
Sec. ___03. Agricultural worker registries.
Sec. ___04. Employer applications and assurances.
Sec. ___05. Search of registry.
Sec. ___06. Issuance of visas and admission of aliens.
Sec. ___07. Employment requirements.
Sec. ___08. Enforcement and penalties.
Sec. ___09. Alternative program for the admission of temporary H–2A workers.
Sec. ___10. Inclusion in employment-based immigration preference allocation.
Sec. ___11. Migrant and seasonal Head Start program.
Sec. ___12. Regulations.
Sec. ___13. Funding from Wagner-Peyser Act.
Sec. ___14. Report to Congress.
Sec. ___15. Effective date.

SEC. ___02. DEFINITIONS.

In this title:

(1) ADVERSE EFFECT WAGE RATE.—The term "adverse effect wage rate" means the rate of pay for an agricultural occupation that is 5-percent above the prevailing rate of pay for that agricultural occupation in an area of intended employment, if the average hourly equivalent of the prevailing rate of pay for the occupation is less than the prior year's average hourly earnings of field and livestock workers for the State (or region that includes the State), as determined by the Secretary of Agriculture. No adverse effect wage rate shall be more than the prior year's average hourly earnings of field and livestock workers for the State (or region that includes the State), as determined by the Secretary of Agriculture.

(2) AGRICULTURAL EMPLOYMENT.—The term "agricultural employment" means any service or activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) or section 3121(g) of the Internal Revenue Code of 1986 and the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state.

(3) ELIGIBLE.—The term "eligible" as used with respect to workers or individuals, means individuals authorized to be employed in the United States as provided for in section 274A(h)(3) of the Immigration and Nationality Act (8 U.S.C. 1188).

(4) EMPLOYER.—The term "employer" means any person or entity, including any independent contractor and any agricultural association, that employs workers.

(5) JOB OPPORTUNITY.—The term "job opportunity" means a specific period of employment for a worker in one or more specified agricultural activities.

(6) PREVAILING WAGE.—The term "prevailing wage" means with respect to an agricultural activity in an area of intended employment, the rate of wages that includes the 51st percentile of employees in that agricultural activity in the area of intended employment, expressed in terms of the prevailing method of pay for the agricultural activity in the area of intended employment.

(7) REGISTERED WORKER.—The term "registered worker" means an individual whose name appears in a registry.

(8) REGISTRY.—The term "registry" means an agricultural worker registry established under section ___03(a).

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) United states worker.—The term "United States worker" means any worker, whether a United States citizen, a United States national, or an alien who is authorized to work in the job opportunity within the United States other than an alien admitted pursuant to section 101(a)(15)(H)(ii)(a) or 218 of the Immigration and Nationality Act, as in effect on the effective date of this title.

SEC. 03. AGRICULTURAL WORKER REGISTRIES.

(a) Establishment of Registries.—

(1) In general.—The Secretary of Labor shall establish and maintain a system of registries containing a current database of eligible United States workers who seek to perform temporary or seasonal agricultural work and the employment status of such workers—

(A) to ensure that eligible United States workers are informed about available agricultural job opportunities;

(B) to maximize the work period for eligible United States workers; and

(C) to provide timely referral of such workers to temporary and seasonal agricultural job opportunities in the United States.

(2) Coverage.—

(A) Single state or group of states.—Each registry established under paragraph (1) shall include the job opportunities in a single State, or a group of contiguous States that traditionally share a common pool of seasonal agricultural workers.

(B) Requests for inclusion.—Each State requesting inclusion in a registry, or having any group of agricultural producers seeking to utilize the registry, shall be represented by a registry or by a registry of contiguous States.

(b) Registration.—

(1) In general.—An eligible individual who seeks employment in temporary or seasonal agricultural work may apply to be included in the registry for the State or States in which the individual seeks employment. Such application shall include—

(A) the name and address of the individual;

(B) the period or periods of time (including beginning and ending dates) during which the individual will be available for temporary or seasonal agricultural work;

(C) the registry or registries on which the individual desires to be included;

(D) the specific qualifications and work experience possessed by the applicant;

(E) the type or types of temporary or seasonal agricultural work the applicant is willing to perform;

(F) such other information as the applicant wishes to be taken into account in referring the applicant to temporary or seasonal agricultural job opportunities; and

(G) such other information as may be required by the Secretary.

(2) Validation of employment authorization.—No person may be included on any registry unless the Attorney General has certified to the Secretary of Labor that the person is authorized to be employed in the United States.

(3) Workers referred to job opportunities.—The name of each registered worker who is referred and accepts employment with an employer pursuant to section 05 shall be classified as inactive on each registry on which the worker is included during the period of employment involved in the job to which the worker was referred, unless the worker reports to the Secretary that the worker is no longer employed and is available for referral to another job opportunity. A registered worker classified as inactive shall not be referred pursuant to section 05.

(4) Removal of names from a registry.—The Secretary shall remove from all registries the name of any registered worker who, on 3 separate occasions within a 3-month period, is referred to a job opportunity pursuant to this section, and who declines such referral or fails to report to work in a timely manner.

(5) Voluntary removal.—A registered worker may request that the worker's name be removed from a registry or from all registries.

(6) Removal by expiration.—The application of a registered worker shall expire, and the Secretary shall remove the name of such worker from all registries if the worker has not accepted a job opportunity pursuant to this section within the preceding 12-month period.

(7) Reinstatement.—A worker whose name is removed from a registry pursuant to paragraph (4), (5), or (6) may apply to the Secretary for reinstatement to such registry at any time.

(c) Confidentiality of Registries.—The Secretary shall maintain the confidentiality of the registries established pursuant to this section, and the information in such registries shall not be used for any purposes other than those authorized in this title.

(d) Advertising of Registries.—The Secretary shall widely disseminate, through advertising and other means, the existence of the registries for the purpose of encouraging eligible United States workers seeking temporary or seasonal agricultural job opportunities to register.

SEC. 04. EMPLOYER APPLICATIONS AND ASSURANCES.

(a) Applications to the Secretary.—

(1) In general.—Not later than 21 days prior to the date on which an agricultural employer desires to employ a registered worker in a temporary or seasonal agricultural job opportunity, the employer shall apply to the Secretary for the referral of a United States worker through a search of the appropriate registry, in accordance with section 05. Such application shall—

(A) describe the nature and location of the work to be performed;

(B) list the anticipated period (expected beginning and ending dates) for which workers will be needed;

(C) indicate the number of job opportunities in which the employer seeks to employ workers from the registry;

(D) describe the bona fide occupational qualifications that must be possessed by a worker to be employed in the job opportunity in question;

(E) describe the wages and other terms and conditions of employment the employer will offer, which shall not be less (and are not required to be more) than those required by this section;

(F) contain the assurances required by subsection (c); and

(G) specify the foreign country or region thereof from which alien workers should be admitted in the case of a failure to refer United States workers under this title.

(2) Applications by associations on behalf of employer members.—

(A) In general.—An agricultural association may file an application under paragraph (1) for registered workers on behalf of its employer members.

(B) Employers.—An application under subparagraph (A) shall cover those employer members of the association that the association certifies in its application have agreed in writing to comply with the requirements of this title.

(b) Amendment of Applications.—Prior to receiving a referral of workers from a registry, an employer may amend an application under this subsection if the employer's need for workers changes. If an employer amends an application on a date which is later than 21 days prior to the date on which the workers on the amended application are sought to be employed, the Secretary may delay issuance of the report described in section 05(b) by the number of days by which the filing of the amended application is later than 21 days before the date on which the employer desires to employ workers.

(c) Assurances.—The assurances referred to in subsection (a)(1)(F) are the following:

(1) Assurance that the job opportunity is not a result of a labor dispute.—The employer shall assure that the job opportunity for which the employer requests a registered worker is not vacant because a worker is involved in a strike, lockout, or work stoppage in the course of a labor dispute involving the job opportunity at the place of employment.

(2) Assurance that the job opportunity is temporary or seasonal.—

(A) Required assurance.—The employer shall assure that the job opportunity for which the employer requests a registered worker is temporary or seasonal.

(B) Seasonal basis.—For purposes of this title, labor is performed on a seasonal basis where, ordinarily, the employment pertains to or is of the kind exclusively performed at certain seasons or periods of the year and which, from its nature, may not be continuous or carried on throughout the year.

(C) Temporary basis.—For purposes of this title, a worker is employed on a temporary basis where the employment is intended not to exceed 10 months.

(3) Assurance of provision of required wages and benefits.—The employer shall assure that the employer will provide the wages and benefits required by subsections (a), (b), and (c) of section 07 to all workers employed in job opportunities for which the employer has applied under subsection (a) and to all other workers in the same occupation at the place of employment.

(4) Assurance of employment.—The employer shall assure that the employer will refuse to employ individuals referred under section 05, or terminate individuals employed pursuant to this title, only for lawful job-related reasons, including lack of work.

(5) Assurance of compliance with labor laws.—

(A) In general.—An employer who requests registered workers shall assure that, except as otherwise provided in this title, the employer will comply with all applicable Federal, State, and local labor laws, including laws affecting migrant and seasonal agricultural workers, with respect to all United States workers and alien workers employed by the employer.

(B) Limitations.—The disclosure required under section 201(a) of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1821(a)) may be made at any time prior to the time the alien is issued a visa permitting entry into the United States.

(6) Assurance of advertising of the registry.—The employer shall assure that the employer will, from the day an application for workers is submitted under subsection (a), and continuing throughout the period of employment of any job opportunity for which the employer has applied for a worker from the registry, post in a conspicuous place a poster to be provided by the Secretary advertising the availability of the registry.

(7) ASSURANCE OF CONTACTING FORMER WORKERS.—The employer shall assure that the employer has made reasonable efforts through the sending of a letter by United States Postal Service mail, or otherwise, to contact any eligible worker the employer employed during the previous season in the occupation at the place of intended employment for which the employer is applying for registered workers, and has made the availability of the employer's job opportunities in the occupation at the place of intended employment known to such previous worker, unless the worker was terminated from employment by the employer for a lawful job-related reason or abandoned the job before the worker completed the period of employment of the job opportunity for which the worker was hired.

(8) ASSURANCE OF PROVISION OF WORKERS COMPENSATION.—The employer shall assure that if the job opportunity is not covered by the State workers' compensation law, that the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State workers' compensation law for comparable employment.

(9) ASSURANCE OF UNEMPLOYMENT INSURANCE COVERAGE.—The employer shall assure that if the employer's employment is not covered employment under the State's unemployment insurance law, the employer will provide unemployment insurance coverage for the employer's United States workers at the place of employment for which the employer has applied for workers under subsection (a).

(d) WITHDRAWAL OF APPLICATIONS.—

(1) IN GENERAL.—An employer may withdraw an application under subsection (a), except that, if the employer is an agricultural association, the association may withdraw an application under subsection (a) with respect to one or more of its members. To withdraw an application, the employer shall notify the Secretary in writing, and the Secretary shall acknowledge in writing the receipt of such withdrawal notice. An employer who withdraws an application under subsection (a), or on whose behalf an application is withdrawn, is relieved of the obligations undertaken in the application.

(2) LIMITATION.—An application may not be withdrawn while any alien provided status under this title pursuant to such application is employed by the employer.

(3) OBLIGATIONS UNDER OTHER STATUTES.—Any obligation incurred by an employer under any other law or regulation as a result of recruitment of United States workers under an offer of terms and conditions of employment required as a result of making an application under subsection (a) is unaffected by withdrawal of such application.

(e) REVIEW OF APPLICATION.—

(1) IN GENERAL.—Promptly upon receipt of an application by an employer under subsection (a), the Secretary shall review the application for compliance with the requirements of such subsection.

(2) APPROVAL OF APPLICATIONS.—If the Secretary determines that an application meets the requirements of subsection (a), and the employer is not ineligible to apply under paragraph (2), (3), or (4) of section ___08(b), the Secretary shall, not later than 7 days after the receipt of such application, approve the application and so notify the employer.

(3) REJECTION OF APPLICATIONS.—If the Secretary determines that an application fails to meet 1 or more of the requirements of subsection (a), the Secretary, as expeditiously as possible, but in no case later than 7 days after the receipt of such application, shall—

(A) notify the employer of the rejection of the application and the reasons for such rejection, and provide the opportunity for the prompt resubmission of an amended application; and

(B) offer the applicant an opportunity to request an expedited administrative review or a de novo administrative hearing before an administrative law judge of the rejection of the application.

(4) REJECTION FOR PROGRAM VIOLATIONS.—The Secretary shall reject the application of an employer under this section if the employer has been determined to be ineligible to employ workers under section ___08(b) or subsection (b)(2) of section 218 of the Immigration and Nationality Act (8 U.S.C. 1188).

SEC. ___05. SEARCH OF REGISTRY.

(a) SEARCH PROCESS AND REFERRAL TO THE EMPLOYER.—Upon the approval of an application under section ___04(e), the Secretary shall promptly begin a search of the registry of the State (or States) in which the work is to be performed to identify registered workers with the qualifications requested by the employer. The Secretary shall contact such qualified' registered workers and determine, in each instance, whether the worker is ready, willing, and able to accept the employer's job opportunity and will commit to work for the employer at the time and place needed. The Secretary shall provide to each worker who commits to work for the employer the employer's name, address, telephone number, the location where the employer has requested that employees report for employment, and a statement disclosing the terms and conditions of employment.

(b) DEADLINE FOR COMPLETING SEARCH PROCESS; REFERRAL OF WORKERS.—As expeditiously as possible, but not later than 7 days before the date on which an employer desires work to begin, the Secretary shall complete the search under subsection (a) and shall transmit to the employer a report containing the name, address, and social security account number of each registered worker who has committed to work for the employer on the date needed, together with sufficient information to enable the employer to establish contact with the worker. The identification of such registered workers in a report shall constitute a referral of workers under this section.

(c) NOTICE OF INSUFFICIENT WORKERS.—If the report provided to the employer under subsection (b) does not include referral of a sufficient number of registered workers to fill all of the employer's job opportunities in the occupation for which the employer applied under section ___04(a), the Secretary shall indicate in the report the number of job opportunities for which registered workers could not be referred, and promptly transmit a copy of the report to the Attorney General and the Secretary of State, by electronic or other means ensuring next day delivery.

SEC. ___06. ISSUANCE OF VISAS AND ADMISSION OF ALIENS.

(a) IN GENERAL.—

(1) NUMBER OF ADMISSIONS.—The Secretary of State shall promptly issue visas to, and the Attorney General shall admit, a sufficient number of eligible aliens designated by the employer to fill the job opportunities of the employer—

(A) upon receipt of a copy of the report described in section ___05(c);

(B) upon receipt of an application (or copy of an application under subsection (b));

(C) upon receipt of the report required by subsection (c)(1)(B); or

(D) upon receipt of a report under subsection (d).

(2) PROCEDURES.—The admission of aliens under paragraph (1) shall be subject to the procedures of section 218A of the Immigration and Nationality Act, as added by this title.

(3) AGRICULTURAL ASSOCIATIONS.—Aliens admitted pursuant to a report described in paragraph (1) may be employed by any member of the agricultural association that has made the certification required by section ___04(a)(2)(B).

(b) DIRECT APPLICATION UPON FAILURE TO ACT.—

(1) APPLICATION TO THE SECRETARY OF STATE.—If the employer has not received a referral of sufficient workers pursuant to section ___05(b) or a report of insufficient workers pursuant to section ___05(c), by the date that is 7 days before the date on which the work is anticipated to begin, the employer may submit an application for alien workers directly to the Secretary of State, with a copy of the application provided to the Attorney General, seeking the issuance of visas to and the admission of aliens for employment in the job opportunities for which the employer has not received referral of registered workers. Such an application shall include a copy of the employer's application under section ___04(a), together with evidence of its timely submission. The Secretary of State may consult with the Secretary of Labor in carrying out this paragraph.

(2) EXPEDITED CONSIDERATION BY SECRETARY OF STATE.—The Secretary of State shall, as expeditiously as possible, but not later than 5 days after the employer files an application under paragraph (1), issue visas to, and the Attorney General shall admit, a sufficient number of eligible aliens designated by the employer to fill the job opportunities for which the employer has applied under that paragraph.

(c) REDETERMINATION OF NEED.—

(1) REQUESTS FOR REDETERMINATION.—

(A) IN GENERAL.—An employer may file a request for a redetermination by the Secretary of the needs of the employer if—

(i) a worker referred from the registry is not at the place of employment on the date of need shown on the application, or the date the work for which the worker is needed has begun, whichever is later;

(ii) the worker is not ready, willing, able, or qualified to perform the work required; or

(iii) the worker abandons the employment or is terminated for a lawful job-related reason.

(B) ADDITIONAL AUTHORIZATION OF ADMISSIONS.—The Secretary shall expeditiously, but in no case later than 72 hours after a redetermination is requested under subparagraph (A), submit a report to the Secretary of State and the Attorney General providing notice of a need for workers under this subsection.

(2) JOB-RELATED REQUIREMENTS.—An employer shall not be required to initially employ a worker who fails to meet lawful job-related employment criteria, nor to continue the employment of a worker who fails to meet lawful, job-related standards of conduct and performance, including failure to meet minimum production standards after a 3-day break-in period.

(d) EMERGENCY APPLICATIONS.—Notwithstanding subsections (b) and (c), the Secretary may promptly transmit a report to the Attorney General and Secretary of State providing notice of a need for workers under this subsection for an employer—

(1) who has not employed aliens under this title in the occupation in question in the prior year's agricultural season;

(2) who faces an unforeseen need for workers (as determined by the Secretary); and

(3) with respect to whom the Secretary cannot refer able, willing, and qualified workers from the registry who will commit to be at the employer's place of employment and ready for work within 72 hours or on the date the work for which the worker is needed has begun, whichever is later.

(e) REGULATIONS.—The Secretary of State shall prescribe regulations to provide for the designation of aliens under this section.

SEC. 07. EMPLOYMENT REQUIREMENTS.

(a) REQUIRED WAGES.—

(1) IN GENERAL.—An employer applying under section 04(a) for workers shall offer to pay, and shall pay, all workers in the occupation or occupations for which the employer has applied for workers from the registry, not less (and is not required to pay more) than the greater of the prevailing wage in the occupation in the area of intended employment or the adverse effect wage rate.

(2) PAYMENT OF PREVAILING WAGE DETERMINED BY A STATE EMPLOYMENT SECURITY AGENCY SUFFICIENT.—In complying with paragraph (1), an employer may request and obtain a prevailing wage determination from the State employment security agency. If the employer requests such a determination, and pays the wage required by paragraph (1) based upon such a determination, such payment shall be considered sufficient to meet the requirement of paragraph (1).

(3) RELIANCE ON WAGE SURVEY.—In lieu of the procedure of paragraph (2), an employer may rely on other information, such as an employer-generated prevailing wage survey and determination that meets criteria specified by the Secretary.

(4) ALTERNATIVE METHODS OF PAYMENT PERMITTED.—

(A) IN GENERAL.—A prevailing wage may be expressed as an hourly wage, a piece rate, a task rate, or other incentive payment method, including a group rate. The requirement to pay at least the prevailing wage in the occupation and area of intended employment does not require an employer to pay by the method of pay in which the prevailing rate is expressed, except that, if the employer adopts a method of pay other than the prevailing rate, the burden of proof is on the employer to demonstrate that the employer's method of pay is designed to produce earnings equivalent to the earnings that would result from payment of the prevailing rate.

(B) COMPLIANCE WHEN PAYING AN INCENTIVE RATE.—In the case of an employer that pays a piece rate or task rate or uses any other incentive payment method, including a group rate, the employer shall be considered to be in compliance with any applicable hourly wage requirement if the average of the hourly earnings of the workers, taken as a group, the activity for which a piece rate, task rate, or other incentive payment, including a group rate, is paid, for the pay period, is at least equal to the required hourly wage.

(C) TASK RATE.—For purposes of this paragraph, the term "task rate" means an incentive payment method based on a unit of work performed such that the incentive rate varies with the level of effort required to perform individual units of work.

(D) GROUP RATE.—For purposes of this paragraph, the term "group rate" means an incentive payment method in which the payment is shared among a group of workers working together to perform the task.

(b) REQUIREMENT TO PROVIDE HOUSING.—

(1) IN GENERAL.—An employer applying under section 04(a) for registered workers shall offer to provide housing at no cost (except for charges permitted by paragraph (5)) to all workers employed in job opportunities to which the employer has applied under that section, and to all other workers in the same occupation at the place of employment, whose permanent place of residence is beyond normal commuting distance.

(2) TYPE OF HOUSING.—In complying with paragraph (1), an employer may, at the employer's election, provide housing that meets applicable Federal standards for temporary labor camps or secure housing that meets applicable local standards for rental or public accommodation housing or other substantially similar class of habitation, or, in the absence of applicable local standards, State standards for rental or public accommodation housing or other substantially similar class of habitation.

(3) WORKERS ENGAGED IN THE RANGE PRODUCTION OF LIVESTOCK.—The Secretary shall issue regulations that address the specific requirements for the provision of housing to workers engaged in the range production of livestock.

(4) LIMITATION.—Nothing in this subsection shall be construed to require an employer to provide or secure housing for persons who were not entitled to such housing under the temporary labor certification regulations in effect on June 1, 1986.

(5) CHARGES FOR HOUSING.—

(A) UTILITIES AND MAINTENANCE.—An employer who provides housing to a worker pursuant to paragraph (1) may charge an amount equal to the fair market value (but not greater than the employer's actual cost) for maintenance and utilities, or such lesser amount as permitted by law.

(B) SECURITY DEPOSIT.—An employer who provides housing to workers pursuant to paragraph (1) may require, as a condition for providing such housing, a deposit not to exceed $50 from workers occupying such housing to protect against gross negligence or willful destruction of property.

(C) DAMAGES.—An employer who provides housing to workers pursuant to paragraph (1) may require a worker found to have been responsible for damage to such housing which is not the result of normal wear and tear related to habitation to reimburse the employer for the reasonable cost of repair of such damage.

(6) REDUCED USER FEE FOR WORKERS PROVIDED HOUSING.—An employer shall receive a credit of 40 percent of the payment otherwise due pursuant to section 218(b) of the Immigration and Nationality Act on the earnings of alien workers to whom the employer provides housing pursuant to paragraph (1).

(7) HOUSING ALLOWANCE AS ALTERNATIVE.—

(A) IN GENERAL.—In lieu of offering housing pursuant to paragraph (1), subject to subparagraphs (B) through (D), the employer may on a case-by-case basis provide a reasonable housing allowance. An employer who offers a housing allowance to a worker pursuant to this subparagraph shall not be deemed to be a housing provider under section 203 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1823) solely by virtue of providing such housing allowance.

(B) LIMITATION.—At any time after the date that is 3 years after the effective date of this title, the governor of the State may certify to the Secretary that there is not sufficient housing available in an area of intended employment of migrant farm workers or aliens provided status pursuant to this title who are seeking temporary housing while employed at farm work. Such certification may be canceled by the governor of the State at any time, and shall expire after 5 years unless renewed by the governor of the State.

(C) EFFECT OF CERTIFICATION.—If the governor of the State makes the certification of insufficient housing described in subparagraph (A) with respect to an area of employment, employers of workers in that area of employment may not offer the housing allowance described in subparagraph (A) after the date that is 5 years after such certification of insufficient housing for such area, unless the certification has expired or been canceled pursuant to subparagraph (B).

(D) AMOUNT OF ALLOWANCE.—The amount of a housing allowance under this paragraph shall be equal to the statewide average fair market rental for existing housing for nonmetropolitan counties for the State in which the employment occurs, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

(c) REIMBURSEMENT OF TRANSPORTATION.—

(1) TO PLACE OF EMPLOYMENT.—A worker who is referred to a job opportunity under section 05(a), or an alien employed pursuant to this title, who completes 50 percent of the period of employment of the job opportunity for which the worker was hired, may apply to the Secretary for reimbursement of the cost of the worker's transportation and subsistence from the worker's permanent place of residence (or place of last employment, if the worker traveled from such place) to the place of employment to which the worker was referred under section 05(a).

(2) FROM PLACE OF EMPLOYMENT.—A worker who is referred to a job opportunity under section 05(a), or an alien employed pursuant to this title, who completes the period of employment for the job opportunity involved, may apply to the Secretary for reimbursement of the cost of the worker's transportation and subsistence from the place of employment to the worker's permanent place of residence (or place of next employment, if the worker travels from the place of current employment to a subsequent place of employment and is otherwise ineligible for reimbursement under paragraph (1) with respect to such subsequent place of employment).

(3) LIMITATION.—

(A) AMOUNT OF REIMBURSEMENT.—Except as provided in subparagraph (B), the amount of reimbursement provided under paragraph (1) or (2) to a worker or alien shall not exceed the lesser of—

(i) the actual cost to the worker or alien of the transportation and subsistence involved; or

(ii) the most economical and reasonable transportation and subsistence costs that would have been incurred had the worker or alien used an appropriate common carrier, as determined by the Secretary.

(B) DISTANCE TRAVELED.—No reimbursement under paragraph (1) or (2) shall be required if the distance traveled is 100 miles or less.

(4) USE OF TRUST FUND.—Reimbursements made by the Secretary to workers or aliens under this subsection shall be considered to be administrative expenses for purposes of

section 218A(b)(4) of the Immigration and Nationality Act, as added by this title.

(d) ESTABLISHMENT OF PILOT PROGRAM FOR ADVANCING TRANSPORTATION COSTS.—

(1) IN GENERAL.—The Secretary shall establish a pilot program for the issuance of vouchers to United States workers who are referred to job opportunities under section ____05(a) for the purpose of enabling such workers to purchase common carrier transportation to the place of employment.

(2) LIMITATION.—A voucher may only be provided to a worker under paragraph (1) if the job opportunity involved requires that the worker temporarily relocate to a place of employment that is more than 100 miles from the worker's permanent place of residence or last place of employment, and the worker attests that the worker cannot travel to the place of employment without such assistance from the Secretary.

(3) NUMBER OF VOUCHERS.—The Secretary shall award vouchers under the pilot program under paragraph (1) to workers referred from each registry in proportion to the number of workers registered with each such registry.

(4) REIMBURSEMENT.—

(A) USE OF TRUST FUND.—Reimbursements for the cost of vouchers provided by the Secretary under this subsection for workers who complete at least 50 percent of the period of employment of the job opportunity for which the worker was hired shall be considered to be administrative expenses for purposes of section 218A(b)(4) of the Immigration and Nationality Act, as added by this title.

(B) OF SECRETARY.—A worker who receives a voucher under this subsection who fails to complete at least 50 percent of the period of employment of the job opportunity for which the worker was hired under the job opportunity involved shall reimburse the Secretary for the cost of the voucher.

(5) REPORT AND CONTINUATION OF PROGRAM.—

(A) COLLECTION OF DATA.—The Secretary shall collect data on—

(i) the extent to which workers receiving vouchers under this subsection report, in a timely manner, to the jobs to which such workers have been referred;

(ii) whether such workers complete the job opportunities involved; and

(iii) the extent to which such workers do not complete at least 50 percent of the period of employment the job opportunities for which the workers were hired.

(B) REPORT.—Not later than 6 months after the expiration of the second fiscal year during which the program under this subsection is in operation, the Secretary, in consultation with the Secretary of Agriculture, shall prepare and submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives, a report, based on the data collected under subparagraph (A), concerning the results of the program established under this section. Such report shall contain the recommendations of the Secretary concerning the termination or continuation of such program.

(C) TERMINATION OF PROGRAM.—The recommendations of the Secretary in the report submitted under subparagraph (B) shall become effective upon the expiration of the 90-day period beginning on the date on which such report is submitted unless Congress enacts a joint resolution disapproving such recommendations.

(d) CONTINUING OBLIGATION TO EMPLOY UNITED STATES WORKERS.—

(1) IN GENERAL.—An employer that applies for registered workers under section ____04(a) shall, as a condition for the approval of such application, continue to offer employment to qualified, eligible United States workers who are referred under section ____05(b) after the employer receives the report described in section ____05(b).

(2) LIMITATION.—An employer shall not be obligated to comply with paragraph (1)—

(A) after 50 percent of the anticipated period of employment shown on the employer's application under section ____04(a) has elapsed; or

(B) during any period in which the employer is employing no aliens in the occupation for which the United States worker was referred; or

(C) during any period when the Secretary is conducting a search of a registry for job opportunities in the occupation and area of intended employment to which the worker has been referred, or other occupations in the area of intended employment for which the worker is qualified that offer substantially similar terms and conditions of employment.

(3) LIMITATION ON REQUIREMENT TO PROVIDE HOUSING.—Notwithstanding any other provision of this title, an employer to whom a registered worker is referred pursuant to paragraph (1) may provide a reasonable housing allowance to such referred worker in lieu of providing housing if the employer does not have sufficient housing to accommodate the referred worker and all other workers for whom the employer is providing housing or has committed to provide housing.

(4) REFERRAL OF WORKERS DURING 50-PERCENT PERIOD.—The Secretary shall make all reasonable efforts to place a registered worker in an open job acceptable to the worker, including available jobs not listed on the registry, before referring such worker to an employer for a job opportunity already filled by, or committed to, an alien admitted pursuant to this title.

SEC. ____08. ENFORCEMENT AND PENALTIES.

(a) ENFORCEMENT AUTHORITY.—

(1) INVESTIGATION OF COMPLAINTS.—

(A) IN GENERAL.—The Secretary shall establish a process for the receipt, investigation, and disposition of complaints respecting an employer's failure to meet a condition specified in section ____04 or an employer's misrepresentation of material facts in an application under that section. Complaints may be filed by any aggrieved person or any organization (including bargaining representatives). No investigation or hearing shall be conducted on a complaint concerning such a failure or misrepresentation unless the complaint was filed not later than 12 months after the date of the failure or misrepresentation, as the case may be. The Secretary shall conduct an investigation under this paragraph if there is reasonable cause to believe that such a failure or misrepresentation has occurred.

(B) STATUTORY CONSTRUCTION.—Nothing in this title limits the authority of the Secretary of Labor to conduct any compliance investigation under any other labor law, including any law affecting migrant and seasonal agricultural workers or, in the absence of a complaint under this paragraph, under this title.

(2) WRITTEN NOTICE OF FINDING AND OPPORTUNITY FOR APPEAL.—After an investigation has been conducted, the Secretary shall issue a written determination as to whether or not any violation described in subsection (b) has been committed. The Secretary's determination shall be served on the complainant and the employer, and shall provide an opportunity for an appeal of the Secretary's decision to an administrative law judge, who may conduct a de novo hearing.

(b) REMEDIES.—

(1) BACK WAGES.—Upon a final determination that the employer has failed to pay wages as required under this section, the Secretary may assess payment of back wages due to any United States worker or alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act employed by the employer in the specific employment in question. The back wages shall be equal to the difference between the amount that should have been paid and the amount that actually was paid to such worker.

(2) FAILURE TO PAY WAGES.—Upon a final determination that the employer has failed to pay the wages required under this title, the Secretary may assess a civil money penalty up to $1,000 for each failure, and may recommend to the Attorney General the disqualification of the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act for a period of time determined by the Secretary not to exceed 1 year.

(3) OTHER VIOLATIONS.—If the Secretary, as a result of an investigation pursuant to a complaint, determines that an employer covered by an application under section ____04(a) has—

(A) filed an application that misrepresents a material fact; or

(B) failed to meet a condition specified in section ____04,

the Secretary may assess a civil money penalty not to exceed $1,000 for each violation and may recommend to the Attorney General the disqualification of the employer for substantial violations in the employment of any United States workers or aliens described in section 101(a)(15)(ii)(a) of the Immigration and Nationality Act for a period of time determined by the Secretary not to exceed 1 year. In determining the amount of civil money penalty to be assessed or whether to recommend disqualification of the employer, the Secretary shall consider the seriousness of the violation, the good faith of the employer, the size of the business of the employer being charged, the history of previous violations by the employer, whether the employer obtained a financial gain from the violation, whether the violation was willful, and other relevant factors.

(4) PROGRAM DISQUALIFICATION.—

(A) 3 YEARS FOR SECOND VIOLATION.—Upon a second final determination that an employer has failed to pay the wages required under this title or committed other substantial violations under paragraph (3), the Secretary shall report such determination to the Attorney General and the Attorney General shall disqualify the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act for a period of 3 years.

(B) PERMANENT FOR THIRD VIOLATION.—Upon a third final determination that an employer has failed to pay the wages required under this section or committed other substantial violations under paragraph (3), the Secretary shall report such determination to the Attorney General, and the Attorney General shall disqualify the employer from any subsequent employment of aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

(c) ROLE OF ASSOCIATIONS.—

(1) VIOLATION BY A MEMBER OF AN ASSOCIATION.—An employer on whose behalf an application is filed by an association acting as its agent is fully responsible for such application, and for complying with the terms

and conditions of this title, as though the employer had filed the application itself. If such an employer is determined to have violated a requirement of this section, the penalty for such violation shall be assessed against the employer who committed the violation and not against the association or other members of the association.

(2) VIOLATION BY AN ASSOCIATION ACTING AS AN EMPLOYER.—If an association filing an application on its own behalf as an employer is determined to have committed a violation under this subsection which results in disqualification from the program under subsection (b), no individual member of such association may be the beneficiary of the services of an alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act in an occupation in which such alien was employed by the association during the period such disqualification is in effect, unless such member files an application as an individual employer or such application is filed on the employer's behalf by an association with which the employer has an agreement that the employer will comply with the requirements of this title.

SEC. 09. ALTERNATIVE PROGRAM FOR THE ADMISSION OF TEMPORARY H-2A WORKERS.

(a) AMENDMENTS TO THE IMMIGRATION AND NATIONALITY ACT.—

(1) ELECTION OF PROCEDURES.—Section 214(c)(1) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(1)) is amended—

(A) by striking the fifth and sixth sentences;

(B) by striking "(c)(1) The" and inserting "(c)(1)(A) Except as provided in subparagraph (B), the"; and

(C) by adding at the end the following new subparagraph:

"(B) Notwithstanding subparagraph (A), in the case of the importing of any nonimmigrant alien described in section 101(a)(15)(H)(ii)(a), the importing employer may elect to import the alien under the procedures of section 218 or section 218A, except that any employer that applies for registered workers under section 04(a) of the Agricultural Job Opportunity Benefits and Security Act of 1998 shall import nonimmigrants described in section 101(a)(15)(H)(ii)(a) only in accordance with section 218A. For purposes of subparagraph (A), with respect to the importing of nonimmigrants under section 218, the term 'appropriate agencies of Government' means the Department of Labor and includes the Department of Agriculture.".

(2) ALTERNATIVE PROGRAM.—The Immigration and Nationality Act is amended by inserting after section 218 (8 U.S.C. 1188) the following new section:

"ALTERNATIVE PROGRAM FOR THE ADMISSION OF TEMPORARY H–2A WORKERS

"SEC. 218A. (a) PROCEDURE FOR ADMISSION OR EXTENSION OF ALIENS.—

"(1) ALIENS WHO ARE OUTSIDE THE UNITED STATES.—

"(A) CRITERIA FOR ADMISSIBILITY.—

"(i) IN GENERAL.—An alien described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act shall be admissible under this section if the alien is designated pursuant to section 06 of the Agricultural Job Opportunity Benefits and Security Act of 1998, otherwise admissible under this Act, and the alien is not ineligible under clause (ii).

"(ii) DISQUALIFICATION.—An alien shall be ineligible for admission to the United States or being provided status under this section if the alien has, at any time during the past 5 years—

"(I) violated a material provision of this section, including the requirement to promptly depart the United States when the alien's authorized period of admission under this section has expired; or

"(II) otherwise violated a term or condition of admission to the United States as a nonimmigrant, including overstaying the period of authorized admission as such a nonimmigrant.

"(iii) INITIAL WAIVER OF INELIGIBILITY FOR UNLAWFUL PRESENCE.—An alien who has not previously been admitted to the United States pursuant to this section, and who is otherwise eligible for admission in accordance with clauses (i) and (ii), shall not be deemed inadmissible by virtue of section 212(a)(9)(B).

"(B) PERIOD OF ADMISSION.—The alien shall be admitted for the period requested by the employer not to exceed 10 months, or the ending date of the anticipated period of employment on the employer's application for registered workers, whichever is less, plus an additional period of 14 days, during which the alien shall seek authorized employment in the United States. During the 14-day period following the expiration of the alien's work authorization, the alien is not authorized to be employed unless an employer who is authorized to employ such worker has filed an extension of stay on behalf of the alien pursuant to paragraph (2).

"(C) ABANDONMENT OF EMPLOYMENT.—

"(i) IN GENERAL.—An alien admitted or provided status under this section who abandons the employment which was the basis for such admission or providing status shall be considered to have failed to maintain nonimmigrant status as an alien described in section 101(a)(15)(H)(ii)(a) and shall depart the United States or be subject to removal under section 237(a)(1)(C)(i).

"(ii) REPORT BY EMPLOYER.—The employer (or association acting as agent for the employer) shall notify the Attorney General within 7 days of an alien admitted or provided status under this Act pursuant to an application to the Secretary of Labor under section 06 of the Agricultural Job Opportunity Benefits and Security Act of 1998 by the employer who prematurely abandons the alien's employment.

"(D) ISSUANCE OF IDENTIFICATION AND EMPLOYMENT ELIGIBILITY DOCUMENT.—

"(i) IN GENERAL.—The Attorney General shall cause to be issued to each alien admitted under this section a card in a form which is resistant to counterfeiting and tampering for the purpose of providing proof of identity and employment eligibility under section 274A.

"(ii) DESIGN OF CARD.—Each card issued pursuant to clause (i) shall be designed in such a manner and contain a photograph and other identifying information (such as date of birth, sex, and distinguishing marks) that would allow an employer to determine with reasonable certainty that the bearer is not claiming the identity of another individual, and shall—

"(I) specify the date of the alien's acquisition of status under this section;

"(II) specify the expiration date of the alien's work authorization; and

"(III) specify the alien's admission number or alien file number.

"(2) EXTENSION OF STAY OF ALIENS IN THE UNITED STATES.—

"(A) EXTENSION OF STAY.—If an employer with respect to whom a report or application described in section 06(a)(1) of the Agricultural Job Opportunity Benefits and Security Act of 1998 has been submitted seeks to employ an alien who has acquired status under this section and who is present in the United States, the employer shall file with the Attorney General an application for an extension of the alien's stay or a change in the alien's authorized employment. The application shall be accompanied by a copy of the appropriate report or application described in section 06 of the Agricultural Job Opportunity Benefits and Security Act of 1998.

"(B) LIMITATION ON FILING AN APPLICATION FOR EXTENSION OF STAY.—An application may not be filed for an extension of an alien's stay for a period of more than 10 months, or later than a date which is 3 years from the date of the alien's last admission to the United States under this section, whichever occurs first.

"(C) WORK AUTHORIZATION UPON FILING AN APPLICATION FOR EXTENSION OF STAY.—An employer may begin employing an alien who is present in the United States who has acquired status under this Act on the day the employer files an application for extension of stay. For the purpose of this requirement, the term 'filing' means sending the application by certified mail via the United States Postal Service, return receipt requested, or delivered by guaranteed commercial delivery which will provide the employer with a documented acknowledgment of the date of sending and receipt of the application. The employer shall provide a copy of the employer's application to the alien, who shall keep the application with the alien's identification and employment eligibility document as evidence that the application has been filed and that the alien is authorized to work in the United States. Upon approval of an application for an extension of stay or change in the alien's authorized employment, the Attorney General shall provide a new or updated employment eligibility document to the alien indicating the new validity date, after which the alien is not required to retain a copy of the application.

"(D) LIMITATION ON EMPLOYMENT AUTHORIZATION OF ALIENS WITHOUT VALID IDENTIFICATION AND EMPLOYMENT ELIGIBILITY CARD.—An expired identification and employment eligibility document, together with a copy of an application for extension of stay or change in the alien's authorized employment, shall constitute a valid work authorization document for a period of not more than 60 days from the date of application for the extension of stay, after which time only a currently valid identification and employment eligibility document shall be acceptable.

"(E) LIMITATION ON AN INDIVIDUAL'S STAY IN STATUS.—An alien having status under this section may not have the status extended for a continuous period longer than 3 years unless the alien remains outside the United States for an uninterrupted period of 6 months. An absence from the United States may break the continuity of the period for which a nonimmigrant visa issued under section 101(a)(15)(H)(ii)(a) is valid. If the alien has resided in the United States 10 months or less, an absence breaks the continuity of the period if its lasts for at least 2 months. If the alien has resided in the United States 10 months or more, an absence breaks the continuity of the period if it lasts for at least one-fifth the duration of the stay.

"(b) TRUST FUND.—

"(1) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund (in this section referred to as the 'Trust Fund') for the purpose of funding the costs of administering this section and, in the event of an adverse finding by the Attorney General under subsection (c), for the purpose of providing a monetary incentive for aliens described in section 101(a)(15)(H)(ii)(a) to return to their country of origin upon expiration of their visas under this section.

"(2) TRANSFERS TO TRUST FUND.—

"(A) IN GENERAL.—There is appropriated to the Trust Fund amounts equivalent to the sum of the following:

"(i) Such employers shall pay to the Secretary of the Treasury a user fee in an amount equivalent to so much of the Federal tax that is not transferred to the States on the earnings of such aliens that the employer would be obligated to pay under the Federal Unemployment Tax Act and the Federal Insurance Contributions Act if the earnings were subject to such Acts. Such payment shall be in lieu of any other employer fees for the benefits provided to employers pursuant to this Act or in connection with the admission of aliens pursuant to section 218A.

"(ii) In the event of an adverse finding by the Attorney General under subsection (c), employers of aliens under this section shall withhold from the wages of such aliens an amount equivalent to 20 percent of the earnings of each alien and pay such withheld amount to the Secretary of the Treasury.

"(B) TREATMENT OF AMOUNTS.—Amounts paid to the Secretary of the Treasury under subparagraph (A) shall be treated as employment taxes for purposes of subtitle C of the Internal Revenue Code of 1986.

"(C) TREATMENT AS OFFSETTING RECEIPTS.—Amounts appropriated to the Trust Fund under this paragraph shall be treated as offsetting receipts.

"(3) ADMINISTRATIVE EXPENSES.—Amounts transferred to the Trust Fund pursuant to paragraph (2)(A)(ii), shall, without further appropriation, be paid to the Attorney General, the Secretary of Labor, the Secretary of State, and the Secretary of Agriculture in amounts equivalent to the expenses incurred by such officials in the administration of section 101(a)(15)(H)(ii)(a) and this section.

"(4) DISTRIBUTION OF FUNDS.—In the event of an adverse finding by the Attorney General under subsection (c), amounts transferred to the Trust Fund pursuant to paragraph (2)(A)(ii), and interest earned thereon under paragraph (6), shall be held on behalf of an alien and shall be available, without further appropriation, to the Attorney General for payment to the alien if—

"(A) the alien applies to the Attorney General (or the designee of the Attorney General) for payment within 30 days of the expiration of the alien's last authorized stay in the United States;

"(B) in such application the alien establishes that the alien has complied with the terms and conditions of this section; and

"(C) in connection with the application, the alien tenders the identification and employment authorization card issued to the alien pursuant to subsection (a)(1)(D) and establishes that the alien is identified as the person to whom the card was issued based on the biometric identification information contained on the card.

"(5) MIGRANT AGRICULTURAL WORKER HOUSING.—Such funds as remain in the Trust Fund after the payments described in paragraph (4) shall be used by the Secretary of Agriculture, in consultation with the Secretary, for the purpose of increasing the stock of in-season migrant worker housing in areas where such housing is determined to be insufficient to meet the needs of migrant agricultural workers, including aliens admitted under this section.

"(6) REGULATIONS.—The Secretary of the Treasury, in consultation with the Attorney General, shall prescribe regulations to carry out this subsection.

"(7) INVESTMENT OF PORTION OF TRUST FUND.—

"(A) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the amounts transferred to the Trust Fund pursuant to paragraph (2)(A)(i), and, if applicable, paragraph (2)(A)(ii), as is not, in the Secretary's judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired—

"(i) on original issue at the price; or

"(ii) by purchase of outstanding obligations at the market price.

The purposes for which obligations of the United States may be issued under chapter 31 of title 31, United States Code, are hereby extended to authorize the issuance at par of special obligations exclusively to the Trust Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt, except that where such average rate is not a multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

"(B) SALE OF OBLIGATION.—Any obligation acquired by the Trust Fund (except special obligations issued exclusively to the Trust Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

"(C) CREDITS TO TRUST FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the amounts transferred to the Trust Fund pursuant to paragraph (2)(A)(i).

"(D) REPORT TO CONGRESS.—It shall be the duty of the Secretary of the Treasury to hold the Trust Fund, and (after consultation with the Attorney General) to report to the Congress each year on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the next fiscal year. Such report shall be printed as both a House and a Senate document of the session of the Congress to which the report is made.

"(c) STUDY BY THE ATTORNEY GENERAL.—The Attorney General shall conduct a study to determine whether aliens under this section depart the United States in a timely manner upon the expiration of their period of authorized stay. If the Attorney General finds that a significant number of aliens do not so depart and that a financial inducement is necessary to assure such departure, then the Attorney General shall so report to Congress and, upon receipt of the report, subsections (b)(2)(A)(ii) and (b)(4) shall take effect.".

(b) NO FAMILY MEMBERS PERMITTED.—Section 101(a)(15)(H) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)) is amended by striking "specified in this paragraph" and inserting "specified in this subparagraph (other than in clause (ii)(a))".

(c) CONFORMING AMENDMENT.—The table of contents of the Immigration and Nationality Act is amended by inserting after the item relating to section 218 the following new item:

"Sec. 218A. Alternative program for the admission of H–2A workers.".

(d) REPEAL AND ADDITIONAL CONFORMING AMENDMENTS.—

(1) REPEAL.—Section 218 of the Immigration and Nationality Act is repealed.

(2) TECHNICAL AMENDMENTS.—(A) Section 218A of the Immigration and Nationality Act is redesignated as section 218.

(B) The table of contents of that Act is amended by striking the item relating to section 218A.

(C) The section heading for section 218 of that Act is amended by striking "ALTERNATIVE PROGRAM FOR".

(3) TERMINATION OF EMPLOYER ELECTION.—Section 214(c)(1)(B) of the Immigration and Nationality Act is amended to read as follows:

"(B) Notwithstanding subparagraph (A), the procedures of section 218 shall apply to the importing of any nonimmigrant alien described in section 101(a)(15)(H)(ii)(a).".

(4) MAINTENANCE OF CERTAIN SECTION 218 PROVISIONS.—Section 218 (as redesignated by paragraph (2) of this subsection) is amended by adding at the end the following:

"(d) MISCELLANEOUS PROVISIONS.—(1) The Attorney General shall provide for such endorsement of entry and exit documents of nonimmigrants described in section 101(a)(15)(H)(ii) as may be necessary to carry out this section and to provide notice for purposes of section 274A.

"(2) The provisions of subsections (a) and (c) of section 214 and the provisions of this section preempt any State or local law regulating admissibility of nonimmigrant workers.".

(5) EFFECTIVE DATE.—The repeal and amendments made by this subsection shall take effect 5 years after the date of enactment of this title.

SEC. ___10. INCLUSION IN EMPLOYMENT-BASED IMMIGRATION PREFERENCE ALLOCATION.

(a) AMENDMENT OF THE IMMIGRATION AND NATIONALITY ACT.—Section 203(b)(3)(A) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(3)(A)) is amended—

(1) by redesignating clause (iii) as clause (iv); and

(2) by inserting after clause (ii) the following:

"(iii) AGRICULTURAL WORKERS.—Qualified immigrants who have completed at least 6 months of work in the United States in each of 4 consecutive calendar years under section 101(a)(15)(H)(ii)(a), and have complied with all terms and conditions applicable to that section.".

(b) CONFORMING AMENDMENT.—Section 203(b)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(3)(A)) is amended by striking "subparagraph (A)(iii)" and inserting "subparagraph (A)(iv)".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to aliens described in section 101(a)(15)(H)(ii)(a) admitted to the United States before, on, or after the effective date of this title.

SEC. 11. MIGRANT AND SEASONAL HEAD START PROGRAM.

(a) IN GENERAL.—Section 637(12) of the Head Start Act (42 U.S.C. 9832(12)) is amended—

(1) by inserting "and seasonal" after "migrant"; and

(2) by inserting before the period the following: ", or families whose incomes or labor is primarily dedicated to performing seasonal agricultural labor for hire but whose places of residency have not changed to another geographic location in the preceding 2-year period".

(b) FUNDS SET-ASIDE.—Section 640(a) (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (2), strike "13" and insert "14";

(2) in paragraph (2)(A), by striking "1994" and inserting "1998"; and

(3) by adding at the end the following new paragraph:

"(8) In determining the need for migrant and seasonal Head Start programs and services, the Secretary shall consult with the Secretary of Labor, other public and private entities, and providers. Notwithstanding paragraph (2)(A), after conducting such consultation, the Secretary shall further adjust the amount available for such programs and services, taking into consideration the need and demand for such services.".

SEC. 12. REGULATIONS.

(a) REGULATIONS OF THE ATTORNEY GENERAL.—The Attorney General shall consult with the Secretary and the Secretary of Agriculture on all regulations to implement the duties of the Attorney General under this title.

(b) REGULATIONS OF THE SECRETARY OF STATE.—The Secretary of State shall consult with the Attorney General on all regulations to implement the duties of the Secretary of State under this title.

SEC. 13. FUNDING FROM WAGNER-PEYSER ACT.

If additional funds are necessary to pay the start-up costs of the registries established under section 03(a), such costs may be paid out of amounts available to Federal or State governmental entities under the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

SEC. 14. REPORT TO CONGRESS.

Not later than 3 years after the date of enactment of this Act and 5 years after the date of enactment of this Act, the Attorney General and the Secretaries of Agriculture and Labor shall jointly prepare and transmit to Congress a report describing the results of a review of the implementation of and compliance with this title. The report shall address—

(1) whether the program has ensured an adequate and timely supply of qualified, eligible workers at the time and place needed by employers;

(2) whether the program has ensured that aliens admitted under this program are employed only in authorized employment, and that they timely depart the United States when their authorized stay ends;

(3) whether the program has ensured that participating employers comply with the requirements of the program with respect to the employment of United States workers and aliens admitted under this program;

(4) whether the program has ensured that aliens admitted under this program are not displacing eligible, qualified United States workers or diminishing the wages and other terms and conditions of employment of eligible United States workers;

(5) whether the housing provisions of this program ensure that adequate housing is available to workers employed under this program who are required to be provided housing or a housing allowance; and

(6) recommendations for improving the operation of the program for the benefit of participating employers, eligible United States workers, participating aliens, and governmental agencies involved in administering the program.

SEC. 15. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 180 days after the date of enactment of this title.

INHOFE (AND OTHERS) AMENDMENT NO. 3259

(Ordered to lie on the table.)

Mr. WARNER (for Mr. INHOFE, for himself, Mr. BROWNBACK, and Mr. WARNER) submitted an amendment intended to be proposed by them to the bill, S. 2260, supra; as follows:

On page 62, lines 3 through 16, strike "That if the standard build-out" and all that follows through "covered by those costs." and insert the following: "That the standard build-out costs of the Patent and Trademark Office shall not exceed $36.69 per occupiable square foot for office-type space (which constitutes the amount specified in the Advanced Acquisition program of the General Services Administration) and shall not exceed an aggregate amount equal to $88,000,000: *Provided further*, That the moving costs of the Patent and Trademark Office (which shall include the costs of moving furniture, telephone, and data installation) shall not exceed $135,000,000: *Provided further*, That the portion of the moving costs referred to in the preceding proviso that may be used for alterations that are above standard costs may not exceed $29,000,000.".

DURBIN (AND OTHERS) AMENDMENT NO. 3260

Mr. DURBIN (for himself, Mr. CHAFEE, Ms. MOSELEY-BRAUN, Mr. LAUTENBERG, and Mrs. FEINSTEIN) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place in title I of the bill, insert the following:

SEC. . CHILDREN AND FIREARMS SAFETY.

(a) SECURE GUN STORAGE OR SAFETY DEVICE.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

"(34) The term 'secure gun storage or safety device' means—

"(A) a device that, when installed on a firearm, prevents the firearm from being operated without first deactivating or removing the device;

"(B) a device incorporated into the design of the firearm that prevents the operation of the firearm by anyone not having access to the device; or

"(C) a safe, gun safe, gun case, lock box, or other device that is designed to be or can be used to store a firearm and that can be unlocked only by means of a key, a combination, or other similar means.".

(b) PROHIBITION AND PENALTIES.—Section 922 of title 18, United States Code, is amended by inserting after subsection (x) the following:

"(y) PROHIBITION AGAINST GIVING JUVENILES ACCESS TO CERTAIN FIREARMS.—

"(1) DEFINITION OF JUVENILE.—In this subsection, the term 'juvenile' means an individual who has not attained the age of 18 years.

"(2) PROHIBITION.—Except as provided in paragraph (3), any person that—

"(A) keeps a loaded firearm, or an unloaded firearm and ammunition for the firearm, any of which has been shipped or transported in interstate or foreign commerce or otherwise substantially affects interstate or foreign commerce, within any premise that is under the custody or control of that person; and

"(B) knows, or reasonably should know, that a juvenile is capable of gaining access to the firearm without the lawful permission of the parent or legal guardian of the juvenile;

shall, if a juvenile obtains access to the firearm and thereby causes death or bodily injury to the juvenile or to any other person, or exhibits the firearm either in a public place, or in violation of subsection (q), be imprisoned not more than 1 year, fined not more than $10,000, or both.

"(3) EXCEPTIONS.—Paragraph (2) does not apply if—

"(A) the person uses a secure gun storage or safety device for the firearm;

"(B) the person is a peace officer, a member of the Armed Forces, or a member of the National Guard, and the juvenile obtains the firearm during, or incidental to, the performance of the official duties of the person in that capacity;

"(C) the juvenile obtains, or obtains and discharges, the firearm in a lawful act of self-defense or defense of 1 or more other persons;

"(D) the person has no reasonable expectation, based on objective facts and circumstances, that a juvenile is likely to be present on the premises on which the firearm is kept; or

"(E) the juvenile obtains the firearm as a result of an unlawful entry to the premises by any person.".

(c) ROLE OF LICENSED FIREARMS DEALERS.—Section 926 of title 18, United States Code, is amended by adding at the end the following:

"(d) The Secretary shall ensure that a copy of section 922(y) appears on the form required to be obtained by a licensed dealer from a prospective transferee of a firearm.".

(d) NO EFFECT ON STATE LAW.—Nothing in this section or the amendments made by this section shall be construed to preempt any provision of the law of any State, the purpose of which is to prevent children from injuring themselves or others with firearms.

CRAIG AMENDMENT NO. 3261

Mr. CRAIG proposed an amendment to the bill, S. 2260, supra; as follows:

" . INTENSIVE FIREARMS ENFORCEMENT INITIATIVES.

(a)(1) The Secretary of the Treasury shall endeavor to expand the number of cities and counties directly participating in the Youth Crime Gun Interdiction Initiative, as enhanced in this section, (and referred hereafter to as "YCGII/Exile") to 50 cities or counties by October 1, 2000, to 75 cities or counties by October 1, 2002, and to 150 cities or counties by October 1, 2003.

(2) Cities and counties selected for participation in the YCGII/Exile shall be selected by the Secretary of the Treasury and in consultation with Federal, State and local law enforcement officials. Not later than February 1, 1999, the Secretary shall deliver to the Congress, through the Chairman of each Committee on Appropriations, a full report, empirically based, explaining the impact of

the program before the enhancements set out in section on the firearms related offenses, as well as detailing the plans by the Secretary to implement this section.

(h)(1) The Secretary of the Treasury shall, utilizing the information provided by the YCGII/Exile, facilitate the identification and prosecution of individuals—

(A) Illegally transferring firearms to individuals, particularly to those who have not attained 24 years of age, or in violation of the Youth Handgun Safety Act; and

(B) illegally possessing firearms, particularly in violation of 18 U.S.C. §922 (g)(1)-(2), or in violation of any provision in 18 U.S.C. §924 in connection with a serious drug offense or violent felony, as those terms are used in that section.

(2) The Secretary of the Treasury shall, commencing October 1, 1998, and in consultation with the Attorney General, the United States Attorney for the Eastern District of Pennsylvania, the State of Pennsylvania, the City of Philadelphia and other local government for such District, establish a demonstration program, the objective of which shall be the intensive identification, apprehension, and prosecution of persons in possession of firearm in violation of 18 U.S.C. §922 (g)(1)-(2), or in violation of any provision in 18 U.S.C. §924 in connection with a serious drug offense or violent felony, as those terms are used in that section. The program shall be at last two years in duration, and the Secretary shall report to Congress on an annual basis on the results of these efforts, including any empirically observed affects on gun related crime in the District.

(3) The Attorney General, and the United States Attorneys, shall give the highest possible prosecution priority to the offense stated in this subsection.

(4) The Secretary of the Treasury shall share information derived from the YCGII/Exile with State and local law enforcement agencies through on-line computer access, as soon as such capability is available.

(c)(1) The Secretary of the Treasury shall award grants (in the form of funds or equipment) to States, cities, and counties for purposes of assisting such entities in the tracing of firearms and participation in the YCGII/Exile.

(2) Grants made under this part shall be used—

(A) to hire additional law enforcement personnel for the purpose of enhanced efforts in identifying and arresting individuals for the firearms offenses stated in subsection (b): and

(B) to purchase additional equipment, including automatic data processing equipment and computer software and hardware, for the timely submission and analysis of tracing data.".

BUMPERS (AND HATCH) AMENDMENT NO. 3262

Mr. BUMPERS (for himself and Mr. HATCH) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place add the following:

"SEC. . REPORT BY THE JUDICIAL CONFERENCE.

"(a) Not later than September 1, 1999, the Judicial Conference of the United States shall prepare and submit to the Committees on Appropriations of the Senate and of the House of Representatives, and to the Committees on the Judiciary of the Senate and the House of Representatives, a report evaluating whether an amendment to Rule 6 of the Federal Rules of Criminal Procedure permitting the presence in the grand jury room of counsel for a witness who is testifying before the grand jury would further the interests of justice and law enforcement.

(b) In preparing the report referred to in paragraph (a) of this section the Judicial Conference shall consider the views of the Department of Justice, the organized Bar, the academic legal community, and other interested parties.

(c) Nothing in this section shall require the Judicial Conference to submit recommendations to the Congress in accordance with the Rules Enabling Act, nor prohibit the Conference from doing so.

BUMPERS AMENDMENT NO. 3263

Mr. BUMPERS proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place add the following:

"SEC. . Subsection 2(d) of Section 2511 of title 18, United States Code, is amended to read as follows:

"2(d)(i) Except as prohibited by subsection (ii), it shall not be unlawful under this chapter for a person not acting under color of law to intercept a wire, oral, or electronic communication where such person is a party to the communication or where one of the parties to the communication has given prior consent to such interception unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the Constitution or laws of the United States or of any State.

"(ii) It shall be unlawful under this chapter for a person not acting under color of law to intercept a telephone communication unless—

"(A) all parties to the communication have given prior consent to such interception, unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the Constitution or laws of the United States;

"(B) such person is an employer, or the officer or agent of an employer, engaged in lawful electronic monitoring of its employees' communications made in the course of the employees' duties; or

"(C) such person is a party to the communication and the communication conveys threats of physical harm, harassment or intimidation."

FEINGOLD AMENDMENT NO. 3264

Mr. FEINGOLD proposed an amendment to the bill, S. 2260, supra; as follows:

On page 135, between lines 11 and 12, insert the following:

SEC. 620. (a) FINDINGS.—Congress makes the following findings:

(1) Since the adoption by the Federal Communication Commission of the so-called "Going Forward Rules" to relax regulation of cable television rates in 1994, cable television rates have increased by 6.3 percent per year. Since the enactment of the Telecommunications Act of 1996 (Public Law 104–104), such rates have increased by approximately 8.2 percent per year.

(2) The rate of increase in cable television rates has exceeded the rate of increase in inflation by more than 3 times since the enactment of the Telecommunications Act of 1996. The increase in such rates is faster than when such rates were not regulated between 1986 and 1992. Such rates are rising 50 percent faster than the Commission predicted when it adopted the so-called "Going Forward Rules".

(3) In 1996, many United States cities experienced increases in cable television rates that exceeded 20 percent. Overall, according to the Bureau of Labor Statistics, cable television rates increased at an annual pace of 10.4 percent in 1996, compared with 3.5 percent for all consumer goods.

(4) The Nation's largest cable television company boosted its rates approximately 13.5 percent in 1996. In Denver alone, it raised rates by 19 percent in the summer of 1996, then another 8 percent in June 1997. The Nation's second largest cable television company increased its average rates 12 percent in the New York City area in 1996.

(5) The cable television industry continues to hold the dominant position in the market for multichannel video programming distribution (MVPD) with 87 percent of MVPD subscribers receiving service from their local franchised cable television operator.

(6) Certain factors place alternatives to cable television at a competitive disadvantage. For example, direct broadcast satellite (DBS) service is widely available and constitutes the most significant alternative to cable television. However, barriers to both the entry and expansion of DBS include—

(A) the lack of availability of local broadcast signals;

(B) up front equipment and installation costs; and

(C) the need to purchase additional equipment to receive service on additional television sets.

(7) Telephone company entry into the video programming distribution business has been limited.

(8) With the increased concentration of cable television systems at the national level, the percentage of cable television subscribers served by the 4 largest cable television companies rose to 61.4 percent in 1996.

(9) Recent agreements in the cable television industry have given TCI and Time Warner/Turner Broadcasting ownership of cable television systems serving approximately one-half of the Nation's cable television subscribers.

(10) Financial analysts report that cable television industry revenue for 1995 was $24,898,000,000 and grew 8.9 percent to $27,120,000,000 in 1996. For 1996, revenue per subscriber grew 5.6 percent to reach $431.85 per subscriber. Analysts estimate 1997 year-end-total revenue for the industry was approximately $30,000,000,000, an increase of 9.9 percent from 1996 year-end revenue.

(b) REPORT.—(1) Not later than 30 days after the date of enactment of this Act, the Federal Communications Commission shall submit to Congress a report setting forth the assessment of the Commission whether or not the findings under subsection (a) are consistent with the Commission's fulfillment of its responsibilities under the Cable Television Consumer Protection and Competition Act of 1992 (Public Law 102–385) and the Telecommunications Act of 1996 to promote competition in the cable television industry and ensure reasonable rates for cable television services.

(2) If the Commission determines under paragraph (1) that the findings under subsection (a) are consistent with the fulfillment of the responsibilities referred to in that paragraph, the report shall include a detailed justification of that determination.

(3) If the Commission determines under paragraph (1) that the findings under subsection (a) are not consistent with the fulfillment of the responsibilities referred to in

that paragraph, the report shall include a statement of the actions to be undertaken by the Commission to fulfill the responsibilities.

WYDEN (AND SMITH) AMENDMENT NO. 3265

Mr. WYDEN (for himself and Mr. SMITH of Oregon) proposed an amendment to the bill, S. 2260, supra; as follows:

On page 51, between lines 9 and 10, insert the following:

SEC. 121. Section 505 of the Incentive Grants for Local Delinquency Prevention Programs Act (42 U.S.C. 5784) is amended—

(1) in subsection (a)—

(A) in paragraph (6), by striking “and” at the end;

(B) in paragraph (7), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(8) court supervised initiatives that address the illegal possession of firearms by juveniles.”; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking “demonstrate ability in”;

(B) in paragraph (1), by inserting “have in effect” after “(1)”;

(C) in paragraph (2)—

(i) by inserting “have developed” after “(2)”; and

(ii) by striking “and” at the end;

(D) in paragraph (3)—

(i) by inserting “are actively” after “(3)”; and

(ii) by striking the period at the end and inserting “; and”; and

(E) by adding at the end the following:

“(4) have in effect a policy or practice that requires State and local law enforcement agencies to detain for not less than 24 hours any juvenile who unlawfully possesses a firearm in a school, upon a finding by a judicial officer that the juvenile may be a danger to himself or herself, or to the community.”.

KYL (AND BRYAN) AMENDMENT NO. 3266

Mr. KYL (for himself and Mr. BRYAN) proposed an amendment to the bill, S. 2260, supra; as follows:

At the appropriate place, insert the following:

SEC. . PROHIBITION ON INTERNET GAMBLING.

(a) SHORT TITLE.—This section may be cited as the “Internet Gambling Prohibition Act of 1998”.

(b) DEFINITIONS.—Section 1081 of title 18, United States Code, is amended—

(1) in the matter immediately following the colon, by designating the first 5 undesignated paragraphs as paragraphs (1) through (5), respectively, and indenting each paragraph 2 ems to the right; and

(2) by adding at the end the following:

“(6) BETS OR WAGERS.—The term ‘bets or wagers’—

“(A) means the staking or risking by any person of something of value upon the outcome of a contest of others, sporting event of others, or of any game of chance, upon an agreement or understanding that the person or another person will receive something of value based on that outcome;

“(B) includes the purchase of a chance or opportunity to win a lottery or other prize (which opportunity to win is predominantly subject to chance);

“(C) includes any scheme of a type described in section 3702 of title 28, United States Code; and

“(D) does not include—

“(i) a bona fide business transaction governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47))) for the purchase or sale at a future date of securities (as that term is defined in section 3(a)(10) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(10)));

“(ii) a transaction on or subject to the rules of a contract market designated pursuant to section 5 of the Commodity Exchange Act (7 U.S.C. 7);

“(iii) a contract of indemnity or guarantee; or

“(iv) a contract for life, health, or accident insurance.

“(7) FOREIGN JURISDICTION.—The term ‘foreign jurisdiction’ means a jurisdiction of a foreign country or political subdivision thereof.

“(8) INFORMATION ASSISTING IN THE PLACING OF A BET OR WAGER.—The term ‘information assisting in the placing of a bet or wager’—

“(A) means information that is intended by the sender or recipient to be used by a person engaged in the business of betting or wagering to accept or place a bet or wager; and

“(B) does not include—

“(i) information concerning parimutuel pools that is exchanged between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and 1 or more parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, if that information is used only to conduct common pool parimutuel pooling under applicable law;

“(ii) information exchanged between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and a support service located in another State or foreign jurisdiction, if the information is used only for processing bets or wagers made with that facility under applicable law;

“(iii) information exchanged between or among 1 or more wagering facilities that are located within a single State and are licensed and regulated by that State, and any support service, wherever located, if the information is used only for the pooling or processing of bets or wagers made by or with the facility or facilities under applicable State law;

“(iv) any news reporting or analysis of wagering activity, including odds, racing or event results, race and event schedules, or categories of wagering; or

“(v) any posting or reporting of any educational information on how to make a bet or wager or the nature of betting or wagering.”.

(c) PROHIBITION ON INTERNET GAMBLING.—

(1) IN GENERAL.—Chapter 50 of title 18, United States Code, is amended by adding at the end the following:

“§ 1085. Internet gambling

“(a) DEFINITIONS.—In this section:

“(1) CLOSED-LOOP SUBSCRIBER-BASED SERVICE.—The term ‘closed-loop subscriber-based service’ means any information service or system that uses—

“(A) a device or combination of devices—

“(i) expressly authorized and operated in accordance with the laws of a State for the purposes described in subsection (e); and

“(ii) by which a person located within a State must subscribe to be authorized to place, receive, or otherwise make a bet or wager, and must be physically located within that State in order to be authorized to do so;

“(B) a customer verification system to ensure that all applicable Federal and State legal and regulatory requirements for lawful gambling are met; and

“(C) appropriate data security standards to prevent unauthorized access.

“(2) GAMBLING BUSINESS.—The term ‘gambling business’ means a business that is conducted at a gambling establishment, or that—

“(A) involves—

“(i) the placing, receiving, or otherwise making of bets or wagers; or

“(ii) offers to engage in placing, receiving, or otherwise making bets or wagers;

“(B) involves 1 or more persons who conduct, finance, manage, supervise, direct, or own all or part of such business; and

“(C) has been or remains in substantially continuous operation for a period in excess of 10 days or has a gross revenue of $2,000 or more during any 24-hour period.

“(3) INTERACTIVE COMPUTER SERVICE.—The term ‘interactive computer service’ means any information service, system, or access software provider that uses a public communication infrastructure or operates in interstate or foreign commerce to provide or enable computer access by multiple users to a computer server, including specifically a service or system that provides access to the Internet.

“(4) INTERNET.—The term ‘Internet’ means the international computer network of both Federal and non-Federal interoperable packet switched data networks.

“(5) PERSON.—The term ‘person’ means any individual, association, partnership, joint venture, corporation, State or political subdivision thereof, department, agency, or instrumentality of a State or political subdivision thereof, or any other government, organization, or entity.

“(6) PRIVATE NETWORK.—The term ‘private network’ means a communications channel or channels, including voice or computer data transmission facilities, that use either—

“(A) private dedicated lines; or

“(B) the public communications infrastructure, if the infrastructure is secured by means of the appropriate private communications technology to prevent unauthorized access.

“(7) STATE.—The term ‘State’ means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a commonwealth, territory, or possession of the United States.

“(b) GAMBLING.—

“(1) PROHIBITION.—Subject to subsection (e), it shall be unlawful for a person knowingly to use the Internet or any other interactive computer service—

“(A) to place, receive, or otherwise make a bet or wager with any person; or

“(B) to send, receive, or invite information assisting in the placing of a bet or wager with the intent to send, receive, or invite information assisting in the placing of a bet or wager.

“(2) PENALTIES.—A person who violates paragraph (1) shall be—

“(A) fined in an amount that is not more than the greater of—

“(i) three times the greater of—

“(I) the total amount that the person is found to have wagered through the Internet or other interactive computer service; or

"(II) the total amount that the person is found to have received as a result of such wagering; or

"(ii) $500;

"(B) imprisoned not more than 3 months; or

"(C) both.

"(c) GAMBLING BUSINESSES.—

"(1) PROHIBITION.—Subject to subsection (e), it shall be unlawful for a person engaged in a gambling business knowingly to use the Internet or any other interactive computer service—

"(A) to place, receive, or otherwise make a bet or wager; or

"(B) to send, receive, or invite information assisting in the placing of a bet or wager.

"(2) PENALTIES.—A person engaged in a gambling business who violates paragraph (1) shall be—

"(A) fined in an amount that is not more than the greater of—

"(i) the amount that such person received in bets or wagers as a result of engaging in that business in violation of this subsection; or

"(ii) $20,000;

"(B) imprisoned not more than 4 years; or

"(C) both.

"(d) PERMANENT INJUNCTIONS.—Upon conviction of a person under this section, the court may, as an additional penalty, enter a permanent injunction enjoining the transmission of bets or wagers or information assisting in the placing of a bet or wager.

"(e) EXCEPTIONS.—

"(1) IN GENERAL.—Subject to paragraph (2), the prohibitions in this section shall not apply to any—

"(A) otherwise lawful bet or wager that is placed, received, or otherwise made wholly intrastate for a State lottery or a racing or parimutuel activity, or a multi-State lottery operated jointly between 2 or more States in conjunction with State lotteries, (if the lottery or activity is expressly authorized, and licensed or regulated, under applicable Federal or State law) on—

"(i) an interactive computer service that uses a private network, if each person placing or otherwise making that bet or wager is physically located at a facility that is open to the general public; or

"(ii) a closed-loop subscriber-based service that is wholly intrastate; or

"(B) otherwise lawful bet or wager for class II or class III gaming (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)) that is placed, received, or otherwise made on a closed-loop subscriber-based service or an interactive computer service that uses a private network, if—

"(i) each person placing, receiving, or otherwise making that bet or wager is physically located on Indian land; and

"(ii) all games that constitute class III gaming are conducted in accordance with an applicable Tribal-State compact entered into under section 11(d) of the Indian Gaming Regulatory Act (25 U.S.C. 2701(d)) by a State in which each person placing, receiving, or otherwise making that bet or wager is physically located.

"(2) INAPPLICABILITY OF EXCEPTION TO BETS OR WAGERS MADE BY AGENTS OR PROXIES.—An exception under subparagraph (A) or (B) of paragraph (1) shall not apply in any case in which a bet or wager is placed, received, or otherwise made by the use of an agent or proxy using the Internet or an interactive computer service. Nothing in this paragraph shall be construed to prohibit the owner operator of a parimutuel wagering facility that is licensed by a State from employing an agent in the operation of the account wagering system owned or operated by the parimutuel facility.

"(f) STATE LAW.—Nothing in this section shall be construed to create immunity from criminal prosecution or civil liability under the law of any State.".

(2) TECHNICAL AMENDMENT.—The analysis for chapter 50 of title 18, United States Code, is amended by adding at the end the following:

"1085. Internet gambling.".

(d) CIVIL REMEDIES.—

(1) IN GENERAL.—The district courts of the United States shall have original and exclusive jurisdiction to prevent and restrain violations of section 1085 of title 18, United States Code, as added by this section, by issuing appropriate orders.

(2) PROCEEDINGS.—

(A) INSTITUTION BY FEDERAL GOVERNMENT.—The United States may institute proceedings under this section. Upon application of the United States, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by this section, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

(B) INSTITUTION BY STATE ATTORNEY GENERAL.—

(i) IN GENERAL.—Subject to subclause (ii), the attorney general of a State (or other appropriate State official) in which a violation of section 1085 of title 18, United States Code, as added by this section, is alleged to have occurred, or may occur, after providing written notice to the United States, may institute proceedings under this subsection. Upon application of the attorney general (or other appropriate State official) of the affected State, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by this section, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

(ii) INDIAN LANDS.—With respect to a violation of section 1085 of title 18, United States Code, as added by this section, that is alleged to have occurred, or may occur, on Indian lands (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)), the enforcement authority under clause (i) shall be limited to the remedies under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.), including any applicable Tribal-State compact negotiated under section 11 of that Act (25 U.S.C. 2710).

(C) ORDERS AND INJUNCTIONS AGAINST INTERNET SERVICE PROVIDERS.—Notwithstanding subparagraph (A) or (B), the following rules shall apply in any proceeding instituted under this paragraph in which application is made for a temporary restraining order or an injunction against an interactive computer service:

(i) SCOPE OF RELIEF.—

(I) If the violation of section 1085 of title 18, United States Code, originates with a customer of the interactive computer service's system or network, the court may require the service to terminate the specified account or accounts of the customer, or of any readily identifiable successor in interest, who is using such service to place, receive or otherwise make a bet or wager, engage in a gambling business, or to initiate a transmission that violates such section 1085.

(II) Any other relief ordered by the court shall be technically feasible for the system or network in question under current conditions, reasonably effective in preventing a violation of section 1085, of title 18, United States Code, and shall not unreasonably interfere with access to lawful material at other online locations.

(III) No relief shall issue under clause (i)(II) if the interactive computer service demonstrates, after an opportunity to appear at a hearing, that such relief is not economically reasonable for the system or network in question under current conditions.

(ii) CONSIDERATIONS.—In the case of an application for relief under clause (i)(II), the court shall consider, in addition to all other factors that the court shall consider in the exercise of its equitable discretion, whether—

(I) such relief either singularly or in combination with such other injunctions issued against the same service under this paragraph, would seriously burden the operation of the service's system or network compared with other comparably effective means of preventing violations of section 1085 of title 18, United States Code;

(II) in the case of an application for a temporary restraining order or an injunction to prevent a violation of section 1085 of title 18, United States Code, by a gambling business (as is defined in such section 1085) located outside the United States, the relief is more burdensome to the service than taking comparably effective steps to block access to specific, identified sites used by the gambling business located outside the United States; and

(III) in the case of an application for a temporary restraining order or an injunction to prevent a violation of section 1085 of title 18, United States Code, as added by this section, relating to material or activity located within the United States, whether less burdensome, but comparably effective means are available to block access by a customer of the service's system or network to information or activity that violates such section 1085.

(iii) FINDINGS.—In any order issued by the court under this paragraph, the court shall set forth the reasons for its issuance, shall be specific in its terms, and shall describe in reasonable detail, and not by reference to the complaint or other document, the act or acts sought to be restrained and the general steps to be taken to comply with the order.

(D) EXPIRATION.—Any temporary restraining order or preliminary injunction entered pursuant to this paragraph shall expire if, and as soon as, the United States, or the attorney general (or other appropriate State official) of the State, as applicable, notifies the court that issued the injunction that the United States or the State, as applicable, will not seek a permanent injunction.

(3) EXPEDITED PROCEEDINGS.—

(A) IN GENERAL.—In addition to proceedings under paragraph (2), a district court may enter a temporary restraining order against a person alleged to be in violation of section 1085 of title 18, United States Code, as added by this section, upon application of the United States under paragraph (2)(A), or the attorney general (or other appropriate State official) of an affected State under paragraph (2)(B), without notice and the opportunity for a hearing, if the United States or the State, as applicable, demonstrates that there is probable cause to believe that the transmission at issue violates section 1085 of title 18, United States Code, as added by this section.

(B) Expiration.—A temporary restraining order entered under this paragraph shall expire on the earlier of—

(i) the expiration of the 30-day period beginning on the date on which the order is entered; or

(ii) the date on which a preliminary injunction is granted or denied.

(C) Hearings.—A hearing requested concerning an order entered under this paragraph shall be held at the earliest practicable time.

(4) Rule of construction.—In the absence of fraud or bad faith, no interactive computer service (as defined in section 1085(a) of title 18, United States Code, as added by this section) shall be liable for any damages, penalty, or forfeiture, civil or criminal, for a reasonable course of action taken to comply with a court order issued under paragraph (2) or (3) of this subsection.

(5) Protection of privacy.—Nothing in this section or the amendments made by this section shall be construed to authorize an affirmative obligation on an interactive computer service—

(A) to monitor use of its service; or

(B) except as required by an order of a court, to access, remove or disable access to material where such material reveals conduct prohibited by this section and the amendments made by this section.

(6) No effect on other remedies.—Nothing in this subsection shall be construed to affect any remedy under section 1084 or 1085 of title 18, United States Code, as amended by this section, or under any other Federal or State law. The availability of relief under this subsection shall not depend on, or be affected by, the initiation or resolution of any action under section 1084 or 1085 of title 18, United States Code, as amended by this section, or under any other Federal or State law.

(7) Continuous jurisdiction.—The court shall have continuous jurisdiction under this subsection to enforce section 1085 of title 18, United States Code, as added by this section.

(e) Report on Enforcement.—Not later than 3 years after the date of enactment of this Act, the Attorney General shall submit a report to Congress that includes—

(1) an analysis of the problems, if any, associated with enforcing section 1085 of title 18, United States Code, as added by this section;

(2) recommendations for the best use of the resources of the Department of Justice to enforce that section; and

(3) an estimate of the amount of activity and money being used to gamble on the Internet.

(f) Report on Costs.—Not later than 3 years after the date of enactment of this Act, the Secretary of Commerce shall submit a report to Congress that includes—

(1) an analysis of existing and potential methods or technologies for filtering or screening transmissions in violation of section 1085 of title 18, United States Code, as added by this section, that originate outside of the territorial boundaries of any State or the United States;

(2) a review of the effect, if any, on interactive computer services of any court ordered temporary restraining orders or injunctions imposed on those services under this section;

(3) a calculation of the cost to the economy of illegal gambling on the Internet, and other societal costs of such gambling; and

(4) an estimate of the effect, if any, on the Internet caused by any court ordered temporary restraining orders or injunctions imposed under this section.

(g) Severability.—If any provision of this section, an amendment made by this section, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this section, the amendments made by this section, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

BRYAN AMENDMENT NO. 3267

Mr. BRYAN proposed an amendment to amendment No. 3266 proposed by Mr. Kyl to the bill, S. 2260, supra; as follows:

On page 3, strike lines 9 through 12, and insert the following:

"(iii) a contract of indemnity or guarantee;

"(iv) a contract for life, health, or accident insurance; or

"(v) participation in a game or contest, otherwise lawful under applicable Federal or State law—

"(I) that, by its terms or rules, is not dependent on the outcome of any single sporting event, any series or sporting events, any tournament, or the individual performance of 1 or more athletes or teams in a single sporting event;

"(II) in which the outcome is determined by accumulated statistical results of games or contests involving the performances of amateur or professional athletes or teams; and

"(III) in which the winner or winners may receive a prize or award;

(otherwise know as a 'fantasy sport league' or a 'rotisserie league') if such participation is without charge to the participant or any charge to a participant is limited to a reasonable administrative fee.

CRAIG (AND OTHERS) AMENDMENT NO. 3268

Mr. CRAIG (for himself, Mr. Inouye, and Mr. Domenici) proposed an amendment to amendment No. 3266 proposed by Mr. Kyl to the bill, S. 2260, supra; as follows:

On page 3 of the amendment, strike lines 9 through 12 and insert the following below line 13:

"(iii) a contract of indemnity or guarantee;

"(iv) a contract for life, health, or accident insurance;

"(v) lawful gaming conducted pursuant to the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.)—; or".

Beginning on page 13 of the amendment, strike line 4 and all that follows through page 14, line 25, and insert the following:

(2) Proceedings.—

(A) Institution by federal government.—

(i) In general.—The United States may institute proceedings under this paragraph. Upon application of the United States, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by this section, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

(ii) Indian lands.—With respect to a violation of section 1085 of title 18, United States Code, as added by this section, that is alleged to have occurred, or may occur, in whole or in part, on Indian lands (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)), the United States shall have the authority to enforce that section.

(B) Institution by state attorney general.—The attorney general of a State (or other appropriate State official) in which a violation of section 1085 of title 18, United States Code, as added by this section, is alleged to have occurred, or may occur, after providing written notice to the United States, may institute proceedings under this paragraph. Upon application of the attorney general (or other appropriate State official) of the affected State, the district court may enter a temporary restraining order or an injunction against any person to prevent a violation of section 1085 of title 18, United States Code, as added by this section, if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

TORRICELLI AMENDMENTS NOS. 3269–3270

(Ordered to lie on the table.)

Mr. TORRICELLI submitted two amendments intended to be proposed by him to the bill, S. 2260, supra; as follows:

Amendment No. 3269

At the appropriate place in title II, insert the following:

SEC. 2 . NONPOINT POLLUTION CONTROL.

(a) In General.—In addition to the amounts made available to the National Oceanic and Atmospheric Administration under this Act, $6,000,000 shall be made available to the Administration for the nonpoint pollution control program of the Coastal Zone Management program of the Administration.

(b) Pro Rata Reductions.—Notwithstanding any other provision of law, a pro rata reduction shall be made to each program of the Department of Commerce funded under this Act (other than the program referred to in subsection (a)) in such manner as to result in an aggregate reduction in the amount of funds provided to those programs of $6,000,000.

Amendment No. 3270

At the appropriate place in title II, insert the following:

SEC. 2 . NONPOINT POLLUTION CONTROL.

(a) In General.—In addition to the amounts made available to the National Oceanic and Atmospheric Administration under this Act, $6,000,000 shall be made available to the Administration for the nonpoint pollution control program of the Coastal Zone Management program of the Administration.

(b) Pro Rata Reductions.—Notwithstanding any other provision of law, a pro rata reduction shall be made to each program of the International Trade Administration of the Department of Commerce funded under this Act in such manner as to result in an aggregate reduction in the amount of funds provided to those programs of $6,000,000.

BINGAMAN (AND DOMENICI) AMENDMENT NO. 3271

(Ordered to lie on the table.)

Mr. BINGAMAN (for himself and Mr. Domenici) submitted an amendment intended to be proposed by them to the bill, S. 2260, supra; as follows:

Notwithstanding any rights already conferred under this Act, Section 2 of the Act entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes," approved July 5, 1946, commonly referred to as the Trademark Act of 1946 (15 U.S.C. 1052 (b)), is amended in subsection (b) by inserting "or of any federally recognized Indian tribe," after "State or municipality,".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Wednesday, July 22, 1998. The purpose of this meeting will be to examine the Y2K computer problem as it relates to agricultural business and other matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, July 22, 1998 at 10 a.m. in executive session, to consider certain pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, July 22, 1998, to conduct a hearing on the 1946 Swiss Holocaust Assets Agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, July 22, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider the nomination of Bill Richardson to be Secretary of Energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. GREGG. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet to consider pending business Wednesday, July 22, 1998, at 9:00 a.m., hearing room (SD–406).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. GREGG. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Wednesday, July 22, 1998 beginning at 9:30 a.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 22, 1998 at 4 p.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. GREGG. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs and the House Committee on Resources be authorized to meet during open session on Wednesday, July 22, 1998 at 9 a.m., to conduct a Joint Hearing on S. 1770, to elevate the Director of the Indian Health Service to Assistant Secretary for Health & Human Services; and H.R. 3782, Indian Trust Fund Accounts. The hearing will be held in room 106 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet in executive session during the session of the Senate on Wednesday, July 22, 1998, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, July 22, 1998 at 2 p.m., to vote on the nominations of:

Scott E. Thomas, of the District of Columbia, to be a member of the Federal Election Commission for a term expiring April 30, 2003 (reappointment);

David M. Mason, of Virginia, to be a member of the Federal Election Commission for a term expiring April 30, 2003, vice Trevor Alexander McClurg Potter, resigned;

Darryl R. Wold, of California, to be a member of the Federal Election Commission for a term expiring April 30, 2001, vice Joan D. Aikens, term expired; and,

Karl L. Sandstrom, of Washington, to be a member of the Federal Election Commission for a term expiring April 30, 2001, vice John Warren McGarry, term expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. GREGG. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, July 22, for purposes of conducting a subcommittee hearing which is scheduled to begin at 2 p.m. The purpose of this hearing is to receive testimony on S. 2136, to provide for the exchange of certain land in the State of Washington; S. 2226, to amend the Idaho Admission Act regarding the sale or lease of school land; H.R. 2886 to provide for a demonstration project in the Stanislaus National Forest, CA, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System; and H.R. 3796, to authorize the Secretary of Agriculture to convey the administrative site for the Rogue River National Forest and use the proceeds for the construction or improvement of offices and support buildings for the Rogue River National Forest and the Bureau of Land Management.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FAA MAKES PROGRESS ON Y2K

• Mr. MOYNIHAN. Mr. President, I would like to bring to the Senate's attention the latest development regarding the Year 2000 (Y2K) problem. The Federal Aviation Administration (FAA) has determined that a critical mainframe computer system used to monitor air traffic will continue to function smoothly into the millennium. The FAA, uncertain as to how long testing would take, only recently began an intensive investigation of its mainframe computers. The testing involved the time consuming task of examining more than 40 million lines of software. Although the technicians determined the date problem could be repaired in time, the process underscores the urgent nature of the Y2K issue. The uncertainties of Y2K mean repair work can be as simple as that of the FAA, or more complicated than is possibly imaginable. It is imperative that the public and private sectors follow the example of the FAA and begin testing their computer systems immediately. I continue to hope that it is not too late to properly prepare for the year 2000.

I ask that the July 22, 1998 Washington Post article on the FAA be printed in the Record.

The article follows:

Air Traffic Control Computer System Cleared for 2000

IBM WARNING PROMPTED TESTS

(By Rajiv Chandrasekaran)

Atlantic City, N.J.—Federal Aviation Administration technicians have concluded that a critical mainframe computer system used in the nation's largest air traffic control centers will function properly in the year 2000, despite warnings from the system's manufacturer that the agency should replace the equipment.

The determination, reached over the past few weeks by programmers at the FAA's technical center here, has elicited cheers from agency officials who had been castigated by congressional investigators earlier this year for not planning a quick replacement of the systems.

"The examination has revealed that the [system] will transition the millennium in a routine manner," FAA Administrator Jan F. Garvey said in an interview yesterday.

The mainframe computers at issue, made by International Business Machines Corp., are used at the FAA's 20 air route traffic control centers to track high-altitude aircraft between airports. The computers, IBM's Model 3083 mainframes, receive data from radar systems and integrate that information into a picture for air traffic controllers.

Last October, IBM sent a letter to the FAA warning that "the appropriate skills and tools do not exist to conduct a complete Year 2000 test assessment" of the 3083 computers, once the mainstay of large corporate data centers. The machines have been mothballed by most users, step IBM urged the FAA to take.

Although the FAA plans to replace the mainframes as part of a broader modernization effort, agency officials were unsure they could complete the process by 2000. As a result, they embarked on an aggressive testing program to figure out how the computer system would be affected.

Most mainframes use a two-digit dating system that assumes that 1 and 9 are the first two digits of the year. Without specialized reprogramming, it was feared that the IBM 3083s would recognize "00" not as 2000 but as 1900, a glitch that could cause them to malfunction. The federal government and private companies are racing to fix other computers to avoid the year 2000 problem.

To conduct the testing, the FAA hired two retired IBM programmers and assigned a handful of other agency employees to the project, which involved checking more than 40 million lines of "microcode"—software that controls the mainframe's most basic functions. Among the initial areas of concern was whether a date problem would affect the operation of the mainframe's cooling pumps. If the computer does not regularly switch from one cooling pump to another, it can overheat and shut down, causing controllers' radar screens to go blank.

The technicians, however, found that the microcode doesn't consider the last two digits of the year when processing dates. Instead, it stores the year as a two-digit number between one and 32, assuming that 1975 was year one. As a result, they determined, the system would fail in 2007, but not in 2000.

"Nothing we have found will cause an operational aberration over the new year. It will continue to function as it's supposed to," said one FAA technician working on the project. FAA officials recently allowed a reporter to tour the facility here and talk to employees on the condition that they not be named.

"We're dealing with minutes and seconds in air traffic control," said another technician. "The systems don't really care about days and years."

The programmers did find four software modules that need to be repaired to handle the leap year in 2000, but they said the task would be relatively straightforward.

While the technicians came to their conclusions a few weeks ago, Garvey only recently was briefed on the findings. The results, sources said, have not yet been shared widely within the Transportation Department or with lawmakers.

Agency officials acknowledge their determination will be met with skepticism on Capitol Hill and in the aviation industry. To bolster their case, the technicians said they have compiled reams of computer printouts that back up their conclusions.

The findings highlight one of he uncertainties of year 2000 repair work. While some projects can be more costly and time consuming than originally expected, others can be unexpectedly simple.

"It's a welcome surprise," Garvey said. "And we don't get many of them in government."●

MICHIGAN ATTORNEY GENERAL FRANK J. KELLEY RETIRES

● Mr. ABRAHAM. Mr. President, I rise today to honor Michigan Attorney General Frank J. Kelley, the longest serving chief law enforcement officer in the history of the United States. After spanning the administrations of five U.S. Presidents, Attorney General Kelley decided this spring not to seek re-election. Attorney General Kelly will have served for 37 years when he retires at the end of 1998, leaving behind a long and distinguished career of service to the State of Michigan and its citizens.

A native of Detroit, Frank Kelley's career in law began after receiving both his Bachelor of Arts and Juris Doctor degrees from the University of Detroit. He practiced law in Alpena, Michigan, where he served as both city attorney and the Alpena County Supervisor. In 1961, Governor John Swainson appointed Kelley Michigan's 50th Attorney General. The following year he was elected to his first term and has been reelected every term since.

Recognized as having an enduring commitment to good government, Frank Kelley has been a champion of consumer causes, fighting to protect Michigan citizens from price gouging and fraud, and serving as a watchdog on other consumer issues. Kelley also used his office to fight for school desegregation and equal housing. He has been honored with several public service awards throughout his career, including the Wyman Award from the National Association of Attorneys General.

In his almost four decades as Attorney General, Frank Kelley has earned the respect and admiration of those he worked with and the millions he represented. He has served with tenacity, distinction, and honor. It is with great pleasure that I add my heartfelt thanks and congratulations to Attorney General Kelley for his extraordinary career and service to the State of Michigan.●

100TH ANNIVERSARY OF GREATER SALEM CHAMBER OF COMMERCE

● Mr. DURBIN. Mr. President, I rise today to congratulate the Greater Salem Chamber of Commerce of Salem, Illinois, which will celebrate its 100th anniversary on July 23.

A century ago, seven Illinoisans founded the Salem Business Men's Association, which was later renamed the Greater Salem Chamber of Commerce. As they stated in their original charter, its purpose was "to promote and encourage the location of manufactories and other industries in our city * * * and to encourage in all proper and lawful ways the development of our city and its surrounding country." It is hard to imagine that the seven founders could have foreseen how their association would grow and flourish into the present.

Today, the Chamber supports the community of Salem through numerous projects ranging from economic development to educational support. In addition, the Chamber serves as a network for local businesses and a coordinator between them and the government of Salem. The Chamber also fosters a general sense of community in Salem, by welcoming new residents and promoting consciousness of Salem's unique heritage.

In its role as coordinator, networker, and initiator, the Chamber has proven itself to be a crucial player in Salem's recent economic expansion. The city of Salem can boast a net gain of 900 jobs over the past five years. These gains are due in no small part to the efforts of the Chamber of Commerce.

With a century of success behind it, the Chamber is now working to secure the future prosperity of Salem. The Chamber regularly notifies businesses of education and training opportunities so that Salem's labor force can continue to adapt to the changing needs of the economy. Further, the Chamber was instrumental in developing the Tech Prep program, which provides 25 local high school students with internships that prepare them for future careers.

Throughout its history, the Chamber has proven itself to be an indispensable asset to the city of Salem and the state of Illinois. Again, I would like to extend my congratulations to the Chamber and all of its members and hope that their second century is as successful as their first.●

BETHESDA SEVEN/CARD CLUB VISIT TO WASHINGTON, D.C.

● Mr. ABRAHAM. Mr. President, I rise today to honor seven people who visited our Nation's capitol from June 12 to June 15, 1998. Frank "The Gin Mill" Jonna, one of Gin's all time greatest players who began his career with Detroit Catholic Central and gained further fame as a Wayne State Tartar; Judy "The Wicked Wick" Jonna, one of Detroit's most prominent all around card players who was recently named one of the 50 best players in Concan history; Joe "The Professor" Sarafa, the legendary, steady utility man who never misses a beat when placed in the lineup on a moment's notice; Mike "The Dish" Sarafa, possibly the most exalted and prominent card shark of all time, far and away the most political player on the tour; Mariann "MB" Sarafa, initially named "All Telcaif" shopper but has since proven to be "All World" (also known to win a dish or two now and then while screaming "Ayoooooon Michael"); Suzanne "The Maoon killer" Sarafa, easily the single greatest hustler in Concan history. She has been known to ask, in the middle of a game . . . "how many points do you need to go down?" while cramming money into that silly black wallet of hers; and Tony "The Silent Winner" Antone, the guy who never boasts, brags, or rubs in his victories (and there are many).

Mr. President, it is also worthy to note that while this incredibly fun filled weekend was occurring, the Detroit Red Wings were on their way to winning their second straight Stanley Cup. The Bethesda Seven played a critical role in the Game 3 victory at the MCI Center by strategically sitting in different areas of the arena so as to keep the thousands of Red Wings fans fired up.

Mr. President, I truly thank the Bethesda Seven for their visit. •

GEORGE OSTROM

• Mr. BAUCUS. Mr President, I rise today to celebrate a true Montanan and a great friend on his 70th birthday.

Anyone who has come to know George Ostrom through his radio broadcasts, his photographs, his writing, or who has been fortunate enough as I have to spend time personally with him has come away with a better understanding of the American West and Montana in particular.

I've known George for too many years to count. Among other things, he and I share a passion for hiking in general and for hiking in Glacier National Park in particular. You see George has spent most of his 70 years in and around the Park. To this day, he hikes with a group that he affectionately calls the "Over the Hill Gang." They hike once a week when the weather permits, usually between 30 and 40 times a year.

For years, George has invited me to join his friends for a hike. But you know how it is. Our schedules are busy and somehow I just never got around to it. Until last August. During our summer recess last year I joined up with George and his Over the Hill Gang. And what a day we had. We told stories (all of them were true, of course), shared water bottles and talked about our families, our hopes and our dreams. Mr. President, it was a day I will not soon forget.

Over the years, I had heard all about George's many awards including the honor bestowed on his weekly column "The Trailwatcher", which in 1996 was selected as the best weekly humor column in the United States by the National Newspaper Association. And I had seen many of his photographs of the Park in local and national magazines including Sports Afield, Field and Stream and Sports Illustrated.

But on that hike I came to know George Ostrom the man. A funny and engaging gentleman who will not quit until he gets where he is going. That spirit is Montana's spirit. An ideal that defines all of us. A common bond that all Montanans share.

Sadly, just a few days later, one of our group, Roger Dokken, fell to his death while hiking a different trail. Because of our time together, he was my friend—automatically. No politics, no agenda. Just two people doing together what they enjoy.

Through the triumphs and tragedies of life, George and his Over the Hill gang continue to hike on. They continue to embody what is good, what is right about Montana.

So Mr. President, as George and his family celebrate his 70th birthday, I send my congratulations confident that George Ostrum is still well shy of being over the hill.•

MANAGERS' AMENDMENT TO THE REGULATORY IMPROVEMENT ACT

• Mr. LEVIN. Mr. President, today Senator THOMPSON and I, as sponsors of S. 981, the Regulatory Improvement Act of 1998, are putting into the CONGRESSIONAL RECORD a proposed amendment we will offer when S. 981 is brought to the Senate floor for consideration. The amendment reflects changes to the bill we have agreed to make in response to a number of concerns about the bill identified by the Administration and Members of the Governmental Affairs Committee. We are putting it in the RECORD at this time, to make the language available to the public and persons interested in this bill. We are also putting into the RECORD today the letter of July 15th from Acting OMB Director Jack Lew, stating that the Administration will sign the bill if the changes included in the Managers' Amendment are made and the bill passes both Houses in the same form. We welcome the support of the Administration in this effort and hope we can get the bill to the floor as soon as possible.

OMB stated in their analysis of costs and benefits of federal regulations in 1997 that regulation has enormous potential for good and harm. "The only way," OMB said, "we know to distinguish between the regulations that do good and those that cause harm is through careful assessment and evaluation of their benefits and costs." S. 981 would build that careful evaluation into the regulatory process of all the regulatory agencies. OMB estimated that of the significant or major regulations currently in effect, we have received approximately $300 billion in benefits at a cost of some $280 billion. We know that through the appropriate use of cost benefit analysis and risk assessment we can improve those figures. In a well-respected analysis of 12 major EPA rules and the impact of cost-benefit analysis on those rules, the author, Richard Morgenstern, former Associate Assistant Administrator of EPA and a visiting scholar at Resources for the Future, concluded that in each of the 12 rule makings, economic analysis helped reduce the costs of all the rules and at the same time helped increase the benefits of 5 of the rules. Report after report acknowledges the importance of good cost-benefit analysis and risk assessment for all agencies. It's long past time to get these basic requirements into statute. S. 981 offers us the best opportunity to do that.

The Managers' Amendment Senator THOMPSON and I will be offering to S. 981 reconfirms our intention that the bill not diminish or affect an agency's responsibility to carry out the purposes of the substantive statute under which the agency is regulating. At the same time, the amendment does nothing to weaken the important requirements of the bill that agencies do a thorough and competent analysis of the costs and benefits of the major regulations they issue.

Mr. President, I believe S. 981 will significantly improve the regulatory process. If enacted, it will build confidence in the regulatory programs that are so important to this society's well-being, and will result in a better, and I believe a less contentious, regulatory process. Those of us who believe in the benefits of regulation to protect health and safety have a particular responsibility to make sure that regulations are sensible and cost-effective. When they aren't, the regulatory programs—which are so vital to our health and well being—come under attack. By providing an open regulatory process guided by reasonableness and common sense, we are protecting important programs from harmful attacks.

Mr. President, I ask that copies of three letters exchanged between the Administration and Senator THOMPSON and me be printed in the RECORD.

I am also pleased to announce that the Minority Leader, Senator DASCHLE, has been added as a cosponsor to the bill, S. 981.

The letters follow:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, March 9, 1998.

HON. FRED THOMPSON,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to provide the Administration's views on S. 981, the Regulatory Improvement Act of 1998.

The Administration commends the thoughtful effort by both you and Senator Levin to address numerous concerns raised by the Administration and by others about the bill as introduced.

The Administration believes strongly in responsible regulatory reform. President Clinton's issuance of Executive Order No. 12866 was predicated on his belief that government should do a better job of assessing risks and evaluating costs and benefits before issuing major rules. While we have been skeptical of the need for further comprehensive regulatory reform legislation at this time, we have sought to work with the Committee to ensure that any bill advances the President's regulatory reform principles without creating unwarranted costs to taxpayers or needless burdens on agencies acting to protect human health, safety, or the environment.

The substitute bill issued earlier this month contains significant improvements over last summer's draft. We very much appreciate this effort. While the substitute is responsive to many of our concerns, there are still serious issues remaining. One of the problems with comprehensive legislation is that so many different kinds of rulemaking are affected. We want to be sure that any new law meets a simple test: that it truly improves the regulatory system, and does not impair—by creating more litigation, more red tape, and more delay—the agencies' ability to do their jobs. We are interested in working with you to see if we can find the common ground.

After a full review of the substitute to S. 981, we have concluded that the bill does not yet meet the test we have articulated, and therefore the Administration would oppose the bill if it were to be adopted in its current form. Our concerns are briefly outlined below, and we have developed and enclosed for your consideration a set of modifications to the bill that would remedy these and other concerns while remaining faithful to the sponsors' intent. As you know from our past conversations, many of these are critical to achieving an acceptable result.

1. Judicial Review. The Administration remains concerned that the judicial review provisions would promote tactical litigation over errors that were not material to the outcome of a particular rulemaking. We know that this conflicts with the sponsors' intent, as reflected in earlier hearing discussions. To avoid additional litigation over major rules, the troubling ambiguity in the current version of the bill should be eliminated.

2. Implicit Supermandate. We have been pleased that the sponsors of S. 981 consistently have agreed with the view that regulatory reform legislation should not alter or modify the substantive reach of particular statutes designed to protect human health, safety, or the environment. We remain concerned that the current language of the bill would be construed to narrow the range of discretion available to agencies under their existing statutory mandates to protect human health, safety, or the environment. The range of discretion available to agencies under current law must be expressly preserved to avoid an implicit supermandate.

3. Risk Assessment. The Administration believes that, while there have been improvements in Section 624, this section needs to be revised still further to eliminate the imposition of burdensome requirements where those requirements will not enhance major rules. For example, section 624 includes in its sweep an unbounded category of agency actions that are not rulemakings, as well as major rules where Congress has not predicated regulatory standards on risk assessment. These should be excluded. In addition, the requirement for revision of risk assessments threatens an endless and costly analytical process, reopened with each new study, that would provide additional fodder for protracted litigation. We also remain concerned that certain provisions are too specifically tailored to analysis of cancer risks, and are thus ill-suited to other objectives, such as an evaluation of risks related to environmental and natural resource protection, worker safety, or airworthiness.

4. Peer Review. The Administration is very concerned about requiring peer review in contexts where the process would add significantly to costs and delays of the regulatory process without any foreseeable benefit. For example, the requirement that cost-benefit analyses be subject to peer review would add little to the review already performed by the Office of Management and Budget in our regulatory review process. In addition, the requirement that peer review be entirely independent of the regulating agency would displace well-established and credible peer review mechanisms, while making good peer review virtually impossible in highly specialized subject areas (e.g. nuclear safety). We also believe that the statute should require no more than one round of peer review for each major rule.

5. Review of Past Regulations. While the Committee responded to many of the Administration's earlier concerns about review of past regulations, the current version of the bill creates two different, uncoordinated and likely duplicative processes for the review of past regulations, imposing a major burden on agencies and needless expense on taxpayers. The second of these should be deleted, and the cycle of review in the first should be set at 10 years.

6. Needless Burdens. A number of the bill's requirements would impose substantial costs on agencies where there would be no conceivable benefit to the public or regulated entities. For example, the bill imposes its analytical requirements and review requirements even where the costs of compliance with the regulation have been incurred by the regulated community and no costs can be avoided by selecting a different regulatory option. Our proposed changes address other examples as well.

7. Definitions and other issues. There are several definitions and other provisions that need to be added or modified to ensure clarity, to discourage unwarranted litigation that would delay new safeguards, to protect the constitutional prerogatives of the President and the deliberative process within the Executive Branch, and to eliminate unwarranted burdens on agencies. While many of these changes appear minor, it would be difficult to overstate their importance to us in evaluating the cumulative effect of this bill.

In developing revisions to the bill that would address our concerns, we have sought to suggest changes that are consistent with our understanding of the sponsors' intent and with the spirit of our very constructive discussions with the Committee staff. We would welcome a further opportunity to work with you before the bill is reported by the Committee.

Sincerely,

FRANKLIN D. RAINES,
Director.

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, July 1, 1998.

Mr. JACK LEW,
Director Designate, Office of Management and Budget, Executive Office Building, Washington, DC.

DEAR MR. LEW: In March of this year, Franklin Raines, then Director of OMB, sent us a letter expressing the Administration's views on S. 981, the Regulatory Improvement Act, shortly before its scheduled mark-up in the Governmental Affairs Committee. Mr. Raines stated that while "the Administration believes strongly in responsible regulatory reform," it has "serious issues remaining" with respect to S. 981. Mr. Raines then enclosed "a set of modifications to the bill that would remedy" these concerns.

As you know, the bill was reported by the Committee on a vote of 10 to 5, and now awaits consideration by the full Senate. In the interest of addressing the Administration's concerns so we can join together in support of S. 981, we have enclosed our response to each of the proposed modifications included in the attachment to the March 6th letter from Mr. Raines. Our effort has been undertaken with the objective of seeking to eliminate any cause for confusion or misinterpretation about the specific provisions in the bill while doing no harm to the important remedial and beneficial effects of our legislation. We would be willing to offer a Manager's Amendment on the floor during Senate consideration of S. 981 which would make these changes. Because such an amendment would meet your concerns, we would do so with the understanding that the Administration would then support this important legislation.

The path to this point has not been easy. Regulatory reform legislation over the years has engendered a great deal of distrust and friction among the interested parties. Yet we feel deeply that this moderate proposal will bring important analytical tools and openness to the very complex issues involved in federal regulation and will give the American people the effective and efficient protections they deserve. If it's true that nothing worth doing is ever easy, then S. 981 may prove to be one of the most valuable pieces of legislation we'll have enacted in a long time.

We welcome your support and look forward to your response.

Sincerely,

CARL LEVIN,
Senior Member.
FRED THOMPSON,
Chairman.

Enclosure.

1. Judicial Review:

a. Page 62, line 16, insert after "determining" the following: "under the statute granting the rule making authority".

b. Amend Section 627(e) to read as follows: "If an agency fails to perform the cost-benefit analysis, cost-benefit determination, or risk assessment, or to provide for peer review, a court may, giving due regard to prejudicial error, remand or invalidate the rule. The adequacy of compliance with the specific requirements of this subchapter shall not otherwise be grounds for remanding or invalidating a rule under this subchapter. If the court allows the rule to take effect, the court shall order the agency to promptly perform such analysis, determination, or assessment or provide for such peer review."

c. No judicial review for Subchapter III, because Subchapter III will be deleted.

d. Clarification regarding interlocutory orders is not necessary.

2. "Implicit Supermandate":

a. On page 47, strike lines 1 through 4 and insert the following:

"(b) Nothing in this subchapter shall be construed to alter or modify—

(1) the substantive standards applicable to a rulemaking under other statutes;

(2) the range of regulatory options that an agency has the authority to adopt under the statute authorizing the agency to promulgate the rule, or the deference otherwise accorded to the agency in construing such statute; or

(3) any opportunity for judicial review made applicable under other statutes."

3. Risk Assessment:

a. On page 54, strike lines 8 through 11 and insert the following:

"(ii) any risk assessment that is not the basis of a rule making that the Director reasonably anticipates is likely to have an annual effect on the economy of $100 million or more in reasonably quantifiable costs and that the Director determines shall be subject to the requirements of this section."

b. On page 56, strike lines 10 through 12 and insert the following:

"(2) Significant assumptions used in a risk assessment shall incorporate all reasonably available, relevant and reliable scientific information."

c. On page 56, strike lines 13 and 14 up to but not including "and," on line 14 and insert the following:

"(d) The agency shall inform the public when the agency is conducting a risk assessment subject to this section".

d. No amendment. (MACT and BACT).

4. Peer Review:

a. On page 58, strike lines 10 through 12 and insert the following:

"(a) Each agency shall provide for an independent peer review in accordance with this section of—

(1) a cost-benefit analysis of a major rule that the agency or Director reasonably anticipates is likely to have an annual effect on the economy of $500 million in reasonably quantifiable costs; and

(2) a risk assessment required by this subchapter."

b. On page 60, between lines 12 and 13 insert the following:

"(e) A member of an agency advisory board (or comparable organization) established by statute shall be considered "independent of the agency" for purposes of section 625(b)(1)(A)(ii).

"(f) The status of a person as a contractor or grantee of the agency conducting the peer review shall not, in and of itself, exclude such person from serving as a peer reviewer for such agency because of the requirements of (b)(1)(A)(ii) of this section."

c. On page 60, between lines 12 and 13 insert the following:

"(g) Nothing in this section shall require more than one peer review of a cost-benefit analysis or a risk assessment during a rule making. A peer review required by this section shall occur to the extent feasible prior to the notice of proposed rule making."

d. On page 60, between lines 9 and 10 insert the following and renumber the remaining subsection accordingly:

"(d) The formality of the peer review conducted pursuant to this section shall be commensurate with the significance and complexity of the subject matter."

5. Other

a. On page 70, between lines 20 and 21 insert the following and renumber the remaining subsections accordingly;

"(a) This subchapter shall apply to all proposed and final major rules and to any other rules designated by the President for review."

On page 72, line 4, strike "(a)" and insert in lieu thereof "(b)".

b. Strike Subchapter III and strike section 610.

c. On page 53, strike lines 14 and 15 and insert the following: "as possible unless the Director determines that compliance would be clearly unreasonable."

d. No amendment (OSTP and OMB studies)

e. On page 51, between lines 17 and 18 insert the following: "Consistent with subsection 621(2) and 621(3), net benefits analysis shall not be construed to be limited to quantifiable effects."

f. On page 46, strike lines 19 through 22 and insert the following:

"(11) The term 'substitution risk' means a reasonably identifiable significant increased risk to health, safety, or the environment expected to result from a regulatory option and does not include risks attributable to the effect of an option on the income of individuals."

On page 46, strike lines 16 through 18 and insert the following:

"(J) a rule or agency action that authorizes or bars the introduction into or removal from commerce, or recognizes or cancels recognition of the marketable status, of a product under the Federal Food, Drug and Cosmetic Act;"

g. Executive Oversight:

On page 72, line 22, strike "communciations" and insert "correspondence".

On page 73, line 3, strike "communications" and insert "correspondence".

On page 73, line 10, strike "substantive" and insert "significant".

On page 73, strike lines 16 and 17.

On page 73, line 20, strike "communications" and insert "correspondence".

On page 74, line 3, strike "substantive" and insert "significant".

On page 74, strike line 9 through line 11.

On page 74, line 17, strike "announced" and insert "published".

On page 74, line 23, strike "communications" and insert "correspondence".

Office of Management and Budget,
Washington, DC, July 15, 1998.
Hon. Carl Levin,
Committee on Governmental Affairs,
U.S. Senate, Washington, DC

Dear Senator Levin: Thank you for your letter of July 1, 1998, in which you respond to the views on S. 981 that we expressed in former OMB Director Frank Raines' letter of March 6, 1998.

President Clinton has been a strong supporter of responsible regulatory reform. In addition to signing into law a number of important pieces of reform legislation, he and Vice President Gore are taking a wide range of administrative steps to improve the regulatory process. For example, under the guidance of Executive Order 12866, agencies are developing flexible performance standards and using market incentives whenever possible; are applying benefit-cost analysis to achieve objectives in the most cost-effective manner; and are reaching out to the affected parties, particularly our State and local partners, to understand better the intended and unintended consequences of a proposed regulatory action. Under the leadership of the Vice President's National Partnership for Reinventing Government, agencies are improving delivery of services, reducing red tape, and reforming practices to focus on customer service. The Administration's goal in these actions is to streamline and reduce the burden of government on its citizens, improve services, and restore the basic trust of public in its government.

The debate on comprehensive regulatory reform legislation is one that has sparked great passion and has provoked, as you aptly note in your letter, "distrust and friction among the interested parties." We heartily agree with you that, to say the least, "[t]he path to this point has not been easy." In part, this has been the result of earlier versions of this legislation proposed by others that sought not to improve the nation's regulatory system, but to burden and undermine it. In a variety of ways these bills would have created obstacles and hurdles to the government's ability to function effectively and to protect the health, safety, and environment of its citizens. In particular, these bills would have created a supermandate, undoing the many protections for our citizens that are carefully crafted into specific statutes. In addition, strict judicial review and complex analytic, risk assessment, peer review, and lookback provisions would have hampered rather than helped the government's ability to make reasonable decisions and would have opened the door to new rounds of endless litigation.

We appreciate your thoughtful efforts over the past year to respond to issues that we and others have raised. In your latest letter you continue to take seriously our concerns. Indeed, the changes you indicate that you are willing to make would resolve our concerns, and if the bill emerges from the Senate and House as you now propose, with no changes, the President would find it acceptable and sign it.

I should note, however, that our experience with past efforts to resolve these differences suggests that good ideas and the resolution of differences can be destroyed during the long process of getting a bill to the President's desk, and the nuances and balance that we have all sought in this legislation could be easily disrupted. Nanny of the terms used carry great meaning, and further modification is likely to renew the concerns that have animated our past opposition to bills of this type. Accordingly, we look forward to working with you to ensure that any bill the Congress passes on this subject is fully consistent with the one on which we have reached agreement.

Sincerely,

Jacob J. Lew,
Acting Director.

Mr. THOMPSON. Mr. President, I want to ask my colleagues for their help to bring much-needed improvements to our federal regulatory system. In March, the Governmental Affairs Committee favorably reported S. 981, the "Regulatory Improvement Act," by a 10–5 vote. At the time of the markup, the administration sent a letter to me and Senator Levin expressing a number of concerns with the bill. Over the past few months, we have worked to resolve those concerns, which largely involved adding clarifying language to the bill. In addition, some sections of the bill were modified, and a couple were dropped. On July 16, we received a letter from Jack Lew, the Acting OMB Director, on behalf of the administration. The letter says the administration supports the legislation with the proposed changes and will cooperate with us to pass it. These changes are explained in the accompanying summary of the managers' amendment that Senator LEVIN and I would support. I am pleased that the President recognizes that we need this legislation to deliver the effective and efficient regulatory system that the American people expect and deserve.

Most of us recall the partisan and ultimately destructive debate on this issue in the last Congress. Reforming regulation is an area fraught with distrust. It is tempting for opponents of reform to try to score political points by scare tactics. We have to set aside political posturing if we're going to get the job done. Just last week, former Majority Leader Howard Baker told us, "it ill behooves America's leaders to invent disputes for the sake of political advantage, or to inveigh carelessly against the motives and morals of one's political adversaries. America expects better of its leaders than this, and deserves better." I hope we heed that good advice.

There's no doubt that improving the regulatory process is one of the toughest challenges we face. Regulation affects virtually every aspect of our lives. There are over 130,000 pages of federal regulations, and 60 agencies continue to issue new rules at a rate of 4,000 a year. The costs are hundreds of billions of dollars annually, and the public expects better results. As the costs of regulation rise with public expectations of better results, the need is greater than ever for a smarter way of regulating. We have to find ways to do more good while reducing the waste in the current system.

The evidence is overwhelming that we can achieve greater benefits at far less cost by regulating smarter. Hearings of the Governmental Affairs Committee, investigations of the General Accounting Office, the work of other congressional committees, and many scholarly studies show a striking consensus on this point. Our Committee also has found that the administration's Executive Order 12866 and other initiatives to reinvent regulation have not been as effective as was hoped.

I want to thank the 19 cosponsors who have joined me and Senator LEVIN to improve the regulatory process. The Regulatory Improvement Act will promote the public's right to know, improve the quality of government decisions, and make government more accountable to the people it serves. Ultimately, it will help improve the quality of our lives. That is why we have the support of State and local government, businesses of all sizes, farmers, educational organizations, think tanks, scholars, and the administration. We have a rare opportunity to reform the regulatory process. Let's pull together and get the job done.

• Mr. LEVIN. Mr. President, I ask that a summary of S. 981 and a summary of the proposed manager's amendment be printed in the RECORD.

The material follows:

SUMMARY OF LEVIN-THOMPSON REGULATORY IMPROVEMENT ACT

The Levin-Thompson regulatory reform bill would put into statute requirements for cost-benefit analysis and risk assessment of major rules and executive oversight of the rulemaking process. It builds on the bipartisan Roth-Glenn bill unanimously reported out of the Governmental Affairs Committee in 1995.

It requires agencies to do a cost-benefit analysis when issuing rules that cost $100 million or have other significant impacts. The agency must determine whether the benefits of the rule justify its costs; whether the rule is more cost-effective, or provides greater net benefits, than other regulatory options considered by the agency; and whether the rule adopts a flexible regulatory option. If the agency determines that the rule does not do so, the agency is required to explain the reasons why it selected the rule, including any statutory provision that required the agency to select the rule. If the rule involves a risk to health, safety or the environment, the bill requires the agency to do a quality risk assessment to analyze the benefits of the rule. Risk assessments and cost-benefit analyses for rules costing $500 million would undergo independent peer review.

During the cost-benefit analysis and risk assessment, the rulemaking agency is required to consider substitution risks—that is, risks that could be expected to result from the implementation of the regulatory option selected by the agency—and to compare the risk being regulated with other risks with which the public may be familiar.

In presenting the cost-benefit analysis and risk assessment, the rulemaking agency is required to present the results of the analysis and assessment in a clear and understandable form, including an executive summary of: the expected benefits and costs of the rule and the agency's cost-benefit determinations; the risk addressed by the rule and the results of any risk assessment; the benefits and costs of the other regulatory options considered by the agency; and the key assumptions and scientific or economic information upon which the agency relied.

The cost-benefit analysis, cost-benefit determinations, and risk assessment are required to be included in the rulemaking record and to be considered by the court, to the extent relevant, only in determining whether the final rule is arbitrary and capricious. In addition, if the agency fails to perform the cost-benefit analysis, risk assessment or peer review, the court may remand or invalidate the rule, giving due regard to prejudicial error, and in any event shall order the agency to perform it.

The bill codifies the review procedure now conducted by the Office of Information and Regulatory Affairs (OIRA) and requires public disclosure of OIRA's review process.

Finally, the bill requires the Director of OMB to contract for a study on the comparison of risks to human health, safety and the environment and a study to develop a common basis for risk communication with respect to carcinogens and noncarcinogens and the incorporation of risk assessments into cost-benefit analyses.

SUMMARY OF PROPOSED MANAGERS' AMENDMENT TO S. 981

Senator Levin and Senator Thompson plan to offer a Managers' Amendment when S. 981 is brought to the floor for Senate consideration. The Amendment would include the following:

1. JUDICIAL REVIEW

The bill as reported requires a court to consider the cost-benefit analysis, cost-benefit determinations, and risk assessment in determining whether the final rule is arbitrary and capricious. The bill as reported also requires a court to remand or invalidate a rule if the agency fails to perform the cost-benefit analysis, cost-benefit determinations or risk assessment, or to provide for peer review as required by S. 981. The Managers' Amendment modifies that requirement by giving the court the discretion to remand or invalidate the rule. The Managers' Amendment also adds a specific clarifying sentence that the adequacy of compliance with the specific requirements for performing the cost-benefit analysis, risk assessment, and peer review is not otherwise independent grounds for remanding or invalidating a rule. The Managers' Amendment also requires a court to order an agency to perform the cost-benefit analysis, cost-benefit determinations, risk assessment, or peer review whenever the agency fails to do so, even if the court allows the rule to take effect.

2. RELATIONSHIP TO OTHER STATUTES

The Managers' Amendment adds two additional provisions to the savings clause in order to reiterate that S. 981 does not contain a "supermandate" that would override or alter the substantive standards of the statute under which the rule is being issued. The Managers' Amendment confirms that S. 981 does not alter the range of regulatory options the agency has authority to adopt under the statute authorizing the agency to promulgate the rule or the deference otherwise accorded by the courts to the agency in construing such statute pursuant to the *Chevron* decision.

3. REVIEW OF RULES

The bill as reported contained two provisions for the review of existing rules: one for major rules and one for rules affecting small businesses and small governments. The Managers' Amendment strikes both review of rules provisions. S. 981 will impose new and important responsibilities on federal agencies to conduct their rulemakings with greater care and thoroughness. In order to direct the resources of the agencies to fully carrying out these requirements, the provisions for the review of existing rules were stuck. Of course, agencies remain free to review existing rules under the Regulatory Flexibility Act on their own initiative, at the request of an interested party, or pursuant to Presidential directive.

4. RISK ASSESSMENT

The bill as reported requires a quality risk assessment to be performed for each major rule with a primary purpose to address risks to health, safety or the environment, as well as for risk assessments that are not the basis for a rulemaking and that the OMB Director determines may have a substantial impact on public policy or the economy. The Managers' Amendment narrows the coverage of the bill with respect to risk assessments that are not the basis of a rulemaking to those risk assessments that the Director anticipates are likely to have an annual effect on the economy of $100 million or more.

5. PEER REVIEW

The bill as reported requires independent peer review of the cost-benefit analysis and risk assessment for each major rule. The Managers' Amendment would modify the application of peer review of the cost-benefit analysis to only those rules that the agency or OMB Director reasonably anticipates are likely to have an annual effect on the economy of $500 million or more.

The Managers' Amendment clarifies that members of agency advisory boards required by statute and persons who serve as contractors or grantees to the agency conducting the peer review are not precluded from serving as peer reviewers solely because of the requirement that the peer reviewers be "independent of the agency." The Managers' Amendment also claifies that only one peer review of a risk assessment and cost-benefit analysis is required by S. 981.

6. NET BENEFITS

The Managers' Amendment clarifies that application of a net benefits analysis under S. 981 is not intended to be limited to only quantifiable benefits; S. 981 requires the net benefits analysis to include consideration of nonquantifiable as well as quantifiable benefits.

7. SUBSTITUTION RISK

The Managers' Amendment, in an effort to clarify the scope of responsibility required of an agency in assessing applicable substitution risks, incorporates the language in the bill used to define costs and benefits. Thus, substitution risk is defined in the Managers' Amendment as "a reasonably identifiable significant increased risk to health, safety or the environment expected to result from a regulatory option." The definition also makes it clear that substitution risk does not include "risks attributable to the effect of an option on the income of individuals."

8. EXEMPTIONS

The bill as reported exempts from coverage of the legislation "a rule or agency action that authorizes the introduction into commerce, or recognizes the marketable status of, a product." The Managers' Amendment both expands and limits this exemption. It expands it by adding "removal" of a product as well as "introduction;" it limits this exemption by applying it only to rules "under the Federal Food, Drug and Cosmetic Act."

9. OTHER

The Managers' Amendment would make a number of other technical or minor changes to the bill.●

JOHN D. ODEGARD, RECIPIENT OF THE FAA 1998 EXCELLENCE IN AVIATION AWARD

● Mr. DORGAN. Mr. President, I rise today to congratulate the John D. Odegard School of Aerospace Sciences at the University of North Dakota, and its dean and founder, John Odegard who have been selected by the Federal Aviation Administration to receive its 1998 Excellence in Aviation award. In addition to being one of North Dakota's most outstanding entrepreneurs, John is also a personal friend of mine and I can attest to the fact that this honor is truly deserved. It accurately reflects the contributions that John and the college have made to aviation education and research to make flying safer in our country.

Announcing the award, FAA Administrator Jane Garvey noted,

> The FAA formally recognizes significant aviation research accomplishments each year through the Excellence in Aviation award. This research plays a prominent role in ensuring that the nation's airspace system remains the safest in the world.
>
> "Aviation weather research conducted at the John D. Odegard School of Aerospace Sciences contributed to the development of the Terminal Doppler Weather Radar, which is used to detect wind shear near airports. The aerospace school, which has conducted aviation research, education and training programs for over 30 years, participates in a FAA-sponsored research project to chart wind conditions at the Juneau, Alaska, airport.

Mr. CONRAD. I join my colleague, Senator DORGAN, in congratulating Dean Odegard on this exceptional and well deserved honor from the FAA.

Dean Odegard and the Odegard School, which this year was named in his honor by a grateful state, are true national assets. John's work building the School at the University of North Dakota is one of the great accomplishments in North Dakota in my lifetime. His vision and ability to make his dreams a reality sets him apart in all of higher education and aviation. He began his career in 1968 with two small planes and a dozen students and transformed this fledgling operation into the premier aerospace training facility in the world with 1400 students, a fleet of 85 aircraft and 16 flight simulators.

The contributions of John Odegard and his staff and faculty to aviation safety in the development of new pilot training programs is a major achievement. His leadership in the creation of university-based air traffic controller training is providing our country with superior new young controllers that our country's air space system desperately needs. As the Administrator noted in her citation, UND's work in FAA-sponsored atmospheric research has resulted in the Terminal Doppler Weather Radar that is now making air travel even safer in the United States.

It is also important to note that the contributions made by the Odegard School to improvements in national aviation safety are a direct product of the investment the Federal government made almost 20 years ago. It was the FAA's Airway Science Program, begun in the early 1980's, that helped build the Odegard School's facilities on the University of North Dakota campus. Those investments, of which we are very proud, are paying dividends today in lives saved. That's what the FAA award recognizes.

Mr. DORGAN. Within our state, John's achievements are well recognized. The North Dakota State Board of Higher Education has honored John by placing his name on the aviation college at the University of North Dakota. The Odegard School of Aerospace Sciences is one of our state's flagship programs and draws students from every state in the nation as well as many foreign countries. Airlines from around the world send its pilots to be trained at UND. Its size and number of employees means it is also a significant economic asset and has served to help draw the aerospace industry to North Dakota.

Again, I want to offer my congratulations to John and all his faculty and staff at the Odegard School. We look forward to their continued contributions to the aerospace industry, not only in North Dakota but throughout the world.●

RETIREMENT FROM CONGRESS OF REPRESENTATIVE THOMAS J. MANTON

● Mr. MOYNIHAN. Mr. President, yesterday, a dear friend and colleague, Representative THOMAS J. MANTON, announced his intention to retire at the end of the 105th Congress, saying, "I have worked for the citizens of this Nation, New York City, and Queens for most of my adult life." Indeed he has. Fourteen years as a Member of Congress. Fifteen years before that as a member of the New York City Council. Five years as an officer in the New York City Police Department. And two years as a Marine Corps flight navigator on active duty during Korea.

His departure is bittersweet for me. I take solace from the fact that he will continue to chair the Queens County Democratic Organization, a post he has held with honor and distinction for the past twelve years. And I am happy that he and his wife Diane will have more time "to enjoy life and travel," as he put it; to enjoy his four children and—as of July 5th—his four grandchildren. But we here will miss his calm and steady demeanor, and his unwavering commitment to "moderate government," which is, as Alexander Hamilton observed, the font of real liberty.

For the most part, I will leave it to others to recite his legislative accomplishments, which are legion. But I would highlight his service as co-chairman of the Congressional Ad-Hoc Committee on Irish Affairs. The bi-partisan Ad-Hoc Committee was established in 1977 to promote peace and justice in Northern Ireland. His interest is natural, for both his parents were Irish immigrants. The task, of course, enormous. But under TOM's steady leadership, the Ad-Hoc Committee made possible implementation of the McBride Principles. And the Ad-Hoc Committee had a huge role in this year's Good Friday Irish Peace Accord. Few men or women have had such positive effect in such a devastated and forlorn part of the world.

Horace remarked that "We rarely find anyone . . . who, content with his life, can retire from the world like a satisfied guest." TOM MANTON is the rare individual who can retire from Congress like a "satisfied guest." Godspeed, dear friend.●

PROSTATE CANCER RESEARCH FUNDING

• Ms. MOSELEY-BRAUN. Mr. President, I would like to call the attention of my colleagues to a national health epidemic that kills 40,000 American men every year and strikes hundreds of thousands more each year—prostate cancer. I am concerned about this disease and its impact on American men, particularly its disproportionate impact on African-American men.

For too long prostate cancer has been a silent killer. Too little has been known about it. Too little was said about it. Too little has been done about it. Fortunately, in recent years many prominent national figures like Senator Bob Dole, General Norman Schwarzkopf, Arnold Palmer, Sidney Poitier, Andy Grove, and Harry Belafonte have come forward to discuss their personal battles with prostate cancer. The admirable leadership of these men and others has helped educate the country about the importance of screening and early diagnosis of prostate cancer, and the need for all of us to do more to fight this disease.

Mr. President, prostate cancer is the most commonly occurring non-skin cancer in the United States. In 1997, more than 200,000 men were diagnosed with prostate cancer and 41,800 died of the disease. Every three minutes a new case of prostate cancer is diagnosed and every 13 minutes someone dies from the disease. While it is often thought to be an older man's disease, younger men are increasingly diagnosed with prostate cancer. In fact, about 20 percent of prostate cancers are now occurring in men between the ages of 40 and 60.

Although prostate cancer accounts for approximately 20 percent of all new non-skin cancers, it receives less than four percent of federal cancer research funding. In 1996, approximately the same number of lives were lost due to prostate cancer breast cancer and AIDS. In 1997, however, while prostate cancer deaths continued to rise, deaths due to breast cancer and AIDS declined. Nevertheless, the federal commitment to prostate cancer research has not even kept pace with these other priorities.

Clearly, I am not advocating reduced funding for breast cancer or AIDS research programs. I have been one of the major champions of breast cancer and AIDS research funding. Rather, I use these comparisons to make the point that much more must be done to address the prostate cancer epidemic as well. How can we face the hundreds of thousands of men and their families who are daily affected by prostate cancer knowing, for instance, that more money was spent to make the movie Titanic—more than $200 million—than was spent in 1997 by the federal government for prostate cancer research—only $120 million.

The possibility and the fear of developing prostate cancer is common to all men. One in five American men will develop prostate cancer during his lifetime. As frightening as that statistic may be for the general population, it is even more pointed in the African-American community. African-American men have a prostate cancer incidence more than 30 percent higher than for any other ethnic groups in this country and the highest in the world.

The prostate cancer mortality rate for African-American men is more than twice that of white American men. Researchers do not yet know why this is true and do not yet have answers to these and the many other questions about prostate cancer. For example, it is not clear which prostate cancer patients will benefit from traditional treatments, like surgery or radiation. The economic status of many African-American men, and limited access to medical counseling further complicated treatment decisions.

Those who are devoted to relieving the burden of prostate cancer in the African-American community, including scientists, health care providers, national organizations, community leaders, and survivors alike, are united in their desire to find answers to these questions. I am particularly pleased with the leadership of many national organizations in informing the country about the impact of prostate cancer in the African-American community. In November of last year, the American Cancer Society, the National Cancer Institute, and the Centers for Disease Control and Prevention sponsored A Leadership Council on Prostate Cancer in the African-American Community. In cooperation with the Intercultural Cancer Council, the National Black Leadership Initiative on Cancer, the National Prostate Cancer Coalition and the 100 Black Men of America, the Leadership Conference proposed a blueprint for action that aims to solve the problem of prostate cancer in the African-American community.

These private organizations—and many others—are working very hard at the community and national levels to see that the prostate cancer epidemic is addressed. I ask that a letter that 29 organizations representing the African-American community sent to Congress in May laying out a research funding agenda to attack this problem be printed in the RECORD.

The letter follows:

MAY 20, 1998.

DEAR MEMBER OF CONGRESS: We have come together as organizations representing the African American community to develop a united response to one of the most significant medical and social challenges facing our country today—the severe burden of prostate cancer in African American men. Together, our organizations represent millions of Americans. We strongly urge you to support significant increases in federal funding for prostate cancer research.

African American men have the highest rate of prostate cancer mortality in the world. In 1994, the prostate cancer mortality rate for African American men was at least two times higher than rates for all other racial and ethnic groups in the U.S. Overall, prostate cancer is the most commonly diagnosed cancer in America, excluding skin cancer, and it is the second leading cause of cancer death among men. Last year, 41,800 men died from prostate cancer and 209,000 were diagnosed with the disease.

Federal funding for prostate cancer research has been woefully inadequate, particularly given the devastating impact of the disease. We therefore strongly urge you to support increased appropriations for FY 1999 prostate cancer research programs, including the following.

Department of Defense (DOD)—The DOD conducts highly successful peer reviewed research programs that are renowned for their innovative and efficient use of resources. We call on Congress to fund this innovative program at $175 million for FY 1999—a level which is in the middle range of other Congressionally-directed medical research programs at DOD.

National Institutes of Health (NIH)—Prostate cancer research at NIH has not reflected the incidence and mortality rates of the disease. We believe prostate cancer research funding at NIH must be substantially increased to a level commensurate with the impact prostate cancer has on the American population.

Center for Disease Control and Prevention (CDC)—The CDC supports the development and communication of health messages about prostate cancer screening and early detection, particularly focusing on African American men and their families. We believe the CDC appropriation for prostate cancer must be doubled—to $10 million—so that it can engage in aggressive outreach and education and health communications research, particularly for high risk groups.

We believe that the research programs of the National Institutes of Health, the Department of Defense, and the Centers for Disease Control and Prevention offer great promise in the fight against prostate cancer in the African American community. We urge you to support our request by increasing funding for these critically important programs.

Sincerely,

David S. Rosenthal, M.D., President, American Cancer Society.

Thomas W. Dortch, Jr., President, 100 Black Men of America.

Norman Hill, President, A. Philip Randolph Institute.

Dale P. Dirks, Washington Representative, Associate of Minority Health Professions Schools.

Dr. Charles H. Mitchell, Co-Convener, Breakfast Group.

Dr. Shirley B. Carmack, Founder, GNLD Wellness Center.

Armin D. Weinberg, Ph.D., Co-Chair, Intercultural Cancer Council.

Kweisi, Mfume, President and CEO, NAACP.

Deborah Lee-Eddie, President, National Association of Health Services Executives.

Dr. Betty Smith Williams, President, National Black Nurses Association.

Barbara P. Van Blake, Director, Human Rights and Community Relations, American Federation of Teachers, AFL–CIO.

Rev. Dr. Joseph E. Lowery, Chairman and CEO, Black Leadership Forum.

Wil Duncan, Special Assistant to the President, Coalition of Black Trade Unionists.

Lovell A. Jones, Ph.D., Co-Chair, Intercultural Cancer Council.

Abdul Alim Muhammad, M.D., Minister of Health and Human Services, Nation of Islam.

Edna Bell, President, National Association of Black County Officials.

The Honorable Roscoe Dixon, Chair, Health Committee, National Black Caucus of State Legislators.

William T. Merritt, President and CEO, National Black United Fund.

Henry L. English, President and CEO, Black United Fund of Illinois.

Jane E. Smith, Ed.D., President and CEO, National Council of Negro Women.

Garry A. Mendez, Jr., Executive Director, The National Trust for the Development of African American Men.

Warren R. Whitley, Grand Master, Most Worshipful Prince Hall Grand Lodge.

Marchel Smiley, President, International Caucus for People of African Descent, Service Employees International Union.

The Honorable Henrietta E. Turnquest, Georgia House of Representatives, 73rd District.

Dr. Barbara W. Carpenter, International President, Zeta Phi Beta Sorority.

Samuel J. Simmons,, President and CEO, The National Caucus and Center on Black Aged.

Jay H. Hedlund, President and CEO, National Prostate Cancer Coalition.

Dr. Dorsey C. Miller, Grand Basileus (National President), Omega Psi Phi Fraternity.

Howard D. Brown, Director for Black Catholic Ministry, Roman Catholic Archdiocese of Altanta.

Richard O. Butcher, M.D., President, Summit Health Coalition.

Henry A. Porterfield, Chairman and CEO, Us Too International.

Ms. MOSELEY-BRAUN. The compelling case this letter makes for dramatic increases in funding for prostate cancer research brings me to the last point I want to make. This Congress, this country, must do better. We must do more in the fight to bring a cure for prostate cancer.

Just last year alone, the National Prostate Cancer Coalition identified more than $250 million of worthwhile prostate cancer research that was not conducted due to lack of funding. This inadequacy in funding is an unconscionable neglect of men with prostate cancer and their families. There needs to be an increased commitment to prostate cancer research.

In June, President Clinton announced the release of $60 million for prostate cancer research grants in a promising new Department of Defense program modeled after the very successful DoD breast cancer program. Yet, the House has proposed to cut 75 percent of the funding for this important cancer research program. The House position will virtually kill a program that is critical to finding breakthroughs and a potential cure. The current Senate position also shrinks research funding for this program to $40 million. Instead, we should increase the funding to at least $80 million in order to maintain this ground breaking research program.

While it is also important to increase the amount of prostate cancer research conducted by the National Cancer Institute (NCI), the Congress must not neglect the Department of Defense prostate cancer research program. We must not dash the hopes of prostate cancer patients, their families, and their supporters. As is the case with the DoD's breast cancer efforts, this program supports targeted research that complements the work of the NCI and is a necessary component of an overall national effort to find effective treatments for this disease.

Mr. President, to do anything less would send a devastating message to the men living and dying from this disease, to their families, and to the scientific community that is working to find a cure. I call on this Congress to equip researchers with the tools they badly need to end this epidemic. For the one million Americans currently diagnosed with prostate cancer and their families, increased research funding is desperately needed now. Each day, more and more people will be affected. We cannot turn a deaf ear to their cries for help. It is time for the country and the Congress to make a commitment to equity in funding for prostate cancer research. It is time for us to give the researchers the resources they need to eradicate this silent killer.●

ORDERS FOR THURSDAY, JULY 23, 1998

Mr. GREGG. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m., Thursday, July 23. I further ask that when the Senate reconvenes on Thursday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate then resume consideration of the Craig amendment to S. 2260, the Commerce-State-Justice appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GREGG. Mr. President, for the information of all Senators, tomorrow morning the Senate will resume consideration of the Commerce-State-Justice bill. At 9:15 a.m., the Senate will vote in relation to the Craig amendment, followed by a vote in relation to the underlying Kyl amendment. Following those votes, under a previous consent agreement, the Senate will debate several amendments to be offered to the Commerce-State-Justice bill. At the conclusion of that debate, which is expected by early afternoon, the Senate will proceed to a stacked series of votes in relationship to those amendments. Following disposition of all amendments in order, it is expected that the Senate will quickly proceed to final passage on the Commerce-State-Justice appropriations.

Upon completion of the Commerce-State-Justice bill, it is hoped that the Senate will begin consideration of the Transportation appropriations bill. Therefore, Members should expect another late night session with votes as the Senate attempts to make progress on the remaining appropriations bills.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. GREGG. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 11:37 p.m., adjourned until Thursday, July 23, 1998, at 9 a.m.

NOMINATIONS

Executive Nominations Received by the Senate July 22, 1998:

COMMODITY FUTURES TRADING COMMISSION

JAMES E. NEWSOME, OF MISSISSIPPI, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING JUNE 19, 2001, VICE JOSEPH B. DIAL, TERM EXPIRED.

DEPARTMENT OF JUSTICE

HOWARD HIKARU TAGOMORI, OF HAWAII, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF HAWAII FOR THE TERM OF FOUR YEARS, VICE ANNETTE L. KENT, TERM EXPIRED.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. RANDOLPH W. HOUSE, 7507

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. DAVID S. WEISMAN, 2064

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

TO BE REAR ADMIRAL (LOWER HALF)

CAPT. DAVID ARCHITZEL, 0741
CAPT. JOSE L. BETANCOURT, 0044
CAPT. ANNETTE E. BROWN, 7474
CAPT. BRIAN M. CALHOUN, 7720
CAPT. KEVIN J. COSGRIFF, 3968
CAPT. LEWIS W. CRENSHAW, JR., 4960
CAPT. JOSEPH E. ENRIGHT, 8942
CAPT. TERRANCE T. ETNYRE, 8044
CAPT. EDWARD J. FAHY, JR., 2444
CAPT. MARK P. FITZGERALD, 2694
CAPT. JONATHAN W. GREENERT, 8869
CAPT. CHARLES H. GRIFFITHS, JR., 0725
CAPT. STEPHEN C. HEILMAN, 2302
CAPT. JOHN P. JARABAK, JR., 2315
CAPT. CURTIS A. KEMP, 5881
CAPT. ANTHONY W. LENGERICH, 9020
CAPT. WALTER B. MASSENBURG, 4394
CAPT. MICHAEL G. MATHIS, 4091
CAPT. JAMES K. MORAN, 5752
CAPT. CHARLES L. MUNNS, 9043
CAPT. RICHARD B. PORTERFIELD, 3989
CAPT. ISSAC E. RICHARDSON, III, 4443
CAPT. JAMES A. ROBB, 4692
CAPT. PAUL S. SCHULTZ, 8203
CAPT. JOSEPH A. SESTAAK, JR., 0962
CAPT. DAVID M. STONE, 6735
CAPT. STEVEN J. TOMASZESKI, 3394
CAPT. JOHN W. TOWNES, III, 0177
CAPT. THOMAS E. ZELIBOR, 6272

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY AND FOR REGULAR APPOINTMENT AS CHAPLAIN (IDENTIFIED BY AN ASTERISK(*)) UNDER TITLE 10, U.S.C. SECTIONS 624, 531, AND 3064:

To be major

*DAVID W. ACUFF, 6348
*GARET V. ALDRIDGE, 0168
*JOHN E. ANDERSON, 3649
*JOHN L. ATKINS, 4301
*TIMOTHY H. ATKINSON, 1713
*TERRY W. AUSTIN, 2697
*PETER A. BAKTIS, 5281
*DAVID R. BEAUCHAMP, 4172
*TIMOTHY K. BEDSOLE, SR., 9908
*KEN BELLINGER, 1310
*THOMAS B. BOWERS, 1890
*ALEXANDER C. BROWN, 0388
*JEFFERY T. BRUNS, 9251
*PETER M. BRZEZINSKI, 8321
*JAMES E. CARAWAY, JR., 7868
*KEVIN P. CAVANAUGH, 4550
*BRUCE W. CHAPMAN, 9791
*LAVERN E. CLARK, 8337
*DAVID W. CORAM, 8495
*THOMAS W. COX, 7772
*GREGORY L. CRUELL, 0628
*GARRY R. DALE, 2627
*JOSEPH J. DEPONAI, 8457
*PATRICIA N. DICKSON, 8168
*DAVID L. DRUCKENMILLER, 9593
*JASON E. DUCKWORTH, 2621
*JAMES E. DUKE, 6983
*DAVID G. EPPERSON, 5890
*CHRISTOPHER A. FARIA, 9721
*DAVID J. GIAMMONA, 1949
*ROBERT K. GLASGOW, 3208
*MATTHEW M. GOFF, 7075
*HARVEY A. HENNINGTON, 3428
*GARY HENSLEY, 0887
*CAROL D. HIGHSMITH, 8439
*STEVEN C. HOKANA, 1110
*LARRY D. HOLLAND, 7520
*JEFFREY G. HOPPER, 9396
*JEFFREY D. HOUSTON, 2611
*RANDOLPH S. IMHOFF, 1554
*KEITH A. JACKSON, 9744
*GRANT E. JOHNSON, 8116
*CARL C. JOHNSTON, 7021
*VERN E. JORDIN II, 8213
*LEON G. KIRCHER, 7412
*MARK R. KNOX, 1152
*ALLEN L. KOVACH, 9163
*RONALD P. LEININGER, 0187
*MITCHELL I. LEWIS, 2672
*ARLEY C. LONGWORTH, JR., 7058
*JOEL A. LYTLE, 8173
*FRED D. MAC LEAN, 3511
*THOMAS E. MATTINGLY, 6012
*TERRY L. MC BRIDE, 1686
*WILLIAM C. MC COY, 9538
*THOMAS G. MC FARLAND, 4368
*HAROLD B. MESSINGER, 0734
*STEVEN F. MICHALKE, 1136
*JOHN C. MOLINA, 8383
*RICKEY L. MOORE, 7927
*PETER L. MUELLER, 6383
*JOHN F. O'GRADY, 4432
*DOUGLAS J. PETERSON, 1056
*GAIL F. PORTER, 3776
*DANIEL T. PRESSWOOD, 2413
*PHILLIP P. RICHMOND, 4636
*MARK E. ROEDER, 5812
*ROBERT E. ROETZEL, 8064
*THOMAS G. RUSSELL, 6533
*EUGENE W. SCHNEIDER, 4293
*JOHN W. SHEDD, 7008
*BRYAN T. SIMONEAUX, 3532
*LANCE A. SNEATH, 5100
*JOHN M. STEPP, 6963
*MICHAEL E. STROHM, 9111
*KEVIN P. STROOP, 5870
*ROBERT E. SWALVE, SR., 1977
*MICHAEL L. THOMAS, 9002
*DARRELL E. THOMSEN, JR., 2007
*MELECIO A. VALDEZ, 3864
*DAVID A. VANDERJAGT, 8345
*DANIEL E. WACKERHAGEN, 0180
*JIMMY D. WARD, 7320
*ROBERT C. WARDEN, 7182
*TERRY L. WHITESIDE, 8029
*MACKBERTH E. WILLIAMS, 0987
*PAUL J. YACOVONE, 8151
*MICHAEL E. YARMAN, 3588

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE UNITED STATES NAVAL RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

ANN E. B. ADCOOK, 4226
GREGORY S. AKERS, 0080
WILLIAM T. ALBERTI, 2217
JOEL M. ALCOFF, 3890
GARY B. ANDERSON, 2234
THOMAS L. ANDREWS III, 5931
PATRICIA A. ASSAN, 2633
GORDON T. AUSTIN, 9368
BRUCE E. BALFOUR, 2731
ROBERT C. BARNES, 3526
JAMES M. BELL, 8928
DONALD E. BELLEBAUM, 3200
LYNN S. BEMILLER, 2200
RUTH A. BIALEK, 3807
RAY A. BIAS, 7763
WILLIAM L. BLACK III, 4301
KATHRYN E. BONNER, 6523
KERMIT R. BOOHER, 0853
ANNE E. BOWMAN, 7893
ERIC R. BREDEMEYER, 1933
LORNA M. BRUNHOFER, 0127
JOHN K. BURNS, 9719
ROBERT J. BURNS, JR. 2624
JACK M. CAPELLA, 0118
REGINALD H. CARDOZO, 9205
ERIC W. CARLSON, 5456
MICHAEL F. CARON, 2312
DOUGLAS D. CARVEL, 9480
JULIUS F. CASE, 8311
RICHARD E. CHINNOCK, 7124
KAROL T. CLEBAK, JR. 0390
JUDITH A. COHEN, 9454
STEVEN L. COHN, 9255
NICHOLAS A. COOK, 8270
MARGARET A. CUNNINGHAM, 6785
MICHAEL T. CURRAN, 5861
MICHAEL E. CURTIS, 6957
TERESA J. DAVENPORT, 0676
CYNTHIA G. DAVIS, 6991
WILLIAM P. DEVEREAUX, 8345
SUSAN E. DICKERSON, 0841
RICHARD W. DILLON, 2618
JUDY A. DIXON, 3409
MICHAEL L. DOBYNS, 1111
JOHN DOHM, 8653
BRUCE A. DOLL, 9106
MARGARET E. DOWNEY, 4120
NANCY E. DUNN, 9141
EUGENE F. EBERSOLE, 8169
MARTIN J. EDELMAN, 8542
BURT I. FAIBISOFF, 9530
PAUL FALCON, 1219
THOMAS H. FERRANT, 5864
BARBARA L. FIELDMAN, 0509
CARL W. FILER, 7621
OLLIE C. FISHER, 3014
STUART L. FRANKEL, 8987
JAMES C. FREESS, 2403
DANIEL L. FREYE, 7768
JOANNE E. FRITCH, 6397
RICHARD GARTMAYER, 8116
YENDIS L. GIBSONKING, 5099
JOHN P. GIDDINGS, 8329
KAREN A. GINTZIG, 7607
DOUGLAS C. GLESMANN, 9848
GREG J. GOEKS, 7838
RICHARD P. GRAEF, JR. 9609
MATTHEW C. GRATTON, 3394
WILLIAM T. GUICE, 6576
RALPH T. GUTIERREZ, 4064
DAVID C. HACKMANN, 9772
WILLIAM P. HARBESON II, 8785
MARY J. HENDRICKS, 9545
RICHARD B. HETRICK, 8306
LESTER L. HIMMELREICH, 9949
STEPHEN C. HOFF, 0200
DENNIS D. HORSELL, 2970
DAVID M. HUNT, 5313
JOHN K. IANNO, 3882
LOUIS W. IRMISCH III, 9296
REUBEN A. JAMHARIAN, 5700
PAUL J. JULIANO, 1505
PATRICIA A. KANE, 2042
MARK J. KANUCK, 3393
EUGENE E. KELLER, 7697
DARL D. KLINE, 8397
JOAN K. KNUTH, 8759
DENNIS P. KOCH, 3674
CHERYL L. KOSKI, 0750
LISA T. D. KULP, 1801
LEAH M. LADLEY, 1103
MICHAEL D. LANGOHR, 2231
GAYLE J.H.C. LAU, 5694
PRISCILLA J. LAUBSCHER, 1398
KENNETH L. LAWING, 2625
ROSEANN F. LAWRENCE, 1436
ARTHUR F. LOEBEN, JR., 3565
JOHN W. MADSEN, 6148
EVERETT F. MAGANN, 2313
STANLEY R. MAHAN, 7633
JUDITH S. MAMBER, 1657
LLOYD W. MARLAND III, 7101
MARYLYNN MARRESE, 3126
ROBERT C. MARTIN, 3355
VAN S. MASK, 8050
FRANK MAZZEO, JR., 9559
BRUCE H. MC CULLAR, 1021
CAROL S. MC CUNE, 0584
KATHRYN B. MC GEE, 2462
PATRICK H. MC KENNA, 0428
PATRICK M. MC QUILLAN, 1459
KATHLEEN P. MC TIGHE, 3912
DOUGLAS J. MC VICAR, 2896
BARRY R. MEISENBERG, 6468
BRUCE M. METH, 6741
JAMES L. MILLER, 6561
MARCIA A. MODICA, 0400
WILLIAM F. MOLLENHOUR, 8901
CHARLES L. MOORE, JR., 8107
TIMOTHY J. NAWROCKI, 4274
ELLEN M. NEUBAUER, 6037
ROBERT A. OLSHAKER, 5026
PETER N. OVE, 2387
ROBERT F. PARKER, 2441
JERRY D. PARR, 0829
CARL D. PATRICK, 5701
ROBERT B. PATTERSON, 6729
KAREN M. PETRELLA, 3529
RICHARD J. PHILLIPS, JR. 7315
BETTY A. POWERS, 6690
EDWARD A. PRISTERNIK, 0209
JEFFERY J. PUCHER, 8150
CATHERINE H. RATTO, 7417
MARK J. REDDAN, 1196
ROBERT D. REED, 3088
ROBERT F. REHKOPF, 7065
ELIZABETH D. ROLAND, 5306
MICHAEL S. ROYS, 1160
HOWARD L. RUSSELL, 6916
ADDISON B. SALES, 0136
MICHAEL W. SAMSON, 1006
PAUL R. SANTOYO, 5530
MICHAEL P. SCACCHI, 0010
EDWARD J. SCHMITT, JR., 3284
VICTOR F. SCHORN, 8457
SUE A. SEEMANN, 4310
MICHAEL G. SENEFF, 2852
PHILIP J. SHAVER, 4913
DANIEL F. SHREEVE, 6220
RANDALL S. SIBER, 1545
MARILYN E. SMITH, 4744
RUBEN L. SMITH, 3431
JOHN S. STEFFY, 6804
FRANK C. STEWART, 7346
BARBARA Q. STURTZ, 3246
JANE C. TANT, 1972
DEBORAH G. TAYLOR, 4992
JOHN P. TERNES, 2957
WILLARD M. THIGPEN, JR., 2122
KAREN G. TRUEBLOOD, 8300
CHARLES H. VAUGHAN, 7809
KEARNEY R. VEAZEY, 4576
GERALD L. VOGLER, 3406
JOSEPH C. WARD, 5073
ANDREW D. WEINBERG, 5633
JAN M. WHITACRE, 2330
MARIAN J. WILKERSON, 2315
WALTER A. WILLIAMS, JR., 8767
JONES K. WONG, 2939
DAVID S. WOOD, 5878
KIM R. WORKING, 5454
JAMES W. WRIGHT, 9948
KAREN E. YERKES, 3914
LAURA M. YOUNG, 1690
THOMAS J. YURIK, 4643

HOUSE OF REPRESENTATIVES—*Wednesday, July 22, 1998*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. QUINN).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 22, 1998.

I hereby designate the Honorable JACK QUINN to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, for the families from which we have been born, the communities where we have lived, and the Nation whose heritage we call our own. And yet You have lifted our vision, gracious God, to include all the conditions and concerns of our world, for You have created every person, endowed them with opportunities and responsibilities, and united us all with Your providence and Your grace. As we better understand the scope of Your creation, O God, may we also better understand the spiritual solidarity that You have already given us so together with people of every Nation, we will work for justice and for peace, world without end. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from the District of Columbia (Ms. NORTON) come forward and lead the House in the Pledge of Allegiance.

Ms. NORTON led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4112. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4112) "An Act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BENNETT, Mr. STEVENS, Mr. CRAIG, Mr. COCHRAN, Mr. DORGAN, Mrs. BOXER, and Mr. BYRD, to be the conferees on the part of the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair this morning will entertain 15 one-minute speeches from each side.

SECRETARY COHEN'S PROPOSED CHANGE TO MILITARY RULES

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, our armed forces are based on honor and discipline. These principles lead to trust and accountability on the battlefield, a situation which the majority of civilians will never have to face in their lifetimes. Yet Defense Secretary Cohen has proposed to change military rules regarding adultery to bring them more in line with civilian law.

Secretary Cohen has said that he would like to clear up the ambiguities and inconsistencies so members of the military know what standard they are to be held to. Mr. Speaker, there are no ambiguities. In the military, adultery is a felony. It could not be much clearer than that.

We expect the most from our men and women in the armed forces. Dumbing down the standards of these men and women is insulting to all them. As an Airborne Ranger, I salute the United States Marine Corps and Colonel Stuart Wagner, who put it so eloquently: Semper fidelis, always faithful, is not a slogan.

MANAGED CARE REFORM

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, for months we have heard and been hearing about how expensive the Patients' Bill of Rights is. The insurance industry, managed care organizations, HMOs, and big business have repeatedly tried to scare the American public, saying that the bill would dramatically raise premiums and force employers to drop health insurance coverage for their employees.

Last week we found out how much dramatically really is. The nonpartisan Congressional Budget Office, after thoroughly analyzing each section of the Dingell-Ganske Patients' Bill of Rights, has determined that the bill would cost beneficiaries only $2 a month. That is right. For the cost of a Happy Meal at McDonald's, patients in managed care would have what they need: accountability; access to specialists; no gag rule on their providers; and a swift insurer appeals process.

It is the simple, most logical provision in the Patients' Bill of Rights because it puts the HMOs on the same level as every other industry in this country. They have to be accountable for their actions and their decisions. The bottom line is if you are making medical decisions, you should be held accountable. If you are not making medical decisions, you should not be accountable.

EDUCATION SAVINGS ACCOUNTS

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, yesterday the President vetoed legislation allowing parents to create education savings accounts. These accounts would have given parents the ability to save for their children's education and use these savings for books, tutors or to choose which school educates their children. Why? Why did he do this? Because Washington insiders still think they know how to educate children, better than the parents of the child.

You see, freedom of choice in education threatens the special interests who are allowed to deliver an inferior product year after year with absolutely no accountability. These education savings accounts the President vetoed would have benefited poor families and middle-class families; they would have benefited all families in this country. Anything that helps children in this

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

fashion deserves to be the law of the land. I deeply regret both the President's action, as well as his priorities.

MANAGED CARE REFORM

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, the 73 percent of Americans presently covered by managed care plans in this country know it is time for a Patients' Bill of Rights. The over 200,000 West Virginians covered alone under HMOs, health maintenance organizations, know it is time for a patient protection act. It is important to outlaw the gag rules. It is important to permit quick appeals, to permit seeing specialists, but it is also important to do something else, and that is to bring enforceability and accountability.

Right now the insurance companies who make the basic decisions are not being held accountable. A doctor, say, may order a CAT scan thinking it is necessary for the patient. The insurance company overrides that decision. The illness goes undiagnosed. Who is held responsible? The doctor who knew that the CAT scan was necessary can be held responsible, but not the insurance company.

That is why this has to change. Those who profit from making health care decisions, the insurance companies, the managed care plans, those who profit from making these basic health care decisions must also be held accountable for their patient care decisions. That is why we support the Dingell-Ganske Bill of Rights.

CHINA'S MISSILE ARSENAL

(Mr. RYUN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYUN. Mr. Speaker, Pentagon intelligence officials are reporting that communist China will add eight ICBM missiles to its arsenal. That is in addition to the 13 nuclear missiles that it already has pointed at American citizens.

This weekend the President said that he would veto the defense bill over a House provision blocking the transfer of missile technology to China.

Mr. President, exactly whose side are you on? China is not a friendly ally. It aggressively builds nuclear missiles and aims them at American children. What is the Commander in Chief's response? Will he build a missile defense system? No. He vetoed that legislation 3 years ago.

The President has no response to the news that China is building more, not less, nuclear missiles to aim at American children. Instead, he has threatened to veto the only legislation that attempts to stem the flow of technology between the Clinton White House and Beijing.

Mr. President, shame on you. I yield back my time and any missile technology secrets that the administration cares to keep from the communists.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman is reminded, as are all Members in the Chamber, that remarks should be directed to the Chair and not to the President, personally.

AMERICAN SOVEREIGNTY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the World Bank makes loans to communists with American dollars. The World Trade Organization regularly rips us off. The United Nations sends American troops into war. That is right. We are not sending the Peace Corps here, folks.

If that is not enough to compromise your Viagra, the United Nations has created a world court with universal authority and jurisdiction. Unbelievable. What is next, a world tax? Beam me up.

I say the Constitution of the United States should not be surrendered to a bunch of international bureaucrats who regularly rule against us, ladies and gentlemen.

Now, I do not know about you, but I did not pledge an oath to the charter of the United Nations. I pledged an oath to the Constitution of the United States and I think the Congress of the United States should put its foot down before we become known as background music in some doctor's office. I yield back any courage we have left.

ENVIRONMENTAL EXTREMISM PERPETUATES WILDFIRE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the tug of war between the common sense of ordinary people and the nonsense of government bureaucracy continues. Recently a wildland fire started in my district and has continued to burn unabated for the last 3 days. This fire could have been put out in its very early stages only if Secretary Babbitt would have just let the firefighters do their jobs.

The fire started in not a wilderness area but a wilderness study area and since mechanical vehicles are not allowed in the so-called study area, firefighters must carry their equipment 2½ miles just to reach the flames. Not only that, 12 planeloads of fire retardant have been dropped which have cost the taxpayers $60,000, to no avail.

This environmental extremism has allowed the fire to burn nearly 1,000 acres, and that is strange since firefighters believe they could have put the fire out on the first night had they been able to use their mobile equipment.

The lack of common sense and the bogus government extremism are wasting taxpayer dollars. This could threaten our land and destroy human lives in the process.

Let us pray that this government nonsense does not get out of hand, destroy lives, homes and create a truly desolate America.

MANAGED CARE REFORM

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the Republican leadership has finally agreed to bring a managed care reform bill to the floor. Unfortunately the GOP proposal is so watered down that it could have been written by the insurance industry itself. It should be called the Profit Protection Act.

Simply put, the Republican plan would allow the insurance companies to continue to place healthy profits over healthy patients. The Republican bill does not end the outrageous practice of drive-through mastectomies. In fact, it leaves medical decisions in the hands of the insurance company accountants instead of doctors. In fact, it does not provide any mechanism to hold the plan accountable when the plan abuse kills or injures someone and when they deny care to someone.

Democrats have introduced a real managed care bill to insure that doctors and patients and not insurance company bureaucrats are making those critical health care decisions. It is time we had a scheduled debate on real managed care in this House and that we pass the Democratic Patients' Bill of Rights Act.

BEST WISHES TO THE HONORABLE TOM MANTON ON THE ANNOUNCEMENT OF HIS RETIREMENT FROM CONGRESS

(Mr. KING asked and was given permission to address the House for 1 minute.)

Mr. KING. Mr. Speaker, this morning I would like to reach across the aisle and extend my sincerest best wishes to my good friend, TOM MANTON, who yesterday announced his retirement after this session of the United States Congress.

I have had the privilege of knowing TOM MANTON for almost 20 years and despite any party differences we may have, I can honestly say I have never met a more decent man, a man of greater integrity, a man of greater commitment to his community and to this Congress.

TOM MANTON was an outstanding police officer, he was a member of the Marine Corps, he was a member of the New York City Council and a Congressman for the past 14 years.

TOM has worked in many areas, probably none more than the quest for Irish peace and freedom, and certainly the Good Friday Agreement that was reached in Belfast this past April is as much a tribute to TOM MANTON as any Member of this body or any person in this country.

TOM, I wish you the very best, I wish you and your family many years of health and happiness, and thank you for your years of service to this country.

MANAGED CARE REFORM

(Mr. STUPAK asked and was given permission to address the House for 1 minute.)

Mr. STUPAK. Mr. Speaker, the Republican Party has introduced the Insurance Industry Protection Act instead of the Patients' Bill of Rights. Make no mistake about it, there are major differences between the Patients' Bill of Rights and the Republican fig leaf proposal.

The Republican plan still leaves medical decisions in the hands of insurance company clerks. It allows for drive-through mastectomies; does not give access to specialty care when needed; does not allow women to choose their obstetrician or gynecologist as a primary care doctor; does not provide for the continuity of the doctor-patient relationship; provides no effective mechanism to hold accountable an HMO plan when it abuses or kills or injures someone. There are only two organizations in this whole country that have immunity, HMOs and foreign diplomats.

Mr. Speaker, the Democratic plan wants to make sure that good health care is the right of every American. If you pay for it, you deserve it. You have the right to demand the treatment you need from your managed care plan.

□ 1015

THE TRUTH ON HEALTH CARE REFORM

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, I have sat here and listened to the berating of the health care plan on the Republican side. It really disturbs me, the distortion, the lack of truth, the lack of facts that are being put out.

The Republicans have and are putting forth a strong health care plan, one that will not put hundreds of thousands of Americans without insurance, as the trial lawyer plan that the Democrats have would, but one that allows us to have a review process first. It does not eliminate the ability to go to court, but it allows a review process first that makes the system work.

Now, our friends on the other side are still sweating because they did not get socialized medicine. We have a plan here that will work for America. We have the strong bill, not the weak bill. The weak bill is just to go to court. Of course, you are probably dead, but you get your decision.

Let us get to the facts and the truth here.

DEMOCRAT PATIENTS' BILL OF RIGHTS

(Mr. ROTHMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTHMAN. Mr. Speaker, this week I join more than 160 Members of Congress in signing a discharge petition to force the Republican leadership of the House to allow the Democrats' Patients' Bill of Rights to be voted on in the Congress. The Democrats' Patients' Bill of Rights states that managed care should be more about managing the health of our loved ones, and not about managing and protecting the profits of HMOs; about protecting the health of patients, not the financial stability of the HMOs.

Mr. Speaker, HMO reform must provide that if the HMO wrongly denies coverage and that wrongful denial causes the injury or death to a patient, that that patient or his family can hold the HMOs accountable for their decision. That is, in a nutshell, the difference between the Republican and Democratic patient plans. The democratic proposal would allow patients to hold HMOs accountable; the Republican plan does not.

Moderates on both sides of the aisle have endorsed the Democratic Patients' Bill of Rights, but the Republican leadership in the House refuses to allow the Democratic Patients' Bill of Rights to be voted on.

I urge Americans, call your Member of Congress and demand a vote on the Democrat Patients' Bill of Rights. Hold HMOs accountable.

HAPPY BIRTHDAY, ALISON RENEE BARTON

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, July 22, 1975, was a hot sultry day in Crockett, Texas. Early in the morning my wife woke me up and said, "I think the time has come to take me to the hospital." We did, and, luckily, within an hour or two, we had a beautiful young baby daughter, Alison Renee Barton.

Alison grew up to be a delightful young girl, playing in the sandbox, playing house. As a teenager, she was the lead in a one-act play in her high school, and, now, as a beautiful young woman, she has graduated from Texas A&M and is going to be a teacher.

Today, on her birthday, I just want to say, that Alison, your father loves you, your mother loves you, your brother and sister love you. Happy birthday.

ACTION MUST BE TAKEN TO STOP WORLD ECONOMIC CONFLAGRATION

(Mr. LaFALCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LaFALCE. Alison, happy birthday.

Mr. Speaker, we have a very, very fragile global economy today, and, in a good many areas, Asia, Russia, et cetera, it is burning. Unfortunately, this burning flame is spreading, and while the world economy burns, unfortunately, the House Republican leadership is fiddling. They are fiddling with the replenishment of monies for the only financial mechanism that exists to deal with international economic problems, the International Monetary Fund.

There was supposed to be a markup in the full House Committee on Appropriations today. It was called off. We have delayed this for well over a year now. It is unconscionable.

Japan has been in the economic doldrums for about half a decade. If the yen gets above 150 or so, the situation will get extremely worse. China could devalue. We could face a conflagration around the world.

The House Republican leadership must stop fiddling around.

IRS REFORM PROVIDING PEACE OF MIND TO AMERICANS

(Ms. DUNN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DUNN. Mr. Speaker, yesterday the Congress sent bipartisan IRS reform legislation to President Clinton's desk for his signature. The bill will protect honest, productive Americans by leveling the playing field between taxpayers and the IRS.

Everybody has a horror story about the IRS and about one of their audits, so we took action. By shifting the burden of proof from the taxpayer to the IRS, taxpayers now will be innocent until proven guilty under the new law, just as any American is innocent in a U.S. court of law.

For the first time, Congress extended confidentiality protections to taxpayers that covers the advice they receive from their tax preparers. This change should provide some taxpayer peace of mind by protecting them from IRS fishing expeditions at taxpayer expense.

The IRS reform bill is an important example of how Republicans in Congress are working very thoughtfully and very steadily to improve the quality of life for all Americans.

CONGRESS MUST ACT TO STRENGTHEN PUBLIC SCHOOLS

(Mr. ETHERIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I rise today to call on this Congress to pass legislation to strengthen our neighborhood public schools. As a former superintendent of schools in my State, I know firsthand what it takes to improve education for all of our children. We must raise academic standards for our students and ensure accountability to our parents, the taxpayers and our communities. We must build new schools to reduce overcrowding and to provide a safe and orderly disciplined environment, free from drugs, violence and gangs. We must reduce class size and equip our children with the basic skills they need to make the best of their God-given ability.

But instead of helping our public schools, where over 90 percent of all of our children attend, this Republican-led Congress, has chosen risky voucher schemes that would divert public resources to subsidize private schools.

Using taxpayer money to provide private schools tuition is wrong. Our neighborhood public schools need all the resources we can provide them. I commend the President for his veto yesterday of the private school voucher scheme.

I have a better bill for our public schools. My bill would provide money out of that voucher bill to provide building new schools. I urge this Congress to take action.

HUMANITARIAN DE-MINING IN WESTERN SAHARA MUST START NOW

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I rise today on behalf of 165,000 refugees living in the middle of the harsh Western Sahara Desert. Just last week I returned from a visit to these refugees. I was deeply impressed with the strength and determination these people showed in their ability to survive in the midst of such a harsh environment.

The Sahrawi people are in refugee camps because of a 20-year territorial dispute with Morocco over the land known as Western Sahara. The conflict ended with an agreement that the United Nations peacekeeping force, called MINURSO, will conduct a free, fair and transparent referendum.

Unfortunately, as I saw last week, according to the July 10 report from Kofi Annan to the UN Security Council, Morocco continues to obstruct this process by denying the Swedish demining contingent the use of their equipment to carry out their task to remove the hundreds of thousands, and perhaps millions of land mines, that have been placed in Western Sahara.

Mr. Speaker, I urge the Kingdom of Morocco to review its position as requested by the UN so the process agreed to by both parties can continue and the lives of innocent civilians be spared by permitting the team to demine the area.

SUPPORT DEMOCRATIC PATIENTS' BILL OF RIGHTS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, this could be your story, the story of the over-the-counter prescription that the Republicans are offering the American people with health care.

You could have the story of the witness yesterday in our managed care hearings whose baby died in her stomach in the eighth month because her HMO refused to give her the kind of care needed for high-risk pregnancy. Maybe you would be the young student who fell off the bar doing acrobatics and gymnastics, and Dr. Wei, a witness who came to our attention, found her in great pain with little pulse. When they called for an ambulance, the HMO said, "Oh, she doesn't need an ambulance. We know she is nine-years old, we know she is crying in pain, we know she has no pulse, but she doesn't need an ambulance." Or maybe you might be the person who needed breast cancer surgery and fought with your HMO down to the very wire, when it was too late almost, until your Congressperson had to call and get that kind of surgery.

The Republican so-called bill dealing with health care leaves my constituents and leaves all Americans with no water in their cup. I am not going to support an empty cup. Support the Democratic Patients' Bill of Rights. Stand for what is right.

PROTECT AMERICAN LIBERTIES

(Mr. BARR of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARR of Georgia. Mr. Speaker, when you connect the dots of several recent Clinton administration actions, a frightening picture clearly emerges.

Over the past few months, the administration has issued several executive orders and proposed agency rules which will fundamentally change the relationship between the government and the States and their citizens.

The Department of Transportation is moving us rapidly toward a national identification license. Executive Order 13083 abrogates the powers of the States and the people thereof and overrides the 10th amendment.

The administration is working to develop a "health identifier" system to track every citizen's medical history from cradle to grave. The FBI seeks the power to track cell phone owners and users without a court order, while it also seeks to levy a gun tax and compile a registry of lawful gun owners in America.

Mr. Speaker, take notice of the picture being drawn. Let us take the necessary steps now to protect our liberties, before they are lost completely.

WOMEN'S CAUCUS LEGISLATION MUST-PASS LEGISLATION MOVING FORWARD

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, this session the Congressional Women's Caucus has crafted a must-pass list of bills which we call the Magnificent Seven. For the first time, the Women's Caucus, and we are now 55 women strong in this Congress, has chosen not a wish-list, but a real list for passage.

Last week the second of the Magnificent Seven passed, the Lowey amendment affording contraceptive choices for Federal employees. The week before, sections of the Violence against Women Act, another priority, passed.

That leaves five more, all carefully chosen consensus bills which every Member can support, from the reauthorization of the Mammography Standards Act, assuring safe machinery to detect breast cancer, to a Sense of the House Resolution encouraging the Federal Government to raise its support for the burgeoning number of women-owned businesses. There is no gender preference here. All Members can support these bills.

PROTECT-THE-TRIAL-LAWYERS HEALTH CARE BILL

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, we have heard a lot of squawking today from the Democrat side about their big protect-the-trial-lawyers health care bill. I think if you look at the Republican versus the Democrat bill, it is very clear: One of the bills gets you quickly into the courtroom, and the other one gets you quickly into the emergency room. The Republican bill gives you a choice of doctors; the Democrat bill gives you a choice of lawyers.

Now, we know that the trial bar gives obscenely to the other side. We know that many on the other side want to socialize medicine, and we know that socialization leads to rationing of health care. But we believe that American consumers should have a choice of doctors and a choice of plans without interference from HMOs and government regulators. We do not believe in centralized health care planning.

Last year my seven-year-old cut his foot and had to go in because of a complication to the surgery room and was in surgery for about two hours. During that time, and, I might add, there are certainly no atheists in a waiting room, but let me say this, while I was there, at least I knew that he was getting quality, professional, safe health care, free of excessive government bureaucracy regulating it and bringing down the quality. I was comforted by that, and I believe American consumers should be.

Vote for health care reform, not lawyer reform.

□ 1030

HEALTH CARE REFORM

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, I rise to join the debate on health care reform in America.

On the one hand we have the Democrats' plan, which is patient protection. On the other hand we have the Republican plan, which is basically insurance industry protection. It really amounts to this: When HMOs make health care decisions instead of doctors, they ought to be liable.

When a young man in my district had a bicycle accident, the HMO wanted to make the decision that he not receive the treatment that his doctor recommended. If that young man is disfigured, the HMO ought to pay the cost, and that essentially is the difference in today's debate.

We guarantee patients' rights, because if we cannot enforce a right, it is not really a right, and the way we enforce it is the ability to go into one's State court and say look, the HMO made the decision, the HMO denied the doctor's recommendation, and the HMO ought to be held accountable. That is real HMO reform; that is not what the Republicans want to do.

The reason we need accountability is so that the HMOs have an incentive to do the right thing, listen to the doctors. If we take away the incentive, we take away our ability to enforce our rights. I urge us today to pass real health care reform, not insurance industry protection.

AMERICANS WANT CHOICE IN HEALTH CARE

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, we have heard a lot of diatribe over here about health care, but the fact is that what the Republican Party is doing and what we are going to deliver to the American people is for the American people to make the choices of where they want to go on health care.

Also, I think most American people want to be able, if they have a malady or an illness, to get to a doctor's office or get to a hospital. They do not want to take the bypass to the courtroom or, heaven forbid, have to go hire a lawyer before they go get their health care.

Our friends on the other side of the aisle say one has to go to a lawyer, one has to go to a courtroom before they are going to get health care. Most people do not want that. They want to be expedited into the health care provider that they choose to get the health care that they want and to get it as cheaply and affordably and as quickly as possible.

That is exactly what the Republican health care bill does. It expedites people into health care and into the hospital room, not into the courtroom. Our friends on the other side have the Patients' Bill of Rights, and really it is probably the lawyers' right to bill. We do not want to do that. We want to give people good, quick, accessible health care, and that is what this bill does.

SUPREME COURT DECISIONS AND DELIBERATIONS SHOULD BE BASED ON U.S. CONSTITUTION AND U.S. LAWS

(Mr. COBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBURN. Mr. Speaker, regrettably, Reuters this last week reported that several members of the U.S. Supreme Court, on a recent trip to Europe, announced that they would be willing to consider legal arguments based on decisions of the European Court of Justice. Justice Breyer said that American lawyers "may cite an EU ruling in our court to further a point." Justice O'Connor said that she might cite decisions of that court in her future opinions.

Now, I certainly would not want to discourage these Justices from learning all they can about the laws and customs of our European neighbors. As a matter of fact, I would hope all of the members of the Supreme Court will continue to learn as much as they can. Like the rest of us, their knowledge is limited, and wisdom will come from greater and expanded learning.

But I would respectfully remind all of the Justices of the Supreme Court that it is their sworn duty to apply the U.S. Constitution, as written, and the laws of the United States, as written, to the cases that come before them. It is not to bring about some sort of global convergence between the American system of ordered liberty under law and some other system, whether from Europe or elsewhere.

I appreciate the interest of the Justices in comparative law, but I would urge them to keep the distinction in mind.

AMERICANS LOSE OPPORTUNITY TO SAVE FOR EDUCATION

(Mr. FOSSELLA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOSSELLA. Mr. Speaker, yesterday we got a perfect example and a distinction between right and wrong. In days when so many things become gray, we saw the President with much fanfare sign the IRS reform bill into law; and quietly, in the still of night, he vetoed I think a wonderful piece of legislation that would have empowered parents when it comes to education.

The education bill that passed both the House and Senate would have allowed parents to save as much as $2,000 a year per child in accounts that would earn tax-free interest, to be used for educational expenses from kindergarten through college.

Mr. Speaker, what we have here are two very diametrically opposed philosophies, one that believes that parents and local communities are the ones to determine what is best for their children when it comes to education, and the big bureaucrats, big government, monolithic approach that we know what is best here in Washington.

Sadly, the President vetoed a great opportunity for American parents to save more for their children, to improve their education, and instead, what we have is a defense of the status quo and more of the same.

DISAPPROVAL OF MOST-FAVORED-NATION TREATMENT FOR CHINA

Mr. ARCHER. Mr. Speaker, pursuant to the previous order of the House, I call up the joint resolution (H. J. Res. 121) disapproving the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of the People's Republic of China, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The text of House Joint Resolution 121 is as follows:

H.J. RES. 121

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress does not approve the extension of the authority contained in section 402(c) of the Trade Act of 1974 recommended by the President to the Congress on June 3, 1998, with respect to the People's Republic of China.

The SPEAKER pro tempore (Mr. QUINN). Pursuant to the order of the House of Friday, July 17, 1998, the gentleman from Texas (Mr. ARCHER) and a Member in support of the joint resolution each will control 2 hours.

The Chair recognizes the gentleman from Texas (Mr. ARCHER).

GENERAL LEAVE

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on House Joint Resolution 121.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARCHER. Mr. Speaker, I ask unanimous consent to yield one-half of my time to the gentleman from California (Mr. MATSUI) in opposition to the resolution, and that he be permitted to yield blocks of time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent to claim the time in support of my resolution, and that half of our time, of the 2 hours, be yielded to the gentleman from California (Mr. STARK) for purposes of control.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that following my opening remarks, the gentleman from Omaha, Nebraska (Mr. CHRISTENSEN) be allowed to manage the time in support of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

I rise in strong opposition to H.J. Res. 121, which would disapprove the annual extension of normal trade relations with China. The open lines of communication and exchange that accompany a basic trade relationship with China protect the economic and foreign policy interests of the United States in a strategically important region of the world. At the same time, trading with China allows Americans to play a role as a friend and teacher in opening this country to our ideals of freedom, democracy, and private enterprise.

With a severe economic depression facing many Asian countries, the U.S. cannot afford to adopt a protectionist response to objectionable behavior by the Chinese Government. Certainly U.S. workers and firms would suffer mirror trade retaliation against the $17 billion in goods and services that they sell to China. In addition, consumers would see an increase in the prices of necessities of life in the marketplace on those goods that are sold in this country, imported from China. But revoking NTR, normal trade relations, this year could also trigger more currency devaluations in the region, further compounding the steep drop in demand for U.S. exports that has already occurred.

For Americans, maintaining normal trade relations means preserving 200,000 jobs supported directly by U.S. exports to China. These jobs typically pay about 15 percent more than non-export-related jobs. If we revoked NTR, China would have the legal right to retaliate by raising tariffs on U.S. exports in a wide range of sectors, including telecommunications, information technology, aircraft, soybeans, cotton and wheat, to name a few. Providing a tremendous competitive advantage to European and Japanese companies, we would be inflicting direct harm to U.S. workers and businesses, as well as undermining their future prosperity.

Trade with China, Mr. Speaker, enhances the affordability of clothing and many household items, thereby making a substantial contribution to the standard of living of all Americans, particularly those in lower income categories. Failure to renew NTR would exact the highest toll on low-income families, resulting in an increased tax burden of about 1 to 2 percent of their annual income, almost $300 a year.

U.S. issues of national security are also at stake. Revoking NTR would deal a devastating blow to the people of Hong Kong as they struggle to maintain their way of life and autonomy following the territory's reversion to China. Taiwan's economy, too, would suffer severe disruption. If the U.S. is to find a common ground with China on issues such as North Korea and weapons proliferation, we need a functioning bilateral relationship.

A Nation of 1.2 billion citizens with a history of 5,000 years cannot be expected to give in to our wishes because we threaten Smoot-Hawley tariffs, averaging about 50 percent, against their imports. Human nature is what it is; threats of this kind only provoke a backlash of resistance on the part of the country we are aiming to improve.

We will not ensure continued improvements in respect to human rights, religious freedom and democratic principles by turning our backs on the Chinese people and relinquishing our influence, in effect, unilaterally turning it over to Japan and to Europe. It is crucial that U.S. businesses and religious leaders remain engaged in China as an example and as a voice for our values.

Denying normal trade relations with China means severing ties that would take years to repair, so for the interests of all Americans and for the Chinese people, I urge a "no" vote on H.J. Res. 121.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, last month the President of the United States was received by the Communist dictators who run China in the very place where those dictators killed over 1,000 people in 1989; that place was Tiananmen Square.

Mr. Speaker, that was morally wrong. Indeed, as I said before the Committee on Ways and Means, it was morally revolting, but it represents the logical result of our policy of appeasement of Communist China. The continuing, unlinked, and the unconditional conferring of Most-Favored-Nation trade status on China is the cornerstone of the appeasement policy, Mr. Speaker, so I have introduced this resolution, that is before the House today, again for the ninth consecutive year, and which would suspend temporarily China's MFN status.

Mr. Speaker, ever since the Tiananmen Square massacre in 1989, there has been a sharp division within the Congress between those who advocate a policy of so-called engagement with Communist China and those who believe that a corrupt dictatorship should not be coddled, especially a dictatorship that is pursuing an arms buildup of unprecedented scope. Look at this headline in today's paper: China Conducted Tests as Clinton Visited on Nuclear Missiles.

Mr. Speaker, let us look at the record. Nine years have gone by since 1989 when Congress first debated the merits of Most Favored Nation status for China. The advocates of engagement with China have told us for 9 consecutive years running that a policy of open, unfettered trade with China, as my colleagues have just heard the gentleman from Texas say, is the way to open up the Chinese market to American goods, to improve the human rights conditions for the Chinese people, and to modify the Chinese regimes' rogue behavior around the world. Let me tell my colleagues, it is rogue.

But what does the record show on opening up the Chinese markets to American goods? Forget it, I say to my colleagues. I want my colleagues to listen to this. Since 1989, U.S. exports to

China, which were minimal to start with, have barely doubled: up 120 percent. During the same period, Chinese exports to the United States have gone up 626 percent.

I ask my colleagues to think about that. Go into any of the stores that are across this Nation. A $6.2 billion trade deficit with China in 1989 grew from $6 billion to over $49 billion last year.

□ 1045

By the end of this year, it will nearly be $60 billion and will be larger than that of Japan. Can my colleagues imagine that? How does that happen?

Mr. Speaker, after 19 years of providing MFN status for China, during which time the gross domestic product in China has grown at an average rate of 9 percent, listen to this, less than 2 percent of America's total exports are now finding their way into the huge markets that we keep hearing so much about. Less than one-fifth of 1 percent of our total economic activity is involved in trade with China after 9 years of MFN treatment. So much for the huge markets, Mr. Speaker.

Mr. Speaker, the advocates of engagement must be incorrigible Red Sox fans or Cubs fans, because their battle cry is always, "Wait until next year." But next year never comes.

What about human rights? We need to look no further than our own State Department's Human Rights Report of 1997. I will quote, "Continued tight restrictions on freedom of speech, press, assembly, association, religion, privacy and worker rights."

Mr. Speaker, I continue, "Serious human rights abuses persisted in minority areas, including Tibet," and if Members have never been there, they ought to go and see the devastation there, "where tight controls on religion and other fundamental freedoms continued and, in some cases, intensified." This is our State Department saying that.

Sure, there is an occasional release of a political prisoner or some other public relations gesture. But the fact remains that more people are behind bars in China right now today, I urge my colleagues to listen to this, than when President Clinton was there 3 weeks ago. More people in jail. I mean, how could we live with that?

Of the $63 billion worth of exports China sent to the United States last year, an estimated one-half came from companies that are controlled by the Chinese military or which employ prison labor. According to the Washington Post, American companies that buy products from the Chinese military and paramilitary police are some of the biggest names in retailing. Listen to these: Nordstrom, Macy's, K-Mart, Walmart, Montgomery Ward's. And just try to buy something in Staples not made in China. I tried and failed.

Do my colleagues know what surge protectors are? I went in a store back in my district in Glens Falls, and I could not find anything made in America. I went into another store. These shirts that I am wearing cost 23 cents an hour to make in China. How can Americans compete?

The gentleman from Texas (Mr. ARCHER), my good friend, said it is going to cost us 200,000 jobs if we do not renew MFN for China. How about the millions of jobs that we have lost in this country over the last 9 years because we cannot manufacture anything competitively with China, and yet they will not let our goods in there.

Mr. Speaker, to find the source of exports that do not come from the military, the police, or the prisons, try looking in the sweatshops that work people for 70 hours a week for 23 cents an hour or less. So much for human rights.

And what does the record say about rogue behavior? We got our answer to that one 2 months ago in the form of a nuclear arms race in South Asia. Days before the Indian nuclear test in May, their defense minister stated unambiguously that China represented the number one threat to Indian security. That is the Chinese saying that. Where did Pakistan obtain the technology needed to conduct its own nuclear tests? China, of course. We all the know that.

Only last week, a bipartisan congressional commission chaired by former Secretary of Defense Donald Rumsfeld warned that, "China is modernizing its long-range missiles and nuclear weapons in ways that will make it a more threatening power in the event of crisis."

Again, just look at this headline. The Rumsfeld report goes on to say that China is "a significant proliferator of ballistic missiles, weapons of mass destruction, and enabling technologies that they are giving to other rogue nations."

Only just yesterday, we learned that China has added six new ICBMs. These are intercontinental ballistic missiles aimed at the United States of America. Six more on top of the 13 that were already aimed here. The Rumsfeld report warns of a link between China's ballistic missile capability and its regional priorities, a linkage that was underscored by a senior Chinese general who has questioned whether the United States would trade Los Angeles for Taipei. Think about that.

Just last year a new wild card was injected into the MFN debate by the revelation that the Chinese Embassy in Washington may have sought to buy influence with the U.S. Government through campaign contributions. That was confirmed when fund-raiser Johnny Chung admitted receiving $300,000 from Chinese military officers who were connected to firms involved in satellite and missile technologies.

Mr. Speaker, the odor of money and influence peddling is hanging over this debate, and like everything else on the whole subject of MFN it is going to get worse.

The U.S. Government has looked at the record with respect to opening up the Chinese markets to U.S. products; with respect to encouraging better human rights for the Chinese people; and with modifying China's rogue behavior. On every account, MFN has struck out.

Clearly, the time has come to recognize that the burden of proof in this debate rests with the side of engagement. We do not have to suspend MFN permanently. If we did it for a month or 2 weeks or a day, the Chinese government would come around because they lick their chops at 250 million Americans with the greatest buying power in the world and they want to sell to us. Let us at least give our own people a fair bargain.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I speak in opposition to H.J. Res. 121, and support the continuation of trade relations with China. I oppose the resolution on the floor because I believe that our national strategic interests, not just our commercial interests, are at stake.

The U.S.-China relation is by far the most important bilateral relationship the United States will have in the 21st century. A constructive positive economic and political relationship with China is a key to a long-lasting peace and prosperity and stability in Asia and throughout the world.

Democratic and Republican presidents, President Carter, President Reagan, President Bush, and President Clinton have all recommended the extension of normal trading relations with China each year since it was first granted in 1980.

We have also 17 former Secretaries of State, Defense, and National Security Advisors and they have written a bipartisan open letter to Congress urging the continuation of normal trade relations with China.

They point out that normal trade relations advance our interests in China by continuing to open and reform its economy and improve the quality of life of its citizens. They underscore that the vital importance of continuing the engagement with China is serving America's best economic and national security interests.

As said by previous speakers, the gentleman from Texas (Mr. ARCHER) in particular, China represents 23 percent of the world population. One person in every five living on this planet is a Chinese citizen. We cannot ignore this simple reality and we cannot and should not try to isolate China. Rather, we should continue to build upon and strengthen the positive relationship which has undeniably been an engine for change in China.

This was demonstrated most recently and visibly on the President's recent trip to China last month when human rights and other sensitive issues were openly discussed and televised for the first time.

There is no disagreement about the fact that China still has a long way to go in granting its citizens basic human rights and religious and political freedoms. We all know that. Change toward respect for human values that we cherish is gradual and obviously slower in this case than we wish.

The Chinese market, of course, is not as open to our goods and services as we speak, and China may have shared nuclear technology with other nations. These are the kinds of things that obviously we deplore. But China is also working with us to restore stability in the Asian region. It is assisting in the prevention of the spread of nuclear weapons.

As we know with the Asian financial crisis, which many of the economists in the world and in the United States in particular have said is comparable to the prelude before the 1930 "Great Crash," the Chinese are assisting us by maintaining the value of its currency and not devaluing, obviously causing economic harm to its own citizens, unlike some other Asian countries, and encouraging a peaceful resolution in the differences among South Asian countries and certainly in the Korean Peninsula.

Such cooperation on areas of mutual national interest is the result of a constructive diplomacy and engagement. And while we also continue to deal forthrightly with Chinese leaders on these areas of disagreement, we continue to press them in the area of human rights and obviously democratic principles. In fact, as many of us know, we are at this time working with China on an issue called the rule of law. It is going to take a great deal of time to get the Chinese to understand that they have a right to sue in their courts, but we are slowly making progress in that area. We believe that in the area of commercial rules of law, eventually and hopefully it will move into the area of human rights and due process, items that we in our country cherish.

Revoking normal trade relation status will not only hurt U.S. exporters and help foreign competitors in the Chinese markets, but it will not really close our bilateral trade deficit. We continue to insist, as we should, that China provide meaningful market access and adhere to international trading rules before joining the WTO. But China and Hong Kong are also major customers for U.S. products. Until the recent financial crisis, the increasing trade deficit has largely been offset in our deficit with other Asian countries, particularly the Four Tigers.

Mr. Speaker, I might just add to this that the Chinese now are wondering whether they do want to enter into the WTO under the terms that we have suggested. We will allow and grant the Chinese the ability to enter into the World Trade Organization, but only as a developed nation. They want to come in as a developing nation, which means they will not have to comply with all the WTO rules.

But I would have to say that ultimately we will want the Chinese in the WTO, because that is the way to get the Chinese to abide by international standards that were promulgated by over 186 countries in 1996. Cutting off normal trade relations would cut off a vital link between our two countries and an important catalyst for change through increased business and trade contracts with Chinese leaders and citizens.

Even more important, our withdrawal now from a policy of normal trade relations would reverse the long process of engagement to encourage China to be a responsible and constructive member of the international community.

In effect, the enactment of H.J. Res. 121 would create a new Cold War in the 21st century with only negative consequences for our national security and certainly our own national interests.

Mr. Speaker, I urge my colleagues to cast a "no" vote on H.J. Res. 121, and to support a continuation of normal trade relations with China.

Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, pending the completion of my remarks, I ask unanimous consent that the gentlewoman from California (Ms. PELOSI) be allowed to control the remainder of my time.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK. Madam Speaker, I rise today in support of H.J. Res. 121, disapproving the extension of Most Favored Nation, or whatever they now want to call this gift to China. We will hear a good deal today about China's breaking their nonproliferation promises and treaties. We will hear that they were testing a rocket motor while the President was there, with full knowledge, I might add, of our State Department, which now gives China one of two intercontinental ballistic missiles in the world, Russia having the other.

We will hear repeatedly about the violation of the Universal Declaration on Human Rights, which China, the PRC, engages in repeatedly. We will also hear from numerous colleagues about the violation and the exploitation of their own labor force, the destruction of young girl children, the imprisonment for slave labor.

□ 1100

And we will hear repeated statements of China's unfair trade practices. We will hear that they ignore intellectual property rights with impunity, which means they copy anything they want and reproduce anything they want without paying the fair share for patent or trademarks.

We probably will conclude that they do not play by any rules other than their own, U.S. or international rules. And we may conclude, given this inhumane treatment of human beings and complete disregard of the rule of law, that the Chinese Government does not deserve normal trade relations with the United States. We certainly do not recognize Cuba for far less. So we are really treating China specially.

Each year the issues around the debate are the same: The Members in this body keep saying we need continued trade, it will help change China's practices. It has not. They have gotten worse. No one can indicate on the floor today that China has improved in any way. But China shows no progress and we continue to accommodate, acquiesce and back off.

My colleagues might begin to wonder why. Well, the reason why is that we are here today to bail out General Motors, General Electric, Motorola, Westinghouse and Boeing, the five largest exporters to China. And my colleagues are going to say, well, that is just wonderful. I heard the chairman of the Committee on Ways and Means suggest that we need this to protect the American economy. My distinguished colleague from California suggested there is a vital link.

Well, I would agree. And in the words of Ross Perot, this vital link is a large sucking sound. And what we are hearing is the American taxpayers' dollars being sucked right out of the American taxpayers' pockets and awarded to General Motors, General Electric, Motorola, Westinghouse and Boeing.

Now, how does this happen? My goodness, Boeing is selling a lot of airplanes. And my colleagues may say, bully, that is an American company, but the fact is there is a hitch. Before Boeing can sell an airplane, Boeing must build a factory in China or China will not let them sell any airplanes. Okay, so they build a factory. My colleagues may say there will be some more jobs. Wrong again. China requires that Boeing hire Chinese people in China.

The net result is that we are not creating any new jobs, and we may lose some net jobs as Boeing is attracted to build more than just what they sell in China, but a few extra tail sections for 727s, or whatever they are building over there, because it saves them some money. So the jobs leave and we get no gain there.

Well, then one might say, but Boeing is making some money on this and it helps the U.S. economy. Wrong again. The dollars that Boeing makes stay in China. And by staying in China, the taxpayers of America lose. We are not collecting any income tax from Boeing on the money they make and invest in China. That means American taxpayers are being suckered big time. We are paying extra income tax to allow Boeing to take this profit and invest it in China.

Well, my colleagues say, maybe some day that will come home. This is not the end. For those of my colleagues who are waiting for the real kicker in this, it is not enough that the taxpayers of the United States are subsidizing Boeing, who are putting the money in China at our cost, we have got to protect them.

Not that we have to protect them with a lot of troops, we are going to hear about IMF, which means that now that Boeing and General Motors and General Electric and Westinghouse have all of this money in China, we cannot let the currency be devalued. So the taxpayers, suckers again, hearing that big sucking sound in this vital link, are going to be asked to come up with $18 billion more to protect the money that was already taken out of their pockets to give to Boeing and General Electric and General Motors and Westinghouse to invest in China.

It is a sucker game. It is a sucker game by the major corporations in this country who are being subsidized by the American taxpayers to invest in China while we lose jobs in America; while all we get back from China are shelves stocked in our big box warehouse stores so we can buy cheap Nikes and cheap T-shirts as we lose good productive factory jobs, as we lose tax revenue, as we lose our dignity. Because we do all of this while we countenance torture and we countenance turning our back on human rights.

It turns all things that Americans believe in on its head and it is wrong. That is what the trouble is. It helps no one but the large corporations in this country. And they are perfectly willing, in the interest of maximizing profits, to ignore the human rights that are so vital to our country's continued existence.

So I urge my colleagues to honestly look at the promises made and broken, the PRC's sale of weapons, chemical weapons, nuclear weapon materials, and the growing trade imbalance, and say, why am I doing this? Is it so important to bail out General Motors and Boeing and General Electric and Westinghouse? Have they contributed so much to my campaign that I have to vote to perpetuate this dishonest, immoral regime by subsidizing them with taxpayers' money?

I think my colleagues will find, if they examine their consciences, that it is in our interest and the interest of all American taxpayers to support the resolution, and I hope my colleagues will join me in voting to deny Most Favored Nation treatment to China until they decide to join the humane world of man and obey the human rights and the dignity and liberty that we all enjoy.

Madam Speaker, I reserve the balance of my time.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume.

I know that we want to expedite this procedure, since I see some of my colleagues here, like the gentleman from Ohio (Mr. TRAFICANT), who has fought against MFN all these years; and now the gentleman from Nebraska (Mr. CHRISTENSEN); and my good friend, the gentleman from California (Mr. DANA ROHRABACHER) over here; because all of these people who have waged this battle want to make sure they are out here on the Capitol steps at 12:30 to catch the bus to go down to the White House, because at 1:30 the President will be signing the legislation that terminates MFN.

We will never again be using that absurd language: Most Favored Nation. And so I know my friends here, who have fought this battle for years, are taking comfort in the realization that that label will be made a part of history and now we can get down to serious discussion about what we are really talking about, and that is normal trade relations. Big difference. Normal trade relations.

So I would hope some of those who are so ecstatic over their victory today will pay some attention to some of the arguments. We heard some arguments earlier from my good friend, the gentleman from New York (Mr. SOLOMON), who was concerned about what was being exported to the United States from China versus what we were exporting over there. And we heard from the gentleman from California (Mr. STARK) to that effect, too.

Some of the arguments advanced by the gentleman from New York (Mr. SOLOMON) were arguments that were advanced when the textile and apparel industry migrated from Burlington, Vermont, to south of the Mason-Dixon line. They did so for labor reasons and the cost of labor. And the textile and apparel industry has continued that flight, as my colleagues know, going down to the Caribbean and other countries because labor is cheaper in these areas where we are talking about a lack of skills.

With regard to, for example, the majority of our imports from China, it is underwear, it is toys, it is also footwear. Those are products that are certainly not high-tech but, to be sure, they manufacture good underwear, they manufacture good shoes, and they manufacture good toys over there. Our exports to them, the majority of ours, are power generating equipment, air and spacecraft and electrical machinery.

Now, my home State of Illinois exports over $1 billion a year of products to the mainland of China, and I would like to share some of these products with my good friend, the gentleman from California (Mr. STARK), over here, who I do not know how California is doing with regard to the breakdown of their list, but one of our big exports is scrap and waste. Scrap and waste. That is one of our big exports to mainland China. In addition to that, agricultural products, of course, is a biggie. We are an ag State.

In addition to that, let me recite some of the big exports from the State of Illinois. Primary metals, stone, clay, and glass products, rubber and plastic products, chemical products, paper products, food products, electric and electronic equipment, industrial machines and computers. It is a wide range of goods that we in the State of Illinois are blessed in finding markets for.

But that is not confined to my home State of Illinois, and I think that it is important for our colleagues involved in this debate to examine the breakdown in their own States of what their exports are; the component parts of their exports, but the magnitude of those exports.

So I would urge my colleagues to go back now and review the possibility of expanding, not contracting, normal trade relations, and to do that we have to guarantee that we defeat H.J. Res. 121.

Madam Speaker, I reserve the balance of my time.

Mr. CHRISTENSEN. Madam Speaker, I yield 5 minutes to the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations.

Mr. GILMAN. Madam Speaker, I thank the gentleman for yielding me this time and I am pleased to rise in strong support of H.J. Res. 121, offered by the distinguished chairman of the Committee on Rules, the gentleman from New York (Mr. SOLOMON), disapproving extending Most Favored Nation trading status to the People's Republic of China.

This disapproval resolution sends a clear message to Beijing that our Nation will not reward nations that ignore international standards and norms of behavior, and that we expect of China, as an important member of the international community, to change its ways on trade, weapons proliferation and human rights.

Their record to date is clear. Beijing continues to bar access to its markets, violates trade agreements, proliferates weapons of mass destruction, ballistic missiles and enabling technologies, and represses fundamental human rights, all while enjoying unimpeded access to markets of our great Nation.

China's weapons proliferation practices are a source of significant international concern, especially in South

Asia and in the Middle East. China is the number one supplier of conventional arms to Iran, including the C-802 cruise missile which directly threatens our troops in the Gulf, and has aided Teheran's nuclear and chemical weapons programs as well.

China has also provided significant assistance to Pakistan's nuclear and ballistic missile programs that resulted in greatly increased tensions in South Asia. That kind of behavior should not be rewarded with any MFN.

China continues to violate basic human rights of its citizenry, one quarter of the world's population. The PRC is a one-party authoritarian State where freedom of expression, assembly, and religion are suppressed. Thousands of Chinese citizens languish in so-called reform camps for alleged crimes of conscience.

Moreover, China has occupied Tibet and decimated its unique culture and religion since 1950. With regard to Tibet, I request that a letter dated July 22, from the special envoy of His Holiness the Dalai Lama, be inserted at this point in the RECORD, setting forth his Holiness's reservations with regard to MFN.

SPECIAL ENVOY OF
HIS HOLINESS THE DALAI LAMA,
July 22, 1998.

Hon. BENJAMIN A. GILMAN,
Chairman, International Relations Committee,
U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN GILMAN: I understand that the House will be voting today on whether or not to renew Most-Favored-Nation (MFN) trading status to the People's Republic of China. While it is not customary for His Holiness the Dalai Lama to take a position on specific legislation, in this case I believe that some clarification of his views on trade with China may be useful.

As you may be aware, some House Members are using quotes from recent interviews with the Dalai Lama to justify MFN renewal. The Alliance of Christian Ministries ran a full-page ad in the Washington Post with the same intention. On neither occasion, were statement concerning MFN attributed to the Dalai Lama. But on both occasions, the suggestion was that the Dalai Lama would support MFN renewal. Of course, I was unhappy to see the Dalai Lama used in a debate in which he has not been party.

It is true that the Dalai Lama supports the U.S. process of engagement with China. However, the Dalai Lama has clearly stated that he does not support engagement if its primary goal is material enrichment. All decisions, he believes, must be guided by moral and ethical principles, including whether or not China should benefit from most-favored-nation trade status.

Sincerely,

LODI G. GYARI,
Special Envoy of His Holiness
the Dalai Lama.

Madam Speaker, Beijing even refuses to renounce the use of force against Taiwan.

Our Nation should base our foreign policy, including trade, on the values that have made our Nation an indispensable Nation in the world community for democracy, for freedom, for human rights and the rule of law.

But, even if one believes that such issues such as human rights and weapons proliferation should not be linked to trade, continued MFN for China is a bad trade deal for our Nation.

□ 1115

Beijing continues to impose a 23-percent tariff on American goods shipped to China, while Chinese products entering our market enjoy a preferential 4-percent tariff under MFN. The trade deficit with China is now over $60 billion, that is with a "b", $60 billion, up 33 percent from only 2 years ago.

Our trade deficit with China will soon be the largest, even bigger than with Japan. The United States has been trying to negotiate a market opening trade agreement with China for the last 5 years, with no end in sight. And thanks to the trade advantage conferred by MFN, China now sends 33 percent of its exports to our Nation, but only 2 percent of our exports go to China.

Continual renewal of MFN status, which, by the way, was never given to the Soviet Union, gives China no incentive to open its markets to American goods or to make its economy more competitive. While I am on the side of American business, American business is not being treated fairly in the Chinese market. American firms allowed to do business in China are forced to transfer their technology there and are restricted on the distribution and selling of their products in China itself.

The Chinese need our markets more than we need Chinese markets. The leadership in Beijing badly wants MFN status from our Nation. I think it is time to end an arrangement that has not been fair to American companies or to American workers, and I think it is time to send a strong signal to Beijing that this inequitable and unsustainable arrangement must end.

Denying MFN for China will mark an important step forward in putting reciprocity back into our trade relationship and will serve notice that we no longer will tolerate China's proliferation of weapons or repression of human rights. Nothing less than a strong message will provide the incentive that is needed for Beijing to open its markets and reform its behavior.

Accordingly, I urge my colleagues to support the Solomon resolution, which revokes MFN for China.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Madam Speaker, I rise today to express my opposition to H. Res. 121, the resolution of disapproval regarding normal trade relations with China.

I am concerned about the growing reluctance of the Congress to provide the leadership that is needed on international issues and to make improvements in trade relations and economic conditions throughout the world.

Opponents of extending MFN have discussed China's human rights record, nuclear proliferation, religious freedom, and trade barriers. Clearly, problems exist with China and work needs to continue on all these fronts. However, Presidents Clinton, Bush, Reagan, Carter, Ford, and Nixon have all recognized that constructive engagement is a better policy than isolation is.

The reality is that China has one of the fastest growing economies in the world. From 1979 to 1997, China's real GDP grew at an average annual rate of 9.9 percent. Projected growth in China is estimated by some to be in the average rate of 7 percent a year over the next two decades. At this rate, China could double the size of its economy every 10 years. And this policy of constructive engagement is going to ensure that the working men and women of the United States have access to this growing market opportunity.

I represent the San Joaquin Valley of California. This highly productive agricultural area produces agriculture commodities worth in excess of $22 billion annually, more than half of which is exported, and China is currently the sixth largest export market for U.S. agriculture goods.

In 1996, China bought over $1.9 billion of U.S. agricultural products. With 1.2 billion people and limited arable land, China must rely on imports to satisfy its demand for food. USDA estimates that two-thirds of the future growth in U.S. farm exports will be in Asia and 50 percent of that increase will come from China alone. Again, this policy of constructive engagement is clearly in the interest of the U.S. farmers.

Our ultimate goal must be to fully integrate China into the world trading arena as a full participant. That means helping to encourage WTO accession to China to ensure that they abide by internationally accepted trading rules. It also means continuing bilateral talks to address specific issues like intellectual property rights and non-tariff barriers.

Madam Speaker, I recognize the problems that continue to exist in China, and I appreciate the efforts of some of my colleagues in remaining committed to making improvements in the areas of human rights, trade policies, and nuclear proliferation. On those issues, none of us disagree that there is the need to continue to define ways that we can see significant improvement.

But I guess where many of us disagree is, is a policy that isolates the U.S. from China going to be more effective in achieving these improvements than the one of constructive engagement. That is where I clearly come down on the side that continued engagement with China is going to do more to ensure that the rights of the citizens of China are advanced both in the interest of human rights as well as religious persecution, and this policy of constructive engagement is clearly in the interest of the working men and women of this country.

Ms. PELOSI. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today to support the resolution to revoke most-favored-nation status for China. I encourage my colleagues to vote in favor of the Solomon resolution, which would deny the special waiver that the President is requesting to grant MFN, NTR, whatever you want to call it.

I, too, voted for the IRS reform bill which had this little provision in it to change the name. But a rose is a rose is a rose. And in this case, it is a thorn, this thorn in terms of the enormous trade deficit, the enormous proliferation dangers that China presents, and the ongoing continued repression in China and Tibet.

Our concerns in Congress over the years have centered around three issues: trade, proliferation, and human rights, and let us just from the start establish some ground rules. This debate is not about whether MFN for China will be revoked or not. We all know it will not. The President will not sign the bill. What this vote is today whether this Congress will once again associate itself with the policy that has failed in all three areas of concern.

How much bigger will the trade deficit have to get for our colleagues to take notice? How many dissidents will have to be arrested, how much longer will many of them have to stay in jail for us to associate ourselves with their aspirations for democracy rather than calling Jiang Zemin, their jailor, the torturer in China and Tibet, a democratic leader who will take China into the future? And how much more proliferation of weapons of mass destruction, ballistic missiles, chemical and biological war technology does China have to proliferate for us to say enough is enough?

As I have said this debate is not about MFN revocation, it is about associating ourselves with a failed policy, or trying to give the President some leverage by saying this body will no longer tolerate all these violations of the Chinese Government in terms of trade, proliferation, and human rights. But on the basis of trade alone, there is sufficient justification, more than sufficient, to revoke most-favored-nation status.

When we first started this debate in the late 1980s, in 1988, the deficit for 1988 was about $3½ billion. For this year, for 1998, the trade deficit, 10 years later, will be $63 billion. And in the Clinton years alone, the trade deficit will be by the end of this year around a quarter of a trillion dollars with China alone. I repeat—in the Clinton years, the trade deficit with China will be about a quarter of a trillion dollars.

How much is enough, and why do we have that deficit? Because as the President went to the Great Wall of China, he should have seen it as a symbol of the great wall around China's markets. China simply does not allow most products made in America into China.

There is some trade: aerospace, some electronics, fertilizer. There are some areas. Certainly not enough from our agricultural community. We should be demanding more, and we are. And this trade deficit of $63 billion does not even include the piracy of our intellectual property, especially software, which continues; the use of transshipments to avoid our quotas; the use of slave labor for exports. And the list goes on.

Yes, China must come into the World Trade Organization in order to play by the rules. But what is more dangerous to our economy is the insistence of China that if we want to sell in a Chinese market, we must manufacture in a Chinese market and we must not only transfer our production, we must transfer our technology.

And so, we have the transfer of technology to China, which will have a dramatic and negative impact on our own economy. As I say, a country that large, an economy that large that does not play by the rules is a danger to our own economy.

On the technology transfer and the production transfer, do not take my word for it. Take the word of the president, the CEO of Boeing, who said, when a Boeing plane flies to China after one of aerospace sales, it is like it is going home so much of it has been manufactured in China.

When President Clinton was at the Terra Cotta Soldiers at Tian, how beautiful they are, if he had gone down the road a piece he would have gone to the Tian Aerospace Company, where 20,000 Chinese workers make $50 to $60 a month making the tailpiece for the Boeing 747, $50 to $60 a month. So if they want to call it normal trade relations, I do not know what their definition of "normalcy" is, but this is certainly not trade which is trade to the American workers.

Our colleagues who support normal trade relations with China will tell us that China's exports to the United States have risen four times in the past 10 years. But do my colleagues know how many times our imports from China have risen? They have grown about 30 times. From 1985 to 1997, China's exports have increased 30 times, while our sales to China have only risen four times.

So let us be fair about how we present this picture. And the news in the paper today is not good. Let me talk about what is new on trade. The trade figures that came out the other day were very damning. The trade deficit for May of this year was 25 percent higher than it was for May of last year and almost 10 percent higher than April of this year. So the trade deficit continues to grow.

Then we get to the subject of proliferation. What is new in that arena? As my colleagues know, the Office of Naval Intelligence last year said that China was the biggest and most dangerous proliferator of weapons of mass destruction technology to the Middle East. That Office of Naval Intelligence is not going to put out a report this year. But the CIA report that was held up until after the President's visit, by the way, but was just released demonstrates a similar and continuing pattern.

In this morning's paper it was announced that while President Clinton was in China pronouncing that nonproliferation was a major part of his agenda, the Chinese were testing a ballistic missile right at that very time, right in the face of the President's visit. How insulting!

While the President was there, the Chinese, on the subject of human rights, were rounding up dissidents and since the President's departure have continued to round up dissidents. Today the Washington Post writes about a continuing pattern of repression since President Clinton left China. So what was accomplished by all that?

We would think, with the hand of friendship that President Clinton had extended to the Chinese, that they would have offered him some level of cooperation. But they handed him the three noes. No, we are not going to sign the Missile Technology Control Regime to stop the proliferation. We will study it. They have been studying it for years. We will sign at some later date the Convention on Civil and Political Rights. Kick that can down the road again. And, no, we are not going to lower our barriers to allow us to become qualified to join the World Trade Organization.

They handed the President the three noes, and the Administration declared that that was a success. When is this House going to face the facts? Why is the House in a state of denial? But I have confidence, my friends, because I truly believe that we all believe in promoting human rights in this country and throughout the world; and I do believe that we associate ourselves with the pillars of our foreign policy, which is to promote our economy through promoting our exports, which is to promote democratic values, and to stop the proliferation of weapons of mass destruction.

So a vote today is not about MFN alone, although that would be a justified vote. It is about a policy that is not in keeping with the pillars of our own foreign policy. Vote no on MFN. Vote yes on the resolution to make the trade fairer, to make the world safer, and to make the people freer.

Madam Speaker, I reserve the balance of my time.

□ 1130

Mr. CRANE. Madam Speaker, I yield 4 minutes to the distinguished gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Madam Speaker, I thank the gentleman for yielding me this time and I want to congratulate him for his leadership on this issue, and for the efforts that he has made through the years to help us maintain normal trade relations with China. He has been a giant in this fight.

Madam Speaker, I also want to respond to the comments that were just made by the gentlewoman from California, my friend and an individual whom I have a lot of respect for. She asked the question at the end, "Are we into denial? When are we going to stop denying reality?" I might turn the question around and say, when instead are we going to get out of the time warp that this body has been in with regard to U.S.-China relations, a time warp that goes back to a deep, dark Cold War era and does not recognize the massive changes that are taking place not just in China and the United States but in the region around it.

On the figures of trade that the gentlewoman pointed to, Madam Speaker, I would note that those trade figures do not include what is generally considered greater China, Hong Kong and Taiwan. We have a very different picture when we look at that. That really is the China that we are talking about as a larger trading China. But even then, I concede there is still a trade deficit with greater China.

And so I would ask the gentlewoman, at what point is the deficit small enought that it is acceptable to trade? When we have a trade deficit of only $10 billion, of $5 billion? Or is it only acceptable to trade with countries with whom we have a trade surplus? That would be unrealistic. And so I do not think that that really should be the criteria for maintaining normal trade relations.

But I want to address my remarks, if I might, Madam Speaker, to some other issues here. We are going to hear a lot—we have already heard—a lot of rhetoric about China and U.S.-Chinese relations. Unfortunately, most of this rhetoric tends to focus not on the larger picture but instead upon 100 little anecdotes. Those who want to cut off relations with China pursue their case here on the House floor with stories of gulags and imports produced by forced labor. They weave stories of Chinese government conspiracies to steal American jobs through unfair competition. They talk about individual stories of forced abortions and political repression. They take these anecdotes, these hundreds of little snapshots, and they lay them side by side until a verbal collage emerges, one which is designed to incite fear and intimidation in the hearts of the American people.

Any picture that emerges makes our hearts ache. We can see the exploited workers. We can visualize each individual story of political or religious repression. We see the tanks in Tiananmen Square. And we find ourselves affirming the tale of a Chinese army using trade with the U.S. to finance a massive military buildup, a buildup which somehow one day will lead to our own demise. Add to this the allegations of Chinese money illegally flowing into our electoral politics and we have all the stuff of a John LaCarre novel. In a Nation attuned to sound bites and slogans, this is a compelling story. But I submit that while these anecdotes may be individually accurate, woven together they tell only part of the story. The real story in China is one of slow and steady progress toward open markets and individual empowerment. Two decades ago virtually every aspect of Chinese society was under state control. Today over half of China's output is generated by private enterprise. Eighty-five percent of China's workers are employed in the private sector. The development of a strong, vibrant private sector, particularly in southern China, continues to draw power away from Beijing.

Economic liberalization, the growth of trade, and economic links with the United States over the past two decades has promoted freedom for the Chinese people. With growing employment opportunities in nonstate enterprises, millions of Chinese have obtained the basic freedom to select their own employment and to change jobs when dissatisfied with working conditions or wages. That is why I am convinced a policy of engagement is working on behalf of the Chinese people as well as in our own national interests.

If we look at the big picture, we will see a policy of engagement that is slowly and steadily working to liberalize China economically and expose the Chinese to Western values.

Madam Speaker, it is time we moved beyond the anecdotes, the rhetoric, and the snapshot mentality of looking at U.S.-China relations. It is time we begin to think about a multi-year renewal of normal trade relations. I urge my colleagues to begin this process today by voting "no" on House Joint Resolution 121.

Mr. CHRISTENSEN. Madam Speaker, I yield 4½ minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Madam Speaker, I rise in strong support of the Solomon resolution disapproving most-favored-nation status for Communist China. Decisions like the one we are making today on this resolution define us as Members and define our Congress and our country as well, what do we hold dear, and for whom do we care and do we have convictions and principles that are transcendent above the monetary personal gain of a few powerful and rich interest groups. And do we have the strength of our convictions and the courage to stand up for our principles. These are all things that will be reflected in the decision we make today on this resolution and debates like the one we are having today.

This debate is not about engagement or even about whether or not there should be trade between the United States and the Communist Chinese regime. We will hear that studded in the arguments against this resolution. It is not about engagement and not about whether there should be trade. Whether or not we have most-favored-nation status, big companies can still go over and trade with Communist China. There will still be engagement.

Ronald Reagan never suggested that the Soviet Union while controlled by the Communist Party should have most-favored-nation status. That is why communism and tyranny disappeared in the former Soviet Union and they are now struggling for freedom. The question is how we should engage the regime, the regime that we must remember is currently the worst human rights abuser on the planet and a dangerous potential enemy for the United States.

The question is what kind of trade rules shall apply. The current rules of engagement with Communist China, this dictatorship with its massive human rights abuses, have made Communist China grow stronger and more powerful and more repressive. A $60 billion annual trade surplus is being used by the Communist Chinese regime to build up its military and build weapons that could someday incinerate the people of the United States and kill, at the very least, kill our defenders.

Today in the Washington Times we see a banner headline saying when President Clinton was in China recently talking about peace, even strategic partnership, reaching out his hand to the Communist Chinese, they were testing a new series of rocket engines that threaten the people of the United States.

This is a farce. We are being played for suckers. Of course that has happened in the past, has it not? But our current policies toward Communist China have been contrary to our principles, our belief in liberty and justice, it has been contrary to our economic interests and contrary to our national security. Human rights abuses which we will hear about today continue and are far worse today than they were 10 years ago, contrary to what the proponents of most-favored-nation status would tell us.

In Tibet, they could incinerate the entire country of Tibet and we would still have big business here trying to tell us we are going to make the Communist Chinese more freedom-loving if we just trade with them, which means a quick buck for these big businessmen and means an out-of-work pink slip for our own workers here in the United States.

Yes, and they are still arresting dissidents. Right after our President left China, they rounded up a bunch more dissidents, Christians and Muslims and the Buddhists in Tibet still being repressed and thrown into damp prisons while we sit here in this wonderful body and debate in the coolness of this Chamber this issue.

No, our current trade policies have hurt our country. Yes, they have enriched some very major corporations. But this is not about free trade. Again, these companies can still go over there and trade. They can sell their wares. What is most-favored-nation status really about? I believe in free trade. I believe in free trade between free people. Most-favored-nation status is about whether or not these companies will be provided by the American taxpayer guarantees and subsidies for investments that they make in China that will put our own people out of work. Through the Export-Import Bank, through OPIC, the World Bank, IMF and the rest, these companies if we have most most-favored-nation status will put the American taxpayer behind the loans they need to create manufacturing units in China to put our people out of work. That is a betrayal of our own people.

The relationship, the rules of the game with China have worked against our national security, our people's interest as well as the fundamental principles of liberty and justice that America stands for.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Madam Speaker, first of all, to clarify the comments of the gentleman who just spoke, it is my understanding while Ronald Reagan never asked for MFN status for the Soviet Union, he did repeatedly ask and receive MFN status, now normal trading relation status, for the People's Republic of China. Apparently that was an oversight in the gentleman's comments.

This is a difficult question. I think everybody on both sides of the issue has strong convictions. I think they are all pretty much courageous, contrary to what the gentleman from California has said. But I think we have to look at this in both the short term and the long term. This year, I think the short term is actually more important than the long term.

I appreciate the concerns regarding Chinese domestic policy, and I agree with just about everything the gentlewoman from California stated regarding human rights, weapons proliferation and labor and trade practices in China. But the reality is that China is now our fourth largest trading partner, and it is a billion-person market which in the long term will become even more important to the U.S. economy if we are going to remain the world's largest economy. I think every Member of the House believes that is in the best interests of the United States.

But in the short term, I think we have to look at the situation as it affects the country. China is part of what is at least a quarter if not more of the U.S. export market. It is an area of the world which is in a severe, or heading into a severe recession. The Chinese have tried to move their economy towards more market rationalization which I think Members on both the left, the right and in the middle would like to see the Chinese do because I think all of us, I certainly am a capitalist, believe is the best economic structure. The Chinese as they have done that, as they have seen their unemployment rate rise in their country in trying to move towards democratization, have also made a point of not devaluing their currency. That is terribly important if we are going to see the Asian economies, the South Korean economy, the Japanese economy, the Indonesian, Malaysian, Thai economies come back on the rise.

Why is that important? Because again that is where we sell at least a quarter to almost a third of U.S. exports. I do not think we want to see that export market go away. But if we impose what this bill would do, if we were to allow that to become law, U.S. companies would not be able to go over there and trade, because there would be a tariff differential which would raise the price of U.S. goods. It would cause serious problems in our economy and it would be using a blunt instrument where a scalpel is needed. Furthermore, in the long term, it would impact our ability to bring the Chinese into the WTO, which I think is also in the best interests of the United States, and bring them in as a developed nation and not a developing nation as they would seek to do.

How are we going to convince them that we want them to come in as a developed nation, not a developing nation, when we turn around and club them in the head as this type of legislation would do? This is a bad idea that will only hurt the American worker and the American economy. I would urge my colleagues to vote against the resolution.

Ms. PELOSI. Madam Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. BONIOR), the distinguished Democratic whip, a champion of workers rights and human rights throughout the world.

□ 1145

Mr. BONIOR. Madam Speaker, I thank my colleague for yielding me this time and commend her for her leadership on this issue.

Printing up T-shirts should not be a political offense, but it is in China. Zhou Guoquiang, a lawyer and democracy advocate, is in prison today because he printed up a T-shirt that read "labor rights". Maybe that should not surprise us. China is famous for throwing people in prison, even executing them, for the slightest murmur of dissent.

Yet, this Congress is considering rewarding China with most-favored nation status. Supporters say this is good for trade. Most-favored nation? Good for trade? The Commerce Department projects our trade deficit with China this year is growing by more than $1 billion a week and could reach $60 billion this year alone.

Of course, part of the problem is that China pays its workers $2 a day and imposes a unilateral tariff averaging 35 percent on American goods. So we have got low wages, tariffs, deficits. That is not in my estimation free trade. That is not fair trade.

Things are only getting worse. One of our fastest growing exports to China, of course, is our jobs. Electronics assembly, auto parts, toy manufacturing, even high-tech aerospace work, these are the kinds of good American jobs that are rushing to China in a race to the bottom.

When Chinese workers speak out for better wages and better working conditions, when they try to form a union or even just print a T-shirt calling for greater democracy, the government throws them in prison. Should we not here be condemning such behavior instead of rewarding it? Should we not back up our words with action?

If we reward China with MFN status, we are telling them that a unilateral 35 percent tariff is fair. If we reward China with MFN status, we are telling them that a $60 billion trade deficit is acceptable. If we reward China with MFN status, we are telling them that political persecution and forced labor are okay as long as they do not appear on the 6 o'clock news. That is not right, and we need to stand up and take a stand against it.

If we do not fight for fairness and freedom in human rights, it will not happen. If we do not take a stand for people like Zhou Guoquiang, what message are we sending to the rest of the world? China has not earned the status of most-favored nation. Until it demonstrates a commitment to real reform, fair trade, and human rights, I cannot vote to give it that status. I urge my colleagues to vote "no" on MFN.

Mr. CRANE. Madam Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. EWING), our good friend and colleague from my home State.

Mr. EWING. Madam Speaker, I want to first thank the gentleman from Illinois (Mr. CRANE) for the outstanding work he does in regard to the trade relations with China.

I rise today in opposition to the motion to reject normal trading relations with China. I realize there are many very deeply held views on this matter. I personally, as a Member of this body, have come to the conclusion that contact and relations and trade is the way to improve life in China. It is also very important to life in this country.

There are only six countries that do not have normal trading relations. Since 1971, China has moved from 15th to fourth among our trading partners in importance. Revoking normal trade relations would take the U.S. out of China's market at a very critical time when the China market development is going our way. It would allow our competitors in Europe and Latin America and Australia to come in and fill the gap.

Agriculture has a unique role in our export portfolio. While the total U.S. trade position has been in deficit, U.S. agricultural exports are in a surplus. More than a million American jobs depend on agricultural exports. China is one of our most important markets.

Both sides are concerned in this body, both sides of the aisle, concerned about the agricultural economy. We are moving bills. We are doing things. We are debating on this floor how we keep agriculture strong in America.

I say there is no time in American history that is more important for good bilateral relations and importance of U.S. China relations. It is time this body quit micromanaging our relationship with China. Not one of our trading partners has anything resembling this annual debate about normal trade relations. The annual fight places American interests in China at an extreme disadvantage. I suggest we reject this resolution.

Mr. CHRISTENSEN. Madam Speaker, I yield 2½ minutes to the gentlewoman from Washington (Mrs. LINDA SMITH).

Mrs. LINDA SMITH of Washington. Madam Speaker, I rise in strong support of this resolution. We do not have a normalized trade relationship with China even if it is written on paper. We must not isolate China. Actually, we need to continue to reach out and build a strong relationship with China. But we cannot reach out and close our eyes and our conscience at the same time and be the America that I grew up in.

I agree with labor on this. Last year, the United States racked up a merchandise trade deficit, a real trade deficit of $50 billion. It was $40 billion the year before. But look back a little bit. In 1980, we did not have a trade deficit with China.

You see, China is enjoying this new global economy, but they are not acting normal. We can change the words to "normal trade" from "most-favored nation status," but it still is not true that it is going to happen. It is obviously on paper.

In Washington State, China today blocks all the wheat, most all of the apples. We hope it will be a market someday, but it is not. We can say it is a market, and it is our biggest market; but if they do not accept our goods, it is not a market.

In the aerospace industry, China is forcing local investment and production at the expense of U.S. jobs. It is as simple as that. They require the technology be transferred and most of the planes be built, and they are building their own planes now. In fact, they plan on having their own production, their own companies run by the Red Army in the near future. What kind of assurance does that give the workers in my State that they will even have a job in 10 years? Not much.

I think that when we turn to our conscience, we have to decide if America does care about freedom around the world or if the almighty dollar is more important than that. I think that we have to start thinking about the conscience of America, because if America loses its conscience, who is America?

I know we are standing here and a lot of us are thinking about the big international corporations. Our districts are going to be really mad if the international market is not left open so they can continue to move their production.

But I want to start you thinking. Hewlett Packard in our State moved 1,000 jobs mostly to China 2 months ago. Those people we are trying to find service jobs for, sales jobs for, but there is no production. How much of that can we have before the families go home, and there is nobody home when the kids go home because mom and dad are both working two jobs?

This is very serious, folks. It goes right to the heart and conscience of America. Let us back up and say no today. But let us reach out and say let us have trade with a conscience, a strong conscience; and that is what America is all about.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. NEAL).

Mr. NEAL of Massachusetts. Madam Speaker, I rise in opposition to H.J. Res. 121, the disapproval of normal trade relations with China.

This debate in this Chamber today is entirely legitimate. There are people here of goodwill who strongly disagree about the manner in which we are about to proceed. But the argument comes down to whether or not we should move forward with some faith or it be turned back by fear.

There is obviously a new twist to this debate this year as we now move to the statement of normal trade relations with China. But that statement is, indeed, a more accurate description of this trade relationship.

Currently the United States holds normal trade relations with all but seven nations. We all acknowledge that the relationship between the United States and China is complex. There are many issues, such as human rights and democracy and nonproliferation and Taiwan and Tibet and trade and intellectual property rights, that make this relationship at times confusing.

But the relationship at the same time is fragile, and we have to carefully strike an intelligent balance. This relationship is like walking on a tight rope, because one misstep on either side could throw the relationship into imbalance permanently.

A sound relationship with China at the end of the day is in our best national interest. China is the world's largest country. We tried isolation for the better part of this century. Is there anybody here who would argue that that policy worked?

We tried it and that policy failed, and we ought not on this occasion to repeat the mistakes of the past. Engagement with China is the best solution. China in this modern age cannot be isolated. We have to continue to engage China in a dialogue that promotes mutual interests and obviously a continued focus on human rights.

President Clinton, in what I think is one of his best moments during the last 6 years, has just returned from a very successful visit to China. That relationship was advanced during Bill Clinton's visit as he offered a nationwide broadcast that offered his views in a candid moment. The broadcast of President Clinton enabled Chinese citizens to see the President of the United States on live TV, and everywhere across this globe people are marching to the drumbeat of democracy or at least embracing its concepts, and that will be true in China shortly as well.

While Bill Clinton was there, he aggressively addressed human rights issues. He spoke to the notion of democracy and he spoke eloquently about religious freedom.

The Dalai Lama, in a New York Times interview, referred to the President's press conferences as, quote, one of the best things that has ever happened for the Tibetan cause. We can build upon what President Clinton started on his visit and continue to engage the Chinese in a dialogue about human rights and freedom.

Normal trade relations go beyond just the trade of goods. It is about exchanges of ideas and democracy and human rights as well.

Ms. PELOSI. Madam Speaker, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. TRAFICANT).

Mr. CHRISTENSEN. Madam Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. TRAFICANT).

The SPEAKER pro tempore (Mrs. EMERSON). The gentleman from Ohio (Mr. TRAFICANT) is recognized for three and a half minutes.

Mr. TRAFICANT. Madam Speaker, the American people are fed up. The American worker feels betrayed, and you cannot blame them. Communist China has a 34 percent tariff on our products. Communist China sells missiles to our enemies, and a recent report says communist China has purchased more intercontinental ballistic missiles with nuclear warheads and is pointing those warheads at every major city in the United States.

Think about it. Intercontinental ballistic missiles with nuclear warheads aimed at every American city, purchased by Chinese communist dictators with American dollars taken from American workers. Unbelievable.

Even as the President recently visited China, listen to the intelligence report of our own government: The Chinese communists test-fired, quote/unquote, test-fired a rocket motor that could propel a nuclear warhead at every American city and could wipe out the capital of the United States in a heartbeat. Beam me up, ladies and gentlemen.

Communist China does not deserve special treatment.

Candidate Clinton said George Bush is soft on China; no MFN. Ronald Reagan, for the record, never granted a special favored treatment to the Soviet Union and they no longer exist. What has happened to us? What has happened to us, ladies and gentlemen? They tried to buy our last presidential election. They are buying our secrets and technology if they can't bribe their way to get them. They are ripping us off in trade to the tune of $60 billion a year, taking $60 billion out of our economy; over one million American jobs lost every year. Are we stupid?

This is not even a debate about trade anymore. Today's debate is about national security and, by God, the Congress, if they do not approve this resolution, will be financing the greatest military threat in the history of the United States.

Quite frankly, I do not understand the White House. I am going to tell it right the way it is. The White House will not wise up until there is a Chinese rocket stuffed right up their assets. They are so dumb on this issue they could collectively throw themselves at the ground and miss.

□ 1200

I support this resolution. I do not want to hear any more mumbo-jumbo about trade. We are getting our clock cleaned. China knows it, and they are taking it all the way to the bank with a smile on their face.

Not for me. Not for me. I will not support one more special favored treatment for Communist China, and advise everybody to do likewise.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I have a quote here for my friend who was just in the well from President Ronald Reagan while he was President. He said,

> The U.S. and China, despite their differences, hold more than enough in common to provide firm ground on which they can work together for the benefit of both. China and America have begun a productive partnership.

Madam Speaker, I yield 4 minutes to the distinguished gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I rise in opposition to this resolution. While I strongly support efforts to improve human rights in China and to influence their defense and foreign policies, this resolution will only undermine our work in these areas and compromise our national economic interests. U.S. engagement has brought concrete results in human rights, defense and foreign policy areas. We must continue normal trade relations with China to further these and all American interests.

Only continual communication, contact and engagement can bring China into the world community of nations on the basis of the values that unite the world leaders, who share a commitment to market economic principles as the only hope for a prosperous world, who support democratic political principles as the only hope for a peaceful world, and who oppose the proliferation of nuclear weapons.

The pace of change in China is accelerating. The government is accepting a measure of debate in political matters that was unheard of just a few years ago.

Earlier this year, a former Chinese Government official distributed an essay on advocating free elections at the highest level of government without censure. Further, well-regarded economists and professors have also spoken out freely for the first time in favor of democracy. The climate is changing in China, and our engagement is generating results in the important area of human rights.

But trade and investment are bringing constructive change on many fronts in China. United Technology Corporation, Connecticut's second largest employer and one of the most active United States companies in China, has been working with the Chinese equivalent of our EPA to establish the highest world standards for the building of manufacturing plants in China. This not only will help them avoid the mistakes that we made that so polluted our environment, but it also will assure that our companies who build to those standards will not be at a competitive disadvantage, and it begins to lay that foundation of law and principle that we need China to adopt to be part of the World Trading Organization and part of the GATT trading protocol based on universally accepted legal standards.

PPG Industries also participates in joint venture manufacturing in China. Each of their operations require compliance with PPG corporate environmental health and safety programs, which in America are considered the best practices in the United States, and far more demanding and respectful of people's rights than the common practice in China.

PPG summarizes the impact they are having in China by saying "There are roughly 2,000 Chinese citizens who now have some understanding of American ideas, work styles, management methods and commitment to market economies, free information flow, ethics and human values."

My point is that engagement, continual engagement, and contact, people-to-people, is what builds knowledge of the very values that underlie democracy and market economies. Only engagement can create that fundamental foundation, that change in people's beliefs about their own rights and opportunities, on which a modern China depends and on which a strong world community of nations will depend, a community of nations capable of spreading prosperity throughout the world and of keeping the peace.

We must not reject normal trade relations with China. If we do, we abandon the one rational hope for social and political reform in the People's Republic of China, the process of change from within.

I could give examples of how our failure to stand by normal trade relations will cost Americans jobs, examples of products in which we are making the parts and they are assembling them, but I do not have that time. I just say that on every front, engagement will create both a China that can govern with us to create a prosperous world, but also a China that will help create a peaceful world with respect for human rights.

Mr. CHRISTENSEN. Madam Speaker, I yield two minutes to my good friend, the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Madam Speaker, polls show today that the majority of ordinary citizens are alarmed and offended by Chinese policies and are opposed to our Nation's policy of appeasing China. In the debate today, I feel they are being left out in the cold.

The gentleman from Massachusetts talked about we have to walk this very careful walk with China. What are we scared of? I do not quite understand it. Are we so empowered by money that we are willing to compromise? U.S. policy is more concerned about the Chinese than they are of taking them to task, because they are afraid that it will hamper their ability to make these untold profits in the Chinese markets in the indefinite future?

Madam Speaker, the Chinese government controls nearly all the industries and businesses in China. You cannot go over there and own your own business.

The Chinese government will always own 51 percent-plus. China is much more dependent upon access to the U.S. markets. Thirty-three percent of China's exports come to the U.S. Only 1.7 percent of U.S. exports go to China.

China uses, frankly, a trade deficit to purchase advanced military weapons like Russian naval weapons and to develop their own advanced military technology, nuclear submarines, intercontinental ballistic missiles and such. So, frankly, I do not understand what we are scared of today. Why don't we stop this appeasement?

What is the problem here? This is the United States of America. Here the United States is worried about China, and we have this skewed policy. We impose a little 2 percent tariff on Chinese products, while the Chinese propose a whopping 35 percent tariff on our goods.

Again,what are we scared of? Why are we just walking around all the time concerned about hampering our relationship with China? We keep talking about engagement at the expense of appeasement. I say to all Members of Congress, that in China workers attempting to organize unions in China today do not just face opposition from companies, they end up in jail, in forced labor camps. Is that the kind of policy you want to condone by going ahead and appeasing China?

For all of these factors, the record deficits, the tariff gap, the wage disparity and the abuse of workers, that is why I rise in support of House Resolution 121 which disapproves most favored trade status for China.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Madam Speaker, as we enter the next millennium, the gravest national security issue facing our Nation is whether the world's largest country, a country that is more than five times as large as the United States, becomes our most dangerous military threat, or our greatest economic opportunity. Whether China becomes a threat or an opportunity depends upon whether our policy becomes one of isolation or one of engagement. That is the issue that is to be decided by this vote.

A vote to reject normal trade relations sends a signal to China that we consider them an enemy in the same way that we do our avowed enemies like Iraq and Libya. They will then have every reason to continue to proliferate weapons to such enemies and to aim their missiles at the United States, because we will have declared that our policy is not one of engagement, of the building up of mutual trust and respect, but of isolation, and distrust.

If we, though, follow the advice of the many Christian missionaries working in the villages in China that have asked us to establish permanent, normal trade relations with China, we will embark on a path toward peace and prosperity in the next millennium, because what we are talking about goes far beyond dollars and cents here. What we are talking about is the spread of ideas and ideals. Foremost among those ideals is the value of human individualism, an ideal that is inevitable and indomitable in a fare society.

China is a nation with a tremendous work ethic and a rich historic culture. Its historic ethic can enhance the entire world's march toward peace and prosperity. But that destination can only be reached through economic interdependence and mutual respect.

From an American nationalistic standpoint, it is important to keep the 200,000 jobs involved in exports to China. It is important to avoid passing on $500,000,000 more of Chinese tariffs to American consumers. But, far more important is the security and prosperity of our children's children. That is really what is at stake today.

If China wants to compete on the world's market, it will eventually have to be, with a free enterprise economy. If China wants to lead politically, it will have to adopt a democratic system and if it ever wants to realize its full societal potential it will have to be on the basis of respect for human rights and liberties.

I urge my colleagues to vote against disapproving normal trade relations with China. Vote for the peace and prosperity that can be ours if we make the right decisions on these issues.

Ms. PELOSI. Madam Speaker, I am very pleased to yield 3 minutes to the distinguished gentleman from Maryland (Mr. CARDIN), who has been a champion for human rights and in very tough struggles throughout the world and an expert on trade issues.

Mr. CARDIN. Madam Speaker, let me thank my friend from California for yielding me this time and congratulate her for her leadership in this area.

Madam Speaker, I rise in support of this resolution and against most-favored-nation status for China. Yes, the United States should be engaged in international events and in China, and we should exercise leadership. That is what we have done in the past.

The United States was engaged in South Africa in its apartheid government. It used trade sanctions, it used its leadership to bring about a change in that government without bloodshed. That is engagement. That is leadership.

The United States was engaged in the former Soviet Union that did not enjoy most-favored-nation status, and we brought about a change in that society because we were willing to exercise leadership. That is what the United States should be doing in China.

The record in China is beyond dispute. Its legacy of human rights abuses, predatory trade actions, nuclear proliferation, and the list goes on and on and on, it should not have most-favored-nation status.

I know that we are changing the name of that later today to "normal trade relations," but there is nothing normal about a trading partner that pirates the software of U.S. companies, there is nothing normal about a trade partner that has a huge trade imbalance with us because of the tariffs and barriers that it has to its market, and there is nothing normal about a trading partner that has such a horrible record on human rights that we should not want to be associated with as a partner.

China, with forced abortions and the way that it imprisons its own people because of political expression and the way that it prohibits religious activities, there is nothing normal about that type of country, and it should not enjoy normal trade relations with the United States.

The Chinese philosopher Confucius told the story how when he was traveling with some of his followers in a remote part, he came across a woman who was weeping at a grave, who had just buried her husband who had been killed by a tiger. Confucius, talking to the woman, found out this tiger had also killed her husband's father, and Confucius asked, "Why do you still stay here with this tiger being here?" The woman responded, "There is no oppressive government here." Confucius told his followers, "An oppressive government is worse than a tiger."

□ 1215

Yes, the United States must be engaged in and exercise leadership, and in doing that we should deny Most-Favored-Nation status to China and exercise real leadership and engagement on the issue.

Madam Speaker, I encourage and urge my colleagues to support the resolution before us.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume.

I have a quote I would like to share with my colleagues.

> A truly moral position would do two things. First, it would honor those who have fallen by pursuing their lost dreams and helping China reform from within. Second, it would open, not shut, the door to the message of freedom and God's love. Leaving 1 billion people in spiritual darkness punishes not the Chinese government, but the Chinese people. The only way to pursue morality is to engage China fully and openly as a friend.

That quote was from the Reverend Pat Robertson on June 30 of this year.

Madam Speaker, I yield 2½ minutes to the gentleman from Michigan (Mr. KNOLLENBERG).

Mr. KNOLLENBERG. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, I rise today to support normal trade relations for China and to oppose the resolution. American workers benefit most from normal trading status with China. I think the facts are very clear. If we reject normal trade relations with China, we do not improve the trade deficit, but we will see a substantial loss of exports to China.

Now, in my State of Michigan alone there are some $365 million in exports each year. That supports some 5,000 jobs, not over there; they are here, they are in this country, in Michigan. If we translate that into the U.S. situation, it is approximately 25,000 manufacturing jobs each year that are a part of our trade with China.

China has been reported as the world's third largest economy after the United States and Japan. It has by far the world's highest annual rate of growth of something like 9 percent, and we cannot, we simply cannot exclude America's companies, farmers, workers, goods and services from this very, very large market.

In addition, we must remember that the U.S. trade with China is a way to directly permeate a society which has been closed off to the world for centuries. Increased economic prosperity creates a desire for political freedom among individuals. China's economic reforms which were instituted in the past 20 years have demonstrated that, and I use the word "engage", an engaged China is more conducive to change.

The record is crystal-clear: personal freedom in China is on the rise, people are living better, the principles of democracy are spreading at the grassroots level, and there is an unquestioned relaxation of control over the press and the media. American principles are spreading in China.

Madam Speaker, for the sake of our businesses, our jobs, our workers, not to mention the well-being of the Chinese people, we must reject this resolution. We must not slam the door on one-fourth of the world's population. If we really want to promote human rights and civil rights, and by the way, I do, and we want to plant the seeds of mutual understanding first, then continue normal trade relations. I urge opposition of this resolution.

Mr. CHRISTENSEN. Madam Speaker, I yield 8 minutes to the gentleman from New Jersey (Mr. SMITH), my colleague and good friend and a true champion for the unborn and for human rights all around the world.

Mr. SMITH of New Jersey. Madam Speaker, when the People's Liberation Army massacred, wounded, and incarcerated thousands of peaceful pro-democracy activists in June of 1989, the well-intentioned but wishful thinking and fashionable view of the 1980s that somehow the PRC was turning the page on repression was shattered. The myth was gone.

The brutal crackdown on the reformers, some of whom still today languish in gulags, in laogai, was not the end but was the beginning of a new systematic terror and cruelty campaign which continues to this very hour.

To a significant degree, President Clinton put a happy face on China during his recent trip. While paying some attention to human rights, he minced his words, he heaped praise on Jiang Zemin and painted a largely upbeat, far too optimistic picture of a brutal dictatorship. He made the powerful architects of repression somehow look respectable. I am sure he meant well.

However, Amnesty International testified at the Subcommittee on International Operations and Human Rights, which I chair, on June 26, and Amnesty believed and said that they believed that President Clinton's trip represented his Dunkirk, his human rights Dunkirk. It was.

Stephen Rickard, director of the Washington office of Amnesty said, and I quote, "The history of President Clinton's policies on human rights in China is unfortunately a history of retreat after retreat, until there is no longer any room to retreat."

As a trade and as a public relations trip, the trip was clearly a success. As a human rights mission, it was, I believe, an unmitigated disaster.

Madam Speaker, it is my deeply held conviction that back in 1989 and by the early 1990s the hardliners in Beijing had seen enough of where indigenous popular appeals for democracy, freedom, and human rights can lead. The Communist dictatorships that controlled Eastern and Central Europe and even the Soviet Union had let matters get out of hand, and Beijing took careful note as, one-by-one, tyrants like Nicolae Ceausescu of Romania, Erich Honecker of East Germany, and Wojciech Jeruzelski of Poland were ousted.

Everything Beijing has done since Tiananmen Square and since the President's trip points to a new bottom line that we ignore and that we trivialize at our own peril, and that is, democracy, freedom and respect for human rights will not happen in the PRC any time soon.

This dictatorship is not going to cede power to and respect for the people of China, especially when we fail to employ the tremendous leverage at our disposal. However unwittingly, however unintended, we are today empowering the hardliners. Withholding MFN I believe will spur reform. Where else will the Chinese find markets for their $60 billion worth of exports? They are not going to find it in Europe, they are not going to find it in South America or Central America or anywhere else. They want our market. We have leverage, and we are squandering that leverage.

Madam Speaker, any honest assessment of the true human rights picture on the ground must recognize that torture, beatings, detentions and arrests of dissidents, even during the President's trip and immediately after, increased reliance on the hideous and pervasive practice of forced abortion and coerced sterilization, and new, draconian policies to eradicate religious belief, especially the underground church, the Christianity and the Tibetan Buddhism, all of these are on the rise.

As a matter of fact, if we look at Tibet, there is a genocide taking place, ethnic cleansing. People are escaping, being pushed out; forced abortion is used with greater impunity there, and they are, as we all know, incarcerating monks as well as nuns in Tibet.

Some have argued, Madam Speaker, that conditions have improved, and at times they cite the cultural revolution as a backdrop to measure improvement, but I believe that is a false test. The depths of depravity during that period have few parallels at all in history, and the Chinese leaders knew themselves that such extreme treatment of their people could not be sustained. But the real test is the post-Tiananmen Square reality, and the jury, unfortunately, is in. China has failed miserably in every category of human rights performance since 1989, and it is getting worse, not better.

I would invite Members of this body to come to some of the hearings. We have had over a dozen hearings in my subcommittee, heard from everybody, especially the human rights community, and they speak in one accord, that repression is on the rise.

Madam Speaker, I met with the great democracy wall leader Wei Jingsheng in Beijing before he was thrown back into jail, a man of candor and incredible courage. Both then and now that he is released, he says he is incredulous, he cannot believe how naive and shortsighted the Clinton Administration and the bipartisan majorities are in this Congress who support MFN. He cannot believe how complicit we are willing to be, and again I think he says, and I agree with him, some of it is naivete.

At a recent hearing of the Subcommittee on Human Rights, I asked Wei what practical effects MFN and other concessions to the Chinese government had had for prisoners of conscience. He said that the torturers are usually more cautious in their treatment of political prisoners at times when the U.S. is withholding. I repeat, they are more cautious, this is Wei talking, and he knows, he spent years in the gulag; they are more cautious when we withhold something than when we offer it to them on a silver platter.

He said as soon as there is a turn for the better in Sino-American relationships, like when the U.S. declared its intention to establish a strategic collaborative partnership with China, immediately the prisoners were beaten and received other abuses. The bully boys are unshackled, they can do with impunity to those human rights and religious prisoners as they wish.

We heard similarly that in Xinjiang province a Muslim Uighur talked about they waited until right after MFN was confirmed again before they executed 7 people, and they killed 9 people as they paraded these people through the marketplace where people were crying for their loved ones who were going to be executed.

Madam Speaker, I am deeply disturbed that the President did not even raise some of the issues that we were led to believe that he would, such as organ harvesting and prison labor, when we met with Jiang Zemin. Harry Wu has implored us, has implored us to cease our appeasement and to speak out boldly and strongly.

Regarding forced abortion, the President disregarded the recent testimony from Mrs. Gao, a former Chinese official charged with administering the PRC's program in Fukien. She said, with tears in her eyes, "I was a monster in the daytime, but in the evening I was like other women and mothers, enjoying life." She talked about how women are routinely forcibly aborted all over China, and she did it herself. She recently escaped China in April, and came to our subcommittee and gave us that information.

Madam Speaker, for the victims of human rights abuses, the policy of comprehensive appeasement has been tried. Madam Speaker, we stood up to the Soviet Union, we said that Soviet Jews mattered, that human rights mattered. We withheld MFN to the Soviet Union, even risking a nuclear power exchange with that country at the height of the Cold War. Why can we not do it with China? The human rights abuses are horrific, they are horrendous. Appeasement does not work. We need to have constructive engagement that says we are willing to risk profits, to put people above profits, because people do matter. Let us stand with the oppressed, not the oppressor.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Madam Speaker, I am opposed to the Solomon resolution. I am deeply concerned about our relationships with China. They need more attention, not less. This is true of trade relations, of human rights, of Tibet, of proliferation issues. And I think the question really is whether denial of MFN or NTR will accomplish that goal in any of these areas, and I think the answer is no, it will not work.

I want to spend my few minutes talking mostly about trade, but I do not view that any more importantly than I do human rights issues—I have worked on them over the years, or Tibet, our family has been deeply involved in that issue, or proliferation issues.

Let me focus for a minute on trade. We have a skyrocketing deficit with China, and one can explain it in various ways. In some respects it is not as large as it seems if we look at the whole region. But look, the point is, denial of MFN will not settle the problem of the trade deficit.

China is a large, burgeoning, controlled economy. They have a very different system than we do. They have State subsidization. They have control of wages and working conditions. And it raises more dramatically than any other country how this country of ours, this beloved Nation with our free market, will relate to nations that control their economies, control their wages, subsidize their industries and the like. And what is true of China is true of other nations, especially in what was once called the Third World.

□ 1230

We need to face these issues in the negotiations over their status with WTO. We need to attack these issues directly. We need a comprehensive policy. Withdrawing MFN is not going to move us one step forward in that direction. In fact, I think it would distract from it. It would distract from it.

Look, I hate the notion of isolation. I am for engagement. But there is something kind of in between. We need engagement but it has to be even more than constructive. It has to be hardnosed. It has to be part of a comprehensive plan, and this annual discussion over MFN distracts us from arriving at this goal.

So let us in this House, on all these issues, human rights and other issues, let us pledge ourselves from here on in to have a day-to-day involvement with these issues, not the once a year discussion through MFN. I oppose the Solomon resolution.

Ms. PELOSI. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I agree with the gentleman from Michigan (Mr. LEVIN). We should have more discussion about this issue until we address the problems that have been caused by the current policy, of which MFN for China is the centerpiece.

Madam Speaker, could you tell us the time remaining?

The SPEAKER pro tempore (Mrs. EMERSON). The gentleman from Illinois (Mr. CRANE) has 37 minutes; the gentleman from Nebraska (Mr. CHRISTENSEN) has 27½ minutes; the gentleman from California (Mr. MATSUI) has 39 minutes; and the gentlewoman from California (Ms. PELOSI) has 35 minutes remaining.

Ms. PELOSI. Madam Speaker, I yield 2 minutes to the gentlewoman from Georgia (Ms. MCKINNEY), next in our cavalcade of the champions of human rights throughout the world.

Ms. MCKINNEY. Madam Speaker, the emperor has no clothes. The United States has been stripped naked by the Chinese communists, and "the sight ain't a pretty one."

Madam Speaker, our own policies support a regime that is repugnant to the American values we espouse so sincerely, yet we continue down the same dangerous path. First of all, we sell invaluable technology to the Chinese that increases the accuracy of their missiles. And what do they do? Point those very same missiles back at us.

Then President Clinton pays Beijing a courtesy call and at the same time they embark on a building program for ICBMs that shakes Asian stability, China's neighbors, and our friends.

So little respect do the Chinese have for our government that they have led us from one embarrassing event to another. The message we send to the Chinese is that we really do not care about those values we talk about, as long as they keep signing those contracts.

The litany is a long one. China's violation of human rights; her unfair trade practices and obstacles to market access; China's lack of legal and regulatory transparency; her outrageously uncooperative attitude in weapons and nuclear nonproliferation; the large and growing U.S. trade deficit with China; and, more recently, the allegedly illegal Chinese donations.

Candidate Bill Clinton said, "We will link China's trading privileges with its human rights record and its conduct on trade and weapons sales." But Bill Clinton's own State Department has this to say about China: "The government continued to commit widespread and documented human rights abuses in violation of internationally accepted norms."

Maybe the United States is following the bad advice of a fortune cookie, or it is the pressure of too many Gucci-clad lobbyists trying to help corporate America make a fortune at the expense of American values, the Chinese people, and American workers.

Madam Speaker, the Chinese have learned all too well that for the United States money talks and everything else walks.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I have another quote I would like to share with my colleagues.

> It's critically important to have a broad range of contacts with China. The West should not try to isolate the communist regime . . . Economic change does influence political change. China's economic development will be good for the West, as well as for the Chinese people. China needs Most-Favored-Nation trade status with the United States and it should fully enter the world trading system.

Madam Speaker, that quote is from Wang Dan, student leader, Tiananmen Square, July 6, 1998, and he spent all but 2 of the years since Tiananmen in prison in China.

Madam Speaker, I yield 4 minutes to the distinguished gentleman from Minnesota (Mr. RAMSTAD).

Mr. RAMSTAD. Madam Speaker, I thank the gentleman from Illinois (Mr. CRANE) for yielding me this time.

Madam Speaker, as a member of the Subcommittee on Trade, I rise today in strong support of the President's decision to renew normal trade relations with China. I have come before this House many times to talk about how increased trade with Western countries has exposed the people of China to democratic values and practices.

I have Dear Colleague letters which show that spiritual leaders from across the spectrum, from Pat 4Robertson, Billy Graham, to the Dalai Lama support engagement, not isolation. Engagement with China, I believe, is the key to better human rights conditions for the Chinese people.

The people of Hong Kong, Taiwan, and other Asian nations have asked us to renew normal trade relations with China, because not renewing NTR could have a real negative impact on their economies and their people.

Madam Speaker, most profoundly of all I was reminded just yesterday of the importance of the U.S.-China trade relationship when I met with Walter Hanson. Walter is the CEO of Ibberson, Incorporated, in my district, which is an agricultural design, engineering, and construction service company. Mr. Hanson was in town to receive an award from the United States Chamber of Commerce, the "Small Business Success Story Award," for his company's success in China.

This is a great story about an American business, how Ibberson has grown because of its trade not only with China, but other foreign nations. In fact, Ibberson did not even venture into foreign markets until I believe it was 1985. Now the international arm of this company, which employs 182 people, accounts for 50 percent of company sales with one-third of these international operations alone in China.

This is about jobs, Madam Speaker. When questioned about the company's involvement in China, what it has meant to the Chinese, Mr. Hanson explained it very well. He said that the food processing plants that his company designs and builds generate better feed for Chinese livestock which, in turn, improve the nutritional value of food for the Chinese people. The processing plants they design in China meet all U.S. standards for worker and environmental safety. They are setting a great example for the Chinese people.

The Chinese people that Ibberson employs in building and running the operation receive higher pay. After going back and forth to China for over 10 years, Mr. Hanson learned that the Chinese people emulate the West and he saw how they used their higher pay to buy more of our products.

These jobs also, Madam Speaker, are not jobs that have been stolen from Americans, as some of my friends on the other side of this issue will tell us. In fact, according to Mr. Hanson, the opportunities to export to China create jobs back in Minnesota and many other States in our country. If it were not for international sales, Mr. Hanson believes that his small business could have gone down the same path that its 10 leading competitors did. They are gone. They are out of business. Think of what that means to the 182 employees of this company.

Madam Speaker, continuing normal trade relations with China acknowledges the progress that has been made, but it does not disregard the need for further improvements in human rights for Chinese citizens. As a member of the Congressional Human Rights Caucus, I too abhor any and all human rights abuses. But if we are not engaged with the Chinese, how can we influence their policies? How do we stop these abuses? We must be engaged.

Madam Speaker, a normal engaged relationship between our country and China is critical for improving the lives of people in both countries and for job creation and economic growth. I urge my colleagues very, very strongly to oppose this resolution before us today and to support normal trade relations with China. It is the right thing to do.

Mr. CHRISTENSEN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to correct the record. The Dalai Lama, as of today with the statement that the Dalai Lama has clearly stated he does not support engagement if its primary goal is material enrichment. All decisions, he believes, must be guided by moral and ethical principles, including whether China could benefit from Most-Favored-Nation trading status.

Madam Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. WOLF), a champion of human rights all around the world.

Mr. WOLF. Madam Speaker, I thank the gentleman from Nebraska (Mr. CHRISTENSEN), for yielding me this time.

Madam Speaker, let me stipulate at the beginning, because I feel so passionate about this, I want to stipulate that there are good and decent people on both sides of the issue. I believe that. I mean that. I do not question anybody's position on this issue.

But I believe that the administration's policy is fundamentally immoral and this Congress is ready to ratify a fundamentally immoral policy, a policy that has no morality behind it.

Did my colleagues see today's Washington Times? "China conducted tests as Clinton visited." And then it goes on to say, "China continued to supply missile technology to Iran and Pakistan last year and also sold Iran poison gas equipment," and then tested it when the President was there.

Madam Speaker, did my colleagues also see the story out of the Pentagon yesterday saying that our Special Forces will be training the Chinese People's Liberation Army? Are they going to train them so they can invade Taiwan? Are they going to train them to shoot better when they do whatever they do? Why would the Clinton administration support the training of the Chinese People's Liberation Army by American men and women? That is immoral. That is immoral.

Nuclear proliferation. China gave the technology to Pakistan, which then triggered India to test their nuclear weapons, which then triggered Pakistan to test their nuclear weapons, which has brought disorder and made it a dangerous subcontinent. China did that. No one else.

We are not going to take away MFN. This vote is not to take away MFN. This vote is to send a message to the Chinese government. We know the Senate will not do it. We know the President would never sign it. So this is not a vote for engagement or disengagement or taking away MFN. It is a vote to send a message.

Human rights. There is no progress. Bishop McCarrick, who is one of the three people the President sent to China, sent a letter up yesterday asking us to take away MFN to send a message. There is no progress on human rights in China.

There are more people in jail today in China than there were when the President landed in China. Catholic priests are in jail. Bishops are in jail. I was in Beijing Prison Number 1 with the gentleman from New Jersey (Mr. SMITH); 240 prisoners that we saw working on socks to export to the United States are still in jail. Protestant pastors are being persecuted.

Tibet. I visited Tibet last year. China has plundered Tibet. For those who care about culture and history, China has destroyed the buildings. There are TV cameras monitoring the streets. The public security police are all over. They have destroyed 4,000 monasteries. Lhasa is nothing more than basically a dirty Chinese city because of what they have done. So in human rights, there is no progress. There is regress. We are going back with regard to weapons proliferation, with regard to trade. We have a $50 billion trade imbalance and it's going up 20 percent a year. They send us 30 to 40 percent of their goods, which could be made by American workers. We send them .02 percent of our goods.

Slave labor camps. Remember Solzhenitsyn's book "Gulag Archipelago"? There are more slave labor camps in China today than there were when Solzhenitsyn wrote the book "Gulag Archipelago" about the former Soviet Union.

We are sending a message. The message is that we care. The American people are not where the administration is and the American people are not where this Congress is. The policy of this administration is fundamentally immoral and MFN for China will ratify a fundamentally immoral policy.

Now, I am all for jobs. I have got a 90 percent Chamber of Commerce voting record. But jobs, jobs, jobs. It says in the Bible that "man does not live by bread alone." What about the monks in Dracphi Prison? What about the Buddhist nuns that have been tortured? What about the Catholic priests, some persecuted for 30 years? We've heard very little talk about that.

Madam Speaker, I strongly rise and urge those who are searching, those who are thinking, those who are undecided, we are not voting on MFN today. We are really voting on whether or not we want to send a message. Do we want to send a message of hope, a message to the Catholic bishop who was there because he gave Holy Communion? Do we want to send a message of hope to the Dracphi Prison, which I went by in Tibet where the man who took me by was even afraid, because he risked his life to take me by so I could take a picture of it.

□ 1245

Or do we want to send a message that all we care about is the policy of business, and we will train the Chinese People's Liberation Army, and we will allow them to test their missiles when our President is there, because fundamentally all we care about in this country is business and we do not care about human rights. That is the issue.

I urge support of the Solomon amendment, whereby we will not be denying MFN but we will be sending a message of hope to the Chinese people and those who are being tortured in the prisons.

Madam Speaker, I rise in strong support of H.J. Res. 121, to revoke Most-Favored-Nation (MFN) status from China. I do so because since current U.S. policy has been in place—a policy of so-called "constructive engagement"—there has been no progress on human rights in China. No progress on weapons proliferation. And no progress on trade. It is a failed policy and this House should vote to put some backbone into this policy of appeasement.

Year after year we debate this issue. Year after year the House votes to continue MFN to China. Year after year, the Chinese Communists in Beijing continue to harshly control religious practice; imprison religious leaders and dissidents; plunder Tibet; sell weapons to Iran, Pakistan and other rogue or unsafeguarded countries and engage in unfair trading practices. Congress must send a message to Beijing that we are serious about our values, our national security and our commitment to fair trade.

Our policy on China is amoral—and I would argue that it borders on being immoral—because it is focused on preserving good relations with a brutal regime in order to help American companies get business deals. It is a one-sided policy that ignores the most fundamental values of the United States.

First, on the issue of human rights. There has been absolutely no progress since President Clinton de-linked trade from human rights in 1994 and no progress since the President's recent trip to China. In fact, more dissidents are in jail today than before the President's trip. As Air Force One was landing, Chinese democracy activists and religious leaders were being harassed and detained.

The Washington Post reports today that yet another dissident has been given a three-year jail sentence—part of a continuing pattern of tightening repression in the weeks following the President's trip.

Just days after the President left China, 11 dissidents who tried to register a political party advocating democracy were detained by the Public Security Bureau. Five remain in detention. Last week, some 100 dissidents released an open letter calling for their release. Most of them are under surveillance or house arrest.

Religious persecution persists. Christians are still being put in jail for holding Bible studies in their homes, meeting with other believers, conducting Catholic mass and distributing Bibles. Leaders in China's underground church are constantly under surveillance, placed under house arrest, interrogated and pressured to close down "house" churches. Many are arrested or sent to labor camps. Over the past year, the number has gone up.

There are still a number of Catholic bishops in jail on account of their religious activity. None have gained their freedom. More have been arrested. Mercifully, the Chinese released 78-year-old Bishop Zeng from prison several months ago because his health was failing, but he is still under house arrest. The Chinese government also revoked the passport of a 96-year-old Cardinal, Cardinal Kung, who lives in the United States in exile.

A large number of Protestant house church leaders are in jail. Not one of the 30 religious prisoners on the list presented to the Chinese government during the President's visit or the visit by the 3-person religious delegation in February has been released.

There has been absolutely no progress.

In Tibet, the Chinese government continues to destroy the Tibetan culture, imprison dissidents including a large number of monks and nuns, restrict religious activity, monitor monasteries, denigrate the Dalai Lama, and leave millions of Tibetan people without hope for a better future.

Since the debate on MFN last year, I have visited Tibet. I saw first-hand the repression taking place. Absolutely nothing has improved for those people. Lhasa is no longer a Tibetan city. Surveillance cameras are all over. So are Chinese security officials. I heard story after story of harsh repression. Prisons are a growth industry.

Tibetans are sinking further and further into despair as Chinese immigrants rush to settle Tibetan lands. Chinese karaoke bars and prostitutes line the streets, many across from the Potala Palace, the historic home of the Dalai Lama. Young Tibetan men, denied a meaningful role in society, are idle and increasingly alcoholic. They are without hope.

China is sinking millions of dollars into Tibet—for roads, factories and telecommunications, energy, housing and so on. Lots of people are getting rich, but very few of them are Tibetans. Most are Chinese. China's constitution allows the state to claim all natural resources for its own, and Beijing is making millions on Tibetan virgin lumber and minerals.

At the same time, Tibetans are being robbed of their language and their culture. They are told it is inferior. Chinese propaganda spews out of the public address system and public security cameras record private conversations. Monks and nuns are forced to choose between undergoing "patriotic re-education campaign" and denouncing the Dalai Lama or being expelled from the monastery and sent to prison.

Tibetan refugees—monks and nuns forced out of their monastery, children sent out by their parents to be schooled, the young seeking an opportunity simply to live as Tibetans, and the elderly hoping the see the Dalai Lama before they die—continue to risk their lives to flee over the highest mountain passes in the world into freedom

There has been no progress in Tibet. Absolutely none.

Uighurs in Northwest China—who are predominately Muslim—are also being persecuted. They are deprived of their right to religious freedom and having their culture destroyed. Nothing has improved for them either.

So on the issue of human rights—there has been absolutely no progress. In fact, things are getting worse.

Second is the issue of weapons proliferation. So maybe human rights has not improved, but haven't we at least been able to work with the Chinese to get them to stop proliferating weapons of mass destruction and make America safer? No. There has been no progress here either.

Thanks to China, the world is a more dangerous place today. China has continued to sell missiles and missile technology to Pakistan, despite continuous pledges not to do so. Because China helped advance Pakistan's nuclear program, India decided to resume nuclear testing. Several days later, Pakistan conducted its own nuclear tests. Now we have an arms race in Southeast Asia.

We put sanctions on Pakistan and sanctions on India. But we continue to kowtow to the Chinese government.

China also sells nuclear technology to Iran and helps Iran's missile program. China is helping the Khartoum government build a pipeline to pump oil out of Sudan—a country that sponsors terrorism and engages in genocide against its Christian population. China is helping the junta in Burma. China's friends are this world's most ardent enemies of democracy.

So sadly, there has been no progress on preventing China's proliferation of weapons and weapons technology.

I should also note that China is also modernizing its military and building ICBM missiles capable of hitting the United States. The Washington Times revealed yesterday that six more were built in the first four months of this year. A secret Air Force intelligence report released recently said China's new mobile ICBM's "will be a significant threat not only to

U.S. forces deployed in the Pacific theater, but to portions of the continental United States." China is the only country with missiles currently pointed at the United States, in spite of claims otherwise by some in our government.

Third, fair trade. Our policy has not helped open China's market to U.S. goods. Today, China's trade surplus with the United States is almost $50 billion. In May, it was up 24 percent over April. While China's trade surplus with the U.S. continues to skyrocket, American goods are being kept out of the Chinese market. China sends 30–40 percent of its merchandise exports to the U.S. In contrast, the U.S. sends only .02 percent of its merchandise exports to China.

What about the huge Chinese market? The real story is that 80 percent of China's total imports are re-exported to the rest of the world.

Harry Wu—who spent 19 years in China's gulag on account of his beliefs—advocates revocation of MFN to send a message. He says "the undoubted primary beneficiary of foreign trade in China is the Chinese Communist Party. . . . As the Chinese economy grows so does the power of the Chinese Communist Party."

China forces American companies to turn over technology and transfer production to China in exchange for doing business there. China not only uses this technology to modernize its military, but also to compete with American companies and American workers. America is losing jobs to China.

So the current policy has resulted in no progress toward promoting more fair trade with China either.

No progress on human rights. No progress on proliferation. No progress on trade. The sign of a failed policy.

The Clinton administration says the way to achieve progress in these three areas—human rights, proliferation and trade—is to continue our policy of "constructive engagement." The same administration confirmed yesterday that U.S. special forces will begin training Chinese PLA troops to "develop rapport and understanding." It is also the same administration that allowed two American companies to export sensitive satellite technology to China—which proliferation experts say significantly improved China's missile program—allegedly in exchange for campaign donations.

In my view, this administration doesn't have much credibility on this issue. They have achieved nothing with their current policy besides some good soundbites and photo-ops. It is a failed policy.

I'd rather listen to the advice of Wei Jingsheng, one of China's most noted dissidents. He has spent 18 years in prison for his outspoken views on democracy.

He says that voting to revoke MFN for China is the "most concrete and most effective means available to address Chinese human rights and political reforms and gives President Clinton real power to represent the American people in his discussions with the Chinese communists over the questions of trade conditions, human rights, regional and global security and other issues." I submit his entire statement for the RECORD.

He also says his conditions in prison improved when the Chinese really believed that MFN would be taken away.

Archbishop McCarrick, one of the religious leaders who went to China earlier this year as part of a religious delegation, also believes the House of Representatives should send a message to Beijing by voting to revoke MFN. He urges a strong vote in favor of H.J. Res. 121. He says "A strong vote to deny MFN status to China should strengthen the Administration's commitment to putting human rights at the top of the China agenda and send a strong signal that the status quo is not acceptable." I also submit his letter for the RECORD.

There are many reasons to revoke China's MFN status. But, there are good people on both sides of the issue.

I want to end by addressing those who think revoking MFN is a blunt instrument. Remember, that at the end of the day, Congress will not take away China's MFN. The vote today is not really about revoking MFN, it's about sending a message.

A message of hope to the Christians, Muslims and Tibetan Buddhists suffering for their faith. A message of hope to the political dissidents who still bravely speak out for justice and freedom despite the risk of going to prison. A message of hope to these men and women being beaten, tortured, raped, imprisoned and killed for their beliefs.

This vote is also about sending a message to the regime in Beijing. A message that we are serious about our values, our national security and our commitment to fair (not just free) trade.

If you vote in favor of H.J. Res. 121, you will be sending a message, not taking away MFN. I urge you to send this message.

How long will we continue to rubber stamp our current policy—a policy of appeasement? A policy that is amoral and not in line with the values of the American people.

Let's put some strength back into our China policy. Let's put some morality back into our China policy.

Vote YES on H.J. Res. 121.

Madam Speaker, I also include for the RECORD newspaper articles and letters from various organizations discussing the current situation in China with regard to many of the areas I have spoken on:

[From the Washington Times, July 22, 1998]

CHINA CONDUCTED TEST AS CLINTON VISITED

(By Bill Gertz)

China test-fired a rocket motor for its newest long-range missile during President Clinton's recent visit to China, Pentagon officials said yesterday.

The July 1 motor test for the DF–31 missile was part of China's ongoing strategic weapons modernization effort, which included producing six new long-range missiles in the first four months of the year.

In commenting on a report in The Washington Times about the surge in ICBM production, the State Department said yesterday that China's strategic nuclear modernization will not affect efforts to develop a cooperative security relationship with Beijing.

"The U.S. and China are building a cooperative security relationship, as symbolized by the agreement of the two presidents not to target strategic nuclear missiles at each other," State Department spokesman James P. Rubin said, referring to last month's summit.

"At the same time, we are aware that China continues its limited efforts to modernize its nuclear forces," he said.

Asked about The Times' report, Defense Secretary William S. Cohen declined to comment. "If it's an intelligence report, I wouldn't comment," he told reporters at the Pentagon.

Pentagon officials with access to intelligence reports told The Times that the test-firing of the new solid-fuel rocket motor is part of efforts to develop Beijing's newest ICBM, the DF–31 road-mobile missile. When deployed in the next several years, the missile will be the second mobile ICBM in the world. Russia's SS–25 is now the only mobile ICBM in service.

The officials said the test was unusual because it came during Mr. Clinton's June 27–July 3 visit.

A U.S. official who is an expert on missiles said he believes the Chinese intentionally timed the test to coincide with Mr. Clinton's visit.

The official noted that Secretary of State Warren Christopher traveled to China several years ago to discuss human rights and the Chinese responded by arresting dissidents before, during and after the visit.

"President Clinton said proliferation would be high on his agenda [during the summit], and by testing this key component for a new long-range missile when they did, the Chinese have made clear their lack of respect for both the president and his message," the official said.

This official does not believe China has "de-targeted" its long-range missiles away from U.S. cities despite its recent pledge. The CIA reported earlier this year that 13 of 18 CSS–4 missiles are targeted on U.S. cities.

The Chinese apparently knew the rocket motor test would be detected by U.S. spy satellites or other electronic listeners, Pentagon officials said. The test was carried out at the Wuzhai Missile and Space Test Center, located about 250 miles southwest of Beijing, they said.

Highly classified intelligence reports on the test were sent to Secretary of State Madeleine K. Albright in China as she accompanied the president, the officials said.

According to reports by the Air Force's National Air Intelligence Center (NAIC) the DF–31 is a single-warhead missile with a range of more than 4,500 miles in the "late stages" of development. Its solid-fuel propulsion is a major improvement over liquid-fuel CSS–4s, the current mainstay of the Chinese ICBM force.

"The DF–31 ICBM will give China a major strike capability that will be difficult to counterattack at any stage of its operation," said a December 1996 NAIC report labeled "secret." "It will be a significant threat not only to U.S. forces deployed in the Pacific theater, but to portions of the continental United States and to many of our allies."

A map accompanying the report showed that the DF–31 could hit targets throughout the western United States along a line running southwest from Wisconsin through California.

The DF–31 will give China a strategic missile design "similar to those of current generation Russian missiles," the report said, noting that the missile will probably be fitted with decoys and chaff to defeat missile defenses.

Deployment of the DF–31 is expected within the next year and a half at the earliest, the report said.

China also is building a second mobile ICBM, the DF–41, that will have a range of more than 7,000 miles. It will be deployed soon after the DF–31.

Regarding the new CSS–4s, Pentagon officials told The Times that China delivered six of the ICBMs to the People's Liberation Army nuclear forces between January and April. The surge in production, which was spotted by U.S. spy satellites and other electronic monitors, is part of a defense industry restructuring that will result in the closing of Beijing's sole ICBM production facility, at Wanyuan, in central China, within the next several months.

Two more CSS–4s will be produced before the shutdown, they said.

The underground production facility at Wanyuan is being relocated to a missile production center near the industrial city of Chengdu in central China, the officials said.

The CIA estimates China has 18 CSS–4s. The new missiles are the "Mod 2" version of the systems.

"This is a very serious problem," said House Majority Leader Dick Armey.

The majority leader said he has many questions about the Chinese missile program, including why the United States did not learn earlier about Beijing's weapons proliferation efforts, which he called "frightening," and how China acquired the technology to build missiles.

"We have a lot of serious, very serious, questions," he said.

The biggest question: "Does my grandson have to learn to duck and cover like I did when I was a boy?" Mr. Armey asked, referring to nuclear air-raid drills common in schools during the 1960s.

BEIJING CONTINUED ARMS SALES TO PAKISTAN, IRAN LAST YEAR

(By Bill Gertz)

China continued to supply missile technology to Iran and Pakistan last year and also sold Iran poison gas equipment and advanced conventional arms, according to a CIA report to Congress made public yesterday.

The report identified China, Russia and North Korea as major suppliers of weapons of mass destruction and delivery systems to "countries of concern"—the CIA's term for rogue states seeking unconventional arms and missiles.

"During 1997, Chinese entities provided a variety of missile-related items and assistance to countries of proliferation concern," the CIA said in its semiannual report to Congress on activities during 1997.

"China was an important supplier of advanced conventional weapons to Iran," it stated, noting that Beijing apparently has halted sales of C–801/C–802 antiship cruise missile as promised in late 1997.

The report also said that "Chinese and North Korean entities continued to provide assistance to Pakistan's ballistic missile program in 1997," and that Beijing gave "extensive support" to Pakistan's program to develop weapons of mass destruction.

Pakistan test-fired its 925-mile-range Ghauri missile for the first time in April.

An eight-page unclassified section of the report was released by the Senate Intelligence Committee. Its findings contrast sharply with recent Clinton administration assertions that China is curbing dangerous weapons proliferation activities.

Sen. Richard C. Shelby, Alabama Republican and chairman of the committee, said the report was disturbing.

"The report shows a high level of activity about the ongoing sale of missile technology and weapons of mass destruction by China, Russia and North Korea, who are the worst offenders," Mr. Shelby said in an interview. "It also shows that Iran, Iraq and Pakistan are the greatest benefactors."

A review of the policies should be carried out by Congress and the administration to see what can be done to solve the problem, he said.

It is the second report to Congress by the CIA and was required by a section of the 1997 Intelligence Authorization Act. The law requires a report every six months. Release of the report was overdue by a year and was doubled to cover the entire 12-month period of last year.

It also was delayed from release until after President Clinton's visit to China last month in an apparent effort to avoid offending Beijing, according to congressional sources.

The CIA report on global weapons proliferation activities during 1997 discloses these key findings:

Russia, China and North Korea continued to supply missile-related goods and technology to Iran.

"Iran is using these goods and technologies to achieve its goal of becoming self-sufficient in the production of medium-range missiles," the report said.

China provided Iran with chemical warfare material to supplement its stocks of blister, blood and choking agents and bombs and artillery shells. Iran is seeking "a more advanced and self-sufficient chemical weapons infrastructure," it said.

Egypt is working with North Korea on a joint missile development project, according to a North Korean army defector.

China also continued to supply nuclear technology to projects under International Atomic Energy Agency monitoring but appeared to be abiding by a pledge not to engage in new nuclear projects in Iran and halted its support for a uranium conversion plant.

Iraq is developing "dual-use" items that could boost its chemical weapons production capabilities and has purchased vaccines, growth media and thousands of pesticide sprayers in 1997 with potential biological weapons applications.

On Russian weapons proliferation efforts, the CIA said "Russian firms" supplied a variety of missile-related goods to rogue nations seeking missile delivery systems. Russian help to Iran "means that Iran could have a medium-range ballistic missile much sooner than otherwise expected," it said.

Russia also supplied India with extensive technology that could be used for nuclear weapons, and provided conventional weapons and spare parts to countries in the Middle East, including Iran and Syria.

North Korea continued to export missile equipment and components to rogue states in what the CIA said was an effort to obtain hard currency for the cash-strapped Pyongyang government.

Western nations such as the United States, Germany, Britain, Italy and France were major targets of weapons acquisition efforts by states seeking nuclear, chemical and biological weapons and missile systems, the report said.

WEI JINGSHENG FOUNDATION,
New York, NY, July 15, 1998.

To All Honorable Members of the House of Representatives.

DEAR LADIES AND GENTLEMEN, Some people are saying that President Clinton's visit to China was extremely successful, while others say it was not. My own view is that he only half succeeded, or, to put in another way, it wasn't a total failure. Mr. Clinton did in fact exert greater efforts in Beijing, but his efforts on behalf of America demands did not achieve tangible results. Why? Because Mr. Clinton didn't build up adequate pressures to back his demands.

When I was still in prison, I clearly felt that if Most Favored Nation trade status passed the Congress with ease, various "instructions" from the Chinese community judiciary organs made treatment for political prisoners much worse. When there were reports in the People's Daily that talked of "hostile forces' inside the American Congress who plotted to revoke China's most favored nation status, the prison guards received less "instruction" and the treatment of political prisoners improved accordingly. During eighteen years in prison, I never stopped making demands for improved treatment so I was sensitive to any change in the treatment of prisoners.

Perhaps because of the daily flow of so many resolutions in the Congress, many friends have grown somewhat weary of the burden of the MFN vote. They may not fully recognize the importance of the vote in their hands. In fact, on the question of Chinese relations, legislatures control all the initiative. To put it more bluntly, only the U.S. Congress controls the real initiative.

During his trip to Beijing, Clinton needed to make some demands. Otherwise he would have no way to account for his trip to the American people and Congress. Yet he did not intend to do things too boldly, because without adequate pressure from the Congress and public commentary, he lacked the means to persuade Jiang Zemin or Zhu Rongji to make further concessions. Meanwhile, the pressure put on Clinton from both Jiang and Zhu could not be small, so he didn't want to offend anyone.

Jiang and Zhu had no choice but to accept the inconsequential demands of Clinton; at the same time, they also had no choice but to resist making substantive results. Cognizant of the pressure from the Congress and public opinion, both Jiang Zemin and Zhu Rongji felt they needed to give Clinton some face. Otherwise they might lose any chance to get collaboration on the larger issue: the need for President Clinton's cooperation to maintain their shaky dictatorship. But there remain great pressures from Communist Party hardliners that continue to influence Jiang and Zhu and their positions within the party. This battle line is determined by the amount of pressure exerted by the U.S. Congress. It can be said that both Clinton and Jiang Zemin accurately assessed the prevailing strength of the two sides. There were no great mistakes. (This conclusion is only limited to their behavior in Beijing and Shanghai.)

Now, there is only one key variant that Clinton could use to persuade Jiang and Zhu; Jiang and Zhu could then use this excuse to persuade the hardliners in the CCP. This is precisely pressure from the American congress. If the Congress is not able to make the Chinese communist realize that the loss of MFN is possible, then the more enlightened wing of the CCP cannot pass this pressure on to persuade the hardliners. Therefore, in considering the temporary cancellation of MFN for China, we can see it not only as the most concrete and most effective means available to addressing Chinese human rights and political reforms, but also gives President Clinton real power to represent the American people in his discussions with the Chinese communists over the questions of trade conditions, human rights, regional and global security and other issues. This is the best means to gain more achievements.

Your eternal friend,

Wei Jingsheng.

The Laogai Research Foundation,
Mitpitos, CA, July 13, 1998.
United States House of Representatives.

To the Honorable Members of the House of Representatives: As we approach this year's vote, I wish to voice again my support for the revocation of Most Favored Nation trading status for the People's Republic of China. Some may wish to call this degree of involvement "Normal Trade Relations" but under any name, I must oppose treating this oppressive regime as a worthy trading partner for the United States.

China serves as the single exception in the history of the United States' stance towards communist countries. The United States refused to grant MFN status to the Soviet Union, and has maintained its position against the repressive regimes in Cuba and North Korea. Why do we grant this totalitarian regime a privileged position when it comes to trade relations?

The question remains: who benefits from China's MFN status? While some of the Chinese people have experienced an increased standard of living, the undoubted primary beneficiary of foreign trade in China is the Chinese Communist Party. In other words, as the Chinese economy grows, so does the power of the Chinese Communist Party. This is the same Chinese Communist Part that remains guilty of systematic, egregious human rights violations; the same Party that uses the technology it acquires from the United States to modernize its military; the same Party that unequivocally refuses to undergo political reform, or even to tolerate calls for political reform.

The Party continues to enforce, with severe measures, its planned birth policy. Recent testimony has shed light on the use of forced abortions and sterilizations. Additionally, in one of the most barbaric violations of human rights, the CCP sanctions the harvesting of organs from executed prisoners, some of whom may be facing the barrel of a gun because they expressed their political beliefs. This same party runs the prisons which house the Laogai, China's forced labor system, where Chinese prisoners labor to produce goods to be sold on the international market. Religious persecution persists in China, ads do the repressive policies towards the people of Tibet. Each of these acts is intended to sustain the Party's stronghold of power.

Some have argued that granting Most Favored Nation status could lead to progress in human rights and other issues, including nuclear proliferation, in which China remains outside the international norm. This argument was never used in reference to the Soviet Union, North Korea, or Cuba. We know that bolstering those nations' economies would only strengthen their political power. Despite arguments to the contrary, mere economic contact with democratic nations would not suffice to bring the Chinese leadership in line with international standards of behavior. The Chinese Communist Party is well aware of those standards, and continually chooses to flaunt them.

I urge each of you to recognize the importance of your individual vote on Most Favored Nation trading status for China.

Sincerely,

Harry Wu.

[From the China Reform Monitor, July 20, 1998]

Pentagon: Elite U.S. Special Forces Seek to Train Chinese Commando Forces

(By Al Santoli)

Pentagon spokesman Kenneth Bacon confirmed an AP dispatch that elite Special Forces soldiers will train Chinese PLA troops under a plan being considered in Washington, the South China Morning Post reports. "You need to engage, so you develop rapport and understanding," says U.S. Special Operations commander, General Peter Schoomaker. "What we encourage is low-level contact at the small-unit level. . . To develop trust and confidence that then brings in higher level people to the point where you establish the kind of relationship where you can have different types of dialogue." Military collaboration with the PLA is endorsed by U.S. Pacific Command chief, Admiral Joseph Prueher.

Talking with reporters, Bacon also confirmed the conclusions of a Congress-sponsored panel on ballistic missile threat to the U.S. chaired by former Defense Secretary Donald Rumsfeld, that China is a major exporter of ballistic missile to Iran and other states. "It's true, and it's unfortunate," Bacon said.

The Rumsfeld panel's final report identified China as a threat to U.S. national security, "as a significant proliferator of ballistic missiles, weapons of mass destruction and enabling technologies."

U.S. Catholic Conference, Department of Social Development and World Peace,
Washington, DC, July 20, 1998.

Dear Representative, As the Congress again takes up the matter of accepting or rejecting the President's waiver regarding the extension of favored trade relations to the People's Republic of China, I write to express the views of the United States Catholic Conference in this regard.

Each time over the past several years when the issue has arisen, it has been our conviction that the Administration—both present and previous—has been insufficiently committed to pressing the Chinese authorities on their systemic violations of certain fundamental human rights. We have cited the persecution of religious groups, such as the unregistered Protestant and Catholic churches, the Buddhists of Tibet and others. We have raised the questions of the one-child policy and of coerced abortion, and have noted the widespread practice of using conscript labor for many of China's manufactured products, among other well-documented charges.

We acknowledge that President Clinton made a significant effort to raise these issues during his recent state visit to China, and we applaud that. But little, if anything, has changed on the human rights front since the visit. Indeed, the continued arrest and detention of democracy advocates there only point up the necessity for unrelenting official U.S. firmness on issues of human rights and religious freedom.

The Most Favored Nation debate may not be the best forum, but it does offer the Congress an important opportunity to raise the priority of human rights and religious liberty. Therefore, we urge the Congress to send the Administration as clear a message as possible by voting in large numbers to overturn the President's waiver of applying the relevant sanctions of the Trade Act of 1974. A strong vote to deny MFN status to China should strengthen the Administration's commitment to putting human rights at the top of the China agenda and send a strong signal that the status quo is not acceptable.

Sincerely yours,

Most Reverend
Theodore E. McCarrick,
Archbishop of Newark, Chairman, Committee on International Policy.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. Jefferson).

Mr. JEFFERSON. Madam Speaker, I thank the gentleman for yielding me this time. I rise today to discuss the issue of normal trade relations status for China.

We know that MFN tariff treatment is not a privileged trading status, but the normal tariff treatment we extend to most nations, including many with whom we have substantial disagreements. MFN has been supported by every administration that has confronted the issue since 1980. China should be afforded MFN status again this year.

I think we all agree that China has not done enough on human rights, enough on intellectual property rights, and enough on proliferation issues. Encouraging improvement in China's records in these areas is an important goal for U.S. policy, and I commend and support many of my colleagues for continuing to press the administration to address these issues with China, as do I.

However, I would like to focus on one part of the critics' argument that we should not grant MFN for China because we have a large trade deficit with it. While it is true China is the second largest trading deficit partner of the United States, this should not preclude our continuing trade with this Nation, nor should it cloud the fact that the U.S. economy benefits substantially from trade with China despite the deficit.

Japan is our number one deficit trading partner and there is no call today to terminate our trading relationship with Japan. In fact, the calls are to strengthen Japan's economy so that it will not fail, because Japan's importance to our economy dictates that if it fails, it has important consequences for the U.S. economy despite the Japanese deficit with us.

I know that there has been heavy debate on whether a higher trade deficit is evidence of a trade policy failure. Actually, the trade deficit is evidence that our strong economy enhances consumer purchasing power, which draws imports, giving U.S. consumers a wide selection of goods to choose from at the most competitive prices.

Indeed, withdrawal of China's MFN status would result in U.S. consumers paying approximately $390 million more a year for goods such as shoes, clothing, toys and small appliances. For manufacturers the cost of goods made with Chinese components would increase, reducing the competitiveness of their finished goods in domestic and international markets.

Recently Secretary Rubin and others in the administration have echoed this argument that the rise in our trade deficit reflects the strength, not the weakness of the U.S. economy. We must evaluate the trade deficit in this larger context. Look at the facts: We have not seen the trade deficit undermine our strong economic performance. The U.S. economy remains on a track of sustained growth, low inflation and low unemployment.

Revoking China's normal trading status will only serve to hurt U.S. exporters and manufacturers, not close the trade deficit. We have an important decision before us, Madam Speaker. Will we engage China so that other nations will not gain a competitive edge in developing Chinese markets over us? Or will this Congress choose to encourage China to improve its records on human rights, on weapons proliferation, and other issues?

I would urge my colleagues to choose both courses, and that extending NTR to China is a step in the process of doing just that.

Ms. PELOSI. Madam Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. DEFAZIO), who has been an active participant in the fight for human rights and workers' rights throughout the world.

Mr. DEFAZIO. Madam Speaker, I thank the gentlewoman for yielding me this time.

We can change the name of the debate to normal trade relations, but we cannot change the issues that are before the Members of this Congress. We can say it is only a debate about trade relations; we must discard our concerns about human rights; we must discard our concerns about Chinese involvement in the proliferation of high-technology to terrorist nations; we must discard other principal concerns of our Nation, this is only about trade. But even the United States Trade Representative and their spin doctors cannot make China's trade policy look good or normal by anybody's means.

Sixteen single-spaced pages replete with special tariffs, taxes, written and even, yes, unwritten rules and restrictions against U.S. goods. The goods they want in, the high-technology goods to foster their military or their future economic superiority, they get in, and they do profit a few U.S. corporations. But the goods they want to produce, the industries they want to nurture, the areas where they want to employ their people, those U.S. goods, no matter how much better, no matter how much cheaper, they cannot get in. If they cannot stop them with the tariffs or they cannot stop them with the taxes, or the written rules, they stop them with the unwritten rules, the corruption and the bribery. China is the most unfair trading nation on earth.

Now, the proponents say the choice is isolation or engagement. What about reciprocity? What about reciprocity, the American principle, the ideal of a level playing field? No, the proponents of normal trade relations, well, they prefer the doormat policy. We have a doormat trade policy.

Anything and everything produced anywhere in the world, no matter how unfairly, no matter by prison labor, child labor, whatever else, it is welcome here. And if we do that, someday, someday those nations might reciprocate and allow our goods into their countries.

It is not working too well, folks, and we have to start somewhere. China is the most egregious example. Let us start there. This is the last 3 years of unfair trade policies against U.S. goods. Look, the book is getting thicker every year. It is time to act.

Mr. CRANE. Madam Speaker, I yield myself such time as I may consume to share another quote with my colleagues.

> It is in the vital interest of the United States that China continue to open and reform its economy and improve the quality of life of its citizens. We can advance that vital interest by continuing to extend normal trading relations to China.

That was on June of this year by former Presidents Ford, Carter, Bush and 17 former U.S. Secretaries of State, Defense and National Security Advisers.

Madam Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH of Pennsylvania. Madam Speaker, I thank the gentleman for yielding me this time.

Today, Madam Speaker, we take up legislation that is freighted with more emotion and ideology than almost any other that this Congress may consider this year. Yet the outcome of this debate will shape our relations with one of the great nations of the world and our opportunities in the world's greatest emerging market. It will play a major role in shaping the economic and strategic geography of the next century, a century which, I believe, will be dominated by American ideals, American innovation and American culture, but only through engagement.

Our relationship with China is, obviously, in a difficult phase. We have disagreements of the most fundamental sort over trade, human rights and arms proliferation, and the Chinese Government has been justly criticized for their abominable record in each of these areas. But the proponents of this resolution offer as a blanket solution to these disputes the disruption of normal trade relations with China; in effect, cutting off our growing trade opportunities in the vast emerging market of mainland China, while treating the People's Republic as a pariah on a par with a few rogue nations.

Not one of the proponents of isolating China has answered the fundamental question: How will ending normal trade relations address the problems facing Sino-American relations? It will not address the problem of marketing access. Clearly, that is a problem. But the solution to opening up Chinese markets is to negotiate their entry into the World Trade Organization on a liberal basis; it is not ending normal trade relations.

Clearly, there is a problem with intellectual property rights. It is intolerable that in the past the Chinese have tolerated piracy within their borders of American products and American technology. But the solution is selective pressure, which has worked recently; it is not ending normal trade relations.

Clearly, there is a problem with human rights, and I do not want to minimize this, including political rights and religious freedom. The solution is to promote reform from within China, promoted by contact; not by ending contact.

And here I want to quote Wang Dan, the eloquent veteran of Tiananmen Square and of the gulag, who wrote recently in Newsweek that, "Economic change does influence political change. China's economic development will be good for the West as well as for the Chinese people. China needs Most Favored Nation trade status with the United States, and it should fully enter the world trading system. The terms of that entry must be negotiated, of course, but in any case the rest of the world must not break its contact with China."

Madam Speaker, in my view, American ideals are infectious. Through engagement we can introduce them decisively to the largest and most important developing nation. I urge my colleagues to look at this issue dispassionately and to vote to continue the engagement that is the sole catalyst for Chinese reform, that will strengthen human rights and build a durable market economy that American products can enter and compete in.

Oppose this ill-conceived resolution and ill-conceived policy, not for their sake but for our sake.

Mr. CHRISTENSEN. Mr. Speaker, may I inquire as to the time remaining on all sides?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Illinois (Mr. CRANE) has 27½ minutes remaining; the gentleman from Nebraska (Mr. CHRISTENSEN) has 22¼ minutes remaining; the gentleman from California (Mr. MATSUI) has 36 minutes remaining; and the gentlewoman from California (Ms. PELOSI) has 31 minutes remaining.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. KENNELLY), the distinguished member of the Committee on Ways and Means.

Mrs. KENNELLY of Connecticut. Mr. Speaker, I thank the gentleman for yielding me this time.

There is no doubt we should have normal trade relations with China. It is very important to the future of the United States of America, and we come here today to vote on this issue again. The stakes are high. So often this is the case in important legislation. And the rhetoric is heated. And this also happens when people feel very strongly on a subject. But, for once, claims that this issue is critical to our future are fully justified.

Understanding that this is a difficult vote for many Members of this body; it, in fact, is one of the most difficult votes that we cast on China. On the one hand there is the China of opportunity: vast, populous, an almost infinite market, with its growing production, and bustling economy. And on the other hand there is the China of reality, where democracy is not a reality, a place where 2,000 languish in labor camps, a place that welcomes an American President but arrests others who might be dissidents if they disagree.

For me, the question is not whether to accept China as it is, it is how to best move China toward what we want in America, and I think the majority of the Chinese people would wish for, a place of additional hope and opportunity.

For me, the best path is that of engagement, not retreat. Normal trade relations cannot make China a worse place for democracy than it already is. Normal trade relations cannot decrease the freedoms available to the Chinese people at this very moment. And normal trade relations cannot limit our opportunities to shape the future of China.

We really have an opportunity today to do what we called the new legislation "normal trade relations" with China. I urge my colleagues to vote for normal trade relations and get on with the business of the United States of America and China.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume to say that it is wonderful to have this debate because we have big problems with China, and they are the result of this policy, of which MFN for China has been the centerpiece.

All this quoting from letters of former Presidents and Secretaries of State, et cetera, they are the people that got us in the spot we are in right now. It is no wonder they support their own position. But we are here today to change that.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BROWN), one of the agents of change.

□ 1300

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentlewoman from California (Ms. PELOSI) for yielding.

Every day we see more and more Chinese products on American shelves, products made by child labor, products made in terrible working conditions, products made by prison labor, products made by grossly underpaid workers.

Chinese workers and slave labor conditions make dolls like this for America's children; 14-year-old children in China make softballs like this for 14-year-old children in America to play with on playgrounds. Every year we buy $75 billion of goods from China, a nation of slave labor and child labor and a nation which sells nuclear weapons to our enemies and shoots missiles at Taiwan, a regime that terrorizes political dissidents and brutalizes Tibet.

Is that what we stand for as a nation? Are these values our values? Are these the values that we want to teach our children? Is this the legacy we want to leave our children?

I ask Members of the House to vote no on MFN, to vote yes on H.R. 121.

Ms. PELOSI. Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

I would like to share one other quote with our colleagues here:

> I am optimistic about China, and the reason is because I believe China will meet the challenges it faces. I think it will add many new chapters to its modern success story. And in this, let me say, I hope the United States plays a positive role.

This was former President George Bush in June of this year.

Mr. Speaker, I yield 3 minutes to our distinguished colleague, the gentlewoman from Washington (Ms. DUNN).

Ms. DUNN. Mr. Speaker, I rise today in opposition to this resolution and in support of normal trade relations with China.

The open exchange of goods and services has been a critical component of fostering understanding between nations for centuries and has helped bring about regional economic and diplomatic stability.

As Reverend Pat Robertson stated so eloquently in a piece in the Wall Street Journal last month,"Leaving a billion people in spiritual darkness punishes not the Chinese but the Chinese people. The only way to pursue morality is to engage China fully and openly as a friend."

And the best policy, Mr. Speaker, continues to be engagement. The same can be said about Congress' obligation to protect our national security. Will cutting off trade with China help us maintain adequate intelligence and diplomatic ties with a growing superpower? The answer, of course, is no.

While presidential summits occur only once in a great while, the day-to-day act of engaging in commerce continues unabated. It is the majesty of free trade that brings together businessmen and women in a ritual that has solidified relationships and fostered goodwill among the people of nations, not just their governments.

Make no mistake about it, denying normal trade relation status to China will drive U.S. tariffs into the 50-percent range and destroy our trading relationship. It is the equivalent of a declaration of economic war. Is this the signal we want to send to the Chinese people?

United States Government indicators already suggest that the Asian economic crises is beginning to affect the domestic production of goods in the United States. As a result, this debate takes on added significance.

China's resolve in holding firm in their commitment not to devalue their currency has helped to keep that region from slipping even further into an economic abyss. Any sudden and drastic shift in trade policy will only cause further harm to our economy and cause greater instability in a region already struggling with economic and nuclear proliferation problems. Free trade brings both economic and diplomatic benefits. Now, more than ever, we must continue our normal trade relations with China.

I urge my colleagues to reject the Solomon resolution. By doing so, we will allow American businessmen and women, religious leaders, and human rights advocates the ability to share their products, their philosophies, and their ideas with this rapidly-changing country.

Mr. Speaker, I include for the RECORD documents endorsing this vote against this resolution by the United States Chamber of Commerce.

THE VOICE OF BUSINESS—PRESERVE NORMAL TRADING STATUS WITH CHINA

(By Thomas J. Donohue)

WASHINGTON.—The President's recent trip to China highlighted an important annual debate in Washington: Should Congress renew China's Most Favored Nation trading status with the United States?

Some believe that Congress ought to restrict trade with China pending further human rights reforms and democratic changes in that country. But others recognize that cutting off trade will backfire—it could actually work to the detriment of those well-meaning goals, while hurting American businesses, workers, and consumers.

To begin with. Most Favored Nation (or "MFN") trading status is not special in any way—it's a term for the normal trading relationships that the United States has with the rest of the world. Just six nations are without MFN status—North Korea, Cuba, Serbia/Montenegro, Laos, Vietnam, and Afghanistan—and they face either extremely high tariffs or embargoes on their goods. By granting MFN status, we are not doing any country a favor—we are simply treating that country as a normal trading partner.

And not doing so with China would be an enormous economic and strategic mistake.

China is a vitally important trading partner of ours. In 1977, two-way trade was $400 million. By 1997, this figure had exploded to more than $75 billion—and it's still growing.

US-China trade supports over 200,000 export-related American jobs, as well as tens of thousands of jobs in US retail, financial services, consumer goods and transportation companies—not to mention American companies that rely on imported Chinese components to make their finished goods. Restricting trade with China would hurt a range of American companies—from large, globally competitive corporations, to tens of thousands of small enterprises.

Ironically, destroying the opportunities of thousands of American entrepreneurs is being touted as a moral and just policy. Indeed, some believe that refusing to grant MFN status is the best way to express distaste with China's domestic policies. This is wrong, too. Trade allows us the best opportunity to set the example and create the necessary relationships to effect change in China. Foreign companies there set the tone for democracy by reducing area poverty, helping to increase the standard of living, and teaching the values and behaviors necessary for open trade and democracy.

Trade helps to strengthen China's growing civil sector, creating independent pockets of wealth that allow people to reduce their dependence on the state. And by engaging China on the economic front, it has gradually become more open and tolerant. In fact, missionaries working in China have asked Congress to continue to grant China MFN trading status—they believe that it is having a positive effect. Commercial engagement naturally won't solve all the problems of the world—but it sure goes a long way.

Finally, refusing MFN status in order to forward one political goal—expressing disapproval of China's human rights record—would make achieving other political goals much harder. As a nuclear power with the largest population in the world, China is crucial to the stability of the Asian region. China is also taking steps to become a part of the world economic community. And China's cautious and helpful reaction to the Asian financial crisis has helped contain the problem.

As the door to China has opened wider, ideas of freedom are flooding in. It is in the U.S.'s enlightened self-interest to trade and work with China—creating an economic and national security ally in an area of the world that demands it.

ENGAGEMENT WITH CHINA HAS LED TO CONCRETE BENEFITS

TRADE

In 1977, two-way U.S.-China trade was $400 million. By 1997, two-way trade had grown to $75.3 billion.

U.S. exports to China grew to $12.8 billion in 1997.

U.S.-China trade supports over 200,000 export-related American jobs, as well as tens of thousands of jobs in U.S. retail, financial services, consumer goods, and transportation companies.

China is the 6th largest export market in the world for U.S. farmers. In 1997, the United States exported $1.6 billion in agricultural products to China. The American Farm Bureau called China "the most important growth market for U.S. agriculture into the 21st century."

The World Bank estimates that China's infrastructure needs over the next decade are in the neighborhood of $750 billion. U.S. companies in the power generation, telecommunications, petroleum and other industries are well poised to meet these needs.

SECURITY

China helped broker a United Nations (U.N.) peace accord in Cambodia.

During the Persian Gulf War, China acceded to U.S. military action against Iraq by not exercising its U.N. Security Council veto.

In 1994, Chinese pressure helped defuse a crisis over North Korea's efforts to obtain nuclear weapons, and more recently China has played an important role in the Four-Party Talks between the United States, China, and North and South Korea.

China and the United States have made concrete progress on nuclear cooperation and nonproliferation goals. China joined the Nuclear Non-Proliferation Treaty in 1992; signed the Chemical Weapons Convention in 1993; and signed the Comprehensive Nuclear Test Ban Treaty in 1996.

HUMAN RIGHTS DEMOCRACY

The best way for the United States to see a prosperous, free China is for U.S. companies to stay commercially engaged. Commercial engagement is not a panacea that will solve all the problems of the world, but the human impact is clearly positive.

A June 8, 1998 Asian Wall Street Journal commentary noted that foreign companies in China set the tone for democracy by (1) reducing poverty; (2) teaching the values and behaviors of democracy (open communication, receptivity to change, teamwork, information sharing, and initiative); (3) supporting the rights of the individual, and (4) hiring on the basis of merit.

Trade is helping to strengthen China's growing civil sector, creating independent pockets of wealth that allow people to reduce their dependence on the state. Economic freedom is an essential dimension of other freedoms.

The lives and freedoms of ordinary Chinese have improved dramatically in the last twenty years. Access to outside sources of information, such as foreign television programs, books, and magazines, has expanded dramatically.

On June 14, The Washington Post reported that genuine elections have become commonplace in roughly half of China's 928,000 villages.

While China must further improve its human rights climate, sustained senior-level U.S.-China dialogue will mean continued attention to U.S. concerns in this area.

INTERNATIONAL FINANCIAL COOPERATION

China has received a great deal of international praise for the responsible role it has played to date in the Asian Financial Crisis. China has not devalued its currency in spite of the very damaging effect the crisis has had on its exports. Senior U.S. and Chinese officials have had ongoing consultations about how to address the crisis.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee (Mr. CLEMENT).

Mr. CLEMENT. Mr. Speaker, this is a very important issue for all of us, something we need to consider seriously. Are we or are we not going to trade with China? Are we or are we not going to have normal trade relations with China? Are we going to say that 1.2 billion people we ought to totally ignore and isolate?

Do we want to go back to the Cold War? Do we want the Germans and the French and the Russians and every other country on the face of the Earth to do business in China but yet the United States of America is not going to do business anymore? That is the question we are asking ourselves today.

I have come to the conclusion that we should have normal trade relations with China. I think it is in the United States' best interest to trade with China. I firmly believe that the best way we can continue to influence and impact change in China is through engagement, not estrangement.

Certainly, the Chinese government must take serious legitimate steps to reverse its record of human rights violations and it must incorporate democratic reforms to promote liberty, freedom, and justice for the Chinese people. We want that to happen.

As a matter of fact, when President Clinton visited China recently, and I thought it was a tremendous success, even though we had many critics even here in the House of Representatives that said, Oh, Mr. President, do not go to China. You should not go to China. You should not go to China at all for any purpose, even though it might improve relations and solve a lot of problems that exist today. Well, I say to all of them, those of them that believe strongly in freedom and rights and human rights, this is the opportunity we have in the United States of America to make sure that we continue to move forward.

China has a population of 1.2 billion people. Shanghai alone, one city in China, has 17 percent of all the building cranes in the world just in that one city. The Minister of Education in China said not long ago that "we are teaching more Chinese English than you have in population." I say that not to raise fears or concerns. I am saying that they are on the move.

And there is no doubt we will see sometime in the 21st century that China will be a superpower. Yes, it is just a developing nation today. It will be a superpower. I want a friend, not a foe. I ask my colleagues to vote no on H.J. Res. 121 and support normal trade relations with China.

Ms. PELOSI. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from New Jersey (Mr. PASCRELL). While only a freshman, it is impossible to believe he is only a freshman, with all the work that he has done on this issue so successfully.

Mr. PASCRELL. Mr. Speaker, I hold up an ad that was in The Hill today, which cost $3,885 for the record. It is a part of the democracy we live in. I will not name the firm, but the firm writes this: "This firm is committed to helping China develop sustainable economic growth."

And I find that to be very, very laudable. But what about us in this country? That is what this is all about. And to answer the last speaker who spoke eloquently here, we are all for freedom. The question is, what does that freedom mean?

We have seen what has happened to the textile industry in this Nation over the last 30 years. If that was not bad enough, China is currently the third largest source of U.S. textile and apparel imports. Chinese textile and apparel exports to the United States are limited by U.S. quotas established under a bilateral agreement with China. The most current agreement was reached in February of 1997.

The U.S. Customs Service, that is us, has found evidence that China has attempted to circumvent the U.S. textile quotas by transshipping Chinese products through other countries to the United States using false country-of-origin labels. This is a very common problem. I ask the opposition to this resolution to respond to this illegal trafficking of goods into this country.

We talk about the sliding Asian economy. As it gets worse, there will be a propensity to produce more cheap goods to flood our markets. That is what this is all about. We cannot have normal relationships with the Chinese government. Our fight is not with the Chinese people. God, they have been treated horribly. Our argument is with the Chinese government.

Instead of thinking about what kind of message will we send them if we put sanctions, if we do this or that, my question is, when are they going to start sending us messages that are not confusing messages, that speak to this very one-sided ad in The Hill newspaper this morning? When are they going to begin following the law of the land and of the world? When are they going to be treating their workers as human beings? When are they going to stop trading nuclear weaponry equipment to countries that are our enemies? That is a very serious question.

We believe in freedom in America, and we cannot wish it through a trade agreement that is not reciprocal.

The SPEAKER pro tempore. Without objection, the gentleman from California (Mr. DREIER) will control the time allocated to the gentleman from Illinois (Mr. CRANE).

There was no objection.

Mr. DREIER. Mr. Speaker, I am very happy to yield 2 minutes to the gentleman from Morristown, New Jersey (Mr. FRELINGHUYSEN), a very hardworking member of the Committee on Appropriations, one of the leaders in the cause of our strategy of engagement.

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of normalizing trade relations with China and against the resolution.

As a Member of Congress who supports increasing our trading exports and increasing American jobs, the only way we can accomplish this is by continuing normal trading relations with China.

While there has been much heated rhetoric over this annual decision, the fact is that a vote against extending trade relations with China will indeed cast a serious doubt in the United States and abroad on Congress' capacity to deal constructively with many of the serious issues facing our relationship with China and, for that matter, other nations.

The U.S. must send a signal that we will continue to be engaged with China. Engagement has worked and continues to work. Without engagement, we cannot expect any constructive movement towards our mutual goal of protecting human rights or dealing with the Asian financial crisis.

Our policy of engagement allows us to press human rights directly with Chinese leaders. Normal trade and economic engagement has continued the process of opening China, exposing Chinese citizens to our politics, our ideas of freedom, and all the things that we hold dear in our country.

In addition, China has played an important role in responding to the Asian financial crisis, in part by maintaining its exchange rate. Would these things have happened if we would not have pursued continuing engagement with China? Probably not.

An estimated 400,000 jobs depend on exports to China and Hong Kong. In my home State of New Jersey, approximately 5,000 to 8,000 jobs depend upon our continuing trading with China. Our national exports to China have more than tripled.

I rise against the resolution and for normal trading relations.

China is now our fifth largest trading partner. In New Jersey exports to China amount to $350 million and range from manufacturing products such as electric and electronic equipment to various food and paper products. Revocation of trading status with China would invite retaliation against U.S. exporters and investors, giving a huge edge to other nations, thus hurting U.S. consumers, who pay upwards of half a billion dollars more per year on products because of higher tariffs.

Mr. Speaker, I support trade relations with China and improving human rights in China and urge my colleagues to vote against this resolution.

While there has been much heated rhetoric over this annual decision, the fact is that a vote against extending trade relations with China will cast a serious doubt in the U.S. and abroad on Congress' capacity to deal constructively with many of the serious issues facing our relationship with China and the nations! The U.S. must send a signal that we will continue to be engaged with China. Engagement has worked and continues to work. Without engagement we cannot expect any constructive movement towards our goal of protecting human rights or in dealing with the Asian financial crisis. Our policy of engagement allows us to press human rights directly with China's leaders. Normal trade and economic engagement has continued the process of opening China, exposing Chinese citizens to our politics, ideas and personal freedoms.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I thank the gentleman from California (Mr. MATSUI) for yielding me time.

Mr. Speaker, I rise today to support trade with China. It is absolutely essential for America's farmers. We can face the challenges with trade that China represents, or we can turn our back and face the consequences: lost markets for American farmers and the possibility of food shortages in China.

China cannot produce enough food. They have 25 percent of the world's population, 7 percent of the world's arable land.

□ 1315

In 1997, U.S. ag sales to China totaled $4 billion. Huge trade surplus in agriculture, almost 250 percent in our favor. One of our largest wheat importers.

China is increasing its food imports. Normal trade relations with China is absolutely critical to continued market access. As the China economy improves, more value-added goods will be bought by China.

China will have to play fair to enter the World Trade Organization. China must show improved access for U.S. ag products to enter the World Trade Organization. Revoking normal trade relations will derail this progress.

Engagement results in improvements. We want a peaceful, prosperous China. A billion hungry Chinese does not lead to a stable democracy. The U.S. is well positioned to help feed their people while maintaining positive relations. Turning our back on China today would be a huge mistake. We must recognize we are in a global economy.

Human rights is a great concern. But just recently in my home State of Arkansas we found that the governor had ignored torture and abuse of children in our State in juvenile detention centers. That is a terrible thing. None of us approve of that. But we did not stop trading with the State of Arkansas because that happened. We must continue an effort to have constructive engagement. I urge a "no" vote on H.J. Res. 121.

Ms. PELOSI. Mr. Speaker, I yield myself such time as I may consume. Before I yield, I want to comment on the gentleman's statement about agriculture. I think it is absolutely true that our agricultural products should have access to China. Unfortunately, they do not. Just over 2 percent of U.S. agricultural exports are allowed into China. A witness before the committee on Ways and Means in favor of MFN for China, nonetheless his testimony, Mr. Micek's testimony said:

> Our ability to participate in some of China's agricultural markets remains restricted. The Chinese central government controls grain production, pricing and distribution. The government also controls how much fertilizer and agricultural chemicals are imported, what prices will be paid for grain and cotton, and how much of these commodities can be exported. The government maintains monopolies on grain and fiber purchases, as well as on the main distribution channels for agricultural inputs. We have had difficulty collecting on contract obligations, even from branches of the government.

I do not understand why the agricultural community in this country is not demanding more in terms of access to Chinese markets instead of following down this path of just keep waiting another 10 years and maybe we will be able to increase our exports to China above 2 percent.

Mr. Speaker, I also want to quote Senator KENT CONRAD from the Senate Finance Committee hearing on July 9, 1998 when he said China has reduced imports of American wheat from 3 million tons a year to 400,000 tons in the past 4 years while wheat farmers in North Dakota were facing disaster.

In agriculture as in other trade sectors, and these are my words, the administration's policy is not working. Let us change that. Let us change the status quo.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Vermont (Mr. SANDERS), a champion of human rights in this Congress.

Mr. SANDERS. Mr. Speaker, I rise in strong opposition to most-favored-nation trade status with China, or whatever it may be called today.

Yes, I know that all of corporate America wants us to pass MFN. I know that companies who contribute tens of millions of dollars to both political parties want us to pass MFN. I know that the corporate media wants us to pass MFN. But nonetheless, we should do the right thing, protect American workers, protect decent-paying jobs, and we should oppose MFN.

Mr. Speaker, our current trade policy is a disaster. This year we will have a record-breaking trade deficit of some $200 billion. That means that we are importing $200 billion more in goods and services than we are exporting, with the loss of some 4 million jobs, many of them decent-paying jobs. Our trade deficit with China this year is exploding, and this year will reach some $60 billion.

Mr. Speaker, American workers should not be asked to compete with the desperate people of China who are forced to work at wages of 15 cents an hour, 20 cents an hour, 30 cents an hour, and who are unable to form free trade unions, elect their own government or speak out for their rights. That is not fair competition or a level playing field. We should not continue through MFN to encourage our corporations to throw American workers out on the street while they invest tens of billions of dollars in China in search of cheap labor. Let us not forget, Mr. Speaker, that over the last 20 years, while trade with China has increased and our deficits with them have soared that the standard of living of American workers has gone down and people are working longer hours for lower wages.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my very good friend and classmate from Findlay, OH (Mr. OXLEY) the chairman of the Subcommittee on Finance and Hazardous Materials of the Committee on Commerce.

Mr. OXLEY. Mr. Speaker, I rise in opposition to the resolution of disapproval.

Mr. Speaker, before I get into the thrust of my comments, I think most of all we need to be reminded that this debate is really all about extending normal trading relations with China, something that we do with 223 other countries and we finally got around to changing that nomer and I am glad that we did.

We have got to consider how far our relationship has gone with China in the last 20 years. In 1978, China was trying to recover from the results of the cultural revolution. The little economic activity that did take place was completely controlled by the government in a traditional, centrally-planned system. The Chinese people were lucky to have rice on the table. There was no religious or political freedoms whatsoever.

Mr. Speaker, 20 years of economic freedom have created a thriving middle class of 350 million people. Freedom of religious expression, while certainly limited, has returned and churches of all faiths are active across the country. Finally, local elections are now free and competitive. People are beginning to have a say in politics.

Mr. Speaker, a few years ago, I had the opportunity to visit China with several other members. We were pleased to participate in a luncheon that was hosted by AT&T, one of our major telecommunications companies that are opening markets within China. I was seated beside a young lady who was working at that time for AT&T. We discussed her past and her future and she told me that she had been a student at Brown University, one of 20,000 college students from China who study in the United States every year, most of whom return to China to build a new China. That is what she said she was all about, that she wanted to return to her home country, build a new China, and she said, I realized my utmost dream, and that was I had a chance to be educated in the United States and work for an American company in my home country.

China is changing. We have to recognize that fact. I ask that the resolution be defeated.

Mr. CHRISTENSEN. Mr. Speaker, I yield 5½ minutes to the gentleman from Pensacola, FL (Mr. SCARBOROUGH).

Mr. SCARBOROUGH. Mr. Speaker, I thank the gentleman for yielding me this time and I rise in support of this resolution. I love these debates just because of the things that we hear. I heard earlier the human rights conditions in Arkansas being compared to the human rights conditions in China. Just 5 minutes ago we heard it. How desperate can you be to pass this thing?

In Arkansas you were not drug off away from your family for holding a religious service in your home for 2 years. That happens in China. There are not 1.2 million people from Arkansas who have had to flee their country or their State simply because they believe in Buddhism as has happened in Tibet. In Arkansas you are not taken out and killed if you disagree with the government. That still happens in China. In Arkansas, 60 million people have not been killed over the past 50 years. That has happened in China. Ten times the number of people killed in the Holocaust by Adolf Hitler during World War II, 10 times that amount of people have been killed in China since 1949. Yet the human rights condition in the State of Arkansas is compared to the human rights condition in China. How desperate.

I also hear, "I want a friend, not a foe." I think that is a sweet sentiment. I also want a friend, not a foe. But does a friend just 2 years ago threaten nuclear annihilation of Los Angeles, California? Now, maybe you do not like Hollywood or the Dodgers, but this is a dangerous thing. You do not threaten nuclear annihilation of Los Angeles.

Also, we are constantly being given false choices. We have to be told, you are either a friend or a foe of China. We will either engage in China or be knuckle-dragging isolationists. That is a false choice. We all recognize that the 21st century will be the American and Asian century. We all recognize that 7 out of 10 countries in the Pacific rim will be the largest economic powerhouses in the world in the next 50 to 60 years. We all recognize we will once again face a bipolar world that we will be sharing with China. The question is, when we are negotiating in this bipolar world, will China receive the message that we are going to be negotiating every time by Chinese values, or by normal, human issues and values?

I think it is essential that at the beginning of this new century, we have to lay down markers and say this is what we believe in, this is what we stand for, these are principles that we will not negotiate. I thought that is what we did in 1995 when we said we will extend MFN, the good old days, when it was called MFN, we will extend it under three conditions: Number one, do not abuse human rights; number two, do not export nuclear weapons; number three, stop stealing our intellectual properties.

The past 3 years have only shown things have gotten worse. In human rights, ask Wei. He was at a press conference yesterday saying things are no better today than they were 3 years ago. Tibetans are still being crushed. Christians are still being crushed. Human rights are not respected in China today any more than they were in 1995.

As far as their nuclear export business, let us look and see what has happened in India and in Pakistan. Let us see what has happened in Iran. Let us see what has happened in Iraq. They continue to export weapons technology that place my children and your children and everybody else's children under a graver threat of nuclear annihilation today than we were in in 1995. Yet we just blow it off. We lay down these markers, the Chinese scoff at us, and we pass it in 1996 and 1997.

The Chinese say they are going to cooperate with the President more, and they fire missiles, they conduct weapons tests while the President is in Beijing. The Chinese have a word for it. The word is kowtow, and it is what many people in this Congress, many people in this administration, and many of these people on Wall Street have been doing for years. The question is why? The question is why are we doing this? Why are we negotiating away what we stand for? Why have we turned our back on Jeffersonian democracy? Two reasons. They are the next great export market. Well, God bless the next great export market. And also it is cheap labor. Let us face it, this is the dirty truth. Cheap American products are fueled by what we would consider slave labor in China.

I believe, like the gentleman from Nebraska, like the gentlewoman from California and like many others in this fight that no matter how cheap goods are that we import from China, cheap goods, paid with the blood of fellow human beings, are too expensive. I say support this resolution, and for once send a message to China that we will not continue to kowtow to them, and once they understand that, then we can begin the next century which we will share with Asia and together we will work together to fight for the things that should matter to both of us.

□ 1330

Mr. MATSUI. Mr. Speaker, I yield 4½ minutes to the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Speaker, I thank my good friend from California (Mr. MATSUI) for yielding to me. I want, first of all, to salute him and the gentleman from Indiana (Mr. HAMILTON) on our side for their hard work on this issue, as well as recognizing the gentleman from Arizona (Mr. KOLBE) and the gentleman from California (Mr. DREIER) on the Republican side for their bipartisan effort on this very, very critical issue. I also want to congratulate the President on his recent trip to China and the success of that recent trip.

As I get into my remarks, I want to be very clear about what this debate is about and what it is not about. It seems to be more and more that we have a number of myths about this debate.

The first myth is that this debate is about MFN, most-favored nation status, or it is about normal trade relations, or it is about isolationism. It is not about any of those terms. It is about constructive engagement with maybe the most important bilateral relationship that the United States will have over the next 50 or 100 years.

Will we constructively engage, cajole, criticize, beat up a power that we do not agree with on some fundamental issues? I believe in the President's policy of constructive engagement. This is a nation that is accelerating in power around the world. The Russian relationship is declining. The Chinese relationship is quickly accelerating.

China has 1.2 billion people, the fastest growing economy in the world, growing at 9 to 13 percent a year, and plays a critical role in this Asian crisis going on right now for our exports and for the strength of our economy. This is a vitally important relationship.

Many people get up and argue the second myth: This is in the Chinese people's interests for us to engage China. No, it is in the United States' interest to do this. It is in our interest to do this for trade.

I am not happy with the $63 billion trade deficit. I wish the President would have had some more success on this issue, quite frankly. But the income level of the average Chinese citizen is growing rapidly. Hopefully, in the not too distant future, this citizen in China is going to be more and more free, religiously free, politically free, and economically capable of buying more and more U.S. products.

It is in the American interests for us not to isolate China on defense than for us to spend more and more money on our defense budget. It is in our interests in international competition. It is in our interest on international cooperation, where China has been very, very helpful with issues of concern and sensitivity to North Korea.

Finally, the last myth is, that those who support constructive engagement are not in favor of human rights. I want to dismiss that myth very forcefully. Nobody is more sensitive to what happened in Tiananmen Square than, I think, President Clinton. He has taken on Jiang Zemin in Washington face to face, he has taken on Jiang Zemin in China face to face, and he has done it on TV.

Many of the supporters of constructive engagement recently voted for the Political Freedom in China Act, the enforcement ban on slave labor products, enforcing restrictions on Chinese missile exports, and so forth.

If we want to truly move China in the right direction, if we want to make them more sensitive to human rights, open up religious freedoms, make them eventually sign the missile technology control regime, let us, in a bipartisan way, vote for constructive engagement today.

Ms. PELOSI. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from Ohio (Ms. KAPTUR), who is a nationally recognized leader on human rights throughout the world.

Ms. KAPTUR. Mr. Speaker, I thank the gentlewoman for yielding and for her tremendous international as well as national leadership on this issue.

I urge my colleagues to vote "yes" on H.R. 121 and, therefore, vote "no" on extending most-favored-nation to China. Why do I say so? Mainly because the policy is not working. It is one way. Most-favored nation is not normal. It is abnormal. It is preferential.

How can you say, when China keeps 40 percent tariffs up against our goods, and we allow their goods to come in here at 2 percent, that kind of differential, how can that be normal? It is preferential. It is defective. It is not reciprocal. It is not normal.

Why should we reward, therefore, a growing trade deficit to our country that results from that system? Over $50 billion now, a 350 percent increase during the last decade, knocking off a quarter point off our GDP. People say, well, what does that really matter? It matters because it erodes productive power inside this society as we cash out our middle class jobs and working class jobs across the Pacific.

We have had to raise the minimum wage here. We have to save health benefits for our people. We have to try to somehow retain pension benefits at the level they existed in the past decades. And this begs the question of the other issues that should concern us on China—nuclear weapons proliferation, the kind of religious and human rights abuses China is famous for, the brutality toward Tibet.

If you look at agriculture, even in this so-called era where we are supposed to have a beachhead with China, we actually reached our little teeny weeny blip in exports in 1996 and have had a 23 percent decrease since that time.

They keep their tariffs up on our soybean oil. They do not let in our citrus.

They keep their state-run monopolies on fiber and wheat. What are we to do?

In this post-Berlin Wall era, what is it that the United States stands for? Are we using our moral, political, and economic power to build democracy in developing nations of the world? Or are we, as Nelson Mandela reminded us during President Clinton's visit there in Africa, part of a web of forces that exploits ordinary people on behalf of repressive regimes and transnational corporations who hold a disdain for democratic principles themselves?

I can tell which side of the question the passion in this debate is on. Vote "yes" on H.R. 121. Let us represent the voices of millions of people in this country and in China who feel they are held in bondage by those who fundamentally do not respect and will not tolerate the very idea of democracy for all.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have another quote I want to share with my colleagues: If each person in China were to eat one more slice of bread every day, they would need 400 million bushels more. That is about what Kansas' entire output was last year.

Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Kansas (Mr. RYUN).

Mr. RYUN. Mr. Speaker, I rise today to address a very contentious issue that deserves debate. This is a debate between religious freedom and human rights in China as well as about how to promote democracy and economic freedom throughout the world.

As a supporter of freedom as well as free trade, I wish trade relations with China were a much easier issue. However, the actions of the Chinese leadership in Beijing make this a very, very complicated issue.

As a member of the House Committee on National Security, I am very concerned about China's role as a proliferator of weapons of mass destruction and for fueling the nuclear arms race between India and Pakistan. As a Christian, I am concerned about the slowness of China's progress in the area of human rights and religious liberty.

However, after much prayerful thought, I continue to believe that the best way to affect China morally, economically, and politically is through interaction with the Chinese. We should demonstrate the American way of integrity, honesty, and openness.

During last year's debate I quoted this editorial from the Economist which stated: "If you hear your neighbor beating up his children, do you give a shrug and say it is none of your business?"

I answered absolutely no last year and I do so again this year. We should not shirk our duty to go next door and try to stop the abuse.

I urge my colleagues to support normal trade relations with China in hopes of continuing our influence of religious and economic freedom.

Mr. CHRISTENSEN. Mr. Speaker, I yield 2 minutes to my colleague and friend, the gentlewoman from Florida (Mrs. FOWLER).

Mrs. FOWLER. Mr. Speaker, I rise in support of this resolution and to oppose granting China normal trade relations status.

China continues to sell weapons of mass destruction and missile technologies to rogue states. Approval of normal trade relations status, formerly known as MFN, will not persuade China to act more responsibly.

Last year the Director of Central Intelligence reported that China was a most significant supplier of weapons of mass destruction-related goods and technology to foreign countries, end of quote. China has provided key technologies for Pakistan's nuclear and missile programs, and has driven India's programs. It continues to provide weapons of mass destruction and missile technologies to Iran. Last January, a Chinese state firm agreed to provide Iran with hundreds of tons of hydrofluoric acid, used for making nuclear weapons, and Sarin poison gas under falsified documents.

On top of this, China only this year increased its ICBM arsenal by one-third, weapons that can target the United States.

I urge my colleagues to tell China's leaders they must change course. Support this resolution.

Mr. MATSUI. Mr. Speaker, I yield 4½ minutes to the gentlewoman from Missouri (Ms. MCCARTHY).

Ms. McCARTHY of Missouri. Mr. Speaker, I thank the gentleman from California (Mr. MATSUI) for the time.

Mr. Speaker, I rise today to speak in favor of extending normal trade relations to China for the coming year and against House Joint Resolution 121.

Extending normal trade relations is in the best interest of the United States. It will strengthen our presence in Asia and allow us to remain engaged on such questions as human rights and protecting the global environment.

Further, it will help to integrate China with the rest of the world and expose China to American values of individuality, freedom and democracy. Our engagement with China has resulted in the release of Wei Jingsheng and Wang Dan and the signing of an international covenant on economic, social and cultural rights.

Extending normal trade relations to China does not endorse their disregard for human rights. Instead, it provides the United States with an opportunity to speak against China's human rights violations, as the President did on his recent visit.

Our relationship with China has made it possible for organizations such as China's Children to facilitate the adoption of 154 baby girls in my district alone. Next week's Children's Hope International, of which China's Children is a member, will be meeting right here in our Nation's Capital to discuss and determine how this new engagement will facilitate even further progress.

One quarter of the world's people live in China, Mr. Speaker, and it is one of the fastest growing economies in the world. It is estimated that China's energy demand will double within 10 years. It is already the world's largest producer of ozone-depleting substances and the second largest emitter of greenhouse gases. Building trade relations with China will open the door for the United States to work with China to protect the global environment we are all concerned about.

Trade relations will also provide opportunities for cultural exchange. The United States and China have agreed to implement cultural and educational programs to increase the interaction between the two societies, including high school student exchanges, scholar exchanges for the Fulbright program, and book donations of 550 American volumes to Chinese educational institutions. These exchanges are the key to promoting American ideas of individual freedom and democracy in China.

Finally, approximately 400,000 American jobs depend on export to China and Hong Kong, and export to these countries have more than tripled over the past decade. China is our fifth largest trading partner and it is crucial that we continue our relationship with China.

In 1997, my State of Missouri exported $296 million in goods to China, and from 1995 to 1996 our exports to China grew by 631 percent. China is in Kansas City's eighth largest export destination, with $61 million in merchandise and export in 1996 alone. My district exports plastic materials and resins, automotive parts, telecommunications equipment, building materials, food and dairy products, agricultural machinery and pollution control equipment to China.

Since 1988, 51 percent of all new manufacturing jobs in Missouri have been as a result of foreign investment in China, and these new positions have been higher paying than traditional manufacturing jobs. The average monthly wage for Missouri employees who work for a foreign subsidiary is 13 percent higher than all Missouri businesses.

For example, Blackwell Sanders Peper Martin, one of Missouri's leading law firms and the Nation's fastest growing firm, employs more than 320 attorneys and 500 staff members, and many of their clients transact business with China and anticipate growth in that area.

□ 1345

Mr. Speaker, a small manufacturing company in Kansas City, Dan Bunch

Enterprises, has shared with me that they expect a 40 percent increase in jobs for their company this year as a direct result of trade relations with China.

I urge my colleagues to support extending normal trade relations to China, and to continue to work toward engaging this country on international issues of importance. Please oppose House Joint Resolution 121. Help to bring freedom and democracy to the people of China.

The SPEAKER pro tempore. The Chair advises Members the following time remains in this debate: For the gentleman from Illinois (Mr. CRANE), 18½ minutes; for the gentleman from Nebraska (Mr. CHRISTENSEN), 15 minutes; for the gentleman from California (Mr. MATSUI), 19½ minutes; and for the gentlewoman from California (Ms. PELOSI), 19 minutes.

Ms. PELOSI. Mr. Speaker, I am pleased to yield three minutes to the gentleman from Pennsylvania (Mr. KLINK), a real powerhouse for American workers.

Mr. KLINK. Mr. Speaker, I thank the gentlewoman for yielding time and being so kind in her comments.

Mr. Speaker, I have to support this legislation, H.R. 121, and I must oppose normal trade relations for China. I wish I could come here and say that I wanted to promote normal trade relations with China, that I felt that that would solve all of our problems, but my conscience will not allow that to happen.

You see, we keep granting the Chinese favorable trading status in hopes that they are going to clean up their act, that they are going to fix all of these problems, and each year we are increasingly more and more disappointed.

Since the Tiananmen Square massacre back in 1989, the U.S. trade deficit with China has soared from $6 billion a year to $60 billion this year, tenfold. If we use the common multiplier of 20,000 jobs for every $1 billion in trade, that is 1.2 million U.S. jobs that we have lost this year. If that is normal trade relations, Mr. Speaker, I, for one, want nothing to do with normalcy.

China continues to use slave labor conditions to produce its goods and products, using children and military and exporting the goods to America, while our goods to China face tariffs that are 5 to 20 times that of the Chinese exports to the U.S. If that is normal, Mr. Speaker, then maybe we need abnormal trade relations with the Chinese.

Furthermore, in the area of human rights, the Chinese continue to be the most serious of violators. Indeed, China's treatment of the people who attempt to practice freedom of religion is directly responsible for many of us here voting earlier this year to support the Freedom from Religious Persecution Act. The Chinese have little tolerance for freedom of speech or assembly, and the Chinese have been implicated in aiding the nuclear weapons program of Pakistan and Iran. Mr. Speaker, if all this adds up to normal trade relations, then I want nothing to do with it.

One of the previous speakers talked about Kyoto. I was in Kyoto last year, and we spoke to the Chinese. Whether you agree with global warming or disagree, you have to admit that it does not do any of us any good to emit pollutions into the atmosphere.

The Chinese sat across from us and said they will not do anything in the next 20 years, or the next 50 years, or the next 100 years, or the next 150 years. It was no, no, no. That is the same approach they take to trade. The Great Wall of China is in fact the word "no." When they tell us repeatedly they are not going to do business with us in a fair way, why should we try to establish normal relations with them?

We want to try to improve our relations with the Chinese, but it has to be a two-way street. The government of China has to tell us that they are willing to treat us with respect, and we must send a message back to the 1 billion-plus Chinese people that we stand beside you. When we in the United States say that we believe in equal rights for everybody, it is everybody, whether they live in our country or they live in China. So we must approve H.J. Res. 121.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would remind colleagues on the floor and who are following this debate that if we are losing all these jobs, I do not know where we will find the labor force, since we have been at full employment for two years. But, in addition to that, on the religious persecution issue, to be sure there are restrictions that remain, but there are now an estimated 12 to 20 million Protestants in mainland China, 4 to 10 million Catholics, 100 million Buddhists, 18 million Muslims, and 2 to 3 million Taoists currently practicing their religion in China. There are more than 12,000 official Protestant churches and 25,000 homes or other unofficial meeting places where church services are held.

Mr. Speaker, I yield two minutes to my distinguished colleague, the gentleman from Illinois (Mr. PORTER).

Mr. PORTER. Mr. Speaker, I thank my colleague from Illinois for yielding me time.

Mr. Speaker, yesterday I had a meeting with Doug Johnson of the Center for Victims of Torture, who is working to find innovative ways to address human rights problems all around the world. He said to me, "When the only tool you have is a hammer, every problem looks like a nail," and I believe that this is a statement that applies directly to this situation. Our hammer is MFN, and all we have is a problem that looks like a nail.

We have to find other tools to deal with China. There is not anyone in this Chamber that does not know that the bottom line is that MFN is not going to be withdrawn. Even if the Senate were to agree with the House and even if the House were to pass it, the President would veto it, and it is not going to happen.

The gentleman from Virginia (Mr. WOLF) said earlier, yes, but it holds out hope to prisoners. If that is so, it is a good debate and we should have it. I have the highest respect for the gentleman from Virginia (Mr. WOLF) and his judgment and his leadership on these issues, but we have to look, Mr. Speaker, for the other tools.

Last year, we introduced legislation in the Congress that would add other tools to our addressing human rights abuses in China. Together with a number of colleagues, the gentleman from California (Mr. DREIER) and the gentleman from Arizona (Mr. SALMON) and others, we introduced legislation that would provide us with real tools to change China: Increased funding for Radio Free Asia, increased funding for the National Endowment for Democracy, discrete sanctions on human rights abusers, increased reporting on human rights by the State Department, increased contact between Chinese people and Americans, and more. This body passed that legislation. It is over in the Senate now.

Mr. Speaker, this is the way we have to address these problems and solve them.

Mr. MATSUI. Mr. Speaker, I yield 4 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I do identify very strongly with the comments we just heard from the gentleman from Illinois (Mr. PORTER).

Mr. Speaker, we are in the process of shaping our relationship with China for decades to come, but we are also in the process of defining what kind of international leadership in the post-Cold War era we are going to have, moving away from military might and trying to thoughtfully exercise our role in a changing economy.

Our annual ritual of threatening to revoke normal trade relations is understandably mystifying, not just to the Chinese, but to many others around the world.

But looking at the Chinese, this ancient culture can appropriately be baffled by the many voices of Congress and the administration that happens every year in this debate, when they and every Member on this floor is aware that there are problems in many other countries that enjoy normal trading relations, in Asia, in the Middle East, in Africa, that have problems with human rights, environmental issues, religious persecution, and enjoy routinely normal trading relations. Normal trade relations is in fact a blunt instrument which does not advance our agenda of integrating the Chinese into the community of nations with whom we share economic, environmental and human values.

We also need to pause for a moment on this floor to reflect upon the important and complex relationship that this country has in fact enjoyed with China over the course of this century. The Chinese were a key ally in dealing with the former Soviet Union, and it was as a result of that relationship that we hastened the end of the Cold War. They continue to be a moderating influence in the area where the American troops are most likely to be engaged in armed conflict, the Korean Peninsula.

We also need to realize the environmental value to the United States of remaining engaged with the Chinese. Strengthening our relationship will help influence their decisions on controlling pollution and development.

I do not think anybody should accept Chinese behavior assisting rogue nations or denying that we should do all in our power to encourage greater freedom for the Chinese people. There is, in fact, much more that needs to be done. But, as the President's recent trip to China highlighted, significant progress has been made over the course of the last couple of decades. There have in fact been gains, even in areas of religious freedom, and there are the stirrings of grassroots democracy, unthinkable only a few years ago.

Mr. Speaker, the environmental progress, progress on human rights, greater freedom for the Chinese people, peace and stability in Asia, greater economic opportunity for the United States, these are all key long-term goals that are in fact shared by the vast majority of people on this floor. I strongly urge the rejection of the resolution before us.

I would just make one brief reference to a dinner I had in my district two weeks ago with a variety of representatives from high tech companies. One small high-tech company admitted that their software was in fact continuing to be pirated by the Chinese. They stepped back for a moment and said to me, "Yes, it is true. But, you know, the way we are looking at it, we have them hooked on our product. Ultimately they are going to be relying on us for the product, in the long run." I think this is the sort of approach we could engage in this debate as well.

Ms. PELOSI. Mr. Speaker, I would like the record to show the rate of piracy of software in China is 95 percent.

Mr. Speaker, I am very, very pleased to yield one minute to the very distinguished gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Speaker, I thank the gentlewoman for her outstanding leadership on this issue.

Mr. Speaker, I rise in favor of withdrawing normal trade relations with China. Does anyone really think that this is going to be the norm, this is the type of norm we want? We want a country that uses its platform, a very large country, for nuclear proliferation, for conventional arms sales, like missiles, for weapons of mass destruction? That, of course, has such an abysmal record on human rights, that is threatening countries with force, threatening parts of its nation, Taiwan and Tibet, with force?

If one just wanted to look at the trade issues, is it normal to in fact trade with countries that have encouraged child labor, that have forced labor, that have slave labor, that use their military production capacity for consumer product production, that have no worker rights? Is that the norm?

There are no safety rights and no health rights for workers, as well as blatant disregard for intellectual property and other types of normal trade rules. Prohibitive and unfair tariffs, which they unilaterally impose, is that normal, or offsets they require, so much so, as one of my colleagues said, that a Boeing plane is at home when it arrives there?

Mr. Speaker, I think it is time we ask for what is normal and vote up this resolution to deny normal trade with China—over two decades of excuses and excusing China is enough. China is not entitled to be treated special when its actions are so below the norm.

I rise today in support of the resolution to withdraw normal trade relations with China. Because of the limited progress that has been attained on vital issues between the United States and China, extending normal trade relations is inappropriate. The action to curtail normal trade relations is harsh, but based upon the objectives, values, and facts as they pertain to United States-China relations, necessary.

China's government continues to be one of the most oppressive in the world. The United States has a responsibility to employ our economic leverage and respond to the irresponsible, inhumane and unjust behavior. Revoking trade relations may not be an ideal vehicle, it is at best a blunt instrument. But it is one of the only mechanisms we have today to highlight China's lack of compliance with internationally accepted human rights norms. And yes, their conduct and behavior is such that this type of profound action is indeed justified.

Many of my colleagues are willing to set the human rights issues aside, reasonably concerned about economic impacts which may result in revoking normal trade status. It has been said that this legislation would hurt American labor. However, the trade deficit with China is in reality actually costing American jobs, notwithstanding the upside-down logic that has been repeatedly advanced by the interests that profit from the United States/Chinese trade deficit. Some 63B this past year.

If China was a market for made in the USA goods, it would indeed be a vital method of boosting our economy. If we were importing goods from Chinese-owned businesses, we would be promoting free enterprise within China. However neither one of these scenarios reflect reality. Some American companies use China as a production platform—a manufacturing site for goods which are then sold in the United States. Jobs which have traditionally provided American workers with living wage employment within the USA and a real chance to join the middle class are being given to Chinese workers, who are paid $2 a day or less!

It has been said that all of these issues will be more effectively addressed within the framework of normal trade relations; that trading with China would encourage the breakup of the socialist economic, political, and social systems and support free enterprise; that we don't want to offend China for fear of further oppression. Historically, reduced tariffs have not automatically resulted in enhanced human rights. After all, trading indiscriminately with Nazi Germany, or Japan in the 1930's didn't cause reform, and it is unlikely to cause reform today. In fact, we can take some solace in the action which limited economic intercourse with the former Soviet Union, or on a different scale, with nations like South Africa. These limits and economic sanctions did have positive results.

Let's change the focus of this debate. Rather than focusing on what kind of country China is, we must ask ourselves; what kind of nation are we? Has the United States reached the point where we believe that economic change alone will deliver human rights? That trade relations are supreme to the welfare of American workers? More important than standing up for freedom and democracy? All of the factors being discussed here today; the record deficit, the tariff gap, the wage disparity and the abuse of workers, illegal copying of intellectual property, arms proliferations, weapons of mass destruction, and technology transfers—all of these undermine values which this country is committed to uphold. Continuing to grant normal trade relations status to China would send a clear message; business as usual, our Nation will bend if the price is too high. Frankly, that is a price that we cannot afford. Human rights and people must come first in our world view and values. If this is the norm, the U.S. may as well put on the shelf its advocacy and values when it engages in trade.

Chinese actions, both internally and internationally, do not merit special status or normal trade status with the United States. I encourage my colleagues to join me in supporting this legislation, which sends a clear message to the Chinese government that such actions will not be tolerated and that the U.S. policy in light of such Chinese policies and actions is not business as usual and normal trade relations.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have another quotation I would like to share with my colleagues. "No country has a larger interest than Taiwan in seeing prosperity take hold on the mainland, for prosperity will help push mainland China into becoming a responsible member of the international community. MFN is a useful tool in steering the PRC on the path to prosperity and eventually democracy."

That is a quote from the Honorable Jeffrey Koo, Advisor to Taiwan Government, Chairman, Chinese National Association of Industry and Commerce, in May of this year.

Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Pennsylvania (Mr. FOX).

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Mr. FOX of Pennsylvania. Mr. Speaker, I rise to support normal trade relations with China. However, I share the concerns of others in this body about stopping the human rights violations. This should be achieved, I believe, through constructive engagement with China.

Of special concern are those particular human rights violations that involve the killing of minor criminals whose body parts are then sold for profit. I will note that the U.S. Attorney's Office in New York is investigating these crimes. The need for engagement goes beyond the improvement of human rights violations, but also making sure the balance of payments, of trade, are improved, and stopping the nuclear proliferation.

My hope for the future, Mr. Speaker, is that China moves to democratic rule and the U.S. becomes their role model nation. I believe that by working together, the government that flourishes now in Taipei, Taiwan can be what the people of Beijing, China yearn for and will receive. I hope that my colleagues join me in supporting normal trade relations.

Mr. CHRISTENSEN. Mr. Speaker, I yield 2½ minutes to the gentleman from California (Mr. HUNTER), my good friend and colleague.

Mr. HUNTER. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, a lot has been made about the label of this debate. Is it over "normal trade relations" or is it over "Most-Favored-Nation status?" In reality, it is over $64 billion. It is a $64 billion question, because we send to China $64 billion more each year than they send to us.

The second question we should ask is, is it in America's interests to send $64 billion a year to China? Well, let us examine some of the things they are doing with that money. They are buying missile cruisers that were designed by the then-Soviet Union to do one thing: kill American aircraft carriers and the men and women who operate those aircraft carriers. That is one thing they bought with the money we have given them.

What are some of the other things they have done with the money we have given them, some of that $64 billion? They have upgraded their strategic systems. That means the Long March missiles, some of which are aimed at American cities like New York, like San Diego, like Los Angeles. So they have built and deployed and aimed nuclear weapons at some of our cities with some of the money that we have given them.

What are some other things they have done with some of the $64 billion we have given them? They have proliferated poison gas components and nuclear weapons components to such adversaries of the United States as Iran, Iraq, Libya, and North Korea. They have sent poison gas and nuclear components with some of that $64 billion that we have given them.

Mr. Speaker, I say to my colleagues, if this is a business deal, the currency of this business deal may be death in the future for young Americans in uniform, and that is the worst kind of trade deficit. Vote up on this resolution.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. DAVIS).

Mr. DAVIS of Florida. Mr. Speaker, I rise in opposition to the disapproval motion and in support of renewing normal trade relations with China.

The question is whether renewing normal trade relations with China is really a false and antiquated choice. We can no longer afford to ignore this superpower. We need to maximize our lines of communication. Where we can agree with China on matters of trade, we need to agree; where we disagree with respect to human rights or national security, we should fight like the dickens to protect our interests, and we certainly can assume they will do the same with respect to their interests.

It is fair to say that a trade deficit exists with China that we need to aggressively tackle. It is estimated that about 400,000 well-paying jobs are created in this country as a result of trade with China, but it is not nearly enough. But make no mistake about it, the solution to that problem does not lie in revoking normal trade relations with China, it lies in hard-nosed negotiating at the bargaining table.

In my State of Florida there are many nontariff barriers that exist with respect to importation of agriculture into China, and at the bargaining table where we have a voice is the best way to effectuate that change.

Much has been said about human rights violations in China. Billy Graham wrote a letter last year to the gentleman from California (Mr. DREIER) citing the work of his son, Ned, with churches in China, in which he advocated improving our relationship with China and having a stronger relationship. The best way for us to effectuate positive change in elevation of religious freedom and other democratic values we so deeply cherish is by exposing that country to our values and doing so by a more aggressive relationship with China where there is more interaction. That happens by normal trade relations; it happens by sending more of our religious leaders and other leaders concerned about human rights into China to bring about change from within.

We cannot ignore this superpower. We need to continue to have normal trade relations. It is in the best interests of our country in terms of trade; it is our best way for effectuating positive change within the borders of China.

Ms. PELOSI. Mr. Speaker, I am very, very privileged to yield 1 minute to the gentlewoman from California (Ms. WOOLSEY) who comes closest in my mind to being the conscience of this Congress.

Ms. WOOLSEY. Mr. Speaker, I would like to thank my colleague from California (Ms. PELOSI) for her leadership in this regard. I rise in support of this resolution.

Mr. Speaker, we have been told and we are hearing today that economic engagement will solve China's abuses of human rights and that China has made progress in many areas. To that I ask, what progress? Repression of religion is not progress; forced abortion is not progress; nuclear proliferation is absolutely not progress; and repression of peaceful expression is not progress.

Mr. Speaker, we have been told that revoking MFN status would discourage progress or a change in China. Well, I do not believe that for one second. The Chinese bluster, they bully, and if they believe we are committed to progress, they will progress themselves because they want to sell their products to the United States. To ensure that China makes real progress in labor rights, religious tolerance, basic human rights and the end of nuclear proliferation, vote for H.J. Res. 121.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume for another quotation.

"Vigorous economic development leads to independent thinking. People hope to be able to fully satisfy their free will and see their rights fully protected. And then demand ensues for political reform * * * The model of our quiet revolution will eventually take hold on the Chinese mainland," end of quote. That was from the new Taiwanese President, the first elected President of Taiwan, in his inaugural address 2 years ago.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. CUNNINGHAM), our distinguished colleague.

Mr. CUNNINGHAM. Mr. Speaker, China is a rogue nation, as dangerous to us and the world as a dangerous pit viper. It is ruled by totalitarians and lying communists over a people that want to be free.

Dissidents beg us to stay engaged, both diplomatically and economically, and I take a back seat to no one in fighting Communists or socialists in this country and abroad. China is different than it was 10 years ago because we have engaged economically. Go there and see the differences that we have made. If we had not engaged, China would not be different. Trade with Middle East, trade with Northern Ireland, we could make the same arguments on trading with them.

I understand why the other side is opposed to this issue. I am that close to being with them on the issue, because while engaging in trade, the President has failed the other side. You do not walk softly and carry a big stick of candy in trade. You do not not stand up for American rights and let China have high tariffs. You do not let our own forces train the Communist PLA that will be used against Taiwan. You do not slap Taiwan in the face and support China. You do not not stand up for human rights. And the other side is absolutely correct, but I believe unless we trade economically, unless we try and change this 10,000 year-old dog, that we will be behind.

COSCO, Long Beach shipyard. You do not let a pit viper in the crib of your baby. You do not let a communist Chinese shipping company that has shipped chemical and biological weapons into California. They have shipped AK-47s into California. They have shipped to Iran and Iraq, the reason that we are there right now in California.

So the President has failed in his policies with China, but he has also traded with them, and I think that will make the changes necessary.

Mr. CHRISTENSEN. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina (Mr. Sanford), my good friend and colleague.

Mr. SANFORD. Mr. Speaker, I thank the gentleman for yielding me this time.

I stand in essence where the gentleman from California, my colleague, stands, and that is, it has been said that it is but a straw that can break the camel's back, and that is where I am with this vote, because on the one hand I very much believe in free trade. I look back at the gentleman from California (Mr. Dreier) back there, who has been courageous in leading for free trade around the globe, and I believe with him in that very simple concept.

But I also believe that we in Congress have a fiduciary responsibility to send a message where we think a message ought to be sent, and that is where I am struggling. Because if we look right now, I would say that there is a growing sense that there is an expansionist policy in the South China Sea with China, and that we ought to send a signal that says that is not okay.

Now, admittedly, using MFN to send that signal is a very blunt instrument, but as a Member of Congress it is the only instrument that I have that will mean something to the Chinese. So it is with great reluctance that I will be voting against MFN, but I do so because of what is happening.

We look at for instance what happened in the Straits of Taiwan last year when they opened democracy. Taiwan was trying to hold its own elections when China had military exercises. We would say we have a problem. If we look at what happened with Mr. Fareef or the Spratly Islands, you would say we have a problem. When China moved natural gas drilling rigs into what was clearly identified as territorial waters of Vietnam, you would say we have a problem. I think we ought to send a signal that says expansionism is not okay.

So other people may have a problem with human rights or trade or a variety of issues, but for me it comes down to one very simple thing, and that is an expansionist policy is bad for the region in Southeast Asia and it is bad for our allies in Southeast Asia.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I am very pleased to yield 2 minutes to the very distinguished gentleman from Ohio (Mr. Kucinich).

Mr. KUCINICH. Mr. Speaker, my Most Favored Nation, America, has freedom of speech, freedom of press, freedom of religion, freedom of assembly, believes in the rights of minorities, believes in human rights, believes in workers' rights, believes in nuclear nonproliferation, and believes that life is sacred.

China has no freedom of speech, no freedom of press, no freedom of religion, no right of free assembly, does not believe in the rights of minorities, does not believe in human rights, does not belief in workers' rights, does not believe in nuclear nonproliferation, does not believe life is sacred.

Why then should China become the Most Favored Nation of the United States of America? Most Favored Nation indeed. Of whom? Most-Favored-Nation status is now held up as the elixir of liberty, the cure-all. Give MFN to China, let us just keep giving China access to our markets, expose them to our values, they say, and they will become more like us. Even as they take away millions of American jobs and arm the Asian subcontinent.

Mr. Speaker, this vote will not tell us anything about what China is or what it is becoming, but it will tell us plenty about what America is and what we are becoming. The Bible says, "He who troubleth his own house shall inherit the wind."

When we place free trade over human rights, when we place free trade over democratic rights, when we are so eager for a friendship with China that we forget our moral compass, we are a Nation which is preparing to inherit the wind.

Send a message: liberty and justice in trade, in America, and even in China.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume to share another quote with my colleagues. "The current debate about renewing China's 'Most Favored Nation' trading status no doubt raises many complex and difficult questions. . . However, I am in favor of doing all we can to strengthen our relationship with the Chinese people. . . Furthermore, in my experience nations respond to friendship just as much as people do." The Reverend Billy Graham, June of last year.

Mr. Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. Barrett).

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Mr. BARRETT of Nebraska. Mr. Speaker, I also rise to oppose ending normal trade relations with China. Proponents of ending trade with China fail to answer the question: If we end normal trading relations with China, then how do we influence change?

The days when the U.S. could act like a bull in a China shop are over. Countries simply go elsewhere if they do not like the sounds that are coming from ours.

That is why maintaining normal trade relations with China is vital to agriculture. Ending trade with China could cause a 3-year loss of more than $2 billion in U.S. farm income. At $1.6 billion, China is our seventh largest agricultural export market, and almost half of our exports are of wheat, corn, and soybeans, staples of our Nebraska exports.

Some may claim a moral victory if we end trade with China. I am confident it will be a hollow victory, washed away in a few months when our trade competitors fill the void left by exiting U.S. businesses.

Mr. Speaker, I encourage my colleagues to reject this resolution, and maintain the engine of change. Maintain trade with China.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I continue to reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Maryland (Mr. Wynn).

Mr. WYNN. Mr. Speaker, I thank the gentlewoman from California (Ms. Pelosi) for yielding me this time, and I also offer my congratulations and thanks to her for her strong, outstanding leadership on this issue.

Mr. Speaker, I rise in opposition to Most Favored Nation status, and rise in support of the resolution. People will say that we have made some progress in our dealings with China. I do not see that progress. I see a $64 billion trade deficit. I see jobs that should be in this country that are in China. I see the piracy of intellectual property by China going unabated.

Mr. Speaker, the reality is basically this: If we do not take a strong stand, we will continue to be the loser. They have engaged in trade practices that do not benefit this country, but some people somehow say that that is progress despite the fact that we continue to lose jobs.

Mr. Speaker, our best jobs, the so-called good-paying, high-tech jobs come out of our intellectual property. But they pirate our intellectual property and guarantee that we will not see the benefit of those good jobs.

It is suggested we must stay engaged. We must stay engaged, but engaged based on toughness and strength, not on weakness.

Mr. Speaker, I urge support of the resolution.

Mr. CRANE. Mr. Speaker, I reserve the balance of my time.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BERMAN).

Mr. BERMAN. Mr. Speaker, I rise in support of another year's extension of normal trade relations, formerly known as "Most Favored Nations trade," for China.

This is a tough issue, and I have great respect for people who come down on either side of the question. But in the end, I have concluded that I should base my vote not on what I hope may be in terms of China's future, but on what I think China's leaders can do.

Last year, I voted against MFN for China because of my concern that China's leaders were not living up to their international agreements in regard to preventing the proliferation of weapons of mass destruction. I was concerned that the administration had failed to make this enough of a focus in its discussions with the Chinese and had not produced the results which I thought were necessary.

The administration's efforts to engage China to make new commitments and to live up to old ones have intensified over the past year. They have produced some encouraging results.

The U.S. and China agreed to not target strategic nuclear weapons on each other. I know this is a small step. Retargeting nuclear missiles can be accomplished in a matter of hours, if not minutes, but it is a sign that the Chinese are willing to take active steps to reduce the risk of accidental launch, and the challenge we now face is to extend this small, positive step in the direction of a more serious effort at eliminating the threat of nuclear war.

China indicated during the President's trip that it is actively considering membership in the Missile Technology Control Regime. I am quite cognizant of the fact that we have been inhaling the vapors of Chinese commitments in this area for many, many years. But I am willing at this point, based on all the things that have been happening, to accept the administration's analysis that the latest commitment by the Chinese to consider joining the MTCR is a sign they will soon join the MTCR regime.

Mr. Speaker, I rise in support for another year's extension of normal trade relations—formerly known as most-favored nation trade—for China.

I have supported MFN in the past although last year I voted against. it. As Ranking Member of the Asia and Pacific Subcommittee, I have spent many hours in hearings and meetings on China. I have traveled to China and Hong Kong, meeting with senior leaders, including the new Chief Executive for Hong Kong, C.H. Tung.

Much of China's behavior since the last time we voted on this issue has been deeply disturbing.

Our trade deficit with China continues to expand at an alarming rate while our trade negotiators appear to be no closer to reaching a firm agreement with China on entry into the World Trade Organization (WTO)—an agreement that would guarantee more opportunities for American exports. Our companies continue to invest in China and China continues to export to the United States but access for American goods remains restricted. I am struck by a brochure distributed to Members by General Motors, extolling the value of its investment in China even as GM's operation in the United States are being struck by American workers. GM claims that it needs to shrink its American operations while at the same time it trumpets its 18 automotive projects in eleven provinces of China employing over 10,000 people.

Maybe the Chinese gave GM no choice: either produce in China or don't sell to China. Maybe China keeps its tariff levels so high that American cars won't sell in China unless they are produced there. Either choice is the wrong one. A trade policy which results in larger and larger deficits and comes at the cost of jobs for American workers will not long have the support of the American people. Corporate America, the Administration, and the Chinese Government should be aware that if these trade problems are not resolved the Administration's policy of engagement with China will collapse from the weight alone of this failure.

The human rights situation continues to be troubling. As the State Department Human Rights Report this year noted, "the Government continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms stemming from the authorities' very limited tolerance of public dissent, fear of unrest, and the limited scope or inadequate implementation of laws protecting basic freedoms." In other words, not much has changed in a year.

I am concerned that in some areas the situation may be worsening. I recently introduced H. Con. Res. 283, expressing the sense of the Congress about the situation in Tibet. Repression in Tibet has increased steadily since 1994 and, despite the joint pronouncements on Tibet during the President's recent visit to China there is no sign that the Chinese are willing to take the initiative of meeting with the Dalai Lama.

I continue to believe that change in China's human rights behavior will only come through internal pressure—pressure that can be nurtured to some extent by outside support but which will ultimately depend upon the will of the Chinese people. Those leaders who risk their lives to speak out today are the vanguard of the future.

But my vote has not depended upon setting a standard of what China's leaders should do but cannot now accomplish. I recognize the type of reform which I would want to see in China would require a revolution in the Chinese political system. However much I may wish that, I recognize that it is unrealistic. I believe that we need to continue to press the Chinese to release individual prisoners and to reform their system to permit greater freedom but I believe that the final revolution in China must be one by the people.

That day is inevitable. There is no doubt that there has been tremendous progress in China in terms of economic development and opportunity for the Chinese people, accelerating the forces of change in China in a direction that can only lead to greater personal liberty for the Chinese people. What impresses me most is not the shallow monuments of contemporary office buildings but the changes being wrought in the Chinese people as a result of greater access to modern ideas. China is being changed by its exposure to us in ways more profound than any glass edifice.

However, I do not base my vote on what I hope may be but on what I think China's leaders can do.

Last year I voted against MFN for China because of my concern that China's leaders were not living up to their international agreements in regard to preventing the proliferation of weapons of mass destruction. I was concerned that the Administration had not made this enough of a focus in its discussions with the Chinese and had not produced the results which I thought were necessary.

The Administration's efforts to engage China to make new commitments and to live up to old ones have intensified over the past year and have produced some encouraging results:

The United States and China agreed to not target strategic nuclear weapons at each other. I know this is a small step. Retargetting nuclear missiles can be accomplished in a matter of hours if not minutes. But it is a sign that the Chinese are willing to take active steps to reduce the risk of accidental launch, and the challenge we now face is to extend this small, positive step in the direction of more serious efforts at eliminating the threat of nuclear war.

China indicated during the President's trip that it is actively considering membership in the Missile Technology Control Regime (MTCR). Chinese membership in the MTCR would be an important step if it comes before the Chinese have exported all the missile equipment they want to rogue regimes. I know that our policy makers have been breathing the vapors of Chinese commitments on the

MTCR for years from private letters to President Bush's Secretary of State to pledges to the Clinton Administration to abide by MTCR guidelines. I am willing to accept the Administration's analysis that the latest commitment by the Chinese to "consider" joining the MTCR is a sign that they will soon join the MTCR.

China has put a place for the first time comprehensive controls on nuclear exports and joined the Zangger Committee which coordinates nuclear export policies among Non-Proliferation Treaty members. In joining the Zangger Committee I look forward to seeing the Chinese play a constructive role in promoting the work of the Committee, not use their position to weaken international controls.

The Chinese also promised to halt their nuclear cooperation with Iran. Stopping aid to Iran is an important step. We have yet to obtain a similar commitment from Russia to cease support for safeguarded nuclear facilities.

The Chinese also committed to cut-off all cruise missile aid to Iran. Cruise missile technology is important. With short-range cruise missiles, the Iranian Navy could endanger American warships in the Persian Gulf if not threaten directly American control of that vital waterway.

If we were to revoke normal trade relations with China, we would jeopardize the progress we have achieved in these areas. The Administration's efforts to engage in a dialogue with the Chinese on critical issues would definitely become a dialogue with the deaf. We would lose much and gain little. Continuing our trade relations with China offers the prospect of further progress.

But in voting to maintain China's current trade status with the United States, I do so because of the assurances which I have received that these achievements will be matched in the coming year by real progress in gaining, first, Chinese membership and participation in international agreements to halt the spread of weapons of mass destruction, and, second, that the Chinese will take unilateral action to control the export of technology and material which is used in the production of weapons of mass destruction and delivery systems.

In voting to maintain China's current trade status with the United States, I do so with the expectation that there will be substantial progress in the coming year to eliminate barriers for American exports to China and to improve protection of American intellectual property.

In voting to maintain China's current trade status with the United States, I do so with the expectation that China will follow through with the commitments it made this year to sign and ratify the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR). Prior to the Clinton-Jiang summit in Washington, the Chinese signed the ICESCR but have not yet ratified it. They have since indicated that they would sign the ICCPR. As with the MTCR, these are commitments which China needs to follow through on now that they have been made.

I will vote no on the resolution of disapproval this year not because I am satisfied with the progress that has been made but because I believe that what has been achieved promises to be the basis for more progress during the coming year.

Ms. PELOSI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentlewoman from California (Ms. PELOSI) for yielding me this time.

Mr. Speaker, it is a shame Congress does not have a "truth in advertising" law, and it is a shame it does not apply to this bill. If we had a truth in advertising law, this bill would be called the Annual $20 Billion Tax Forgiveness for the Most Oppressive Communist Regime in the World.

That is what it is all about. When we give them normal trade relations, formerly known as Most Favored Nation, they changed the name because the American public did not like the idea of giving them a $20 billion tax break. So now they are going to try to slide it in again.

Why is it wrong? They charge us 40 percent on America products when they are sold in China. This would allow our country to charge them only 2 percent. I am getting a little tired when I go to visit the troops of finding out that we have 12,000 soldiers, sailors, airmen, and marines on food stamps, but we cannot find the $100 million to help pay them a little better.

I am a little tired when our military retirees are saying they are not getting the health care that they were promised, when we do not have the $2 billion to fulfill that pledge.

I am extremely tired every time an American helicopter and an American plane crashes because it is too old to be flying our kids around, and we do not have the money for weapons procurement. But, Mr. Speaker, we just gave the most repressive regime in the world 20 extra billion dollars to modernize their equipment.

The Chinese communists in the past 3 years have acquired ports on both ends of the Panama Canal. On the first day of the year 2000, we lose our last base in Panama. We lose, they gain. Chinese communists are getting ready to take over what was an American naval station in California. We lose, they win.

So, for those Members who want to give them the $20 billion tax break, I hope they are ready to explain this to the people of their districts.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to remind all colleagues that China is our fastest growing export market. And in addition to that, its growth rate in terms of U.S. exports to China has more than doubled in the last six years. So, there is considerable hope about vast improvement in our economic relations.

Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. SMITH), chairman of the Committee on Agriculture.

Mr. SMITH of Oregon. Mr. Speaker, there is no question about the issue before agriculture in America. We must normalize trade with China. It is $2 billion today for trade with China for agriculture in America. And with the largest population of any country in the world, of course it is a great opportunity for agriculture.

It is no secret that when China is in the business of buying wheat, we have $6 wheat in America. When China is not buying wheat, as they are not today, we have $2.50 per bushel wheat. If we block China from ever buying wheat, we will continue to have $2.50 wheat.

A month ago I joined with the Speaker and the gentleman from Texas (Mr. STENHOLM) in a bipartisan effort to help solve the crisis of agricultural prices in America today. We joined by suggesting that we have a square deal for agriculture, the four corners of which are as follows: Lift sanctions for Pakistan and India; pass the International Monetary Fund funding; normalize trade with China; and pass fast track so that we can be again competitors in the international market.

That is the square deal that we propose for agriculture, and this is one more step to improving the crisis in agriculture in America.

Mr. CHRISTENSEN. Mr. Speaker, I yield 3 minutes to the gentleman Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Speaker, I rise today reluctantly in support of H.J. Res. 121. I served in the Bush administration and 5 years on the staff of U.S. Senator TRENT LOTT. During that time, I always supported the extension of Most-Favored Nation status, because I believed it was the right way to achieve our trade objectives. But, sadly, I have come to the conclusion that the current policy is failing. It is flawed, fundamentally flawed, and it needs to be changed and replaced.

At a time where we are taking bold leadership in other areas of our policy with China, taking a stand with the passage of the Religious Persecution Act, trying to find ways to limit technology transfer and to limit the proliferation that we are seeing, we are sticking and staying in the rut of the status quo of the MFN debate.

Mr. Speaker, year after year we have done that for the past 10 years, and no change. The deficit gets worse every year. Our objective of getting them into the World Trade Organization seems to be slowing and lessening. What incentives do they have now to join the international community, to play by the rule of law, to open their markets, to reform their state-owned entities? The truth is the incentives today all work against our trade objectives. This policy, the current policy, works against our objective of opening their markets.

Let me be clear, my opposition is not one of closing our market. It is not one of isolating China, but it is advocating going from appeasement and an outdated policy from the Cold War to a policy of effective engagement, a constructive framework.

I would join the gentleman from California (Mr. DREIER) and the others who care about opening the markets in China, but there is a better way, there is a better alternative.

Mr. Speaker, I have been working with the gentleman from Nebraska (Mr. BEREUTER) and the gentleman from Illinois (Mr. EWING) on an approach that has good support from the ag community and is gaining support in the business community as a new way, a new policy for the 21st century. This is the purpose of the legislation.

It would simply say, if China joins the WTO, we will automatically, prospectively grant Most-Favored Nation status. We give them credible, date-certain incentives to join the WTO by the end of the year 2000, and failure to join could create reasonable and realistic cost incentives for them to join.

There would be flexibility built into it that if there are snap-back provisions, that it could be sector by sector, so that waivers could apply. So it is certain, it is credible, it is doable, and it is flexible.

We need a new framework for the 21st century with the right incentives to open their market. I would urge my colleagues to work with us as we go into the next year's debate, and I reluctantly support the present resolution.

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Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, I rise in support of extending normal trade relation status to China and urge my colleagues to oppose the Solomon resolution for two reasons: Vital American interests are at stake, and engagement is working.

Over the years, Members of this body have raised numerous reasons why trade relations should be cut off between our countries, and rightly so. China has traditionally had many problems of concern to all Americans. And human rights abuses, weapons proliferation, intellectual property protection and other issues continue to worry me and my constituents.

But, Mr. Speaker, things are changing, and President Clinton's recent trip highlights many of those improvements. Perhaps the most important was President Clinton's uncensored broadcast in China of his news conference held with the Chinese leader.

Last year I quoted Secretary of State Albright in noting that engagement does not mean endorsement. I stand by that statement, while recognizing that engagement does mean, and has meant, opportunity; opportunity to export our values of free enterprise, personal liberties and democracy, and the opportunity to promote a better and more secure world for our children and the children of China.

Just in the past year, Chinese leaders have endorsed accelerated privatization of industry, banking reforms, legal due process, and more open political debate. These improvements, while not complete, are largely due to quiet prodding by the United States.

I believe there is no greater opportunity or challenge in American foreign policy today than to secure China's integration into the international system as a fully responsible member. I believe we can better influence China's direction by exposing them to our democratic ideals. We can more effectively move the Chinese to change by increasing their exposure to the United States, because we are the model of democracy and freedom for the world.

Revoking NTR would severely damage American interests and undermine our ability to influence China's directions. I urge my colleagues to vote "no" on this resolution.

Ms. PELOSI. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK), the distinguished ranking member of the Subcommittee on Domestic and International Monetary Policy of the Committee on Banking and Financial Services.

Mr. FRANK of Massachusetts. Mr. Speaker, it is an important day. The Republican leadership, and much of the Republican Party, will take a brief time out from attacking the President over China to vote for what China most wants. So that no one should be confused by these criticisms of the President in China, because today, with I believe the support of the majority of Republicans, China will get that which it most wants, a continuation of one of the most imbalanced trade and political relationships in the word.

No one I know of is suggesting we should have no relations with China. What we are saying is that we have negotiated a lousy deal. We obsess that they might not think so much of us. Frankly, if I were the Chinese, I would be worried about what America thought of them. And I believe we have, with this enormous market of ours, of which they take great advantage, we have an enormous power to put better terms on our relationships with China.

The question is not whether we should have normal or nonnormal trading relations. By the way, I am also glad to see the Republican Party repudiate their attacks on political correctness. By changing this from Most-Favored-Nation to Normal Trading Relations, they obviously show the power of semantics. But we can get a better deal than the one we are prepared to buy today.

Ms. PELOSI. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. MILLER), the very distinguished ranking member of the Resources Committee of the Congress, former chair of the Natural Resources Committee.

Mr. MILLER of California. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, only in Washington, D.C. and inside the so-called beltway would this be considered a normal relationship. Unfortunately, when we talk about this normal relationship, we talk about the engagement of China. Every time this administration engages China, it must diminish and depreciate the American values of religious freedom, of freedom of speech, of human rights and self-determination, of national security, of nonproliferation, and of fair trade.

Each and every time the administration sets out its goals for China, they sound laudable and they sound supportable. The only problem is the Chinese Government does not meet those goals, and yet we call that engagement. We call that engagement because in order for this administration to continue to engage, they must concede these very basic American values, values that have built this Nation and values that this Nation has been a beacon for across the world.

To say that engagement is not endorsement sounds like a child-rearing policy of the 1960s when we wanted not to admit what our dysfunctional children were doing.

Mr. CHRISTENSEN. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, it has been the fourth year I have had an opportunity to work on this issue, and for the last three I have always voted with my colleagues on the right here in favor of renewing MFN. Last year I gave a statement that said that we are going to give it one more year to see if things change. But, my colleagues, things have not changed.

Nothing has changed. Nothing has changed in the trade imbalance. The trade imbalance has grown. We have heard today that it is at $60 billion. Over a billion dollars every week we grow the trade deficit with China.

Has the issue of human rights gotten any better? No. We have had testimony this past week and this past month in the various committees, talking about the various human rights violations, various forced abortion issues, the slave labor camps, the harvesting of organs, the repercussions with dissidents, the taking away of free speech, whatever free speech there is. Nothing has gotten better. But yet each and every year we continue to renew this. But the number is growing.

Has anything gotten better in the area of national security? No. Our good friend the gentleman from California (Mr. DUKE CUNNINGHAM) stated that in Long Beach, California, the port has been given over to the communists. The Straits of Taiwan, the continued persecution of the Taiwanese people. The taking away of liberties, of religious faith, whether of Muslim, whether a Tibetan monk, whether it is a Christian. If an individual does not belong to the patriotic Catholic church, they are not in an officially recognized religion and they are under persecution.

Nothing has gotten better. Whether it is economic, whether it is national security, whether it is weapons proliferation, or whether it is human rights, not one single area has gotten better over the last four years. And no longer could I continue to go along and say, yes, engagement, intervention is the way to go.

I believe we need to call it exactly as many have spoken here today; that the policy is a failed policy; that we must hold them accountable; that we must move from normal trading relations back to what I believe is the right policy, and that is holding them accountable. The Chinese people are crying out. Human rights around the world are not like they are in China. We must do a better job. We must send a message.

This is going to pass. It has the votes. So it is not an issue about renewing the MFN or the normal trade relations. This is about sending a message to Jiang Zemin and the people of China who are looking to us for hope and help.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. FAZIO).

Mr. FAZIO of California. Mr. Speaker, I rise in opposition to the resolution and support of normalized trade relations with China.

Let me be clear, granting NTR to China benefits, I believe, America's security and its economic interests. We need to be at the table with China for constructive dialogue to occur instead of peeking over our neighbor's fence wondering anxiously what they may be up to.

Normal trade relations and increasing economic engagement has continued the process of opening China and exposing the Chinese to our politics, ideas, and personal freedom. And China has made significant strides not only in global affairs but within its own borders. It has contributed significantly to enhancing Asian political stability by condemning India's and Pakistan's nuclear tests and encouraging restraint.

China's role is critical to preventing nuclear proliferation.

Ten years ago religious liberty in China was nonexistent. Today, China has made tremendous strides in the tolerance of religious freedoms by accepting U.S. religious leaders on its shores and allowing the practice of Christianity.

Furthermore, revoking normalized trade relations will not achieve our human rights goals.

Engagement does work. If we build relationships, we can directly influence a country's human rights record. China is changing quickly and our policy must keep abreast with these changes.

I think this is also part of an overall test that this Congress faces, and that is whether or not we will play up to the role of world leader in every sense of that term, whether it is funding the International Monetary Fund or looking to reach further global trade agreements that will strengthen the creation of jobs in this country.

All of these are hard to do, particularly in a period even of economic growth, as we have experienced in the 1990s. It is so much easier to tell the American people things that perhaps are more acceptable about things they believe, whether it be religious persecution, or the loss of jobs through trade imbalance, or where we ought to be spending our tax dollars here at home, not overseas. But we know that we are not only the world's leading military power, but its leading economic power as well, and we have to project that strength, that vision of what the world economy can be, not just for Americans but for people across the globe.

So I urge my colleagues not just to vote against this resolution but to remain focused on the relationship with China and to move further, as this Congress unfolds, to fund the IMF, to take other steps that will help shore up the economies of Asia and the former Soviet Union so that we can, in fact, continue the kind of leadership that we provided since Harry Truman at the end of World War II, where the American people, with tremendous challenges here at home, played the role of economic leader for the world.

In the long run, it is the American people who will suffer the consequences of nonengagement, not the Chinese, if we fail today.

Mr. Speaker, today, many will attempt to muddy the waters by saying that China should not be granted Normal Trade Relations because of its history of human rights abuses, unfair trade relations and nuclear proliferation.

I won't deny the validity of these allegations, however, shutting the United States off from engagement with China severely reduces our leverage for open dialogue.

Shutting ourselves off to the most populated country in the world is more detrimental to monitoring human rights abuses than productive.

Engagement promises long-term rewards because it allows the U.S. a way to influence China's human rights policy at a grass root level. It would be foolish to follow a contrary policy. Renewing NTR is important to our nation, and it is important to California and the district that I represent. Exports to China and Hong Kong from California totaled nearly $5.7 billion in 1997. Exports supported over 108,000 jobs. Agriculture exports alone, from California to China, totaled over $300 million.

Denying NTR would translate into the loss to the agricultural market for the farmers in my district. Shutting these farmers off from trade would allow Canada, Chile and other nations to fill the trade vacuum that would be created. Denying NTR would be reminiscent of our sanctions against the Soviet Union in the early 80's in regard to its invasion of Afghanistan. The Soviet Union didn't get out of Afghanistan and our wheat farmers suffered the consequences of our policy. Our sanctions penalized us—benefitting other nations that capitalized on our policy.

Americans deserve us to act in their best interest—engagement promises not only jobs but security to the United States.

Ms. PELOSI. Mr. Speaker, what is the status of the time?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Illinois (Mr. CRANE) has 7½ minutes remaining; the gentleman from Nebraska (Mr. CHRISTENSEN) has 4½ minutes remaining; the gentleman from California (Mr. MATSUI) has 6½ minutes remaining; and the gentlewoman from California (Ms. PELOSI) has 7 minutes remaining.

Ms. PELOSI. Mr. Speaker, could the Chair discuss the order of closing for us?

The SPEAKER pro tempore. The order will be the gentlewoman from California (Ms. PELOSI) will be first, then the gentleman from California (Mr. MATSUI), then the gentleman from Nebraska (Mr. CHRISTENSEN), and then the gentleman from Illinois (Mr. CRANE).

Ms. PELOSI. So the gentleman from Illinois (Mr. CRANE) will ultimately close, and we go in this order?

The SPEAKER pro tempore. That is correct.

□ 1445

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Speaker, it is an honor to be able to have this opportunity to stand here in the well and say that just a few minutes ago the President signed the IRS Reform Bill, which has now established exactly what it is we are debating.

There is nothing favored about this. We are talking about normal trade relations. Even many of the leading proponents of this resolution admit that it is not a serious legislative proposal; it is just a signal, a primal scream of frustration, a helpless yelp of resignation.

We must send a clear signal. Furthering reform in China is a moral issue. And I think it is important for us to listen to some moral leaders who have commented on it.

The Reverend Billy Graham said: "I am in favor of doing all we can to strengthen our relationship with China and its people. China is rapidly becoming one of the dominant economic and political powers in the world, and I believe it is far better for us to keep China as a friend than to treat it as an adversary."

The Reverend Pat Robertson: "Leaving a billion people in spiritual darkness punishes not the Chinese Government but the Chinese people. The only way to pursue morality is to engage China fully."

And His Holiness the Dalai Lama: "Confrontation or condemnation: I don't think it works. The only practical way is to be a genuine friend."

Mr. Speaker, we know that the single most positive change in the 5,000-year history of China has been the economic reform, those economic reforms which have empowered hundreds of millions of individuals to be lifted out of poverty. It is the height of absurdity to send a signal attacking the one positive change.

We have found over the years, over the last decade and a half, that maintaining economic engagement has in fact led to the positive political reform that we all seek. We found that out in Chile. We found that out in Argentina. And in the Pacific Rim, we found that out in both Taiwan and South Korea.

We never thought of cutting off economic ties with any of those 4 countries, which had horribly repressive human rights policies. And what has it brought about? That policy has helped us improve political pluralism, human rights, the rule of law in those nations. And it will do the same in China.

If we are going to send a positive signal, we should be doing the very important things that we have discussed repeatedly here in the Congress. For one thing, $22 million for Radio-Free Asia, which is included in the Commerce-State-Justice appropriations bill, is a request that is over that that the President has requested.

I want to compliment the gentleman from Kentucky (Mr. ROGERS), chairman of that very important subcommittee, who has led the charge to help in this effort supporting the increased funding for the National Endowment for Democracy.

I am privileged to work with the International Republican Institute, a very important arm of that. We now have over half a billion Chinese people who have participated in village elections there; and in 40 percent of those elections, we have seen non-communist candidates actually victorious.

I think it is also very important for us to send a signal to the other body. That signal is they should pass the very important China bills that we successfully reported out of the House of Representatives last year.

Maintaining this strategy of engagement is the wave of the future. We have to recognize that if we are going to do everything that we can to help the people in the United States and the people in China, we must maintain normal trade relations.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I request—how much time do I have remaining?

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Illinois (Mr. CRANE) has 3½ minutes remaining. The gentleman from Nebraska (Mr. CHRISTENSEN) has 4½ minutes remaining. The gentleman from California (Mr. MATSUI) has 6½ minutes remaining. And the gentlewoman from California (Ms. PELOSI) has 7 minutes remaining.

Ms. PELOSI. Mr. Speaker, is it my understanding that if we have a call of the House that we would each have 4 minutes or less, depending on how much time we have for the closing presentations?

The SPEAKER pro tempore. The Chair is not party to any agreement.

Ms. PELOSI. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, as I said earlier today, the debate on the floor today is not whether China will get Most Favored Nation status or that same status by any other name. The debate on the floor today is whether Members of Congress want to associate themselves with a failed policy, a policy which in the last 10 years has seen our trade deficit with China increase from $3 billion to $63 billion projected for 1998.

It is interesting to hear people talk about normal trade relations, as it will now be called. As I said before, a rose is a rose is a rose. In this case, a thorn is a thorn is a thorn.

Because the fact is that the Chinese regime has already decided that we are not going to have normal trade relations with them. They have done that by having the Great Wall of China around their markets resulting in that big trade deficit, by using slave labor for export, by using transshipments to avoid our quotas, and by pirating our intellectual property in the case of software at a rate of 95 percent.

So they must be having a great big chuckle over there in Beijing to see that we are debating to give them what they have already decided will not be a normal trade relationship.

Let us hear it for a normal trade relationship. I hope we can achieve one. But clearly, we have not gotten from here to there with this failed policy of granting Most Favored Nation status to China.

I just want to talk about a couple things I have heard said here. I heard people say they are making progress in human rights because they freed a few political prisoners. They forcefully exiled those people. That is punishment. That is not progress.

That is why Wei Jingsheng has been speaking out since he came to the United States to say, unless there is a threat of withholding this preferential trade treatment from China, the hands of the reformers in the government are not as effective in trying to persuade the hard-liners to change. To change, to open the doors to the prisons of those who are still in prison from the Tiananmen Square massacre and many from the Democracy Wall era, which is 20 years ago. We cannot put the Tiananmen Square massacre behind us until those people are free, until the exiles are able to return home and speak freely within China.

I have heard others say that China is moving on human rights because they are going to work on the rule of law. How the Beijing rulers must enjoy that one. In Chinese, it is the rule by law. And that can be very, very oppressive.

I have heard people say here that the President made great progress on the proliferation issue because of the targeting. They present that notion and then they belittle it because they know that that is not a summit accomplishment.

And what was really happening while the President was there? While they may have been not targeting us, China was conducting a test. And an official of our own Government said, "President Clinton said proliferation would be high on his agenda during the summit. And by testing this key component of a long-range missile when they did, the Chinese have made it clear their lack of respect both for the President and his message," they said.

Trade, proliferation, human rights. Let us have a normal trade relationship. Yes, let us use the leverage that we have to make the world safer, the trade fairer, and the people freer.

I ask my colleagues, is $1 billion a week deficit normal? Vote "yes" on the resolution and "no" on MFN for China.

Mr. CRANE. Mr. Speaker, I reserve the balance of my time.

Mr. CHRISTENSEN. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Ms. PELOSI. Mr. Speaker, I reserve the balance of my time.

CALL OF THE HOUSE

Ms. PELOSI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 316]

ANSWERED "PRESENT"—408

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Filner
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E.B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
Lazio
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Packard
Pallone
Pappas
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn

☐ 1517

The SPEAKER pro tempore (Mr. PEASE). On this rollcall, 408 Members have recorded their presence by electronic devise, a quorum.

Under the rule, further proceedings under the call are dispensed with.

DISAPPROVAL OF MOST-FAVORED-NATION TREATMENT FOR CHINA

The SPEAKER pro tempore. In the matter pending before the House, the following time remains: The gentlewoman from California (Ms. PELOSI) has 4 minutes remaining. The gentleman from California (Mr. MATSUI) has 6½ minutes remaining. The gentleman from Nebraska (Mr. CHRISTENSEN) has 4½ minutes remaining. The gentleman from Illinois (Mr. CRANE) has 3½ minutes remaining.

The Chair recognizes the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, as the House is coming to order, as one who has had a long interest in this U.S.-China trade debate, I want to commend you for your distinguished presiding over the House today during this very important issue to the American people.

Mr. Speaker, I now have the privilege of recognizing our distinguished Democratic leader of the House, a champion for promoting democratic values throughout the world, promoting our own economy through promoting exports, and stopping the proliferation of weapons of mass destruction.

Mr. Speaker, I yield 4 minutes to the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Speaker, I would begin my statement today with a question that I think all of us have to ask as we decide which way we are going to vote. The question is, if we had kept in place in the mid-1980s a policy of constructive engagement with South Africa that is very much like the policy of constructive engagement we now have with China, would not Nelson Mandela be the President of South Africa today, or would he still be in jail? That is the question.

I know no two countries are alike. I know no two sets of policy can be exactly the same. But I believe with all my heart that the policy we are following, which is basically a policy of saying that more trade, more economic relationships, more communication is sufficient to bring about real change in China, is a failed policy and it has not worked.

If you will, simply look at the facts. Let us first look at trade. In 1987 the trade deficit with China was about $3 billion between the United States and China. Today it is over $60 billion.

Our own Trade Representative has stated, as of this year, as of this year, that there is essentially a closed market in China to American products. Put aside the tariff difference. Our average tariff on their goods coming here, 2 percent. Their average tariff on our goods going there, 17 percent.

But put that aside. The greatest barrier to our products going into China are nontariff barriers. Our own Trade Representative has said that their market is essentially closed now to our products. They had been unwilling to meet up with our demands to put them in the WTO. They are simply unwilling to allow for fair and free trade.

So if my colleagues look at this in terms of trade policy, we are not making progress. We are going in the wrong direction. We are not going in the right direction.

Let us take a look at human rights. Again, no progress. The President was there, and I admire him for going, and I think it was right to go. But let me tell my colleagues something. The Chinese leadership is happy to have our President or anybody else come and make statements about human rights as long as they do not have to do anything about human rights. Talk is cheap. I am from Missouri. Show me. Nothing is happening.

One hundred fifty dissidents who were in Tiananmen Square are still in jail. Even as our President came to China, people were locked up. People were locked up for no causes. People were locked up because they dared to try to express themselves politically freely.

There are no human rights in this country. Every violation that could be made of human rights has been made, and there is no progress. Look at the record. If the policy were working, the record would be different. It is not. So if a policy is not working, we need a new policy, and I believe that policy has to have actions as well as words.

I respect deeply my colleagues who believe that more trade and more talk will work. I respectfully disagree. I do not think that anything but solid action will make a difference.

I want to remind my colleagues of what was said in the debate about South Africa in 1985. I want to read my colleagues a statement. One of our Members in 1985 said this: "South Africa is making positive and concrete strides under an American policy of constructive engagement. Given the progress already made and the virtual irreversibility of the trends, sanctions and other punitive activities can hardly be expected to produce more salutary results than President Reagan's policy of constructive engagement."

Our respected colleague, the gentleman from Illinois (Mr. HYDE), said those words on this floor in 1985, but this House in a bipartisan way stood for taking a definitive action. Words were not enough. We had to stop having a normal trading relationship with South Africa to get their attention.

Our trade deficit with China is financing the present leadership in China. They have a deficit with other countries put together. We are the only country they have a huge surplus with. In effect, our trade policy is financing the policy that they follow.

Let me end with this: We always are told that the reason we cannot do this is because of money. We are going to lose contracts. We are going to lose business. We are going to lose a billion consumers in the future.

Let me just end by saying this to you as you search your heart in this vote: This country has always stood for much more than simply money and economic success. This country is an idea. It is a universal idea that applies to every citizen of the world.

Abraham Lincoln in 1861 said this: "I have often inquired of myself, what great principle or idea it was that kept this Nation so long together. It was not the mere matter of the separation of the colonies from the Motherland but something in that declaration giving liberty, not only to the great people of this country but hope for the world for all time."

That is what we are. That is what we have to be. That is what we have to represent to the people of China and the people of the world. Wei Jingsheng was in my office a few months ago and I asked him what we should do on this vote, and he said, "Congressman, please understand that the only thing the leaders in China understand is money and trade and whether or not you are willing to really stand for what you believe in."

Your vote today is for what we believe in. Let us change China. Let us have real engagement. Let us bring about liberty finally, as only we can, for the people, the great people of China. Vote against a normal trading relationship with China.

Mr. MATSUI. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I rise in strong opposition to the resolution that would end normal trade relations with China.

Mr. MATSUI. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Indiana (Mr. HAMILTON), the former chair of the Committee on Foreign Affairs and the ranking member of the Committee on International Relations.

Mr. HAMILTON. Mr. Speaker, I rise in opposition to H.J. Res. 121. I support retaining normal trade relations with China. This is not just a vote today about trade. NTR, or normal trade relations, is the keystone of our policy of engagement. So the question today is the fundamental one: Do you wish to pursue a policy of engagement or of isolation?

□ 1530

Members have argued on the floor today that you can vote to end normal trade relations with China and still work with Beijing on nonproliferation and human rights and all of the other problems we have with China. That argument cannot be sustained. To withdraw normal trade relations from China is to declare economic warfare against China. We cannot declare economic warfare against China and expect China to play by our rules on nonproliferation and human rights and security. Political engagement and economic cooperation go hand-in-hand. You cannot separate the two.

What we must ask ourselves on the floor of this House today and what we must understand is that China is changing. Go back 20 years, when our policy of engagement began. At that time it was simply unimaginable to have a public discussion on any issue with China.

Today American businesses operate in China, the state share of the economy is falling, the standard of living of the people of China has improved sharply, two presidents debate with one another in Beijing about human rights, the American president is given access to all the people of China on Chinese television. The average Chinese citizen today has more freedom, not enough, but more freedom than that citizen has ever had in the history of China. The rule of law is making progress. Local elections are being held.

How can you describe that policy as a failed policy? That is not a failed policy. This is a policy under six presidents that has been one of engagement, and it has worked.

These trends that I have identified are good for China and they are good for the United States. They show that engagement, including engagement's foundationpiece, normal trade relations, works. And I believe that as the doors to freedom in China begin to open, they will be increasingly hard to shut.

Now, the stakes are very high in this vote today, because China does stand at a crossroads. Whether it emerges as a stable country, integrated into the world community, will be decided by China. But we can influence China, and we have influenced China over a period of years.

We should not, however, delude ourselves into thinking that by withholding normal trade status from China we will have greater influence with China. Not on your life. It would mean less influence with China.

Now is not the time to slap China. No matter how you may have voted on this question in the past, the case for normal trade relations with China today is stronger than it has ever been. Look what happens if you have a financial Asian meltdown. China has played a key role by maintaining the value of its currency.

Withdrawing normal trade relations from China at this juncture would be the worst step we could take. Look at China's economy. It is precarious. Premier Ju is committed to an ambitious program of economic reform. It moves in the direction we want China to move. The United States supports those reforms. But if we come along now and strip most-favored-nation treatment, as we used to call it, or normal trade relations from China, that will help kill those reforms.

Look at what China is doing on all kinds of regional problems, I do not have time to go into that, but with India, Pakistan and Korea. Terminating access to U.S. markets would almost certainly mean that China is less willing to work with us on key security problems.

Take a look at the American economy. Everybody in this Chamber has noted the drop in growth in the second quarter compared to the first quarter, one of the most dramatic drops in the history of our economy. We must not take a step that would exclude one person out of every four on the face of the Earth from trade relations if we deny normal trade relations.

We can all acknowledge a very difficult problem on trade deficits. China is not an open market, but you have to address that problem in such a way that you do not penalize the American producer.

Mr. Speaker, I urge Members to vote no on the resolution.

Mr. CHRISTENSEN. Mr. Speaker, I yield the balance of my time to the gentleman from New York (Mr. SOLOMON), the chairman of the Committee on Rules and the author of this resolution for the last 9 years, a champion of human rights.

The SPEAKER pro tempore (Mr. PEASE). The gentleman from New York is recognized for 4½ minutes.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Nebraska for yielding me time.

First of all, let me just thank those who have stood for human rights in this House for many, many years. I talk about the gentlewoman from California (Ms. PELOSI), certainly the gentleman from New Jersey (Mr. SMITH), certainly the gentleman from Virginia (Mr. WOLF), and my good friend from Nebraska. But, Mr. Speaker, as I sat through this 4 hours of debate and it will be my last debate, I will not carry this bill again but you would think there is nothing wrong.

I heard my good friend, the gentleman from Illinois (Mr. CRANE), whom I have served with for 20 years, say, well, we have to worry about 200,000 jobs that would be lost if we do not renew MFN for China today. I look at my district, and I just wonder whether it is different from his.

I represent the old Rust Belt in America. We used to manufacture shirts like I have on here. These were choice shirts. We had most of the market. We used to manufacture gloves, a whole litany of things. Today, in my district, there just are no more jobs. GE has laid off some 24,000 people. IBM has laid off some 14,000 people. There are hardly any entrepreneurial manufacturing companies left that used to create all of these jobs.

I look at people who have served in the military, came home, got married, have three or four children, and they work in Little League and Boy Scouts. Now they are 45 and 50 years old, and they do not have a job, they do not have a decent job. They no longer have that job with GE, where they made $40,000 or $50,000 as a laborer. Now they have three little jobs, and they do not even make $25,000 in total. They cannot make a living for their families. Yet I hear people stand up here and say there is nothing wrong.

Well, when only 2 percent of our exports go to China, but they unload on us, there is something wrong there. What was the note I just had? Ambassador David Aaron, the Undersecretary of International Trade, U.S. Department of Commerce, just testified about an hour ago, and he was posed with the question, Why do we have this $60 billion trade deficit with China, bigger than Japan's now? Ambassador Aaron's comment was the reason for our trade deficit with China is trade barriers.

Now, what is normal trading relations if we cannot export? A major electrical razor manufacturer closed its plant, 250 people out of work, and it went to China. Now, in China, I do not know whether you have been there. I have been there several times and they do not buy electric razors. They do not even use them much. Therefore, all of those razors are going to be exported back to the United States. Yet 250 people are out of work. So something is drastically wrong.

Withholding MFN for China, right now, today, does not mean we are doing it for a year, 10 years or 20 years. We are doing it temporarily. It can be for 30 days, because this Congress can turn it around like that.

Let me tell you, the Chinese people are the smartest people in the world. If we ever withheld this favored treatment and came back to regular relations, so we would have the same trade tariffs between our countries, do you not think China would come to us crawling, because we have 250 million Americans with the greatest buying capacity in the world? They would lick their chops to do business with us. And we do nothing? That is a disgrace.

That is why we ought to pass the Solomon resolution now. Whether MFN is withdrawn for a week, 2 weeks, a month or 3 months, we would find we would pretty soon renegotiate our trade with China to where we would no longer have that $60 billion deficit and Americans would have jobs in this country.

Please support my amendment.

Mr. Speaker, I noted at the very outset that, for the past nine years, the argument has been presented that maintaining MFN status for China is necessary in order to gain access to the Chinese market for U.S. products, to induce the Chinese dictatorship to treat its own people with a decent respect for their human rights, and to modify the rogue behavior of the Chinese communists.

Abundant evidence has been presented during the course of this debate that 19 years of MFN have failed to promote any one of these objectives.

MFN has been an issue before Congress for the past nine years—ever since the Tiananmen Square massacre. But MFN status for China actually goes back ten years before that—to 1979.

I would just ask the advocates of MFN for China: When does America start getting access to the Chinese market? When does the great payoff start?

China is the largest country in the world, with one-fifth of the world's people. But after 19 years of MFN, less than one-fifth of 1 percent of U.S. economic activity is involved in trade with China.

No more than 1.9 percent of our total exports are now making their way into that huge market. When does the payoff start?

And when will the Chinese people start being treated as citizens, instead of as comrades or economic units to be exploited, manipulated, and abused?

And when will China start assuming a responsible and respectable role in the world, instead of being the arms merchant to every outlaw state in business and any other country that wants weapons that are out of scale to its legitimate needs?

Mr. CRANE. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from Illinois is recognized for 3½ minutes.

Mr. CRANE. Mr. Speaker, this is an interesting experience. We had a debate on the floor yesterday and I was semi-joking about the gentleman from Illinois (Mr. YATES) coming to Congress when I graduated from high school, but that was the same year that LEE HAMILTON and I met each other in our freshman year in college. We were college chums together for a couple of years. Of course, we are going to be losing the gentleman from New York (Mr. SOLOMON) too, who retires after this year, and we have had our agreements and disagreements along the way on a lot of issues.

But I am particularly proud of the eloquent presentation today by the gentleman from Indiana (Mr. HAMILTON) on behalf of maintaining our normal trade relations with China. It is probably the most important country that we can have relations with on the face of this Earth, and I say that because of what the future holds for China.

In those years that I described, talking about the election of the gentleman from Illinois (Mr. YATES), his first term here, and the gentleman from Indiana (Mr. HAMILTON) and I going off to college together, the fact of the matter is that was the beginning of the Great Leap Forward, that you remember cost 30 million Chinese lives from starvation. That is when they put the wall up, for all practical purposes, and locked out contact with civilized human beings. Then they did the Great Leap Forward after that for another decade, and hundreds of thousands of Chinese people were executed, put to death, for political reasons.

Then Deng Xiaopeng finally took charge, and Deng Xiaopeng, to his credit, believed in what he referred to as Leninist capitalism, the ultimate oxymoron. What he passionately was embracing was free enterprise, he did it with a vengeance, and he turned China around.

Today more Chinese people enjoy a higher standard of living than ever before in the 5,000 years of recorded history. It is providing hope and opportunity. A middle class has already developed in South China.

Now, these are accomplishments that we can aid and abet with our presence and our influence. The Chinese have respect for us, and our leaders in this country, and this goes back to Gerry Ford, it goes back to Jimmy Carter, Ronald Reagan, George Bush, to the current occupant, Bill Clinton, they have all embraced going forward with this policy. It is not a partisan question. It is not Republican versus Democrat, it is what is in the best interest.

We can have legitimate disagreements, as I have had with the gentleman from New York (Mr. SOLOMON) throughout the years, have disagreements on this.

But I submit, if you look at the reforms taking place in China, and that is local democratic elections, one-third of the Chinese people have already participated in the democratic process, and they are not communists. In addition to that, as I say, the advancement of free enterprise, and the advancement also of religious freedom and what is going on there with a vengeance today, in contrast to not that long ago when this was impermissible, now an estimated 20 million Protestants, possibly as many as 10 million Catholics, 100 million Muslims, these are accomplishments that are far from perfect, but we know that it is movement in the right direction.

I argue that trade relations provide that opportunity for personal contact, which ultimately has the most civilizing impact on mankind.

I urge all Members to think long and hard and vote against this resolution.

Mr. FARR of California. Mr. Speaker, opponents argue that China's record on human rights, trade, proliferation and other issues do not justify extending normal trade relations. Though I agree that much must be done to alleviate these very serious problems, I have to disagree with some of my colleagues on this issue. I feel that we should use every type of engagement—including normal trade relations—to bring China into the international community and to achieve U.S. objectives on human rights, trade and proliferation.

The Chinese economy is one of the fastest growing economies in the world. While many Chinese remain poor peasants, hundreds of millions have seen their lives improved through economic reform. Market reform is the single most powerful force for positive change in China this century, and possibly in the country's long history. Recent economic progress, which has significantly improved living conditions in China, represents real benefits for both the United States and China.

Congress should extend normal trade relations for another year. By supporting normal trade relations, the House is choosing a policy of engagement over a policy of isolation. Engagement has been the policy of every President, Democratic and Republican, for twenty-five years. Engagement is not appeasement. It does not mean ignoring our differences with China or engaging them blindly. It means actively engaging China to resolve our differences. It means hard bargaining in pursuit of American objectives and keeping lines of communications open to breech new markets.

These new markets will have a direct impact on the U.S. economy. U.S.-China trade was valued at $75.3 billion in 1997, supporting an estimated 400,000 American jobs. Last year, California led all other states in total exports to China, amounting to $2.3 billion in sales. California agricultural exports made up over $40 million of these exports.

I have seen a dramatic increase in the amount of agricultural exports to China in the last several years. In my Central Coast district in California, agricultural exports have increased to more than 100,000,000 pounds of produce entering China and Hong Kong. China receives more produce from the 17th District of California than every country except Canada and Japan. American producers are just starting to get a toe-hold in the Chinese market, and additional commodities are entering China at an increasing rate.

With China's reduction in import tariffs last October, on average by about 25%, the future looks very bright for increased exports of U.S. products to China, both direct to mainland ports and via Hong Kong.

It is imperative that the United States continue to work towards improved human rights for both political activists and religious dissenters. However revoking NTR will only slow progress in resolving our difficulties with China. Continued engagement will provide the most fertile ground to improve human rights, copyright law enforcement, and Chinese foreign policy. I feel that it is essential that we support our farmers whenever possible and closing this market would be devastating to my district. For these reasons I can not support House Joint Resolution 121.

Ms. LEE. Mr. Speaker, I rise in support of House Joint Resolution 121, the legislation to disapprove Normal Trade Relations with China (formerly Most Favored Nation Status), for several reasons. During the past several months I have had extensive discussions with individuals both in support and in opposition to Normal Trade Relation status for China including the United Auto Workers of America, the AFL–CIO, the U.S. Business and Industry Council, and the business community in the Bay Area. I do not cast this vote lightly, but with much thought and input from individuals and groups with many points of view.

While in the California Legislature, I served as a member of the California State World Trade Commission and was appointed by the late Secretary of Commerce Ron Brown to serve as a member of the District Export Council. I led the effort to encourage commercial trade between the State of California and the Continent of Africa. I support fair and free trade and recognize the importance of trade in the creation of jobs for Americans, especially in my home state of California, where we are the 10th largest economy in the world.

Essential to the creation of jobs for American workers, however, is the absolute requirement that the Chinese market be open for imports from the United States. The U.S. labor force is harmed by lack of access to China's markets for the majority of U.S. products and services. Trade with China has not been reciprocal. Existing trade barriers create a severe trade imbalance in which the United States imports many more goods from China than it exports. Last year alone, the United States imported $62.6 billion worth of goods from China, while exporting only $12.8 billion. Only 1.9% of all U.S. exports are allowed into China, whereas 34.3% of Chinese exports come to the United States.

Normal Trade Relations Status with China hurts American workers by driving manufacturing industries abroad for cheaper labor, which is particularly damaging to women and minorities. In my state of California, the effect of trade with China is extremely damaging to agriculture, to aerospace, and to the garment industry. The software and high tech industries are also hit particularly hard due to China's theft of copyrighted material. According to the Software Publishers' Association, 96% of the business software in China is pirated from American companies.

Mr. Speaker, U.S. companies and U.S. goods have very limited and restricted access to the Chinese market due to China's high tariffs, as well as its non tariff barriers. As I made my decision to vote for House Joint Resolution 121, I concluded that the current MFN China policy is a "business loser" and "job loser" here at home.

In addition, as a person who supports human rights both in the United States and abroad, I cannot ignore the fact that in China there are at least 250 people still imprisoned since the 1989 Tiananmen Square Massacre, that there are more than 2,000 political and religious prisoners, and that there are at least 230,000 prisoners being held without charge or trial in "reeducation through labor" camps. As a person who has been and will continue to be committed to world peace and to non proliferation of nuclear weapons, I cannot ignore China's assistance in building nuclear and ballistic missile programs in Pakistan and sale of missile test equipment to Iran. I cannot help but be extremely concerned about China's recent test fire of its newest long range missile during President Clinton's visit, illustrating China's lack of respect for nonproliferation.

I support ending the trade embargo with countries such as Cuba, which many supporters of MFN oppose. There seems to be no logic or consistency in the arguments promoted by many of those who support trade relations with China, while simultaneously opposing trade with Cuba. I believe that our foreign policy objectives can be achieved, that democracy and human rights can be encouraged, and the jobs can be created for American workers through fair and free trade with countries, whether Communist or not.

I believe that my colleagues of the California Bay Area Delegation, The Honorable NANCY PELOSI, The Honorable GEORGE MILLER, The Honorable PETE STARK and The Honorable LYNN WOOLSEY are correct in their decision to oppose MFN for China. I unite with them in this effort to support U.S. workers and the U.S. labor.

Mr. PORTMAN. Mr. Speaker, I rise today in strong support of renewing normal trade relations (NTR) with China. As you know, the IRS reform legislation, signed by the President today, changes the designation of "Most Favored Nation" trading status to a name more representative of what we are trying to do—establish normal trade relations. This is a status held by every single one or our trading partners, except those that have been specifically denied by statutory authority.

I strongly believe that renewing NTR is critical to advancing U.S. interests and relationships in Asia. Revoking NTR would significantly raise tariffs on Chinese imports—costing U.S. consumers more of their hard earned money—and would effectively sever our economic relationship with China, making it impossible to influence China in several areas, including human rights.

Failure to extend NTR would also hurt our economic interests. U.S. exports have been steadily growing every year and support thousands of U.S. jobs. In my home State of Ohio, the 8th largest export State, Ohio firms exported $283.5 million worth of products to China in 1997—an 18.4 percent increase for the year, which has led to more jobs, increases in their wages and higher standards of living in Ohio. The Chinese would undoubtedly retaliate, putting our jobs and exports at risk. We would be giving our competitors a competitive advantage in one of the world's fastest growing markets.

A policy of engagement with China, however, does not mean that we approve of its practices. I have grave concerns about China's human rights record. But it is through active engagement with China that we can make the most progress in this and other areas. The Chinese are becoming increasingly familiar with the benefits of an open market system and an open society through our contact with them, Revoking NTR would cut us off from the Chinese, limiting our ability to engage the world's other emerging superpower.

Mr. Speaker, renewal of NTR has been supported by every President who has faced this issue, and is supported throughout Asia, including Japan and Taiwan. I strongly urge my colleagues to oppose the disapproval resolution and support renewing normal trade relations status to China. Continued engagement with China is the best way to help China become a constructive force for stability and prosperity in Asia, and advance important American interests. Thank you.

Mr. LEACH. Mr. Speaker, for the next generation and perhaps century the most important bilateral relationship in the world is likely to be the one between China and the United States.

In this context, the Congress would be well-advised to extend normal trade relations (what used to be known as most-favored-nation or MFN) with China.

Maintaining open trade relations will be the linchpin of a relationship that will have profound importance to the future of peace and prosperity not just in Asia, but for the world. From a historical perspective free trade is a natural extension of the open door policy that hallmarked American involvement in China at the end of the 19th century. Breaching or revoking normal trade relations would effectively drive a stake through the heart of our economic ties with China and place in jeopardy the future possibility of greater Chinese democracy, as well as our relationship with one-fifth of the world's population.

President Clinton correctly emphasized continuity with a bipartisan American tradition of engagement during his recent trip to China, but it appears trade may have taken a back seat to politics. In this regard, it must be stressed that although our economic ties to China have grown rapidly in recent years, so too has the size of our trade deficit. It is up some 20% in the first quarter of this year, and may reach a record $60 billion in 1998. It is time American leaders make the fundamental point that normal trade relations are all about reciprocity. A billion dollar a week trade deficit is politically and economically unacceptable.

The best way for countries to have good sustainable political relations is to have reciprocal open markets, and the best way to achieve reciprocity in trade is to get politics out of economics and economics into the market.

Balanced and mutually beneficial trade could be a cornerstone of good Sino-American relations, just as unbalanced trade contains the smoldering prospect of social rupture. Hence little is more in the U.S. interest than to promote reform and liberalization of China's economic, trade, and investment regimes and to bind China to the rules of international commerce.

With regard to the latter issue, the obvious deserves repetition: common rules of trade are in the vested interest of all countries which want to be part of the modern world. Those nations which want privileged status to protect their own industries, usually on grounds of the old infant industries argumentation, generally hurt themselves. Financial services is a classic example. While China has become dramatically more integrated into the international financial system over the last decade and a half, it has only taken modest steps to open up its banking, insurance, and financial service industries to foreign competition. Yet China and its economy would be far better off to welcome U.S. and other foreign financial institutions and their panoply of low-cost commercial and investment banking products.

With this in mind, no fully satisfactory outcome to our trade difficulties can be achieved until Beijing agrees to a commercially viable package of terms for jointing the World Trade Organization. A commercially viable agreement must address U.S. concerns for opening China's market to U.S. agricultural and industrial goods. Likewise, U.S. service industries—particularly banking and insurance—deserve access to the Chinese market. Once this agreement is achieved, Congress should not hesitate to grant China permanent normal trade relations. Failure to do so would leave the U.S. unable to apply WTO rules and obligations to China, including mechanisms for dispute resolution.

At the heart of the annual Congressional debate over normal trade with China lies the issue of economic sanctions. All Americans support common-sense efforts to advance the cause of human rights in China, and elsewhere around the world. The question is one of means, not ends, whether self-righteous indignation advances or undercuts a just cause.

Although arguments can be marshalled in support of trade revocation, at this time they are clearly uncompelling. Indeed, for this Congress to revoke normal trade relations with China as a means to assert legislative displeasure with Beijing on one or any number of social issues would be so counterproductive as to be tantamount to an irrational act.

Members of Congress and many Americans are frequently vexed by what they perceive to be the slow pace of political change in China. But here it must be stressed that the only political system that fits economic free enterprise is political free expression reflected in governmental institutions of, by, and for the people. Advancing freely associated economic ties with the West has only one political side effect: it builds bridges to democracy. Quixotic attempts to isolate China economically run a far greater risk of assuring oppression than advancing democracy.

Chinese society is changing far more rapidly than most Americans realize. The late Deng Xiaoping underscored the new Chinese pragmatism with his cat and mice metaphor, and by promoting "socialism with Chinese characteristics." That pragmatism has led to unprecedented social and economic change in China. Indeed, despite continued political repression, China may be changing more rapidly than any other country in the world. Not only is it looking outward to trade and establishing a market-oriented internal economy, but in terms of private discussion there is much more freedom of expression than existed two decades ago. Privately, one can now criticize the Government without repercussion; it is public criticism that remains shackled. This latter circumstance is indefensible, but the looseness of controls on the former is not without significance. Nor are recent decisions allowing elections at local levels.

Nonetheless, China's social and economic transformation can't proceed in the long run without effecting significant political change. At some point Beijing's new leaders must recognize the incompatibility of free enterprise and an authoritarian political system, and must recognize as well that instability can be unleashed in society when governments fail to provide safeguards for individual rights and fail to erect political institutions adaptable to change and accountable to the people.

Wheather the 21st century is peaceful and whether it is prosperous will most of all depend on whether the world's most populous country can live with itself and become open to the world in a fair and respectful manner. How the United States, its allies, and the international system responds to the complexities and challenges of modern China is also one of the central foreign policy challenges of our time.

Revocation of MFN would not be responsive to the challenge. It would not effectively address our legitimate concerns on human rights, nonproliferation, Taiwan, or trade. On the contrary, it would constitute a supremely counter-productive act.

The United States would be far better to develop a bipartisan and bi-institutional approach that maintains an open door to China and with it a constructive relationship that will be the key to peace, stability, and prosperity in the 21st century than to annually threaten this political brinksmanship. I urge the defeat of this self-defeating legislation.

Ms. HARMAN. Mr. Speaker, I regret this annual ritual to attempt to deny regular trading status to a country comprising one quarter of the world's population.

The United States has normal trade relations with every country in the world except six: Afghanistan, North Korea, Cuba, Laos, Vietnam, and Yugoslavia. We even grant normal trade relations status to Iran, Iraq, Burma, and Libya. It is not to our advantage to put China in the same category as these rogue states, and impose trade restrictions.

By denying normal trade relations with China we hurt ourselves. China is the world's largest nation and a vast untapped market for U.S. goods and services. We can deny MFN to China, but other countries won't. And in the long run, we will be shut out of this market. This will not serve American workers, American consumers, or American competitiveness.

In my own state of California, trade with China accounts for $2.3 billion in exports, and thousands of high-skill, high-wage jobs. In the district I represent, trade with China has generated new jobs not only through exports, but imports as well. Since 1995, the number of jobs at the Ports of Los Angeles and Long Beach has increased five times over (from 800 to 4,700). And these are good, high paying jobs—many of them union jobs.

And let's be clear: if we deny normal trade relations with China, we leave the door open to quotas and tariffs that raise prices on the goods we buy. If we deny MFN, we hurt our own consumers. Is this what we want for hard-working American families?

Making China a regular trading partner does not mean downgrading our interest in getting China to improve its human rights and its non-proliferation record. As a member of the House National Security and Intelligence Committees, I have worked very hard to address the threat of missile proliferation from China and other countries, and I will continue to do so. The imposition of targeted economic sanctions on firms that proliferate is, in my view, a far better way to deal with this.

Refusing to grant normal trade relations status to China won't move it one iota on the issue of human rights or missile sales. What will? Engagement. Engagement means that we will continue to expose the Chinese people to our way of life and our values. As you will recall from the events that swept Eastern Europe less than a decade ago, opening the door just a little can result in tremendous change.

Wang Dan, the student protester who spent 7 years in a Chinese jail, recently said he hoped to learn about the U.S. political system and "bring the good things" back to China. He wants constructive engagement, and so should we.

Mr. VISCLOSKY. Mr. Speaker, I rise to express my strong opposition to President Clinton's decision to extend Most-Favored-Nation (MFN) trading status to the People's Republic of China for another year. I also express my full support for H.J. Res. 121, legislation introduced in the House of Representatives that would override the President's decision and revoke China's MFN status.

I am opposed to continuing China's MFN status for three reasons: (1) China's continuing disregard for our nation's trade laws, which has led to a skyrocketing trade deficit; (2) China's atrocious record on human rights; and (3) China's efforts to assist countries such as Iran, Libya, and Pakistan in developing weapons of mass destruction.

During my career in the Congress, I have worked hard to level the playing field for America's working families. I believe that if you work hard and play by the rules, you are entitled to a fair wage that allows you to buy a house, raise a family, and receive a good pension upon retirement. Unfortunately, these values are falling prey to foreign countries that aim to undermine U.S. jobs by producing goods with cheap labor and then violating our trade laws by importing those goods into the U.S.

China is a prime example of a country that engages in this type of behavior. There is irrefutable evidence that China produces consumer goods using slave labor, child labor, and even military labor in order to keep production costs as low as possible. In fact, Chinese workers are paid an average of $2 per day. China then violates U.S.-China trade agreements, including intellectual property laws, quota rules, and numerous other U.S. trade laws as it imports its goods into the United States.

It should come as no surprise that our trade deficit with China has risen from $3 billion in 1989 to a projected $63 billion for 1998. Trade figures for May 1998, show a 28 percent increase in the deficit compared with May 1997. These figures indicate that our trade imbalance with China is growing by more than $1 billion per week.

Out trade deficit with China will only get worse because continuing to grant MFN perpetuates a fundamentally unfair tariff system. Under MFN, the average tariff rate on Chinese goods being imported into the U.S. is just 2 percent, while China sets a whopping 35 percent tariff on U.S. goods. Continuing the current system gives China no incentive to lower its tariff rates or respect the trade laws currently in place. Revoking MFN would increase U.S. tariffs on 95 percent of the goods being imported from China, which will put the brakes on the growing trade deficit and help balance the playing field for American workers.

In the area of human rights, China's record speaks for itself. In 1997, the U.S. Department of State's annual report on human rights repeatedly chastised the Chinese for committing a range of human rights violations. According to the report, "The [Chinese] government continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms stemming from the authorities' very limited tolerance of public dissent, fear of unrest, and the limited scope or inadequate implmentation of laws protecting basic freedoms."

The evidence is also clear that China continues to provide rogue nations such as Libya, Iran, and Pakistan with assistance in developing nuclear weapons and advanced ballistic missiles. China has supplied Iran with C–802 cruise missiles, which will allow Iran to deliver deadly payloads throughout the Middle East. China has also provided Pakistan with the technical assistance it needed to develop nuclear weapon capabilities. Recent reports even indicate that the Chinese were testing advanced ballistic missiles while President Clinton was visiting their country last month.

Mr. Speaker, China was originally granted MFN status with the hope that doing so would encourage China to lower its tariffs, improve its record on human rights, and become a responsible member of the international community. Seventeen years later, China's record on these issues shows little improvement. It is time to reject those who say "constructive engagement" is the only way to deal with the Chinese government, and revoke MFN status until China commits itself to making trade fairer, people freer, and the world safer.

Mr. LIPINSKI. Mr. Speaker, a 19th century British politician once said, "Commerce is the greatest of all political interests." The Administration's actions lends credence to the statement. In early June, the Administration threw its support behind the renewal of China's MFN status. The interests of multinational corporations have once again been placed before the interests of American working families.

We gave MFN status to China, and exactly what has that given us? It's given us a surging U.S. trade deficit with China that was $50 billion in 1997 that is expected to reach over $60 billion this year. The Administration's cozy trade relationship with China has come at the cost of tens of thousands of American jobs—in the name of constructive engagement, of course.

What is the bottom line with MFN for China? Multinational corporations take advantage of MFN and cheap Chinese labor by moving U.S. manufacturing jobs to China, produce the goods there, and export the products back to the U.S. Our jobs are being exported to China, so multinational corporations can raise their profits. They're putting profits before people.

Who wins? Communist China and multinational corporations.

Who loses? American workers.

Why? In the name of constructive engagement.

Constructive engagement should not come at the cost of American jobs. We should engage on our terms, so that all Americans can enjoy a rising standard of living—not just multinational corporations.

Mr. Speaker, while I am an idealist, I am also a realist. We just do not have the votes here today to reject MFN for China. What we do have, however, is an opportunity to send a message to the leaders in Beijing, China. The U.S. Congress will not stand idly by as China continues to close her markets to American products. Congress cannot ignore predatory trade practices that cost American jobs and threaten the livelihood of American workers. We must take stronger actions to open up China's market.

But the Administration has been telling us that they've been in negotiations with China. They're working very hard to open up China's market. The Administration has been negotiating to open up China's market since 1992, and in my opinion, nothing seems to have changed for the better. I think it's about time to stop talking and start doing.

Congress has provided the Administration with an extremely powerful tool at its disposal. Sections 301 through 309 of the Trade Act of 1974, commonly known as Section 301, gives the President and the U.S. Trade Representative the authority to respond to foreign trade barriers which restrict U.S. exports. It further authorizes the President and the USTR to retaliate usually in the form of 100% tariffs on targeted imported products from the offending country. Section 301 can do a lot to pry open foreign markets, especially in China. They've just chosen not to use it—in the name of constructive engagement, of course.

It's time for the Administration to pull Section 301 out of the closet, dust it off, and utilize it to pry open China's markets and correct the unfair trade deficit. It's time to initiate a Section 301 investigation of China. It's time to take the Section 301 sledgehammer to China's other Great Wall. Break it down and open it up to good, old Made-in-USA products. And if the Administration is reluctant to use Section 301, then it's up to Congress to make sure the Administration does.

Mr. Speaker, I am in strong of H. J. Res. 121 to revoke MFN status for China, because it hasn't helped America, it's only hurt us. MFN for China is a dead-end street for American workers. I urge all of my colleagues to vote for the resolution and send a message to Communist China that American workers will no longer bear the burden of constructive engagement.

Mr. COSTELLO. Mr. Speaker, I rise today in support of the resolution to disapprove so-called normal trade status to China. In the past I opposed efforts to grant this privilege to China, and following a trip I made to China last year, I continue to have reservations about extending this status.

Since the 1989 Tiananmen Square massacre, concern in Congress about the U.S.-China relationship has focused on three areas: China's violations of our trade agreements, proliferation of weapons of mass destruction, and human rights abuses. While congressional hearings and commissions have met and many reports have been issued, in each of these areas where Chinese violations have occurred, it is clear that our national policies of constructive engagement have failed. In fact, there has been deterioration, not improvement, under recent policies.

Looking from the economic perspective, the U.S. deficit with China has climbed exponentially to $50 billion last year. China's high tariffs and non-tariff barriers limit access to the Chinese market for most U.S. goods and services and violate the GATT agreement. China's communist rulers also refuse to enforce laws to prevent the piracy of intellectual property and patents. We must take action to assure that from an economic standpoint we have a level playing field.

Secondly, I am concerned about Chinese efforts to transfer nuclear, advance missile, chemical and biological weapons technology to nations like Iran and non-safeguarded nations like Pakistan. China is the largest nuclear power in the world and the only nation which produces long-range nuclear missiles. We cannot continue to ignore China's transfer of dangerous technology to that region. Such activity threatens to destabilize not only our nation but other regions of the world.

Most importantly, human rights issues continue to concern me. As recently as last week, the Chinese government arrested a group of Chinese citizens for attempting to form an opposition political party. Chinese officials ruthlessly enforce laws limiting families to having one child. It is well-documented that individuals in China who gave birth to a second child experienced loss of job or government benefits, fines and in some cases forced sterilization. The freedoms we often take for granted in America are what makes our citizens the envy of the world. As a national policy, I do not support offering economic incentives to a nation which discourages and disallows the freedom for individuals to express themselves.

Our nation has a responsibility to use its leverage to act on behalf of fairness and must insist on a reciprocal relationship with China. It is my strong desire that once and for all these three issues can be addressed so that both countries can have a satisfactory trade relationship. However, this will not happen by once again overlooking the serious problems that are occurring in China. Please do not reward China for their abuses of power; vote to deny "normal trade status" to China.

Mr. UPTON. Mr. Speaker, last year I voted against MFN. I did so for a variety of good reasons—primarily because of changes regarding nuclear technology issues and the suspicion that indeed we had seen the transfer of such to other countries.

I had a pretty good feeling that then, and now, MFN would continue. The issue of "engagement" would indeed prevail. But I voted against it in 1997 because I believed that we should send them a signal—if not now, when?

The last number of days, I, and a number of my colleagues have had lengthy discussions with the State Department, Defense Department, USTR, and others regarding the real security of these technologies.

I'm convinced, that we have made real progress in sending the message that any transfer of these technologies to other countries is simply not acceptable. Engagement this past year has indeed been productive on this front and I am glad to see real improvements.

I am hopeful that this progress will continue and I will also continue to watch world events with a careful eye.

My vote today will be cast in favor of normal trade between our two countries.

Mr. SKAGGS. Mr. Speaker, I want to see China improve its human rights record, stop repressing the people of Tibet, allow civil liberties and public dissent, and stop persecuting religious minorities.

So I understand the appeal of voting for this resolution. It would be very satisfying, for a few minutes, to feel that I did something, that the Congress did something, to make China change. But I have to step back and ask whether revoking Most-Favored Nation (MFN) trading status, now called Normal Trade Relations (NTR), for China would have the desired effect, and if not, what will. I don't think passing this resolution will make China change.

This cannot be a one-sided debate. We must consider not only the areas where we have real and heartfelt disagreement with the Chinese government's actions and policies, but also those often complex areas where Chinese cooperation with the United States has had and will have enormous consequences. And there are important areas where China has cooperated with us: working with us to stop North Korea's nuclear weapons development; helping us in the UN Security Council on the war against Iraq and subsequent sanctions; assisting U.S. efforts to implement the nuclear test ban and extend the nuclear nonproliferation treaty. In these areas, cooperation and engagement with China made all the difference in policies that are vital to our national security.

I have long advocated improved human rights in China. After the 1989 massacre in Tiananmen Square, I organized a protest march of more than two dozen Members of Congress who walked across Washington from the U.S. Capitol to the Chinese embassy, where we met with the Chinese ambassador and presented in the strongest possible terms our views that the Chinese government needed to change its ways.

I have also been very concerned about the persecution of Christians, and other religious minorities in China. Yet activists working to stop the persecution of Christians are of two minds on this issue. Many, including the Rev. Billy Graham and a number of Chinese Christians, have said that they feel engagement with China is the better course.

Revoking NTR means in effect that the United States would be imposing a huge unilateral increase in tariffs on Chinese goods. No other country is expected or likely to join us in raising tariffs, and that means revocation of NTR would be a unilateral economic sanction. Given the particular culture of the Chinese, I do not believe that this kind of sanction will be any more successful against China than unilateral trade sanctions have been against any other country. And many of our international competitors are quite ready to take over the U.S. share of the Chinese market.

Most worrisome would be the effect of raising U.S. tariffs, and thus risking contracting the Chinese economy at a time when the aftershocks of the Asian financial crisis are reverberating around the world. It is frankly in our own self-interest to encourage economic stability in Asia right now. Our own country could not be immune to recession if the Asian contagion spreads.

China has held the line on its currency during the Asian financial crisis, doing its part to keep the crisis from spreading further. It's highly unlikely China could continue to resist revaluation in the face of the impact of ending NTR status.

A year ago, Hong Kong reverted to Chinese sovereignty. We in Congress pressed China to live up to its promise of "one country, two systems" for Hong Kong. While we want to see further democratization for Hong Kong, China so far has substantially lived up to its pledges on political and economic autonomy for Hong Kong. Now that Hong Kong is under Chinese rule, trade with Hong Kong would also be subject to stiff tariff increases if NTR trading status in revoked. This could undermine Hong Kong's independence and autonomy by severely damaging its economy at a time when the Asian financial crisis has already wrecked havoc on it. It's estimated that revoking NTR would cut Hong Kong's economic growth in half, reduce trade by $30 billion, and cost 85,000 Hong Kong workers their jobs—making Hong Kong dependent on the Chinese regime.

The debate in the past has suffered from semantics. I hope the name change from "most-favored nation" (implying something special and concessionary) to "normal trade relations" (the tariff schedule that applies to almost every other nation we trade with) will help clarify what we are discussing here. Even countries with human rights records far from our liking get NTR status. There are only five countries to which we deny NTR status: Afghanistan, Cuba, Laos, North Korea, and Vietnam. Even the "rogue states" of Iran, Iraq, and Libya, although subject to other economic sanctions, are technically eligible for NTR status. Countries, like Syria or Indonesia, whose human rights records we often decry in the Congress, have NTR trading status.

Cutting off NTR status would mean that we would lose the opportunity to expose China to free market principles and values. American businessmen and women, interacting with their Chinese counterparts, are able to demonstrate the merits of many such principles and values. Over time, it will make a difference, not just in economics, but in human dignity and human rights.

The globalizing world economy and the revolution in information exchange and technology offers an unprecedented set of circumstances that will tend to push all but the most isolated of nations toward integration with the international community. To finance expanding trade, China needs foreign capital and investment. With that investment comes exposure to internationally-recognized values and freedoms. With advances in information technology, such as the Internet, electronic mail, and fax machines—most of which are essential for doing business today—repressive governments like China's are fast losing their ability to control what people can read, learn, and think.

There are other, more positive, levers we can use to encourage China to loosen its repressive policies. One of those levers is Chinese accession to the World Trade Organization (WTO). I expect our negotiators to drive a hard bargain for market access and improved business practices before we can agree to China joining the WTO, a body China feels is essential for its trade expansion policies.

Engagement will take time, and it is hard to be patient. It will take time for trade, investment, and foreign enterprise to break the iron grip the Chinese regime has over its people. But American trade, products, and most importantly exposure to American values and people carry the seeds of change. Ultimately, China cannot sustain the economic liberalization supporting its trade with the United States without seeing an inevitable erosion of its political isolation and its authoritarian regime. Those are the ultimate, if eventual, objectives which inform our policy. To reverse that policy now might provide some temporary emotional and even moral satisfaction. But the advocates of such a reversal have not explained how it would lead to anything but a practical—and moral—dead end.

Mr. STENHOLM. Mr. Speaker, I rise in strong opposition to the resolution that would end normal trade relations with China. What we are considering today is whether we would continue giving China average treatment. With normal trade relations, our farmers and ranchers can sell their products in China on the same terms as their competitors from Australia, South America, and Europe.

U.S. agricultural exports to China already exceed $3.3 billion a year, and China's economy is growing at a rate of about 7% each year. Our agricultural exports have nearly tripled in the past 5 years making China the fourth largest market in the world for U.S. agricultural products. China accounts for approximately 25 percent of total world cotton consumption.

This year, China has become the leading importer of U.S. soybeans and products, estimated at over $1.4 billion. China is now the ninth largest market in the world for U.S. solid wood exports. U.S. solid wood exports to China totaled $152 million in 1997.

During 1997, China's estimated poultry consumption reached 12.8 million tons, accounting for 25 percent of global demand. Poultry consumption in China grew from only 12 percent of total meat intake in 1990 to about 24 percent in 1997.

China is by far the world's largest wheat consumer, and is second only to the United States in corn use. By 2005, China will be a net importer of 32 million tons of grain annually. WTO accession could expand those numbers dramatically—USDA estimates that China's net agricultural imports would increase by over $8 billion annually. Revocation of normal trade relations would undoubtedly set back progress towards a WTO accession agreement, and provide Europe, Australia, and Canada the opportunity to build long-term market share in China.

Joining the WTO means bringing China into a rules-based trading system. China must make laws public, require judicial review of all trade actions, apply all trade laws equally, and submit to WTO dispute settlement to ensure compliance with WTO rules. All of these measures will enhance the rule of law and the application of international norms in China's trade regime, to the benefit of China and the United States. The rule of law in trade in turn spills over to benefit the rule of law elsewhere.

We cannot afford to lose China as a market, just as we cannot in good conscience ignore our disagreements on social issues. This vote will determine whether United States values will continue to be of influence in China.

Shutting down trade with China or making the terms of trade impossibly restrictive would put in place a policy of unilateral confrontation that would not change China's behavior. If we remove MFN from China, we disengage our government from a leadership role in the region and would remove the positive influence that our business community has in China.

We must engage China if we are to persuade its leadership to deal with important social issues, and if we are to persuade China to open its markets to more U.S. agricultural products. Engagement of China has also helped maintain our agricultural markets in a very visible way in recent months—China has played an extremely helpful role in the Asia crisis. China has maintained the value of its currency despite pressure to devaluate. A Chinese devaluation would almost certainly set off a new round of competitive devaluation in the region the U.S. agriculture cannot afford. China has also participated actively in the Manila Framework and Willard Group processes, which are working to address problems identified by the crisis, and China has contributed directly to the international support package for Thailand.

Until we can reach a commercially viable agreement with China on Accession to the WTO, we must maintain normal trading relations with China—and that means renewing MFN.

I urge my colleagues to vote "no" on this disapproval resolution.

Mr. CONDIT. Mr. Speaker, I rise today to cast my vote against renewing normal trade relations with the People's Republic of China. In doing so, it is time to send a strong signal to Beijing along a number of fronts.

First, it is time to send a strong message that the hoped-for policy of trade engagement with China leading to greater democracy and responsibility from the Chinese government hasn't produced the results which merit renewal.

Our trading practices with China are reason enough not to renew normal trade relations. Because China continues to engage in predatory trade practices, we now have a $50 billion trade deficit. China continues to refuse to enforce laws against piracy of intellectual property and patents, continues to ship products made with prison labor, evades U.S. restrictions on Chinese textile exports by trans-shipping pieces through Hong Kong and effectively prohibits thousands of foreign products which run counter to the General Agreement on Tariffs and Trade.

Clearly, countless extensions of this trading privilege, formerly known as Most Favored Nation trading status, have not produced favorable conditions for the U.S. Also very clearly, this is a privilege the Chinese need more than we do.

Secondly, there are serious questions about the Chinese and their military spending which has been fueled and financed by billions of dollars the Chinese make through managed trade with us. Instead of entering the international community and trying to stem the flow and proliferation of nuclear arms, there is strong evidence the Chinese have continued to transfer advanced ballistic missile technology to Syria and Pakistan as well as nuclear and chemical weapons technology to Iran.

In the area of human rights, China has not made the kind of progress which deserves our support for Normal Trade Relations. Just a few weeks ago, President Clinton visited China and emphasized the need for greater freedom and the rule of law. Since President Clinton left China, there have been almost daily reports in the news media regarding China's increasing intolerance—including numerous arrests of people associated with China's democracy movement. There is a crystal clear record of religious persecution, restrictions on the press, use of slave and prison labor, and the persecution of the people of Tibet.

Mr. ACKERMAN. Mr. Speaker, I rise in opposition to House Joint Resolution 121 and in support of normal trade relations with China.

Every year we debate the extension of NTR to China, but the debate is not really about trade, it's about how we relate to China. There are many reasons for members to object to aspects of the U.S.-PRC relationship. There are issues involving missile proliferation, nuclear technology transfers, religious freedom, human rights, and Taiwan. Opponents of NTR will claim any or all of these issues as justification for discontinuing normal trade relations.

For me, the issue has always been how best to convey our concerns to China and how to persuade them to be constructive actors on the international stage. The best way is through engagement because if we don't deal with China, none of the issues that we believe are important will be addressed.

This is equally true where we share a common agenda with China. For example, it is in both our interests that North Korea not develop nuclear weapons. Likewise, it is in both our interests that China not devalue the yuan. Such a step could worsen the already severe economic crisis in Asia and undermine American interests there. Would China be more willing to be constructive on these issues if we cut off normal trade relations? I doubt it.

This is not a call for business as usual or an indication that we should abandon our security, proliferation or human rights concerns. On the contrary, we must forcefully articulate our views to China where we disagree. The President did just that when he was in China a few weeks ago. He had the unprecedented opportunity to speak directly to the Chinese people about American concerns and American values. This opportunity would not have occurred had we cut off NTR last year and I believe U.S. interests would be seriously damaged if we approve this resolution today.

Mr. Speaker, when the United States Government deals directly with China, when U.S. companies do business in China, and when U.S. citizens travel to China, China is exposed to American values. That's the best way for us to engage China.

I urge my colleagues to oppose the resolution and support normal trade relations with China.

Mr. RANGEL. Mr. Speaker, I rise in support of the President's decision to extend most-favored-nation, or normal trade relations status, to the products of China for another year. I urge my colleagues to vote no on H.J. Res. 121, which would disapprove the President's decision.

The Committee on Ways and Means decided by a bipartisan voice vote to report this resolution adversely, and to continue our present trading relationship with China.

We all share similar goals with respect to China. We all want China to observe international norms with respect to human rights, religious freedom, and democratic principles. We all want China to provide greater market access for our goods and services. We all want China to be a responsible trading partner.

Continued engagement with China through increased trade is not an endorsement of China's policies with respect to human rights and political and religious freedoms. The point is that withdrawing normal trading status from China (after the 18 years we have treated the Chinese in the same manner as we do all but a handful of other countries in the world) will not advance our goals with China. Rather, it will be a major step backward and hinder achieving those goals.

Using trade as a weapon can work only if we have a consensus with our trading partners that we will work collectively to achieve common goals. As our unilateral embargo against Cuba demonstrates, seeking to change the behavior of Chinese leaders by withdrawing from our normal trading relationship is unworkable. It will result only in foreign countries filling the vacuum we leave. We lose the jobs increased trade would have provided, and the situation we target does not improve.

It is our policy of working to expand areas of cooperation with China while dealing directly with our differences—not a policy of isolation—that has the support of our foreign allies, as well as religious leaders, including the Reverend Billy Graham and the Dalai Lama.

We should increase communication through business and trade contacts in order to continue the progress being made toward resolving our differences with Chinese leaders. That dialog will create further understanding among the people of the most populous nation on Earth about our democratic values.

The televised discussions about human rights which took place during the President's recent visit to China demonstrated that our policy of continued engagement is making a difference with the new Chinese leadership and the Chinese people.

Mr. Speaker, I also support the President's decision to continue our engagement with China because this is a foreign policy and a national security issue, not just a trade issue. China is cooperating with us in a number of areas of strategic importance to promote stability in Asia, including on nuclear nonproliferation and the financial crisis. For the Congress now to disapprove normal trading status and, instead, impose prohibitive tariffs on Chinese products clearly would have negative consequences for our overall strategic as well as economic relations.

The United States-China relationship is a key to global peace, prosperity, and stability for many years ahead. Management of this relationship in a constructive, positive way is of critical importance to our national interests. The wisdom of this course was demonstrated by the President's trip and I believe it must be maintained.

We should defeat H.J. Res. 121.

☐ 1545

The SPEAKER pro tempore (Mr. PEASE). Pursuant to the order of the House of Friday, July 17, 1998, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that proceedings will resume on the motion to suspend the rules and pass the bill, H.R. 1689, immediately following this vote, and without objection, the Chair will reduce the time for that vote by the yeas and nays to not less than 5 minutes.

There was no objection.

The SPEAKER pro tempore. The question is on the joint resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 166, noes 264, not voting 5, as follows:

[Roll No. 317]

AYES—166

Abercrombie
Aderholt
Barcia
Barr
Bartlett
Barton
Bishop
Blunt
Bonior
Borski
Brady (PA)
Brown (OH)
Bunning
Burr
Burton
Cardin
Carson
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clyburn
Coburn
Collins
Condit
Cook
Costello
Cox
Coyne
Cummings
Danner
Deal
DeFazio
Delahunt
DeLauro
Diaz-Balart
Dickey
Doolittle
Duncan
Ehrlich
Engel
Ensign
Evans
Everett
Forbes
Fowler
Frank (MA)
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilman
Goode
Goodling
Graham
Gutierrez
Hall (OH)
Hastings (FL)
Hefley
Hefner
Hilleary
Hinchey
Hobson
Horn
Hostettler
Hoyer
Hunter
Hyde
Inglis
Jackson (IL)
Jenkins
Jones
Kaptur
Kasich
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
King (NY)
Kingston
Klink
Klug
Kucinich
Lantos
Lee
Lewis (GA)
Lipinski
LoBiondo
Maloney (CT)
Markey
Mascara
McCarthy (NY)
McDade
McIntyre
McKinney
Menendez
Miller (CA)
Mink
Mollohan
Myrick
Nadler
Neumann
Ney
Norwood
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Payne
Pelosi
Pickering
Pombo
Riley
Rivers
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Royce
Sabo
Sánchez
Sanders
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sisisky
Smith (NJ)
Smith, Linda
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stokes
Strickland
Stupak
Sununu
Taylor (MS)
Taylor (NC)
Thompson
Tiahrt
Tierney
Torres
Traficant
Velázquez
Vento
Visclosky
Wamp
Waters
Waxman
Weldon (FL)
Wexler
Weygand
Wolf
Woolsey
Wynn
Yates
Young (AK)

NOES—264

Ackerman
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barrett (NE)
Barrett (WI)
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Blagojevich
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (CA)
Brown (FL)
Bryant
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Castle
Chabot
Clement
Coble
Combest
Conyers
Cooksey
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
DeGette
DeLay
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Emerson
English
Eshoo
Etheridge
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Fossella
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gekas
Gilchrest
Gillmor
Gingrich
Goodlatte
Gordon
Goss
Granger
Green
Greenwood
Gutknecht
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Herger
Hill
Hilliard
Hinojosa
Hoekstra
Holden
Hooley
Houghton
Hulshof
Hutchinson
Istook
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kelly
Kennelly
Kim
Kind (WI)
Kleczka
Knollenberg
Kolbe
LaFalce
LaHood

Lampson
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lofgren
Lowey
Lucas
Luther
Maloney (NY)
Manton
Manzullo
Martinez
Matsui
McCarthy (MO)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McKeon
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Moran (KS)
Moran (VA)
Morella
Murtha
Neal
Nethercutt
Northup
Nussle
Oberstar
Ortiz
Oxley
Packard
Parker
Pastor
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rodriguez
Roemer
Rogan
Roukema
Roybal-Allard
Rush
Ryun
Salmon
Sandlin
Sawyer
Schumer
Scott
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Adam
Snowbarger
Snyder
Stabenow
Stenholm
Stump
Talent
Tanner
Tauscher
Tauzin
Thomas
Thornberry
Thune
Thurman
Towns
Turner
Upton
Walsh
Watkins
Watt (NC)
Watts (OK)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise

NOT VOTING—5

Ford
Gonzalez
McNulty
Serrano
Young (FL)

□ 1604

Mr. RUSH and Mr. McCRERY changed their vote from "aye" to "no."

Mr. VISCLOSKY and Mrs. MYRICK changed their vote from "no" to "aye."

So the joint resolution was not passed.

The result of the vote was announced as above recorded.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1997

The SPEAKER pro tempore (Mr. PEASE). The unfinished business is the question of suspending the rules and passing the bill, H.R. 1689, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 1689, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 340, nays 83, answered "present" 1, not voting 11, as follows:

[Roll No. 318]

YEAS—340

Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Etheridge
Everett
Ewing
Farr
Fazio
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goode
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Hill
Hilleary
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meehan
Meeks (NY)
Metcalf
Mica
Miller (CA)
Miller (FL)
Minge
Moakley
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sánchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)

NAYS—83

Abercrombie
Baldacci
Becerra
Berman
Blagojevich
Blunt
Bonior
Borski
Brady (PA)
Brown (CA)
Brown (FL)
Carson
Clay
Clayton
Clyburn
Conyers
Costello
Coyne
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
Dicks
Dingell
Dixon
Doggett
Engel
Evans
Fattah
Filner
Frost
Gephardt
Gutierrez
Hall (OH)
Hilliard
Hinchey
Jackson (IL)
Johnson, E. B.
Kanjorski
Kaptur
Klink
Kucinich
Lee
Levin
Lewis (GA)
Lipinski
Markey
McDermott
McKinney
Meek (FL)
Menendez
Millender-McDonald
Mink
Mollohan
Nadler
Oberstar
Obey
Olver
Owens
Pastor
Paul
Payne
Rahall
Rivers
Roybal-Allard
Sanders
Schumer
Scott
Skaggs
Stark
Stokes
Stupak
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Watt (NC)
Waxman
Wise
Woolsey
Yates

ANSWERED "PRESENT"—1

Lowey

NOT VOTING—11

Cubin
Fawell
Ford
Gonzalez
Goodlatte
Hall (TX)
Herger
Hooley
McNulty
Serrano
Young (FL)

□ 1615

Mr. JACKSON of Illinois changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GOODLATTE. Mr. Speaker, on rollcall No. 318, I was unavoidably detained. Had I been present, I would have voted "yes."

PERSONAL EXPLANATION

Ms. HOOLEY of Oregon. Mr. Speaker, during rollcall vote No. 318, H.R. 1689—Securities Litigation, I was unavoidably detained. Had I been present, I would have voted "aye."

Mr. BLILEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1260) to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1260

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Securities Litigation Uniform Standards Act of 1998".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Private Securities Litigation Reform Act of 1995 sought to prevent abuses in private securities fraud lawsuits;

(2) since enactment of that legislation, considerable evidence has been presented to Congress that a number of securities class action lawsuits have shifted from Federal to State courts;

(3) this shift has prevented that Act from fully achieving its objectives;

(4) State securities regulation is of continuing importance, together with Federal regulation of securities, to protect investors and promote strong financial markets; and

(5) in order to prevent certain State private securities class action lawsuits alleging fraud from being used to frustrate the objectives of the Private Securities Litigation Reform Act of 1995, it is appropriate to enact national standards for securities class action lawsuits involving nationally traded securities, while preserving the appropriate enforcement powers of State securities regulators and not changing the current treatment of individual lawsuits.

SEC. 3. LIMITATION ON REMEDIES.

(a) AMENDMENTS TO THE SECURITIES ACT OF 1933.—

(1) AMENDMENT.—Section 16 of the Securities Act of 1933 (15 U.S.C. 77p) is amended to read as follows:

"SEC. 16. ADDITIONAL REMEDIES; LIMITATION ON REMEDIES.

"(a) REMEDIES ADDITIONAL.—Except as provided in subsection (b), the rights and remedies provided by this title shall be in addition to any and all other rights and remedies that may exist at law or in equity.

"(b) CLASS ACTION LIMITATIONS.—No class action based upon the statutory or common law of any State or subdivision thereof may be maintained in any State or Federal court by any private party alleging—

"(1) an untrue statement or omission of a material fact in connection with the purchase or sale of a covered security; or

"(2) that the defendant used or employed any manipulative or deceptive device or contrivance in connection with the purchase or sale of a covered security.

"(c) REMOVAL OF CLASS ACTIONS.—Any class action brought in any State court involving a covered security, as set forth in subsection (b), shall be removable to the Federal district court for the district in which the action is pending, and shall be subject to subsection (b).

"(d) PRESERVATION OF CERTAIN ACTIONS.—

"(1) IN GENERAL.—Notwithstanding subsection (b), a class action described in paragraph (2) of this subsection that is based upon the statutory or common law of the State in which the issuer is incorporated (in the case of a corporation) or organized (in the case of any other entity) may be maintained in a State or Federal court by a private party.

"(2) PERMISSIBLE ACTIONS.—A class action is described in this paragraph if it involves—

"(A) the purchase or sale of securities by the issuer or an affiliate of the issuer exclusively from or to holders of equity securities of the issuer; or

"(B) any recommendation, position, or other communication with respect to the sale of securities of the issuer that—

"(i) is made by or on behalf of the issuer or an affiliate of the issuer to holders of equity securities of the issuer; and

"(ii) concerns decisions of those equity holders with respect to voting their securities, acting in response to a tender or exchange offer, or exercising dissenters' or appraisal rights.

"(e) PRESERVATION OF STATE JURISDICTION.—The securities commission (or any agency or office performing like functions) of any State shall retain jurisdiction under the laws of such State to investigate and bring enforcement actions.

"(f) STATE ACTIONS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section, nothing in this section may be construed to preclude a State or political subdivision thereof or a State pension plan from bringing an action involving a covered security on its own behalf, or as a member of a class comprised solely of other States, political subdivisions, or State pension plans similarly situated.

"(2) STATE PENSION PLAN DEFINED.—For purposes of this paragraph, the term 'State pension plan' means a pension plan established and maintained for its employees by the government of the State or political subdivision thereof, or by any agency or instrumentality thereof.

"(g) DEFINITIONS.—For purposes of this section the following definitions shall apply:

"(1) AFFILIATE OF THE ISSUER.—The term 'affiliate of the issuer' means a person that directly or indirectly, through 1 or more intermediaries, controls or is controlled by or is under common control with, the issuer.

"(2) CLASS ACTION.—

"(A) IN GENERAL.—The term 'class action' means—

"(i) any single lawsuit (other than a derivative action brought by 1 or more shareholders on behalf of a corporation) in which—

"(I) damages are sought on behalf of more than 50 persons or prospective class members, and questions of law or fact common to those persons or members of the prospective class, without reference to issues of individualized reliance on an alleged misstatement or omission, predominate over any questions affecting only individual persons or members; or

"(II) 1 or more named parties seek to recover damages on a representative basis on behalf of themselves and other unnamed parties similarly situated, and questions of law or fact common to those persons or members of the prospective class predominate over any questions affecting only individual persons or members; or

"(ii) any group of lawsuits (other than derivative suits brought by 1 or more shareholders on behalf of a corporation) filed in or pending in the same court and involving common questions of law or fact, in which—

"(I) damages are sought on behalf of more than 50 persons; and

"(II) the lawsuits are joined, consolidated, or otherwise proceed as a single action for any purpose.

"(B) COUNTING OF CERTAIN CLASS MEMBERS.—For purposes of this paragraph, a corporation, investment company, pension plan, partnership, or other entity, shall be treated as 1 person or prospective class member, but only if the entity is not established for the purpose of participating in the action.

"(3) COVERED SECURITY.—The term 'covered security' means a security that satisfies the standards for a covered security specified in paragraph (1) or (2) of section 18(b) at the time during which it is alleged that the misrepresentation, omission, or manipulative or deceptive conduct occurred.".

(2) CONFORMING AMENDMENTS.—Section 22(a) of the Securities Act of 1933 (15 U.S.C. 77v(a)) is amended—

(A) by inserting "except as provided in section 16 with respect to class actions," after "Territorial courts,"; and

(B) by striking "No case" and inserting "Except as provided in section 16(c), no case".

(b) AMENDMENTS TO THE SECURITIES EXCHANGE ACT OF 1934.—Section 28 of the Securities Exchange Act of 1934 (15 U.S.C. 78bb) is amended—

(1) in subsection (a), by striking "The rights and remedies" and inserting "Except as provided in subsection (f), the rights and remedies"; and

(2) by adding at the end the following new subsection:

"(f) LIMITATIONS ON REMEDIES.—

"(1) CLASS ACTION LIMITATIONS.—No class action based upon the statutory or common law of any State or subdivision thereof may be maintained in any State or Federal court by any private party alleging—

"(A) a misrepresentation or omission of a material fact in connection with the purchase or sale of a covered security; or

"(B) that the defendant used or employed any manipulative or deceptive device or contrivance in connection with the purchase or sale of a covered security.

"(2) REMOVAL OF CLASS ACTIONS.—Any class action brought in any State court involving a covered security, as set forth in paragraph (1), shall be removable to the Federal district court for the district in which the action is pending, and shall be subject to paragraph (1).

"(3) PRESERVATION OF CERTAIN ACTIONS.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a class action described in subparagraph (B) of this paragraph that is based upon the statutory or common law of the State in which the issuer is incorporated (in the case of a corporation) or organized (in the case of any other entity) may be maintained in a State or Federal court by a private party.

"(B) PERMISSIBLE ACTIONS.—A class action is described in this subparagraph if it involves—

"(i) the purchase or sale of securities by the issuer or an affiliate of the issuer exclusively from or to holders of equity securities of the issuer; or

"(ii) any recommendation, position, or other communication with respect to the sale of securities of an issuer that—

"(I) is made by or on behalf of the issuer or an affiliate of the issuer to holders of equity securities of the issuer; and

"(II) concerns decisions of such equity holders with respect to voting their securities, acting in response to a tender or exchange offer, or exercising dissenters' or appraisal rights.

"(4) PRESERVATION OF STATE JURISDICTION.—The securities commission (or any agency or office performing like functions) of any State shall retain jurisdiction under the laws of such State to investigate and bring enforcement actions.

"(5) STATE ACTIONS.—

"(A) IN GENERAL.—Notwithstanding any other provision of this subsection, nothing in this subsection may be construed to preclude a State or political subdivision thereof or a State pension plan from bringing an action involving a covered security on its own behalf, or as a member of a class comprised solely of other States, political subdivisions, or State pension plans similarly situated.

"(B) STATE PENSION PLAN DEFINED.—For purposes of this paragraph, the term 'State pension plan' means a pension plan established and maintained for its employees by the government of a State or political subdivision thereof, or by any agency or instrumentality thereof.

"(6) DEFINITIONS.—For purposes of this subsection the following definitions shall apply:

"(A) AFFILIATE OF THE ISSUER.—The term 'affiliate of the issuer' means a person that directly or indirectly, through 1 or more intermediaries, controls or is controlled by or is under common control with, the issuer.

"(B) CLASS ACTION.—The term 'class action' means—

"(i) any single lawsuit (other than a derivative action brought by 1 or more shareholders on behalf of a corporation) in which—

"(I) damages are sought on behalf of more than 50 persons or prospective class members, and questions of law or fact common to those persons or members of the prospective class, without reference to issues of individualized reliance on an alleged misstatement or omission, predominate over any questions affecting only individual persons or members; or

"(II) 1 or more named parties seek to recover damages on a representative basis on behalf of themselves and other unnamed parties similarly situated, and questions of law or fact common to those persons or members of the prospective class predominate over any questions affecting only individual persons or members; or

"(ii) any group of lawsuits (other than derivative suits brought by 1 or more shareholders on behalf of a corporation) filed in or pending in the same court and involving common questions of law or fact, in which—

"(I) damages are sought on behalf of more than 50 persons; and

"(II) the lawsuits are joined, consolidated, or otherwise proceed as a single action for any purpose.

"(C) COUNTING OF CERTAIN CLASS MEMBERS.—For purposes of this paragraph, a corporation, investment company, pension plan, partnership, or other entity, shall be treated as 1 person or prospective class member, but only if the entity is not established for the purpose of participating in the action.

"(D) COVERED SECURITY.—The term 'covered security' means a security that satisfies the standards for a covered security specified in paragraph (1) or (2) of section 18(b) of the Securities Act of 1933, at the time during which it is alleged that the misrepresentation, omission, or manipulative or deceptive conduct occurred.".

SEC. 4. APPLICABILITY.

The amendments made by this Act shall not affect or apply to any action commenced before and pending on the date of enactment of this Act.

MOTION OFFERED BY MR. BLILEY

Mr. BLILEY. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. BLILEY moves to strike all after the enacting clause of the Senate bill, S. 1260, and insert in lieu thereof the text of H.R. 1689, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 1689) was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 6, HIGHER EDUCATION AMENDMENTS OF 1998

Mr. GOODLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6) to extend the authorization of programs under the Higher Education Act of 1965, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania? The Chair hears none and, without objection, appoints the following conferees:

For consideration of the House bill (except section 464), and the Senate amendment (except sections 484 and 799C), and modifications committed to conference: Messrs. GOODLING, MCKEON, PETRI, GRAHAM, SOUDER, PETERSON of PENNSYLVANIA, CLAY, KILDEE, MARTINEZ, and ANDREWS.

For consideration of section 464 of the House bill, and sections 484 and 799C of the Senate amendment, and modifications committed to conference: Messrs. GOODLING, TALENT, SHAW, CAMP, CLAY and LEVIN.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3616, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

Mr. SPENCE. Mr. Speaker, pursuant to clause 1 of rule XX, and by direction of the Committee on National Security, I move to take from the Speaker's table the bill (H.R. 3616) to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina (Mr. SPENCE).

The motion was agreed to.

MOTION TO INSTRUCT OFFERED BY MR. SKELTON

Mr. SKELTON. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. SKELTON moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 3616 be instructed to insist upon the authorization levels provided in title II of the House bill for Theater Missile Defense programs and for space-based lasers.

The SPEAKER pro tempore. The gentleman from Missouri (Mr. SKELTON) and the gentleman from South Carolina (Mr. SPENCE) each will control 30 minutes.

The Chair recognizes the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this motion is about the priority we accord our troops rather than the special interests. The House passed bill gives priority to protecting the troops from theater ballistic missile attacks while the Senate version, on the other hand, would gut theater missile defense to pay for resumption of futuristic Star Wars experiments. The House bill, Mr. Speaker, got it right. Our bill got it right.

Mr. Speaker, the Senate bill would increase the administration's request for space-based lasers by $94 million, a 100 percent increase. The Senate bill would also reduce the administration's request for theater missile defense by a net of $203.9 million, resulting in a 40 percent reduction of the highest priority theater missile defense program.

Correctly, the House bill would do neither. For that we owe a debt of gratitude to the gentleman from South Carolina (Mr. SPENCE), chairman of the full Committee on National Security, and to the gentleman from Pennsylvania (Mr. WELDON), chairman of the Subcommittee on Military Research and Development, for their leadership in this important area. I thank them, and I know the rest of the committee joins me in doing so.

The proposed Senate increase would begin to put weapons in space by starting a multibillion dollar 8-year program to demonstrate a space-based chemical laser capability for the national missile defense system. It is premature because, as a Nation, we have not made the policy decision to put weapons in space, nor have we decided that a chemical laser is preferred over solid state or other lasers.

And, perhaps most important, we have already rejected the near $30 billion price tag such a space-based laser national missile defense system would entail. Worse, the chemical laser to be demonstrated is not slated to be part of any actual space-based laser national missile defense system we might one day choose to develop.

Moreover, the theater missile defense decreases proposed by the Senate would unnecessarily slow development of our lead theater missile defense program, the Army's Theater High Altitude Air Defense System. THAAD, what it is known as, is our highest priority missile defense effort and is being developed to counter the theater missile threat currently facing our troops overseas and our friends and our allies.

Let me point out, Mr. Speaker, that during the Gulf War the highest fatalities we had were as a result of a theater missile, and we must do something to protect the troops in that regard.

The program has suffered some setbacks, but we must recover from those setbacks as quickly as possible. There are no reasonable alternatives. The proposed $323.9 million cut to the THAAD system would gut our ability to restructure the program and put it on a more sound technical footing and it would add further delay. Frankly, Mr. Speaker, this is just unacceptable.

The House position is correct. Taken together, the recommendations in the Senate bill would have us walk away from our first missile defense responsibility, countering the theater ballistic missile threat already facing our troops and friends and allies today, in favor of a futuristic space-based laser experimentation to benefit special interests. It makes no sense.

For several years now we have had consensus on the priority to be accorded theater missile defenses between the legislative and executive branches, Republicans and Democrats and liberals and conservatives. Mr. Speaker, nothing has changed.

The House-passed bill got it right, got it correct, and correctly prioritizes protecting the troops from theater ballistic missile attack over futuristic space-based laser experiments.

I sincerely urge my colleagues to keep our troops in mind. We know what the past has held for them on the front lines in combat, and it is up to us to do our very best to protect them, to protect the troops. Stick by the House position.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, while I do not agree with all of my colleague's statements, I am in complete agreement with him that this Nation needs to do everything in its power to protect American troops deployed around the world. In fact, when it comes to theater missile defenses, I was one of a number of Members who felt compelled to take the highly unusual step back in 1996 of suing the Clinton Administration for consciously ignoring the law that established timetables and provided increased funding in order to ensure the fielding of theater missile defense systems to protect our troops.

Likewise, many Members who serve on the Committee on National Security have helped to lead the fight over the past several years to prevent the administration from implementing arms control agreements with the Russians that would slow down or "dumb down" and otherwise limit the capabilities of this country's theater missile defense capabilities.

The single largest loss of life during the Gulf War was the result of a ballistic missile attack, and here we are, 7 years later, without a deployed theater missile defense. I would hope we could move past finger pointing, lawsuits and unsound arms control agreements and get on with the business of fielding systems to defend our troops against ballistic missiles. In this regard, I look forward to continuing to work with my colleague from Missouri to compel this and future administrations to deploy theater missile defenses.

While the Cold War has been officially over for almost a decade, serious threats to this Nation have not disappeared. As the recent report of the bipartisan Rumsfeld Commission indicated, the long-range ballistic missile threat to this country is not 15 years down the road. In fact, the threat is here today, it will only get worse, and we may not have any warning of the threat until it is too late. The time, effort and resources many nations and rogue actors are investing to develop or acquire weapons of mass destruction is truly frightening.

I believe the Rumsfeld Commission report is one more nail in the coffin of the argument made by some that our Nation does not, should not or will not need to build a system to defend the American people against ballistic missile attack. The threat is real and it is imminent. So the question is not whether to build such a system, only when and how.

In that regard, I agree with the concerns of the gentleman from Missouri (Mr. SKELTON). I do not claim to know what the proper technological answer or combination of answers to the question of how best to defend the American people against ballistic missiles. If part of the answer is to deploy space-based weapons, whether kinetic or directed energy, then the Nation should not hesitate. Space-based weapons may well prove to be an essential component of a long-term answer to defending Americans against ballistic missile attack.

Frankly, in the near term I am more concerned with getting the administration to commit to move forward with the deployment of some missile defense system, any missile defense system, for the American public. American technological skills and ingenuity will ultimately show us how, but it will not happen until our Nation's political leadership demonstrates the will and commitment to address the threat with more than words.

In conclusion, let me once again commend the gentleman from Missouri for his leadership. When it comes to standing up for our men and women in uniform, he stands second to none. His motion to instruct is consistent with the House-passed bill, and as such, I fully support it.

Mr. Speaker, I reserve the balance of my time.

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman from South Carolina not just for his kind comments but also for his reasoned thinking regarding this issue, and thank him for his support.

Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the motion to instruct is about as straightforward as it can get. We are saying, simply, let us not cut funding for missile defense systems that could soon be able to provide protection for our troops and our deployments in tactical theater situations. Let us not take it out of these systems that show near-term promise and put it in something that is totally futuristic, space-based lasers, a technology that is literally decades away from being realized and tens of billions of dollars away from fruition.

☐ 1630

Ever since we lost 28 servicemen and women to one of Saddam's SCUDs 7 years ago, we have been pushing the development of theater missile defense, so-called TMD, theater missile defense systems, to protect our troops and our deployments from short- and medium-range ballistic missiles.

Support for the TMD programs in the House has been consistent and has been bipartisan. The primary systems that we are developing cover the whole spectrum. There is a Navy Lower Tier, primarily to protect ships, and a Navy Upper Tier to protect the literal and 3 Army programs: the THAAD, the Theater High Altitude Air Defense System; the PAC-3; and the so-called MEAD-4 division level Army defense.

The House provided this year a very modest increase, $120 million, to the President's request of $1.7 billion for TMD, theater missile defense, research. The President's request for Space Based Lasers was $94 million. On a bipartisan basis, after studying it carefully, the House took $20 million out of the so-called Space Based Laser and shifted it to the theater missile defense. We added it on to TMD.

The other body takes these priorities and stands them on their head. It cuts THAAD, or cuts theater missile defense, by $237 million, 14 percent below President Clinton's request; and then it doubles the funding for the so-called Space Based Laser. This is not only unwise, it is reckless.

We need to focus our efforts on fielding TMD systems. We spent tens of billions of dollars during the Reagan and Bush years in pursuit of Space Based Lasers, lasers of different kinds, ground based as well as space based. At one time we had 5 different laser systems which we were funding; two or three chemical laser systems, an excimer laser system, a free-electron laser system. They have all gone by the board.

What we need is focus, as well as funding, and our troops need theater missile defense. The technology is very nearly within our grasp. It is near term, and we should not be cutting funding now when we have just about got this technology in grasp in order to put it into futuristic technologies that may not ever work. And even if they are deployable in space, they may be so enormous in outerspace that they are highly vulnerable to counterattack.

Now, the primary reason that the other body came in below the President's, $237 million below the President's request, is to cut THAAD, the so-called Theater High Altitude Defense system, sharply.

As most folks know, the THAAD has not made a good showing for itself. In testing, it is zero for five so far. So I am not here to defend the THAAD in its present status. I am here to say we need a system that fits that specification, we need a ground based system, we need something that has its reach and its range. And this approach to take this much out of that system is short-sighted and it misses an obvious point.

Ballistic missile defense is rocket science. In fact, it is harder than rocket science, and the Pentagon and the Congress must be patient and we have got to expect setbacks.

The Patriot, for example, started the concept development in 1968. It did not really come to final fruition and complete testing until the late 1980s. That is how long it took to bring the Patriot, and we far outstrip the need for a system like that. We have got to go further.

THAAD proves that we cannot rush technology. We cannot legislate initial operational capability dates. We have got to be patient. We should not take development shortcuts, and we should test these programs rigorously, which we are doing with the THAAD. If we abandon every missile defense system, theater missile defense system in particular, that runs into technical problems and then take up another system instead, we will never field anything.

Our committee worked in a very bipartisan way to fix the THAAD program. We did not simply give the money to the President as he requested, thanks in good part to my colleague the gentleman from Pennsylvania (Mr. WELDON). He helped fashion this language that will put the feet of the contractor to the fire, install a new co-prime contractor, as it were, to look over the contractor's shoulder.

We kept the top line for THAAD, but we placed the bulk of the funding in the so-called demonstration and validation account to help identify the flaws in the THAAD, to help make fixes to the THAAD and to provide additional tests to evaluate those fixes.

We injected competition into the program, too, to make sure that the contractors got the best people working on the program; and if a contractor cannot do it, another contractor may have to be selected.

We should insist on the House position on TMD because we have to stay the course on this system if we are going to protect our troops and our interests and our installations and our deployments abroad. It is my understanding that the Ballistic Missile Defense Office agrees with the position that we are taking here.

Let me say something about the Space Based Laser. We are not zeroing it out. We will leave $74 million. In any other budget, that is big money, a reasonable level of money certainly to do exploratory research.

Some in the other body say the Rumsfeld Commission shows the need to put more money into Space Based Lasers. Listen, the best it can really promise us with respect to the Space Based Laser is a demonstration test in the year 2008, and to fund it we have got to put up $3 billion to get from here to the year 2008. And that is not a system. That is just a demonstration test in space. We need something in place before the year 2008.

If we want to believe that, if we want a prudent course, vote for this resolution in order to instruct our conferees to do what we are proposing to do, restore the THAAD and take the money out of the Space Based Laser.

Mr. SKELTON. Mr. Speaker, I thank the gentleman from South Carolina (Mr. SPRATT) for speaking for the protection of the troops.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Virginia (Mr. SISISKY).

Mr. SISISKY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the motion to instruct conferees. I agree with our ranking member the gentleman from Missouri (Mr. SKELTON); the House bill got it right on ballistic missile defense.

Last week, the committee received the report of the commission to assess the ballistic missile threat to the United States. This was a bipartisan commission, with unimpeachable credentials. It was appointed by both the legislative and executive branch to assess the nature and magnitude of the existing and emerging ballistic missile threat to the United States.

In addition, commission members testified before the committee. The report and testimony of the commission members made two things clear. First, the ballistic missile threat to the United States may be coming faster than previously estimated. And second and more importantly, the threat to our friends and allies and our troops overseas already exists and in some parts of the world is already deployed. Frankly, the commission report frightens me and makes me question to some degree what our intelligence community has been saying all this time.

That said, it makes no sense to me to cut theater missile defense, TMD, which is intended to protect our friend, allies, and troops from today's threat in favor of futuristic science fair projects in space that are neither conceived or designed to respond to the near-term threats identified by the commission.

I urge my colleagues to put protecting the troops ahead of the science fair projects that may not even be finished for 10 or 20 years. I urge my colleagues to support the motion to instruct conferees and support the House position.

Mr. SKELTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentleman for yielding.

I rise in support of this motion to instruct conferees. The Balanced Budget Agreement demands that we live within our means and that we make choices. In the defense authorization bill, we must prioritize among competing programs.

As the gentleman from Missouri (Mr. SKELTON), the ranking member, mentioned, our troops in uniform must receive our highest priority. This motion offers a clear choice: Do we support the House position and help protect American troops from today's ballistic missile threats, or do we go with the Senate and revive the fanciful, futuristic, and fruitless Star Wars program?

The Senate defense bill provides over $200 million less for theater missile defense than the House bill, yet gives $94 million more for the Space Based Laser. Theater missile defense entails systems like the Patriot that seek to shoot down short- to medium-range missiles.

While the technological challenges are great, these defenses are realistic. They protect our troops and they have bipartisan support. The Space Based Laser, on the other hand, exists only on paper and in the minds of those nostalgic for Star Wars ideology.

As envisioned, this weapon would fire a chemically-powered laser from space at ascending missiles. But a chemical laser may be too heavy to launch on any rocket and we would only get a few shots from the laser before it is depleted and we cannot reload it. The Space Based laser is a very risky and costly venture and it does not deserve high priority.

Earlier this year, a panel of missile defense experts commissioned by the Ballistic Missile Defense Organization reported, and I quote, a "rush to failure in current missile defense programs." They concluded that one problem was a "perceived urgency of the need" for these systems, especially the dubious National Missile Defense Program.

The report cited steep technological challenges, recommended realistic program schedules with adequate tests and evaluation periods, and warned against rushing development under political pressures.

The Senate bill ignores these warnings by dictating the launch of a Space Based Laser Readiness Demonstrator as early as 2006. In a time of limited resources, we cannot afford that. It is a dangerous policy, and it will not help our troops.

I urge Members to support this motion to instruct, affirm the House position, and vote to protect our servicemen and women in the field.

Mr. SKELTON. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. SKAGGS).

Mr. SKAGGS. Mr. Speaker, I thank the gentleman very much for yielding time, and while I support this motion to instruct, I wanted to speak briefly about another provision that will be going to conference.

As the gentleman knows, the House bill concludes a provision that would provide for the termination of a Department of Energy worker and community transition program that was set up to ease the downsizing of the nuclear weapons complex in the wake of the Cold War.

That program has been very successful in enabling these communities and cities to get through the transition to smaller workforces at places like Rocky Flats in my district and elsewhere around the country. But that work is not done, and I am convinced that terminating this program prematurely would be a mistake.

Last year's defense bill did direct DOE to study this problem and report back to us this fall; and I would hope that when that report is received we will be in a better position to make a judgment about continuing the program.

So I hope both my friend the gentleman from Missouri (Mr. SKELTON) and the distinguished chairman of the committee will consider taking another look at this and recede to the Senate provision in this respect.

I would be pleased to yield to the gentleman for any comment he might make on that point.

Mr. SKELTON. Mr. Speaker, I would tell the gentleman from Colorado (Mr. SKAGGS) I appreciate his bringing this to our attention. We know this is a very important subject to him that he has worked hard and well on, and I can assure him that I will consider the points that he made in favor of dropping this provision from the bill.

Mr. Speaker, I yield myself such time as I may consume.

First, let me thank the gentleman from South Carolina (Mr. SPENCE), the chairman, for his support of this motion to instruct. I think it is very important that this carry in conference, for the simple reason that we have to take care of the troops. It is a high priority should there be another battlefield. We hope and pray that does not come to pass. But those things happen.

No one predicted Desert Storm, but it did come to pass, and the largest number of casualties did come as a result of a missile that came down amidst American soldiers. So, looking out for the soldiers and looking out for the troops, looking out for the men and women in uniform, I think this is the proper procedure to instruct the conferees to stand by the House provision that is well thought out and well worked on.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I want to compliment the gentleman from Missouri (Mr. SKELTON), the chairman, for this motion to instruct.

Having served on the Subcommittee on National Security for 20 years, one of the things that I remember most vividly was being in the Gulf with General Schwarzkopf and having him tell me how worried he was about the fact that if the enemy had had accurate SCUDs, we had 500,000 troops out there deployed that would have been vulnerable.

□ 1645

We had a terribly difficult time finding those launchers. In fact, the Iraqis used very sophisticated denial and deception. I believe as far as defense priorities go, there is no higher priority than getting to theater missile defense.

I am very much aware of what the Senate did, taking money out of these crucial programs and then using it for something that is highly speculative, a paper program at best. I urge the House to adopt this, and I urge our conferees to go in there and do the very best they can. As an appropriator we will stay with them on this because this would be a terrible mistake. I appreciate the gentleman's leadership on the issue.

Mr. SKELTON. Mr. Speaker, that is a well-stated comment from the gentleman from Washington. It is right. We did right. I thank the gentleman for his influence and his supportive words.

Mr. Speaker, I reserve the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield back the balance of my time.

Mr. SKELTON. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion to instruct offered by the gentleman from Missouri (Mr. SKELTON).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SKELTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Without objection, further proceedings on this motion will be postponed until later today.

There was no objection.

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the further consideration of H.R. 4193, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore. Pursuant to House Resolution 504 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4193.

□ 1647

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, with Mr. PETRI (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, July 21, 1998, title II was open to amendment at any point.

Are there further amendments to this portion of the bill?

AMENDMENTS OFFERED BY MR. REGULA

Mr. REGULA. Mr. Chairman, I ask unanimous consent that I be permitted to offer amendments en bloc, which are at the desk, notwithstanding that they address portions of the bill not yet read, and without prejudice to further amendments to that portion of the bill that is pending.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. REGULA:

Page 69, line 15, strike "$320,558,000" and insert "$365,550,000".

Page 70, line 17, strike "$630,250,000" and insert "$675,250,000".

Page 70, line 19, strike "the excess" and all that follows through "4502)" on line 21 and insert "$64,000,000, which shall be transferred to this account from amounts held in escrow under section 3002(d) of Public Law 95–509 (15 U.S.C. 4501(d))".

Page 70, line 22, strike "$150,000,000" and insert "$161,000,000".

Page 70, line 24, strike "and shall not" and all that follows through "4502)" on page 71, line 1.

Page 71, line 4, strike "$120,000,000" and insert "$129,000,000".

Page 71, line 5, strike "$30,000,000" and insert "$32,000,000".

Page 123, after line 14, insert the following new section:

SEC. 339. Section 3003 of the Petroleum Overcharge Distribution and Restitution Act of 1986 (15 U.S.C. 4502) is amended by adding after subsection (d) the following new subsection:

"(e) Subsections (b), (c), and (d) of this section are repealed, and any rights that may have arisen are extinguished, on the date of the enactment of the Department of the Interior and Related Agencies Appropriations Act, 1999. After that date, the amount available for direct restitution to current and future refined petroleum product claimants under this Act is reduced by the amounts specified in title II of that Act as being derived from amounts held in escrow under section 3002(d). The Secretary shall assure that the amount remaining in escrow to satisfy refined petroleum product claims for direct restitution is allocated equitably among the claimants.".

Mr. REGULA (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the consideration en bloc of the gentleman's amendments?

There was no objection.

Mr. REGULA. Mr. Chairman, I offer these amendments on behalf of the gentleman from Colorado (Mr. SKAGGS), a valued member of the Interior Appropriations Subcommittee; the gentleman from Pennsylvania (Mr. FOX); the gentlewoman from Texas (Ms. JACKSON-LEE) and myself.

The gentleman from Colorado, the gentleman from Pennsylvania and the gentlewoman from Texas have worked tirelessly to find an acceptable offset for increases in energy conservation and have in coordination with the Congressional Budget Office and the Office of Management and Budget identified excess receipts that can be used for that purpose. The amendment also partially restores cuts to the fossil energy research and development program. I appreciate the efforts of the gentleman from Colorado, the gentleman from Pennsylvania and the gentlewoman from Texas.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in very strong support of this amendment. It has been carefully crafted by the gentleman from Ohio, by the gentleman from Colorado, by the gentleman from Pennsylvania and by the gentlewoman from Texas. I would like to say that she has been a real leader and concerned about the fossil energy program. This will benefit that program.

I yield to the gentlewoman from Texas for whatever comments she would like to make.

Ms. JACKSON-LEE of Texas. I thank the gentleman for yielding.

Mr. Chairman, let me just simply say that the fossil energy research and development program provides invaluable service by protecting the environment and by increasing the efficiency of power generation.

As my colleagues well know, we now face a crisis in Texas, overwhelmed by extreme and enormous heat, impacting my constituents and at the same time in the shadow of those terrible tragedies are major energy companies, oil and gas, who have the capacity to engage with the utilization of this particular resource these dollars and make energy more efficient and help those elderly, help those people suffering from the burdensome heat, help local government to establish a better energy source, more efficient source, and as well to help our domestic energy security problem and also our consumption.

Mr. Chairman, I would greatly like to thank the gentleman from Ohio for the work he has done. My constituents in Texas will be most appreciative.

I truly hope that my joint amendment with my colleagues to H.R. 4193, the Department of Interior and Related Agencies Appropriations Bill of 1999, will be adopted today.

Our amendment raises the appropriations level for the Fossil Energy Research and Development program of the Department of Energy by $45 million. We must continue to fully fund the Fossil Energy Research and Development program because it provides the invaluable service of protecting the environment by increasing the efficiency of power generation. More importantly, the program ensures that fossil energy technologies continue to progress in a manner that promotes emissions reduction and control and energy efficiency. The program also safeguards our domestic energy security, and given the fact that our Nation will continue to use fossil fuels well into the future, we must strive to fund this program in a manner that sustains its financial viability.

The Fossil Energy Research and Development program is an invaluable government component due to the necessity of fossil fuels to our economy and economies of virtually every country around the globe. Today 85 percent of our domestic energy consumption is supplied by fossil fuels; by 2015, the contribution of fossil fuels will grow to 88 percent.

Every credible energy expert believes that the foreseeable national and global energy future, like the present, will be shaped predominantly by fossil energy.

The benefits of fossil energy use—affordable prices, a stronger economy, greater employment, and a contribution toward improved global prosperity—can be realized as we dramatically improve our environment.

In the 2000–2010 timeframe, advanced technologies emerging from the Fossil Energy Research and Development program will permit U.S. industry to reduce emissions of nitrogen oxides and air toxics from existing power plants by 70–90 percent and reduce the cost of meeting existing and future regulations by over $7 billion per year.

Advanced power systems, dominated initially by natural gas technologies and later including new generations of coal systems, will not only be cleaner and more efficient than current systems, they will produce lower-cost electricity. This combination of improved environmental performance and greater affordability will be critical if U.S. companies are to compete and win in the domestic market and a burgeoning global market. Opportunities for increased sales of U.S.-technology could amount to $6–10 billion a year from 2001 to 2030. If we do not capture these market opportunities, foreign competitors and foreign technologies will.

By assisting the domestic industry develop more effective and lower cost technologies to find and recover U.S. oil and natural gas, we can reduce the decline in domestic oil production by 1 million barrels per day and increase U.S. natural gas production by 2 trillion cubic feet per year beginning in the 2010–2015 timeframe. This increased U.S. production will directly benefit our economy by generating more than $11 billion a year in domestic oil and gas sales dollars that will stay in this country rather than flowing to foreign suppliers.

Technologies emerging from this Federal R&D program provide U.S. policy makers with a more affordable alternative to future "command-and-control" environmental regulations. Particularly in regard to emissions of greenhouse gases and air toxics, our programs could potentially save the U.S. economy billions of dollars in costly new regulations.

While we work toward a more efficient, affordable energy future, the U.S. taxpayer expects Government to ensure the greatest possible domestic security today. Our 20-year investment in the Strategic Petroleum Reserve has created the world's largest emergency oil stockpile.

Moreover, I believe that the Federal Government has a major role—indeed a responsibility—in making that vision a reality.

Finally, the heat crisis in Texas and the city of Houston, which I represent, stands to partly be addressed in future years by the development of cheaper, more efficient environmentally safe energy resources. My constituents are being overwhelmed by huge energy costs because of the heat. My senior citizens are most victimized and are caught up with choosing life-saving coolness over other needs.

The additional monies in this amendment will also help in improving the weatherization needs of properties that require it.

I urge my colleagues to support this amendment—it is for our future!

Mr. DICKS. I thank the gentlewoman for her leadership.

Mr. SKAGGS. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, I want to express my thanks to the gentleman from Ohio (Mr. REGULA). As he was expressing yesterday quite aptly, we are seeking the right kind of balance in this bill on these two important and very constructive areas of public investment, in both fossil energy research and in increased efforts in energy efficiency and conservation. I am very, very happy that we have been able to find a way to solve this problem and thank the gentleman very much for his continued interest, flexibility and willingness to work this out.

Mr. Chairman, I greatly appreciate your cooperation regarding these en bloc amendments, which were worked out with the invaluable assistance of Congressional Budget Office as well as the Department of Energy and other representatives of the Clinton administration.

With these amendments, we will remedy one of the major imbalances in this bill, produce savings in energy and money, and benefit the environment as well. The amendments shift funds from an escrow account held by DOE so as to add $45 million to the energy conservation and efficiency accounts. That total includes a $9 million increase for the weatherization program; $2 million more for State energy grants; and an increase of $34 million for other energy-conservation purposes, including the building technology, industry, and transportation programs.

As the Chairman mentioned, the amendments also restore somefunds cut yesterday from the fossil energy programs.

As I've said before, we need to continue making investments in energy conservation and efficiency, because the track record of these programs shows they will pay off many times over.

That's not just my opinion. It's also the view of the President's Committee of Advisers on Science and Technology. They've estimated that past R&D investments in energy efficiency are already saving consumers about $170 billion every year—and they've urged continued investments in this area.

And the payoff isn't just in money, but also in energy savings, in less dependence on imports, and in reductions in air and water pollution.

We need to maintain our momentum in all these areas. That's why I regretted that this part of the bill not only didn't include all the funding requested, but actually was below the 1998 level. These amendments help redress that imbalance.

Mr. REGULA. If the gentleman will yield, it will also help us substantially in weatherization.

Mr. DICKS. Absolutely.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio (Mr. REGULA).

The amendments were agreed to.

AMENDMENT NO. 18 OFFERED BY MR. PARKER

Mr. PARKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 18 offered by Mr. PARKER: Page 81, line 8, strike "*Provided further*" and all that follows through "funding agreements:" on line 21.

Mr. PARKER. Mr. Chairman, my amendment strikes onerous language in the bill which dramatically alters current law as it relates to Indian health services.

The Indian Health Service was established to provide direct health care to Indian tribes by providing hospitals, clinics and health professionals on reservations. Initially these health services were provided and operated directly by the Indian Health Service, which continues to do so on many reservations. However, in the early 1970s during the 93rd Congress, Congress passed legislation allowing tribes direct operation of their health services under contract with IHS if they wanted to do so and were able to comply with the terms of the statute.

Public Law 93-638 provided further that those tribes exercising this contracting option would be entitled to the same compensation for contract support costs that IHS would receive were the agency providing direct service, costs which the agency would no longer incur. This all worked relatively well for a while with a number of tribes taking over direct operation of their health services and receiving funding to offset their contract support costs although most tribes never received the full funding to which they were entitled.

In recent years with the growth of tribal self-governance and self-determination, more and more tribes began to contract for direct operation of their health services. Unfortunately, the IHS found itself unable to meet its statutory obligation to provide funds for contract support costs and established a queue system where tribes could take over their health services and receive a promise of funds at such time as funds became available. The agency failed to meet its contract obligations or legal requirements under the statute, and today there is a funding shortfall of some $65 million.

To address this shortfall, the committee has included language that would pro rate available funds to all contracting tribes. In other words, we cannot get a bigger pie, so we will just cut the pie into smaller pieces. While the committee has increased total funding by $26 million, considering the level of the shortfall, which is $65 million, this will be far from adequate to prevent some tribes from receiving a smaller piece of the pie.

While this appears like an equitable solution on the surface, such an approach fails to recognize that some tribes, specifically those that have been providing their own health services for the longest time and as such have been receiving full compensation for their contract costs, will under this bill incur significant reductions in their funding for contract support costs and which will negatively impact their provision of direct health services. The Mississippi Choctaw Indian nation could lose as much as $1 million a year. That is a lot of money to a tribe with only 8,000 persons. They operate a hospital, numerous community health clinics, and the only renal care facility in the area. They have played by the rules and the language in this bill is hurting them.

Notwithstanding the fact that the IHS has for years been in violation of current law, albeit with the acquiescence of the impacted tribes, passage of this bill with this pro rated provision intact will drastically alter current law, renege on contractual obligations to all contracting tribes, and let a Federal agency off the hook at the expense of the people it is supposed to serve, thereby rewarding it for failing to change and properly manage its mission.

I do not believe that an appropriation bill is the appropriate vehicle for such a change in the law, nor do I believe that Congress should be a party to fixing a Federal agency's mistake and problem at the expense of Indian tribes. I recognize the problem of the funding shortfall for contract services and I empathize with those tribes that are receiving little or no reimbursement of their contract support costs. However, this is a significant problem that deserves a thorough hearing and action by the authorizing committees.

Furthermore, to my knowledge, not one tribe was consulted or even informed that the committee was taking this action. We are punishing tribal incentive and leadership without so much as a consultation. This provision does not fix the problem, it exacerbates it and it delays a solution. I urge my colleagues to support this amendment and reject this exercise in bureaucratic and congressional arrogance.

Mr. REGULA. Mr. Chairman, I move to strike the last word. I reluctantly have to oppose the amendment simply because, as the gentleman from Mississippi points out, there is a serious problem here. The difficulty is that if we strike the language, it will result in one tribe maintaining their level of funding while perhaps 100 other tribes will get a shortfall, or nothing.

What we have tried to do is have equity in the distribution of the money that is available to the tribes to administer their programs and their self-determination contracts. In fact, in order to try to address the problem, we added $26 million to the Indian Health Services for this specific purpose.

□ 1700

We are not sure. It may be that the tribe of the gentleman from Mississippi (Mr. PARKER) would end up getting as much under the new system as the old, or possibly a little less. But the difficulty is that you have at least 100 other tribes that get a shortfall. I think in fairness to all the tribes there has to be an across-the-board distribution, rather than to give just those who happen to be up at the starting gate early.

I recognize that they did take a responsibility for their own self-determination and that they were out front on that, and I certainly commend them. It is a challenge to try to be fair to everybody involved here. The administration, frankly, ducked the issue. If you look at the request they submitted to us, they took a pass on it because they did not want to recommend the money that was necessary to solve it.

So we took it on ourselves in the committee, in fairness to the tribe of the gentleman from Mississippi (Mr. PARKER) and all the rest of the tribes, to try to reach some kind of an equitable solution. I will say that BIA is doing this now. They try to spread it across the board to give everybody a little help.

The bottom line is, if we adopt the Parker amendment we are going to shortfall probably 99 or 100 other tribes. I can understand the gentleman's desire to help his tribe.

Mr. PARKER. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, I say, with all due respect to the gentleman from Ohio, we keep referring this as the tribe in my State. This will affect all of the tribes that have worked extremely hard trying to abide by the rules that we put into place. Understand, it is not just one tribe.

The National Congress of American Indians has sent a letter to us, to the chairman of the committee, explaining that this would be detrimental. We are talking about all of the Indian nations understanding that we have once again broken our word to them as far as what we want them to do. And because we have not fulfilled our responsibility, we are putting them in a terrible position.

Mr. REGULA. Mr. Chairman, reclaiming my time, I understand. We did have the letter from the American Congress, and they asked us to fix it, and we tried. We added $26 million, but that is not quite enough to accomplish I think what the gentleman would find desirable. What we would find desirable would probably take $60 million. The only difficulty is we did not have $60 million.

Mr. PARKER. Mr. Chairman, will the gentleman yield again?

Mr. REGULA. I yield to the gentleman from Ohio.

Mr. PARKER. Mr. Chairman, on page 3 of their letter, let me just read just a couple of sentences. It says "We are also deeply concerned with the language beginning on line 8, page 81 of the bill, which instructs IHS to alter its current contract support cost system to a 'pro rata proportion' system. We ask you to support Representative Mike Parker's amendment to strike this language from the bill."

So if we want to do what they want, they explain to us exactly what needs to be done.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Chairman, I thank the gentleman for yielding. This is exactly what the Republican Congress is trying to do, is privatize a lot of these issues.

Mr. REGULA. Absolutely.

Mr. CUNNINGHAM. Where we ask someone to privatize and to save money and they go through the extraordinary function to do that, then I think that we ought to honor that and not renege on our promise.

I do not have any Indian tribes in my district, but I think it is terrible what this country has done to Native Americans, and this is one area in which I think we can stand out, take a step and be counted, and help our Native Americans. I rise in support of the amendment.

Mr. REGULA. Reclaiming my time, I understand what the gentleman is saying, but we are trying to encourage all the tribes to privatize. But, unfortunately, to accomplish this goal we need a lot more money. As I said, the administration in their budget submission just ducked the whole issue.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 3 additional minutes.)

Mr. REGULA. Mr. Chairman, they ducked the issue. So it is not a question of privatizing, it is a question of trying to help all these tribes, to encourage them to do self-determination contracts.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield on that point?

Mr. REGULA. Certainly, I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Chairman, I do not disagree with the gentleman on that issue, but I do disagree that it is on privatization because these tribes have done that. They have been successful. They saved money. We are trying to get the rest of the tribes to do the same. But let us not penalize those tribes that have gone and done this problem that we have asked them to do. That is what the gentleman from Mississippi (Mr. PARKER) in his amendment is asking us to do, Mr. Chairman.

Mr. REGULA. Reclaiming my time, we are trying to achieve what the gentleman is talking about. That is why we put in the $26 million extra that we had to find somewhere else.

Mr. CUNNINGHAM. We will support the gentleman in doing that. Let us just not penalize the tribes that have gone through it.

Mr. REGULA. Mr. Chairman, we are not sure whether we will or not, depending on how the distribution turns out. The Indian Health Service says that adding $26 million will have minimal negative impact on a tribe such as what the gentleman from Mississippi (Mr. PARKER) described, and be the fairest way to do it. That is a matter of fairness.

Mr. PARKER. Mr. Chairman, will the gentleman yield?

Mr. REGULA. Certainly, I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, minimal impact, that is like a foot of water.

Mr. REGULA. Mr. Chairman, these are IHS's words, not mine.

Mr. PARKER. I have to tell the gentleman, it will mean a difference of $949,000 a year. That is a massive amount of impact.

Mr. REGULA. Reclaiming my time. To one tribe?

Mr. PARKER. To one tribe.

Mr. REGULA. I cannot say one way or the other, because I can only take the information from Indian Health Service. I, like the gentleman from California, have no tribes whatsoever in the State of Ohio, certainly not in my district.

What we are trying to do is get a fair distribution. We are just trying to solve a problem that everybody is ducking, that is the bottom line, and do it in the fairest way we know how.

I think if the amendment prevails, it means that many of these tribes will get nothing or very little to help them develop the self-determination contracts. I think the bottom line is the body has to decide whether they want to be fair and across-the-board, help maybe 100 tribes or help whatever number is.

Some of the tribes have taken an initiative and have gone ahead on this self-determination. I can understand what they are saying. But I hate to close the door on all the rest of them by giving those that are already getting this money and letting them keep it, and we have the $26 million to improve the base.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the problem really, is lack of funds, is it not, rather than anything else? There should be enough money to take care of the tribe of the gentleman from Mississippi (Mr. PARKER).

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has again expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 3 additional minutes.)

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, if we do this, some of the tribes will be left without any money.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Chairman, I understand what the gentleman is saying, and I know the budget constraints and the caps. But at the same time, I think the gentleman from Mississippi (Mr. PARKER) is trying to say that these tribes have earned what they have done through privatization in managing their own health care system and that the others have not. We want the others to do the same thing. There is not enough money to do that. But let us not penalize those Native American tribes that have gone to the effort and created a system that is beneficial for all tribes.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman is exactly right, except that we do not have enough money to do it. What the gentleman did was to put in as much money as we could. The administration did not request it. He added $26 million. So he agrees with the gentleman. This is what we ought to be doing, but we do not have the money to do it.

Mr. PARKER. Mr. Chairman, would the gentleman yield?

Mr. REGULA. Yes, I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, let us put this in perspective. Let us take a tribe that has taken the initiative, and they are paying for their administrative cost, and they have done what we have asked them to do. What I have told the tribes, if the Federal Government wants to do this to you, all you need to do is sit back and say, "We are not going to participate anymore, and now it is up to you to pay all of it. You have a statutory responsibility to come and pay for it."

They have saved us money. They have permitted us to have the additional funds that are there. I must tell my colleagues it is being totally unfair to these tribes that have taken the initiative and they have played by the rules. They have done what they wanted.

That $26 million, by the way, does not all go to these tribes. We have salary increase in that. I think the net coming out is around $15 million that is going toward the actual contract cost. So I appreciate the fact that what my colleagues have done is increase it by $26 million, but I think that my colleagues are penalizing these tribes, and there is no reason to do that.

Mr. REGULA. Reclaiming my time, I yield to the gentleman from Illinois.

Mr. YATES. There is a reason. We do not have the money. It is just that simple.

Mr. PARKER. Mr. Chairman, if the gentleman will yield, we have not had the money for a long, long time. That does not mean we need to go and penalize these tribes for doing what we asked them to do.

Mr. REGULA. Mr. Chairman, reclaiming my time, what we are trying to do is get more tribes to go on the self-determination contracts, and that is the reason for the $26 million, and in the process not penalizing your tribes or those that are already on self-determination contracts.

I wish we had enough money that we could make everybody whole. We do not know. The IHS says with $26 million it will be minimal. They do not give us a number. I am not sure where your $900,000 came from.

But, I will yield. I do not want to prolong the debate.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 3 additional minutes.)

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Mississippi (Mr. PARKER).

Mr. PARKER. Mr. Chairman, what we have to understand is that these tribes are providing services that we would normally pay for. I realize that the committee, in its wisdom, has tried to be fair and be able to include more people.

Mr. REGULA. That is right.

Mr. PARKER. We do not achieve the purpose that we are looking for if we penalize individual tribes out there that have been trying to do what we ask them to do. We have changed the rules on them again. It is not the first time the Federal Government has done that to Indian nations.

I think sometimes we all forget, it is a little basic thing in American history, but these are sovereign nations and we should treat them as such. We would never do this type of a thing to another nation without understanding that there would be retaliation of some type.

These nations can very easily, that have paid for their own contracting costs, they could very easily sit back and say, "Then it is up to you. You have a statutory obligation to provide health service to our people. You pay for it. You handle the whole thing."

That, in effect, would put IHS in a situation that they do not want to be put in. They know that they could not provide those services. They know that these Indian nations have saved them tremendous amounts of money, tremendous amounts of work, and that there would be no way that they could do that.

So I think that in all fairness, this needs to move to the authorizing committee. We need to work something out so that we can eventually move toward full funding.

These Indian nations that are in the queue are receiving health services. They are not being paid for contract services, as are the nations that have taken the incentive and are in the program, but they are still receiving health care services now.

So I think that this amendment makes total and complete sense.

Mr. REGULA. Mr. Chairman, reclaiming my time. I cannot agree with the gentleman on that. What we have tried to do is to get more of the tribes, encourage more of the tribes to go to self-determination contracts, which as the gentleman points out is the right way to do it. It is not necessarily saving us a lot of money because we still have to pay for their health care costs, and what this money does is to help pay the administrative costs.

It will not reduce that. We used the $26 million number as a way to take care of those that were already on self-determination contracts, while at the same time encouraging other tribes to take the same steps. We have historically tried to make the Native Americans more self-dependent.

We have to resist the amendment because what we have tried to do is accomplish what we thought was fairness in the way we have constructed the bill.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would ask the gentleman from Mississippi (Mr. PARKER), is the point the gentleman is trying to make here that a number of tribes have entered into self-determination contracts with the Indian Health Service, and the Indian Health Service has failed to live up to its obligations to fund these tribes that have taken on self-determination, and the unfortunate consequence of what the chairman is trying to do, and I think he was trying to do something to benefit all the tribes, is that we then do not live up to the commitments that we made to those people who decided that they wanted to go the route of self-determination? So are we penalizing them and rewarding people who are not willing to go the route of self-determination? Is that basically the argument?

□ 1715

Mr. PARKER. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Mississippi.

Mr. PARKER. That is it. There is not much else to say. I do not question the motives of the chairman of the subcommittee, nor the ranking member. They are two of the finest people we have had in this House or ever served in the House. They care about the Indian Nations. But I must tell the gentleman that the language in the bill which attempts to try to help everyone, you are penalizing people who have given their word.

I must tell the gentleman, there is a working group now between the Indian Nations and the IHS, and they are discussing what should be done and how it needs to be handled. What we are doing is precluding what they are going to look at and what they are going to decide. They may come up with some ideas that none of us have thought about. We are including that in this language.

Mr. DICKS. Mr. Chairman, reclaiming my time, the other problem with this is the tribes were not consulted before we made this decision. I am very upset that the administration in its budget, I completely concur with the chairman, completely punted on this issue. They did not have any money to address this or not very much.

We tried to correct this, but, I think, unfortunately, what we are going to do here if we do not accept the gentleman's amendment is to penalize those people who have not entered into self-determination agreements, and then punish those that have. I think that will be unfortunate. Maybe we can work this out between now and the conference.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, in the interim, we have received statistics from IHS. I think the problem here really is that the other body put zero in their mark. We have $26 million. The $26 million will address the problem, because there are 250 tribes now receiving contract support and 23 not receiving it. So the $26 million will not only take care of the 23 we want to get in under contract support, but will probably result in tribes such as yours getting a cost of living increase above what they are receiving now.

I think what they are doing in the letter is addressing a problem created by this bill in the other body, which is zero, and not addressing it with the $26 million we have in our bill. This is something we have to resolve in conference.

Mr. PARKER. Mr. Chairman, if the gentleman will yield further, those numbers, I have a lot of respect for the IHS and for their wisdom through the decades. They have been so right so many times. But let me just look at this. The numbers do not quite come together.

When you are talking about that $26 million that is going to have an increase to cover those other tribes, I know they sent you that note, but let me just point out, we have a $65 million shortfall. We have gotten that from IHS.

Now, the $26 million, to my calculation, you are around $40 million short. But you are worse than that, because all the $26 million does not go directly to support services. So you are in a situation where, let us just be conservative and say okay, it is $40 million short. You are still lacking some money. You are not going to be able to provide those services as we have promised.

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, eliminating the $26 million is not going to solve the problem.

Mr. PARKER. Mr. Chairman, my amendment does not eliminate the $26 million. We only address the matter of contract authority and removing the language of removing the queue. We do not say anything about removing the $26 million, because it is in another part of the bill. So I want to make sure, whatever we do, I do not want to remove the $26 million.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 3 additional minutes.)

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, what the gentleman is asking to do is take care of his tribe and take money away from the other tribes, because the committee, has not put enough money into this bill. What the gentleman ought to be doing, I think, is asking for more money in his amendment, rather than a rearrangement of whatever money there is in the bill.

Mr. PARKER. Mr. Chairman, if the gentleman will yield further, to my good friend, that is the solution, and I appreciate that. But I must tell the gentleman, I have some of the same problems that the ranking member does as far as finding that money.

What I want to do is create a situation that the authorizing committees look at this thing, that the study group that is in place between IHS and the Indian tribes be able to come up with some recommendations to us on what needs to be done and the way it needs to be handled, and, if we do move in this direction, that we move into it in a much more logical fashion with more thought. What I do not want to do is hurt these tribes that have been doing what we asked them to do. We asked them to do it, they did it, and they did it in good faith.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, I think what ought to be done is for the chairman and for me to take this problem into the conference and see if we can get more money, rather than to rearrange the way it is distributed; let us try to get more money so we can provide the money for the tribes that have followed the new rules. But we do need more money in order to take care of all the tribes, I do not think there is any question about that. But to rearrange it so some money goes to your tribe and none for the others, I think is unfair.

Mr. DICKS. Mr. Chairman, reclaiming my time, I would ask a question of the chairman. Is the gentleman saying we cannot take care of all the self-determination tribes? In other words, the problem is we have got so many people who signed up to do self-determination, that we cannot take care of all of them? Is that the problem?

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, the gentleman is absolutely right. The problem with this amendment is it will take care of those who got to the head of the line, and those that were slow getting up to the line will get cut out.

What we are trying to do is to make it fair for everybody, and we feel that the $26 million will allow those that were at the head of the line to continue to get what they were receiving, or very close to it, and will help the others to go to self-determination.

Mr. DICKS. Mr. Chairman, reclaiming my time, the problem I have is the letter here from the Indian Health Service says one tribe will only get 39 percent of what it got last year. That is a 61 percent reduction.

Mr. REGULA. If the gentleman will yield, that letter speaks to the Senate bill, which is a zero. It is not referring to the $26 million that we put in our bill. I think one of the problems here is that you are trying to address problems, situations, created by the Senate bill at zero, and not recognizing that we have taken, I think, a very progressive step.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, let me read this. It says this in a letter to Mr. YATES on July 20. "For example, one tribe would see its contract support payment reduced by $949,000, or 39 percent, between FY 98 and FY 99. Such unanticipated reduction would adversely affect health care delivery among these tribes by requiring them to decrease important administrative support staff and functions or to divert funding for health care services to support activities that were formally funded by the contract support costs."

This is a letter from Donna Shalala.

Mr. REGULA. If the gentleman will yield, when we received the letter we checked with IHS, and they advised us that that letter was drafted by OMB based on the Senate number. That is the advice we got.

Mr. DICKS. Is the gentleman telling me OMB has not figured out which is the House and which is the Senate?

Mr. REGULA. Well, the gentleman said it.

Mr. PARKER. Mr. Chairman, if the gentleman will yield further, please understand, we are making decisions here without going through an authorizing committee. We are legislating on an appropriations bill, where the National Congress of American Indians, and I know there are a lot of people who have never heard of it, but let me tell you, these people represent all the Indian tribes, they have said, do not do this to us. Keep your word.

I might say to the gentleman that those people that are in the queue, that all of a sudden everybody wants to help, what are they going to feel when we break our word to those that have done what we asked them to do? How are they going to feel? How much confidence are they going to have in us?

I feel that we need to keep our word, do what we said we were going to do, and resolve this problem in the authorizing committee, and move forward when we go to that point and have the Committee on Appropriations try to get the money necessary.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I guess I do not have, as I mentioned, a Native American tribe in my district. California has a lot of Native Americans, and I think it is more on principle than it is anything else. I could be hurting, maybe, some of the tribes in the San Diego area by supporting this amendment, but, on principle, if we ask somebody to do something and they do it, and they save us money, then we ought to reward that. And if there is a penalty, the penalty should come on the tribes that do not. I think that is what the gentleman from Mississippi (Mr. PARKER) is saying.

I also acknowledge the fact that we do not have enough money to do what we said we were going to do. But if there is a penalty, then it ought to penalize the ones that have not. That is the reason that I rise in support of the gentleman's amendment. We need to keep our word.

Mr. PICKERING. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. PICKERING. Mr. Chairman, I rise in support of the Parker amendment. The tribe that the gentleman from Mississippi (Mr. PARKER) has mentioned today happens to be my in home district, the Mississippi Band of Choctaws, which I believe is probably one of the best models, if not the best model, in the Nation of tribal leadership and self-determination.

They have taken the steps where, 20 or 30 years ago, a generation ago, you had the highest rates of unemployment, of illiteracy, of poor health care; now they have the best in health care, they have world class facilities, they have the best in education. They have invested in manufacturing facilities and we now have the lowest unemployment in this area of my State that we have had in 30 years, and it is because they have done what we asked them to do. They have taken the steps consistent with the Indian Self-determination Act of 1975.

What I am concerned about is here we are breaking that commitment, breaking our word, in essence abrogating a contract. We are penalizing and punishing those who have taken the right steps.

Mr. Chairman, I commend and thank the ranking member and chairman for their efforts of addressing this problem and adding $26 million where the Senate did nothing. The problem we have and the problem that the gentleman from Mississippi (Mr. PARKER) has is we are trying to fix it on a pro rata basis. We do not distinguish or differentiate between the good tribes and good leaders that have taken the action under self-determination and those who have not.

Now, we think there are several violations of principle. One, breaking the word, breaking a contract, and penalizing those who have done the right thing. What we are trying to do is find a way to support the $26 million, but to see if there is a better way to apportion and allocate whatever funding is made available, so we do distinguish between those who have taken the steps consistent with the Self-determination Act.

So I would urge the chairman and ranking member to work with us, to see if there is a better way. There is a working group right now that is trying to take steps, in consultation with all parties, to find a better solution to this. All we are asking is for the time to find a better way, a better approach, consistent with our principles.

Mr. PARKER. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, let me point out. I want to make sure that everyone knows that the appropriating subcommittee has gone farther than anyone has ever gone in the past in trying to rectify this problem. I also want people to know that the administration has done nothing. They have sent up letters saying "you have created a problem," but they did not try to resolve that problem before coming up here. They dumped it in our laps. I realize that.

But I also know that we are in a situation where we have got to do something, and I think that it is very important that we send the right message to these Indian tribes, and that we let them know that privatization is the correct way to go and that they are able to depend on us, that we will follow through.

One thing that I do not want, and this bothers me a great deal, this subcommittee has been good enough to put an additional $26 million in. Whatever happens on my amendment, if it should pass, I would hate to see this committee move back from their position and remove $26 million or decrease that amount. That would be something that I think would be not only hurtful to the Indian tribes, it would send the wrong message to them as far as what we are trying to do. So, from a very personal standpoint, I want to make sure that this $26 million stays in the IHS funding.

Mr. PICKERING. Mr. Chairman, if the gentleman will yield further, we have talked about IHS and their input into this process, but let me read from a letter from Secretary Shalala.

The CHAIRMAN. The time of the gentleman from California (Mr. CUNNINGHAM) has expired.

(By unanimous consent, Mr. CUNNINGHAM was allowed to proceed for 1 additional minute.)

Mr. CUNNINGHAM. Mr. Chairman, I yield to the gentleman from Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Chairman, the letter from Secretary Shalala reads, "The implementation of a pro rata proportionate distribution of payments for contract support costs will result in the reduction of funding to a significant number of tribes," we are not talking about just one tribe, "a significant number of tribes and tribal organizations that have assumed," have taken the responsibility and the steps required of them, "that have assumed the operation of IHS health programs."

□ 1730

And then later in the letter it says, "We therefore must object to the proposed proviso in S. 2237, since the tribes have not been consulted and since the abrupt and unforeseen funding reductions to many of the tribes currently receiving these payments would have a severely disruptive effect on health care delivery by these tribes."

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I would just point out to the gentleman that he read a letter from the Secretary of HHS expressing great concern, but in the submission of the budget she underfunded them $147 million.

Mr. PICKERING. Mr. Chairman, I understand and agree with the Chairman.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words.

According to the letter from the Congress of American Indians, we are going to need approximately $300 million to take care of all of the needs of all of the tribes under this program. Mr. Chairman, $26 million, of course, as the gentleman from Mississippi pointed out, is a pittance. But the problem, as I see it, is lack of money. We just do not have enough money in this bill to take care of all of the tribes.

I am told by staff there are 30 tribes that have not received any money under this arrangement. I do not think that is fair, either, just as the gentleman points out that the new distribution would severely penalize the tribe in his district. But the Congress is trying to find out, it does not agree with the $300 million figure. What it is trying to do is find out how much money is actually needed.

That is why I suggested earlier, as we go into the conference, I for one, and I am sure the chairman too, will try to find out how much money is realistically available. $26 million is all we could realistically put up at this time, that is all the money we can get in order to take care of the need not only for your tribe, I say to the gentleman from Mississippi, but for the California tribes as well and for the other tribes that now are not getting any money.

Mr. PARKER. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, the tribe that I referred to in my State is not in my district, but I feel strongly that it is up to us to keep our word.

This problem is so great that we have to look at it from a variety of different ways, and I must say that preempting the study group between the HHS and the Indian tribes, I think we need more information before we have a basic change in the law, which the bill, as it is right now, without my amendment, the bill changes current law drastically, going all the way back to 1975. And I think in 1975 when the gentleman was here, I think that the gentleman made the right decision at the time, and I am just trying to reaffirm that decision, and I ask people to support this amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, if we do not accept the amendment, it will allow more tribes to participate, and I do not think it will penalize the tribes represented by the gentleman from Mississippi. If we accept the amendment, or if the amendment is passed and the $26 million is left in, it will be a great windfall for the tribes who are already getting money, because those that would be getting it now will get the $26 million divided among them and the other tribes will still be out in the cold.

It is not a matter of changing the law. This has been going on a long time in the BIA. It is a matter of distributing the money equitably. Unfortunately the administration, as I said earlier, ducked the issue. In fact, they funded Indian health $147 million less than last year, which is a mystery to me, given the testimony that the ranking member heard, as did I, that there are a lot of health problems in the Indian Community. But I do not think in fairness we want to give a big windfall to the tribes that are now getting funds with the $26 million we put in. We want everybody to get in on the mix.

Mr. YATES. Mr. Chairman, may I say that I do not consider it a big windfall. I think that the tribe, on the basis of the explanation given by the gentleman from Mississippi, deserves that money, but to do so at the present time without having all of the figures will penalize some of the other tribes. I therefore will stand with the chairman in keeping things as they are in the hopes that we can get the information we need before we go into the conference where we can make some adjustments.

Mr. PARKER. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, let me just say there is a $65 million shortfall. We have added $26 million. That leaves us $39 million, I mean around $40 million. There is still a shortfall there. So this windfall, supposed windfall is not a windfall, it is still a shortfall.

Mr. YATES. Mr. Chairman, we just do not know what the figures actually are, according to what the staff tells me. The gentleman has certain figures. We are trying to get the figures from the proper authorities so that we are in a position to do justice to the tribes that the gentleman has as well as the other tribes.

Mr. PICKERING. Mr. Chairman, if the gentleman will continue to yield, if I could suggest to the chairman and ranking member possibly one solution. The controversy here is over the allocation of whatever funds are available. The $26 million is greatly appreciated, but if it is done on a pro-rata basis, there is no distinction or difference between those who have taken steps consistent with the Self-Determination Act.

We would like to work going into conference, work with the administration, work with the working groups to see if there is a better way of allocation that would still try to address the needs.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 1 additional minute.)

Mr. YATES. Mr. Chairman, I would hope the gentleman might want to withdraw his amendment at this time and let the chairman and I try to correct the situation as we go into the conference.

Mr. PARKER. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. PARKER. Mr. Chairman, I appreciate the ranking member's suggestion but I do not think that it would be wise to do that, because I think that this issue is so important, I think that it is necessary that we all focus on what we are trying to do, and I think that my amendment moves in the direction of at least putting the gentleman in the conference so that he is able to deal with the Senate.

We already have the $26 million in there, and I know this discussion is going to occur on into the future, and I also know that the gentleman will not remove the $26 million.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. PARKER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PARKER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from Mississippi will be postponed.

AMENDMENT NO. 15 OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mr. MILLER of California:

Page 68, beginning at line 13, strike "for indirect" and all that follows through line 16 and insert the following: "may not be used for indirect support activities (as defined in the Forest Service Handbook).".

Mr. MILLER of California. Mr. Chairman, earlier this year three committees came together, the Committee on Appropriations, the Committee on the Budget, and the Committee on Resources, to hear about the problems, the financial problems of the U.S. Forest Service. The Committee on Resources and the Committee on the Budget and the Committee on Appropriations gathered to hear the GAO's report on a decade's worth of reports that they have done over the past years which conclude that the lack of financial performance accountability has resulted in inefficiency and waste by the Forest Service.

To make the Forest Service accountable, I think the way to do this is to take their off-budget funds and subject them to appropriations. The Forest Service has 23 special accounts amounting to more than one-third of their total budget, according to the Congressional Research Service. These funds, which now receive little congressional oversight, ought to be subject to appropriation, and I have introduced legislation to do that.

But this bill, this current bill does nothing to improve the Forest Service's accountability. In fact, it moves in the opposite direction by sanctioning the agency's use of forest restoration funds for administrative overhead costs. It permits the same abuses to occur with salvage funds, and it rewrites the roads and trails fund to allow those funds to be diverted to vaguely defined forest health projects.

My amendment does not address all of these issues but, in effect, it requires that the funds that are intended for forest restoration be used as Congress intended, not as a slush fund by the Forest Service for administrative costs.

By contrast, the committee's bill would allow up to 25 percent of these restoration funds to be used for so-called indirect expenses. This, in effect, ratifies the current practices, the current practices that so many Members of these three committees were shocked at when they were told about them by the GAO. The GAO told us that in reporting its fiscal year 1995 financial results, the Forest Service could not identify how it spent $215 million, $215 million out of $3.5 billion in its operating fund programs with respect to these forest restoration programs.

Mr. Chairman, these are funds that when the Forest Service has a forest sale and the loggers go in and they log that tract of land, whether it is a few acres or a couple hundred acres, whatever extent that the logging practice is in, these are funds that the Congress of the United States made a determination would go in after the logging is done, replant that area, restore that area so that we would get a new generation of trees; we would put the forest back into a position so that it might be logged in the future, or it might be used for other forest values such as recreation or what have you. That is supposed to be done on a sale-by-sale basis.

However, because of accounting practices within the Forest Service, what we now see them doing is not doing it on a sale-by-sale basis, but collecting the revenues on a sale-by-sale basis, putting them into a slush fund and now subsidizing the administration of the Forest Service, as opposed to going back and replanting and reforesting those sales and those areas that belong to the public.

What has the result been? The result has been that reforestation has not kept up with the cutting in the forests; that a number of areas where reforestation has taken place, it has been a complete failure, and we now have these huge scars on the public lands. If one visits some areas in northern California and southern Oregon and some of the Western States, we will see massive scars upon the land where reforestation has been a failure. But rather than go back in and fix those and reforest them to get those trees to grow again, what we see is they are diverting this to the overhead of the Forest Service.

Again, the GAO told the three committees when they were assembled earlier this year that the Forest Service does not have the financial management information and controls needed to ensure compliance with these Reforestation Fund Act monies and the prohibition limiting these funds for expenditure in individual sale areas to the collection from those same sale areas. What they told us was that the Forest Service, because it lacks accountability, because it lacks financial controls, has created a slush fund that is not being used for the purposes for which the public intended.

The diversion of these funds now in this last year was some 31 percent of the $166 million that were supposed to be used for reforestation of the timber sale areas. Instead of planting trees, instead of improving watersheds, instead of improving wildlife habitat, we were buying furniture, we were turning on the lights, and we are engaged in funding the overhead of the Forest Service.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, I think what has become very clear is that we have to start curbing these financial abuses by the Forest Service.

This amendment does that. That is why this amendment has the support of not only the environmental groups but almost all of the taxpayer organizations that look at these practices and ask the question, is the American public getting a fair bang for its dollar? Is the American public getting a return on its dollar invested, and is the law being followed in terms of what the public has an expectation of with respect to, in this case, reforestation programs?

As we look at these programs from an environmental point of view, or as we look at these programs from a taxpayer point of view, they fall far short in their accountability to the public, and they fall short because of that lack of accountability in their obligations to the environmental charge of these funds under this law. That is why this amendment should be accepted by the committee and by the House. I plan to ask for a vote on this. This is a very high priority of both the taxpayer organizations and the Forest Service organizations.

Again, many of us sat through these hearings and we were quite stunned at the extent to which the Forest Service accountability and financial controls have lapsed. We were also heartened, I think, by the fact that the Forest Service brought in professional financial managers to start to bring this back into control. But we have to begin with this legislation in this fiscal year and stop the diversion of these off-budget funds.

I would hope eventually that the authorizing committees, and if not, then the appropriating committees, will bring these funds back onto budget and make them subject to appropriation so that the American taxpayer understands where the money is being spent and what the benefit is, and we can make a determination each year as to whether or not the public interest is being served and if, in fact, the mission of the Forest Service as determined by the Congress is being served.

Mr. Chairman, I urge an "aye" vote on this amendment.

□ 1745

Mr. SMITH of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from California (Mr. MILLER) is absolutely correct. I am sure it will shock him for me to say that. But, in general, he is absolutely correct with respect to what is happening in the Forest Service today and its mismanagement of funds and lack of knowledge of what is actually happening within this very huge agency.

Unfortunately, his amendment is misdirected, while his thesis is correct.

We have all seen the General Accounting Office report and are shocked, indeed, with respect to their criticism of the Forest Service and to how lacking the Forest Service is in accountability.

However, the Committee on Agriculture has held three hearings on this very issue, and we have come to the conclusion that certainly there must be something done. For that reason, there is a bill introduced, which will be marked up on Tuesday, July 28, and scheduled for the floor on August 6, which addresses not just the K-V Fund issue, as the gentleman's amendment does, but addresses a whole array of management techniques and problems that the Forest Service continually has, plus overhead.

Now, it is shocking that many of the funds that the gentleman mentioned, there are five of them, he addresses only one, these funds have something like 30 percent overhead attached to them. That is unacceptable. And as we have gone into the question of the management of the forests, which we recognize that there some direction must be taken by the Congress to straighten up what is obviously a total mess.

Now, if we follow the gentleman's amendment only on the K-V Fund, we may well interrupt a personnel problem within the K–V Fund, which could impact habitat restoration and reforestation efforts and the issues that we are all interested in and that we all want to see completed.

So, here I think is the choice: the language that I think is a beginning in the Interior bill, but allow the authorizing committee, in this case the Committee on Agriculture, to carefully walk through this whole issue, bring it to the floor for the study of the Committee, and take the whole issue, rather than just a part of it.

Mr. Chairman, I would be delighted to include the gentleman from California in on any language that he would propose in an overall attempt to take care of a very difficult issue, rather than take in an amendment today with little opportunity to discuss. Let us go through the authorizing process. We will bring a bill that I think will address many of the gentleman's problems and we would be happy to include him in that discussion.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Oregon. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from Oregon (Mr. SMITH) for yielding me this time, and I thank him for his remarks.

Mr. Chairman, I think as the gentleman said, he shares our dismay at what we heard in the reports from GAO and from the Forest Service. Hopefully, their acknowledgment of that is the beginning of a change. But let me say in this case, and I did not as I said in my statement, I believe that all of these should be brought on budget and the appropriators should have some say in how this is being done.

But this last time, it was 35 percent. The committee says 25 percent. That level of overhead is just unacceptable when we are struggling to do the reforestation programs that we all know are necessary as part of watershed management and going back and trying to correct some mistakes and all the rest of it.

I would urge the gentleman from Oregon to have his hearings and to have the authorizing committees make these things, but also I guess we are at the end of the session here. This is the beginning of the fiscal year. I still think that this amendment is very important if we are going to stop this.

Mr. SMITH of Oregon. Mr. Chairman, reclaiming my time, I understand this is a rifle shot at the issue. Let us take the whole issue under consideration and bring it back to the floor when we have the whole thing addressed.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to say to the gentleman from California (Mr. MILLER) is that we would propose to reduce this 25 percent to 20, which will be 10 percent less than we are using now. The problem is that if we adopt this amendment, we leave the K–V Fund out there without any direction.

That fund is used for habitat improvement, reforestation, and a lot of very good environmental issues. I am most reluctant to, but I would have to characterize this amendment as being antienvironment, and I do not think that the gentleman from California wants to do that.

Mr. Chairman, I would agree that we should get this on budget and put us in charge as a Congress, in administering these funds on a line item basis. But I do not think it is good management, as proposed in this amendment, to take away the ability to manage the program and leave the program out there like a ship without a rudder. These programs are very important environmentally for reforestation, for habitat improvement, for other legitimate forest health issues.

Mr. Chairman, I would like to work with the gentleman from California in getting this on budget, reducing the amount that is going to administration, and ensure that the funding actually achieves the environmental objectives that are very much a part of it.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from Ohio (Mr. REGULA) for his comments. We are quickly trying to assess his offer. I think a couple of our colleagues have something they want to say on this and maybe we can chat about this.

But there is a problem with respect to ongoing litigation, so this has to be done sort of right, I guess, not to prejudice some parties. So, we can talk.

Mr. REGULA. Mr. Chairman, reclaiming my time, I want to use the money for environmental objectives, and to do that there has to be some mechanism to manage the fund. I think the amendment just takes away the mechanism without addressing the issue of how we expend the funds. I think we really need to get it on budget and manage it more correctly.

Mr. MILLER of California. Mr. Chairman, if the gentleman would continue to yield, let us not pretend like this is the only administrative money available to the Forest Service. The Subcommittee on Interior Appropriations unfortunately makes a huge amount of money available for administrative overhead to run these programs, and for them to siphon off this huge amount of overhead to get these programs on the ground and get them working is just unconscionable. But it is not like it would leave them without administrative overhead. It would leave them without a place that they could go without accountability, but they still have administrative money for these functions.

Mr. REGULA. Mr. Chairman, again reclaiming my time, I would like to say to the gentleman that if there is any way in the conference process that we can make some changes to make this fund totally accountable, I am very much for that, because I think accountability is an essential element of any program that we manage. And since we have to appropriate the funds, it should be accountable to those of us that serve on these respective committees.

I would say to the gentleman from California (Mr. MILLER), I would like to work with him to achieve that objective. But I would be reluctant to support the amendment under these circumstances without having some additional changes.

Mr. DEFAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, here is the problem before us. The administration and this Congress have been starving the Forest Service, while giving them ever more and more expensive obligations, many of which have tremendous merit. If we look at the backlogs to meet the environmental guidelines of the President's forest plan in my region, it would sop up virtually the entire budget of the United States Forest Service.

We are simply not funding many meritorious activities. The gentlewoman from Oregon (Ms. FURSE) was going to offer an amendment yesterday, with which I disagreed, but I agreed with the program she wanted to augment. If we look at her augmenting those programs, it would take them up to 30 and 40 percent of the annual objective; again, programs that benefit the environment, that reinvest in our forests.

We have been treating our forests like cash cows for much too long, and now people are unwilling to reinvest in the resource. That is pointed out by this issue of the K–V Funds. The K–V Funds are spent for meritorious purposes, reforestation and related environmentally beneficial activities consequent to timber sales. Everybody agrees that those are activities that should be carried out.

But the problem here is that since we are starving the Forest Service in many other budgets, they are attributing an, I think, unusually high overhead to this program so that they can move their funds around. And they are very, very messy and unaccountable accounting practices which we have held hearings on.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, the gentleman from Oregon (Mr. DEFAZIO), whom I consider one of the experts on these issues in the House, let me give some of the information that we have received from the Forest Service for the benefit of our colleagues who are trying to learn about this.

It says:

> Eliminating the K-V overhead indirect costs will have substantial repercussions for the agency. The indirect nonproject costs of the agency cannot be eliminated and support accomplishment of program work. Costs such as rent, utilities unemployment comp, and program supervision are necessary costs to support K-V accomplishments.

According to the May 6, 1998, report on indirect charges in five funds, the K-V Fund paid for $51,169,000 in fiscal year 1997. As mentioned above, if K-V could not pay for these costs, the Forest Service's appropriated funds would have to be responsible for them. This would result in less program accomplishment in reforestation, timber stand improvement, wildlife, watershed improvements, and other appropriated resource areas.

In addition, the plain language of the National Forest System Appropriation excludes general administrative support to funds such as K-V. Therefore, to charge appropriated funds would place the Forest Service in violation of its National Forest System Appropriations language on GA, and in violation of congressional intent, if not appropriation language on all other direct costs.

So, I understand why we would like to preserve the funds, but we have to pay it somewhere. If we do not pay the indirect costs of the K-V out of the K-V Fund, then we will take money away from all of those other programs and things like timber stand reforestation improvement and wildlife, which the gentleman and I are both strong supporters of. How do we answer this?

Mr. DEFAZIO. Mr. Chairman, reclaiming my time, and I said as I spoke, the objectives of the K-V Fund are meritorious. The question is how much goes to overhead? And I would say that 25 percent where they are attributing rent for a Forest Service employee who works in a ranger's station, attributing all of those, if we add up all the overheads and the indirects we find that in part it is going to the chief's salary. It is going here because the chief spends 4 percent of his time on K-V Fund, so 4 percent of his salary.

I mean, when we add them up, they do not add up to 100 percent. So my concern is that we are not getting as much money on the ground as we should. I certainly would not want to get an unintended effect here which would be to deprive them of any capability of managing and investing these funds. But I think the gentleman from California (Mr. MILLER) is trying to make the point that the 25 percent number is arbitrary and too high.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I have a letter from the gentleman from California (Mr. HORN), chairman of the authorizing subcommittee. He points out that a recent report by the General Accounting Office revealed the Forest Service diverted over $220 million from the K-V Fund into bureaucratic overhead between 1993 and 1997.

The CHAIRMAN pro tempore (Mr. PEASE). The time of the gentleman from Oregon (Mr. DEFAZIO) has expired.

(On request of Mr. YATES, and by unanimous consent, Mr. DEFAZIO was allowed to proceed for 1 additional minute.)

Mr. YATES. Mr. Chairman, the law does not permit the K-V Fund to be used for any other purpose, certainly not for the administrative expenses. And what the gentleman from Washington (Mr. DICKS) has said is true, that if we do not use this money from the K-V Fund, we will have to get it from somewhere else. We will have to use appropriated funds for this purpose if we object to their present day practice, because the money is essential for carrying out the needs of the Forest Service.

Mr. DEFAZIO. Mr. Chairman, reclaiming my time, I have tremendous respect for the gentleman from Illinois (Mr. YATES). I think the problem that we are having here, to address his concerns, is between some of us on the authorizing committee who have held hearings on the Forest Service budgeting and accounting practices and feel that money is being moved around in ways that are not accountable and being spent in ways that are not provided for under law; that we are not getting the full bang for the buck of the K-V Fund's investment on the ground in environmental restoration because it is being diverted on overhead that is not just legitimately overhead for the K-V program.

Certainly, there is legitimate overhead for the program. But other more general overhead purposes of the Forest Service, which I would agree, since the Forest Service, as I said earlier, is not getting enough funds in many other programs.

□ 1800

The CHAIRMAN pro tempore (Mr. PEASE). The time of the gentleman from Oregon (Mr. DEFAZIO) has expired.

(By unanimous consent, Mr. DEFAZIO was allowed to proceed for 2 additional minutes.)

Mr. DEFAZIO. So I would say to the gentleman from Illinois (Mr. YATES) that I think we have some essential grounds for agreement, but the problem is I see the Forest Service doing things like the argument over purchaser road credits last year. I could come to the floor and list project after project they were doing purchaser roads credits, which truthfully had little to do with the timber sales that they were conducting, but they were meritorious recreation, road, and environmental projects and restoration flood damage repair that they could not otherwise pay for.

So I think the bottom line we keep coming back to is there is not enough money to fulfill their missions, particularly their mission as it relates to the environment.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I appreciate and thank the gentleman for yielding to me. I appreciate the point he has made.

What we have here is a situation that over time has developed to now an extravagance, that any time the Forest Service has something they want that the Congress does not go along with or somebody does not go along with in Washington, they reach into the restoration funds.

The purpose of these funds was, and the gentleman represents areas that are much more affected than mine, the purpose of these funds was to try to do restoration on the theory that forests were on a, cycle and that we would make an agreement to cut them and make an agreement to reforest them and to start the new cycle of trees, and future generations could make determinations. But what we now see is over a third of the funds, or about a third of the funds, have now been subject to a diversion, to a simple wish list of local forest people, of managers, about what they want in terms of administrative overhead, with no bars.

And what came to a head in March of this year was the total unaccountability of the system with respect to a basic fundamental forest law, the Vince Vanderberg funds for reforestation.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon (Mr. DEFAZIO) has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. DEFAZIO was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, will the gentleman continue to yield?

Mr. DEFAZIO. I yield to the gentleman from California.

Mr. MILLER of California. So, Mr. Chairman, this is an effort to try to repair.

Let us understand something. The Senate is at zero. The Senate has made a determination that this practice is an outrage; that this is contrary to everything that the authorizers in these committees and the appropriators want to do. But this is something that has just grown up and kind of gone off.

And now the question is are we going to enable them to continue to do this practice which is working to the detriment of taxpayers and working to the detriment of the environment?

I just think that this is just fundamental. This is one of those things where, once again, we have kind of bad fiscal policy here mixed with the environment, and it ends up with bad policy for everyone. And that is why the taxpayers' organizations are supporting this amendment, that is why the environmental organizations are supporting this amendment.

Because, in fact, if we can bring this back under the control of the Committee on Appropriations, if we can make these people go into the regular fund for administrative overhead, which is millions and millions and millions of dollars for the Forest Service, then we can have some accountability in this program, and we can go back to many of the areas in the gentleman's State, in my State and other Members' States that have never been properly reforested.

And the cry always is, there is not money to do this. Well, apparently the money has been diverted for a whole host of reasons, most of which most Members of Congress never knew about until the joint oversight hearing, where it was exposed in the GAO reports and the Inspectors General reports.

And I am just dealing with one of these funds. This is true of a whole series of these funds where they have now determined this is somehow their God-given right, to go in there and dip into costs that they want to cover that the Congress has not approved.

Mr. DEFAZIO. Reclaiming my time, Mr. Chairman. In a memo which the Forest Service produced yesterday in opposition to the Furse amendment, they said the Forest Service is working to reduce overhead and increase expenditure clarity and accountability through better financial management. Well, I think they need a little pushing, because the results of that hearing were absolutely disastrous.

Basically, they are not auditable at this point in time. There is no accountability. How can we say we are going to take 25 percent of these needed K–V funds for reforestation and environmental investment and divert it arbitrarily for whatever purpose?

Twenty-five percent is high in anybody's book. But for an ongoing, existing agency which does not have to go out and rent new space, does not have to go out and buy new vehicles, does not even have to hire new employees, because for many of them it is only part of their time, 25 percent seems very high to me and an arbitrary number.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding once again.

The gentleman was at the hearing, and I think the gentleman from Washington (Mr. DICKS) was there when they said that they could not identify how they spent $215 million. $215 million. They also went on to say that $7.8 billion in value reported with respect to assets and properties and plants and equipment was erroneous.

The CHAIRMAN pro tempore. The time of the gentleman from Oregon (Mr. DEFAZIO) has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. DEFAZIO was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from California.

Mr. MILLER of California. The value they placed on their property, their plant and their equipment was erroneous; they do not know if that is really what it is worth. $7.8 billion, and $215 million in expenditures, and we do not know if it is accurate or not. We have no way of knowing that. Why? Because over a period of time these funds were created, they were off budget, and they started using them as a slush fund for all of these purposes for which they no longer then had to account.

And due to the work of the three committees, and they should be commended for this effort, this has now been exposed and this now has to be changed around. And because of those hearings, the Senate has made a determination that this is going to stop. This is going to stop. They are not going to use 30 percent of the money that people expect to be put on the ground to reforest our lands, to be committed to a wish list from people beyond their allotted administrative overhead.

I thank gentleman for his comments.

Mr. DEFAZIO. Mr. Chairman, reclaiming my time once again, I thank the gentleman. And just in summary, I do not think anyone can defend what has been going on and we need some resolution. And we feel that we need to move that issue forward, at least into the conference.

So we are hopeful Members will support this amendment supported by environmental groups, taxpayer groups and others to bring some accountability, and to better accomplish the environmental reforestation and other goals of the Forest Service which are being, in fact, woefully underfunded by this body. And that is something we will also have to deal with in future appropriations.

Mr. THUNE. Mr. Chairman, I move to strike the requisite number of words.

Mr. SMITH of Oregon. Mr. Chairman, will the gentleman yield?

Mr. THUNE. I yield to the gentleman from Oregon.

Mr. SMITH of Oregon. Mr. Chairman, I thank the gentleman for yielding, and I just to want emphasize the point that this effort is an effort in unintended results. And I want to read into the record the impact that would occur should this amendment be adopted, and I think that all will agree that these kinds of results are unacceptable.

For instance, the Forest Vegetation Management and Reforestation account would be impacted by $20.5 million, which is 45,000 acres, 75 percent of all that is totally planned. Timber Stand Improvement, $10.7 million, 42,000 acres, 58 percent of all total planned. Wildlife Habitat Management, $4.9 million, 30,000 acres. Inland Fisheries Habitat, $1.2 million. Anadromous Fish Hatcheries Habitat Management, $1.6 million. Threatened, Endangered and Sensitive Species, $.4 million. Watershed Improvements, $2.8 million, et cetera.

Mr. Chairman, I just point out again that I think we have not thought through this amendment. It is a perilous journey we are on here. Let us back away, let us go through the process of hearings, let me bring a bill to the floor which will address this whole thing, and we will address as well the gentleman from California's program.

Mrs. CAPPS. Mr. Chairman, I move to strike the requisite number of words.

Mr. MILLER of California. Mr. Chairman, will the gentlewoman yield?

Mrs. CAPPS. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentlewoman for yielding.

Let me just say that in the Senate, not exactly a radical body in American politics, and very protective of Western resource policy, in their bill they are silent on this matter, and they said, "The committee is very concerned about rapidly increasing indirect expenses, including overhead, and the related effect on the availability of funds for accomplishment of on-the-ground objectives." The point raised by the chairman, the gentleman from Ohio (Mr. REGULA). "As noted by the General Accounting Office."

They go on in their language to say, "For example, the committee is aware of a proposal to cap the ratio of indirect to total expenditures from the five trust funds of the administrative Forest Service at a level of 25 percent. Although the committee is concerned with the rapid increase from 15 to 27 percent the rates of indirect or total expenditures over the last 5 years, the committee does not propose to cap for the following reasons."

Okay? The point is this: We are not going to get into ratifying, and they anticipate this language, we are not going to get into ratifying a practice that is just there because of sloppiness; that is just there because people do not want to live within the budget constraints that this Congress makes a determination, and they are using these funds for any old purpose they want.

They are not related to K-V, and that is the point.

And I thank the gentlewoman, Mr. Chairman, for getting the time so that I could put the Senate report on record.

Mr. NETHERCUTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. NETHERCUTT. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentleman for yielding.

To the debate focus, I would point out to the gentleman from California that it is not any old purpose. It is whatever the Secretary of Agriculture, who is one of our former colleagues, determines it be used for. And what the gentleman is saying is that he has no confidence in the Secretary of Agriculture.

But aside from all that, this amendment takes out the ability to manage these funds. So suddenly we have a sizable chunk of money, probably $150 million or more, with no ability to manage it. It is just there. The Treasury will be happy. They will have the money. And instead of spending it on timber stand improvement, wildlife habitat management, inland fisheries habitat management, anadromous fisheries habitat, threatened, or endangered species, watershed improvements, instead of that, the money goes to the Treasury.

Now, we recognize what the gentleman is saying, that this is a problem. We are trying to get it under control. We have reduced the amount that can be expended on indirect charges from 35 percent to 25 percent. The authorizing committee is addressing this problem and is trying to get it on budget where it belongs and eliminate the problems that have happened. We have to phase it out over a period of 3 years simply because there are a number of projects that are underway that need to be completed.

We have tried very strenuously, and the gentleman from Washington is part of the subcommittee, to make accountability a part of our goal. I do not disagree with the gentleman from California. We want accountability; he wants accountability. But I do not think just striking out the management money, without having a mechanism to allow these programs to be finished, to allow the transfer, is good legislating.

We are sympathetic to the gentleman's goals and would try to address those as much as possible in conference, but I would have to resist the amendment at this point. It is not a good way to approach it.

Mr. NETHERCUTT. Mr. Chairman, reclaiming my time, I thank the chairman for his comments, and I must agree with him. I think that the goal here is laudable, but I think the Miller amendment goes too far. It is an extreme approach to the reasoned approach that the subcommittee has taken deliberately, not without consideration.

I have just been in hearings regarding the Forest Service and regarding the need to control and limit their expenses. Our subcommittee has been deliberate about this. And I think the representations of the chairman of the Committee on Agriculture are very well taken. He makes a good point. We will have hearings, we will have an analysis of the problem, but to, in sort of an extremist way, say we are just going to cut this off now, without good knowledge, I think makes no sense.

So it does go too far too fast. With all due respect to the gentleman from California, I just think we need to be very careful about how fast and how deliberate we are on this whole issue.

The Interior bill, the one that we are going to vote on here today, takes an important, responsible, incremental step to management improvement. And that should be our goal, not this whacking away at this account and really harming the environment.

□ 1815

Frankly, I think that is what the consequences will be. Chairman SMITH, Chairman REGULA and the gentleman from Washington (Mr. DICKS) all mentioned the environmental protections that I think would be lost by adopting this amendment.

So I urge very clearly that we vote no on this amendment and continue our deliberation of this whole issue and try to resolve it in a reasoned manner, not slashing and cutting.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from California (Mr. MILLER), I hope to end this debate.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding.

Let me just say, it is suggested that somehow this is a radical amendment and somehow we are moving too far too fast in the name of trying to protect both the resources and the public treasury.

Again, I refer my colleagues to the Senate report. "Although concerned about the agency's history of poor commitment and accomplishment, the Committee is reluctant to establish caps on overhead expenses which may inhibit efforts to improve accountability. To improve accountability, it is needed."

Later they finally say, "The committee is concerned that a cap of 25 percent would lead to an automatic and in some cases unwarranted draw on these trust funds that would divert these needed funds from on-the-ground projects."

That is the United States Senate. That is the Committee on Appropriations dealing with forest policy. They are concerned that the answer that has been selected by this committee is exactly contrary to what needs to be done, that once they put a cap on they are ratifying the process and the process is nowhere in law, the process is growing up because of dysfunctional behavior by the Forest Service in not being able to live within a budget.

They have not been able to live within a budget because they have a honey pot over here called K-V funds and they just reach in there and grab out whatever they need when they have a little bit of a shortfall. That is why the Senate has this language in the report. That is why they have it here.

Because, with all due respect, we have not broken the habit of these people. This is this next fiscal year. This is this next fiscal year. This is the money that is going to go into effect in October. And if we do not change this, these people are going to be right back in there reaching in there right up to the old armpit with the taxpayers' money because they cannot get Congress to approve of something.

The Senate recognizes this. The gentleman from California (Mr. MILLER) did not discover this. The Senate Committee on Appropriations discovered this, and they recognize that a cap is to ratify bad behavior.

This is like giving a drunk a beer instead of a straight shot. These people are incapable of keeping their hands off of this money that is supposed to go into improving our forest and reforesting the forest after we have these timber sales. They have violated this law across the board, and all of a sudden we are supposed to believe that they repent.

Well, the Senate did not believe it, and that is a pretty fairly conservative body, Republican dominated; and it is dominated by people from the Western states who have an interest in the forest practices, and they have determined that this is against the public interest and bad for the environment.

Mr. DICKS. Mr. Chairman, reclaiming my time, I want to say that I join the chairman and say I want to work with him on this as well. We have got to get an answer on this. I have been a strong supporter of the K-V funds, which use of money for reforestation.

The gentleman from California (Mr. MILLER) has made his point. We will see what happens on the amendment. But even if it does not succeed, I still think we have got to work on this. And I certainly am going to want to work with the gentleman from Oregon (Mr. SMITH) and those who pledged to the gentleman in the well that we will come back with a substantive answer on this. I think the point is that we have got to fix this, it is broken.

Mr. MILLER of California. Mr. Chairman, if the gentleman would yield further, I thank the gentleman; and I would say I appreciate and I listened. The gentleman from Ohio (Mr. REGULA) is a man of his word and he is a man of honor, and he was at the hearing and he was as disturbed by this as I am now, and that is serious, and I want to just say also the gentleman from Oregon (Mr. SMITH) because he obviously has great pride in the Forest Service and has spent his entire public career dealing with this agency.

I do not doubt their word for a moment. All I am saying is we cannot start out this year by ratifying this practice that is nowhere allowed on the books of the Congress.

Mr. DICKS. Mr. Chairman, I yield to the gentleman from Ohio (Mr. REGULA), the chairman.

Mr. REGULA. Mr. Chairman, I would ask the gentleman from California (Mr. MILLER), does the Senate address what happens to the "honey pot" or do they just send it back to the Treasury? Because, apparently, they take out the money to administer the fund but do not address the problem.

Mr. DICKS. Mr. Chairman, reclaiming my time, I do not think they did anything. They just did not deal with the issue.

Mr. REGULA. If the gentleman would further yield, that is what I mean, they walked away from it.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from California.

Mr. MILLER of California. Because, apparently, as they point out in the report, they anticipate this language, so they have taken a position. Rather than ratifying the practice, they will deal with it when they get to conference.

Mr. DICKS. Mr. Chairman, I think it is time to vote. We have had a very good and spirited debate.

The CHAIRMAN pro tempore (Mr. PEASE). The question is on the amendment offered by the gentleman from California (Mr. MILLER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MILLER of California. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from California (Mr. MILLER) will be postponed.

The point of no quorum is considered withdrawn.

The Committee will rise informally.

The SPEAKER pro tempore (Mr. NETHERCUTT) assumed the Chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Committee resumed its sitting.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the last word.

As evidenced by the prior vigorous debate, all of us come to the floor of the House with our own passions and concerns.

Let me first thank the chairman and the ranking member for being sensitive to some needs and concerns that I have that were debated at the time of the Johnson amendment on the National Endowment for the Arts but raised in a different context from the arguments that I will make today.

I am prepared and was prepared to offer two amendments, because I do believe that the National Endowment for the Arts should have been funded at its fullest level of $136 million, and today I was prepared to offer that amendment.

In fact, both the ranking member and the chairman realize that, in earlier years, the National Endowment for the Arts was funded up to at least $170 million and that was not enough. I also recognize and we recognize that the arts that are funded by the National Endowment for the Arts, despite the opponents, really do fund most of the nonprofit arts in this Nation.

The reason why I have come to the floor to express my concern that the debate around the Johnson amendment was more to keep or to bring back $98.5 million, of which I believe is not enough, is because it strikes home.

In Houston, Texas, the Alley Theater is an excellent representation of the value of the NEA and the arts in Texas. The Alley Theater is not a fabulously rich theater, and it represents a lot of our small theaters around the Nation. In fact, Houston represents the arts funding center, if you will, beyond the Mississippi, because that is the argument. Everything is East Coast or West Coast, and we stand up to represent middle America as someone who believes in the NEA.

The Alley Theater is a family-oriented theater with over 200,000 persons attending productions annually. To quote its director Paul Tetreault, the managing direction of the Alley Theater in Houston, "the NEA has given meaningful support to the Alley and its audiences for many years."

However, this year, Mr. Chairman, the Alley was denied funding for a production as a result of reduced budgets, and the director states that, "It was a great surprise and disappointment to see that support interrupted at a time when the Alley is realizing great artistic achievements."

The director goes on to say that, "Many other deserving theaters, museums, dance and opera companies have been even more deeply affected by having their grant requests denied. Their losses, like that of the Alley's, will have a collateral effect on the quality of life in the communities they serve, to the detriment of arts, education, commerce, and tourism."

Mr. Chairman, it is not only the Alley, but it is the Ensemble, it is the Mecca, it is many arts communities in our Nation and in our community.

Mr. Chairman, I was prepared to offer at this time an amendment that would have supported the NEA at $136 million.

Before I conclude, let me address the other amendment that I was prepared to offer. I would like to yield for a moment to the ranking member when I mention my other amendment that was to offer additional support up to $122 million for the National Endowment for the Humanities.

We can discuss a lot of things, and we have many interests, from the interests of our forests and our trees, to the protection of our fish and wildlife, and certainly to the protection of our native Americans and the responsible treatment of them. But the NEA deals with our educational systems.

Have my colleagues ever been to a library? Do they appreciate the culture of our Nation, the many different cultures? Have they ever visited the exhibition of The Many Realms of King Arthur at the local library? Have they ever read the diary of a 17th century New England midwife? That is the humanities. Do they watch an episode of the Civil War? Have they appreciated the history of slavery in America, philosophy, history, religion, art? That is about the humanities.

What we have done by funding it or underfunding it and not giving it the amount that the administration had is to deny our country with the ability to teach its children of its great history.

I do respect the chairman and I respect the ranking member, and let me just mention the fact very briefly that the chairman worked with me on the issue dealing with the Sojourner Truth Monument, and I am still working on that. But I do believe these are good amendments. It is my intent to withdraw these amendments, not without the frustration and concern that we are cheating our Nation's children, we are cheating our Nation's cultural arts, we are cheating our Nation's libraries.

The CHAIRMAN pro tempore. The time of the gentlewoman from Texas (Ms. JACKSON-LEE) has expired.

(By unanimous consent, Ms. JACKSON-LEE of Texas was allowed to proceed for 2 additional minutes.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I would like to yield to the gentleman from Washington (Mr. DICKS) to ask the question, recognizing the hard work, recognizing what we did with both the Democratic effort but as well the Johnson amendment, can we work together, recognizing the responsibilities that we have on this issue of funding for NEH and NEA?

Mr. DICKS. I appreciate the strong commitment of the gentlewoman from Texas (Ms. JACKSON-LEE) to the National Endowment for the Arts and Humanities.

And I do remember, I served on this committee now for 22 years under the leadership of the gentleman from Illinois (Mr. YATES) a time when we did have better funding for the National Endowment for the Humanities and the Arts, and frankly, I think the need is out in the country, in Texas, in Washington State, in Ohio, in Illinois, in Oregon. Everywhere in the country there are needs for these resources.

I hope, as we get back to a balanced Federal budget, which I think we will achieve at the end of this fiscal year, and as we go to the next Congress, hopefully those of us who return can continue to work to see if we cannot get a more reasonable level of funding. That is certainly my objective.

We have had to deal with the realities of balanced budgets, and caps makes it difficult. But certainly, with the better future, with a balanced budget, I hope we can revisit this item, and I appreciate the leadership of the gentlewoman on these important issues.

Ms. JACKSON-LEE of Texas. Mr. Chairman, reclaiming my time, might I just make a special note of the ranking member of this committee as well, the gentleman from Illinois (Mr. YATES), who has done a yeoman's task on this issue dealing with humanities and arts.

The gentleman from Ohio (Mr. REGULA) did not hear me. I thanked him for our discussion on the Sojourner Truth, and I want to continue that. Remember, we had that discussion just a year ago.

Mr. REGULA. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentlewoman for yielding. I understand she will withdraw the amendment. We are faced with many needs and limited resources. We have done the best we can with what we have available.

Ms. JACKSON-LEE of Texas. Mr. Chairman, reclaiming my time, I hope, however, recognizing that we can all gather maybe a commitment that those are valuable entities and look to further funding of those entities as we move forward.

Mr. Chairman, I include the following for the RECORD:

Mr. Chairman, I speak with great expectation that my amendment to H.R. 4193—the Department of the Interior and Related Agencies Appropriations Bill of 1999 will be adopted.

The committee's proposed budget for the National Endowment for the Arts (NEA) does seem generous at first ($98 million), especially when you consider that the level was originally pegged at $0. Although the committee's recommendation keeps the NEA at its 1998 levels, I firmly believe that we should provide the level of funding proposed by the Administration. Therefore, my amendment restores the funding for the NEA to $136 million.

This restoration is offset by a reduction in the United States Fish and Wildlife's construction fund and a reduction in the national park Service's operation fund.

Although some seek to keep funding for the NEA at its 1998 levels, we should strive for progress, not stagnation. The opponents of funding for the NEA are quick to trot out the occasional bad choices made by the NEA. However, it is important to highlight and inform the American public of the vast majority of activities funded by the NEA.

Mr. Chairman, that is what this debate is about. The quality of life for Americans and their families and children throughout this country. This is not about the few bad choices made by the NEA in the past. This is about the ability of children and families to view productions of plays and musicals; the ability of children and families to experience art and art education; the ability of a child to travel across town to an outdoor play with his father and mother and share in a meaningful family outing where the love of a family can be shared; where a community can come together in peace; where the quality of life for residents in a city can be improved by an arts event that both educated and entertains.

What is the need to summarily eliminate an area of the Federal Government that is working. Funding for the NEA represents less than six-ten-thousandths (0.0006%) of the entire Federal budget. With that six-ten-thousandths percent (0.0006%), the NEA is still the largest single source of funding for the nonprofit arts in the United States. This investment of the United States Government is an investment in the quality of life for families and children. It spawns investment and giving to the arts by the American people, private and corporate donors. However, increased demands on all sectors of private giving have recently presented corporate and individual donors with tough choices. How can we expect private donations to the arts to increase, when we do not keep our commitment to the NEA. This is the time that the Federal Government should be making an investment in the NEA; not closing it.

Who are we really hurting if we do not fund and support the arts? We are hurting middle class and poor America. Seven point five (7.5%) of funding for the NEA goes directly to projects in under-served communities. Through access and outreach related grants, the NEA has helped to make the arts accessible to millions of Americans who could not otherwise afford them. What does that mean? It means that children in poor communities will not have access to plays, musicals, stage productions, and arts education that serve to increase the quality of life and overall educational value of American children. We are hurting the very people that we are sent here to help. We are hurting families who are trying to raise their children to respect the community. Mr. Chairman, we are hurting America.

Keeping funding for the NEA at the 1998 level will not only negatively affect cities, but it will also negatively affect rural, small town communities. NEA grants serve communities in both urban and rural areas. In most small towns across the country, traveling tours, exhibits, and concerts are the major exposure to the live performing arts that children receive. The small town and rural communities can not afford to support a full symphony, orchestra, or museum.

Funding for the NEA is not a Republicans versus Democrats issue. There are even Republicans that support level funding for the NEA. It is not a conservative versus liberal issue. Funding for the NEA is a cultural issue. Important cultural, educational, and artistic programs are funded by the NEA. Business leaders, educators, cities, States, and even law enforcement officials support funding for the NEA. After schools arts programs keep kids off the streets. We have all heard the phrase an idle mind is the devil's workshop. If we are able to reach kids and take them off of the streets via an after school arts program, then why don't we. Funding for the NEA exposes inner city minority children to Hamlet and to Othello.

The NEA makes the arts accessible to all Americans. There is no doubt that a people and culture without a preservation of the arts in history are doomed. I urge support of this amendment.

Mr. Chairman, I speak with great expectation that my amendment to H.R. 4193—The Department of Interior and Related Agencies Appropriations Bill of 1999—will be adopted.

My amendment raises the appropriations level for the National Endowment for the Humanities (NEH) from the $96,800,000 recommendation by the Appropriations Committee to the $122,000,000 level requested by the Administration. The offsets will come from the U.S. Fish and Wildlife fund and the National Park Service Operation fund.

I work with my local librarian.

The NEH is vital to our educational systems and provides numerous services in the area of the humanities. The NEH provides grants to individuals and institutions. These grants support valuable aspects of the humanities such as research in the humanities; educational opportunities for teachers; preservation of texts and materials; translations of important works; museum exhibitions, television and radio programs; and public discussion and study.

The humanities encompass a wide variety of subject matter. They are all around us and evident in our daily lives. When you visit an exhibition on "The Many Realms of King Arthur" at your local library, that is the humanities. When you read the diary of a seventeenth-century New England midwife, that is the humanities. When you watch an episode of The Civil War, that is the humanities, too. The humanities include the study of literature, history, philosophy, religion, art, history, and archaeology.

NEH also provides many educational tools for children. Most recently, the NEH has provided students with the educational foundations necessary for the use of the internet. NEH maintains EDSITEment, a gateway Web site that provides links to 49 sites carefully selected for their quality of educational content and design. Instead of having to sift through more than 65,000 humanities-related sites on the Web, anyone seeking the best humanities education materials on the Internet can easily find and access them through EDSITEment. Each site comes with lesson plans offering suggestions on how to use the materials effectively in the classroom.

NEH works closely with schools and is currently awarding grants to schools around the nation through an initiative called "Schools for a New Millennium," which will enable those schools to become models of how teachers, principals, librarians and the community can fully incorporate CD–ROMs and the Internet into their everyday teaching.

NEH also continues to fund the development of excellent new humanities Web sites and CD–ROMs in areas such as the American wars in Asia, ancient cultures of North America, Spanish colonial history, U.S. women's history, and Chinese history and culture.

The Internet places a vast, sometimes disorienting wilderness of information at everyone's fingertips. NEH seeks to provide teachers, students and other curious people with a map to the educational treasures that can be found out there.

To increase its efficiency, the NEH is organized into three divisions—Education and Research, Preservation and Access, and Public Program—and three offices—Challenge Grants, Federal/State Partnership, and Enterprise.

Mr. FOX of Pennsylvania. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I include the following statement for the RECORD in support of the Regula-Skaggs-Fox amendment, and I thank the chairman for his leadership in this bill and in the House:

Mr. Chairman, I wish to thank the gentleman from Ohio, the Chairman of the Committee, for working with Mr. SKAGGS and myself to develop this alternative that addresses the concerns we had raised in our previous amendment. I believe that the amendment as offered will go a long way to help in addressing our concerns about energy conservation and, in particular Weatherization assistance. I appreciate the willingness of the Chairman to work with us on this alternative and commend him again for his hard work on this very difficult appropriations bill. I also wish to thank Mr. SKAGGS for his help in working with me on this issue of mutual importance and commend him for his commitment to this cause.

Mr. REGULA. Mr. Chairman, I ask unanimous consent that the bill through page 123, line 14, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the bill from page 92, line 12 through page 123, line 14, is as follows:

TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: *Provided*, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

SEC. 303. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 304. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 305. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 306. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless advance notice of such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such Committees.

SEC. 307. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c; popularly known as the "Buy American Act").

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 308. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (Sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 1995.

SEC. 309. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.

SEC. 310. None of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps program, unless the relevant agencies of the Department of the Interior and/or Agriculture follow appropriate reprogramming guidelines: *Provided*, That if no funds are provided for the AmeriCorps program by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, then none of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps programs.

SEC. 311. None of the funds made available in this Act may be used: (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when it is made known to the Federal official having authority to obligate or expend such funds that such pedestrian use is consistent with generally accepted safety standards.

SEC. 312. (a) LIMITATION OF FUNDS.—None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.

(b) EXCEPTIONS.—The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994; and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by the applicant by that date.

(c) REPORT.—On September 30, 1999, the Secretary of the Interior shall file with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on actions taken by the Department under the plan submitted pursuant to section 314(c) of the Department of the Interior and Related Agencies Appropriations Act, 1997 (Public Law 104–208).

(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected by the Bureau of Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.

SEC. 313. None of the funds appropriated or otherwise made available by this Act may be used for the purposes of acquiring lands in the counties of Gallia, Lawrence, Monroe, or Washington, Ohio, for the Wayne National Forest.

SEC. 314. Notwithstanding any other provision of law, amounts appropriated to or earmarked in committee reports for the Bureau of Indian Affairs and the Indian Health Service by Public Laws 103–138, 103–332, 104–134, 104–208 and 105–83 for payments to tribes and tribal organizations for contract support costs associated with self-determination or self-governance contracts, grants, compacts or annual funding agreements with the Bureau of Indian Affairs or the Indian Health Service as funded by such Acts, are the total amounts available for fiscal years 1994 through 1998 for such purposes, except that, for the Bureau of Indian Affairs, tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, self-governance compacts or annual funding agreements.

SEC. 315. Notwithstanding any other provision of law, for fiscal year 1999 the Secretaries of Agriculture and the Interior are authorized to limit competition for watershed restoration project contracts as part of the "Jobs in the Woods" component of the President's Forest Plan for the Pacific Northwest to individuals and entities in historically timber-dependent areas in the States of Washington, Oregon, and northern California that have been affected by reduced timber harvesting on Federal lands.

SEC. 316. None of the funds collected under the Recreational Fee Demonstration program may be used to plan, design, or construct a visitor center or any other permanent structure without prior approval of the House and the Senate Committees on Appropriations if the estimated total cost of the facility exceeds $500,000.

SEC. 317. None of the funds made available by this Act may be used to require any person to vacate real property where a term is expiring under a use and occupancy reservation in Sleeping Bear Dunes National Lakeshore until such time as the National Park Service (NPS) indicates to the appropriate congressional committees and the holders of these reservations that it has sufficient funds to remove the residence on that property within 90 days of that residence being vacated. The NPS will provide at least 90 days notice to the holders of expired reservations to allow them time to leave the residence. The NPS will charge fair market value rental rates while any occupancy continues beyond an expired reservation. Reservation holders who stay beyond the expiration date will also be required to pay for appraisals to determine current fair market value rental rates, any rehabilitation needed to ensure suitability for occupancy, appropriate insurance, and all continuing utility costs.

SEC. 318. (a) None of the funds made available in this Act or any other Act providing appropriations for the Department of the Interior, the Forest Service or the Smithsonian Institution may be used to submit nominations for the designation of Biosphere Reserves pursuant to the Man and Biosphere program administered by the United Nations Educational, Scientific, and Cultural Organization.

(b) The provisions of this section shall be repealed upon enactment of subsequent legislation specifically authorizing United States participation in the Man and Biosphere program.

SEC. 319. None of the funds made available in this or any other Act for any fiscal year may be used to designate, or to post any sign designating, any portion of Canaveral National Seashore in Brevard County, Florida, as a clothing-optional area or as an area in which public nudity is permitted, if such designation would be contrary to county ordinance.

SEC. 320. Of the funds available to the National Endowment for the Arts:

(1) The Chairperson shall only award a grant to an individual if such grant is awarded to such individual for a literature fellowship, National Heritage Fellowship, or American Jazz Masters Fellowship.

(2) The Chairperson shall establish procedures to ensure that no funding provided through a grant, except a grant made to a State or local arts agency, or regional group, may be used to make a grant to any other organization or individual to conduct activity independent of the direct grant recipient. Nothing in this subsection shall prohibit payments made in exchange for goods and services.

(3) No grant shall be used for seasonal support to a group, unless the application is specific to the contents of the season, including identified programs and/or projects.

SEC. 321. The National Endowment for the Arts and the National Endowment for the Humanities are authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such in furtherance of the functions of the National Endowment for the Arts and the National Endowment for the Humanities. Any proceeds from such gifts, bequests, or devises, after acceptance by the National Endowment for the Arts or the National Endowment for the Humanities, shall be paid by the donor or the representative of the donor to the Chairman. The Chairman shall enter the proceeds in a special interest-bearing account to the credit of the appropriate Endowment for the purposes specified in each case.

SEC. 322. (a) WATERSHED RESTORATION AND ENHANCEMENT AGREEMENTS.—For fiscal years 1999 and 2000, appropriations for the Forest Service may be used by the Secretary of Agriculture for the purpose of entering into cooperative agreements with willing State and local governments, private and nonprofit entities and landowners for protection, restoration and enhancement of fish and wildlife habitat, and other resources on public or private land or both that benefit these resources within the watershed.

(b) DIRECT AND INDIRECT WATERSHED AGREEMENTS.—The Secretary of Agriculture may enter into a watershed restoration and enhancement agreement—

(1) directly with a willing private landowner; or

(2) indirectly through an agreement with a State, local or tribal government or other public entity, educational institution, or private nonprofit organization.

(c) TERMS AND CONDITIONS.—In order for the Secretary to enter into a watershed restoration and enhancement agreement—

(1) the agreement shall—

(A) include such terms and conditions mutually agreed to by the Secretary and the landowner;

(B) improve the viability of and otherwise benefit the fish, wildlife, and other resources on national forests lands within the watershed;

(C) authorize the provision of technical assistance by the Secretary in the planning of management activities that will further the purposes of the agreement;

(D) provide for the sharing of costs of implementing the agreement among the Federal Government, the landowner(s), and other entities, as mutually agreed on by the affected interests; and

(E) ensure that any expenditure by the Secretary pursuant to the agreement is determined by the Secretary to be in the public interest; and

(2) the Secretary may require such other terms and conditions as are necessary to protect the public investment on non-Federal lands, provided such terms and conditions are mutually agreed to by the Secretary and other landowners, State and local governments or both.

SEC. 323. (a) In providing services or awarding financial assistance under the National Foundation on the Arts and the Humanities Act of 1965 from funds appropriated under this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that serve underserved populations.

(b) In this section:

(1) The term "underserved population" means a population of individuals who have historically been outside the purview of arts and humanities programs due to factors such as a high incidence of income below the poverty line or to geographic isolation.

(2) The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

(c) In providing services and awarding financial assistance under the National Foundation on the Arts and Humanities Act of 1965 with funds appropriated by this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that will encourage public knowledge, education, understanding, and appreciation of the arts.

(d) With funds appropriated by this Act to carry out section 5 of the National Foundation on the Arts and Humanities Act of 1965—

(1) the Chairperson shall establish a grant category for projects, productions, workshops, or programs that are of national impact or availability or are able to tour several States;

(2) the Chairperson shall not make grants exceeding 15 percent, in the aggregate, of such funds to any single State, excluding grants made under the authority of paragraph (1);

(3) the Chairperson shall report to the Congress annually and by State, on grants awarded by the Chairperson in each grant category under section 5 of such Act; and

(4) the Chairperson shall encourage the use of grants to improve and support community-based music performance and education.

SEC. 324. None of the funds in this Act may be used for planning, design or construction of improvements to Pennsylvania Avenue in front of the White House without the advance approval of the House and Senate Committees on Appropriations.

SEC. 325. None of the funds in this or any other Act may be used to relocate the Woodrow Wilson International Center for Scholars from the Smithsonian Institution to the Ronald Reagan Building in Washington, D.C.

SEC. 326. The Auditors West Building (Annex 3) located at Raoul Wallenberg Place and Independence Avenue Southwest, Washington, District of Columbia is hereby named the Sidney R. Yates Building and shall be referred to in any law, regulation, document or record of the United States as the Sidney R. Yates Building.

SEC. 327. (a) IN GENERAL.—Notwithstanding any other provision of law, not later than December 11, 1998, the Secretary of Agriculture shall grant Chugach Alaska Corporation an irrevocable and perpetual 250-foot-wide easement for the construction, use, and maintenance of public roads and related facilities necessary for access to and economic development of the land interests in the Carbon Mountain and Katalla vicinity that were conveyed to Chugach Alaska Corporation pursuant to the Alaska Native Claims Settlement Act. The centerline of the easement is depicted on the map entitled "Carbon Mountain Access Easement" and dated November 4, 1997. Nothing in this section waives any legal environmental requirement with respect to the actual road construction.

(b) SUBMISSION OF SURVEY; RELINQUISHMENT OF UNNEEDED PORTION OF EASEMENT.—Not later than 90 days after completion of construction of roads and related facilities on the easement granted pursuant to subsection (a), Chugach Alaska Corporation shall submit to the Secretary of Agriculture an as-built survey of such roads and related facilities and relinquish to the United States those portions of the easement Chugach Alaska Corporation deems not necessary for future use.

(c) CONSTRUCTION AND MAINTENANCE.—Construction and maintenance of any roads pursuant to subsection (a) shall be in accordance with the best management practices of the Forest Service as promulgated in the Forest Service Handbook.

SEC. 328. Section 101(c) of Public Law 104–134, as amended, is further amended as follows: Under the heading "Title III—General Provisions" amend section 315(f) (16 U.S.C. 460l-6a note) by striking "September 30, 1999" after the words "and end on" and inserting in lieu thereof "September 30, 2001" and striking "September 30, 2002" after the words "remain available through" and inserting in lieu thereof "September 30, 2004".

SEC. 329. Notwithstanding any other provision of law, none of the funds in this Act may be used to enter into any new or expanded self-determination contract or grant or self-governance compact pursuant to the Indian Self-Determination Act of 1975, as amended, for any activities not previously covered by such contracts, compacts or grants. Nothing in this section precludes the continuation of those specific activities for which self-determination and self-governance contracts, compacts and grants currently exist or the renewal of contracts, compacts and grants for those activities.

SEC. 330. (a) PROHIBITION ON TIMBER PURCHASER ROAD CREDITS.—In financing any forest development road pursuant to section 4 of Public Law 88–657 (16 U.S.C. 535, commonly known as the National Forest Roads and Trails Act), the Secretary of Agriculture may not provide for amortization of road costs in any contract with, or otherwise provide effective credit for road construction to, any purchaser of national forest timber or other forest products.

(b) CONSTRUCTION OF ROADS BY TIMBER PURCHASERS.—Whenever the Secretary of Agriculture makes a determination that a forest development road referred to in subsection (a) shall be constructed or paid for, in whole or in part, by a purchaser of national forest timber or other forest products, the Secretary shall include notice of the determination in the notice of sale of the timber or other forest products. The notice of sale shall contain, or announce the availability of, sufficient information related to the road described in the notice to permit a prospective bidder on the sale to calculate the likely cost that would be incurred by the bidder to construct or finance the construction of the road so that the bidder may reflect such cost in the bid.

(c) SPECIAL ELECTION BY SMALL BUSINESS CONCERNS.—(1) A notice of sale referred to in subsection (b) shall give a purchaser of national forest timber or other forest products that qualifies as a "small business concern" under the Small Business Act (15 U.S.C. 631 et seq.), and regulations issued thereunder, the option to elect that the Secretary of Agriculture build the road described in the notice. The Secretary shall provide the small business concern with an estimate of the cost that would be incurred by the Secretary to construct the road on behalf of the small business concern. The notice of sale shall also include the date on which the road described in the notice will be completed by the Secretary if the election is made.

(2) If the election referred to in paragraph (1) is made, the purchaser of the national forest timber or other forest products shall pay to the Secretary of Agriculture, in addition to the price paid for the timber or other forest products, an amount equal to the estimated cost of the road which otherwise would be paid by the purchaser as provided in the notice of sale. Pending receipt of such amount, the Secretary may use receipts from the sale of national forest timber or other forest products to accomplish the requested road construction.

(d) POST CONSTRUCTION HARVESTING.—In each sale of national forest timber or other forest products referred to in this section, the Secretary of Agriculture is encouraged to authorize harvest of the timber or other forest products in a unit included in the sale as soon as road work for that unit is completed and the road work is approved by the Secretary.

(e) CONSTRUCTION STANDARD.—For any forest development road that is to be constructed or paid for by a purchaser of national forest timber or other forest products, the Secretary of Agriculture may not require the purchaser to design, construct, or maintain the road (or pay for the design, construction, or maintenance of the road) to a standard higher than the standard, consistent with applicable environmental laws and regulations, that is sufficient for the harvesting and removal of the timber or other forest products, unless the Secretary bears that part of the cost necessary to meet the higher standard.

(f) TREATMENT OF ROAD VALUE.—For any forest development road that is constructed or paid for by a purchaser of national forest timber or other forest products, the appraised value of the road construction shall be considered to be money received for purposes of the payments required to be made under the sixth paragraph under the heading "FOREST SERVICE" in the Act of May 23, 1908 (35 Stat. 260, 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (35 Stat. 963; commonly known as the Weeks Act; 16 U.S.C. 500). To the extent that the appraised value of road construction determined under this subsection reflects funds contributed by the Secretary of Agriculture to build the road to a higher standard pursuant to subsection (e), the Secretary shall modify the appraisal of the road construction to exclude the effect of the Federal funds.

(g) EFFECTIVE DATE.—(1) This section and the requirements of this section shall take effect (and apply thereafter) upon the earlier of—

(A) March 1, 1999; and

(B) the date that is the later of—

(i) the effective date of regulations issued by the Secretary of Agriculture to implement this section; and

(ii) the date on which a new standard timber sale contract, which is designed to implement this section and has been published for public comment, is approved by the Secretary.

(2) Notwithstanding paragraph (1), any sale of national forest timber or other forest products for which notice of sale is provided before the effective date of this section, and any effective purchaser road credit earned pursuant to a contract resulting from such a notice of sale or otherwise earned before that effective date, shall continue to be subject to section 4 of Public Law 88–657 and section 14(i) of the National Forest Management Act of 1976 (16 U.S.C. 472a(i)), and rules issued thereunder, as in effect on the day before the date of the enactment of this Act.

SEC. 331. Section 6(b)(1)(B)(iii) of the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 955(b)(1)(B)(iii)) is amended by striking "One" and inserting "Two".

SEC. 332. (a) CONDITIONAL EFFECTIVE DATE.—This section shall take effect only if the Energy and Water Development Appropriations Act, 1999, does not appropriate at least $6,000,000 in new funds for the management by the Tennessee Valley Authority of the Land Between the Lakes National Recreation Area in the States of Kentucky and Tennessee.

(b) TRANSFER OF JURISDICTION, LAND BETWEEN THE LAKES NATIONAL RECREATION AREA.—The Tennessee Valley Authority shall transfer, without reimbursement, the Land Between the Lakes National Recreation Area to the administrative jurisdiction of the Secretary of Agriculture.

(c) MANAGEMENT.—Upon the transfer of jurisdiction under subsection (b), the Land Between the Lakes National Recreation Area, hereinafter Recreation Area, is established as a unit of the National Forest System, and the Secretary of Agriculture, acting through the Chief of the Forest Service, shall administer the Recreation Area in accordance with this section and (except as provided in subsection (d)) the laws, rules, and regulations pertaining to the National Forest System. Except as provided in subsection (d), land within the Recreation Area shall have the status of land acquired under the Act of March 1, 1911 (commonly known as the Weeks Act; 16 U.S.C. 515 et seq.). The Secretary shall manage the Recreation Area for multiple use as a unit of the National Forest System, in conjunction with the original mission statement of the Recreation Area emphasizing outdoor recreation, environmental education, fish and wildlife conservation, and regional development. The Secretary shall conduct an inventory of all cemeteries located in the Recreation Area and ensure public access to such cemeteries for purposes of burials, visitation and maintenance.

(d) FEES AND OTHER CHARGES.—The Secretary of Agriculture may charge reasonable fees for admission to and the use of designated sites in the Recreation Area or for activities in the Recreation Area. No general entrance fees shall be charged within the Recreation Area. Notwithstanding any other provision of law, all amounts received from charges, user fees, and natural resource utilization, including timber and agricultural receipts, arising from the Recreation Area shall be deposited in a special fund in the Treasury to be known as the "Land Between the Lakes Management Fund", which shall be available to the Secretary, without subsequent appropriation, for the management of the Recreation Area, including the payment of salaries and expenses.

(e) PAYMENTS.—Federal lands within the Recreation Area shall be subject to the provisions for payments in lieu of taxes under chapter 69 of title 31, United States Code. Notwithstanding the transfer of jurisdiction, the Tennessee Valley Authority shall continue to be responsible for payments under section 13 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831l).

(f) TRANSITION.—(1) The transfer of jurisdiction under subsection (b) should be effected in an efficient and cost-effective manner to minimize the disruption of the personal lives of the Tennessee Valley Authority and Forest Service employees affected by the transfer. Not later than 30 days after the date on which this section takes effect, the Secretary of Agriculture and the Tennessee Valley Authority shall enter into a memorandum of agreement to provide procedures for the orderly withdrawal or transfer of officers and employees of the Tennessee Valley Authority, the transfer of property, fixtures, and facilities, the interagency transfer of officers and employees, the transfer of records, and such other transfer issues as the Tennessee Valley Authority and the Secretary consider to be appropriate. The agreement shall provide for a transition team consisting of Tennessee Valley Authority and Forest Service employees.

(2) In order to provide for a cost-effective transfer of the law enforcement responsibilities between the Forest Service and the Tennessee Valley Authority, the law enforcement authorities designated under section 4A of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831c–3) are hereby granted to special agents and law enforcement officers of the Forest Service. The law enforcement authorities designated under the 11th undesignated paragraph under the heading "SURVEYING THE PUBLIC LANDS" of the Act of June 4, 1897 (30 Stat. 35; 16 U.S.C. 551), the first paragraph of that portion designated "GENERAL EXPENSES, FOREST SERVICE" of the Act of March 3, 1905 (33 U.S.C. 873; 16 U.S.C. 559), the National Forest System Drug Control Act of 1986 (16 U.S.C. 559b–559g) are hereby granted to law enforcement agents of the Tennessee Valley Authority, within the boundaries of the Recreation Area, for a period of one year from the date on which this section takes effect.

(3) Unless terminated for cause, all permanent Tennessee Valley Authority employees at the Recreation Area shall be guaranteed employment by the Tennessee Valley Authority for a minimum of five months following the date on which this section takes effect. The Tennessee Valley Authority shall provide affected employees of the Tennessee Valley Authority at the Recreation Area with a severance/compensation package based on established practices of the Tennessee Valley Authority. Funding for the activities prescribed for the Tennessee Valley Authority in this section is to be derived only from one or more of the following sources: nonpower fund balances and collections; investment returns of the nonpower program; applied programmatic savings in the power and nonpower programs; savings from the suspension of bonuses and awards; savings from reductions in memberships and contributions; increases in collections resulting from nonpower activities, including user fees; or increases in charges to private and public utilities both investor and cooperatively owned, as well as to direct load customers. Such funds are available to fund the activities under this paragraph, notwithstanding sections 11, 14, 15, 29, or other provisions of the Tennessee Valley Authority Act, as amended, or provisions of the TVA power bond covenants. The savings from, and revenue adjustments to, the TVA budget in fiscal year 1999 and thereafter shall be sufficient to fund the aforementioned activities such that the net spending authority and resulting outlays for these activities shall not exceed $0 in fiscal year 1999 and thereafter. Within 30 days of enactment of this Act, the Chairman of the TVA shall submit to the House and Senate Committees on Appropriations an itemized list of the amounts of the proposed reduction and increased receipts to be made pursuant to this section in fiscal year 1999. By November 1, 2000, the Chairman of the TVA shall submit to the House and Senate Committees on Appropriations an itemized list of the amounts of the reductions and increased receipts made pursuant to this paragraph for fiscal year 1999.

(g) ADVISORY BOARD.—Within 90 days after the date on which this section takes effect, the Secretary of Agriculture shall establish a 17-member citizen advisory board to advise the Secretary on environmental education in the Recreation Area and means of promoting public participation for the land and resource management plan for the Recreation Area.

SEC. 333. (a) Any appropriations contained in this Act or any other Act for the operation or implementation of the Interior Columbia Basin Ecosystem Management Project (hereinafter "Project") shall be obligated or expended only as provided in this section.

(b) Within 120 days of the date of enactment of this Act, the Secretary of Agriculture and the Secretary of the Interior shall—

(1) prepare and submit to the Committees on Appropriations of the House of Representatives and the Senate the report required by section 323(a) of the Department of the Interior and Related Agencies Appropriations Act, 1998 (111 Stat. 1543, 1596–7), including any additional information necessary to correspond with the requirements of this section;

(2) distribute for advisory purposes to each national forest and each resource area or other relevant planning unit of the Bureau of Land Management within the region encompassed by the Project (hereinafter "Project forest") all relevant scientific findings of the Project and the report required by paragraph (1); and

(3) conduct and complete the orderly closing of the offices of the Project.

(c)(1)(A) Within 90 days after the completion of the requirements of subsection (b), each Forest Service Supervisor of, or Bureau of Land Management official with jurisdiction over, a Project forest shall review the resource management plan or other land use plan for the Project forest (hereinafter "plan"), and, as they may relate to the specific resources and conditions existing on the Project forest as of the date of enactment of this Act, the scientific information and report provided pursuant to subsection (b)(2) and any policies made applicable to the Project forest prior to the date of enactment of this Act, and determine whether an amendment to or revision of the plan is warranted.

(B) If the determination is made pursuant to subparagraph (A) that a plan amendment or revision is warranted, preparation of the amendment or revision shall be completed within 12 months or 18 months, respectively, of the date of the determination.

(2) To the maximum extent practicable, any plan amendment or revision prepared pursuant to paragraph (1)(B) shall provide for management standards appropriate to the specific conditions of individual sites and avoid the imposition of general standards applicable to multiple sites.

SEC. 334. Amounts deposited during fiscal year 1998 in the roads and trails fund provided for in the fourteenth paragraph under the heading "FOREST SERVICE" of the Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501), shall be used by the Secretary of Agriculture, without regard to the State in which the amounts were derived, to repair or reconstruct roads, bridges, and trails on National Forest System lands or carry out and administer projects to improve forest health conditions, which may include the repair or reconstruction of roads, bridges, and trails on National Forest System lands in the wildland-community interface where there is an abnormally high risk of fire. The projects shall emphasize reducing risks to human safety and public health and property and enhancing ecological functions, long-term forest productivity, and biological integrity. The Secretary shall commence the projects during fiscal year 1999, but the projects may be completed in a subsequent fiscal year. Funds shall not be expended under this section to replace funds which would otherwise appropriately be expended from the timber salvage sale fund. Nothing in this section shall be construed to exempt any project from any environmental law.

SEC. 335. Section 5 of the Arts and Artifacts Indemnity Act (20 U.S.C. 974) is amended as follows:

In subsection (b) strike "$3,000,000,000" and insert in lieu thereof "$5,000,000,000".

In subsection (c) strike "$300,000,000" and insert in lieu thereof "$500,000,000".

In subsection (d)(4) strike the final "or".

In subsection (d)(5) strike "$200,000,000 or more" and insert in lieu thereof "not less than $200,000,000 but less than $300,000,000" and strike the final period and insert in lieu thereof ";".

After subsection (d)(5) insert the following 2 new subsections:

"(6) not less than $300,000,000 but less than $400,000,000, then coverage under this chapter shall extend only to loss or damage in excess of the first $300,000 of loss or damage to items covered; or

"(7) $400,000,000 or more, then coverage under this chapter shall extend only to loss or damage in excess of the first $400,000 of loss or damage to items covered.".

TULARE CONVEYANCE

SEC. 336. (a) IN GENERAL.—Subject to subsections (c) and (d), all conveyances to the Redevelopment Agency of the City of Tulare, California, of lands described in subsection (b), heretofore or hereafter, made directly by the Southern Pacific Transportation Company, or its successors, are hereby validated to the extent that the conveyances would be legal or valid if all right, title, and interest of the United States, except minerals, were held by the Southern Pacific Transportation Company.

(b) Lands Described.—The lands referred to in subsection (a) are the parcels shown on the map entitled "Tulare Redevelopment Agency-Railroad Parcels Proposed to be Acquired", dated May 29, 1997, that formed part of a railroad right-of-way granted to the Southern Pacific Railroad Company, or its successors, agents, or assigns, by the Federal Government (including the right-of-way approved by an Act of Congress on July 27, 1866). The map referred to in this subsection shall be on file and available for public inspection in the offices of the Director of the Bureau of Land Management.

(c) Preservation of Existing Rights of Access.—Nothing in this section shall impair any existing rights of access in favor of the public or any owner of adjacent lands over, under or across the lands which are referred to in subsection (a).

(d) Minerals.—The United States disclaims any and all right of surface entry to the mineral estate of lands described in subsection (b).

Sec. 337. The final set of maps entitled "Coastal Barrier Resources System", dated "October 24, 1990, revised November 12, 1996", and relating to the following units of the Coastal Barrier Resources System: P04A, P05/P05P; P05A/P05AP, FL-06P; P10/P10P; P11; P11AP; P11A; P18/P18P; P25/P25P; and P32/P32P (which set of maps were created by the Department of the Interior to comply with section 220 of Public Law 104-333, 110 Stat. 4115, and notice of which was published in the Federal Register on May 28, 1997) shall have the force and effect of law and replace and substitute for any other inconsistent Coastal Barrier Resource System map in the possession of the Department of the Interior. This provision is effective immediately upon enactment of this Act and the Secretary of the Interior or his designee shall immediately make this ministerial substitution.

Section 405(c)(2) of the Indian Health Care Improvement Act (42 U.S.C. 1645(c)(2) is amended by striking "September 30, 1998" and inserting in lieu thereof "September 30, 2000".

☐ 1830

AMENDMENT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Kildee:

Page 123, after line 14, insert the following new section:

Sec. 338. Section 123(a)(2)(C) of the Department of the Interior and Related Agencies Appropriations Act, 1998 (111 Stat. 1566), is amended by striking "self-regulated tribes such as".

Mr. KILDEE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KILDEE. Mr. Chairman, my amendment would clear up an ambiguity caused by last year's Interior appropriations bill regarding the ability of the National Indian Gaming Commission to carry out its congressional mandates. It is technical in nature, and it is supported by the administration as well as the majority and minority of the Committee on Resources.

Mr. REGULA. If the gentleman will yield, I am aware of the amendment. On this side of the aisle we will accept the gentleman's amendment.

Mr. YATES. Mr. Chairman, we accept the amendment as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Kildee).

The amendment was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 504, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 18 offered by the gentleman from Mississippi (Mr. Parker); and amendment No. 15 offered by the gentleman from California (Mr. Miller).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 18 OFFERED BY PARKER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Mississippi (Mr. Parker) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 135, noes 289, not voting 10, as follows:

[Roll No. 319]

AYES—135

Aderholt
Armey
Barcia
Barrett (WI)
Bartlett
Bateman
Bilbray
Bishop
Blagojevich
Bliley
Boehner
Bonior
Bono
Boswell
Brown (CA)
Bryant
Burr
Camp
Capps
Cardin
Clay
Clyburn
Combest
Condit
Coyne
Davis (FL)
Davis (IL)
DeFazio
Delahunt
DeLauro
DeLay
Deutsch
Dicks
Dixon
Doolittle
Engel
English
Fattah
Filner
Fossella
Furse
Greenwood
Hall (TX)
Hastert
Hastings (FL)
Hayworth
Hefley
Hefner
Hilleary
Hilliard
Holden
Hooley
Hulshof
Jackson (IL)
Jefferson
Jenkins
Johnson (WI)
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
Lampson
Latham
Lazio
Lee
Levin
LoBiondo
Manton
McDermott
McGovern
McHale
McIntosh
McIntyre
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Minge
Moran (KS)
Nussle
Oberstar
Obey
Pallone
Parker
Pastor
Payne
Peterson (MN)
Pickering
Pitts
Pombo
Pomeroy
Ramstad
Rangel
Redmond
Reyes
Riley
Rivers
Rohrabacher
Rothman
Rush
Sabo
Salmon
Sandlin
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Shays
Smith, Adam
Spratt
Stabenow
Stokes
Stupak
Sununu
Taylor (MS)
Thomas
Thompson
Thurman
Torres
Traficant
Turner
Vento
Waters
Waxman
Wexler
Weygand
Wicker

NOES—289

Abercrombie
Ackerman
Allen
Andrews
Archer
Bachus
Baesler
Baker
Baldacci
Ballenger
Barr
Barrett (NE)
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilirakis
Blumenauer
Blunt
Boehlert
Bonilla
Borski
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bunning
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Cannon
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Coble
Coburn
Collins
Conyers
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (VA)
Deal
DeGette
Diaz-Balart
Dickey
Dingell
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fawell
Fazio
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Hansen
Harman
Hastings (WA)
Herger
Hill
Hinchey
Hinojosa
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
LaTourette
Leach
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
Meehan
Metcalf
Mica
Miller (CA)
Miller (FL)
Mink
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Olver
Ortiz
Owens
Oxley
Packard
Pappas
Pascrell
Paul
Paxon
Pease
Pelosi
Peterson (PA)
Petri
Pickett
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Regula
Riggs
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Ryun
Sánchez
Sanders
Sanford
Sawyer
Schumer
Sensenbrenner

Sessions
Shadegg
Shaw
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stark
Stearns
Stenholm
Strickland
Stump
Talent
Tanner
Tauscher
Tauzin
Taylor (NC)
Thornberry
Thune
Tiahrt
Tierney
Towns
Upton
Velázquez
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)

NOT VOTING—10

Ford
Gonzalez
Green
Hunter
Markey
Moakley
Poshard
Radanovich
Serrano
Young (FL)

☐ 1856

The Clerk announced the following pairs:

Messrs. BURTON of Indiana, ROEMER, BERRY, LUTHER, GEJDENSON, LaFALCE and ABERCROMBIE, and Ms. LOFGREN, Ms. HARMAN, Ms. JACKSON-LEE of Texas and Ms. EDDIE BERNICE JOHNSON of Texas changed their vote from "aye" to "no."

Messrs. MORAN of Kansas, ADERHOLT, BLILEY, LEVIN, TORRES, FILNER, HILLEARY, HASTERT, STUPAK, ARMEY, PETERSON of Minnesota, FOSSELLA, VENTO, BOB SCHAFFER of Colorado, REYES, BARCIA, LoBIONDO, and DEUTSCH changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 15 OFFERED BY MR. MILLER OF CALIFORNIA

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 15 offered by the gentleman from California (Mr. MILLER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 236, noes 182, not voting 16, as follows:

[Roll No. 320]

AYES—236

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Ballenger
Barcia
Barrett (WI)
Bartlett
Becerra
Bentsen
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Chabot
Clayton
Clement
Clyburn
Condit
Conyers
Cook
Costello
Cox
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Dixon
Doggett
Dooley
Doyle
Engel
English
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Forbes
Fossella
Fox
Frank (MA)
Franks (NJ)
Frost
Furse
Ganske
Gejdenson
Gephardt
Gibbons
Gilman
Goode
Gordon
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Horn
Houghton
Hulshof
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Klug
Kucinich
LaFalce
LaHood
Lampson
Lantos
LaTourette
Lazio
Leach
Lee
Levin
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Morella
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pappas
Pascrell
Paul
Payne
Pelosi
Petri
Pomeroy
Porter
Portman
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rohrabacher
Rothman
Roukema
Roybal-Allard
Rush
Salmon
Sánchez
Sanders
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Shays
Sherman
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Upton
Velázquez
Vento
Walsh
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOES—182

Aderholt
Archer
Armey
Bachus
Baker
Barr
Barrett (NE)
Barton
Bass
Bateman
Bereuter
Bliley
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cooksey
Crane
Crapo
Cubin
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dicks
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Everett
Ewing
Foley
Fowler
Frelinghuysen
Gallegly
Gekas
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Hostettler
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson, Sam
Jones
Kasich
Kim
Kingston
Klink
Knollenberg
Kolbe
Largent
Latham
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Mica
Miller (FL)
Mollohan
Moran (KS)
Moran (VA)
Murtha
Myrick
Nethercutt
Northup
Norwood
Nussle
Oxley
Packard
Parker
Pastor
Paxon
Pease
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pryce (OH)
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Ros-Lehtinen
Royce
Ryun
Sabo
Sandlin
Sanford
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Snowbarger
Solomon
Souder
Spence
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Turner
Visclosky
Wamp
Watkins
Watts (OK)
Weldon (FL)
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)

NOT VOTING—16

Clay
Ford
Gonzalez
Green
Hunter
John
Kelly
Lewis (GA)
Markey
Moakley
Poshard
Radanovich
Serrano
Smith, Linda
Stearns
Young (FL)

☐ 1902

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. JOHN. Mr. Chairman, during rollcall vote No. 320, I was unavoidably detained. Had I been present, I would have voted "aye."

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part 3 amendment printed in House Report 105-637 offered by Mr. YOUNG of Alaska:

Page 123, after line 14, insert the following new section:

SEC. 338. (a) MORATORIUM ON FEDERAL MANAGEMENT.—None of the funds made available to the Department of the Interior or the Department of Agriculture by this or any other Act hereafter enacted may be used prior to October 1, 2000, to issue or implement final regulations, rules, or policies pursuant to title VIII of the Alaska National Interest Lands Conservation Act to assert jurisdiction, management, or control over the navigable waters transferred to the State of Alaska pursuant to the Submerged Lands Act of 1953 or the Alaska Statehood Act of 1959.

(b) EFFECTIVE DATE OF 1997 ANILCA AMENDMENTS.—Section 316(d) of Public Law 105-83 is amended by striking "December 1, 1998" and inserting "October 1. 2000".

(c) REPEAL.—Subsections (a) and (b) shall be repealed on December 1, 1998, unless on or before that date an amendment to the constitution of the State of Alaska has been adopted which the Secretary of the Interior has determined would enable Alaska statutes to be enacted which provide the priority required in section 804 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3114) in the taking on public lands of fish and wildlife.

The CHAIRMAN. Pursuant to House Resolution 504, the gentleman from Alaska (Mr. YOUNG) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is a component of a broad effort in Alaska to resolve a long running debate over subsistence hunting and fishing. This amendment affects no other State. It concerns only Alaska.

My amendment extends until October 1, 2000, a current moratorium on a Federal takeover of Alaska's fish and game resources. However, the extension of the moratorium is effective only if the State of Alaska adopts a constitutional amendment to resolve the subsistence debate. If a constitutional amendment is not in place by December 1, 1998, the moratorium does not extend under this amendment.

Now the State of Alaska has until election day to decide whether to amend its Constitution. I am hopeful my State can come to a resolution in time. But I strongly believe my amendment is necessary to forestall and prevent a Federal takeover while the State proceeds in this effort.

A Federal moratorium is necessary because Federal control of Alaska fish and game would be devastating to the wildlife, and especially the people of Alaska. A Federal takeover is not my choice, and should not be Alaska's choice either.

Mr. Chairman, I urge the passage of my amendment.

The CHAIRMAN. Does any Member claim the time in opposition to the amendment?

Mr. YOUNG of Alaska. Mr. Chairman, I yield back the balance of my time, and I move the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alaska (Mr. YOUNG).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. DEFAZIO

Mr. DEFAZIO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. DEFAZIO: Page 107, beginning at line 19, strike section 328 (and redesignate the subsequent sections accordingly).

Mr. DEFAZIO. Mr. Chairman, this is an important issue before the House. A number of years ago, in the 1996 Budget Act, the demonstration program in the appropriations bill was extended to collect fees among the various Park Service, Forest Service, BLM and Fish and Wildlife Service units. The idea was to see if it was feasible, see if it could be done in a way that was accountable, see if it could be done in a way that would augment the scarce resources of these agencies for meritorious purposes, and then come back with a review. That review will come to the Congress, by law, next March. So next March, this Congress will receive a full accounting of the fee demonstration program among the various units of the Federal Government, and there are problems with this program.

There is such a multiplicity of programs with exclusive and overlapping jurisdictions out there that, in my own home State, if you visit the Deschutes Forest and you buy a pass to park at the Deschutes Forest, you cannot use it next door in the Willamette Forest, and if you buy a parking pass in the Willamette Forest, you cannot use it in some parts of the Deschutes Forest. And if you buy a pass in the Deschutes Forest and the Willamette Forest, you cannot use it in the Siuslaw Forest. If you have one for the Siuslaw Forest, the Willamette Forest and the Deschutes Forest, you cannot use it at Crater Lake.

Now, this is going on in other people's districts and States throughout the West. People who live in rural areas, who live adjacent to forests, who live on in-holdings in forest, to park at a trail head have to pay $25.

It has also seen very steep increases in fees at various park units around the country. We have seen the fees go from $3 to $10 per person and $5 to $20 per person at Yosemite, $10 to $20 per vehicle at Yellowstone, and the list goes on.

We need to review this program. We are going to receive a report, the United States Congress will receive a report, on this unauthorized tax. Make no mistake about it. If you oppose this amendment, you are voting to continue a tax on millions of Americans who visit our public lands in the United States in a mishmash fashion with no accountability, for no purpose that you can actually discern in many cases, because the accounting at the Forest Service and other agencies is so poor.

Eighty percent of the money was supposed to go in the Forest Service last year. Fifty-three percent of the money collected went to administration, and they were not enforcing it and offering tickets last year. This year they are going to be writing tickets. There is going to be even more overhead expense in the program. This program needs to be reviewed. It needs to be properly authorized by the committees.

My amendment would not terminate the program, it would merely say that the appropriators, this bill, cannot extend for two years beyond 1999 into the next century this program without authorization.

I do not think it is too much to ask, that a tax like this levied upon millions of Americans recreating on their public lands be authorized by Congress, that we review it, that we have some accountability.

We will hear that some of the money, particularly in the Park Service, is being spent for meritorious things. That may well be true, but let us have a full accounting. Let us authorize it. Let us do it in a way so that you do not have to plaster your whole windshield with passes until you are peering through a little tiny slot there as you drive around the western United States and trying to figure out what additional passes you need to paste and which ones you are going to have to take off at 25 bucks a hit or more.

This is not a program that is well run. There is too much overlap, too much multiplicity, and it is very egregious upon people who live close to public lands.

So I would urge Members to vote for this amendment, which means you are voting simply to say we will receive a report in March, and then we will authorize or not authorize an extension of these fee programs. Maybe it will be authorized for the Park Service and not for the Forest Service, and maybe other restrictions will be placed on it. Maybe we will require intergovernmental or interagency agreements so people will only have to buy one or two passes, instead of five or ten different passes at a very, very high cost to them.

Mr. Chairman, I would hope that the committee might accept this amendment and decide that it would be wise to get this authorized before the tax is extended.

Mr. HANSEN. Mr. Chairman, I rise in opposition to the amendment. As chairman of the Subcommittee on National Parks and Public Lands and having sat on that committee for 18 years, we have played with this idea for a long time. It is interesting to go to our national parks. In 1915, it cost $10 to go into Yellowstone National Park. In 1996, it cost $10 to go into Yellowstone National Park.

Look at the 374 units of the Park Service and how difficult it is to maintain them. I do not think a day goes by that I do not get a call from a superintendent or a forest supervisor or a BLM land manager that says, "Mr. Chairman, I need this, that or the other, and I do not have enough money." That puts us in a position of going back and looking for a supplemental thing or something else.

The best deal in America by far is the public lands and the national parks. Where else can you take your family and go into the Yellowstone National

Park for now, what, $10 or $25, or the Grand Canyon, all these places that are visited on a regular basis.

I like to go around and talk to people who go into those parks. It is kind of a fun thing to do. The next time I would advise some of our Members to do that. Walk into Yellowstone in the area and look at that retired CEO who is driving in in an $80,000 Winnebago and pulling a $30,000 Suburban. And, oh boy, we are going to ask for another 10 bucks? Big deal.

In fact, it is not uncommon for those of us on the Subcommittee on National Parks and Public Lands to get money from people who say, "Boy, no one ripped us off like we ripped you folks off." And now we give these people an opportunity to pay a little money to go into our national parks, to go into the public lands. I still think it is the best deal we have got. And to take away that tool that we have now given forest supervisors, that we have now given park superintendents, to have some money they can use in their own hands, to me it would be foolish and disregarding the history we have, which is extremely successful, and I do not feel that would be a wise thing to do.

I strongly oppose this amendment. If we do not defeat this amendment, we will just be back asking for more money and it will have to come out of the general fund, and I do not think that is a very good idea.

□ 1915

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. HANSEN. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, does the gentleman think, and I realize he is on the authorizing committee and we have not authorized this, but does the gentleman think it is reasonable that two adjoining forests should require two different $25 trail head parking fees? I mean, that seems a little bit steep, and then the next forest over is requiring yet a third one. So one can cover an 80-mile stretch and have to pay $75 just to park at trail heads. I think there needs to be a little bit better coordination. Would the gentleman at least agree to that point? It is an actual case example from my home State.

Mr. HANSEN. Mr. Chairman, I am not sure I understand the gentleman's question.

Mr. DEFAZIO. Mr. Chairman, the question is, if I go to the Deschutes Forest and pay $25 for a trail head parking pass, it is not good in the next door Willamette Forest, and it is not good in the Siuslaw Forest. If I buy one in the Willamette Forest, it is not good in the Siuslaw Forest. But the one in the Willamette Forest is good in some other forest. I mean, one has to get a road map to figure out which of the forests have reciprocity and which do not. It is very, very, very complicated and potentially very costly.

Mr. HANSEN. Mr. Chairman, reclaiming my time, let me say this. This has been kind of an experimental thing we have been moving into. Little by little I would hope we would come to the point that we are able to encourage the States to have one.

I am not saying this is a perfect program; I do not think anybody does. But we have started down the road of having people pay a user fee, so to speak, or a camping fee, and I think it is coming out very well.

I would admit to the gentleman, yes, there are some bugaboos in it, there are some problems, but I think right now we are headed in the right direction and we will be able to take care of our parks.

Let me just say to the gentleman, we have a tremendous amount of backlog on in-holdings and repair. I could come up to billions of dollars just on our parks alone that we cannot figure out how to get the money. We had 28 miles of impassable road in Yellowstone; no one could drive down it. We had a water system out in the Grand Canyon, a sewer system out in Yosemite. We have a problem down in the Everglades. I could give the gentleman a list a mile long, but nobody is coming up with the money. I think it would make a lot of sense to have a users' fee to take care of this.

Mr. Chairman, I strongly oppose the gentleman's amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me read the list of people and organizations that support the fee program: National Parks and Conservation Association; Natural Resources Defense Council; National Trust for Historic Preservation; the Secretary of the Interior. And I quote Secretary Babbitt: "We believe that the strong support for the fee program is because most receipts remain in the recreation area in which they are collected to be used to improve visitor services and protect resources." He goes on to say that this is a great program.

The Secretary of Agriculture states: "I firmly believe that changes in the program would be detrimental to the recreation fee demonstration program." Again, the Department of Interior, the Director of the Fish and Wildlife Service: "The demonstration program begun in 1996 has been a tremendous success."

Again from the Department of Interior: "All the agencies strongly support this program. I have spoken to superintendents in a number of parks. They are very strongly in support of it."

I asked the superintendents, how does the public feel? They said, "We have no complaints." People think this is one of the great bargains to come in when they know that the money is staying in the park. That is the important feature here.

Under the old law, the fees that were collected, before we changed the law as part of creating the demonstration program, the fees collected went to Treasury instead of staying in the park. Now they stay in the park, and they are using them to enhance the visitor experience, improve the camp sites, fix the sanitary facilities, things that are important to visitors.

Mr. Chairman, our delegation recently visited Muir Woods and the superintendent told me many people say, "That is not enough. Here, take a couple of extra dollars as part of the fee program."

This is working wonderfully well.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to say to the gentleman, and I completely understand the gentleman's concern about proper authorization, nothing that we have done here would stop the authorization committees from going ahead and maybe correcting some of the problems that Mr. DEFAZIO has properly pointed out. But what I see based on our trip is that we have such a huge backlog of maintenance that needs to be done.

The national parks are the crown jewels of this country, and in every park, the Olympic, Mt. Rainier National Park, the North Cascades, Yosemite, they have a backlog of work that totals billions and billions of dollars. For the first time we have gotten people used to the idea of a user fee, and that they ought to pay a little something when they visit the parks.

A few people complained when the fee program first started. Now however, overwhelmingly, when they know we are on the level, when they know that 80 percent of that money is going back to their park, then they support this program. Also, Secretary Babbitt has asked for it to be extended. Secretary Glickman, our former colleague, has asked for it to be extended.

We had the chairman of the committee, the gentleman from Utah (Mr. HANSEN), supporting the fee program. No one has done a better job of demonstrating concern for our parks than he has been. The gentleman from Ohio (Mr. REGULA) has been the champion on the Committee on Appropriations. We have all supported him. I think we ought to keep this program, and I urge the gentleman from Oregon (Mr. DEFAZIO) to go ahead and work on any refinements to the authorization.

The basic concept is solid, and the American people overwhelmingly support it. We have a lot of work to do. We have a chance here to stop the decline of the parks and start seeing them restored. This is a historic opportunity, and I urge that we stay with the committee position because it is the right thing to do.

Mr. REGULA. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments. I would point out this will generate $500 million over five years, and as my colleagues can see, it is strongly supported.

The gentleman mentioned 80 percent stays in the park, and the other 20 percent goes to parks such as Golden Gate where we do not have a fee, where there is not a single collection point, but it all stays in the park or the forest system, National Wildlife Refuge, and or BLM. All of the agencies support it; the public supports it. I think the program is absolutely very constructive, and I would strongly urge the Members to defeat this amendment.

Mrs. CHENOWETH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I find myself in a very interesting position here. I find myself opposing the demonstration fee program, and having to find myself on the opposite side of my own Chairman.

However, the fact is that I think that we have had sufficient time to see how the demonstration fee program is really working, and as it was first conceived, it has not worked well as far as the public is concerned.

The fact is that I really do think that the gentleman from Utah (Mr. HANSEN) is right, and perhaps for the national parks where there is a lot of high maintenance, and where there are facilities that need upkeep, we need to revisit that with the demonstration fee program. But as the demonstration fee program has been conceived of and is being extended in this bill, it is not working well.

Mr. Chairman, let me give an example. Last weekend I was home in Idaho and a woman who has 8 children told me about the fact that they were able to take their family to their church camp, and as always the family looked forward to going to the church camp, and as the little children piled out of the car and they gleefully set up camp and got their bunks all ready and everything set, the little boys took off to climb the hill behind the church camp. They had been doing this for years, and it was a favorite hill, but the ranger said, "Oh, I'm sorry, you can't climb that hill anymore, you must stay on the church camp property."

"Why can't we climb the hill?"

"Well, you need a pass, and it will cost $5 a person to go climb the hill," the hill that family had been climbing for years.

"Well, then let us go down to the lake."

"Oh, no, you can't go down to the lake, you can't go on that trail. That too takes a permit."

So what was a properly conceived of idea, for good reasons, is working out poorly. And I have received hundreds of calls in my office about how confusing and discouraging it is for people in Idaho and the Western States to be able to access the recreation and the outdoors that we have in our Western States and that we are so proud of, and, by the way, should be sustained with taxpayers' money.

So I would like to see us revisit this. I think the way it is conceived of now is not right, and I do again want to say, I do support fees for the high maintenance areas that have a lot of buildings and maintenance.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Mrs. CHENOWETH. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I appreciate that very much. In fact, I was in the gentlewoman's State in the Sawtooth National Recreation Area, one of the most beautiful places in the country, and we need to do a lot of good work there.

But the point I was trying to make earlier, the gentlewoman is on the authorization committee, and there is nothing that we are doing here today that would stop the authorizers from making certain refinements in this program. And what I would urge the gentlewoman to do, with the gentleman from Utah (Mr. HANSEN) and the gentleman from Oregon (Mr. DEFAZIO) and the gentleman from California (Mr. MILLER), is for the authorizing committee to come up with whatever refinements are necessary to make this even a more acceptable program.

The thing that I worry about is, it is the old adage, you pay for what you get. And if we want the parks to be stellar and world class, we are going to have to fix them up. We are way behind on maintenance.

So I would really urge the gentlewoman to try to, in the gentlewoman's committee, and I know the gentlewoman is a leader in her committee, to try to help us refine this program, because we need it.

Mrs. CHENOWETH. Mr. Chairman, reclaiming my time, I appreciate the gentleman's thinking there, as I usually do in these issues. The gentleman has been a leader in these issues for years.

But the fact is, as the demonstration fee program has been conceived of and as extended for 2 years, it is not working well, and the gentleman from Oregon (Mr. DEFAZIO) also sits on the committee, and I know that we would all like to see a new program of some sort put forth. I certainly have my ideas, as I have expressed on the floor. But as it is conceived of now, and as it is being extended, it is not working well.

Mr. DEFAZIO. Mr. Chairman, will the gentlewoman yield?

Mrs. CHENOWETH. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, the key here is the word "demonstration." Demonstration to me means let us go out and see if it will work, and then let us review it. In fact, there is a logical review point: Next March.

This bill extends for 2 years beyond October 1, 1999 the demonstration program, after it is no longer a demonstration, with all of its faults intact. The logical thing to do is not extend it now. The Committee on Appropriations could come forward next year with an extension, if we fail to authorize it in the authorizing committee, and again legislate on an appropriations bill.

The CHAIRMAN. The time of the gentlewoman from Idaho (Mrs. CHENOWETH) has expired.

(On request of Mr. DEFAZIO, and by unanimous consent, Mrs. CHENOWETH was allowed to proceed for 1 additional minute.)

Mrs. CHENOWETH. Mr. Chairman, I yield to the gentleman from Oregon.

Mr. DEFAZIO. So the key here, Mr. Chairman, is that as to the demonstration program, there is going to be a report rendered. We may very well find that the Park Service is doing a tremendous job with it. I think we will find that the Forest Service and some of the other agencies have tremendous problems with the program.

We can then authorize it in due time, have an authorization in place for the Committee on Appropriations for next year. This is not a crisis. The program will be continued between this year and next year under existing law. It is just I object to extending it for another 2 years, because then I do not believe the authorizers will ever get to it.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Mrs. CHENOWETH. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, just briefly, the point is that if we wait until 1999 to do this, then we get to the end of the fiscal year. There would be uncertainty about whether we have the program or not. The thing that is good about having this now, is that we have established it and people are used to it. They have accepted it. Now we should not create uncertainty.

Mrs. CHENOWETH. Mr. Chairman, reclaiming my time, the gentleman does have a very good point, but the fact is that in the authorizing committee we can come up with a new program that has been properly authorized.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words. I thank the Chairman for the recognition to me as a member of the Committee on Appropriations.

As the night is wearing on and these very important amendments are being debated, I want to speak out of turn. As my colleagues may know, this appropriations bill of the Subcommittee on Interior is the last one that our distinguished ranking member from Illinois (Mr. YATES), will be participating in.

□ 1930

I wanted to take the opportunity to just interrupt the debate for a moment before the evening goes on too long to pay tribute to the gentleman.

In the course of the development of this legislation in the subcommittee and the full committee and the rest, I think many members of the Committee on Appropriations have sung his praises, have talked about his great leadership, and I know that I can speak for every person in this body on this one subject, that the gentleman from Illinois (Mr. YATES) is indeed a gentleman.

People have praised the fact that he is a legislative virtuoso. He has taught us all a great deal and we have commended him not only as a teacher and a legislator and a gentleman and a person who has been a mentor to so many of us, but I want to comment on him as a great American patriot.

As chairman for a long time of this subcommittee, and as ranking member, he has protected the beautiful natural resources of our great country. Thank you for your patriotism, SID.

As the chairman and ranking member of this subcommittee, he has spoken out so eloquently about protecting freedom of expression in this country. Thank you very much for doing that, SID, and for protecting the freest of expression in the arts and the rest.

So he is not only a great leader, teacher, mentor, legislator, gentleman, but a great patriot.

I am reminded of what was said about Pericles when I think of the great SID YATES when it was said of Pericles, "He was a lover of the beautiful and he cultivated the spirit without a loss of manliness." I cannot think of anyone that applies to more than the distinguished, the very distinguished gentleman from Illinois (Mr. YATES).

Mr. Chairman, I thank you very much, Mr. YATES, for your leadership.

Mr. MILLER of California. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentlewoman from California (Ms. PELOSI) very much for yielding to me. I want to join and associate myself with her remarks and to add a couple of my own, just to say that for 24 years I have served with the gentleman from Illinois (Mr. YATES) about half as long as Mr. YATES has served, and I wish to say what an incredible pleasure it has been for me as a public servant to watch him and to admire his beliefs in our public institutions.

I know him as one deeply involved in the issues of this subcommittee, the Interior and natural resources issues and the arts and the cultural issues. He has witnessed many political trends and political fads and schemes of popularity and unpopularity. But I think what we have seen is that he has stood fast for a great portion for the protection of not only our free speech and our free expression, but the protection and the preservation of our culture and our history in the way that no other Member of Congress has.

He embodies the very, very best, the very, very best in public service. At a time when we see so much venom and so much attack in our public arena, to have you here, SIDNEY, has been a gift to all of us who try to hold our profession, this institution, the American public in the highest possible regard that we can.

His span of service and commitment is something that if each us every day that we walked into this Chamber, and every day we exited, if we could just recommit ourselves in his image of that public service, we would do this country a great favor.

I thank the gentleman so very, very much for giving so much of his life to this country. I admire him and wish him the very, very best.

Ms. PELOSI. Mr. Chairman, reclaiming my time, to SID YATES, the patriot, thank you for protecting our culture, our Constitution, and our countryside. It has been the greatest privilege of my political career to call you colleague. Thank you, Mr. YATES.

Mr. KOLBE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a few hours ago the gentlewoman from California (Ms. PELOSI) and I were clashing over the issue of normal trade relations for China. But at this moment, I want to rise to associate myself completely with the remarks that she just made about our distinguished ranking minority member, SID YATES.

It is going to be hard to imagine a debate on this bill next year without SID YATES being involved in it, but we shall survive somehow. But his spirit will certainly linger with us as we continue the debate next year and in following years on this legislation.

His advocacy, not only for the arts, but his advocacy for national parks and for preservation of lands in the United States has been extraordinary. And even though I have disagreed with him many times on many of the issues, I have always admired the perseverance that he has shown, the knowledge base that he comes from, and as the gentlewoman said, the civility with which he always approaches these issues.

It is a lesson which many of us in this body who are so much newer, and we are all much newer than SID YATES around this place, know that we could all take to heart.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Minnesota.

Mr. REGULA. Mr. Chairman, I thank the gentleman from Arizona (Mr. KOLBE) for yielding me this time. I have said this to "my chairman" many times, that he is the epitome of everything that is good about citizenship in these United States. He has been everything that we have heard. I will not enlarge upon it. But I will make an additional comment, and that is that he has had a wonderful helpmate in his wife Addie. They have really been a great team. Many times she has been at the hearings and we love her as much as we do you, SID. We carry the message to her that we have appreciated her, and I am sure she has been a wonderful influence on your life.

Mr. KOLBE. Mr. Chairman, reclaiming my time, I do want to use a moment to address the amendment at hand. Back to the business of the Congress.

Mr. Chairman, I do rise in opposition to this amendment. As a member of the Subcommittee on Interior Appropriations, we have worked very hard, under the chairman's leadership, to address the operation on the maintenance shortfalls which exist at so many of our national parks, our Fish and Wildlife Refuges, on our other lands which are heavily utilized by the public.

No one wants our parks or forests or refuges to deteriorate. These represent in many cases some of the most spectacular and beautiful treasures that we have in our country. In my own State of Arizona, the Grand Canyon park is certainly one of the most spectacular natural splendors in the world. We cannot and must not let the quality of this park slip through our hands. Yet the increasing pressure of the public is enormous.

We have an enormous backlog of capital needs in all of our land management agencies and this is a problem that demands our attention, even as we seek to balance the budget and struggle to reduce our national debt. The utilization of our public lands is rising. We cannot expect appropriated funds to meet all of the increasing needs. We need to look for other solutions to this very troubling problem.

That is what the fee demonstration program is about. I believe it is having a positive effect. I have to tell my colleagues it is in my area. It is used in one of the national forests in the heart of my district, and it was unpopular with a lot of people. But I think as people have begun to see that the money is staying there in the forest, that it is being used to address the problems of maintenance and operation that is so badly needed to build new restrooms for example, to build new trails, I think people begin to understand this is good. It is a user fee that really is doing what it ought to do.

In Arizona, the Grand Canyon expects to collect $38 million in new money over 3 years. And at the Grand Canyon, this will be used to improve a transit center, a maintenance facility, back country trails, archaeological site, stabilization initiatives.

Eliminating the program is not going to help address the critical backlog that we have on our Federal lands. So I hope that my colleagues will think very seriously about this amendment. Yes, we need to have the evaluation of it, but we need also to have some more time for it. We need to get more data.

So I strongly oppose this amendment and hope that we will keep the demonstration fee program in effect. It is doing what Congress intended it do. Defeat this amendment.

The CHAIRMAN. The time of the gentleman from Arizona (Mr. KOLBE) has expired.

(On request of Mr. VENTO, and by unanimous consent, Mr. KOLBE was allowed to proceed for 2 additional minutes.)

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I will join the gentleman from Arizona (Mr. KOLBE) reluctantly in opposition to this. I have heard some discussion here about authorizing this type of program. The fact is, when I served in the capacity of subcommittee chairman, we tried several times to authorize this type of program. In fact, we did do some authorization with regard to it.

The fact is that some of the fees that are included under this in terms of what I would call user fees, not entrance fees but user fees, are authorized and have long been authorized by the various land management agencies. But they choose, without the moral authority of Congress, to not implement those types of fees.

Because of this fee demonstration program I think they are now into the swing of things. And the fact is as far as the entrance fees in terms of the parks and forests and some of the other areas which are authorized by this and necessary and working, they are dealing with buses, they are dealing with the tour boats that come into Saint Croix, as an example, that were paying no fees in terms of entrance. The buses, they are paying considerable fees now when they go through our various parks and they were paying literally nothing before.

So the fact that it is in place, I would certainly work with the gentleman from Oregon (Mr. DEFAZIO), and others that are concerned about the fact that there is a problem with regards to parking, with regards to user fees and so forth in these various areas. We need to work that out. But the fact is to assume that we are going to keep this authorized or get it reauthorized in the absence of keeping it in this appropriation bill, I think would be a big mistake.

We not only need this; we need the pressure of this type of appropriation to keep the authorizing committee working and doing it. In the absence of that, I think it is going to get lost in the shuffle.

So, I join in opposition to this amendment and in support of this program.

Mr. KOLBE. Mr. Chairman, reclaiming my time, I thank the gentleman from Minnesota (Mr. VENTO) for his comments, and I would point out, as the gentleman mentioned, they have the authority now to have those fees, and that is absolutely true. But the reason they have not all too often is because it takes resources away from the parks or the forests to collect them, someone who could be doing law enforcement or building trails, and they could not keep the money in the park.

Now they have the incentive to do so, because the money gets to stay in the park or national forest to do exactly the kind of maintenance and operational backlog work that needs to be done. So I think the gentleman is exactly correct.

Mrs. CAPPS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, today I join with my colleagues, the gentleman from Oregon (Mr. DEFAZIO) and the gentleman from California (Mr. HERGER) to offer a bipartisan, common sense amendment that will put an end to an outrageous tax increase on American families.

Two years ago, the recreational fee demonstration program was slipped into a huge budget bill without adequate hearings or debate. This legislative maneuver authorized a variety of so-called user fees throughout our national forests and our national parks, but these fees are nothing more than regressive taxes on families who can least afford to pay them.

Our amendment will delete this section of this bill that extends the life of these taxes for 2 more years. If our amendment passes, this tax will expire in 1999, as was originally planned. It was planned as a pilot project to see if this is a good way to raise funds for our forests and parks. Before we extend the fee demonstration program, we need to stop and find out if it is a good plan.

Mr. Chairman, in my district this new tax is called the Adventure Pass, and it has truly been a terrible adventure for thousands of my constituents who visit Los Padres National Forest, which is in our backyard up and down the central coast of California.

While it is a very local issue for my district, it affects 40 of the 155 national forests throughout this country. It is in all of our backyards.

Since coming to Congress in March, I have received more angry calls, letters, and e-mails on this topic than almost any other matter of Federal policy, and I brought with me today here a sampling of the letters that I have received from people who have never contacted their Federal representatives on any issue and have been motivated to express their deep concerns to me.

My hometown newspaper, the Santa Barbara NewsPress, which is the largest in the district, has eloquently captured, as colleagues can see the title here, "End the adventure." This is the sentiment for this new tax and this editorial ends with this statement: "The Forest Service should end the Adventure Pass for an extended and permanent hike."

Wealthy people might not think much of paying $5 to take their family for an afternoon hike or a twilight drive to watch the sunset. But for many working families in my district, this tax has basically eliminated a popular recreational activity and diminished our quality of life.

Mr. Chairman, to make matters worse, American families already pay some of their hard earned money to the U.S. Government to maintain our national parks and forests.

☐ 1945

This much user fee, therefore, represents a double tax and it is wrong.

Let me be clear. I support adequate funding for the U.S. Forest Service, but let us find more equitable sources for this money. I support the DeFazio amendment that will require mining companies to pay their fair share for extracting profit from the public lands. And I support the Furse proposal to reduce the inflated subsidies paid to timber companies who make their money cutting down trees in public forests.

It is just not fair that our constituents must pay a fee to hike, picnic or see a sunset in our national forests when big logging and mining companies get subsidies for their activities on these same public lands. What this amounts to is a direct subsidy from the pockets of working families to the offices of corporate America, and this is wrong.

Mr. Chairman, I want to make a special appeal to my Republican friends. I have joined many of them to cut other unfair taxes, specifically the capital gains tax. Please join with us today to eliminate the unwarranted extension of an equally egregious tax on working Americans.

Let us end the Recreational Pass Demonstration Project misadventure. This adventure pass which is a misadventure. Let us go back to the drawing board. Let us have hearings on this demonstration program and conduct a full and open debate on its merits.

And perhaps in discussing it we need to separate the parks from the forests, because I believe there are different ways of collecting resources for each of these. And, also, it is a good idea that 80 percent of the fees do come back to the local entity. But what is our surmise, and actually we have not studied this enough, but people are telling us that half of this amount of money in our local forests goes to enforcing the law; that we have turned our Forest Service workers into meter maids collecting these fees. That is what it appears to be like.

That is what we need to study, and that is why I ask for support for the DeFazio-Herger-Capps amendment.

Mr. REGULA. Mr. Chairman, will the gentlewoman yield?

Mrs. CAPPS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I would like to quote for the gentlewoman from the Santa Barbara News Press. Their editorial, entitled Adventure Pass Praise, states "Let me start by saying I am proud to have purchased my adventure pass, and I strongly support the concept of user fees in our national forests." They are not a tax, they are user fees.

The CHAIRMAN. The time of the gentlewoman from California (Mrs. CAPPS) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mrs. CAPPS was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, will the gentlewoman continue to yield?

Mrs. CAPPS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, this editorial is by Mark Lurie, whom the gentlewoman knows. Continuing to quote, "What's the big deal? A carload of people for only $5." That's a carload. Not one person, a carload, for $5. "How much for the same carload to go to the movies, five to seven times the cost?"

The whole editorial says it is a great program. He strongly endorses it. And this, of course, is in the Santa Barbara News Press.

Mrs. CAPPS. Reclaiming my time, Mr. Chairman, I acknowledge the gentleman's letter to the editor. Here are some other letters.

Mr. REGULA. If the gentlewoman will continue to yield, this is an editorial writer.

Mr. CAPPS. Well, this is their official position on this topic at this time. Again, I ask for time to study this idea. I appreciate the gentleman's comments.

Ms. HOOLEY of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I join with my colleague from Oregon in his concern about extending this so-called pilot program that charges due fees for patrons who recreate in our national forests and our national parks and use the Bureau of Land Management lands and Fish and Wildlife Services' wildlife refuges.

I have to tell my colleagues that when the subject of pilot projects comes up in my State, people sort of roll their eyes and they go, "Is that Washington-speak for a program that we say we will evaluate and it is supposed to go away but never goes away?" This user demonstration fee program is a perfect example of why so many of my constituents distrust what we do in Washington, D.C.

Again, this program was scheduled to last no more than 3 years. It was to be used in a limited number of sites. These tests were there to provide us with a snapshot view of what happens when we do a pilot program: What does this look like? What are the things good about it, what are the things wrong about it?

But since the time that this pilot program was initiated, it is like somebody added a little bit of yeast and a little bit of sugar and it has just grown and grown and grown. They probably put it in a hot oven, too. Now it is used in over 100 sites and it is a program that is so confusing. I mean if we want to go and use the bathroom, we have to buy a 3-day pass.

I support the parks, and I know we have huge needs in our parks. But what happens is in one of our programs it is not about building new trails, it is not about building new bathrooms. We have somebody who is getting rid of the volunteers so they can add a new person to collect the fees.

And what do we get for these fees? Well, unbelievably, we do not know. Now, of the four agencies that have jurisdiction over this bill, the Forest Service, has made their numbers available to us, and what they show is this program barely pays for itself. So far, 53 percent of the funds that are collected has to be spent on collection costs. I do not think that is a very good deal.

Now, maybe the other three agencies are doing a terrific job, but we do not know, and we will not find out until March of 1999. I would like to have the information before we continue this program. But what I do not think we should do is continue this program. It is sort of like saying, well, what we do not know will not hurt us and we are going to extend the program for another 2 years. I have to tell my colleagues that makes no sense to me.

I think it is time to step back, take a look at the program, look at what works and what does not work. I urge my colleagues to support this amendment.

Mr. PALLONE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of the DeFazio-Herger-Capps amendment which would strike from this bill the automatic 2-year extension of the demonstration program.

Many of us here in the House probably did not even know that we voted to authorize this program back in 1996 when we voted for the Balanced Budget Down Payment Act. And many of us probably would not have known that we were voting to extend the program for an additional 2 years if it were not brought to our attention by this amendment.

Without the passage of this amendment, we will be perpetuating a program that has never had a hearing, never been debated in the committees of jurisdiction, and that is, unfortunately, putting a visit to a national forest, park, or recreation area out of the financial reach of many working Americans.

I just want to give an example of the last point, and that is the Sandy Hook Unit of Gateway National Recreation Area, which is in my district. Sandy Hook is an extremely popular location and is highly valued by its 2.5 million annual visitors. These people come from throughout the New York, New Jersey, Philadelphia metropolitan area to take advantage of the recreational, historical and educational resources at Sandy Hook, including bathing beaches, fishing areas and historic structures.

Sandy Hook has always been really the one place in the area where people of all economic backgrounds have been able to enjoy a day at the shore, and we would like to help them keep it that way. Sandy Hook is a national resource, and as such it should remain affordable to everyone, and that includes moderate and low-income people.

Now, under this recreational fee demonstration program, daily per-vehicle beach user fees at Sandy Hook were doubled as of June 20th of this year from $4 to $8 on weekdays and from $5 to $10 on weekends. Such an increase, in my opinion, is exorbitant. It will put the cost of visiting Sandy Hook out of the reach for many working Americans, in effect turning them away from this national recreation area.

I heard mention that people have not complained about these fee increases. Let me tell my colleagues that many of my constituents have complained to me, and loudly.

I am also concerned about the false promises that have been made to justify the fee demonstration program. The extra money from the Feds is in no way sufficient to satisfy the multimillion dollar backlog of repair and rehabilitation needs at Sandy Hook. The fee demonstration program gives false incentives, in my opinion, to individual park units to raise park fees. The program gives the impression to Sandy Hook visitors that their increased generosity will result in significant park improvements from which they will benefit in the near future, and there is no reason to believe that that is the case at Sandy Hook.

So I would simply urge my colleagues, again I used one example but I know there are many more, I would urge my colleagues to support this amendment so we can examine this program more closely before considering its extension.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, let us revisit where we are at with this amendment. It does not eliminate this demonstration user fee program, but what it does do is say it will not be extended for 2 more years beyond 1999. Beyond October 1st of 1999.

What it says is we will receive a report, as required by the original demonstration fee program, on 3½ years of data in March of 1999. Then we will know. We will know how much is going to overhead, we will know how well this is working, we will know where the money is being spent, and then we can make decisions.

If, indeed, the authorizers are incapable of acting, and I would question if it is this popular, knockdown popular as everybody says it is, that people are just thrilled to pay this money and they know it is going to a good cause, why would the authorizing committee have any problem in moving a bill? I know the gentleman from Alaska (Mr. YOUNG) would be happy to do that, if it is so popular.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, I would like to remind the gentleman we had the discussion on this issue in the committee last year and the year before. We had this discussion, and if I remember correctly, the gentleman at that time opposed any movement of any bill. Is that correct?

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, I opposed the form which the——

Mr. YOUNG of Alaska. The form. The gentleman opposed it.

Mr. DEFAZIO. It is my time, Mr. Chairman, and I would continue.

So the point here is we are going to get a report in March of 1999. We will know who is good and who is not.

The Forest Service spent 53 percent on administration last year, probably more this year, including law enforcement personnel. A lot of money replacing their newest vandalism, which is the fee signs. The amount of money collected by the Forest Service last year was enough money to meet .06 percent of their backlog. Not 6 percent, not six-tenths of a percent, but 6/100ths of 1 percent of their backlog.

At that rate, yes, in 1,600 years of collections we could meet today's backlogs. But of course there would be a few more backlog projects in the 1,600 years.

Yes, we do need additional funds. They should be appropriated. They should be requested by the administration and they should be appropriated. Perhaps we should ask the mining companies to pay a small fee for using the public lands, as opposed to dumping it on the back of individual taxpayers.

The key thing here is that we are being asked to buy a pig in a poke. We do not know how well it is working or where the money is going. This is just like the previous debate, the debate on the K–V funds, where the gentleman from California (Mr. MILLER) was successful. We are creating an unaccountable slush fund.

And if I am not successful with this amendment, in 2 or 3 or 4 years we will be back with an amendment because of all the money that cannot be accounted for and all of the moving around within accounts and all of the administrative overhead being paid for by this program. We will be back here.

But, no, let us act rationally now. Do not extend it for 2 years. Do not buy a pig in a poke. Let it go on for the next year, get the report in March, and then, even if the authorizing committee is not capable of acting, the Committee on Appropriations could extend the program for another year at that point. If it is so knockdown, dragout popular, and the money is being spent so well, and it is reflected in a report that we actually receive on this program as opposed to hearsay, then I do not think that will be a problem.

But if, indeed, the problems are as bad as a number of us have heard, I think there will be a need for very significant adjustments in this program before we extend it into the next millennium.

I thank the gentleman for yielding.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

I will be very brief. It is time to vote. I just want to say that nothing that has happened here today in this appropriation bill stops or thwarts the gentleman from doing his job on the authorization committee. He does not have to come here and cry to the appropriators and cry to the Congress. He should just do his job; okay? That is all I am saying. The gentleman has a committee and they have said they will work with him. Go do the job.

The problem we have got is, if we do not extend this thing at this juncture, then next year the thing will expire at the end of the fiscal year. What if we do not get the bill passed by the start of the fiscal year? We are going to have to stop doing these demonstrations all over the country? That would be utterly ridiculous.

I think we should go forward and keep this program going. It is working. And let the gentleman and the authorizers do their job.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. DEFAZIO).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DEFAZIO. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from Oregon (Mr. DEFAZIO) will be postponed.

□ 2000

AMENDMENT OFFERED BY MR. BUYER

Mr. BUYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUYER:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used to establish a national wildlife refuge in the Kankakee River watershed in the northwestern Indian and northeastern Illinois.

Mr. BUYER. Mr. Chairman, I would like to extend special compliments to the gentleman from Ohio (Mr. REGULA) and the gentleman from Illinois (Mr. YATES) not only for this bill, but I appreciate their willingness to work this out.

Right now in northwest Indiana and northeast Illinois, there are two existing projects with regard to the Kankakee River Basin. One is a Corps of Engineers study, and the second is a U.S. Fish and Wildlife project referred to as the Grand Kankakee Marsh National Wildlife Refuge.

The location and size with regard to this, the Kankakee Watershed drains a total of 5,167 square miles. That is 2,990 square miles in Indiana, 2,177 square miles in Illinois, and 7 square miles in Michigan. The watershed extends to the high waters of the Kankakee River near the City of Southbend, Indiana, to its confluence with the Des Plaines River near Kankakee and the Des Plaines River southwest of Joliet, Illinois.

The Kankakee River Basin area of northwest Indiana and northeast Illinois has been suffering from extreme flooding and siltation for many years. The river back at the turn of the century would meander and then there would be low-level lakes and then it would meander again.

Indiana dredged and straightened the river in Indiana, which has caused the siltation to build up in Illinois, and the river to flood. This brought on years of lawsuits between Illinois and Indiana.

I was pleased to work with Senator LUGAR and Senator Simon, TOM EWING of Illinois, and others, to help put an end to the court cases, and instead look for a long-term solution.

We were able to secure authorization and funding for an Army Corps of Engineers study to address the flooding and environmental concerns.

The Corps is currently in the feasibility study stage. Through the bipartisan cooperation of Congressmen CONYERS, VISCLOSKY, ROEMER, TOM EWING, JERRY WELLER, and myself, the House this year appropriated $940,000 for the second phase of the feasibility study.

WILDLIFE REFUGE

In 1996 the Fish and Wildlife Service contacted my office to inform us of their plans to look into designating a wildlife refuge in the Kankakee river basin area.

Since then, I, along with Congressmen WELLER, EWING, VISCLOSKY, and ROEMER, have been active in (1) ensuring that the local residents are well informed of the Service's plans and intentions, and (2) that the Service address their concerns.

We asked the Service to hold two hearings, one in each State, to listen to the locals' concerns and to take them into consideration as they examine whether to establish a wildlife refuge in the area. In Indiana alone, over 600 people showed up to learn more about the project and to express their views.

The local residents are rightly concerned about the impacts upon their properties and lives, and have not received answers to their questions and concerns.

It is not appropriate for the Service to push for the establishment of the refuge and for federal funding before the outstanding issues have been resolved.

SOLUTION

I believe that a solution can be found which will integrate the Corps findings and construction with the Service's refuge. By meshing them together, solutions can be found to address the (1) flooding, (2) siltation, and (3) environmental restoration problems.

I have been working with the Corps and the Service to get these two agencies to work together in a compatible manner.

In response to my efforts, Director Clark sent a letter to me, stating that the Service, "will not finalize the draft Environmental Assessment for the refuge proposal until we have ensured, in a mutually satisfactory manner, that effective coordination has occurred between the Service and the Corps on these two projects."

Until that occurs, it would be irresponsible and premature to designate federal funds for land acquisition for the proposed refuge.

Therefore, I am offering this amendment which will limit funds under this bill to be used for the designation or land acquisition of proposed refuge in the Kankakee River Basin. I have no intention by this amendment to prevent the U.S. Fish and Wildlife from expending funds in the planning function of its proposal to protect biodiversity in the Kankakee River Basin.

I urge the adoption of this amendment which will help ensure a common-sense solution.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, we are prepared to accept the amendment.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, let me ask the gentleman. Is this a proposal by the Fish and Wildlife Service? Is that what I understand?

Mr. BUYER. Mr. Chairman, reclaiming my time, there is an existing proposal by Fish and Wildlife. I have two projects at once. I have a Corps of Engineers study, and then the U.S. Fish and Wildlife has a study.

Let me do say this, though, that would be important for me to say. I have no intention by this amendment to prevent the Fish and Wildlife from extending funds in the planning function of its proposed project to protect the biodiversity.

Mr. DICKS. If the gentleman would yield further, so they can go ahead and do the planning?

Mr. BUYER. They can go ahead and do the planning. They cannot go in and designate and purchase lands.

Mr. DICKS. At this juncture. Because this would be one of the rare times when somebody does not want to have a wildlife refuge in their district.

Mr. REGULA. If the gentleman would continue to yield, I understand that the gentleman from Indiana (Mr. VISCLOSKY) supports the amendment and the gentleman from Illinois (Mr. YATES) accepted the amendment.

Mr. DICKS. We will agree to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. BUYER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MC DERMOTT

Mr. MCDERMOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCDERMOTT:

Page 118, beginning at line 8, strike section 333 (and redesignate the subsequent sections accordingly).

Mr. MCDERMOTT. Mr. Chairman, this amendment will strike an unwise legislative rider intended to halt the National Environmental Protection Act's planning process by terminating the Interior Columbia Basin Ecosystem Management Plan.

In 1993, the then Speaker of the House Tom Foley, reacting to a legislative gridlock that had been developed in this whole process, and the Clinton administration together sought to develop a "scientifically sound and ecosystem-based strategy for east side forests." Those are forests in the eastern two-thirds of the State of Washington, and Oregon and Idaho and Montana.

The Forest Service and the BLM jointly established the Interior Columbia Basin project, which includes 72 million acres of public lands in eastern Oregon, Washington, Idaho, and parts of 4 other States.

The intent of the project is to provide long-term management direction for 35 national forests, 17 Bureau of Land Management districts, ultimately amending 74 land management plans in a coordinated plan.

The Interior Columbia project builds upon the science of the Northwest Forest Plan, the Sierra Nevada Ecosystem in California and other regionwide efforts. What we have learned from those experiences is that individualized land management plans have failed to address systemwide problems like the protection of endangered salmon and other species.

Currently, the Federal agencies in the Interior Columbia Basin are operating under short-term directives to address anadromous fisheries and other issues. The risk of terminating the overall plan as proposed by this rider is that resource activities on these lands will shut down under a cloud of litigation as was the case of the west side forests in Washington and Oregon.

In May 1997, the BLM and the Forest Service released two draft EISs for public comment. One EIS applied to eastern Washington and Oregon, the other to the Upper Columbia Basin for Idaho and other States. Public comment on these drafts have been extensive.

Frankly, I do not think that the draft-preferred alternative in these plans goes far enough in protecting old growth, roadless and riparian areas. The science, for example, clearly supports concentrating active management in the more degraded road areas rather than the roadless regions.

The science, moreover, shows that many areas and many resources in the project area are in serious trouble and will get worse under current management plans.

So while I do not endorse the preferred alternative in the draft plans, I strongly endorse the process. It will be a serious mistake to terminate this project now as the sponsors of this rider propose.

Let me conclude by quoting from an analysis of the rider prepared by the Department of Interior—quote:

> The effect of the House rider would be to terminate the project, wasting 5 years' worth of scientific inquiry, taxpayers' resources and project staff time. Limitations on the use of funds as called for in the action would, by implication, make it illegal to publish the decision documents in which 5 years' worth of planning and community involvement were intended to culminate. Enactment into law of this provision would guarantee a continuing legal stalemate in the project area, with the outcome being the substitution of endless court battles for the sound management of natural resources.

Both the Departments of Agriculture and Interior strongly oppose this rider and OMB has issued a veto threat if this rider is included in the bill. I urge Members to support sound management of natural resources by voting against this amendment. I urge Members to support this amendment which strikes section 333.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 24, 1998.

Hon. BOB LIVINGSTON,
Chairman, Committee on Appropriations,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to provide the Administration's views on the Department of the Interior and Related Agencies Appropriations Bill, FY 1999, as approved by the House Subcommittee. As the Committee develops its version of the bill, your consideration of the Administration's views would be appreciated.

The Administration appreciates efforts by the Subcommittee to accommodate certain of the President's priorities within the 302(b) allocation such as funding for national park operations. However, the allocation is simply insufficient to make the necessary investments in programs funded by this bill. As a result, a variety of critical programs are underfunded, as discussed below, and the National Endowment for the Arts (NEA) is terminated.

The only way to achieve the appropriate investment level is to offset discretionary spending by using savings in other areas. The President's FY 1999 Budget proposes levels of discretionary spending for FY 1999 that conform to the Bipartisan Budget Agreement by making savings in mandatory and other programs available to help finance this spending. In the recently enacted Transportation Equity Act, Congress—on a broad, bipartisan basis—took similar action in approving funding for surface transportation programs together with mandatory offsets. The Administration urges the Congress to consider such mandatory proposals for other priority discretionary programs.

In addition, the Administration urges the Committee to pass a clean bill that does not attempt to roll back environmental protections and circumvent the proper process by attaching riders to appropriation bills. The Subcommittee failure to fund the NEA, its underfunding of other priority programs, and its inclusion of damaging riders, such as the provisions concerning the Interior Columbia Basin Ecosystem Management Project and the road easement in Alaska's Chugach National Forest, would lead the President's senior advisers to recommend a veto if the bill were presented to the President in its current form.

Below is a discussion of our specific concerns with the Subcommittee. We look forward to working with you to resolve these concerns as the bill moves forward.

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

The Administration strongly objects to the Subcommittee's elimination of funding for the National Endowment for the Arts (NEA) as well as to the Subcommittee's reduction in funding for the National Endowment for the Humanities ($26 million below the President's request) and the Institute for Museum and Library Service ($3 million below the President's request). The elimination of the NEA would result in the loss of important cultural, educational, and artistic programs for communities across America.

DEPARTMENTS OF THE INTERIOR AND AGRICULTURE

Interior Columbia Basin Ecosystem Management Project (ICBEMP). The Subcommittee has included a rider that would terminate this high priority interagency effort ICBEMP is an ecosystem planning project that will cover 72 million acres of Forest Service and Bureau of Land Management lands in the states of Oregon, Washington, Idaho, Nevada, Utah, Wyoming, and Montana. The environmental impact statement and the record of decision are scheduled to be finalized by mid-1999. The Bureau of Land Management and the Forest Service are now working under short-term directives to address anadromous fisheries (PACFISH), native fisheries (INFISH), and mature forests in Oregon and Washington (Eastside Screens). The Project will replace these interim directions with a coordinated, long-term management strategy that will foster both conservation and resource use and development. Replacing current interim measures with a long-term plan will provide necessary long-term protections for aquatic species. The shared environmental planning goals of the region can be effectively translated into individual forest and land management plans only through a coordinated process such as the ICBEMP, and this process provides more certainty to those who make their livelihoods from the Federal lands and live in the region.

Land and Water Conservation Fund. The Administration strongly objects to the Subcommittee's deep cuts in land acquisition funding to protect our national parks, forests, refuges, and public lands. The Subcommittee has reduced by almost half the $270 million requested, with Everglades land acquisition funds cut by 75 percent. This drastic reduction in funding, in combination with the Subcommittee's silence on the promised congressional release of the $362 million appropriated in FY 1998 for Federal priority land acquisitions, would prevent the Administration from making significant land acquisitions such as Cumberland Island National Seashore in Georgia, West Eugene Wetland in Oregon, Channel Islands National Park in California, the Appalachian Trail, and the Valles Caldera in New Mexico.

Clean Water Initiative. The Subcommittee has failed to provide the majority of the requested $128 million increase for Interior and the Forest Service to implement the Clean Water Action Plan. These reductions would prevent the initiation of watershed improvement and planning projects on public lands, including the remediation of abandoned hardrock mines, a serious source of water pollution in the West. The reductions would also curtail plans to increase research, assessment, and monitoring activities designed to help us understand the sources, transport and fates of non-point contaminants.

FY 1999 INTERIOR APPROPRIATIONS BILL: EFFECTS OF HOUSE AND SENATE ACTION ON THE INTERIOR COLUMBIA BASIN ECOSYSTEM MANAGEMENT PROJECT

BACKGROUND

At the direction of President Clinton in July 1993, the Interior Columbia Basin Ecosystem Management Project (Project) was initiated by the Forest Service and the BLM to respond to landscape-scale issues, including forest and rangeland health, the listing of Snake River salmon, bull trout protection, economies of local communities, species associated with old forest structure, and treaty and trust responsibilities to American Indian tribes.

While the project area includes over 144 million acres in the interior Columbia River Basin, the Upper Klamath, and parts of the Great Basin, the project would apply only to the approximately 72 million acres of public land administered by the Forest Service and BLM in the geographic area.

Two draft environmental impact statements were released for public comment in May 1997: the Eastside EIS for eastern Oregon and Washington, and the Upper Columbia River Basin EIS for Idaho and portions of Montana, Wyoming, Utah, and Nevada. These EISs outline seven ecosystem management alternatives that replace, where applicable, interim conservation strategies in up to 74 land and resource management plans. The preferred option of the DEIS-Alternative Four, announced on April 23, 1997—aims to "aggressively restore ecosystem health through active management using an integrated ecosystem management approach."

Public involvement has been a cornerstone of the project, with over 200 public meetings to date, a newsletter, an Internet home page, and a mailing list of over 8,000 people. The public comment period on the EISs was extended three times, and closed on May 6, 1998.

A Steering Committee of regional executive from land management, science, and regulatory agencies guide the project. An interagency team is located in Walla Walla, Washington, and Boise, Idaho. The team and Steering Committee have met periodically with various tribal governments. County governments have been active participants throughout the process.

After the final environmental impact statement is completed, the Record of Decision will have the effect of amending or completing conformance determinations on individual land use plans for each of the 48 administrative units of the BLM and the Forest Service.

COMPLIANCE WITH RECENT CONGRESSIONAL DIRECTION

Sec. 323 of the FY 1998 Interior appropriations bill modified a provision included by the House which required the Secretaries of Agriculture and Interior to analyze the economic and social conditions of communities within the Project area. This analysis was to be published for pubic comment and later incorporated into the final EISs. The two departments published and circulated this "socioeconomic analysis" in March, 1998.

The 1998 appropriation also provided that the two Secretaries submit a report—prior to the release of the FEISs—that provides a description of all planned "project decisions," the costs and time required to make those decisions, and an estimate of goods and services to be produced from Federal lands in the Project area over a 5-year period. The two departments fully intend to comply with this provision, though it should be noted that satisfying this requirement will significantly extend the Project planning timeline.

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by OMB with the concerned agencies.)

H.R. 4193—DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, FY 1999

(Sponsors: Livingston (R), Louisiana; Regula (R), Ohio.)

This Statement of Administration Policy provides the Administration's views on H.R. 4193, the Department of Interior and Related Agencies Appropriations Bill, FY 1999. Your consideration of the Administration's views would be appreciated.

The Administration urges the House to pass a clean bill that does not attempt to roll back environmental protections and circumvent the proper public process by attaching riders to appropriation bills. Regrettably, the Committee bill under-funds priority programs and includes damaging riders, such as the provision concerning the Interior Columbia Basin Ecosystem Management Project. In addition, it is our understanding that, if adopted, the rule for consideration of the bill will permit a single Member to strike all funding for the National Endowment for the Arts. Based on these concerns, if the Committee bill, as modified by the rule and associated motion, were presented to the President, the President's senior adviser would recommend that he veto the bill.

The Administration appreciates efforts by the Committee to accommodate certain of the President's priorities within the 302(b) allocation such as funding for national park operations. However, the allocation is simply insufficient to make the necessary investments in programs funded by this bill. As a result, a variety of critical programs are under-funded. The only way to achieve the appropriate investment levels is to offset discretionary spending by using savings in other areas. The President's FY 1999 Budget proposes levels of discretionary spending for FY 1999 that conform to the Bipartisan Budget Agreement by making savings in mandatory and other programs available to help finance this spending. In the Transportation Equity Act, Congress—on a broad, bipartisan basis—took similar action in approving funding for surface transportation programs together with mandatory offset. The Administration urges the Congress to consider such mandatory proposals for the other priority discretionary programs.

Below is a discussion of our specific concerns with the Committee bill. We look forward to working with the House to resolve these concerns as the bill moves forward.

DEPARTMENTS OF THE INTERIOR AND AGRICULTURE

The Administration appreciates the Committee's funding of maintenance programs, particularly those for health and safety, in Interior's land management agencies. However, the Administration strongly objects to inadequate funding provided by the Committee for high priority programs within the Department of the Interior and the Department of Agriculture, including Committee actions that would: reduce by more than half the $270 million requested from the Land and Water Conservation Fund to protect our national parks, forests, refuges, and public lands, with Everglades land acquisition funds cut by 75 percent. This drastic reduction in funding would prevent the Administration from making significant land acquisitions such as Cumberland Island National Seashore in Georgia and West Eugene Wetland in Oregon; provide no funding for the Millennium program protecting artifacts of our National heritage (see discussion below); deny most of the requested $128 million increase for Interior and the Forest Service to implement the Clean Water Action Plan; fail to provide the requested $15 million for the Disaster Information Network providing enhanced data to protect Americans; deny $29 million of the $36 million increase requested for the Endangered Species funding, including landowner incentive grants; fail to provide requested increases for the Bureau of Indian Affairs education operations and construction, the Indian Country law enforcement initiative, and the land consolidation pilot project and other trust system reforms; provide little or no funding for hazardous fuels reduction in most of California by allocating a disproportionate amount of available funds to the "Quincy Library Group" project in California; make significant reductions to the Forest Service's Wildlife and Fisheries Management, Rangeland Management, and Watershed Improvement programs, which would limit rangeland vegetative restoration and limit watershed improvements with approximately 12,250 fewer watershed acres protected or restored; and, eliminate the Forest Service's Stewardship Incentive Program and significantly reduce its Forest Legacy Program. Both of these programs support local communities and private landowners and effectively leverage Federal funds.

Forest Service General Administration. The rule would shift $67 million from General Administration to wildland fire suppression. This is unnecessary since the Committee mark is at the request level and a $250 million contingency is available for use if necessary. Such a transfer would deprive individual national forests of important on-the-ground natural resource management capability, delay needed Forest Service computer system and financial accountability improvements, and unwisely eliminate key agency leadership positions.

Priority Land Acquisition Funding. The Administration objects to the Committee's continued inaction on the promised congressional release of the $362 million appropriated from the Land and Water Conservation Fund in FY 1998. As requested by Congress, the Administration has submitted a list of proposed land acquisitions. In response, the Committee has not only held back the FY 1998 Title V funding but also has funded some items on the Administration's FY 1998 list with FY 1999 funding, resulting in critical acquisitions planned for both years being delayed and unfunded.

Millennium Program. The Administration strongly urges the House to provide funding in FY 1999 for the "Millennium Program to Save America's Treasures." The Committee has failed to provide any funding for this important effort. The President's budget requests $50 million to increase the Historic Preservation Fund to make a special effort to preserve our history and culture as we enter the new millennium. This program is designed to leverage Federal, State, and private funding to have the greatest collective impact on our rapidly deteriorating national treasures.

Purchaser Road Credit Program. The Administration fully supports the Committee's decision to eliminate the Purchaser Road credit program. The Committee bill includes a provision that would ensure that the value of road construction by purchasers continues to be included in calculations for the Payments to States. To permit increased certainty and better local planning more directly, we urge the House to adopt the Administration's proposal to provide a high, fixed level of payments to States.

Timber Sales. The Administration objects to the increase of $12 million over the request for timber sales in order to produce 3.6 billion board feet, 200 million board feet over the budget estimate.

LANGUAGE PROVISIONS

The Administration strongly objects to certain language in the Committee bill, including provisions that would: unwisely terminate the Interior Columbia Basin Ecosystem Management Project in six Northwest States, forcing individual amendments to 74 land management plans; remove 75 acres in Florida from the coastal barrier protection system, providing taxpayer subsidies for private development of environmentally fragile barrier islands; prevent the BIA and the Indian Health Service from entering into any new or expanded self-determination "Section 638" contracts or self-governance compacts with tribes, contrary to our government-to-government policy; prohibit improvements—even planning or design of improvements—to Pennsylvania Avenue in front of the White House; transfer the jurisdiction over the valued Land Between The Lakes National Recreation Area from the Tennessee Valley Authority, where it has been successfully managed for over sixty years, to the U.S. Forest Service, a disruptive change that would involve additional transition costs without improving service; and, impose a road easement across the Chugach National Forest in Alaska, thereby preventing the Government from making modifications to protect the environment while authorizing environmentally damaging management practices and undermining an ongoing discussion to determine the most appropriate road corridor based on a 1982 agreement.

INDIAN HEALTH SERVICE (DEPARTMENT OF HEALTH AND HUMAN SERVICES)

The Administration is concerned that the Committee has not included a $10 million increase requested for prevention and treatment of alcohol/substance abuse and breast/cervical cancer, which is part of an HHS-wide effort to reduce health disparities in minority populations. The Administration intends to work with the Congress to fund these important initiatives within funds available for the Indian Health Service. The Administration is also concerned that the Committee has included authorizing language, without hearings or tribal consultation, that would require contract support costs to be distributed to tribes and tribal organizations on a pro-rata (proportional) basis.

DEPARTMENT OF ENERGY

The Administration strongly objects to the House's severe reduction to the Department of Energy's Energy Conservation program. While the Committee mark appears to be $18 million higher than the FY 1998 enacted level ($630 million vs. $612 million), it includes $43 million for a program that previously has been funded in the Fossil Energy R&D account. The House's funding for the programs traditionally included in the Energy Conservation Account is $587 million, a cut of $25 million from the FY 1998 level and a reduction of $222 million from the President's request of $809 million. Within this reduction, particularly severe damage is done to the Partnership for a New Generation of Vehicles (PNGV), for which the Committee mark is $14 million (roughly 10 percent) less than the current appropriation and $45 million below the request.

These cuts would eliminate all of the Administration's requested increase in Energy Conservation for development of technologies to improve industrial, transportation, and building efficiencies and to reduce carbon emissions. The inclusion of several special-interest earmarks in the Committee Report also would reduce the President's ability to gain maximum benefit from the available funds. The inclusion of the $43 million in the Energy Conservation account to fund a utility-scale turbine program that would continue to be managed by the Fossil Energy program is an inefficient management practice that would dilute accountability and should be avoided.

The Committee mark eliminates all of the funding requested for the Energy Information Administration to work on carbon emissions accounting and analysis ($2.5 million), and eliminates all of the requested increase in Fossil Energy R&D for high-priority carbon sequestration research ($10 million). The President's budget also requested $36 million for payment to the State of California for the Retired Teachers System, which is not included in the Committee mark. The Administration prefers that this payment be appropriated consistent with P.L. 104–106.

The Administration would like to work with the Congress to restore fundings to these important Department of Energy programs as the bill moves through the process.

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

The Administration appreciates the Full Committee's restoration of funding for the National Endowment for the Arts (NEA). The Administration strongly objects to striking NEA funding and strongly supports the amendment to restore such funding. We urge the House to provide funding for NEA and NEH at the President's requested level of $136 million each and for the Institute for Museum and Library Services at the requested level of $26 million.

YEAR 2000 COMPUTER CONVERSION

In the FY 1999 Budget, the President has requested more than $1 billion for Y2K computer conversion. In addition, the budget anticipated that additional requirements would emerge over the course of the year and included an allowance for emergencies and other unanticipated needs. It is essential to make Y2K funding available quickly and flexibly. The House action striking the emergency fund in the Treasury and General Government Appropriations bill is very troubling, particularly in light of several Subcommittees, including the Interior Subcommittee, deciding to not fund the base Y2K request for several agencies.

SMITHSONIAN INSTITUTION

The Committee's $397 million overall funding level for the Smithsonian, which is $22 million less than the Administration's request, would prevent the Institution from addressing current pressing needs. The Administration is concerned with the lack of support for the Smithsonian's National Museum of the American Indian. The Administration encourages the Committee to provide the $16 million request for the construction of the Museum on the Mall, as well as the full $11 million requested for the programs and operations of the Cultural Resources Center. In addition, the Administration urges that the $3 million request for digitization of Smithsonian exhibits be restored.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

The Administration urges the House to provide the full $33 million requested for the Kennedy Center. In particular, we ask that the Committee provide the full construction request of $20 million, which is also included in the Administration's pending authorization bill.

HOLOCAUST MUSEUM

The Administration urges the House to provide the full $32.6 million requested for the Holocaust Museum.

INFRINGEMENT ON EXECUTIVE AUTHORITY

There are several provisions in the Committee bill that purport to require congressional approval before Executive Branch execution of aspects of the bill. The Administration will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in *INS* vs. *Chadha*.

Mr. NETHERCUTT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in very strong opposition to the McDermott amendment, for a number of reasons. I have been listening to my colleague from Washington State make mention of the reasons why he supports his own amendment. Obviously, he does, and I respect that.

However, let me put a clear perspective on this study, and that is exactly what it is, Mr. Chairman, it is a study.

In 1993, without authorization, and I say that again, without any authorization, without one single hearing, without any consideration by the authorizing committee of this Congress, some money was stuck into an appropriations bill to do a study of Washington and Oregon to look at the so-called ecosystem of these two regions relative to endangered species.

What developed from that ministerial duty, I will say, of putting some money in and saying let us do a study, has developed into a 7-State, 144 million acre monstrosity. Volumes of documents and scientific analyses have apparently been done, and so now this so-called initial study on the short-term has taken on a life of its own that has become a nightmare in the Pacific Northwest and in the 7-State region that this study encompasses, all in the name of so-called ecosystem management.

Let me tell my friends why this is so serious to the Pacific Northwest and all the Western States. It is a study that is never ending. It is a study that will cost the taxpayers an estimated $1.25 billion over the next 10 years.

The country has already spent $40 million on a study, a study, that has now created volumes of documents, staff galore, a lot of bureaucracy frankly, in the name of ecosystem management.

What this amendment does is essentially continue this bureaucracy that has existed since 1993, at a cost of $40 million unauthorized.

Let me tell my colleagues who is against this amendment by the gentleman from Washington (Mr. MCDERMOTT): The National Labor Management Committee, the Pulp and Paperworkers, which consists of the pulp and paperworkers and the carpenters and the machinists. It is opposed by 65 percent of all of the county governments of the 7-State, 144 million acre region.

I have that documentation right here, the Western Legislative Forestry Task Force, have all of the counties that oppose this study and oppose the continuation of the expense of this study. Here is volumes of material, letters and messages saying this study has gone beyond its original expectations; it is going to ruin the Pacific Northwest and the 7-State region, not only from a resource management standpoint but from a private property rights standpoint.

What we need to do in this case is reject the McDermott amendment and allow the amendment that we put into the subcommittee that passed without any objection, went to the full appropriations subcommittee without any objection and now is here on the floor, again without one hearing by the authorizing committee, a $40 million cost to the taxpayers already.

What we do is we say, let us terminate this project. Let us use the science. I object to my colleague asserting that the science is wasted. It is not. Particularly in our amendment, it says, let us use the science that has been accumulated. Let us also use the social and economic information that has been accumulated to make sure we do not ruin the small communities of the Pacific Northwest, the timber communities and the resource areas of our great part of the world.

What this amendment will do will be to perpetuate the bureaucracy, and I must say the environmental community is not pushing this. They do not like the study, the east side ecosystem study, the Interior Columbia Basin study for different reasons that I do not like it, but they still do not like it. They are not here on board supporting the McDermott amendment, to my knowledge. It is the White House, and it is Mr. GORE's office who really is pushing for this concept nationwide, worldwide, of ecosystem management, and the test case, the test place for it, is the Pacific Northwest.

So I would say to my friends, to my colleagues, we must reject this amendment. It is a destructive amendment to the way of life of people in the Pacific Northwest. It is a waste of taxpayers' money to continue this massive study that has gone beyond its original purpose. It is opposed by labor. It is opposed for other reasons, I am informed, by the environmental community, and what we need to do here is oppose this amendment so that we can be sure that there is a way of life in the Pacific Northwest relative to resource management.

There is nothing in the ecosystem study that prevents lawsuits, but it does allow the scientific information to be used in the forests that are affected by this scientific information. I think it is significant that 65 percent of the county governments, which were supposed to be an integral part of this study and its findings, have rejected the findings and the study and the continuation of the study by the Department of Interior and its land agencies.

So I know there are other Members here who want to speak out on this today because it is a very serious breach, in my judgment, of the initial expectation of this study and it is a breach of the property rights of those of us in the Northwest who want to preserve the environment but also not shut down the entire forest system and public land system in the Pacific Northwest in the 7-State region containing 144 million acres that are covered by this study.

So I implore my colleagues, reject this amendment. Make sure that we preserve the resources of the Pacific Northwest.

□ 2015

Mrs. CHENOWETH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I join in the comments of the gentleman from Washington. This study that was undertaken several years ago has ended up moving from a study that was supposed to last for 9 months and cost only $5 million, has now moved into a study of 4 years in duration and has cost $40 million.

Mr. Chairman, that is a 700 percent increase, 700 percent over budget. The McDermott amendment continues to fund this project, a project that environmentalists hate, that industry loathes, that private property owners fear, and that very frankly local Forest Service and BLM employees say cannot be implemented. When I go home, and even in work back here, I have had so many Forest Service people say, "Please don't run this over the top of us. Please don't implement this ICBEMP," as they call it. Why do we want to continue to fund a project that is unacceptably overdue, over budget and cannot be implemented? The land managers themselves tell us, "Please don't implement this. It won't work."

The problem with this program is that what started out to be a study now will end up to be a superagency, imposing itself over a number of States and imposing restrictions on State water rights and private property rights. It also will lead to a paralysis of analysis in terms of getting our forest plans out.

What we can do in this case is to oppose the McDermott amendment. By opposing the McDermott amendment, we empower the local Forest Service and the BLM managers to again use the science and information gathered during this very intensive and extensive multistate project and multiyear project to create custom-fit solutions instead of forcing them to accept a one-size-fits-all Federal fiat that cannot be implemented at all.

Do we really want to support an amendment that will lead to more litigation and more gridlock and no improvement in land management? I do not think so. Or do we want results and better managed lands and local solutions? I think we do. It is better for our land and our communities. The McDermott amendment is bad policy and it is bad for the health of our land. I urge the opposition of the McDermott amendment. Please vote "no."

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Washington. It is a sound amendment, it is an important amendment and it is one that as he has pointed out is in opposition to the rider in this legislation that would throw overboard essentially this plan, it would terminate this plan, it would require the closing of the office and would not let us get to the final status of the EIS report. To do so is to stick our heads in the sand and to pretend that we have learned nothing in the last 25 years.

The gentleman from Washington (Mr. MCDERMOTT) comes from the region. He was here at the center of much of the controversy around the spotted owl where we started to learn a lesson because of piecemeal management, of uncoordinated management, of one agency not talking to the other agency, of the various departments and agencies that are responsible for land management doing their own thing, if you will, while not taking into account the impacts upstream, downstream or on other resources in the area. This effort is to remedy that situation.

Why do we do that? We do that because we have learned that if we do not do this, the region will be thrown into turmoil. It will be thrown into turmoil because once again we will be warned as we were with the spotted owl of the decline of the resource base in the area. What will that do? That will then force us back into court. That will force us back into litigation. This is an effort based upon a region-wide basis, on an ecosystem-wide basis to come to grips with all of the problems that are causing the decline in the various resources in the area and their impacts on fish and wildlife, their impacts on the total environment in that area. The same effort is being made in the Everglades of California; the same effort is being made in the Central Valley, in the Sacramento San Joaquin Delta in California, because we know that what happens 100 miles upstream dramatically impacts downstream. We know now that commercial fishermen on the coast of California are impacted by the cut in the forest that is 150 miles away. We know if we cut on the steep slopes as we have been doing for many, many years, we will experience landslides, we will experience the filling in of the streams and we will experience the diminishing of the fish population. We know that now. We have learned that.

Many people have said that this is over the top of the Forest Service. If you look on the front of the report, if you look on the status of the Interior Columbia Basin, on the cover is the Forest Service, is the Bureau of Land Management, is the Department of Agriculture. Why? Because all of those local land managers were brought in just as we did in the gymnasium in the Pacific Northwest where we brought together these people and we started to make them talk to one another, talk about what they needed in terms of resource management in their area, what they expected in cuts, what they could sustain, what they thought the productivity would be of the lands and make that fit and coincide with what was happening elsewhere in the region. The result of that is a greater recognition of how badly devastated this region in fact is. Because there are not many people arguing with the science of this report. Even the authors of this rider suggest that the science is valid, that it should be distributed to the local agencies on a site-specific basis and they can do what they want.

What does the science tell us? It tells us that they have a road system that is in absolute disarray, that is in decline, that is not able to maintain the maintenance because of declining budgets, and there is progressive degradation of the road and the drainage structures and increases in erosion.

What does it tell us about the integrity of the aquatic systems? It says if this is an important goal of this region, and there is nobody from this region that believes that the integrity of the aquatic systems is not an important goal in the Pacific Northwest, then dramatic and decisive action is required to stop further alterations and restore the areas that are already degraded.

What does it say about the ecosystem integrity of this vast region of the Pacific northwest? Sixty percent of these lands are of low ecological integrity value. That is why we did the science. Because we have learned from the train wrecks and the disasters of litigation, of shutting down industries, of invoking the Endangered Species Act time and time again until a region is so bound up in controversy that you start to lose your economy, you start to lose your tourism, you start to lose the uses of these lands.

This is an effort to do it right the first time, to recognize the mistakes that were made in the past. That is why this administration feels so strongly about this rider.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, we have an opportunity to do it right. One of the reasons this has been so extensive is because my colleagues on the other side, rightfully so, we were doing this in the Sacramento San Joaquin Delta in the Central Valley of California, the agencies were directed to go out and to meet and to confer and to deal with local governments, with the site managers on the public lands, on the forests and the resource agencies and to take this into account and to work with these people. That is very extensive. It is also a very expensive proposition. If we had not done that, we would have obviously been criticized, the report would have been criticized for not consulting with these individuals. Now, it would have been less expensive but we would have found another basis on which to criticize the report. But the point is that people understand that the science here is valid.

I appreciate just as we did not like to hear in our region of California that we would now have to spend $1 billion correcting the past mistakes if we are in fact going to protect the San Francisco Bay and the San Francisco Delta and be able to provide for agriculture in the Central Valley. We got bad news, too. So did the people in the Everglades because of the history of terrible actions. They now have to go back and repair that. This is an opportunity to go back and to restore the environmental integrity of this region and forgo the litigation. This rider is simply Christmas in July for the attorneys.

Mr. NETHERCUTT. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Washington.

Mr. NETHERCUTT. Mr. Chairman, I would make a point to the gentleman. The estimate is that it will cost $125 million a year to implement any scientific findings and there is, in this study, no prevention from there being any litigation. Does the gentleman realize that?

Mr. MILLER of California. I understand that. And that is the whole budget. The gentleman from Ohio (Mr. REGULA) has been besieged by people all day who said the real cost of this is $350 million. He only had $26 million. We are going to do the best we can. This delegation will have to make a decision. We have a big bill and the Everglades has a big bill and other places have a big bill that are going through this. Every year we are asking for money and we are making it and we are trying to make the decisions and work in the worst areas first and we are setting those priorities. It is all a big bill. Why? Because we have made some horrible mistakes. Many of those mistakes were made out of ignorance. We did not know the science. We did not know the ramifications of those actions. Today we cannot plead ignorance. That is why this study, the EIS is so terribly important to making the kind of progress necessary in the Pacific Northwest.

Mr. NETHERCUTT. If the gentleman will yield further, I do not know if the gentleman knows that there was a hearing between the Senate and the House of these land agencies.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has again expired.

(On request of Mr. NETHERCUTT, and by unanimous consent, Mr. MILLER of California was allowed to proceed for 1 additional minute.)

Mr. NETHERCUTT. The testimony was that if they could not get the money, and this budget is strapped, they would do nothing. So, therefore, the forests deteriorate more and they are stuck sitting there without any kind of a management plan as long as this study continues.

My argument is, let us use the science that is there and let the managers on the ground implement these plans and take the findings and get something done rather than wait.

Mr. MILLER of California. I would just say to the gentleman that that is not free and the science dictates that same. This study is very involved in a very, very active management program. Your solution is not necessarily any cheaper. We just happen to think that the provision of the study and the follow-on EIS is simply much better coordinated and may in fact be somewhat less expensive in the long run if these people are in fact working together as opposed to just rolling back the clock to how we used to do business, where all of these 75 different land management agencies just go back to sort of what they were doing before.

Mr. HASTINGS of Washington. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I really do not quite know how to start after hearing the gentleman from California, the debate on this and hearing the gentleman from western Washington with his remarks, but let me put it in perspective from my point of view. What we have heard so far on those that are proponents of this amendment are ironically people that do not live in the area that is affected. I suppose that is not unusual when we talk about resource issues. But I think in this particular case it would be worthwhile to find out from those of us that represent the people that live in this area and the potential impact that it has on them.

Let me back up to when I got involved in this issue. This came about in 1993 or 1994. Obviously when I was elected to this body in 1994, it was brought to my attention by local people, local county commissioners, and they were asking questions, "What is this ecosystem management project and what is the end result?" At that point I could not really answer them. But I did do this. I advised them very strongly that they should be at the table, they should be at the table no matter what comes out of this, because if you are not at the table, then you can hardly criticize what decisions may be coming down the line.

□ 2030

So those that I talked to took my advice and others' advice that that would be the procedure that they would follow. So they have been sitting at the table, starting in 1994, 1995, 1996, 1997, 1998 through this year.

We have moved the comment period back from time to time. I think that was good policy. The reason why is because the feedback I got from the elected officials that represent those counties in my district, they were hearing things that they did not quite like to hear. They wanted more information.

So as they got more information, they could see that this is becoming very, very quickly a top-down plan. Because, as was pointed out by my colleague, the gentleman from Washington, this was never authorized by this body. It was only funded in an appropriations bill, and it kind of grew like topsy and grew and grew. We are going to have this expenditure grow out for what?

So at the end of the day, what has happened is that those county commissioners in my district and in the adjoining counties said, "What can we do in order to change the way this thing is headed?" We suggested that maybe one thing we ought to do is cut off the funding and use the data that has been collected and use it on a local level. Because, after all, if you come from the school that the government closest to people is best able to react to the wishes of those people, then that is a pretty good model with this data.

So over 65 percent of the county commissioners in these affected counties have written, saying something like this: "We would like to see this program terminated. We will use the data as we think best in our own particular areas." I think and I trust those county commissioners to use that data in a way that is the right way to go about it.

Again, I want to make this point, so many times when we talk about resource issues, these resource issues are trying to be decided by somebody outside of the affected area.

The fact is that most of the discussion here, at least from my friend, the gentleman from California, talked about the forest areas. But this area is 144 million acres, and a good portion of it has no forest land. In fact I can tell you my district, which is all impacted, has very little forest land.

What we come to and why my local elected officials are apprehensive about this whole process is simply this: It is the unintended consequences that come out of this data. In my district, and I dare say throughout all of the affected area, the rainfall by and large is less than 10 inches. So if you have an unintended consequences of controlling the water resources, what does that do to the agriculture industry? What does that do, for goodness sakes, to the fish? These are things that are not being addressed, in my view, by this. We are just studying, studying, studying.

I think if we are going to come to grips with what has been compiled so far in a program that was only supposed to have been funded for 1 year, it seems to me we ought to put that data in place. The county commissioners in my district are prepared to take that data and put it in a place where they think appropriate. But I think it is very important to give them the opportunity to make that decision on their level as they see appropriate.

So I would urge my colleagues to vote against the McDermott amendment. I think it is bad policy. I think we ought to terminate this program as the Committee on Appropriations has suggested. So I urge my colleagues to vote "no" on the McDermott amendment.

Mr. HILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when it was first proposed, the Interior Columbia Basin Ecosystem Management Project actually held great promise. The goal was to produce a document that would provide a broad framework through which individual forest management plans would be updated. These updates would provide the framework through which local communities and local citizens would see an end to the management of our public lands and our public forests through conflict.

The promise was that local governments and local citizens and local business owners and local labor unions and local conservationists would work together to restore predictability in the management of these public lands. This was very important, Mr. Chairman, because these local communities of the Northwest have seen their economies devastated and they have seen their small town culture wiped away by the breakdown in the process by which we made public land management decisions.

As we have heard from others, when the project started, the promise was that it would be completed in 9 months. When the project started, local governments were promised a place at the table. When the project started, local forest supervisors were to be given authority to manage their individual forests according to their individual needs. When the project started, the Congress was told that the cost would be $5 million.

So where are we today? Well, we are faced with a host of broken promises. The 9 months turned into 4 years, $5 million turned into $40 million. Local governments, who almost universally endorsed this project in the beginning, have almost universally now withdrawn their support for the process. Local citizens have been driven from the process and have been given no voice. In fact, what happened is the process that is supposed to be bottom line is replaced with a top-down mandate.

I found it interesting to listen to the gentleman from California as he read from the cover of the document saying that this was a document that was to be a consultation between various agencies. Mr. Chairman, I did not read the cover. I read the whole document. Let me tell you what I found out, is a process that was supposed to be inclusive and participatory has turned into one that is full of mandates and directives from the top down.

Is the science good? The science is good on the large footprint. But if you talk to any of the rangers out there that are managing these resources, if you talk to the forest supervisors, they will tell you the science for their individual forest management is useless.

I will tell you what else we determined in the joint hearing, and that is that the economics is off.

I just urge my colleagues to defeat this amendment and support this provision in the bill.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Chairman, I find this is a very interesting debate because it is characterized as sort of people from somewhere else jumping in.

This plan was put in place by the former Speaker of the House because he recognized all the problems we had had on the west side. On the west side we had every forest shut down for long periods of time. Not a stick of wood was cut anywhere. So he said to himself, let us not repeat the mistakes of the west side. Let us develop a coordinated plan from the outset between all the forests and all the Bureau of Land Management and get this thing done in a way that will actually work.

What I am hearing from my colleagues here in defending this rider is they do not want to have any of the plan. They do not want to have it implemented by the Bureau of Land Management. They want to turn it back into one fight after another in the courts.

If you have 74 land management plans, that means you have got district by district inside those forests. If one ranger wants to do it one way in one district and another ranger wants to do it in the next district differently, who is going to coordinate that? Not according to my colleagues. They do not want it coordinated. They simply want to let everybody have the book and look in it and say, "Well, that looks pretty good for our area. I think we will do that." But who coordinates that? My colleagues know that will not work.

So what my colleagues are willing to do tonight is roll the dice. They are willing to say let us throw away 5 years of trying to coordinate this thing, and we will go back and take our chances and cross our fingers that we do not get 74 lawsuits.

When my colleagues tell me that the environmentalists do not like this plan, I agree. They do not. I am not here defending the plan. I am defending the process. They do not like this because they do not think it got far enough.

Now, if we read that and we listen to the environmentalists talk about it, they are saying this plan does not go far enough. What does that imply if it does not get put in place? They are going to go to court. If my colleagues do not think there is a judge someplace in the Northwest who is going to look at this and say, "Well, here is what the National Environmental Policy Act says, and here is what you are doing. They do not match, so we are closing down the forest till we get a new plan."

We all know, everybody in the Northwest knows that we are right on the edge of having salmon as an endangered species. The salmon spawning in every single river in the Northwest is in danger. We are going to have a coordinated plan for salmon restoration. If you think it is going to be done by one county commissioner in one county and another county commissioner in another county, it simply will not work because the streams run through more than one county.

Mr. HASTINGS of Washington. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Washington.

Mr. HASTINGS of Washington. Mr. Chairman, I would like to make this point. No less than 4 weeks ago, in the northern part of my district, there was a Habitat Conservation Plan that was agreed to by all the parties. It includes essentially all of the Columbia River north of Wenatchee and including all the tributaries on up to the Canadian border.

That is a locally developed plan. I am just suggesting to you that that ought to be a model that we ought to pursue, not only on the river, I hope is done downstream, but also as a model that we can pursue. Because the one thing that we have, I think that you will agree with me, I hope you do, and that is this: One size does not fit all in as diverse an area as we have in the West. There has to be a new way to look at it.

The HCP that was agreed to by the PUDs in the northern part of our district, frankly, can be a model, not only on the river, but also in the forested areas.

I would hope that defeating the gentleman's amendment would lead to that because this is where the county commissioners are. This is exactly where the county commissioners are in their rejection of the one-size-fits-all. That is why I think that with that HCP as a guide, which I say was signed no more than 4 or 5 weeks ago, this could be an opportunity for us. So I think that it is appropriate that, in fact, we defeat the gentleman's amendment, and this is the reason why.

Mr. McDERMOTT. If the gentleman from New York will yield, Mr. Chairman, would the gentleman from Washington just tell me which watershed that is? It is the mid-Columbia watershed?

Mr. HASTINGS of Washington. That is exactly right.

Mr. McDERMOTT. So the gentleman thinks that it will go section by section through the entire Northwest and it will all be coordinated.

The CHAIRMAN. The time of the gentleman from New York (Mr. HINCHEY) has expired.

(On request of Mr. HASTINGS of Washington, and by unanimous consent, Mr. HINCHEY was allowed to proceed for 2 additional minutes.)

Mr. HASTINGS of Washington. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Washington.

Mr. HASTINGS of Washington. Mr. Chairman, that is precisely the point. This is the first step. That is what makes HCP in north central Washington so significant, because all parties involved, the environmental community, the farming community, the tribes, because, after all, they are involved in this as a reservation of the north part of my district, they all bought off on this idea.

The end result at the end of the day, at the end of this time period and, by the way, it is scheduled to last for 50 years, and at the end of this time period they believe that those fish runs will be enhanced. Everybody up there, all parties agree to that.

I would just suggest to you, as hard as they have worked on this plan on that issue, we ought to move from the old model of top-down, one-size-fits-all and look at that possibility, because it is true, it is real, it is right in that ecosystem that we are talking about.

So, yes, in answer to the gentleman's question, I believe that that can happen. I believe that we will, in fact, I believe in the near future we may have another one of those HCPs involving some more dams. I think that we will continue down that line. Because at the end of the day, the beauty of this whole system is that the people that are affected will make the decision.

Mr. McDERMOTT. Mr. Chairman, if the gentleman from New York will yield, I wish that I had the belief that my colleague does in a system, because I saw what happened on the west side, and it did not happen. The fact that one area has done it in 5 years that we have been talking about, we have got to ask ourselves, where is Oregon? Where is the rest of Washington? Where is Montana? Where are all the other affected areas? They have had 5 years. They could see it coming down the track at them, and they have not done it.

All these county commissioners who were going to get together, we have got one example on 72 million acres. We say, well, if we wait long enough, we will have it covered. Yes, we will, in about 25 years, after which we have had about 25 lawsuits. The problem with it is, if we do not start in a coordinated way at the start, we will never get it coordinated.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Washington (Mr. NETHERCUTT).

Mr. NETHERCUTT. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I listened with interest to my friend, the gentleman from Washington (Mr. McDERMOTT), make his points.

With regard to the environmental community which opposes this study, I do not think I am overstating it. The gentleman from Washington (Mr. McDERMOTT) said, well, certainly they will sue. They are opposed to the study, and they are opposed to a record finding because it does not go far enough.

□ 2045

So they probably will. But what I think is so very important in this case is that if you have the scientific information that is being used to amend the 74 plans, they are all going to have to be amended anyway, if there is a record of decision. But the difference is there is not one preferred alternative that affects all seven States and all 144 million acres. So we have got one particular record decision and preferred alternative for Oregon and Montana and Washington and Nevada, and that may not apply to eastern Washington.

What we are trying to do by terminating the study, but using the scientific findings in the interests of amending the plans anyway, we are not trying to have the alternative that may apply to Oregon, which has a different climate than my east side of the State of Washington, have it apply there. So the method in this madness is to use the science, and not be stuck with a one-size-fits-all policy that assumes that this entire region is one region, and we all have the same issues and the same environmental conditions, and preserve this local autonomy that my friend, the gentleman from Washington (Mr. HASTINGS), mentioned so well.

I have great respect for my predecessor. Certainly he stuck the money in. But he stuck the money in so the bull trout would not be listed. Well, guess what? The bull trout has been listed. After five years, roughly, of $40 million of expenditure, we are still fighting that issue. I do not buy the argument that if there had been some record of decision, it would not have been that somehow the bull trout would not have been listed.

I just think this is a continuation of bureaucracy that will never end, and I mean that sincerely. I think now they want another $5.8 million this year in our bill. We could not afford that. We are trying to save money for parks and other things, but still not waste the science and $40 million that has been out there. So this local decisionmaking and wise use of the information that meets the alternatives and the needs of the local communities, I think, just makes sense.

I must say to my friend, you have got the labor union movement that is affected in my part of the country saying, "Don't do this. We object to the continuation of this study. We think it ought to be terminated, because it means jobs for those who are in the pulp and paper industry."

Now, I want to preserve jobs too, and I just do not think there is any sense that this record of decision that affects all seven States with one preferred alternative is going to be the salvation of jobs in the Pacific Northwest and in the whole Western States region.

So I just urge my colleagues, look at it again. It is 144 million acres, it is $125 million conservatively of implementation costs. If you just look at the Northwest Forest Plan, you can about quadruple that number, if not more than that, in terms of cost, in doing the sub-basin studies. It is a tremendous cost.

So my view is, let us let these local decisionmakers make judgments about the needs of the regions that differ from one another. Use the science, but do not have a one-size-fits-all policy at a cost that this Congress and the taxpayers cannot afford.

I yield back to my chairman, with the understanding that there is not the money in this budget. We are tight as it is, trying to get this all done.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, having suffered through the other side of the State and having seen the problems associated with that, I worry a little bit, I must say to my friend from Spokane, who I have worked with, and my friend from the Tri-Cities, who I have worked with, two of my colleagues, that the idea that you can just do this without some kind of a comprehensive strategy leaves you vulnerable to the lawsuit by the environmental action groups that you enjoin.

They take the scientist in there and they put him under oath.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, they say is the plan that you have got sufficient to restore the Chinook salmon run, or is it sufficient to restore the steelhead run, or is it sufficient for the bull trout?

If the scientist says no, the judge enjoins you, and then, instead of having the harvest rate up here at maybe 50 percent of what it was, you get enjoined, and then you have to come in and come up with a new plan. You will be back in Federal Court, they will demand you go out and have a plan for the entire area. Then when you have that plan developed, it will take you down further.

I can remember when I stood up here and we could have gotten $2.5 billion in Region VI on the spotted owl, but the people said no, no, no, that is too much, we cannot do that, and they objected to the plan. We wound up with $1 billion in the whole region.

So I just say to my friend from eastern Washington, and the gentleman from Washington (Mr. NETHERCUTT) and I have been very hesitant not to get into this tonight, I just worry that if you do not have a strategy, if you are just going to leave it go to the local level, and I applaud, by the way, the gentleman from Washington (Mr. HASTINGS) in support of the Multi-species Habitat Conservation Plan, and, by the way, that is done under the Endangered Species Act. I think it is the ultimate tool. This is a tool Pacific Lumber is using in northern California.

So I just worry that if we completely blow this up, that we wind up having nothing, and you leave yourself completely vulnerable to lawsuit after lawsuit that will wind up getting your forest. Instead of being at 50 percent, you will be down at 10 percent, like I am at the Olympic National Forest, a 95 percent reduction because the plan was implemented on a regional basis, top down, and we got killed. My people up there were very upset and offended by it.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I just worry that if you do not work out something that gets everybody around that table and provides some leadership, you guys may have to go out there and sit down with these people and get this thing going in the right direction, because somehow you have to have a plan.

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Washington (Mr. NETHERCUTT) to close the debate.

Mr. NETHERCUTT. Mr. Chairman, let me respond to my friend. There is nothing in the Interior Columbia Basic Ecosystem Management Project that prevents lawsuits. The gentleman assumes that a seven-State, 144 million acre plan with one preferred alternative is the answer. It is not the answer.

I submit respectfully to the gentleman, I am willing to work through all of this. I have talked to the gentleman from Washington (Mr. McDERMOTT) and said let us work through this in conference. The Senate has a little different feeling about this. But this is not the answer to not having lawsuits, and, in my sense, the courts are going to look and say is there a scientific study, which my predecessor was trying to accomplish. Have a study. There is a study. It did not say a preferred alternative or record of decision or a seven-State, 144 million acre study. It said a study.

We have a study. We have adequate scientific information to allow any court, in my judgment, to resist any challenges, notwithstanding the fact that there is not a record of decision.

So I understand the gentleman's concern, but I am concerned also. I want to have some productivity and multiple use out of our forest system, but I do not come to the conclusion that a Federal program, such as it has been identified, I think accurately, as a bureaucracy, that is top down, not locally decided, which is what was expected in the first place, is the answer. There is no assurance in this. We want to have some language that says "no lawsuits." I will join into that.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. REGULA was allowed to proceed for an additional 30 seconds.)

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I want to say to the gentleman, I will be glad to work with all three gentlemen, my colleague the gentleman from Washington (Mr. McDERMOTT) and my two colleagues from the eastern side of the State of Washington. We still need to work something out in conference on this issue, regardless of what happens on the McDermott amendment. But I want you to know I am still willing to work with you all to see if we cannot work out something that makes sense.

I do not want to see our bill get vetoed over this though. I would say to my colleague from Spokane, we cannot risk vetoing the bill. We have to work something out here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. McDERMOTT).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. McDERMOTT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from Washington (Mr. McDERMOTT) will be postponed.

Mr. REGULA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to advise Members that we are going to rise temporarily for a matter, and then we will renew our efforts in title III after that. We are going to finish the bill tonight.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. LaTOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, had come to no resolution thereon.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4276, COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 105-641) on the resolution (H. Res. 508) providing for consideration of the bill (H.R. 4276) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for fiscal year ending September 30, 1999, and for other purposes, which was referred to the House Calendar and ordered to be printed.

POSTPONING FURTHER PROCEEDINGS ON MOTION TO INSTRUCT ON H.R. 3616, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

Mr. HASTINGS of Washington. Mr. Speaker, I ask unanimous consent that further proceedings on the question on agreeing to the motion to instruct on H.R. 3616 be postponed until tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3616, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

The SPEAKER pro tempore. Without objection and notwithstanding postponement of further proceedings on the question on agreeing to the motion to instruct, the Chair appoints the following conferees:

FY 1999 DOD CONFERENCE APPOINTMENT (SENATE AMENDMENT TO H.R. 3616)

From the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

Messrs. SPENCE, STUMP, HUNTER, KASICH, BATEMAN, HANSEN, WELDON (PA), HEFLEY, SAXTON, BUYER, Mrs. FOWLER, Messrs. McHUGH, WATTS (OK), THORNBERRY, CHAMBLISS, JONES, PAPPAS, RILEY, SKELTON, SISISKY, SPRATT, ORTIZ, PICKETT, EVANS, TAYLOR, ABERCROMBIE, MEEHAN, Ms. HARMAN, Messrs. McHALE, KENNEDY (RI), ALLEN, SNYDER, and MALONEY (CT).

From the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

Messrs. GOSS, LEWIS (CA), and DICKS.

From the Committee on Banking and Financial Services, for consideration of section 1064 of the Senate amendment:

Messrs. LEACH, CASTLE, and LAFALCE.

From the Committee on Commerce, for consideration of sections 601, 3136, 3151, 3154, 3201, 3401, 3403, 3404, 3405, 3406, and 3407 of the House bill, and sections 321, 601, 1062, 3133, 3140, 3142, 3144, 3201, and title XXXVIII of the Senate amendment, and modifications committed to conference:

Messrs. BLILEY, DAN SCHAEFER (CO), and DINGELL.

Provided that Mr. OXLEY is appointed in lieu of Mr. DAN SCHAEFER (CO) for consideration of section 321 of the Senate amendment.

Provided that Mr. BILIRAKIS is appointed in lieu of Mr. DAN SCHAEFER (CO) for consideration of section 601 of the House bill, and section 601 of the Senate amendment.

Provided that Mr. TAUZIN is appointed in lieu of Mr. DAN SCHAEFER (CO) for consideration of section 1062 and Title XXXVIII of the Senate amendment.

From the Committee on Education and the Workforce, for consideration of sections 361, 364, 551, and 3151 of the House bill, and sections 522, 643, and 1055 of the Senate amendment, and modifications committed to conference:

Messrs. PETRI, RIGGS, and ROEMER.

From the Committee on Government Reform and Oversight, for consideration of sections 368, 729, 1025, 1042, and 1101–1106 of the House bill, and sections 346, 623, 707, 805, 806, 813, 814, 815, 816, 1101–1105, 3142, 3144, 3145, 3162–3172 and 3510 of the Senate amendment, and modifications committed to conference:

Messrs. BURTON (IN), MICA, and WAXMAN.

Provided that Mr. HORN is appointed in lieu of Mr. MICA for consideration of section 368 of the House bill and sections 346, 623, 707, 805, 806, 813, 814, 815, and 816 of the Senate amendment.

From the Committee on International Relations, for consideration of sections 233, 1021, 1043, 1044, 1201, 1204, 1205, 1210, 1211, 1213, 1216, and Title XIII of the House bill, and sections 326, 332, 1013, 1041, 1042, 1074, 1084, 3506, 3601, 3602, and 3901–3904 of the Senate amendment, and modifications committed to conference:

Messrs. GILMAN, BEREUTER, and HAMILTON.

From the Committee on International Relations, for consideration of sections 1207, 1208, 1209, and 1212 of the House bill, and modifications committed to conference:

Messrs. GILMAN, BEREUTER, SMITH (NJ), BURTON (IN), ROHRBACHER, HAMILTON, GEJDENSON, and LANTOS.

From the Committee on the Judiciary, for consideration of sections 1045 and 2812 of the House bill and section 1077 of the Senate amendment, and modifications committed to conference:

Messrs. HYDE, BRYANT, and CONYERS.

From the Committee on Resources, for consideration of sections 601, 2812, and 3404–3407 of the House bill, and section 601, 2828, and Title XXIX of the Senate amendment and modifications committed to conference:

Messrs. YOUNG (AK), TAUZIN, and MILLER (CA).

From the Committee on Science, for consideration of sections 3135 and 3140 of the Senate amendment, and modifications committed to conference:

Messrs. SENSENBRENNER, CALVERT, and BROWN (CA).

From the Committee on Transportation and Infrastructure, for consideration of sections 552, 601, 1411, and 1413 of the House bill, and sections 323, 601, 604, and 1080 of the Senate amendment, and modifications committed to conference:

Messrs. SHUSTER, BOEHLERT, and CLEMENT.

From the Committee on Veterans' Affairs for consideration of sections 556 and 1046 of the House bill, and sections 618, 619, 644, and 1082 of the Senate amendment, and modifications committed to conference:

Messrs. SMITH (NJ), BILIRAKIS, and RODRIGUEZ.

From the Committee on Ways and Means, for consideration of Titles XXXVII and XXXVIII of the Senate amendment, and modifications committed to conference:

Messrs. CRANE, THOMAS (CA), and MATSUI.

There was no objection.

□ 2100

DESIGNATION OF EMERGENCY REQUIREMENT PURSUANT TO BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. PEASE) laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Ways and Means.

To the Congress of the United States:

Pursuant to section 3309(c) of the Internal Revenue Service Restructuring and Reform Act of 1998, I hereby designate the provisions of subsection (a) and (b) of section 3309 of such Act as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 22, 1998*.

LEGISLATIVE PROGRAM

(Mr. REGULA asked and was given permission to address the House for 1 minute.)

Mr. REGULA. Mr. Speaker, just to advise Members, we will return to the Interior bill shortly. There will be no more votes tonight. However, I repeat, we will take all amendments tonight and stack votes until tomorrow. We intend to read through the end of the bill. It is important that if Members have amendments, they must offer them tonight. Tomorrow will be too late. This understanding has been worked out with the minority. Tomorrow we will only vote on the stack of amendments, plus final passage.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore (Mr. PEASE). Pursuant to House Resolution 504 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4193.

□ 2104

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R.

4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, the request for a recorded vote on the amendment by the gentleman from Washington (Mr. MCDERMOTT) had been postponed, and title III was open to amendment at any point.

AMENDMENT NO. 21 OFFERED BY MR. GILCHREST

Mr. GILCHREST. Mr. Chairman, I offer an amendment, Amendment No. 21.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 21 offered by Mr. GILCHREST:

Page 122, beginning on line 24, strike section 337.

Mr. GILCHREST. Mr. Chairman, I appreciate the opportunity to discuss this amendment.

The Coastal Barriers Resource System was created by the Reagan Administration in 1982. It was recognized at the time that coastal barrier islands are just that: they are barriers. They protect the mainland from storms, tidal floods and a number of other things. Absent human involvement, these islands are not stable systems. Even with human habitation, they are very unstable systems. These islands are frequently subject to hurricanes, flooding, and shifting coastlines. They basically, Mr. Chairman, are very unstable and on a regular basis they are very dynamic.

Oddly enough, however, they also represent prime oceanfront real estate and have been heavily developed in many areas. This development typically proceeds with full awareness of the risks involved, and worse, very often there is no thought given to the natural processes of these dynamic coastal barrier islands. As a result of that, we have seen for decades that large amounts of Federal assistance is provided then for disaster relief, flood insurance, beach stabilization, roads, et cetera, et cetera, after the inevitable storms roll through or nature takes its natural course.

When the Coastal Barrier Resource System was created in 1982, approximately a half a million acres was included in the system. In 1990 it was amended where it was up to about 900,000 acres, and today in our system we have about 1.3 million acres in 22 different States in the Atlantic, Gulf of Mexico, and Great Lakes coasts.

The Coastal Barrier Resources Act was designed to limit development on coastal barrier islands, therefore limiting Federal aid in new development projects. The act does nothing to prohibit new construction on land within the system. That means if one wants to build a house within the system on a national barrier island, one can do that; we just with the act limit the amount of Federal responsibility to one's particular choice.

The language in the Interior appropriation bill would remove 75 acres from the system in various areas around the State of Florida. It would designate 32 acres of a State park as otherwise, and it is already protected, but it would designate 32 acres of a State park as land within the system, and would add 7 acres to the Coastal Barrier System.

By comparison, Mr. Chairman, 75 acres does not sound like a lot when you compare it to 1.3 million acres in the system, but that is not the question. The question is and the problem is that this provision in this bill, in effect, has a negative effect on the integrity of the whole system. These areas were the areas in question tonight and, in my judgment, were legitimately included in the Coastal Barriers Resource system.

This provision in this bill sends a clear rifle shot signal to developers that the coastal areas are now, those coastal areas in this provision in the bill are now and must be the responsibility of the American taxpayers to be responsible for if a hurricane blows through.

In units of the Coastal Barrier System, the act prohibits Federal expenditures on items such as, and right now those areas within the coastal barrier system, the Federal Government cannot expend money for bridges, sewers, roads, housing, shoreline protection, that is beach replenishment projects, water supply, wastewater treatment facilities, disaster relief, flood insurance claim payments, and so on and so forth. If we take an area out of the Coastal Barriers island system, then the Federal Government will be responsible for all of those items.

Federal subsidies, according to the Congressional Budget Office, for coastal development costs the American taxpayer right now $82,000 per development acre per year on coastal barrier islands that are outside the Coastal Barrier Resource System. According to FEMA's own numbers, the Federal flood insurance program in 1997 had a net loss of $117 million, a net loss. Expanding opportunities to develop in high-risk areas will only worsen that condition for ratepayers and taxpayers.

The National Weather Service says that in this fiscal year, well, they do not go according to fiscal years I guess, but in 1998 they say there will be 10 storms, 6 of which will be hurricanes.

Mrs. FOWLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to the Gilchrest amendment, which affects property and constituents in my district. I have great respect for my good friend and colleague from Maryland, but I have to disagree with his approach to a Florida issue.

Two years ago this Congress and President Clinton approved section 220 of the Omnibus Parks Act of 1996 that removed a net of 36 acres that were mistakenly put in the Coastal Barrier Resource System.

Now, let me say from the outset that I support the Coastal Barrier Resource System. My district includes more than 100 miles of beautiful Atlantic coastline, and its continued beauty is essential to the ecology and the economy of my district. Tourism is the number one industry in our State and it is our beautiful coastline that brings people there.

Mr. Chairman, any argument that this correction was slipped through the legislative process, and I have heard that from some groups going around the Hill, is false. When originally introduced in the 104th Congress, this bill sought to exclude almost 200 acres from the system. But once it was scrubbed thoroughly by the committee process and Florida officials, only a net removal of 36 acres remained. Removal of these 36 acres was supported by the entire bipartisan Florida House delegation, both of our United States Senators, as well as the governor and the Florida Department of Community Affairs.

Now, let me put this into perspective. We are talking about 36 acres spread out over 8 different coastal barrier resource units, out of 285,000 acres that are in the system in the State of Florida, and 1.2 million nationwide. It is important to note that the Florida Department of Community Affairs, which is our State land agency, originally opposed exclusion of these acres, but once they reviewed the evidence on these net 36, then they endorsed their removal.

Any claims that these exclusions were not scrutinized, debated, or carefully considered are quite simply wrong. There have been congressional hearings on this issue and Florida environmental officials went over these properties with a fine tooth comb before lending their support.

So why are we back here today? Well, we are here because the Coastal Alliance, not willing to accept the judgment of every government official in the State of Florida, the United States Congress, and the President, brought a lawsuit against these changes. Now, without getting into all of the legalese of the suit, in short, a Federal judge overturned Congress's will because the Department of Interior said they did not have the new maps on file on the date of enactment.

The judge's ruling had absolutely nothing to do with the merits of this issue. The judge also ruled that the Department should ask Congress to address the problem of not being able to carry out Congress's intent. So all that the language that is in the bill does is what the judge ordered. It carries out the will of this Congress.

Now, the Coastal Alliance and others think the judge's ruling is an opportunity to reopen debate on these properties. It is not. The judge specifically asked for a remedy to carry out the will of Congress. The language in the bill today is that remedy.

□ 2115

The entire Florida delegation; the governor; the gentleman from Alaska (Mr. YOUNG), the authorizing chairman; and the gentleman from Ohio (Mr. REGULA), chairman of the Subcommittee on Interior Appropriations, still support removal of these properties. In fact, I have a letter here from Governor Chiles urging defeat of the Gilchrest amendment, which I will ask to submit for inclusion as part of the RECORD.

The judge did not ask us to review these properties one more time, as some would like to do. He asked us to carry out the intent of Congress. I would ask my colleagues to join the Florida delegation in reaffirming the will of Congress and voting against the Gilchrest amendment.

STATE OF FLORIDA,
WASHINGTON OFFICE,
Washington, DC, July 20, 1998.

Hon. RALPH REGULA,
Chairman, Interior and Related Agencies Subcommittee, House Appropriations Committee, Washington, DC.

DEAR MR. CHAIRMAN: I am writing in opposition to the Gilchrest amendment to the FY99 Interior and Related Agencies appropriations bill, dealing with Florida-specific provisions of the Coastal Barriers Resources Act (CBRA).

As I have previously stated, the State of Florida is very supportive of the purposes of the CBRA to protect and preserve Florida's many pristine barrier lands from development. However, the parcels that are referenced in the Interior appropriations bill are not pristine, undeveloped properties in need of protection, but instead are parcels which were mistakenly included in the original CBRA due to mapping errors. These errors were corrected in P.L. 104-33, which was later overturned in federal court on a technicality.

The State reviewed the provisions of P.L. 104-33 and believes that these properties should be excluded from the CBRA system. I would urge Members to oppose the Gilchrest amendment.

With kind regards, I am
Sincerely,
LAWTON CHILES.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is very hard for me to disagree with the gentlewoman from Jacksonville, Florida (Mrs. FOWLER), my good friend. I had the opportunity to work with her constituents for years and admire their concern and their interest. But with all due respect, I have a little difficulty with some of the characterization.

I think it was clear when President Clinton signed the legislation in effect in the last session that he was not agreeing to it. In fact, my reading of that indicated that there were grave reservations on the part of the administration.

I am here, I guess, because of my grave concerns about the process that have been raised by the gentleman from Maryland (Mr. GILCHREST). The way that we handle water resources and development in disaster-prone areas in this country is itself a disaster.

Despite spending over $40 billion, for instance, to prevent flooding since 1960, flood-related costs adjusted for inflation are about triple what they were in the early 1950s, before we started the program. Total Federal disaster payments between 1977 and 1993 topped $100 billion. Disaster costs have increased 550 percent in the last 10 years.

Recently, this last week, we were here debating remedy to the Salton Sea, which was itself part of an engineering failure on the part of efforts to try and impact the environment. I appreciate that disasters are not always predictable, but too much development occurs directly in harm's way with the taxpayer footing the bill.

In 1982, as the gentleman from Maryland outlined, the Reagan administration and a Democratic Congress passed the Coastal Barrier Resources Act. I am not going to go through the details that the gentleman from Maryland pointed out, but it has saved the taxpayers an estimated $11 billion, keeping Federal investment out of millions of acres of barrier islands and coastline.

Mr. Chairman, if people want to build where God does not want them, then they ought to step up and pay the price, not the American taxpayer. The bill before us invites Federal investments back into the path of disaster.

I personally have reservations in terms of dealing with this as a technical amendment in terms of a rider. There is substantive legislation that has been considered in the past in the Committee on Resources. I would like that dealt with in that fashion. I too have reviewed the various parcels. It seems to me that there was, in fact, an argument made that they were in fact properly categorized.

But it seems to me that what we need to do on this floor is to be more aggressive in the protection of these issues that protect the taxpayer. And, in fact, we should be pushing back, whether it is water reclamation projects in the West, mining costs, beach nourishment, disaster relief, flooding, levees. Time and time again the taxpayer has been stuck with the bill. We have been very, very slow to adjust our policies over time. And I am reluctant to see us this evening, through the process of the rider process, expand that. I would rather this go back to substantive committees.

Mr. GILCHREST. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from Maryland.

Mr. GILCHREST. Mr. Chairman, I thank the gentleman from Oregon (Mr. BLUMENAUER) for yielding. I would just like to conclude that I compliment the gentlewoman from Florida (Mrs. FOWLER) for her cooperation in her disagreement tonight. I still have strong disagreements with the gentlewoman from Florida. I have strong agreements with the gentleman from Oregon, and I also want to compliment him on his efforts in bringing this issue to light before the Members.

This is not an issue of 32 acres being taken out of the system. It is not an issue of 75 acres being taken out of the system. It is an issue of creating an environment where we begin to lose a few acres every year. I do not want the system to leak.

Now, I have had discussions with the delegation from Florida, and Mr. Chairman, we have a strong commitment by the Florida delegation to work to ensure that we lose no more acres to the coastal barrier resource system in this country, that the 1.3 million acres that we have now in this system will stay intact.

Because of that commitment, and the dialogue that we have had before we reached the floor, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

AMENDMENT OFFERED BY MR. HINCHEY

Mr. HINCHEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HINCHEY:

Page 106, beginning at line 16, strike section 327 (and redesignate the subsequent sections accordingly).

Mr. HINCHEY. Mr. Chairman, this amendment would simply strike the provision of the bill that would grant an easement through the Chugach National Forest to the Chugach Alaska Corporation. Under a 1982 settlement, the corporation has a right to access its lands which are surrounded by the Chugach National Forest. However, under the agreement, access is to be granted through a negotiation with the Forest Service and any easement providing access is to be conditioned on environmental review and on public comment.

The rider, which is the subject of this amendment, would effectively override all of that process. Instead it would give the corporation the right to choose the easement and would exempt its decision from environmental review or public comment. Moreover, the grant itself would be unusual. The easement would be 250 feet wide, 10 times the width of a usual access road, and the easement would be permanent and irrevocable.

This easement would be granted over public lands; in other words, our lands, the lands of the public, all the people of the country. No private landowner would agree to such an arrangement, and we who are the custodians of this land for the public should not agree to it either.

We do not want to deny the corporation legitimate access to its lands. It is entitled to that. But the corporation has been negotiating with the Forest Service. Its president, in fact, testified before our committee earlier this year that the negotiations were proceeding amicably. The corporation and the Forest Service signed a memorandum of understanding in March that is supposed to produce an agreement later this year. The date is in fact December 11.

The corporation did not say that the Forest Service had been difficult or uncooperative in negotiations. But the corporation apparently wants to circumvent environmental laws and reviews that could just delay the process for a few months.

It apparently wants a better deal than the Forest Service is likely to propose. Who would not leap at a chance for such a special deal? But that does not mean that this Congress ought to approve it.

Some people may think we have no interest in the land up there, or that our constituents have no interest in it. Why not just give it away? However, this section of the Chugach is an unusual section. The law requires the Forest Service to manage this area for conservation of fish and wildlife and their habitat, the only such place in the Forest Service where this language pertains.

The proposed easement would lie in or near the Copper River Delta, said to be the richest habitat for waterfowl and shore birds in the Western Hemisphere and the site of the most prolific sporting ground for salmon that we have. That is why so many organizations oppose this rider. Like myself, they are not saying that we should cut off access. They are saying that we should take time, be careful, and follow the usual process and the reviews the corporation has agreed to. That is all I am asking.

Mr. Chairman, I want to make it clear that we are in no way suggesting that this road providing access into this land should not be built. It is quite clear the corporation has the right to that access. That access should be granted. But it should be granted just as any other access would be granted. It should be granted in accordance with the law.

We should not, as this present bill provides, override NEPA, override the Clean Water Act, override all existing Federal legislation in order to give a special grant under these special extraordinary circumstances.

Let us build this road. Let us provide this access under the provisions that are going forward. Negotiations are proceeding just as they ought to, just as they would proceed in any other case, and they will lead to a fruitful conclusion. In other words, an agreement will be made and a road will be constructed. But it ought not to be constructed by fiat from the Congress. It ought not to be done in any way that is extraordinary or special, and that is what is called for under the present language.

Let us build this road, but let us honor the process as we are doing so, and once it is done let us make sure that we have done it right.

With this rider in this appropriations bill, this inappropriate rider, this bill is certain to be vetoed. If we approach this in the right and proper and just way, then we can get both the bill and the road built.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from New York (Mr. HINCHEY) for yielding, and I rise in support of his amendment.

The CHAIRMAN. The time of the gentleman from New York (Mr. HINCHEY) has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. HINCHEY was allowed to proceed for 2 additional minutes.)

Mr. MILLER of California. Mr. Chairman, I associate myself with the remarks of the gentleman from New York (Mr. HINCHEY). I think he makes an important point about this amendment. That is that due much to the activity of our committee chairman, who has the knack of getting people's attention in the bureaucracy, I think we are all very confident that this agreement is going to be reached by the end of this year.

But it is a question of how we do this and whether we do it, as the gentleman said, by fiat, and whether we do it notwithstanding any other provision of law. That is a recipe for disaster. It is a recipe for a veto. It is a recipe for delay, because people now will drag their feet in these negotiations waiting to see whether or not this provision does or does not become law.

Mr. Chairman, I do not believe it will become law. We have had conversations with the administration, and yet we also want these negotiations to finish by the end of the year. As was pointed out, we all acknowledge, as the chairman of our committee has told us numerous times at various octave levels, this runs with this land. They are entitled to this right-of-way.

But as was also pointed out, this is an area that was early recognized by the House and the Alaskan Native Lands Conservation when they sought to make the area adjacent to this a national wildlife refuge. That was not achieved. But the special management for fish and wildlife was achieved in this forest; I believe the only forest like it with that mandate in the country.

This process has been stop again, start again, stop again, start again, by both parties. All the blame is not just with the Forest Service. The other parties have been hot and cold on this relating to whether or not there is a market for coal, whether or not there is a market for timber, and that has influenced this to some extent.

Mr. Chairman, the time has come to bring this issue to a closure, but the time to bring it to closure within the regular order and within the laws governing these kinds of activities. Mr. Chairman, I thank the gentleman from New York for his amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not sure the gentleman from New York (Mr. HINCHEY) was talking about the same language we have in the bill. I would point out some things.

The statement was made that they need time. Well, they have had since 1971. That is when the Alaska Native Claims Settlement Act was given and that is when this right-of-way was given—1971.

The Secretary of Agriculture agrees that they are entitled to this easement, and both gentlemen likewise agreed. And in 1982, there was an agreement with the Secretary of Agriculture. So here we are, 16 years later. I think that is enough time.

The Chugach Alaska Native Corporation has been complying with the appropriate environmental requirements and will complete those on schedule by the end of December, 1998.

Now, in the full committee, the language was further amended by the gentleman from Virginia (Mr. MORAN) to include the following: The easement was reduced from 500 feet to 250 feet. Secondly, access was changed from private to public. And, thirdly, the easement must be consistent with all environmental laws.

I believe the gentlemen over there expressed a concern that this easement comply with environmental laws, and that is incorporated into the language.

□ 2130

Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from New York.

Mr. HINCHEY. Is it not true, though, that the easement was not granted in 1971? In fact, the land area was set up for the tribe in 1971.

Mr. REGULA. That is correct.

Mr. HINCHEY. It was for the corporation. For the corporation in 1971.

Mr. REGULA. Right.

Mr. HINCHEY. The easement process was begun in 1982.

Mr. REGULA. That is correct.

Mr. HINCHEY. Since then, the corporation has broken off negotiations on the easement on a number of occasions. And since then they have sold the coal rights on their property to a South Korean corporation. So it is only now, or only recently that they have addressed the Forest Service, once again, only in the last year, to acquire access into this particular piece of property.

So I just want to make that clear; that several administrations have gone by during this process, but that there has not been a consistent attempt to establish this right-of-way either since 1971 or since 1982. That process has only been very recent.

Mr. REGULA. Reclaiming my time, would the gentleman agree, though, that they are entitled to the easement? Negotiations are underway. They are going to comply with the environmental requirements by the end of this year. Do we agree on that?

Mr. HINCHEY. If the gentleman will continue to yield, we do agree they are entitled to the easement, and they are entitled to negotiations to proceed expeditiously. And those negotiations are proceeding expeditiously.

And, in fact, the Memorandum of Understanding, upon which both the corporation and the Forest Service have entered into, requires that the negotiations be completed by December 11th. But they do not stipulate that the right-of-way should be 250 feet wide, which is 10 times as wide as the normal right-of-way.

Mr. REGULA. Well, reclaiming my time, I think the width of the right-of-way would be determined by topography, by the soil conditions, and a whole lot of variables in Alaska. And I think that that is a decision that should be made. The original we had in the bill was 500 feet. We agreed, by amendment from the gentleman from Virginia (Mr. MORAN) in the full committee to reduce it to 250 feet.

Mr. HINCHEY. If the gentleman will yield on that point, it is clear that what is attempting to be done in the legislation is to establish that this right-of-way would be extra negotiated, outside of the negotiations, and be established by fiat. And that the right-of-way would be a very extraordinary one, indeed, in that rather than the customary 25 feet wide, the right-of-way that would be established by fiat would be 250 feet wide.

Mr. REGULA. Staff advises me that the gentleman from Virginia got the information to establish the 250 foot right-of-way from the Forest Service, and that this was not an uncommon width in Alaska because of the unique topographical conditions as well as soil conditions that they need to address in establishing the access road.

Mr. HINCHEY. Yes, but it is true that the Forest Service has not agreed to that. This was simply some negotiations that went back and forth in the Committee on Appropriations, and that is very proper, I understand that, but the conclusion that was arrived at is a very inappropriate one indeed.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, reclaiming my time, the gentleman from Virginia established the 250 feet from information he received from the Forest Service. But, in any event, the Native Americans were promised this easement, and I think it is an obligation of this body to keep our word.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the requisite number of words, and I rise reluctantly, trying to be calm.

This is an outrage. The gentleman from New York has never been to Alaska, never been to Chugach, and now he is telling the American native people of Alaska that they are wrong; they have no rights. The Forest Service is correct and the Wilderness Society is correct.

Mr. HINCHEY: Mr. Chairman, will the gentleman yield.

Mr. YOUNG of Alaska. I am not yielding to the gentleman at all, period. I will tell him that right now. Just sit down.

Mr. HINCHEY. Well, I am sorry to hear that.

Mr. YOUNG of Alaska. I am not yielding.

I am telling the gentleman now that this is a deal this Congress made in 1971 to the Chugach native people. They had to go to court. In 1982, they had a decision from the court that said, yes, they had a right to 78,000 acres of land and a right of easement and it should be granted to them by, and shall be granted by the Forest Service.

And not through the delta, by the way. South of the delta to the Martin River. Nowhere near it. And that is what the court said should be done. The Forest Service, because they did not like that decision, as an agency have drug their feet again and again.

And why did the corporation back away from the Memorandum of Understanding? Because the Forest Service said we do not have the money to do the studies for the right-of-way. So they did the studies. They paid for it. Forest Service did it, but the native corporation paid for it.

Now they say they have got a Memorandum of Understanding and we are going to bring this to a conclusion by December 1. Let me read the gentleman the last page. It says nonenforceable. Nothing herein shall be construed as committing and obligating the United States Forest Service or the United States.

So what this tells me, after we go through this whole thing, this whole understanding, that the Forest Service, because they have not done it since 1982, they are going to say, forget it, American natives. We do not care what Congress has said. We are going to do what we want to do. That is how we are going to conduct our business. Congress does not count.

I had a 500 foot right-of-way, yes, because in Alaska it takes a little more room to build a highway, in that terrain and with the climatic challenges, than it does in the State of New York. But the corporation said they will never have a road wider than a standard road. It will be a two-lane road. It will have public access. And, in fact, the property will revert back to the Forest Service when they are done using it.

Now, the mention of coal being sold to Korea, as if it is an evil thing to sell their own property. For the gentleman's information, they are not going to mine that coal. What they want to do is develop some timber. Yes, they want to do that as their right.

So I am going to suggest that the gentleman's amendment is mischievous. It, in fact, is evil, because he is going against the intent of this Congress and the American native people that owned this land long before he was born. In fact, the gentleman ought to be ashamed of himself. What he is trying to do to these people is really wrong. * * * He is going back on the word of this Congress against the first citizens of this great Nation. It was their land, and the gentleman wants to take away their right that this Congress gave them under an act.

That just blows my mind, that someone from New York State, that has never been there, has never seen this area, never talked to the people can, in fact, promote something that has been given to him by one of the wilderness associations that promotes its ill will in this capital every day. No honesty, no direct influence at all, other than the fact that they think this is wrong.

I am ashamed, in fact, to see an amendment like this against the people of the great State of Alaska.

Mr. HINCHEY. Mr. Chairman, I ask that the words be taken down. I ask the gentleman's words be taken down.

The CHAIRMAN. The Clerk will report the words. Which words would the gentleman like?

Mr. HINCHEY. Immoral and corrupt.

The CHAIRMAN. The Clerk will report the words.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Alaska. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN. The gentleman from Alaska will state his inquiry.

Mr. YOUNG of Alaska. May I inquire, what words are being struck? What words? Just to say he wants to strike the words, what words?

The CHAIRMAN. The gentleman is not stating a parliamentary inquiry. The Clerk is presently transcribing the words and when they are reported the House will determine that.

Mr. YOUNG of Alaska. Can the gentleman answer me that?

The CHAIRMAN. The gentleman from Alaska will suspend.

Mr. HINCHEY. Will the gentleman repeat the question?

Mr. YOUNG of Alaska. What words is the gentleman asking be struck?

Mr. HINCHEY. While I was asking the gentleman to yield, I believe that he used the words immoral and corrupt, and I am concerned about what context he used those words in and to whom they were referring.

The CHAIRMAN. Without objection, the gentleman from Alaska may explain.

Mr. YOUNG of Alaska. I think the amendment was; I was not referring to the gentleman.

Mr. HINCHEY. To whom was the gentleman referring, then?

Mr. YOUNG of Alaska. I was referring to the amendment itself as it is written. It strikes me it was really due to these American natives. If I am referring to the gentleman, I apologize for that. I will apologize for that.

Mr. HINCHEY. Is the gentleman suggesting that an amendment that I wrote is immoral and corrupt?

Mr. YOUNG of Alaska. I think, in fact, it is immoral, yes. I do not think it is corrupt.

Mr. HINCHEY. I think the gentleman used the word corrupt.

Mr. YOUNG of Alaska. I did, and I apologize for that.

I will withdraw the words if they are that offensive.

Mr. HINCHEY. I thank the gentleman. I appreciate it.

The CHAIRMAN. Without objection, the words are withdrawn.

There was no objection.

Mr. NETHERCUTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am rising in opposition to the gentleman from New York's amendment that affects this easement language that is contained in our subcommittee report and the bill.

I have lived in Alaska, spent a year continuously there, and spent 4½ years traveling literally throughout the entire State of Alaska and, in fact, worked on the Alaska Native Claims Settlement Act in the U.S. Senate as a staff person. So I have some sense of the agreement that was reached then and the respect under which it was given.

In fact, I agree, in many, many respects, with the gentleman from Alaska relative to the commitment that was made to the Native American peoples under the Native Claims Settlement Act.

I believe that the amendment of the gentleman from New York strikes a blow against the Native American private property owners. The amendment strikes a provision that is necessary for the Federal Government to keep a promise it made in 1982. I suggest that any of us in Washington State or New York or any other State of the Union would be offended if we had to wait from 1982 to 1998 to have the Federal Government fulfill a commitment that was made to our people.

I have great respect for the gentleman from Alaska for standing up for his State; he should and he is. All too common, Mr. Chairman, in this country, in this body, people from outside the area of concern are trying to influence what happens in the States, whether it is my western State, people from the East Coast trying to influence what happens in my State and tell our residents what is good for us. The same is true especially of Alaska.

I think this Congress many times has taken great liberty with the State of Alaska. I have lived there. I have seen what impact it has on the people who are there and this is another example of that.

In our bill, in the chairman's bill, the Subcommittee on Interior of the Committee on Appropriations, on which I serve, made clear that this 250 foot easement was just that, it is an easement for purposes of constructing a roadway into the land of the people who own it. It has been a 16-year saga of trying to get that decided.

This is not some superhighway or freeway that the native people there are trying to build. It is just not the case. It is a roadway to get from point A to point B into their own lands and use it for their own purposes, which are legitimate.

In our bill, we say nothing in this section waives any legal environmental requirement with respect to the actual road construction. It does not waive environmental laws. It is not trying to put up a high-rise on this 250 easement. But 250 feet in Alaska is different than 250 feet in the lower 48 in terms of the needs of the area there to do the construction that is necessary, to just build a two-lane road. And that is the commitment they have made.

So I really think it is offensive that the Native American people, the Chugachs, have to fight this battle for 16 years to try to get some relief. That is all this is, is trying to get some relief so they can get what is rightfully theirs.

□ 2145

It is clear that without this road, that the natives cannot get access to lands that Congress gave them. There was extensive debate in this body and in the other body settling the claims of the Alaskan natives. It is a breach of that commitment and that agreement and that settlement for now us having to be here fighting off this finality which I think is very important to the State of Alaska and the people of Alaska. In 16 years, the Federal Government has not given the natives the easement necessary for access to their lands, not somebody else's lands, their own lands. This bill grants that easement. The chairman is right. We sat in the full committee and acceded to the amendment of the gentleman from Virginia (Mr. MORAN) on the representation that this was what was necessary by the Forest Service and acceptable to the Forest Service for this construction and this easement to occur. This will go on and on and on in grand unfairness to the people of Alaska and the natives of Alaska if we do not resolve this today. The gentleman's amendment will enable the Federal Government to continue to breach its promise. I urge that it be rejected.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. I thank the gentleman for yielding.

Mr. Chairman, it has been suggested that without this rider, there will be no access to the Chugach. I want to make it perfectly understandable and plain that that is not true. There is a negotiation going on now between the Chugach Corporation and the Forest Service. The memorandum of understanding upon which they have entered into requires an agreement by the 11th of December. What this rider would do is override that process and it would establish this access by fiat, disregarding the laws established by this Congress on numerous occasions. That is precisely what this would do.

It has been suggested that this has been an interminable process, beginning back in 1982, and it has been obstructed, it has been suggested, by the Forest Service on more than one occasion. Again let me say that is not so. What has happened in the process of these negotiations is simply this. The leadership of the corporation has changed hands on several occasions. The direction of the corporation has changed on several occasions. It is only recently that they have come back to the table, wanting to conclude the negotiations, and those negotiations are going forward and they will conclude in an orderly, respectful fashion by the end of this year, given their own head. What this rider does is interrupt that. And it does something else, unfortunately. It is so wrong and so contrary to normal process that it is strongly objected to by the Forest Service and the Department, and it has been recommended to the President that on this basis alone if this bill passes with this rider that the bill be vetoed. That is how objectionable this rider is. The sad part about it is it is so totally unnecessary. This is an exercise of imprudence at best. If it were not to happen, the access would be granted, the road could be built, and everything that the Chugach Corporation wants in this regard would be acceded to. But since it is being done in this particular way, in the context of this rider, it places the whole process in jeopardy. I hope that that is clearly understood. The likelihood that this process will conclude amicably and favorably is jeopardized by the presence of this rider. If the rider is removed, the likelihood that the process will conclude amicably and in due course and expeditiously is guaranteed.

I hope that all those who respect the law, respect this Congress and what it has done over the years, respect lawful process, and also wish the best end of this process for the Chugach Corporation will join me in opposition to this rider.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Ohio.

Mr. REGULA. I want to make it clear that we are not disregarding the law. This is simply to expedite this action and this provision in the bill is for that purpose. I think we agree that it ought to be done. They are entitled to it. What we are trying to do is to get for these natives something that they were given by an original agreement, that has been delayed through various bureaucratic problems. Let us get on with it.

Mr. HINCHEY. The gentleman must know that the rider says, "Without regard to any provision of law," and so it overrides the entire process. This document represents the agreement that is about to be signed within the next couple of months by everyone involved. This is the process that has been engaged in. What happens is that this rider overrides this whole process and throws out the law.

Mr. REGULA. If the gentleman will continue to yield, I just quote from the bill: "Nothing in this section waives any legal environmental requirement with respect to the actual road construction."

Mr. HINCHEY. If you read the first phrase, though, it says, "Notwithstanding any provision of law." Do not forget the read the first phrase. The introductory clause in this case is critically important.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HINCHEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HINCHEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from New York (Mr. HINCHEY) will be postponed.

AMENDMENT NO. 16 OFFERED BY MR. MILLER OF CALIFORNIA

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment No. 16 offered by Mr. MILLER of California:
>
> At the end of the bill, insert after the last section (preceding the short title) the following new section:
>
> SEC.—. None of the funds made available in this Act may be used to construct any road in the Tongass National Forest.

Mr. MILLER of California. Mr. Chairman, I think we are toward the end of the amendments in this legislation and fortunately this is a very straightforward amendment.

It is intended to prohibit the Forest Service from using appropriated funds to construct new timber roads in the Tongass National Forest in Alaska. It saves money and it protects old-growth forest at the same time.

The Tongass already has over 4,600 miles of permanent roads which have been built with the help of taxpayer subsidies for the timber industry. In fiscal year 1997, the Tongass timber program lost over $33 million, by far the biggest money loser in the Nation, in part because of 79 miles of new roads that were constructed. Because of the difficulty in construction and the terrain, these are some of the most expensive roads within the Forest Service.

The recently revised Tongass Land Management Plan would allow construction for up to an additional 110 miles of new roads annually. While this is less than the last decade's average of 168 miles constructed annually, it represents a major impact on the environment and would require significant outlays of taxpayer dollars. Because this plan is being reviewed on appeal by the Secretary, the Forest Service has not included the Tongass in the draft proposed roads moratorium.

It especially does not make sense to use appropriated funds to build new timber roads in the Tongass when the Forest Service has already been waiving local processing laws in order to allow the logs to be exported to Japan and to other countries. During 1997, the Forest Service permitted the export of over 100 million board feet of timber cut from the Tongass.

Mr. Chairman, the committee's bill proposes to eliminate purchaser road credits and to reduce to $1 million direct spending to build new roads. This amendment would seek to assure that no such funds would be used to build roads in the Tongass. It is pro-taxpayer, I believe it is pro-environment, and I urge the Members to support this amendment.

I would also say that this amendment is necessary because we see a sort of Soviet style economic decision in the Senate which demands that the Tongass engage in over 240 million board feet annually, an amount more than double the current demand-driven cut of 100 million. So I think that this amendment is also important for that reason because of actions being taken in the Senate. I would urge passage of this amendment.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the last word.

Mr. Chairman, some things never change. This Tongass fight has been going on for a long time. In all regards to my good friend, the ex-chairman of the committee, I can remember in 1989 that the gentleman from California worked very hard to solve the Tongass problem. We very frankly thought we had solved it. In 1990, 400 million board feet were being cut. I was told by the gentleman from California that the mills would still run, there would be plenty of timber. In fact he quoted, if I may quote,

> Wilderness designation for the 23 areas would reduce the scheduled Tongass timber harvest of 450 million board feet annually by 49 million board feet. The impact of new wilderness on the scheduled timber base of 1.75 million acres is a loss of 238,000 acres. The remaining 1.5 million acres of land scheduled for harvest is capable of producing over 400 million board feet of timber per year.

Because of the Forest Service and this administration, a lot of inactivities and the continued taking away of lands, we are now down to very frankly 267 million board feet maybe if the Forest Service sells any. And, by the way, the efforts of the gentleman from California (Mr. MILLER) after 1990, we have no more saw mills, pulp mills left in the State. That is why there is no demand.

We are trying to develop three or four small mills. Very frankly that is what we are trying to do. We need roads in the area if we are to have any timber. You cannot get timber unless you have roads. Even the President agreed with this. Even the Forest Service agreed with this, that there has to be roads to get the timber out. What the Miller amendment does very frankly is to make sure there is no new timber cut in the Tongass. Otherwise there will be no more timber industry. I will be very frank with the gentleman from California that if he would say that is what he wanted to do in 1980 or 1990, I might have said, "Okay, that is the way the game is played," but not to tell me we are going to have plenty of timber.

The other thing I might remind people that he killed 4,600 jobs in my southeast area. There is no forestry. There are a lot of forest rangers but no forestry being done. Actually I believe a zero cut in the Tongass is the goal.

It was mentioned about roads in the Tongass. To just give my colleagues an idea, Mr. Chairman, we do not know how many roads will be built in the new areas to get timber out. We have no idea. But I will tell my colleagues that in West Virginia, the Tongass is the same size, 17 million acres. West Virginia has 35,110 miles of road, and it is still called a rural State. Thank God for Senator BYRD. They have 35,110 miles of road and in the Tongass we have 2,000 miles of road. If you want to drive to Juneau, you cannot, the capital. If you want to drive to Petersburg, you cannot. If you want to drive to Sitka, you cannot. If you want to drive to Wrangell or any other place, you cannot, because we have no roads. There are 35,110 miles of road in West Virginia, the same size as the Tongass, and we have 2,000 miles of road. But what we are trying to do here is preserve what little remaining timber industry we have.

If we were to adopt the Miller amendment, if we were to adopt it, we would say no more timber shall be harvested in Tongass. If that is the intent of Mr. MILLER, I would suggest he offer that amendment, that he says there will be no more timber period ever harvested out of that area. Then we go back to 1990 where he said there would be approximately 400 million board feet still available after we set this aside for a wilderness area in the Tongass.

I am going to ask my colleagues just to consider this for a moment. In all due respect to my good friend, my ranking member, he does not want any timber harvesting left in the Tongass forest. I argue that we reached this agreement in 1990, we signed off on it with the environmental community. CEAC said in fact there will be peace in the valley. No longer any need to debate, this is behind us, let us go forth and do what is correct. Let us progress in more positive things. Yet here tonight at this late hour, we have a gentleman who it was involved in 1986, in 1989, in 1990, in three different Tongass bills. And we have it before us tonight.

I urge the defeat of this amendment. It is not only mischievous, I am going to suggest respectfully, it is an attempt to kill the forest industry.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding. As he knows, I did not force the pulp mill to act in violation of criminal law and to be successfully prosecuted under criminal law so that they ended up losing their rights in the forest.

Mr. YOUNG of Alaska. Reclaiming my time, that was not both mills and the gentleman from California knows that. Do not say that.

Mr. MILLER of California. The gentleman knows why the pulp mills are not there, too.

Mr. YOUNG of Alaska. Because there is no more timber.

Mr. MILLER of California. There is no market.

Mr. YOUNG of Alaska. There is no market because you have no timber.

Mr. MILLER of California. No, there is no market for the pulp.

□ 2200

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thought we had settled the Tongass matter in 1997 with the law of the gentleman from California (Mr. MILLER), and apparently not, because we are getting another bite of the apple proposed tonight.

At the time the 1997 Miller Tongass law passed, 3,000 people were put out of work; 1,600 were left. If this amendment is agreed to, 600 more workers will be out of work almost immediately.

I am somewhat surprised, and I have not been to the Tongass, but there must be some concern about 600 families that are suddenly going to be out of jobs, because from what little bit I know of Alaska, I do not think they are making any steel or bearings or tires or refrigerators in Alaska. If these people do not work in the timber industry, where will they work?

Mr. Chairman, I yield to the gentleman from California. Maybe he can answer that.

Mr. MILLER of California. Mr. Chairman, I would answer that by asking the gentleman a question. Are there appropriated funds in this bill for roads in the Tongass?

Mr. REGULA. Mr. Chairman, reclaiming my time, I think the Forest Service would make that decision. There is money for road building.

Mr. MILLER of California. So out of the $1 million, that money can be appropriated to the Tongass?

Mr. REGULA. That is going to be their decision.

Mr. MILLER of California. But that is $1 million nationwide.

Mr. REGULA. It is for new roads.

Mr. MILLER of California. Right.

Mr. REGULA. That is correct. But does this amendment only apply to the $1 million?

Mr. Chairman, I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, it says no appropriated funds, whatever we end up determining is appropriated for new roads, that none of those appropriated funds would be used for new road construction.

Mr. REGULA. Is this applicable only to the $1 million?

Mr. MILLER of California. Yes, if that is the only appropriated monies for new roads.

Mr. REGULA. So what is the gentleman suggesting?

Mr. MILLER of California. Apparently my amendment is going to lay off 600 people. The gentleman's bill does not have any money in it for new roads to begin with. We are down to $1 million nationwide. So let us not pretend like somebody cares about people, and other people do not at this point.

Mr. REGULA. Mr. Chairman, let us clarify it. Does the gentleman's amendment apply to reconstructed roads?

Mr. MILLER of California. No.

Mr. REGULA. So if they could reconstruct roads to keep these jobs, that would be permissible.

Mr. MILLER of California. That is a very important point. This has been one of the most aggressive road building programs per board feet. I mean, let us not pretend like there is not timber to cut off existing roads.

With all due respect to the Alaska delegation, and admiration, they have done very well in pushing roads that far exceed the purpose of the road for the timber that was taken off of previous sales. So it is not like they cannot meet 100 million board feet off of existing roads.

Let us not pretend the road is only good for that one sale and we never go back. That is not the history of forest roads anywhere, and it is certainly not the history here when you look to the extent to which roads have been pushed into the Tongass already in the name of previous sales.

Mr. REGULA. Mr. Chairman, reclaiming my time, if these are reconstructed roads, then the gentleman does not have a problem with that?

Mr. MILLER of California. Exactly.

Mr. REGULA. The gentleman wants to help to keep the jobs.

Mr. MILLER of California. The gentleman is correct.

Mr. REGULA. So the gentleman is not interested in stopping logging in the Tongass; is that correct?

Mr. MILLER of California. No, I never have been. Ten years ago we made a deal, Senator STEVENS and I, and we said for 10 years, that that would be it on the Tongass. It was not a matter of months before riders started appearing on Senate appropriations bills directing cuts in the Tongass.

We all have great admiration for Senator STEVENS, but he is the one that continued, continued to alter that original agreement that we had. I do not like the results but I have got to admire the talent. He has never stopped, as those Members on the Committee on Appropriations, I see them all smiling here, they know exactly what I am talking about. They have never had an appropriations bill move where there is not something tricking up.

He tried to change the forest plans. He tried to go back to the old plans. He tried to increase the cuts. He tried to increase the roads. He tried to bail the industries out of problems. Bang-di-di-bang-di-di-bang. This guy has never slept. I guess I misunderstood. I thought we shook hands, and he said we were going to go away for 10 years. I think he said he was never going to sleep for 10 years. That is what happened.

So this is not some unilateral course. As the Chairman knows, this is a very, very active subject matter in these appropriations bills, and it usually runs afoul of forest policy and the administration and all of the rest of it.

Mr. REGULA. Mr. Chairman, reclaiming my time, our bill presently does not mention the Tongass, as the gentleman knows.

Mr. MILLER of California. Right.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, one other question: Does the gentleman think his amendment will in any way affect the contractual obligations of the Federal Government?

I yield to the gentleman from California.

Mr. MILLER of California. I do not know why it would. It would not affect the previous purchaser credits, no.

Mr. REGULA. Mr. Chairman, I think if there is some just possibility that it would, it could create a great liability. I would also point out that the Society of American Foresters and many labor unions oppose the Miller amendment, because they must have some concern that it will substantially reduce the employment base in Alaska.

Mr. MILLER of California. That has been a historical proposition.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. REGULA. Yes, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, in answering the question of the contractual agreement of the forest, it will affect the ability to take trees off that forest. There is no doubt about that. With all due respect to the gentleman from California, I do believe his legal staff will tell him that.

I am going to suggest this issue is not in this bill. This is the first time I believe on this House floor that we have not had a Tongass provision in the committee bill that came to the floor. I never tried to put one in.

Mr. MILLER of California. He is quite correct. He is quite correct. Very rarely do they initiate over here.

The CHAIRMAN. The gentlemen will suspend. The gentleman from Ohio (Mr. REGULA) is not a mere spectator. The gentleman from Ohio (Mr. REGULA) controls the time.

The time of the gentleman from Ohio (Mr. REGULA) has again expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, I want to stress that again. This issue I thought had been put to bed. The good Senator, bless his heart, never does sleep. But to be frank, I would suggest to the gentleman from California, if he wants to open up the Tongass, and he has his amendment adopted, he will really have an opportunity. And I will tell him, the gentleman from Washington (Mr. DICKS), and the gentleman from Ohio (Mr. REGULA) will tell him, he does not want to go through this.

So I was trying to do something correct for many times, dead serious, not to have the Tongass mentioned in the bill at all, so there would not be a door open for my good senior Senator who is very persevering.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, let me just say if this was the World Wrestling Federation, this tag team from Alaska would be the world's champions.

Mr. YOUNG of Alaska. I thank the gentleman.

Mr. MILLER of California. Mr. Chairman, I appreciate there is nothing in this bill, but we already know that the Senate is mandating more than doubling the cut of 240 million board feet. This is the Soviet Union saying we are going to cut this. There is no market. The price is falling. But what they need to make it all work is tax subsidized roads.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield again?

Mr. REGULA. Yes, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, as I have said, I have left the Tongass, as the gentleman from Washington will say, out of this bill. We have reached an agreement on our side with those people that do not like road purchases of credit, et cetera, et cetera. We reached that agreement, so that is not in the bill. That has been agreed to.

Now the gentleman from California's amendment comes along and very frankly breaches that agreement. So I want to say, in all respects, if you open this box the agreement is off as far as the future in the conference.

Mr. MILLER of California. If the gentleman will yield, the gentleman does know that the Tongass is not part of the moratorium which is the basis for the agreement.

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. That was done by the administration. That was done by the Forest Service rightfully due. I am saying that was rightfully done. We had a TLUMP process. We were told it followed the TLUMP. That is the planning program. We were told that. We have followed that. We are going to follow it if everything goes forth.

Mr. MILLER of California. We have this wonderful agreement over here on the other side. I can hear the heart beating over there and it is 240 million board feet.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman's amendment is adopted, I can guarantee him with my two Senators on the other side this is going to become one of the major issues. I tried very systematically to leave the Tongass out, on behalf of the gentleman from Ohio (Mr. REGULA), on behalf of the gentleman from Washington (Mr. DICKS), and leave the Tongass out of it.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has again expired.

(By unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, in fact, I encourage the gentleman to withdraw the amendment and let this thing go over to the Senate side without the mention of Tongass and see what happens. But if the gentleman leaves it in there, I want to tell him, Katie bar the door, if he thinks El Niño is bad, try this one.

Mr. MILLER of California. That river boat is coming right to the forefront here.

Mr. REGULA. Mr. Chairman, based on that persuasive testimony, will the gentleman withdraw the amendment?

I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, the gentleman will not because he has such great admiration for this team over there. We know what is coming from the other side. It is clearly a decision to try and to drive additional roads and additional cuts far beyond the market-driven cut here. I think this is an important amendment. It is two old war horses up here.

Mr. REGULA. Mr. Chairman, let me just close by saying I urge all Members to reject this amendment. We closed the Tongass issue in the past, and let us move on.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair will admonish all Members that referring to Senators by name, even in the context of being wrestlers, or referring to Senate action or inaction, is not appropriate.

Mr. OLVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is pretty hard for me to tell whether we are at the sublime or the ridiculous end of the evening given where we are at this point. My mind is certainly reeling from the discussion about the millions of board feet in different ways that that would happen.

But the one thing that I think I pick up out of this is that we have built roads, and we have harvested timber. The Forest Service says that, in 1997, the timber program in the Tongass cost $33 million to the U.S. taxpayers. So the combination of road building and timber harvest costs us $33 million.

Going back some years before that, from 1992 to 1994, the GAO says that the costs over that 3-year period was $100 million. The cost to the taxpayers, which again means the roads that were built, whatever were built, and whatever access that provided, and whatever was cut on that basis has cost the taxpayers $100 million. In the more recent time that is at least a third, at least a third, more than a third of the total timber program losses that the U.S. Forest Service has sustained.

It would appear that each sale in the Tongass is yielding a loss in substantial part because of the costs to the taxpayers of building the roads. We are now being told, well, yes, but we are not talking about building new roads but only of reconstructing the old ones which certainly are expensive in their own right.

In order to get to more timber where the major part of the problem or a major part of the problem is that the markets and the weather extremes in the circumstances mean that logging is going to be basically not profitable without the substantial subsidy of the building of the access to it.

I suspect that the vast majority of Americans would recognize this combination as a bad deal for the taxpayers and prefer to stop digging the hole deeper as we go.

Earlier this year, and I recognize that the Tongass is not part of the agreement, that is part of the issue, that the agreement was reached by Congress and the Forest Service to end the subsidized road building in roadless areas in the national forests. Why? Because generally it is environmentally destructive. It produces erosion and siltation of the waterways and that that has an adverse effect upon habitat, particularly because of silt and waterways for fishing stocks.

So the program of building new roads into national forests has been ended essentially except for that in Alaska. So the bill creates a special case in Alaska to allow this road building to continue, whether new or I am not sure after the discussion, although I listened very carefully to it, whether it is new or just reconstruction of the roads that are already there to do this in Alaska in the Tongass, which is our only remaining temperate rain forest.

□ 2215

So the road building program there is really a jobs program. For those who want less government or smaller government, then I would suggest that we ought to be voting against it in order to cut out wasteful corporate welfare.

From my point of view, coming from the Northeast, it is sort of an add-insult-to-injury, in a sense, because the subsidy that would be required here to do this timber cut, which by all the figures in the past has been continually done at a loss to the U.S. taxpayers, that subsidy comes out of the hides of other parts of the country.

In my area and congressional district, the largest manufacturing in my district is paper manufacturing, and there is a good deal of timbering that goes on in some of the States in the Northeast. But we have need for programs and use programs.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. OLVER) has expired.

(By unanimous consent, Mr. OLVER was allowed to proceed for 2 additional minutes.)

Mr. OLVER. Mr. Chairman, in my part of the country we depend upon things like the Economic Action Plan, the Forest Stewardship, the Forest Legacy Program, and yet each year, especially this year, the chairman and the ranking member have to struggle very hard to find ways to fund those programs and to keep them running, based upon sound industry practices to promote economic development and natural resources protection. But each of them is being squeezed down over time and, instead, we are doing something which is a major subsidy to the industry by all indications from how it has operated and what the GAO says and what the Forest Service says about the net cost of the program in this instance there.

There are other costs involved in such a program. We would expect it to cost both in tourism and fishing, as I have already mentioned. And here we are, while we are trying to get other countries to protect their rain forests and actually paying, in some cases putting money into that, here we are with our taxpayers being sent a bill to cut down our own last remaining or major remaining temperate rain forest.

So with all of those thoughts under consideration, I would urge that Members of this body support the Miller amendment when it comes up for a vote tomorrow.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. OLVER) has expired.

(On request of Mr. YOUNG of Alaska, and by unanimous consent, Mr. OLVER was allowed to proceed for 1 additional minute.)

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. OLVER. I yield to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Does the gentleman have any idea what size the Tongass Forest is?

Mr. OLVER. I think the gentleman told us what size it is earlier. It was the size of the State of West Virginia.

Mr. YOUNG of Alaska. Mr. Chairman, the reason I asked that question, the gentleman said we are cutting the last rain forest down. Does the gentleman know how many acres are left, of 17 million acres that are available to even think about harvesting?

Mr. OLVER. Mr. Chairman, reclaiming my time, yes. But this is what the debate is over. In essence, it really does not matter. If every time we build another road into that area it costs more to build the road than the value of the timber cut that we get, we are costing the taxpayers every time more than we are getting back from that.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman will yield further, I am not debating that. I am debating the comment that we are cutting the last rain forest. We have about now left in that forest, about, get this, 11 million acres of rain forest that will not be touched. Nobody takes that into credit.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. OLVER) has expired.

(By unanimous consent, Mr. OLVER was allowed to proceed for 1 additional minute.)

Mr. OLVER. Mr. Chairman, I am surely not meaning to infer that we are cutting the last piece of rain forest that is the size of this Chamber or any such thing. Rain forests and the continuous convergence of cutting all around rain forests, whether they be in Costa Rica or in Sumatra or Borneo or the Amazon or in the Tongass, which is our largest and one that does contain substantial old growth forests which have never been cut, it is the major remaining temperate rain forest that we have. We are cutting into it.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman will yield further, 93 percent of the forest is left. Ninety-three percent is left, and now, get this, of the 93, that is all 500-year-old trees. But do forests grow back?

Mr. OLVER. Mr. Chairman, reclaiming my time, surely, over a very long period of time. We plant at best not for our own generation, but for our grandchildren's generation. So it takes a very long time to grow back.

Mr. YOUNG of Alaska. So if a dead tree is dead, a dead tree is dead, and there is no harvesting of trees. Of the 93 percent, that means there will be no new trees. So, for future generations, that is nothing but dead trees.

Mr. OLVER. Mr. Chairman, reclaiming my time, the very points that the gentleman is making, the gentleman is saying 500-year-old trees that are there, that have taken a good portion of that time, certainly they were probably merchantable, timberable a good number of years ago, but not by any means 200 or 300 years ago.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. OLVER. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, when we had a lot of these Alaska issues on a debate, Chairman Udall led a trip, and we had all of the scientists on board one of the tour ships, one of your ferry systems going down to Sitka.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. OLVER) has expired.

(On request of Mr. MILLER of California, and by unanimous consent, Mr. OLVER was allowed to proceed for 1 additional minute.)

Mr. OLVER. Mr. Chairman, I yield to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. They were talking about reforestation and how soon these trees would grow back. So we were looking, as the gentleman said, at 500-year-old trees and 400-year-old trees, and there were people from the forestry industry that said, "See all this? It will be back in 30 years."

How the hell will it be back in 30 years, when it took 500 years to grow the first time? Plus you know what happens to the soil on these slopes. A lot of these will not be back. That is why it took 500 years for that tree to get there.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman will yield further, not in Alaska. They are not talking about the same forest condition the gentleman has in California. I can say the same areas that have been growing timber since we harvested in 1900, they are now considered old growth trees. They are only 100 years old.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. OLVER) has again expired.

Mr. OLVER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?.

Mr. DICKS. Mr. Chairman, I object. We have to get to a vote on this. We have gone on and on and on. Can we not vote on this amendment, please?

The CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentleman from California (Mr. MILLER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MILLER of California. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from California (Mr. MILLER) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. PAPPAS

Mr. PAPPAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment Offered by Mr. PAPPAS:

Insert after the final section the following:

SEC. . The amounts otherwise provided by this Act are revised by increasing the amount for "LAND ACQUISITION AND STATE ASSISTANCE" under the heading "NATIONAL PARK SERVICE" (to provide funds for the State assistance program) and reducing the amount for "GRANTS AND ADMINISTRATION" under the heading "NATIONAL ENDOWMENT FOR THE ARTS", by $50,000,000.

Mr. PAPPAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PAPPAS. Mr. Chairman, this amendment will reorder priorities in this Congress and this Interior appropriations bill. I know time is short and the chairman and ranking member have been here for quite some time, so I will be brief to explain what I am trying to do here.

This amendment would move $50 million into the Land and Water Conservation Fund Stateside Grant Program and reduce funding for the National Endowment for the Arts by $50 million.

The Stateside Grant Program, which is a matching grant program, helps States in recreational and open space efforts. This is a very good bill and it is a lean year.

I congratulate the chairman and ranking member for their efforts. Finding offsets is hard to do in this tightly constructed bill. For example, yesterday the gentleman from Massachusetts (Mr. MCGOVERN) and I offered an amendment to move $30 million into the Stateside Grant Program under the Land and Water Conservation Fund. Yesterday, 203 Members of this House supported this effort. However, many were troubled at the offset chosen.

This amendment is another attempt to find more acceptable offsets to fund an important function in the Land and Water Conservation Fund. To me, funding open space and recreational efforts is a more important priority to central New Jersey and the people of this country. I am a great supporter of the arts. However, I believe putting money into the Land and Water Conservation Fund is a more important priority because so much of our open space is disappearing.

Yesterday we had a full and fair debate on the propriety of the government support for the arts. I do not intend to replay yesterday's debate. However, the vote on the amendment of the gentlewoman from Connecticut (Mrs. JOHNSON) was a vote to support funding arts. The level of funding is a different matter, especially when there is an opportunity to help the quality of life of all Americans helped by the Land and Water Conservation Fund.

This amendment would reduce NEA funding to $48 million, which would be roughly $1 million for each state. New Jersey presently does well under the NEA compared to other States. However, we need to do much better in the Land and Water Conservation Fund funding and having the Federal Government more active in helping States do more to match recreation and open space efforts of the States.

Mr. Chairman, I urge this Congress to vote for this amendment as a statement of our commitment of proper priorities and our dedication to protecting open space and our communities.

Mr. HORN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sorry to disagree with my colleague from New Jersey. I think we have here obviously a conflict of major things within one appropriations bill. The fact is that we won that battle for the arts by 253 to 173. I would hope we do not have to fight that every day the bill remains before us.

But it seems to me the answer to the gentleman's question on the how to acquire land and open space and all the rest means that the Forest Service ought to start prioritizing its various forests, portions of various forests, and we ought to be talking about land exchanges, not moving money from the arts, which means a lot to thousands of schoolchildren in America and millions of other people.

I am sure the chairman has explored that, but I would think we need to be more vigorous in the Forest Service in classifying the weaker part of a forest with the richer part of the forest and making the availability of millions of acres, which perhaps would gain the type of space the gentleman needs closer to the urban populations that would profit from it.

I would hope the gentleman might go that route, rather than create a friction within the House of Representatives of the arts versus trees, because a lot of us are for both of them.

Ms. SLAUGHTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to this amendment. As the gentleman from California (Mr. HORN) just pointed out, the House exercised its will yesterday on the matter of the National Endowment for the Arts.

The gentleman offering this amendment does quite well, as he pointed out, New Jersey does, but let me speak of his own district. In his district, he has four NEA grants alone that total over $210,000, almost a quarter of a million dollars. When you consider there are 435 Congressional districts competing for $98 million, you have to say that the gentleman from New Jersey (Mr. PAPPAS) does extraordinarily well.

Let me mention a few of those grants in the gentleman's district. The National Poetry Series, to support the work of five upcoming winners of the

1999 National poetry, an open competition. The McCarter Theater Company, it supports the production of a new musical.

☐ 2230

The Princeton Art Museum tour, touring an exhibit entitled The Art and Culture of Chinese calligraphy. The American Boys Choir School, which gets by itself $120,000 to support their efforts to plan and to stabilize their endowment.

While I am sure that land and water certainly does add to the quality of life and to the joy of living, without any question I think that these programs that the NEA helps to leverage also do a great deal for the quality of life in the district of the gentleman from New Jersey (Mr. PAPPAS). It is very shortsighted for him to attempt to take half the money in what is already I think agreed by many of us to be an extremely underfunded program.

The NEA's direction from this Congress is to try to reach into every nook and cranny in the United States, and it is doing a very good job of doing that. The things that we know now about the importance of the arts and the effect that it has on the developing child, making a child a better student, giving them self-respect, teaching them discipline, all the things that we want for America's children, the ability to really develop one's mind and one's ability in science and math directed to the attention given and being exposed to music, particularly piano and dance, is certainly undisputed in this country today, and again is something that we very badly need and we very badly want.

Mr. Chairman, I appreciate very much my cochair of the Congressional Members Arts Organization, the gentleman from California (Mr. HORN), and he and I have worked very diligently in trying to keep this program alive. Thanks again to the gentleman from Ohio (Mr. REGULA), the chairman of the subcommittee, for his good work on NEA. I would urge that the House not pass this amendment and recommend very strongly a "no" vote, should it come to a vote tomorrow.

Mr. PAPPAS. Mr. Chairman, will the gentlewoman yield?

Ms. SLAUGHTER. I yield to the gentleman from New Jersey.

Mr. PAPPAS. Mr. Chairman, I appreciate the gentlewoman's sentiments, but I also need to refer to the document that I have before me, which is the Land and Water Conservation Fund Act of 1965, which I will include for the record. From that, there is a reference to "not less than $300 million for fiscal year 1977 and $900 million for fiscal year 1978, and for each fiscal year thereafter through September 30, 2015."

Mr. Chairman, I include the following for the RECORD:

20. LAND AND WATER CONSERVATION FUND ACT OF 1965 (AND RELATED LAWS)

A. Land and Water Conservation Fund Act of 1965

An Act to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—LAND AND WATER CONSERVATION PROVISIONS

SHORT TITLE AND STATEMENT OF PURPOSES

SECTION 1. [16 U.S.C. 4601–4] (a) CITATION; EFFECTIVE DATE.—This Act may be cited as the "Land and Water Conservation Fund Act of 1965" and shall become effective on January 1, 1965.

(b) PURPOSES.—The purposes of this Act are to assist in preserving, developing, and assuring accessibility to all citizens of the United States of America of present and future generations and visitors who are lawfully present within the boundaries of the United States of America such quality and quantity of outdoor recreation resources as may be available and are necessary and desirable for individual active participation in such recreation and to strengthen the health and vitality of the citizens of the United States by (1) providing funds for and authorizing Federal assistance to the States in planning, acquisition, and development of needed land and water areas and facilities and (2) providing funds for the Federal acquisition and development of certain lands and other areas.

CERTAIN REVENUES PLACED IN SEPARATE FUND

SEC. 2. [16 U.S.C. 4601–5] SEPARATE FUND.—During the period ending September 30, 2015, there shall be covered into the land and water conservation fund in the Treasury of the United States, which fund is hereby established and is hereinafter referred to as the "fund", the following revenues and collections:

(a) SURPLUS PROPERTY SALES.—All proceeds (except so much thereof as may be otherwise obligated, credited, or paid under authority of those provisions of law set forth in section 485(b)(e), title 40, United States Code, or the Independent Offices Appropriation Act, 1963 (76 Stat. 725) or in any later appropriation Act) hereafter received from any disposal of surplus real property and related personal property under the Federal Property and Administrative Services Act of 1949, as amended, notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury. Nothing in this Act shall affect existing laws or regulations concerning disposal of real or personal surplus property to schools, hospitals, and States and their political subdivisions.

(b) MOTORBOAT FUELS TAX.—The amounts provided for in section 201 of this Act.

(c)(1) OTHER REVENUES.—In addition to the sum of the revenues and collections estimated by the Secretary of the Interior to be covered into the fund pursuant to this section, as amended, there are authorized to be appropriated annually to the fund out of any money in the Treasury not otherwise appropriated such amounts as are necessary to make the income of the fund not less than $300,000,000 for fiscal year 1977, and $900,000,000 for fiscal year 1978 and for each fiscal year thereafter through September 30, 2015.

(2) To the extent that any such sums so appropriated are not sufficient to make the total annual income of the fund equivalent to the amounts provided in clause (1), an amount sufficient to cover the remainder thereof shall be credited to the fund from revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act, as amended (43 U.S.C. 1331, et seq.): *Provided*, That notwithstanding the provisions of section 3 of this Act, moneys covered into the fund under this paragraph shall remain in the fund until appropriated by the Congress to carry out the purpose of this Act.

SEC. 3. [16 U.S.C. 4601–6] APPROPRIATIONS.—Moneys covered into the fund shall be available for expenditure for the purposes of this Act only when appropriated therefor. Such appropriations may be made without fiscal-year limitation. Moneys made available for obligation or expenditure from the fund or from the special account established under section 4(i)(1) may be obligated or expended only as provided in this Act.

ADMISSION AND USE FEES; ESTABLISHMENT AND REGULATIONS

SEC. 4. (a) [16 U.S.C. 4601–6a] ADMISSION FEES.—Entrance or admission fees shall be charged only at designated units of the National Park System or National Conservation Areas administered by the Department of the Interior and National Recreation Areas, National Monuments, National Volcanic Monuments, National Scenic Areas, and no more than 21 areas of concentrated public use administered by the Department of Agriculture. For purposes of this subsection, the term "area of concentrated public use" means an area that is managed primarily for outdoor recreation purposes, contains at least one major recreation attraction, where facilities and services necessary to accommodate heavy public use are provided, and public access to the area is provided in such a manner that admission fees can be efficiently collected at one or more centralized locations. No admission fees of any kind shall be charged or imposed for entrance into any other federally owned areas which are operated and maintained by a Federal agency and used for outdoor recreation purposes.

(1)(A)(i) For admission into any such designated area, an annual admission permit (to be known as the Golden Eagle Passport) shall be available, for a fee of not more than $25. The permittee and any person accompanying him in a single, private noncommercial vehicle, or alternatively, the permittee and his spouse, children, and parents accompanying him where entry to the area is by any means other than private, noncommercial vehicle, shall be entitled to general admission into any area designated pursuant to this subsection. The annual permit shall be value for a period of 12 months from the date the annual fee is paid. The annual permit shall not authorize any uses for which additional fees are charged pursuant to subsections (b) and (c) of this section. The annual permit shall be nontransferable and the unlawful use thereof shall be punishable in accordance with regulations established pursuant to subsection (e). The annual permit shall be available for purchase at any such designated area.

(ii) The Secretary of the Interior and the Secretary of Agriculture may authorize businesses, nonprofit entities, and other organizations to sell and collect fees for the Golden Eagle Passport subject to such terms and conditions as the Secretaries may jointly prescribe. The Secretaries shall develop detailed guidelines for promotional advertising of non-Federal Golden Eagle Passport sales and shall monitor compliance with such guidelines. The Secretaries may authorize the sellers to withhold amounts up to, but not exceeding 8 percent of the gross fees collected from the sale of such passports as reimbursement for actual expenses of the sales. Receipts from such non-Federal sales of the Golden Eagle Passport shall be deposited into the special account established in subsection (i), to be allocated between the Secretary of the Interior and the Secretary of Agriculture in the same ratio as receipts from admission into Federal fee areas administered by the Secretary of Agriculture and the Secretary of the Interior pursuant to subsection (a).

Mr. Chairman, I think that the Congress has not done enough to fund the Land and Water Conservation Fund. As I said in my remarks to my friend from New York, the Congress has not, I think, followed through on funding a very, very important program. Open space is disappearing in my part of the country, and without more Federal involvement in State and local efforts to preserve open space, we are going to lose this battle.

Ms. SLAUGHTER. Mr. Chairman, reclaiming my time, I do not know how many forests the gentleman has in New Jersey, but let me say that when I first came to Congress in 1987, the National Endowment for the Arts budget was over $170 million. It has been cut considerably as well. I know of no other program, no other investment that we make in the United States budget of $98 million that will bring back into this Treasury almost $4 billion. Indeed, that money that is sent out enriches the lives of everyone that it touches.

I agree that open space is terribly important, but I do not want to see us pit one against the other, because the importance will be very difficult to approve for each one. I would think that the people in the gentleman's district would agree that the money that they have for the National Endowment for the Arts has been money well spent and has had a positive effect on the State of New Jersey, particularly in the gentleman's district.

Again, I urge a "no" vote on this amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to point out to the gentleman from New Jersey (Mr. PAPPAS) that in this bill there is almost $3 million for the State of New Jersey, all Land and Water Conservation money.

Also, I would point out that last year we spent $15 million on the Sterling Forest in the State of New Jersey, again, Land and Water Conservation money. There is only so much of it, and we have a responsibility to the Federal lands.

We have $10 billion worth of backlog maintenance in our National Parks, 375 National Parks, 50 Forests, about 30 Fish and Wildlife, millions of acres of Bureau of Land Management; a total of almost 700 million acres that we are responsible for, to say nothing of all of the cultural institutions in this city, to say nothing of the Bureau of Indian Affairs. Mr. Chairman, 75 percent of the Indians do not even have adequate health care or dental care. We are stretched thin.

Yesterday this House, by an 80-vote margin, we voted to have the National Endowment for the Arts. We voted in another amendment not to bring back State Land and Water conservation money. I think in view of all of that, this attempt would fly in the face of the House's action, and more importantly, fly in the face of the House's responsibility to take care of those 700 million acres of Federal lands.

The National Governors Association advises us that 47 States have budget surpluses, and I think the State open spaces are a responsibility of the States. We are a Federal legislative body, and our number one priority has to be Federal responsibilities. Even in the arts there are State arts associations; many of them take responsibility and are financed by the States. They get some money from NEA.

This amendment to cut the NEA in half in the face of the House's action yesterday and to transfer money to the Land and Water Fund just does not fit with the policies adopted by this Congress. I would strongly urge the House Members to vote against this amendment. I do not think it is good policy. We do not have the money, and our primary area of responsibility, which is the public lands, is faced with a $10 billion backlog of maintenance. This is roads and camp sites and housing and all kinds of needs. It would be irresponsible simply to shift money out to the States.

We used to have revenue-sharing and we eliminated it because there was not any revenue to share. The same thing is true of the State Land and Water Conservation Fund. We cannot even use all of it for Federal projects in terms of land acquisition, and it simply does not make good policy to adopt an amendment such as this. I would strongly urge the Members to vote against it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. PAPPAS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PAPPAS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 504, further proceedings on the amendment offered by the gentleman from New Jersey will be postponed.

Are there further amendments to title III?

If not, the Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Department of the Interior and Related Agencies Appropriations Act, 1999".

Mr. REGULA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. GILCHREST) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, had come to no resolution thereon.

MAKING NO FURTHER AMENDMENTS IN ORDER DURING FURTHER CONSIDERATION OF H.R. 4193, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. REGULA. Mr. Speaker, I ask unanimous consent that during further consideration of H.R. 4193, pursuant to House Resolution 504, no further amendment shall be in order in the Committee of the Whole.

The SPEAKER pro tempore (Mr. GILCHREST). Is there objection to the request of the gentleman from Ohio?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. GILCHREST). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

BARBARIC ACTIONS OF RUTHLESS CASTRO DICTATORSHIP

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, we recently marked the sad anniversary of a dark day in the history of human rights and of Cuba, my native homeland.

It was 4 years ago on July 13, 1994 that thugs of the Castro regime purposely attacked and sunk a tug boat filled with Cuban refugees, refugees who were attempting to flee the island in search of freedom and democracy. It was another example, sadly, of the hundreds already available that clearly demonstrate the barbaric nature of the dictatorship that has ruthlessly ruled Cuba for 38 years.

Early in the morning of that day, over 50 Cuban refugees boarded a tug boat named the "13th of March." They did not know that all along they were being watched by Castro's brutal authorities. After sailing about 7 miles in the the open sea, Castro's gun boats began to repeatedly ram the tug boat filled with mostly women and children, while shooting water guns at the refugees aboard the vessels. Rejecting the pleas of mercy from the refugees, the ruthless Cuban soldiers, acting under Castro's order, continued to ram the vessel until it began to sink, but this was not enough.

While the drowning refugees asked for help, the Cuban gun boats circled around the tug boat wreckage in order to create a whirlpool effect that literally sucked the refugees into the bottom of the sea. As a result, over 50 people were murdered, most of them women and children.

Here are posters, Mr. Speaker, and it speaks volumes when we look at this photograph, and these were young children who were aboard that tug boat, small boys and girls who would never be able to live their lives, and all for the crime of trying to flee the Communist tyranny that engulfs the island of Cuba, and because their parents wanted a better life here in the United States for these children.

Whole families, whose only crime was to seek a new life and freedom, were massacred by the Castro regime. One of the survivors of the attack, Maria Victoria Garcia Suarez, later recaptured this sad incident in an interview. Maria said, "We begged them not to do it, not to shoot more water at us, to stop. There were children aboard, that they were going to kill both them and us. Then we cried out to one boy who was stationed on the bridge of one of the thugs, and we cried at him, that 'Jacobo, don't shoot, don't hit us with more water', and he just laughed saying, 'Let them die.' We cried out, we offered to surrender, but they kept spraying us with the water cannons and bumping against us. Then later, the boat that was on one side, on the right side, hit us hard and we capsized. That's when the boat began to sink on us."

This tragic incident, Mr. Speaker, is not the exception in the brutal history of the Castro dictatorship; it is, sadly, the rule. In the almost 40 years of totalitarian rule, thousands of Cubans just like these small children have been subjected to torture, to harassment, and even to death. The Cuban political prisons continue to be filled with dissidents who fight for freedom and for democracy.

Right now, as I speak, dissidents who dared to publish a document criticizing the Cuban communist constitution and asking for more democratic reforms on the island remain in prison.

□ 2245

Many thought that after the Pope's visit to Cuba, the Cuban dictator would change. But as he has clearly shown throughout his brutal nature in power, he will not change. His only goal is to maintain power at any cost without any consideration for the suffering and the misery of the Cuban people.

The best way to remember the murdered refugees of this sad episode, these boys and girls, Mr. Speaker, is to continue to fight for the freedom of the Cuban people and to let them know that the United States and the United States Congress stand in solidarity with their daily struggle.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING REVISIONS TO THE ALLOCATION FOR THE HOUSE COMMITTEE ON APPROPRIATIONS PURSUANT TO SECTION 2 OF HOUSE BUDGET RESOLUTION 477

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. KASICH) is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, pursuant to Sec. 314 of the Congressional Budget Act, I hereby submit for printing in the CONGRESSIONAL RECORD revisions to the allocation for the House Committee on Appropriations pursuant to section 2 of House Resolution 477 to reflect $355,000,000 in additional new budget authority and $323,000,000 in additional outlays for continuing disability reviews. In addition, revisions to the allocation for the House Committee on Appropriations should reflect $20,000,000 in additional new budget authority and $12,000,000 in additional outlays for adoption incentive payments. This will increase the allocation to the Appropriations Committee to $532,954,000 in budget authority and $563,221,000,000 in outlays for fiscal year 1999.

As reported by the House Committee on Appropriations, H.R. 4274, a bill making appropriations for the Departments of Labor, Health and Human Services, Education and Related Agencies for Fiscal Year 1999 includes $355,000,000 in budget authority and $323,000,000 in outlays for continuing disability reviews. The bill also includes $20,000,000 in new budget authority and $12,000,000 in outlays for adoption incentive payments.

These adjustments shall apply while the legislation is under consideration and shall take effect upon final enactment of the legislation.

Questions may be directed to Art Sauer or Jim Bates at x6-7270.

RESULTS OF GOVERNMENT MEDDLING IN HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, we will soon pass some type of patients rights bill, and we need to do this. But it is really sad that it is necessary to do this.

Prior to the mid-1960s, medical care in this country was of high quality and very low cost. The cost was low and flat for many, many years. Then the Federal Government got into medical care in a big way and costs exploded and we got things like HMOs.

The government took what was then a very minor problem for a very few people and we turned it into a very major problem for everyone. Almost everyone, with the exception of Bill Gates and Warren Buffett, could be wiped out by some type of major medical catastrophe.

All the government has done is to do what it has always done best, make a very few filthy rich at the great expense to the very many.

Look at nursing homes. Those few who were lucky enough to get into the nursing home business, those favored enough to get nursing home licenses, have gotten rich because of government restrictions on the number of nursing homes and the overregulation that always drives small operators out.

The result: The cost of nursing home care is probably double or triple what it would be if the government had stayed out and had let the free market operate.

Medical care is the only thing we are paying for through a third-party payer system. If we bought cars this way, a Yugo probably would have cost $300,000. When someone else is footing the bill, cost no longer matters and everyone wants the most expensive product or treatment available. Thank goodness most of us are not paying for food through a third-party paying system.

A few years ago, I asked a hospital administrator in my district what would happen if the government got totally out of medical care. He told me that prices would go down 50 percent within days, and probably another 50 percent over the next 6 months. So, they would very quickly be 25 percent or less of what they are now.

Obviously, though, we cannot dismantle this overpriced and unfair system that we have now. Too many doctors, hospitals, and medical businesses would scream to high heaven if we did. So what should we do? Realistically, all we can do is reform around the edges and hope the system does not become even worse and even more expensive.

Medical savings accounts or medical vouchers would help some, because they would give people some incentive to shop around. But what I really want to do tonight is read a portion of a column from yesterday's Washington Post by James K. Glassman, who is consistently one of the very best commentators on the political scene today.

Mr. Glassman wrote, "Employers today foot most of the bills for health insurance, so they determine the policies their workers get. As costs soared in the 1980s, employers turned to HMOs and managed care, restricting their workers' choices.

"Health insurance policies aren't really 'insurance'; their purpose is to prepay medical costs that are predictable or inexpensive, like checkups and flu visits. This is like auto insurance paying for an oil change. But since Uncle Sam is footing a big part of the bill, it makes sense for health 'insurance' to be all-inclusive, with low deductibles.

"Employees have little incentive to self-ration the care they get. Imagine a tax subsidy for food insurance, provided by your employer. You would naturally buy steak instead of chicken. Soon, however, the insurer would respond by limiting your steak-buying to once a month, or by forcing you to buy all your food at a specific grocery chain with no steak in its coolers. Given this restricted choice, you would probably rush to a politician to complain.

"The solution for health insurance is to end the tax subsidies, which currently cost the Treasury more than $100 billion a year. Instead, give that money back to individual Americans either through tax credits or rate reductions that would leave more money in their pockets. We should probably require everyone to have some type of catastrophic insurance (say, for expenses over $2,500), and the government should foot the bill for the poor through insurance vouchers (like food stamps).

"Then we would have a real market with far less paperwork and with people buying the sort of insurance they really want . . . not just what their employers force them to take. The final insult of the tax exclusion is that it mainly benefits those who need it least. The Lewin Group found that 64 percent of subsidies in 1996 went to families making $50,000 a year or more, while 11 percent went to those making less than $30,000.

"Instead of pandering to fear," Mr. Glassman wrote, "politicians should level with voters. End the tax exclusion and let people buy their own health policies. Insurance companies, which benefit from billions in subsidies, might howl, but choices would broaden, costs would fall, and paperwork would be drastically reduced and the destructive cycle of excess, cutbacks in care, and political intervention would end."

MANAGED CARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for half the time until midnight as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I am pleased tonight to be joined by two of my colleagues to talk about managed care reform, the gentleman from Texas (Mr. TURNER) and the gentleman from Pennsylvania (Mr. KLINK).

Before I yield to them, I wanted to talk briefly about the Republicans' managed care reform bill, which to be accurate I like to call the Insurance Industry Protection Act. The reason I bring this up is because it has been noticed to be debated and, theoretically, I suppose approved or disapproved on the floor this Friday.

This Republican version of managed care reform is in my opinion easily one of the worst pieces of legislation the Republicans have put forward since they took control of Congress in 1994.

For weeks prior to the introduction of the Republicans' Insurance Industry Protection Act, supporters of the Democrat's alternative, the Patients' Bill of Rights, were speaking out about what we knew was coming.

What we expected they would do is to introduce a bill that was greatly watered down as a sort of cosmetic fix with regard to managed care reform. We expected the Republican leadership, who really are not interested in passing a managed care reform bill, would come out with a bill that would purport to provide patient protections, but really would not.

The managed care issue, Mr. Speaker, is too explosive for the Republicans to ignore, so they have to at least create the impression that they are trying to rectify the weaknesses in the current system that are leading to the abuses we hear about on a daily basis.

Let me say, we are truly hearing about these abuses daily. One need only turn on the TV, as I did tonight on the 6 o'clock news or pick up the newspaper, and see what I am talking about. In any event, just as we expected, before Congress adjourned for the July 4th recess, the Republicans released a set of principles which they said would all be incorporated into their bill.

Mr. Speaker, these principles confirmed what Democrats expected. The Republican bill was going to be written so as not to interrupt the flow of support streaming into the Republican Party from the insurance industry.

Last Friday, we finally got to see the language, and I think the American people need to know that the Republican Party went far beyond a cosmetic fix. They have introduced a bill that is far, far worse in my opinion than the existing law. Finding themselves caught between the insurance industry and the American people, the Republicans chose the insurance industry.

Now they are gearing up to stuff this bill down the throats of the American people without giving them a chance to look at it. The Republican bill is scheduled, as I said, to be on the floor on Friday.

In order to ensure the American people know as little about it as possible before everyone in the House is asked to vote on it, the leadership has bypassed the committee process. Not one of the three committees that has jurisdiction over this bill has had or will have a hearing on the Republican bill. And I would stress again that the language was only available last Friday.

Because the Republican leadership refused to have hearings on its own bill, this week the Democratic Health Care Task Force held two hearings on this legislation. That was yesterday and today. At these hearings we heard testimony from administration officials, including the Secretary of Health and Human Services, Donna Shalala, and patients who have been abused by HMOs, doctors, and others. These hearings generated some truly disturbing and chilling revelations, I think, about the Republican bill.

Mr. Speaker, I am not going to go into all of those now, because I think we can bring them out this evening as I yield to my colleagues who are here to join me and talk about some of the protections that are missing from the Republican plan, but included in the Democrat's Patients' Bill of Rights.

Also, at some point I would like to talk about the issue of enforcement and how effectively the Republican bill has no enforcement. But at this time, I yield to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE) for yielding. It is an important evening, though it be a late hour here in this hall. We will be, by all reports, considering managed care legislation on Friday. A very important day for the House, a very important day for the American people. A very important day for the future of health care in the United States.

This is an issue that all of us, I think, take very personally. I, just a few weeks ago, took my father to the hospital because he was having some symptoms of dizziness and the doctor suspected it might be an early sign of stroke. We went immediately out to our hospital and he was given a CAT scan and, fortunately, it was determined that his dizziness was not a result of signs of early stroke.

But I cannot help but think about what it would have been like if my father had been enrolled in a managed care plan, rather than being covered under Medicare. When we found out that he perhaps had an early sign of stroke, we would have been faced with calling our doctor and our doctor then having to call the HMO supervisor or clerk and determining first whether or not that procedure would have been authorized.

It is in those kinds of delays that have been caused so many times in recent reports by many patients who have had unfortunate dealing with their HMO, it is those kinds of delays that make the difference in life or death.

Mr. Speaker, I am very pleased that we have a bill as Democrats authored by the gentleman from Michigan (Mr. DINGELL), a man who has served many years in this Congress, serving as chairman of the Committee on Commerce, and now as ranking member of the Committee on Commerce, a man who has been a leader in this Congress in providing a responsible managed care legislation.

I had the opportunity, when I was in the State Senate in Texas in 1995, to pass one of the first managed care bills passed anywhere in these United States. Interestingly enough, when we passed it in Texas, it had bipartisan support. In fact, the bill passed both the House and the Senate with relatively little opposition. It was a good strong bill.

In Texas today, we have protection in place and, interestingly enough, we have had no increase in health care premiums as a result of the patient protection legislation that we passed in 1997, which was the year after I initially passed the bill followed by a veto of our governor and then repassage of the bill in 1995.

So we have a good law in Texas. Now, I was surprised to learn just a few years ago that the legislation that we were working on and passed in Texas in 1995, and finally passed in Texas in 1997, does not apply to about half of the people who are enrolled in managed care in the State of Texas. That is because the courts have ruled that the ERISA law, a Federal law, preempts the State legislation that was adopted overwhelmingly by our State legislature.

The reason we are considering this legislation in Congress is because the ERISA law has been interpreted by the courts to exempt all those enrolled in self-insured health care plans that are covered by ERISA, to exempt them from all the patient protections that have been passed in most of our States across our country.

So we here in Congress feel very strongly on the Democratic side that it is wrong to have two classes of patients out there in Texas and the many other States that have passed patient protections. One group of patients who have the protections that were provided by their State legislatures, and the other group of patients who do not have those protections because a Federal court has ruled that their self-insured plan covered by ERISA is not covered by the protections that their legislature has put into the law.

That is why we are here. The Democrats have come up with a bill that provides an answer to that problem. Our bill makes it clear that not only do we provide a clear base of protection in the law for everyone enrolled in managed care, but we provide each State the right to control all of the legal liabilities that relate to providing health care under those managed care plans.

Our bill is a plan that respects States' rights and it is a plan that protects patients uniformly, irrespective of what kind of health care plan that they are enrolled in.

So I think that we have a good bill, one that will stand the test of time, and contrary to the Republican plan will leave two classes of patients out there in this country, one covered by one set of rules that the Republicans want to place on ERISA covered plans and the other patients covered by the variety of State laws that have been passed across this country, but we as Democrats have a bill that will provide every patient the same protection who are enrolled in managed care plans in this country.

Mr. PALLONE. Well, I just wanted to say that my colleague from Texas has brought up a number of really important points here. Number one, the whole issue of costs, we have been criticized, Democrats have been criticized, for their patient protection bill by the allegations by the insurance industry that it is going to cost a lot more money.

The gentleman points out that in Texas, there has actually been no premium increase. We had a report from the Congressional Budget Office that just came out a couple of weeks ago on our Democrat bill that said that even if everything passed and our bill was law, at the most, individuals would pay only about two dollars more per month for the patient protections that are so important to the American people.

The other thing the gentleman pointed out is that we have, in effect, now, these two regimes, if you will, for people who are in ERISA and they are working for an employer that has a self-insured plan, which now preempts, the Federal law preempts it, and those people are not coming under ERISA.

One of the things that is important is some of the proposals put forward by the Republicans, particularly the Senate proposal, actually does not even provide the patient protections if you are not under ERISA. So for those people who live in States other than Texas, that do not have the patient protections, they are not even going to get the patient protections if they are not in an ERISA self-insured type program.

The other thing I wanted to say that the gentleman really brought out, and I think it is very important, too, is this whole issue of enforcement. We have been criticized by some of the opponents of managed care reform and they have said, well, the only difference or the only thing the Democrats want to do is they want to eliminate the ERISA exemption on the ability to bring suit, because under ERISA you cannot sue effectively for damages or to really recover the damages or the fact that you were not able to work or that you basically had a number of losses, you cannot bring a suit if you are under an ERISA plan because of the exemption from liability.

What I wanted to point out is that if we do not repeal that ERISA exemption on liability, there is not going to be any effective enforcement of these patient protections.

One of the criticisms I have is that under the Republican proposal in the House, basically not only do they not permit you to sue, they do not repeal the ERISA exemption on the ability to sue, but they also say that for individuals who have to buy the insurance in the individual market and not through a group plan, that they do not even have access to an appeal procedure where if they have been denied proper care, they do not even have a way of taking the appeal of that decision under the Republican proposal.

So the Republican proposal in the House, on the one hand, excludes a lot of people from any kind of appeal if they have been denied coverage. It does not allow a lot of people to bring suit, if they are covered under ERISA, and essentially there is no enforcement. So there are tremendous loopholes in this Republican plan that we need to address and it is one of the reasons why we have been so critical of it.

At this point, I yield to the gentleman from Pennsylvania (Mr. KLINK), who is on the Committee on Commerce and has been really outspoken in bringing his concerns about managed care home to his constituents. I know the gentleman has had a lot of forums and he has heard a lot of horror stories over the last 6 months.

Mr. KLINK. The gentleman from New Jersey is right. I want to thank the gentleman from New Jersey for his leadership on this issue. He has been here relentlessly, tirelessly, night after night, day after day, as he has been in the Democratic hearings, as he has been in talking with Members on both sides of the aisle trying to educate Members on this issue, and I think you are to be lauded, regardless of what comes out of the effort by either party. The gentleman has worked very hard on this issue.

Before I get to my comments, I think I want to get to what the gentleman from New Jersey and the gentleman from Texas (Mr. TURNER) were talking about. We sometimes start talking in alphabet soup terms in Washington, D.C. We talk in acronyms because it is the way the bureaucracy operates. We do not have time to say these long names and so we shorten it to the acronym, and ERISA is a very confusing acronym because it is a very complex law.

Anyone who knew this law inside and out would make hundreds upon hundreds of thousands, if not millions, of dollars each year consulting with companies. It is the Employee Retirement Income Security Act, and that is why we call it ERISA. It deals, as the gentleman from New Jersey and the gentleman from Texas have stated, with multistate employers, usually self-insured, companies like General Motors, Ford, Chrysler, IBM, Westinghouse Electric, Pennsylvania Plateglass. All of these large multistate employers, because they are located in more than one State, do not come under a State insurance commissioner. They come under the Federal Government.

In coming under the Federal Government, the judges, as was stated by my two colleagues, have determined that because of the ERISA law, because of this long named law, you cannot sue those insurance companies when they make a medical decision. If they deny you access to a hospital and you drop over dead, you could only retrieve from them the cost of the time you would have been in the hospital, or if they discharge you from the hospital early and you die or you lose a limb, you cannot get the cost of the damages for the loss of life or for the limb that you have lost. You can only get the 2 days that they denied you to be in the hospital. How ridiculous that is.

The Democratic plan says, that is ridiculous. If you are going to make medical decisions, then you should be liable when those decisions are wrong. You should not be the callous kind of person that says, you have no choice. We are making the decision. I am looking at a set of figures here. You do not go to the hospital, unless you are willing to pay the piper when that decision is wrong.

The Republican plan does not fix that. It does not make people who are making medical decisions, even though they may not be medically trained, because they work for insurance companies, it does not make those insurance company personnel responsible. Then, what the Republican plan further does, which the gentleman from New Jersey, I thought, explained very well, it only relates to those employers who come under ERISA plans, those multistate employers.

If you work for a small company, if you are self-employed, if your employer is within one State where you come under that State insurance commissioner in all 50 states, you get no protection from the GOP plan at all. This plan is left wanting on both ends, and that is the difficulty.

My problem with this is that this whole managed care debate is life and death. It is a life and death decision.

I can remember back in 1993 and 1994, my friend, the gentleman from New Jersey, was here with me and we were trying to work on tackling this issue. I was not a proponent at that time of the Clinton plan, although I thought we needed to do something. I was at that time for more of a, let us try this and then we will do this. I did not like the whole omnibus idea, but what happened is something that is happening now and we have to learn from history, and that is the insurance companies took to the airwaves of this nation, spending tens of millions of dollars, saying, you do not want the Federal Government to have control of your insurance and, lo and behold, the people of America listened to all of those Harry and Louise ads and we said, I guess we do not want the Federal Government.

Why would we want the government involved in our health care, not stopping to think that Medicare, which seems to work pretty well, which is run by the government, is controlled by the same government.

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But nobody put two and two together. Very few people did. And so the insurance companies won, the Clinton administration lost, and life went on, except life did not exactly go on. Because the insurance companies now have control over the health care delivery system of this Nation. It is not big government, it is big business. And decisions are being made not for health reasons but for reasons of increasing the profits of those people who invest in or who manage those insurance companies. That is how the decisions are being made today.

I began early last year in a small town called Slickville, Pennsylvania. Because I could not talk my Republican colleagues into holding hearings on this matter, we went to the tiny town of Slickville after hearing horror stories from doctors who could not treat their patients anymore because they could not be included in the HMO, after hearing from patients who no longer could go to their doctors because their doctors were not in the HMO and they had no choice, by the way, because their employer took the HMO. It was not like they had a choice to go out because they could not afford to go outside the employer plan. But now they could not go to their own doctors and they could not go to the hospital of their choice and they could not go to the pharmacist of their choice, they could not get the drugs that their doctor was recommending for them. They had all kinds of problems. We began over 60 hours of hearings. We heard horror stories which told me one thing. The people of this country were aware of what happened since the failure of the Clinton plan until now, they knew there was a problem, but inside the Beltway, the people running the House of Representatives here did not understand it, and I think to this day as they try to ram a bill that is horrible, without hearings, down the throats of this Congress and the American people, they still do not understand. They still do not get it. I will tell you, people know they are getting a raw deal. They know what is happening when the insurance companies force them to go through a series of hoops with the hope that somewhere along the line they will just give up and not fight anymore for the treatment that they should get. They know they are getting a raw deal when they cannot even get good information about what it is their insurance covers in the first place. And when their doctor has only two minutes to see them because they have to see so many more patients under managed care. Or when they cannot go to see a specialist that they may have been going to for years without having to go across town or to a different town to get a referral from a primary care physician. And they know they are getting a raw deal when they get these ridiculous bills from their insurer because they fell down unconscious and they failed to call the HMO for authorization when the ambulance then picked them up and took them to the nearest emergency room. Or they know they are getting a raw deal when they get kicked out of a hospital the day after major surgery even though the doctor says you need to stay in this hospital. And they know they are getting a raw deal, they know that something really bad is happening because care was denied and they discovered the health insurers are about the only type of business in this country that cannot be sued for pain or suffering when they make a decision.

The Democratic Patients' Bill of Rights has answers for all these problems, but regrettably the Gingrich plan does not. It is that simple. One of the women, and really this is a horror story that we had, Mrs. Bloise from New Castle, Pennsylvania, her daughter came to see us in New Castle. It turns out her mother was admitted to a great hospital, the Cleveland Clinic, on December 13 of last year for surgery on her esophagus. By all accounts the surgery was very successful. But it was major surgery and it required a degree of postoperative attention.

What happened is really beyond my comprehension I would say, Mr. Speaker. Even though she wanted to stay in the hospital after the surgery, and her family wanted her to stay in the hospital, and her doctor wanted her to stay in the hospital, Mrs. Bloise was discharged two days after major surgery on her esophagus over the objection of her family, her doctor and told she would have to come back two days later. But she was too sick to travel hours away from the Cleveland Clinic to New Castle, Pennsylvania. She was in no condition to travel. A day and a half after traumatic surgery, she was discharged and told she would have no choice but to stay at a hotel room across the street from the Cleveland Clinic and wait for her appointment two days later. Well, they did not have to worry about paying any more of Mrs. Bloise's hospital bills because she died in that hotel across the street from the Cleveland Clinic.

Now, our dear friends in the insurance companies, they hear these stories, they say, "Well, this is just anecdotal." When you get this many anecdotal stories in 60 hours of hearing in my district alone, something is wrong in this country with our health care delivery system and people are dying. And we are not just saying this because it sounds good, we are saying it because it is true and they are our constituents, they are our family members. Not one person that any of us, Republican, Democrat, Independent, Communist, Socialist, Green Party, not one person that we know, not one person that we talk to does not know someone who has not had a raw deal from the insurance companies. They now control health care. The Democrats want to change that. The Republicans, now wedded to the insurance companies, want to keep it business as usual. That is what they are going to try to do this Friday and it is a shame.

How in the world, and I am a pro-life Democrat, but I am going to tell you something, I do not know how my friends on the pro-life side on the Republicans can say they are pro-life when they want this kind of loss of life, this kind of pain and suffering to continue day in and day out and they do not want to stand up to the insurance companies and do something about it. You cannot be pro-life until the child is born and then from that point on through their life when they are fighting to see doctors, when they are fighting to get medical care to save that life you turn your back on them. That is exactly what is happening.

Mr. PALLONE. I just want to thank the gentleman again for his contribution here tonight, because I know how strongly he feels about this. He has all these cases. He has really spent the time in his district giving forums and opportunities, if you will, for individuals to come forward and talk about these abuses. We know how many there are.

I just wanted to say briefly and then I will yield to the gentlewoman from Michigan. One of the major problems with the Republican bill is that when I talk to constituents and when I get feedback from different individuals, what they really want, most importantly, is the return of medical decision-making to patients and health care professionals, doctors, and not have medical decisions made by the insurance companies. The worst part I think of the Republican bill, the House bill and the Senate bill, is that it allows the insurance company, the HMO, to define medical necessity, so that we as Democrats have said that what we want to do is switch this whole phenomena so that the decision about whether or not you are going to be able to stay in the hospital a few more days or whether you have a certain medical procedure is made by the patient and the doctor.

Well, if you leave it as the Republican bill does, if you leave the definition of what is medically necessary to the HMO, you do not have any patient protections. This is what I have been trying to say the last few days when this Republican bill was finally revealed last Friday, that it actually does not move us forward at all in terms of patient protections. This is one of the major reasons, because the definition of what is medically necessary is still going to be left up to the HMO.

I just wanted to mention a few things briefly, because I do not know that we have specifically talked about some of the differences in terms of the actual patient protections. One is what I have mentioned, the protection of the doctor-patient relationship. It is still denied essentially by the Republican plan. The other is access to specialists. The Democratic plan lets you go to a specialist outside the network if there is not one available within the HMO network. The Republican bill does not allow that. The Republican bill does not do anything in terms of coverage of mastectomies and requirement of coverage for reconstructive surgery. In other words, in our bill, we have a prohibition on the drive-through mastectomies and we require coverage for reconstructive surgery after a mastectomy. This is a very important provision that we have talked about for some time that is not in the Republican bill.

Point of service. A big issue for a lot of Americans is the ability to go outside of the HMO network and see a doctor outside the network even if they have to pay a little more if they want to do that. What the Democratic bill says is if your employer only offers you an HMO, a closed panel HMO, for only doctors or hospitals within the network, he also has to offer you initially the option of going outside the network if you are going to pay a little more. Well, in the Republican bill, they have so many loopholes in their point of service option that it might as well not exist. They say that there is an exemption for these new health insurance pools, there is an exemption if the employer does not want to contract with a plan to provide the point of service. They might as well not have anything.

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I mean, they have so many loopholes it is incredible. So there is no point of service. There is no option, really, to go outside of the plan for a doctor or a hospital under the Republican plan.

Under emergency care, we of course require that you would be able to go to any emergency room. You do not have to go 50 miles away. You do not need prior authorization because we have what we call a prudent layperson standard. If the average person thinks that this is an emergency, then they go to the local emergency room and they do not need prior authorization; otherwise, it is not an emergency.

In the Republican plan, again, they have so many loopholes. They say that severe pain is not a standard that a reasonable person could apply and go into the emergency room. So if you think you are in severe pain, and that is the reason you go to the emergency room without prior authorization, it turns out you did not have a problem, then they are not going to pay for it, because your basis was going there with severe pain. I can go on, and I do not want to because I think we can bring some of these things out.

Essentially, there is no progress on the issue at all with the Republican plan. It is not a meaningful way to move forward at all on the issue of managed care reform.

Mr. Chairman, I yield to the gentlewoman from Michigan who, again, has been outstanding on this issue and has been getting a lot of input back from her constituents on the need for this Democratic proposal.

Ms. STABENOW. Mr. Chairman, I thank my friend, the gentleman from New Jersey, and to echo what all of my colleagues have said for all of his hard work, he has been a wonderful leader and he has been here many, many late nights. We are all here late tonight, because we care very much about this issue, and he has been here many, many late nights.

Today, we are here as Democrats from New Jersey to Pennsylvania to Texas to Michigan. I do want to start, though, by saying that, most importantly, we are here as Americans who want to allow every one of our families to be able to participate in what is the best health care system in the world.

How ironic that we have the best health care, and, yet, people cannot receive the best health care because of the ways systems have been set up.

We do not want to be here talking about Democrats versus Republicans. We want to ask them to join us. Unfortunately, it has become an issue separating us because of whose interests we are reaching out to protect, American people wanting health care or those who benefit, the insurance companies who are benefiting by the current status quo.

I want to share with my colleagues this evening just one letter of many that I have received from families in Michigan. This speaks very much to the issue of emergency room care as well as a number of other issues that have been raised this evening. This is from a constituent of mine.

"My husband was working on a job when he had a chain saw kick back and cut into his lower left leg. He was rushed to the nearest hospital where he was immediately put into a trauma unit where the doctors began assessing the damage and preparing a medical plan of action. The chain saw stalled in his tibia bone after severing all the muscles, veins, and nerves in his lower leg.

"The hospital's plan was to take him to an operating room, with an orthopedic surgeon, vascular surgeon and a neurology surgeon. Per my health insurance card's instructions, the hospital personnel contacted my HMO who insisted that my husband be transferred to another hospital. The physician in charge did not agree, claiming the accident was too severe to move him. The HMO clerical claimed that, if treated, the HMO would not pay the bill.

"The ambulance drivers were instructed to leave my husband on a gurney by the door at the second hospital, where he remained for 9 hours without any pain medication. He was not even given any ice to put on the wound. We finally saw the emergency room physician after 9 hours and after my husband tore a phone out of the wall and threw it on the floor" due to his severe pain.

"Eventually, my husband was given nine loose stitches in his leg, put in a cast, and sent home after laying in his filthy, wood-chip covered clothing for 28 hours" in the emergency room. "He never received any surgery", which was recommended, and "is now in constant pain from permanent nerve and vascular damage, which were both medically repairable during the first 24 hours following the accident.

"We have found a physician who is willing to attempt some orthopedic repair. This has taken all of our savings because he is not in the 'network'" of the HMO.

"This corporation has been allowed to hold my family prisoner for 12 months. The lack of medical care they have provided has cost my husband a normal life. We have since lost our business and are trying to sustain our family of four on one income."

This is a situation that should never happen in the United States of America. There is absolutely no reason why this gentleman was not treated immediately in the emergency room with the care that he needed which was recommended by the doctor in charge.

Our bill, the Patients' Bill of Rights would reinstate that critical relationship between the physician and the patient. Instead, the Republican leadership bill would do little to protect the family that I just talked about.

As my colleague, the gentleman from New Jersey, talked about earlier, the whole issue of referring to severe pain as well is excluded from their bill in terms of defining when you can receive care in an emergency room. In fact, what we are talking about is the medically sound advice of a doctor, such as the doctors in the emergency room that I just talked about, being able to treat someone without having to look to an HMO that is not in the best interest or used in the best interest of the patients involved.

Let me just say, in conclusion tonight, that we are fighting for that woman, that family that was in that emergency room, and all of the other families across America that want very much, that expect in this country to have the quality health care that they need for themselves and their families.

Ms. MILLENDER-McDONALD. Mr. Speaker, I would like to join my colleagues tonight in explaining to the American people what the Republican leadership is doing—as opposed to claiming to be doing—to address a disturbing trend in the nation's health care system.

We have heard story after story of how doctors have recommended certain medical procedures and health insurance companies have claimed that it is not necessary and not covered. We have heard over and over again about women who have not been allowed to have their gynecologist serve as their primary doctor and instead, have been forced to waste time and money visiting their primary doctor each time they need to see their gynecologist. We know the same treatment occurs when patients seek specialists and are instead dragged through a painfully slow process of going to their primary care physician every time they need their specialist. This has resulted in delayed treatment and even in the loss of lives.

One issue on which I have worked extensively is creating more opportunities for children and those in need to receive bone marrow transplants. Although most health insurance companies claim that they cover bone marrow transplants, in reality, few cover the complete cost involved in saving a child's life. Every year in this country, 30,000 people are diagnosed with diseases such as Leukemia and Sickle Cell Anemia that can be successfully treated with a bone marrow transplant. The marrow transplant procedure is no longer considered an experimental procedure.

It has been peer-reviewed in numerous professional medical journals, which is the basis for determining "medically appropriate" care that will be covered by insurance plans. Beyond meeting this standard, bone marrow transplant searches and procurement from donors must be covered as well in order to truly save lives.

Bone marrow transplants are just one example of a clearly life-saving and medically appropriate and necessary procedure that needs to be covered by health insurance companies.

The Republican bill leaves medical decisions in the hands of insurance company accountants and not in the hands of those who know best: the doctor and patient.

The Republican bill does not ensure access to specialty care; does not prohibit HMOs from offering bonuses to doctors for denying necessary care; does not prohibit drive-through mastectomies; and perhaps, worst of all, the Republican bill does not hold the health insurance plans accountable when abusive practices kill or severely injure patients.

Despite what those who would rather squander extra dollars for the health industry say, these protections would not result in a significant increase in costs. A recent congressional study concluded that the right to sue, which is in the Democratic Patients' Bill of Rights bill, would result in only an extra $2 a month per employee.

These are just some of the 16 protections that are missing from this Republican fig leaf of a bill that are included in the Democratic Patients' Bill of Rights bill. The Republican bill flies in the face of those lives who have been lost or severely impaired by an incomplete, unfair and sometimes ruthless HMO system. This legislation is seriously flawed not only because it is extremely partisan and has completely circumvented the legislative process, but also because it does little to resolve some of the most daunting problems facing Americans today.

GENERAL LEAVE

Mr. PALLONE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my Special Order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

ISSUES OF HIGH NATIONAL IMPORTANCE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Georgia (Mr. BARR) is recognized until 12 midnight as the designee of the majority leader.

Mr. BARR of Georgia. Mr. Speaker, I would like to spend a few moments this evening engaging in what we used to as children called paint by numbers. The Speaker may recall those paint by numbers where, when you open a box of that paint by number, you are basically presented with what appears to be an incoherent picture, white with some black lines on it and some numbers. Only as you fill in the numbers so designated at some point does the full impact of that picture really become clear.

The paint by number picture about which I speak tonight has to do with fundamental constitutional powers such as separation of powers and other very clear concepts and philosophy and powers designated explicitly or implicitly in our Constitution, in other words, very, very grave issues of high national importance.

The picture being painted by the administration is not one that is being painted directly through the normal time honored and constitutionally sound process of proposing legislation, fully debating that legislation, holding hearings on that legislation, making changes to that legislation, further debating that legislation, allowing Members and, indirectly, the American people to vote on that proposed legislation, reflecting their will, their desires, their needs, that is the will, the desire, and the needs of the American people, and then having a similar process of public vetting, as it were, take place in the Senate.

Then and only then would the President as the Chief Executive Officer of this country either approve or veto that legislation at which time, if it is signed reflecting, one presumes, the desires of the Chief Executive would it become the law of the land.

□ 2330

It would be, thereafter, subject to whatever scrutiny those who object to it, who might object to it, would raise through our court system.

That is how the system ought to operate. And whether each one of us agrees or disagrees with any particular laws so passed and so signed by the President, at least we have had the opportunity and the American people have had the opportunity through their representatives in this representative democracy to have input, to have an impact, and to understand what it is that is being proposed to ensure to the greatest extent possible that it reflects their views, their needs and their desires. That is the way it ought to be. That is the way normally it is.

Over the course of our Nation's history, we have had dozens of presidents. By and large, each one of them has respected that process. They understand that process, and they abide by that process, because they know it is essential to the fabric and the continuing of this great country.

Unfortunately, Mr. Speaker, what we have currently is something quite different. We have an administration that is attempting to govern by executive order and rules and regulations; attempting to come in through the back door, as it were, when the front door has either not yet been opened or deliberately closed shut by the people's representatives in this great body.

When you see these numbers being filled in, Executive Order 13083, for example, it does become frighteningly clear what is happening in America through essentially a subversion of the process of governing laid out in our Constitution. I would like to mention briefly, Mr. Speaker, just a few examples of this process, or lack of process, this evening.

Let us start with the big picture. Federalism, that concept embodied in our Constitution and honed to a fine art through decades upon decades of activities here in this body and our sister body across the Capitol and at the other end of Pennsylvania Avenue and, indeed, as well through the court system.

On May 14, 1998, perhaps just by coincidence while he was outside the continental United States of America in England, President Clinton signed Executive Order 13083, on May 14, 1998. This is an Executive Order entitled simply "Federalism," similar in its title and in its prefatory language to an Executive Order issued 11 years ago, in 1987, by President Reagan.

There the similarity ends. The Executive Order on Federalism issued in 1987 by President Reagan was a blueprint that was consistent in every respect with the concepts of Federalism embodied in and contemplated by the founders of our Constitution, our Founding Fathers.

It basically served over the course of the last 11 years to set forth a policy of the Executive Branch of government that unless there was a specific power on which any and all Federal agencies or departments could base prospective action involving powers normally granted to, subsumed by or exercised by state or local governments, then, in the absence of such clear express authority, President Reagan's Executive Order directed that the agency or the department contemplating such action should not and would not move forward with it. In other words, it was a limiting Executive Order.

What we have, Mr. Speaker, in Executive Order 13083, signed on May 14, 1998, by President Clinton, is an Executive Order that, while it purports to embody concepts of Federalism similar to that put forth by President Reagan, it does exactly the opposite.

Executive Order 13083 is a blueprint providing justification for any agency or department of the Executive Branch to involve itself in any activity, particularly those normally subsumed by or exercised by state or local governments, so long as that proposed activity falls into one of nine categories of activities that are so broad as to encompass virtually any activity any administration would want to involve itself in.

For example, number one, when the matter to be addressed by Federal action occurs interstate; two, when the source of the matter to be addressed occurs in a state different from the state or states where a significant amount of the harm occurs; three, when there is a need for uniform national standards; four, when decentralization increases the costs of government; five, when states have not adequately protected individual rights and liberties; six, when states would be reluctant to impose necessary regulations because of fears that the regulated business activity will relocate to other states; seven, when action would undermine regulatory goals; eight, when the matter relates to international obligations; and, nine, when the matter to be regulated significantly or uniquely affects Indian tribal governments.

One does not have to be either a rocket scientist or a learned constitutional scholar to conclude very quickly that this list of nine categories of proposed Federal activity would encompass anything any administration would want to encompass. It goes far beyond, both in its express terms as well as in its implicit powers, beyond any powers contemplated to be granted to the Federal Government in the Constitution, far beyond even the very expansive notions of interstate commerce that have been used as an almost universal hook on which to impose Federal action in recent decades.

This Executive Order, unless stopped by the courts or by Congress, goes into effect August 12, 1998. Legislation though has been introduced by myself and others, H.R. 4196, the State Sovereignty Act of 1998, that would stop this Executive Order.

Let us erase at least those numbers "13083" from this paint-by-number process that we see this administration trying to sneak through on to the American people, our states and our local governments.

There is another Executive Order to which I would draw the Speaker's attention, signed exactly two weeks after the Federalism Executive Order. This one was signed by the President, numbered 13087, on May 28, 1998.

While this one is much shorter and more direct and limited in its scope, it reflects either a gross misunderstanding of the purpose and proper role of an Executive Order, or, again, a back door effort to subvert the normal process of legislating and governing in America.

This Executive Order, 13087, provides that sexual orientation shall be for Federal employment purposes and all other activities of Federal agencies or departments a protected category of activity.

□ 2340

It does this by amending Executive order number 11478 signed in August of 1969 by former President Nixon, which had to do with affirmative action in Federal agencies and departments. Therefore, through the Executive order signed by President Clinton on May 28, 1998, providing for sexual orientation as a protected category of activity for all Federal purposes by inserting that provision into the prior Executive order signed by President Nixon under this new Executive order, there will be an affirmative action program for sexual orientation in Federal agencies and departments.

This, despite an expressed decision by the Congress of the United States not to pass legislation that would purport to make sexual orientation a protected category activity, and despite the fact that the Supreme Court of the United States has consistently refused to find or to grant a protected category for sexual orientation.

Those who support this Executive order claim it does not mandate an affirmative action policy, but it does. The expressed terms of the Nixon Executive order, for example, and I quote, "To promote a continuing affirmative program in each executive department and agency." And further, in its section 2, quote: "The head of each executive department and agency shall establish and maintain an affirmative program of equal employment opportunity for all civilian employees and applicants for employment within his jurisdiction."

That was the affirmative action Executive order which now, by virtue of a stroke of the pen by President Clinton, includes and mandates sexual orientation as among its protected class of activity.

Further, and even more unfortunately perhaps, Mr. Speaker, is the fact that this latest Executive order is poorly crafted, perhaps on purpose, perhaps simply by haste. Regardless of why, it is a very poorly crafted Executive order, because although its subject matter is sexual orientation as a protected class of activity, nowhere in it does it define what sexual orientation is. Nowhere in the United States code is there a definition of sexual orientation.

One week ago, Mr. Speaker, when we had the opportunity to talk with the acting Assistant Attorney General for Civil Rights, Mr. Bill Lann Lee, I asked him if he could define for us sexual orientation in the context of this Executive order or other matters within the jurisdiction of the Department of Justice. He could not. I asked him again today in hearings before the Subcommittee on Crime of the Committee on the Judiciary in the context of the next matter I will speak about if he could define sexual orientation. He made a stab at it, but he could not. Yet, we now have an Executive order that mandates sexual orientation as a class of activity for all Federal purposes and makes it a requirement that every Federal agency or department establish and maintain an affirmative action policy relating to that protected category of activity, yet it does not define what it is. Is this a recipe for mischief, or what? Yet Congress has had no say-so, nor have the American people had any input, into this legislation by Executive order.

Let us, however, assert our proper responsibility role, power and jurisdiction under the Constitution, and by legislation mandate that this Executive order not go into effect. Let us at least erase those colors from the paint-by-number drawing that this administration is forcing on the American people.

Thirdly, and related to that prior Executive order on sexual orientation affirmative action, Mr. Speaker, is legislation being supported without any hesitancy whatsoever, in the words of acting Assistant Attorney General Bill Lann Lee today, that would establish a new category of Federal crime, so-called hate crimes, which would include as a Federal hate crime harming somebody because of their actual or perceived gender or sexual orientation. Nowhere in the legislation or in the code is there a definition of either of those terms. Yet, this administration would saddle United States Attorneys all across this country, and certain Federal agencies all across this country, already overburdened in their efforts to protect the American people from legitimate crime, to now take from their precious resources and overburdened staffs personnel and resources and time to try and figure out what is a crime involving activity based on perceived sexual orientation.

This legislation should be defeated. If we do not, then I feel fairly confident the courts will, because of vagueness and other infirmities in its terms, but here again, Congress has expressly refused to recognize, as have the courts, so-called sexual orientation as a protected category of activity, and this administration should not be allowed to move forward in this backhanded, back-door way of subverting the will of the people of this country.

The gentleman from Arizona has joined us.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Georgia for the concerns he has brought to light this evening. As I watched on our television system while I was making calls to constituents in the 6th district of Arizona, I could not help but note that the very concerns the gentleman from Georgia outlines were raised with me this past weekend back in the 6th district.

I had occasion to visit Arizona's pleasant valley, the small town of Young, Arizona for their annual Pleasant Valley Days parade, and then Saturday evening in a neighborhood town-hall meeting in Mesa. Many citizens of the 6th district raised these precise concerns. And regardless of philosophical orientation, what the gentleman from Georgia points out tonight is absolutely correct, because in this Chamber and indeed, Mr. Speaker, throughout this government, there needs to be a reverence for and an adherence to the Constitution of the United States, which properly notes that the powers this government derives is conferred upon it by the people, and accordingly states that it is the legislative branch which has law-making authority, and the executive branch the responsibility to execute the law.

So this transcends political philosophy, for it is a question of constitutionality, and those who would seek to usurp in the executive branch the powers rightly conferred by the people on the legislative branch of government are treading on dangerous ground.

□ 2350

I almost hesitate to use the term, for it sounds very strong. And yet this is what it in effect is. It is a subversion of the intent of our Founders to have those in the Executive Branch attempt to legislate by Executive order.

I would say, Mr. Speaker, this holds true regardless of party affiliation. For whatever reasons, those tempted in the Executive Branch to attempt to subjugate the American people to their visions and designs, independent of what the Congress of the United States says, and indeed in direct opposition to what the Congress has specified through the votes of the duly elected constitutional officers in this body and in the Chamber opposite who serve in the legislative branch.

So, Mr. Speaker, on behalf of many citizens of the Sixth District of Arizona, I rise to take to the well of the House to commend the gentleman from Georgia for properly pointing out that there are serious questions about the entire notion of Executive orders, and especially those which he has outlined here this evening. Again, concerns that transcend philosophical differences and go to the very fabric of our constitutional republic and the powers conferred upon us by the people through their expressions at the ballot box.

That is why I look forward to joining with my colleague from Georgia and others in this body to reaffirm what the Constitution sets up. That this body is set aside to deal with legislative remedies and law making. And that the Executive Branch exists to execute the laws passed in the Legislative Branch. And that, of course, our friends in the Judiciary, in that third separate but coequal branch of government, have the right to interpret and through judicial review determine the constitutionality of many different actions.

I share the concern of the gentleman from Georgia that the propensity for and the temptation of Executive orders seems to have run rife through this administration. That in the wake of the ground swell of popular support for a new conservative majority, there seem to be those in this city, located at the other end of Pennsylvania Avenue, who would move to ignore the will of the people as expressed by the duly elected constitutional officers.

So, again, just as I heard Saturday afternoon in Young, Arizona, and Saturday evening in Mesa, Arizona, I rise to compliment the gentleman from Georgia, to pledge publicly that I will work with him because the people have this concern. And as Dr. Franklin said to a bystander, "Here, sir, the people govern."

Not the executive, but the people working their will through their duly elected constitutional representatives.

Mr. BARR of Georgia. Mr. Speaker, reclaiming my time, I thank the gentleman from Arizona, although his presence here this evening and his words are not surprising to me. He is say well-known champion of the Constitution and is a tireless and very eloquent advocate for its principles. I appreciate his support and his words which he speaks many times from the well of this House, and in his district.

If I might, Mr. Speaker, two other quick examples, and there will be more to be sure in succeeding hours here on the floor of this House, because the issues are more important, much more important than can be dealt with in one evening's discussion.

Many of us have heard for quite some time, I know the gentleman from Arizona has as well, of a national ID, a national identification card. "May we see your papers, please?" Yet up to this point, that really has been a theoretical discussion.

Well, it is theoretical no longer. By rules proposed in the Federal Register on June 17, 1998, the public comment period for which will end on August 3, 1998, the Federal Government is setting in motion a comprehensive and very proactive policy and mechanism for the establishment of a single national identification card.

Now, one might think, well, that would be something that would be subject to great discussion and debate and would certainly be something, because of its importance and its legal ramifications, something that would be sponsored by the Department of Justice or the FBI. Not so. It is being sponsored and implemented by an agency well-known to everybody with clear jurisdiction over such key judicial and constitutional matters as this, by the National Highway Traffic Safety Administration.

Time will not permit, Mr. Speaker, to go into all of the details of this. I will at a future date. Suffice to say that in the numerous pages promulgated in the Federal Register on June 17 of this year by the National Highway Traffic Safety Administration, is a comprehensive laundry list of all of the specific information and indeed the format in which that specific information shall be included in a national identification card. At its core will be the Social Security number.

This has been followed up already, Mr. Speaker, by another proposal which is becoming known to those citizens, such as the gentleman from Arizona, who are concerned about privacy rights, separation of powers and other constitutional principles, the national health identification card or health identifier.

We do not need to use our imagination to know exactly where this leads us. We need only to look at our friends across the Atlantic Ocean, Great Britain. During the Christmas holidays this past Christmas, Prime Minister Tony Blair instituted by executive fiat, similar to his friend here in Washington, the President of the United States, a national identification card which is called, oh, so benignly, a Smart Card. And this is simply a prelude to a European identification card for the European Union, which will then become part of what many would hope and envisage as an international identification card.

Lastly, the Second Amendment well-known to at least most of us in this Chamber preserves for the American people expressly in our Constitution the right to keep and bear arms. Also expressly embodied in our Constitution is the principle that only the House of Representatives shall have the power to levy taxes. Yet what the FBI has proposed again in proposed rules and regulation, not legislation subject to full, open, and fair debate and voting by the American people through their representatives, but through rules and regulations, the FBI is proposing a gun transfer tax.

Moreover, Mr. Speaker, and I know this is of concern to the gentleman from Arizona whose citizens cherish not only the Second Amendment but the entire Constitution, the FBI is also proposing to begin and maintain a registry of all law-abiding gun owners in this country.

We have legislation, H.R. 3949, that would strike the proper balance and rescind and stop this unconstitutional power grab. I urge, as I know the gentleman from Arizona will, support for this so that here again we do not allow those numbers to be painted in through the unconstitutional colors of this administration.

In closing, if I have any time I will yield to the gentleman from Arizona, but in closing, let me do something that I purposefully did not do at the beginning of this discussion about paint by numbers. Let the American people understand and know what the title is of this paint by numbers being proposed by the Clinton administration. It is abuse of power.

There is a remedy for that, which we may indeed get to in this Congress. But let us begin now through legislation and the light of day and stopping these unconstitutional moves by this administration.

Mr. Speaker, I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Georgia, and again it is almost as if my friend joined me in Arizona this past weekend, because these exact concerns, enumerated here on the floor by the gentleman from Georgia, were exactly the concerns I heard not only from the two groups with whom I met personally, but on talk radio in the Phoenix market and in a variety of different venues.

I would certainly commend the comments of the gentleman from Georgia, and also point out to the gentleman and to our other colleagues, Mr. Speaker, that the gentleman from Pennsylvania (Mr. GEKAS) and I have prepared legislation that again amplifies the Constitution, that the sole power to tax resides here in the House of Representatives, not with any bureaucratic organization or organization of the administrative branch.

Mr. Speaker, I yield back to gentleman from Georgia.

Mr. BARR of Georgia. Mr. Speaker, I thank the gentleman from Arizona and look forward to further discussions on these very important matters.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. YOUNG of Florida (at the request of Mr. ARMEY) for from noon on July 21, and for today and July 23 and 24, on account of personal reasons.

Mr. SERRANO (at the request of Mr. GEPHARDT) for Thursday, July 23, on account of family business.

Mr. FORD (at the request of Mr. GEPHARDT) for today on account of personal business.

Mr. GREEN (at the request of Mr. GEPHARDT) for after 4:30 p.m. today.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PAPPAS) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Ms. ROS-LEHTINEN) to revise and extend their remarks and include extraneous material:)

Mr. GUTKNECHT, for 5 minutes, today.

Mr. KASICH, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PAPPAS) and to include extraneous material:)

Mr. HAMILTON.
Mr. KIND.
Ms. PELOSI.
Mr. MURTHA.
Mrs. CAPPS.
Mr. KANJORSKI.
Mr. ORTIZ.

Mr. BARCIA.
Mr. BLAGOJEVICH.
Mr. TRAFICANT.
Mr. STARK.
Mr. SANDERS.
Ms. HOOLEY of Oregon.
Mr. LIPINSKI.
Ms. JACKSON-LEE of Texas.
Mr. CONYERS.
Mr. VISCLOSKY.
Mr. MCDERMOTT.

(The following Members (at the request of Ms. ROS-LEHTINEN) and to include extraneous material:)

Mr. HAYWORTH.
Mr. ENSIGN.
Mr. LEWIS of Georgia.
Mr. DUNCAN.
Mr. WELLER.
Mr. MCCOLLUM.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following titles:

On July 21, 1998:

H.R. 2676. An act to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes.

H.R. 1439. An act to facilitate the sale of certain land in Tahoe National Forest in the State of California to Placer County, California.

H.R. 1460. An act to allow for election of the Delegate from Guam by other than separate ballot, and for other purposes.

H.R. 1779. An act to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing improvements.

H.R. 2165. An act to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 3862 in the State of Iowa, and for other purposes.

H.R. 2217. An act to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 9248 in the State of Colorado, and for other purposes.

H.R. 2841. An act to extend the time required for the construction of a hydroelectric project.

ADJOURNMENT

Mr. BARR of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Thursday, July 24, 1998, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized for official foreign travel during the first and second quarters of 1998 by Committees of the U.S. House of Representatives, as well as a consolidated report of foreign currencies and U.S. dollars utilized for speaker-authorized official travel during second quarter of 1998, pursuant to Public Law 95–384, and for miscellaneous groups in connection with official foreign travel during the calendar year 1997 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Daniel J. Bryant	1/28	1/31	Mexico		992.00		555.27				1,547.27
Committee total					992.00		555.27				1,547.27

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

HENRY J. HYDE, Chairman, June 16, 1998.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]

FOR HOUSE COMMITTEES

Please Note: If there were no expenditures during the calendar quarter noted above, please check the box at the right to so indicate and return. ☒

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN R. KASICH, Chairman, July 7, 1998.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 7 AND JUNE 1, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Lincoln Diaz-Balart	5/7	5/9	Costa Rica		468.00		([3])				468.00
Hon. Tony Hall	5/25	5/26	Kenya		244.00						244.00
	5/27	5/30	Sudan		560.00						560.00
	5/31	5/31	Kenya		168.00						168.00
Commercial airfare							6,955.57				6,955.57
Hon. Gerald B.H. Solomon	5/26	5/27	Netherlands		507.00		([3])				507.00
	5/28	5/29	Italy		702.00		([3])				702.00
	5/30	5/31	Ireland		719.77		([3])				719.77
Committee total					3,368.77		6,955.57				10,324.34

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

JERRY SOLOMON, Chairman, July 15, 1998.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 1 AND JUNE 30, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Tim Holden	4/4	4/6	Italy		516.00		(3)				516.00
	4/6	4/10	Uzbekistan		1,376.00		(3)				1,376.00
	4/10	4/12	Turkey		620.00		(3)				620.00
	4/12	4/14	United Kingdom		280.00		(3)				280.00
Hon. Wayne Gilchrest	5/10	5/13	United Kingdom		1,460.00		581.33				2,041.33
Commercial airfare											
Committee total					4,252.00		581.33				4,833.33

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

BUD SHUSTER, Chairman, July 16, 1998.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON TAXATION, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]

FOR HOUSE COMMITTEES

Please Note: If there were no expenditures during the calendar quarter noted above, please check the box at right to so indicate and return. ☒

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BILL ARCHER, Vice Chairman, July 15, 1998.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HOUSE DELEGATION TO ISRAEL, JORDAN, AND ROME, EXPENDED BETWEEN MAY 28 AND JUNE 1, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Newt Gingrich	5/23	5/27	Israel								
Hon. Richard Gephardt	5/23	5/27	Israel								
Hon. Robert Livingston	5/23	5/27	Israel								
Hon. Henry Waxman	5/23	5/27	Israel								
Hon. Tom Lantos	5/23	5/27	Israel								
Hon. Dennis Hastert	5/23	5/27	Israel								
Hon. John Linder	5/23	5/27	Israel								
Hon. Ray Granger	5/23	5/27	Israel								
Bill Livingood	5/23	5/27	Israel								
Arne Christenson	5/23	5/27	Israel								
Gardner Peckham	5/23	5/27	Israel								
Steve Elemendorf	5/23	5/27	Israel								
Brett O'Brien	5/23	5/27	Israel								
Christy Suprenant	5/23	5/27	Israel								
Christina Martin	5/23	5/27	Israel								
Mark Peterson	5/23	5/27	Israel								
Dwight Comedy	5/23	5/27	Israel								
John Eisokl	5/23	5/27	Israel								
Hon. Newt Gingrich	5/27	5/28	Jordan		371.00						371.00
Hon. Richard Gephardt	5/27	5/28	Jordan		371.00						371.00
Hon. Robert Livingston	5/27	5/28	Jordan		371.00						371.00
Hon. Henry Waxman	5/27	5/28	Jordan		371.00						371.00
Hon. Tom Lantos	5/27	5/28	Jordan		371.00						371.00
Hon. Dennis Hastert	5/27	5/28	Jordan		371.00						371.00
Hon. John Linder	5/27	5/28	Jordan		371.00						371.00
Hon. Ray Granger	5/27	5/28	Jordan		371.00						371.00
Bill Livingood	5/27	5/28	Jordan		371.00						371.00
Arne Christenson	5/27	5/28	Jordan		371.00						371.00
Gardner Peckham	5/27	5/28	Jordan		371.00						371.00
Steve Elemendorf	5/27	5/28	Jordan		371.00						371.00
Brett O'Brien	5/27	5/28	Jordan		371.00						371.00
Christy Surprenant	5/27	5/28	Jordan		371.00						371.00
Christina Martin	5/27	5/28	Jordan		371.00						371.00
Mark Peterson	5/27	5/28	Jordan		371.00						371.00
Dwight Camedy	5/27	5/28	Jordan		371.00						371.00
John Eisold	5/27	5/28	Jordan		371.00						371.00
Hon. Newt Gingrich	5/28	6/1	Italy								
Hon. Richard Gephardt	5/28	6/1	Italy								
Hon. Robert Livingston	5/28	6/1	Italy								
Hon. Henry Waxman	5/28	6/1	Italy								
Hon. Tom Lantos	5/28	6/1	Italy								
Hon. Dennis Hastert	5/28	6/1	Italy								
Hon. John Linder	5/28	6/1	Italy								
Hon. Ray Granger	5/28	6/1	Italy								
Bill Livingood	5/28	6/1	Italy								
Arne Christenson	5/28	6/1	Italy								
Gardner Peckham	5/28	6/1	Italy								
Steve Elemendorf	5/28	6/1	Italy								
Brett O'Brien	5/28	6/1	Italy								
Christy Surprenant	5/28	6/1	Italy								
Christina Martin	5/28	6/1	Italy								
Mark Peterson	5/28	6/1	Italy								
Dwight Comedy	5/28	6/1	Italy								
Committee total					6,678.00						6,678.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

NEWT GINGRICH, July 1, 1998.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HOUSE DELEGATION TO THE NORTH ATLANTIC ASSEMBLY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 22 AND MAY 26, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Doug Bereuter	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Gerald Solomon	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Tom Bliley	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Porter Goss	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Sherwood Roehlert	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Floyd Spence	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Cass Ballenger	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Mike Bilirakis	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Paul Gillmor	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Vernon Ehlers	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Nancy Pelosi	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Owen Pickett	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Robert Wise	5/23	5/26	Spain		965.00		(3)				965.00
Hon. Pat Danner	5/23	5/26	Spain		965.00		(3)				965.00
Hon. John Tanner	5/23	5/26	Spain		965.00		(3)				965.00
Susan Olson	5/22	5/26	Spain		1,112.00		(3)				1,112.00
Jo Weber	5/22	5/26	Spain		1,112.00		(3)				1,112.00
Robin Evans	5/22	5/26	Spain		965.00		(3)				965.00
Ron Lasch	5/22	5/26	Spain		1,112.00		(3)				1,112.00
Carol Doherty	5/22	5/26	Spain		1,112.00		(3)				1,112.00
Michael Ennis	5/23	5/26	Spain		965.00		(3)				965.00
Denis McDonough	5/23	5/26	Spain		965.00		(3)				965.00
Linda Pedigo	5/23	5/26	Spain		965.00		(3)				965.00
David Goldston	5/23	5/26	Spain		965.00		(3)				965.00
Scott Palmer	5/23	5/26	Spain		965.00		(3)				965.00
Tom Newcomb	5/23	5/26	Spain		965.00		(3)				965.00
Committee total					25,825.000						25,825.000

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

DOUG BEREUTER, July 14, 1998.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO HAITI, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 30 AND JULY 2, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
A. Carl Le Van	6/30	7/2	Haiti								414.00
Committee total											414.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

A. CARL LE VAN, July 7, 1998.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO FRANCE, ALGERIA, EGYPT, AND GERMANY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 5 AND JULY 10, 1998

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Charles E. White	7/6	7/6	France				4,776.33				4,776.33
	7/6	7/6	Algeria								
	7/8	7/10	Egypt								
	7/10	7/10	Germany	782.73	228.72					782.23	228.72
Committee total					228.72		4,776.33				5,005.05

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHARLES E. WHITE, July 15, 1998.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

10148. A letter from the Manager, Federal Crop Insurance Corporation, Department of Agriculture, transmitting the Department's final rule—Tobacco (Quota Plan) Crop Insurance Regulations; and Common Crop Insurance (RIN: 0563–AB47) received June 29, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10149. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Gypsy Moth Generally Infested Areas [Docket No. 98–072–1] received July 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10150. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Limes and Avocados Grown in Florida; Relaxation of Container Dimension, Weight, and Marking Requirements [Docket No. FV98–911–2 IFR] received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10151. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Imported Fire Ant Quarantined Areas [Docket No. 97–101–2] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10152. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Capsaicin; Exemption from the Requirement of a Tolerance (RIN: 2070–AB78) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10153. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Tebuconazole;

Extension of Tolerances for Emergency Exemptions [OPP-300679; FRL-6015-9] (RIN: 2070-AB78) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10154. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the Administration's final rule—Organization; Funding and Fiscal Affairs, Loan Policies and Operations, and Funding Operations; Disclosure to Shareholders; Title V Conservators and Receivers; Capital Provisions (RIN: 3052-AB58) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

10155. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Central Liquidity Facility [12 CFR Part 725] received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

10156. A letter from the Federal Register Liaison Officer, Office of Thrift Supervision, transmitting the Department's final rule—Disclosure for Adjustable-Rate Mortgage Loans [No. 98-70] (RIN: 1550-AB12) received July 15, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

10157. A letter from the Acting Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—William D. FORD Federal Direct Loan Program [34 CFR Part 685] received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10158. A letter from the Assistant Secretary for Employment Standards, Department of Labor, transmitting the Department's final rule—Office of Labor-Management Standards, Technical Amendments of Rules Relating to Labor-Management Standards and Standards of Conduct for Federal Sector Labor Organizations (RIN: 1215-AB22) received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10159. A letter from the Secretary of Education, transmitting the Department's final rule—William D. FORD Federal Direct Loan Program [34 CFR Part 685] received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

10160. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for Industrial Process Cooling Towers [AD-FRL-6112-7] received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10161. A letter from the AMD-Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Section 304 of the Telecommunications Act of 1996 and Commercial Availability of Navigation Devices [CS Docket No. 97-80] received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10162. A letter from the AMD—Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—1998 Biennial Regulatory Review——Streamlining of Radio Technical Rules in Parts 73 and 74 of the Commission's Rules [MM Docket No. 98-93] received July 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10163. A letter from the Secretary of Health and Human Services, transmitting the Department's final rule—Food Labeling: Warning and Notice Statement; Labeling of Juice Products [Docket No. 97N-0524] (RIN: 0910-AA43) received July 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10164. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Exemption To Allow Investment Advisors To Charge Fees Based Upon a Share of Capital Gains Upon or Capital Appreciation of a Client's Account [Release No. IA-1731, File No. S7-29-97] (RIN: 3235-AH25) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

10165. A letter from the Director, Defense Security Agency, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Saudi Arabia (Transmittal No. DTC-98-50), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

10166. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Japan (Transmittal No. DTC-59-98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

10167. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Japan (Transmittal No. DTC-92-98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

10168. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Greece (Transmittal No. DTC-82-98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

10169. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Germany (Transmittal No. DTC-74-98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

10170. A letter from the Chief Counsel, Office of Foreign Assets Control, Department of Treasury, transmitting the Department's final rule—Cuban Assets Control Regulations; Iranian Transactions Regulations; Reporting and Procedures Regulations: Corrections [31 CFR Parts 501, 515 and 560] received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

10171. A letter from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting the Administration's final rule—General Services Administration Acquisition Regulation; 10 Day Payment Clause For Certain Federal Supply Service Contracts And Authorized Price Lists Under Federal Supply Service Schedule Contracts [APD 2800.12A, CHGE 80] (RIN: 3090-AG47) received July 10, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

10172. A letter from the Chief of Staff, Social Security Administration, transmitting the Administration's final rule—Electronic Freedom of Information Act Amendments of 1996 (RIN: 0960-AE68) received July 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

10173. A letter from the Chairman, Board of Directors, Tennessee Valley Authority, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1997, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform and Oversight.

10174. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Update of Documents Incorporated by Reference (RIN: 1010-AC46) received July 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10175. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Eastern Aleutian District of the Bering Sea and Aleutian Islands [Docket No. 971208298-8055-02; I.D. 070798E] received July 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

10176. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Security Zone; Coast Waters Adjacent to Florida [CGD07-98-006] (RIN: 2115-AE46) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10177. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Cross River Swim Paducah Summerfest; Ohio River mile 934.5 to 936.0, Paducah, Kentucky [CGD08 98-040] (RIN: 2115-AE46) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10178. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; New Jersey Offshore Grand Prix [CGD 05-98-006] (RIN: 2115-AE46) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10179. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Beverly Homecoming Fireworks Display, Beverly [CGD01-98-082] (RIN: 2115-AA97) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10180. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Parade of Lights Fireworks Display, Boston Harbor, Boston, MA [CGD01-98-083] (RIN: 2115-AA97) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10181. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety/Security Zone; San Francisco Bay, San Pablo Bay, Carquinez Strait, and Suisun Bay, CA [CGD11-98-005] (RIN: 2115-AA97) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10182. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasileira de

Aeronautica S.A. (EMBRAER) Model EMB-145 Series Airplanes [Docket No. 98–NM–41–AD; Amendment 39–10651; AD 98–15–01] (RIN: 2120–AA64) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10183. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 Series Airplanes [Docket No. 97–NM–197–AD; Amendment 39–10655; AD 98–15–04](RIN: 2120–AA64) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10184. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace Model BAe 146–200A Series Airplanes [Docket No. 98–NM–87–AD; Amendment 39–10656; AD 98–15–05] (RIN: 2120–AA64) received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10185. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—IFR Altitudes; Miscellaneous Amendments [Docket No. 29265; Amdt. No. 410] received July 16, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

10186. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Last-in, First-out Inventories [Revenue Ruling 98–35] received July 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

10187. A letter from the Principal Deputy, Under Secretary for Acquisition and Technology, Department of Defense, transmitting the report to Congress for Department of Defense purchases from foreign entities in fiscal year 1997, pursuant to Public Law 104—201, section 827 (110 Stat. 2611); jointly to the Committees on National Security and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 2281. A bill to amend title 17, United States Code, to implement the World Intellectual Property Organization Copyright Treaty and Performances and Phonograms Treaty; with an amendment (Rept. 105–551 Pt. 2). Ordered to be printed.

Mr. LINDER: Committee on Rules. House Resolution 508. Resolution providing for consideration of the bill (H.R. 4276) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–641). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Ways and Means discharged from further consideration. H.R. 2281 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BURTON of Indiana (for himself, Mr. Horn, and Mr. Sessions):

H.R. 4296. A bill to amend title 31, United States Code, to provide for the appointment of the Comptroller General and the Deputy Comptroller General by a commission of Members of Congress; to the Committee on Government Reform and Oversight.

By Mr. MCINTOSH:

H.R. 4297. A bill to amend chapter 8 of title 5, United States Code, popularly know as the Congressional Review Act, to treat as major rules certain rules promulgated by the Internal Revenue Service that result in increases in Federal revenues; to the Committee on the Judiciary.

By Mr. BACHUS (for himself, Mr. Young of Alaska, Mr. Cramer, Mr. Riley, Mr. Aderholt, Mr. Everett, Mr. Mica, Mr. Oxley, Mr. McCollum, and Mr. LaTourette):

H.R. 4298. A bill to amend the Internal Revenue Code of 1986 to provide that distributions from qualified State tuition programs which are used to pay educational expenses shall not be includible in gross income and to include as such expenses the cost of room and board; to the Committee on Ways and Means.

By Mr. DAVIS of Virginia:

H.R. 4299. A bill to provide that the provisions of subchapter III of chapter 83 and chapter 84 of title 5, United States Code, that apply with respect to law enforcement officers be made applicable with respect to Assistant United States Attorneys; to the Committee on Government Reform and Oversight.

By Mr. MCCOLLUM (for himself, Mr. Hastert, Mr. Rangel, Mr. Goss, Mr. Gingrich, Mr. Armey, Mr. DeLay, Mr. Portman, Mr. Hyde, Mr. Gilman, Mr. Kolbe, Mr. Rogers, Mr. Aderholt, Ms. Granger, Mr. Hutchinson, Mr. Kingston, Mr. Latham, Mr. Lewis of Kentucky, Mr. Mica, Mrs. Myrick, Mr. Nethercutt, Mrs. Northup, Mr. Pappas, Mr. Rogan, Mr. Sessions, Mr. Souder, Mr. Wamp, Mr. Watts of Oklahoma, Mr. Ballenger, Mr. Barr of Georgia, Mr. Calvert, Mr. English of Pennsylvania, Mr. Gallegly, Mr. Leach, Mr. Shuster, Ms. Dunn of Washington, Mr. Duncan, Mr. Snowbarger, Mr. Kasich, Mr. Doolittle, Mr. Wicker, Mr. Blunt, and Mr. Gilchrest):

H.R. 4300. A bill to support enhanced drug interdiction efforts in the major transit countries and support a comprehensive supply eradication and crop substitution program in source countries; to the Committee on International Relations, and in addition to the Committees on Ways and Means, the Judiciary, National Security, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. DUNN of Washington (for herself and Mr. Tanner):

H.R. 4301. A bill to amend the Internal Revenue Code of 1986 to modify the treatment of bonds issued to acquire renewable resources on land subject to conservation easement; to the Committee on Ways and Means.

By Mr. GREENWOOD (for himself, Mr. Manton, Mr. Boehlert, Mr. Dingell, Mr. Gutierrez, Mr. Oberstar, Mr. Miller of California, Mrs. Johnson of Connecticut, Mr. Shays, Mr. Horn, and Mr. Ehlers):

H.R. 4302. A bill to require the Secretary of the Interior to establish a program to provide assistance in the conservation of neotropical migratory birds; to the Committee on Resources.

By Mr. HUNTER (for himself, Mr. Coburn, Mrs. Emerson, Mr. English of Pennsylvania, Mr. Gallegly, Mr. Herger, Mr. Nethercutt, Mr. McKeon, Mr. Skeen, and Mr. Stump):

H.R. 4303. A bill to amend the Act popularly known as the Declaration of Taking Act to require that all condemnations of property by the Government proceed under that Act; to the Committee on the Judiciary.

By Mr. MILLER of Florida:

H.R. 4304. A bill to extend the authority of the Secretary of Commerce to conduct the quarterly financial report program under section 91 of title 13, United States Code; to the Committee on Government Reform and Oversight.

By Ms. RIVERS:

H.R. 4305. A bill to amend the Communications Act of 1934 to require telephone carriers to completely and accurately itemize charges and taxes collected with telephone bills; to the Committee on Commerce.

By Mr. SANFORD:

H.R. 4306. A bill to eliminate the spending cap adjustments for International Monetary Fund funding increases; to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of Michigan:

H.R. 4307. A bill to amend the Elementary and Secondary Education Act of 1965 and the Head Start Act to promote high-quality family literacy programs and train parents effectively to teach their children, and for other purposes; to the Committee on Education and the Workforce.

By Mr. SMITH of New Jersey (for himself, Mr. Lantos, Mrs. Maloney of New York, Ms. Norton, Mr. Oberstar, Mr. Minge, Ms. Woolsey, Mrs. Morella, Mr. Lewis of Georgia, Mr. Diaz-Balart, Mr. Sabo, Mr. Ramstad, Mr. Brown of Ohio, and Mr. Engel):

H.R. 4308. A bill to fully implement the Convention Against Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey (for himself, Mr. Lantos, Mrs. Maloney of New York, Ms. Norton, Mr. Oberstar, Mr. Minge, Ms. Woolsey, Mrs. Morella, Mr. Lewis of Georgia, Mr. Diaz-Balart, Mr. Sabo, Mr. Ramstad, Mr. Brown of Ohio, Mr. Engel, Mr. Porter, and Mr. Sherman):

H.R. 4309. A bill to provide a comprehensive program of support for victims of torture; to the Committee on International Relations, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TRAFICANT:

H.R. 4310. A bill to amend the Federal Election Campaign Act of 1971 to permit a corporation or labor organization to expend or donate funds for staging public debates between presidential candidates only if the organization staging the debate invites each candidate who is eligible for matching payments from the Presidential Election Campaign Fund and qualified for the ballot in a number of States such that the candidate is eligible to receive the minimum number of electoral votes necessary for election; to the Committee on House Oversight.

By Mr. VENTO:

H.R. 4311. A bill to amend title 31, United States Code, to establish protections for recipients of Federal payments made by electronic funds transfer, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. BARR of Georgia:

H.R. 4312. A bill to repeal sections 1173(b) and 1177(a)(1) of the Social Security Act, to prohibit Federal agencies from constructing Federal law as authorizing the establishment of a national medical identification card, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BROWN of Ohio (for himself, Mr. Solomon, Mr. Strickland, Mr. Cooksey, Mr. Coburn, Mr. King of New York, Mr. Wynn, Mr. Deutsch, Mr. Chabot, Mr. Miller of Florida, Mr. Green, Mrs. Lowey, Mr. Gallegly, Mr. Rohrabacher, Mr. Bilirakis, Mr. Berman, Mr. Waxman, Mr. Lantos, Mr. Bonior, Mr. Hall of Texas, Mr. Cunningham, Ms. Rivers, Mr. Sherman, Mr. Bilbray, Ms. DeGette, Mr. Watts of Oklahoma, Mr. Moran of Virginia, Mr. Calvert, Mr. Wexler, Mr. Foley, Mr. Lipinski, Mr. Hinchey, Mr. Boucher, Mr. Clement, Mr. Barton of Texas, Mr. Burton of Indiana, Mr. Baker, Mr. Stupak, Mrs. Linda Smith of Washington, Mr. Kennedy of Rhode Island, Mr. Andrews, Mr. DeFazio, Mr. Payne, Ms. Pryce of Ohio, Mr. Goode, Mr. Weldon of Florida, Mr. Cox of California, Mr. Menendez, Mr. Martinez, Mr. Towns, Mr. DeLay, Mr. Stark, and Mr. Scarborough):

H.J. Res. 126. A joint resolution relating to Taiwan's participation in the World Health Organization; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 339: Mr. Bilirakis.

H.R. 414: Mr. Cramer.

H.R. 535: Mrs. Thurman.

H.R. 536: Mr. Hilliard.

H.R. 611: Mr. Lantos and Mrs. Roukema.

H.R. 1050: Mr. Engel and Mr. Thompson.

H.R. 1126: Mrs. Clayton, Mr. Brady of Pennsylvania, Mr. Boswell, Mr. English of Pennsylvania, and Mr. Obey.

H.R. 1147: Mr. Hostettler.

H.R. 1165: Mr. Quinn.

H.R. 1234: Ms. Roybal-Allard.

H.R. 1321: Mr. Hoyer.

H.R. 1415: Mr. Parker and Mr. Pappas.

H.R. 1500: Mr. Saxton.

H.R. 1524: Mr. Stupak.

H.R. 1560: Mr. Pomeroy.

H.R. 1814: Mr. Blumenauer.

H.R. 1883: Mr. Hilliard.

H.R. 1995: Mr. Barcia of Michigan, Mr. Watt of North Carolina, and Mr. King of New York.

H.R. 2120: Ms. Hooley of Oregon.

H.R. 2420: Mr. English of Pennsylvania.

H.R. 2451: Mr. Miller of California.

H.R. 2721: Mr. DeLay.

H.R. 2800: Ms. Slaughter.

H.R. 2804: Ms. Lee.

H.R. 2938: Mr. Lampson.

H.R. 2960: Mr. Barton of Texas.

H.R. 3008: Mr. Stupak.

H.R. 3010: Ms. Lofgren.

H.R. 3166: Mr. Largent.

H.R. 3248: Mr. Bliley, Mr. Dreier, and Mr. Hill.

H.R. 3396: Ms. Millender-McDonald, Mr. McKeon, Mr. Neal of Massachusetts, Mr. Gibbons, and Ms. Sánchez.

H.R. 3514: Mr. Clyburn and Mr. DeFazio.

H.R. 3524: Mr. Adam Smith of Washington, Mr. Minge, and Ms. Stabenow.

H.R. 3610: Mr. Scott.

H.R. 3613: Mr. Gonzalez and Mr. Brady of Texas.

H.R. 3622: Mr. Coyne, Mrs. Kennelly of Connecticut, and Mr. Cummings.

H.R. 3634: Mr. Cook, Mr. Barton of Texas, Mr. Norwood, Mr. Ballenger, Mr. Whitfield, Mr. Hobson, Mr. Wise, Ms. Carson, Ms. Brown of Florida, Mrs. Roukema, Mr. Snowbarger, Mr. Kolbe, Mr. Spence, Mr. Berry, Mrs. Northup, and Mr. Hefley.

H.R. 3636: Mr. Manton, Mrs. Mink of Hawaii, and Mr. Bishop.

H.R. 3684: Mr. Skeen.

H.R. 3779: Mr. Schumer and Ms. Sánchez.

H.R. 3792: Mr. Dan Schaefer of Colorado, Mr. Deal of Georgia, Mr. Lazio of New York, and Mrs. Kelly.

H.R. 3812: Mr. Largent.

H.R. 3821: Mr. Cardin, Mr. Shaw, Mr. Bateman, Mr. LoBiondo, Mr. Deal of Georgia, Mr. Knollenberg, Mr. Miller of Florida, Mr. Horn, Mrs. Johnson of Connecticut, and Mr. Kasich.

H.R. 3855: Mr. Hilliard and Mr. Young of Florida.

H.R. 3877: Mr. Ensign.

H.R. 3879: Mr. McInnis, Mr. Boucher, Mr. Condit, and Mr. Jenkins.

H.R. 3949: Mr. Scarborough, Mr. Dan Schaefer of Colorado, Mr. Sensenbrenner, Mr. Whitfield, Mr. Taylor of North Carolina, Mr. LaHood, Mr. White, Mr. Everett, Mr. Salmon, Mrs. Myrick, Mr. Chabot, Mr. Moran of Kansas, Mr. Boehner, and Mr. Wamp.

H.R. 3954: Mr. Talent.

H.R. 4031: Mr. Frank of Massachusetts.

H.R. 4034: Mr. Manton.

H.R. 4062: Mr. Bachus and Mr. Snowbarger.

H.R. 4119: Mr. Kildee.

H.R. 4125: Mrs. Emerson.

H.R. 4126: Mr. Smith of Oregon.

H.R. 4151: Mr. Nethercutt and Mr. Goodlatte.

H.R. 4152: Mr. Kucinich.

H.R. 4155: Mr. Castle.

H.R. 4157: Mr. Hayworth and Mr. Bachus.

H.R. 4189: Mr. Watt of North Carolina, Mr. Abercrombie, Ms. McKinney, and Mr. McGovern.

H.R. 4213: Mr. Frelinghuysen.

H.R. 4214: Mr. Kanjorski, Mr. Frank of Massachusetts, Mr. Gutierrez, and Ms. Roybal-Allard.

H.R. 4220: Mr. Fox of Pennsylvania and Mr. Gilman.

H.R. 4224: Mr. LaFalce and Ms. Furse.

H.R. 4232: Mr. Dreier, Mr. Bartlett of Maryland, and Mr. Hayworth.

H.R. 4235: Mr. Adam Smith of Washington.

H.R. 4242: Mr. Dicks.

H.R. 4259: Ms. Wilson and Mr. Tiahrt.

H.R. 4280: Ms. Norton.

H.R. 4281: Mr. Kleczka.

H.R. 4293: Mr. Coyne, Mr. Kucinich, and Mr. Smith of New Jersey.

H. Con. Res. 19: Mr. Thompson.

H. Con. Res. 24: Mr. Frelinghuysen.

H. Con. Res. 277: Mr. Sherman.

H. Con. Res. 287: Ms. Christian-Green and Mr. Lampson.

H. Con. Res. 299: Mr. Hayworth, Mr. Gibbons, Mr. Kim, and Mr. Chambliss.

H. Con. Res. 303: Mr. Rodriguez.

H. Res. 37: Mr. Towns, Mr. Dickey, Mr. Mascara, Mr. Salmon, and Mr. Jackson.

H. Res. 460: Mr. English of Pennsylvania, Mr. McHale, Mr. Cramer, Mr. Peterson of Pennsylvania, Mr. Luther, Mr. McGovern, Mr. Clement, Mr. Blumenauer, and Mr. Johnson of Wisconsin.

H. Res. 475: Mr. Vento, Mr. Rush, Mr. Thompson, Mr. Sherman, Mr. Lantos, and Mr. Doolittle.

H. Res. 503: Mr. Coburn, Mrs. Northup, Mr. Taylor of Mississippi, Mr. Sessions, Mrs. Myrick, Mr. Portman, and Mr. Latham.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4194

Offered By Mr. Riggs

Amendment No. 31: At the end of the bill, insert after the last section (preceding the short title) the following new section:

Sec. . None of the funds appropriated by this Act may be used to implement section 12B.2(b) of the Administrative Code of San Francisco, California.

H.R. 4250

Offered By Mr. Traficant

Amendment No. 1: Page 38, beginning on line 15, strike "a physician" and all that follows through line 17 and insert the following: "independent medical expert (as defined in paragraph (4)(E))".

Page 42, line 2, insert "and" after "record,".

Page 42, strike lines 3 through 21 and insert the following:

"(iii) such expert or experts will reconsider the initial review decision, based on the determination made under clause (i), and will issue a written decision affirming, modifying, or reversing the initial review decision, so as to ensure that the final decision of the plan is consistent with the terms of the plan and this title.

H.R. 4276

Offered By Mr. Bartlett of Maryland

Amendment No. 3: Page 78, strike line 15, and all that follows through line 6 on page 79.

H.R. 4276

Offered By Mr. Kucinich

Amendment No. 4: At the end of the bill, insert after the last section (preceding the short title) the following:

TITLE IX—ADDITIONAL GENERAL PROVISIONS

Sec. 901. None of the funds made available in this Act may be used for any legal action that challenges any State, local, or tribal law on the grounds that the law is inconsistent with an international commercial agreement, including any trade or investment agreement.

H.R. 4276

Offered By: Mrs. Mink of Hawaii

Amendment No. 5: Page 2, line 7 insert "(Reduced by $260,000)" after the 1st dollar figure.

Page 3, line 25 insert "(reduced by $500,000)" after the 1st dollar figure.

Page 12, line 9, insert "(reduced by $2,260,000)" after the 1st dollar figure.

Page 21, line 18 insert "(reduced by $500,000)" after the 1st dollar figure.

Page 94, line 16, insert "(increased by $2,260,000)" after the 1st dollar figure.

H.R. 4276

OFFERED BY: MRS. MINK OF HAWAII

AMENDMENT NO. 6: Page 12, line 9, insert "(reduced by $2,260,000)" after the 1st dollar figure.

Page 94, line 16, insert "(increased by $1,000,000)" after the 1st dollar figure.

H.R. 4276

OFFERED BY: MR. ROEMER

AMENDMENT NO. 7: Page 115, after line 8, add the following new section:

SEC. 620. (a) DESIGNATION.—The Federal building located at 10th Street and Constitution Avenue, N.W. in Washington, D.C., shall be known and designated as the "Robert F. Kennedy Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in subsection (a) shall be deemed to be a reference to the "Robert F. Kennedy Building".

H.R. 4276

OFFERED BY: MR. TALENT

AMENDMENT NO. 8: Page 102, line 15 insert "(increased by $7,090,000)" after the dollar amount.

Page 103, line 7 insert "(decreased by $7,090,000)" after the dollar amount.

H.R. 4276

OFFERED BY: MR. SCOTT

AMENDMENT NO. 9: Page 28, line 5, insert after the amount '(reduced by $105,000,000)' and insert as follows:

Page 27, line 8, after the amount insert '(increased by $36,500,000)';

Page 28, line 14, after the amount insert '(increased by $13,000,000)' and on line 16 after the amount insert '(increased by $8,000,000)';

Page 29, line 17, after the amount insert '(increased by $12,000,000)'; and

Page 30, line 3, after the amount insert '(increased by $35,000,000)' and on line 4 after the amount insert '(increased by $500,000)':

EXTENSIONS OF REMARKS

APPOINTMENT OF THE COMPTROLLER GENERAL AND DEPUTY

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BURTON of Indiana. Mr. Speaker, today I am introducing legislation to change the appointment process for the Comptroller General and Deputy Comptroller General. These officials are now Presidential appointees even though they are part of the Legislative branch, not the Executive branch. Consistent with their status as Legislative branch officials, my bill provides for their appointment by the Congress. The bill would not alter in any way the independence and non-partisanship of these officials or of the agency they head, the General Accounting Office.

Under current law, the Comptroller General is appointed by the President, with the advice and consent of the Senate, to a 15-year term of office. The law provides for a bipartisan, bicameral Congressional commission to recommend individuals to the President as potential appointees for Comptroller General. The commission is composed of the Speaker of the House, the President pro tempore of the Senate, the majority and minority leaders of the House and Senate, and the chairs and ranking minority members of the House Committee on Government Reform and Oversight and the Senate Committee on Governmental Affairs. The same commission, with the Comptroller General as an additional member, makes recommendations to the President for Deputy Comptroller General.

When the General Accounting Office was created in 1921, the Comptroller General was made a Presidential appointee. This was because GAO's original functions were almost entirely "executive" in nature and, therefore, had to be vested in an "officer of the United States" appointed by the President. However, GAO's functions have completely changed since 1921. Over the years, its preeminent role as a Legislative branch agency providing direct support to Congress emerged. At the same time, its "executive" functions virtually disappeared. Indeed, the Supreme Court's 1986 decision in *Bowsher* v. *Synar*, 478 U.S. 714, held that GAO cannot perform "executive" functions.

Mr. Speaker, the idea that Congress should appoint the leaders of its own Congressional "watchdog" agency is not new. During the mid 1970's, Senator Lee Metcalf and Congressman Jack Brooks sponsored legislation to provide for Congressional appointment of the Comptroller General. This legislation was not enacted due to concern that it could jeopardize GAO's ability to perform the limited "executive" functions it retained at that time. As a compromise, the current appointment process was enacted in 1980 to retain Presidential appointment but establish the bipartisan, bicameral Congressional commission to recommend names to the President.

Congress would have made the Comptroller General a Congressional appointee in 1980 were it not for the lingering concerns about the agency "executive" functions. The Supreme Court's subsequent decision in *Bowsher v. Synar* laid these concerns to rest once and for all, and thereby removed the last vestige of the original rationale for Presidential appointment of the Comptroller General and Deputy Comptroller General.

The time has come to complete the task Congress began years ago. GAO is now firmly established in law and practice as a Congressional support agency that Congress relies upon every day for a wide range of information and advice. It makes no more sense for the President to appoint the leaders of the GAO than it would for Congress to appoint the Director and Deputy Director of OMB. It is particularly incongruous that the President should appoint Congressional officials whose fundamental mission is to support oversight of the very branch of government that the President heads.

As my predecessors recognized, Congress has a strong institutional interest in appointing the Comptroller General. Senator Metcalf described this as "a congressional declaration of independence from the White House." Congressman Brooks said that it "would go a long way toward restoring to Congress some of the power and prestige that have slipped away to the executive branch over the years."

In addition to being sound in concept, changing the appointment process has become a practical necessity since the current process is broken. The term of the last Comptroller General, Charles A. Bowsher, expired on September 30, 1996. Thereafter, in accordance with the current law, the Congressional commission interviewed a number of candidates for Comptroller General and, by majority vote, recommended 3 names to the President. However, the President rejected the commission's recommendations out of hand and with no stated reasons. Unfortunately, the process now appears to be stalemated with no end in sight, and GAO has been without permanent leadership for over 1½ years. Moreover, the current process has never successfully led to the appointment of a Deputy Comptroller General. Due to a series of impasses involving different Congresses and Presidents spanning many years, Mr. Bowsher remained without a Deputy for his entire 15-year term of office.

Finally, I want to reiterate that enactment of this bill will not affect the independence, nonpartisanship, and objectivity of the GAO. These attributes are, of course, essential to maintaining the agency's credibility and, therefore, its usefulness to the Congress. It would be self-defeating for Congress to do anything to undercut them, and, indeed, the bill carefully preserves them. The bill retains the current Congressional commission now provided by law and makes it the appointing authority. This ensures bipartisan participation in the appointment process. The bill also retains the current provisions governing the terms of office of the Comptroller General and the Deputy and severely limiting the means and grounds for their removal from office.

Mr. Speaker, I urge prompt action on this important legislation. The GAO provides invaluable assistance and support to the Congress. We need to provide GAO with the permanent leadership it needs to do its work and serve all of the Congress most effectively. I have attached a series of questions and answers that provide additional background.

QUESTIONS AND ANSWERS ON H.R. 4296

Q. What does the bill do?

A. Current law provides for appointment of the Comptroller General and Deputy Comptroller General by the President, with the advice and consent of the Senate. Under the current law, which was last amended in 1980, a bipartisan, bicameral Congressional commission recommends names to the President as potential appointees for Comptroller General and Deputy. The commission is composed of the Speaker of the House, the President pro tempore of the Senate, the majority and minority leaders of the House and Senate, and the chairs and ranking minority members of the House Committee on Government Reform and Oversight and the Senate Committee on Governmental Affairs. The commission must submit at least 3 names to the President for Comptroller General. While the President is expected to "give great weight" to the commission's recommendations, he is not bound by them. The President may request additional names, or he may nominate someone not recommended by the commission.

The bill makes the existing bipartisan, bicameral Congressional commission the appointing authority for the comptroller General and the Deputy.

Q. Why is the Comptroller General a Presidential appointee in the first place?

A. When GAO was established in 1921, its core mission was to perform Executive branch auditing and accounting functions that were transferred to GAO from the Treasury Department. Under the Constitution, such "executive" functions can only be vested in an agency headed by an "officer of the United States" appointed in accordance with the Constitution's "appointments cause." Therefore, the Comptroller General had to be a Presidential appointee. This is no longer the case since GAO no longer performs "executive" functions. It is now firmly established in law and practice that the Comptroller General and GAO are part of the Legislative branch and that they can perform only "legislative" functions in support of Congress.

Q. Does shifting appointment of the Comptroller General from the President to Congress pose any legal problems?

A. No. In 1977 testimony addressing Congressional involvement in the Comptroller

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

General's appointment, a Justice Department official stated that—"so long as the Comptroller General is performing functions that are of a legislative nature such as investigating and disseminating information . . . it seems to us pretty clear that . . . his appointment may be handled in whatever manner Congress deems appropriate."

There were concerns over changing the appointment process at that time since GAO still performed some "executive" functions. However, the Supreme Court subsequently held in *Bowsher* v. *Synar*, 478 U.S. 714 (1986), that the Comptroller General could not constitutionally perform "executive" functions *notwithstanding his appointment by the President*. The Court reasoned that the statutory provisions governing *removal* of the Comptroller General, which vest removal authority in Congress instead of the President, prevented the Comptroller from being an "officer of the United States" and thereby performing "executive" functions regardless of how he was appointed. Thus, the Comptroller General's status as a Presidential appointee has no legal significance today.

Q. Why change the Comptroller General appointment process now?

A. There are three main reasons to change the appointment process:

(1) The only reason for making the Comptroller General a Presidential appointee in the first place and the only reason Congress has retained the Presidential appointment thus far—to preserve GAO's ability to perform "executive" functions—was eliminated by the Supreme Court's decision in *Bowsher* v. *Synar*. Following this decision, Congress enacted legislation repealing, modifying, or transferring to the Executive branch virtually all of GAO's remaining "executive" functions. Now is the first opportunity Congress has to complete the task by changing the appointment process.

(2) Given GAO's role as Congress' "watchdog" agency over the Executive branch, it makes no sense for the President to appoint the Comptroller General and it is only natural to shift this responsibility to Congress. On a daily basis, GAO provides information and advice to Congress covering the full range of legislative and oversight issues that Congress faces. Given Congress' reliance on GAO and its close working relationship with GAO, Congress should appoint the head of this agency. Having the President continue to appoint the Comptroller General makes as much sense as it would for Congress to appoint the Director of OMB. It is particularly incongruous for the President to appoint the head of an agency whose exclusive mission is supporting Congressional oversight of the branch of government that the President heads.

(3) The current appointment process is broken and needs repair. Following expiration of former Comptroller General Charles Bowsher's term on September 30, 1996, the Congressional commission was established as provided by law. Working on a bipartisan basis, the commission developed, screened, and interviewed a number of candidates for Comptroller General. By majority vote and in accordance with the current law, the commission recommended 3 names to the President. However, the President rejected the commission's recommendations out of hand and with no stated reasons. As a result, the appointment process appears to be stalemated with no end in sight and GAO has been without permanent leadership for well over 1½ years. Further, the current process has never led to the appointment of a Deputy Comptroller General. Due to a series of impasses involving different Congresses and Presidents spanning many years, Mr. Bowsher remained without a Deputy for his entire 15-year term of office.

Q. Will making the Comptroller General a Congressional appointee detract from GAO's independence and non-partisanship?

A. No. GAO's independence and non-partisanship are, of course, essential to maintaining the agency's credibility and, hence, its usefulness to the Congress. It would be foolish and self-defeating for Congress to do anything to undercut these attributes. There is no reason to think that eliminating the Presidential appointment would have this effect. The current commission process ensures bipartisan participation in the appointment. The Comptroller's fixed term of office, combined with the severe statutory limits on removal of the Comptroller, provide more than adequate assurance of independence.

Q. Will making the Comptroller General a Congressional appointee politicize the appointment process?

A. No. Congress has a strong institutional interest in making the Comptroller General a Congressional appointee that should transcend politics. In fact, the leading proponents of Congressional appointment of the Comptroller General have been prominent Democratic Members of Congress.

In 1975, Senator Lee Metcalf, then a senior member of the Senate Governmental Affairs Committee and Vice Chairman of the Joint Committee on Congressional Operations, introduced legislation to provide for Congressional appointment of the Comptroller General as well as other Legislative branch officials. Senator Metcalf described his legislation as "a congressional declaration of administrative independence from the White House" and noted that "there are compelling reasons from an institutional perspective why we should take a hard look at the manner in which [these officials] are appointed." He concluded that "the time has come to provide for their appointment by and for the Congress of which they are a part."

Congressman Jack Brooks, then Chairman of the Government Operations Committee, introduced similar legislation on the House side. Chairman Brooks also stressed the importance of his bill from an institutional perspective, noting that the bill "would go a long way toward restoring to Congress some of the power and prestige that have slipped away to the executive branch over the years." He added: ". . . The doctrine of separation of powers is basic to our system of government and Congress contributes to the weakening of that system when it permits the President to exercise authority in the legislative domain."

When both GAO and the Justice Department resisted direct Congressional appointment of the Comptroller General based on the then-existing concerns about GAO's ability to retain "executive" functions, Chairman Brooks sought to require the President to appoint a Comptroller General from names recommended by the Congressional commission. GAO supported this approach, but Justice objected that even this limitation on the President's appointment authority would be unconstitutional. Chairman Brooks finally had to settle for the current process, whereby a Congressional commission submits nonbinding recommendations to the President but the President remains free to nominate whomever he wishes.

Q. Since some other Congressional officials are appointed by the President, why not the Comptroller General?

A. The Librarian of Congress probably needs to be a Presidential appointee since the Library performs "executive" functions under the copyright laws. Similarly, the Public Printer performs functions that could be considered "executive" in nature. One could question the current status of the Architect of the Capitol. In any event, however, the Architect's functions are not at all analogous to those of the Comptroller General and GAO. The Congressional agency that is most analogous to GAO is the Congressional Budget Office, whose head is appointed by Congress.

IN RECOGNITION OF THE GSS FAMILY THRIFT STORE

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mrs. CAPPS. Mr. Speaker, I rise to bring to the attention of my colleagues the remarkable work of Curtis Foreman, John Camell, and the GSS Family Thrift Store. Since it opened in October of 1989, the thrift store has raised three-quarters of a million dollars to help support a local homeless shelter in Santa Maria, California.

All of the merchandise in the store is available to residents of the shelter. Free clothes, furniture, and household goods are made accessible to those who do not have these essential items. In addition, shelter residents are employed at GSS Family Thrift Store when possible. There are currently three shelter residents employed as full-time workers.

I ask my colleagues to join with me, the county of Santa Barbara, and the city of Santa Maria in commending the work of Mr. Foreman and Mr. Camell. The GSS Family Thrift Store is truly a model for this community and the entire nation. I commend the noble work of this unique establishment.

AIDS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 22, 1998 into the CONGRESSIONAL RECORD.

AIDS IN AMERICA

Recent legal and medical developments concerning the Acquired Immune Deficiency Syndrome (AIDS) have renewed interest in the disease around the world. Since the discovery of the disease in 1981, much has changed. Here are some frequently asked questions regarding AIDS:

What is AIDS? AIDS is a fatal disease that attacks the immune system, destroying the body's ability to fight off infections and cancers. The disease is believed to be caused by a virus called human immunodeficiency virus (HIV) which is spread through bodily fluids. AIDS is the syndrome that develops after someone is infected with HIV and the immune system is unable to fight off common infections. After initial infection with HIV, it takes an average of eight to ten years for the virus to develop into full-blown

AIDS. The life expectancy of AIDS victims varies in accordance with availability of various drug therapies, but typically ranges from one to four years. No cure currently exists for HIV/AIDS.

What is the extent of the problem? HIV/AIDS is one of the greatest threats to public health in America, especially among youth. AIDS is currently the second leading cause of death among Americans between the ages of 25 and 44. The greatest threat can be seen in the rising HIV infection rates among minorities, women, and teenagers.

Nearly 370,000 Americans have died from AIDS-related illnesses. An estimated 650,000 to 900,000 Americans have been infected with HIV since 1981. Approximately 5,200 cases of AIDS have been reported in Indiana since 1982. As of April 1998, 2,955 Hoosiers have died from AIDS.

AIDS is certainly a global crisis, as almost every country has reported cases. The problem is particularly bad in developing nations. In certain regions of Africa and India, one out of four adults in infected. Lack of medical facilities and AIDS education make it unlikely that the rapid rate of infection will curb within the near future.

Can AIDS be prevented? According to the Surgeon General, the most certain way to control the AIDS epidemic is through using condoms, monogamous sexual relationships, and avoiding illegal intravenous drug use. There is no evidence that HIV can be transmitted through casual contact. With no cure for AIDS, educating those at risk of infection is currently the only way to halt the spread of the disease. Because needle sharing among intravenous drug users leads to the spread of HIV, some public health officials advocate the distribution of clean needles as part of drug abuse treatment programs.

What is the government doing? Since the 1980s, Congress has steadily increased funding for research, improving access to health care for AIDS patients and supporting public education initiatives. In 1998, the federal government will spend close to $9 billion on HIV/AIDS programs, compared to the $22 billion spent on cancer programs and the $43 billion for heart disease.

State and local governments are also fighting the epidemic. Indiana will spend approximately $1.2 million in state tax dollars on HIV/AIDS related prevention and health care services in 1998.

How are HIV/AIDS cost financed? HIV/AIDS cases are an enormous financial strain for individuals, insurance companies, and the government. The average cost of caring for an HIV/AIDS patient from infection to death is approximately $150,000 or an average $12,000 per year, largely spent on costly new drugs.

Private health insurance covers an average of 50% of the cost for caring for persons with HIV/AIDS. Medicaid also covers a sizeable amount of the cost of patient care. The Ryan White Comprehensive AIDS Resources Emergency (CARE) Act is the centerpiece of federal programs serving AIDS-related health care needs. CARE Act programs, implemented through public-private coalitions, are aimed at cutting the cost of care, reducing the need for expensive hospitalization, and developing support services across the nation.

Should there be mandatory testing? All donated blood is now screened for HIV, and testing is mandatory for military personnel and federal prisoners. There is broad agreement that individuals at high risk of contracting HIV should seek testing.

Due to costs, it is unlikely that sweeping mandatory tests, such as for medical practitioners, will be implemented. A preliminary HIV screening costs approximately five dollars per person. Each person who tests positive would require a follow-up test which would cost approximately fifty dollars. To implement nationwide tests would place a significant strain on government resources.

How are HIV/AIDS victims treated under the law? Americans with HIV/AIDS have often been targets of various forms of discrimination, although laws have been established to protect against discrimination. Under the Americans with Disabilities Act of 1990, HIV/AIDS is considered a handicap, therefore making it illegal to discriminate against HIV/AIDS victims in hiring practices and in providing access to public facilities.

A recent Supreme Court decision declared that HIV infection without present symptoms is a disability due to the fatal nature of the disease. Thus, it is illegal for medical providers to refuse treatment to HIV-infected individuals on the basis of their medical condition.

What progress has been made? A great deal of progress has been made on AIDS research in the past decade. For example, drug "cocktails", which involve a combination of as many as ten different medications, are allowing HIV-infected people to live longer with a higher quality of life.

In June, the first human trials were begun in the study for an AIDS vaccine. However, experts still have serious concerns as to the effectiveness of any vaccine in stopping the spread of the disease.

Conclusion: Much still needs to be learned and done about HIV and AIDS. An aggressive strategy to combat the disease is urgently needed. A heavy emphasis must be placed on prevention through grassroots education. Research to develop treatment, cures and vaccines must be continued and expanded. Help must be given to developing countries where HIV/AIDS is spreading at a staggering rate. All of this could save millions of dollars and millions of lives. It is a battle worth fighting.

THE RENO$_X$ '98 CONFERENCE IN RENO, NEVADA

HON. JOHN E. ENSIGN

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. ENSIGN. Mr. Speaker, rarely have policy-makers been able to agree on approaches to attack our environmental problems. Both sides of the aisle seem to muddy the waters with rhetoric that does nothing more than to exacerbate emotionalism and further ignore scientific reality. It is for this very reason that I am proud to announce an event being held later this month in my home state of Nevada. This event is specifically designed to cut through such rhetoric and provide real solutions to fight one of our most pressing environmental problems—the control of oxides of nitrogen or NO_X, one of the most pervasive air pollutants.

The Gunnerman Foundation and numerous other federal, state, and industry organizations are sponsoring The ReNO$_X$ '98 Conference in Reno from July 26th through July 28th. Developing solutions to NO_X is just yet another in a long line of success stories for Gunnerman Foundation Chairman Rudy Gunnerman. Ten years ago, Mr. Gunnerman was called an alarmist for bringing to light critical air pollution problems. I call him a pioneer. His leadership has spurred technology and policy innovations on air pollution issues for over two decades.

Similarly, this conference will stimulate action on the issue NO_X. This conference will bring together industry, government and community interests to address barriers and develop policy recommendations that will benefit NO_X reduction strategies.

NO_X emissions come from cars and trucks, coal-burning power plants, and industrial combustion and waste disposal operations. NO_X emissions increased over 220 percent between 1940 and 1996, with a 9 percent rise from 1970 to 1996.

NO_X interacts with other compounds in the air to form ground-level ozone and acid rain—primary threats to human health and the environment. These critical air pollution problems have levied serious costs on our society, which range from asthma and other respiratory illnesses to the deterioration of our lakes, forests, soils, and our national monuments.

Therefore, I would like to take this opportunity to commend the Gunnerman Foundation and Rudy Gunnerman for sponsoring this worthwhile forum. I invite my colleagues to join this effort to develop real solutions to an environmental problem that deserves our attention and commitment.

HONORING JOHN KORREY

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to recognize John Korrey of Iliff, Colorado who recently earned first place at the International Livestock Auctioneer Championship held in Calgary, Alberta, Canada. Along with farming and ranching, Mr. Korrey and his wife, Janna, own Korrey Auction Services and co-run Primary Livestock Sales Management in Iliff.

John Korrey decided to be an auctioneer when his father, a produce farmer, took him to livestock sales. He listened and watched the auctioneers and adopted each trait that appealed to him. When describing his auctioneering experiences, Mr. Korrey stated, "I didn't become a quality auctioneer overnight. It takes years of practice and learning. I learn everyday. Sales or mistakes, I always learn. If you are too old to learn, you are in major trouble."

With that energetic attitude, Mr. Korrey found himself competing in the International Livestock Auctioneer Championship. In the International competition 30 competitors auctioned cattle at the Alberta Fed Beef Expo in Strathmore, Alberta on the first day. On the second day, the top 10 auctioneers auctioned 3,000 cattle at the Calgary Fair.

Five judges measured competitors on appearance, mannerisms, and deportment, worth 20 points; spotting bids, repartee and time; worth 40 points. Each judge could award 100 points to each competitor. The competitors score was averaged over the two days with the high and low score tossed out. Korrey walked away from the competition with the top prize including $5000, a custom designed silver belt buckle, and an invitation to Jones and Vold Auction Company in Ponoka, Alberta.

Korrey's daughters, Heidi and Lacey, were at the auction cheering him on and had eight of the 10 winners placed correctly. When asked if his daughters placed him first, Korrey laughed and said, "They better. It was special to have them here."

This was Korrey's sixth year at the championship and he always finished in the top five. Although he will not be eligible to compete in next year's competition, Korrey can look forward to his new role as the contest's master of ceremonies. He will introduce all the competitors and conduct the auction at the Calgary Fair's champion livestock pens.

As a member of Congress representing Colorado's Fourth District where John Korrey lives, works, and shares his passion for auctioneering with his community, I am proud to honor this talented man. I congratulate him on this tremendous achievement. I also thank him for demonstrating excellence in a field which is so vital to this nation's ranching heritage and to rural Colorado.

IN CELEBRATION OF THE PRESENTATION OF THE AIR FORCE AIRMAN'S MEDAL

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mrs. CAPPS. Mr. Speaker, I rise to bring to the attention of my colleagues the awarding of the Air Force Airman's Medal to Master Sergeant Tim Brown. Sergeant Brown is a member of the 30th Security Forces Squadron at Vandenberg Air Force Base, located in my district, on June 26th. The Airman's Medal is the highest award for heroism given during peacetime.

Master Sergeant Brown saved three people in the waters off Wall Beach, California on Christmas Day, 1997. Strong undertows pulled thirteen-year-old Melissa Woodward out to sea. Her father, Mark Woodward, and her uncle, Staff Sergeant Randy Sexton, were also caught by the undertow when they went to help the young girl. Colonel Paul Sowada heard their call for help from shore and radioed for assistance. Master Sergeant Brown responded to Colonel Sowada's call. None of the victims were seriously injured. Colonel Sowada also received the Airman Medal in a ceremony on June 12th.

I ask my colleagues to join me in congratulating these two brave men on the awarding of such a special medal. They are to be commended for their noble efforts.

TRIBUTE TO COL. JIMMY JACOBS

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. SPRATT. Mr. Speaker, I would like to pay tribute to an outstanding American, an outstanding soldier, and an outstanding officer of the U.S. Army on the occasion of his retirement from active service. Col. Jimmy O. Jacobs retires after more than 28 years of dedicated service to this great Nation. Throughout his service Colonel Jacobs has provided tremendous leadership, guidance and counsel at all levels, from unit to the Office of the Secretary of Defense. He has consistently provided frank, thoughtful and deliberate advice to the high ranking Presidential appointees whom he has served both for the Office of the Secretary of the Army and the Office of the Secretary of Defense. Colonel Jacobs has over the years become recognized inside the Pentagon as the expert when an issue had to be worked quickly and correctly. His first and foremost concerns have always been what is best for soldiers, the U.S. Army, and our Nation. His brand of selfless service will stand for years to come as the standard for others to emulate.

Colonel Jacobs' illustrious career that began in 1970 culminates as the Executive Officer to the Deputy Chief of Staff for Personnel, Headquarters, Department of the Army. It is in this position that he has been able to directly influence the lives of our young soldiers and their families. For it is in the Office of the Deputy Chief of Staff for Personnel (DCSPER) where decisions are made affecting a soldier's wallet, housing assignment, points for promotion, and next assignment, among many others. Colonel Jacobs has been on hand to ensure that, when others might lose sight of that soldier on the ground, the correct decisions are made. He is the one who has ensured that the DCSPER hears those honest, frank opinions that he needs to hear before making life altering decisions. And on many occasions it was Colonel Jacobs himself providing those opinions.

Colonel Jimmy Jacobs was born in Bennettsville, South Carolina and graduated from Wofford College in Spartanburg, South Carolina. Colonel Jacobs was commissioned a second lieutenant through the Reserve Officers' Training Corps program in 1969. The unfortunate and untimely loss of both parents while attending college prompted his request for a one-year deferment from active duty to ensure his two younger brothers graduated from high school. For that year he taught high school biology and coached football, reporting in 1970 to his first duty station in Cam Rahn Bay, Vietnam. After Vietnam, then Lieutenant Jacobs spent the following 10 years overseas serving selflessly in a wide variety of personnel positions at Headquarters, 6th U.S. Army, Europe, the Berlin Brigade, and the European Military Personnel Center. In 1981, the newly promoted Major Jacobs was assigned to Headquarters, 6th U.S. Army at the Presidio at San Francisco, to serve for three years in his functional area of public affairs. Following his assignment as Chief, Media Operations and Public Information, Major Jacobs was selected to attend Command and General Staff College at Fort Leavenworth, Kansas. Upon graduation he found himself being assigned once again to another overseas tour with the Military Personnel Center, Europe, in Schwetzingen, Germany.

After serving as Chief Officer Assignments and the Assistant Chief of Staff for Operations, the newly promoted Lieutenant Colonel Jacobs was reassigned to the Pentagon, Washington, D.C., in May 1988. For the next ten years, Lieutenant Colonel Jacobs served in alternating assignments between the Office, Secretary of Defense and the Office, Under Secretary of the Army as a Senior Military Assistant, Executive Officer, and Senior Military Deputy. During this period he was deservedly promoted to Colonel and subsequently assigned to his current position as the Executive Officer to the Army's Deputy Chief of Staff for personnel. In all these assignments, Colonel Jacobs has served with distinction and has earned our respect and gratitude for his many years of unselfish service to our Nation's defense.

It is with great pride that I congratulate Colonel Jacobs upon his retirement and wish him and his wife, Deborah, all the best as they move on to face new challenges and rewards in the next exciting chapter of their lives. I ask my colleagues to join me in heartfelt appreciation to a soldier whose selfless service has truly made a difference.

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. ORTIZ. Mr. Speaker, because of official business in my District (27th Congressional District of Texas) I was absent for rollcall votes 288 to 309. If I had been present for these votes, I would have voted as follows: 288, no; 289, no; 290, no; 291, no; 292, yes; 293, yes; 294, yes; 295, yes; 296, no; 297, yes; 298, yes; 299, yes; 300, yes; 301, yes; 302, yes; 303, yes; 304, yes; 305, yes; 306, no; 307, no; 308, yes; 309, no; 310, no; and 311, no.

NATIONAL RIGHT TO WORK BILL

SPEECH OF

HON. JAY DICKEY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. DICKEY. Mr. Speaker, I rise in strong support of H.R. 59, the National Right to Work Act.

No American should be forced to join or pay dues to a labor union just to get or keep a job.

H.R. 59 would free millions of Americans from coercion in the workplace by simply removing the forced union dues provisions of the National Labor Relations Act and Railway Labor Act.

Mr. Speaker, a vote on the National Right to Work Act is long overdue. I urge you to schedule a vote without delay.

CHILD CUSTODY PROTECTION ACT

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Ms. PELOSI. Mr. Speaker, I rise today in opposition to the Child Custody Protection Act. This bill is yet another attack in the ongoing attempt by conservative Members of this House to deny reproductive choice to women.

When faced with a difficult choice, teenage girls should be encouraged to seek the advice and counsel from their elders and not be concerned with criminal consequences.

If passed in its current form, this bill would criminalize the conduct of a grandmother who helps her granddaughter in a time of need. This bill will not lead to better family communication where it does not already exist. This bill is invasive and intrusive and denies a young woman the right to face a difficult choice with safety and dignity.

Furthermore, H.R. 3682 raises important federalism issues. Laws from one State do not follow people to another.

Mr. Speaker, more than 75 percent of young women already involve one or both parents in their decision. When a young woman cannot involve a parent, she should be encouraged to involve a trusted adult without the fear that the adult who accompanies her could face incarceration. One study found that half of all young women who did not involve a parent did involve an adult, including 15 percent who involved a step parent or adult relative. If this bill passes, these individuals could be jailed for helping to obtain a legal medical procedure.

H.R. 3682, if enacted, would put a young woman's life at risk should she be unable to involve a parent or guardian. It will increase the chance that she will seek an illegal or self-induced abortion or delay the procedure, making it more dangerous.

Instead of increasing the risks involved in abortion, let us support measures to make abortion less necessary by reducing teen pregnancy, promoting adolescent reproductive health education, and expanding access to confidential health services (including family planning).

Let us not turn our backs on young people and criminalize the assistance of a parent or trusted adult. Young women must not be isolated from a supportive parent or trusted adult and must be encouraged to make open, honest and safe choices.

We must protect young women from coercion by strangers, but not from the support of a caring adult. Mr. Speaker, this bill will put the reproductive health of young people at risk and infringe upon an individual's constitutional right to privacy and reproductive choice.

This bill is in need of clarification to differentiate between the act of a caring adult and the act of an individual deserving criminal persecution.

I urge my colleagues to oppose this bill.

ADDRESSING THE Y2K CHALLENGE

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. LEWIS of California. Mr. Speaker, by now we are well aware of the Y2K problem that poses a threat to virtually every aspect of our daily existence. My good friend and colleague, Mr. HORN, has done an outstanding job of raising awareness within Congress and every federal agency on the need to address this complex challenge. Indeed, every American is potentially affected by the Y2K problem and educating the public is critical to avoiding major disruptions in our daily lives.

Raising awareness is the key to proposing solutions. To that end, I would like to share with you and submit for the record a very fine article that recently appeared in the Seattle Post-Intelligencer. The piece, "Crash 2000," was written by Bruce Chapman, president of the Seattle-based Discovery Institute. The Discovery Institute has recently launched a two-year project on the many diverse public-policy issues connected with Y2K.

The Discovery Institute will host a conference on Y2K and related public policy concerns in Washington, DC on September 24. This conference will focus upon specific issues that need to be considered by Congress, the Executive Branch and other levels of government to minimize the effects of the Y2K transition. Well-known technology author George Gilder will moderate the day-long session which will also feature Congressman HORN and some of the best and brightest minds on the Y2K issue.

[From the Seattle Post-Intelligencer, June 14, 1998]

FOCUS CRASH 2000

LIFE WITH COMPUTERS AT RISK SHOULD Y2K DISEASE PROVE DEADLY

(By Bruce Chapman)

From airport traffic control to tax refunds, from "just-in-time" package deliveries to time-sensitive hospital equipment; from fire and police services to defense commands, products and activities we take for granted could slow or stop.

That's the Year 2000 problem scenario, a disquieting possibility that is nagging increasing numbers of public and private leaders.

In a year and a half, as the new millennium opens, the lives of everyone not residing in some Stone Age redoubt will be affected to an unknown extent by a bizarre glitch in many of the world's computers and software products. Even the minimum likely outcome is worrisome.

Take the disruptions of last year's United Parcel Service strike, when hundreds of businesses failed, combine them with the recent service stoppage on 40 million pagers when the Galaxy 4 satellite broke down, and replicate such effects in other sectors of the U.S. economy and around the world—simultaneously.

Other outcomes could be worse. Nobody knows how bad it could be. They do know that "it" will happen on Jan. 1, 2000. A program to stimulate greater public awareness, understanding and action is needed. Yet a communications gap between the culture of the technology industry and that of the political world is slowing the response to the 2000 problem, or "Y2K," as it is coming to be known.

The individualistic people in the technology industry do not naturally make connections between their world and the realm of everyday public life. They tend to fear the government when they do not scorn it. People in the public sector often have difficulty comprehending the economic and social impacts of technology. To them, tech is just another industry to be taxed, regulated and litigated. But at the start of the new century, a programming foible of years gone by—compounded by repetition—threatens to make obvious the big, unavoidable connections between technology and public policy.

The problem arose from widespread use of a coding technique to save digital space in computers—shortening the designation of years by eliminating the number denoting the century. The date "1998" is merely rendered "98", for example. Even if some people thought of the troubles that might occur when the year 2000 rolled around, in the fast-changing world of high technology, systems were not expected to last long enough to matter.

The unanticipated result as the year 1999 changes into 2000 is that many computers will read "00" to mean "1900." They will have no way to control the resulting calculations appropriately. Whole systems, including personal computers and mainframes, and software products of various kinds, could malfunction, spit out errors erratically, or simply crash. With them would crash the billions of orders and transactions and industrial processes upon which our lives have come to depend.

At potential risk are: critical infrastructure (water, power, telecommunications, transportation); government services at all levels; banking and finance, here and overseas. The very uncertainty about the prospects for these functions could trigger an anticipatory economic contraction well before 2000.

Huge private and public repair efforts already are under way. Some national banks' Y2K bills are running up to $600 million. A Securities and Exchange Commission study released last week estimated that the top Fortune 250 corporations alone expect to spend some $37 billion on the problem.

Many companies' systems are fixed already. But that won't necessarily protect them from failures experienced by their suppliers, or their customers. Nor will it protect them if their computers interact with systems that are not fixed. Analyst Mark R. Anderson, who spots technology trends from his highly wired aerie in the San Juan Islands, sees "networks" as "the greatest Y2K problem. If my computers are fixed, and yours are not, I'm not sure I want to be linked to yours that (Dec. 31, 1999) midnight."

To put the matter in personal terms: Your bank assures you that it is entirely and certifiably compliant. But if that bank starts getting bogus data from malfunctioning computers at other banks—say, from overseas—or finds that it cannot get information at all from federal financial institutions, its own systems could be compromised.

Edward Yardeni, economist with Deutsche Morgan Grenfell in New York, citing the tardiness of private and public entities in confronting the Y2K problem, estimates the chance of a major recession as 60 percent. "The likely recession could be at least as bad as the one during 1973–74, which was caused mostly by a disruption in the supply of oil. Information, stored and manipulated by computers, is as vital as oil for running modern economies."

A Federal Reserve study a few months ago estimated a repair cost to private business in the United States of about $50 billion and to the economy of only a fractional percent of growth, but those estimates already are probably out of date. A private study by Y2K specialists at the Gartner Group in Palo Alto, Calif., sees a $115 billion dollar domestic tab and a $600 billion cost worldwide.

It is instructive that the head of one vitally affected federal agency, the IRS, does not even dispute the extent of potential danger. Commissioner Charles Rossotti told a Congressional committee this spring, if repairs cannot be made in time (and IRS is far behind, "There could be 90 million taxpayers who won't get their refunds, and 95 percent of the revenue stream of the U.S. could be jeopardized."

"Could be." Nobody knows for sure. A lot can happen in a year and a half.

"It's still unclear how much pain there will be," says Microsoft's Bill Gates.

One reason for uncertainty is that many information systems are not, as it were, technologically transparent. Instructions may be embedded in locations where one does not expect them. Old systems may have idiosyncratic, even whimsical, programs written by someone long gone and in an obsolete program language.

The rickety IRS system, for example, dates from the 1960s. Given the workload in bringing critical systems to a point of Y2K compliance, Gates is among those who propose that "From today forward, 'triage' is the order of the day." In the battlefield, a surgeon applying the triage policy divides casualties by categories of those who are in good enough shape to ignore, those past saving and those who can be saved with prompt action. Triage for information services means deciding which systems are of relatively low priority and can be repaired later, those that are past saving and must be replaced or abandoned, and those needing immediate fixes.

That Gates has anything at all to say in Y2K these days is commendable. Many businessmen are afraid to mention the subject. Business Insurance, a trade journal, reports that "Security is tight for many corporate conversion projects because of the concern that their stock prices might fall when the word got out about how much it will cost to bring their systems into compliance." Even the Securities and Exchange Commission is having a hard time getting information from companies, according to testimony before a Senate hearing last week. But before long, as public awareness grows, enterprises that cannot boast of major efforts to become Y2K compliant could become the ones risking stock owner displeasure. Nothing hurts a stock price like a breakdown in basic corporate functions.

Business leaders also are being warned by their lawyers to keep quiet because of the threat of lawsuits. The Journal of the American Bar Association estimates that there will be a trillion dollars worth of claims as a result of Y2K. Trial lawyers already are holding conferences to examine opportunities for suits against tech companies and others if their systems fail. But again, with time it may become clear that those companies will fare best that are most active in preventing Y2K trouble and trying to help others—including the public.

Actually, the government itself may have contributed to today's punitive legal atmosphere by its aggressive actions on other matters, from monopoly suits against Microsoft and Intel, to efforts to stop telecommunications and cable mergers. The federal government, by keeping such a low profile on Y2K for so long, also has slowed public education on the overall Y2K threat. The government did know about it. Almost two years ago, after receiving a special report from the Congressional Research Service, Sen. Patrick Moynihan, D–N.Y., sent an urgent letter to President Clinton, alerting him to the Year 2000 problem, and warning that it "could have extreme negative economic consequences during your second term." He later publicly termed Y2K a potential "national emergency."

Yet it was only four months ago that the White House appointed John Koskinen, a former Deputy Director of the Office of Management and Budget, to head a new President's Council on Year 2000 Conversion. Koskinen is an experienced crisis manager, but his job is still less that of a policy "czar" than that of a facilitator. He has a small office and three employees.

Of course, by now few large corporations need education from the federal government on the serious of Y2K. But the same cannot be said of small businesses. Surveys show that many of these remain blissfully indifferent. The National Federation of Independent Business and Wells Fargo Bank have discovered that only one in six small businesses has even looked into the subject. Richard Bergeon, president of Systemic Solutions, Inc., in Seattle and co-author (with Toronto consultant Peter deJager) of "Managing 00: Surviving the Year 2000 Computing Crisis," predicts that, given present trends, "as many as 50 percent of small businesses may fail."

Meanwhile, White House special adviser Koskinen has tried to lower expectations of what his office can do to help the economy as a whole. "We have to figure out how we can help people organize themselves. There's no way for me or the federal government to manage this problem." Regarding the government's own functions Koskinen has promised a full report on preparations by early 1999.

But Congress is not about to wait that long. After holding several discouraging hearings this winter and spring, Rep. Steven Horn, R-Calif., a former university president who heads the House Government Reform and Oversight subcommittee on technology, last week graded the federal efforts an "F." He demanded that "The president and his administration must set priorities if the conversion is to be successful . . . Now is the time for the president to designate the Year 2000 problem as a national priority."

It seems likely that pressure will continue to grow on the president, and on Vice President Al Gore, a technology enthusiast, to expand federal readiness efforts. Publisher and possible Republican presidential contender Steve Forbes has been particularly outspoken, terming the situation a "leadership crisis, rather than a technology crisis."

Horn and Forbes have gained credibility from reports issuing lately from the government's independent General Accounting Office and the inspectors general in various departments. The reports cite deficiencies in most departments, indicating that at the present rate of change, a number of major federal functions are unlikely to be Y2K compliant on time.

For example:

Some failures of mission-critical defense systems are "almost certain," reported the GAO, unless the pace of fixes is greatly increased. The Department of Defense has spent $2.9 billion, but lacks key management and oversight controls, the GAO says. If the Defense Message System fails, "it would be difficult to monitor enemy operations or to conduct military engagements . . . Aircraft and other military equipment would be grounded."

The Labor Department already has spent $160 million of the $200 million allocated to it to help states convert computers that handle unemployment insurance. Labor's inspector general told a congressional committee he fears for the department's "benefit payment systems for job corps students and injured coal miners, longshore and harbor workers and federal employees and their families." Only 13 of 61 systems in the Labor Department have been identified as Y2K compliant.

The Education Department is so tardy that it still has no comprehensive Year 2000 plan.

Despite recent improvements, it is uncertain that the Department of Health and Human Services will be able to process some $200 million in Medicare payments or the $170 billion awarded annually in research grants for cancer and other diseases. The problems of HHS, like the IRS, are compounded by computer problems beyond the Y2K threat.

Experts told the Horn Committee that the Federal Aviation Administration is so far behind in Y2K readiness that it may have to ground planes in 2000. However, White House adviser Koskinen is more optimistic, believing that the FAA will have completed its repairs by the end of the year and will have another year for testing.

The Social Security Administration, with 92 percent of its project completed, is in better shape than any other federal agency. The Horn Committee graded it an A+. But, as Internet columnist Victor Porlier notes, the agency has been working on the problem for seven years, yet even it is not finished. What does that say about the prospects of agencies that have barely begun?

Also, how will a fully functional agency such as Social Security persevere in sending out checks and meeting its own payroll in 2000 if a dysfunctional IRS and Treasury Department cannot collect and distribute federal money?

Finally, says Porlier, Social Security's experience, wherein systems had to be tested early and repeatedly, underscores the importance of adequate time for testing and debugging before systems can be certified as truly 2000 compliant.

That time is fast disappearing.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

SPEECH OF

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Ms. LOFGREN. Mr. Speaker, I am very proud to vigorously support the Securities Litigation Reform Act of 1998. This bill is the culmination of a long, hard effort to enact securities reform.

During the last Congress, we struggled with and finally crafted a law that ensures that those who have genuinely been defrauded have access to courts and to justice, while preventing the misuse of our justice system.

This landmark legislation, the Private Securities Litigation Reform Act, ultimately passed with widespread bipartisan support. I strongly supported this legislation.

We passed this bill in response to the increasingly troubling practice of "strike suits," in which a small group of attorneys frequently took advantage of the legal system to backmail high tech companies for huge settlements, with little or no evidence of wrong doing.

These frivolous strike suits particularly damaged the companies in Silicon Valley. According to one study, 53% of Silicon Valley's top 100 technology companies have been subject to securities fraud claims.

Despite our best efforts last Congress, opponents have sought to sidestep the new federal securities laws. To avoid the new heightened federal standards, a number of securities fraud suits have moved from the Federal to the State courts.

According to a study by Stanford Professors Joseph Grundfest and Michael Perino, 26% of securities litigation activity has shifted to state courts.

Because of this development, executives now advise me they are reluctant to rely on the 1995 Act's safe harbor provisions when making public statements about their companies' prospects. This hurts investors who lose access to valuable information, and it undermines the efficiency of the market.

It is time to close the loopholes. The Securities Litigation Uniform Standards Act of 1998 will finally slam the door on strike suits by establishing Federal court as the exclusive venue for securities class actions.

I urge my colleagues to support this important bill. I would also like to commend my colleagues ANNA ESHOO and RICK WHITE for their hard work in pushing this issue forward.

I pledge to work with my colleagues to move this bill speedily through Conference and into law.

TRIBUTE TO MR. WILLIAM K. TAKAKOSHI

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. MURTHA. Mr. Speaker, I rise today to pay tribute to a dedicated public servant as he retires from his position as Special Assistant to the Under Secretary of the Army after more than 28 years of dedicated service to his country. Mr. William K. Takakoshi is most deserving of our tribute. He has consistently demonstrated the outstanding qualities expected of our finest public servants. I would like to take a moment to highlight Bill's career milestones.

A native of Rockford, Illinois, Bill is a 1970 graduate of the University of Illinois with a B.S. in Industrial Engineering. Upon graduation he was commissioned as a 2nd Lieutenant in the Army Reserve. In 1971, Bill earned a Masters Degree in Industrial Engineering and Business Administration from Purdue University.

Bill entered public service in 1970 as an Industrial Engineer at the Naval Ammunition Depot at Crane, Indiana. He was responsible for the production and industrial engineering for the five main Naval Ammunition Depots.

In 1975, he was assigned as the Resource Branch Head of the Strategic Weapons Facility Pacific. In that capacity he was responsible for planning, acquisition, and management of all the resources required to activate the missile facilities of the first TRIDENT Base.

In 1981, after a tour at the Joint Cruise Missiles Program Office where he was the Deputy Production Manager, he accepted a position with the Army. For the next seven years he served as Deputy for Industrial Resources and Quality and Production for the Assistant Secretary of the Army (Research, Development, and Acquisition). During that time his primary focus was oversight of the Army Ammunition and Industrial Preparedness programs.

Because of his vast experience and knowledge of the acquisition process, he was selected by the House Armed Services Committee as a Legislative Fellow. Bill served on the Acquisition Policy Panel for the Procurement Subcommittee for a complete legislative cycle.

Upon his return to the Department of the Army in 1989 he was made Director, Program Review for the Assistant Secretary of the Army (Research, Development, and Acquisition) and was selected for the Senior Executive Service.

In 1990, because of his vast experience he was handpicked by the Under Secretary of the Army to serve as his Special Assistant. Since that time Bill has been the focal point within the Army for finding positive solutions and resolving difficult issues that cross varied interests and organizations. Bill Takakoshi is truly a "team player". He is always on top of the issues of the day and has the respect and confidence of the OSD and congressional staffs. He is the paramount professional, quiet and unassuming but one who always gets the job accomplished.

Mr. Speaker, it gives me great pleasure to present the credentials of Mr. Takakoshi to the Congress today. It is clear that the Department of Defense is losing a great talent. I would like to wish both Bill and his wife Gay continued success in all their future endeavors.

NUANGOLA CHAPEL HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. KANJORSKI. Mr. Speaker, I rise today to commemorate the 100th Anniversary of the founding of the Nuangola Chapel in Northeastern Pennsylvania. The Chapel will mark its centennial with a service and luncheon on Sunday, July 26. I am proud to have been asked to participate in this event. Late in the nineteenth century, the newly-organized Triangle Lake Association built an uncovered platform in a grove of trees for the purpose of dances and other social activities. On Sundays, the platform was used for services and Sunday School.

In 1890, Nuangola consisted of only about twenty-four cottages, all on the west side of the lake, but it had grown considerably by 1898 when John Reader proposed building a chapel. A meeting was held at the dance platform and a committee was formed to consider the idea.

In the minutes of that meeting the lake was referred to as "Triangular Lake." However, there were three other bodies of water in the country with that name at that time. To avert confusion, the U.S. Postal Service used what was thought to be the original name of the lake—Nuangola—after an Indian maiden thought to have drowned there. The new committee decided to call itself "the Nuangola Chapel Association."

On September 10, 1898, the committee petitioned the court to grant it a charter. The petition was granted and recorded for the purpose of maintaining "a chapel for public worship of Almighty God, evangelistic but nonsectarian." The chapel was built and dedicated in 1904 and it has been used every Sunday during the summertime since 1900.

Mr. Speaker, I am proud to congratulate the fine congregation of the Nuangola Chapel on its Centennial Celebration. I send my very best wishes on this milestone event for continued prosperity in the years to come. I am pleased to have had the opportunity to bring the Nuangola Chapel's proud history to the attention of my colleagues.

THANK YOU, EVIE FOSTER

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BARCIA. Mr. Speaker, we all have concerns about how to best deal with crime, and are likely to agree that the best solution is one in which the impetus for criminal action has been removed. At no time is this more important than when we are dealing with young offenders. Those skilled individuals who help juveniles turn away from the path of crime are special people, and deserve to be celebrated.

The people of Bay County, my home county, have had the good fortune to have had Evie Foster as the Community Services Coordinator for youthful offenders for the past eight years. She is retiring from the Office of the Bay County Prosecutor after a term of great accomplishment. In that time, she has placed over 1,000 young people in various work sites around the County, helping them learn the value of productive effort. Judge Paul Doner hired Evie to work in the Probate Court as the Coordinator in 1990, and we all thank him for that excellent decision.

It is no surprise to anyone who has had the privilege of knowing Evie Foster that she has been so successful. She started working at the Bay County Juvenile Home nearly twenty-four years ago as a youth development worker. She became Team Leader after five years, supervising other child care workers, and served as Interim Director of the Juvenile Facility until a new Director was hired. She most deservedly was named in 1982 as the Child Care Worker of the Year for the State of Michigan by the Michigan Juvenile Association.

Her care for children extends beyond her professional tasks. She has served a two-year term on the Youth Board Ministry for Immanuel Lutheran Church, two terms on the Compensation Board for the City, and as volunteer coordinator for the annual Christmas Dinner for the residents of the Bay Medical Care Facility and their families.

Evie has three children, Larry, Bob, and Brenda, a daughter-in-law Julia, and several grandchildren, Adam, LaSelle, Robbie, Julia, Vanessa, and Jared. They have learned valuable lessons about the need to support young people from Evie, and we are all better for it.

As Evie Foster leaves the Office of the Bay County Prosecutor to have more free time for golf, fishing, and other matters of significance to her, I ask you, Mr. Speaker, and all of our colleagues to join me in thanking her for the important and vital work she has done, and the example she has set. May her retirement be as satisfying as her years of devotion to her community.

PERSONAL EXPLANATION

HON. CHARLIE NORWOOD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. NORWOOD. Mr. Speaker, on July 21, 1998, I was unavoidably detained during the vote on the Johnson amendment (Roll No. 312) to H.R. 4193—FY 1999 Interior Appropriations Act to restore the National Endowment for the Arts (NEA) funding to its previous level of $98 million. Had I been in attendance, I would have voted "No."

LEGISLATION TO OPEN PARTICIPATION IN PRESIDENTIAL DEBATES

HON. JAMES A. TRAFICANT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation to open participation in presidential debates to all qualified candidates. I urge my colleagues to support this legislation.

My bill amends the Federal Election Campaign Act of 1971 to organizations staging a presidential debate to invite all candidates that meet the following criteria: the candidate must meet all Constitutional requirements for being President (e.g., at least 35 years of age, born in the United States), the candidate must have qualified for the ballot in enough states such that the candidate has a mathematical chance of receiving the minimum number of electoral votes necessary for election, and the candidate must qualify to be eligible for matching payments from the Presidential Election Campaign Fund.

This legislation will ensure that in a presidential election campaign the American people get an opportunity to see and hear from all of the qualified candidates for president. Staging organizations should not be given the subjective authority to bar a qualified candidate from participation in a presidential debate simply because a subjective judgment has been made that the candidate does not have a reasonable chance of winning the election.

The American people should be given the opportunity to decide for themselves whether or not a candidate has a chance to be elected president. So much is at stake in a presidential election. A presidential election isn't just a contest between individual candidates. It is a contest between different ideas, policies and ideologies. At a time when our country is facing many complex problems, the American people should have the opportunity to be exposed to as many ideas, policies and proposals as possible in a presidential election campaign.

My bill will ensure that this happens. It will give the American people an opportunity to hear new and different ideas and proposals on how to address the problems facing our nation. I have confidence that the American people are wise enough to make a sound decision.

Some of the basic principles America was founded on was freedom of speech and freedom of ideas. I was deeply disappointed that in the 1996 presidential campaign, the ideas of qualified candidates for president were not allowed to be heard by the American people during the presidential debates. It is my hope that Congress will pass my legislation and ensure that the un-American practice of silencing qualified for candidates for president is permanently put to a stop.

Once again, I urge my colleagues to support this legislation.

TRIBUTE TO THE LATE ADMIRAL ALAN SHEPARD

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BROWN of California. Mr. Speaker, it is with a sense of sadness that I note the passing today of Alan Shepard, an authentic American hero. Admiral Shepard will always be remembered for having the "right stuff". He was one of the original seven Mercury astronauts, and he won an enduring place in history by being the first American in space. His 15-minute suborbital flight in the Freedom-7 capsule on top of a Redstone rocket on May 5, 1961 provided a badly needed boost to the American psyche, coming less than a month after the Soviets had launched Yuri Gagarin into orbit. Admiral Shepard's successful mission cleared the way for President Kennedy to announce the goal of landing a man on the moon by the end of the 1960s.

Alan Shepard was the consummate professional as an astronaut. Even after being sidelined for several years by a medical condition, he kept himself trained and fit in case it proved possible to return to flight status. His perseverance was rewarded when he eventually was returned to flight status as the Commander of the Apollo 14 mission to the moon. The Apollo 14 crew made the third successful manned landing on the moon on February 5, 1971, and they restored our confidence in America's lunar exploration program—confidence that had been shaken in the wake of the ill-fated Apollo 13 mission.

Mr. Speaker, the nation's space program has made great progress since those early days in 1961. We have landed 12 human beings on the moon. We have sent probes to every planet in the solar system save one. We have satellites that probe the mysteries of the universe and that help us to better understand our own planet Earth. We also have spacecraft that help us better forecast the weather and communicate around the world. We now send both men and women into space in an almost routine manner, and we are engaged in a cooperative project with 15 other nations to build a space station in Earth orbit. We have indeed come far in space since 1961. However, we should never forget the individuals who have helped bring us to this point. Alan Shepard was one of the most distinguished of those individuals.

I know that I speak for all Members when I say that we send our deepest condolences to his family.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Ms. PELOSI. Mr. Chairman, I rise in support of the Furse amendment to reduce funding for the federal timber sales program and to reallocate the funds for better use within the U.S. Forest Service.

There is a very basic fact associated with our federal timber sales program: It is intended to produce revenue and it does not. It not only fails to fulfill this promise to the taxpayer, timber sales actually result in added costs to the taxpayer. Why would we engage in such a financial relationship when we know that it is a big loser?

Who pays? Not the private corporations doing the logging. The taxpayer pays. It simply does not make good management sense to conduct a federal program in such a financially inefficient manner. Look at the numbers: According to the General Accounting Office, the Forest Service's federal timber program cost taxpayers almost $1 billion from 1992–94—more than $330 million on average for each year. Last year, the loss was $88.6 million, by Forest Service reports.

The cry for government reform should include reforming the way the U.S. Forest Service loses hundreds of millions of tax dollars in logging and unnecessary logging road construction in our national forests. The proposed elimination of the Purchaser Road Credit Program is a good first step toward bringing an end to subsidies for the timber companies at the trough of the federal timber program.

The Furse amendment transfers funds from the timber sales program and puts them where all Americans can reap the benefits—in environmental restoration and improved recreational management. In the words of the Chief of the U.S. Forest Service: If we are to redeem our claim to be the world's foremost conservation leader, our job is to maintain and restore ecological and socially important environmental values . . . Values such as wilderness and roadless areas, clean water, protection of rare species, old growth forest, naturalness—these are the reasons most Americans cherish their public lands.

Now is the time to build on that concept and the momentum of eliminating the Purchaser Road Credit Program by eliminating all subsidies for the federal timber program. Let's put an end to this corporate handout. I urge my colleagues to vote in favor of the Furse amendment.

STARR NOW OBJECTS TO AN INVESTIGATION OF HIMSELF

HON. JOHN CONYERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. CONYERS. Mr. Speaker, I rise today to discuss the reported resistance by Independent Counsel Starr to Chief District Court Judge Johnson's decision to begin an investigation of whether Mr. Starr leaked grand jury materials to the press in violation of federal law. Rather than obey that judge's order, Mr. Starr apparently has filed an unusual motion to prevent her order from going into effect until such time as he can be heard before the D.C. Court of Appeals.

The central issue appears to be whether Mr. Starr will be forced to comply with Judge Johnson's order that President Clinton's lawyers be allowed to participate in the questioning of members of the Independent Counsel's office concerning the alleged leaks. We have not yet been informed of exactly why Mr. Starr is so concerned about direct questioning of his staff by the President's lawyers concerning alleged violations of federal law.

Judge Johnson's decision to permit such questioning is, however, fully justified by Mr. Starr's prior misleading statements on the issue of whether his office was the source of leaks. Mr. Starr has previously stated that leaks were "prohibited" in his office and that he had "no reason to suspect" that anyone in his office may have been the source of reports about his investigation. Later, of course, as we all now know, Mr. Starr admitted that his office speaks frequently with reporters, but that these contacts do not fall within his narrow definition of a "leak."

Mr. Starr's resistance to standard truth-seeking measures such as adversarial questioning is blatantly hypocritical in light of his numerous public statements suggesting that the White House and others are improperly obstructing his investigation simply because they ask courts to balance important private and governmental interests against Mr. Starr's apparently boundless interest in new investigative leads. Now that Mr. Starr has apparently found some interests of his own that he believes justify limiting an important part of a proposed criminal investigation, will Mr. Starr now concede that asking a court to evaluate a privilege is an appropriate response to a criminal investigation?

Assuming that Mr. Starr is unwilling to make this concession, will he then ask himself the same question he asked during his recent speech to the bar association in North Carolina? In that memorably inappropriate attack on the President by the Independent Counsel, Mr. Starr self-righteously posed the following question:

> At what point does a lawyer's manipulation of the legal system become an obstruction of the truth?

Witnessing Mr. Starr's own legal manipulations this week, I am forced to ask my own question: What does Mr. Starr have to hide? Mr. Starr should live up to his own rhetoric, stop resisting Judge Johnson's order and allow a credible investigation to proceed into these significant allegations of serious wrongdoing.

TRIBUTE TO DALE VANDER BOEGH

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. WELLER. Mr. Speaker, I rise today to recognize and honor Mr. Dale Vander Boegh as he retires from his post as chief of the Manhattan Volunteer Fire Department in Manhattan, Illinois. Mr. Vander Boegh's outstanding service to his community exceeds 50 years on the volunteer fire department, including 30 years as the chief.

Dale, known as Chubb to his family and friends, has set an example through his dedication to his community and neighbors that few of us can comprehend. For nearly fifty-two years, Dale made himself available at all hours of the day and night to fight a dangerous fire or offer help to anyone in need. Remarkably, Dale even kept the fire department's emergency telephone in his family's home for many years.

By all means, there are many families in Manhattan and throughout Will County who are eternally thankful for Dale's leadership and heroic efforts. One can only imagine the number of lives and properties Dale has saved throughout his service.

Mr. Speaker, it is only right and proper to honor Chief Dale Vander Boegh and his family for the remarkable lifetime commitment they have made to their community and neighbors. Chief Vander Boegh is a fine American and a true hero. I wish he and his wife, Beverly, the best life can offer in their retirement.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

SPEECH OF

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. FAZIO of California. Mr. Speaker, during the 104th Congress I voted, with a large bipartisan majority of my colleagues, for the Private Securities Litigation Reform Act of 1995 (PSLRA) because I believed it was an important step toward protecting companies against "frivolous" law suits. The extremely litigious environment that existed prior to this legislation had a chilling effect on growth in technologies and did little to curb fraud and abuse.

A new concern has developed, however, which threatens to unravel the changes that we have made. In effect, the standards in the Federal securities laws, as amended by the PSLRA, are being bypassed.

According to a study done last year, Stanford University found that 26 percent of securities class action cases have shifted from Federal to State courts. Trial lawyers have discovered a loophole around the Federal statute through State litigation, where it is much easier to file complaints without substantial cause. This practice is an unprecedented and unanticipated move that stands to harm America's companies, especially the high tech community.

These high technology companies account for 34 percent of all the issuers sued last year. It is ironic that the very companies that have contributed disproportionately to the economic growth of our Nation and have been a great source of wealth for investors are the ones being harassed. They are, in effect, being penalized for success.

The Securities Litigation Uniform Standards Act, H.R. 1689, would amend the Securities Act of 1933 and the Securities Exchange Act of 1934 so that any class action law suit brought in any State court involving a covered security would be heard in a Federal court. Only those suits traditionally filed in Federal courts would be affected by H.R. 1689, while those claims that historically have been pursued in State courts would be left undisturbed. H.R. 1689 is limited to covering nationally traded securities on the New York Stock Exchange, NASDAQ, or the American Stock Exchange. At the same time, the legislation expressly preserves the authority of public State officials to police State securities markets.

It is clear that what is needed are uniform standards for private securities class action litigation to cover nationally marketed securities. I hope that my colleagues will join me once again in support of securities litigation reform. We need to take action to close this loophole and protect our innovative entrepreneurs and companies that have done so much toward this country's economic health.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

SPEECH OF

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BOEHNER. Mr. Speaker, I want to congratulate Chairman BLILEY, Chairman OXLEY, my friend Mr. WHITE and Ms. ESHOO for their work on this fine piece of legislation, the Securities Litigation Uniform Standards Act.

Nearly 3 years ago we passed the precursor to this bill. Before that, dozens of sue-first, ask-questions-later lawyers had made fortunes by organizing groups of shareholders to sue companies when their stock didn't live up to the shareholders' expectations. If the stock went down, even briefly, the trial lawyers sued the companies and harassed them into settlements. The real winners in these cases were the lawyers, who recovered fees that dwarfed the settlements their individual clients received.

This especially hurt high-tech businesses which were easy targets because their stocks tended to fluctuate more than average. Because we wanted to keep America competitive in this vital market, in 1995 we passed the Securities Litigation Reform Act, overriding President Clinton's veto. That bill protected shareholders' legitimate interests but made it harder for the strike suit lawyers to coerce companies into unfair settlements.

The problem was that in inventing a new mousetrap we had forgotten how smart the mouses were. The strike suit lawyers began filing their suits in state courts, where our bill had little effect.

This bill realizes the intent of the 1995 bill by closing this loophole. Securities law is predominantly federal. This bill would prevent strike suit lawyers from abusing convenient state law by giving company defendants the opportunity to move strike suits filed in state courts to federal courts, where they would have the protection of the 1995 bill.

Mr. Speaker, this superb piece of legislation will protect shareholders, it will protect our growing high-tech sector from needless harassment, and it will protect the high-paying, stable jobs that these industries will create now and in the future. I urge my colleagues to support it.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Mr. HAYWORTH. Mr. Chairman, today we had an important vote regarding federal lands in our country. I believe Chairman REGULA did an excellent job of handling this difficult and controversial appropriations bill. However, one project that was left out of the bill was funding of the new Seba Dalkai school in my congressional district that has been on the Bureau of Indian Affairs (BIA) priority list for several years.

As you may know, Mr. Chairman, Seba Dalkai is located on the Navajo Nation, the largest and most economically-challenged sovereign Indian nation. Education is vitally important for children to achieve their full intellectual and economic potential. A healthy learning environment is central to this goal.

Seba Dalkai has been patiently waiting for new school facilities, while educating their children in substandard conditions. They are presently the highest ranked school on the BIA priority list that has yet to receive funding. Unfortunately, this has been the situation for several years. Seba Dalkai needs and deserves funding. It is my hope that since the new Sac and Fox and Pyramid Lake schools will be completed this year, the House Interior Appropriations Subcommittee will begin funding the new Seba Dalkai school in fiscal year 2000. I will continue to fight for funding for Seba Dalkai, although I am disappointed that the Subcommittee could not begin funding this important project in fiscal year 1999.

COMMUNICATIONS MANAGER JOHN H. BLANK, RETIRING AFTER 33 YEARS OF SERVICE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. STARK. Mr. Speaker, I would like to take this opportunity to pay tribute to Communications Manager John H. Blank. On July 31, 1998, after 33 years of distinguished service, he will be retiring from the police force in Milpitas, California, in California's 13th Congressional District.

Communications Manager Blank began his career serving the Milpitas community in October, 1965. He was sworn in as a police officer on October 1, 1965. He served in the patrol unit until January, 1970 at which time he was appointed as Supervisor of the Traffic Investigation Unit. in 1967, he confounded the Milpitas Police Officer's Association. His concern for the welfare and development of employees of the Department as well as his knowledge and skills in the field of organizational development provided a solid foundation for the Association which continues to serve as an important resource for law enforcement officers today.

While serving in the Milpitas Police Department, John continued his education. He was awarded a B.S. degree from San José University in 1973 after completing the requirements for a double major in Public Administration and Political Science. Concurrent to his service in the Milpitas Police Department, he also served in the California National Guard. He completed his service in 1971, after attaining the rank of Staff Sergeant.

On July 1, 1973, John was promoted to Police Inspector with the responsibility of supervising the Records, Communications and Property functions of the Police Department. Under his supervision, the Department acquired its own dispatching capability and was able to upgrade its services substantially. In April of 1979, as a result of departmental restructuring, John became a Detective Sergeant. His responsibilities included investigating crimes against persons, property crimes, fraud and missing persons.

In 1980, John embarked upon a significant career change—he left service as a sworn employee to become a communications dispatcher. In 1985, he became an acting communications supervisor. In 1986, he became permanent supervisor, and, in 1992, he became Communications Manager. As Communications Manager, he managed the growth of this service by improving the size, staff training, and complexity of the Communications Center.

He oversaw many improvements during his tenure as Manager, including the change from "status tags" to Computer Aided Dispatch, public safety tactical dispatching, and the development of a state of the art Communications Center.

He was a co-founder of an organization called C.O.M.A.—the Communications Operations Managers Association of Santa Clara County. C.O.M.A.'s goals are interagency cooperation, support training, and the furtherance of the public safety communications profession.

John has always been an active member of the community. He has lived in Milpitas for the last 15 years—in a home that he built himself. He has been a long time member of the Walnut Green Homeowners Association, he founded the Milpitas Tennis Association, has been very active in the Y.M.C.A., and has been a member and president of the Milpitas Kiwanis Club. He is also an active member of his church, serving as both a deacon and usher.

John has received numerous awards and commendations throughout his career. He has amassed over forty letter of commendation from citizens, his supervisors, and from a wide variety of governmental agencies. In 1987, he was recognized by the San José-Evergreen Community College District for his assistance in the development and presentation of the Basic Public Safety Dispatcher Development Academy.

Mr. Speaker, Communications Manager John H. Blank will be honored at a celebration dinner on the occasion of his retirement on August 7, 1998. I would like to thank John for his 33 years of dedicated service on behalf of the residents of Milpitas, CA. His professionalism and dedication will be sorely missed. I wish him luck in all of his future endeavors.

CONGRATULATING SCRUGGS, INC.

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. DUNCAN. Mr. Speaker, Scruggs, Inc., a leading Knoxville business, has recently received national recognition as the "1998 Dealer of the Year" by "Foodservice Equipment and Supplies Magazine." Scruggs, Inc. is a 66-year-old, third generation restaurant equipment and design company in Knoxville, TN.

Scruggs, Inc., founded in 1932, by Mr. Carlton Scruggs, now has over 55 employees and sales of over $15 million a year. In a time where many family businesses may be experiencing difficulties, it is wonderful to see this family business doing so well.

The Scruggs family is one of east Tennessee's most respected families. I have known Mr. Jim Scruggs, who recently retired from the company, for many years. Now, the day-to-day operations are managed by his sons, Lee and Andrew.

I congratulate the Scruggs family on this well-deserved honor, and I wish them continued success. I would like to call to the attention of all of my Colleagues and other readers of the CONGRESSIONAL RECORD the article from the "Knoxville News Sentinel" concerning this outstanding award.

[From the Knoxville News Sentinel]

"DEALER OF THE YEAR"; MAGAZINE AWARDS KNOX FAMILY FIRM SCRUGGS INC.

(By Jerry Dean)

Scruggs Inc., a 66-year-old Knoxville company which sells and services food service equipment, has come far since Earnest Carleton Scruggs of Sweetwater first bought such equipment on New York's Bowery for resale in Knoxville in 1932.

Named Foodservice Equipment & Supplies magazine's 1998 "Dealer of the Year"in May, Scruggs was featured in the magazine's 50th anniversary issue, which noted its "record of integrity, innovation and leadership."

"Exemplary customer service expresses the ruling philosophy of this company," said Publisher Sandra A. Smith.

Scruggs Inc., now with 55 employees, operates a 60,000-square-foot warehouse and an 18,000-square-foot showroom at 3011 Industrial Parkway East, northwest of Western and Texas Avenues, east of Interstate 75 in Knoxville.

Lee E. and Andrew D. Scruggs, brothers and latest of three generations to run the business, said 50 years by coincidence is how long their father, James Scruggs, has been associated with Scruggs Inc. Though retired, he remains a design consultant for its customers, including restaurants, soda fountains and grocers in East Tennessee.

"There's nothing magical about the firm's success," Lee Scruggs said. "We merely try to do what we say we'll do. And to look after our customers well."

James Scruggs began the business in 1948 and was joined in 1950 by elder brother E.C. Jr. and younger brother, Pat. James began by drawing floor plans, but after his elder brother's death, James learned sales and administration to assume leadership. In 1961, he helped found Equipment Distributors Inc., a buyers' group that helps all 22 of its area dealer-members prosper.

Scruggs Inc., with $15 million in 1997 sales, maintains a tidy division of labors between brothers Lee, who administers the company, and Andrew, who directs sales. Lee, a UT graduate and former youth minister, joined Scruggs in 1980 as warehouse manager. Andrew, a Texas Christian University graduate, joined the firm in 1979 after working for a restaurant chain. Also working closely with the Scruggses are key employees like Ed Poore, the comptroller.

The firm opened a Tri-Cities sales office-showroom in April and expects it to help boost sales to $25 million. Scruggs also operates a Nashville cash-and carry outlet.

Scruggs Inc. sells and installs such equipment as cook tops, 10-burner ranges, freezers and such "smallware" as glassware and serving utensils. Its 5,000 customers include restaurants, hospitals, nursing homes and schools.

SAVING MEDICARE FOR BABY-BOOMERS IS NOT HOPELESS—DEDICATING THE NEXT DECADE OF FEDERAL SURPLUSES FOR MEDICARE WOULD KEEP HOSPITAL TRUST FUND SOLVENT PAST 2030 WITH NO OTHER CHANGES

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. McDERMOTT. Mr. Speaker, in January, when the Congressional Budget Office (CBO) first estimated that the budget surpluses for the next decade might total $650 billion, many of us asked the Medicare Actuary how long that amount of money—if dedicated to the Medicare Hospital Trust Fund—would keep the Trust Fund solvent. The answer was 2020.

CBO is now estimating that the next decade's surplus will be almost $1 trillion higher. I again asked the Office of the Chief Actuary how long that amount—if saved for Medicare and not given away on tax cuts—would fund the Hospital Trust Fund. The answer is past 2030.[1]

The year 2030 is as far as the National Bipartisan Commission on the Future of Medicare seeks or dares to plan for the future of Medicare. The year 2030 is well into the retirement of the Baby Boom generation and is a point at which the percentage of retirees in our society stabilizes.

Without making any other changes, without any restructuring of the program, without any more provider cuts, without shifting costs to beneficiaries, without raising taxes, we can keep Medicare Part A solvent just by not giving away today's temporary surpluses.

This does not mean to suggest that the Commission should not recommend any changes to the medicare program that makes the program work better for beneficiaries or that ensures greater cost predictability and containment. By making prudent savings on the provider side and saving the surpluses, we could actually improve Medicare and its package of benefits, or we could use some of these resources to also extend the life of the Social Security. The important point is that by just not dribbling away our present surpluses, we can make our future Social Security and Medicare problems much more solvable.

As Congress debates possible ways in which to spend today's budget surpluses, it is important that the Commission recognizes and publicizes this very important message: Saving today's budget surpluses will make it infinitely easier to solve the coming Medicare crisis caused by the retirement of baby-boomers. There is, in fact, no crisis if we saved today's temporary surpluses to solve the future's certain Medicare deficits.

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[1] I asked the Office of the Chief Actuary what an additional trillion dollars in budget surpluses would save. They replied that $1.65 trillion dedicated for Part A would save the Trust Fund to 2033. The CBO's latest estimate of surplus between 1998 and 2008 is $1.548 trillion. Surpluses are expected for another year or two after 2008 before the Baby Boomers start retiring.

ISSUES FACING YOUNG PEOPLE TODAY

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. SANDERS. Mr. Speaker, I submit for the RECORD statements by high school students from my home state of Vermont, who were speaking at my recent town meeting on issues facing young people today:

STATEMENT BY NAT WHITE-JOYAL REGARDING MEDICINAL MARIJUANA

Hi. My name is Nat White-Joyal. I want to talk about the legalization of marijuana for medical and homeopathic uses.

I think that it is necessary, for people who suffer from certain diseases where marijuana can be helpful to them, that it be legal. For someone to always be knocking on your door and wondering what that smell is and needing to have that to be comfortable and to sort of have—I don't want to say survival, but to have a more comfortable life.

I know that in several states, California and Arizona, that laws are either to be introduced or have been passed about legalizing medical marijuana. I am also aware of the pressure that these people who grow it and use it receive from the authorities. And I think that it is very important for these people not to have that pressure. I know from people that I know with certain diseases, hepatitis C and AIDS, that they need marijuana to improve their appetite so that they don't starve, so they can actually have some sort of energy. And I think that it needs to be passed, not only in certain states, but in the entire country.

I think it's something that is very important, and if you were to look at actual numbers, it does actually help people more than it hurts people. It is documented that marijuana does kill brain cells, but so does alcohol and cigarettes, and they are both legal, and they really don't provide any use for any other purpose except for taste and addiction.

Now, people would argue that marijuana is only used to—you know, people would only use marijuana to get stoned, but that is really not true. The people who I know who use it use it so that they can go on with their daily lives and, you know, hold down a job, not have to call in sick every other day. I feel it would be very important to have it legalized in Vermont as well, because, I mean, it is a very important crop for Vermont, whether it is legal or not.

STATEMENT BY EWING FOX AND DAMIEN WYZGA REGARDING YOUTH GROUP CENTERS

EWING FOX: This room looks a lot bigger from up here.

Many students have already mentioned the need for a safe teen environment. We think that we have a healthy alternative to some of the ideas that people have come up with so far. I think people have some good ideas, but I know a lot of kids feel that there is a stigmatism around community youth centers, and they're boring. There are too many adults, all you can do is sit on a couch and, you know, watch TV or something, and I think that Burlington's youth needs more than that to stay occupied.

We are modeling a center, a youth group center, that is called Main Street Park after a youth program that I visited in Massachusetts several years ago. It was completely run by students and volunteer parents. They had a snack bar, concessions and vending, which paid for a lot of the cost. It was housed in a public building. There were vending machines that were donated, there was pool playing, and the parents that would stay in an outer room that do the vending and admissions, there was a small admissions fee, and the majority of the center was run by the students. I think that a program similar to that could work in Burlington.

I think we can also address the issue around skateboarders in Burlington. I know I was eating lunch in City Hall park, and I was appalled by watching these skateboarders like, you know, walk up, take a jump, and get off their skate board, tiptoe down the street and walk back. I think that is so ridiculous, that some people have to be reduced to breaking a law to do something that is as simple as riding a skateboard.

I think also, for a center like this to work, we need to have a location. I know there is an empty building on lower Main Street where the old flea market was. It has been like that since I have been here, which isn't very long. And it is useless property right now, it's been sitting there and is pretty ugly, and nobody does anything with it. It is close enough to downtown where it would be, people who are downtown, hanging out, it is a safe option for people, yet it is not so far from the residential areas that it would be impossible to get to.

Our facility would have a movie room, pool tables, a skate park, and vending machines to help pay for these things. The reason for the skate park that I think is a really good idea is we have a lot of skaters in Burlington, and there is no skate parks in Vermont. I have a friend, josh, who was supposed to be here, but could not. He traveled to Montreal, travels like two and a half hours and pays $15 to $20 to go skating to ride a skateboard. And I think that, the town could charge $5, which would help cover maintenance costs and things like that. And we can cut costs also by being indoors. You might think that indoors is more expensive, but with an outdoor facility you have to store all the ramps. You can't just leave them out.

CONGRESSMAN SANDERS: Let me just jump in there. Damien, do you have something you wanted to add to that?

DAMIEN WYZGA: No.

CONGRESSMAN SANDERS: Okay. You are here for company.

EWING FOX: I think this would allow kids to have a safe place to be after school, even in the winter, because it goes all the way through. We also have some safety requirements like helmets and safety gear, and legal waivers. It will be expensive though, it won't be cheap, and will require the town's support, and Damien has some ideas on how to finance it.

DAMIEN WYZGA: To finance this endeavor, we are going to draw upon the city skate park fund. As far as I know, I think there is about $60,000 in it. Once the center is open, we are going to maintain it with revenue from vending machines, video games, dollar movies, and a small entrance fee. We will also promote local skate shops in Burton. Burton has excelled in community outreach, programs, including its CHILL program, which I was in. This is a program designed to give youth the chance to snowboard.

We believe that, to begin this program, we will require about $100,000 to build the ramps, jumps and half pipes. This would also include the upkeep. We believe we will receive the support from the community at large, and companies like Burton, Original Sin. Cherry Bone, B Side, Snow School, Snow Board Attic, and the American Ski Corporation.

STATEMENT BY ABBY KRASNER REGARDING STUDENT ACTIVISM

ABBY KRASNER: I am presenting the need for government support for student activism and involvement in politics. This issue is of great importance, because we have the lowest voter turnout in any industrialized nation. Since the voting age is 18, the best time to start to engage people in our political system is in high school. Now, few 18-year-olds know enough about policy issues beyond the sex lives of their politicians.

Our involvement ensures a reversal in the trend of low voter turnout. If this generation started to be involved, our voter registration rates would increase as we got older. Soon almost everyone would have a sense of responsibility for the political and social state of our nation. Also, perhaps our idealism can counteract the cynicism of the older people, to put a positive slant on politics. If we become involved, the word "politics" might not just mean a spectator sport in which people are expected only to care about the winning and losing sides; it might become a word that connotes caring about other people and the condition of our society.

My experience shows that getting young people involved is much less difficult than is ordinarily supposed. I am the co-chair in Vermont for an organization called the International Student Activism Alliance, a nationwide group dedicated to helping students find a voice and express their concerns. In this role, I have discovered many students in the state and county who deeply care about the world around them. They simply lack the resources to connect with each other, and therefore often find it difficult to make a difference.

Since the student activism groups that exist have limited funding, they are unable to reach the number of students they would like to. I propose that state and/or national governments support activism through several methods, including funding. This student/congressional town meeting is a good first step. If every state could have a comparable meeting or conference put together by their Congressperson or other elected official, students around the country would have a forum to exchange their ideas.

The goal would be to involve as many students as possible. Local groups of students would meet more frequently to focus on what their involvement means to their community, state and country. The statewide coalition of groups created by the conference or meeting would communicate regularly. Delegates from the state group would come together in a national conference, where they would be able to share their opinions with people from around the country. Their lawmakers would be requested to meet with the group or with delegates privately, to advise them. This would provide a link to the political system, that would encourage the students to attempt to solve their problems through the system. Another way to connect students around the country is through electronic media. Funding from the state could allow for a central web site to be set up, an E-mail mailing list, or a national database that listed the names and issues of socially active youth around the country.

In all these efforts, we need the advice and support of our lawmakers. We are fledgling activists, and are often so unsure we can change anything that we don't attempt to. If every politician were like Bernie and supported youth involvement through involvements like this, the country would be invigorated by young activists. We need financial support to extend the research of organizations; but we also need moral support to disprove the myth of teen apathy to the world.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Ms. PELOSI. Mr. Chairman, I rise in support of full funding for the National Endowment for the Arts. Federal support is necessary to ensure that broad access to the arts is possible for citizens of all economic backgrounds and all regions of the country. Today, arts agencies in all 50 states and 6 territories receive federal funding through the NEA to support the arts. Prior to the creation of the NEA, few state arts councils awarded grants.

Arts funding in this country rests on the combined support of federal, state, and local public dollars, as well as private donations. Federal dollars are essential in leveraging other support. For example, in FY 1997, $99.5 million in federal dollars was matched with $280 million in state support and $675 million in local funding.

Last week, the House Committee on Appropriations voted 31–27 to provide funding for the NEA. Now, the Republican majority is seeking to undermine the work of the Committee, and set back arts in this country by passing a rule that will allow NEA funding to be zeroed out.

Opponents of the NEA suggest there is little accountability at the agency. However, over the last several years, the NEA has made substantial changes to address Congressional concerns and also make it more responsive to the public.

Recently, six Members of Congress were added to the NEA advisory body, a new NEA

Chairman was unanimously approved by the Senate, and a new grant award program was established to provide for a more equal distribution of arts funds to underserved states. In addition, the NEA also implemented changes in its grant award program to improve accountability by prohibiting the shifting of funds from one project to another.

The NEA has been responsive to concerns raised by Congress and the public. New attempts to cut funding to this agency are without merit. Given that last month the Supreme Court upheld the use by the NEA of "general standards of decency" in awarding grants, the current attacks on the NEA for funding controversial projects are unwarranted.

Over the last three decades, the NEA has substantially increased arts activity in every state in this country. Federal support is needed to ensure that all Americans have an opportunity to discover and enrich their lives by experiencing the arts. I urge my colleagues to support full funding for the NEA.

SECRET SERVICE PRIVILEGE

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to make a few observations about the Secret Service's position on a "Protective Function Privilege" that should exist between the President of the United States and his security detail.

In his ruling denying the Secret Service's request for a stay last week, Supreme Court Chief Justice William Rehnquist stated "in my view, the [Administration] * * * has not demonstrated that * * * enforcing subpoenas [in this case] * * * would cause irreparable harm". I beg to differ. Not only do I believe that there is irreparable harm here, but I also believe that the Secret Service's legal theory stands on firm footing. Furthermore, this decision may cause the President of the United States to push away his "protective envelope", and as a result, make him more vulnerable to assassination.

In this country, we have a profound respect for certain types of relationships. These important relationships are often protected by the law for several reasons. First, because of their value. Many of these relationships, like the doctor-patient, the attorney-client, the priest-penitent and the spousal privilege, are important not only because they are woven from the very fabric of our society, but also because they represent relationships which are necessary for our social institutions to function effectively. It is a rationale well accepted by our courts, for instance, in the case of United States v. United Shoe Machine Corporation, where the court shared its thoughts on the worth of the attorney-client privilege when it said "the social good derived from the proper performance of the functions of lawyers acting on [behalf of] their clients is believed to outweigh the harm that may come from the suppression of the evidence in specific cases." 89 F. Supp. 347 (D. Mass. 1950).

As another example, we rely on the doctor-patient privilege to protect the privacy of medical patients. Without assurances that a Doctor will discuss the medical condition of his clients with others, a patient would be hesitant to seek necessary medical attention. Our institution of medicine would be shaken to its very foundation as a result, and for that reason, we legally protect communications between a patient and their health care professional.

I do not believe that anyone doubts the importance of the relationship between the President and his protectors. I this day and age, we must remember that these people are responsible for protecting the most powerful person on the face of the planet. I do not think any Member of this Congress can, in good faith, state that this is not as important a relationship as that between an attorney and their client, or a doctor and their patient. We have already mourned the death of enough Presidents and civil rights leaders. Assassinations are cataclysmic events. We must do our best to spare the people of this great country, from tragic events reminiscent of the deaths of Presidents Kennedy and Lincoln.

The second reason that we protect these "special relationships" under the law, is because of their nature. We protect them because of their fragility when exposed to the eye of the unyielding public. We fear the susceptibility of these relationships to the harsh conditions of the public courtroom. For instance, one of the reasons that we so vehemently protect the attorney-client privilege is because we must protect a client from having their attorney testify against them at trial. That is not only commonsensical, but necessary to promote candor between a lawyer and the client seeking protection. The Supreme Court, in the case of *Upjohn* v. *United States,* 449 U.S. 383 (1981) emphasized that point when it declared that the purpose of the attorney-client privilege is "to encourage full and frank communications between attorneys and their clients." This is a long-established cornerstone of the common law, developed as far back as the reign of Elizabeth I, and is inscribed in one of the most authoritative treatises of law currently published in the United States, Wigmore's "Evidence."

The relationship between the President and the Secret Service is equally delicate. The "cover and evacuate" strategy developed by the Secret Service over the last few decades specifically requires that agents remain in extremely close proximity to the President. Lewis Merletti, Director of the Secret Service, in his declaration on behalf of his agency's position on this matter, has concluded, that both the McKinley and the Kennedy assassination attempts could have been averted had the agents stayed within their proscribed proximity of the President.

It is also important to understand the complete level of trust that must exist between the President and his guard. Even Former-President Bush has recently stated "I can assure you that had I felt [the Secret Service] would be compelled to testify as to what they had seen or heard, no matter what the subject, I would not have felt comfortable having them close in." That statement singularly spells out the problem in this case, the President of the United States cannot function effectively, and cannot be safe in his person, if he believes that his actions could later be used against him by someone outside of his close circle of advisors.

Even beyond the issues of trust and confidence, the fact that the President must be accompanied by his escort at all times destroys other privileges he may have, such as the one that should exist between himself and his attorneys. That is because, under our law, a communication is not privileged unless it is confidential in other words, made without other people in attendance. The result is that the President is barred from asserting his attorney-client privilege if the people charged with protecting his life are present when he discusses his legal matters. Therefore, not only must we recognize the "Protective Function Privilege" on its own merits, but also to preserve other privileges already recognized by our legal system.

From my perspective, the "Protective Function Privilege" that has been asserted by the Secret Service in recent times has both qualities necessary for the application of a limited privilege. First, the Secret Service performs a function that is necessary in this day and age. It was not long ago that an agent named Timothy J. McCarthy took a bullet for then-President Ronald Reagan. Was it not for his willingness to perform this important duty, history may very well have turned out differently.

The special relationship that the President must have with the members of his detail also supports the position that the "Protective Function Privilege" exists. The motto of the Secret Service is "Worthy of Trust and Confidence". We cannot undermine that essential message by taking away the President's trust and confidence in his faithful protectors. We cannot tolerate any situation where the President will no longer be able to make confidential negotiations in the presence of the people charged with protecting his life. We cannot afford to create the circumstances where our Commander-in-Chief must ask a member of his own security detail to leave the room while he conducts his business. We cannot give any malcontent the slightest opportunity to kill the President of the United States.

We must protect this relationship as we have others. We must protect it, not only for the good of our politicians, but also for the good of the American people.

TOWARD A RENEWED FRIENDSHIP WITH INDIA

HON. ROD R. BLAGOJEVICH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BLAGOJEVICH. Mr. Speaker, I rise today to speak about India, particularly the relationship of the United States with that country. Over the course of 3 days this May, India conducted five nuclear weapons tests. In response, United States law brought about the imposition of punitive sanctions on India. Those tests changed the world's political landscape in ways we cannot yet hope to understand. Naturally, the relationship between India and the United States has also been changed, and, like most change, this change has raised many fears. Some fear that the tests and the resulting sanctions have caused hard feelings that will be difficult to erase. Others fear that India's emergence as a nuclear power makes it difficult for the United States to have anything but an adversarial relationship with India.

These fears are to be expected, but we cannot permit our fears to prevent us from taking the steps we need to take to build a more solid relationship with India. The challenge for America will be wheather we can use this opportunity to redefine the relationship between the United States and India for the 21st Century. Even before these tests, Indo-American relations were in need of a reassessment. A decade ago, the end of the Cold War called for unprecedented change in U.S. foreign policy. Elsewhere, American policy planners responded with new ideas of how to work with other nations, even former adversaries, to build a better world. Yet our relationship with India remained locked in a Cold War mind set, too rigid to respond to new geopolitical realities. This must change.

India is the world's largest democracy. Within our lifetimes, it is expected to become the world's largest country. A strong relationship with India is a benefit to the United States not only geopolitically, but commercially as well. The vastness of its potential wealth is only now being discovered by the world. The people of India have known of that wealth for centuries. That wealth is woven into India's history, land, and culture. But the true source of India's wealth is its people. The people of India share the values of freedom and democracy with the people of our own country. As proud, established democracies, the United States and India have more that unites us than divides us. The United States should make clear that we oppose the proliferation of weapons of mass destruction as the number one threat to global peace and security. But we must also concentrate our efforts on reducing the threats that cause governments to turn to these weapons as a deterrent.

Like many of my colleagues, I am optimistic about the planned meeting between the Prime Ministers of India and Pakistan in Sri Lanka later this month. I am hopeful that this meeting will further reduce tensions in the region by contributing to an atmosphere of dialogue and open minds.

Clearly, tensions in the region have to be solved through bilateral negotiations. Difficult issues like the Kashmir question must not be allowed to lead to further armed conflict. Agreements that call for continued dialogue and peace like the Shimla agreement could provide an ideal framework for this purpose.

With or without nuclear weapons, India is and will be a world power. The question for America is whether we can build a relationship that permits the United States and India to begin the next century as partners. America must acknowledge the reality of a strong, modern India. We must voice our disagreements, but in the context of celebrating our shared values and vision. Close to 1 million Americans of Indian origin live in the United States and contribute greatly to the economic, cultural and technical development of our country. I have full confidence that America can and will embrace this challenge.

TO COMMEMORATE THE CONTRIBUTIONS OF HORACE C. DOWNING

HON. ROBERT C. SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. SCOTT. Mr. Speaker, I rise today to pay tribute to Horace C. Downing, my good friend and long-term community leader in the Third Congressional District of Virginia.

Mr. Downing was born on February 26, 1917. He has amassed a commendable record of community leadership based on a tradition of leading by example. It began with the example he set as a dedicated family man, who, along with his wife Beryl, raised four children who have given them eight grandchildren.

At the age of 81, Mr. Downing remains active in his community as he has been for all of his adult life, including the period of his service to the greater community while in the US Army from 1949 to 1952. He served during the Korean War with the Quartermaster Battalion and the 24th Infantry Combat Team as a non-commissioned officer.

After leaving active duty in the military Mr. Downing threw himself into the community serving first as a supervisor for the Housing Improvement Program of Norfolk, Virginia where he was quickly promoted to Community Relations Officer as a result of his diligent and effective leadership. While in his position with these Housing programs, he became involved in the most important community service endeavor of his career—his work on behalf of the children of his community. As a founder and past president of a number of youth and civic organizations in the Berkley community, Mr. Downing has more than earned the honor of being known affectionately as the "Mayor of Berkley".

Mr. Downing went on to found or hold membership in thirty-five different organizations. These memberships range from community parent/teacher associations, human resource and business groups, the NAACP and youth groups to city-wide and state-wide organizations.

Mr. Downing demonstrated to the students that surrounded him the value of the concept of life-long learning by continuing his education into his sixties. At a time when students and young people are inundated with negative images and lack role models who show true care for them and the problems they face, he has been a beacon of light for them. While many in our community have written young people off as apathetic and uninvolved, Mr. Downing has founded organizations that promote political and civic responsibility in young people.

Mr. Downing has been honored by the VA Extension Service, Norfolk Public Schools, Norfolk Model City Commission, Virginia Federation of Parent Teachers Associations and other organizations in his community and across the state. So, it is with honor that I call attention to his contributions before the Congress and the nation and I ask that these remarks be made a part of the permanent records of this body. Thank you, Mr. Speaker.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

SPEECH OF

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Ms. ESHOO. Mr. Speaker, it is with great pride that I rise in support of H.R. 1689, the Securities Litigation Uniform Standards Act of 1998. Over a year ago Representative WHITE and I introduced this legislation. Since then there has been a groundswell of support for this legislation. The Senate approved the companion bill, S. 1260, by a vote of 79–21. The Securities and Exchange Commission and the Clinton Administration have endorsed the legislation. The House bill we are considering today has 232 cosponsors. Today, under Suspension of the Rules, the House will pass this important piece of legislation.

I want to thank you Chairman BLILEY for the open way you have worked to bring this bill to the floor. In the past few months both the majority and minority side have worked to tighten and clean up the bill language before us today. I believe it is a much improved product.

As the primary Democratic sponsor, let me briefly discuss the need for this bill.

In 1995, Congress passed the Private Securities Litigation Reform Act. This law represented a bipartisan attempt to deal with the problem of meritless "strike suits" filed against high-growth companies. In most instances, these cases were settled out of court because companies made the calculation that it was cheaper to pay off the strike suit lawyer than become engaged in a protracted legal fight.

These class actions have had a considerable impact on the high technology industry, especially those in Silicon Valley which I have the privilege to represent. High technology companies account for 34% of all the securities issuers sued last year, and 62% of all cases are filed in California. It's ironic that the very companies that have contributed disproportionately to the economic health of our nation and have been a great source of wealth for investors are the ones being harassed. They are being penalized for success.

The 1995 reforms are now being undermined by a shift to state courts of cases involving nationally traded securities, which prior to 1995 were heard in federal courts. Analysis shows a clear motivation for this shift to state courts. The SEC staff report found that 53% of the cases filed cited claims based on forward-looking statements. Also, as Chairman Levitt pointed out in testimony last year before the House Commerce Committee, 55% of the cases filed at the state level are essentially identical to those brought by the same law firm in federal court.

Migration to state courts is not a minor problem. It represents an undermining of core reforms implemented in the 1995 Reform Act, because the Reform Act relies on uniform application and enforcement of the law to be effective. Without this uniform standard, the law is undermined, the strike suits continue, and companies and investors are held hostage. This is particularly true for two key elements of the 1995 Reform Act: Safe Harbor and Stay of Discovery.

When companies refrain from disclosing information about their projected performance, investors are unable to make informed decisions. Most companies are eager to talk about what they are doing. But the threat of meritless suits places a chill on disclosure. This is because any Wall Street analyst's expectation can cause a company's stock to fluctuate, even if the company is growing at a rate of 20% or 30%. Those filing the strike suit then claim that any forward-looking statement, even if it was clearly an estimate and not a promise of stock performance, is grounds for a civil action.

Companies responded by ceasing to make forward-looking statements. The 1995 Reform Act instituted a safe harbor for companies making forward-looking statements as long as those statements were not false or misleading. However, because of the threat of actions in state courts where there is no safe harbor, this provision still has yet to be implemented. I've received letters from hundreds of business leaders who say they will continue to refrain from making forward looking statements as long as the threat of litigation not covered by safe harbor remains. As a result the most investor and consumer-friendly portion of the 1995 Reform Act is not being used.

The second key element of reform is the stay of discovery pending motions to dismiss. Discovery is often the most costly part of the litigation process. It's especially burdensome when plaintiff lawyers tie up executives' time and request, literally, millions of pages of documents. As long as this threat is present, companies will have a greater incentive to settle early and avoid the cost of discovery than fight—even if the case has no merit. To counter this problem we enacted a stay of discovery in the 1995 Act. This does not prohibit plaintiffs from filing their cases, nor does it prohibit cases that have merit from moving forward. It merely delays the discovery process until a judge can rule on a motion to dismiss.

Because of the shift to state courts, the stay of discovery is not in place. The threat of huge legal costs remains and the incentive to settle meritless cases continues. Even worse, plaintiff lawyers are able to file a case in state courts, go through a process of discovery—basically a fishing expedition—and then take those documents into federal court.

It is this undermining of the federal law that prompted Representative WHITE and I to introduce our bill. I would like to make clear that the bill is not a federal power grab. We are returning to federal courts cases which until the 1995 Reform Act had always been heard in federal courts. It is limited in scope, and only extends to private class action lawsuits involving nationally-traded securities. State regulators and law enforcement officials maintain their full range of options to take both criminal and civil action in state or federal court. It's a targeted approach to a specific problem.

I want to emphasize that this legislation is not premature. In some instances, the impact of certain provisions of the Reform Act is not clear because the courts are just beginning to consider these cases. This may be true for cases involving the pleading standard or lead plaintiff reforms, but in the case of the stay of discovery and safe harbor provisions this concern does not apply. As long as the threat of state court actions remains, the safe harbor reform will never be implemented. Companies will refrain from making forward-looking statements and investors will be denied access to information. In short, there are no cases whose outcomes we can wait for, because there are no cases.

The same is true for the stay of discovery provision. It is the threat of costly discovery that motivates companies to settle. As long as that threat remains at the state court level, we will never know if the stay of discovery will succeed in weeding out meritless cases.

To build a strong base of support and increase the chances for approval, I have worked with supporters of the Uniform Standards legislation and SEC Chairman Levitt to address three specific concerns that he raised. First, the so-called "Delaware Problem." The SEC was concerned that language in our bill would pre-empt, not only cases traditionally filed in federal courts prior to 1995, but also could pre-empt state laws regarding informing stockholders of mergers or other sell orders. These corporate actions are traditionally monitored by state regulators, and in the case of Delaware there is a long standing common law tradition. It was not our intention to undermine this state law, and working with the SEC, the American Bar Association and the Delaware Bar, I believe we have developed effective language to carve-out these cases from our bill.

Second, the definition of Class Action is clarified. We attempted to close a loophole, and the language of H.R. 1689 encompassed a large category of private actions. The SEC asked that the bill be modified to define class action as something closer to the current federal understanding. This language, along with the Delaware language, was added during the Senate consideration and House Commerce Committee mark-up of the Uniform Standards bill.

The third issue is that of recklessness. During the Senate consideration of the S. 1260 the companion bill to H.R. 1689, language was included during the debate and the committee report. This language was inserted to clarify what was intended by the Congress in its passage of the 1995 Reform Act. As part of the House debate Representative COX and I engaged in a colloquy that "Congress, did not in adopting the Reform Act, intend to alter standards of liability under the Exchange Act."

Congress heard testimony from the Securities and Exchange Commission and others regarding the scienter requirement under a possible national standard of litigation for nationally-traded securities. I understand this concern arises out of certain Federal district courts' interpretation of the Private Securities Litigation Reform Act of 1995 (PL 104–67). In that regard I want to emphasize that the clear intent in 1995 and our continuing intent in this legislation is that neither the PSLRA nor H.R. 1689 in any way alters the scienter standard in federal securities fraud suits. It was the intent of Congress, as we expressly stated during the debate on overriding the President's veto, that the PSLRA establish a national uniform standard on pleading requirements by adopting the pleading standard applied by the Second Circuit Court of Appeals. Indeed the express language of the PSLRA itself carefully provides that plaintiffs must "state with particularity facts given rise to a strong inference that the defendant acted with the required state of mind." Neither the PSLRA nor H.R. 1689 makes any attempt to define that state of mind.

As Senator DODD, the primary Democratic sponsor of this bill and the Reform Act, has said, "the recklessness standard has been a good standard over the years and ought not to be tampered with, in my opinion." I couldn't agree more.

Before I conclude I would also like to pay special tribute to subcommittee ranking member THOMAS MANTON. The grace and dignity with which he has conducted himself as a Member of this body is a model for those of us who remain, and he will be sorely missed. During Commerce Committee consideration of H.R. 1689, he included language related to extending SEC's ability to enforce. I support his amendment and pledge to work with him as this bill goes forward to restore his amendment.

Lastly, I would like to thank all those involved in bringing this bill to the floor for a vote today, including Chairman BLILEY, Ranking Member OXLEY, Representative TAUZIN, and Ranking Member MANTON, I would especially like to thank Ranking Member DINGELL and Representative MARKEY, even though they oppose the legislation; the constructive and helpful contributions they made have improved this bill. I would also like to commend my partner, Representative WHITE, for all of his work and attention to this bill.

I thank my colleagues for their support and look forward to this bill becoming law.

THE INTRODUCTION OF THE "WESTERN HEMISPHERE DRUG ELIMINATION ACT"

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. McCOLLUM. Mr. Speaker, today I am pleased to introduce the "Western Hemisphere Drug Elimination Act."

Everyone involved in fighting to control drug use in America agrees that the demand side is very important. Prevention, education, treatment and law enforcement are all critical elements of a successful anti-narcotics program. But with the streets of our nation flooded with more cocaine and heroin at cheaper prices than at any time in our history no one should expect demand-side efforts to succeed until the supply of drugs coming into our nation from abroad is dramatically reduced.

The $2.3 billion authorization bill being introduced today is designed to provide the resources and the direction to wage a real war on drugs before they get to the borders of the United States. The Administration plan promulgated earlier this year calls for a reduction of illegal narcotics flowing from overseas by 50% in ten years. This is totally inadequate. The plan put forth in our legislation is designed to cut the flow of drugs into our country by 80% within three years. It is the most dramatic, exhaustive, targeted effort ever conceived to stop the drug flow from Latin America.

Where did the plan come from and what does it do? All of the cocaine entering the United States comes from Colombia, Peru, and Bolivia. More than half the heroin entering the United States and virtually all of it in the eastern half comes from Colombia. While some heroin is produced in Mexico, Mexico is principally a transit country with drug lords who have negotiated wholesale purchases from Colombian drug lords and who smuggle the products across the Mexican/U.S. border and operate drug trafficking syndicates throughout much of the country. The key to our plan is to cut the flow of cocaine and heroin not only before it reaches the United States, but before it reaches Mexico. The plan and the specific resources authorized in this bill were developed from a "bottom-up" review involving extensive input from the Department of Defense, State Department, Drug Enforcement Administration and U.S. Intelligence personnel on the ground working in Columbia, Peru, Bolivia, and the transit zone north of there. All the key personnel who work this issue every day in the region believe that with the resources authorized in this bill and the proper leadership and direction from drug-fighting authorities within the Executive Branch, the flow of drugs out of each of the three source countries of Colombia, Peru and Bolivia can be cut by 80% within as little as two years, let alone the three contemplated in this bill. This requires the cooperation of the governments of the three countries, which involved officials are convinced is there for the asking. It requires U.S. cooperation, coordination and support. It does not involve U.S. military intervention, but it does require the Department of Defense to place a higher priority on anti-narcotics efforts so that key equipment, training, and operation and maintenance support that our military alone can provide are made available.

A little over two years ago, President Fujimori of Peru instituted a shoot-down policy for small aircraft leaving Peru with raw coca product to be refined by Colombian drug lords. This was made possible by U.S. manned radar surveillance and intelligence information. The program has been remarkably successful and has resulted in a more than 40% reduction in coca production in Peru in that two year period. Those involved with the Peruvian program are convinced that with greater resources, especially flying time of U.S. radar equipped planes, the flow of coca product from Peru can be virtually eliminated and crop eradication and substitution programs can cut production to a trickle. Cocaine is refined in Bolivia as well as produced. Currently most of the raw product and the refined product are transported over two or three key highways going to and leaving Santa Cruz, Bolivia. With resources in this legislation, the government of Bolivia can choke off this trafficking and extinguish in infancy the air trafficking efforts which are sure to result when the ground transportation has been choked.

In Colombia, the air bridge is critical, too. The refined product from the southern one-third of the country where it is grown and produced must be flown over the mountains to get to the coasts to leave by boat or air or highway transportation on to Mexico or the United States. With the resources in this bill, the Colombian government can halt these air flights just as the Peruvian government has done. Furthermore, with the helicopters provided and other crop eradication enhancements, poppy crops can be totally eradicated and heroin production stopped almost immediately. Resources provided in the bill also cover what it takes to completely eradicate coca production in Colombia and destroy all the cocaine laboratories within the three year timetable envisioned.

To accomplish these objectives requires the acquisition of numerous P–3 aircraft equipped with special radar and the deployment of crews and operational and maintenance supply lines to provide virtually 24 hour around the clock radar coverage of the three countries in question. It also envisages this coverage of the Caribbean, Gulf of Mexico and Eastern Pacific which together with the over-the-horizon-radar (ROTHR) coming online from Puerto Rico will enable the mapping, tracking and identification of all small aircraft in the region. The authorized new Coast Guard vessels and Customs aircraft and vessels will allow chase and interdiction of virtually all vessels and private planes identified as likely drug carrying suspects in the transit zone. This will fill the huge interdiction gap that has existed since interdiction resources in the region were cut by more than ⅔ in 1993. And it will allow for interdiction which does not exist at all today in the eastern Pacific from Colombia to Mexico and the U.S. west coast.

Based on the concept that "strong fences make good neighbors," this strategy is designed to strengthen the counter-narcotics infrastructure in source countries and transit zones from 1999 through 2001. Such infrastructure will require a mix of improved intelligence, personnel, technology and training. The strategy envisions a series of counter-narcotics "fences" drawing on human and technical intelligence capabilities to support drug eradication and interdiction efforts in Bolivia, Peru, Columbia, Central America, the Caribbean, Mexico and the Southwest Border region of the United States.

The breakdown of regional initiatives is as follows:

$430 million—Enhance overhead coverage of source zone countries through dedicated procurement of 10 P–3B airborne early warning aircraft by the U.S. Customs Air Wing (Section 101)

$47 million—Provide operations and maintenance support for 10 P–3B early warning aircraft for fiscal years 2000 and 2001 (Section 101)

$25 million—Provide personnel support for 10 P–3B early warning aircraft for fiscal years 2000 and 2001 (Section 101)

$150 million—Enhance overhead coverage of source zone countries through dedicated procurement of 10 P–3B Slick aircraft by the U.S. Customs Air Wing (Section 101)

$47 million—Provide operations and maintenance support for 10 P–3B Slick aircraft for fiscal years 2000 and 2001 (Section 101)

$25 million—Provide personnel support for 10 P–3B Slick aircraft for fiscal years 2000 and 2001 (Section 101)

$300 million—Establishment of an airbase to support U.S. counter narcotics operations in the southern Caribbean, northern South America and the eastern Pacific; this proposed facility would take over operations currently coordinated by the Howard Air Force Base in Panama (Section 101)

$289 million—Construction of 6 U.S. Coast Guard Medium Endurance Cutters for enhanced maritime coverage of Atlantic/Caribbean and Eastern Pacific transit zones (Section 102)

$40.213 million—Funds to hire DEA special agents and investigative support personnel for overseas assignments (Section 501)

$15 million—Establishment of a Relocatable Over-The Horizon Radar (ROTHR) to provide in-depth radar coverage of eastern Pacific, southern Caribbean and much of South America (Section 103)

$13.4 million—Allocate $2 million for International Law Enforcement Academies in Asia (+$2.4 million for operations and maintenance for fiscal years 2000 and 2001); $3 million for Latin America and the Caribbean (+$2.4 million for operations and maintenance for fiscal years 2000 and 2001); and $1.2 million for Africa (+$2.4 million for operations and maintenance for fiscal years 2000 and 2001) (Section 401)

$9 million—Establishment of Latin/Caribbean regional training center in maritime law enforcement and ports management in San Juan, Puerto Rico with operations and maintenance funding provided through fiscal year 2001. Lead agencies should be the USCG and the Customs Service (Section 401)

$15 million—Establishment of an USCG International Maritime Training and Repair Ship to visit participating Latin and Caribbean nations on a rotating schedule, providing maintenance and law enforcement training, and to perform maintenance on participating nation assets. Will require refitting of a USCG buoy tender (Section 401)

$8.67 million—Funds to support operations and maintenance for 1 USCG PC–170 vessel for counter-drug operations (Section 102)

$18.6 million—Funds for operations and maintenance of 2 reactivated USCG T–AGOS with C41 suite for detection and monitoring (Section 102)

$9.74 million—Funds for acquisition and construction of 2 additional USCG T–AGOS vessels (Section 102)

$30.39 million—Funds for acquisition and construction of 7 USCG 87-foot Maritime Interdiction Patrol Boats (Section 102)

$13.53 million—Funds to support operations and maintenance for 7 USCG 87-foot Maritime Interdiction Patrol Boats (Section 102)

$2.1 million—Funds to purchase FLIR and GPS capability for USCG Blackhawk helicopters (Section 501)

$6.3 million—Funds to support increased HH–65A patrol hours for the USCG through fiscal year 2001 (Section 501)

$2.49 million—Funds to support increased HC–130 patrol hours for the USCG through fiscal year 2001 (Section 501)

$22.44 million—Funds to support increased USCG patrol boat hours and support in the Caribbean and the eastern Pacific through fiscal year 2001 (Section 501)

$12.78 million—Funds to support installation of satellite communications systems on 110-foot USCG patrol boats (Section 501)

$9 million—Funds to support installation of FLIR capability on USCG HU–25 maritime patrol aircraft (Section 501)

$30 million—Funds to support USCG operations and maintenance in the transit zone through fiscal year 2001 (Section 501)

$1.5 million—Funds to support increased USCG law enforcement training in the Caribbean and Central America (Section 501)

$7.61 million—Funds to reactivate 3 USCG HU–25 maritime patrol aircraft and to support operations and maintenance through fiscal year 2001 (Section 501)

$8.272 million—Funds to support DEA's Merlin program (Section 501)

$4.5 million—Funds to support DEA's intercept program (Section 501)

$2.4 million—Funds to support DEA's Narcotics Enforcement Data Retrieval System (Section 501)

$3.515 million—Support for DEA's Caribbean Initiative to purchase aviation and technical equipment (Section 501)

$3 million—To purchase 1 Schweizer observation aircraft and to provide operations and maintenance costs through fiscal year 2001 (Section 101)

$6 million—To purchase 2 Schweizer observation/spray aircraft and to provide operations and maintenance costs through fiscal year 2001 (Section 101)

$12 million—To purchase 1 J–31 observation aircraft and to provide operations and maintenance costs through fiscal year 2001 (Section 101)

$20 million—To fund the provision of commercial unclassified intelligence and imaging data using the passive coherent location system to regional counter-drug police forces through fiscal year 2001 (Section 501)

$30 million—O&M support for 10 US Customs Service Citations to be dedicated to the source and transit zones through fiscal year 2001 (Section 501)

$6 million—Funds to support the consolidation of the Defense Department's Joint Inter-Agency Task Forces at a site in Key West, Florida and to support the consolidated JIATF from fiscal year 1999 through fiscal year 2001 (Section 501)

$0.5 million—Funds to support ONDCP study to evaluate transfer of overseas interdiction and eradication activities from State/INL to the Drug Enforcement Administration (Section 207)

Regional Initiatives Subtotal: $1676.95 million.

In addition, the following are specific country initiatives:

Colombia

FOCUSED OPIUM ERADICATION STRATEGY

$72 million—To fund the purchase of 6 UH–60L Black Hawk helicopters for the Colombian National Police (Section 201)

ENHANCED COCA ERADICATION STRATEGY

$70 million—To fund conversion kits for 50 UH–1H helos (at $1.4 million per kit) for conversion into Superhueys (Section 201)

$18 million—To sustain support of Colombian National Police (CNP) helicopters and fixed wing fleet for eradication purposes through fiscal year 2001 (Section 201)

$6 million—For minigun systems for CNP aircraft through fiscal year 2001 (Section 201)

$2 million—For the purchase of CNP DC–3 transport aircraft (Section 201)

OTHER NEEDS

$15 million—For start-up and operations costs associated with USAID alternative development programs in Guaviare, Putumayo, and Caqueta Departments (Section 301)

$6 million—To fund 5 riverine operations maintenance platforms for the Colombian Army through fiscal year 2001 (Section 201)

$18 million—To fund operations and maintenance for overhead coverage in Colombia through fiscal year 2001 (Section 101)

$1.25 million—For concertina wire and tunneling detection systems at CNP's La Picota prison (Section 201)

Colombia Subtotal: $208.25 million.

Bolivia

$7 million—Procurement of 2 mobile X-ray machines with maintenance support along Chapare highway (Section 203)

$15 million—Enhance USAID alternative development programs in Chapare and Yungas Regions (Section 301)

$6 million—To fund operations and maintenance for overhead coverage in Bolivia through fiscal year 2001 (Section 101)

$3 million—Air operations support for Bolivian Red Devils through fiscal year 2001 (Section 203)

$3 million—Riverine operations support for Bolivian Blue Devils through fiscal year 2001 (Section 203)

$3 million—Coca eradication programs through fiscal year 2001 (Section 203)

Bolivia Subtotal: $37 million.

Peru

$150 million—To enhance USAID alternative development program in Ucayali, Apurimac and Huallaga Valley Regions through fiscal year 2001 (Section 301)

$18 million—To fund operations and maintenance for overhead coverage in Peru through fiscal year 2001 (Section 101)

$1.5 million—To support multinational riverine and small boat maintenance training program for Peru, Venezuela, Brazil and Colombia in Iquitos, Peru (Section 202)

$5 million—To establish a third site at Puerto Maldonado to support counter-narcotics airbridge and riverine missions through fiscal year 2001 (Section 202)

Peru Subtotal: $174.5 million.

Ecuador

$3.0 million—To fund build-up in local Coast Guard and port control in Guayaquil and Esmeraldas with assistance from the Customs Service and the US Coast Guard (Section 402)

$1.5 million—To provide assistance for enhanced precursor chemical control projects (Section 205)

Ecuador Subtotal: $4.5 million.

Brazil

$3 million—to enhance support to Brazilian Federal Police Training Center through fiscal year 2001 (Section 402)

Brazil Subtotal: $3.0 million.

Venezuela

$3.0 million—To support funding for joint National Guard (GN)/Judicial Technical Police (PTJ) Counterdrug Intelligence Center through fiscal year 2001 (Section 402)

Venezuela Subtotal: $3.0 million.

Panama

$3.0 million—Locate surplus USCG/USN assets to strengthen Panamanian Coast Guard (SMN) to adequately patrol Atlantic and Pacific Coasts through fiscal year 2001 (Section 402)

Panama Subtotal: $3.0 million.

Haiti & Dominican Republic

$3.0 million—Enhance "Frontier Lance" operations and maintenance (now just 2 USCG cutters, 4 Patrol boats, 1 C–130, 2 helos) by positioning additional USCG and USN assets at Barahona, Dominican Republic and Cayes, Haiti (Section 501)

$1.5 million—Fund build-up in local Coast Guard and port control in Haiti and Dominican Republic through fiscal year 2001 (Section 402)

Haiti/Dominican Republic Subtotal: $4.5 million.

Central America

$36 million—Fund build-up in local Coast Guard and port control in Belize, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua through fiscal year 2001 (Section 402)

Central America Subtotal: $36.0 million.

Mexico

FOCUSED OPIUM ERADICATION STRATEGY

$18 million—To purchase 6 Bell 212 (high-altitude capable helos) under Mexican Attorney General to be specifically dedicated for Mexico's opium eradication program in Guerrero, Jalisco and Sinaloa through fiscal year 2001 (Section 204)

ENHANCED RULE OF LAW INITIATIVES

$6 million—To fund exchanges for Mexican judges, prosecutors and police through the US Department of Justice (Section 402)

Mexico Subtotal: $24.0 million.

Bahamas and Cuba

ENHANCED MARITIME END-GAME/GO FAST INITIATIVE

$3.2 million—FLIR + GPS capability for 3 USCG and DEA Blackhawk helicopters (Section 501)

$13.5 million (including $9 million for O&M)—Restoration of aerostat coverage at Georgetown, Exuma, Bahamas (Section 103)

$0.9 million—Establishment of ground-based radar coverage at Guantanamo Bay, Cuba for fiscal years 1999 through 2001 (Section 103)

$3.0 million—Procurement of intelligent acoustic detection buoys in Florida Straits and Bahama Banks and operations and maintenance costs through fiscal year 2001 (Section 501)

$2.1 million—Procurement of nonlethal technology program against GoFast Boat Threat (Section 501)

$0.5 million—Funds to support operations and maintenance costs for 10 10-meter RHIB Interceptor Fastboats (Section 102)

Bahamas and Cuba Subtotal: $23.20 million.

Caribbean and Eastern Pacific Regional Coverage

$100 million—To fund operations and maintenance for overhead coverage in the Caribbean and Eastern Pacific regions through fiscal year 2001 (Section 101)

Caribbean and Eastern Pacific Subtotal: $100 million.

STRATEGY TOTAL: $2297.9 million.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference.

This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 23, 1998, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 27

1:00 p.m.

Special on Aging

To hold hearings to examine allegations of neglect in certain California nursing homes and the overall infrastructure that regulates these homes.

SH–216

JULY 28

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on the nominations of Ritajean Hartung Butterworth, of Washington, and Diane D. Blair, of Arkansas, each to be a Member of the Board of Directors of the Corporation for Public Broadcasting; to be followed by hearings to examine why cable rates continue to increase.

SR–253

Energy and Natural Resources

To hold hearings to examine the March 31, 1998 Government Accounting Office report on the Forest Service, focusing on Alaska region operating costs.

SD–366

10:00 a.m.

Labor and Human Resources

To hold hearings to examine the science of addiction and options for substance abuse treatment.

SD–430

Special on Aging

To continue hearings to examine allegations of neglect in certain California nursing homes and the overall infrastructure that regulates these homes.

SH–216

JULY 29

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold oversight hearings on the Department of Agriculture's progress in consolidating and downsizing its opearations.

SR–332

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR–253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD–366

Judiciary

To hold hearings on S. 1554, to provide for relief from excessive punitive damage awards in cases involving primarily financial loss by establishing rules for proportionality between the amount of punitive damages and the amount of economic loss.

SD–226

Labor and Human Resources

Business meeting, to mark up S. 1380, Charter Schools Expansion Act, and S. 2213, Education Flexibility Amendments of 1998.

SD–430

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to mark up S. 1405, to provide for improved monetary policy and regulatory reform in financial institution management and activities, to streamline financial regulatory agency actions, and to provide for improved consumer credit disclosure.

SD–538

Governmental Affairs

To hold hearings on S. 2161, to provide Government-wide accounting of regulatory costs and benefits, and S. 1675, to establish a Congressional Office of Regulatory Analysis.

SD–342

2:00 p.m.

Governmental Affairs

International Security, Proliferation and Federal Services Subcommittee

To hold hearings to examine the satellite export licensing process.

SD–342

Judiciary

Immigration Subcommittee

To hold oversight hearings on enforcement activities of the Immigration and Naturalization Service, Department of Justice.

SD–226

JULY 30

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review a recent concept release by the Commodity Futures Trading Commission on over-the-counter derivatives, and on related proposals by the Treasury Department, the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission.

SD–106

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings to examine international satellite reform.

SR–253

Judiciary

Business meeting, to consider pending calendar business.

SD–226

SEPTEMBER 2

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine the impact of United States satellite technology transfer to China.

SR–253

SEPTEMBER 10

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To resume hearings to examine international satellite reform.

SR–253

OCTOBER 6

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans Affairs on the legislative recommendations of the American Legion.

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